

Inspiring performance ACROSS THE BOARD



Consumer Banking Kotak Mahindra Bank Limited

39%[↑]

Growth in Home Loan and Loans Against Property loan book

35%[↑]

Growth in Consumer Assets

89%

CASA and TDs below ₹5 cr as a percentage of total deposits

Over 12 lakh

New credit cards issued in FY 2021-22

2 mn+

Kotak FASTag milestone crossed in March 2022

Focus

Provides a bouquet of products and services like deposits, lending solutions and transaction services for retail customers, small businesses, NRIs, retail institutions, government departments and entities, backed by convenient, innovative and digital-first solutions.

Offerings

Savings and Current Accounts, Term Deposits, Home Loans and Loans Against Property, Personal Loans, Consumer Finance, Business Banking, Credit Cards, Priority Banking, Small Business loans, Private Banking, Rural Housing, Business Loans, and FASTag.

Key highlights

- » Pursued an aggressive home loan acquisition strategy by offering customers competitive interest rates, a better product proposition and the convenience of a digital in-principle sanction on Kotak Digi Home Loans
- » Launched Pay your Contact, enabling customers to send money to a mobile number registered against any app
- » Maintained focus on building a stable, retail deposit base through Current Account and Savings Account (CASA) and Term Deposits



Commercial Banking Kotak Mahindra Bank Limited

15%

Growth in commercial banking loan book*

10%

Market share[^] and 3.7 lakh customers spread over 500 districts in tractor and farm equipment

Focus

Plays a significant role in meeting financial inclusion goals and financing deep into 'Bharat'.

Offerings

Finances food and agro-processing segments, tractors, commercial vehicles, construction equipment, small and medium enterprises and microfinance.

Key highlights

- » Successfully launched payment gateway on the National Agriculture Market electronic trading platform
- » Agri Business Group funded farmers for solar-powered pump sets contributing to green energy initiatives



Wholesale Banking Kotak Mahindra Bank Limited

Despite another challenging year, witnessed low credit costs and recorded an enhanced ROE

Reported well-distributed growth across all customer segments in assets and non-credit income streams, such as current account deposits, debt syndication and foreign exchange

Focus

Caters to a wide range of corporate customer segments, including large Indian corporates, conglomerates, financial institutions, public sector undertakings, multinational companies, new-age companies, small and medium enterprises and realty businesses.

Offerings

Offers portfolio of products and services, including working capital finance, medium-term finance, foreign exchange services, trade finance, other transaction banking services, custody services, debt capital markets and treasury services.

Key highlights

- » Continuing focus on risk-return metrics like Risk-Adjusted Return on Capital (RaRoC) and Economic Value Add (EVA), leading to favorable outcomes like higher business profitability, lowered credit costs and improved ROE of business
- » Improved focus and growth in advances offered to customers from the SME and priority sectors
- » Deeper relationships with top-tier corporates and a higher share of wallet from these clients, on account of an integrated corporate and investment banking approach
- » Launched the new portal 'Kotak FYN' for its corporate customers to provide, in a phased manner, all-in-one experience across product platforms, such as trade and service, account services, payments and collections
- » There is a framework to evaluate ESG compliance in the Bank's lending business



Custodial Services Kotak Mahindra Bank Limited

The first Designated Depository Participant (DDP) Custodian to issue a FPI License to an AIF III at GIFT City

Focus

One of India's largest local custodians and a leading provider of custody, clearing and fund accounting services.

Offerings

Caters to domestic as well as overseas asset managers from jurisdictions like the Middle East, North America, Europe, United Kingdom, Mauritius, and the Far East region.

Key highlights

- » Launched a customised digital onboarding solution for online Demat Account Opening for PMS investors and continue to expand our offering in this emerging space
- » Saw good growth across all custody businesses with the domestic franchise showing a substantial increase in inflows. Marquee names being onboarded across the FPI, FDI and PE space, despite various COVID-19 waves
- » Continued interest from family offices for Custody Services and expect this to be a strong driver of the domestic business
- » Handled large ticket FX flows as well as complicated control transactions and continue to grow our market share in this fast growing space

BUSINESS OVERVIEW



Private Banking

Kotak Mahindra Bank Limited

51%

Of India's top 100 families managed by Kotak Private Banking

(Source: Forbes India Rich List 2021)

Focus

Offers a comprehensive and holistic platform covering a gamut of financial services for UHNI and HNI clients comprising entrepreneurs, business families and professionals.

Offerings

- » Strives to be the trusted partner for its client families for all their diverse wealth creation and preservation needs.
- » A wide proposition of products and services are offered to private banking clients through product partners and providers.

Key highlights

- » Unveiled Kotak Private – a comprehensive platform for UHNIs and HNIs with the new brand theme - 'Live Your Purpose', focusing on enabling clients to pursue their deeper calling in life, beyond managing their wealth
- » Strengthened the technology infrastructure to provide digital solutions to meet both investment and banking needs of clients



Asset Recovery

Kotak Mahindra Bank Limited

11

Buyout transactions executed*

Focus

Looks at potential turnaround cases and structured funding opportunities basis genuine borrower profile backed by commensurate cash flows and collaterals. Also considers opportunities in the retail stressed assets space.

Offerings

Amongst few banks that provides vital financing, required to revive stressed companies back to mainstream banking. Also provides an effective option to other lending institutions in retail space to exit their stressed assets by offering to buy the same.

Key highlights

- » As the economy is exposed to global crisis due to war, rising commodity prices and inflation, we continue to monitor the impact and adopt various measures empathetically and diligently to resolve the stressed and bad accounts with compassion



Car and Two-Wheeler Loans

Kotak Mahindra Prime Limited

47%[↑]

Growth in retail auto loan disbursement

Acquired portfolios of Ford Credit India and Volkswagen Finance, with ~50,000 customers

Focus

Caters to retail customers and dealers in the passenger vehicles and two-wheelers segments.

Offerings

Offers loans for the entire range of passenger cars, multi utility vehicles, pre-owned cars and two-wheelers. Provides complete financing solutions through a single window to car and two wheeler dealers for their working capital and infrastructure setup requirements in the form of inventory funding and term loans.

Key highlights

- » Launched a digital-friendly online journey for customers to avail loans
- » Dedicated tie-ups with original equipment manufacturers (OEMs) for Do-it-Yourself (DIY) loan processing
- » Continued geographical expansion with car and two-wheeler finance business



Lending NBFC

Kotak Mahindra Investment Limited

0.48%

Net NPA on customer assets
(0.57% as at 31st March, 2021)

Focus

Lends to real estate and other sectors, provides structured financing and holds strategic investments.

Offerings

The real estate division lends to developers across the entire spectrum- residential, commercial and retail. The structured finance team offers a trusted and dedicated platform with expertise in structuring complex transactions, thereby broadening access to capital.

Key highlights

- » Leveraged our deep knowledge in real estate to refocus the portfolio towards residential sector (69% as on 31st March, 2022 vs. 53% as on 31st March, 2021), improving profitability while maintaining a high quality book
- » Focused on acquiring securitised pools, acquisition finance and the education sector in the Corporate Loan portfolio



Infrastructure Financing

Kotak Infrastructure Debt Fund

₹620 cr

Customer assets

Focus

Provides long-term finance to operational infrastructure projects and forges relationships with multiple infrastructure developers.

Offerings

Long-term finance.

Key highlights

- » Continued to be judicious about credit underwriting and selection of customers
- » Nil delinquency in entire book, indicating quality of the book built



Stock Broking

Kotak Securities Limited

79%[↑]

Increase in client acquisitions

10.6%

Market share in cash¹

2.7%

Market share in options¹

113%[↑]

Growth in Margin Trading Facility (MTF) book

Focus

Offers services to retail and institutional investors across Indian market.

Offerings

Wide array of services including investment options in equities, derivatives (equities, commodities, currency) and mutual funds. Also provides research services, margin trading funding, depository services and third-party products like insurance.

Key highlights

- » A subscription based 'Trade Free Youth' launched to encourage youth to experience the markets without worrying about brokerage
- » Trade Free plan, launched in November 2020, scaled up to contribute to 65% of total FY 2021-22 client acquisitions
- » To meet funding needs of investors, 'Trade Free Max' Plan was introduced offering Margin Trading Facility (MTF) at 7.75% per annum, one of the most competitive rates in the industry
- » Launched 'Ace Portfolios' that offers curated portfolios from registered investment advisors to our clients. We enabled wider reach of our research made available via videos and PDFs.
- » As part of the organisation strategy to partner with fintechs, completed acquire of TradeGyaani and made investments in Kredent Infoline Ltd and Flipitmoney

*Retail assets portfolio purchased by the Bank has been considered as a single portfolio [↑]YoY

[↑]YoY | ¹Retail and institutional market share after excluding BSE derivative and proprietary segments

BUSINESS OVERVIEW



Institutional Equities

Kotak Securities Limited

50

New institutional investors (global and local) added

Focus

Leading institutional broker in India, catering to both global and domestic institutional equity investors.

Offerings

Comprehensive offerings include top-ranked equity research, trade execution in cash equities and equity derivatives and corporate access. Also executes equity capital market transactions such as IPOs/ QIPs/ OFS/ block.

Key highlights

- » Executed 43 equity capital market transactions
- » Introduced ESG research



Investment Banking

Kotak Mahindra Capital Company Limited

#1

Ranking in IPOs with issue size of over ₹1,000 cr with 16 out of 20 IPOs of over ₹1,500 cr executed in FY 2021-22

Focus

Leading investment banking firm with leadership across capital market and advisory products.

Offerings

Capital markets and advisory services.

Key highlights

- » Advised on 21 domestic and cross-border M&A transactions with a cumulative value* of USD 10.4 billion
- » Successfully completed 36 Equity Capital Markets (ECM) transactions raising a total of ₹1,16,556 crore in FY 2021-22
- » Continued to be the Banker of Choice having led large and marquee transactions like Zomato, Star Health, FSN E-Commerce Ventures Ltd, PB Fintech, Sonata BLW Precision Forgings during FY 2021-22

53%

Market share across ECM transactions in FY 2021-22

(Source: Prime Database)



Life Insurance

Kotak Mahindra Life Insurance Company Limited

31.1%

Value of New Business (VNB) Margin

98.82%

Individual Claim Settlement Ratio

Focus

With a customer-first approach, offers superior value proposition across all customer touchpoints - from policy purchase to servicing to claim or maturity settlement.

Offerings

Offers wide range of life insurance solutions under individual and group platforms through its multi-channel distribution network.

30%[↑]

Growth in VNB at ₹895 cr

99.58%

Group Claim Settlement Ratio

67%[↑]

Growth in non-par business

Key highlights

- » Covered ~2.15 crore new lives in FY 2021-22, up 34%[↑]
- » Gross Written Premium registered a healthy growth of 17.3%[↑]
- » Indian Embedded Value (IEV) ₹10,679 crore
- » Assets Under Management (AUM) (Policyholders') of ₹51,800 crore, up 20%[↑]
- » About 74% of customer servicing transactions through digital mode, up from 46% in FY 2019-20 and 67% in FY 2020-21
- » Launched new products in Participating and Annuity space - 'Kotak Fortune Maximizer' and 'Kotak Assured Pension'
- » 83% U-matter engagement score, a voice of employee survey

89.4%

Individual Conservation ratio [FY 2020-21- 85.0%]

*Cumulative deal value does not include the transactions where value is not disclosed | [↑]YoY



General Insurance

Kotak Mahindra General Insurance Company Limited

38%[↑]

Growth in Gross Written Premium (GWP)

Focus

Caters to the growing non-life insurance needs of individual customers and businesses.

Offerings

Provides motor, health, home and commercial insurance with a strong focus on digital for ease of doing business.

33%[↑]

Premium growth reported in health and personal accident insurance

Key highlights

- » Maintained a well-diversified product mix with 51% Motor, 38% Health and 11% others in FY 2021-22
- » Expanding digital reach and footprint; ramped up our digital distribution to more than 50 partners
- » Number of policies issued has grown by more than 50%[↑]
- » Scaled up employee strength by over 50% while adding 42% more female employees in FY 2021-22

36%[↑]

Premium growth in motor insurance



Mutual Fund

Kotak Mahindra Asset Management Company Limited

5th

Largest fund house in the country in terms of QAAUM* as on 31st March, 2022

Focus

Offers schemes that cater to investors with varying risk-return profiles.

Offerings

Diversified product portfolio across a wide range of equity, debt, exchange-traded funds (ETFs), index funds and overseas funds.

7.42%

Market share in QAAUM*

Key highlights

- » Highest ever NFO collection, amongst all Kotak MF schemes, of ~₹3,500 crore in Kotak Multicap Fund
- » 44%[↑] increase in cumulative SIP count
- » 52%[↑] growth in number of unique investors in FY 2021-22
- » Focus on training – more than 260 distributor training events conducted in FY 2021-22 covering 17,000+ participants



[↑]YoY | *Quarterly Average Assets under Management

BUSINESS OVERVIEW



Pension Fund

Kotak Mahindra Pension Fund Limited

42%[↑]

Growth of Assets Under Management (AUM)

Focus

Authorised pension fund management company under National Pension System (NPS), licensed by the Pension Fund Regulatory and Development Authority (PFRDA) in April 2009. Manages nine schemes across asset classes.

Offerings

Pension fund management.

Key highlights

- » Best performing equity fund (NPS Tier 1) over 10-year period as on 31st March, 2022
- » Among top 2 performing funds in 1-year, 3-year and 7-year periods
- » Best performing government debt fund (NPS Tier 1) in FY 2021-22

Source: NPS trust website


Alternative Assets

Kotak Investment Advisors Limited

USD 5.1 bn

 Funds raised / managed / advised as on 31st March, 2022

Focus

Diversified multi-asset investment manager providing private capital to Indian companies since 2005 across different verticals.

Offerings

Manages/advises funds across six verticals - Private Equity, Real Estate, Infrastructure, Special Situations, Listed Equity Strategies and Investment Advisory, all led by independent investment teams. Kotak Cherry, an investment superapp, offers one-stop solution for all investments across mutual funds, stocks, REITs, gold, NPS and bonds.

Key highlights

- » Raised ₹ 2,940 crore across funds and strategies in FY 2021-22
- » Raised ~₹2,000 crore Pre-IPO Opportunities Fund focussed on investing in late-stage companies with a strong moat of technology, the fund has invested significant capital in 8 marquee companies during FY 2021-22
- » Kotak Special Situations Fund (KSSF) consummated 5 investments across diverse sectors and successfully exited two debt investments
- » Kotak Realty vertical deployed and divested significant capital inspite of the extended COVID-19 pandemic. Kotak Performing Real Estate Credit Strategy (KPRECS) fund committed ~50% of the fund corpus
- » Kotak Realty Fund has made 11 new investments and exited across 9 investments
- » Optimus, a discretionary investment advisory business increased its AUM by 58% and expanded its client base by 40% in FY 2021-22
- » Private equity team continued its focus on proprietary investments in early-stage healthcare and life sciences companies and made investments in 5 companies including two follow-ons in FY 2021-22



International Business

Kotak Mahindra (UK) Limited | Kotak Mahindra (International) Limited | Kotak Mahindra Inc. | Kotak Mahindra Asset Management (Singapore) Pte. Limited | Kotak Mahindra Financial Services Limited

USD 3.9 bn

Assets Under Management (AUM)

Focus

Provides financial services through offices in New York, London, Dubai, Abu Dhabi, Mauritius, and Singapore.

Offerings

Offerings include India bound Asset Management, Investment Advisory and Alternate Assets; India bound Institutional Equities and Prime Brokerage; Global Bond Trading and Proprietary Investments and International Wealth Management for private clients.

Key highlights

- » Established a dedicated fund to invest in opportunities arising from IPOs in India investing a total of USD 1.1 billion in Indian IPOs. In addition, through Kotak Pre-IPO Opportunities Fund, an AIF in India, established a fund with the goal of investing in late-stage new age businesses
- » Secured a new mandate from a marquee US pension fund during the year
- » Since 2018, Kotak Mahindra Asset Management (Singapore) Pte. Ltd. (KMAMS) has been a signatory to the United Nations Principles for Responsible Investment (PRI). KMAMS' flagship funds in Luxembourg are now reclassified as Article 8 products of the EU Sustainable Finance Disclosure Regulation (SFDR). In addition, the fund based in the United States updated its investment strategy, with ESG being integrated more deeply into the fund's strategy



Microfinance

Kotak Mahindra Bank Limited and BSS Microfinance Limited

50%[↑]

Growth in microfinance loan book

400

Branches of BSS microfinance cater to rural and semi-urban markets

Focus

Active in the microfinance sector for over a decade, Kotak Mahindra Bank's approach to mainstreaming financial inclusion is four-pronged – 1) Directly reaching borrowers through its wholly-owned subsidiary, BSS Microfinance 2) Reaching out to borrowers through business correspondents 3) Lending to MFIs and retail focused NBFCs for on-lending and 4) Investing in securitised papers for loans originated by MFIs.

Offerings

Caters primarily to women customers. Provides credit facilities to MFIs and NBFCs for onward lending to microfinance customers engaged in allied agri, micro enterprises and various income generating activities.

Key highlights

- » Funded over 8 lakh women customers through small ticket non-collateralised micro loans below ₹30,000 for allied agricultural activities
- » Provided credit facilities to 30 MFIs and retail focused NBFCs, enabling them to on-lend
- » Undertook CSR initiatives, such as integrated livestock development programme and improved classroom infrastructure of 72 government schools across four states, benefiting poor households in rural communities