



**KOTAK MAHINDRA BANK LIMITED (STANDALONE)**

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

**UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30<sup>th</sup> 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	<b>Interest earned (a+b+c+d)</b>	<b>4,412.47</b>	<b>4,386.85</b>	<b>4,005.65</b>	<b>8,799.32</b>	<b>7,997.08</b>	<b>16,384.19</b>
	(a) Interest/discount on advances/bills	3,349.23	3,282.19	3,059.43	6,631.42	6,105.92	12,470.37
	(b) Income on investments	947.81	947.21	838.96	1,895.02	1,673.59	3,456.01
	(c) Interest on balances with RBI & other interbank funds	18.21	29.73	9.99	47.94	32.28	92.91
	(d) Others	97.22	127.72	97.27	224.94	185.29	364.90
2	<b>Other income (Refer Note 2)</b>	<b>831.11</b>	<b>733.18</b>	<b>615.73</b>	<b>1,564.29</b>	<b>1,208.16</b>	<b>2,612.23</b>
3	<b>Total income (1+2)</b>	<b>5,243.58</b>	<b>5,120.03</b>	<b>4,621.38</b>	<b>10,363.61</b>	<b>9,205.24</b>	<b>18,996.42</b>
4	Interest expended	2,417.11	2,467.75	2,326.91	4,884.86	4,720.15	9,483.81
5	<b>Operating expenses (a+b)</b>	<b>1,386.39</b>	<b>1,337.25</b>	<b>1,249.71</b>	<b>2,723.64</b>	<b>2,843.36</b>	<b>5,471.52</b>
	(a) Employee cost	699.49	667.14	623.01	1,366.63	1,551.79	2,803.98
	(b) Other operating expenses	686.90	670.11	626.70	1,357.01	1,291.57	2,667.54
6	<b>Total expenditure (4+5) (excluding provisions &amp; contingencies)</b>	<b>3,803.50</b>	<b>3,805.00</b>	<b>3,576.62</b>	<b>7,608.50</b>	<b>7,563.51</b>	<b>14,955.33</b>
7	<b>Operating profit (3-6) (Profit before provisions and contingencies)</b>	<b>1,440.08</b>	<b>1,315.03</b>	<b>1,044.76</b>	<b>2,755.11</b>	<b>1,641.73</b>	<b>4,041.09</b>
8	Provisions (other than tax) and contingencies (Refer Note 3)	197.76	179.51	176.40	377.27	481.71	917.37
9	Exceptional items	-	-	-	-	-	-
10	<b>Profit from ordinary activities before tax (7-8-9)</b>	<b>1,242.32</b>	<b>1,135.52</b>	<b>868.36</b>	<b>2,377.84</b>	<b>1,160.02</b>	<b>3,123.72</b>
11	Tax expense	429.03	393.55	298.86	822.58	400.74	1,033.94
12	<b>Net Profit from ordinary activities after tax (10-11)</b>	<b>813.29</b>	<b>741.97</b>	<b>569.50</b>	<b>1,555.26</b>	<b>759.28</b>	<b>2,089.78</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	<b>Net Profit (12-13)</b>	<b>813.29</b>	<b>741.97</b>	<b>569.50</b>	<b>1,555.26</b>	<b>759.28</b>	<b>2,089.78</b>
15	<b>Paid up equity share capital - (of Face Value ₹ 5 per share)</b>	<b>918.64</b>	<b>917.79</b>	<b>915.26</b>	<b>918.64</b>	<b>915.26</b>	<b>917.19</b>
16	<b>Reserves (excluding revaluation reserves)</b>						<b>23,041.87</b>
17	<b>Analytical Ratios</b>						
	(i) Percentage of shares held by Government of India	-	-	-	-	-	-
	(ii) Capital adequacy ratio - Basel III	15.77	16.34	15.54	15.77	15.54	16.34
	(iii) Earnings per share						
	- Basic (not annualised) ₹	4.43	4.04	3.28	8.47	5.72	11.42
	- Diluted (not annualised) ₹	4.42	4.04	3.26	8.46	5.69	11.40
	(iv) NPA Ratios						
	a) Gross NPA	3,180.66	3,058.81	2,655.38	3,180.66	2,655.38	2,838.11
	b) Net NPA	1,516.76	1,467.11	1,167.60	1,516.76	1,167.60	1,261.96
	c) % of Gross NPA to Gross Advances	2.49	2.50	2.35	2.49	2.35	2.36
	d) % of Net NPA to Net Advances	1.20	1.21	1.05	1.20	1.05	1.06
	(v) Return on Assets (average) - not annualised	0.42	0.38	0.34	0.81	0.45	1.19

## 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.

	₹ crore					
	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)
<b>1 Segment Revenue</b>						
a. Corporate/ Wholesale Banking	2,086.29	1,927.48	1,641.52	4,013.77	3,200.10	6,825.36
b. Retail Banking	2,500.97	2,441.50	2,356.77	4,942.47	4,693.34	9,345.42
c. Treasury, BMU and Corporate Centre	1,269.25	1,272.08	1,040.62	2,541.33	2,116.90	4,424.45
Sub-total	<b>5,856.51</b>	<b>5,641.06</b>	<b>5,038.91</b>	<b>11,497.57</b>	<b>10,010.34</b>	<b>20,595.23</b>
Less: Inter-segmental revenue	612.93	521.03	417.53	1,133.96	805.10	1,598.81
<b>Total</b>	<b>5,243.58</b>	<b>5,120.03</b>	<b>4,621.38</b>	<b>10,363.61</b>	<b>9,205.24</b>	<b>18,996.42</b>
<b>2 Segment Results</b>						
a. Corporate/ Wholesale Banking	620.74	600.75	529.84	1,221.49	898.96	2,030.39
b. Retail Banking	264.63	250.18	327.76	514.81	338.92	916.60
c. Treasury, BMU and Corporate Centre	356.95	284.59	10.76	641.54	(77.86)	176.73
<b>Total Profit Before Tax</b>	<b>1,242.32</b>	<b>1,135.52</b>	<b>868.36</b>	<b>2,377.84</b>	<b>1,160.02</b>	<b>3,123.72</b>
<b>3 Segment Assets</b>						
a. Corporate / Wholesale Banking	75,696.15	71,413.07	64,360.77	75,696.15	64,360.77	66,331.50
b. Retail Banking	114,741.25	108,393.59	107,103.28	114,741.25	107,103.28	119,417.46
c. Treasury, BMU and Corporate Centre	65,786.49	66,890.29	60,666.77	65,786.49	60,666.77	71,791.18
d. Other Banking business	-	-	-	-	-	-
Sub-total	<b>256,223.89</b>	<b>246,696.95</b>	<b>232,130.82</b>	<b>256,223.89</b>	<b>232,130.82</b>	<b>257,540.14</b>
Less : Inter-segmental Assets	61,410.88	57,156.88	57,291.47	61,410.88	57,291.47	65,811.46
<b>Total</b>	<b>194,813.01</b>	<b>189,540.07</b>	<b>174,839.35</b>	<b>194,813.01</b>	<b>174,839.35</b>	<b>191,728.68</b>
Add : Unallocated Assets	247.01	280.10	586.23	247.01	586.23	531.11
<b>Total Assets as per Balance Sheet</b>	<b>195,060.02</b>	<b>189,820.17</b>	<b>175,425.58</b>	<b>195,060.02</b>	<b>175,425.58</b>	<b>192,259.79</b>
<b>4 Segment Liabilities</b>						
a. Corporate / Wholesale Banking	66,742.90	63,080.56	55,298.18	66,742.90	55,298.18	56,139.58
b. Retail Banking	106,826.38	100,743.35	97,483.12	106,826.38	97,483.12	109,222.85
c. Treasury, BMU and Corporate Centre	57,288.36	58,297.08	57,327.65	57,288.36	57,327.65	68,635.96
d. Other Banking business	-	-	-	-	-	-
Sub-total	<b>230,857.64</b>	<b>222,120.99</b>	<b>210,108.95</b>	<b>230,857.64</b>	<b>210,108.95</b>	<b>233,998.39</b>
Less : Inter-segmental Liabilities	61,410.88	57,156.88	57,291.47	61,410.88	57,291.47	65,811.46
<b>Total</b>	<b>169,446.76</b>	<b>164,964.11</b>	<b>152,817.48</b>	<b>169,446.76</b>	<b>152,817.48</b>	<b>168,186.93</b>
Add : Unallocated liabilities	2.71	112.35	2.50	2.71	2.50	113.80
Add : Share Capital & Reserves & surplus	25,610.55	24,743.71	22,605.60	25,610.55	22,605.60	23,959.06
<b>Total Liabilities as per Balance Sheet</b>	<b>195,060.02</b>	<b>189,820.17</b>	<b>175,425.58</b>	<b>195,060.02</b>	<b>175,425.58</b>	<b>192,259.79</b>

### NOTES:

- The above results were reviewed at the meeting of the Audit Committee of the Board on 24<sup>th</sup> October, 2016 and approved at the meeting of the Board of Directors held on 25<sup>th</sup> October, 2016. The results for the quarter and half year ended 30<sup>th</sup> September, 2016 have been subjected to limited review by the statutory auditors of the Bank, S.R. Batliboi & Co. LLP, Chartered Accountants.
- 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.

3. 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			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)	141.54	167.10	190.40	308.64	459.30	781.05
Provision / (write back of provisions) towards investments (net)	56.22	12.41	(14.00)	68.63	22.41	136.32
<b>Total provisions (other than Tax) and contingencies</b>	<b>197.76</b>	<b>179.51</b>	<b>176.40</b>	<b>377.27</b>	<b>481.71</b>	<b>917.37</b>

4. During the quarter, the Bank has granted 594,000 options under employee stock option scheme. Stock options aggregating to 1,713,349 were exercised during the quarter and 12,198,389 stock options were outstanding with employees of the Bank and its subsidiaries as at 30<sup>th</sup> September, 2016.
5. RBI circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated 1<sup>st</sup> July, 2015 on 'Basel III Capital Regulations' read together with the RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31<sup>st</sup> 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: <http://ir.kotak.com/financials/regulatory-disclosure-section>. The disclosures have not been subjected to audit or limited review.
6. The Summarised Balance Sheet of the Bank (Standalone) 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)
<b>CAPITAL AND LIABILITIES</b>			
Capital	918.64	915.26	917.19
Reserves and Surplus	24,691.91	21,690.34	23,041.87
Employees' Stock Options (Grants) Outstanding	2.10	2.64	3.41
Deposits	141,045.08	123,211.07	138,643.02
Borrowings	19,813.18	21,872.74	20,975.34
Other Liabilities and Provisions	8,589.11	7,733.53	8,678.96
<b>TOTAL</b>	<b>195,060.02</b>	<b>175,425.58</b>	<b>192,259.79</b>
<b>ASSETS</b>			
Cash and balances with Reserve Bank of India	6,612.99	6,069.33	6,903.43
Balances with Banks and Money at Call and Short Notice	2,730.52	3,428.56	3,976.28
Investments	48,631.05	42,571.09	51,260.22
Advances	126,015.18	111,661.80	118,665.30
Fixed Assets	1,514.41	1,577.47	1,551.59
Other Assets	9,555.87	10,117.33	9,902.97
<b>TOTAL</b>	<b>195,060.02</b>	<b>175,425.58</b>	<b>192,259.79</b>

7. There has been no change to significant accounting policies during the quarter and half year ended 30<sup>th</sup> September, 2016.
8. 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**