



Media Release

Kotak Mahindra Bank Announces Results

Kotak Mahindra Bank Consolidated PAT for Q1FY25 ₹ 7,448 crore, up 79% YoY

Standalone PAT for Q1FY25 ₹ 6,250 crore, up 81% YoY

Mumbai, 20th July, 2024: The Board of Directors of Kotak Mahindra Bank (“the Bank”) approved the unaudited standalone and consolidated results for the quarter ended June 30, 2024, at the Board meeting held in Mumbai, today.

Divestment of stake in Kotak General Insurance to Zurich Insurance Group

Q1FY25 saw the completion of a landmark deal in General Insurance sector with Zurich Insurance Group taking a 70% stake in Kotak General Insurance. The alliance brings together Zurich’s global insurance leadership and scale with Kotak’s local expertise and reach. Post this transaction, KMBL holds 30% stake in KGI and will continue to act as corporate agent of KGI for distribution of general insurance products.

The above transaction has resulted in an increase in the consolidated PAT by ₹ 3,013 crore and standalone PAT by ₹2,730 crore.

Implementation of RBI’s Master Direction (Classification, Valuation and Operation of Investment Portfolio of Commercial Banks), 2023

Bank has implemented above directions w.e.f. April 1, 2024, resulting in fair value gain of ₹ 3,414 crore (post tax) accounted in reserves at June 30, 2024.

Consolidated results at a glance

Consolidated PAT for Q1FY25 was ₹ 7,448 crore, up 79% YoY from ₹ 4,150 crore in Q1FY24.

Consolidated PAT for Q1FY25 excluding gains (net of tax) of ₹ 3,013 crore (on divestment of stake in Kotak General Insurance) stood at ₹ 4,435 crore.

PAT of Bank and key subsidiaries given below:

PAT (₹ crore)	Q1FY25	Q1FY24
Kotak Mahindra Bank	6,250*	3,452
Kotak Securities	400	219
Kotak Mahindra Prime	232	218
Kotak Asset Management & Trustee Company	175	106
Kotak Mahindra Life Insurance	174	193
Kotak Mahindra Investments	138	102
Kotak Mahindra Capital Company	81	55
BSS Microfinance	50	95

*Q1FY25 PAT for Kotak Bank incl. gains on divestment of stake in Kotak General Insurance

At the consolidated level, Return on Assets (ROA) for Q1FY25 (annualized) was 3.87% (2.63% for Q1FY24). ROA for Q1FY25 (annualized) excluding gains on divestment of stake in Kotak General Insurance stood at 2.30%. At the consolidated level, Return on Equity (ROE) for Q1FY25 (annualized) was 22.04% (14.62% for Q1FY24).



ROE for Q1FY25 (annualized) excluding gains on divestment of stake in Kotak General Insurance stood at 13.12%.

Consolidated Capital Adequacy Ratio as per Basel III as at June 30, 2024 was 22.8% and CET I ratio was 21.9% (including unaudited profits).

Consolidated Networth as at June 30, 2024 was ₹ 141,165 crore (including impact of ₹ 3,414 crore increase in reserves on implementation of RBI Directions). The Book Value per Share was ₹710.

Consolidated Customer Assets which comprises Advances (incl. IBPC & BRDS) and Credit Substitutes grew to ₹ 494,105 crore as at June 30, 2024 from ₹ 405,775 crore as at June 30, 2023, up 22% YoY.

Total Assets Under Management as at June 30, 2024 were ₹ 636,311 crore up 36% YoY over ₹ 466,878 crore as at June 30, 2023. The Domestic MF Equity AUM increased by 64% YoY to ₹ 293,167 crore as at June 30, 2024.

Kotak Mahindra Bank standalone results

The Bank's PAT for Q1FY25 stood at ₹ 6,250 crore, up 81% YoY from ₹ 3,452 crore in Q1FY24.

Bank's PAT for Q1FY25 excluding gains (net of tax) of ₹ 2,730 crore (on divestment of stake in Kotak General Insurance) stood at ₹ 3,520 crore.

Net Interest Income (NII) for Q1FY25 increased to ₹ 6,842 crore, from ₹ 6,234 crore in Q1FY24, up 10% YoY. Net Interest Margin (NIM) was 5.02% for Q1FY25.

Fees and services for Q1FY25 increased to ₹ 2,240 crore from ₹ 1,827 crore in Q1FY24, up 23% YoY.

Operating profit for Q1FY25 increased to ₹ 5,254 crore from ₹ 4,950 crore in Q1FY24, up 6% YoY.

Customers as at June 30, 2024 were 5.1 cr (4.3 cr as at June 30, 2023).

Advances (incl. IBPC & BRDS) increased 20% YoY to ₹ 405,957 crore as at June 30, 2024 from ₹ 337,031 crore as at June 30, 2023. Customer Assets, which comprises Advances (incl. IBPC & BRDS) and Credit Substitutes, increased by 20% YoY to ₹ 435,827 crore as at June 30, 2024 from ₹ 362,204 crore as at June 30, 2023.

Unsecured retail advances (incl. retail microcredit) as a % of net advances stood at 11.6% as at June 30, 2024.

Average Total Deposits grew to ₹ 435,603 crore for Q1FY25 compared to ₹ 361,295 crore for Q1FY24 up 21% YoY. Average Current Deposits grew to ₹ 62,200 crore for Q1FY25 compared to ₹ 59,431 crore for Q1FY24 up 5% YoY. Average Savings Deposits grew to ₹ 122,105 crore for Q1FY25 compared to ₹ 119,817 crore for Q1FY24 up 2% YoY. Average Term Deposits grew to ₹ 251,298 crore for Q1FY25 compared to ₹ 182,047 crore for Q1FY24 up 38% YoY.

CASA ratio as at June 30, 2024 stood at 43.4%.

TD sweep balance grew 66% YoY to ₹ 48,179 crore.

As at June 30, 2024, GNPA was 1.39% & NNPA was 0.35% (GNPA was 1.77% & NNPA was 0.40% at June 30, 2023).

Capital Adequacy Ratio of the Bank, as per Basel III, as at June 30, 2024 was 22.4% and CET1 ratio of 21.3% (including unaudited profits).



Standalone Return on Assets (ROA) for Q1FY25 (annualized) was 4.22% (2.81% for Q1FY24). ROA for Q1FY25 (annualized) excluding gains on divestment of stake in Kotak General Insurance stood at 2.38%.

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 30th June 2024, Kotak Mahindra Bank Ltd has a national footprint of 1,965 branches and 3,279 ATMs (incl. cash recyclers), 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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This media release is not a complete description of the Bank. Certain statements in the media release contain word or phrases that are forward looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward looking statement. Any opinion, estimate or projection herein constitutes a judgment as of the date of this media release, and there can be no assurance that future results or events will be consistent with any such opinion, estimate or projection. The information in this media release is subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the Bank. We do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date of this media release or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. All information contained in this media release has been prepared solely by the Bank. No information contained herein has been independently verified by anyone else. No representation or warranty (express or implied) of any nature is made nor is any responsibility or liability of any kind accepted with respect to the truthfulness, completeness or accuracy of any information, projection, representation or warranty (expressed or implied) or omissions in this media release. Neither the Bank nor anyone else accepts any liability whatsoever for any loss, howsoever, arising from any use or reliance on this media release or its contents or otherwise arising in connection therewith. This media release may not be used, reproduced, copied, distributed, shared, or disseminated in any other manner. The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this media release comes should inform themselves about, and observe, any such restrictions. Figures for the previous period/ year have been regrouped wherever necessary to conform to current period's / year's media release. Totals in some columns/ rows may not agree due to rounding off.



KOTAK MAHINDRA BANK LIMITED (STANDALONE)
CIN: L65110MH1985PLC038137

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

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2024

₹ crore

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-24 (Unaudited)	31-Mar-24 (Audited) (Refer Note 2)	30-Jun-23 (Unaudited)	31-Mar-24 (Audited)
1	Interest earned (a+b+c+d)	12,746.11	12,307.06	10,500.00	45,798.91
	(a) Interest/discount on advances/ bills	9,779.27	9,473.58	8,298.24	35,657.99
	(b) Income on investments	2,592.18	2,466.42	2,007.40	8,898.08
	(c) Interest on balances with Reserve Bank of India (RBI) & other interbank funds	271.80	160.13	105.82	779.38
	(d) Others	102.86	206.93	88.54	463.46
2	Other income (Refer Note 3)	2,929.04	2,978.29	2,683.26	10,273.10
3	Total income (1+2)	15,675.15	15,285.35	13,183.26	56,072.01
4	Interest expended	5,903.76	5,397.71	4,266.31	19,805.71
5	Operating expenses (a+b)	4,517.28	4,426.08	3,967.38	16,678.85
	(a) Employee cost (Refer Note 4)	1,870.50	1,826.42	1,647.00	6,856.37
	(b) Other operating expenses	2,646.78	2,599.66	2,320.38	9,822.48
6	Total expenditure (4+5) (excluding provisions & contingencies)	10,421.04	9,823.79	8,233.69	36,484.56
7	Operating profit (3-6) (Profit before provisions and contingencies)	5,254.11	5,461.56	4,949.57	19,587.45
8	Provisions (other than tax) and contingencies (Refer Note 5)	578.48	263.73	364.31	1,573.73
9	Exceptional items (Refer Note 6)	3,519.90	-	-	-
10	Profit from ordinary activities before tax (7-8+9)	8,195.53	5,197.83	4,585.26	18,013.72
11	Tax expense	1,945.71	1,064.53	1,132.96	4,232.14
12	Net Profit from ordinary activities after tax (10-11)	6,249.82	4,133.30	3,452.30	13,781.58
13	Extraordinary items (net of tax expense)	-	-	-	-
14	Net Profit (12-13)	6,249.82	4,133.30	3,452.30	13,781.58
15	Paid up equity share capital - (of Face Value ₹ 5 per share)	993.98	993.96	993.61	993.96
16	Reserves (excluding revaluation reserves)				95,645.50
17	Analytical Ratios				
	(i) Percentage of shares held by Government of India	-	-	-	-
	(ii) Capital adequacy ratio - Basel III (%)	22.41	20.55	21.12	20.55
	(iii) Earnings per equity share before and after extraordinary items (net of tax expense)				
	- Basic (not annualised) ₹	31.44	20.60	17.38	69.15
	- Diluted (not annualised) ₹	31.44	20.60	17.38	69.15
	(iv) NPA Ratios				
	a) Gross NPA	5,477.15	5,274.78	5,909.24	5,274.78
	b) Net NPA	1,376.33	1,270.57	1,301.80	1,270.57
	c) % of Gross NPA to Gross Advances	1.39	1.39	1.77	1.39
	d) % of Net NPA to Net Advances	0.35	0.34	0.40	0.34
	(v) Return on average Assets (%) – (not annualised)	1.05	0.74	0.70	2.61
	(vi) Debt-Equity ratio (Refer Note 7.a)	0.28	0.29	0.23	0.29
	(vii) Total Debts to Total Assets (%) (Refer Note 7.a)	4.86	4.73	3.97	4.73
	(viii) Net worth (Refer Note 7.a)	106,054.39	96,066.10	86,434.93	96,066.10
	(ix) Outstanding redeemable preference shares (quantity and value)	-	-	-	-
	(x) Capital redemption reserve	500.00	500.00	-	500.00

Segment Reporting

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 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.
Other Banking business	Includes any other business not included in the above.

Particulars	Quarter ended			Year ended
	30-Jun-24 (Unaudited)	31-Mar-24 (Audited) (Refer Note 2)	30-Jun-23 (Unaudited)	31-Mar-24 (Audited)
1 Segment Revenue				
a. Corporate/ Wholesale Banking	5,786.06	5,724.73	5,675.82	22,788.95
b. Retail Banking*	7,945.64	7,963.28	5,941.44	27,831.08
(i) Digital Banking	503.97	445.44	320.57	1,536.19
(ii) Other Retail Banking	7,441.67	7,517.84	5,620.87	26,294.89
c. Treasury, BMU and Corporate Centre	3,206.14	2,815.29	2,549.40	10,122.25
d. Other Banking business	-	-	-	-
Sub-total	16,937.84	16,503.30	14,166.66	60,742.28
Less: Inter-segmental revenue	1,262.69	1,217.95	983.40	4,670.27
Total	15,675.15	15,285.35	13,183.26	56,072.01
2 Segment Results				
a. Corporate/ Wholesale Banking	1,643.94	1,852.12	1,928.45	7,473.79
b. Retail Banking*	1,438.30	1,798.09	1,138.17	5,732.75
(i) Digital Banking	57.94	47.66	5.63	118.36
(ii) Other Retail Banking	1,380.36	1,750.43	1,132.54	5,614.39
c. Treasury, BMU and Corporate Centre [#]	5,113.29	1,547.62	1,518.64	4,807.18
d. Other Banking business	-	-	-	-
Total Profit Before Tax	8,195.53	5,197.83	4,585.26	18,013.72
3 Segment Assets				
a. Corporate / Wholesale Banking	244,559.63	239,539.02	230,206.95	239,539.02
b. Retail Banking*	380,099.16	384,257.91	326,661.48	384,257.91
(i) Digital Banking	34.98	60.60	51.52	60.60
(ii) Other Retail Banking	380,064.18	384,197.31	326,609.96	384,197.31
c. Treasury, BMU and Corporate Centre	171,577.58	179,075.58	145,193.83	179,075.58
d. Other Banking business	-	-	-	-
Sub-total	796,236.37	802,872.51	702,062.26	802,872.51
Less : Inter-segmental Assets	191,288.55	203,032.03	189,366.21	203,032.03
Total	604,947.82	599,840.48	512,696.05	599,840.48
Add : Unallocated Assets	-	516.57	294.46	516.57
Total Assets as per Balance Sheet	604,947.82	600,357.05	512,990.51	600,357.05
4 Segment Liabilities				
a. Corporate / Wholesale Banking	227,560.38	218,547.17	215,938.47	218,547.17
b. Retail Banking*	349,229.39	353,357.46	300,928.88	353,357.46
(i) Digital Banking	15,683.22	15,585.65	11,812.81	15,585.65
(ii) Other Retail Banking	333,546.17	337,771.81	289,116.07	337,771.81
c. Treasury, BMU and Corporate Centre	111,978.39	134,765.70	97,896.65	134,765.70
d. Other Banking business	-	-	-	-
Sub-total	688,768.16	706,670.33	614,764.00	706,670.33
Less : Inter-segmental Liabilities	191,288.55	203,032.03	189,366.21	203,032.03
Total	497,479.61	503,638.30	425,397.79	503,638.30
Add : Unallocated liabilities	1,159.80	79.29	581.78	79.29
Add : Share Capital & Reserves & surplus	106,308.41	96,639.46	87,010.94	96,639.46
Total Capital and Liabilities as per Balance Sheet	604,947.82	600,357.05	512,990.51	600,357.05

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.

Including exceptional item (Refer Note 6)

NOTES:

- The above standalone financial results have been approved at the meeting of the Board of Directors held on 20th July, 2024. The results for the quarter ended 30th June, 2024 were subjected to limited review by the joint statutory auditors (KKC & Associates LLP, Chartered Accountants (formerly Khimji Kunverji & Co LLP) and Price Waterhouse LLP, Chartered Accountants) of the Bank, who have issued an unmodified review report thereon.
- The figures for the quarter ended 31st March, 2024 are balancing figures between audited published figures for financial year ended 31st March, 2024 and the unaudited published figures for nine months ended 31st December, 2023.
- 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) (including revaluation) from sale and revaluation of eligible category of investments.
- During the quarter, the Bank has granted 1,637,220 options under employee stock option scheme. Stock options aggregating to 30,400 were exercised during the quarter and 4,305,583 stock options were outstanding with employees of the Bank and its subsidiaries as at 30th June, 2024.
- Provisions and contingencies are net of recoveries made against loan accounts which have been written off as bad. "Provision and contingencies" includes provision of ₹ Nil for the quarter ended 30th June, 2024 and ₹ (157.00) crore and ₹ 33.13 crore for the quarter and year ended 31st March, 2024 respectively on applicable Alternate Investments Funds (AIF) Investments pursuant to RBI circulars dated 19th December, 2023 and 27th March, 2024.
- On 18th June, 2024, the Bank has completed the divestment of 70% stake (through a combination of fresh growth capital and share sale) in its subsidiary Kotak Mahindra General Insurance Company Limited ("KGI") to Zurich Insurance Company Limited ("Zurich"). The Bank sold 553,181,595 equity shares of KGI for a consideration of ₹ 4,095.82 crore, resulting in net gain from such sale of ₹ 3,519.90 crore (pre-tax) which has been disclosed as an exceptional item in the results. The Bank continues to hold the remaining 30% of the share capital of KGI as at 30th June, 2024. Consequent to this sale, KGI ceases to be a subsidiary of the Bank and became an Associate with effect from 18th June, 2024.
- 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 %.

- 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.
- Details of loans transferred /acquired during the quarter ended 30th June, 2024 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	30 th June, 2024
1.	Aggregate amount of loans acquired	317.09
2.	Aggregate consideration paid	326.31
3.	Weighted average residual maturity	1.11 years
4.	Weighted average holding period of originator	0.88 years
5.	Retention of beneficial economic interest	100%
6.	Coverage of tangible security coverage(%)	Nil

Sr.No	Particulars	30 th June, 2024
7.	Rating-wise distribution of rated loans	Retail loans – NA

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

₹ crore except tenor

Portfolio acquired during the quarter ended	From lenders listed in Clause 3		
	Aggregate Principal outstanding of loans acquired	Aggregate consideration paid	Weighted average residual tenor of loans acquired (in Years)
30 th June, 2024	30.33	17.39	0.87

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

₹ crore except tenor

Portfolio acquired during the quarter 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)
30 th June, 2024	3,298.94	81.64	0.44

(v) Details of the recovery ratings assigned to Security Receipts as at 30th June, 2024.

Recovery Rating [^]	Anticipated Recovery as per Recovery Rating	Carrying Value* (₹ crore)
NR1/R1+/RR1+	>150%	177.96
NR2/R1/RR1	100% - 150%	179.58
NR3/R2/RR2	75% - 100%	39.78
NR4/R3/RR3	50% - 75%	117.78
NR5/R4/RR4	25%-50%	-
NR6/R5/RR5	0% - 25%	-
Yet to be rated**	-	141.58
Unrated	-	0.30
Total		656.98

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

* - Net of provisions.

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

- During the quarter, the Bank has implemented the Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023 dated 12th September, 2023 which is applicable to banks from 1st April, 2024. Consequent to the transition provisions, the Bank's networth and investments have increased by ₹ 2,905.46 crore (post tax) and ₹ 3,283.11 crore (pre tax) respectively as on 1st April, 2024 on account of revision in the carrying value to the fair value as on such date.
- There has been no change to significant accounting policies during the quarter ended 30th June, 2024 as compared to those followed for the year ended 31st March, 2024 except as disclosed in Note 10.
- 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, 20th July, 2024

Ashok Vaswani
Managing Director and Chief Executive Officer

KOTAK MAHINDRA BANK LIMITED (CONSOLIDATED)
CIN: L65110MH1985PLC038137
Registered Office: 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2024

₹ crore

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-24 (Unaudited)	31-Mar-24 (Audited) (Refer Note 4)	30-Jun-23 (Unaudited)	31-Mar-24 (Audited)
1	Interest earned (a+b+c+d)	15,836.79	15,156.18	12,868.93	56,236.63
	(a) Interest/discount on advances/bills	11,362.60	10,930.00	9,426.83	40,866.16
	(b) Income on investments	3,867.90	3,627.46	3,063.95	13,296.60
	(c) Interest on balances with Reserve Bank of India (RBI) & other interbank funds	478.95	371.25	275.76	1,542.36
	(d) Others	127.34	227.47	102.39	531.51
2	Other income (a+b+c)	9,239.08	12,751.15	7,854.98	38,037.28
	(a) Profit/(Loss) on sale of Investments including revaluation (insurance business)	2,382.80	1,058.44	1,839.46	5,558.53
	(b) Premium on Insurance Business	2,996.73	7,709.53	2,745.16	18,425.31
	(c) Other income (Refer Note 5)	3,859.55	3,983.18	3,270.36	14,053.44
3	Total income (1+2)	25,075.87	27,907.33	20,723.91	94,273.91
4	Interest expended	6,805.25	6,212.16	4,834.08	22,567.24
5	Operating expenses (a+b+c)	11,488.59	14,478.10	9,889.62	45,870.82
	(a) Employees Cost	2,809.25	2,848.51	2,434.06	10,347.31
	(b) Policy holders' reserves, surrender expense and claims (Refer Note 7)	5,459.12	8,178.77	4,583.96	23,105.55
	(c) Other operating expenses	3,220.22	3,450.82	2,871.60	12,417.96
6	Total expenditure (4+5) (excluding provisions and contingencies)	18,293.84	20,690.26	14,723.70	68,438.06
7	Operating profit (3-6) (Profit before provisions and contingencies)	6,782.03	7,217.07	6,000.21	25,835.85
8	Provisions (other than tax) and contingencies (Refer Note 6)	774.44	442.05	413.78	1,972.47
9	Exceptional items (Refer Note 8)	3,803.40	-	-	-
10	Profit from ordinary activities before tax (7-8+9)	9,810.99	6,775.02	5,586.43	23,863.38
11	Tax expense	2,411.60	1,532.77	1,477.10	5,886.55
12	Net Profit from ordinary activities after tax before Minority Interest (10-11)	7,399.39	5,242.25	4,109.33	17,976.83
13	Extraordinary items (net of tax expense)	-	-	-	-
14	Net Profit after tax before Minority Interest (12-13)	7,399.39	5,242.25	4,109.33	17,976.83
15	Less: Share of Minority Interest	-	-	-	-
16	Add: Share in Profit/(Loss) of associates	48.77	94.95	40.86	236.38
17	Profit after tax (14-15+16)	7,448.16	5,337.20	4,150.19	18,213.21
18	Paid Up Equity Capital (Face value of ₹ 5 per share)	993.98	993.96	993.61	993.96
19	Group Reserves (excluding Minority Interest and Revaluation reserves)				128,898.44
20	Minority Interest				-
21	Analytical Ratios				
	(i) Capital adequacy ratio – Basel III (standalone)	22.41	20.55	21.12	20.55

₹ crore

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-24 (Unaudited)	31-Mar-24 (Audited) (Refer Note 4)	30-Jun-23 (Unaudited)	31-Mar-24 (Audited)
	(ii) Earnings per equity share before and after extraordinary items (net of tax expense)				
	- Basic (not annualised) ₹	37.47	26.66	20.89	91.45
	- Diluted (not annualised) ₹	37.47	26.65	20.89	91.45
	(iii) NPA Ratios				
	(a) Gross NPA	6,251.42	6,002.53	6,587.43	6,002.53
	(b) Net NPA	1,688.80	1,567.08	1,579.62	1,567.08
	(c) % of Gross NPA to Gross Advances	1.39	1.38	1.75	1.38
	(d) % of Net NPA to Net Advances	0.38	0.36	0.43	0.36
	(iv) Return on average Assets (%) (not annualised)	0.96	0.73	0.65	2.66

Consolidated Segment Reporting

The reportable consolidated segments of the Bank 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 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	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, equity/ debt issue management services and Business Correspondent services from its Subsidiary Companies.
Asset Management	Management of funds and investments on behalf of clients and investment distribution from (Cherry) its Subsidiary Companies
Insurance	Life Insurance and General Insurance (till 17 th June, 2024) business of its Subsidiaries

₹ crore

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-24 (Unaudited)	31-Mar-24 (Audited) Refer Note 4	30-Jun-23 (Unaudited)	31-Mar-24 (Audited)
1	Segment Revenues:				
	Treasury, BMU and Corporate Centre	3,161.85	3,119.10	2,474.10	10,956.31
	Retail Banking*	7,945.64	7,963.28	5,941.44	27,831.08
	(i) Digital Banking	503.97	445.44	320.57	1,536.19
	(ii) Other Retail Banking	7,441.67	7,517.84	5,620.87	26,294.89

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-24 (Unaudited)	31-Mar-24 (Audited) Refer Note 4	30-Jun-23 (Unaudited)	31-Mar-24 (Audited)
	Corporate / Wholesale Banking	5,786.06	5,724.73	5,675.82	22,788.95
	Vehicle Financing	968.63	931.61	757.36	3,415.80
	Other Lending Activities	533.39	506.49	410.20	1,918.48
	Broking	1,071.49	1,028.44	629.95	3,213.90
	Advisory and Transactional Services	425.01	426.24	286.60	1,371.46
	Asset Management	584.09	521.72	405.25	1,941.89
	Insurance	6,550.56	9,848.50	5,586.07	28,110.08
	Sub-total	27,026.72	30,070.11	22,166.79	101,547.95
	Less: inter-segment revenues	1,950.85	2,162.78	1,442.88	7,274.04
	Total Income	25,075.87	27,907.33	20,723.91	94,273.91
2	Segment Results:				
	Treasury, BMU and Corporate Centre#	5,299.81	1,811.28	1,417.79	5,505.43
	Retail Banking*	1,438.30	1,798.09	1,138.17	5,732.75
	(i) Digital Banking	57.94	47.66	5.63	118.36
	(ii) Other Retail Banking	1,380.36	1,750.43	1,132.54	5,614.39
	Corporate / Wholesale Banking	1,643.94	1,852.12	1,928.45	7,473.79
	Vehicle Financing	170.02	177.41	181.34	706.11
	Other Lending Activities	177.89	102.03	143.95	649.14
	Broking	405.24	378.41	180.63	1,129.11
	Advisory and Transactional Services	110.90	218.56	159.91	729.89
	Asset Management	316.00	269.65	178.03	984.84
	Insurance	248.89	167.47	258.16	952.32
	Profit before tax, minority interest and share of associates	9,810.99	6,775.02	5,586.43	23,863.38
3	Segment Assets:				
	Treasury, BMU and Corporate Centre	180,780.44	187,565.09	151,249.04	187,565.09
	Retail Banking*	380,099.16	384,257.91	326,661.48	384,257.91
	(i) Digital Banking	34.98	60.60	51.52	60.60
	(ii) Other Retail Banking	380,064.18	384,197.31	326,609.96	384,197.31
	Corporate / Wholesale Banking	244,559.63	239,539.02	230,206.95	239,539.02
	Vehicle Financing	29,057.07	28,262.24	25,316.41	28,262.24
	Other Lending Activities	22,718.42	23,779.45	17,846.95	23,779.45
	Broking	22,606.88	17,562.29	11,643.54	17,562.29
	Advisory and Transactional Services	1,645.80	1,169.06	819.19	1,169.06
	Asset Management	6,459.43	6,442.32	5,626.74	6,442.32
	Insurance	85,240.74	85,062.53	70,714.10	85,062.53
	Sub-total	973,167.57	973,639.91	840,084.40	973,639.91
	Less: inter-segment assets	196,406.41	207,816.22	192,579.46	207,816.22
	Total	776,761.16	765,823.69	647,504.94	765,823.69
	Add: Unallocated Assets	1,392.91	1,843.27	1,383.23	1,843.27
	Total Assets as per Balance Sheet	778,154.07	767,666.96	648,888.17	767,666.96
4	Segment Liabilities:				
	Treasury, BMU and Corporate Centre	118,739.08	139,213.04	100,655.18	139,213.04

₹ crore

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-24 (Unaudited)	31-Mar-24 (Audited) Refer Note 4	30-Jun-23 (Unaudited)	31-Mar-24 (Audited)
	Retail Banking*	349,229.39	353,357.46	300,928.88	353,357.46
	(i) Digital Banking	15,683.22	15,585.65	11,812.81	15,585.65
	(ii) Other Retail Banking	333,546.17	337,771.81	289,116.07	337,771.81
	Corporate / Wholesale Banking	227,560.38	218,547.17	215,938.47	218,547.17
	Vehicle Financing	15,818.07	21,800.15	17,274.94	21,800.15
	Other Lending Activities	19,590.95	16,755.39	13,513.12	16,755.39
	Broking	20,213.12	15,618.60	10,026.23	15,618.60
	Advisory and Transactional Services	372.69	294.45	157.02	294.45
	Asset Management	1,019.64	1,115.25	819.75	1,115.25
	Insurance	78,502.05	77,931.56	64,337.20	77,931.56
	Sub-total	831,045.37	844,633.07	723,650.79	844,633.07
	Less: inter-segment liabilities	196,406.41	207,816.22	192,579.46	207,816.22
	Total	634,638.96	636,816.85	531,071.33	636,816.85
	Add: Unallocated liabilities	2,349.70	957.71	1,317.02	957.71
	Add: Share Capital, Reserves & Surplus & Minority Interest	141,165.41	129,892.40	116,499.82	129,892.40
	Total Capital and Liabilities as per Balance Sheet	778,154.07	767,666.96	648,888.17	767,666.96

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 (i) Digital Banking (as defined in RBI circular on Establishment of Digital Banking Units dated 7th April, 2022) and (ii) Other Retail Banking segment.

(#) Including exceptional item (Refer Note 8)

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.
- These consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards notified under Section 133 and the relevant provisions of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2021 in so far as they apply to the Group and the guidelines issued by the Reserve Bank of India (RBI), Insurance Regulatory and Development Authority of India (IRDAI) from time to time as applicable and the generally accepted accounting principles prevailing in India. The financial results 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 results 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 read with Companies (Accounting Standard) Rules, 2021.
- The above consolidated financial results were approved at the meeting of the Board of Directors held on 20th July, 2024. The results for the quarter ended 30th June, 2024 were subjected to limited review by the joint statutory auditors (KKC & Associates LLP, Chartered Accountants (formerly Khimji Kunverji & Co LLP) and Price Waterhouse LLP, Chartered Accountants) of the Bank who have issued an unmodified review report thereon.

4. The figures for the quarter ended 31st March, 2024 are balancing figures between audited published figures for financial year ended 31st March, 2024 and the unaudited published figures for nine months ended 31st December, 2023.
5. 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 sale and revaluation (other than insurance business) of eligible category of investments.
6. Provisions and contingencies are net of recoveries made against loan accounts which have been written off as bad. "Provisions and contingencies" includes provision of ₹ Nil for the quarter ended 30th June, 2024 and ₹ (157.00) crore and ₹ 33.13 crore for the quarter and year ended 31st March, 2024 respectively on applicable Alternate Investments Funds (AIF) Investments pursuant to RBI circulars dated 19th December, 2023 and 27th March, 2024.
7. The change in the valuation of liabilities for life policies in force, lapsed policies that are likely to be revived in future and for policies in respect of which premium has been discontinued but liability exists, for the quarter ended 30th June, 2024 amounting to ₹ 3,299.46 crore (₹ 5,520.81 crore for the quarter ended 31st March, 2024, ₹ 2,903.06 crore for the quarter ended 30th June, 2023 and ₹ 14,922.60 crore for the year ended 31st March, 2024), have been included in "Policy holders' reserves, surrender expenses and claims" under "Operating Expenses" in the above Financial Information.
8. On 18th June 2024, the Bank has completed the divestment of 70% stake (through a combination of fresh growth capital and share sale) in its subsidiary Kotak Mahindra General Insurance Company Limited ("KGI") to Zurich Insurance Company Limited ("Zurich"). The Bank sold 553,181,595 equity shares of KGI for a consideration of ₹ 4,095.82 crore resulting in net gain from such sale of ₹ 3,803.40 crore (pre-tax) considering the carrying value of investment in consolidated financials. Profit on sale of shares of KGI has been disclosed as an exceptional item in the results. The Bank continues to hold the remaining 30% of the share capital of KGI as at 30th June, 2024. Consequent to this sale, KGI ceases to be a subsidiary of the Bank and became an Associate with effect from 18th June, 2024.
9. 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.
10. During the quarter, the Bank has implemented the Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023 dated 12th September, 2023 which is applicable to banks from 1st April, 2024. Consequent to the transitions provisions, the Bank's networth and investments have increased by ₹ 2,905.46 crore (post tax) and ₹ 3,283.11 crore (pre-tax) respectively as on 1st April, 2024 on account of revision in the carrying value to the fair value as on such date. The Group entities other than Bank, continue to follow AS -13 "Accounting for Investments" and IRDA guidelines, as applicable. The total proportion of investments for which subsidiaries have applied accounting policies different from the Bank is approximately 11.65% of the total investments as at 30th June, 2024 (excluding investments attributable to policy holders of Insurance subsidiary).
11. There has been no change in the significant accounting policies during the quarter ended 30th June, 2024 as compared to those followed for the year ended 31st March, 2024 except as disclosed in note 10.
12. 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, 20th July, 2024

Ashok Vaswani
Managing Director and Chief Executive Officer