



Kotak Mahindra Bank

May 3, 2021

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|---|--|
| The Manager Corporate Relationship, BSE Limited, 1 st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. | The Manager National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051. |
|---|--|

Dear Sir,

Sub: Board Meeting on May 3, 2021: Audited Standalone and Consolidated Financial Results of the Bank for the Quarter and Financial Year ended March 31, 2021.

Ref: Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 33 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we enclose the following:

1. Copy of the Audited Standalone and Consolidated Financial Results of Kotak Mahindra Bank Limited ("Bank"), for the Quarter and Financial Year ended March 31, 2021. The said results were approved by the Board of Directors of the Bank at its Meeting held today.
2. Copy of Auditor's Report submitted by Statutory Auditors of the Bank.

Pursuant to the second proviso to Regulation 33(3)(d) of the Listing Regulations, as amended from time to time, we hereby confirm that M/s. Walker Chandiok & Co. LLP (Registration No.001076NI N500013), Statutory Auditors of the Bank, have submitted their Report with unmodified opinion on the Audited Financial Results of the Bank (both Standalone and Consolidated) for the Quarter and Financial Year ended March 31, 2021.

3. Copy of the Earnings Update Presentation and the Press Release.

As required under the Listing Regulations, all the above mentioned documents are also being simultaneously posted on our website viz. URL: <https://www.kotak.com/en/investor-relations/financial-results.html>

Kotak Mahindra Bank Ltd.
CIN: L65110MH1985PLC038137

Registered Office:
27 BKC, C 27, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai 400051,
Maharashtra, India.

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www.kotak.com



Kotak Mahindra Bank

Further, the Board of Directors of the Bank, at its meeting held today, have also recommended dividend of Rs. 0.90 paise per Equity Share of face value Rs.5/- each, out of the net profits for the year ended March 31, 2021, subject to the approval of the Members of the Bank at the ensuing Annual General Meeting of the Bank.

The Board Meeting commenced at 12 Noon and consideration of aforesaid items concluded at 12.45 p.m.

The above is for your information and records.

Kindly arrange to bring the above to the notice of all the Members of the Exchange.

Yours faithfully,
For Kotak Mahindra Bank Limited

Avan Doomasia
Senior Executive Vice President &
Company Secretary

Encl: as above

Walker Chandiook & Co LLP

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Maharashtra, India

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Independent Auditor's Report on Standalone Annual Financial Results of Kotak Mahindra Bank Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Kotak Mahindra Bank Limited

Opinion

1. We have audited the accompanying standalone annual financial results of **Kotak Mahindra Bank Limited** ('the Bank') for the year ended 31 March 2021 ('the Statement'), attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time, except for the disclosures relating to Pillar 3 disclosure as at 31 March 2021, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on Bank's website and in respect of which a link has been provided in the Statement and have not been audited by us.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, except for the disclosures relating to Pillar 3 disclosures as at 31 March 2021, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on Bank's website and in respect of which a link has been provided in the Statement and have not been audited by us; and
 - (ii) gives a true and fair view in conformity with the applicable accounting standards prescribed under section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the standalone net profit after tax and other financial information of the Bank for the year ended 31 March 2021.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the 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 Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

Kotak Mahindra Bank Limited
Independent Auditor's Report on Standalone Annual Financial Results of Kotak Mahindra Bank Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Emphasis of Matter

4. We draw attention to Note 5 of the accompanying Statement which describes the uncertainties associated due to the outbreak of Coronavirus (COVID-19). The impact of these uncertainties on the Bank's standalone financial results is dependent on the future developments.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

5. This Statement, which is the responsibility of the management and has been approved by the Bank's Board of Directors, has been prepared on the basis of the standalone annual financial statements. The Bank's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit after tax and other financial information of the Bank in accordance with the accounting standards prescribed under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended) the relevant provisions of the Banking Regulation Act, 1949 and RBI Guidelines and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations including SEBI Circulars. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank 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 Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
6. In preparing the Statement, the Board of Directors is responsible for assessing the Bank'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 the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's 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, specified under section 143(10) of the Act, 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 this Statement.
9. As part of an audit in accordance with the SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, 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.

Kotak Mahindra Bank Limited
Independent Auditor's Report on Standalone Annual Financial Results of Kotak Mahindra Bank Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Bank has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of the 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 Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement 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 auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
11. 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.

Other Matters

12. The Statement includes the standalone financial results for the quarter ended 31 March 2021, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

Our opinion is not modified in respect of this matter.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

MURAD D
DARUWALLA
Digitally signed by
MURAD D DARUWALLA
Date: 2021.05.03
12:56:34 +05'30'

Murad D. Daruwalla
Partner
Membership No:043334

UDIN:21043334AAAABW8643

Place: Mumbai
Date: 03 May 2021



KOTAK MAHINDRA BANK LIMITED (STANDALONE)

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

STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2021

₹ crore

| Sr No | Particulars | Quarter ended | | | Year ended | |
|-------|--|--|--------------------------|--|------------------------|------------------------|
| | | 31-Mar-21 (Audited) Refer Note 2 | 31-Dec-20 (Unaudited) | 31-Mar-20 (Audited) Refer Note 2 | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) |
| 1 | Interest earned (a+b+c+d) | 6,448.86 | 6,659.27 | 6,804.68 | 26,840.28 | 26,929.61 |
| | (a) Interest/discount on advances/bills | 4,413.02 | 4,505.29 | 5,282.82 | 18,589.08 | 20,999.24 |
| | (b) Income on investments | 1,743.07 | 1,797.09 | 1,300.93 | 6,833.41 | 5,257.25 |
| | (c) Interest on balances with RBI & other interbank funds | 233.04 | 297.59 | 154.45 | 1,174.74 | 381.24 |
| | (d) Others | 59.73 | 59.30 | 66.48 | 243.05 | 291.88 |
| 2 | Other income (Refer Note 3) | 1,949.53 | 1,285.20 | 1,489.39 | 5,459.19 | 5,372.11 |
| 3 | Total income (1+2) | 8,398.39 | 7,944.47 | 8,294.07 | 32,299.47 | 32,301.72 |
| 4 | Interest expended | 2,606.05 | 2,783.72 | 3,245.03 | 11,500.62 | 13,429.95 |
| 5 | Operating expenses (a+b) | 2,384.85 | 2,257.86 | 2,323.76 | 8,584.14 | 8,850.94 |
| | (a) Employee cost | 868.90 | 959.28 | 969.59 | 3,729.13 | 3,877.63 |
| | (b) Other operating expenses | 1,515.95 | 1,298.58 | 1,354.17 | 4,855.01 | 4,973.31 |
| 6 | Total expenditure (4+5) (excluding provisions & contingencies) | 4,990.90 | 5,041.58 | 5,568.79 | 20,084.76 | 22,280.89 |
| 7 | Operating profit (3-6) (Profit before provisions and contingencies) | 3,407.49 | 2,902.89 | 2,725.28 | 12,214.71 | 10,020.83 |
| 8 | Provisions (other than tax) and contingencies (Refer Note 3 and 4) | 1,179.41 | 418.58 | 1,047.47 | 2,911.72 | 2,216.16 |
| 9 | Exceptional items | - | - | - | - | - |
| 10 | Profit from ordinary activities before tax (7-8-9) | 2,228.08 | 2,484.31 | 1,677.81 | 9,302.99 | 7,804.67 |
| 11 | Tax expense | 545.71 | 630.77 | 411.21 | 2,338.15 | 1,857.49 |
| 12 | Net Profit from ordinary activities after tax (10-11) | 1,682.37 | 1,853.54 | 1,266.60 | 6,964.84 | 5,947.18 |
| 13 | Extraordinary items (net of tax expense) | - | - | - | - | - |
| 14 | Net Profit (12-13) | 1,682.37 | 1,853.54 | 1,266.60 | 6,964.84 | 5,947.18 |
| 15 | Paid up equity share capital - (of Face Value ₹ 5 per share) | 990.92 | 990.24 | 956.52 | 990.92 | 956.52 |
| 16 | Reserves (excluding revaluation reserves) | | | | 62,236.05 | 47,558.78 |
| 17 | Analytical Ratios | | | | | |
| | (i) Percentage of shares held by Government of India | - | - | - | - | - |
| | (ii) Capital adequacy ratio - Basel III | 22.26 | 21.54 | 17.89 | 22.26 | 17.89 |
| | (iii) Earnings per equity share | | | | | |
| | - Basic (not annualised) ₹ | 8.29 | 9.36 | 6.37 | 35.17 | 30.88 |
| | - Diluted (not annualised) ₹ | 8.28 | 9.36 | 6.36 | 35.14 | 30.84 |
| | (iv) NPA Ratios | | | | | |
| | a) Gross NPA | 7,425.51 | 4,928.04 | 5,026.89 | 7,425.51 | 5,026.89 |
| | b) Net NPA | 2,705.17 | 1,064.02 | 1,557.89 | 2,705.17 | 1,557.89 |
| | c) % of Gross NPA to Gross Advances | 3.25 | 2.26 | 2.25 | 3.25 | 2.25 |
| | d) % of Net NPA to Net Advances | 1.21 | 0.50 | 0.71 | 1.21 | 0.71 |
| | e) % of Gross NPA to Gross Advances - Proforma (Refer Note 8) | | 3.27 | | | |
| | f) % of Net NPA to Net Advances - Proforma (Refer Note 8) | | 1.24 | | | |
| | (v) Return on average Assets (%) not annualized | 0.43 | 0.49 | 0.38 | 1.85 | 1.87 |

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. |

| | | Quarter ended | | | Year ended | |
|----------|---|--|--------------------------|--|------------------------|------------------------|
| | | 31-Mar-21 (Audited) Refer Note 2 | 31-Dec-20 (Unaudited) | 31-Mar-20 (Audited) Refer Note 2 | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) |
| 1 | Segment Revenue | | | | | |
| | a. Corporate / Wholesale Banking | 3,254.55 | 3,222.96 | 3,707.88 | 13,016.78 | 13,918.46 |
| | b. Retail Banking | 3,442.03 | 3,404.98 | 3,757.21 | 13,815.72 | 15,057.84 |
| | c. Treasury, BMU and Corporate Centre | 2,649.68 | 2,350.09 | 1,765.38 | 9,478.61 | 6,693.60 |
| | d. Other Banking business | - | - | - | - | - |
| | Sub-total | 9,346.26 | 8,978.03 | 9,230.47 | 36,311.11 | 35,669.90 |
| | Less: Inter-segmental revenue | 947.87 | 1,033.56 | 936.40 | 4,011.64 | 3,368.18 |
| | Total | 8,398.39 | 7,944.47 | 8,294.07 | 32,299.47 | 32,301.72 |
| 2 | Segment Results | | | | | |
| | a. Corporate / Wholesale Banking | 1,406.50 | 1,562.22 | 1,280.46 | 5,698.86 | 4,384.22 |
| | b. Retail Banking | (77.06) | (151.21) | 349.56 | 577.41 | 1,553.19 |
| | c. Treasury, BMU and Corporate Centre | 898.64 | 1,073.30 | 47.79 | 3,026.72 | 1,867.26 |
| | d. Other Banking business | - | - | - | - | - |
| | Total Profit Before Tax | 2,228.08 | 2,484.31 | 1,677.81 | 9,302.99 | 7,804.67 |
| 3 | Segment Assets | | | | | |
| | a. Corporate / Wholesale Banking | 1,62,450.23 | 156,010.68 | 153,443.88 | 1,62,450.23 | 153,443.88 |
| | b. Retail Banking | 2,40,506.83 | 235,768.44 | 216,234.38 | 2,40,506.83 | 216,234.38 |
| | c. Treasury, BMU and Corporate Centre | 1,45,793.98 | 162,441.94 | 133,563.77 | 1,45,793.98 | 133,563.77 |
| | d. Other Banking business | - | - | - | - | - |
| | Sub-total | 5,48,751.04 | 554,221.06 | 503,242.03 | 5,48,751.04 | 503,242.03 |
| | Less : Inter-segmental Assets | 1,65,778.54 | 165,823.50 | 143,307.69 | 1,65,778.54 | 143,307.69 |
| | Total | 3,82,972.50 | 388,397.56 | 359,934.34 | 3,82,972.50 | 359,934.34 |
| | Add : Unallocated Assets | 516.12 | 628.13 | 317.34 | 516.12 | 317.34 |
| | Total Assets as per Balance Sheet | 3,83,488.62 | 389,025.69 | 360,251.68 | 3,83,488.62 | 360,251.68 |
| 4 | Segment Liabilities | | | | | |
| | a. Corporate / Wholesale Banking | 1,45,580.04 | 140,547.20 | 137,983.86 | 1,45,580.04 | 137,983.86 |
| | b. Retail Banking | 2,26,380.72 | 221,565.27 | 200,770.56 | 2,26,380.72 | 200,770.56 |
| | c. Treasury, BMU and Corporate Centre | 1,13,306.32 | 130,284.19 | 115,719.99 | 1,13,306.32 | 115,719.99 |
| | d. Other Banking business | - | - | - | - | - |
| | Sub-total | 4,85,267.08 | 492,396.66 | 454,474.41 | 4,85,267.08 | 454,474.41 |
| | Less : Inter-segmental Liabilities | 1,65,778.54 | 165,823.50 | 143,307.69 | 1,65,778.54 | 143,307.69 |
| | Total | 3,19,488.54 | 326,573.16 | 311,166.72 | 3,19,488.54 | 311,166.72 |
| | Add : Unallocated liabilities | 273.11 | 538.50 | 69.66 | 273.11 | 69.66 |
| | Add : Share Capital & Reserves & surplus | 63,726.97 | 61,914.03 | 49,015.30 | 63,726.97 | 49,015.30 |
| | Total Liabilities as per Balance Sheet | 3,83,488.62 | 389,025.69 | 360,251.68 | 3,83,488.62 | 360,251.68 |

₹ crore

STANDALONE CASH FLOW STATEMENT
₹ crore

| Particulars | Year ended | Year ended |
|--|------------------------|------------------------|
| | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit after tax | 6,964.84 | 5,947.18 |
| Add: Provision for tax | 2,338.15 | 1,857.49 |
| Net Profit before taxes | 9,302.99 | 7,804.67 |
| Adjustments for :- | | |
| Employee Stock Options Expense | 1.74 | 2.75 |
| Depreciation on Bank's Property | 366.77 | 371.95 |
| Loss on sale of Investments in associates | 9.91 | 8.43 |
| Diminution / (write back) in the value of Investments | 408.27 | 90.12 |
| Dividend from Subsidiaries/ Joint Ventures | (15.62) | (51.80) |
| Amortization of Premium on HTM Investments | 393.05 | 306.65 |
| Provision for Non Performing Assets, Standard Assets and Other Provisions | 2,503.44 | 2,126.04 |
| Profit on sale of Fixed Assets | (30.27) | (27.63) |
| | 12,940.28 | 10,631.18 |
| Adjustments for :- | | |
| (Increase) / Decrease in Investments (other than Subsidiaries, Joint Ventures, Associates and Other HTM Investments) | (29,325.49) | 2,926.34 |
| (Increase) in Advances | (5,758.30) | (15,458.93) |
| (Increase) in Other Assets | (2,801.03) | (1,440.27) |
| Increase in Deposits | 17,279.53 | 36,940.16 |
| Increase / (Decrease) in Other Liabilities and Provisions | 4,699.47 | (1,438.10) |
| | (15,905.82) | 21,529.20 |
| Direct Taxes Paid | (2,332.76) | (2,000.95) |
| NET CASH FLOW (USED IN) / FROM OPERATING ACTIVITIES (A) | (5,298.30) | 30,159.43 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (293.92) | (346.70) |
| Sale of Fixed Assets | 42.58 | 34.84 |
| Proceeds from sale of Investment in Associates | 1.98 | 1.67 |
| Investments in Subsidiaries/ Joint Ventures | (25.00) | (85.00) |
| Increase in Investments in HTM securities | (1,510.36) | (7,110.67) |
| Dividend from Subsidiaries/ Joint Ventures | 15.62 | 51.80 |
| NET CASH FLOW USED IN INVESTING ACTIVITIES (B) | (1,769.10) | (7,454.06) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| (Decrease) in Refinance | (1,450.31) | (1,163.62) |
| (Decrease) / Increase in Borrowings [other than Refinance and Sub-ordinated debt] | (12,892.36) | 6,908.64 |
| Money received on exercise of Stock Options/Issue of Equity Shares | 7,843.75 | 360.61 |
| Share Issue Expenses | (46.48) | (0.37) |
| Dividend paid including Corporate Dividend Tax | (40.50) | (222.34) |
| NET CASH FLOW (USED IN) / FROM FINANCING ACTIVITIES (C) | (6,585.90) | 5,882.92 |
| (Decrease) / Increase in Foreign Currency Translation Reserve (D) | (12.47) | 28.47 |
| NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C + D) | (13,665.77) | 28,616.76 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | 53,292.30 | 24,675.54 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 39,626.53 | 53,292.30 |

| Particulars | Year ended | Year ended |
|---|------------------------|------------------------|
| | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) |
| Note: | | |
| Balance with Banks in India in Fixed Deposit | 3.17 | 6.50 |
| Balance with Banks in India in Current Account | 248.87 | 168.54 |
| Money at Call and Short Notice in India | 15,300.00 | 40,300.00 |
| Cash in hand (including foreign currency notes) | 1,455.17 | 1,721.61 |
| Balance with RBI in Current Account | 11,038.44 | 7,783.44 |
| Balance with Banks Outside India: | | |
| (i) In Current Account | 1,308.93 | 626.10 |
| (ii) In other Deposit Accounts | 10,271.95 | 2,686.11 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 39,626.53 | 53,292.30 |

NOTES:

- The above results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 3rd May, 2021. The results for the quarter and year ended 31st March, 2021 are subjected to audit by the Statutory Auditors and there are no modifications in the Auditor's Report. The results for quarter ended 31st December, 2020 have been subjected to limited review by the Statutory Auditors.
- The figures of the last quarter in each of the year are balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures up to the third quarter of the respective financial year.
- 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 under Provisions and Contingencies.
- 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 | | | Year ended | |
|--|--|--------------------------|--|------------------------|------------------------|
| | 31-Mar-21 (Audited) Refer Note 2 | 31-Dec-20 (Unaudited) | 31-Mar-20 (Audited) Refer Note 2 | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) |
| Provision towards advances / Others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (Refer Note 8) (net) | 745.51 | 460.20 | 373.72 | 1,874.44 | 1,476.04 |
| General provision for COVID 19 Deferment cases (net) | - | - | 650.00 | 629.00 | 650.00 |
| Provision / (write-back of provisions) for mark-to-market depreciation on investments in AFS and HFT categories (net) | 445.27 | (5.27) | 23.68 | 452.68 | 60.58 |
| Other Provision / (write back of other provisions) towards investments (net) | (11.37) | (36.35) | 0.07 | (44.40) | 29.54 |
| Total provisions (other than Tax) and contingencies | 1,179.41 | 418.58 | 1,047.47 | 2,911.72 | 2,216.16 |

₹ crore

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. During the previous 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 the government has started vaccination drive, COVID-19 cases have significantly increased in recent months due to second wave as compared to earlier levels in India. Various state governments have again announced strict measures including lockdowns to contain this spread. As COVID vaccines are 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 do not include any adjustments that might result from the outcome of this uncertainty.

6. In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated 27th March, 2020, 17th April, 2020 and 23rd May 2020 and clarification issued by RBI through Indian Bankers Association dated 6th May, 2020, the Bank has 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. 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.

The Bank hold provisions as at 31st March, 2021 against the potential impact of customers impacted by COVID-19 pandemic, which is higher than the regulatory requirements.

The disclosure requirements as required by RBI circular dated 17th April, 2020 for the year ended 31st March 2021 is given below:

| Particulars | Amount in ₹ crore |
|---|-------------------|
| Advances outstanding in SMA/overdue categories, where the moratorium / deferment was extended, as per the COVID 19 regulatory package, as at 29 th February 2020 | 9,559 |
| Advances outstanding where asset classification benefits is extended\$ | 115 |
| Provisions made in terms of paragraph 5 of the COVID 19 Regulatory Package | 1,401 |
| Provisions adjusted against slippages in terms of paragraph 6# | 122 |
| Residual provision as at 31 st March 2021 | 1,279 |

\$ As of 31st March, 2021 in respect of such accounts

Bank has chosen not to adjust provisions against slippages post Q1FY21

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:

| 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 | ₹ crore except number of accounts | | |
|--------------------|---|---|---|--|--|
| | | | (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* | 8 | 12.67 | - | - | 1.27 |
| Of which, MSMEs | - | - | - | - | - |
| Others | 16 | 26.45 | - | - | 2.64 |
| Total | 6,506 | 121.50 | - | - | 12.92 |

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

8. The Honourable Supreme Court of India, in multiple writ petitions, vide an interim order dated 3rd September, 2020 had directed that accounts which were not declared as NPA till 31st August, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Bank had not classified any borrower account (whether granted moratorium or not) as NPA after 31st August, 2020. Had the Bank classified borrower accounts which were more than 90 days overdue as at 31st December, 2020 as NPA, the gross NPA ratio and net NPA ratio as at 31st December, 2020 would have been 3.27% and 1.24% respectively. As a matter of prudence, the Bank had made additional standard provision of ₹ 814 crore on such advances as of 31st December, 2020 including income accrued and not collected.

The Honourable Supreme Court of India vacated the interim relief granted not to declare accounts of borrower as NPA vide its judgement on 23rd March 2021. Accordingly, the Bank has classified borrowers as NPA with effect from 1st September, 2020 in accordance with instructions contained in paragraph 5 of the RBI circular dated 7th April, 2021. The additional standard provision held on 31st December, 2020 were utilised for making provisions on these accounts and reversing income not collected in respective quarters.

Further, RBI circular dated 7th April, 2021 required banks to refund/adjust the 'interest on interest' charged to the borrowers during the moratorium period, i.e. 1st March, 2020 to 31st August, 2020 in conformity to the Honourable Supreme Court of India judgement on 23rd March 2021. Pursuant to the said order and as per the RBI circular, the methodology for calculation of the amount of such 'interest on interest' was finalised by the Indian Banks Association (IBA). The Bank is in the process of implementing this methodology and pending finalization has created a liability towards estimated interest relief of Rs 110 crore and has reduced the same from interest earned for the quarter and year ended 31st March 2021.

9. During the first quarter of the current financial year, 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).
10. During the quarter, the Bank has granted Nil options under employee stock option scheme. Stock options aggregating to 1,356,947 were exercised and allotted during the quarter and 6,159,212 stock options were outstanding with employees of the Bank and its subsidiaries as at 31st March, 2021.
11. 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.
12. The Board of Directors of the Bank have proposed a dividend of ₹ 0.90 per share having face value ₹ 5 for the year ended 31st March, 2021 (Previous Year NIL). The Bank is obliged to pay dividend to those shareholders whose names are appearing in the register of members as on the book closure date. The dividend will be paid after the approval of shareholders at the Annual General Meeting.



13. The summarised standalone Balance Sheet of the Bank is given below:

| | ₹ crore | |
|--|---|---|
| Summarised Balance Sheet | As at 31 st March 2021 (Audited) | As at 31 st March 2020 (Audited) |
| CAPITAL AND LIABILITIES | | |
| Capital | 1,490.92 | 1,456.52 |
| Employees' Stock Options (Grants) Outstanding | 2.16 | 2.87 |
| Reserves and Surplus | 62,236.05 | 47,558.78 |
| Deposits | 280,100.04 | 262,820.52 |
| Borrowings | 23,650.65 | 37,993.31 |
| Other Liabilities and Provisions | 16,008.80 | 10,419.68 |
| TOTAL | 383,488.62 | 360,251.68 |
| ASSETS | | |
| Cash and Balances with Reserve Bank of India | 12,493.61 | 9,505.05 |
| Balances with Banks and Money at Call and Short Notice | 27,132.92 | 43,787.25 |
| Investments | 105,099.19 | 75,051.54 |
| Advances | 223,688.62 | 219,748.19 |
| Fixed Assets | 1,535.27 | 1,623.13 |
| Other Assets | 13,539.01 | 10,536.52 |
| TOTAL | 383,488.62 | 360,251.68 |

14. There has been no change in the significant accounting policies during the quarter and year ended 31st March 2021.

15. Figures for the previous period's / year have been regrouped wherever necessary to conform to current period's / year's presentation.

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

DIPAK
GUPTA

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by DIPAK GUPTA
Date: 2021.05.03
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Dipak Gupta
Joint Managing Director

Mumbai, 3rd May, 2021

Walker Chandniok & Co LLP

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Maharashtra, India

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Independent Auditor's Report on Consolidated Annual Financial Results of Kotak Mahindra Bank Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Kotak Mahindra Bank Limited

Opinion

1. We have audited the accompanying consolidated annual financial results ('the Statement') of **Kotak Mahindra Bank Limited** ('the Bank' or 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its associates (refer Annexure 1 for the list of subsidiaries and associates included in the Statement) for the year ended 31 March 2021, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time except for the disclosures relating to Pillar 3 disclosure as at 31 March 2021, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been audited by us.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements/ financial information of the subsidiaries and associates, as referred to in paragraph 13 below, the Statement:
 - (i) includes the annual financial results of the entities listed in Annexure 1;
 - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations except for the disclosures relating to consolidated Pillar 3 disclosures as at 31 March 2021, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on Bank's website and in respect of which a link has been provided in the Statement and have not been audited by us; and
 - (iii) gives a true and fair view, in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the consolidated net profit after tax and other financial information of the Group and its associates, for the year ended 31 March 2021.

Kotak Mahindra Bank Limited
Independent Auditor's Report on Consolidated Annual Financial Results of Kotak Mahindra Bank Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Group and its associates, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the consolidated 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 Code of Ethics. We believe that the audit evidence obtained by us and that obtained by the other auditors in terms of their reports referred to in paragraph 13 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 10 of the accompanying Statement which describes the uncertainties associated due to the outbreak of Coronavirus (COVID-19). The impact of these uncertainties on the Bank's consolidated financial results is dependent on the future developments.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

5. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual audited financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit after tax, and other financial information of the Group including its associates in accordance with the Accounting Standards ('AS') prescribed under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), the relevant provisions of the Banking Regulation Act, 1949, RBI Guidelines and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group and its associates covered under the Act, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group and its associates, 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 financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
6. In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associates, are responsible for assessing the ability of the respective companies included in the Group and of its associates, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors either intends to liquidate the companies included in the Group or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the companies included in the Group and of its associates, are responsible for overseeing the financial reporting process of the companies included in the Group and of its associates.

Kotak Mahindra Bank Limited
Independent Auditor's Report on Consolidated Annual Financial Results of Kotak Mahindra Bank Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Auditor's Responsibilities for the Audit of the Statement

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's 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, specified under section 143(10) of the Act, 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 this Statement.
9. As part of an audit in accordance with the SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, 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.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Group and its associates (covered under the Act) have adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - 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 ability of the Group and its associates, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement 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 auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities within the Group and its associates, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance of the Holding Company, 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.

Kotak Mahindra Bank Limited
Independent Auditor's Report on Consolidated Annual Financial Results of Kotak Mahindra Bank Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

11. 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.
12. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matters

13. We did not audit the annual financial statements of 19 subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 101,398.52 crores as at 31 March 2021, total revenues of ₹ 25,263.95 crores, total net profit after tax of ₹ 2,960.57 crores and cash flows (net) of ₹ (3,876.05) crores for the year ended 31 March 2021, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of ₹ 87.24 crores for the year ended 31 March 2021, in respect of 2 associates, whose annual financial statements have not been audited by us. These annual financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates is based solely on the audit reports of such other auditors, and the procedures performed by us as stated in paragraph 12 above.

The Statement also includes the Group's share of net profit after tax of ₹ 0.06 crore for the year ended 31 March 2021, in respect of 1 associate, based on their annual financial information, which have not been audited. These annual financial information have been furnished to us by the Holding Company's management. Our opinion on the Statement, and our report in terms of Regulation 33 of the Listing Regulations, in so far as it relates to the aforesaid associate, is based solely on such unaudited annual financial information. In our opinion, and according to the information and explanations given to us by the management, these annual financial information is not material to the Group.

Further, of these subsidiaries, 5 subsidiaries, are located outside India, whose annual financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries, and which have been audited by other auditors under the respective auditing standards used by the component auditors, as applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. An Independent firm of Chartered Accountants appointed by the Holding Company's management in India have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based on the audit reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by the Independent firm of Chartered Accountants appointed by the Holding Company's management in India.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

14. The Statement includes the consolidated financial results for the quarter ended 31 March 2021, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

Our opinion is not modified in respect of this matter.

Kotak Mahindra Bank Limited
Independent Auditor's Report on Consolidated Annual Financial Results of Kotak Mahindra Bank Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

15. As stated in the 'Other matter' paragraph of the audit report dated 27 April 2021 issued by the joint auditors of Kotak Mahindra Life Insurance Company Limited, ('KLIFE'), the actuarial valuation of liabilities of KLIFE for life policies in force and for policies in respect of which the premium has been discontinued but liability exists as at 31 March 2021, is the responsibility of KLIFE's Appointed Actuary (the 'Appointed Actuary of KLIFE'). The actuarial valuation of these liabilities has been duly certified by the Appointed Actuary of KLIFE and in his opinion, the assumptions for such valuations are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India (the 'IRDAI') and the Institute of Actuaries of India in concurrence with the IRDAI. The joint auditors of KLIFE have relied upon the certificate issued by the Appointed Actuary of KLIFE in this regard for forming their opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists in the financial statements of KLIFE.

Our opinion is not modified in respect of this matter.

16. As stated in the 'Other matter' paragraph of the audit report dated 28 April 2021 issued by the joint auditors of Kotak Mahindra General Insurance Company Limited, ('KMGICL'), pursuant to IRDAI (Appointed Actuary) Regulations 2017, the actuarial valuation of liabilities of KMGICL in respect of claims Incurred But Not Reported ('IBNR'), Incurred But Not Enough Reported ('IBNER') claims and Premium Deficiency Reserve ('PDR') as at 31 March 2021, have been duly certified by the KMGICL's Appointed Actuary (the 'Appointed Actuary of KMGICL'), and in his opinion, the assumptions for such valuation are appropriate and in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India (the 'IRDAI') and the Institute of Actuaries of India in concurrence with the IRDAI. The joint auditors have relied upon the certificate issued by the Appointed Actuary of KMGICL in this regard for forming their opinion on the financial statements of the KMGICL.

Our opinion is not modified in respect of this matter.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013

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Date: 2021.05.03
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Murad D. Daruwalla
Partner
Membership No:043334

UDIN:21043334AAAABX2270

Place: Mumbai
Date: 03 May 2021

Kotak Mahindra Bank Limited
Independent Auditor's Report on Consolidated Annual Financial Results of Kotak Mahindra Bank Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Annexure 1

List of entities included in the Statement

Domestic Subsidiaries

Kotak Mahindra Prime Limited
Kotak Mahindra Investments Limited
Kotak Securities Limited
Kotak Mahindra Capital Company Limited
Kotak Mahindra Life Insurance Company Limited
Kotak Mahindra General Insurance Company Limited
Kotak Mahindra Asset Management Company Limited
Kotak Mahindra Trustee Company Limited
Kotak Mahindra Pension Fund Limited
Kotak Investment Advisors Limited
Kotak Mahindra Trusteeship Services Limited
Kotak Infrastructure Debt Fund Limited
IVY Product Intermediaries Limited
BSS Microfinance Limited

International Subsidiaries

Kotak Mahindra (UK) Limited
Kotak Mahindra (International) Limited
Kotak Mahindra Inc.
Kotak Mahindra Financial Services Limited
Kotak Mahindra Asset Management (Singapore) Pte. Limited

Associate Companies

Infina Finance Private Limited
Phoenix ARC Private Limited
ECA Trading Services Limited

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

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

₹ crore

| Sr No | Particulars | Quarter ended | | | Year ended | |
|-------|---|--|--------------------------|--|------------------------|------------------------|
| | | 31-Mar-21 (Audited) Refer Note 4 | 31-Dec-20 (Unaudited) | 31-Mar-20 (Audited) Refer Note 4 | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) |
| 1 | Interest earned (a+b+c+d) | 7,951.77 | 8,133.58 | 8,434.13 | 32,819.83 | 33,474.16 |
| | (a) Interest/discount on advances/bills | 5,147.70 | 5,251.05 | 6,198.95 | 21,620.53 | 24,877.11 |
| | (b) Income on investments | 2,380.50 | 2,410.96 | 1,868.33 | 9,274.97 | 7,327.31 |
| | (c) Interest on balances with RBI & other interbank funds | 302.38 | 365.60 | 261.23 | 1,480.91 | 827.64 |
| | (d) Others | 121.19 | 105.97 | 105.62 | 443.42 | 442.10 |
| 2 | Other income (a+b+c) | 8,224.10 | 6,505.40 | 3,650.58 | 23,883.90 | 16,825.53 |
| | (a) Profit/(Loss) on sale of investments including revaluation (Insurance business) | 630.13 | 1,819.33 | (2,356.52) | 4,525.91 | (1,494.83) |
| | (b) Premium on Insurance Business | 4,939.82 | 2,712.95 | 3,924.75 | 11,367.40 | 10,566.03 |
| | (c) Other income (Refer Notes 5, 6 & 7) | 2,654.15 | 1,973.12 | 2,082.35 | 7,990.59 | 7,754.33 |
| 3 | Total income (1+2) | 16,175.87 | 14,638.98 | 12,084.71 | 56,703.73 | 50,299.69 |
| 4 | Interest expended | 2,932.54 | 3,120.26 | 3,800.94 | 12,966.55 | 15,900.68 |
| 5 | Operating expenses (a+b+c) | 8,664.99 | 7,585.70 | 4,347.12 | 27,309.15 | 20,419.11 |
| | (a) Employees Cost | 1,438.18 | 1,536.64 | 1,422.98 | 5,855.70 | 5,755.97 |
| | (b) Policy holders' reserves, surrender expense and claims (Refer Note 15) | 5,160.14 | 4,345.03 | 1,089.76 | 15,037.37 | 7,958.18 |
| | (c) Other operating expenses (Refer Note 6 and 8) | 2,066.67 | 1,704.03 | 1,834.38 | 6,416.08 | 6,704.96 |
| 6 | Total expenditure (4+5) (excluding provisions and contingencies) | 11,597.53 | 10,705.96 | 8,148.06 | 40,275.70 | 36,319.79 |
| 7 | Operating Profit (3-6) (Profit before provisions and contingencies) | 4,578.34 | 3,933.02 | 3,936.65 | 16,428.03 | 13,979.90 |
| 8 | Provisions (other than tax) and contingencies (Refer Note 9) | 1,214.80 | 478.02 | 1,262.19 | 3,259.69 | 2,558.10 |
| 9 | Exceptional items | - | - | - | - | - |
| 10 | Profit from ordinary activities before tax (7-8-9) | 3,363.54 | 3,455.00 | 2,674.46 | 13,168.34 | 11,421.80 |
| 11 | Tax expense | 810.28 | 879.26 | 722.64 | 3,265.44 | 2,814.72 |
| 12 | Net Profit from ordinary activities after tax before Minority Interest (10-11) | 2,553.26 | 2,575.74 | 1,951.82 | 9,902.90 | 8,607.08 |
| 13 | Extraordinary items (net of tax expense) | - | - | - | - | - |
| 14 | Net Profit after tax before Minority Interest (12-13) | 2,553.26 | 2,575.74 | 1,951.82 | 9,902.90 | 8,607.08 |
| 15 | Less: Share of Minority Interest | - | - | - | - | - |
| 16 | Add: Share in Profit/(Loss) of associates | 36.06 | 25.93 | (46.64) | 87.30 | (13.72) |
| 17 | Profit after tax (14-15+16) | 2,589.32 | 2,601.67 | 1,905.18 | 9,990.20 | 8,593.36 |
| 18 | Paid Up Equity Capital - (Face value of ₹ 5 per share) | 990.92 | 990.24 | 956.52 | 990.92 | 956.52 |
| 19 | Group Reserves (excluding Minority Interest and Revaluation reserves) | | | | 83,345.53 | 65,677.60 |
| 20 | Minority Interest | | | | - | - |
| 21 | Analytical Ratios | | | | | |
| | (i) Capital Adequacy ratio – Basel III (standalone) | 22.26 | 21.54 | 17.89 | 22.26 | 17.89 |
| | (ii) Earnings per equity share | | | | | |
| | - Basic (not annualised) ₹ | 12.87 | 13.14 | 9.71 | 50.53 | 44.73 |
| | - Diluted (not annualised) ₹ | 12.86 | 13.14 | 9.70 | 50.49 | 44.68 |
| | (iii) NPA Ratios (unaudited) | | | | | |
| | (a) Gross NPA | 8,276.29 | 5,510.55 | 5,487.66 | 8,276.29 | 5,487.66 |
| | (b) Net NPA | 3,105.50 | 1,284.58 | 1,744.81 | 3,105.50 | 1,744.81 |
| | (c) % of Gross NPA to Gross Advances | 3.22 | 2.25 | 2.16 | 3.22 | 2.16 |
| | (d) % of Net NPA to Net Advances | 1.23 | 0.53 | 0.70 | 1.23 | 0.70 |
| | (e) % of Gross NPA to Gross Advances – Proforma (Refer Note 13) | | 3.31 | | | |

| Sr No | Particulars | Quarter ended | | | Year ended | |
|-------|---|--|--------------------------|--|------------------------|------------------------|
| | | 31-Mar-21 (Audited) Refer Note 4 | 31-Dec-20 (Unaudited) | 31-Mar-20 (Audited) Refer Note 4 | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) |
| | (f) % of Net NPA to Net Advances – Proforma (Refer Note 13) | | 1.32 | | | |
| | (iv) Return on average Assets (not annualised) | 0.54 | 0.56 | 0.45 | 2.16 | 2.10 |

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 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.
- The above consolidated financial results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 3rd May, 2021. The consolidated financial results for the quarter and year ended 31st March, 2021 were subjected to audit by the statutory auditors of the Bank and there are no modifications in the Auditor's Report. The results for quarter ended 31st December, 2020 were subjected to limited review by the statutory auditors of the Bank.
- The figures of the last quarter in each of the year are balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures up to the third quarter of the respective financial year.
- Details of other income forming part of the consolidated results are as follows:

| Particulars | Quarter ended | | | Year ended | |
|---|--|--------------------------|--|------------------------|------------------------|
| | 31-Mar-21 (Audited) Refer Note 4 | 31-Dec-20 (Unaudited) | 31-Mar-20 (Audited) Refer Note 4 | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) |
| Commission, fees, exchange, brokerage and others | 2,472.85 | 1,843.93 | 1,640.50 | 7,341.78 | 6,876.96 |
| Profit on sale of investments (other than insurance business) | 181.30 | 129.19 | 441.85 | 648.81 | 877.37 |
| Total – Other income | 2,654.15 | 1,973.12 | 2,082.35 | 7,990.59 | 7,754.33 |

- Other income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 35.87 crore for the quarter and ₹ 111.04 crore for the year ended 31st March, 2021 (for the quarter ended 31st December 2020, ₹ 26.02 crore, for the quarter ended 31st March, 2020 ₹ 17.85 crore and for the year ended 31st March, 2020 amounting to ₹ 66.04 crore).
- 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 | |
|---|--|--------------------------|--|------------------------|------------------------|
| | 31-Mar-21 (Audited) Refer Note 4 | 31-Dec-20 (Unaudited) | 31-Mar-20 (Audited) Refer Note 4 | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) |
| Brokerage | 222.02 | 156.01 | 188.93 | 532.91 | 704.19 |
| Depreciation | 115.66 | 115.35 | 116.93 | 461.05 | 464.89 |
| Rent, taxes and lighting | 192.65 | 195.79 | 199.11 | 770.12 | 768.58 |
| Others | 1,536.34 | 1,236.88 | 1,329.41 | 4,652.00 | 4,767.30 |
| Total – Other operating expenses | 2,066.67 | 1,704.03 | 1,834.38 | 6,416.08 | 6,704.96 |

9. 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 | |
|---|--|--------------------------|--|------------------------|------------------------|
| | 31-Mar-21 (Audited) Refer Note 4 | 31-Dec-20 (Unaudited) | 31-Mar-20 (Audited) Refer Note 4 | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) |
| Provision towards advances / others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (Refer Note 13) (net) | 759.85 | 543.42 | 439.00 | 2,198.02 | 1,663.49 |
| General provision for COVID-19 Deferment cases (net) | - | - | 713.68 | 682.40 | 713.68 |
| Provision / (Write back of provisions) towards investments (net) | 454.95 | (65.40) | 109.51 | 379.27 | 180.93 |
| Total – Provisions (other than tax) and contingencies | 1,214.80 | 478.02 | 1,262.19 | 3,259.69 | 2,558.10 |

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. During the previous 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 recent months due to second wave as compared to earlier levels in India. Various state governments have again announced strict measures 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 and 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 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 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 do not include any adjustments that might result from the outcome of this uncertainty.

11. In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated 27th March, 2020, 17th April, 2020 and 23rd May 2020 and clarification issued by RBI through Indian Bankers Association dated 6th May, 2020, the Bank and its NBFC subsidiaries 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. 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.

The Bank and its NBFC subsidiaries hold provisions as at 31st March, 2021 against the potential impact of customers impacted by COVID-19 pandemic, which is higher than the regulatory requirements.

12. In accordance with Resolution Framework for COVID-19 announced by RBI on 6th August, 2020, the Bank and its NBFC subsidiaries have implemented one-time restructuring for certain eligible borrowers and such borrowers are classified as Standard in accordance with the above framework.
13. The Honourable Supreme Court of India, in multiple writ petitions, vide an interim order dated 3rd September, 2020 had directed that accounts which were not declared as NPA till 31st August, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Bank and its NBFC subsidiaries had not classified any borrower account (whether granted moratorium or not) as NPA after 31st August, 2020. Had the Bank and its NBFC subsidiaries classified borrower accounts, which were more than 90 days overdue as at 31st December, 2020 as NPA, the gross NPA ratio and net NPA ratio as at 31st December, 2020 would have been 3.31% and 1.32% respectively. As a matter of prudence, the Bank and its NBFC subsidiaries had made additional standard provisions of ₹ 958.43 crore on such advances as of 31st December, 2020, including income accrued and not collected.

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, the Bank and its NBFC subsidiaries have classified borrowers as NPA with effect from 1st September, 2020 in accordance with instructions contained in paragraph 5 of the RBI circular dated 7th April, 2021. The additional standard provision held on 31st December, 2020 were utilised for making provisions on these accounts and reversing income not collected in respective quarters.

Further, RBI circular dated 7th April, 2021 required banks to refund/adjust the 'interest on interest' charged to the borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020 in conformity to the Honourable Supreme Court of India judgement on 23rd March 2021. Pursuant to the said order and as per the RBI circular, the methodology for calculation of the

amount of such 'interest on interest' was finalised by the Indian Banks Association (IBA). The Bank and its subsidiaries are in the process of implementing this methodology and pending finalization has created a liability towards estimated interest relief of ₹ 128.63 crore and has reduced the same from interest earned for the quarter and year ended 31st March 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 and year ended 31st March, 2021 amounting to ₹ 3,582.15 crore and ₹ 10,498.48 crore respectively (for the quarter ended 31st December, 2020, ₹ 3,155.03 crore, for the quarter and year ended 31st March, 2020, ₹ 5.94 crore and ₹ 4,100.96 crore respectively), has been included in "Policy holders' reserves, surrender expense and claims" under "Operating Expenses".
16. The Board of Directors of the Bank have proposed a dividend of ₹ 0.90 per share having face value ₹ 5 for the year ended 31st March, 2021 (Previous Year NIL). The Bank is obliged to pay dividend to those shareholders whose names are appearing in the register of members as on the book closure date. The dividend will be paid after the approval of shareholders at the Annual General Meeting.
17. During the first quarter of the current financial year, 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).
18. The summarized consolidated balance sheet of the Bank is given below:

| ₹ crore | | |
|--|---|---|
| Summarised Balance Sheet | As at 31 st March 2021 (Audited) | As at 31 st March 2020 (Audited) |
| CAPITAL AND LIABILITIES | | |
| Capital | 1,490.92 | 1,456.52 |
| Employees' Stock Options (Grants) Outstanding | 2.16 | 2.87 |
| Reserves and Surplus | 83,345.53 | 65,677.60 |
| Deposits | 278,871.41 | 260,400.21 |
| Borrowings | 47,738.90 | 65,576.72 |
| Policyholder's Funds | 42,071.52 | 31,508.82 |
| Other Liabilities and Provisions | 25,352.25 | 18,549.97 |
| TOTAL | 478,872.69 | 443,172.71 |
| ASSETS | | |
| Cash and balances with Reserve Bank of India | 12,528.00 | 9,513.24 |
| Balances with Banks and Money at Call and Short Notice | 35,188.62 | 54,566.61 |
| Investments | 156,945.55 | 111,196.91 |
| Advances | 252,188.22 | 249,878.96 |
| Fixed Assets | 1,740.16 | 1,860.96 |
| Other Assets | 19,468.39 | 15,342.28 |
| Goodwill on consolidation | 813.75 | 813.75 |
| TOTAL | 478,872.69 | 443,172.71 |

19. 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 | |
|-------|--|--|--------------------------|--|------------------------|------------------------|
| | | 31-Mar-21 (Audited) Refer Note 4 | 31-Dec-20 (Unaudited) | 31-Mar-20 (Audited) Refer Note 4 | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) |
| | | | | | | |
| 1 | Segment Revenues: | | | | | |
| | Treasury, BMU and Corporate Centre | 2,815.08 | 2,454.85 | 1,935.98 | 9,993.60 | 7,184.98 |
| | Retail Banking | 3,442.03 | 3,404.98 | 3,757.21 | 13,815.72 | 15,057.84 |
| | Corporate / Wholesale Banking | 3,254.55 | 3,222.96 | 3,707.88 | 13,016.78 | 13,918.46 |
| | Vehicle Financing | 479.94 | 485.40 | 560.28 | 1,921.37 | 2,334.43 |
| | Other Lending Activities | 343.05 | 346.74 | 464.35 | 1,438.39 | 1,974.16 |
| | Broking (Refer Note 6) | 527.68 | 431.71 | 378.78 | 1,790.32 | 1,393.27 |
| | Advisory and Transactional Services | 104.25 | 123.24 | 73.18 | 386.25 | 417.78 |
| | Asset Management | 323.00 | 297.03 | 314.07 | 1,122.05 | 1,121.48 |
| | Insurance | 6,178.82 | 5,129.60 | 2,083.58 | 18,231.45 | 11,063.09 |
| | Sub-total | 17,468.40 | 15,896.51 | 13,275.31 | 61,715.93 | 54,465.49 |
| | Less: Inter-segment revenues | (1,292.53) | (1,257.53) | (1,190.60) | (5,012.20) | (4,165.80) |
| | Total Income | 16,175.87 | 14,638.98 | 12,084.71 | 56,703.73 | 50,299.69 |
| 2 | Segment Results: | | | | | |
| | Treasury, BMU and Corporate Centre | 1,031.18 | 1,222.01 | 177.96 | 3,609.56 | 2,283.73 |
| | Retail Banking | (77.06) | (151.21) | 349.56 | 577.41 | 1,553.19 |
| | Corporate / Wholesale Banking | 1,406.50 | 1,562.22 | 1,280.46 | 5,698.86 | 4,384.22 |
| | Vehicle Financing | 134.17 | 68.73 | 63.70 | 239.30 | 444.01 |
| | Other Lending Activities | 142.58 | 145.54 | 171.30 | 534.33 | 651.93 |
| | Broking | 244.45 | 186.41 | 169.68 | 787.75 | 509.32 |
| | Advisory and Transactional Services | 43.20 | 55.31 | (6.60) | 123.74 | 168.69 |
| | Asset Management | 219.59 | 143.29 | 159.72 | 698.44 | 615.37 |
| | Insurance | 218.93 | 222.70 | 308.68 | 898.95 | 811.34 |
| | Total Profit before tax, minority interest and associates | 3,363.54 | 3,455.00 | 2,674.46 | 13,168.34 | 11,421.80 |
| | Provision for tax | 810.28 | 879.26 | 722.64 | 3,265.44 | 2,814.72 |
| | Net Profit before share of Associates and Minority | 2,553.26 | 2,575.74 | 1,951.82 | 9,902.90 | 8,607.08 |
| 3 | Segment Assets: | | | | | |
| | Treasury, BMU and Corporate Centre | 150,098.25 | 167,490.04 | 137,136.12 | 150,098.25 | 137,136.12 |
| | Retail Banking | 240,506.83 | 235,768.44 | 216,234.38 | 240,506.83 | 216,234.38 |
| | Corporate / Wholesale Banking | 162,450.23 | 156,010.68 | 153,443.88 | 162,450.23 | 153,443.88 |
| | Vehicle Financing | 16,459.07 | 16,452.84 | 19,505.92 | 16,459.07 | 19,505.92 |
| | Other Lending Activities | 14,399.41 | 12,950.92 | 15,340.95 | 14,399.41 | 15,340.95 |
| | Broking | 8,679.90 | 6,679.51 | 5,753.97 | 8,679.90 | 5,753.97 |
| | Advisory and Transactional Services | 297.20 | 263.86 | 319.06 | 297.20 | 319.06 |
| | Asset Management | 3,753.21 | 3,224.68 | 2,975.43 | 3,753.21 | 2,975.43 |
| | Insurance | 48,785.22 | 44,984.34 | 37,133.30 | 48,785.22 | 37,133.30 |
| | Sub-total | 645,429.32 | 643,825.31 | 587,843.01 | 645,429.32 | 587,843.01 |
| | Less: Inter-segment assets | (168,138.28) | (168,236.36) | (145,997.82) | (168,138.28) | (145,997.82) |
| | Total | 477,291.04 | 475,588.95 | 441,845.19 | 477,291.04 | 441,845.19 |
| | Add: Unallocated Assets | 1,581.65 | 1,703.93 | 1,327.52 | 1,581.65 | 1,327.52 |
| | Total Assets as per Balance Sheet | 478,872.69 | 477,292.88 | 443,172.71 | 478,872.69 | 443,172.71 |
| 4 | Segment Liabilities: | | | | | |
| | Treasury, BMU and Corporate Centre | 121,065.38 | 137,905.07 | 122,215.01 | 121,065.38 | 122,215.01 |
| | Retail Banking | 226,380.72 | 221,565.27 | 200,770.56 | 226,380.72 | 200,770.56 |
| | Corporate / Wholesale Banking | 145,580.04 | 140,547.20 | 137,983.86 | 145,580.04 | 137,983.86 |
| | Vehicle Financing | 9,400.28 | 9,825.69 | 14,185.38 | 9,400.28 | 14,185.38 |
| | Other Lending Activities | 6,028.30 | 5,662.78 | 7,610.77 | 6,028.30 | 7,610.77 |
| | Broking | 7,795.01 | 5,825.14 | 4,860.90 | 7,795.01 | 4,860.90 |
| | Advisory and Transactional Services | 95.72 | 75.98 | 74.52 | 95.72 | 74.52 |
| | Asset Management | 739.49 | 468.16 | 576.71 | 739.49 | 576.71 |
| | Insurance | 44,558.81 | 40,724.64 | 33,526.74 | 44,558.81 | 33,526.74 |
| | Sub-total | 561,643.75 | 562,599.93 | 521,804.45 | 561,643.75 | 521,804.45 |
| | Less: Inter-segment liabilities | (168,138.28) | (168,236.36) | (145,997.82) | (168,138.28) | (145,997.82) |
| | Total | 393,505.47 | 394,363.57 | 375,806.63 | 393,505.47 | 375,806.63 |
| | Add: Unallocated liabilities | 530.77 | 812.83 | 231.96 | 530.77 | 231.96 |
| | Add: Share Capital, Reserves & Surplus & Minority Interest | 84,836.45 | 82,116.48 | 67,134.12 | 84,836.45 | 67,134.12 |
| | Total Capital and Liabilities as per Balance Sheet | 478,872.69 | 477,292.88 | 443,172.71 | 478,872.69 | 443,172.71 |

20. Consolidated Cash Flow Statement:

| Particulars | ₹ crore | |
|--|------------------------|------------------------|
| | Year ended | |
| | 31-Mar-21 (Audited) | 31-Mar-20 (Audited) |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before share in profit/(loss) of Associates | 9,902.90 | 8,607.08 |
| Add: Provision for tax | 3,265.44 | 2,814.72 |
| Net Profit before taxes | 13,168.34 | 11,421.80 |
| Adjustments for :- | | |
| Employee Stock Options Expense | 1.82 | 2.77 |
| Depreciation on Group's Property | 461.05 | 464.89 |
| Diminution in the value of Investments | 379.27 | 180.93 |
| (Profit) / Loss on revaluation of investments (net) | (3,612.21) | 2,205.03 |
| Profit on sale of Investments (net) | (1,767.77) | (1,547.75) |
| Amortization of Premium on Investments | 427.51 | 314.18 |
| Provision for Non-Performing Assets, Standard Assets and Other Provisions | 2,880.42 | 2,377.17 |
| Profit on sale of Fixed Assets | (38.66) | (29.42) |
| | 11,899.77 | 15,389.60 |
| Adjustments for :- | | |
| (Increase) / Decrease in investments - Available for Sale, Held for Trading and Stock-in-Trade | (30,272.12) | 3,910.17 |
| (Increase) in Advances | (4,371.57) | (7,983.30) |
| (Increase) in Other Assets | (3,944.46) | (982.82) |
| Increase in Deposits | 18,471.20 | 35,575.95 |
| Increase in Policyholders' Funds | 10,562.70 | 4,091.00 |
| Increase / (Decrease) in Other Liabilities and Provisions | 5,761.70 | (515.49) |
| Subtotal | (3,792.55) | 34,095.51 |
| Direct Taxes Paid (net of refunds) | (3,226.08) | (2,866.28) |
| NET CASH FLOW FROM/ (USED IN) OPERATING ACTIVITIES (A) | 4,881.14 | 46,618.83 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (368.59) | (452.62) |
| Proceeds from sale of Fixed assets | 68.45 | 39.93 |
| Proceeds from Sale of Shares in Associates | - | 14.26 |
| (Increase) in Other Investments (including investments in HTM securities) | (10,816.00) | (12,800.44) |
| NET CASH FLOW (USED IN) INVESTING ACTIVITIES (B) | (11,116.14) | (13,198.87) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Dividend paid including corporate dividend tax | (40.50) | (233.02) |
| Money received on issue of Equity Shares / exercise of stock options | 7,843.75 | 360.61 |
| Share issue expenses | (37.48) | (0.37) |
| (Decrease) in borrowings | (17,837.82) | (862.22) |
| NET CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES (C) | (10,072.05) | (735.00) |
| Increase / (Decrease) in Foreign Currency Translation Reserve (D) | (56.18) | 130.43 |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D) | (16,363.23) | 32,815.39 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | 64,079.85 | 31,264.46 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 47,716.62 | 64,079.85 |
| Balance with banks in India in Other Deposit Accounts | 5,027.36 | 6,621.14 |
| Balance with banks in India in Current Account | 296.98 | 468.58 |
| Money at call and short notice in India with Banks | 2,585.88 | 3,145.84 |
| Money at call and short notice in India with Other Agencies | 15,300.00 | 40,300.00 |
| Cash in hand | 1,489.56 | 1,729.80 |
| Balance with RBI in Current Account | 11,038.44 | 7,783.44 |
| Balance with Banks Outside India: | | |
| (i) In Current Account | 1,590.94 | 757.36 |
| (ii) In other Deposit Accounts | 10,387.46 | 3,273.69 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 47,716.62 | 64,079.85 |



21. There has been no change in the significant accounting policies during the quarter and year ended 31st March, 2021 as compared to those followed for the year ended 31st March, 2020.
22. Figures for the previous period's / year have been regrouped wherever necessary to conform to current periods / year's presentation.

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

DIPAK
GUPTA

Digitally signed
by DIPAK GUPTA
Date: 2021.05.03
12:48:19 +05'30'

Mumbai, 3rd May, 2021

Dipak Gupta
Joint Managing Director

EARNINGS UPDATE Q4FY21

Presentation on financial results for the year ended 31st March, 2021

3rd May, 2021

Highlights of unprecedented FY21 vs. FY20

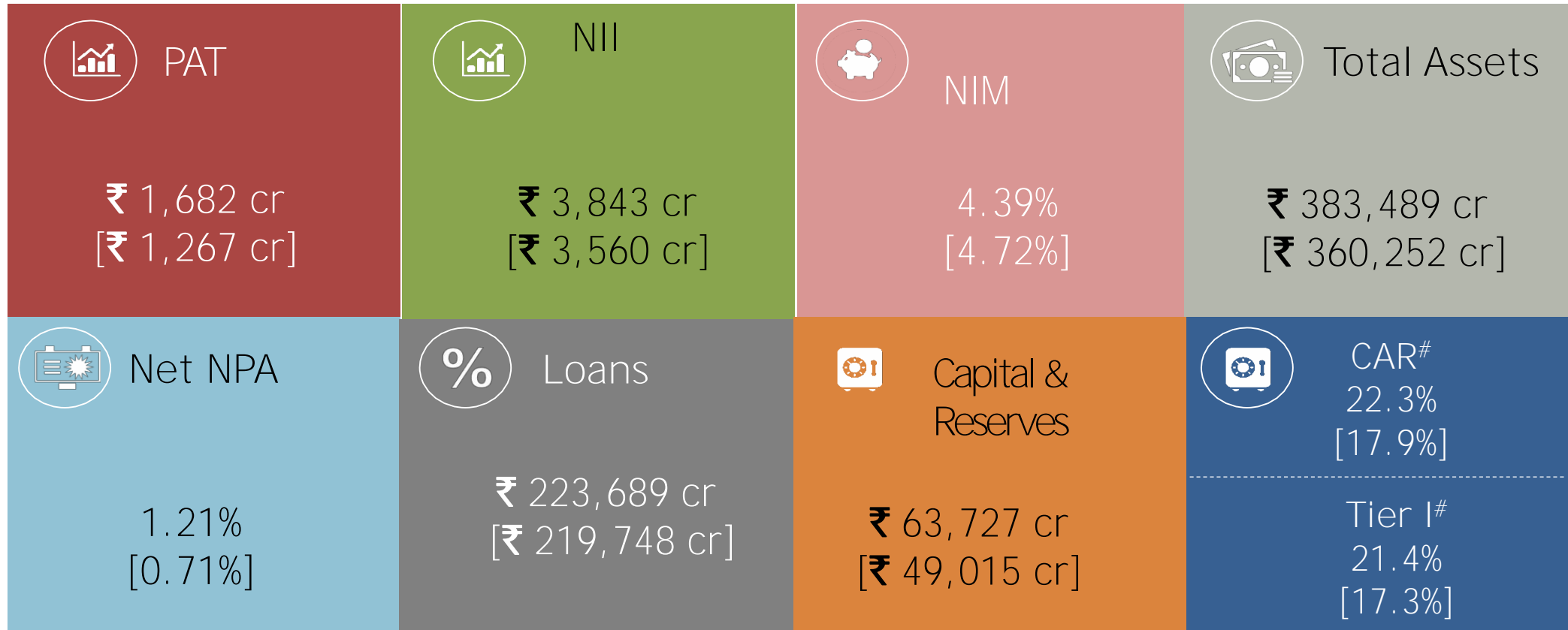


Standalone

| ₹ cr | FY21 | FY20 | FY21 v FY20 |
|--|---------|---------|-------------|
| Operating Profit | 12,215 | 10,021 | 22% |
| PBT | 9,303 | 7,805 | 19% |
| PAT | 6,965 | 5,947 | 17% |
| NIM | 4.41% | 4.62% | |
| CASA Ratio | 60.4% | 56.2% | |
| Capital Adequacy Ratio | 22.3% | 17.9% | |
| Credit cost excluding COVID provision (bps) | 84 | 67 | |
| SMA 2 | 110 | 96 | |
| Unsecured Retail Advances * as % of Net Advances | 5.8% | 7.5% | |
| Customer Assets | 238,857 | 228,970 | 4.3% |

**Including microfinance loans and consumer durables*

Standalone highlights Q4FY21



Figures in [brackets] are Q4FY20 numbers

[#] As per Basel III

Profit and Loss Account



| ₹ cr | Q4FY21 | Q4FY20 | Q3FY21 | FY21 | FY20 |
|------------------------------------|--------|--------|--------|--------|--------|
| Net Interest Income | 3,843 | 3,560 | 3,876 | 15,340 | 13,500 |
| Other Income | 1,949 | 1,489 | 1,285 | 5,459 | 5,372 |
| <i>Fee and Services</i> | 1,378 | 1,270 | 1,121 | 4,331 | 4,731 |
| <i>Others</i> | 571 | 219 | 164 | 1,128 | 641 |
| Net Total Income | 5,792 | 5,049 | 5,341 | 20,799 | 18,872 |
| Employee Cost | 869 | 970 | 959 | 3,729 | 3,878 |
| Other Operating Expenses | 1,516 | 1,354 | 1,299 | 4,855 | 4,973 |
| Operating Expenditure | 2,385 | 2,324 | 2,258 | 8,584 | 8,851 |
| Operating Profit | 3,407 | 2,725 | 2,903 | 12,215 | 10,021 |
| Provision On Adv/Receivables (net) | 745 | 373 | 461 | 1,875 | 1,476 |
| General provision - COVID related | - | 650 | - | 629 | 650 |
| Provision On Investments | 434 | 24 | (42) | 408 | 90 |
| Provision & Contingencies | 1,179 | 1,047 | 419 | 2,912 | 2,216 |
| PBT | 2,228 | 1,678 | 2,484 | 9,303 | 7,805 |
| Provision For Tax | 546 | 411 | 630 | 2,338 | 1,858 |
| PAT | 1,682 | 1,267 | 1,854 | 6,965 | 5,947 |

Notes

- During the quarter, the Hon. SC vacated stay on NPA recognition and granted relief for interest on interest
- Till 31st Dec, 2020, w.r.t cases not considered as NPA, the Bank had considered full hit for provisions and income as provisions for advances. Post Hon. SC Order, the Bank has retrospectively, reversed income and consequently adjusted provisions and contingencies
- Further, the Bank has created liability of ₹ 110 cr towards estimated interest relief and has reduced the same from interest earned
- COVID-19 provision retained at ₹ 1,279 cr

Fees & Services

| ₹ cr | Q4FY21 | Q4FY20 | Q3FY21 | FY21 | FY20 |
|-----------------------------------|--------|--------|--------|-------|-------|
| Distribution & Syndication Income | 292 | 234 | 178 | 785 | 590 |
| General Banking Fees | 1,023 | 1,007 | 913 | 3,396 | 4,021 |
| Others | 63 | 29 | 30 | 150 | 120 |
| Fees and Services | 1,378 | 1,270 | 1,121 | 4,331 | 4,731 |

Asset Quality



Asset Quality

| ₹ cr | 31-Mar-21 | 31-Mar-20 | 31-Dec-20 Proforma |
|----------|-----------|-----------|--------------------|
| GNPA | 7,426 | 5,027 | 7,126 |
| NNPA | 2,705 | 1,558 | 2,646 |
| GNPA (%) | 3.25% | 2.25% | 3.27% |
| NNPA (%) | 1.21% | 0.71% | 1.24% |

- No sale to ARCs
- Total restructuring implemented: ₹ 435 cr (0.19% of net advances)

SMA2 outstanding - ₹ 110 cr, 0.05% of net advances

(PY: ₹ 96 cr, 0.04% of net advances)

- No COVID-19 Provision dipped into during Q4FY21
- COVID-19 Provision held as on 31st Mar, 2021 ₹ 1,279 cr
- Total provisions (incl specific, standard, COVID-19 related, etc.) held as on 31st March, 2021 is ₹ 7,021 cr, 95% of GNPA
- Credit cost excluding COVID-19 provisioning for FY21: 84 bps of net advances

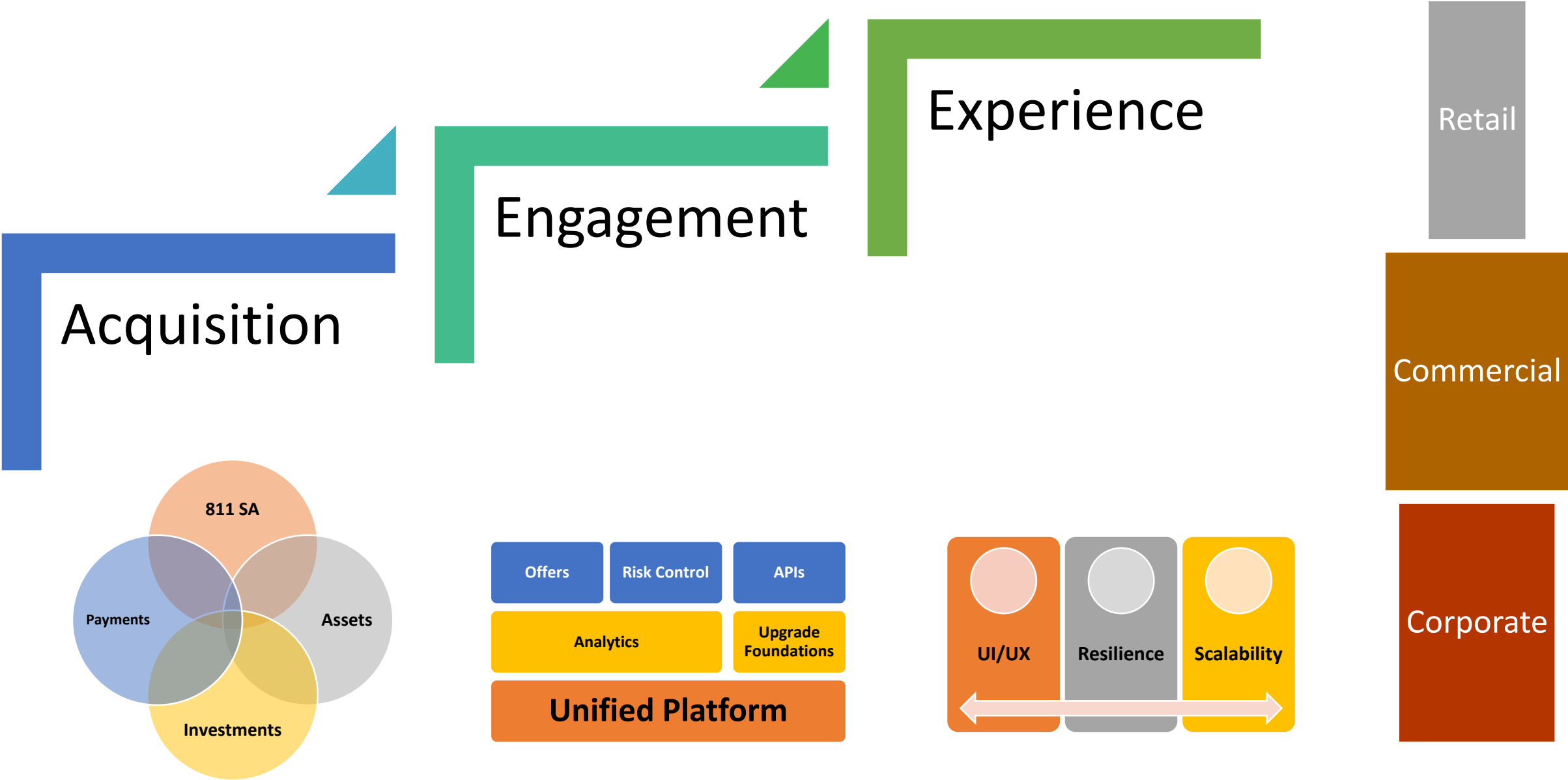
Balance Sheet



| ₹ cr | 31-Mar-21 | 31-Mar-20 | 31-Dec-20 |
|----------------------------------|-----------|-----------|-----------|
| Capital & Reserves and Surplus | 63,727 | 49,015 | 61,914 |
| Deposits | 280,100 | 262,821 | 265,304 |
| CA | 52,087 | 43,013 | 43,975 |
| SA | 117,226 | 1,04,609 | 112,199 |
| Term Deposits | 110,787 | 1,15,199 | 109,130 |
| Of which: TD Sweep | 20,924 | 17,467 | 21,601 |
| Borrowings | 23,651 | 37,993 | 48,223 |
| Other Liabilities and Provisions | 16,011 | 10,423 | 13,585 |
| Total Liabilities | 383,489 | 360,252 | 389,026 |

| ₹ cr | 31-Mar-21 | 31-Mar-20 | 31-Dec-20 |
|-------------------------------|-----------|-----------|-----------|
| Cash, Bank and Call | 39,627 | 53,292 | 52,751 |
| Investments | 105,099 | 75,052 | 109,037 |
| Government Securities | 85,345 | 61,906 | 88,941 |
| Credit Substitutes | 15,168 | 9,222 | 14,706 |
| Others | 4,586 | 3,924 | 5,390 |
| Advances | 223,689 | 219,748 | 214,103 |
| Fixed Assets and Other Assets | 15,074 | 12,160 | 13,135 |
| Total Assets | 383,489 | 360,252 | 389,026 |

Digital Strategy



Digital Highlights



Scaling Digital Banking Capabilities

Mobile Banking - Transaction volume up 75% & value up 41% YoY. Mobile transaction share of 4.3%. App engagement rate has increased by 15% YoY to 20.6 monthly logins per customer in Mar'21

Net Banking –Launched revamped Net Banking platform providing customers choice of 2 user interfaces for seamless transition; 1.2X YoY NB login numbers

WhatsApp Banking - 110% YoY increase in monthly active users

Keya Chatbot - 28% YoY increase in monthly active users; 75% YoY increase in Knowledgebase using crowd sourcing; resulting in 80% YoY increase in customer query resolution

Connected Banking stack for partnering with Fintechs , startups and other platforms like Zoho

Accelerating Assets

Launch of Universal Video KYC platform made for Assets customer

Lending Chatbot (HL, BL, LAP) for providing Instant In-Principal Sanction letter for customer through Chat itself – an industry first

Launched an end to end digital journey for Consumer Finance loans for New to Bank customers – an industry first

Enabled Loan Information, statement & repayment schedule on Whatsapp & Keya

Enabled Overdue EMI payments through PSP apps like Google Pay, Phone Pe, Paytm etc. for all term loans

Transforming the Bank

Cheque Tracking Portal: End-to-end tracking of cheques on near real time for frontline teams. Customer frontend to be launched by Q1 FY'22

Pre-book branch appointment: Customers can now schedule for selective branches visit for convenience and safety for selected locations across retail liabilities and retail assets

Robotics Process Automation: Faster Turn around time across processes. 2X YoY Requests Processed by BOTS

Digital Acquisition & Engagements



811 – Share in Digital Engagement

MB 30 day unique Logins

59%

UPI transactions

58%

Secured Credit Card

82%

New Trading accounts

62%

New Recurring Deposits

56%

Group Insurance products
(Sachet Insurance)

56%

Digital payments

Key Highlights



- **2.2X** consumer digital payment volumes in Q4FY21 over Q4FY20
- **8.4X** transactions acquired in Q4FY21 over Q4FY20

Key Trends

- Digital payment* checkout modes contribute to **87%+** of monthly transaction share in **Mar'21**
- **~2.43X** Consumer UPI P2M checkouts in Q4FY21 over Q4FY20
- **13%** QoQ ATS Growth in UPI
17% QoQ ATS Growth in DC ECOM



Over **94%** of savings account transactions were digital or non-branch modes

Deposit

CASA (₹ cr)

CASA %

60.4%

56.2%

58.9%

11,125

106,101

52,087

Mar-21

10,837

93,772

43,013

Mar-20

8,214

103,985

43,975

Dec-20

Wholesale floating rate SA

Fixed rate SA

CA

Cost of SA

3.74% [5.23%]

TD Sweep as % of total deposits

7.5% [6.6%]

CASA & TDs below ₹ 5 cr, as % of total deposits

91% [86%]

Certificate of Deposits at ₹ 666 cr

Lower YoY by 85%

YoY %

Avg SA (YTD)

108,812

27%
▲

85,656

EOP SA

117,226

12%
▲

104,609

Avg CA (YTD)

39,481

17%
▲

33,699

EOP CA

52,087

21%
▲

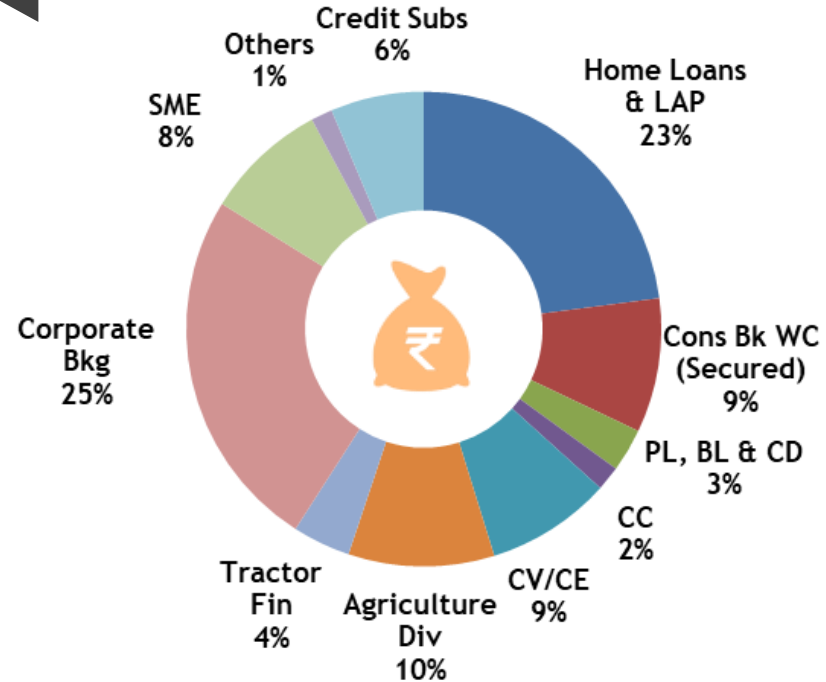
43,013

Branch count stood at 1,604 (excl. GIFT & DIFC) as on 31st Mar, 2021

Figures in [brackets] are Q4FY20 numbers

Customer Assets

31-Mar-21 (₹ 238,857 cr)



Customer Assets

| ₹ cr | 31-Mar-21 | 31-Mar-20 | 31-Dec-20 |
|------------------------------|----------------|----------------|----------------|
| Home Loans & LAP | 54,749 | 48,516 | 49,977 |
| Consumer Bank WC (Secured) | 21,839 | 19,839 | 20,548 |
| PL, BL and Consumer Durables | 7,024 | 9,754 | 7,528 |
| Credit Cards | 3,969 | 4,701 | 4,557 |
| CV/CE | 20,387 | 19,253 | 18,685 |
| Agriculture Division | 23,741 | 21,188 | 21,858 |
| Tractor Finance | 9,418 | 7,569 | 8,943 |
| Corporate Bkg | 59,126 | 64,564 | 59,875 |
| SME | 19,958 | 20,291 | 18,702 |
| Others | 3,478 | 4,073 | 3,430 |
| Total Advances | 223,689 | 219,748 | 214,103 |
| Credit Substitutes | 15,168 | 9,222 | 14,706 |
| Total Customer Assets | 238,857 | 228,970 | 228,809 |









Specific Sectors Exposure

Specific Sectors as per Basel III

| Outstanding* (₹ cr) | 31-Mar-21 | % | 31-Mar-20 | % | 31-Dec-20 | % |
|-----------------------|-----------|------|-----------|------|-----------|------|
| NBFCs | 15,307 | 5.0% | 11,294 | 4.0% | 14,169 | 4.9% |
| : Of which HFC | 6,328 | 2.1% | 4,548 | 1.6% | 6,174 | 2.1% |
| CRE (excl LRD) | 6,076 | 2.0% | 6,251 | 2.2% | 5,572 | 1.9% |
| LRD | 3,198 | 1.1% | 4,457 | 1.6% | 4,104 | 1.4% |
| Total including above | 303,710 | | 285,585 | | 288,377 | |

*Above outstanding includes Loans, non-SLR investments, bank balances, current exposure and non-fund

Consolidated Highlights Q4FY21

| | | | |
|--|---|--|---|
|  PAT ₹ 2,589 cr [₹ 1,905 cr] |  CAR[#] 23.4% [19.8%] <hr/> Tier I[#] 22.6% [19.2%] |  Customer Assets ₹ 268,149 cr [₹ 260,583 cr] |  Total Assets ₹ 478,873 cr [₹ 443,173 cr] |
|  NIM 4.45% [4.73%] |  Capital & Reserves ₹ 84,836 cr [₹ 67,134 cr] |  Net NPA 1.23% [0.70%] |  Book Value per Eq. share ₹ 426 [₹ 348] |

Figures in [brackets] are Q4FY20 numbers

[#] As per Basel III

Consolidated PAT



| ₹ cr | Q4FY21 | Q4FY20 | Q3FY21 | FY21 | FY20 |
|----------------------------------|--------|--------|--------|-------|-------|
| Kotak Mahindra Bank | 1,682 | 1,267 | 1,854 | 6,965 | 5,947 |
| Kotak Mahindra Prime | 184 | 161 | 149 | 535 | 673 |
| Kotak Mahindra Investments | 73 | 77 | 68 | 258 | 270 |
| Kotak Securities | 241 | 163 | 184 | 793 | 550 |
| Kotak Mahindra Capital | 25 | (7) | 38 | 82 | 79 |
| Kotak Mahindra Life Insurance | 193 | 165 | 167 | 692 | 608 |
| Kotak Mahindra General Insurance | (15) | (9) | (3) | 2 | (28) |
| Kotak AMC and TC | 100 | 88 | 91 | 346 | 337 |
| International Subsidiaries | 50 | 30 | 5 | 154 | 119 |
| Others | 36 | 16 | 20 | 99 | 106 |
| Total | 2,569 | 1,951 | 2,573 | 9,925 | 8,661 |
| Affiliates and Others | 20 | (46) | 29 | 65 | (68) |
| Consolidated PAT | 2,589 | 1,905 | 2,602 | 9,990 | 8,593 |

Notes

- Non bank entities contributed 35% to consolidated PAT in Q4FY21
- Provision for interest on interest impact on the Group: ₹ 129 cr

Entity-wise Capital & Reserves and Surplus

| ₹ cr | 31-Mar-21 | 31-Mar-20 | 31-Dec-20 |
|---|-----------|-----------|-----------|
| Kotak Mahindra Bank | 63,727 | 49,015 | 61,914 |
| Kotak Mahindra Prime | 6,623 | 6,088 | 6,439 |
| Kotak Mahindra Investments | 2,117 | 1,860 | 2,044 |
| Kotak Securities | 5,321 | 4,529 | 5,081 |
| Kotak Mahindra Capital | 689 | 622 | 680 |
| Kotak Mahindra Life Insurance | 4,045 | 3,354 | 3,853 |
| Kotak Mahindra General Insurance | 191 | 165 | 206 |
| Kotak AMC and TC | 1,233 | 886 | 1,133 |
| Kotak Infrastructure Debt Fund | 416 | 383 | 408 |
| International Subsidiaries | 1,340 | 1,230 | 1,289 |
| Kotak Investment Advisors | 405 | 365 | 385 |
| Other Entities | 302 | 275 | 293 |
| Total | 86,409 | 68,772 | 83,725 |
| Affiliates | 1,029 | 942 | 993 |
| Inter-company and Others | (2,602) | (2,580) | (2,602) |
| Consolidated Capital & Reserves and Surplus | 84,836 | 67,134 | 82,116 |

Kotak Mahindra Life Insurance



| ₹ cr | FY21 |
|-------------------------------|-------|
| Indian Embedded Value (IEV)* | 9,869 |
| Value of New Business (VNB) * | 691 |
| VNB Margin (%) * | 28.6% |

Highlights

- Embedded value growth of 17.7%
- Individual Conservation ratio: 85.0%
- Share of Risk Premium as percentage of Total New Business Premium : 26.6%
- Claims settlement ratio
Individual - 98.50% Group - 99.43%

| Individual New Business Product Mix [#] | FY21 |
|--|-------|
| Participating Products | 46.8% |
| Non-Participating Products | 30.2% |
| ULIP | 23.0% |

| Channel Mix | FY21 |
|-----------------|------|
| Bancassurance | 48% |
| Agency & Others | 52% |

| Persistency | Feb 21 |
|----------------------------|--------|
| For 13 th month | 88.8% |
| For 25 th month | 80.5% |
| For 37 th month | 72.5% |
| For 49 th month | 67.2% |
| For 61 st month | 58.2% |

* Computed based on the principles prescribed by APS10. The methodology, assumptions and results have been reviewed by Willis Towers Watson Actuarial Advisory LLP

[#]Based on Individual New Business Premium APE: Annualised Regular Premium + 1/10th Single Premium

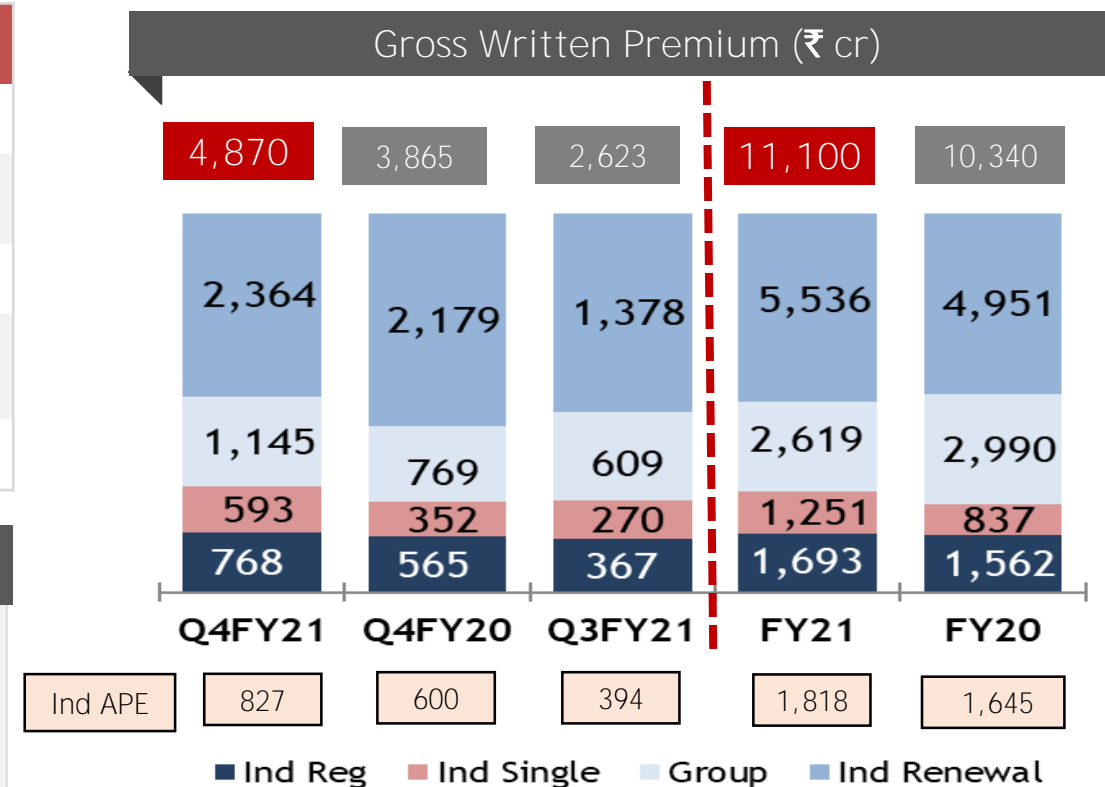
Kotak Mahindra Life Insurance



| ₹ cr | Q4FY21 | Q4FY20 | Q3FY21 | FY21 | FY20 |
|----------------------------------|--------|--------|--------|--------|--------|
| Capital | 562 | 562 | 562 | 562 | 562 |
| Other Reserves and Surplus | 3,483 | 2,791 | 3,291 | 3,483 | 2,791 |
| Total Premium | 4,870 | 3,865 | 2,623 | 11,100 | 10,340 |
| Profit After Tax (Shareholders') | 193 | 165 | 167 | 692 | 608 |
| Solvency Ratio (x) | 2.90 | 2.90 | 3.01 | 2.90 | 2.90 |

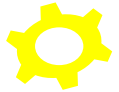
Highlights

- Gross written premium Q4FY21 has grown by 26.0% YoY
- Individual APE NB premium for Q4FY21 has a growth of 37.8% YoY
- Group Premium Q4Y21 grew 48.9% YoY
- Individual renewal premium for Q4FY21 grew 8.5% YoY. FY21 at 11.8% YoY.
- AUM (Policyholders') as on 31st March ₹ 43,042 cr, growth 34.2% YoY
- Individual Protection share for FY21 to APE grew from 4.8% to 5.8% in YoY



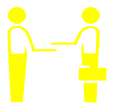
KLI – Update on Digitization

Focus continues on empowering distribution, energizing employees and superior customer experience



Empowering
Distribution

- **Digital onboarding** of customers through Genie, continues to remain above 95%
- Comprehensive **Lead management** has been extended to help in visibility and improving leads lifecycle in Boost, the mobile app for advisors. Customer centric value adds like Pre-approved Sum Assured plans are now available to advisors on Boost.
- CRM platform extended to Group business, to help with leads, activity management and reporting
- KLI Recruit a completely **digital advisor-onboarding platform**, gained traction, 2/5th advisors recruited through the platform in Q4



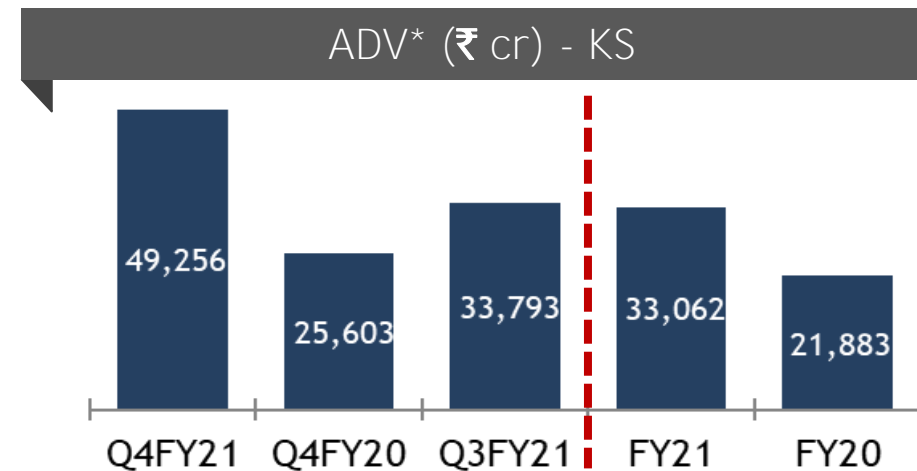
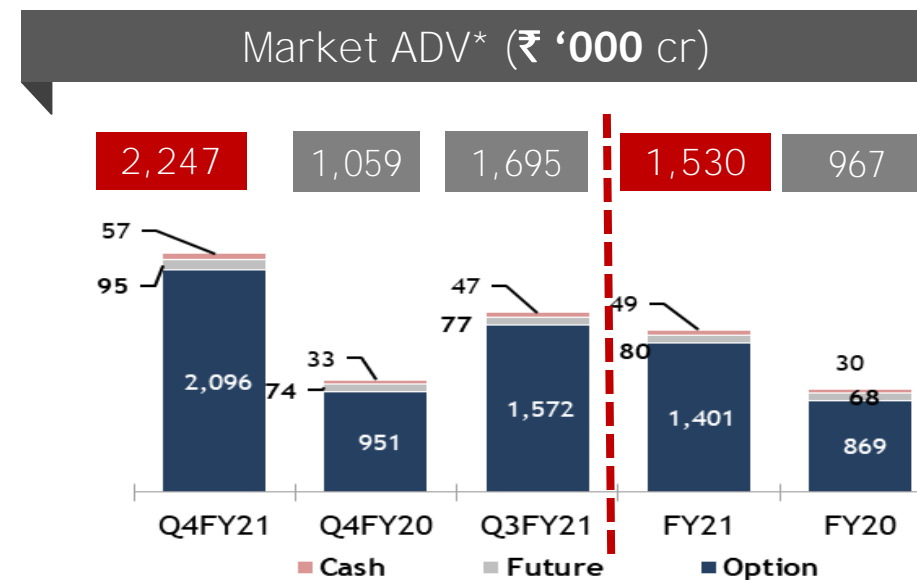
Superior
Customer
Experience

- ‘Digipro’ was launched in Q4, enabling completely **paperless digital customer onboarding**; Video calling for verification now includes digital liveness check and face match technology
- In the group business, Insta-claims gained traction, with 3 out of 5 claims settled within 2 days, in Q4
- **Digital servicing channels** showed a growth in traffic in Q4, 40% more customers vs Q3 used the customer-chatbot, while 14% higher traffic was seen on the whatsapp channel

| ₹ cr | Q4FY21 | Q4FY20 | Q3FY21 | FY21 | FY20 |
|-------------------|--------|--------|--------|-------|-------|
| Total Income | 570 | 462 | 474 | 2,020 | 1,690 |
| Profit Before Tax | 321 | 218 | 245 | 1,057 | 738 |
| Profit After Tax | 241 | 163 | 184 | 793 | 550 |
| Market Share* (%) | 2.2 | | | | |

Market Share* in Cash Segment FY21: 9.3% (FY20: 10.0%)

1,450 branches, franchises and referral co-ordinators



Kotak Mahindra Capital Company





Equity

| | |
|--|--|
|  ₹ 5,467 cr | Bharat Petroleum Corporation Limited # Block Deals |
| Brookfield India Real Estate Trust ₹ 3,800 cr | Brookfield India Real Estate Trust # Initial Public Offer (IPO) |
|  ₹ 3,750 cr | Godrej Properties Limited # Qualified Institutional Placement |
|  ₹ 1,200 cr | Max Healthcare Institute Limited # Qualified Institutional Placement |
|  ₹ 1,170 cr | Apollo Hospitals Enterprise Limited # Qualified Institutional Placement |
|  ₹ 1,169 cr | Indigo Paints Limited # Initial Public Offer (IPO) |
|  ₹ 1,154 cr | Home First Finance Co. (India) Limited # Initial Public Offer (IPO) |
|  ₹ 800 cr | PVR Limited # Qualified Institutional Placement |

| | |
|---|---|
|  ₹ 699 cr | Varroc Engineering Limited # Qualified Institutional Placement |
|  ₹ 375 cr | V-Mart Retail Limited # Qualified Institutional Placement |
|  ₹ 180 cr | PVR Limited # Block Deals |

Advisory

| | |
|---|---|
|  ₹ 2,623 cr | Sellside financial advisor to Star Health and Allied Insurance Company for fund raise via private placement |
|  ₹ 775 cr | Buyside Advisor to Piramal Pharma for its acquisition of 100% stake in Hemmo Pharmaceuticals |
|  ₹ 240 cr | Sellside Advisor to Utkarsh Small Finance Bank for private equity investment led by Olympus Capital Asia |
|  | Transaction Advisor and Fairness Opinion Provider for proposed reorganization of India based US & consumer business undertaking |

| ₹ cr | Q4FY21 | Q4FY20 | Q3FY21 | FY21 | FY20 |
|-------------------|--------|--------|--------|------|------|
| Total Income | 55 | 22 | 77 | 202 | 229 |
| Profit Before Tax | 33 | (9) | 51 | 111 | 108 |
| Profit After Tax | 25 | (7) | 38 | 82 | 79 |

Kotak Securities - Digital Update

Push on Digital Products and Platform

Trade Free Plan

- ❖ Cheapest Plan in the industry for Derivative and intraday Traders - allows clients to trade at 0 brokerage
- ❖ Clients can open Trading accounts **digitally** and **start trading in 60 minutes**

New Mobile App

- ❖ Built on latest technology stack with faster speed and improved features and enhanced product offerings

New Direct MF Platform

- ❖ Enables clients to invest in Mutual Funds through the direct route at a lower expense ratio

Global Investing launch

- ❖ Enables clients to invest into US and global equities
- ❖ Online onboarding and remittance capabilities



In Q4FY21, % of accounts opened Digitally : 93+%

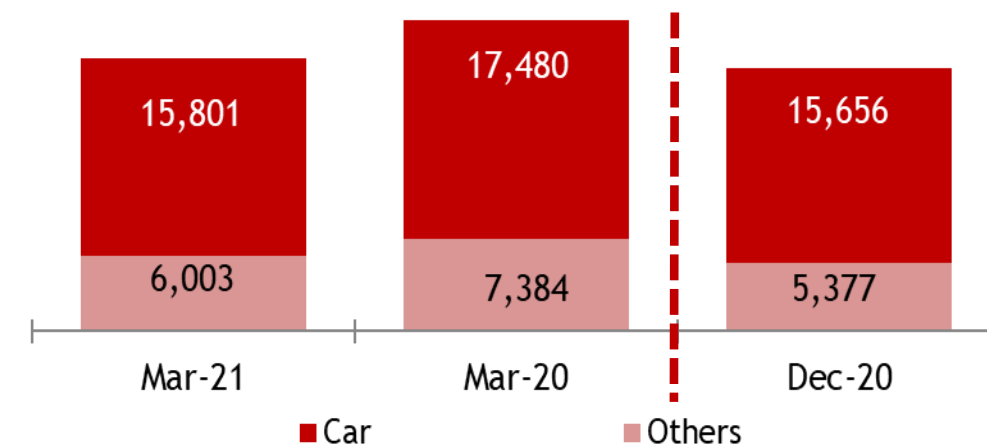
Kotak Mahindra Prime



| ₹ cr | Q4FY21 | Q4FY20 | Q3FY21 | FY21 | FY20 |
|----------------------|--------|--------|--------|-------|-------|
| NII | 313 | 313 | 306 | 1,212 | 1,234 |
| Other Income | 67 | 99 | 67 | 220 | 291 |
| NII and Other Income | 380 | 412 | 373 | 1,432 | 1,525 |
| Profit Before Tax | 248 | 203 | 201 | 720 | 923 |
| Profit After Tax | 184 | 161 | 149 | 535 | 673 |
| NNPA (%) | 1.7% | 0.6% | 2.2%* | 1.7% | 0.6% |
| CAR (%) | 29.4% | | | | |
| ROA (%) - annualised | 2.9% | | | | |

*Proforma number

Customer Assets* (₹ cr)



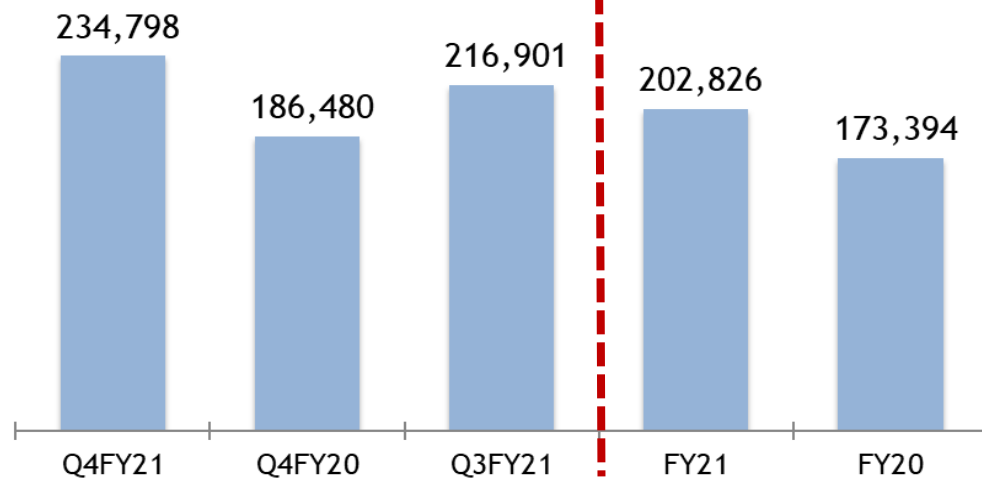
* Includes loans and credit substitutes

Notes

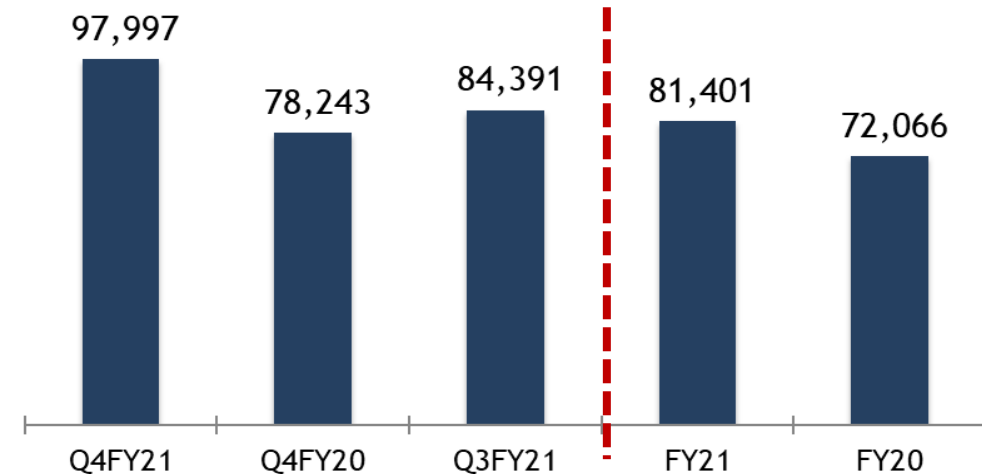
- Better margins in Q4FY21 compared to Q4FY20
- COVID-19 provision held: ₹ 90 cr

Kotak Mahindra AMC & Trustee Co.

Average Assets Under Management (₹ cr) - Overall



Average Assets Under Management (₹ cr) - Equity



| ₹ cr | Q4FY21 | Q4FY20 | Q3FY21 | FY21 | FY20 |
|-------------------|--------|--------|--------|------|------|
| Profit Before Tax | 134 | 117 | 122 | 465 | 454 |
| Profit After Tax | 100 | 88 | 91 | 346 | 337 |

Highlights

- Overall Market share on AAUM increased to 7.3% in Q4FY21 (Q4FY20: 6.9%)
- Equity AAUM market share increased to 5.2% in Q4FY21 (Q4FY20: 5.0%)

Assets Under Management and Relationship Value

31st March, 2021

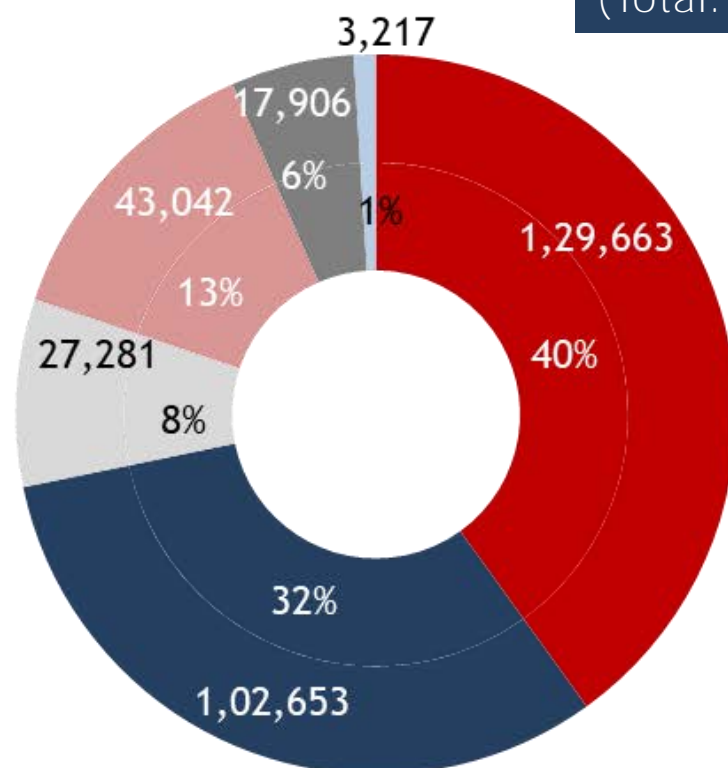
31st March, 2020

43%

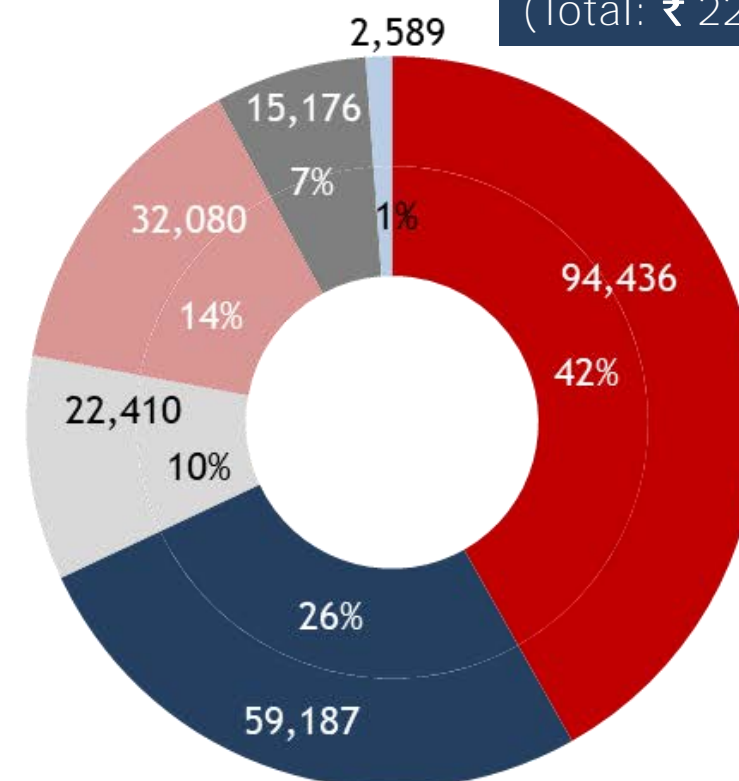


(Total: ₹ 323,762 cr)

(Total: ₹ 225,878 cr)



- Domestic MF Debt
- Domestic MF Equity
- Offshore Funds
- Insurance
- Alternate Asset
- PMS & Others



Relationship Value of Wealth + Priority + Investment Advisory
as on 31st Mar, 2021 ~₹ 382,000 cr (PY: ~₹ 270,000 cr)



Key Awards



Best Domestic Bank and
Best Corporate &
Investment Bank
*Asiamoney Best Bank
Awards for India 2021*

The Best Bank India
award for the fourth
year
*Asset Triple A Country
Awards 2020*

Best Cash Management
Bank in India
*The Asian Banker
Transaction Finance
Awards 2020*

Kotak General Insurance
Best Insurance
Campaign
*FICCI Insurance Industry
Awards 2020*

Kotak Wealth
Best Private Banking
Services Overall
*2021 Euromoney Private
Banking and Wealth
Management Survey*

Kotak Wealth
Best Private Bank
*FinanceAsia Country
Awards 2020*

Kotak Mutual Fund
Best Value Creator Fund
- Debt
*BT-MT Financial services
awards*

Kotak Mahindra Capital
Best Equity adviser
*Asset Triple A Country
Awards 2020*

Mr. Shripal Shah
'CA CXO'
(Mid Corporates-BFSI)
14th ICAI Awards 2021

Mr. Shekhar Bhandari
'CA Business Leader'
(Large Corporates-BFSI)
14th ICAI Awards 2021

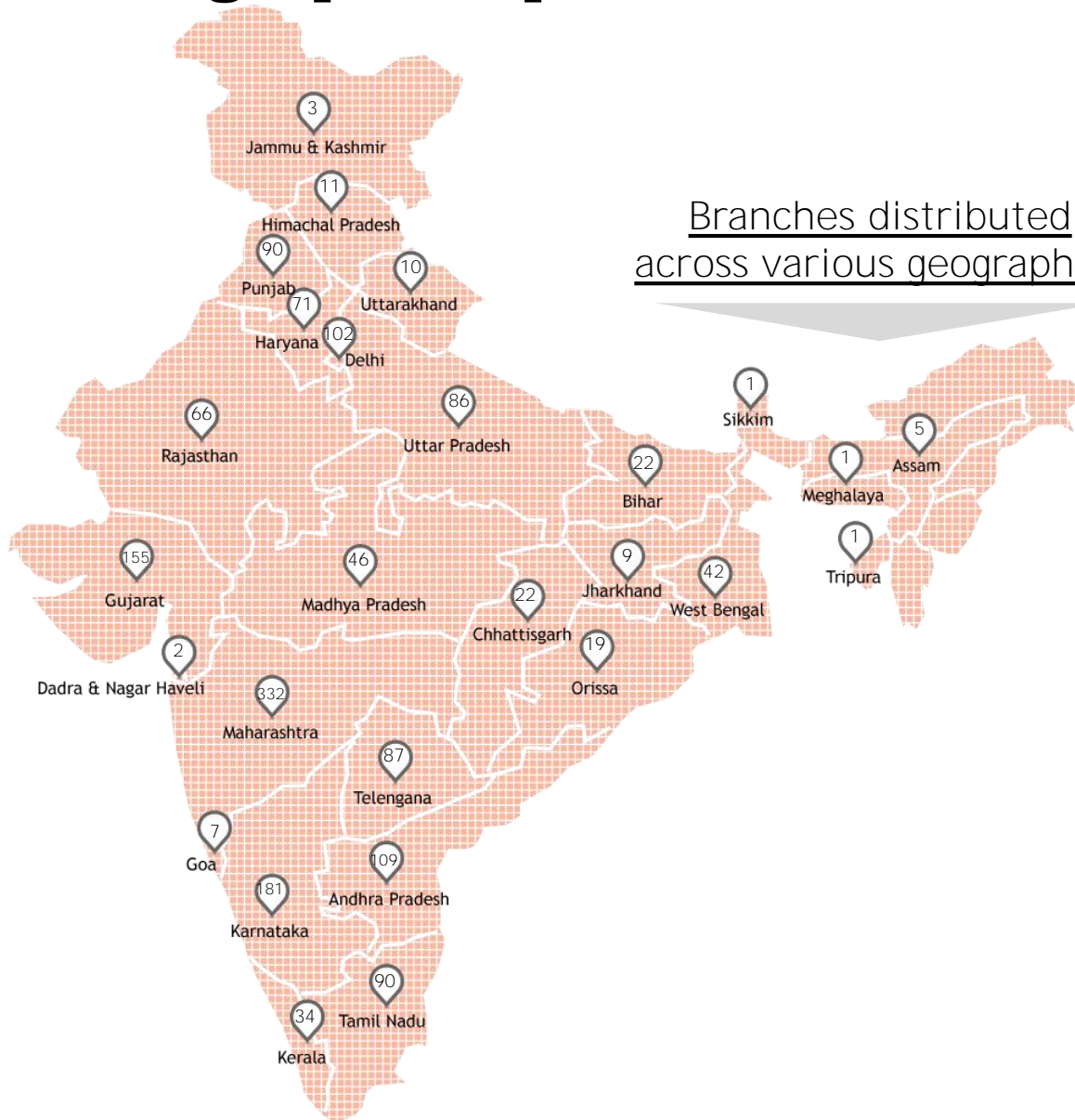
Ms. Shanti Ekambabram
One **of India's Most**
Powerful Women
*Business Today,
October 2020*

Mr. Uday Kotak
India Business Leader of
the Year
*India Business Leader
Awards (IBLA) 2021*

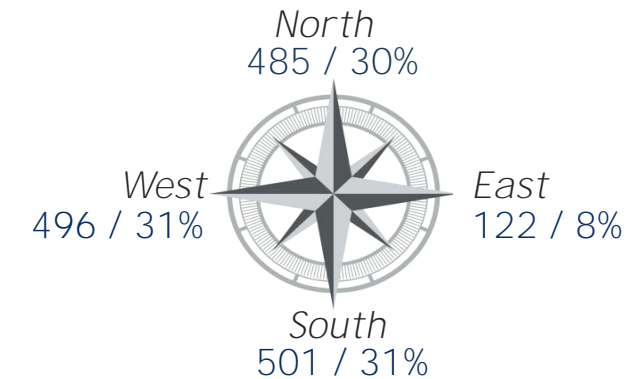
Geographical presence



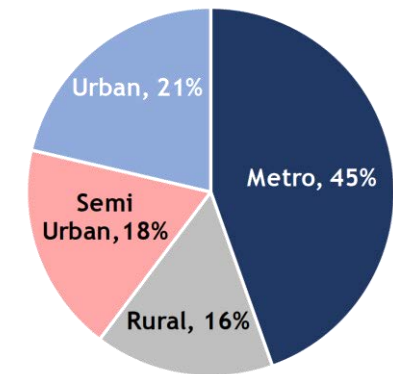
Branches distributed across various geographies



Branches 1,604* [No./%]



Branch Classification



No. of ATMs



2,598

* Does not include branches in DIFC, Dubai & GIFT city, Gujarat

Disclaimer



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MEDIA RELEASE**KOTAK MAHINDRA BANK ANNOUNCES RESULTS**

Kotak Mahindra Bank Standalone PAT for Q4FY21 ₹ 1,682 crore, up 33% yoy;

Consolidated PAT for Q4FY21 ₹ 2,589 crore, up 36% yoy

Mumbai, 3rd May, 2021: The Board of Directors of Kotak Mahindra Bank ("the Bank") approved the audited standalone and consolidated results for Q4FY21 and FY21, at the Board meeting held in Mumbai, today.

Kotak Mahindra Bank standalone results

The Bank's PAT for Q4FY21 increased to ₹ 1,682 crore from ₹ 1,267 crore in Q4FY20, up 33% and for FY21 increased to ₹ 6,965 crore from ₹ 5,947 crore in FY20 up 17%.

Net Interest Income (NII) for Q4FY21 increased to ₹ 3,843 crore, from ₹ 3,560 crore in Q4FY20, up 8% and for FY21 increased to ₹ 15,340 crore, from ₹ 13,500 crore in FY20, up 14%. Net Interest Margin (NIM) for Q4FY21 was at 4.39%.

Operating profit for Q4FY21 was ₹ 3,407 crore, up 25% from ₹ 2,725 crore in Q4FY20 and for FY21 was ₹ 12,215 crore, up 22% from ₹ 10,021 crore in FY20.

CASA ratio as at March 31, 2021 stood at 60.4% compared to 56.2% as at March 31, 2020.

Average Savings deposits grew by 27% to ₹ 108,812 crore for FY21 compared to ₹ 85,656 crore for FY20. Average Current Account deposits grew by 17% to ₹ 39,481 crore for FY21 compared to ₹ 33,699 crore for FY20.

CASA and TDs below ₹ 5 crore as at March 31, 2021, constituted 91% of total deposits (86% as at March 31, 2020). TD Sweep deposits as at March 31, 2021 were 7.5% of total deposits (6.6% as at March 31, 2020).

Advances as at March 31, 2021 were ₹ 223,689 crore up 4.5% from ₹ 214,103 crore as at December 31, 2020 (₹ 219,748 crore as at March 31, 2020). Customer Assets, which includes Advances and Credit substitutes, were ₹ 238,857 crore as at March 31, 2021 up 4.4% from ₹ 228,809 crore as at December 31, 2020 (₹ 228,970 crore as at March 31, 2020).

COVID related provisions as at March 31, 2021 stood at ₹ 1,279 crore. In accordance with the Resolution Framework for COVID-19 and MSME announced by RBI, as at March 31, 2021, the Bank has implemented, for certain eligible borrowers, restructuring of ₹ 435 crore (0.19% of net advances).

As at March 31, 2021, GNPA was 3.25% & NNPA was 1.21%. As on March 31, 2021, SMA2 outstanding was ₹ 110 cr (0.05% of net advances). Credit cost, excluding COVID-19 contingency provisioning, for FY21 was 84 bps of net advances (67 bps for FY20).

Capital adequacy ratio of the Bank as per Basel III, as at March 31, 2021 was 22.3% and Tier I ratio was 21.4%. The Board of Directors of the Bank has recommended dividend of ₹ 0.90 per equity share having face value of ₹ 5, for the year ended March 31, 2021, subject to approval of shareholders.

Consolidated results at a glance

Consolidated PAT for FY21 increased to ₹ 9,990 crore from ₹ 8,593 crore in FY20 up 16% and for Q4FY21 increased to ₹ 2,589 crore from ₹ 1,905 crore in Q4FY20 up 36%.

For FY21, the Bank's contribution to the consolidated PAT was ₹ 6,965 crore. Net contribution of the subsidiaries & associates was 30% of the consolidated PAT.

The contribution of key subsidiaries is given below:

| Subsidiaries PAT (₹ crore) | FY21 | FY20 |
|--|------|------|
| Kotak Securities | 793 | 550 |
| Kotak Mahindra Life Insurance | 692 | 608 |
| Kotak Mahindra Prime | 535 | 673 |
| Kotak Asset Management & Trustee Company | 346 | 337 |
| Kotak Mahindra Investments | 258 | 270 |

The Embedded Value (IEV methodology) of Kotak Mahindra Life Insurance as on March 31, 2021 was ₹ 9,869 crore. The Value of New Business (VNB) for FY21 was ₹ 691 crore and the New Business (VNB) Margin for FY21 was 28.6%. The 13th month persistency as on February 2021 (on 12 month rolling premium basis) was 88.8%.

AUM (Policyholders') of Kotak Mahindra Life Insurance as at March 31, 2021 grew 34% YoY to ₹ 43,042 crore.

The Relationship Value of the customers of Wealth, Priority Banking and Investment Advisory was ~ ₹ 382,000 crore as at March 31, 2021 up 41% from ~ ₹ 270,000 crore as at March 31, 2020.

Consolidated Capital and Reserves & Surplus as at March 31, 2021 was ₹ 84,836 crore (₹ 67,134 crore as at March 31, 2020). The Book Value per Share was ₹ 426.

Consolidated Customer Assets, including Advances and Credit Substitutes, were ₹ 268,149 crore as at March 31, 2021 up 4.8% from ₹ 255,786 crore as at December 31, 2020 (₹ 260,583 crore as at March 31, 2020).

Total assets managed / advised by the Group as at March 31, 2021 were ₹ 323,762 crore up 43% over ₹ 225,878 crore as at March 31, 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.

As at March 31, 2021, the Group's consolidated Capital and Reserves & Surplus stands at ₹ 84,836 crore.

Kotak Mahindra Group has a global presence through its subsidiaries in UK, USA, Gulf Region, Singapore and Mauritius with offices in London, New York, Abu Dhabi, Singapore and Mauritius respectively. As on 31st March, 2021, Kotak Mahindra Bank Ltd has a national footprint of 1,604 branches and 2,598 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

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