



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 NINE MONTHS ENDED
31ST DECEMBER, 2016**

₹ crore

Sr No	Particulars	Quarter Ended			Nine months Ended		Year Ended
		31-Dec-16 (Unaudited)	30-Sep-16 (Unaudited)	31-Dec-15 (Unaudited)	31-Dec-16 (Unaudited)	31-Dec-15 (Unaudited)	31-Mar-16 (Audited)
1	Interest earned (a+b+c+d)	5,666.07	5,533.65	5,145.73	16,669.45	15,084.18	20,401.64
	(a) Interest/discount on advances/bills	4,228.47	4,140.18	3,917.17	12,425.60	11,433.99	15,412.37
	(b) Income on investments	1,239.36	1,232.44	1,090.08	3,692.79	3,230.18	4,408.28
	(c) Interest on balances with RBI & other interbank funds	62.68	29.52	25.51	126.70	76.37	132.05
	(d) Others	135.56	131.51	112.97	424.36	343.64	448.94
2	Other income (a+b+c)	2,003.97	2,881.30	1,804.68	7,282.42	4,979.93	7,572.88
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	(340.80)	539.91	(49.65)	739.92	(187.76)	(245.13)
	(b) Premium on Insurance Business	1,098.51	1,124.28	829.49	2,999.74	2,274.15	3,911.29
	(c) Other income (Refer Notes 3, 4 & 5)	1,246.26	1,217.11	1,024.84	3,542.76	2,893.54	3,906.72
3	Total income (1+2)	7,670.04	8,414.95	6,950.41	23,951.87	20,064.11	27,974.52
4	Interest expended	2,919.02	2,869.44	2,775.74	8,692.46	8,272.45	11,122.97
5	Operating expenses (a+b+c)	2,671.81	3,547.39	2,497.39	9,344.22	7,487.42	10,836.25
	(a) Employees cost	993.61	1,013.77	874.62	2,958.84	2,927.37	3,854.05
	(b) Policy holders' reserves, surrender expense and claims	631.29	1,549.65	667.10	3,432.49	1,826.18	3,174.65
	(c) Other operating expenses (Refer Note 4 and 6)	1,046.91	983.97	955.67	2,952.89	2,733.87	3,807.55
6	Total expenditure (4+5) (excluding provisions and contingencies)	5,590.83	6,416.83	5,273.13	18,036.68	15,759.87	21,959.22
7	Operating Profit (3-6) (Profit before provisions and contingencies)	2,079.21	1,998.12	1,677.28	5,915.19	4,304.24	6,015.30
8	Provisions (other than tax) and contingencies (Refer Note 7)	217.81	217.93	261.02	649.31	779.58	991.56
9	Exceptional items	-	-	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	1,861.40	1,780.19	1,416.26	5,265.88	3,524.66	5,023.74
11	Tax expense	611.46	585.23	477.95	1,738.18	1,150.13	1,592.62
12	Net Profit from ordinary activities after tax before Minority Interest (10-11)	1,249.94	1,194.96	938.31	3,527.70	2,374.53	3,431.12
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit from ordinary activities after tax before Minority Interest (12 -13)	1,249.94	1,194.96	938.31	3,527.70	2,374.53	3,431.12
15	Less: Share of Minority Interest	17.62	16.31	15.49	52.49	45.26	65.19
16	Add: Share in profit of associates	34.27	23.75	22.34	60.88	74.35	92.92
17	Profit after tax (14-15+16)	1,266.59	1,202.40	945.16	3,536.09	2,403.62	3,458.85
18	Paid up equity share capital - (Face value of ₹ 5 per share)	919.63	918.64	916.25	919.63	916.25	917.19
19	Group Reserves (excluding Minority Interest and revaluation reserves)						32,443.45
20	Minority Interest						395.60

Sr No	Particulars	Quarter Ended			Nine months Ended		Year Ended
		31-Dec-16 (Unaudited)	30-Sep-16 (Unaudited)	31-Dec-15 (Unaudited)	31-Dec-16 (Unaudited)	31-Dec-15 (Unaudited)	31-Mar-16 (Audited)
21	Analytical Ratios						
	(i) Capital adequacy ratio – Basel III (standalone)	15.99	15.77	15.21	15.99	15.21	16.34
	(ii) Earnings per share						
	- Basic (not annualised) ₹	6.89	6.55	5.16	19.26	16.07	18.91
	- Diluted (not annualised) ₹	6.88	6.54	5.15	19.23	16.01	18.87
	(iii) NPA Ratios (unaudited)						
	(a) Gross NPA	3,367.67	3,395.48	2,870.84	3,367.67	2,870.84	3,016.55
	(b) Net NPA	1,450.43	1,622.15	1,200.21	1,450.43	1,200.21	1,353.03
	(c) % of Gross NPA to Gross Advances	2.11	2.18	2.01	2.11	2.01	2.06
	(d) % of Net NPA to Net Advances	0.92	1.05	0.85	0.92	0.85	0.93
	(iv) Return on average Assets (not annualised) (unaudited)	0.50	0.49	0.42	1.43	1.10	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 January, 2017 and approved at the meeting of the Board of Directors held on 25th January, 2017. The results for the quarter and nine months ended 31st December, 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 nine months ended 31st December, 2015 have not been subjected to limited review.
- Details of other income forming part of the consolidated results are as follows:

Particulars	Quarter Ended			Nine months Ended		Year Ended
	31-Dec-16 (Unaudited)	30-Sep-16 (Unaudited)	31-Dec-15 (Unaudited)	31-Dec-16 (Unaudited)	31-Dec-15 (Unaudited)	31-Mar-16 (Audited)
Commission, fees, exchange, brokerage and others	1,094.77	1,004.20	912.01	3,041.63	2,564.36	3,514.93
Profit on sale of investments (other than insurance business)	151.49	212.91	112.83	501.13	329.18	391.79
Total – Other income	1,246.26	1,217.11	1,024.84	3,542.76	2,893.54	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 ₹ 19.01 crore for the quarter ended 31st December, 2016 and for nine months ended 31st December, 2016 ₹ 56.53 crore (for the quarter ended 30th September, 2016 ₹ 21.00 crore, quarter ended 31st December, 2015 ₹ 19.37 crore, nine months ended 31st December, 2015 ₹ 45.38 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.

6. Details of other expenditure forming part of consolidated results are as follows:

₹ crore

Particulars	Quarter Ended			Nine months Ended		Year Ended
	31-Dec-16 (Unaudited)	30-Sep-16 (Unaudited)	31-Dec-15 (Unaudited)	31-Dec-16 (Unaudited)	31-Dec-15 (Unaudited)	31-Mar-16 (Audited)
Brokerage	112.95	109.85	99.06	307.36	260.24	403.20
Depreciation	93.08	91.72	84.56	270.67	256.34	344.51
Rent, taxes and lighting	151.45	154.03	155.59	459.81	449.50	588.14
Others	689.43	628.37	616.46	1,915.05	1,767.79	2,471.70
Total – Other operating expenses	1,046.91	983.97	955.67	2,952.89	2,733.87	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:

₹ crore

Particulars	Quarter Ended			Nine months Ended		Year Ended
	31-Dec-16 (Unaudited)	30-Sep-16 (Unaudited)	31-Dec-15 (Unaudited)	31-Dec-16 (Unaudited)	31-Dec-15 (Unaudited)	31-Mar-16 (Audited)
Provision towards advances / others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (net)	153.54	164.44	172.27	509.91	666.56	851.59
Provision /(Write back of provisions) towards investments (net)	64.27	53.49	88.75	139.40	113.02	139.97
Total – provisions (other than tax) and contingencies	217.81	217.93	261.02	649.31	779.58	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 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>. These 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 derivative contracts in profit and loss account. Earlier mark to market gains or losses on derivative contracts were 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 nine months ended 31st December, 2016.



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 January, 2017

Dipak Gupta
Joint Managing Director