

Media Release

Kotak Mahindra Bank becomes India's first bank clearing member to clear commodity derivative trades of FPI

Mumbai, 19th June 2023: Kotak Mahindra Bank (“KMBL”) today announced that it has become the first bank clearing member to clear and settle Foreign Portfolio Investor (FPI) trades in the Exchange Traded Commodities Derivatives segment on Multi Commodity Exchange (MCX).

The Securities and Exchange Board of India (SEBI), in June 2022, had come out with a framework for foreign investors to participate in exchange-traded commodity derivatives, allowing them in cash-settled, non-agricultural commodity derivative contracts and indices without any physical presence in India. By allowing FPIs in commodity derivatives, the regulator aims to reduce price volatility, increase depth, improve new capital flow into the commodity market, and encourage the introduction of new products and trading strategies.

Sachin Samant, President Banking & Financial Institutions Group & Structured Products, Kotak Mahindra Bank said, “Kotak custody and clearing services has been at the forefront of new product development with many firsts in its hat. We expect huge FPI participation in commodity derivatives in the coming times as this segment gradually opens up to overseas participation.”

Kotak Mahindra Bank is a leading custodian offering custody, clearing, and fund accounting services across a wide spectrum of international and domestic institutional as well as non-institutional investors.

About Kotak Mahindra Bank Limited

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 nonbanking finance company in India to convert into a bank - Kotak Mahindra Bank Ltd (KMBL).

The Bank has four Strategic Business Units – Consumer Banking, Corporate Banking, Commercial Banking and Treasury, which cater to retail and corporate customers across urban and rural India. 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. 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>

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