



**MEDIA RELEASE**

**KOTAK MAHINDRA BANK ANNOUNCES RESULTS**

***Kotak Mahindra Bank Consolidated PAT for Q3FY22 ₹ 3,403 crore, up 31% yoy***

**Mumbai, 28<sup>th</sup> January, 2022:** The Board of Directors of Kotak Mahindra Bank (“the Bank”) approved the unaudited standalone and consolidated results for Q3FY22, at the Board meeting held in Mumbai, today.

**Consolidated results at a glance**

Consolidated PAT for Q3FY22 was ₹ 3,403 crore, up 31% from ₹ 2,602 crore for Q3FY21 (₹ 2,989 crore for Q2FY22).

For Q3FY22, net contribution of non-bank entities was 37% of the consolidated PAT.

PAT of Bank and key subsidiaries is given below:

<b>PAT (₹ crore)</b>	<b>Q3FY22</b>	<b>Q3FY21</b>
Kotak Mahindra Bank	2,131	1,854
Kotak Securities	270	184
Kotak Mahindra Prime	254	149
Kotak Mahindra Life Insurance	247	167
Kotak Asset Management & Trustee Company	149	91
Kotak Mahindra Investments	111	68
Kotak Mahindra Capital Company	103	38

At the consolidated level, the Return on Assets (ROA) (annualized) was 2.60% for Q3FY22 (2.21% for Q3FY21) and the Return on Equity (ROE) (annualized) was 14.8% for Q3FY22 (12.8% for Q3FY21).

Consolidated Capital adequacy ratio, including unaudited profits, as per Basel III as at December 31, 2021 was 24.5% and Tier I ratio was 23.7%.

Consolidated Capital and Reserves & Surplus as at December 31, 2021 was ₹ 93,141 crore (₹ 82,116 crore as at December 31, 2020). The Book Value per Share was ₹ 467.

AUM (Policyholders’) of Kotak Mahindra Life Insurance as on December 31, 2021 grew 23.8% yoy to ₹ 49,221 crore.

Consolidated Customer Assets grew by 21% from ₹ 255,768 crore as at December 31, 2020 to ₹ 309,042 crore as at December 31, 2021.

Total assets managed / advised by the Group as at December 31, 2021 were ₹ 386,465 crore up 23% over ₹ 314,833 crore as at December 31, 2020.

The Relationship Value of the customers of Wealth, Priority Banking and Investment Advisory was ~ ₹ 649,000 crore as at December 31, 2021 up 73% from ~ ₹ 375,000 crore as at December 31, 2020.

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

The Bank's PAT for Q3FY22 increased to ₹ 2,131 crore, up 15% from ₹ 1,854 crore for Q3FY21 (₹ 2,032 crore for Q2FY22).

Net Interest Income (NII) for Q3FY22 increased to ₹ 4,334 crore, from ₹ 3,876 crore in Q3FY21, up 12%. Net Interest Margin (NIM) for Q3FY22 was at 4.62%.

Net Total Income for Q3FY22 was ₹ 5,698 crore, up 10% from ₹ 5,166 crore in Q3FY21. Other Income of Q3FY22 includes MTM gain/(loss) on investments of ₹ (484) cr (Q3FY21: ₹ 5 cr).

Operating profit for Q3FY22 was ₹ 2,701 crore (Q3FY21: ₹ 2,908 crore). The higher operating expenditure is driven by the Bank's push for growth.

Net Customer additions in Q3FY22 was 2.1 mn against that of 0.8 mn in Q3FY21. Customers as at December 31, 2022 was 30.7 mn (25 mn as at December 31, 2021).

Customer Assets, which includes Advances and Credit substitutes, increased by 20% to ₹ 274,569 crore as at December 31, 2021 from ₹ 228,791 crore as at December 31, 2020 (₹ 256,335 crore as at September 30, 2021). Advances increased by 18% to ₹ 252,935 crore as at December 31, 2021 from ₹ 214,085 crore as at December 31, 2020 (₹ 234,947 crore as at September 30, 2021).

CASA ratio as at December 31, 2021 stood at 59.9% compared to 58.9% as at December 31, 2020.

Average Current deposits grew to ₹ 49,417 crore for 9MFY22 compared to ₹ 37,533 crore for 9MFY21. Average Savings deposits was ₹ 119,645 crore for 9MFY22 (9MFY21: ₹ 107,363 crore). Average TD Sweep up from ₹ 19,568 crore for 9MFY21 to ₹ 23,429 crore for 9MFY22.

As at December 31, 2021, COVID related provisions stood at ₹ 1,000 crore. In accordance with COVID and MSME Resolution Frameworks announced by RBI, the Bank has standard restructured fund-based outstanding of ₹ 1,364 core (0.54% of Advances) as at December 31, 2021.

As at December 31, 2021, GNPA was 2.71% & NNPA was 0.79%. Credit cost on advances for Q3FY22 was 35 bps (annualised) (excluding reversal of COVID provision) (63 bps for Q2FY22). Total provisions (incl specific, standard, COVID-19 related etc.) held as on December 31, 2021 was at ₹ 7,269 cr.

Capital adequacy ratio of the Bank, including unaudited profits, as per Basel III as at December 31, 2021 was 23.3% and Tier I ratio was 22.4%.

*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 31<sup>st</sup> December, 2021, Kotak Mahindra Bank Ltd has a national footprint of 1,647 branches and 2,609 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)**
**Registered Office: 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051**
**UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31<sup>ST</sup> DECEMBER, 2021**

Sr No	Particulars	Quarter ended			Nine months ended		₹ crore
		31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	Year ended 31-Mar-21 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>8,626.36</b>	<b>8,233.09</b>	<b>8,133.58</b>	<b>24,902.27</b>	<b>24,868.06</b>	<b>32,819.83</b>
	(a) Interest/discount on advances/bills	5,804.57	5,380.86	5,251.05	16,500.56	16,472.83	21,620.53
	(b) Income on investments	2,411.87	2,450.41	2,410.96	7,257.48	6,894.47	9,274.97
	(c) Interest on balances with RBI & other interbank funds	276.61	278.66	365.60	757.56	1,178.53	1,480.91
	(d) Others	133.31	123.16	105.97	386.67	322.23	443.42
2	<b>Other income (a+b+c)</b>	<b>5,549.80</b>	<b>7,108.56</b>	<b>6,537.44</b>	<b>17,186.36</b>	<b>15,703.38</b>	<b>23,476.64</b>
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	(122.62)	1,413.13	1,827.29	2,191.67	3,906.86	4,536.89
	(b) Premium on Insurance Business	3,235.77	2,981.55	2,712.95	7,907.52	6,427.58	11,367.40
	(c) Other income (Refer Notes 4, 5 & 6)	2,436.65	2,713.88	1,997.20	7,087.17	5,368.94	7,572.35
3	<b>Total income (1+2)</b>	<b>14,176.16</b>	<b>15,341.65</b>	<b>14,671.02</b>	<b>42,088.63</b>	<b>40,571.44</b>	<b>56,296.47</b>
4	Interest expended	2,918.94	2,880.22	3,120.26	8,649.88	10,034.01	12,966.55
5	<b>Operating expenses (a+b+c)</b>	<b>6,964.63</b>	<b>8,096.37</b>	<b>7,585.70</b>	<b>21,403.83</b>	<b>18,644.16</b>	<b>27,309.15</b>
	(a) Employees Cost (Refer Note 15 and 16)	1,837.20	1,853.02	1,536.64	5,283.59	4,417.52	5,855.70
	(b) Policy holders' reserves, surrender expense and claims (Refer Note 13)	2,828.06	4,257.75	4,345.03	10,148.21	9,877.23	15,037.37
	(c) Other operating expenses (Refer Note 5 and 7)	2,299.37	1,985.60	1,704.03	5,972.03	4,349.41	6,416.08
6	<b>Total expenditure (4+5) (excluding provisions and contingencies)</b>	<b>9,883.57</b>	<b>10,976.59</b>	<b>10,705.96</b>	<b>30,053.71</b>	<b>28,678.17</b>	<b>40,275.70</b>
7	<b>Operating Profit (3-6) (Profit before provisions and contingencies)</b>	<b>4,292.59</b>	<b>4,365.06</b>	<b>3,965.06</b>	<b>12,034.92</b>	<b>11,893.27</b>	<b>16,020.77</b>
8	Provisions (other than tax) and contingencies (Refer Note 8)	(118.13)	434.18	510.06	1,173.93	2,088.47	2,852.43
9	Exceptional items	-	-	-	-	-	-
10	<b>Profit from ordinary activities before tax (7-8-9)</b>	<b>4,410.72</b>	<b>3,930.88</b>	<b>3,455.00</b>	<b>10,860.99</b>	<b>9,804.80</b>	<b>13,168.34</b>
11	Tax expense	1,073.10	990.17	879.26	2,787.87	2,455.16	3,265.44
12	<b>Net Profit from ordinary activities after tax before Minority Interest (10-11)</b>	<b>3,337.62</b>	<b>2,940.71</b>	<b>2,575.74</b>	<b>8,073.12</b>	<b>7,349.64</b>	<b>9,902.90</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	<b>Net Profit after tax before Minority Interest (12 -13)</b>	<b>3,337.62</b>	<b>2,940.71</b>	<b>2,575.74</b>	<b>8,073.12</b>	<b>7,349.64</b>	<b>9,902.90</b>
15	Less: Share of Minority Interest	-	-	-	-	-	-
16	Add: Share in Profit/(Loss) of associates	65.12	48.03	25.93	124.45	51.24	87.30
17	<b>Profit after tax (14-15+16)</b>	<b>3,402.74</b>	<b>2,988.74</b>	<b>2,601.67</b>	<b>8,197.57</b>	<b>7,400.88</b>	<b>9,990.20</b>
18	<b>Paid Up Equity Capital (Face value of ₹ 5 per share)</b>	<b>991.95</b>	<b>991.54</b>	<b>990.24</b>	<b>991.95</b>	<b>990.24</b>	<b>990.92</b>
19	Group Reserves (excluding Minority Interest and Revaluation reserves)						83,345.53

Sr No	Particulars	Quarter ended			Nine months ended		₹ crore
		31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	Year ended 31-Mar-21 (Audited)
20	Minority Interest						-
21	<b>Analytical Ratios</b>						
	(i) Capital Adequacy ratio – Basel III (standalone)	21.29	21.76	21.54	21.29	21.54	22.26
	(ii) Earnings per equity share						
	- Basic (not annualised) ₹	17.16	15.07	13.14	41.34	37.66	50.53
	- Diluted (not annualised) ₹	17.15	15.06	13.14	41.32	37.64	50.49
	(iii) NPA Ratios (unaudited)						
	(a) Gross NPA	7,993.34	8,564.19	5,510.55	7,993.34	5,510.55	8,276.29
	(b) Net NPA	2,496.75	2,897.01	1,284.58	2,496.75	1,284.58	3,105.50
	(c) % of Gross NPA to Gross Advances	2.75	3.16	2.25 (Refer Note 11)	2.75	2.25 (Refer Note 11)	3.22
	(d) % of Net NPA to Net Advances	0.87	1.09	0.53 (Refer Note 11)	0.87	0.53 (Refer Note 11)	1.23
	(iv) Return on average Assets (not annualised)	0.65	0.60	0.56	1.63	1.61	2.16

**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 in accordance with Generally Accepted Accounting Principles in India ('GAAP') specified under Section 133 and relevant provision of Companies Act, 2013.
- The consolidated financial results for the quarter and nine months ended 31<sup>st</sup> December, 2021 were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 28<sup>th</sup> January, 2022. These results were subjected to limited review by the joint statutory auditors (Walker Chandiok & Co LLP, Chartered Accountants and Price Waterhouse LLP, Chartered Accountants) of the Bank and there are no modifications in their Limited Review Report. The results for the quarter and nine months ended 31<sup>st</sup> December, 2020 were reviewed and for the year ended 31<sup>st</sup> March, 2021 were audited by Walker Chandiok & Co LLP, Chartered Accountants.
- Details of other income forming part of the consolidated results are as follows:

Particulars	Quarter ended			Nine months ended		₹ crore
	31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	Year ended 31-Mar-21 (Audited)
Commission, fees, exchange, brokerage and others (net)	2,722.70	2,470.91	1,843.93	7,294.28	4,868.93	7,341.78
Profit/(Loss) on sale and provisions/(write-back) of mark-to-market depreciation on investments (other than insurance business)	(286.05)	242.97	153.27	(207.11)	500.01	230.57
<b>Total – Other income</b>	<b>2,436.65</b>	<b>2,713.88</b>	<b>1,997.20</b>	<b>7,087.17</b>	<b>5,368.94</b>	<b>7,572.35</b>

- Other income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 41.44 crore for the quarter and ₹ 115.34 crore for the nine months ended 31<sup>st</sup> December, 2021 (₹ 38.93 crore for the quarter ended 30<sup>th</sup> September, 2021, for the quarter and nine months ended 31<sup>st</sup> December, 2020, ₹ 26.02 crore and ₹ 75.17 crore respectively and ₹ 111.04 crore for the year ended 31<sup>st</sup> March, 2021).
- Other income includes non-fund based income such as commission earned from guarantees / letters of credit, financial advisory fees, selling of third party products, earnings from foreign exchange transactions, profit / loss from the sale of securities and provision / (write-back) of mark-to-market depreciation on investments.

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

₹ crore

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Mar-21 (Audited)
Brokerage	256.39	190.29	156.01	544.58	310.89	532.91
Depreciation	119.68	117.54	115.35	349.69	345.39	461.05
Rent, taxes and lighting	209.84	202.29	195.79	606.63	577.47	770.12
Others	1,713.46	1,475.48	1,236.88	4,471.13	3,115.66	4,652.00
<b>Total – Other operating expenses</b>	<b>2,299.37</b>	<b>1,985.60</b>	<b>1,704.03</b>	<b>5,972.03</b>	<b>4,349.41</b>	<b>6,416.08</b>

8. Provisions and contingencies are net of recoveries made against accounts, which have been written off as bad 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			Nine months ended		Year ended
	31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Mar-21 (Audited)
Provision towards advances / others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (net)	259.47	384.07	543.42	1,524.61	1,438.17	2,198.02
General provision for COVID-19 Deferment cases (net)	(316.34)	-	-	(316.34)	682.40	682.40
Provision / (Write back of provisions) towards investments (net)	(61.26)	50.11	(33.36)	(34.34)	(32.10)	(27.99)
<b>Total – Provisions (other than tax) and contingencies</b>	<b>(118.13)</b>	<b>434.18</b>	<b>510.06</b>	<b>1,173.93</b>	<b>2,088.47</b>	<b>2,852.43</b>

9. COVID-19 pandemic has had an extraordinary impact on macroeconomic conditions in India and around the world during the previous financial year. The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to volatility in global and Indian financial markets and a decrease in global and local economic activities. The uptake of economic activity has since improved supported by relaxation of restrictions due to administration of the COVID vaccines to a large population in the country. The extent to which the COVID-19 Pandemic including the current outbreak of the new variant witnessed in the country or future subsequent waves, if any, may impact the Bank and its subsidiaries' operations and asset quality will depend on the future developments, which are uncertain.

The Bank and its subsidiaries held an aggregate COVID-19 related provision of ₹ 1,396.08 crore as of September 30, 2021. Based on the improved outlook, the Bank and its subsidiaries have reversed provisions amounting to ₹ 316.34 crore during the quarter and nine months ended 31<sup>st</sup> December, 2021. On a prudent basis, the Bank and its subsidiaries continue to hold provisions aggregating to ₹ 1,079.74 crore as at 31<sup>st</sup> December, 2021 against the potential impact of COVID-19 based on the circumstances at this point in time.

10. COVID-19 resulted in significant number of death claims (including higher claims reported during first quarter) in the life insurance subsidiary. The increased claims reported, and extra mortality related provisioning as computed by the Company's Appointed Actuary has impacted the financial results for the nine months period ended December 31, 2021.
11. The Honourable Supreme Court of India, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr), vide an interim order dated 3<sup>rd</sup> September, 2020 had directed that accounts which were not declared as NPA till 31<sup>st</sup> August, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Bank and its NBFC subsidiaries had not classified any account (whether granted moratorium or not) as NPA after 31<sup>st</sup> August, 2020. Had there been no such interim order, the Bank and its NBFC subsidiaries would have classified borrower accounts as NPA after 31<sup>st</sup> August, 2020, the gross NPA and net NPA as at 31<sup>st</sup> December, 2020 would have been 3.31% and 1.32% respectively. As a matter of prudence, the Bank and its NBFC subsidiaries had made additional provisions on such advances as at 31<sup>st</sup> December, 2020.

The Honourable Supreme Court of India vacated the interim relief granted not to declare accounts of borrower as NPA vide its judgement on 23<sup>rd</sup> March, 2021 and the Bank and its NBFC subsidiaries continued asset classification of borrower accounts as per the extant RBI instructions/ IRAC norms.



12. 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.
13. 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 nine months ended 31<sup>st</sup> December, 2021 amounting to ₹ 1,364.21 crore and ₹ 5,693.83 crore respectively (₹ 2,436.42 crore for the quarter ended 30<sup>th</sup> September, 2021, for the quarter and nine months ended 31<sup>st</sup> December, 2020, ₹ 3,155.03 crore and ₹ 6,916.33 crore respectively and ₹ 10,498.48 crore for the year ended 31<sup>st</sup> March, 2021), has been included in "Policy holders' reserves, surrender expense and claims" under "Operating Expenses".
14. As per the Master Direction on Financial Statements - Presentation and Disclosures issued by the RBI dated August 30, 2021, the Bank is classifying provision / (write-back) of mark-to-market depreciation on investments under Other Income from the quarter ended 30<sup>th</sup> September, 2021. Prior to that, the Bank was classifying such Provisions / (write-back) under Provisions and Contingencies. Figures for the previous periods / year have been regrouped to conform to current period's presentation.
15. RBI, vide its clarification dated 30<sup>th</sup> August, 2021 on Guidelines on Compensation of Whole Time Directors / Chief Executive Officers / Material Risk Takers and Control Function Staff, advised Banks that the fair value of share-linked instruments on the date of grant should be recognised as an expense for all instruments granted after the accounting period ending 31<sup>st</sup> March, 2021. Accordingly, the Bank and its subsidiaries have changed its accounting policy from intrinsic value method to fair value method for all share-linked instruments granted after 31<sup>st</sup> March, 2021. The fair value of the stock-based compensation is estimated on the date of grant using Black-Scholes model and is recognised as compensation expense over the vesting period. Pursuant to these directions, the Bank and its subsidiaries have re-measured share-linked instruments granted after 31<sup>st</sup> March, 2021 on fair value basis and the impact of this change of ₹ 6.73 crore and ₹ 16.05 crore has been fully recognised in the consolidated financial results under the head "Employee cost" for the quarter and nine months ended 31<sup>st</sup> December, 2021 (₹ 9.32 crore for the quarter ended 30<sup>th</sup> September, 2021).
16. Pursuant to the revision in family pension payable to employees of the Bank covered under 11<sup>th</sup> Bi-Partite settlement and Joint Note dated November 11, 2020, the Bank has recognised the entire additional liability of ₹ 115.15 crore in the Profit and Loss Account during the nine months ended 31<sup>st</sup> December, 2021 including ₹ 100.15 crore recognised during the quarter ended 31<sup>st</sup> December, 2021. There is no unamortised expenditure in the Balance Sheet on account of Family Pension.
17. 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	Includes lending, deposit taking and other retail services/ products including credit cards.
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 funds from its Subsidiary Companies
Insurance	Life insurance and General Insurance from its Subsidiary Companies

₹ crore

Sr No	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Mar-21 (Audited)
1	<b>Segment Revenues:</b>						
	Treasury, BMU and Corporate Centre	2,045.79	2,624.87	2,478.50	6,870.75	7,184.16	9,604.66
	Retail Banking	3,821.86	3,833.77	3,404.92	11,132.93	10,373.60	13,815.48
	Corporate / Wholesale Banking	3,595.09	3,187.93	3,223.12	9,949.66	9,749.26	12,947.06
	Vehicle Financing	524.66	491.28	485.40	1,437.50	1,441.44	1,921.37
	Other Lending Activities	422.00	346.46	346.74	1,103.21	1,095.34	1,438.40
	Broking (Refer Note 5)	627.69	587.49	431.71	1,746.96	1,262.64	1,790.32
	Advisory and Transactional Services	218.12	157.11	123.24	483.70	282.00	386.25
	Asset Management	414.36	388.14	297.37	1,127.32	838.97	1,162.70

Sr No	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Mar-21 (Audited)
	Insurance	3,788.12	5,082.99	5,137.55	12,125.45	12,063.70	18,242.43
	<b>Sub-total</b>	<b>15,457.69</b>	<b>16,700.04</b>	<b>15,928.55</b>	<b>45,977.48</b>	<b>44,291.11</b>	<b>61,308.67</b>
	Less: inter-segment revenues	(1,281.53)	(1,358.39)	(1,257.53)	(3,888.85)	(3,719.67)	(5,012.20)
	<b>Total Income</b>	<b>14,176.16</b>	<b>15,341.65</b>	<b>14,671.02</b>	<b>42,088.63</b>	<b>40,571.44</b>	<b>56,296.47</b>
2	<b>Segment Results:</b>						
	Treasury, BMU and Corporate Centre	1,081.92	1,213.23	1,222.01	3,236.09	2,578.38	3,609.56
	Retail Banking	226.54	13.61	(151.21)	197.90	654.47	577.41
	Corporate / Wholesale Banking	1,691.41	1,622.48	1,562.22	4,581.47	4,292.36	5,698.86
	Vehicle Financing	175.56	185.54	68.73	341.71	105.13	239.30
	Other Lending Activities	225.77	172.25	145.54	548.43	391.75	534.33
	Broking	299.17	255.18	186.41	798.63	543.30	787.75
	Advisory and Transactional Services	153.09	77.41	55.31	267.65	80.54	123.74
	Asset Management	256.44	195.17	143.29	655.55	478.85	698.44
	Insurance	300.82	196.01	222.70	233.56	680.02	898.95
	<b>Total Profit before tax, minority interest and associates</b>	<b>4,410.72</b>	<b>3,930.88</b>	<b>3,455.00</b>	<b>10,860.99</b>	<b>9,804.80</b>	<b>13,168.34</b>
	Provision for tax	1,073.10	990.17	879.26	2,787.87	2,455.16	3,265.44
	<b>Net Profit before share of Associates and Minority</b>	<b>3,337.62</b>	<b>2,940.71</b>	<b>2,575.74</b>	<b>8,073.12</b>	<b>7,349.64</b>	<b>9,902.90</b>
3	<b>Segment Assets:</b>						
	Treasury, BMU and Corporate Centre	1,50,210.28	1,57,524.55	1,67,490.04	1,50,210.28	1,67,490.04	1,50,098.25
	Retail Banking	2,67,996.66	2,60,954.11	2,35,750.32	2,67,996.66	2,35,750.32	2,40,488.37
	Corporate / Wholesale Banking	1,85,067.90	1,75,105.90	1,56,010.68	1,85,067.90	1,56,010.68	1,62,450.23
	Vehicle Financing	18,346.40	17,089.46	16,452.84	18,346.40	16,452.84	16,459.07
	Other Lending Activities	14,782.48	14,078.96	12,950.92	14,782.48	12,950.92	14,399.41
	Broking	11,566.58	10,408.52	6,679.51	11,566.58	6,679.51	8,679.90
	Advisory and Transactional Services	360.52	308.93	263.67	360.52	263.67	297.19
	Asset Management	4,280.30	4,233.00	3,224.68	4,280.30	3,224.68	3,753.21
	Insurance	55,248.65	53,368.17	44,984.34	55,248.65	44,984.34	48,785.22
	<b>Sub-total</b>	<b>7,07,859.77</b>	<b>6,93,071.60</b>	<b>6,43,807.00</b>	<b>7,07,859.77</b>	<b>6,43,807.00</b>	<b>6,45,410.85</b>
	Less: inter-segment assets	(1,81,564.15)	(1,82,975.78)	(1,68,236.20)	(1,81,564.15)	(1,68,236.20)	(1,68,138.28)
	<b>Total</b>	<b>5,26,295.62</b>	<b>5,10,095.82</b>	<b>4,75,570.80</b>	<b>5,26,295.62</b>	<b>4,75,570.80</b>	<b>4,77,272.57</b>
	Add: Unallocated Assets	1,579.98	1,712.10	1,703.93	1,579.98	1,703.93	1,581.65
	<b>Total Assets as per Balance Sheet</b>	<b>5,27,875.60</b>	<b>5,11,807.92</b>	<b>4,77,274.73</b>	<b>5,27,875.60</b>	<b>4,77,274.73</b>	<b>4,78,854.22</b>
4	<b>Segment Liabilities:</b>						
	Treasury, BMU and Corporate Centre	1,16,532.73	1,25,046.84	1,37,905.07	1,16,532.73	1,37,905.07	1,21,065.38
	Retail Banking	2,52,199.26	2,45,383.28	2,21,547.15	2,52,199.26	2,21,547.15	2,26,362.26
	Corporate / Wholesale Banking	1,68,336.16	1,60,065.97	1,40,547.20	1,68,336.16	1,40,547.20	1,45,580.04
	Vehicle Financing	10,196.32	9,760.09	9,825.69	10,196.32	9,825.69	9,400.28
	Other Lending Activities	7,041.36	5,014.46	5,662.78	7,041.36	5,662.78	6,028.30
	Broking	10,432.32	9,551.59	5,825.14	10,432.32	5,825.14	7,795.01
	Advisory and Transactional Services	96.56	109.11	75.79	96.56	75.79	95.71
	Asset Management	403.44	549.04	468.16	403.44	468.16	739.49
	Insurance	50,551.94	48,952.81	40,724.64	50,551.94	40,724.64	44,558.81
	<b>Sub-total</b>	<b>6,15,790.09</b>	<b>6,04,433.19</b>	<b>5,62,581.62</b>	<b>6,15,790.09</b>	<b>5,62,581.62</b>	<b>5,61,625.28</b>
	Less: inter-segment liabilities	(1,81,564.15)	(1,82,975.78)	(1,68,236.20)	(1,81,564.15)	(1,68,236.20)	(168,138.28)
	<b>Total</b>	<b>4,34,225.94</b>	<b>4,21,457.41</b>	<b>3,94,345.42</b>	<b>4,34,225.94</b>	<b>3,94,345.42</b>	<b>3,93,487.00</b>
	Add: Unallocated liabilities	508.26	723.34	812.83	508.26	812.83	530.77
	Add: Share Capital, Reserves & Surplus & Minority Interest	93,141.40	89,627.17	82,116.48	93,141.40	82,116.48	84,836.45
	<b>Total Capital and Liabilities as per Balance Sheet</b>	<b>5,27,875.60</b>	<b>5,11,807.92</b>	<b>4,77,274.73</b>	<b>5,27,875.60</b>	<b>4,77,274.73</b>	<b>4,78,854.22</b>



18. There has been no change in the significant accounting policies during the quarter and nine months ended 31<sup>st</sup> December, 2021 as compared to those followed for the year ended 31<sup>st</sup> March, 2021 other than those mentioned in point 15 above.
19. 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, 28<sup>th</sup> January, 2022**

**Dipak Gupta**  
Joint Managing Director

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm Registration Number: 001076N/N500013

For Price Waterhouse LLP  
Chartered Accountants  
Firm Registration Number: 301112E/E300264

**Murad D. Daruwalla**  
Partner  
Membership Number: 043334

Place: Mumbai  
Date: 28 January 2022

**Russell I Parera**  
Partner  
Membership Number: 042190

Place: Mumbai  
Date: 28 January 2022

We have signed the unaudited consolidated financial results for identification purpose only. These results should be read in conjunction with our review report dated January 28, 2022

**KOTAK MAHINDRA BANK LIMITED (STANDALONE)**

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

**UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31<sup>st</sup> DECEMBER, 2021**

₹ crore

Sr No	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Mar-21 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>6,896.82</b>	<b>6,596.28</b>	<b>6,659.27</b>	<b>19,972.88</b>	<b>20,391.42</b>	<b>26,840.28</b>
	(a) Interest/discount on advances/bills	4,963.08	4,611.52	4,505.29	14,155.70	14,176.06	18,589.08
	(b) Income on investments	1,677.51	1,721.79	1,797.09	5,097.71	5,090.34	6,833.41
	(c) Interest on balances with RBI & other interbank funds	205.82	206.98	297.59	552.61	941.70	1,174.74
	(d) Others	50.41	55.99	59.30	166.86	183.32	243.05
2	<b>Other income (Refer Note 2 &amp; 3)</b>	<b>1,363.66</b>	<b>1,812.59</b>	<b>1,290.47</b>	<b>4,528.03</b>	<b>3,502.25</b>	<b>5,006.51</b>
3	<b>Total income (1+2)</b>	<b>8,260.48</b>	<b>8,408.87</b>	<b>7,949.74</b>	<b>24,500.91</b>	<b>23,893.67</b>	<b>31,846.79</b>
4	Interest expended	2,562.52	2,575.72	2,783.72	7,676.37	8,894.57	11,500.62
5	<b>Operating expenses (a+b)</b>	<b>2,996.96</b>	<b>2,712.99</b>	<b>2,257.86</b>	<b>8,113.57</b>	<b>6,199.29</b>	<b>8,584.14</b>
	(a) Employee cost(Refer Note 8 & 9)	1,199.84	1,177.41	959.28	3,459.55	2,860.23	3,729.13
	(b) Other operating expenses	1,797.12	1,535.58	1,298.58	4,654.02	3,339.06	4,855.01
6	<b>Total expenditure (4+5) (excluding provisions &amp; contingencies)</b>	<b>5,559.48</b>	<b>5,288.71</b>	<b>5,041.58</b>	<b>15,789.94</b>	<b>15,093.86</b>	<b>20,084.76</b>
7	<b>Operating profit (3-6) (Profit before provisions and contingencies)</b>	<b>2,701.00</b>	<b>3,120.16</b>	<b>2,908.16</b>	<b>8,710.97</b>	<b>8,799.81</b>	<b>11,762.03</b>
8	Provisions (other than tax) and contingencies (Refer Note 3 & 4)	(131.74)	423.99	423.85	995.77	1,724.90	2,459.04
9	Exceptional items	-	-	-	-	-	-
10	<b>Profit from ordinary activities before tax (7-8-9)</b>	<b>2,832.74</b>	<b>2,696.17</b>	<b>2,484.31</b>	<b>7,715.20</b>	<b>7,074.91</b>	<b>9,302.99</b>
11	Tax expense	701.38	664.16	630.77	1,909.91	1,792.44	2,338.15
12	<b>Net Profit from ordinary activities after tax (10-11)</b>	<b>2,131.36</b>	<b>2,032.01</b>	<b>1,853.54</b>	<b>5,805.29</b>	<b>5,282.47</b>	<b>6,964.84</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	<b>Net Profit (12-13)</b>	<b>2,131.36</b>	<b>2,032.01</b>	<b>1,853.54</b>	<b>5,805.29</b>	<b>5,282.47</b>	<b>6,964.84</b>
15	<b>Paid up equity share capital - (of Face Value ₹ 5 per share)</b>	<b>991.95</b>	<b>991.54</b>	<b>990.24</b>	<b>991.95</b>	<b>990.24</b>	<b>990.92</b>
16	<b>Reserves (excluding revaluation reserves)</b>						<b>62,236.05</b>
17	<b>Analytical Ratios</b>						
	(i) Percentage of shares held by Government of India	-	-	-	-	-	-
	(ii) Capital adequacy ratio - Basel III	21.29	21.76	21.54	21.29	21.54	22.26
	(iii) Earnings per equity share						
	- Basic (not annualised) ₹	10.75	10.25	9.36	29.28	26.88	35.17
	- Diluted (not annualised) ₹	10.74	10.24	9.36	29.26	26.87	35.14
	(iv) NPA Ratios						
	a) Gross NPA	6,982.80	7,657.96	4,928.04	6,982.80	4,928.04	7,425.51
	b) Net NPA	2,003.53	2,491.44	1,064.02	2,003.53	1,064.02	2,705.17
	c) % of Gross NPA to Gross Advances	2.71	3.19	2.26 (refer note 6)	2.71	2.26 (refer note 6)	3.25
	d) % of Net NPA to Net Advances	0.79	1.06	0.50 (refer note 6)	0.79	0.50 (refer note 6)	1.21
	(v) Return on average Assets (%) not annualised	0.51	0.52	0.49	1.46	1.42	1.85
	(vi) Debt-Equity ratio (Refer Note 12.a)	0.40	0.49	0.78	0.40	0.78	0.37
	(vii) Total Debts to Total Assets (%) (Refer Note 12.a)	6.59	8.04	12.40	6.59	12.40	6.17
	(viii) Net worth (Refer Note 12.a)	68,971.96	66,635.73	61,162.61	68,971.96	61,162.61	63,080.51
	(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	Includes lending, deposit taking and other retail services/ products including credit cards.
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.

		₹ crore					
	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Mar-21 (Audited)
1	<b>Segment Revenue</b>						
	a. Corporate/ Wholesale Banking	3,595.09	3,187.93	3,223.12	9,949.66	9,749.26	12,947.06
	b. Retail Banking	3,821.86	3,833.77	3,404.92	11,132.93	10,373.60	13,815.48
	c. Treasury, BMU and Corporate Centre	1,847.25	2,474.03	2,355.26	6,527.80	6,834.58	9,095.89
	d. Other Banking business	-	-	-	-	-	-
	Sub-total	<b>9,264.20</b>	<b>9,495.73</b>	<b>8,983.30</b>	<b>27,610.39</b>	<b>26,957.44</b>	<b>35,858.43</b>
	Less: Inter-segmental revenue	1,003.72	1,086.86	1,033.56	3,109.48	3,063.77	4,011.64
	<b>Total</b>	<b>8,260.48</b>	<b>8,408.87</b>	<b>7,949.74</b>	<b>24,500.91</b>	<b>23,893.67</b>	<b>31,846.79</b>
2	<b>Segment Results</b>						
	a. Corporate/ Wholesale Banking	1,691.41	1,622.48	1,562.22	4,581.47	4,292.36	5,698.86
	b. Retail Banking	226.54	13.61	(151.21)	197.90	654.47	577.41
	c. Treasury, BMU and Corporate Centre	914.79	1,060.08	1,073.30	2,935.83	2,128.08	3,026.72
	d. Other Banking business	-	-	-	-	-	-
	<b>Total Profit Before Tax</b>	<b>2,832.74</b>	<b>2,696.17</b>	<b>2,484.31</b>	<b>7,715.20</b>	<b>7,074.91</b>	<b>9,302.99</b>
3	<b>Segment Assets</b>						
	a. Corporate / Wholesale Banking	185,067.90	1,75,105.90	156,010.68	185,067.90	156,010.68	1,62,450.23
	b. Retail Banking	267,996.66	2,60,954.11	235,750.32	267,996.66	235,750.32	240,488.37
	c. Treasury, BMU and Corporate Centre	143,077.72	1,52,646.15	162,441.94	143,077.72	162,441.94	1,45,793.98
	d. Other Banking business	-	-	-	-	-	-
	Sub-total	<b>596,142.28</b>	<b>5,88,706.16</b>	<b>554,202.94</b>	<b>596,142.28</b>	<b>554,202.94</b>	<b>548,732.58</b>
	Less : Inter-segmental Assets	178,481.06	1,80,877.60	165,823.50	178,481.06	165,823.50	1,65,778.54
	<b>Total</b>	<b>417,661.22</b>	<b>4,07,828.56</b>	<b>388,379.44</b>	<b>417,661.22</b>	<b>388,379.44</b>	<b>382,954.04</b>
	Add : Unallocated Assets	486.19	585.01	628.13	486.19	628.13	516.12
	<b>Total Assets as per Balance Sheet</b>	<b>418,147.41</b>	<b>4,08,413.57</b>	<b>389,007.57</b>	<b>418,147.41</b>	<b>389,007.57</b>	<b>383,470.16</b>
4	<b>Segment Liabilities</b>						
	a. Corporate / Wholesale Banking	168,336.16	1,60,065.97	140,547.20	168,336.16	140,547.20	145,580.04
	b. Retail Banking	252,199.26	2,45,383.28	221,547.15	252,199.26	221,547.15	226,362.26
	c. Treasury, BMU and Corporate Centre	106,336.88	1,16,135.88	130,284.19	106,336.88	130,284.19	113,306.32
	d. Other Banking business	-	-	-	-	-	-
	Sub-total	<b>526,872.30</b>	<b>5,21,585.13</b>	<b>492,378.54</b>	<b>526,872.30</b>	<b>492,378.54</b>	<b>485,248.62</b>
	Less : Inter-segmental Liabilities	178,481.06	1,80,877.60	165,823.50	178,481.06	165,823.50	1,65,778.54
	<b>Total</b>	<b>348,391.24</b>	<b>3,40,707.53</b>	<b>326,555.04</b>	<b>348,391.24</b>	<b>326,555.04</b>	<b>319,470.08</b>
	Add : Unallocated liabilities	138.84	329.82	538.50	138.84	538.50	273.11
	Add : Share Capital & Reserves & surplus	69,617.33	67,376.22	61,914.03	69,617.33	61,914.03	63,726.97
	<b>Total Liabilities as per Balance Sheet</b>	<b>418,147.41</b>	<b>4,08,413.57</b>	<b>389,007.57</b>	<b>418,147.41</b>	<b>389,007.57</b>	<b>383,470.16</b>

**NOTES:**

1. The above results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 28<sup>th</sup> January, 2022. The results for the quarter and nine months ended 31<sup>st</sup> December, 2021 were subject to limited review by the joint statutory auditors (Walker Chandiok & Co LLP, Chartered Accountants and Price Waterhouse LLP, Chartered Accountants) and there are no modifications in the limited review report. The results for the quarter and nine months ended 31<sup>st</sup> December 2020 were reviewed and for the year 31<sup>st</sup> March 2021 were audited by Walker Chandiok & Co LLP, Chartered Accountants.
2. Other Income includes non-fund based income such as commission earned from guarantees / letters of credit, financial advisory fees, selling of third party products, earnings from foreign exchange transactions, profit / loss from the sale of securities and provision /(write-back) of mark-to-market depreciation on investments in AFS and HFT categories.
3. As per the Master Direction on Financial Statements - Presentation and Disclosures issued by the RBI dated August 30, 2021, the Bank is classifying provision / (write-back) of mark-to-market depreciation on investments under Other Income from the quarter ended 30<sup>th</sup> September, 2021. Prior to that, the Bank was classifying such Provisions / (write-back) under Provisions and Contingencies. Figures for the previous periods / year have been regrouped to conform to current period's presentation.
4. 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			Nine months ended		₹ crore
	31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Mar-21 (Audited)
Provision towards advances / Others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (net)	215.54	385.32	460.20	1,326.22	1,128.93	1,874.44
General provision for COVID 19 Deferment cases (net)	(279.00)	-	-	(279.00)	629.00	629.00
Other Provision / (write back of other provisions) towards investments (net)	(68.28)	38.67	(36.35)	(51.45)	(33.03)	(44.40)
<b>Total provisions (other than Tax) and contingencies</b>	<b>(131.74)</b>	<b>423.99</b>	<b>423.85</b>	<b>995.77</b>	<b>1,724.90</b>	<b>2,459.04</b>

5. COVID-19 pandemic has had an extraordinary impact on macroeconomic conditions in India and around the world during the previous financial year. The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to volatility in global and Indian financial markets and a decrease in global and local economic activities. The uptake of economic activity has since improved supported by relaxation of restrictions due to administration of the COVID vaccines to a large population in the country. The extent to which the COVID-19 Pandemic including the current outbreak of the new variant witnessed in the country or future subsequent waves, if any, may impact the Bank operations and asset quality will depend on the future developments, which are uncertain.

The Bank held an aggregate COVID 19 related provision of ₹ 1,279 crore as of 30<sup>th</sup> September, 2021. Based on the improved outlook, the Bank has reversed provisions amounting to ₹ 279 crore during the quarter and nine months ended 31<sup>st</sup> December, 2021. On a prudent basis, the Bank continues to hold provisions aggregating to ₹ 1,000 crore as at 31<sup>st</sup> December, 2021 against the potential impact of COVID-19 based on the circumstances at this point in time.

6. The Honourable Supreme Court of India, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr), vide an interim order dated 3<sup>rd</sup> September, 2020 had directed that accounts which were not declared as NPA till 31<sup>st</sup> August, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Bank had not classified any account (whether granted moratorium or not) as NPA after 31<sup>st</sup> August, 2020. Had there been no such interim order the Bank would have classified borrower accounts as NPA after 31<sup>st</sup> August, 2020, the gross NPA and net NPA as at 31<sup>st</sup> December, 2020 would have been 3.27% and 1.24% respectively. As a matter of prudence, the Bank had made additional provisions on such advances as at 31<sup>st</sup> December 2020.

The Honourable Supreme Court of India vacated the interim relief granted not to declare accounts of borrower as NPA vide its judgement on 23rd March, 2021 and the Bank continued asset classification of borrower accounts as per the extant RBI instructions/ IRAC norms.

7. During the quarter, the Bank has not granted any options under employee stock option scheme. Stock options aggregating to 812,266 were exercised during the quarter and 5,077,958 stock options were outstanding with employees of the Bank and its subsidiaries as at 31<sup>st</sup> December, 2021.
8. Pursuant to the revision in family pension payable to employees of the Bank covered under 11th Bi-Partite settlement and Joint Note dated 11<sup>th</sup> November, 2020, the Bank has recognised the entire additional liability of ₹ 115.15 crore in the Profit and Loss Account during the nine months ended 31<sup>st</sup> December, 2021 including ₹ 100.15 crore recognised during the quarter ended 31<sup>st</sup> December 2021. There is no unamortised expenditure in the Balance Sheet on account of Family Pension.
9. RBI, vide its clarification dated 30<sup>th</sup> August, 2021 on Guidelines on Compensation of Whole Time Directors / Chief Executive Officers / Material Risk Takers and Control Function Staff, advised Banks that the fair value of share-linked instruments on the date of grant should be recognised as an expense for all instruments granted after the accounting period ending March 31, 2021. Accordingly, the Bank has changed its accounting policy from the intrinsic value method to the fair value method for all share-linked instruments granted after 31<sup>st</sup> March, 2021. The fair value of the stock-based compensation is estimated on the date of grant using Black-Scholes model and is recognised as compensation expense over the vesting period. Pursuant to these directions, the Bank has re-measured share-linked instruments granted after 31<sup>st</sup> March, 2021 on fair value basis and the impact of this change of ₹ 3.68 crore and ₹ 9.16 crore has been fully recognised in the standalone financial results under the head "Employee cost" for the quarter and nine months ended 31<sup>st</sup> December, 2021 respectively.
10. Details of resolution plan implemented under the RBI Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses dated 5<sup>th</sup> May, 2021 are given below:

**₹ crore except number of accounts**

Sl. No	Description	Individual Borrowers		Small Businesses
		Personal Loans	Business Loans	
(A)	Number of requests received for invoking resolution process under Part A	3,819	18,057	225
(B)	Number of accounts where resolution plan has been implemented under this window	2,163	6,254	87
(C)	Exposure to accounts mentioned at (B) before implementation of the plan	197.59	87.15	63.91
(D)	Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F)	Increase in provisions on account of the implementation of the resolution plan	28.02	10.66	7.80

There were no borrower accounts, where resolution plans had been implemented and now modified under Resolution Framework 2.0 announced by RBI on 5<sup>th</sup> May, 2021.

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 or limited review.
12. 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 Operating margin and Net profit margin

13. Details of loans transferred/acquired during the nine month ended 31<sup>st</sup> December, 2021 under the RBI Master Direction on Transfer of Loan Exposures dated 24<sup>th</sup> September, 2021 are given below:

(i) The Bank has not transferred any Loans not in default, Special Mention Account (SMA) and Non-performing Assets (NPAs).

(ii) Details of Loans not in default acquired:

		₹ crore except tenor
Sr.No	Particulars	From Eligible Lenders through Assignment
1	Aggregate amount of loans acquired	194.22
2	Aggregate consideration paid	137.01
3	Weighted average residual maturity	2.03 years
4	Weighted average holding period of originator	2.78 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
From lenders listed in Clause 3			
Particulars	Aggregate Principal outstanding of loans acquired	Aggregate consideration paid	Weighted average residual tenor of loans acquired (in Years)
Portfolio acquired	28.15	8.80	2.39

(iv) Details of Non-performing Assets (NPAs) acquired:

			₹ crore except tenor
From lenders listed in Clause 3			
Particulars	Aggregate Principal outstanding of loans acquired	Aggregate consideration paid	Weighted average residual tenor of loans acquired (in Years) \$
Portfolio acquired	546.55	38.98	1.62

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

(v) Details of recovery ratings assigned for Security Receipts as at 31<sup>st</sup> December, 2021:

Recovery Rating ^	Anticipated Recovery as per Recovery Rating	Book Value (₹ crore)
NR1/R1+/RR1+	>150%	30.23
NR2/R1/RR1	100% - 150%	278.76
NR3/R2	75% - 100%	258.84
NR4	50% - 75%	21.68
RR4	25%-50%	117.12
NR6	0% - 25%	151.76
Yet to be rated**	-	167.58
Unrated*	-	110.15
<b>Total</b>		<b>1,136.12</b>

^ - Recovery Rating is as assigned by various external rating agencies

\* - Amount Outstanding for more than 8 years is ₹ 110.14 crs and is fully provided.

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



14. There has been no change to significant accounting policies during the quarter and nine months ended 31<sup>st</sup> December, 2021 as compared to those followed for the year ended 31<sup>st</sup> March, 2021 other than those mentioned in point 9 above.
15. 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**

**Dipak Gupta**  
Joint Managing Director

**Mumbai, 28<sup>th</sup> January, 2022**

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm Registration Number: 001076N/N500013

For Price Waterhouse LLP  
Chartered Accountants  
Firm Registration Number: 301112E/E300264

**Murad D. Daruwalla**  
Partner  
Membership Number: 043334

Place: Mumbai  
Date: 28 January 2022

**Russell I Parera**  
Partner  
Membership Number: 042190

Place: Mumbai  
Date: 28 January 2022

We have signed the unaudited standalone financial results for identification purpose only. These Results should be read in conjunction with our review report dated January 28, 2022