

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 NINE MONTHS ENDED
31st DECEMBER, 2015**
₹ crore

Sr No	Particulars	Quarter ended			Nine months ended		Year ended
		31 st Dec 15 (Unaudited)	30 th Sep 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Dec 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Mar 15 (Audited)
1	Interest earned (a+b+c+d)	4,121.70	4,005.65	2,500.10	12,118.78	7,138.93	9,719.87
	(a) Interest/discount on advances/bills	3,158.88	3,059.43	1,922.60	9,264.80	5,506.09	7,468.67
	(b) Income on investments (Refer Note 4)	856.97	838.96	542.84	2,530.56	1,547.08	2,133.54
	(c) Interest on balances with RBI & other interbank funds	16.13	9.99	11.00	48.41	19.96	24.06
	(d) Others (Refer Note 4)	89.72	97.27	23.66	275.01	65.80	93.60
2	Other income (Refer Note 5)	722.16	615.73	494.10	1,930.32	1,360.31	2,028.45
3	Total income (1+2)	4,843.86	4,621.38	2,994.20	14,049.10	8,499.24	11,748.32
4	Interest expended	2,355.49	2,326.91	1,440.66	7,075.64	4,038.36	5,496.13
5	Operating expenses (a+b)	1,283.16	1,249.71	815.97	4,126.52	2,324.15	3,254.73
	(a) Employees cost	618.16	623.01	367.90	2,169.95	1,070.83	1,449.73
	(b) Other operating expenses	665.00	626.70	448.07	1,956.57	1,253.32	1,805.00
6	Total expenditure (4+5) (excluding provisions & contingencies)	3,638.65	3,576.62	2,256.63	11,202.16	6,362.51	8,750.86
7	Operating profit (3-6) (Profit before provisions and contingencies)	1,205.21	1,044.76	737.57	2,846.94	2,136.73	2,997.46
8	Provisions (other than tax) and contingencies (Refer Note 6)	235.25	176.40	29.92	716.96	97.56	164.50
9	Exceptional items	-	-	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	969.96	868.36	707.65	2,129.98	2,039.17	2,832.96
11	Tax expense	335.24	298.86	243.13	735.98	700.33	966.98
12	Net Profit from ordinary activities after tax (10-11)	634.72	569.50	464.52	1,394.00	1,338.84	1,865.98
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit (12-13)	634.72	569.50	464.52	1,394.00	1,338.84	1,865.98
15	Paid up equity share capital - (of Face Value ₹ 5 per share) (Refer Note 3)	916.25	915.26	385.86	916.25	385.86	386.18
16	Reserves (excluding revaluation reserves)						13,754.91
17	Analytical Ratios						
	(i) Percentage of shares held by Government of India	-	-	-	-	-	-
	(ii) Capital adequacy ratio – Basel III	15.21	15.54	15.96	15.21	15.96	17.17
	(iii) Earnings per share (before and after extraordinary items and post-bonus) (Refer Note 3)						
	- Basic (not annualised) ₹	3.47	3.28	3.01	9.32	8.69	12.10
	- Diluted (not annualised) ₹	3.46	3.26	3.01	9.29	8.67	12.07
	(iv) NPA Ratios						
	a) Gross NPA	2,690.34	2,655.38	1,219.86	2,690.34	1,219.86	1,237.23
	b) Net NPA	1,110.75	1,167.60	629.81	1,110.75	629.81	609.08
	c) % of Gross NPA to Gross Advances	2.30	2.35	1.87	2.30	1.87	1.85
	d) % of Net NPA to Net Advances	0.96	1.05	0.97	0.96	0.97	0.92
	(v) Return on Assets (average) – not annualised	0.36	0.34	0.48	0.81	1.46	1.98

Segment Results

The reportable segments of the Bank as per RBI guidelines are as under:

Segment	Principal activity
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.
Retail Banking	Includes lending, deposit taking and other retail services/ products including credit cards.
Corporate/Wholesale Banking	Wholesale borrowings and lending and other related services to the corporate sector which are not included under retail banking.

₹ crore						
	Quarter ended			Nine months ended		Year ended
	31 st Dec 15 (Unaudited)	30 th Sep 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Dec 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Mar 15 (Audited)
1 Segment Revenue						
a. Treasury, BMU and Corporate Centre	1,154.24	1,040.62	694.10	3,271.14	1,942.17	2,735.45
b. Corporate/ Wholesale Banking	1,718.43	1,641.52	1,150.20	4,918.53	3,245.33	4,438.80
c. Retail Banking	2,351.50	2,356.77	2,111.94	7,044.84	5,942.80	8,193.53
Sub-total	5,224.17	5,038.91	3,956.24	15,234.51	11,130.30	15,367.78
Less: Inter-segmental revenue	380.31	417.53	962.04	1,185.41	2,636.42	3,625.55
Add: Unallocated Income	-	-	-	-	5.36	6.09
Total	4,843.86	4,621.38	2,994.20	14,049.10	8,499.24	11,748.32
2 Segment Results						
a. Treasury, BMU and Corporate Centre	105.29	10.77	129.68	27.44	404.55	467.75
b. Corporate/ Wholesale Banking	546.93	529.84	337.77	1,445.90	963.70	1,402.11
c. Retail Banking	317.74	327.76	240.20	656.66	665.56	957.01
Sub-total	969.96	868.37	707.65	2,130.00	2,033.81	2,826.87
Add: Unallocated Income / (expense)	-	(0.01)	-	(0.02)	5.36	6.09
Total Profit Before Tax	969.96	868.36	707.65	2,129.98	2,039.17	2,832.96
3 Capital employed (Segmental Assets less Segmental Liabilities)						
a. Treasury, BMU and Corporate Centre	3,824.49	3,781.03	3,880.66	3,824.49	3,880.66	3,702.75
b. Corporate/ Wholesale Banking	9,585.88	9,062.59	4,490.53	9,585.88	4,490.53	4,928.94
c. Retail Banking	9,780.39	9,620.16	5,348.44	9,780.39	5,348.44	5,639.89
Sub-total	23,190.76	22,463.78	13,719.63	23,190.76	13,719.63	14,271.58
Add: Unallocated	115.84	141.82	(37.75)	115.84	(37.75)	(130.49)
Total Capital Employed	23,306.60	22,605.60	13,681.88	23,306.60	13,681.88	14,141.09

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 18th January, 2016. The results for the quarter ended 31st December, 2015 are subjected to limited review by the statutory auditors of the Bank.
- The merger of ING Vysya Bank ("eIVBL") with the Kotak Mahindra Bank ("Bank") was effective from April 1, 2015. The results for the quarter and nine months ended 31st December, 2015 include operations of eIVBL. Hence, the results for the quarter and nine months ended 31st December, 2015 are not comparable with that of the corresponding period of the previous year.
- The Bank has allotted 912,841,920 fully paid up equity shares of face value ₹ 5/- each, in ratio of one equity share for every equity share held, during the quarter ended 30th September, 2015, pursuant to a bonus issue approved by the shareholders at the annual general meeting, held on 29th June, 2015, by capitalisation of securities premium. Consequently the earnings per share have been adjusted for previous periods/year presented in accordance with Accounting Standard 20, Earnings per share.
- Pursuant to RBI circular DBR.BP.BC.No.31/21.04.2018/2015-16 dated 16th July, 2015, the Bank, has effective quarter ended 30th June, 2015, included its deposits placed with NABARD, SIDBI and NHB on account of shortfall in lending to priority sector under "Other Assets", earlier included under "Investments". Interest income on these deposits has been included under "Interest earned- Others", earlier included under - "Interest earned - Income on investments".

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. 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			Nine months ended		₹ crore
	31 st Dec 15 (Unaudited)	30 th Sep 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Dec 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Mar 15 (Audited)
Provision towards advances (including provisions for exposures to entities with Unhedged Foreign Currency Exposures)	148.32	189.07	84.53	603.60	214.11	276.03
Provision / (write back of provisions) towards investments (net)	83.89	(14.00)	(56.14)	106.30	(116.36)	(111.33)
Others	3.04	1.33	1.53	7.06	(0.19)	(0.20)
Total provisions (other than Tax) and contingencies	235.25	176.40	29.92	716.96	97.56	164.50

7. During the quarter, the Bank has granted Nil options under employee stock option scheme. Stock options aggregating to 1,986,622 were exercised during the quarter and 13,833,432 stock options were outstanding with employees of the Bank and its subsidiaries as at 31st December, 2015. All options referred to here are post-bonus.
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. There has been no change in any significant accounting policies during the quarter and nine months ended 31st December, 2015.
10. Figures for the previous periods / year have been regrouped wherever necessary to conform to current period's presentation.
11. The above financial results for the quarter ended 31st December, 2015 are reviewed by the statutory auditors, S.R. Batliboi & Co. LLP Chartered Accountants. The financial results for the quarter ended 31st December, 2014 and the year ended 31st March, 2015 are subjected to limited review or audit by another firm of chartered accountants.

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

Mumbai, 18th January, 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 AND NINE MONTHS ENDED
31st DECEMBER, 2015**

₹ crore

Sr No	Particulars	Quarter ended			Nine months ended		Year ended
		31 st Dec 15 (Unaudited)	30 th Sep 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Dec 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Mar 15 (Audited)
1	Interest earned (a+b+c+d)	5,145.73	4,996.57	3,397.82	15,084.18	9,801.85	13,318.89
	(a) Interest/discount on advances/bills	3,917.17	3,765.44	2,594.93	11,433.99	7,465.72	10,121.19
	(b) Income on investments (Refer note 10)	1,090.08	1,088.40	739.98	3,230.18	2,171.02	2,968.24
	(c) Interest on balances with RBI & other interbank funds	25.51	19.96	19.76	76.37	47.99	61.02
	(d) Others (Refer note 10)	112.97	122.77	43.15	343.64	117.12	168.44
2	Other income (a+b+c)	1,804.68	1,732.50	1,925.64	4,979.93	5,448.64	8,103.86
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	(49.65)	(62.83)	527.56	(187.76)	1,567.32	1,982.02
	(b) Premium on Insurance Business	829.49	824.83	656.52	2,274.15	1,752.64	2,975.06
	(c) Other income (Refer notes 5, 6 & 7)	1,024.84	970.50	741.56	2,893.54	2,128.68	3,146.78
3	Total income (1+2)	6,950.41	6,729.07	5,323.46	20,064.11	15,250.49	21,422.75
4	Interest expended	2,775.74	2,718.32	1,819.05	8,272.45	5,129.20	6,966.10
5	Operating expenses (a+b+c)	2,497.39	2,453.69	2,384.14	7,487.42	6,806.83	9,700.94
	(a) Employee Cost	874.62	883.67	597.37	2,927.37	1,736.90	2,375.47
	(b) Policy holders' reserves, surrender expense and claims	667.10	681.43	1,093.68	1,826.18	3,149.17	4,572.21
	(c) Other operating expenses (Refer notes 6 & 8)	955.67	888.59	693.09	2,733.87	1,920.76	2,753.26
6	Total expenditure (4+5) (excluding provisions and contingencies)	5,273.13	5,172.01	4,203.19	15,759.87	11,936.03	16,667.04
7	Operating Profit before provisions and contingencies (3-6)	1,677.28	1,557.06	1,120.27	4,304.24	3,314.46	4,755.71
8	Provisions (other than tax) and contingencies (Refer Note 9)	261.02	196.66	42.18	779.58	127.64	205.73
9	Exceptional items	-	-	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	1,416.26	1,360.40	1,078.09	3,524.66	3,186.82	4,549.98
11	Tax expense	477.95	443.84	358.52	1,150.13	1,051.09	1,484.90
12	Net Profit from ordinary activities after tax before Minority Interest (10-11)	938.31	916.56	719.57	2,374.53	2,135.73	3,065.08
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit from ordinary activities after tax before Minority Interest (12-13)	938.31	916.56	719.57	2,374.53	2,135.73	3,065.08
15	Less: Share of Minority Interest	15.49	12.60	13.28	45.26	39.70	59.51
16	Add: Share in Profit of associates	22.34	37.93	10.32	74.35	36.82	39.88
17	Net Profit after tax (14-15+16)	945.16	941.89	716.61	2,403.62	2,132.85	3,045.45
18	Paid Up Equity Capital - (Face value of ₹ 5 per share) (Refer note 4)	916.25	915.26	385.86	916.25	385.86	386.18
19	Group Reserves (excluding Revaluation reserves and Minority Interest)						21,752.09
20	Minority Interest						335.69
21	Analytical Ratios						
	(i) % Capital Adequacy ratio – BASEL III	15.54	15.74	16.19	15.54	16.19	17.56
	(ii) Earnings per share (before and after extraordinary items) (Refer Note 4)						
	(a) Basic (not annualised) ₹	5.16	5.42	4.64	16.07	13.83	19.75
	(b) Diluted (not annualised) ₹	5.15	5.40	4.63	16.01	13.80	19.70
	(iii) NPA Ratios						
	(a) Gross NPA	2,870.84	2,829.67	1,372.55	2,870.84	1,372.55	1,392.35
	(b) Net NPA	1,200.21	1,257.74	717.99	1,200.21	717.99	697.44
	(c) % of Gross NPA/ Gross Advances	2.01	2.08	1.58	2.01	1.58	1.56
	(d) % of Net NPA/ Net Advances	0.85	0.93	0.83	0.85	0.83	0.79
	(iv) Return on Assets (average) (not annualised) (unaudited)	0.42	0.44	0.52	1.10	1.62	2.26

NOTES:

1. 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.
2. There has been no change in significant accounting policies during the quarter and nine months ended 31st December, 2015.
3. The merger of ING Vysya Bank ("eIVBL") with the Kotak Mahindra Bank ("Bank") was effective from April 1, 2015. The results for the quarter and nine months ended 31st December, 2015 include operations of eIVBL. Hence, the results for the quarter and nine months ended 31st December, 2015 are not comparable with that of the corresponding period of the previous year.
4. The Bank has allotted 912,841,920 fully paid up equity shares of face value ₹ 5/- each, in ratio of one equity share for every equity share held, during the quarter ended 30th September, 2015, pursuant to a bonus issue approved by the shareholders at the annual general meeting, held on 29th June, 2015, by capitalization of share premium. Consequently the earnings per share have been adjusted for previous periods/ year presented in accordance with Accounting Standard 20, Earnings per share.
5. Details of other income forming part of the Consolidated results are as follows:

Particulars	Quarter ended			Nine months ended		Year ended
	31 st Dec 15 (Unaudited)	30 th Sep 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Dec 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Mar 15 (Audited)
Commission, fees, exchange, brokerage and others	912.01	839.26	609.22	2,564.36	1,833.94	2,685.73
Profit on sale of investments (other than insurance business)	112.83	131.24	132.34	329.18	294.74	461.05
Total – Other income	1,024.84	970.50	741.56	2,893.54	2,128.68	3,146.78

6. Other Income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 19.37 crore for the quarter ended 31st December, 2015 and for nine months ended 31st December, 2015 ₹ 45.38 crore (for the quarter ended 30th September, 2015 ₹ 13.51 crore, for the quarter ended 31st December, 2014 ₹ 9.52 crore, nine months ended 31st December, 2014 ₹ 33.81 crore, for the year ended 31st March, 2015 ₹ 48.33 crore).
7. Other Income includes non-fund based income such as premium on insurance business, 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.
8. Details of other expenditure forming part of Consolidated results are as follows:

Particulars	Quarter ended			Nine months ended		Year ended
	31 st Dec 15 (Unaudited)	30 th Sep 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Dec 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Mar 15 (Audited)
Brokerage	99.06	90.38	90.28	260.24	237.02	389.97
Depreciation	84.56	83.49	60.15	256.34	176.99	236.89
Rent, taxes and lighting	155.59	152.23	103.07	449.50	292.07	399.42
Others	616.46	562.49	439.59	1,767.79	1,214.68	1,726.98
Total – Other operating expenses	955.67	888.59	693.09	2,733.87	1,920.76	2,753.26

9. 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			Nine months ended		Year ended
	31 st Dec 15 (Unaudited)	30 th Sep 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Dec 15 (Unaudited)	31 st Dec 14 (Unaudited)	31 st Mar 15 (Audited)
Provision towards advances (including provisions for exposures to entities with Unhedged Foreign Currency Exposures)	167.32	210.21	96.02	658.54	246.50	316.87
Provision on other receivables	4.95	1.26	1.63	8.02	1.67	5.43
Provision /(Write back of provisions) towards investments (net)	88.75	(14.81)	(55.47)	113.02	(120.53)	(116.57)
Total – Provisions (other than tax) and contingencies	261.02	196.66	42.18	779.58	127.64	205.73

10. Pursuant to RBI circular DBR.BP.BC.No.31/21.04.2018/2015-16 dated 16th July, 2015, the Bank has effective quarter ended 30th June, 2015, included its deposits placed with NABARD, SIDBI and NHB on account of shortfall in lending to priority sector under "Other Assets", earlier included under "Investments". Interest income on these deposits has been included under "Interest earned- Others", earlier included under – "Interest earned - Income on investments". Figures of previous periods have been regrouped / reclassified to conform to current period's classification.
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 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>. These disclosures have not been audited by the statutory auditors of the Bank.
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, 18th January, 2016

Dipak Gupta
Joint Managing Director