



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, 2016

₹ crore

Sr No	Particulars	Quarter ended			Year ended
		30-Jun-16 (Unaudited)	31-Mar-16 (Audited – Refer Note 2)	30-Jun-15 (Unaudited)	31-Mar-16 (Audited)
1	Interest earned (a+b+c+d)	4,386.85	4,265.41	3,991.43	16,384.19
	(a) Interest/discount on advances/ bills	3,282.19	3,205.57	3,046.49	12,470.37
	(b) Income on investments	947.21	925.45	834.63	3,456.01
	(c) Interest on balances with RBI & other interbank funds	29.73	44.50	22.29	92.91
	(d) Others	127.72	89.89	88.02	364.90
2	Other income (Refer Note 3)	733.18	681.91	592.43	2,612.23
3	Total income (1+2)	5,120.03	4,947.32	4,583.86	18,996.42
4	Interest expended	2,467.75	2,408.17	2,393.24	9,483.81
5	Operating expenses (a+b)	1,337.25	1,345.00	1,593.65	5,471.52
	(a) Employees cost (Refer Note 8)	667.14	634.03	928.78	2,803.98
	(b) Other operating expenses	670.11	710.97	664.87	2,667.54
6	Total expenditure (4+5) (excluding provisions & contingencies)	3,805.00	3,753.17	3,986.89	14,955.33
7	Operating profit (3-6) (Profit before provisions and contingencies)	1,315.03	1,194.15	596.97	4,041.09
8	Provisions (other than tax) and contingencies (Refer Note 4)	179.51	200.41	305.31	917.37
9	Exceptional items	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	1,135.52	993.74	291.66	3,123.72
11	Tax expense	393.55	297.96	101.88	1,033.94
12	Net Profit from ordinary activities after tax (10-11)	741.97	695.78	189.78	2,089.78
13	Extraordinary items (net of tax expense)	-	-	-	-
14	Net Profit (12-13)	741.97	695.78	189.78	2,089.78
15	Paid up equity share capital - (of Face Value ₹ 5 per share)	917.79	917.19	456.42	917.19
16	Reserves (excluding revaluation reserves)				23,041.87
17	Analytical Ratios				
	(i) Percentage of shares held by Government of India	-	-	-	-
	(ii) Capital adequacy ratio – Basel III	16.34	16.34	16.36	16.34
	(iii) Earnings per share				
	- Basic (not annualised) ₹	4.04	3.80	2.08	11.42
	- Diluted (not annualised) ₹	4.04	3.79	2.07	11.40
	(iv) NPA Ratios				
	a) Gross NPA	3,058.81	2,838.11	2,421.77	2,838.11
	b) Net NPA	1,467.11	1,261.96	1,077.34	1,261.96
	c) % of Gross NPA to Gross Advances	2.50	2.36	2.31	2.36
	d) % of Net NPA to Net Advances	1.21	1.06	1.04	1.06
	(v) Return on Assets (average) – not annualised	0.38	0.37	0.11	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			Year ended
		30-Jun-16 (Unaudited)	31-Mar-16 (Audited – Refer Note 2)	30-Jun-15 (Unaudited)	31-Mar-16 (Audited)
1	Segment Revenue				
	a. Corporate/ Wholesale Banking	1,927.48	1,906.83	1,558.58	6,825.36
	b. Retail Banking	2,441.50	2,300.58	2,336.57	9,345.42
	c. Treasury, BMU and Corporate Centre	1,272.08	1,153.31	1,076.28	4,424.45
	Sub-total	5,641.06	5,360.72	4,971.43	20,595.23
	Less: Inter-segmental revenue	521.03	413.40	387.57	1,598.81
	Total	5,120.03	4,947.32	4,583.86	18,996.42
2	Segment Results				
	a. Corporate/ Wholesale Banking	600.75	584.49	369.12	2,030.39
	b. Retail Banking	250.18	259.93	11.16	916.60
	c. Treasury, BMU and Corporate Centre	284.59	149.32	(88.62)	176.73
	Total Profit Before Tax	1,135.52	993.74	291.66	3,123.72
3	Segment Assets				
	a. Corporate / Wholesale Banking	71,413.07	66,331.50	59,587.29	66,331.50
	b. Retail Banking	108,393.59	119,417.46	99,863.13	119,417.46
	c. Treasury, BMU and Corporate Centre	66,890.29	71,791.18	59,786.44	71,791.18
	d. Other Banking business	-	-	-	-
	Sub-total	246,696.95	257,540.14	219,236.86	257,540.14
	Less : Inter-segmental Assets	57,156.88	65,811.46	52,886.73	65,811.46
	Total	189,540.07	191,728.68	166,350.13	191,728.68
	Add : Unallocated Assets	280.10	531.11	524.24	531.11
	Total Assets as per Balance Sheet	189,820.17	192,259.79	166,874.37	192,259.79
4	Segment Liabilities				
	a. Corporate / Wholesale Banking	63,080.56	56,139.58	51,098.45	56,139.58
	b. Retail Banking	100,743.35	109,222.85	90,653.83	109,222.85
	c. Treasury, BMU and Corporate Centre	58,297.08	68,635.96	56,102.79	68,635.96
	d. Other Banking business	-	-	-	-
	Sub-total	222,120.99	233,998.39	197,855.07	233,998.39
	Less : Inter-segmental Liabilities	57,156.88	65,811.46	52,886.73	65,811.46
	Total	164,964.11	168,186.93	144,968.34	168,186.93
	Add : Unallocated liabilities	112.35	113.80	18.99	113.80
	Add : Share Capital & Reserves & surplus	24,743.71	23,959.06	21,887.04	23,959.06
	Total Liabilities as per Balance Sheet	189,820.17	192,259.79	166,874.37	192,259.79

NOTES:

- The above results were reviewed by the Audit Committee of the Board and approved at the meeting of the Board of Directors held on 21st July, 2016. The results for the quarter ended 30th June, 2016 are subjected to limited review by the statutory auditors of the Bank, S.R. Batliboi & Co. LLP Chartered Accountants.
- The figures of the last quarter in each of the year are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the respective financial year.
- 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-16 (Unaudited)	31-Mar-16 (Audited – Refer Note 2)	30-Jun-15 (Unaudited)	31-Mar-16 (Audited)
Provision towards advances / Others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures)	167.10	170.39	268.90	781.05
Provision / (write back of provisions) towards investments (net)	12.41	30.02	36.41	136.32
Total provisions (other than Tax) and contingencies	179.51	200.41	305.31	917.37

5. During the quarter, the Bank has granted 3,038,470 options under employee stock option scheme. Stock options aggregating to 1,192,822 were exercised during the quarter and 13,465,684 stock options were outstanding with employees of the Bank and its subsidiaries as at 30th June, 2016.
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, 2016.
8. Employee cost for the quarter ended 30th June, 2015, included provisions of ₹ 339 crore towards benefits payable to all employees (pension, gratuity and compensated absences) of the erstwhile ING Vysya. This was done on the basis of actuarial valuation as at 30th June, 2015 and take into account the effect of the 10th Bipartite Settlement Agreement that was executed in May 2015.
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, 21st July, 2016

Dipak Gupta
Joint Managing Director



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, 2016

₹ crore

Sr No	Particulars	Quarter Ended			Year Ended
		30-Jun-16 (Unaudited)	31-Mar-16 (Unaudited)	30-Jun-15 (Unaudited)	31-Mar-16 (Audited)
1	Interest earned (a+b+c+d)	5,469.73	5,317.46	4,941.88	20,401.64
	(a) Interest/discount on advances/bills	4,056.95	3,978.38	3,751.38	15,412.37
	(b) Income on investments	1,220.99	1,178.10	1,051.70	4,408.28
	(c) Interest on balances with RBI & other interbank funds	34.50	55.68	30.90	132.05
	(d) Others	157.29	105.30	107.90	448.94
2	Other income (a+b+c)	2,397.15	2,592.95	1,442.75	7,572.88
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	540.81	(57.37)	(75.28)	(245.13)
	(b) Premium on Insurance Business	776.95	1,637.14	619.83	3,911.29
	(c) Other income (Refer Notes 3, 4 & 5)	1,079.39	1,013.18	898.20	3,906.72
3	Total income (1+2)	7,866.88	7,910.41	6,384.63	27,974.52
4	Interest expended	2,904.00	2,850.52	2,778.39	11,122.97
5	Operating expenses (a+b+c)	3,125.02	3,348.83	2,536.34	10,836.25
	(a) Employees Cost (Refer Note 10)	951.46	926.68	1,169.08	3,854.05
	(b) Policy holders' reserves, surrender expense and claims	1,251.55	1,348.47	477.65	3,174.65
	(c) Other operating expenses (Refer Note 4 and 6)	922.01	1,073.68	889.61	3,807.55
6	Total expenditure (4+5) (excluding provisions and contingencies)	6,029.02	6,199.35	5,314.73	21,959.22
7	Operating Profit (3-6) (Profit before provisions and contingencies)	1,837.86	1,711.06	1,069.90	6,015.30
8	Provisions (other than tax) and contingencies (Refer Note 7)	213.57	211.98	321.90	991.56
9	Exceptional items	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	1,624.29	1,499.08	748.00	5,023.74
11	Tax expense	541.49	442.49	228.34	1,592.62
12	Net Profit from ordinary activities after tax before Minority Interest (10-11)	1,082.80	1,056.59	519.66	3,431.12
13	Extraordinary items (net of tax expense)	-	-	-	-
14	Net Profit from ordinary activities after tax before Minority Interest (12-13)	1,082.80	1,056.59	519.66	3,431.12
15	Less: Share of Minority Interest	18.56	19.93	17.17	65.19
16	Add: Share in Profit of associates	2.86	18.57	14.08	92.92
17	Profit after tax (14-15+16)	1,067.10	1,055.23	516.57	3,458.85
18	Paid Up Equity Capital - (Face value of ₹ 5 per share)	917.79	917.19	456.42	917.19
19	Group Reserves (excluding Minority Interest and Revaluation reserves)				32,443.45
20	Minority Interest				395.60
21	Analytical Ratios				
	(i) Capital Adequacy ratio – Basel III (standalone)	16.34	16.34	16.36	16.34
	(ii) Earnings per share				
	- Basic (not annualised) ₹	5.82	5.76	2.83	18.91
	- Diluted (not annualised) ₹	5.80	5.74	2.82	18.87
	(iii) NPA Ratios (unaudited)				
	(a) Gross NPA	3,265.18	3,016.55	2,595.24	3,016.55
	(b) Net NPA	1,565.40	1,353.03	1,173.33	1,353.03
	(c) % of Gross NPA to Gross Advances	2.20	2.06	2.04	2.06
	(d) % of Net NPA to Net Advances	1.06	0.93	0.93	0.93
	(iv) Return on average Assets (not annualised) (unaudited)	0.44	0.45	0.24	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 by the Audit Committee of the Board and approved at the meeting of the Board of Directors held on 21st July, 2016. The results for the quarter ended 30th June, 2016 only are subjected to limited review by the statutory auditors of the Bank, S.R. Batliboi & Co. LLP Chartered Accountants.

3. Details of other income forming part of the consolidated results are as follows:

₹ crore

Particulars	Quarter Ended			Year Ended
	30-Jun-16 (Unaudited)	31-Mar-16 (Unaudited)	30-Jun-15 (Unaudited)	31-Mar-16 (Audited)
Commission, fees, exchange, brokerage and others	942.66	950.57	813.09	3,514.93
Profit on sale of investments (other than insurance business)	136.73	62.61	85.11	391.79
Total – Other income	1,079.39	1,013.18	898.20	3,906.72

4. Other income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 16.52 crore for the quarter ended 30th June, 2016 (for the quarter ended 31st March, 2016 ₹ 12.46 crore, for the quarter ended 30th June, 2015 ₹ 12.50 crore, and for the year ended 31st March, 2016 ₹ 57.84 crore).
5. 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			Year Ended
	30-Jun-16 (Unaudited)	31-Mar-16 (Unaudited)	30-Jun-15 (Unaudited)	31-Mar-16 (Audited)
Brokerage	84.56	142.96	70.80	403.20
Depreciation	85.87	88.17	88.29	344.51
Rent, taxes and lighting	154.33	138.64	141.68	588.14
Others	597.25	703.91	588.84	2,471.70
Total – Other operating expenses	922.01	1,073.68	889.61	3,807.55

7. Provisions and contingencies are net of recoveries made against accounts which have been written off as bad in the previous periods / 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-16 (Unaudited)	31-Mar-16 (Unaudited)	30-Jun-15 (Unaudited)	31-Mar-16 (Audited)
Provision towards advances / others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (Net)	191.93	185.03	282.82	851.59
Provision / (Write back of provisions) towards investments (net)	21.64	26.95	39.08	139.97
Total – Provisions (other than tax) and contingencies	213.57	211.98	321.90	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 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.
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 derivatives in profit and loss account. Earlier mark to market on derivative contracts was 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 ended 30th June, 2016.
10. Employee cost for the quarter ended 30th June, 2015, included provision of ₹ 339 crore towards benefits payable to all employees (pension, gratuity and compensated absences) of the erstwhile ING Vysya. This was done on the basis of actuarial valuation as at 30th June, 2015 and take into account the effect of the 10th Bipartite Settlement Agreement that was executed in May 2015.



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, 21st July, 2016

Dipak Gupta
Joint Managing Director