

Annual Report 2023-24



**Kotak Mahindra Asset Management
(Singapore) Pte. Limited**



Transforming
for scale



Contents

Directors' Report.....	4
Independent Auditors' Report	6
Balance Sheet	8
Profit and Loss Account.....	9
Cash Flow Statement	10
Notes forming part of the Financial Statements	11

Directors' Report

DIRECTOR'S STATEMENT

The directors are pleased to present their statement to the member together with the audited financial statements of Kotak Mahindra Asset Management (Singapore) Pte. Ltd. (the "Company") for the year ended 31st March, 2024.

OPINION OF THE DIRECTORS

In the opinion of the directors,

- the Company's accounts are drawn up in accordance with the provision of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards. The financial statements set out are presented in Indian Rupees prepared on the basis of the aforesaid accounts to comply with the requirements of section 129 of Companies Act, 2013 in India so as to give a true and fair view of the financial position of the Company as at 31st March, 2024 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date and
- at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

The directors of the Company in office at the date of this statement are:

Nitin Tejpal Jain
Ruchit Puri
Gaurang Balkrishna Shah
Nileshkumar Dhirajlal Shah
Shyam Kumar Syamasundaran

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of nor at any time during the year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register kept by the Company for the purposes of Section 164 of the Act, particulars of interests of director who held office at the end of the financial year had interests (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Direct Interest		Deemed interest	
	At beginning of financial year or date of appointment	At end of financial year	At beginning of financial year or date of appointment	At end of financial year
Holding Company: Kotak Mahindra Bank Limited				
(Ordinary shares)				
Nitin Tejpal Jain	205,948	205,948	-	-
Ruchit Puri	135,704	135,704	-	-
Gaurang Balkrishna Shah	837,700	705,324	-	-
Nileshkumar Dhirajlal Shah	223,322	274,660	-	-
Shyam Kumar Syamasundaran	69,115	69,115	2,000	2,000
(Options to subscribe for ordinary shares)				
Gaurang Balkrishna Shah	52,637	-	-	-
Nileshkumar Dhirajlal Shah	112,938	79,755	-	-

Neither at the end of, nor at any time during the year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SHARE OPTIONS

During the year, there were:

- no options granted by the Company to any person to take up unissued shares in the Company; and
- no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the year, there were no unissued shares of the Company under option.



RESULTS AND DIVIDEND

The Company's profit for the financial year ended 31st March, 2024 amounted to ₹ 753,235,527 (2023: ₹ 386,637,463).

The Company declared and paid a dividend of ₹ Nil (2023: ₹ Nil) during year.

AUDITOR

Ernst & Young LLP have expressed their willingness to accept reappointment as auditor.

For and on behalf of the Board of Directors

Nitin Jain

Director and CEO

Shyam Kumar

Director

25th April, 2024

Independent Auditors' Report

To the Board of Directors of

KOTAK MAHINDRA ASSET MANAGEMENT (SINGAPORE) PTE LTD.

The financial statements of Kotak Mahindra Asset Management (Singapore) Pte Ltd (the "Company") as at 31st March, 2024, being a company registered in the Singapore, are audited by Ernst & Young, LLP, Public Accountants and Chartered Accountants, Singapore and we have been furnished with their audit report dated 22nd April, 2024.

We are presented with the accounts in Indian Rupees prepared on the basis of aforesaid accounts to comply with requirements of section 129 of Companies Act, 2013 ("the Act"). We give our report hereunder:

Report on the Audit of the Special Purpose Financial Statements.

OPINION

We have verified the accompanying Special Purpose Financial Statements duly converted in Indian Rupees from audited accounts in USD of Kotak Mahindra Asset Management (Singapore) Pte Ltd ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Special Purpose Financial Statements"). As explained in Note 2.1(i) to the Special Purpose Financial Statements, these Special Purpose Financial Statements include limited information and have been prepared by the management of Kotak Mahindra Asset Management (Singapore) Pte Ltd. for the purpose of Kotak Mahindra Bank Limited ("Ultimate Holding Company") to prepare its consolidated financial statements and for inclusion in the annual report of the Ultimate Holding Company for the year ended March 31, 2024, under the requirements of section 129(3) of the Companies Act, 2013, in accordance with the accounting policies of the Ultimate Holding Company and in compliance with the recognition and measurement principles of the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, as applicable to the Ultimate Holding Company.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements give a true and fair view in all material respects in conformity with recognition and measurement principles of the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, as applicable to the Ultimate Holding Company, of the state of affairs of the Company as at March 31, 2024, and its profit for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Special Purpose Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements section of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Special Purpose Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Special Purpose Financial Statements.

KEY AUDIT MATTERS

We state that there are no key audit matters to communicate in our report.

RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR SPECIAL PURPOSE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible with respect to the preparation of the Special Purpose Financial Statements in accordance with the recognition and measurement principles of Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, as applicable to the Ultimate Holding Company.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Statements, Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are also responsible for overseeing the Company's financial reporting process.



AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS

Our responsibility is to express an opinion on these Special Purpose Financial Statements based on our verification.

As stated hereinabove we have relied upon the audit conducted by Ernst & Young, LLP, Public Accountants and Chartered Accountants, Singapore and based thereon we state that:

Our objectives are to obtain reasonable assurance about whether the Special Purpose Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Financial Statements.

As part of verification in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the verification. We also:

1. Identify and assess the risks of material misstatement of the Special Purpose Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. As per Ultimate Holding Company's (Kotak Mahindra Bank Limited) instructions, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the Special Purpose Financial Statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Special Purpose Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
5. Evaluate the overall presentation, structure and content of the Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In view of the facts specified above, the requirements of reporting under section 143(3) of the Act, are not applicable.

OTHER MATTERS

The audited financial statements of the Company for the corresponding year ended 31st March, 2024 prepared in conformity with the accounting principles generally accepted in the Singapore, have been audited by the predecessor auditors whose audit report dated 22nd April, 2024 expressed an unmodified opinion on those audited financial statements.

Our opinion is not modified in respect of this matter.

RESTRICTION ON DISTRIBUTION OR USE

This report is intended solely for the information of the Company's and its Ultimate Holding Company's Board of Directors and the Auditors of the Ultimate Holding Company and is not intended to be and should not be used by anyone other than specified parties. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, the Company's and Ultimate Holding Company's Board of Directors for our audit work, for this report, or for the opinions we have formed.

Place: Mumbai
Date: 25th April, 2024
UDIN: 24042649BKBBZ06045

For V. C. Shah & Co.
Chartered Accountants
Firm Registration No. 109818W

A. N. Shah
Partner
Membership No. 042649

Balance Sheet

as at 31st March, 2024

(Amount in ₹)

Particulars	Note No.	As at 31 st March, 2024	As at 31 st March, 2023
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3.1	93,970,000	93,970,000
(b) Reserves and surplus	3.2	3,545,946,003	2,744,568,517
2 Non-current liabilities			
(a) Deferred tax liability		-	58,049
(b) Long-term provisions	3.3	11,885,363	11,380,113
3 Current liabilities			
(a) Trade payables			
- total outstanding dues of micro enterprises and small enterprises; and		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		114,547,945	117,335,314
(b) Other current liabilities	3.4	27,496,895	22,577,286
(c) Short-term provisions	3.5	111,390,588	68,983,756
TOTAL		3,905,236,794	3,058,873,035
II. ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3.6	3,252,104	1,462,325
(b) Long-term loans and advances	3.8	1,777,374	1,906,494
(c) Non- Current Investments	3.7	1,531,615,012	193,705,586
2 Current assets			
(a) Current investments	3.7	20,661,609	709,464,960
(b) Trade receivables	3.9	339,424,246	216,776,939
(c) Cash and cash equivalents	3.10	452,295,639	786,614,916
(d) Short-term loans and advances	3.11	1,463,757,750	1,088,752,500
(e) Other current assets	3.12	92,453,060	60,189,315
TOTAL		3,905,236,794	3,058,873,035
Significant Accounting Policies and Notes to Accounts	2 & 3		

In terms of our report of even date

For and on Behalf of the Board of Directors

For V . C. Shah & Co.
Chartered Accountants
Firm Registration No.: 109818W

A. N. Shah
Partner
Membership No.: 042649

Shyam Kumar
Director

Nitin Jain
Director and CEO

Mumbai
Dated: 25th April 2024

Dated: 25th April 2024



Statement of Profit and Loss Account

for the year ended 31st March, 2024

(Amount in ₹)

Sr. No.	Particulars	Note No.	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
I.	Revenues from operations			
	Service Income (net)		1,062,602,648	647,369,852
II.	Income from investments (net)		69,175,697	34,635,318
III.	Other income	3.13	106,668,109	48,103,330
	Total Revenue		1,238,446,454	730,108,500
IV.	Expenses:			
	Employee benefit expenses	3.14	233,823,850	158,835,395
	Finance cost	3.15	1,947,272	1,771,843
	Depreciation and Amortisation expense	3.6	1,278,891	2,068,673
	Other expenses	3.16	148,168,472	132,549,773
	Total expenses		385,218,485	295,225,685
V.	PROFIT / (LOSS) BEFORE TAX		853,227,969	434,882,815
VI.	Tax expense:			
	(a) Current tax			
	- Pertaining to profit / (loss) for the current period		95,614,034	46,889,850
	- Adjustment of tax relating to earlier periods		4,436,904	1,602,670
	(b) Deferred tax		(58,495)	(247,168)
VII.	PROFIT / (LOSS) FOR THE PERIOD		753,235,527	386,637,463
VIII.	Earnings per equity share:			
	Basic and Diluted	3.20	376.62	193.32
	Significant Accounting Policies and Notes to Accounts	2 & 3		

In terms of our report of even date

For and on Behalf of the Board of Directors

For V . C. Shah & Co.Chartered Accountants
Firm Registration No.: 109818W**A. N. Shah**Partner
Membership No.: 042649**Shyam Kumar**

Director

Nitin Jain

Director and CEO

Mumbai
Dated: 25th April 2024Dated: 25th April 2024

Cash Flow Statement

for the year ended 31st March 2024

(Amount in ₹)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Cash Flow from Operating Activities		
Net Profit / (Loss) before taxation	853,227,969	434,882,815
Adjustments for:		
- Bad debts written off	4,268,514	561,797
- Provision for doubtful debts	(3,251,720)	1,558,523
- Depreciation and Amortization	1,278,891	2,068,673
- Exchange Adjustments (net)	34,417,568	130,316,502
- Interest Income on Loans	(70,053,623)	(37,111,767)
- Interest on deposits	(36,614,486)	(10,991,564)
- Interest Income on Debt instruments	(47,202,936)	(47,158,644)
- Mark to market on Investments	(1,996,198)	(1,449,403)
- Amortisation of premium/ accretion of discount on bonds and convertible bonds	(13,829,685)	13,972,729
- Foreign Exchange Loss (net)	3,163,691	2,415,896
Operating Profit / (Loss) before Working Capital Changes	723,407,987	489,065,557
Adjustments for:		
(Increase) / Decrease in Trade receivables	(123,664,101)	(12,685,102)
(Increase) / Decrease in Short-term loans and advances	-	(84,501,875)
(Increase) / Decrease in Long-term loans and advances	129,120	(273,249)
(Increase) / Decrease in Other current assets	(12,758,801)	(17,123,671)
Increase / (Decrease) in Trade payable	(2,787,370)	19,697,767
Increase / (Decrease) in Short-term provisions	(8,085,846)	(6,449,188)
Increase / (Decrease) in Other current liabilities	4,919,608	(10,826,526)
Increase / (Decrease) in Long-term provisions	505,249	(3,191,297)
Cash Generated / (Used in) from Operations	581,665,847	373,712,417
Direct taxes paid	(49,557,813)	(48,280,977)
NET CASH FLOW (USED IN)/ FROM OPERATING ACTIVITIES (A)	532,108,033	325,431,440
Cash Flow from Investing Activities		
Purchase of fixed assets	(3,033,922)	(1,360,826)
Fixed Deposits matured/(placed) during the year	330,969,000	(731,313,000)
Interest income on loan	70,053,623	37,111,767
Interest received on fixed deposits	26,024,788	3,399,757
Interest Income on debt instruments	38,287,690	48,012,735
Purchase of Investments	(2,271,344,428)	(783,374,885)
Redemption of investments	1,651,753,880	740,516,040
NET CASH FLOW (USED IN) / FROM INVESTING ACTIVITIES (B)	(157,289,369)	(687,008,413)
Cash Flow from Financing Activities		
Loan given to fellow subsidiaries	(375,005,250)	-
NET CASH FLOW (USED IN) / FROM FINANCING ACTIVITIES (C)	(375,005,250)	-
Net Increase in Cash and Cash Equivalents (A + B + C)	(186,585)	(361,576,972)
Cash and Cash Equivalents at the beginning of the year	55,301,916	419,294,785
Effect of Foreign Exchange Loss (net)	(3,163,691)	(2,415,896)
Cash and Cash Equivalents at the end of the period	51,951,640	55,301,916
	(186,585)	(361,576,973)

Notes:

- The above Cash Flow statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3 "Cash Flow Statements" specified under Section 133 and other relevant provisions of the Companies Act, 2013.
- Figures in brackets indicate cash outflow.
- The previous year's figures have been re-grouped, wherever necessary in order to conform with this year's presentation.

This is the Cash Flow Statement referred to in our report of even date **For and on Behalf of the Board of Directors**

For V . C. Shah & Co.

Chartered Accountants
Firm Registration No.: 109818W

A. N. Shah
Partner
Membership No.: 042649

Shyam Kumar
Director

Nitin Jain
Director and CEO

Mumbai
Dated: 25th April 2024

Dated: 25th April 2024



Notes

Forming part of the Financial Statements as at 31st March, 2024

1 ORGANISATION AND NATURE OF BUSINESS

Kotak Mahindra Asset Management (Singapore) Pte. Ltd. ("the Company"), a company incorporated on 7th March, 2014 in Singapore, has its registered office at 16 Raffles Quay, #35-04A, Hong Leong Building, Singapore 048581.

The principal activity of the Company is fund management. The Company has obtained Capital Market Services License for fund management under the Securities and Futures Act (Chapter 289) from the Monetary Authority of Singapore (the "MAS") on 14th March, 2016.

The immediate and ultimate holding company is Kotak Mahindra Bank Limited which is incorporated in India.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 BASIS OF PREPARATION

- (i) The Special Purpose financial statements of the Company are prepared under the historical cost convention. These Special Purpose financial statements are prepared for the purpose of the Ultimate Holding Company's consolidation and for inclusion in the annual report of the Ultimate Holding Company (Kotak Mahindra Bank Limited) under the requirements of section 129(3) of the Companies Act, 2013. The Special Purpose Financial Statements of the Company have been prepared in accordance with the generally accepted accounting principles in India as per the Accounting Standards (Indian GAAP) applicable to Kotak Mahindra Bank Limited (Ultimate Holding Company) as specified under section 133 of the Companies Act, 2013 (the Act).
- ii) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the services and the time between the provision of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2 CONVERSION TO INDIAN RUPEES

For the purpose of accounts, all income and expense items are converted at the average rate of exchange applicable for the period. All assets and liabilities (except Share Capital) are translated at the closing rate as on the Balance Sheet date. The Share Capital is carried forward at the rate of exchange prevailing on the transaction date. The resulting exchange difference on account of translation at the year end is transferred to Translation Reserve Account and the said account is being treated as "Reserves and Surplus".

2.3 USE OF ESTIMATES

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future periods affected.

2.4 REVENUE RECOGNITION

Revenue consists of investment management income, brokerage income, advisory fee income, and sundry income and is recognised as and when services are rendered. Revenue is measured at the fair value of consideration received or receivable.

2.4 CASH AND CASH EQUIVALENTS

For the purposes of the cash flow statement, cash and cash equivalent consists of cash in hand, bank balances and short-term, deposits with an original maturity of three months or less, net of outstanding bank overdrafts, if any.

2.6 INVESTMENTS

Investments are classified into long term investments and current investments. Investments which are intended to be held for more than one year are classified as long term investments and investments which are intended to be held for less than one year are classified as current investments. Long-term investments are stated at cost less other than temporary diminution. Current investments are valued at cost or market value / fair value which ever is lower.

Notes

Forming part of the Financial Statements as at 31st March, 2024

2.7 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.8 TAXES

Current tax is expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date and any adjustments payable / refund received in respect of previous years.

Deferred Tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets arising mainly on account of carry forward of losses and unabsorbed depreciation under tax laws are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income against which such deferred tax assets can be realised. Deferred tax assets on account of other timing differences are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

2.9 PROVISIONS AND CONTINGENCIES

Provision is recognised when there is a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes unless the outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

2.10 SHARE OPTIONS

During the year, there were:

- i) No options granted by the Company to any person to take up unissued shares in the Company; and
- ii) No shares issued by virtue of any exercise of option to take up unissued shares of the Company

As at the end of the year, there were no unissued shares of the Company under option.

2.11 EMPLOYEE SHARE BASED PAYMENTS

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expenses as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Contributions to defined contribution pension plans are recognised as an expense in profit or loss as incurred.

Share-based payment transactions (cash settled)

The cost of cash-settled transactions, stock appreciation rights (SARs) having grant date on or before 31st March, 2021 is measured initially using intrinsic value method at the grant date taking into account the terms and conditions upon which the instruments were granted. Similar to Equity settled options, SARs granted after 31st March, 2021 are measured on fair value basis.

The intrinsic / fair value is amortised on a straight-line basis over the vesting period with a recognition of corresponding liability. This liability is remeasured at each balance sheet date up to and including the vesting date with changes in intrinsic / fair value recognised in the profit



Notes

Forming part of the Financial Statements as at 31st March, 2024

and loss account in 'Payments to and provision for employees'. The SARs that do not vest because of failure to satisfy vesting conditions are reversed by a credit to employee compensation expense, equal to the amortised cost in respect of the lapsed portion.

2.12 PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment are stated at acquisition cost inclusive of incidental expenses, net of accumulated depreciation and accumulated impairment losses, if any. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Depreciation is provided on a pro-rata basis on a Straight Line Method over the estimated useful life of the assets at rates which are equal to or higher than the rates prescribed under Schedule II of the Companies Act, 2013 in order to reflect the actual usage of the assets. The estimated useful lives of assets based on technical evaluation by management are as follows:

Furniture and Fixtures	3 years
Computer and Software	3 years
Other Equipment	3 years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at the end of each reporting date.

Losses arising from the retirement of and gains or losses arising from disposal of Property, plant and Equipment which are carried at cost, are recognised in the Statement of Profit and Loss.

2.13 LEASES

Leases where all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss Account on a straight line basis over the lease term.

Notes

Forming part of the Financial Statements as at 31st March, 2024

3 NOTES TO ACCOUNTS

3.1(A) SHARE CAPITAL

(Amount in ₹)

	As at 31 st March, 2024	As at 31 st March, 2023
Issued, Subscribed and fully Paid up		
2,000,000 (Previous year 2,000,000) Equity Shares of SGD 1 each	93,970,000	93,970,000
Total	93,970,000	93,970,000

(B) EQUITY SHARES

Reconciliation of equity share capital	As at 31 st March, 2024	As at 31 st March, 2024	As at 31 st March, 2023	As at 31 st March, 2023
	Quantity	₹	Quantity	₹
Share capital outstanding at the beginning of the year	2,000,000	93,970,000	2,000,000	93,970,000
Issued during the period	-	-	-	-
Share capital outstanding at the end of the year	2,000,000	93,970,000	2,000,000	93,970,000

(C) TERMS/RIGHTS ATTACHED TO EQUITY SHARES

The Company has only one class of equity shares having a par value of SGD 1 per share. Each holder of equity shares is entitled to one vote per share. All shares rank equally with regard to the Company's residual assets.

The holder of the ordinary share is entitled to receive dividends as declared from time to time.

(D) SHARES HELD BY HOLDING COMPANY AND/OR ITS SUBSIDIARIES/ASSOCIATES

Out of equity shares issued by the company, shares held by its holding company and its subsidiaries / associates are as below:

Number of equity share	As at 31 st March, 2024	As at 31 st March, 2023
Kotak Mahindra Bank Limited	2,000,000	2,000,000

(E) DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

Equity shares of SGD 1 fully paid up

	As at 31 st March, 2024		As at 31 st March, 2023	
	Number	% holding	Number	% holding
Kotak Mahindra Bank Limited	2,000,000	100.00%	2,000,000	100.00%



Notes

Forming part of the Financial Statements as at 31st March, 2024

3.2 RESERVES AND SURPLUS

(Amount in ₹)

	As at 31 st March, 2024	As at 31 st March, 2023
a. Translation Reserve		
Opening Balance	358,779,621	160,591,059
Additions/(deductions) during the period	48,141,960	198,188,563
Closing Balance	406,921,581	358,779,621
b. Surplus in the statement of profit and loss		
Opening balance	2,385,788,896	1,999,151,433
Net Profit / (Loss) for the current year	753,235,527	386,637,463
Closing Balance	3,139,024,422	2,385,788,896
Total	3,545,946,003	2,744,568,517

3.3 LONG-TERM PROVISIONS

(Amount in ₹)

	As at 31 st March, 2024	As at 31 st March, 2023
Provision for employee benefits		
Stock Appreciation Rights (refer note 3.19)	10,182,936	8,054,960
Deferred Incentive	1,702,426	3,325,154
Total	11,885,363	11,380,113

3.4 OTHER CURRENT LIABILITIES

(Amount in ₹)

	As at 31 st March, 2024	As at 31 st March, 2023
Provision for expenses	19,998,564	19,581,213
Expenses payable to group companies	7,438,636	1,566,114
GST payable	59,695	1,429,958
Total	27,496,895	22,577,286

3.5 SHORT-TERM PROVISIONS

(Amount in ₹)

	As at 31 st March, 2024	As at 31 st March, 2023
Provision for employee benefits:		
Provision for Stock Appreciation Rights (refer note 3.19)	8,420,890	15,302,039
Deferred Incentive	5,498,178	6,788,330
Payable to statutory funds	789,955	704,500
Other Provisions:		
Provision for taxes (net of Advance tax of ₹ 49,144,146)	96,681,565	46,188,887
Total	111,390,588	68,983,756

Notes

Forming part of the Financial Statements as at 31st March, 2024

3.6 PROPERTY, PLANT AND EQUIPMENT

(Amount in ₹)

	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1 st April, 2023	Additions	Deduction / Adjustment*	Balance as at 31 st March, 2024	Balance as at 1 st April, 2023	Depreciation charge for the year	Deduction / Adjustment*	Balance as at 31 st March, 2024	Balance as at 31 st March, 2024	Balance as at 31 st March, 2023
Tangible Assets										
Computer and Software	7,278,298	2,530,282	127,803	9,936,383	5,815,973	1,180,959	96,006	7,092,938	2,843,445	1,462,325
Furniture and Fittings	3,287,675	357,901	52,017	3,697,593	3,287,675	69,595	49,919	3,407,189	290,404	-
Office equipment	2,331,397	145,739	36,101	2,513,237	2,331,397	28,337	35,247	2,394,981	118,256	-
Total	12,897,370	3,033,922	215,921	16,147,213	11,435,045	1,278,891	181,173	12,895,109	3,252,104	1,462,325
Previous Year	10,613,390	1,360,826	923,155	12,897,370	8,597,225	2,068,673	769,147	11,435,045	1,462,325	2,016,165

* Deduction / adjustments include effect of translation reserve of ₹ 215,921 /- [Previous year - ₹ 923,155/-] for gross block and ₹ 181,173 /- [Previous year - ₹ 769,147/-] for accumulated depreciation.

3.7 INVESTMENTS

(Amount in ₹)

Script Name	Quantity 31 st March, 2024	Amount as at 31 st March, 2024	Quantity 31 st March, 2023	Amount as at 31 st March, 2023
Investments				
Foreign Currency Bonds				
RECLIN 3.375 07/25/24 GMTN	250,000	20,661,609	-	-
TTMTIN 5.875 05/20/25	1,500,000	123,267,830	-	-
BHARTI 4 3/8 06/10/25	2,500,000	205,726,987	-	-
RECLIN 2.25 09/01/26 GMTN	2,500,000	192,690,844	-	-
SHFLIN 6.625 04/22/27 REGS	1,500,000	125,313,513	-	-
ADSEZ 4.2 08/04/27 REGS	4,050,000	314,393,462	-	-
ICICI 3.8 12/14/27 REGS	1,500,000	119,096,313	-	-
POWFIN 6.15% 12/06/28	3,000,000	257,473,419	-	-
INRCIN 3.835 12/13/27	2,500,000	197,796,078	-	-
IOCLIN 5.75% 08/01/23	-	-	1,500,000	124,734,227
SBIIN 4.375 01/24/24 REGS	-	-	4,200,000	345,751,985
TTMTIN 5.75% 10/30/24	-	-	2,400,000	195,103,993
SHTFIN 4.4 03/13/24 REGS	-	-	405,000	32,534,539
MUTHIN 4.4 09/02/23 REGS	-	-	2,595,000	211,108,832
Total		1,556,420,054		909,233,576
Less: Provision for diminution		4,143,432.79		6,063,030
Total Bonds and Convertible Debentures		1,552,276,621		903,170,546
Total Current Investments		20,661,609		709,464,960
Total Non-Current Investments		1,531,615,012		193,705,586
Aggregate value of quoted investments		1,552,276,621		903,170,546
Aggregate market value of quoted investments		1,554,427,701		903,188,272
Aggregate value of unquoted investments		-		-



Notes

Forming part of the Financial Statements as at 31st March, 2024

3.8 LONG TERM LOANS AND ADVANCES

(Amount in ₹)

	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
Security Deposits	1,777,374	1,775,264
Prepaid expenses	-	131,230
Total	1,777,374	1,906,494

3.9 TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good, unless otherwise stated		
Outstanding for a period exceeding six months from date they are due for payment	-	-
Others	339,424,246	216,776,939
Considered doubtful	1,789,500	4,989,883
Less: Provision for doubtful debts	(1,789,500)	(4,989,883)
Total	339,424,246	216,776,939

3.10 CASH AND CASH EQUIVALENTS

(Amount in ₹)

	As at 31 st March, 2024	As at 31 st March, 2023
a) Cash and cash equivalents		
Balances with banks: On Current accounts	51,951,639	55,301,916
Deposits with maturity for less than 12 months	400,344,000	608,058,000
b) Other bank balances		
Deposits with maturity for more than 12 months	-	123,255,000
Total	452,295,639	786,614,916

3.11 SHORT-TERM LOANS AND ADVANCES

(Amount in ₹)

	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
Loan to fellow subsidiary	1,463,757,750	1,088,752,500
Total	1,463,757,750	1,088,752,500

Notes

Forming part of the Financial Statements as at 31st March, 2024

3.12 OTHER CURRENT ASSETS

(Amount in ₹)

	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
GST Input Credit	23,113,028	9,947,299
Prepaid expenses	27,956,523	30,083,516
Interest accrued on bonds	18,368,500	9,453,254
Interest accrued on term deposits	18,181,505	7,591,807
Other advances	4,833,505	3,113,439
Total	92,453,060	60,189,315

3.13 OTHER INCOME

(Amount in ₹)

	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Interest income on loans	70,053,623	37,111,767
Interest income on fixed deposits	36,614,486	10,991,564
Total	106,668,109	48,103,330

3.14 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Salaries, bonus and allowances	196,442,677	121,334,575
Contribution to provident and other funds	4,086,693	4,655,737
Deferred Incentive	4,998,216	7,578,479
Expenses on stock appreciation rights	16,703,584	16,607,921
Staff Training Expenses	257,092	260,942
Staff Welfare	11,335,588	8,397,742
Total	233,823,850	158,835,395

3.15 FINANCE COST

(Amount in ₹)

	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Bank Charges	1,947,272	1,771,843
Total	1,947,272	1,771,843



Notes

Forming part of the Financial Statements as at 31st March, 2024

3.16 OTHER EXPENSES

(Amount in ₹)

	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Auditor's remuneration		
- Statutory fees	4,608,787	4,125,035
- Reimbursement of expenses	107,643	92,451
Foreign Exchange Loss (net)	3,163,691	2,415,896
Professional and legal fees	55,464,295	57,365,447
Licensing Expenses	402,030	625,547
Membership and subscription	4,212,941	4,751,753
Insurance	17,896,695	17,650,024
Advertising, business promotion and entertainment	1,035,430	1,920,839
Communication expenses	502,949	532,788
Dealing Expense	31,035,342	21,236,529
Rent	4,649,803	4,463,859
Repairs and maintenance	12,026,319	7,084,319
Miscellaneous expenses	222,884	186,043
Provision for doubtful debts	(3,251,720)	1,558,523
Bad debts written off	4,268,514	561,797
Electricity Expenses	132,915	118,076
Royalty Charges	1,619,078	1,624,316
Custodial Charges	527,517	486,868
Travelling and Conveyance Expenses	9,543,361	5,749,663
Total	148,168,472	132,549,773

3.17 The transactions are in US Dollars, which have been converted into Indian Currency (Indian Rupees) for reporting and the rate applied is as per para 2.2 of the significant accounting policies.

3.18 OPERATING LEASES

At 31st March, 2024, the Company was committed to making the following lease rental payments under a non-cancellable operating lease:

(Amount in ₹)

	2024	2023
Payable:		
- Within one year	4,669,098	4,663,557
- Between two and five years	1,556,366	6,218,075
Total	6,225,463	10,881,632

The lease relates to office premises and is generally for a period of three years, with renewal option available.

Notes

Forming part of the Financial Statements as at 31st March, 2024

3.19 STOCK APPRECIATION RIGHTS (SARS)

At the General Meeting on 29th June, 2015 of the holding company, Kotak Mahindra Bank Limited, the shareholders of the Bank had passed Special Resolution to grant stock appreciation rights (SARs) to the eligible employees of the Bank, its subsidiaries and associate companies. Pursuant to this resolution, Kotak Mahindra Stock Appreciation Rights Scheme 2015 had been formulated and adopted. Subsequently, the SARs have been granted under this scheme. The contractual life (which is equivalent to the vesting period) of the SARs outstanding ranges from 3.43 to 4.11 years.

Detail of activity under SAR is summarized below:

(Amount in ₹)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Outstanding at the beginning of the year	55,138	92,176
Granted during the year	10,880	19,000
Additions/Reduction due to transfer of employees	-	-
Exercised during the year	(28,783)	(56,038)
Expired/Forfeited during the year	-	-
Outstanding at the end of the year	37,235	55,138

Effect of share based payment to employees on the profit and loss account and on its financial position.

(Amount in ₹)

Year ended 31 st March,	2024	2023
Total Employee Compensation Cost pertaining to share-based payment plans	16,703,584	16,607,921
Closing balance of liability for cash-settled options	18,603,826	23,356,999

Had the company recorded the compensation cost computed on the basis of fair valuation method instead of intrinsic value method, employee compensation cost would have been lower by ₹ 584,953 (Previous year - lower by ₹ 2,471,667) and the profit after tax would have been higher by ₹ 516,226 (Previous year - higher by ₹ 2,204,459).

3.20 EARNINGS PER EQUITY SHARE

(Amount in ₹)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Earnings / (loss) used in the computation of basic and diluted earnings per share (A)	753,235,527	386,637,463
Weighted average number of equity shares used in computation of basic earnings per share (B)	2,000,000	2,000,000
Nominal value of Equity shares	₹ 1	₹ 1
Basic and diluted earnings / (loss) per share (₹) A/B	376.62	193.32

3.21 DEFERRED TAX

(Amount in ₹)

	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Opening Balance	(58,049)	(286,570)
Additions/(deductions) during the period		
- due to expense of share based payment cash settled	(58,495)	(247,168)
- due to translation	116,544	475,690
Closing Balance	-	(58,049)



Notes

Forming part of the Financial Statements as at 31st March, 2024

3.22 RELATED PARTY TRANSACTIONS

During the year ended 31st March, 2024, the Company entered into transactions with related parties. The nature, volume of transactions and balances with the related parties are as follows:

Particulars	Related Parties	Nature of relationship	Nature of transactions	Volume of transaction for the year ended		Receivable/(Payable) Balance as at	
				31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
	Kotak Mahindra Bank Limited	Ultimate Parent Company	Outsourcing Costs	(40,679,692)	(40,624,185)	-	-
	Kotak Mahindra Bank Limited	Ultimate Parent Company	Royalty Charges	(1,619,078)	(1,624,316)	-	-
	Kotak Alternate Asset Managers Limited	Fellow Group Entity	Investment advisory expense	(25,003,170)	(25,586,419)	(5,532,983)	(6,773,002)
	Kotak Mahindra Inc	Fellow Group Entity	Service fees expenses	(116,395,915)	(104,780,666)	(2,146,454)	(10,870,351)
	Kotak Mahindra UK Limited	Fellow Group Entity	Distribution fees	(1,371,715,712)	(818,312,056)	(24,967,491)	(37,886,330)
	Kotak Mahindra Asset Management Company Ltd	Fellow Group Entity	Investment advisory expense	(43,928,690)	(52,313,000)	-	-
	Kotak Mahindra UK Limited	Fellow Group Entity	Custody fee expense	(527,517)	(486,868)	-	-
	Kotak Mahindra (International) Limited	Fellow Group Entity	Loans and advances	-	-	1,463,757,750	1,088,752,500
	K Fixed Income Opportunities Fund	Investment Manager	Fund promotion expenses	(7,706,320)	(6,268,123)	-	-
	Kotak Mahindra UK Limited	Fellow Group Entity	Portfolio Management Income	4,974,946	5,011,156	-	-
	Kotak Mahindra (International) Limited	Fellow Group Entity	Portfolio Management Income	26,571,798	22,326,399	5,102,941	1,534,576
	Kotak Mahindra Inc	Fellow Group Entity	Portfolio Management Income	1,457,566	939,804	-	-
	Kotak Mahindra (International) Limited	Fellow Group Entity	Interest on loan	70,053,623	37,111,767	-	-
	K Fixed Income Opportunities Fund	Investment Manager	Investment management Income	37,048,066	37,287,781	2,462,994	2,369,719
	Kotak Advantage Fund IV Segregated Portfolio	Investment Manager	Investment management Income	1,805,934	1,881,642	171,866	163,087
	Kotak Advantage Fund V	Investment Manager	Investment management Income	-	198,226	-	-
	Kotak Infinity Fund	Investment Manager	Investment management Income	8,118,316	36,249,623	833,881	29,836,187
	Core India Infrastructure Fund Pte. Ltd	Investment Manager	Investment management Income	22,438,401	78,843,854	-	4,863,231
	Kotak Global Funds	Investment Manager	Investment management Income	535,824	684,821	150,840	111,751
	Global Investment Opportunities Fund Limited	Investment Manager	Investment management Income	643,896	1,225,577	62,521	108,667
	Kotak India Advantage Fund - III	Investment Manager	Investment management Income	7,295,991	163,265	5,214,416	6,179,744
	Kotak Funds - India ESG Fund	Investment Manager	Investment management Income	107,121,830	102,861,932	10,557,392	8,312,952
	Kotak Funds - India Midcap Fund	Investment Manager	Investment management Income	2,180,008,555	1,193,302,266	230,756,243	103,644,395
	Kotak Funds - India Fixed Income Fund	Investment Manager	Investment management Income	475,550	4,133,083	75,346	434,059
	K Debt Opportunities Fund Limited - I	Investment Manager	Investment management Income	23,225,139	24,998,067	2,059,329	1,980,833
	Kotak Investment Opportunities Fund Limited	Investment Manager	Investment management Income	(20,537)	26,592	1,036	(1,224)
	K India Income Fund	Investment Manager	Investment management Income	57,721,798	61,919,194	5,797,404	5,073,421
	Kotak Short Duration Fund Segregated Portfolio	Investment Manager	Investment management Income	4,266,386	21,143	435,025	70,913
	Kotak Credit Opportunities Fund	Investment Manager	Investment management Income	17,195,642	2,023,635	3,100,488	1,551,674
	Kotak India Consumption Fund Ltd	Investment Manager	Reimbursement of Expenses	326,242	-	-	352,427
	Kotak Global Bond Fund Segregated Portfolio	Investment Manager	Reimbursement of Expenses	-	-	-	1,464,310
				963,688,869	561,214,195	1,697,892,544	1,201,273,541

During the year compensation to Key Managerial Personnel was ₹ 42.68 million (Previous year - ₹ 40.01 million).

Notes

Forming part of the Financial Statements as at 31st March, 2024

3.23 Salaries, bonus and allowances includes contribution to PF amounting to ₹ 4,086,693.

3.24 Previous year's figures have been regrouped and reclassified wherever necessary.

In terms of our report of even date

For and on Behalf of the Board of Directors

For V . C. Shah & Co.

Chartered Accountants

Firm Registration No.: 109818W

A. N. Shah

Partner

Membership No.: 042649

Shyam Kumar

Director

Nitin Jain

Director and CEO

Mumbai

Dated: 25th April 2024

Dated: 25th April 2024



Kotak Mahindra Asset Management (Singapore) Pte. Limited
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Kotak Mahindra Bank Website: www.kotak.com

Company Registration Number: 201406526Z