



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 ENDED 30th JUNE, 2017

₹ crore

Sr No	Particulars	Quarter Ended			Year Ended
		30-Jun-17 (Unaudited)	31-Mar-17 (Audited) Refer Note 3	30-Jun-16 (Unaudited)	31-Mar-17 (Audited)
1	Interest earned (a+b+c+d)	5,935.15	5,654.76	5,469.73	22,324.21
	(a) Interest/discount on advances/bills	4,335.06	4,194.24	4,056.95	16,619.84
	(b) Income on investments	1,212.88	1,162.57	1,220.99	4,855.36
	(c) Interest on balances with RBI & other interbank funds	260.75	181.17	34.50	307.87
	(d) Others	126.46	116.78	157.29	541.14
2	Other income (a+b+c)	2,675.48	4,298.81	2,397.15	11,581.23
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	354.83	735.24	540.81	1,475.16
	(b) Premium on Insurance Business	977.05	2,138.03	776.95	5,137.77
	(c) Other income (Refer Notes 4, 5 & 6)	1,343.60	1,425.54	1,079.39	4,968.30
3	Total income (1+2)	8,610.63	9,953.57	7,866.88	33,905.44
4	Interest expended	2,930.64	2,765.05	2,904.00	11,457.51
5	Operating expenses (a+b+c)	3,447.51	4,822.86	3,125.02	14,167.08
	(a) Employees cost	1,025.52	1,023.47	951.46	3,982.31
	(b) Policy holders' reserves, surrender expense and claims	1,223.64	2,587.66	1,251.55	6,020.15
	(c) Other operating expenses (Refer Note 5 and 7)	1,198.35	1,211.73	922.01	4,164.62
6	Total expenditure (4+5) (excluding provisions and contingencies)	6,378.15	7,587.91	6,029.02	25,624.59
7	Operating Profit (3-6) (Profit before provisions and contingencies)	2,232.48	2,365.66	1,837.86	8,280.85
8	Provisions (other than tax) and contingencies (Refer Note 8)	232.22	299.61	213.57	948.92
9	Exceptional items	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	2,000.26	2,066.05	1,624.29	7,331.93
11	Tax expense	663.75	644.67	541.49	2,382.85
12	Net Profit from ordinary activities after tax before Minority Interest (10-11)	1,336.51	1,421.38	1,082.80	4,949.08
13	Extraordinary items (net of tax expense)	-	-	-	-
14	Net Profit from ordinary activities after tax before Minority Interest (12 -13)	1,336.51	1,421.38	1,082.80	4,949.08
15	Less: Share of Minority Interest	26.70	26.34	18.56	78.83
16	Add: Share in profit of associates	37.01	9.30	2.86	70.18
17	Profit after tax (14-15+16)	1,346.82	1,404.34	1,067.10	4,940.43
18	Paid up equity share capital - (Face value of ₹ 5 per share)	951.75	920.45	917.79	920.45
19	Group Reserves (excluding Minority Interest and revaluation reserves)				37,570.39
20	Minority Interest				474.43
21	Analytical Ratios				
	(i) Capital adequacy ratio – Basel III (standalone)	19.21	16.77	16.34	16.77

₹ crore

Sr No	Particulars	Quarter Ended			Year Ended
		30-Jun-17 (Unaudited)	31-Mar-17 (Audited) Refer Note 3	30-Jun-16 (Unaudited)	31-Mar-17 (Audited)
	(ii) Earnings per share				
	- Basic (not annualised) ₹	7.20	7.63	5.82	26.89
	- Diluted (not annualised) ₹	7.19	7.62	5.80	26.86
	(iii) NPA Ratios (unaudited)				
	(a) Gross NPA	3,973.74	3,803.92	3,265.18	3,803.92
	(b) Net NPA	1,881.47	1,814.23	1,565.40	1,814.23
	(c) % of Gross NPA to Gross Advances	2.24	2.25	2.20	2.25
	(d) % of Net NPA to Net Advances	1.07	1.09	1.06	1.09
	(iv) Return on average Assets (not annualised) (unaudited)	0.48	0.52	0.44	1.95

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 Paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
- The above results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 20th July, 2017. The consolidated results for the quarter ended 30th June, 2017 are subject to limited review by the statutory auditors and there are no qualifications in the limited review report.
- The figures for quarter ended 31st March, 2017 are the balancing figures between audited financial year ended 31st March, 2017 and the unaudited published figures for nine months ended 31st December, 2016.
- Details of other income forming part of the consolidated results are as follows:

₹ crore

Particulars	Quarter Ended			Year Ended
	30-Jun-17 (Unaudited)	31-Mar-17 (Audited) Refer Note 3	30-Jun-16 (Unaudited)	31-Mar-17 (Audited)
Commission, fees, exchange, brokerage and others	1,216.38	1,301.63	942.66	4,343.26
Profit on sale of investments (other than insurance business)	127.22	123.91	136.73	625.04
Total – Other income	1,343.60	1,425.54	1,079.39	4,968.30

- Other income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 20.33 crore for the quarter ended 30th June, 2017 (for the quarter ended 31st March, 2017 ₹ 21.79 crore, quarter ended 30th June, 2016 ₹ 16.52 crore, for the year ended 31st March, 2017 ₹ 78.33 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.

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

₹ crore

Particulars	Quarter Ended			Year Ended
	30-Jun-17 (Unaudited)	31-Mar-17 (Audited) Refer Note 3	30-Jun-16 (Unaudited)	31-Mar-17 (Audited)
Brokerage	137.35	178.36	84.56	485.72
Depreciation	93.62	91.54	85.87	362.21
Rent, taxes and lighting	161.37	156.48	154.33	616.29
Others	806.01	785.35	597.25	2,700.40
Total – Other operating expenses	1,198.35	1,211.73	922.01	4,164.62

8. 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			Year Ended
	30-Jun-17 (Unaudited)	31-Mar-17 (Audited) Refer Note 3	30-Jun-16 (Unaudited)	31-Mar-17 (Audited)
Provision towards advances / others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (net)	221.90	287.48	191.93	797.39
Provision / (Write back of provisions) towards investments (net)	10.32	12.13	21.64	151.53
Total – provisions (other than tax) and contingencies	232.22	299.61	213.57	948.92

9. During the quarter ended 30th June 2017, the Bank has issued 62,000,000 equity shares of a face value ₹ 5 each at a price of ₹ 936 per equity share including a premium of ₹ 931 per equity share aggregating to ₹ 5,803.20 crore pursuant to a Qualified Institutional Placement (QIP).
10. Kotak Mahindra Bank Limited has entered into an agreement to purchase the entire 26% equity stake held by Old Mutual UK in Kotak Mahindra Old Mutual Life Insurance Limited ("Kotak Life") for a consideration of ₹ 1,292.70 crore, subject to regulatory approvals. After the completion of the transaction, Kotak Mahindra Group will hold 100% of the equity shareholding of Kotak Life.
11. 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.
12. 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 June 2017 amounting to ₹ 564.09 crores has been included in "Policy holders' reserves, surrender expense and claims" under "Operating Expenses".
13. There has been no change in any significant accounting policies during the quarter ended 30th June, 2017.



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, 20th July, 2017

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 ENDED 30th JUNE, 2017

₹ crore

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-17 (Unaudited)	31-Mar-17 (Audited – Refer Note 2)	30-Jun-16 (Unaudited)	31-Mar-17 (Audited)
1	Interest earned (a+b+c+d)	4,655.78	4,432.00	4,386.85	17,698.93
	(a) Interest/discount on advances/ bills	3,478.15	3,367.62	3,282.19	13,402.10
	(b) Income on investments	885.79	848.16	947.21	3,681.04
	(c) Interest on balances with RBI & other interbank funds	215.27	138.58	29.73	218.32
	(d) Others	76.57	77.64	127.72	397.47
2	Other income (Refer Note 3)	906.88	1,002.65	733.18	3,477.16
3	Total income (1+2)	5,562.66	5,434.65	5,120.03	21,176.09
4	Interest expended	2,410.23	2,270.63	2,467.75	9,572.78
5	Operating expenses (a+b)	1,557.07	1,462.02	1,337.25	5,618.50
	(a) Employees cost	706.16	680.61	667.14	2,744.64
	(b) Other operating expenses	850.91	781.41	670.11	2,873.86
6	Total expenditure (4+5) (excluding provisions & contingencies)	3,967.30	3,732.65	3,805.00	15,191.28
7	Operating profit (3-6) (Profit before provisions and contingencies)	1,595.36	1,702.00	1,315.03	5,984.81
8	Provisions (other than tax) and contingencies (Refer Note 4)	203.74	267.37	179.51	836.74
9	Exceptional items	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	1,391.62	1,434.63	1,135.52	5,148.07
11	Tax expense	478.89	458.15	393.55	1,736.57
12	Net Profit from ordinary activities after tax (10-11)	912.73	976.48	741.97	3,411.50
13	Extraordinary items (net of tax expense)	-	-	-	-
14	Net Profit (12-13)	912.73	976.48	741.97	3,411.50
15	Paid up equity share capital - (of Face Value ₹ 5 per share)	951.75	920.45	917.79	920.45
16	Reserves (excluding revaluation reserves)				26,695.62
17	Analytical Ratios				
	(i) Percentage of shares held by Government of India	-	-	-	-
	(ii) Capital adequacy ratio – Basel III	19.21	16.77	16.34	16.77
	(iii) Earnings per share				
	- Basic (not annualised) ₹	4.88	5.31	4.04	18.57
	- Diluted (not annualised) ₹	4.87	5.30	4.04	18.55
	(iv) NPA Ratios				
	a) Gross NPA	3,726.62	3,578.61	3,058.81	3,578.61
	b) Net NPA	1,777.93	1,718.07	1,467.11	1,718.07
	c) % of Gross NPA to Gross Advances	2.58	2.59	2.50	2.59
	d) % of Net NPA to Net Advances	1.25	1.26	1.21	1.26
	(v) Return on Assets (average) – not annualised	0.42	0.47	0.38	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.

	₹ crore			
		Quarter ended		Year ended
	30-Jun-17 (Unaudited)	31-Mar-17 (Audited – Refer Note 2)	30-Jun-16 (Unaudited)	31-Mar-17 (Audited)
1 Segment Revenue				
a. Corporate/ Wholesale Banking	2,125.74	2,159.99	1,927.48	8,285.12
b. Retail Banking	2,713.00	2,683.67	2,441.50	10,274.57
c. Treasury, BMU and Corporate Centre	1,348.69	1,283.09	1,272.08	5,108.61
Sub-total	6,187.43	6,126.75	5,641.06	23,668.30
Less: Inter-segmental revenue	624.77	692.10	521.03	2,492.21
Total	5,562.66	5,434.65	5,120.03	21,176.09
2 Segment Results				
a. Corporate/ Wholesale Banking	724.49	737.61	600.75	2,670.37
b. Retail Banking	278.53	357.82	250.18	1,194.72
c. Treasury, BMU and Corporate Centre	388.60	339.20	284.59	1,282.98
Total Profit Before Tax	1,391.62	1,434.63	1,135.52	5,148.07
3 Segment Assets				
a. Corporate / Wholesale Banking	83,524.06	80,202.99	71,413.07	80,202.99
b. Retail Banking	126,263.71	122,665.94	108,393.59	122,665.94
c. Treasury, BMU and Corporate Centre	84,097.22	77,136.64	66,890.29	77,136.64
d. Other Banking business	-	-	-	-
Sub-total	293,884.99	280,005.57	246,696.95	280,005.57
Less : Inter-segmental Assets	67,752.96	65,663.21	57,156.88	65,663.21
Total	226,132.03	214,342.36	189,540.07	214,342.36
Add : Unallocated Assets	253.18	247.60	280.10	247.60
Total Assets as per Balance Sheet	226,385.21	214,589.96	189,820.17	214,589.96
4 Segment Liabilities				
a. Corporate / Wholesale Banking	74,283.69	69,800.85	63,080.56	69,800.85
b. Retail Banking	116,917.08	114,071.16	100,743.35	114,071.16
c. Treasury, BMU and Corporate Centre	68,415.36	68,741.82	58,297.08	68,741.82
d. Other Banking business	-	-	-	-
Sub-total	259,616.13	252,613.83	222,120.99	252,613.83
Less : Inter-segmental Liabilities	67,752.96	65,663.21	57,156.88	65,663.21
Total	191,863.17	186,950.62	164,964.11	186,950.62
Add : Unallocated liabilities	204.06	23.27	112.35	23.27
Add : Share Capital & Reserves & surplus	34,317.98	27,616.07	24,743.71	27,616.07
Total Liabilities as per Balance Sheet	226,385.21	214,589.96	189,820.17	214,589.96

NOTES:

- The above results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 20th July, 2017. The results for the quarter ended 30th June, 2017 are subject to limited review by the statutory auditors and there are no qualifications in the limited review report.
- The figures for quarter ended 31st March 2017 are the balancing figures between audited financial year ended 31st March 2017 and the unaudited published figures for nine months ended 31st December 2016.
- 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.

4. 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			Year ended
	30-Jun-17 (Unaudited)	31-Mar-17 (Audited – Refer Note 2)	30-Jun-16 (Unaudited)	31-Mar-17 (Audited)
Provision towards advances / Others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures)	192.83	251.92	167.10	697.50
Provision / (write back of provisions) towards investments (net)	10.91	15.45	12.41	139.24
Total provisions (other than Tax) and contingencies	203.74	267.37	179.51	836.74

5. During the quarter, the Bank has granted 4,136,370 options under employee stock option scheme. Stock options aggregating to 603,034 were exercised during the quarter and 12,173,177 stock options were outstanding with employees of the Bank and its subsidiaries as at 30th June, 2017.
6. 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.
7. There has been no change in any significant accounting policies during the quarter ended 30th June, 2017.
8. During the quarter ended 30th June 2017, the Bank has issued 62,000,000 equity shares of a face value ₹ 5 each at a price of ₹ 936 per equity share including a premium of ₹ 931 per equity share aggregating to ₹ 5,803.20 crore pursuant to a Qualified Institutional Placement (QIP).
9. 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, 20th July, 2017

Dipak Gupta
 Joint Managing Director