

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, 2020

₹ crore

Sr No	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-20 (Unaudited)	30-Jun-20 (Unaudited)	30-Sep-19 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
1	Interest earned (a+b+c+d)	8,337.36	8,421.69	8,418.75	16,759.05	16,708.05	33,474.16
	(a) Interest/discount on advances/bills	5,473.08	5,773.27	6,284.31	11,246.35	12,480.93	24,877.11
	(b) Income on investments	2,419.14	2,064.37	1,864.14	4,483.51	3,627.31	7,327.31
	(c) Interest on balances with RBI & other interbank funds	334.04	478.89	152.91	812.93	370.81	827.64
	(d) Others	111.10	105.16	117.39	216.26	229.00	442.10
2	Other income (a+b+c)	5,254.05	3,901.46	4,124.24	9,155.51	7,964.50	16,825.53
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	693.78	1,382.67	72.80	2,076.45	329.27	(1,494.83)
	(b) Premium on Insurance Business	2,468.07	1,246.56	2,243.50	3,714.63	3,917.88	10,566.03
	(c) Other income (Refer Notes 4, 5 & 6)	2,092.20	1,272.23	1,807.94	3,364.43	3,717.35	7,754.33
3	Total income (1+2)	13,591.41	12,323.15	12,542.99	25,914.56	24,672.55	50,299.69
4	Interest expended	3,285.51	3,628.24	4,054.32	6,913.75	8,209.39	15,900.68
5	Operating expenses (a+b+c)	5,918.21	5,140.25	5,070.86	11,058.46	9,781.97	20,419.11
	(a) Employees Cost	1,496.56	1,384.32	1,396.18	2,880.88	2,764.19	5,755.97
	(b) Policy holders' reserves, surrender expense and claims (Refer Note 12)	2,990.08	2,542.12	2,098.61	5,532.20	3,892.42	7,958.18
	(c) Other operating expenses (Refer Note 5 and 7)	1,431.57	1,213.81	1,576.07	2,645.38	3,125.36	6,704.96
6	Total expenditure (4+5) (excluding provisions and contingencies)	9,203.72	8,768.49	9,125.18	17,972.21	17,991.36	36,319.79
7	Operating Profit (3-6) (Profit before provisions and contingencies)	4,387.69	3,554.66	3,417.81	7,942.35	6,681.19	13,979.90
8	Provisions (other than tax) and contingencies (Refer Note 8)	473.22	1,119.33	473.10	1,592.55	823.32	2,558.10
9	Exceptional items	-	-	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	3,914.47	2,435.33	2,944.71	6,349.80	5,857.87	11,421.80
11	Tax expense	981.01	594.89	545.63	1,575.90	1,531.94	2,814.72
12	Net Profit from ordinary activities after tax before Minority Interest (10-11)	2,933.46	1,840.44	2,399.08	4,773.90	4,325.93	8,607.08
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit from ordinary activities after tax before Minority Interest (12-13)	2,933.46	1,840.44	2,399.08	4,773.90	4,325.93	8,607.08
15	Less: Share of Minority Interest	-	-	-	-	-	-
16	Add: Share in Profit of associates	13.16	12.15	8.17	25.31	13.53	(13.72)
17	Profit after tax (14-15+16)	2,946.62	1,852.59	2,407.25	4,799.21	4,339.46	8,593.36
18	Paid Up Equity Capital - (Face value of ₹ 5 per share)	989.60	989.40	955.01	989.60	955.01	956.52
19	Group Reserves (excluding Minority Interest and Revaluation reserves)						65,677.60
20	Minority Interest						-
21	Analytical Ratios						
	(i) Capital Adequacy ratio – Basel III (standalone)	22.05	21.23	18.15	22.05	18.15	17.89
	(ii) Earnings per equity share						
	- Basic (not annualised) ₹	14.89	9.57	12.61	24.51	22.73	44.73
	- Diluted (not annualised) ₹	14.89	9.56	12.59	24.51	22.70	44.68

₹ crore

Sr No	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-20 (Unaudited)	30-Jun-20 (Unaudited)	30-Sep-19 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
	(iii) NPA Ratios (unaudited)						
	(a) Gross NPA	6,055.01	6,292.55	5,475.48	6,055.01	5,475.48	5,487.66
	(b) Net NPA	1,636.82	2,065.28	2,031.59	1,636.82	2,031.59	1,744.81
	(c) % of Gross NPA to Gross Advances	2.55	2.67	2.17	2.55	2.17	2.16
	(d) % of Net NPA to Net Advances	0.70	0.89	0.82	0.70	0.82	0.70
	(iv) Return on average Assets (not annualised) (unaudited)	0.64	0.41	0.60	1.06	1.09	2.10

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 financial results of the subsidiaries and associates used for preparation of the consolidated financial results are in accordance with Generally Accepted Accounting Principles in India ("GAAP") specified under Section 133 and relevant provision of Companies Act, 2013. The financial statements of Indian subsidiaries (excluding insurance companies) and associates are prepared as per Indian Accounting Standards in accordance with the Companies (Indian Accounting Standards) Rules, 2015.
- The above consolidated results for the quarter and half year ended 30th September, 2020 were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 26th October, 2020. These results were subjected to limited review by the statutory auditors of the Bank and there are no modifications 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-20 (Unaudited)	30-Jun-20 (Unaudited)	30-Sep-19 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
Commission, fees, exchange, brokerage and others	1,873.26	1,152.85	1,648.16	3,026.11	3,407.98	6,876.96
Profit on sale of investments (other than insurance business)	218.94	119.38	159.78	338.32	309.37	877.37
Total – Other income	2,092.20	1,272.23	1,807.94	3,364.43	3,717.35	7,754.33

- Other income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 28.58 crore for the quarter and ₹ 49.15 crore for the half year ended 30th September, 2020 (for the quarter ended 30th June 2020, ₹ 20.57 crore, for the quarter and half year ended 30th September, 2019, ₹ 13.00 crore and ₹ 32.86 crore respectively, for the year ended 31st March, 2020 amounting to ₹ 66.04 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 operating expenditure forming part of consolidated results are as follows:

₹ crore

Particulars	Quarter ended			Half year ended		Year ended
	30-Sep-20 (Unaudited)	30-Jun-20 (Unaudited)	30-Sep-19 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
Brokerage	101.29	53.59	171.88	154.88	318.61	704.19
Depreciation	116.67	113.37	117.53	230.04	236.06	464.89
Rent, taxes and lighting	190.97	190.71	188.16	381.68	378.31	768.58
Others	1,022.64	856.14	1,098.50	1,878.78	2,192.38	4,767.30
Total – Other operating expenses	1,431.57	1,213.81	1,576.07	2,645.38	3,125.36	6,704.96

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			Half year ended		Year ended
	30-Sep-20 (Unaudited)	30-Jun-20 (Unaudited)	30-Sep-19 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
Provision towards advances / others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures and accounts not recognized as NPA in accordance with Hon. SC interim order) (net)	436.08	484.35	444.51	920.43	744.04	1,663.49
General provision for COVID19 Deferment cases (net)	14.92	667.48	-	682.40	-	713.68
Provision / (Write back of provisions) towards investments (net)	22.22	(32.50)	28.59	(10.28)	79.28	180.93
Total – Provisions (other than tax) and contingencies	473.22	1,119.33	473.10	1,592.55	823.32	2,558.10

9. COVID-19, global pandemic, has taken its toll on human life and also on the economy and the business, the extent of which continues to be unascertainable. Governments have introduced various lockdowns since March 2020. Such lockdowns have been lifted for activities in a phased manner by various governments at different points in time depending on the situation prevailing in their respective jurisdictions.

While there is improvement in the economic activity, the continued slowdown has impacted lending business, fee income generation from sale of third party products or usage of debit/ credit cards, collection efficiency etc. This slowdown may impact customer defaults. There is uncertainty regarding the time required for life and business to get back to normal. The extent to which COVID-19 pandemic will impact the Bank's operations and financial results is dependent on future developments, including among many other things, the severity of the pandemic and any action to contain its spread or mitigate its impact, whether Government mandated or decided by the Bank.

In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated 27th March, 2020 and 17th April, 2020, and clarification issued by RBI through Indian Bankers Association dated 6th May, 2020, the Bank and its NBFC subsidiaries granted moratorium on the payment of installments and/or interest, as applicable, falling due between 1st March, 2020 and 31st May, 2020 to eligible borrowers classified as Standard, even if overdue, as on 29th February, 2020. In accordance with the additional Regulatory Package guidelines dated 23rd May, 2020, the Bank and its NBFC subsidiaries granted a second moratorium on installments or interest, as applicable, due between 1st June, 2020 and 31st August, 2020. The moratorium period, wherever granted, is excluded from the number of days past-due for the purpose of asset classification under RBI's Income Recognition and Asset Classification norms.

The Bank and its NBFC subsidiaries hold provisions as at 30th September, 2020 against the potential impact of customers impacted by COVID-19 pandemic, which is higher than the regulatory requirements.

10. The Honourable Supreme Court of India, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr), vide an interim order dated 3rd September, 2020 has directed that accounts which were not declared as NPA till 31st August, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Bank and its NBFC subsidiaries have not classified any account (whether granted moratorium or not) as NPA after 31st August, 2020.

Had there been no such interim order and consequently the Bank and its NBFC subsidiaries would have classified borrower accounts as NPA after 31st August, 2020, the gross NPA and net NPA as at 30th September, 2020 would have been 2.76% and 0.86% respectively. As a matter of prudence, the Bank and its NBFC subsidiaries have made additional provisions (including on interest accrued) of ₹ 144.91 crore on such advances.

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: <https://www.kotak.com/en/investor-relations/financial-results/regulatory-disclosure.html>. These disclosures have not been subjected to audit or limited review.
12. The change in the valuation of liabilities for life policies in force, lapsed policies that are likely to be revived in future and for policies in respect of which premium has been discontinued but liability exists, for the quarter and half year ended 30th September, 2020 amounting to ₹ 1,944.79 crore and ₹ 3,761.30 crore respectively (for the quarter ended 30th June, 2020,

₹ 1,816.51 crore, for the quarter and half year ended 30th September, 2019, ₹ 1,301.03 crore and ₹ 2,354.80 crore respectively, for the year ended 31st March, 2020 amounting to ₹ 4,100.96 crore) has been included in "Policy holders' reserves, surrender expense and claims" under "Operating Expenses".

13. During the previous quarter, the Bank had issued 65,000,000 equity shares of a face value ₹ 5 each at a price of ₹ 1,145 per equity share including a premium of ₹ 1,140 per equity share aggregating to ₹ 7,442.50 crore pursuant to a Qualified Institutional Placement (QIP).

14. The summarised consolidated Balance Sheet of the Bank is given below:

₹ crore			
Summarised Balance Sheet	As at 30 th Sep 2020 (Unaudited)	As at 30 th Sep 2019 (Unaudited)	As at 31 st Mar 2020 (Audited)
CAPITAL AND LIABILITIES			
Capital	1,489.60	1,455.01	1,456.52
Employees' Stock Options (Grants) Outstanding	4.33	2.48	2.87
Reserves and Surplus	77,899.21	61,107.93	65,677.60
Deposits	260,937.89	232,338.41	260,400.21
Borrowings	62,230.51	58,166.40	65,576.72
Policyholder's Funds	35,271.74	29,846.87	31,508.82
Other Liabilities and Provisions	19,449.83	17,425.08	18,549.97
TOTAL	457,283.11	400,342.18	443,172.71
ASSETS			
Cash and balances with Reserve Bank Of India	9,606.81	11,237.48	9,513.24
Balances with Banks and Money at Call and Short Notice	37,567.92	13,623.69	54,566.61
Investments	159,407.26	109,707.89	111,196.91
Advances	232,527.26	248,740.17	249,878.96
Fixed Assets	1,757.09	1,890.92	1,860.96
Other Assets	15,603.02	14,328.28	15,342.28
Goodwill on consolidation	813.75	813.75	813.75
TOTAL	457,283.11	400,342.18	443,172.71

15. Consolidated Segment information is as under:

₹ crore							
Sr No	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-20 (Unaudited)	30-Jun-20 (Unaudited)	30-Sep-19 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
1	Segment Revenues:						
	Treasury, BMU and Corporate Centre	2,642.81	2,080.85	1,701.26	4,723.66	3,429.94	7,184.98
	Retail Banking	3,566.08	3,417.49	3,820.91	6,983.57	7,465.20	15,057.84
	Corporate / Wholesale Banking	3,229.74	3,311.54	3,374.48	6,541.28	6,752.34	13,918.46
	Vehicle Financing	489.80	475.05	595.46	964.85	1,199.90	2,334.43
	Other Lending Activities	374.38	374.22	510.26	748.60	1,042.12	1,974.16
	Broking (Refer Note 5)	428.74	402.19	332.71	830.93	672.23	1,393.27
	Advisory and Transactional Services	91.96	66.80	73.00	158.76	207.61	417.78
	Asset Management	270.66	231.36	276.12	502.02	535.15	1,121.48
	Insurance	3,747.28	3,175.75	2,820.88	6,923.03	5,225.08	11,063.09
	Sub-total	14,841.45	13,535.25	13,505.08	28,376.70	26,529.57	54,465.49
	Less: inter-segment revenues	(1,250.04)	(1,212.10)	(962.09)	(2,462.14)	(1,857.02)	(4,165.80)
	Total Income	13,591.41	12,323.15	12,542.99	25,914.56	24,672.55	50,299.69
2	Segment Results:						
	Treasury, BMU and Corporate Centre	1,175.98	180.39	705.80	1,356.37	1,354.54	2,283.73
	Retail Banking	447.18	358.50	445.07	805.68	946.42	1,553.19
	Corporate / Wholesale Banking	1,462.66	1,267.48	1,058.01	2,730.14	2,052.65	4,384.22
	Vehicle Financing	55.12	(18.72)	122.72	36.40	246.98	444.01
	Other Lending Activities	150.37	95.84	163.10	246.21	323.03	651.93
	Broking	193.65	163.24	117.00	356.89	222.43	509.32
	Advisory and Transactional Services	20.99	4.24	19.26	25.23	102.20	168.69
	Asset Management	173.22	162.34	152.12	335.56	294.36	615.37
	Insurance	235.30	222.02	161.63	457.32	315.26	811.34
	Total Profit before tax, minority interest and associates	3,914.47	2,435.33	2,944.71	6,349.80	5,857.87	11,421.80
	Provision for tax	981.01	594.89	545.63	1,575.90	1,531.94	2,814.72
	Net Profit before share of Associates and Minority	2,933.46	1,840.44	2,399.08	4,773.90	4,325.93	8,607.08

Sr No	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-20 (Unaudited)	30-Jun-20 (Unaudited)	30-Sep-19 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
3	Segment Assets:						
	Treasury, BMU and Corporate Centre	159,786.00	166,460.40	100,640.87	159,786.00	100,640.87	137,136.12
	Retail Banking	231,146.15	225,656.13	195,442.69	231,146.15	195,442.69	216,234.38
	Corporate / Wholesale Banking	148,856.91	144,057.97	134,915.12	148,856.91	134,915.12	153,443.88
	Vehicle Financing	17,127.33	16,681.77	20,495.24	17,127.33	20,495.24	19,505.92
	Other Lending Activities	13,782.26	13,897.40	17,448.34	13,782.26	17,448.34	15,340.95
	Broking	5,303.07	5,855.58	5,471.41	5,303.07	5,471.41	5,753.97
	Advisory and Transactional Services	272.39	263.91	306.18	272.39	306.18	319.06
	Asset Management	3,262.41	3,380.02	2,732.81	3,262.41	2,732.81	2,975.43
	Insurance	41,350.69	39,065.23	34,414.26	41,350.69	34,414.26	37,133.30
	Sub-total	620,887.21	615,318.41	511,866.92	620,887.21	511,866.92	587,843.01
	Less: inter-segment assets	(165,138.97)	(158,204.47)	(112,813.84)	(165,138.97)	(112,813.84)	(145,997.82)
	Total	455,748.24	457,113.94	399,053.08	455,748.24	399,053.08	441,845.19
	Add: Unallocated Assets	1,534.87	1,504.03	1,289.10	1,534.87	1,289.10	1,327.52
	Total Assets as per Balance Sheet	457,283.11	458,617.97	400,342.18	457,283.11	400,342.18	443,172.71
4	Segment Liabilities:						
	Treasury, BMU and Corporate Centre	130,969.26	138,061.68	88,458.31	130,969.26	88,458.31	122,215.01
	Retail Banking	216,791.27	211,748.01	180,587.36	216,791.27	180,587.36	200,770.56
	Corporate / Wholesale Banking	134,952.40	131,608.39	121,806.82	134,952.40	121,806.82	137,983.86
	Vehicle Financing	10,501.13	10,360.15	15,716.48	10,501.13	15,716.48	14,185.38
	Other Lending Activities	6,750.70	6,893.55	7,262.74	6,750.70	7,262.74	7,610.77
	Broking	4,400.43	4,977.22	4,556.89	4,400.43	4,556.89	4,860.90
	Advisory and Transactional Services	76.79	57.51	90.42	76.79	90.42	74.52
	Asset Management	587.59	836.48	748.96	587.59	748.96	576.71
	Insurance	37,315.25	35,251.51	31,346.20	37,315.25	31,346.20	33,526.74
	Sub-total	542,344.82	539,794.50	450,574.18	542,344.82	450,574.18	521,804.45
	Less: inter-segment liabilities	(165,138.97)	(158,204.47)	(112,813.84)	(165,138.97)	(112,813.84)	(145,997.82)
	Total	377,205.85	381,590.03	337,760.34	377,205.85	337,760.34	375,806.63
	Add: Unallocated liabilities	688.45	585.33	18.91	688.45	18.91	231.96
	Add: Share Capital, Reserves & Surplus & Minority Interest	79,388.81	76,442.61	62,562.93	79,388.81	62,562.93	67,134.12
	Total Capital and Liabilities as per Balance Sheet	457,283.11	458,617.97	400,342.18	457,283.11	400,342.18	443,172.71

16. Consolidated Cash Flow Statement:

Particulars	Half Year ended		Year ended
	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit after tax	4,773.90	4,325.93	8,607.08
Add: Provision for tax	1,575.90	1,531.94	2,814.72
Net Profit before taxes	6,349.80	5,857.87	11,421.80
Adjustments for :-			
Employee Stock Options Expense	1.81	0.89	2.77
Depreciation on Group's Property	230.04	236.06	464.89
Diminution/ (write back) in the value of Investments	(10.28)	79.28	180.93
(Profit) / Loss on revaluation of investments (net)	(1,758.14)	67.95	2,205.03
Profit on sale of Investments (net)	(694.05)	(733.75)	(1,547.75)
Amortization of Premium on Investments	201.36	132.11	314.18
Provision for Non-Performing Assets, Standard Assets and Other Provisions	1,602.83	744.03	2,377.17
Profit on sale of Fixed Assets	(32.30)	(28.40)	(29.42)
	5,891.07	6,356.04	15,389.60
Adjustments for :-			
(Increase) / Decrease in investments - Available for Sale, Held for Trading and Stock-in-Trade	(39,510.37)	6,476.68	3,910.17

₹ crore

Particulars	Half Year ended		Year ended
	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
(Increase) / Decrease in Advances	16,562.88	(5,994.85)	(7,983.30)
(Increase) / Decrease in Other Assets	(108.93)	33.22	(982.82)
Increase in Deposits	537.69	7,514.15	35,575.95
Increase in Policyholders' Funds	3,762.92	2,429.06	4,091.00
(Decrease) in Other Liabilities and Provisions	(320.44)	(692.59)	(515.49)
Subtotal	(19,076.25)	9,765.67	34,095.51
Direct Taxes Paid (net of refunds)	(1,328.34)	(1,764.57)	(2,866.28)
NET CASH FLOW FROM/ (USED IN) OPERATING ACTIVITIES (A)	(14,513.52)	14,357.14	46,618.83
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	(146.91)	(232.34)	(452.62)
Proceeds from sale of Fixed assets	59.95	32.17	39.93
Proceeds from Sale of Shares in Associates	-	10.32	14.26
(Increase) in Other Investments	(6,413.55)	(12,239.92)	(12,800.44)
NET CASH FLOW (USED IN) INVESTING ACTIVITIES (B)	(6,500.51)	(12,429.77)	(13,198.87)
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid including corporate dividend tax	-	(184.19)	(233.02)
Money received on issue of Equity Shares / exercise of stock options	7,533.66	94.11	360.61
Share issue expenses	(37.45)	(0.20)	(0.37)
(Decrease) in borrowings	(3,346.21)	(8,272.54)	(862.22)
NET CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES (C)	4,150.00	(8,362.82)	(735.00)
Increase in Foreign Currency Translation Reserve (D)	(41.09)	32.16	130.43
NET INCREASE/(DECREASE)IN CASH AND CASH EQUIVALENTS (A + B + C + D)	(16,905.12)	(6,403.29)	32,815.39
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	64,079.85	31,264.46	31,264.46
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD / YEAR	47,174.73	24,861.17	64,079.85
Balance with banks in India in Other Deposit Accounts	4,708.61	5,472.84	6,621.14
Balance with banks in India in Current Account	395.06	554.20	468.58
Money at call and short notice in India with Banks	1,461.02	1,301.77	3,145.84
Money at call and short notice in India with Other Agencies	25,400.00	2,000.00	40,300.00
Cash in hand	1,179.29	1,792.51	1,729.80
Balance with RBI in Current Account	8,427.51	9,444.97	7,783.44
Balance with Banks Outside India:			
(i) In Current Account	737.84	1,093.51	757.36
(ii) In other Deposit Accounts	4,865.40	3,201.37	3,273.69
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD / YEAR	47,174.73	24,861.17	64,079.85

17. There has been no change in the significant accounting policies during the quarter and half year ended 30th September, 2020 as compared to those followed for the year ended 31st March, 2020.
18. 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, 26th October, 2020

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, 2020

₹ crore

Sr No	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-20 (Unaudited)	30-Jun-20 (Unaudited)	30-Sep-19 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
1	Interest earned (a+b+c+d)	6,836.05	6,911.86	6,761.60	13,747.91	13,389.33	26,929.61
	(a) Interest/discount on advances/bills	4,710.78	4,975.75	5,288.32	9,686.53	10,463.58	20,999.24
	(b) Income on investments	1,803.90	1,489.35	1,355.79	3,293.25	2,633.36	5,257.25
	(c) Interest on balances with RBI & other interbank funds	259.95	384.16	40.27	644.11	139.32	381.24
	(d) Others	61.42	62.60	77.22	124.02	153.07	291.88
2	Other income (Refer Note 2)	1,452.03	773.54	1,224.41	2,225.57	2,541.29	5,372.11
3	Total income (1+2)	8,288.08	7,685.40	7,986.01	15,973.48	15,930.62	32,301.72
4	Interest expended	2,922.84	3,188.01	3,412.01	6,110.85	6,878.85	13,429.95
5	Operating expenses (a+b)	2,067.75	1,873.68	2,065.44	3,941.43	4,144.29	8,850.94
	(a) Employee cost	990.07	910.88	915.01	1,900.95	1,816.52	3,877.63
	(b) Other operating expenses	1,077.68	962.80	1,150.43	2,040.48	2,327.77	4,973.31
6	Total expenditure (4+5) (excluding provisions & contingencies)	4,990.59	5,061.69	5,477.45	10,052.28	11,023.14	22,280.89
7	Operating profit (3-6) (Profit before provisions and contingencies)	3,297.49	2,623.71	2,508.56	5,921.20	4,907.48	10,020.83
8	Provisions (other than tax) and contingencies (Refer Note 2 and 3)	368.59	962.01	407.93	1,330.60	724.69	2,216.16
9	Exceptional items	-	-	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	2,928.90	1,661.70	2,100.63	4,590.60	4,182.79	7,804.67
11	Tax expense	744.42	417.25	376.15	1,161.67	1,098.11	1,857.49
12	Net Profit from ordinary activities after tax (10-11)	2,184.48	1,244.45	1,724.48	3,428.93	3,084.68	5,947.18
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit (12-13)	2,184.48	1,244.45	1,724.48	3,428.93	3,084.68	5,947.18
15	Paid up equity share capital - (of Face Value ₹ 5 per share)	989.60	989.40	955.01	989.60	955.01	956.52
16	Reserves (excluding revaluation reserves)						47,558.78
17	Analytical Ratios						
	(i) Percentage of shares held by Government of India	-	-	-	-	-	-
	(ii) Capital adequacy ratio - Basel III	22.05	21.23	18.15	22.05	18.15	17.89
	(iii) Earnings per equity share						
	- Basic (not annualised) ₹	11.04	6.43	9.03	17.51	16.16	30.88
	- Diluted (not annualised) ₹	11.04	6.42	9.02	17.51	16.13	30.84
	(iv) NPA Ratios						
	a) Gross NPA	5,335.95	5,619.33	5,033.55	5,335.95	5,033.55	5,026.89
	b) Net NPA	1,303.78	1,777.10	1,811.40	1,303.78	1,811.40	1,557.89
	c) % of Gross NPA to Gross Advances	2.55	2.70	2.32	2.55	2.32	2.25
	d) % of Net NPA to Net Advances	0.64	0.87	0.85	0.64	0.85	0.71
	(v) Return on average Assets (%) not annualised	0.59	0.34	0.55	0.93	0.99	1.87

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.

	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-20 (Unaudited)	30-Jun-20 (Unaudited)	30-Sep-19 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
₹ crore							
1	Segment Revenue						
	a. Corporate/ Wholesale Banking	3,229.74	3,311.54	3,374.48	6,541.28	6,752.34	13,918.46
	b. Retail Banking	3,566.08	3,417.49	3,820.91	6,983.57	7,465.20	15,057.84
	c. Treasury, BMU and Corporate Centre	2,516.01	1,962.83	1,573.47	4,478.84	3,228.48	6,693.60
	d. Other Banking business	-	-	-	-	-	-
	Sub-total	9,311.83	8,691.86	8,768.86	18,003.69	17,446.02	35,669.90
	Less: Inter-segmental revenue	1,023.75	1,006.46	782.85	2,030.21	1,515.40	3,368.18
	Total	8,288.08	7,685.40	7,986.01	15,973.48	15,930.62	32,301.72
2	Segment Results						
	a. Corporate/ Wholesale Banking	1,462.66	1,267.48	1,058.01	2,730.14	2,052.65	4,384.22
	b. Retail Banking	447.18	358.50	445.07	805.68	946.42	1,553.19
	c. Treasury, BMU and Corporate Centre	1,019.06	35.72	597.55	1,054.78	1,183.72	1,867.26
	d. Other Banking business	-	-	-	-	-	-
	Total Profit Before Tax	2,928.90	1,661.70	2,100.63	4,590.60	4,182.79	7,804.67
3	Segment Assets						
	a. Corporate / Wholesale Banking	148,856.91	144,057.97	134,915.12	148,856.91	134,915.12	153,443.88
	b. Retail Banking	231,146.15	225,656.13	195,442.69	231,146.15	195,442.69	216,234.38
	c. Treasury, BMU and Corporate Centre	157,602.49	163,983.26	97,956.41	157,602.49	97,956.41	133,563.77
	d. Other Banking business	-	-	-	-	-	-
	Sub-total	537,605.55	533,697.36	428,314.22	537,605.55	428,314.22	503,242.03
	Less : Inter-segmental Assets	163,315.07	155,880.27	111,715.70	163,315.07	111,715.70	143,307.69
	Total	374,290.48	377,817.09	316,598.52	374,290.48	316,598.52	359,934.34
	Add : Unallocated Assets	474.62	461.76	291.17	474.62	291.17	317.34
	Total Assets as per Balance Sheet	374,765.10	378,278.85	316,889.69	374,765.10	316,889.69	360,251.68
4	Segment Liabilities						
	a. Corporate / Wholesale Banking	134,952.40	131,608.39	121,806.82	134,952.40	121,806.82	137,983.86
	b. Retail Banking	216,791.27	211,748.01	180,587.36	216,791.27	180,587.36	200,770.56
	c. Treasury, BMU and Corporate Centre	126,008.45	132,768.60	80,296.79	126,008.45	80,296.79	115,719.99
	d. Other Banking business	-	-	-	-	-	-
	Sub-total	477,752.12	476,125.00	382,690.97	477,752.12	382,690.97	454,474.41
	Less : Inter-segmental Liabilities	163,315.07	155,880.27	111,715.70	163,315.07	111,715.70	143,307.69
	Total	314,437.05	320,244.73	270,975.27	314,437.05	270,975.27	311,166.72
	Add : Unallocated liabilities	405.16	324.74	2.48	405.16	2.48	69.66
	Add : Share Capital & Reserves & surplus	59,922.89	57,709.38	45,911.94	59,922.89	45,911.94	49,015.30
	Total Liabilities as per Balance Sheet	374,765.10	378,278.85	316,889.69	374,765.10	316,889.69	360,251.68

STANDALONE CASH FLOW STATEMENT

₹ crore

Particulars	Half year ended		Year ended
	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES			
Profit after tax	3,428.93	3,084.68	5,947.18
Add: Provision for tax	1,161.67	1,098.11	1,857.49
Net Profit before taxes	4,590.60	4,182.79	7,804.67
Adjustments for :-			
Employee Stock Options Expense	1.77	0.89	2.75
Depreciation on Bank's Property	183.84	190.42	371.95
Loss on sale of investments in associates	-	-	8.43
Diminution in the value of Investments written off	15.99	54.38	90.12
Dividend from Subsidiaries/ Joint Ventures	(0.16)	(51.80)	(51.80)
Amortization of Premium on HTM Investments	188.93	135.15	306.65
Provision for Non Performing Assets, Standard Assets and Other Provisions	1,314.60	670.31	2,126.04
Profit on sale of Fixed Assets	(25.09)	(27.13)	(27.63)
	6,270.48	5,155.01	10,631.18
Adjustments for :-			
(Increase) / Decrease in Investments (other than Subsidiaries, Joint Ventures and Other HTM Investments)	(39,106.79)	6,485.10	2,926.34
Decrease / (Increase) in Advances	14,255.40	(8,243.60)	(15,458.93)
Increase in Other Assets	(422.31)	(765.52)	(1,440.27)
(Decrease) / Increase in Deposits	(1,256.90)	7,191.09	36,940.16
Increase / (Decrease) in Other Liabilities and Provisions	65.15	137.43	(1,438.10)
Subtotal	(26,465.45)	4,804.50	21,529.20
Direct Taxes Paid	(984.90)	(1,282.18)	(2,000.95)
NET CASH FLOW (USED IN) /FROM OPERATING ACTIVITIES (A)	(21,179.87)	8,677.33	30,159.43
CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES			
Purchase of Fixed Assets	(112.03)	(181.54)	(346.70)
Sale of Fixed Assets	35.27	30.02	34.84
Proceeds from sale of Investment in Associates	-	-	1.67
Investments in Subsidiaries/ Joint Ventures	-	(85.00)	(85.00)
Increase in Investments in HTM securities	(2,770.27)	(9,731.18)	(7,110.67)
Dividend from Subsidiaries/ Joint Ventures	0.16	51.80	51.80
NET CASH FLOW USED IN INVESTING ACTIVITIES (B)	(2,846.87)	(9,915.90)	(7,454.06)
CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES			
(Decrease) / Increase in Refinance	(1,726.51)	2,209.48	(1,163.62)
Increase / (Decrease) in Borrowings (other than Refinance and Sub-ordinated debt)	5,522.26	(7,793.25)	6,908.64
Money received on exercise of Stock Options/Issue of Equity Shares	7,533.66	94.11	360.61
Share Issue Expenses	(46.45)	(0.20)	(0.37)
Dividend paid including Corporate Dividend Tax	-	(173.52)	(222.34)
NET CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES (C)	11,282.96	(5,663.38)	5,882.92
Increase in Foreign Currency Translation Reserve (D)	(8.91)	6.61	28.47
NET INCREASE/(DECREASE)IN CASH AND CASH EQUIVALENTS (A + B + C + D)	(12,752.69)	(6,895.34)	28,616.76
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	53,292.30	24,675.54	24,675.54
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD / YEAR	40,539.61	17,780.20	53,292.30

Particulars	Half year ended		Year ended
	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
Note:			
Balance with Banks in India in Fixed Deposit	3.17	5.99	6.50
Balance with Banks in India in Current Account	277.60	504.15	168.54
Money at Call and Short Notice in India	25,400.00	2,404.66	40,300.00
Cash in hand (including foreign currency notes)	1,157.07	1,770.59	1,721.61
Balance with RBI in Current Accounts	8,427.51	9,444.97	7,783.44
Balance with Banks Outside India:			
(i) In Current Account	604.62	992.03	626.10
(ii) In other Deposit Accounts	4,669.64	2,657.81	2,686.11
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD / YEAR	40,539.61	17,780.20	53,292.30

NOTES:

- The above results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 26th October, 2020. The results for the quarter and half year ended 30th September, 2020 were subject to limited review by the statutory auditors and there are no modifications 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. Provision / (write-back) for mark-to-market depreciation on investments in AFS and HFT categories are considered in Provisions and Contingencies.
- 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-20 (Unaudited)	30-Jun-20 (Unaudited)	30-Sep-19 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
Provision towards advances / Others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures and accounts not recognized as NPA in accordance with Hon. SC interim order)	332.72	352.88	397.72	685.60	670.31	1,476.04
General provision for COVID 19 Deferment cases (net)	13.00	616.00	-	629.00	-	650.00
Provision / (write-back of provisions) for mark-to-market depreciation on investments in AFS and HFT categories (net)	18.50	(5.82)	1.05	12.68	30.83	60.58
Other Provision / (write back of other provisions) towards investments (net)	4.37	(1.05)	9.16	3.32	23.55	29.54
Total provisions (other than Tax) and contingencies	368.59	962.01	407.93	1,330.60	724.69	2,216.16

₹ crore

4. COVID 19, global pandemic, has taken its toll on human life and also on the economy and the business, the extent of which continues to be unascertainable. Governments have introduced various lockdowns since March 2020. Such lockdowns have been lifted for activities in a phased manner by various governments at various points in time depending on the situation prevailing in their respective jurisdictions.

While there is improvement in the economic activity, the continued slowdown has impacted lending business, fee income generation from sale of third party products or usage of debit/ credit cards, collection efficiency etc. This slowdown may impact customer defaults. There is uncertainty regarding the time required for life and business to get back to normal. The extent to which COVID 19 pandemic will impact the Bank's operations and financial results is dependent on the future developments, including among many other things, the severity of the pandemic and any action to contain its spread or mitigate its impact, whether Government mandated or decided by the Bank.

5. In accordance with the RBI guidelines relating to COVID 19 Regulatory Package dated 27th March, 2020 and 17th April, 2020, and clarification issued by RBI through Indian Bankers Association dated 6th May, 2020, the Bank granted moratorium on the payment of installments and/or interest, as applicable, falling due between 1st March, 2020 and 31st May, 2020 to eligible borrowers classified as Standard, even if overdue, as on 29th February, 2020. In accordance with the additional Regulatory Package guidelines dated 23rd May, 2020, the Bank granted a second moratorium on installments or interest, as applicable, due between 1st June, 2020 and 31st August, 2020. The moratorium period, wherever granted, is excluded from the number of days past-due for the purpose of asset classification under RBI's Income Recognition and Asset Classification norms.

The Bank holds provisions as at 30th September, 2020 against the potential impact of customers impacted by COVID 19 pandemic, which is higher than the regulatory requirements.

The disclosure requirements as required by RBI circular dated 17th April, 2020 for the half year ended 30th September 2020 is given below:

Particulars	Amount in ₹ crore
Advances outstanding in SMA/overdue categories, where the moratorium / deferment was extended, as per the COVID 19 regulatory package as at 29 th February 2020	9,559
Advances outstanding where asset classification benefits is extended\$	775
Provisions made in terms of paragraph 5 of the COVID 19 Regulatory Package	
- In Q4FY20	650
- In Q1FY21	738
- In Q2FY21	13
Provisions adjusted against slippages in terms of paragraph 6	
- In Q4FY20	NIL
- In Q1FY21	122
- In Q2FY21#	NIL
Residual provisions in terms of paragraph 6 of the COVID 19 Regulatory Package	
- As at 31 st March, 2020	650
- As at 30 th June, 2020	1,266
- As at 30 th September, 2020	1,279

\$ As of 30th September, 2020 in respect of such accounts

Bank has chosen not to adjust provisions against slippages

6. The Honourable Supreme Court of India, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr), vide an interim order dated 3rd September, 2020 has directed that accounts which were not declared as NPA till 31st August, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Bank has not classified any account (whether granted moratorium or not) as NPA after 31st August, 2020

Had there been no such interim order and consequently the Bank would have classified borrower accounts as NPA after 31st August, 2020, the Bank's gross NPA and net NPA as at 30th September, 2020 would have been 2.70% and 0.74% respectively. As a matter of prudence, the Bank has made additional provisions (including on interest accrued) of ₹ 92 crore on such advances.

7. During the previous quarter, the Bank had issued 65,000,000 equity shares of a face value ₹ 5 each at a price of ₹ 1,145 per equity share including a premium of ₹ 1,140 per equity share aggregating to ₹ 7,442.50 crore pursuant to a Qualified Institutional Placement (QIP).
8. During the quarter, the Bank has granted 1,648,740 options under employee stock option scheme. Stock options aggregating to 403,432 were exercised during the quarter and 8,908,591 stock options were outstanding with employees of the Bank and its subsidiaries as at 30th September, 2020.
9. 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.
10. The Summarised Balance Sheet of the Bank (Standalone) is given below:

₹ crore

Summarised Balance Sheet	As at		
	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
CAPITAL AND LIABILITIES			
Capital	1,489.60	1,455.01	1,456.52
Reserves and Surplus	58,433.29	44,456.93	47,558.78
Employees' Stock Options (Grants) Outstanding	4.33	2.48	2.87
Deposits	261,563.62	233,071.46	262,820.52
Borrowings	41,789.06	26,664.52	37,993.31
Other Liabilities and Provisions	11,485.20	11,239.29	10,419.68
TOTAL	374,765.10	316,889.69	360,251.68
ASSETS			
Cash and balances with Reserve Bank of India	9,584.58	11,215.57	9,505.05
Balances with Banks and Money at Call and Short Notice	30,955.03	6,564.63	43,787.25
Investments	116,723.68	74,330.64	75,051.54
Advances	204,844.55	213,299.42	219,748.19
Fixed Assets	1,545.18	1,656.24	1,623.13
Other Assets	11,112.08	9,823.19	10,536.52
TOTAL	374,765.10	316,889.69	360,251.68

11. There has been no change to significant accounting policies during the quarter and half year ended 30th September, 2020.
12. 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, 26th October, 2020

Dipak Gupta
Joint Managing Director