

KOTAK MAHINDRA BANK LIMITED (CONSOLIDATED)

Registered Office: 36-38A, Nariman Bhavan, 227, Nariman Point, Mumbai 400 021

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th September, 2012

₹ crore

Sr No	Particulars	Quarter Ended			Half-year ended		Year Ended
		Sep-12 (Unaudited)	June-12 (Unaudited)	Sep-11 (Unaudited)	Sep-12 (Unaudited)	Sep-11 (Unaudited)	March-12 (Audited)
1	Interest earned (a+b+c+d)	2,609.78	2,469.83	2,029.36	5,079.61	3,898.97	8,470.42
	(a) Interest/discount on advances/bills	1,989.97	1,864.15	1,569.57	3,854.12	3,001.49	6,551.93
	(b) Income on investments	581.54	575.68	441.16	1,157.22	860.74	1,840.54
	(c) Interest on balances with RBI & other banks	29.37	20.37	9.47	49.74	17.28	41.10
	(d) Others	8.90	9.63	9.16	18.53	19.46	36.85
2	Other income (a+b+ c)	1,425.97	861.81	711.48	2,287.78	1,551.51	4,466.97
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	361.40	22.28	(371.92)	383.68	(442.51)	(212.69)
	(b) Premium on Insurance Business	604.05	444.86	663.50	1,048.91	1,163.77	2,891.54
	(c) Other income (see Notes 1,5 & 6)	460.52	394.67	419.90	855.19	830.25	1,788.12
3	Total income (1+2)	4,035.75	3,331.64	2,740.84	7,367.39	5,450.48	12,937.39
4	Interest expended	1,449.09	1,369.21	1,070.29	2,818.30	2,019.52	4,541.95
5	Operating expenses (a+b+c)	1,799.97	1,304.37	1,015.22	3,104.34	2,148.98	5,640.20
	(a) Payments to and provisions for employees	420.36	433.33	395.04	853.69	779.86	1,601.54
	(b) Policy holders' reserves, surrender expense and claims	900.75	436.58	206.80	1,337.33	579.33	2,313.07
	(c) Other operating expenses (see Note 2 and 5)	478.86	434.46	413.38	913.32	789.79	1,725.59
6	Total expenditure (4+5) (excluding provisions and contingencies)	3,249.06	2,673.58	2,085.51	5,922.64	4,168.50	10,182.15
7	Operating Profit before provisions and contingencies (3-6)	786.69	658.06	655.33	1,444.75	1,281.98	2,755.24
8	Provisions (other than tax) and contingencies (see Note 3)	61.37	19.30	27.07	80.67	51.22	98.70
9	Exceptional items	-	-	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	725.32	638.76	628.26	1,364.08	1,230.76	2,656.54
11	Tax expense	219.19	200.47	192.09	419.66	375.22	806.01
12	Profit from ordinary activities after tax before Minority Interest (10-11)	506.13	438.29	436.17	944.42	855.54	1,850.53
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Profit from ordinary activities after tax before Minority Interest (12-13)	506.13	438.29	436.17	944.42	855.54	1,850.53
15	Less: Share of Minority Interest	12.19	8.37	13.65	20.56	25.68	52.84
16	Add: Share in Profit of associates	8.23	13.56	10.06	21.79	18.82	34.55
17	Profit after tax (14-15+16)	502.17	443.48	432.58	945.65	848.68	1,832.24
18	Paid Up Equity Capital - (Face value of ₹ 5 per share)	371.65	371.24	369.32	371.65	369.32	370.34
19	Group Reserves (excluding Minority Interest)						12,530.70
20	Minority Interest						160.06
21	Analytical Ratios						
	(i) Earnings per share (before and after extraordinary items)						
	(a) Basic (not annualized) ₹	6.76	5.98	5.86	12.74	11.50	24.81
	(b) Diluted (not annualized) ₹	6.72	5.95	5.83	12.67	11.44	24.67
	(ii) NPA Ratios						
	(a) Gross NPA	829.95	770.38	705.24	829.95	705.24	699.74
	(b) Net NPA	383.25	375.09	232.57	383.25	232.57	273.43
	(c) % of Gross NPA/ Gross Advances	1.35	1.34	1.38	1.35	1.38	1.31
	(d) % of Net NPA/ Net Advances	0.63	0.66	0.46	0.63	0.46	0.51

Sr No	Particulars	Quarter Ended			Half-year ended		Year Ended
		Sep-12 (Unaudited)	June-12 (Unaudited)	Sep-11 (Unaudited)	Sep-12 (Unaudited)	Sep-11 (Unaudited)	March-12 (Audited)
	(e) % of Gross NPA/ Gross Advances (excluding NPAs acquired from other banks/ NBFCs)	1.13	1.18	0.93	1.13	0.93	1.05
	(f) % of Net NPA/ Net Advances (excluding NPAs acquired from other banks/ NBFCs)	0.61	0.64	0.36	0.61	0.36	0.49
	(iii) Return on Assets (average) (not annualised)	0.50	0.47	0.53	0.97	1.08	2.20

NOTES:

1. Details of other income forming part of the Consolidated results are as follows:

Particulars	Quarter Ended			Half-year ended		Year Ended
	Sep-12 (Unaudited)	June-12 (Unaudited)	Sep-11 (Unaudited)	Sep-12 (Unaudited)	Sep-11 (Unaudited)	March-12 (Audited)
Commission, fees, exchange, brokerage and others	408.87	370.53	415.24	779.40	800.83	1,664.35
Profit on sale of investments (other than insurance business)	51.65	24.14	4.66	75.79	29.42	123.77
Total – Other income	460.52	394.67	419.90	855.19	830.25	1,788.12

2. Details of other expenditure forming part of Consolidated results are as follows:

Particulars	Quarter Ended			Half-year ended		Year Ended
	Sep-12 (Unaudited)	June-12 (Unaudited)	Sep-11 (Unaudited)	Sep-12 (Unaudited)	Sep-11 (Unaudited)	March-12 (Audited)
Brokerage	60.85	52.47	55.21	113.32	102.54	230.97
Depreciation	45.42	44.04	38.91	89.46	76.70	164.33
Rent, taxes and lighting	71.02	61.57	58.64	132.59	116.00	232.73
Others	301.57	276.38	260.62	577.95	494.55	1,097.56
Total – Other operating expenses	478.86	434.46	413.38	913.32	789.79	1,725.59

3. 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:

Particulars	Quarter Ended			Half-year ended		Year Ended
	Sep-12 (Unaudited)	June-12 (Unaudited)	Sep-11 (Unaudited)	Sep-12 (Unaudited)	Sep-11 (Unaudited)	Mar-12 (Unaudited)
Provision towards Advances and Receivables	83.31	56.88	23.05	140.19	30.04	85.55
Provision /(Write back of provisions) towards investments	(21.94)	(37.58)	4.02	(59.52)	21.18	13.15
Total – Provisions (other than tax) and contingencies	61.37	19.30	27.07	80.67	51.22	98.70

4. 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" notified under the Companies (Accounting Standard) Rules, 2006 "as amended".
5. Other income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 3.08 crore for the quarter ended 30th September, 2012 and for half year ended 30th September, 2012 ₹ 15.47 crore (for the quarter ended 30th June, 2012 ₹ 12.39 crore, for the quarter ended 30th September, 2011 ₹ 12.26 crore, half year ended 30th September, 2011 ₹ 33.26 crore, for the year ended 31st March, 2012 ₹ 76.43 crore).
6. 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 exchange transactions and profit/loss from the sale of securities.
7. There has been no change in significant accounting policies during the quarter.
8. Figures for the previous periods/ year have been regrouped wherever necessary to conform to current period's presentation.

9. The Summarized Consolidated Balance Sheet of the Bank is given below:

₹ crore			
Summarised Balance Sheet	As at 30 th September 2012 (Unaudited)	As at 30 th September 2011 (Unaudited)	As at 31 st March 2012 (Audited)
CAPITAL AND LIABILITIES			
Capital	371.65	369.32	370.34
Reserves and Surplus	13,571.07	11,523.26	12,530.70
Minority Interest	180.62	132.90	160.06
Employees' Stock Options (Grants) Outstanding	31.88	39.32	34.82
Deposits	43,864.52	34,473.07	36,460.73
Borrowings	29,415.22	24,314.05	29,194.69
Policy Holder's Funds	9,637.31	8,011.74	9,011.53
Other Liabilities and Provisions	5,185.43	4,932.31	4,586.52
TOTAL	102,257.70	83,795.97	92,349.39
ASSETS			
Cash and balances with Reserve Bank Of India	2,738.06	2,768.10	2,030.63
Balances with Banks and Money at Call and Short Notice	1,126.22	690.18	1,545.20
Investments	33,058.02	26,072.85	31,658.43
Advances	61,254.81	50,580.74	53,143.61
Fixed Assets	602.37	591.82	611.87
Other Assets	3,478.22	3,092.28	3,359.65
TOTAL	102,257.70	83,795.97	92,349.39

KOTAK MAHINDRA BANK LIMITED (STANDALONE)

Registered Office: 36-38A, Nariman Bhavan, 227, Nariman Point, Mumbai 400 021

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th September, 2012.

₹ crore

Sr No	Particulars	Quarter Ended			Half-year ended		Year Ended
		Sep-12 (Unaudited)	June-12 (Unaudited)	Sep-11 (Unaudited)	Sep-12 (Unaudited)	Sep-11 (Audited)	Mar-12 (Audited)
1	Interest earned (a+b+c+d)	1,923.70	1,815.83	1,464.65	3,739.53	2794.43	6,180.24
	(a) Interest/ discount on advances/ bills	1,484.34	1,393.85	1,159.08	2,878.19	2,201.26	4,867.44
	(b) Income on investments	428.38	418.83	304.90	847.21	591.26	1,306.35
	(c) Interest on balances with RBI & other banks	10.24	2.20	0.55	12.44	1.43	4.07
	(d) Others	0.74	0.95	0.12	1.69	0.48	2.38
2	Other Income (Refer Note 1)	250.80	241.15	212.49	491.95	441.15	977.34
3	Total income (1+2)	2,174.50	2,056.98	1,677.14	4,231.48	3,235.58	7,157.58
4	Interest expended	1,165.57	1,094.53	859.19	2,260.10	1,621.12	3,667.75
5	Operating expenses (a+b)	526.72	514.07	437.94	1,040.79	848.39	1,834.82
	(a) Payments to and Provisions for employees	242.77	256.55	215.16	499.32	421.35	872.19
	(b) Other Operating expenses	283.95	257.52	222.78	541.47	427.04	962.63
6	Total expenditure (4+5) (Excluding provisions & contingencies)	1,692.29	1,608.60	1,297.13	3,300.89	2,469.51	5,502.57
7	Operating Profit (3-6) (Profit before provisions and contingencies)	482.21	448.38	380.01	930.59	766.07	1,655.01
8	Provisions (other than tax) and contingencies (Refer Note 2)	70.62	34.14	(2.36)	104.76	19.72	55.08
9	Exceptional items	-	-	-	-	-	-
10	Profit from Ordinary Activities before tax (7-8-9)	411.59	414.24	382.37	825.83	746.35	1,599.93
11	Tax expense	131.21	131.79	122.36	263.00	234.30	514.88
12	Net Profit from Ordinary Activities after tax (10-11)	280.38	282.45	260.01	562.83	512.05	1,085.05
13	Extraordinary items (Net of tax expense)	-	-	-	-	-	-
14	Net Profit for the Period (12-13)	280.38	282.45	260.01	562.83	512.05	1,085.05
15	Paid Up Equity Capital - (Face Value ₹ 5 per share)	371.65	371.24	369.32	371.65	369.32	370.34
16	Reserves excluding revaluation reserves						7,575.59
17	Analytical Ratios						
	(i) % of shares held by Govt. of India	-	-	-	-	-	-
	(ii) % Capital adequacy ratio (Basel II)	15.40	16.57	17.80	15.40	17.80	17.52
	(iii) Earnings Per Share (EPS) for the period -Not Annualized						
	- Basic ₹	3.77	3.81	3.52	7.58	6.94	14.69
	- Diluted ₹	3.75	3.79	3.50	7.54	6.90	14.61
	(iv) NPA Ratios						
	a) Gross Non-performing assets	739.87	684.68	609.06	739.87	609.06	614.19
	b) Net Non-performing assets	341.07	340.25	210.05	341.07	210.05	237.38
	c) % of Gross NPA to Gross Advances	1.61	1.60	1.61	1.61	1.61	1.56
	d) % of Net NPA to net Advances	0.75	0.80	0.56	0.75	0.56	0.61
	e) % of Gross NPA to Gross Advances (excluding NPAs acquired from other banks and NBFCs)	1.33	1.39	1.01	1.33	1.01	1.22
	f) % of Net NPA to net Advances (excluding NPAs acquired from other banks and NBFCs)	0.73	0.78	0.43	0.73	0.43	0.57
	g) Return on Assets %(Average) – Not Annualized	0.39	0.42	0.45	0.81	0.92	1.83
18	Public Shareholding						
	(i) No. of shares	407,625,120	406,793,158	402,857,204	407,625,120	402,857,204	405,006,286
	(ii) % of shareholding	54.84	54.79	54.54	54.84	54.54	54.68
19	Promoters and promoter group						

Sr No	Particulars	Quarter Ended			Half-year ended		Year Ended
		Sep-12 (Unaudited)	June-12 (Unaudited)	Sep-11 (Unaudited)	Sep-12 (Unaudited)	Sep-11 (Audited)	Mar-12 (Audited)
	Shareholding						
	a) Pledged/Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
	b) Non-encumbered						
	- Number of Shares	335,682,374	335,682,724	335,790,268	335,682,374	335,790,268	335,683,224
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100	100
	- Percentage of shares (as a % of the total share capital of the company)	45.16	45.21	45.46	45.16	45.46	45.32

Segment Results

The reportable segments of the bank are as under:

Segment	Principal activity
Treasury and BMU	Money market, forex market, derivatives, investments and primary dealership of government securities and Balance Sheet Management Unit (BMU) responsible for Asset Liability Management.
Retail Banking	Includes lending, deposit taking and other services/ products including credit cards.
Corporate/Wholesale Banking	Wholesale borrowings and lendings and other related services to the corporate sector which are not included under retail banking

₹ crore							
		Quarter Ended			Half-year ended		Year ended
		Sep-12 (Unaudited)	Jun-12 (Unaudited)	Sep-11 (Unaudited)	Sep-12 (Unaudited)	Sep-11 (Audited)	March-12 (Audited)
1	Segment Revenue						
	a. Treasury and BMU	554.59	576.38	482.15	1,130.97	923.03	1,981.00
	b. Corporate/ Wholesale Banking	828.77	731.49	597.54	1,560.26	1,149.89	2,696.85
	c. Retail Banking	1,456.15	1,357.30	1,099.94	2,813.45	2,099.84	4,523.61
	Sub-total	2,839.51	2,665.17	2,179.63	5,504.68	4,172.76	9,201.46
	Less : Inter-segmental revenue	665.55	608.89	502.49	1,274.44	937.40	2,045.68
	Add : Unallocated Income	0.54	0.70	-	1.24	0.22	1.80
	Total	2,174.50	2,056.98	1,677.14	4,231.48	3,235.58	7,157.58
2	Segment Results						
	a. Treasury and BMU	(5.91)	42.43	18.99	36.52	10.05	35.15
	b. Corporate/ Wholesale Banking	295.51	237.96	198.49	533.47	436.06	997.14
	c. Retail Banking	121.45	133.15	164.89	254.60	300.02	565.84
	Sub-total	411.05	413.54	382.37	824.59	746.13	1,598.13
	Add : Unallocated Income /(expense)	0.54	0.70	-	1.24	0.22	1.80
	Total Profit Before Tax	411.59	414.24	382.37	825.83	746.35	1,599.93
3	Capital employed (Segmental Assets less Segmental Liabilities)						
	a. Treasury and BMU	920.36	1,119.53	1,207.65	920.36	1,207.65	1,001.81
	b. Corporate/ Wholesale Banking	3,243.97	3,012.69	2,530.80	3,243.97	2,530.80	2,972.14
	c. Retail Banking	4,319.73	4,134.05	3,495.29	4,319.73	3,495.29	3,880.84
	Sub-total	8,484.06	8,266.27	7,233.74	8,484.06	7,233.74	7,854.79
	Add: Unallocated	113.33	21.94	127.59	113.33	127.59	91.14
	Total Capital Employed	8,597.39	8,288.21	7,361.33	8,597.39	7,361.33	7,945.93

NOTES:

- 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:

Particulars	Quarter Ended			Half-year ended		Year Ended
	Sep-12 (Unaudited)	Jun-12 (Unaudited)	Sep-11 (Unaudited)	Sep-12 (Unaudited)	Sep-11 (Audited)	March-12 (Audited)
Provision towards Advances and Receivables	78.02	52.41	15.61	130.43	28.68	73.13
Provision /(Write Back of provisions) towards Investments	(7.40)	(18.27)	(17.97)	(25.67)	(8.96)	(18.05)
Total Provisions (other than Tax) and Contingencies	70.62	34.14	(2.36)	104.76	19.72	55.08

During the quarter ended 30th September, 2012 the Bank has acquired a portfolio of NPAs from a NBFC where the accounts were NPAs for less than two Years. In accordance with the RBI guidelines, the entire amount of such purchase (Net of subsequent recovery till 30th September, 2012) amounting to ₹ 41.96 crores has been considered as NPA as at 30th September, 2012. Further in accordance with the provisioning policy of the Bank, provision has been made for the entire amount of ₹ 41.96 crore in the quarter ended 30th September, 2012.

- During the quarter, the Bank has granted Nil options under employee stock option scheme. Stock options aggregating to 831,612 were exercised during the quarter and 10,346,306 stock options were outstanding with employees of the Bank and its subsidiaries as at 30th September, 2012.
- The Bank had no outstanding shareholder complaints as at 30th June, 2012. During the quarter, the Bank received nine complaints from shareholders out of which three complaints were pending as on 30th September, 2012, which were subsequently resolved.
- Figures for the previous period have been regrouped wherever necessary to conform to current period's presentation.
- There has been no change in significant accounting policies during the quarter.
- The above results have been approved by the Board of Directors of the Bank at its meeting held today.
- The results for the period ended 30th September, 2012 have been subject to limited review by the statutory auditors of the Bank.
- The Summarized Balance Sheet of the Bank (Standalone) is given below:

Summarised Balance Sheet	₹ crore		
	As at 30 th September 2012 (Unaudited)	As at 30 th September 2011 (Audited)	As at 31 st March 2012 (Audited)
CAPITAL AND LIABILITIES			
Capital	371.65	369.32	370.34
Reserves and Surplus	8,225.74	6,992.01	7,575.59
Employees' Stock Options (Grants) Outstanding	31.88	39.32	34.82
Deposits	45,463.32	36,390.17	38,536.52
Borrowings	15,991.00	12,771.35	16,595.52
Other Liabilities and Provisions	2,810.72	2,938.60	2,553.67
TOTAL	72,894.31	59,500.77	65,666.46
ASSETS			
Cash and balances with Reserve Bank Of India	2,730.18	2,761.30	2,016.49
Balances with Banks and Money at Call and Short Notice	224.88	155.87	618.06
Investments	22,172.96	16,944.06	21,566.81
Advances	45,442.82	37,349.34	39,079.23
Fixed Assets	444.84	426.80	449.97
Other Assets	1,878.63	1,863.40	1,935.90
TOTAL	72,894.31	59,500.77	65,666.46

By order of the Board of Directors
For Kotak Mahindra Bank Limited

Dipak Gupta
Joint Managing Director

Mumbai, 25th October, 2012