



**Media Release**

## **Kotak Mahindra Bank Announces Results**

***Kotak Mahindra Bank Standalone PAT for Q1FY24 ₹ 3,452 crore, up 67% YoY***

***Consolidated PAT for Q1FY24 ₹ 4,150 crore, up 51% YoY***

**Mumbai, 22<sup>nd</sup> July, 2023:** The Board of Directors of Kotak Mahindra Bank (“the Bank”) approved the unaudited standalone and consolidated results for the quarter ended June 30, 2023, at the Board meeting held in Mumbai, today.

### **Kotak Mahindra Bank standalone results**

The Bank’s PAT for Q1FY24 stood at ₹ 3,452 crore, up 67% YoY from ₹ 2,071 crore in Q1FY23.

Net Interest Income (NII) for Q1FY24 increased to ₹ 6,234 crore, from ₹ 4,697 crore in Q1FY23, up 33% YoY. Net Interest Margin (NIM) was 5.57% for Q1FY24.

Fees and services for Q1FY24 increased to ₹ 1,827 crore from ₹ 1,528 crore in Q1FY23, up 20% YoY.

Operating profit for Q1FY24 was ₹ 4,950 crore, up 78% YoY (Q1FY23: ₹ 2,783 crore).

Customers as at June 30, 2023 were 43.5 mn (34.5 mn as at June 30, 2022).

Advances (incl. IBPC & BRDS) increased 19% YoY to ₹ 3,37,031 crore as at June 30, 2023 from ₹ 282,665 crore as at June 30, 2022. Customer Assets, which comprises Advances (incl. IBPC & BRDS) and Credit Substitutes, increased by 18% YoY to ₹ 3,62,204 crore as at June 30, 2023 from ₹ 3,06,123 crore as at June 30, 2022.

Unsecured retail advances (incl. Retail Micro Finance) as a % of net advances stood at 10.7% as at June 30, 2023. (7.9% as at June 30, 2022).

CASA ratio as at June 30, 2023 stood at 49.0%.

Average Current deposits grew to ₹ 59,431 crore for Q1FY24 compared to ₹ 55,081 crore for Q1FY23 up 8%. Average Savings deposits stood at ₹ 119,817 crore as at June 30, 2023 (₹ 121,521 crore as at June 30, 2022). Average Term deposit up 40% from ₹ 130,035 crore for Q1FY23 to ₹ 182,047 crore for Q1FY24.

ActivMoney was launched in Q1FY24 and TD sweep balance grew 24% QoQ (non-annualised) to ₹ 28,990 crore.

As at June 30, 2023, GNPA was 1.77% & NNPA was 0.40% (GNPA was 2.24% & NNPA was 0.62% at June 30, 2022). The provision coverage ratio stood at 78.0%.

Capital Adequacy Ratio of the Bank, as at June 30, 2023 was 22.0% and CET I ratio of 20.9% (including unaudited profits).

## Consolidated results at a glance

Consolidated PAT for Q1FY24 was ₹ 4,150 crore, up 51% YoY from ₹ 2,755 crore in Q1FY23.

PAT of Bank and key subsidiaries given below:

PAT (₹ crore)	Q1FY24	Q1FY23
Kotak Mahindra Bank	3,452	2,071
Kotak Securities	219	219
Kotak Mahindra Prime*	218	157
Kotak Mahindra Life Insurance	193	248
Kotak Asset Management & Trustee Company	106	106
Kotak Mahindra Investments	102	63
BSS Microfinance	95	56
Kotak Mahindra Capital Company	55	51

\* Kotak Mahindra Prime Q1FY23 PBT is lower by ₹ 101 crore on account of change in accounting policy with respect to brokerage cost

At the consolidated level, the Return on Assets (ROA) for Q1FY24 (annualized) was 2.63% (2.04% for Q1FY23). Return on Equity (ROE) for Q1FY24 (annualized) was 14.62% (11.22% for Q1FY23).

Consolidated Capital Adequacy Ratio as per Basel III as at June 30, 2023 was 23.3% and CET I ratio was 22.3% (including unaudited profits).

Consolidated Capital and Reserves & Surplus as at June 30, 2023 was ₹ 1,16,500 crore (₹ 1,00,078 crore as at June 30, 2022). The Book Value per Share was ₹ 584.

Consolidated Customer Assets which comprises Advances (incl. IBPC & BRDS) and Credit Substitutes grew by 19% YoY from ₹ 3,39,606 crore as at June 30, 2022 to ₹ 4,05,775 crore as at June 30, 2023.

Total assets managed / advised by the Group as at June 30, 2023 were ₹ 4,66,878 crore up 23% YoY over ₹ 3,78,474 crore as at June 30, 2022. The Alternate Assets' AUM (includes undrawn commitments, wherever applicable) increased by 90% YoY to ₹ 46,443 crore as at June 30, 2023.

*The financial statements of Indian subsidiaries (excluding insurance companies) and associates are prepared as per Indian Accounting Standards in accordance with the Companies (Indian Accounting Standards) Rules, 2015. The financial statements of subsidiaries located outside India are prepared in accordance with accounting principles generally accepted in their respective countries. However, for the purpose of preparation of the consolidated financial results, the results of subsidiaries and associates are in accordance with Generally Accepted Accounting Principles in India ('GAAP') specified under Section 133 and relevant provision of Companies Act, 2013.*



### About Kotak Mahindra Group

Established in 1985, Kotak Mahindra Group is one of India's leading financial services conglomerates. In February 2003, Kotak Mahindra Finance Ltd. (KMFL), the Group's flagship company, received banking license from the Reserve Bank of India (RBI), becoming the first non-banking finance company in India to convert into a bank - Kotak Mahindra Bank Ltd (KMBL).

Kotak Mahindra Group (Group) offers a wide range of financial services that encompass every sphere of life. From commercial banking, to stock broking, mutual funds, life and general insurance and investment banking, the Group caters to the diverse financial needs of individuals and the corporate sector. The premise of Kotak Mahindra Group's business model is *concentrated India, diversified financial services*. The bold vision that underscores the Group's growth is an inclusive one, with a host of products and services designed to address the needs of the unbanked and insufficiently banked.

Kotak Mahindra Group has a global presence through its subsidiaries in UK, USA, Gulf Region, Singapore and Mauritius with offices in London, New York, Dubai, Abu Dhabi, Singapore and Mauritius respectively. As on 30<sup>th</sup> June, 2023, Kotak Mahindra Bank Ltd has a national footprint of 1,788 branches and 3,047 ATMs, and branches in GIFT City and DIFC (Dubai).

For more information, please visit the Company's website at <https://www.kotak.com>

For further information, please contact

Revathi Pandit Kotak Mahindra Bank Mobile: +91 98202 37909 <a href="mailto:Revathi.pandit@kotak.com">Revathi.pandit@kotak.com</a>	Mahesh Nayak Kotak Mahindra Bank Mobile: +91 9870476989 <a href="mailto:mahesh.nayak@kotak.com">mahesh.nayak@kotak.com</a>	Sujit Dongre Weber Shandwick Mobile: +91 9833313639 <a href="mailto:sdongre@webershandwick.com">sdongre@webershandwick.com</a>	Suvidha Awle Weber Shandwick Mobile: +91 9769777935 <a href="mailto:Aawle@webershandwick.com">Aawle@webershandwick.com</a>
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**KOTAK MAHINDRA BANK LIMITED (CONSOLIDATED)**

CIN: L65110MH1985PLC038137

Registered Office: 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

**UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>TH</sup> JUNE, 2023**

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Sr No	Particulars	Quarter ended			crore
		30-Jun-23 (Unaudited)	31-Mar-23 (Audited) Refer Note 4	30-Jun-22 (Unaudited)	Year ended 31-Mar-23 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>12,868.93</b>	<b>11,981.63</b>	<b>9,164.31</b>	<b>42,151.06</b>
	(a) Interest/discount on advances/bills	9,426.83	8,821.36	6,528.65	30,735.06
	(b) Income on investments	3,063.95	2,815.55	2,236.52	9,894.41
	(c) Interest on balances with Reserve Bank of India & other interbank funds	275.76	229.09	287.61	1,029.35
	(d) Others	102.39	115.63	111.53	492.24
2	<b>Other income (a+b+c)</b>	<b>7,854.98</b>	<b>8,784.88</b>	<b>2,404.78</b>	<b>25,990.97</b>
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	1,839.46	(489.37)	(1,650.41)	(96.54)
	(b) Premium on Insurance Business	2,745.16	6,307.19	2,344.54	15,799.86
	(c) Other income (Refer Notes 5)	3,270.36	2,967.06	1,710.65	10,287.65
3	<b>Total income (1+2)</b>	<b>20,723.91</b>	<b>20,766.51</b>	<b>11,569.09</b>	<b>68,142.03</b>
4	Interest expended	4,834.08	4,229.65	3,004.27	14,411.13
5	<b>Operating expenses (a+b+c)</b>	<b>9,889.62</b>	<b>10,399.80</b>	<b>4,870.12</b>	<b>33,645.04</b>
	(a) Employees Cost	2,434.06	2,301.29	1,839.09	8,479.03
	(b) Policy holders' reserves, surrender expense and claims (Refer Note 7)	4,583.96	5,139.95	584.46	14,272.85
	(c) Other operating expenses	2,871.60	2,958.56	2,446.57	10,893.16
6	<b>Total expenditure (4+5) (excluding provisions and contingencies)</b>	<b>14,723.70</b>	<b>14,629.45</b>	<b>7,874.39</b>	<b>48,056.17</b>
7	<b>Operating profit (3-6) (Profit before provisions and contingencies)</b>	<b>6,000.21</b>	<b>6,137.06</b>	<b>3,694.70</b>	<b>20,085.86</b>
8	Provisions (other than tax) and contingencies (Refer Note 6)	413.78	148.34	8.80	439.68
9	Exceptional items	-	-	-	-
10	<b>Profit from ordinary activities before tax (7-8-9)</b>	<b>5,586.43</b>	<b>5,988.72</b>	<b>3,685.90</b>	<b>19,646.18</b>
11	Tax expense	1,477.10	1,459.20	973.51	4,865.74
12	<b>Net Profit from ordinary activities after tax before Minority Interest (10-11)</b>	<b>4,109.33</b>	<b>4,529.52</b>	<b>2,712.39</b>	<b>14,780.44</b>
13	Extraordinary items (net of tax expense)	-	-	-	-
14	<b>Net Profit after tax before Minority Interest (12-13)</b>	<b>4,109.33</b>	<b>4,529.52</b>	<b>2,712.39</b>	<b>14,780.44</b>
15	Less: Share of Minority Interest	-	-	-	-
16	Add: Share in Profit/(Loss) of associates	40.86	36.87	43.00	144.57
17	<b>Profit after tax (14-15+16)</b>	<b>4,150.19</b>	<b>4,566.39</b>	<b>2,755.39</b>	<b>14,925.01</b>
18	<b>Paid Up Equity Capital (Face value of ₹ 5 per share)</b>	<b>993.61</b>	<b>993.28</b>	<b>992.72</b>	<b>993.28</b>
19	Group Reserves (excluding Minority Interest and Revaluation reserves)				110,760.81
20	Minority Interest				-
21	<b>Analytical Ratios</b>				
	(i) Capital adequacy ratio – Basel III (standalone)	21.12	21.80	22.15	21.80
	(ii) Earnings per equity share before and after extraordinary items (net of tax expense)				
	- Basic (not annualised) ₹	20.89	22.78	13.88	74.96
	- Diluted (not annualised) ₹	20.89	22.78	13.88	74.94
	(iii) NPA Ratios				

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-23 (Unaudited)	31-Mar-23 (Audited) Refer Note 4	30-Jun-22 (Unaudited)	31-Mar-23 (Audited)
	(a) Gross NPA	6,587.43	6,418.67	7,223.54	6,418.67
	(b) Net NPA	1,579.62	1,478.64	2,143.06	1,478.64
	(c) % of Gross NPA to Gross Advances	1.75	1.76	2.27	1.76
	(d) % of Net NPA to Net Advances	0.43	0.41	0.69	0.41
	(iv) Return on average Assets (%) (not annualised)	0.65	0.76	0.51	2.62

**NOTES:**

- The consolidated financial results are prepared in accordance with Accounting Standard – 21 (AS-21) “Consolidated Financial Statements” and Accounting Standard – 23 (AS-23) “Accounting for investment in associates in Consolidated Financial Statements” specified under section 133 and relevant provisions of Companies Act, 2013.
- The financial statements of Indian subsidiaries (excluding insurance companies) and associates are prepared as per Indian Accounting Standards in accordance with the Companies (Indian Accounting Standards) Rules, 2015. The financial statements of subsidiaries located outside India are prepared in accordance with accounting principles generally accepted in their respective countries. However, for the purpose of preparation of the consolidated financial results, the results of subsidiaries and associates are prepared in accordance with Generally Accepted Accounting Principles in India (‘GAAP’) specified under Section 133 and relevant provision of Companies Act, 2013.
- The above consolidated financial results have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 22<sup>nd</sup> July, 2023. The results for the quarter ended 30<sup>th</sup> June, 2023 were subjected to limited review by the joint statutory auditors (KKC & Associates LLP, Chartered Accountants (formerly Khimji Kunverji & Co LLP) and Price Waterhouse LLP, Chartered Accountants) of the Bank who have issued an unmodified review report thereon. The results for the quarter ended 30<sup>th</sup> June, 2022 were reviewed by other joint statutory auditors (Walker Chandiook & Co LLP, Chartered Accountants and Price Waterhouse LLP, Chartered Accountants).
- The figures for the quarter ended 31<sup>st</sup> March, 2023 are balancing figures between audited published figures for the financial year ended 31<sup>st</sup> March, 2023 and the unaudited published figures for the nine months ended 31<sup>st</sup> December, 2022.
- Other income includes non-fund based income such as commission earned from guarantees / letters of credit, financial advisory fees, selling of third party products, general banking fees, earnings from foreign exchange transactions, profit / (loss) from the sale of securities and write-back/ (provision) of mark-to-market depreciation on investments (other than insurance business).
- Provisions and contingencies are net of recoveries made against loan accounts which have been written off as bad.
- The change in the valuation of liabilities for life policies in force, lapsed policies that are likely to be revived in future and for policies in respect of which premium has been discontinued but liability exists, for the quarter ended 30<sup>th</sup> June, 2023 amounting to ₹ 2,903.06 crore (₹ 2,882.94 crore for the quarter ended 31<sup>st</sup> March, 2023, ₹ (709.21) crore for the quarter ended 30<sup>th</sup> June, 2022 and ₹ 7,210.23 crore for the year ended 31<sup>st</sup> March, 2023), has been included in “Policy holders’ reserves, surrender expense and claims” under “Operating Expenses”.
- In accordance with the RBI guidelines, Banks are required to make consolidated Pillar 3 disclosures including leverage ratio, liquidity coverage ratio and Net Stable Funding Ratio (NSFR) under the Basel III Framework. These disclosures are available on the Bank’s website at the following link: <https://www.kotak.com/en/investor-relations/financial-results/regulatory-disclosure.html>. These disclosures have not been subjected to audit or limited review.



9. The Bank had entered into share purchase agreements with the shareholders of Sonata Finance Private Limited (“Sonata”), a Non-Banking Finance Company – Micro Finance Institution registered with the RBI, to acquire 100% of the issued and paid up capital of Sonata, for a total consideration of approximately ₹ 537.00 crore. The transaction is subject to regulatory and other approvals including from Reserve Bank of India, which are awaited. Upon completion of the transaction (subsequent to receipt of regulatory and other approvals), Sonata will be a 100% subsidiary of the Bank.
10. On 26<sup>th</sup> June, 2023, the Bank has incorporated "Kotak Karma Foundation" (“the Foundation”) under Section 8 of the Companies Act, 2013, as a wholly owned subsidiary for setting up a Centre of Excellence (CoE) of the Bank for furtherance of part of its Corporate Social Responsibility (CSR) Initiatives. Being a Section 8 Company and as per terms of articles, the Foundation would operate with restrictions to transfer funds to the parent, hence in accordance with the requirements of Accounting Standard 21 on “Consolidated Financial Statements”, the Company shall be excluded from consolidation.
11. Consolidated Segment information is as under:

Segment	Principal activity
Corporate/ Wholesale Banking	Wholesale borrowings and lending and other related services to the corporate sector, which are not included under retail banking.
Retail Banking	Comprises of:
Digital Banking	Business involving digital banking products acquired by Digital Banking Unit including existing digital banking products as identified by the Management in accordance with the instructions of the RBI vide its circular dated 7 <sup>th</sup> April, 2022.
Other Retail Banking	Includes retail lending, deposit taking and other retail services/ products other than above.
Treasury, BMU and Corporate Centre	Money market, forex market, derivatives, investments and primary dealership of government securities, Balance Sheet Management Unit (BMU) responsible for Asset Liability Management and Corporate Centre, which primarily comprises of support functions.
Vehicle Financing	Retail vehicle finance and wholesale trade finance to auto dealers from its Subsidiary Company
Other Lending Activities	Financing against securities, securitisation and other loans / services from its Subsidiary Companies
Broking	Brokerage income on market transactions done on behalf of clients, interest on delayed payments, distribution of financial products from its Subsidiary Company.
Advisory and Transactional Services	Providing financial advisory and transactional services such as mergers and acquisition advice and equity/ debt issue management services from its Subsidiary Companies
Asset Management	Management of funds and investments on behalf of clients and investment distribution (Cherry) from its Subsidiary Companies
Insurance	Life insurance and General Insurance from its Subsidiary Companies

₹ crore

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-23 (Unaudited)	31-Mar-23 (Audited) Refer Note 4	30-Jun-22 (Unaudited)	31-Mar-23 (Audited)
1	<b>Segment Revenues:</b>				
	Treasury, BMU and Corporate Centre	2,474.10	2,079.46	1,398.70	7,437.57
	Retail Banking*	5,941.44	5,389.43	4,128.66	19,179.15
	Corporate / Wholesale Banking	5,675.82	5,512.12	3,502.22	18,130.83
	Vehicle Financing	757.36	716.03	582.12	2,607.39
	Other Lending Activities	410.20	387.94	316.94	1,342.09
	Broking	629.95	555.72	624.41	2,454.01
	Advisory and Transactional Services	286.60	275.05	173.47	862.19
	Asset Management	405.25	487.87	355.18	1,660.07
	Insurance	5,586.07	6,701.75	1,460.96	19,009.59
	<b>Sub-total</b>	<b>22,166.79</b>	<b>22,105.37</b>	<b>12,542.66</b>	<b>72,682.89</b>
	Less: inter-segment revenues	(1,442.88)	(1,338.86)	(973.57)	(4,540.86)
	<b>Total Income</b>	<b>20,723.91</b>	<b>20,766.51</b>	<b>11,569.09</b>	<b>68,142.03</b>

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-23 (Unaudited)	31-Mar-23 (Audited) Refer Note 4	30-Jun-22 (Unaudited)	31-Mar-23 (Audited)
2	<b>Segment Results:</b>				
	Treasury, BMU and Corporate Centre	1,417.79	1,186.43	700.95	4,331.00
	Retail Banking*	1,138.17	1,361.74	567.10	3,411.69
	Corporate / Wholesale Banking	1,928.45	2,088.56	1,395.65	7,072.95
	Vehicle Financing	181.34	203.13	117.91	724.58
	Other Lending Activities	143.95	155.10	127.67	539.76
	Broking	180.63	164.81	213.17	815.42
	Advisory and Transactional Services	159.91	176.37	111.96	546.54
	Asset Management	178.03	307.42	158.90	858.82
	Insurance	258.16	345.16	292.59	1,345.42
	<b>Profit before tax, minority interest and share of associates</b>	<b>5,586.43</b>	<b>5,988.72</b>	<b>3,685.90</b>	<b>19,646.18</b>
3	<b>Segment Assets:</b>				
	Treasury, BMU and Corporate Centre	151,249.04	138,500.51	122,248.33	138,500.51
	Retail Banking*	326,661.48	310,374.20	281,507.77	310,374.20
	Corporate / Wholesale Banking	230,206.95	223,845.52	197,950.21	223,845.52
	Vehicle Financing	25,316.41	24,085.06	19,449.67	24,085.06
	Other Lending Activities	17,846.95	18,523.54	15,122.49	18,523.54
	Broking	11,643.54	10,491.70	10,833.96	10,491.70
	Advisory and Transactional Services	819.19	677.08	476.16	677.08
	Asset Management	5,626.74	5,669.64	4,758.96	5,669.64
	Insurance	70,714.10	68,182.65	57,898.09	68,182.65
	<b>Sub-total</b>	<b>840,084.40</b>	<b>800,349.90</b>	<b>710,245.64</b>	<b>800,349.90</b>
	Less: inter-segment assets	(192,579.46)	(181,445.79)	(175,274.86)	(181,445.79)
	<b>Total</b>	<b>647,504.94</b>	<b>618,904.11</b>	<b>534,970.78</b>	<b>618,904.11</b>
	Add: Unallocated Assets	1,383.23	1,525.62	1,459.14	1,525.62
	<b>Total Assets as per Balance Sheet</b>	<b>648,888.17</b>	<b>620,429.73</b>	<b>536,429.92</b>	<b>620,429.73</b>
4	<b>Segment Liabilities:</b>				
	Treasury, BMU and Corporate Centre	100,655.18	96,606.02	82,103.59	96,606.02
	Retail Banking*	300,928.88	287,429.54	261,408.57	287,429.54
	Corporate / Wholesale Banking	215,938.47	202,922.48	182,723.42	202,922.48
	Vehicle Financing	17,274.94	16,297.81	11,671.00	16,297.81
	Other Lending Activities	13,513.12	13,641.89	10,341.69	13,641.89
	Broking	10,026.23	8,851.84	9,030.74	8,851.84
	Advisory and Transactional Services	157.02	134.31	116.63	134.31
	Asset Management	819.75	890.38	609.93	890.38
	Insurance	64,337.20	61,941.05	52,639.12	61,941.05
	<b>Sub-total</b>	<b>723,650.79</b>	<b>688,715.32</b>	<b>610,644.69</b>	<b>688,715.32</b>
	Less: inter-segment liabilities	(192,579.46)	(181,445.79)	(175,274.86)	(181,445.79)
	<b>Total</b>	<b>531,071.33</b>	<b>507,269.53</b>	<b>435,369.83</b>	<b>507,269.53</b>
	Add: Unallocated liabilities	1,317.02	906.11	981.86	906.11
	Add: Share Capital, Reserves & Surplus & Minority Interest	116,499.82	112,254.09	100,078.23	112,254.09
	<b>Total Capital and Liabilities as per Balance Sheet</b>	<b>648,888.17</b>	<b>620,429.73</b>	<b>536,429.92</b>	<b>620,429.73</b>

Segment results are net of segment revenues and segment expenses including interdivisional items.



(\*) RBI's Master Direction on Financial Statements - Presentation and Disclosures, requires to divide the 'Retail banking' into (a) Digital Banking (as defined in RBI circular on Establishment of Digital Banking Units dated 7<sup>th</sup> April, 2022) and (b) Other Retail Banking segment. Bank has two DBUs which commenced operations during quarter ended 31<sup>st</sup> December, 2022.

Accordingly, the segmental results for retail banking are subdivided as under:

For the quarter ended 30<sup>th</sup> June, 2023:

₹ crore

Particulars	Segment Revenue for quarter ended 30-Jun-23	Segment Results for quarter ended 30-Jun-23	Segment Assets for quarter ended 30-Jun-23	Segment Liability for quarter ended 30-Jun-23
Retail Banking	5,941.44	1,138.17	326,661.48	300,928.88
(i) Digital Banking	320.57	5.63	51.52	11,812.81
(ii) Other Retail Banking	5,620.87	1,132.54	326,609.96	289,116.07

For the quarter ended 31<sup>st</sup> March, 2023:

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Particulars	Segment Revenue for quarter ended 31-Mar-23	Segment Results for quarter ended 31-Mar-23	Segment Assets for quarter ended 31-Mar-23	Segment Liability for quarter ended 31-Mar-23
Retail Banking	5,389.43	1,361.74	310,374.20	287,429.54
(i) Digital Banking	305.59	(4.14)	33.72	10,647.31
(ii) Other Retail Banking	5,083.84	1,365.88	310,340.48	276,782.23

- There has been no change in the significant accounting policies during the quarter ended 30<sup>th</sup> June, 2023 as compared to those followed for the year ended 31<sup>st</sup> March, 2023.
- Figures for the previous periods / year have been regrouped / reclassified wherever necessary to conform to current period's presentation.

By order of the Board of Directors  
For Kotak Mahindra Bank Limited

Mumbai, 22<sup>nd</sup> July, 2023

**Dipak Gupta**  
Joint Managing Director





**KOTAK MAHINDRA BANK LIMITED (STANDALONE)**

CIN: L65110MH1985PLC038137

Registered Office: 27 BKC, C 27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051

**UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>th</sup> JUNE 2023**

₹ crore

Sr No.	Particulars	Quarter ended			Year ended
		30-Jun-23 (Unaudited)	31-Mar-23 (Audited) (Refer Note 2)	30-Jun-22 (Unaudited)	31-Mar-23 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>10,500.00</b>	<b>9,820.94</b>	<b>7,338.49</b>	<b>34,250.85</b>
	(a) Interest/discount on advances/ bills	8,298.24	7,780.85	5,656.76	26,978.45
	(b) Income on investments	2,007.40	1,884.34	1,441.91	6,458.65
	(c) Interest on balances with Reserve Bank of India & other interbank funds	105.82	86.94	192.10	550.29
	(d) Others	88.54	68.81	47.72	263.46
2	<b>Other income (Refer Note 3)</b>	<b>2,683.26</b>	<b>2,186.29</b>	<b>1,116.03</b>	<b>7,083.05</b>
3	<b>Total income (1+2)</b>	<b>13,183.26</b>	<b>12,007.23</b>	<b>8,454.52</b>	<b>41,333.90</b>
4	Interest expended	4,266.31	3,718.39	2,641.45	12,698.93
5	<b>Operating expenses (a+b)</b>	<b>3,967.38</b>	<b>3,641.47</b>	<b>3,029.81</b>	<b>13,786.99</b>
	(a) Employee cost (Refer Note 4 )	1,647.00	1,454.49	1,172.84	5,519.83
	(b) Other operating expenses	2,320.38	2,186.98	1,856.97	8,267.16
6	<b>Total expenditure (4+5)</b> (excluding provisions & contingencies)	<b>8,233.69</b>	<b>7,359.86</b>	<b>5,671.26</b>	<b>26,485.92</b>
7	<b>Operating profit (3-6)</b> (Profit before provisions and contingencies)	<b>4,949.57</b>	<b>4,647.37</b>	<b>2,783.26</b>	<b>14,847.98</b>
8	Provisions (other than tax) and contingencies (Refer Note 5)	364.31	147.57	23.59	456.99
9	Exceptional items	-	-	-	-
10	<b>Profit from ordinary activities before tax (7-8-9)</b>	<b>4,585.26</b>	<b>4,499.80</b>	<b>2,759.67</b>	<b>14,390.99</b>
11	Tax expense	1,132.96	1,004.21	688.52	3,451.69
12	<b>Net Profit from ordinary activities after tax (10-11)</b>	<b>3,452.30</b>	<b>3,495.59</b>	<b>2,071.15</b>	<b>10,939.30</b>
13	Extraordinary items (net of tax expense)	-	-	-	-
14	<b>Net Profit (12-13)</b>	<b>3,452.30</b>	<b>3,495.59</b>	<b>2,071.15</b>	<b>10,939.30</b>
15	<b>Paid up equity share capital - (of Face Value ₹ 5 per share)</b>	<b>993.61</b>	<b>993.28</b>	<b>992.72</b>	<b>993.28</b>
16	<b>Reserves (excluding revaluation reserves)</b>				<b>81,966.67</b>
17	<b>Analytical Ratios</b>				
	(i) Percentage of shares held by Government of India	-	-	-	-
	(ii) Capital adequacy ratio - Basel III	21.12	21.80	22.15	21.80
	(iii) Earnings per equity share before and after extraordinary items (net of tax expense)				
	- Basic (not annualised) ₹	17.38	17.39	10.43	54.89
	- Diluted (not annualised) ₹	17.38	17.39	10.43	54.87
	(iv) NPA Ratios				
	a) Gross NPA	5,909.24	5,768.32	6,378.57	5,768.32
	b) Net NPA	1,301.80	1,193.30	1,749.33	1,193.30
	c) % of Gross NPA to Gross Advances	1.77	1.78	2.24	1.78
	d) % of Net NPA to Net Advances	0.40	0.37	0.62	0.37
	(v) Return on average Assets (%) – (not annualised )	0.70	0.74	0.50	2.47
	(vi) Debt-Equity ratio (Refer Note 6.a)	0.23	0.28	0.21	0.28
	(vii) Total Debts to Total Assets (%) (Refer Note 6.a)	3.97	4.78	3.62	4.78
	(viii) Net worth (Refer Note 6.a)	86,434.93	82,794.81	74,058.50	82,794.81
	(ix) Outstanding redeemable preference shares (quantity and value)	-	-	-	-
	(x) Capital redemption reserve/ debenture redemption reserve	-	-	-	-

**Segment Results**

The reportable segments of the Bank as per RBI guidelines are as under:



Segment	Principal activity
Corporate/Wholesale Banking	Wholesale borrowings and lending and other related services to the corporate sector which are not included under retail banking.
Retail Banking	Comprises of:
Digital Banking	Business involving digital banking products acquired by Digital Banking Unit including existing digital banking products as identified by the Management in accordance with the instructions of the RBI vide its circular dated April 7, 2022.
Other Retail Banking	Includes retail lending, deposit taking and other retail services/ products other than above.
Treasury, BMU and Corporate Centre	Money market, forex market, derivatives, investments and primary dealership of government securities, Balance Sheet Management Unit (BMU) responsible for Asset Liability Management and Corporate Centre which primarily comprises of support functions.
Other Banking business	Includes any other business not included in the above.

₹ crore

Particulars	Quarter ended			Year ended
	30-Jun-23 (Unaudited)	31-Mar-23 (Audited) (Refer Note 2)	30-Jun-22 (Unaudited)	31-Mar-23 (Audited)
<b>1 Segment Revenue</b>				
a. Corporate/ Wholesale Banking	5,675.82	5,512.12	3,502.22	18,130.83
b. Retail Banking*	5,941.44	5,389.43	4,128.66	19,179.15
c. Treasury, BMU and Corporate Centre	2,549.40	1,895.91	1,496.96	6,923.67
d. Other Banking business	-	-	-	-
Sub-total	<b>14,166.66</b>	<b>12,797.46</b>	<b>9,127.84</b>	<b>44,233.65</b>
Less: Inter-segmental revenue	983.40	790.23	673.32	2,899.75
<b>Total</b>	<b>13,183.26</b>	<b>12,007.23</b>	<b>8,454.52</b>	<b>41,333.90</b>
<b>2 Segment Results</b>				
a. Corporate/ Wholesale Banking	1,928.45	2,088.56	1,395.65	7,072.95
b. Retail Banking*	1,138.17	1,361.74	567.10	3,411.69
c. Treasury, BMU and Corporate Centre	1,518.64	1,049.50	796.92	3,906.35
d. Other Banking business	-	-	-	-
<b>Total Profit Before Tax</b>	<b>4,585.26</b>	<b>4,499.80</b>	<b>2,759.67</b>	<b>14,390.99</b>
<b>3 Segment Assets</b>				
a. Corporate / Wholesale Banking	230,206.95	223,845.52	197,950.21	223,845.52
b. Retail Banking*	326,661.48	310,374.20	281,507.77	310,374.20
c. Treasury, BMU and Corporate Centre	145,193.83	133,506.32	118,477.35	133,506.32
d. Other Banking business	-	-	-	-
Sub-total	<b>702,062.26</b>	<b>667,726.04</b>	<b>597,935.33</b>	<b>667,726.04</b>
Less : Inter-segmental Assets	189,366.21	178,234.99	173,553.82	178,234.99
<b>Total</b>	<b>512,696.05</b>	<b>489,491.05</b>	<b>424,381.51</b>	<b>489,491.05</b>
Add : Unallocated Assets	294.46	371.43	386.48	371.43
<b>Total Assets as per Balance Sheet</b>	<b>512,990.51</b>	<b>489,862.48</b>	<b>424,767.99</b>	<b>489,862.48</b>
<b>4 Segment Liabilities</b>				
a. Corporate / Wholesale Banking	215,938.47	202,922.48	182,723.42	202,922.48
b. Retail Banking*	300,928.88	287,429.54	261,408.57	287,429.54
c. Treasury, BMU and Corporate Centre	97,896.65	93,987.32	79,039.91	93,987.32
d. Other Banking business	-	-	-	-
Sub-total	<b>614,764.00</b>	<b>584,339.34</b>	<b>523,171.90</b>	<b>584,339.34</b>
Less : Inter-segmental Liabilities	189,366.21	178,234.99	173,553.82	178,234.99
<b>Total</b>	<b>425,397.79</b>	<b>406,104.35</b>	<b>349,618.08</b>	<b>406,104.35</b>
Add : Unallocated liabilities	581.78	298.18	497.70	298.18
Add : Share Capital & Reserves & surplus	87,010.94	83,459.95	74,652.21	83,459.95
<b>Total Capital and Liabilities as per Balance Sheet</b>	<b>512,990.51</b>	<b>489,862.48</b>	<b>424,767.99</b>	<b>489,862.48</b>

Segment results are net of segment revenues and segment expenses including interdivisional items.

\* RBI's Master Direction on Financial Statements - Presentation and Disclosures, requires to divide the 'Retail banking' into (a) Digital Banking (as defined in RBI circular on Establishment of Digital Banking Units dated April 7, 2022) and (b) Other Retail Banking segment. The Bank has two DBUs which commenced operations during the quarter ended 31st December, 2022.

Accordingly, the segmental results for retail banking are subdivided as under:

For the quarter ended June 30, 2023:

₹ crore

Particulars	Segment Revenue for quarter ended 30- Jun-23	Segment Results for quarter ended 30- Jun-23	Segment Assets for quarter ended 30- Jun-23	Segment Liability for quarter ended 30- Jun-23
Retail Banking	5,941.44	1,138.17	326,661.48	300,928.88
(i) Digital Banking	320.57	5.63	51.52	11,812.81
(ii) Other Retail Banking	5,620.87	1,132.54	326,609.96	289,116.07

For the quarter ended March 31, 2023:

Particulars	Segment Revenue for quarter ended 31-Mar-23	Segment Results for quarter ended 31-Mar-23	Segment Assets for quarter ended 31-Mar-23	Segment Liability for quarter ended 31-Mar-23
Retail Banking	5,389.43	1,361.74	310,374.20	287,429.54
(i) Digital Banking	305.59	(4.14)	33.72	10,647.31
(ii) Other Retail Banking	5,083.84	1,365.88	310,340.48	276,782.23

**NOTES:**

14. The above standalone financial results have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 22<sup>nd</sup> July, 2023. The results for the quarter ended 30<sup>th</sup> June, 2023 were subjected to limited review by the joint statutory auditors (KKC & Associates LLP, Chartered Accountants (formerly Khimji Kunverji & Co LLP) and Price Waterhouse LLP, Chartered Accountants) of the Bank who have issued an unmodified review report thereon. The results for the quarter ended 30<sup>th</sup> June, 2022 were reviewed by other joint statutory auditors (Walker Chandiook & Co LLP, Chartered Accountants and Price Waterhouse LLP, Chartered Accountants).
15. The figures for the quarter ended 31<sup>st</sup> March, 2023 are balancing figures between audited published figures for financial year ended 31<sup>st</sup> March, 2023 and the unaudited published figures for nine months ended 31<sup>st</sup> December, 2022.
16. Other Income includes non-fund based income such as commission earned from guarantees / letters of credit, financial advisory fees, selling of third party products, general banking fees, earnings from foreign exchange transactions, profit / (loss) from the sale of securities and write-back / (provision) of mark-to-market depreciation on investments in AFS and HFT categories.
17. During the quarter, the Bank has granted 1,159,610 options under employee stock option scheme. Stock options aggregating to 655,491 were exercised during the quarter and 3,994,616 stock options were outstanding with employees of the Bank and its subsidiaries as at 30<sup>th</sup> June, 2023.
18. Provisions and contingencies are net of recoveries made against loan accounts which have been written off as bad.
19. Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
  - a. Methodology for computation of the ratios is as follows:

Debt-Equity ratio	Represents the ratio of Borrowings/Sum of Capital and Reserves and Surplus
Total Debts to Total Assets (%)	Represents Borrowings/Total Assets
Net worth	Calculated as per the Master Circular - Exposure Norms issued by the RBI.

- b. Basis nature of the Bank's business, the ratio's considered to be not applicable are Current Ratio, Long term debt to working capital, Bad debts to Account receivable ratio, Current liability ratio, Debt turnover, Inventory turnover, Operating margin % and Net profit margin %.
20. The Bank had entered into share purchase agreements with the shareholders of Sonata Finance Private Limited ("Sonata"), a Non-Banking Finance Company – Micro Finance Institution registered with the RBI, to acquire 100% of the issued and paid up capital of Sonata, for a total consideration of approximately ₹ 537.00 crore. The transaction is subject to regulatory and other approvals, including from Reserve Bank of India, which are



awaited. Upon completion of the transaction (subsequent to receipt of regulatory and other approvals), Sonata will be a 100% subsidiary of the Bank.

21. On 26<sup>th</sup> June, 2023, the Bank has incorporated "Kotak Karma Foundation", under Section 8 of the Companies Act, 2013, as a wholly owned subsidiary for setting up a Centre of Excellence (CoE) of the Bank for furtherance of part of its Corporate Social Responsibility (CSR) Initiatives.
22. In accordance with the RBI guidelines, Banks are required to make consolidated Pillar 3 disclosures including leverage ratio, liquidity coverage ratio and Net Stable Funding Ratio (NSFR) under the Basel III Framework. These disclosures are available on the Bank's website at the following link: <https://www.kotak.com/en/investor-relations/financial-results/regulatory-disclosure.html>. These disclosures have not been subjected to audit or limited review.
23. Details of loans transferred /acquired during the quarter ended 30<sup>th</sup> June 2023 under the RBI Master Direction on Transfer of Loan Exposures dated 24<sup>th</sup> September 2021 are as given below:
  - (i) The Bank has not transferred any Loans not in default, Special Mention Accounts (SMA) and Non-Performing Assets (NPAs).
  - (ii) The Bank has not acquired any Loans not in default acquired from eligible lenders through assignment.
  - (iii) The Bank has not acquired any SMAs.
  - (iv) Details of the NPAs acquired:

Portfolio acquired during the quarter ended	From lenders listed in Clause 3 of the Circular dated 24 <sup>th</sup> September, 2021		
	Aggregate Principal outstanding of loans acquired	Aggregate consideration paid	Weighted average residual tenor of loans acquired (in Years)
As on 30 <sup>th</sup> June, 2023	82.84	4.43	0.60

- (v) Details of the recovery ratings assigned to Security Receipts as at 30<sup>th</sup> June, 2023:

Recovery Rating <sup>^</sup>	Anticipated Recovery as per Recovery Rating	Carrying Value* (₹ crore)
NR1/R1+/RR1+	>150%	18.65
NR2/R1/RR1	100% - 150%	486.03
NR3/R2/RR2	75% - 100%	21.46
NR4/R3/RR3	50% - 75%	134.33
NR5/R4/RR4	25% - 50%	-
NR6/R5/RR5	0% - 25%	-
Yet to be rated**	-	161.75
Unrated	-	0.09
<b>Total</b>		<b>822.31</b>

<sup>^</sup> - recovery rating is as assigned by various rating agencies.

\* - Net of provisions.

\*\* - Recent purchases whose statutory period has not elapsed.

24. There has been no change to significant accounting policies during the quarter ended 30<sup>th</sup> June 2023 as compared to those followed for the year ended 31<sup>st</sup> March, 2023.
25. Figures for the previous periods / year have been regrouped wherever necessary to conform to current period's presentation.

By order of the Board of Directors  
For Kotak Mahindra Bank Limited

Mumbai, 22<sup>nd</sup> July, 2023

**Dipak Gupta**  
Joint Managing Director