

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, 2018

₹ crore

Sr No	Particulars	Quarter Ended			Half-year Ended		Year Ended
		30-Sep-18 (Unaudited)	30-Jun-18 (Unaudited)	30-Sep-17 (Unaudited)	30-Sep-18 (Unaudited)	30-Sep-17 (Unaudited)	31-Mar-18 (Audited)
1	Interest earned (a+b+c+d)	7,311.12	6,903.37	6,072.85	14,214.49	12,008.00	25,131.08
	(a) Interest/discount on advances/bills	5,435.56	5,113.13	4,451.44	10,548.69	8,786.50	18,380.86
	(b) Income on investments	1,596.02	1,503.92	1,299.45	3,099.94	2,512.33	5,258.25
	(c) Interest on balances with RBI & other interbank funds	162.91	166.56	197.14	329.47	457.89	966.80
	(d) Others	116.63	119.76	124.82	236.39	251.28	525.17
2	Other income (a+b+c)	3,517.96	3,000.19	3,067.55	6,518.15	5,736.96	13,592.59
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	(39.98)	48.94	303.78	8.96	658.61	685.20
	(b) Premium on Insurance Business	1,752.54	1,201.51	1,325.25	2,954.05	2,302.30	6,667.08
	(c) Other income (Refer Notes 3, 4 & 5)	1,805.40	1,749.74	1,438.52	3,555.14	2,776.05	6,240.31
3	Total income (1+2)	10,829.08	9,903.56	9,140.40	20,732.64	17,744.96	38,723.67
4	Interest expended	3,772.76	3,498.65	2,987.59	7,271.41	5,918.23	12,466.85
5	Operating expenses (a+b+c)	4,146.70	3,590.01	3,726.11	7,736.71	7,167.55	16,073.85
	(a) Employees Cost	1,139.30	1,103.53	1,060.35	2,242.83	2,085.87	4,380.90
	(b) Policy holders' reserves, surrender expense and claims	1,507.20	1,106.42	1,450.10	2,613.62	2,673.74	6,533.17
	(c) Other operating expenses (Refer Note 4 and 6)	1,500.20	1,380.06	1,215.66	2,880.26	2,407.94	5,159.78
6	Total expenditure (4+5) (excluding provisions and contingencies)	7,919.46	7,088.66	6,713.70	15,008.12	13,085.78	28,540.70
7	Operating Profit (3-6) (Profit before provisions and contingencies)	2,909.62	2,814.90	2,426.70	5,724.52	4,659.18	10,182.97
8	Provisions (other than tax) and contingencies (Refer Note 7)	359.71	498.98	252.86	858.69	485.08	1,024.74
9	Exceptional items	-	-	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	2,549.91	2,315.92	2,173.84	4,865.83	4,174.10	9,158.23
11	Tax expense	835.79	771.35	711.31	1,607.14	1,375.06	3,011.09
12	Net Profit from ordinary activities after tax before Minority Interest (10-11)	1,714.12	1,544.57	1,462.53	3,258.69	2,799.04	6,147.14
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit from ordinary activities after tax before Minority Interest (12-13)	1,714.12	1,544.57	1,462.53	3,258.69	2,799.04	6,147.14
15	Less: Share of Minority Interest	-	-	25.97	-	52.67	56.67
16	Add: Share in Profit of associates	33.25	29.91	4.12	63.16	41.13	110.50
17	Profit after tax (14-15+16)	1,747.37	1,574.48	1,440.68	3,321.85	2,787.50	6,200.97
18	Paid Up Equity Capital - (Face value of ₹ 5 per share)	953.50	953.07	952.00	953.50	952.00	952.82
19	Group Reserves (excluding Minority Interest and Revaluation reserves)						49,533.24
20	Minority Interest						-
21	Analytical Ratios						
	(i) Capital Adequacy ratio – Basel III (standalone)	17.04	17.76	18.36	17.04	18.36	18.22
	(ii) Earnings per equity share						
	- Basic (not annualised) ₹	9.17	8.26	7.57	17.43	14.77	32.70
	- Diluted (not annualised) ₹	9.15	8.25	7.56	17.40	14.75	32.66

₹ crore

Sr No	Particulars	Quarter Ended			Half-year Ended		Year Ended
		30-Sep-18 (Unaudited)	30-Jun-18 (Unaudited)	30-Sep-17 (Unaudited)	30-Sep-18 (Unaudited)	30-Sep-17 (Unaudited)	31-Mar-18 (Audited)
	(iii) NPA Ratios (unaudited)						
	(a) Gross NPA	4,302.17	4,163.65	4,065.41	4,302.17	4,065.41	4,071.04
	(b) Net NPA	1,617.66	1,637.24	2,036.13	1,617.66	2,036.13	1,768.60
	(c) % of Gross NPA to Gross Advances	1.91	1.93	2.14	1.91	2.14	1.95
	(d) % of Net NPA to Net Advances	0.73	0.77	1.08	0.73	1.08	0.86
	(iv) Return on average Assets (not annualised) (unaudited)	0.49	0.46	0.48	0.95	0.96	2.03

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 above results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 24th October, 2018. The consolidated results for the quarter and half-year ended 30th September, 2018 were subject to limited review by the statutory auditors and there are no qualifications in the limited review report.
- Details of other income forming part of the consolidated results are as follows:

₹ crore

Particulars	Quarter Ended			Half-year Ended		Year Ended
	30-Sep-18 (Unaudited)	30-Jun-18 (Unaudited)	30-Sep-17 (Unaudited)	30-Sep-18 (Unaudited)	30-Sep-17 (Unaudited)	31-Mar-18 (Audited)
Commission, fees, exchange, brokerage and others	1,638.11	1,585.29	1,276.33	3,223.40	2,486.64	5,692.79
Profit on sale of investments (other than insurance business)	167.29	164.45	162.19	331.74	289.41	547.52
Total – Other income	1,805.40	1,749.74	1,438.52	3,555.14	2,776.05	6,240.31

- Other Income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 21.79 crore for the quarter and ₹ 39.07 crore for the half-year ended 30th September, 2018 (for the quarter ended 30th June 2018, ₹ 17.28 crore, for the quarter and half year ended 30th September, 2017, ₹ 20.04 crore and ₹ 40.37 crore respectively, for the year ended 31st March, 2018 amounting to ₹ 89.64 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:

₹ crore

Particulars	Quarter Ended			Half-year Ended		Year Ended
	30-Sep-18 (Unaudited)	30-Jun-18 (Unaudited)	30-Sep-17 (Unaudited)	30-Sep-18 (Unaudited)	30-Sep-17 (Unaudited)	31-Mar-18 (Audited)
Brokerage	213.20	128.47	153.11	341.67	284.39	664.23
Depreciation	115.79	108.82	94.78	224.61	188.40	383.43
Rent, taxes and lighting	174.32	168.37	159.54	342.69	320.91	647.57
Others	996.89	974.40	808.23	1,971.29	1,614.24	3,464.55
Total – Other operating expenses	1,500.20	1,380.06	1,215.66	2,880.26	2,407.94	5,159.78

- 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			Half-year Ended		Year Ended
	30-Sep-18 (Unaudited)	30-Jun-18 (Unaudited)	30-Sep-17 (Unaudited)	30-Sep-18 (Unaudited)	30-Sep-17 (Unaudited)	31-Mar-18 (Audited)
Provision towards advances / others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (Net)	241.91	272.49	222.23	514.40	444.13	815.85
Provision /(Write back of provisions) towards investments (net)	117.80	226.49	30.63	344.29	40.95	208.89
Total – Provisions (other than tax) and contingencies	359.71	498.98	252.86	858.69	485.08	1,024.74

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: <https://www.kotak.com/en/investor-relations/financial-results/regulatory-disclosure.html>. These disclosures have not been subjected to audit or limited review.
9. The change in the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists, for the quarter ended 30th September, 2018 amounting to ₹ 557.94 crore and for half-year ended 30th September, 2018 ₹ 961.41 crore (for the quarter ended 30th June 2018, ₹ 403.47 crore, for the quarter and half year ended 30th September, 2017, ₹ 823.47 crore and ₹ 1,387.56 crore respectively, for the year ended 31st March, 2018 amounting to ₹ 3,593.36 crore) has been included in "Policy holders' reserves, surrender expense and claims" under "Operating Expenses".
10. There has been no change to significant accounting policies during the quarter and half year ended 30th September, 2018.
11. The Bank has allotted on 2nd August, 2018, 8.10% Perpetual Non-Convertible Preference Shares (PNCPS) to eligible investors at the Issue price of ₹ 5 per PNCPS, aggregating to ₹ 500 crore, resulting in increase in paid up capital of the Bank to the said extent.
12. The summarised consolidated Balance Sheet of the Bank is given below:

₹ crore

Summarised Balance Sheet	As at 30 th September 2018 (Unaudited)	As at 30 th September 2017 (Unaudited)	As at 31 th March 2018 (Audited)
CAPITAL AND LIABILITIES			
Capital	1,453.50	952.00	952.82
Reserves and Surplus	52,895.14	46,022.88	49,533.24
Minority Interest	-	527.56	-
Employees' Stock Options (Grants) Outstanding	2.70	1.79	2.17
Deposits	203,930.02	164,413.20	191,235.80
Borrowings	66,535.01	57,733.00	58,603.97
Policyholder's Funds	23,421.39	20,194.99	22,425.34
Other Liabilities and Provisions	14,991.39	15,037.97	14,967.13
TOTAL	363,229.15	304,883.39	337,720.47
ASSETS			
Cash and balances with Reserve Bank Of India	9,300.87	8,314.02	8,933.50
Balances with Banks and Money at Call and Short Notice	22,011.45	15,945.55	15,467.13
Investments	93,313.97	78,008.89	90,976.60
Advances	222,172.25	187,757.78	205,997.32
Fixed Assets	1,822.95	1,728.49	1,749.83
Goodwill	793.06	29.99	793.06
Other Assets	13,814.60	13,098.67	13,803.03
TOTAL	363,229.15	304,883.39	337,720.47

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, 24th October, 2018

Dipak Gupta
Joint Managing Director



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 30th SEPTEMBER, 2018

₹ crore

Sr No	Particulars	Quarter ended			Half-year ended		Year ended
		30-Sep-18 (Unaudited)	30-Jun-18 (Unaudited)	30-Sep-17 (Unaudited)	30-Sep-18 (Unaudited)	30-Sep-17 (Unaudited)	31-Mar-18 (Audited)
1	Interest earned (a+b+c+d)	5,810.90	5,479.70	4,760.14	11,290.60	9,415.92	19,748.49
	(a) Interest/discount on advances/bills	4,459.20	4,168.18	3,559.47	8,627.38	7,037.62	14,727.95
	(b) Income on investments	1,196.77	1,141.88	973.40	2,338.65	1,859.19	3,933.00
	(c) Interest on balances with RBI & other interbank funds	80.02	92.48	149.09	172.50	364.36	755.29
	(d) Others	74.91	77.16	78.18	152.07	154.75	332.25
2	Other income (Refer Note 2)	1,205.27	1,164.59	953.88	2,369.86	1,860.76	4,052.21
3	Total income (1+2)	7,016.17	6,644.29	5,714.02	13,660.46	11,276.68	23,800.70
4	Interest expended	3,121.80	2,896.80	2,447.48	6,018.60	4,857.71	10,216.81
5	Operating expenses (a+b)	1,799.40	1,714.96	1,541.73	3,514.36	3,098.80	6,425.72
	(a) Employee cost	745.24	720.42	722.96	1,465.66	1,429.12	2,929.77
	(b) Other operating expenses	1,054.16	994.54	818.77	2,048.70	1,669.68	3,495.95
6	Total expenditure (4+5) (excluding provisions & contingencies)	4,921.20	4,611.76	3,989.21	9,532.96	7,956.51	16,642.53
7	Operating profit (3-6) (Profit before provisions and contingencies)	2,094.97	2,032.53	1,724.81	4,127.50	3,320.17	7,158.17
8	Provisions (other than tax) and contingencies (Refer Note 3)	353.80	469.63	216.53	823.43	420.27	939.95
9	Exceptional items	-	-	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	1,741.17	1,562.90	1,508.28	3,304.07	2,899.90	6,218.22
11	Tax expense	599.52	537.96	513.97	1,137.48	992.86	2,133.92
12	Net Profit from ordinary activities after tax (10-11)	1,141.65	1,024.94	994.31	2,166.59	1,907.04	4,084.30
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit (12-13)	1,141.65	1,024.94	994.31	2,166.59	1,907.04	4,084.30
15	Paid up equity share capital - (of Face Value ₹ 5 per share)	953.50	953.07	952.00	953.50	952.00	952.82
16	Reserves (excluding revaluation reserves)						36,528.83
17	Analytical Ratios						
	(i) Percentage of shares held by Government of India	-	-	-	-	-	-
	(ii) Capital adequacy ratio - Basel III	17.04	17.76	18.36	17.04	18.36	18.22
	(iii) Earnings per equity share						
	- Basic (not annualised) ₹	5.99	5.38	5.22	11.37	10.10	21.54
	- Diluted (not annualised) ₹	5.98	5.37	5.22	11.35	10.09	21.51
	(iv) NPA Ratios						
	a) Gross NPA	4,033.07	3,899.45	3,814.17	4,033.07	3,814.17	3,825.38
	b) Net NPA	1,500.76	1,527.14	1,918.83	1,500.76	1,918.83	1,665.05
	c) % of Gross NPA to Gross Advances	2.15	2.17	2.47	2.15	2.47	2.22
	d) % of Net NPA to Net Advances	0.81	0.86	1.26	0.81	1.26	0.98
	(v) Return on Assets (average) - not annualised	0.41	0.39	0.44	0.80	0.86	1.73

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			Half-year ended		Year ended
		30-Sep-18 (Unaudited)	30-Jun-18 (Unaudited)	30-Sep-17 (Unaudited)	30-Sep-18 (Unaudited)	30-Sep-17 (Unaudited)	31-Mar-18 (Audited)
₹ crore							
1	Segment Revenue						
	a. Corporate/ Wholesale Banking	2,704.46	2,480.70	2,177.03	5,185.16	4,320.82	9,061.32
	b. Retail Banking	3,453.18	3,230.18	2,771.40	6,683.36	5,484.40	11,437.61
	c. Treasury, BMU and Corporate Centre	1,517.89	1,537.10	1,401.69	3,054.99	2,732.33	5,730.26
	Sub-total	7,675.53	7,247.98	6,350.12	14,923.51	12,537.55	26,229.19
	Less: Inter-segmental revenue	659.36	603.69	636.10	1,263.05	1,260.87	2,428.49
	Total	7,016.17	6,644.29	5,714.02	13,660.46	11,276.68	23,800.70
2	Segment Results						
	a. Corporate/ Wholesale Banking	796.55	644.55	685.13	1,441.10	1,417.16	2,984.45
	b. Retail Banking	519.73	543.38	340.86	1,063.11	619.39	1,510.71
	c. Treasury, BMU and Corporate Centre	424.89	374.97	482.29	799.86	863.35	1,723.06
	Total Profit Before Tax	1,741.17	1,562.90	1,508.28	3,304.07	2,899.90	6,218.22
3	Segment Assets						
	a. Corporate / Wholesale Banking	108,555.23	106,521.93	92,283.32	108,555.23	92,283.32	100,506.20
	b. Retail Banking	159,180.84	149,694.33	129,371.44	159,180.84	129,371.44	143,303.89
	c. Treasury, BMU and Corporate Centre	100,318.85	89,426.05	81,138.55	100,318.85	81,138.55	91,500.50
	d. Other Banking business	-	-	-	-	-	-
	Sub-total	368,054.92	345,642.31	302,793.31	368,054.92	302,793.31	335,310.59
	Less : Inter-segmental Assets	79,441.77	74,375.99	66,077.60	79,441.77	66,077.60	70,571.48
	Total	288,613.15	271,266.32	236,715.71	288,613.15	236,715.71	264,739.11
	Add : Unallocated Assets	222.97	222.97	253.83	222.97	253.83	194.28
	Total Assets as per Balance Sheet	288,836.12	271,489.29	236,969.54	288,836.12	236,969.54	264,933.39
4	Segment Liabilities						
	a. Corporate / Wholesale Banking	97,762.26	96,539.31	82,328.64	97,762.26	82,328.64	88,984.44
	b. Retail Banking	146,516.07	137,549.28	119,683.97	146,516.07	119,683.97	132,725.09
	c. Treasury, BMU and Corporate Centre	83,762.10	73,024.67	65,745.24	83,762.10	65,745.24	76,300.61
	d. Other Banking business	-	-	-	-	-	-
	Sub-total	328,040.43	307,113.26	267,757.85	328,040.43	267,757.85	298,010.14
	Less : Inter-segmental Liabilities	79,441.77	74,375.99	66,077.60	79,441.77	66,077.60	70,571.48
	Total	248,598.66	232,737.27	201,680.25	248,598.66	201,680.25	227,438.66
	Add : Unallocated liabilities	134.03	213.70	83.28	134.03	83.28	13.08
	Add : Share Capital & Reserves & surplus	40,103.43	38,538.32	35,206.01	40,103.43	35,206.01	37,481.65
	Total Liabilities as per Balance Sheet	288,836.12	271,489.29	236,969.54	288,836.12	236,969.54	264,933.39

NOTES:

- The above results were reviewed at the meeting of the Audit Committee and approved at the meeting of the Board of Directors held on 24th October, 2018. The results for the quarter and half year ended 30th September, 2018 have been subject to limited review by the statutory auditors and there are no qualifications in the limited review report.
- 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.
- 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:

₹ crore

Particulars	Quarter ended			Half-year ended		Year ended
	30-Sep-18 (Unaudited)	30-Jun-18 (Unaudited)	30-Sep-17 (Unaudited)	30-Sep-18 (Unaudited)	30-Sep-17 (Unaudited)	31-Mar-18 (Audited)
Provision towards advances / Others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures)	221.31	260.04	205.48	481.35	398.31	743.04
Provision / (write back of provisions) towards investments (net)	132.49	209.59	11.05	342.08	21.96	196.91
Total provisions (other than Tax) and contingencies	353.80	469.63	216.53	823.43	420.27	939.95

- During the quarter, the Bank has granted NIL options under employee stock option scheme. Stock options aggregating to 872,247 were exercised during the quarter and 11,945,407 stock options were outstanding with employees of the Bank and its subsidiaries as at 30th September, 2018.
- 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.
- The Bank has allotted on 2nd August, 2018 8.10% Perpetual Non-Convertible Preference Shares (PNCPS) to eligible investors at the issue price of ₹ 5 per PNCPS aggregating to ₹ 500 crore, resulting in increase in paid up capital of the Bank to the said extent.
- The Summarised Balance Sheet of the Bank (Standalone) is given below:

₹ crore

Summarised Balance Sheet	As at 30 th September 2018 (Unaudited)	As at 30 th September 2017 (Unaudited)	As at 31 st March 2018 (Audited)
CAPITAL AND LIABILITIES			
Capital	1,453.50	952.00	952.82
Reserves and Surplus	38,649.93	34,254.01	36,528.83
Employees' Stock Options (Grants) Outstanding	2.70	1.79	2.17
Deposits	205,829.83	165,670.91	192,643.27
Borrowings	32,583.54	25,922.87	25,154.15
Other Liabilities and Provisions	10,316.62	10,167.96	9,652.15
TOTAL	288,836.12	236,969.54	264,933.39
ASSETS			
Cash and balances with Reserve Bank of India	9,283.91	8,297.45	8,908.51
Balances with Banks and Money at Call and Short Notice	15,314.39	12,525.36	10,711.60
Investments	67,915.02	52,796.45	64,562.35
Advances	184,940.31	152,574.11	169,717.92
Fixed Assets	1,598.05	1,519.27	1,527.16
Other Assets	9,784.44	9,256.90	9,505.85
TOTAL	288,836.12	236,969.54	264,933.39

- There has been no change to significant accounting policies during the quarter and half year ended 30th September, 2018.



9. 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

Mumbai, 24th October, 2018

Dipak Gupta
Joint Managing Director