

April 01, 2026

Kotak Mahindra Investments Limited: Update on material event

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating outstanding
Non-convertible debentures	6,000.00	6,000.00	[ICRA]AAA (Stable)
Subordinated debt programme	200.00	200.00	[ICRA]AAA (Stable)
Commercial paper programme	7,000.00	7,000.00	[ICRA]A1+
Commercial paper (IPO financing) programme	3,500.00	3,500.00	[ICRA]A1+
Total	16,700.00	16,700.00	

*Instrument details are provided in Annexure I

Rationale

Material event

Kotak Mahindra Investments Limited (KMIL), vide stock exchange filings dated March 24, 2026, intimated that pursuant to the [Reserve Bank of India's \(RBI\) December 2025 guidelines](#) and in the interest of group simplification and to drive operational synergies, Kotak Mahindra Bank Limited {KMBL; rated [ICRA]AAA (Stable)} has decided that KMIL's business activities shall be carried out departmentally within KMBL with effect from April 1, 2026. Accordingly, KMIL's board approved that the company shall not sanction any new loans from April 1, 2026 while continuing to service all existing facilities, including honouring its obligations under the facility agreements executed on or prior to March 31, 2026.

Impact of material event

ICRA takes note of the above event and will continue to monitor developments in this respect. The credit ratings for KMIL continue to derive comfort from the 100% shareholding of KMBL, which remains unchanged because of the event.

The company had unencumbered cash and cash equivalents of Rs. 2,692 crore and undrawn sanctioned banking lines of Rs. 1,225 crore as on February 28, 2026. This covers the scheduled debt obligations of Rs. 2,144 crore for the next six months. KMIL did not have any negative cumulative mismatches in the asset-liability management (ALM) profile across all buckets as on February 28, 2026. It enjoys considerable financial flexibility as a part of the Kotak Mahindra Group (Kotak Group).

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position, and rating sensitivities: [Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Non-banking Finance Companies (NBFCs)
Parent/Group support	Parent: Kotak Mahindra Bank Limited The ratings factor in the high likelihood of financial support from KMBL to KMIL, driven by reputational and strategic considerations.
Consolidation/Standalone	Standalone

About the company

Kotak Mahindra Investments Limited (KMIL) is a wholly-owned subsidiary of Kotak Mahindra Bank Limited (KMBL), which is the flagship company of the Kotak Group. It was established in 1988. KMIL was initially set up to hold the strategic investments of the Kotak Group and subsequently diversified into capital market and commercial real estate lending.

KMIL's loan book comprises lending to the real estate and other sectors and structured financing.

Key financial indicators

KMIL	FY2024	FY2025	9M FY2026^
Total income	1,424	1,512	1,039
Profit/(loss) after tax	475	462	341
Total assets	14,798	12,178	NA
Return on assets (annualised)	3.5%	3.4%	NA
Gross gearing (times)	3.5	2.2	2.4
Gross stage 3	0.4%	0.8%	1.0%
CRAR	26.9%	35.9%	33.4%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; ^Unaudited
Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current (FY2027)				Chronology of rating history for the past 3 years					
Instrument	Type	Amount rated (Rs. crore)	Apr 01, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Non-convertible debentures programme	Long term	1,000.00	[ICRA]AAA (Stable)	Dec 24, 2025	[ICRA]AAA (Stable)	-	-	-	-
Non-convertible debentures programme	Long term	5,000.00	[ICRA]AAA (Stable)	Dec 24, 2025	[ICRA]AAA (Stable)	Mar 11, 2025	[ICRA]AAA (Stable)	Oct 06, 2023	[ICRA]AAA (Stable)
				-	-	-	-	Nov 27, 2023	[ICRA]AAA (Stable)
				-	-	-	-	Mar 22, 2024	[ICRA]AAA (Stable)
Commercial paper programme	Short term	7,000.00	[ICRA]A1+	Dec 24, 2025	[ICRA]A1+	Mar 11, 2025	[ICRA]A1+	Oct 06, 2023	[ICRA]A1+
				-	-	-	-	Nov 27, 2023	[ICRA]A1+
				-	-	-	-	Mar 22, 2024	[ICRA]A1+
Subordinated debt programme	Long term	200.00	[ICRA]AAA (Stable)	Dec 24, 2025	[ICRA]AAA (Stable)	Mar 11, 2025	[ICRA]AAA (Stable)	Oct 06, 2023	[ICRA]AAA (Stable)
				-	-	-	-	Nov 27, 2023	[ICRA]AAA (Stable)
				-	-	-	-	Mar 22, 2024	[ICRA]AAA (Stable)
Commercial paper (IPO financing) programme	Short term	3,500.00	[ICRA]A1+	Dec 24, 2025	[ICRA]A1+	Mar 11, 2025	[ICRA]A1+	Oct 06, 2023	[ICRA]A1+
				-	-	-	-	Nov 27, 2023	[ICRA]A1+
				-	-	-	-	Mar 22, 2024	[ICRA]A1+

Complexity level of the rated instruments

Instrument	Complexity indicator
Non-convertible debentures programme	Simple
Subordinated debt programme	Simple
Commercial paper programme	Simple
Commercial paper (IPO financing) programme	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
INE975F07IE6	Non-convertible debentures	Feb 23, 2023	8.1379%	Jun 23, 2026	88.50	[ICRA]AAA (Stable)
INE975F07IE6	Non-convertible debentures	Mar 14, 2023	8.1379%	Jun 23, 2026	25.00	[ICRA]AAA (Stable)
INE975F07IE6	Non-convertible debentures	Apr 18, 2023	8.1379%	Jun 23, 2026	100.00	[ICRA]AAA (Stable)
INE975F07IM9	Non-convertible debentures	Sep 27, 2023	8.0359%	Oct 06, 2026	230.00	[ICRA]AAA (Stable)
INE975F07IM9	Non-convertible debentures	Nov 13, 2023	8.0359%	Oct 06, 2026	50.00	[ICRA]AAA (Stable)
INE975F07IM9	Non-convertible debentures	Mar 21, 2024	8.0359%	Oct 06, 2026	250.00	[ICRA]AAA (Stable)
INE975F07IO5	Non-convertible debentures	Oct 26, 2023	8.2185%	Nov 27, 2026	300.00	[ICRA]AAA (Stable)
INE975F07IP2	Non-convertible debentures	Nov 13, 2023	8.1929%	Jan 28, 2027	175.00	[ICRA]AAA (Stable)
INE975F07IP2	Non-convertible debentures	Dec 06, 2023	8.1929%	Jan 28, 2027	200.00	[ICRA]AAA (Stable)
INE975F07IP2	Non-convertible debentures	Mar 21, 2024	8.1929%	Jan 28, 2027	250.00	[ICRA]AAA (Stable)
INE975F07IQ0	Non-convertible debentures	Dec 28, 2023	8.2366%	May 27, 2027	80.00	[ICRA]AAA (Stable)
INE975F07IR8	Non-convertible debentures	Mar 21, 2024	8.3774%	Jun 21, 2027	500.00	[ICRA]AAA (Stable)
INE975F07IS6	Non-convertible debentures	Mar 21, 2024	8.3721%	Aug 20, 2027	456.00	[ICRA]AAA (Stable)
INE975F07IT4	Non-convertible debentures	Jul 01, 2025	7.3286%	Aug 11, 2028	200.00	[ICRA]AAA (Stable)
INE975F07IV0	Non-convertible debentures	Aug 22, 2025	7.3382%	Nov 28, 2028	300.00	[ICRA]AAA (Stable)
INE975F07IQ0	Non-convertible debentures	Oct 15, 2025	8.2366%	May 27, 2027	50.00	[ICRA]AAA (Stable)
INE975F07JB0	Non-convertible debentures	Jan 21, 2026	7.6101%	Feb 21, 2029	300.00	[ICRA]AAA (Stable)
INE975F07JA2	Non-convertible debentures	Jan 21, 2026	7.6091%	May 23, 2029	200.00	[ICRA]AAA (Stable)
INE975F07JD6	Non-convertible debentures	Feb 24, 2026	7.4735%	Oct 30, 2028	200.00	[ICRA]AAA (Stable)
INE975F07JC8	Non-convertible debentures	Feb 24, 2026	7.5836%	Aug 29, 2029	300.00	[ICRA]AAA (Stable)
Not yet placed	Non-convertible debentures	NA	NA	NA	1,745.50	[ICRA]AAA (Stable)
INE975F08CR9^	Subordinated debt programme	Dec 31, 2015	9.0000%	Dec 31, 2025	50.00	[ICRA]AAA (Stable)
INE975F08CS7	Subordinated debt programme	Dec 20, 2016	8.3500%	Dec 18, 2026	50.00	[ICRA]AAA (Stable)
INE975F08CT5	Subordinated debt programme	Mar 24, 2017	8.5500%	Mar 24, 2027	100.00	[ICRA]AAA (Stable)
INE975F14A35	Commercial paper programme	Apr 09, 2025	7.2000%	Mar 10, 2026	100.00	[ICRA]A1+
INE975F14A01	Commercial paper programme	Apr 04, 2025	7.3300%	Mar 27, 2026	150.00	[ICRA]A1+
INE975F14A84	Commercial paper programme	May 06, 2025	7.1300%	Apr 06, 2026	25.00	[ICRA]A1+
INE975F14A84	Commercial paper programme	May 07, 2025	7.1300%	Apr 06, 2026	25.00	[ICRA]A1+
INE975F14A76	Commercial paper programme	May 06, 2025	7.1300%	May 06, 2026	50.00	[ICRA]A1+
INE975F14B26	Commercial paper programme	Jun 10, 2025	6.4800%	Jun 10, 2026	100.00	[ICRA]A1+
INE975F14B42	Commercial paper programme	Jul 15, 2025	6.7800%	Jun 10, 2026	150.00	[ICRA]A1+
INE975F14B42	Commercial paper programme	Jul 16, 2025	6.7800%	Jun 10, 2026	100.00	[ICRA]A1+
INE975F14C25	Commercial paper programme	Oct 20, 2025	6.9000%	Sep 14, 2026	100.00	[ICRA]A1+
INE975F14C74	Commercial paper programme	Dec 15, 2025	7.1500%	Dec 11, 2026	120.00	[ICRA]A1+
INE975F14C74	Commercial paper programme	Dec 17, 2025	7.1500%	Dec 11, 2026	75.00	[ICRA]A1+
Not yet placed	Commercial paper programme	NA	NA	NA	6,005.00	[ICRA]A1+
Not yet placed	Commercial paper (IPO financing) programme	NA	NA	NA	3,500.00	[ICRA]A1+

Source: Company; As on March 30, 2026; ^ISIN matured yet to be withdrawn

Annexure II: List of entities considered for consolidated analysis

Not applicable

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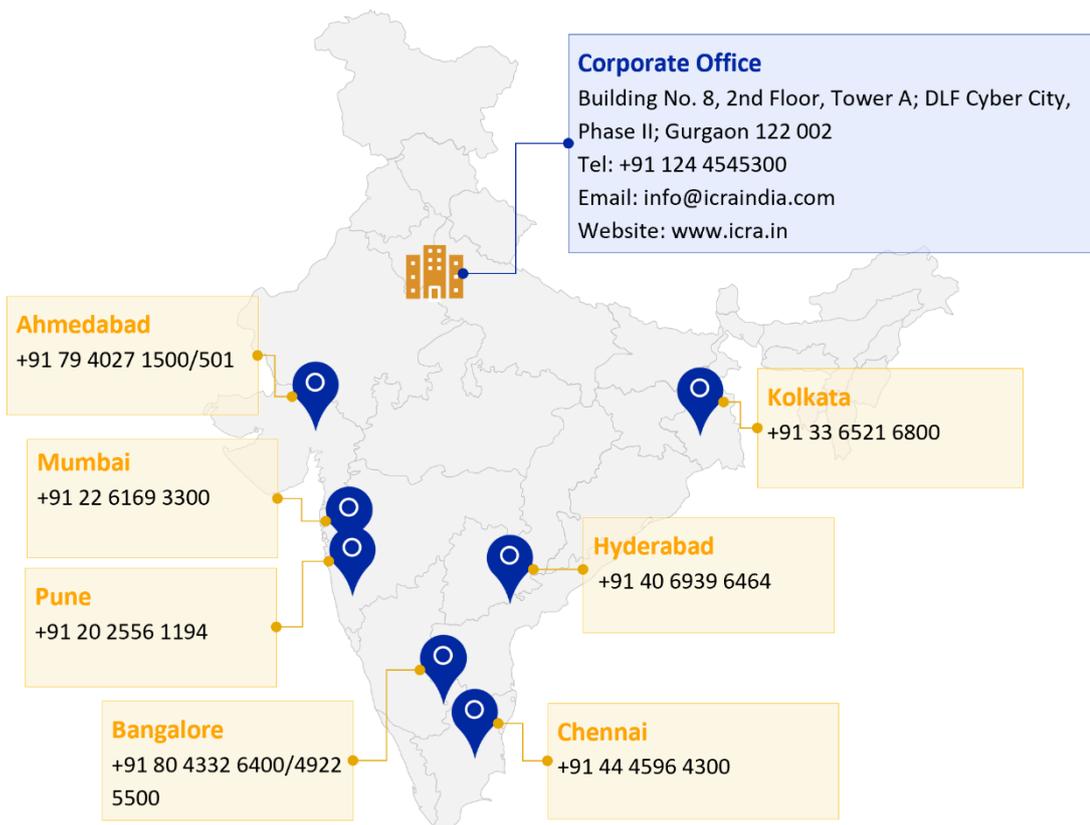
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