



MEDIA RELEASE

KOTAK MAHINDRA BANK ANNOUNCES RESULTS

Kotak Mahindra Bank Standalone PAT for Q1FY22 Rs. 1,642 crore, up 32% yoy

Mumbai, 26th July, 2021: The Board of Directors of Kotak Mahindra Bank ("the Bank") approved the unaudited standalone and consolidated results for Q1FY22, at the Board meeting held in Mumbai, today.

Kotak Mahindra Bank standalone results

The Bank's PAT for Q1FY22 increased to Rs. 1,642 crore from Rs. 1,244 crore in Q1FY21, up 32%

Net Interest Income (NII) for Q1FY22 increased to Rs. 3,942 crore, from Rs. 3,724 crore in Q1FY21, up 6%. Net Interest Margin (NIM) for Q1FY22 was at 4.60%.

Operating profit for Q1FY22 was Rs. 3,121 crore, up 19% from Rs. 2,624 crore in Q1FY21.

CASA ratio as at June 30, 2021 stood at 60.2% compared to 56.7 % as at June 30, 2020.

Average Current Account deposits grew by 28% to Rs. 46,341 crore for Q1FY22 compared to Rs. 36,066 crore for Q1FY21. Average Savings deposits grew by 10% to Rs. 116,218 crore for Q1FY22 compared to Rs. 105,673 crore for Q1FY21. Average TD Sweep grew by 24% to Rs. 22,208 crore for Q1FY22 compared to Rs. 17,846 crore for Q1FY21.

CASA and TDs below Rs. 5 crore as at June 30, 2021, constituted 92% of total deposits (90 % as at June 30, 2020). TD Sweep deposits as at June 30, 2021 were 8.0% of total deposits (7.2% as at June 30, 2020).

Customer Assets (Advances and Credit substitutes) were Rs. 235,358 crore as at June 30, 2021 compared to Rs. 216,819 crore as at June 30, 2020. Advances as at June 30, 2021 were Rs. 217,465 crore compared to Rs. 203,998 crore as at June 30, 2020.

COVID related provisions as at June 30, 2021 were maintained at Rs. 1,279 crore. In accordance with the Resolution Framework for COVID-19 and MSME announced by RBI, the Bank has implemented total restructuring of Rs. 552 crore as at June 30, 2021.

As at June 30, 2021, GNPA was 3.56% & NNPA was 1.28%. Credit cost on advances was 133 bps (annualized) for Q1FY22 (84 bps for FY21, excl COVID-19 provision).

Capital adequacy ratio of the Bank as per Basel III as at June 30, 2021 was 23.1% and Tier I ratio was 22.2%.

Consolidated results at a glance

Consolidated PAT for Q1FY22 was Rs. 1,806 crore (Rs. 1,853 crore in Q1FY21).

The second wave of COVID 19 has resulted in Kotak Mahindra Life Insurance receiving a significant number of death claims in Q1FY22. The increased claims reported and extra mortality related provisioning has resulted in a net loss on shareholders' account for the quarter ended 30th June, 2021 of Rs 243 crore (Post tax profit for Q1FY21: Rs. 161 crore).

The contribution of other key subsidiaries is given below:

Subsidiaries PAT (Rs. crore)	Q1FY22	Q1FY21
Kotak Securities	236	169
Kotak Asset Management & Trustee Company	107	71
Kotak Mahindra Prime	79	68
Kotak Mahindra Investments	71	43
Kotak Mahindra Capital Company	42	6

Consolidated Capital and Reserves & Surplus as at June 30, 2021 was Rs. 86,768 crore (Rs. 76,443 crore as at June 30, 2020). The Book Value per Share was Rs. 435.

Consolidated Customer Assets were Rs. 264,013 crore as at June 30, 2021 compared to Rs. 245,167 crore as at June 30, 2020.

Total assets managed / advised by the Group as at June 30, 2021 were Rs. 343,708 crore up 32% over Rs. 259,781 crore as at June 30, 2020.

The Relationship Value of the customers of Wealth, Priority Banking and Investment Advisory was Rs. 404,000 crore as at June 30, 2021 up 43% from Rs. 282,000 crore as at June 30, 2020.

The financial results of the subsidiaries and associates used for preparation of the consolidated financial results are in accordance with Generally Accepted Accounting Principles in India ('GAAP') specified under Section 133 and relevant provision of Companies Act, 2013. The financial statements of Indian subsidiaries (excluding insurance companies) and associates are prepared as per Indian Accounting Standards in accordance with the Companies (Indian Accounting Standards) Rules, 2015.

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, 2021, Kotak Mahindra Bank Ltd has a national footprint of 1,612 branches and 2,591 ATMs, and branches in GIFT City and DIFC (Dubai).

For more information, please visit the Company's website at <https://www.kotak.com>

For further information, please contact

Phiroza Choksi	Sakshi Denis	Rakesh Sharma	Himadri Buch
Kotak Mahindra Bank	Kotak Mahindra Bank	Fortuna PR	Fortuna PR
Phone: +91-98203 63681	Phone: +91 70454 74287	Mobile: +91 98335 37679	Mobile: +91 98203 46715
Phiroza.Choksi@kotak.com	Sakshi.Denis@kotak.com	Rakesh@fortunapr.com	Himadri@fortunapr.com

KOTAK MAHINDRA BANK LIMITED (CONSOLIDATED)

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

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2021

₹ crore

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-21 (Unaudited)	31-Mar-21 (Audited) Refer Note 4	30-Jun-20 (Unaudited)	31-Mar-21 (Audited)
1	Interest earned (a+b+c+d)	8,042.82	7,951.77	8,421.69	32,819.83
	(a) Interest/discount on advances/bills	5,315.13	5,147.70	5,773.27	21,620.53
	(b) Income on investments	2,395.20	2,380.50	2,064.37	9,274.97
	(c) Interest on balances with RBI & other interbank funds	202.29	302.38	478.89	1,480.91
	(d) Others	130.20	121.19	105.16	443.42
2	Other income (a+b+c)	4,756.77	8,224.10	3,901.46	23,883.90
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	900.82	630.13	1,382.67	4,525.91
	(b) Premium on Insurance Business	1,690.20	4,939.82	1,246.56	11,367.40
	(c) Other income (Refer Notes 5, 6 & 7)	2,165.75	2,654.15	1,272.23	7,990.59
3	Total income (1+2)	12,799.59	16,175.87	12,323.15	56,703.73
4	Interest expended	2,850.72	2,932.54	3,628.24	12,966.55
5	Operating expenses (a+b+c)	6,342.83	8,664.99	5,140.25	27,309.15
	(a) Employees Cost	1,593.37	1,438.18	1,384.32	5,855.70
	(b) Policy holders' reserves, surrender expense and claims (Refer Note 15)	3,062.40	5,160.14	2,542.12	15,037.37
	(c) Other operating expenses (Refer Note 6 and 8)	1,687.06	2,066.67	1,213.81	6,416.08
6	Total expenditure (4+5) (excluding provisions and contingencies)	9,193.55	11,597.53	8,768.49	40,275.70
7	Operating Profit (3-6) (Profit before provisions and contingencies)	3,606.04	4,578.34	3,554.66	16,428.03
8	Provisions (other than tax) and contingencies (Refer Note 9)	1,086.65	1,214.80	1,119.33	3,259.69
9	Exceptional items	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	2,519.39	3,363.54	2,435.33	13,168.34
11	Tax expense	724.60	810.28	594.89	3,265.44
12	Net Profit from ordinary activities after tax before Minority Interest (10-11)	1,794.79	2,553.26	1,840.44	9,902.90
13	Extraordinary items (net of tax expense)	-	-	-	-
14	Net Profit after tax before Minority Interest (12 -13)	1,794.79	2,553.26	1,840.44	9,902.90
15	Less: Share of Minority Interest	-	-	-	-
16	Add: Share in Profit/(Loss) of associates	11.30	36.06	12.15	87.30
17	Profit after tax (14-15+16)	1,806.09	2,589.32	1,852.59	9,990.20
18	Paid Up Equity Capital - (Face value of ₹ 5 per share)	991.34	990.92	989.40	990.92
19	Group Reserves (excluding Minority Interest and Revaluation reserves)				83,345.53
20	Minority Interest				-
21	Analytical Ratios				
	(i) Capital Adequacy ratio – Basel III (standalone)	23.11	22.26	21.23	22.26
	(ii) Earnings per equity share				
	- Basic (not annualised) ₹	9.11	12.87	9.57	50.53
	- Diluted (not annualised) ₹	9.11	12.86	9.56	50.49
	(iii) NPA Ratios (unaudited)				
	(a) Gross NPA	8,998.55	8,276.29	6,292.55	8,276.29
	(b) Net NPA	3,294.86	3,105.50	2,065.28	3,105.50
	(c) % of Gross NPA to Gross Advances	3.58	3.22	2.67	3.22
	(d) % of Net NPA to Net Advances	1.34	1.23	0.89	1.23
	(iv) Return on average Assets (not annualised)	0.37	0.54	0.41	2.16

NOTES:

- The consolidated financial results are prepared in accordance with Accounting Standard – 21 (AS-21) "Consolidated Financial Statements" and Accounting Standard – 23 (AS-23) "Accounting for investment in associates in Consolidated Financial Statements" specified under section 133 and relevant provisions of Companies Act, 2013.
- The financial statements of Indian subsidiaries (excluding insurance companies) and associates are prepared as per Indian Accounting Standards in accordance with the Companies (Indian Accounting Standards) Rules, 2015. However, for the purpose of preparation of the consolidated financial results, the results of subsidiaries and associates are in accordance with Generally Accepted Accounting Principles in India ('GAAP') specified under Section 133 and relevant provision of Companies Act, 2013.
- The consolidated financial results for quarter ended 30th June, 2021 were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 26th July, 2021. These results were subjected to limited review by the statutory auditors of the Bank and there are no modifications in the Limited Review Report.
- The figures of the quarter ended 31st March, 2021 are the balancing figures between audited published figures for financial year ended 31st March, 2021 and the unaudited published figures for nine months ended 31st December, 2020.
- Details of other income forming part of the consolidated results are as follows:

Particulars	Quarter ended			Year ended
	30-Jun-21 (Unaudited)	31-Mar-21 (Audited) Refer Note 4	30-Jun-20 (Unaudited)	31-Mar-21 (Audited)
Commission, fees, exchange, brokerage and others	2,100.67	2,472.85	1,152.85	7,341.78
Profit on sale of investments (other than insurance business)	65.08	181.30	119.38	648.81
Total – Other income	2,165.75	2,654.15	1,272.23	7,990.59

- Other income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 34.97 crore for the quarter ended 30th June, 2021 (₹ 35.87 crore for the quarter ended 31st March, 2021, ₹ 20.57 crore for the quarter ended 30th June, 2020 and ₹ 111.04 crore for the year ended 31st March, 2021).
- Other income includes non-fund based income such as commission earned from guarantees / letters of credit, financial advisory fees, selling of third party products, earnings from foreign exchange transactions and profit / loss from the sale of securities.
- Details of other operating expenditure forming part of consolidated results are as follows:

Particulars	Quarter ended			Year ended
	30-Jun-21 (Unaudited)	31-Mar-21 (Audited) Refer Note 4	30-Jun-20 (Unaudited)	31-Mar-21 (Audited)
Brokerage	97.90	222.02	53.59	532.91
Depreciation	112.47	115.66	113.37	461.05
Rent, taxes and lighting	194.50	192.65	190.71	770.12
Others	1,282.19	1,536.34	856.14	4,652.00
Total – Other operating expenses	1,687.06	2,066.67	1,213.81	6,416.08

- Provisions and contingencies are net of recoveries made against accounts, which have been written off as bad in the previous period / year. Details of Provisions (other than tax) and contingencies forming part of consolidated results are as follows:

Particulars	Quarter ended			Year ended
	30-Jun-21 (Unaudited)	31-Mar-21 (Audited) Refer Note 4	30-Jun-20 (Unaudited)	31-Mar-21 (Audited)
Provision towards advances / others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (Refer Note 13) (net)	881.07	759.85	484.35	2,198.02

Particulars	Quarter ended			Year ended
	30-Jun-21 (Unaudited)	31-Mar-21 (Audited) Refer Note 4	30-Jun-20 (Unaudited)	31-Mar-21 (Audited)
General provision for COVID-19 Deferment cases (net)	-	-	667.48	682.40
Provision / (Write back of provisions) towards investments (net)	205.58	454.95	(32.50)	379.27
Total – Provisions (other than tax) and contingencies	1,086.65	1,214.80	1,119.33	3,259.69

10. In addition to the widespread public health implications, the COVID-19 pandemic has had an extraordinary impact on macroeconomic conditions in India and around the world. Last year people and economies around the world, witnessed serious turbulence caused by the first wave of the pandemic, the consequent lockdowns, the gradual easing of restrictions and the emergence of new variants of the virus. Although government has started vaccination drive, COVID-19 cases had significantly increased in quarter ended 30th June, 2021 due to second wave as compared to earlier levels in India. Various state governments had again announced restrictions including lockdowns to contain this spread. As COVID vaccines get administered to more and more people, businesses in sectors impacted by pandemic may pick up. However, the continuing and evolving nature of the virus has created uncertainty regarding estimated time required for businesses and lives to get back to normal.

The Bank and its subsidiaries continue to closely monitor the situation and in response to this health crisis has implemented protocols and processes to execute its business continuity plans and help protect its employees and support its clients. The pandemic has impacted lending business, distribution of third party products, fee income from services or usage of debit/ credit cards, collection efficiency etc. and has resulted in increase in customer defaults and consequently increase in provisions. The Bank and its subsidiaries, however, have not experienced any significant disruptions during the pandemic and has considered the impact on carrying value of assets based on the external or internal information available up to the date of approval of consolidated financial results. The future direct and indirect impact of COVID-19 on Bank and its subsidiary business, results of operations, financial position and cash flows remains uncertain. The consolidated financial results for the quarter ended 30th June, 2021 do not include any adjustments that might result from the outcome of this uncertainty.

11. The second wave of COVID-19 has resulted in the life insurance subsidiary receiving a significant number of death claims during quarter ended 30th June, 2021. The increased claims reported and extra mortality related provisioning as computed by the Company's Appointed Actuary has resulted in a net loss on shareholders' account for the quarter ended 30th June, 2021 of ₹ 243.43 crore (net profit of ₹ 192.67 crore for the quarter ended 31st March, 2021, ₹ 161.21 crore for the quarter ended 30th June, 2020 and ₹ 691.93 crore for the year ended 31st March, 2021).
12. In accordance with the RBI guidelines relating to COVID-19 Regulatory Package, the Bank and its NBFC subsidiaries had granted moratorium on the payment of installments and/or interest, as applicable, falling due between 1st March, 2020 and 31st August, 2020 to eligible borrowers classified as Standard, even if overdue, as on 29th February, 2020. During the quarter ended 30th June, 2020, the moratorium period, wherever granted, is excluded from the number of days past-due for the purpose of asset classification under RBI's Income Recognition and Asset Classification norms.
13. The Honourable Supreme Court of India vacated interim relief granted not to declare accounts of borrower as NPA vide its judgement on 23rd March, 2021. Accordingly, during the quarter ended 31st March, 2021, the Bank and its NBFC subsidiaries have classified borrowers as NPA with effect from 1st September, 2020 in accordance with RBI circular dated 7th April, 2021. Further, RBI circular dated 7th April, 2021 required banks to refund/adjust the 'interest on interest' charged to the borrowers during the moratorium period in conformity to the Honourable Supreme Court of India judgement on 23rd March, 2021. The Bank and its subsidiaries had estimated interest relief of ₹ 128.63 crore and reduced the same from interest earned during the quarter ended and year ended 31st March, 2021. Amount no longer required on crystallisation of such liability has been credited to interest earned during the quarter ended 30th June, 2021.
14. RBI circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated 1st July, 2015 on 'Basel III Capital Regulations' read together with the RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31st March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards-Amendments' requires banks to make applicable Pillar 3 disclosures including leverage ratio and liquidity coverage ratio 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.
15. 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, 2021 amounting to ₹ 1,893.19 crore (₹ 3,582.15 crore for the quarter ended 31st March, 2021, ₹ 1,816.51 crore for the quarter ended 30th June, 2020 and ₹ 10,498.48 crore for the year ended 31st March, 2021), has been included in "Policy holders' reserves, surrender expense and claims" under "Operating Expenses".

16. During the quarter ended 30th June, 2020, the Bank had issued 65,000,000 equity shares of a face value ₹ 5 each at a price of ₹ 1,145 per equity share including a premium of ₹ 1,140 per equity share aggregating to ₹ 7,442.50 crore pursuant to a Qualified Institutional Placement (QIP).

17. Consolidated Segment information is as under:

Segment	Principal activity
Corporate/ Wholesale Banking	Wholesale borrowings and lending and other related services to the corporate sector, which are not included under retail banking.
Retail Banking	Includes lending, deposit taking and other retail services/ products including credit cards.
Treasury, BMU and Corporate Centre	Money market, forex market, derivatives, investments and primary dealership of government securities, Balance Sheet Management Unit (BMU) responsible for Asset Liability Management and Corporate Centre, which primarily comprises of support functions.
Vehicle Financing	Retail vehicle finance and wholesale trade finance to auto dealers from its Subsidiary Company
Other Lending Activities	Financing against securities, securitisation and other loans / services from its Subsidiary Companies
Broking	Brokerage income on market transactions done on behalf of clients, interest on delayed payments, distribution of financial products from its Subsidiary Company.
Advisory and Transactional Services	Providing financial advisory and transactional services such as mergers and acquisition advice and equity/ debt issue management services from its Subsidiary Companies
Asset Management	Management of funds and investments on behalf of clients and funds from its Subsidiary Companies
Insurance	Life insurance and General Insurance from its Subsidiary Companies

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-21 (Unaudited)	31-Mar-21 (Audited) Refer Note 4	30-Jun-20 (Unaudited)	31-Mar-21 (Audited)
1	Segment Revenues:				
	Treasury, BMU and Corporate Centre	2,425.52	2,815.08	2,080.85	9,993.60
	Retail Banking	3,477.53	3,442.03	3,417.49	13,815.72
	Corporate / Wholesale Banking	3,170.08	3,254.55	3,311.54	13,016.78
	Vehicle Financing	421.56	479.94	475.05	1,921.37
	Other Lending Activities	334.75	343.05	374.22	1,438.39
	Broking (Refer Note 6)	531.78	527.68	402.19	1,790.32
	Advisory and Transactional Services	108.47	104.25	66.80	386.25
	Asset Management	324.83	323.00	231.36	1,122.05
	Insurance	3,254.00	6,178.82	3,175.75	18,231.45
	Sub-total	14,048.52	17,468.40	13,535.25	61,715.93
	Less: inter-segment revenues	(1,248.93)	(1,292.53)	(1,212.10)	(5,012.20)
	Total Income	12,799.59	16,175.87	12,323.15	56,703.73
2	Segment Results:				
	Treasury, BMU and Corporate Centre	940.94	1,031.18	180.39	3,609.56
	Retail Banking	(42.25)	(77.06)	358.50	577.41
	Corporate / Wholesale Banking	1,267.58	1,406.50	1,267.48	5,698.86
	Vehicle Financing	(19.39)	134.17	(18.72)	239.30
	Other Lending Activities	150.41	142.58	95.84	534.33
	Broking	244.28	244.45	163.24	787.75
	Advisory and Transactional Services	37.15	43.20	4.24	123.74
	Asset Management	203.94	219.59	162.34	698.44
	Insurance	(263.27)	218.93	222.02	898.95
	Total Profit before tax, minority interest and associates	2,519.39	3,363.54	2,435.33	13,168.34
	Provision for tax	724.60	810.28	594.89	3,265.44
	Net Profit before share of Associates and Minority	1,794.79	2,553.26	1,840.44	9,902.90
3	Segment Assets:				
	Treasury, BMU and Corporate Centre	1,65,454.69	150,098.25	166,460.40	150,098.25
	Retail Banking	2,55,181.12	240,506.83	225,656.13	240,506.83
	Corporate / Wholesale Banking	1,58,252.29	162,450.23	144,057.97	162,450.23
	Vehicle Financing	15,487.17	16,459.07	16,681.77	16,459.07
	Other Lending Activities	13,144.82	14,399.41	13,897.40	14,399.41
	Broking	9,931.80	8,679.90	5,855.58	8,679.90
	Advisory and Transactional Services	326.70	297.20	263.91	297.20
	Asset Management	4,229.05	3,753.21	3,380.02	3,753.21
	Insurance	50,302.71	48,785.22	39,065.23	48,785.22
	Sub-total	6,72,310.35	645,429.32	615,318.41	645,429.32

₹ crore

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-21 (Unaudited)	31-Mar-21 (Audited) Refer Note 4	30-Jun-20 (Unaudited)	31-Mar-21 (Audited)
	Less: inter-segment assets	(1,82,657.23)	(168,138.28)	(158,204.47)	(168,138.28)
	Total	4,89,653.12	477,291.04	457,113.94	477,291.04
	Add: Unallocated Assets	1,745.38	1,581.65	1,504.03	1,581.65
	Total Assets as per Balance Sheet	4,91,398.50	478,872.69	458,617.97	478,872.69
4	Segment Liabilities:				
	Treasury, BMU and Corporate Centre	1,32,212.29	121,065.38	138,061.68	121,065.38
	Retail Banking	2,39,623.88	226,380.72	211,748.01	226,380.72
	Corporate / Wholesale Banking	1,44,834.39	145,580.04	131,608.39	145,580.04
	Vehicle Financing	8,370.62	9,400.28	10,360.15	9,400.28
	Other Lending Activities	5,354.44	6,028.30	6,893.55	6,028.30
	Broking	9,059.52	7,795.01	4,977.22	7,795.01
	Advisory and Transactional Services	102.71	95.72	57.51	95.72
	Asset Management	691.35	739.49	836.48	739.49
	Insurance	46,185.50	44,558.81	35,251.51	44,558.81
	Sub-total	5,86,434.70	561,643.75	539,794.50	561,643.75
	Less: inter-segment liabilities	(1,82,657.23)	(168,138.28)	(158,204.47)	(168,138.28)
	Total	4,03,777.47	393,505.47	381,590.03	393,505.47
	Add: Unallocated liabilities	853.32	530.77	585.33	530.77
	Add: Share Capital, Reserves & Surplus & Minority Interest	86,767.71	84,836.45	76,442.61	84,836.45
	Total Capital and Liabilities as per Balance Sheet	4,91,398.50	478,872.69	458,617.97	478,872.69

18. There has been no change in the significant accounting policies during the quarter ended 30th June, 2021 as compared to those followed for the year ended 31st March, 2021.
19. Figures for the previous periods / year have been regrouped / reclassified wherever necessary to conform to current period's presentation.

By order of the Board of Directors
For Kotak Mahindra Bank Limited

Mumbai, 26th July, 2021

Dipak Gupta
Joint Managing Director

KOTAK MAHINDRA BANK LIMITED (STANDALONE)

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

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2021

₹ crore

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-21 (Unaudited)	31-Mar-21 (Audited) (Refer Note 2)	30-Jun-20 (Unaudited)	31-Mar-21 (Audited)
1	Interest earned (a+b+c+d)	6,479.78	6,448.86	6,911.86	26,840.28
	(a) Interest/discount on advances/ bills	4,581.10	4,413.02	4,975.75	18,589.08
	(b) Income on investments	1,698.41	1,743.07	1,489.35	6,833.41
	(c) Interest on balances with RBI & other interbank funds	139.81	233.04	384.16	1,174.74
	(d) Others	60.46	59.73	62.60	243.05
2	Other income (Refer Note 3)	1,583.03	1,949.53	773.54	5,459.19
3	Total income (1+2)	8,062.81	8,398.39	7,685.40	32,299.47
4	Interest expended	2,538.13	2,606.05	3,188.01	11,500.62
5	Operating expenses (a+b)	2,403.62	2,384.85	1,873.68	8,584.14
	(a) Employee cost	1,082.30	868.90	910.88	3,729.13
	(b) Other operating expenses	1,321.32	1,515.95	962.80	4,855.01
6	Total expenditure (4+5) (excluding provisions & contingencies)	4,941.75	4,990.90	5,061.69	20,084.76
7	Operating profit (3-6) (Profit before provisions and contingencies)	3,121.06	3,407.49	2,623.71	12,214.71
8	Provisions (other than tax) and contingencies (Refer Note 3 and 4)	934.77	1,179.41	962.01	2,911.72
9	Exceptional items	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	2,186.29	2,228.08	1,661.70	9,302.99
11	Tax expense	544.37	545.71	417.25	2,338.15
12	Net Profit from ordinary activities after tax (10-11)	1,641.92	1,682.37	1,244.45	6,964.84
13	Extraordinary items (net of tax expense)	-	-	-	-
14	Net Profit (12-13)	1,641.92	1,682.37	1,244.45	6,964.84
15	Paid up equity share capital - (of Face Value ₹ 5 per share)	991.34	990.92	989.40	990.92
16	Reserves (excluding revaluation reserves)				62,236.05
17	Analytical Ratios				
	(i) Percentage of shares held by Government of India	-	-	-	-
	(ii) Capital adequacy ratio - Basel III	23.11	22.26	21.23	22.26
	(iii) Earnings per equity share				
	- Basic (not annualised) ₹	8.28	8.29	6.43	35.17
	- Diluted (not annualised) ₹	8.28	8.28	6.42	35.14
	(iv) NPA Ratios				
	a) Gross NPA	7,931.77	7,425.51	5,619.33	7,425.51
	b) Net NPA	2,792.29	2,705.17	1,777.10	2,705.17
	c) % of Gross NPA to Gross Advances	3.56	3.25	2.70	3.25
	d) % of Net NPA to Net Advances	1.28	1.21	0.87	1.21
	(v) Return on average Assets (%) (not annualised)	0.43	0.43	0.34	1.85

Segment Results

The reportable segments of the Bank as per RBI guidelines are as under:

Segment	Principal activity
Corporate/Wholesale Banking	Wholesale borrowings and lending and other related services to the corporate sector which are not included under retail banking.
Retail Banking	Includes lending, deposit taking and other retail services / products including credit cards.
Treasury, BMU and Corporate Centre	Money market, forex market, derivatives, investments and primary dealership of government securities, Balance Sheet Management Unit (BMU) responsible for Asset Liability Management and Corporate Centre which primarily comprises of support functions.

Particulars	Quarter ended			Year ended
	30-Jun-21 (Unaudited)	31-Mar-21 (Audited) (Refer Note 2)	30-Jun-20 (Unaudited)	31-Mar-21 (Audited)
1 Segment Revenue				
a. Corporate/ Wholesale Banking	3,170.08	3,254.55	3,311.54	13,016.78
b. Retail Banking	3,477.53	3,442.03	3,417.49	13,815.72
c. Treasury, BMU and Corporate Centre	2,434.10	2,649.68	1,962.83	9,478.61
d. Other Banking business	-	-	-	-
Sub-total	9,081.71	9,346.26	8,691.86	36,311.11
Less: Inter-segmental revenue	1,018.90	947.87	1,006.46	4,011.64
Total	8,062.81	8,398.39	7,685.40	32,299.47
2 Segment Results				
a. Corporate/ Wholesale Banking	1,267.58	1,406.50	1,267.48	5,698.86
b. Retail Banking	(42.25)	(77.06)	358.50	577.41
c. Treasury, BMU and Corporate Centre	960.96	898.64	35.72	3,026.72
d. Other Banking business	-	-	-	-
Total Profit Before Tax	2,186.29	2,228.08	1,661.70	9,302.99
3 Segment Assets				
a. Corporate / Wholesale Banking	1,58,252.29	1,62,450.23	1,44,057.97	1,62,450.23
b. Retail Banking	2,55,181.12	2,40,506.83	2,25,656.13	2,40,506.83
c. Treasury, BMU and Corporate Centre	1,61,386.60	1,45,793.98	1,63,983.26	1,45,793.98
d. Other Banking business	-	-	-	-
Sub-total	5,74,820.01	5,48,751.04	5,33,697.36	5,48,751.04
Less : Inter-segmental Assets	1,80,521.31	1,65,778.54	1,55,880.27	1,65,778.54
Total	3,94,298.70	3,82,972.50	3,77,817.09	3,82,972.50
Add : Unallocated Assets	590.72	516.12	461.76	516.12
Total Assets as per Balance Sheet	3,94,889.42	3,83,488.62	3,78,278.85	3,83,488.62
4 Segment Liabilities				
a. Corporate / Wholesale Banking	1,44,834.39	1,45,580.04	1,31,608.39	1,45,580.04
b. Retail Banking	2,39,623.88	2,26,380.72	2,11,748.01	2,26,380.72
c. Treasury, BMU and Corporate Centre	1,25,025.98	1,13,306.32	1,32,768.60	1,13,306.32
d. Other Banking business	-	-	-	-
Sub-total	5,09,484.25	4,85,267.08	4,76,125.00	4,85,267.08
Less : Inter-segmental Liabilities	1,80,521.31	1,65,778.54	1,55,880.27	1,65,778.54
Total	3,28,962.94	3,19,488.54	3,20,244.73	3,19,488.54
Add : Unallocated liabilities	454.66	273.11	324.74	273.11
Add : Share Capital and Reserves and surplus	65,471.82	63,726.97	57,709.38	63,726.97
Total Liabilities as per Balance Sheet	3,94,889.42	3,83,488.62	3,78,278.85	3,83,488.62

NOTES:

- The standalone financial results for the quarter ended 30th June, 2021 were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 26th July, 2021. These results were subjected to limited review by the statutory auditors and there are no modifications in the limited review report.
- The figures for quarter ended 31st March, 2021 are the balancing figures between audited published figures for financial year ended 31st March, 2021 and the unaudited published figures for nine months ended 31st December, 2020.

3. Other Income includes non-fund based income such as commission earned from guarantees / letters of credit, financial advisory fees, selling of third party products, earnings from foreign exchange transactions and profit / loss from the sale of securities. Provision / (write-back) for mark-to-market depreciation on investments in AFS and HFT categories are considered in Provisions and Contingencies.
4. Provisions and contingencies are net of recoveries made against accounts which have been written off as bad in the previous period / year.

Break up of provisions (other than tax) and contingencies:

Particulars	Quarter ended			₹ crore
	30-Jun-21 (Unaudited)	31-Mar-21 (Audited) (Refer Note 2)	30-Jun-20 (Unaudited)	31-Mar-21 (Audited)
Provision towards advances / Others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (Refer Note 8) (net)	725.36	745.51	352.88	1,874.44
General provision for COVID 19 Deferment cases (net)	-	-	616.00	629.00
Provision / (write-back of provisions) for mark-to-market depreciation on investments in AFS and HFT categories (net)	231.25	445.27	(5.82)	452.68
Other Provision / (write back of other provisions) towards investments (net)	(21.84)	(11.37)	(1.05)	(44.40)
Total provisions (other than Tax) and contingencies	934.77	1,179.41	962.01	2,911.72

5. In addition to the widespread public health implications, the COVID-19 pandemic has had an extraordinary impact on macroeconomic conditions in India and around the world. Last year people and economies around the world, witnessed serious turbulence caused by the first wave of the pandemic, the consequent lockdowns, the gradual easing of restrictions and the emergence of new variants of the virus. Although government has started vaccination drive, COVID-19 cases have significantly increased in quarter ended 30th June, 2021 due to second wave as compared to earlier levels in India. Various state governments had again announced lockdowns to contain this spread. As COVID vaccines get administered to more and more people, businesses in sectors impacted by pandemic may pick up. However, the continuing and evolving nature of the virus has created uncertainty regarding estimated time required for businesses and lives to get back to normal.

The Bank continues to closely monitor the situation and in response to this health crisis has implemented protocols and processes to execute its business continuity plans and help protect its employees and support its clients. The pandemic has impacted lending business, distribution of third party products, fee income from services or usage of debit/ credit cards, collection efficiency etc. and has resulted in increase in customer defaults and consequently increase in provisions. The Bank, however, has not experienced any significant disruptions in the past one year and has considered the impact on carrying value of assets based on the external or internal information available up to the date of approval of standalone financial results. The future direct and indirect impact of COVID-19 on Bank business, results of operations, financial position and cash flows remains uncertain. The standalone financial results for the quarter ended 30th June, 2021 do not include any adjustments that might result from the outcome of this uncertainty.

6. During the quarter, the Bank has granted 12,01,540 options under employee stock option scheme. Stock options aggregating to 840,113 were exercised and allotted during the quarter and 6,430,562 stock options were outstanding with employees of the Bank and its subsidiaries as at 30th June, 2021.
7. In accordance with Resolution Framework for COVID-19 announced by RBI on 6th August, 2020, the Bank has implemented one-time restructuring for certain eligible borrowers and such borrowers are classified as Standard in accordance with the above framework.

The disclosure requirements as required by RBI circular dated 6th August, 2020 for the year ended 31st March 2021 is given below:

₹ crore except number of accounts					
Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	6,482	82.38	-	-	9.01
Corporate persons*	24	117.84	-	-	19.28
Of which, MSMEs	8	36.44	-	-	3.64
Others	16	26.45	-	-	2.65
Total	6,522	226.66	-	-	30.94

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

There were no borrower accounts, where resolution plans had been implemented and now modified under Resolution Framework 2.0 announced by RBI on 5th May, 2021. The above table does not include restructuring done under the Resolution Framework – 2.0 for COVID-19 announced on 5th May 2021. The Bank has restructured loans amounting to ₹ 10.09 crore and has made provision of ₹ 1.01 crore under the said framework.

8. The Honourable Supreme Court of India vacated interim relief granted not to declare accounts of borrower as NPA vide its judgement on 23rd March, 2021. Accordingly, during the quarter ended 31st March 2021, the Bank had classified borrowers as NPA with effect from 1st September, 2020 in accordance with RBI circular dated 7th April, 2021. Further, RBI circular dated 7th April, 2021 required banks to refund/adjust the 'interest on interest' charged to the borrowers during the moratorium period in conformity to the Honourable Supreme Court of India judgement on 23rd March, 2021. The Bank had estimated interest relief of ₹ 110 crore and reduced the same from interest earned during the quarter ended and year ended 31st March, 2021. Amount no longer required on crystallisation of such liability has been credited to interest earned during the quarter ended 30th June, 2021.
9. RBI circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated 1st July, 2015 on 'Basel III Capital Regulations' read together with the RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31st March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards-Amendments' requires banks to make applicable Pillar 3 disclosures including leverage ratio and liquidity coverage ratio 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 ended 30th June, 2020, the Bank had issued 65,000,000 equity shares of a face value ₹ 5 each at a price of ₹ 1,145 per equity share including a premium of ₹ 1,140 per equity share aggregating to ₹ 7,442.50 crore pursuant to a Qualified Institutional Placement (QIP).
11. There has been no change in significant accounting policies during the quarter ended 30th June, 2021 as compared to those followed for the year ended 31st March, 2021.
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, 26th July, 2021

Dipak Gupta
 Joint Managing Director