



MEDIA RELEASE

KOTAK MAHINDRA BANK ANNOUNCES RESULTS

Kotak Mahindra Bank Standalone PAT for FY23 ₹ 10,939 crore, up 28% YoY

Q4FY23 ₹ 3,496 crore, up 26% YoY

Consolidated PAT for FY23 ₹14,925 crore, up 23% YoY

Q4FY23 ₹ 4,566 crore, up 17% YoY

Mumbai, 29th April, 2023: The Board of Directors of Kotak Mahindra Bank (“the Bank”) approved the audited standalone and consolidated results for the quarter and financial year ended March 31, 2023, at the Board meeting held in Mumbai, today.

Kotak Mahindra Bank standalone results

The Bank’s PAT for FY23 increased to ₹ 10,939 crore from ₹ 8,573 crore in FY22, up 28% YoY and for Q4FY23 stood at ₹ 3,496 crore, up 26% YoY from ₹ 2,767 crore in Q4FY22.

Net Interest Income (NII) for FY23 increased to ₹ 21,552 crore, from ₹ 16,818 crore in FY22, up 28% YoY and for Q4FY23 increased to ₹ 6,103 crore, from ₹ 4,521 crore in Q4FY22, up 35% YoY. Net Interest Margin (NIM) was 5.33% for FY23 and 5.75% for Q4FY23.

Fees and services for FY23 increased to ₹ 6,790 crore from ₹ 5,413 crore in FY22, up 25% YoY and for Q4FY23 increased to ₹ 1,928 crore from ₹ 1,575 crore in Q4FY22, up 22% YoY.

Operating profit for FY23 increased to ₹ 14,848 crore from ₹ 12,051 crore, up 23% YoY and for Q4FY23 was ₹ 4,647 crore, up 39% YoY (Q4FY22: ₹ 3,340 crore).

Net customer additions in Q4FY23 was 2.2 mn. Customers as at March 31, 2023 were 41.2 mn (32.7 mn as at March 31, 2022).

Customer Assets, which comprises Advances (incl. IBPC & BRDS) and Credit Substitutes, increased by 19% YoY to ₹ 3,52,652 crore as at March 31, 2023 from ₹ 2,95,273 crore as at March 31, 2022. Net Advances increased by over 18% to ₹ 3,19,861 crore as at March 31, 2023 from ₹ 2,71,254 crore as at March 31, 2022.

CASA ratio as at March 31, 2023 stood at 52.8%.

As at March 31, 2023, GNPA was 1.78% & NNPA was 0.37% (GNPA was 2.34% & NNPA was 0.64% at March 31, 2022). Credit cost on net advances for Q4FY23 was 24 bps (annualised) (including standard provisioning; excluding reversal of COVID & restructuring). The provision coverage ratio stood at 79.3%.

Capital Adequacy Ratio of the Bank, as at March 31, 2023 was 21.8% and CET I ratio of 20.6%.

The Board of Directors of the Bank has recommended dividend of ₹ 1.50 per equity share having face value of ₹ 5, for the year ended March 31, 2023, subject to approval of shareholders.

Consolidated results at a glance

Consolidated PAT for FY23 increased to ₹ 14,925 crore from ₹ 12,089 crore in FY22, up 23% YoY and for Q4FY23 was ₹ 4,566 crore, up 17% YoY from ₹ 3,892 crore in Q4FY22.

PAT of Bank and key subsidiaries given below:

| PAT (₹ crore) | FY23 | FY22 | Q4FY23 | Q4FY22 |
|--|--------|-------|--------|--------|
| Kotak Mahindra Bank | 10,939 | 8,573 | 3,496 | 2,767 |
| Kotak Mahindra Life Insurance | 1,053 | 425 | 205 | 267 |
| Kotak Securities | 865 | 1,001 | 182 | 252 |
| Kotak Mahindra Prime | 829 | 886 | 224 | 313 |
| Kotak Asset Management & Trustee Company | 555 | 454 | 192 | 102 |
| Kotak Mahindra Investments | 326 | 371 | 100 | 101 |
| BSS Microfinance | 297 | 83 | 89 | 43 |
| Kotak Mahindra Capital Company | 149 | 245 | 48 | 42 |

At the consolidated level, the Return on Assets (ROA) was 2.62% for FY23 (2.36% for FY22) and for Q4FY23 (annualized) was 3.06% (2.94% for Q4FY22). Return on Equity (ROE) was 14.4% for FY23 (13.4% for FY22) and for Q4FY23 (annualized) was 16.9% (16.6% for Q4FY22).

Consolidated Capital Adequacy Ratio as per Basel III as at March 31, 2023 was 23.3% and CET I ratio was 22.3%.

Consolidated Capital and Reserves & Surplus as at March 31, 2023 was ₹ 1,12,254 crore (₹ 97,134 crore as at March 31, 2022). The Book Value per Share was ₹ 563.

Consolidated Customer Assets which comprises Advances (incl. IBPC & BRDS) and Credit Substitutes grew by 19% YoY from ₹ 3,29,866 crore as at March 31, 2022 to ₹ 3,93,882 crore as at March 31, 2023.

Total assets managed / advised by the Group as at March 31, 2023 were ₹ 4,20,880 crore up 10% YoY over ₹ 3,82,709 crore as at March 31, 2022.

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 (the 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 31st March, 2023, Kotak Mahindra Bank Ltd has a national footprint of 1,780 branches and 2,963 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

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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

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2023

| Sr No | Particulars | ₹crore | | | | |
|-------|---|--|--------------------------|--|------------------------|------------------------|
| | | Quarter ended | | | Year ended | |
| | | 31-Mar-23 (Audited) Refer Note 4 | 31-Dec-22 (Unaudited) | 31-Mar-22 (Audited) Refer Note 4 | 31-Mar-23 (Audited) | 31-Mar-22 (Audited) |
| 1 | Interest earned (a+b+c+d) | 11,981.63 | 11,011.29 | 8,838.18 | 42,151.06 | 33,740.62 |
| | (a) Interest/discount on advances/bills | 8,821.36 | 8,105.28 | 6,102.76 | 30,735.06 | 22,603.32 |
| | (b) Income on investments | 2,815.55 | 2,511.09 | 2,337.59 | 9,894.41 | 9,595.24 |
| | (c) Interest on balances with Reserve Bank of India & other interbank funds | 229.09 | 247.45 | 246.82 | 1,029.35 | 1,004.38 |
| | (d) Others | 115.63 | 147.47 | 151.01 | 492.24 | 537.68 |
| 2 | Other income (a+b+c) | 8,749.25 | 7,318.51 | 7,838.15 | 25,829.96 | 24,772.88 |
| | (a) Profit/(Loss) on sale of investments including revaluation (insurance business) | (489.37) | 689.41 | (62.94) | (96.54) | 2,137.29 |
| | (b) Premium on Insurance Business | 6,307.19 | 3,756.53 | 5,431.87 | 15,799.86 | 13,339.39 |
| | (c) Other income (Refer Notes 5 & 6) | 2,931.43 | 2,872.57 | 2,469.22 | 10,126.64 | 9,296.20 |
| 3 | Total income (1+2) | 20,730.88 | 18,329.80 | 16,676.33 | 67,981.02 | 58,513.50 |
| 4 | Interest expended | 4,229.65 | 3,802.45 | 2,903.75 | 14,411.13 | 11,553.54 |
| 5 | Operating expenses (a+b+c) | 10,364.17 | 9,154.45 | 9,083.53 | 33,484.03 | 30,241.15 |
| | (a) Employees Cost | 2,301.29 | 2,229.84 | 1,857.34 | 8,479.03 | 7,140.93 |
| | (b) Policy holders' reserves, surrender expense and claims (Refer Note 12) | 5,139.95 | 4,044.19 | 4,899.38 | 14,272.85 | 15,047.59 |
| | (c) Other operating expenses (Refer Note 6 & 7) | 2,922.93 | 2,880.42 | 2,326.81 | 10,732.15 | 8,052.63 |
| 6 | Total expenditure (4+5) (excluding provisions and contingencies) | 14,593.82 | 12,956.90 | 11,987.28 | 47,895.16 | 41,794.69 |
| 7 | Operating profit (3-6) (Profit before provisions and contingencies) | 6,137.06 | 5,372.90 | 4,689.05 | 20,085.86 | 16,718.81 |
| 8 | Provisions (other than tax) and contingencies (Refer Note 8) | 148.34 | 148.72 | (398.26) | 439.68 | 770.51 |
| 9 | Exceptional items | - | - | - | - | - |
| 10 | Profit from ordinary activities before tax (7-8-9) | 5,988.72 | 5,224.18 | 5,087.31 | 19,646.18 | 15,948.30 |
| 11 | Tax expense | 1,459.20 | 1,265.04 | 1,228.56 | 4,865.74 | 4,016.43 |
| 12 | Net Profit from ordinary activities after tax before Minority Interest (10-11) | 4,529.52 | 3,959.14 | 3,858.75 | 14,780.44 | 11,931.87 |
| 13 | Extraordinary items (net of tax expense) | - | - | - | - | - |
| 14 | Net Profit after tax before Minority Interest (12 -13) | 4,529.52 | 3,959.14 | 3,858.75 | 14,780.44 | 11,931.87 |
| 15 | Less: Share of Minority Interest | - | - | - | - | - |
| 16 | Add: Share in Profit/(Loss) of associates | 36.87 | 35.91 | 33.07 | 144.57 | 157.52 |
| 17 | Profit after tax (14-15+16) | 4,566.39 | 3,995.05 | 3,891.82 | 14,925.01 | 12,089.39 |
| 18 | Paid Up Equity Capital (Face value of ₹ 5 per share) | 993.28 | 993.04 | 992.33 | 993.28 | 992.33 |
| 19 | Group Reserves (excluding Minority Interest and Revaluation reserves) | | | | 110,760.81 | 95,641.70 |
| 20 | Minority Interest | | | | | - |

₹ crore

| Sr No | Particulars | Quarter ended | | | Year ended | |
|-------|--|--|--------------------------|--|------------------------|------------------------|
| | | 31-Mar-23 (Audited) Refer Note 4 | 31-Dec-22 (Unaudited) | 31-Mar-22 (Audited) Refer Note 4 | 31-Mar-23 (Audited) | 31-Mar-22 (Audited) |
| 21 | Analytical Ratios | | | | | |
| | (i) Capital adequacy ratio – Basel III (standalone) | 21.80 | 19.66 | 22.69 | 21.80 | 22.69 |
| | (ii) Earnings per equity share before and after extraordinary items (net of tax expense) | | | | | |
| | - Basic (not annualised) ₹ | 22.78 | 20.12 | 19.41 | 74.96 | 60.76 |
| | - Diluted (not annualised) ₹ | 22.78 | 20.11 | 19.40 | 74.94 | 60.73 |
| | (iii) NPA Ratios | | | | | |
| | (a) Gross NPA | 6,418.67 | 6,730.00 | 7,334.05 | 6,418.67 | 7,334.05 |
| | (b) Net NPA | 1,478.64 | 1,667.71 | 2,148.72 | 1,478.64 | 2,148.72 |
| | (c) % of Gross NPA to Gross Advances | 1.76 | 1.91 | 2.37 | 1.76 | 2.37 |
| | (d) % of Net NPA to Net Advances | 0.41 | 0.48 | 0.71 | 0.41 | 0.71 |
| | (iv) Return on average Assets (%) (not annualised) | 0.76 | 0.70 | 0.72 | 2.62 | 2.36 |

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 were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 29th April, 2023. The results for the year ended 31st March, 2023 were subjected to audit by the joint statutory auditors (KKC & Associates LLP, Chartered Accountants (formerly Khimji Kunverji & Co LLP) and Price Waterhouse LLP, Chartered Accountants) of the Bank and there are no modifications in their Auditors' Report. The results for the quarter ended 31st December, 2022 were subjected to limited review by the joint statutory auditors of the Bank. The results for the year ended 31st March, 2022 were audited by other joint statutory auditors (Walker Chandiook & Co LLP, Chartered Accountants and Price Waterhouse LLP, Chartered Accountants).
- The figures for the last quarter in each of the year are balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures upto the third quarter of the respective financial year.
- 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).

₹ crore

| Particulars | Quarter ended | | | Year ended | |
|--|--|--------------------------|--|------------------------|------------------------|
| | 31-Mar-23 (Audited) Refer Note 4 | 31-Dec-22 (Unaudited) | 31-Mar-22 (Audited) Refer Note 4 | 31-Mar-23 (Audited) | 31-Mar-22 (Audited) |
| Commission, fees, exchange, brokerage and others (net) | 2,635.26 | 2,588.63 | 2,671.22 | 10,439.98 | 9,652.48 |

| | | | | | |
|---|-----------------|-----------------|-----------------|------------------|-----------------|
| Profit/(Loss) on sale and provisions/(write-back) of mark-to-market depreciation on investments (other than insurance business) | 296.17 | 283.94 | (202.00) | (313.34) | (356.28) |
| Total – Other income | 2,931.43 | 2,872.57 | 2,469.22 | 10,126.64 | 9,296.20 |

6. Other income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 35.63 crore for the quarter and ₹ 161.01 crore for the year ended 31st March, 2023 (₹ 41.85 crore for the quarter ended 31st December, 2022; ₹ 52.85 crore and ₹ 168.19 crore for the quarter and year ended 31st March, 2022 respectively).

7. Details of other operating expenditure forming part of consolidated results are as follows:

| Particulars | Quarter ended | | | Year ended | |
|---|--|--------------------------|--|------------------------|------------------------|
| | 31-Mar-23 (Audited) Refer Note 4 | 31-Dec-22 (Unaudited) | 31-Mar-22 (Audited) Refer Note 4 | 31-Mar-23 (Audited) | 31-Mar-22 (Audited) |
| Brokerage (Refer Note 6) | 386.00 | 343.84 | 317.53 | 1,354.83 | 862.11 |
| Depreciation | 166.65 | 153.30 | 130.66 | 599.26 | 480.35 |
| Rent, taxes and lighting | 241.84 | 236.17 | 202.25 | 935.77 | 808.88 |
| Others | 2,128.44 | 2,147.11 | 1,676.37 | 7,842.29 | 5,901.29 |
| Total – Other operating expenses | 2,922.93 | 2,880.42 | 2,326.81 | 10,732.15 | 8,052.63 |

₹
cro
re

8. Provisions and contingencies are net of recoveries made against accounts, which have been written off in the previous period / year. Details of Provisions (other than tax) and contingencies forming part of consolidated results are as follows:

₹

crore

| Particulars | Quarter ended | | | Year ended | |
|---|--|--------------------------|--|------------------------|------------------------|
| | 31-Mar-23 (Audited) Refer Note 4 | 31-Dec-22 (Unaudited) | 31-Mar-22 (Audited) Refer Note 4 | 31-Mar-23 (Audited) | 31-Mar-22 (Audited) |
| Provision towards advances / others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (net) | 187.35 | 187.45 | 161.80 | 628.82 | 1,686.41 |
| General provision / (Write back) for COVID-19 Deferment cases (net) | (19.46) | (38.69) | (519.15) | (170.98) | (835.49) |
| Other provision / (Write back of provisions) towards investments (net) | (19.55) | (0.04) | (40.91) | (18.16) | (80.41) |
| Total – Provisions (other than tax) and contingencies | 148.34 | 148.72 | (398.26) | 439.68 | 770.51 |

9. COVID-19, a global pandemic, affected the world economy over the last few years. The revival of economic activity improved in financial year 2022 supported by relaxation of restrictions due to administration of the COVID vaccines to a large population in the country. The extent to which COVID-19 pandemic will impact the Bank and its subsidiaries' results going forward will depend on ongoing as well as future developments including the nature and severity of COVID-19.

The Bank and its subsidiaries held an aggregate COVID-19 related provision of ₹ 560.59 crore as of 31st March, 2022. Based on the improved outlook and on actual collections, the Bank and its subsidiaries have reversed provisions amounting to ₹ 19.46 crore and ₹ 170.98 crore during the quarter and year ended 31st March, 2023 respectively (₹ 519.15 crore and ₹ 835.49 crore during the quarter and year ended 31st March, 2022 respectively and ₹ 38.69 crore during the quarter ended 31st December, 2022) and continue to hold provision of ₹ 389.62 crore as at 31st March, 2023.

10. COVID-19 resulted in significant number of death claims (including higher claims reported during the quarter ended 30th June, 2021) in the life insurance subsidiary which along with extra mortality related provisioning as computed by the Company's Appointed Actuary impacted the financial results for the year ended 31st March, 2022.

11. 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.

12. 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 and year ended 31st March, 2023 amounting to ₹ 2,882.94 crore and ₹ 7,210.23 crore respectively (₹ 2,242.49 crore for the quarter ended 31st December, 2022; ₹ 2,690.90 crore and ₹ 8,654.73 crore for the quarter and year ended 31st March, 2022 respectively), has been included in "Policy holders' reserves, surrender expense and claims" under "Operating Expenses".
13. Kotak Mahindra Prime Limited, a subsidiary of the Bank, for the purpose of consolidation, followed a policy of charging acquisition cost for vehicle loans based on internal rate of return of the contract. The subsidiary has changed its accounting policy w.e.f 1st April, 2022, to charging such acquisition cost for vehicle loans in the period in which they are incurred. Due to this change in policy, the brokerage cost is higher and profit before tax is lower for the quarter by ₹ 13.11 crore and for year ended 31st March, 2023 by ₹ 145.19 crore including the unamortised brokerage cost of ₹ 93.83 crore as at 31st March, 2022 (₹ 15.49 crore for the quarter ended 31st December, 2022). Accordingly, profit after tax for the quarter and year ended 31st March, 2023 is lower by ₹ 11.69 crore and ₹ 121.44 crore respectively (₹ 13.53 crore for the quarter ended 31st December, 2022).
14. The Board of Directors of the Bank have proposed a dividend of ₹ 1.50 per share having a face value ₹ 5 for the year ended 31st March, 2023 (Previous Year ₹ 1.10 per share). The Bank is obliged to pay dividend to those shareholders whose names are appearing in the register of members as on the book closure date. The dividend will be paid after the approval of the shareholders at the Annual General Meeting.
15. ECA Trading Services Limited ("ECA") is in the process of voluntary liquidation pursuant to resolution passed by its shareholders on 18th December, 2021 and hence it ceased to be an associate from that date. The Group has received distribution of ₹ 3.51 crore from the Official Liquidator of ECA. Investment in ECA was fully provided for, as on 31st March, 2022 and 31st March, 2023.
16. On 10th February, 2023, the Bank has 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 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.
17. The summarised consolidated balance sheet of the Bank is given below:

₹ crore

| Summarised Balance Sheet | As at 31-Mar-23 (Audited) | As at 31-Mar-22 (Audited) |
|--|---------------------------------|---------------------------------|
| CAPITAL AND LIABILITIES | | |
| Capital | 1,493.28 | 1,492.33 |
| Employees' Stock Options (Grants) Outstanding | 60.31 | 31.31 |
| Reserves and Surplus | 110,760.81 | 95,641.70 |
| Deposits | 361,272.62 | 310,086.89 |
| Borrowings | 57,033.92 | 55,159.87 |
| Policyholder's Funds | 57,979.47 | 50,666.79 |
| Other Liabilities and Provisions | 31,829.32 | 33,419.02 |
| TOTAL | 620,429.73 | 546,497.91 |
| ASSETS | | |
| Cash and balances with Reserve Bank of India | 19,985.20 | 36,049.18 |
| Balances with Banks and Money at Call and Short Notice | 22,940.14 | 16,616.31 |
| Investments | 195,337.97 | 164,529.41 |
| Advances | 359,107.46 | 304,473.60 |
| Fixed Assets | 2,261.20 | 1,909.63 |
| Other Assets | 19,984.01 | 22,106.03 |
| Goodwill on consolidation | 813.75 | 813.75 |
| TOTAL | 620,429.73 | 546,497.91 |

18. 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 th 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 | |
|-------|-------------------------------------|--|--------------------------|--|------------------------|------------------------|
| | | 31-Mar-23 (Audited) Refer Note 4 | 31-Dec-22 (Unaudited) | 31-Mar-22 (Audited) Refer Note 4 | 31-Mar-23 (Audited) | 31-Mar-22 (Audited) |
| 1 | Segment Revenues: | | | | | |
| | Treasury, BMU and Corporate Centre | 2,079.46 | 2,041.57 | 2,057.59 | 7,437.57 | 8,925.02 |
| | Retail Banking* | 5,389.43 | 5,177.77 | 4,035.32 | 19,179.15 | 14,956.16 |
| | Corporate / Wholesale Banking | 5,512.12 | 4,684.74 | 3,606.24 | 18,130.83 | 13,521.78 |
| | Vehicle Financing | 716.03 | 676.03 | 566.88 | 2,607.39 | 2,004.29 |
| | Other Lending Activities | 387.94 | 333.31 | 374.93 | 1,342.09 | 1,476.30 |
| | Broking (Refer Note 6) | 520.09 | 584.11 | 679.68 | 2,293.00 | 2,426.64 |
| | Advisory and Transactional Services | 275.05 | 227.01 | 174.19 | 862.19 | 657.89 |
| | Asset Management | 487.87 | 453.9 | 365.02 | 1,660.07 | 1,492.34 |
| | Insurance | 6,701.75 | 5,279.04 | 6,055.23 | 19,009.59 | 18,180.68 |
| | Sub-total | 22,069.74 | 19,457.48 | 17,915.08 | 72,521.88 | 63,641.10 |
| | Less: inter-segment revenues | (1,338.86) | (1,127.68) | (1,238.75) | (4,540.86) | (5,127.60) |
| | Total Income | 20,730.88 | 18,329.80 | 16,676.33 | 67,981.02 | 58,513.50 |
| 2 | Segment Results: | | | | | |
| | Treasury, BMU and Corporate Centre | 1,186.43 | 1,192.39 | 1,280.36 | 4,331.00 | 4,516.45 |
| | Retail Banking* | 1,361.74 | 901.65 | 648.31 | 3,411.69 | 846.21 |
| | Corporate / Wholesale Banking | 2,088.56 | 1,814.83 | 1,797.99 | 7,072.95 | 6,379.46 |
| | Vehicle Financing | 203.13 | 193.97 | 288.30 | 724.58 | 630.01 |
| | Other Lending Activities | 155.10 | 129.38 | 215.13 | 539.76 | 763.56 |
| | Broking | 164.81 | 218.03 | 283.89 | 815.42 | 1,082.52 |
| | Advisory and Transactional Services | 176.37 | 143.17 | 108.08 | 546.54 | 375.73 |
| | Asset Management | 307.42 | 247.17 | 185.26 | 858.82 | 840.81 |

| Sr No | Particulars | Quarter ended | | | Year ended | |
|-------|---|--|--------------------------|--|------------------------|------------------------|
| | | 31-Mar-23 (Audited) Refer Note 4 | 31-Dec-22 (Unaudited) | 31-Mar-22 (Audited) Refer Note 4 | 31-Mar-23 (Audited) | 31-Mar-22 (Audited) |
| | Insurance | 345.16 | 383.59 | 279.99 | 1,345.42 | 513.55 |
| | Profit before tax, minority interest and share of associates | 5,988.72 | 5,224.18 | 5,087.31 | 19,646.18 | 15,948.30 |
| | Less: Provision for tax | (1,459.20) | (1,265.04) | (1,228.56) | (4,865.74) | (4,016.43) |
| | Net Profit before minority interest and share of associates | 4,529.52 | 3,959.14 | 3,858.75 | 14,780.44 | 11,931.87 |
| 3 | Segment Assets: | | | | | |
| | Treasury, BMU and Corporate Centre | 138,500.51 | 125,409.63 | 141,212.30 | 138,500.51 | 141,212.30 |
| | Retail Banking* | 310,374.20 | 295,647.69 | 269,857.05 | 310,374.20 | 269,857.05 |
| | Corporate / Wholesale Banking | 223,845.52 | 220,029.31 | 188,132.89 | 223,845.52 | 188,132.89 |
| | Vehicle Financing | 24,085.06 | 22,050.68 | 18,696.29 | 24,085.06 | 18,696.29 |
| | Other Lending Activities | 18,523.54 | 16,350.30 | 17,452.63 | 18,523.54 | 17,452.63 |
| | Broking | 10,491.70 | 11,939.85 | 13,959.09 | 10,491.70 | 13,959.09 |
| | Advisory and Transactional Services | 677.08 | 646.92 | 375.31 | 677.08 | 375.31 |
| | Asset Management | 5,669.64 | 5,154.06 | 4,544.45 | 5,669.64 | 4,544.45 |
| | Insurance | 68,182.65 | 64,611.40 | 58,662.31 | 68,182.65 | 58,662.31 |
| | Sub-total | 800,349.90 | 761,839.84 | 712,892.32 | 800,349.90 | 712,892.32 |
| | Less: inter-segment assets | (181,445.79) | (174,190.51) | (167,856.71) | (181,445.79) | (167,856.71) |
| | Total | 618,904.11 | 587,649.33 | 545,035.61 | 618,904.11 | 545,035.61 |
| | Add: Unallocated Assets | 1,525.62 | 1,445.69 | 1,462.30 | 1,525.62 | 1,462.30 |
| | Total Assets as per Balance Sheet | 620,429.73 | 589,095.02 | 546,497.91 | 620,429.73 | 546,497.91 |
| 4 | Segment Liabilities: | | | | | |
| | Treasury, BMU and Corporate Centre | 96,606.02 | 83,904.75 | 102,329.92 | 96,606.02 | 102,329.92 |
| | Retail Banking* | 287,429.54 | 274,064.63 | 253,410.95 | 287,429.54 | 253,410.95 |
| | Corporate / Wholesale Banking | 202,922.48 | 201,191.21 | 169,595.03 | 202,922.48 | 169,595.03 |
| | Vehicle Financing | 16,297.81 | 14,953.04 | 11,367.01 | 16,297.81 | 11,367.01 |
| | Other Lending Activities | 13,641.89 | 11,220.61 | 12,640.59 | 13,641.89 | 12,640.59 |
| | Broking | 8,851.84 | 10,297.85 | 12,839.45 | 8,851.84 | 12,839.45 |
| | Advisory and Transactional Services | 134.31 | 131.36 | 100.99 | 134.31 | 100.99 |
| | Asset Management | 890.38 | 546.71 | 515.77 | 890.38 | 515.77 |
| | Insurance | 61,941.05 | 58,648.53 | 53,707.45 | 61,941.05 | 53,707.45 |
| | Sub-total | 688,715.32 | 654,958.69 | 616,507.16 | 688,715.32 | 616,507.16 |
| | Less: inter-segment liabilities | (181,445.79) | (174,190.51) | (167,856.71) | (181,445.79) | (167,856.71) |
| | Total | 507,269.53 | 480,768.18 | 448,650.45 | 507,269.53 | 448,650.45 |
| | Add: Unallocated liabilities | 906.11 | 656.73 | 713.43 | 906.11 | 713.43 |
| | Add: Share Capital, Reserves & Surplus & Minority Interest | 112,254.09 | 107,670.11 | 97,134.03 | 112,254.09 | 97,134.03 |
| | Total Capital and Liabilities as per Balance Sheet | 620,429.73 | 589,095.02 | 546,497.91 | 620,429.73 | 546,497.91 |

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 7th April, 2022) and (b) Other Retail Banking segment. During the quarter ended 31st December, 2022, the Bank has commenced operations in two DBUs.



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

For the quarter ended 31st March, 2023:

₹ crore

| 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 |

For the quarter ended 31st December, 2022:

₹
cro
re

| Particulars | Segment Revenue for quarter ended 31-Dec-22 | Segment Results for quarter ended 31-Dec-22 | Segment Assets for quarter ended 31-Dec-22 | Segment Liability for quarter ended 31-Dec-22 |
|---------------------------|---|---|--|---|
| Retail Banking | 5,177.77 | 901.65 | 295,647.69 | 274,064.63 |
| (i) Digital Banking | 278.14 | (44.78) | 19.81 | 9,629.60 |
| (ii) Other Retail Banking | 4,899.63 | 946.43 | 295,627.88 | 264,435.03 |

19. Consolidated Cash Flow Statement:

₹
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| Particulars | Year ended | |
|---|---------------------|---------------------|
| | 31-Mar-23 (Audited) | 31-Mar-22 (Audited) |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before share in profit/(loss) of Associates | 14,780.44 | 11,931.87 |
| Add: Provision for tax | 4,865.74 | 4,016.43 |
| Net Profit before taxes | 19,646.18 | 15,948.30 |
| Adjustments for :- | | |
| Employee Stock Options Expense | 45.64 | 31.44 |
| Depreciation on Group's Property | 599.26 | 480.35 |
| Provision for Diminution / (Write back) in the value of Investments | (18.16) | (80.40) |
| (Profit) / Loss on revaluation of investments (net) | 1,407.76 | 271.16 |
| (Profit) / Loss on sale of Investments (net) | (906.86) | (1,966.19) |
| Amortisation of Premium on Investments | 577.63 | 561.32 |
| Provision for Non-Performing Assets, Standard Assets and Other Provisions | 457.85 | 850.91 |
| Profit on sale of Fixed Assets | (10.78) | (26.43) |
| | 21,798.52 | 16,070.46 |
| Adjustments for :- | | |
| (Increase)/ Decrease in investments - Available for Sale, Held for Trading and Stock-in-Trade | (22,134.83) | 4,123.70 |
| (Increase) in Advances | (55,142.32) | (53,526.56) |

| Particulars | Year ended | |
|---|------------------------|------------------------|
| | 31-Mar-23 (Audited) | 31-Mar-22 (Audited) |
| (Increase) in Other Assets | 2,249.70 | (2,790.47) |
| Increase in Deposits | 51,185.73 | 31,215.48 |
| Increase in Policyholders' Funds | 7,312.68 | 8,595.28 |
| Increase / (Decrease) in Other Liabilities and Provisions | (1,746.53) | 8,364.82 |
| Subtotal | (18,275.57) | (4,017.75) |
| Direct Taxes Paid | (4,765.38) | (3,744.35) |
| NET CASH FLOW FROM OPERATING ACTIVITIES (A) | (1,242.43) | 8,308.36 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (986.76) | (669.77) |
| Sale of Fixed assets | 26.13 | 36.44 |
| (Increase) in Other Investments (including investment in HTM securities) | (9,589.55) | (10,335.93) |
| NET CASH FLOW (USED IN) INVESTING ACTIVITIES (B) | (10,550.18) | (10,969.26) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Dividend paid including corporate dividend tax | (258.92) | (218.96) |
| Money received on issue of Equity Shares / exercise of stock options | 267.86 | 358.56 |
| Share issue expenses | - | (0.05) |
| Increase / (Decrease) in borrowings | 1,874.06 | 7,403.85 |
| NET CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES (C) | 1,883.00 | 7,543.40 |
| Increase/ (Decrease) in Foreign Currency Translation Reserve (D) | 169.47 | 66.36 |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D) | (9,740.14) | 4,948.86 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | 52,665.48 | 47,716.62 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD / YEAR | 42,925.34 | 52,665.48 |

20. There has been no change in the significant accounting policies during the quarter and year ended 31st March, 2023 as compared to those followed for the year ended 31st March, 2022 other than those mentioned in Note 13 above.
21. 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, 29th April, 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

STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH 2023

₹ crore

| Sr No | Particulars | Quarter ended | | | Year ended | |
|-------|---|--|--------------------------|--|------------------------|------------------------|
| | | 31-Mar-23 (Audited) (Refer Note 2) | 31-Dec-22 (Unaudited) | 31-Mar-22 (Audited) (Refer Note 2) | 31-Mar-23 (Audited) | 31-Mar-22 (Audited) |
| 1 | Interest earned (a+b+c+d) | 9,820.94 | 8,998.61 | 7,065.94 | 34,250.85 | 27,038.82 |
| | (a) Interest/discount on advances/ bills | 7,780.85 | 7,143.26 | 5,222.99 | 26,978.45 | 19,378.69 |
| | (b) Income on investments | 1,884.34 | 1,646.37 | 1,591.55 | 6,458.65 | 6,689.26 |
| | (c) Interest on balances with Reserve Bank of India & other interbank funds | 86.94 | 122.54 | 170.81 | 550.29 | 723.42 |
| | (d) Others | 68.81 | 86.44 | 80.59 | 263.46 | 247.45 |
| 2 | Other income (Refer Note 3) | 2,186.29 | 1,948.32 | 1,704.10 | 7,083.05 | 5,985.92 |
| 3 | Total income (1+2) | 12,007.23 | 10,946.93 | 8,770.04 | 41,333.90 | 33,024.74 |
| 4 | Interest expended | 3,718.39 | 3,345.69 | 2,544.54 | 12,698.93 | 10,220.91 |
| 5 | Operating expenses (a+b) | 3,641.47 | 3,751.40 | 2,885.60 | 13,786.99 | 10,752.96 |
| | (a) Employee cost (Refer Note 4) | 1,454.49 | 1,477.76 | 1,122.80 | 5,519.83 | 4,582.35 |
| | (b) Other operating expenses | 2,186.98 | 2,273.64 | 1,762.80 | 8,267.16 | 6,170.61 |
| 6 | Total expenditure (4+5) (excluding provisions & contingencies) | 7,359.86 | 7,097.09 | 5,430.14 | 26,485.92 | 20,973.87 |
| 7 | Operating profit (3-6) (Profit before provisions and contingencies) | 4,647.37 | 3,849.84 | 3,339.90 | 14,847.98 | 12,050.87 |
| 8 | Provisions (other than tax) and contingencies (Refer Note 5) | 147.57 | 148.83 | (306.21) | 456.99 | 689.56 |
| 9 | Exceptional items | - | - | - | - | - |
| 10 | Profit from ordinary activities before tax (7-8-9) | 4,499.80 | 3,701.01 | 3,646.11 | 14,390.99 | 11,361.31 |
| 11 | Tax expense | 1,004.21 | 909.13 | 878.71 | 3,451.69 | 2,788.62 |
| 12 | Net Profit from ordinary activities after tax (10-11) | 3,495.59 | 2,791.88 | 2,767.40 | 10,939.30 | 8,572.69 |
| 13 | Extraordinary items (net of tax expense) | - | - | - | - | - |
| 14 | Net Profit (12-13) | 3,495.59 | 2,791.88 | 2,767.40 | 10,939.30 | 8,572.69 |
| 15 | Paid up equity share capital - (of Face Value ₹ 5 per share) | 993.28 | 993.04 | 992.33 | 993.28 | 992.33 |
| 16 | Reserves (excluding revaluation reserves) | | | | 81,966.67 | 70,964.14 |
| 17 | Analytical Ratios | | | | | |
| | (i) Percentage of shares held by Government of India | - | - | - | - | - |
| | (ii) Capital adequacy ratio - Basel III | 21.80 | 19.66 | 22.69 | 21.80 | 22.69 |
| | (iii) Earnings per equity share before and after extraordinary items (net of tax expense) | | | | | |
| | - Basic (not annualised) ₹ | 17.39 | 14.06 | 13.74 | 54.89 | 43.02 |
| | - Diluted (not annualised) ₹ | 17.39 | 14.06 | 13.74 | 54.87 | 43.01 |
| | (iv) NPA Ratios | | | | | |
| | a) Gross NPA | 5,768.32 | 5,994.57 | 6,469.74 | 5,768.32 | 6,469.74 |
| | b) Net NPA | 1,193.30 | 1,344.77 | 1,736.71 | 1,193.30 | 1,736.71 |
| | c) % of Gross NPA to Gross Advances | 1.78 | 1.90 | 2.34 | 1.78 | 2.34 |
| | d) % of Net NPA to Net Advances | 0.37 | 0.43 | 0.64 | 0.37 | 0.64 |
| | (v) Return on average Assets (%) – (not annualised) | 0.74 | 0.62 | 0.67 | 2.47 | 2.13 |
| | (vi) Debt-Equity ratio (Refer Note 6.a) | 0.28 | 0.27 | 0.36 | 0.28 | 0.36 |
| | (vii) Total Debts to Total Assets (%) (Refer Note 6.a) | 4.78 | 4.63 | 6.05 | 4.78 | 6.05 |
| | (viii) Net worth (Refer Note 6.a) | 82,794.81 | 79,375.73 | 71,849.64 | 82,794.81 | 71,849.64 |
| | (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 | |
|---|--|--------------------------|--|------------------------|------------------------|
| | 31-Mar-23 (Audited) (Refer Note 2) | 31-Dec-22 (Unaudited) | 31-Mar-22 (Audited) (Refer Note 2) | 31-Mar-23 (Audited) | 31-Mar-22 (Audited) |
| 1 Segment Revenue | | | | | |
| a. Corporate/ Wholesale Banking | 5,512.12 | 4,684.74 | 3,606.24 | 18,130.83 | 13,521.78 |
| b. Retail Banking* | 5,389.43 | 5,177.77 | 4,035.32 | 19,179.15 | 14,956.16 |
| c. Treasury, BMU and Corporate Centre | 1,895.91 | 1,801.29 | 1,951.57 | 6,923.67 | 8,479.37 |
| d. Other Banking business | - | - | - | - | - |
| Sub-total | 12,797.46 | 11,663.80 | 9,593.13 | 44,233.65 | 36,957.31 |
| Less: Inter-segmental revenue | 790.23 | 716.87 | 823.09 | 2,899.75 | 3,932.57 |
| Total | 12,007.23 | 10,946.93 | 8,770.04 | 41,333.90 | 33,024.74 |
| 2 Segment Results | | | | | |
| a. Corporate/ Wholesale Banking | 2,088.56 | 1,814.83 | 1,797.99 | 7,072.95 | 6,379.46 |
| b. Retail Banking* | 1,361.74 | 901.65 | 648.31 | 3,411.69 | 846.21 |
| c. Treasury, BMU and Corporate Centre | 1,049.50 | 984.53 | 1,199.81 | 3,906.35 | 4,135.64 |
| d. Other Banking business | - | - | - | - | - |
| Total Profit Before Tax | 4,499.80 | 3,701.01 | 3,646.11 | 14,390.99 | 11,361.31 |
| 3 Segment Assets | | | | | |
| a. Corporate / Wholesale Banking | 223,845.52 | 220,029.31 | 188,132.89 | 223,845.52 | 188,132.89 |
| b. Retail Banking* | 310,374.20 | 295,647.69 | 269,857.05 | 310,374.20 | 269,857.05 |
| c. Treasury, BMU and Corporate Centre | 133,506.32 | 120,620.28 | 136,339.52 | 133,506.32 | 136,339.52 |
| d. Other Banking business | - | - | - | - | - |
| Sub-total | 667,726.04 | 636,297.28 | 594,329.46 | 667,726.04 | 594,329.46 |
| Less : Inter-segmental Assets | 178,234.99 | 171,876.29 | 165,312.01 | 178,234.99 | 165,312.01 |
| Total | 489,491.05 | 464,420.99 | 429,017.45 | 489,491.05 | 429,017.45 |
| Add : Unallocated Assets | 371.43 | 362.81 | 410.95 | 371.43 | 410.95 |
| Total Assets as per Balance Sheet | 489,862.48 | 464,783.80 | 429,428.40 | 489,862.48 | 429,428.40 |
| 4 Segment Liabilities | | | | | |
| a. Corporate / Wholesale Banking | 202,922.48 | 201,191.21 | 169,595.03 | 202,922.48 | 169,595.03 |
| b. Retail Banking* | 287,429.54 | 274,064.63 | 253,410.95 | 287,429.54 | 253,410.95 |
| c. Treasury, BMU and Corporate Centre | 93,987.32 | 81,306.62 | 98,943.19 | 93,987.32 | 98,943.19 |
| d. Other Banking business | - | - | - | - | - |
| Sub-total | 584,339.34 | 556,562.46 | 521,949.17 | 584,339.34 | 521,949.17 |
| Less : Inter-segmental Liabilities | 178,234.99 | 171,876.29 | 165,312.01 | 178,234.99 | 165,312.01 |
| Total | 406,104.35 | 384,686.17 | 356,637.16 | 406,104.35 | 356,637.16 |
| Add : Unallocated liabilities | 298.18 | 161.83 | 334.77 | 298.18 | 334.77 |
| Add : Share Capital & Reserves & surplus | 83,459.95 | 79,935.80 | 72,456.47 | 83,459.95 | 72,456.47 |
| Total Capital and Liabilities as per Balance Sheet | 489,862.48 | 464,783.80 | 429,428.40 | 489,862.48 | 429,428.40 |

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. During the quarter ended 31st December, 2022, the Bank has commenced operations in two DBUs.



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

For the quarter ended March 31, 2023:

| Particulars | ₹ crore | | | |
|---------------------------|---|---|--|---|
| | 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 |

For the quarter ended December 31, 2022:

| Particulars | ₹ crore | | | |
|---------------------------|---|---|--|---|
| | Segment Revenue for quarter ended 31-Dec-22 | Segment Results for quarter ended 31-Dec-22 | Segment Assets for quarter ended 31-Dec-22 | Segment Liability for quarter ended 31-Dec-22 |
| Retail Banking | 5,177.77 | 901.65 | 295,647.69 | 274,064.63 |
| (i) Digital Banking | 278.14 | (44.78) | 19.81 | 9,629.60 |
| (ii) Other Retail Banking | 4,899.63 | 946.43 | 295,627.88 | 264,435.03 |

STANDALONE CASHFLOW STATEMENT

| Particulars | ₹ crore | |
|--|------------------------|------------------------|
| | Year ended | |
| | 31-Mar-23 (Audited) | 31-Mar-22 (Audited) |
| CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES | | |
| Profit after tax | 10,939.30 | 8,572.69 |
| Add: Provision for tax | 3,451.69 | 2,788.62 |
| Net Profit before taxes | 14,390.99 | 11,361.31 |
| Adjustments for :- | | |
| Employee Stock Options Expense | 24.19 | 21.01 |
| Depreciation on Bank's Property | 461.73 | 380.99 |
| Diminution in the value of Investments written off | (21.05) | (91.37) |
| Dividend from Subsidiaries/ Joint Ventures | (242.27) | (201.76) |
| Amortization of Premium on HTM Investments | 525.84 | 512.36 |
| Loss on revaluation of Investments (net) | 221.08 | 933.95 |
| Provision for Non Performing Assets, Standard Assets and Other Provisions | 478.04 | 780.93 |
| Profit on sale of Fixed Assets | (7.51) | (23.43) |
| | 15,831.04 | 13,673.99 |
| Adjustments for :- | | |
| (Increase)/Decrease in Investments (other than Subsidiaries, Joint Ventures and Other HTM Investments) | (22,547.76) | 4,224.69 |
| (Increase) in Advances | (49,115.29) | (48,695.40) |
| (Increase) / Decrease in Other Assets | (1,128.54) | 416.93 |
| Increase in Deposits | 51,411.94 | 31,584.07 |
| Increase in Other Liabilities and Provisions | 657.21 | 3,607.99 |
| Subtotal | (20,722.44) | (8,861.72) |
| Direct Taxes Paid | (3,477.76) | (2,650.94) |
| NET CASH FLOW (USED IN) /FROM OPERATING ACTIVITIES (A) | (8,369.16) | 2,161.33 |
| CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (769.80) | (507.19) |
| Sale of Fixed Assets | 20.00 | 31.17 |
| Investments in Subsidiaries/ Joint Ventures | (224.22) | (343.42) |
| Decrease / (Increase) in Investments in HTM securities | 1,222.60 | (717.23) |
| Dividend from Subsidiaries/ Joint Ventures | 242.27 | 201.76 |
| NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B) | 490.85 | (1,334.91) |

| Particulars | Year ended | |
|---|------------------------|------------------------|
| | 31-Mar-23 (Audited) | 31-Mar-22 (Audited) |
| CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES | | |
| (Decrease) in Subordinated Debt | (306.00) | (150.00) |
| Increase in Refinance | 2,229.06 | 2,337.09 |
| (Decrease) / Increase in Borrowings (other than Refinance and Sub-ordinated debt) | (4,473.91) | 129.38 |
| Money received on exercise of Stock Options/Issue of Equity Shares | 267.86 | 358.56 |
| Dividend paid including Corporate Dividend Tax | (258.92) | (218.96) |
| NET CASH FLOW (USED IN)/ FROM FINANCING ACTIVITIES (C) | (2,541.91) | 2,456.07 |
| | | |
| Increase in Foreign Currency Translation Reserve (D) | 38.59 | 14.92 |
| | | |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D) | (10,381.63) | 3,297.41 |
| | | |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | 42,923.94 | 39,626.53 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 32,542.31 | 42,923.94 |

NOTES:

22. The above results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 29th April, 2023. The results for the year ended 31st March, 2023 were subjected to audit by the joint statutory auditors (KKC & Associates LLP, Chartered Accountants (formerly Khimji Kunverji & Co LLP) and Price Waterhouse LLP, Chartered Accountants) and there are no modifications in the Auditors' Report. The results of the quarter ended 31st December, 2022 were subjected to limited review by the joint statutory auditors of the Bank. The results for the year ended 31st March, 2022 were audited by other joint statutory auditors (Walker Chandiook & Co LLP, Chartered Accountants and Price Waterhouse LLP, Chartered Accountants).
23. The figures for the last quarter in each of the year are balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures upto the third quarter of the respective financial year.
24. 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.
25. During the quarter, the Bank has not granted any options under employee stock option scheme. Stock options aggregating to 470,983 were exercised during the quarter and 3,573,225 stock options were outstanding with employees of the Bank and its subsidiaries as at 31st March, 2023.
26. Provisions and contingencies are net of recoveries made against accounts which have been written off as bad in the previous period / year.

Break up of provisions (other than tax) and contingencies:

| Particulars | Quarter ended | | | Year ended | |
|-------------|---------------|-----------|-----------|------------|-----------|
| | 31-Mar-23 | 31-Dec-22 | 31-Mar-22 | 31-Mar-23 | 31-Mar-22 |
| | | | | | |

₹ crore

| | (Audited) (Refer Note 2) | (Unaudited) | (Audited) (Refer Note 2) | (Audited) | (Audited) |
|---|-----------------------------|---------------|-----------------------------|---------------|---------------|
| Provision towards advances / Others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (net) | 182.07 | 186.36 | 186.71 | 637.59 | 1,512.93 |
| General provision for COVID 19 Deferment cases (net) | (12.95) | (37.60) | (453.00) | (159.55) | (732.00) |
| Other Provision / (write back of other provisions) towards investments (net) | (21.55) | 0.07 | (39.92) | (21.05) | (91.37) |
| Total provisions (other than Tax) and contingencies | 147.57 | 148.83 | (306.21) | 456.99 | 689.56 |

COVID-19, a global pandemic, affected the world economy over the last few years. The revival of economic activity improved in financial year 2022 supported by relaxation of restrictions due to administration of the COVID vaccines to a large population in the country. The extent to which COVID-19 pandemic will impact the company's results going forward will depend on ongoing as well as future developments including the nature and severity of COVID-19.

The Bank held an aggregate COVID-19 related provision of ₹ 547.00 crore as of 31st March, 2022. Based on the improved outlook and on actual collections, the Bank has reversed provisions amounting to ₹ 12.95 crore and ₹ 159.55 crore during the quarter and year ended 31st March 2023 respectively (₹ 37.60 crore during the quarter ended 31st December, 2022, ₹ 453.00 crore and ₹ 732.00 crore during the quarter and year ended 31st March, 2022 respectively) and continues to hold provision of ₹ 387.45 crore as at 31st March, 2023.

27. 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 %.

28. On 10th February, 2023, the Bank has 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.

29. 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.

30. Details of loans transferred /acquired during the year ended 31st March 2023 under the RBI Master Direction on Transfer of Loan Exposures dated 24th 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) Details of the Loans not in default acquired from eligible lenders through assignment:

| ₹ crore except tenor | | |
|----------------------|---|-----------------------------------|
| Sr.No | Particulars | As on 31 st March 2023 |
| 1 | Aggregate amount of loans acquired | 404.97 |
| 2 | Aggregate consideration paid | 371.08 |
| 3 | Weighted average residual maturity | 1.9 years |
| 4 | Weighted average holding period of originator | 3.26 years |
| 5 | Retention of beneficial economic interest | Nil |
| 6 | Coverage of tangible security coverage(%) | 100% |
| 7 | Rating-wise distribution of rated loans | Retail loans – NA |

(iii) Details of Special Mention Accounts (SMAs) acquired:

₹ crore except tenor

| Portfolio acquired during the year ended | From lenders listed in Clause 3 of the Circular dated 24th September, 2021 | | |
|--|--|------------------------------|--|
| | Aggregate Principal outstanding of loans acquired | Aggregate consideration paid | Weighted average residual tenor of loans acquired (in Years) |
| 31 st March 2023 | 176.79 | 110.87 | 1.89 |

(iv) Details of the Non-Performing Assets (NPAs) acquired:

₹ crore except tenor

| Portfolio acquired during the year ended | From lenders listed in Clause 3 of the Circular dated 24 th September, 2021 | | |
|--|--|------------------------------|---|
| | Aggregate Principal outstanding of loans acquired | Aggregate consideration paid | Weighted average residual tenor of loans acquired (in Years) \$ |
| 31 st March 2023 | 1,862.83 | 259.90 | 8.09 |

\$ - Weighted Average residual tenor of loans is excluding limit based facilities

(v) Details of the recovery ratings assigned to Security Receipts as at 31st March 2023:

| Recovery Rating [^] | Anticipated Recovery as per Recovery Rating | Carrying Value* (₹ crore) |
|------------------------------|---|---------------------------|
| NR1/R1+/RR1+ | >150% | 11.14 |
| NR2/R1/RR1 | 100% - 150% | 447.04 |
| NR3/R2/RR2 | 75% - 100% | 36.12 |
| NR4/R3/RR3 | 50% - 75% | 134.33 |
| NR5/R4/RR4 | 25% - 50% | 2.09 |
| NR6/R5/RR5 | 0% - 25% | - |
| Yet to be rated** | - | 524.97 |
| Unrated | - | 0.09 |
| Total | | 1,155.78 |

[^] - recovery rating is as assigned by various rating agencies.

* - Net of provisions.

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

31. The disclosure requirements as required by RBI circular dated 6th August, 2020 (Resolution Framework 1.0) and 5th May 2021 (Resolution Framework 2.0) as at 31st March, 2023 is given below:

₹ crore except number of accounts

| Type of borrower | Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of the previous half - year (A) | Of (A), aggregate debt that slipped into NPA during the half-year | Of (A) amount written off during the half - year# | Of (A) amount paid by the borrowers during the half-year ^ | Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of this half - year |
|--------------------|---|---|---|--|---|
| Personal Loans | 160.33 | 5.33 | 0.26 | 33.83 | 121.17 |
| Corporate persons* | 44.56 | 0.00 | 0.00 | 11.46 | 33.10 |
| Of which, MSMEs | 33.54 | 0.00 | 0.00 | 9.67 | 23.87 |
| Others | 115.94 | 10.20 | 0.00 | 21.81 | 83.93 |
| Total | 320.83 | 15.53 | 0.26 | 67.10 | 238.20 |

* As defined in section 3(7) of the Insolvency and Bankruptcy Code, 2016

represents debt that slipped into NPA and was subsequently written off during the half-year

^ includes change in balances on account of interest and net of increase in exposure during the period

32. The Board of Directors of the Bank have proposed a dividend of ₹ 1.50 per share having a face value ₹ 5 for the year ended 31st March, 2023 (Previous Year ₹ 1.10 per share). The Bank is obliged to pay dividend to those shareholders whose names are appearing in the register of members as on the book closure date. Dividend will be paid after the approval of the shareholders at the Annual General Meeting.

33. The Summarised Balance Sheet of the Bank (Standalone) is given below:

₹ crore

| Summarised Balance Sheet | As at |
|--------------------------|-------|
|--------------------------|-------|

| | 31-Mar-23 | 31-Mar-22 |
|--|-------------------|-------------------|
| | (Audited) | (Audited) |
| CAPITAL AND LIABILITIES | | |
| Capital | 1,493.28 | 1,492.33 |
| Employees' Stock Options (Grants) Outstanding | 60.31 | 31.31 |
| Reserves and Surplus | 81,966.67 | 70,964.14 |
| Deposits | 363,096.05 | 311,684.11 |
| Borrowings | 23,416.27 | 25,967.12 |
| Other Liabilities and Provisions | 19,829.90 | 19,289.39 |
| TOTAL | 489,862.48 | 429,428.40 |
| ASSETS | | |
| Cash and balances with Reserve Bank of India | 19,965.56 | 36,026.22 |
| Balances with Banks and Money at Call and Short Notice | 12,576.75 | 6,897.72 |
| Investments | 121,403.73 | 100,580.22 |
| Advances | 319,861.21 | 271,253.60 |
| Fixed Assets | 1,920.32 | 1,643.72 |
| Other Assets | 14,134.91 | 13,026.92 |
| TOTAL | 489,862.48 | 429,428.40 |

34. There has been no change to significant accounting policies during the quarter and year ended 31st March, 2023.
35. 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, 29th April, 2023

Dipak Gupta
 Joint Managing Director