

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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