



KOTAK MAHINDRA BANK LIMITED (CONSOLIDATED)

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

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED 30th SEPTEMBER, 2016
₹ crore

Sr No	Particulars	Quarter Ended			Half-year Ended		Year Ended
		30-Sep-16 (Unaudited)	30-Jun-16 (Unaudited)	30-Sep-15 (Unaudited)	30-Sep-16 (Unaudited)	30-Sep-15 (Unaudited)	31-Mar-16 (Audited)
1	Interest earned (a+b+c+d)	5,533.65	5,469.73	4,996.57	11,003.38	9,938.45	20,401.64
	(a) Interest/discount on advances/bills	4,140.18	4,056.95	3,765.44	8,197.13	7,516.82	15,412.37
	(b) Income on investments	1,232.44	1,220.99	1,088.40	2,453.43	2,140.10	4,408.28
	(c) Interest on balances with RBI & other interbank funds	29.52	34.50	19.96	64.02	50.86	132.05
	(d) Others	131.51	157.29	122.77	288.80	230.67	448.94
2	Other income (a+b+c)	2,881.30	2,397.15	1,732.50	5,278.45	3,175.25	7,572.88
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	539.91	540.81	(62.83)	1,080.72	(138.11)	(245.13)
	(b) Premium on Insurance Business	1,124.28	776.95	824.83	1,901.23	1,444.66	3,911.29
	(c) Other income (Refer Notes 3, 4 & 5)	1,217.11	1,079.39	970.50	2,296.50	1,868.70	3,906.72
3	Total income (1+2)	8,414.95	7,866.88	6,729.07	16,281.83	13,113.70	27,974.52
4	Interest expended	2,869.44	2,904.00	2,718.32	5,773.44	5,496.71	11,122.97
5	Operating expenses (a+b+c)	3,547.39	3,125.02	2,453.69	6,672.41	4,990.03	10,836.25
	(a) Employees Cost	1,013.77	951.46	883.67	1,965.23	2,052.75	3,854.05
	(b) Policy holders' reserves, surrender expense and claims	1,549.65	1,251.55	681.43	2,801.20	1,159.08	3,174.65
	(c) Other operating expenses (Refer Note 4 and 6)	983.97	922.01	888.59	1,905.98	1,778.20	3,807.55
6	Total expenditure (4+5) (excluding provisions and contingencies)	6,416.83	6,029.02	5,172.01	12,445.85	10,486.74	21,959.22
7	Operating Profit (3-6) (Profit before provisions and contingencies)	1,998.12	1,837.86	1,557.06	3,835.98	2,626.96	6,015.30
8	Provisions (other than tax) and contingencies (Refer Note 7)	217.93	213.57	196.66	431.50	518.56	991.56
9	Exceptional items	-	-	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	1,780.19	1,624.29	1,360.40	3,404.48	2,108.40	5,023.74
11	Tax expense	585.23	541.49	443.84	1,126.72	672.18	1,592.62
12	Net Profit from ordinary activities after tax before Minority Interest (10-11)	1,194.96	1,082.80	916.56	2,277.76	1,436.22	3,431.12
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit from ordinary activities after tax before Minority Interest (12-13)	1,194.96	1,082.80	916.56	2,277.76	1,436.22	3,431.12
15	Less: Share of Minority Interest	16.31	18.56	12.60	34.87	29.77	65.19
16	Add: Share in Profit of associates	23.75	2.86	37.93	26.61	52.01	92.92
17	Profit after tax (14-15+16)	1,202.40	1,067.10	941.89	2,269.50	1,458.46	3,458.85
18	Paid Up Equity Capital - (Face value of ₹ 5 per share)	918.64	917.79	915.26	918.64	915.26	917.19
19	Group Reserves (excluding Minority Interest and Revaluation reserves)						32,443.45
20	Minority Interest						395.60
21	Analytical Ratios						
	Capital Adequacy ratio – Basel III (standalone)	15.77	16.34	15.54	15.77	15.54	16.34
	(ii) Earnings per share						
	- Basic (not annualised) ₹	6.55	5.82	5.42	12.36	10.99	18.91
	- Diluted (not annualised) ₹	6.54	5.80	5.40	12.34	10.94	18.87

Sr No	Particulars	Quarter Ended			Half-year Ended		Year Ended
		30-Sep-16 (Unaudited)	30-Jun-16 (Unaudited)	30-Sep-15 (Unaudited)	30-Sep-16 (Unaudited)	30-Sep-15 (Unaudited)	31-Mar-16 (Audited)
	(iii) NPA Ratios (unaudited)						
	(a) Gross NPA	3,395.48	3,265.18	2,829.67	3,395.48	2,829.67	3,016.55
	(b) Net NPA	1,622.15	1,565.40	1,257.74	1,622.15	1,257.74	1,353.03
	(c) % of Gross NPA to Gross Advances	2.18	2.20	2.08	2.18	2.08	2.06
	(d) % of Net NPA to Net Advances	1.05	1.06	0.93	1.05	0.93	0.93
	(iv) Return on average Assets (not annualised) (unaudited)	0.49	0.44	0.44	0.93	0.68	1.55

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 Statement" specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- The above results were reviewed at the meeting of the Audit Committee of the Board on 24th October, 2016 and approved at the meeting of the Board of Directors held on 25th October, 2016. The results for the quarter ended 30th June 2016, quarter and half year ended 30th September, 2016 have been subjected to limited review by the statutory auditors of the Bank, S.R. Batliboi & Co. LLP, Chartered Accountants. The results/ financial position for quarter and half year ended 30th September, 2015 have not been subjected to limited review.
- Details of other income forming part of the consolidated results are as follows:

Particulars	Quarter Ended			Half-year Ended		Year Ended
	30-Sep-16 (Unaudited)	30-Jun-16 (Unaudited)	30-Sep-15 (Unaudited)	30-Sep-16 (Unaudited)	30-Sep-15 (Unaudited)	31-Mar-16 (Audited)
Commission, fees, exchange, brokerage and others	1,004.20	942.66	839.26	1,946.86	1,652.35	3,514.93
Profit on sale of investments (other than insurance business)	212.91	136.73	131.24	349.64	216.35	391.79
Total – Other income	1,217.11	1,079.39	970.50	2,296.50	1,868.70	3,906.72

- Other income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 21.00 crore for the quarter ended 30th September, 2016 and for half-year ended 30th September, 2016 ₹ 37.52 crore (for the quarter ended 30th June, 2016 ₹ 16.52 crore, quarter ended 30th September, 2015 ₹ 13.51 crore, half-year ended 30th September, 2015 ₹ 26.01 crore, for the year ended 31st March, 2016 ₹ 57.84 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 expenditure forming part of consolidated results are as follows:

Particulars	Quarter Ended			Half-year Ended		Year Ended
	30-Sep-16 (Unaudited)	30-Jun-16 (Unaudited)	30-Sep-15 (Unaudited)	30-Sep-16 (Unaudited)	30-Sep-15 (Unaudited)	31-Mar-16 (Audited)
Brokerage	109.85	84.56	90.38	194.41	161.18	403.20
Depreciation	91.72	85.87	83.49	177.59	171.78	344.51
Rent, taxes and lighting	154.03	154.33	152.23	308.36	293.91	588.14
Others	628.37	597.25	562.49	1,225.62	1,151.33	2,471.70
Total – Other operating expenses	983.97	922.01	888.59	1,905.98	1,778.20	3,807.55

7. 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			Half-year Ended		Year Ended
	30-Sep-16 (Unaudited)	30-Jun-16 (Unaudited)	30-Sep-15 (Unaudited)	30-Sep-16 (Unaudited)	30-Sep-15 (Unaudited)	31-Mar-16 (Audited)
Provision towards advances / others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (Net)	164.44	191.93	211.47	356.37	494.29	851.59
Provision / (Write back of provisions) towards investments (net)	53.49	21.64	(14.81)	75.13	24.27	139.97
Total – Provisions (other than tax) and contingencies	217.93	213.57	196.66	431.50	518.56	991.56

8. 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 Pillar3 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: <http://ir.kotak.com/financials/regulatory-disclosure-section>. The disclosures have not been subjected to audit or limited review.
9. In accordance with 'Guidance Note on Accounting for Derivative Contracts' issued by the Institute of Chartered Accountants of India, the subsidiaries and associates of the Bank have changed their accounting policy to recognise all mark to market gains or losses on derivatives in profit and loss account. Earlier mark to market on derivative contracts was determined on a portfolio basis with net unrealised losses being recognised and the net unrealised gains ignored on grounds of prudence as enunciated in Accounting Standard – 1 (AS-1) 'Disclosure of Accounting Policies'. The impact of the above change in accounting policy is not material. There has been no other change in significant accounting policies during the quarter and half year ended 30th September, 2016.
10. The summarised consolidated Balance Sheet of the Bank is given below:

Summarised Balance Sheet	₹ crore		
	As at 30 September 2016 (Unaudited)	As at 30 September 2015 (Unaudited)	As at 31 March 2016 (Audited)
CAPITAL AND LIABILITIES			
Capital	918.64	915.26	917.19
Reserves and Surplus	34,771.31	30,417.79	32,443.45
Minority Interest	430.47	360.17	395.60
Employees' Stock Options (Grants) Outstanding	2.10	2.64	3.41
Deposits	1,38,731.80	120,209.44	135,948.76
Borrowings	44,871.61	42,602.07	43,729.79
Policyholder's Funds	16,811.32	14,176.48	15,148.28
Other Liabilities and Provisions	12,756.65	10,843.62	12,217.10
TOTAL	249,293.90	219,527.47	240,803.58
ASSETS			
Cash and balances with Reserve Bank Of India	6,631.63	6,081.57	6,924.90
Balances with Banks and Money at Call and Short Notice	4,343.93	4,578.96	4,674.51
Investments	69,535.77	59,892.13	70,273.90
Advances	1,54,078.15	134,668.60	144,792.82
Fixed Assets	1,725.03	1,767.02	1,757.60
Other Assets	12,979.39	12,539.19	12,379.85
TOTAL	249,293.90	219,527.47	240,803.58



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

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

Mumbai, 25th October, 2016

Dipak Gupta
Joint Managing Director