



**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, 2015**

₹ crore

Sr No	Particulars	Quarter ended			Half-year ended		Year ended
		30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>4,996.57</b>	<b>4,941.88</b>	<b>3,268.67</b>	<b>9,938.45</b>	<b>6,404.03</b>	<b>13,318.89</b>
	(a) Interest/discount on advances/bills	3,765.44	3,751.38	2,491.77	7,516.82	4,870.79	10,121.19
	(b) Income on investments (Refer note 10)	1,088.40	1,051.70	726.22	2,140.10	1,431.04	2,968.24
	(c) Interest on balances with RBI & other banks	19.96	30.90	12.73	50.86	28.23	61.02
	(d) Others (Refer note 10)	122.77	107.90	37.95	230.67	73.97	168.44
2	<b>Other income (a+b+c)</b>	<b>1,732.50</b>	<b>1,442.75</b>	<b>1,651.73</b>	<b>3,175.25</b>	<b>3,523.00</b>	<b>8,103.86</b>
	(a) Profit / (loss) on sale of investments including revaluation (insurance business)	(62.83)	(75.28)	278.14	(138.11)	1,039.76	1,982.02
	(b) Premium on insurance business	824.83	619.83	653.13	1,444.66	1,096.12	2,975.06
	(c) Other income (Refer notes 5, 6 & 7)	970.50	898.20	720.46	1,868.70	1,387.12	3,146.78
3	<b>Total income (1+2)</b>	<b>6,729.07</b>	<b>6,384.63</b>	<b>4,920.40</b>	<b>13,113.70</b>	<b>9,927.03</b>	<b>21,422.75</b>
4	Interest expended	2,718.32	2,778.39	1,684.86	5,496.71	3,310.15	6,966.10
5	<b>Operating expenses (a+b+c)</b>	<b>2,453.69</b>	<b>2,536.34</b>	<b>2,099.87</b>	<b>4,990.03</b>	<b>4,422.69</b>	<b>9,700.94</b>
	(a) Employee cost	883.67	1,169.08	575.52	2,052.75	1,139.53	2,375.47
	(b) Policy holders' reserves, surrender expense and claims	681.43	477.65	875.93	1,159.08	2,055.49	4,572.21
	(c) Other operating expenses (Refer notes 6 & 8)	888.59	889.61	648.42	1,778.20	1,227.67	2,753.26
6	<b>Total expenditure (4+5) (excluding provisions and contingencies)</b>	<b>5,172.01</b>	<b>5,314.73</b>	<b>3,784.73</b>	<b>10,486.74</b>	<b>7,732.84</b>	<b>16,667.04</b>
7	<b>Operating Profit before provisions and contingencies (3-6)</b>	<b>1,557.06</b>	<b>1,069.90</b>	<b>1,135.67</b>	<b>2,626.96</b>	<b>2,194.19</b>	<b>4,755.71</b>
8	Provisions (other than tax) and contingencies (Refer note 9)	196.66	321.90	58.22	518.56	85.46	205.73
9	Exceptional items	-	-	-	-	-	-
10	<b>Profit from ordinary activities before tax (7-8-9)</b>	<b>1,360.40</b>	<b>748.00</b>	<b>1,077.45</b>	<b>2,108.40</b>	<b>2,108.73</b>	<b>4,549.98</b>
11	Tax expense	443.84	228.34	357.99	672.18	692.57	1,484.90
12	<b>Profit from ordinary activities after tax before minority interest (10-11)</b>	<b>916.56</b>	<b>519.66</b>	<b>719.46</b>	<b>1,436.22</b>	<b>1,416.16</b>	<b>3,065.08</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	<b>Profit from ordinary activities after tax before minority interest (12-13)</b>	<b>916.56</b>	<b>519.66</b>	<b>719.46</b>	<b>1,436.22</b>	<b>1,416.16</b>	<b>3,065.08</b>
15	Less: Share of minority interest	12.60	17.17	13.60	29.77	26.42	59.51
16	Add: Share in profit of associates	37.93	14.08	12.07	52.01	26.50	39.88
17	<b>Profit after tax (14-15+16)</b>	<b>941.89</b>	<b>516.57</b>	<b>717.93</b>	<b>1,458.46</b>	<b>1,416.24</b>	<b>3,045.45</b>
18	<b>Paid Up Equity Capital - (Face value of ₹ 5 per share) (Refer note 4)</b>	<b>915.26</b>	<b>456.42</b>	<b>385.67</b>	<b>915.26</b>	<b>385.67</b>	<b>386.18</b>
19	Group reserves (excluding minority interest)						21,752.09
20	Minority interest						335.69
21	<b>Analytical ratios</b>						
	(i) % Capital adequacy ratio – BASEL III	16.46	16.90	16.70	16.46	16.70	17.56
	(ii) Earnings per share (before and after extraordinary items) (Refer note 4)						
	(a) Basic (not annualised) ₹	5.42	2.83	4.66	10.99	9.19	19.75
	(b) Diluted (not annualised) ₹	5.40	2.82	4.65	10.94	9.17	19.70
	(iii) NPA ratios						
	(a) Gross NPA	2,829.67	2,595.24	1,305.44	2,829.67	1,305.44	1,392.35
	(b) Net NPA	1,257.74	1,173.33	680.89	1,257.74	680.89	697.44
	(c) % of Gross NPA/ Gross advances	2.08	2.04	1.59	2.08	1.59	1.56

Sr No	Particulars	Quarter ended			Half-year ended		Year ended
		30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
	(d) % of Net NPA/ Net advances	0.93	0.93	0.84	0.93	0.84	0.79
	(iv) Return on assets (average) (not annualised) (unaudited)	0.44	0.24	0.55	0.68	1.11	2.26

**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 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- There has been no change in significant accounting policies during the quarter and half-year ended 30<sup>th</sup> September, 2015.
- The Reserve Bank of India ("RBI") approved the scheme of amalgamation of ING Vysya Bank Ltd ("ING Vysya") with Kotak Mahindra Bank Ltd ("Bank") under the Banking Regulation Act, 1949 effective 1<sup>st</sup> April, 2015. The results for the quarter and half-year ended 30<sup>th</sup> September, 2015 include operations of erstwhile ING Vysya. Hence, the results for the quarter and half-year ended 30<sup>th</sup> September, 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 30<sup>th</sup> September, 2015, pursuant to a bonus issue approved by the shareholders at the annual general meeting, held on 29<sup>th</sup> 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.
- Details of other income forming part of the consolidated results are as follows:

Particulars	Quarter ended			Half-year ended		Year ended
	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
Commission, fees, exchange, brokerage and others	839.26	813.09	650.00	1,652.35	1,224.72	2,685.73
Profit on sale of investments (other than insurance business)	131.24	85.11	70.46	216.35	162.40	461.05
<b>Total – Other income</b>	<b>970.50</b>	<b>898.20</b>	<b>720.46</b>	<b>1,868.70</b>	<b>1,387.12</b>	<b>3,146.78</b>

- Other Income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiaries amounting to ₹ 13.51 crore for the quarter ended 30<sup>th</sup> September, 2015 and for half-year ended 30<sup>th</sup> September, 2015 ₹ 26.01 crore (for the quarter ended 30<sup>th</sup> June, 2015 ₹ 12.50 crore, quarter ended 30<sup>th</sup> September, 2014 ₹ 11.28 crore, half-year ended 30<sup>th</sup> September, 2014 ₹ 24.29 crore, for the year ended 31<sup>st</sup> March, 2015 ₹ 48.33 crore).
- 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.
- Details of other expenditure forming part of consolidated results are as follows:

Particulars	Quarter ended			Half-year ended		Year ended
	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
Brokerage	90.38	70.80	83.24	161.18	146.74	389.97
Depreciation	83.49	88.29	58.62	171.78	116.84	236.89
Rent, taxes and lighting	152.23	141.68	95.19	293.91	189.00	399.42
Others	562.49	588.84	411.37	1,151.33	775.09	1,726.98
<b>Total – Other operating expenses</b>	<b>888.59</b>	<b>889.61</b>	<b>648.42</b>	<b>1,778.20</b>	<b>1,227.67</b>	<b>2,753.26</b>

- 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
	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> June 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
Provision towards advances (including provisions for exposures to entities with unhedged foreign currency exposures)	210.21	281.01	72.41	491.22	150.48	316.87

Particulars	Quarter ended			Half-year ended		Year ended
	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> June 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
Provision on other receivables	1.26	1.81	1.77	3.07	0.04	5.43
Provision / (Write back of provision) towards investments (net)	(14.81)	39.08	(15.96)	24.27	(65.06)	(116.57)
<b>Total – Provisions (other than tax) and contingencies</b>	<b>196.66</b>	<b>321.90</b>	<b>58.22</b>	<b>518.56</b>	<b>85.46</b>	<b>205.73</b>

10. Pursuant to RBI circular DBR.BP.BC.No.31/21.04.2018/2015-16 dated 16<sup>th</sup> July, 2015, the Bank, has effective quarter ended 30<sup>th</sup> 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".
11. RBI circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated 1<sup>st</sup> July, 2015 on 'Basel III Capital Regulations' read together with the RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31<sup>st</sup> March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards-Amendments' requires banks to make applicable Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III Framework. These disclosures are available on the Bank's website at the following link: <http://ir.kotak.com/financials/regulatory-disclosure-section>. The disclosures have not been subjected to audit or limited review.
12. The summarised consolidated Balance Sheet of the Bank is given below:

Summarised Balance Sheet	₹ crore		
	As at 30 <sup>th</sup> September 2015 (Unaudited)	As at 30 <sup>th</sup> September 2014 (Unaudited)	As at 31 <sup>st</sup> March 2015 (Audited)
<b>CAPITAL AND LIABILITIES</b>			
Capital	915.26	385.67	386.18
Reserves and Surplus	30,417.79	20,168.53	21,767.14
Minority Interest	360.17	297.32	335.69
Employees' Stock Options (Grants) Outstanding	2.64	6.24	3.00
Deposits	120,209.44	66,311.42	72,843.46
Borrowings	42,602.07	28,241.06	31,414.88
Policyholder's Funds	14,176.48	12,165.98	13,792.61
Other Liabilities and Provisions	10,843.62	6,824.90	8,032.80
<b>TOTAL</b>	<b>219,527.47</b>	<b>134,401.12</b>	<b>148,575.76</b>
<b>ASSETS</b>			
Cash and balances with Reserve Bank Of India	6,081.57	3,019.22	3,945.12
Balances with Banks and Money at Call and Short Notice	4,578.96	1,730.82	2,958.33
Investments	59,892.13	41,516.64	45,588.89
Advances	134,668.60	81,418.18	88,632.21
Fixed Assets	1,767.02	1,223.80	1,381.55
Other Assets	12,539.19	5,492.46	6,069.66
<b>TOTAL</b>	<b>219,527.47</b>	<b>134,401.12</b>	<b>148,575.76</b>

13. Figures for the previous periods / year have been regrouped wherever necessary to conform to current period's presentation.



**KOTAK MAHINDRA BANK LIMITED (STANDALONE)**

Registered Office: 27 BKC, C 27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

**STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND THE HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2015**

₹ crore

Sr No	Particulars	Quarter ended			Half-year ended		Year ended
		30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>4,005.65</b>	<b>3,991.43</b>	<b>2,352.48</b>	<b>7,997.08</b>	<b>4,638.83</b>	<b>9,719.87</b>
	(a) Interest/discount on advances/bills	3,059.43	3,046.49	1,825.78	6,105.92	3,583.49	7,468.67
	(b) Income on investments (Refer Note 4)	838.96	834.63	505.00	1,673.59	1,004.24	2,133.54
	(c) Interest on balances with RBI & other banks	9.99	22.29	3.26	32.28	8.96	24.06
	(d) Others (Refer Note 4)	97.27	88.02	18.44	185.29	42.14	93.60
2	<b>Other income (Refer Note 5)</b>	<b>615.73</b>	<b>592.43</b>	<b>466.45</b>	<b>1,208.16</b>	<b>866.21</b>	<b>2,028.45</b>
3	<b>Total income (1+2)</b>	<b>4,621.38</b>	<b>4,583.86</b>	<b>2,818.93</b>	<b>9,205.24</b>	<b>5,505.04</b>	<b>11,748.32</b>
4	Interest expended	2,326.91	2,393.24	1,313.55	4,720.15	2,597.70	5,496.13
5	<b>Operating expenses (a+b)</b>	<b>1,249.71</b>	<b>1,593.65</b>	<b>771.74</b>	<b>2,843.36</b>	<b>1,508.18</b>	<b>3,254.73</b>
	(a) Employees cost	623.01	928.78	354.52	1,551.79	702.93	1,449.73
	(b) Other operating expenses	626.70	664.87	417.22	1,291.57	805.25	1,805.00
6	<b>Total expenditure (4+5)</b> (excluding provisions & contingencies)	<b>3,576.62</b>	<b>3,986.89</b>	<b>2,085.29</b>	<b>7,563.51</b>	<b>4,105.88</b>	<b>8,750.86</b>
7	<b>Operating profit (3-6)</b> (Profit before provisions and contingencies)	<b>1,044.76</b>	<b>596.97</b>	<b>733.64</b>	<b>1,641.73</b>	<b>1,399.16</b>	<b>2,997.46</b>
8	Provisions (other than tax) and contingencies (Refer Note 6)	176.40	305.31	53.65	481.71	67.64	164.50
9	Exceptional items	-	-	-	-	-	-
10	<b>Profit from ordinary activities before tax (7-8-9)</b>	<b>868.36</b>	<b>291.66</b>	<b>679.99</b>	<b>1,160.02</b>	<b>1,331.52</b>	<b>2,832.96</b>
11	Tax expense	298.86	101.88	235.47	400.74	457.20	966.98
12	<b>Net Profit from ordinary activities after tax (10-11)</b>	<b>569.50</b>	<b>189.78</b>	<b>444.52</b>	<b>759.28</b>	<b>874.32</b>	<b>1,865.98</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	<b>Net Profit (12-13)</b>	<b>569.50</b>	<b>189.78</b>	<b>444.52</b>	<b>759.28</b>	<b>874.32</b>	<b>1,865.98</b>
15	<b>Paid up equity share capital - (of Face Value ₹ 5 per share)</b> (Refer Note 3)	<b>915.26</b>	<b>456.42</b>	<b>385.67</b>	<b>915.26</b>	<b>385.67</b>	<b>386.18</b>
16	<b>Reserves (excluding revaluation reserves)</b>						<b>13,754.91</b>
17	<b>Analytical Ratios</b>						
	(i) Percentage of shares held by Government of India	-	-	-	-	-	-
	(ii) Capital adequacy ratio – Basel III	15.54	16.36	16.44	15.54	16.44	17.17
	(iii) Earnings per share (before and after extraordinary items and post-bonus) (Refer Note 3)						
	- Basic (not annualised) ₹	3.28	2.08	2.89	5.72	5.68	12.10
	- Diluted (not annualised) ₹	3.26	2.07	2.88	5.69	5.66	12.07
	(iv) NPA Ratios						
	a) Gross NPA	2,655.38	2,421.77	1,165.40	2,655.38	1,165.40	1,237.23
	b) Net NPA	1,167.60	1,077.34	611.47	1,167.60	611.47	609.08
	c) % of Gross NPA to Gross Advances	2.35	2.31	1.89	2.35	1.89	1.85
	d) % of Net NPA to Net Advances	1.05	1.04	1.00	1.05	1.00	0.92
	(v) Return on Assets (average) – not annualised	0.34	0.11	0.49	0.45	0.99	1.98
18	<b>Public Shareholding</b>						
	(i) No. of shares	1,212,319,900	603,745,578	462,238,215	1,212,319,900	462,238,215	463,256,322
	(ii) Percentage of shareholding	66.23	66.14	59.93	66.23	59.93	59.98
19	<b>Promoters and promoter group Shareholding</b>						
	a) Pledged/Encumbered						
	- Number of shares	-	-	-	-	-	-

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	- 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 Bank)	-	-	-	-	-	-
	b) Non-encumbered						
	- Number of Shares	618,192,684	309,096,342	309,096,342	618,192,684	309,096,342	309,096,342
	- 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 Bank)	33.77	33.86	40.07	33.77	40.07	40.02

### 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.

		Quarter ended			Half-year ended		Year ended
		30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
₹ crore							
1	<b>Segment Revenue</b>						
	a. Treasury, BMU and Corporate Centre	1,040.62	1,076.28	639.08	2,116.90	1,248.07	2,735.45
	b. Corporate/ Wholesale Banking	1,641.52	1,558.58	1,080.89	3,200.10	2,095.13	4,438.80
	c. Retail Banking	2,356.77	2,336.57	1,970.85	4,693.34	3,830.86	8,193.53
	Sub-total	<b>5,038.91</b>	<b>4,971.43</b>	<b>3,690.82</b>	<b>10,010.34</b>	<b>7,174.06</b>	<b>15,367.78</b>
	Less: Inter-segmental revenue	417.53	387.57	871.89	805.10	1,674.38	3,625.55
	Add: Unallocated Income	-	-	-	-	5.36	6.09
	<b>Total</b>	<b>4,621.38</b>	<b>4,583.86</b>	<b>2,818.93</b>	<b>9,205.24</b>	<b>5,505.04</b>	<b>11,748.32</b>
2	<b>Segment Results</b>						
	a. Treasury, BMU and Corporate Centre	10.77	(88.61)	135.15	(77.84)	274.87	467.75
	b. Corporate/ Wholesale Banking	529.84	369.12	335.15	898.96	625.93	1,402.11
	c. Retail Banking	327.76	11.16	209.69	338.92	425.36	957.01
	Sub-total	<b>868.37</b>	<b>291.67</b>	<b>679.99</b>	<b>1,160.04</b>	<b>1,326.16</b>	<b>2,826.87</b>
	Add: Unallocated Income / (expense)	(0.01)	(0.01)	-	(0.02)	5.36	6.09
	<b>Total Profit Before Tax</b>	<b>868.36</b>	<b>291.66</b>	<b>679.99</b>	<b>1,160.02</b>	<b>1,331.52</b>	<b>2,832.96</b>
3	<b>Capital employed (Segmental Assets less Segmental Liabilities)</b>						
	a. Treasury, BMU and Corporate Centre	3,781.03	4,124.56	4,014.51	3,781.03	4,014.51	3,702.75
	b. Corporate/ Wholesale Banking	9,062.59	8,488.84	4,152.76	9,062.59	4,152.76	4,928.94
	c. Retail Banking	9,620.16	9,209.30	5,108.26	9,620.16	5,108.26	5,639.89
	Sub-total	<b>22,463.78</b>	<b>21,822.70</b>	<b>13,275.53</b>	<b>22,463.78</b>	<b>13,275.53</b>	<b>14,271.58</b>
	Add: Unallocated	141.82	64.34	(77.02)	141.82	(77.02)	(130.49)
	<b>Total Capital Employed</b>	<b>22,605.60</b>	<b>21,887.04</b>	<b>13,198.51</b>	<b>22,605.60</b>	<b>13,198.51</b>	<b>14,141.09</b>

**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 30<sup>th</sup> October, 2015. The results for the quarter ended 30<sup>th</sup> September, 2015 are subjected to limited review by the statutory auditors of the Bank.
- The Reserve Bank of India ("RBI") approved the scheme of amalgamation of ING Vysya Bank Ltd ("ING Vysya") with Kotak Mahindra Bank Ltd ("Bank") under the Banking Regulation Act, 1949 effective 1<sup>st</sup> April, 2015. The results for the quarter and half year ended 30<sup>th</sup> September, 2015 include operations of erstwhile ING Vysya. Hence, the results for the quarter and half year ended 30<sup>th</sup> September, 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 30<sup>th</sup> September, 2015, pursuant to a bonus issue approved by the shareholders at the annual general meeting, held on 29<sup>th</sup> 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 16<sup>th</sup> July, 2015, the Bank, has effective quarter ended 30<sup>th</sup> 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".
- 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:

₹ crore

Particulars	Quarter ended			Half-year ended		Year ended
	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
Provision towards advances (including provisions for exposures to entities with Unhedged Foreign Currency Exposures)	189.07	266.21	63.86	455.29	129.58	276.03
Provision / (write back of provisions) towards investments (net)	(14.00)	36.41	(10.21)	22.41	(60.21)	(111.33)
Others	1.33	2.69	0.00	4.01	(1.73)	(0.20)
<b>Total provisions (other than Tax) and contingencies</b>	<b>176.40</b>	<b>305.31</b>	<b>53.65</b>	<b>481.71</b>	<b>67.64</b>	<b>164.50</b>

- During the quarter, the Bank has granted 14,000 options. Stock options aggregating to 4,828,744 were exercised during the quarter and 15,908,310 stock options were outstanding with employees of the Bank and its subsidiaries as at 30<sup>th</sup> September, 2015. All options referred to here are post-bonus.
- The Bank had three outstanding shareholder complaints as at 30<sup>th</sup> June 2015, which was subsequently resolved. During the quarter, the Bank received nine complaints from shareholders all of which have been resolved. There are no complaints pending as on 30<sup>th</sup> September 2015.
- RBI circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated 1<sup>st</sup> July, 2015 on 'Basel III Capital Regulations' read together with the RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31<sup>st</sup> 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.
- There has been no change in any significant accounting policies during the quarter and half year ended 30<sup>th</sup> September, 2015.

11. The Summarised Balance Sheet of the Bank (Standalone) is given below:

₹ crore

Summarised Balance Sheet	As at 30 September 2015 (Unaudited)	As at 30 September 2014 (Unaudited)	As at 31 March 2015 (Audited)
<b>CAPITAL AND LIABILITIES</b>			
Capital	915.26	385.67	386.18
Reserves and Surplus	21,690.34	12,812.84	13,754.91
Employees' Stock Options (Grants) Outstanding	2.64	6.24	3.00
Deposits	123,211.07	68,102.59	74,860.31
Borrowings	21,872.74	10,553.99	12,149.71
Other Liabilities and Provisions	7,733.53	3,568.90	4,857.97
<b>TOTAL</b>	<b>175,425.58</b>	<b>95,430.23</b>	<b>106,012.08</b>
<b>ASSETS</b>			
Cash and balances with Reserve Bank of India	6,069.33	3,007.21	3,928.30
Balances with Banks and Money at Call and Short Notice	3,428.56	1,218.60	2,334.06
Investments	42,571.09	27,226.80	28,659.11
Advances	111,661.80	60,947.74	66,160.71
Fixed Assets	1,577.47	1,070.36	1,206.71
Other Assets	10,117.33	1,959.52	3,723.19
<b>TOTAL</b>	<b>175,425.58</b>	<b>95,430.23</b>	<b>106,012.08</b>

12. Figures for the previous periods / year have been regrouped wherever necessary to conform to current period's presentation.

13. The above financial results for the quarter ended 30<sup>th</sup> September, 2015 are reviewed by the statutory auditors, S.R. Batliboi & Co. LLP Chartered Accountants. The financial results for the quarter ended 30<sup>th</sup> September, 2014 and the year ended 31<sup>st</sup> 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, 30<sup>th</sup> October, 2015

**Dipak Gupta**  
Joint Managing Director



## PRESS RELEASE

### KOTAK MAHINDRA BANK ANNOUNCES RESULTS

**Bank PAT for Q2FY16 ₹ 570 cr**

**Consolidated PAT for Q2FY16 ₹ 942 cr**

**Mumbai, October 30, 2015:** The Board of Directors of Kotak Mahindra Bank ('The Bank' or 'KMBL') took on record the unaudited standalone and consolidated results for Q2FY16 at the Board meeting held in Mumbai today.

The Bank had received approval from the Reserve Bank of India (RBI) for the merger of ING Vysya Bank ('IVBL') with effect from April 1, 2015 and accordingly the results for the quarter and half year ended September 30, 2015 are for the merged entity and not comparable with previous periods.

#### **Kotak Mahindra Bank (Standalone)**

Advances as on September 30, 2015 were ₹ 111,662 cr

Deposits as on September 30, 2015 were up to ₹ 123,211 cr. Savings deposits as on September 30, 2015 grew to ₹ 24,335 cr. CASA ratio stood at 36%

Capital Adequacy Ratio of the Bank including unaudited profits as per Basel III as on September 30, 2015 is 16.1% and Tier I ratio is 14.9%

Net Interest Income (NII) for Q2FY16 was ₹ 1,679 cr

Net Interest Margin (NIM) for Q2FY16 stood at 4.3%

Profit After Tax (PAT) for Q2FY16 of ₹ 570 cr

As against the estimate given in Q1FY16 with respect to provision of about 0.5% on the combined book for the three quarters of FY16, impact on Q2FY16 results was ₹ 238 cr (₹ 305 cr in Q1FY16) of which a significant portion is from erstwhile IVBL. This includes a reversal of income of ₹ 62 cr on account of a credit event with respect to a derivative customer

#### Other merger related expenses

Integration cost of ₹ 12 cr in Q2FY16, ₹ 63 cr for Q1FY16 and ₹ 54 cr for FY15

Additional interest on savings account of eIVBL for Q2FY16 of ~ ₹ 30 cr on account of increase in savings deposits rate upto 6%

As on September 30, 2015, the Bank has a network of 1,269 full-fledged branches and 1,934 ATMs having both breadth and depth given the strong geographic complementarity of the merger.





As on September 30, 2015, the Branch footprint was as under

Branches	KMBL (Combined)
West	31%
North	28%
South	36%
East	5%
<b>Total</b>	<b>1,269</b>

The Bank believes the merger benefits will flow in due course from both, revenue synergies as well as cost efficiencies, resulting from significant geographical and product complementarities, fuller customer segment coverage, economies of scale and improved productivity and efficiency.

Announcing the results, **Uday Kotak, Executive Vice Chairman & Managing Director, Kotak Mahindra Bank** said, "Integration process is progressing as planned and we are seeing positive traction in SA growth, retail loans and insurance distribution. Various initiatives have been kicked off for cost and income synergies which will start showing results in due course. With our wider national footprint and the breadth of product & service offerings, we are well poised to capitalize on the opportunity offered by the country which is on track for a sustainable growth story."

#### Consolidated results at a glance

Consolidated PAT for Q2FY16 was ₹ 942 cr

Consolidated Advances up ₹ 134,669 cr as on September 30, 2015

Consolidated NIM for Q2FY16 stood at 4.4%

Consolidated Capital Adequacy Ratio including unaudited profits as per Basel III as on September 30, 2015 is 16.5% and Tier 1 ratio is 15.5%

Total assets managed / advised by the Group as on September 30, 2015 were ₹ 96,037 cr

Consolidated Networth for Q2FY16 was ₹ 31,333 cr

Other major subsidiaries profit after tax are as under:

₹ cr	Q2FY16
Kotak Mahindra Prime	127
Kotak Securities	78
Kotak Mahindra Old Mutual Life Insurance	48
Kotak Mahindra Investments	36
Kotak Mahindra AMC & Trustee Co	23



### **About Kotak Mahindra Group**

Established in 1985, Kotak Mahindra Group is one of India's leading financial services conglomerates. In February 2003, Kotak Mahindra Finance Ltd. (KMFL), the Group's flagship company, received banking license from the Reserve Bank of India (RBI), becoming the first non-banking finance company in India to convert into a bank - Kotak Mahindra Bank Ltd.

Effective April 1, 2015, ING Vysya Bank Ltd. has merged with Kotak Mahindra Bank Ltd. creating a ₹ 2 trillion institution (consolidated). As on September 30, 2015, the merged entity – Kotak Mahindra Bank Ltd, has a significant national footprint of 1,269 branches and 1,934 ATMs spread across 645 locations, affording it the capacity and means to serve even better.

The consolidated net worth of the Group stands at ₹ 313 billion (approx. US\$ 4.8 billion) as on September 30, 2015. The Group offers a wide range of financial services that encompass every sphere of life. From commercial banking, to stock broking, mutual funds, life insurance and investment banking, the Group caters to the diverse financial needs of individuals and the corporate sector. The Group has a wide distribution network through branches and franchisees across India, and international offices in London, New York, Dubai, Abu Dhabi, Mauritius and Singapore.

For more information, please visit the company's website at <http://www.kotak.com/>

*For further information, please contact:*

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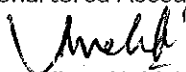
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Limited Review Report

Review Report to  
The Board of Directors  
Kotak Mahindra Bank Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Kotak Mahindra Bank Limited ('the Bank') for the quarter ended September 30, 2015 (the "Statement"), attached herewith, being submitted by the Bank pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. Further the disclosures relating to "Pillar 3 under Basel III Capital Regulations", "Leverage Ratio" and "Liquidity Coverage Ratio" as have been disclosed on the Bank's website and in respect of which a link have been provided in aforesaid Statement have not been reviewed by us. This Statement is the responsibility of the Bank's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Bank's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 Interim Financial Reporting, specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For S.R. BATLIBOI & CO. LLP  
ICAI Firm registration number: 301003E  
Chartered Accountants

  
per Viren H. Mehta  
Partner  
Membership No.:048749

Place: Mumbai  
Date: October 30, 2015



**KOTAK MAHINDRA BANK LIMITED (STANDALONE)**

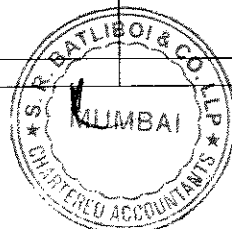
Registered Office: 27 BKC, C 27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

**STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND THE HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2015**

₹ crore

Sr No	Particulars	Quarter ended			Half-year ended		Year ended
		30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>4,005.65</b>	<b>3,991.43</b>	<b>2,352.48</b>	<b>7,997.08</b>	<b>4,638.83</b>	<b>9,719.87</b>
	(a) Interest/discount on advances/ bills	3,059.43	3,046.49	1,825.78	6,105.92	3,583.49	7,468.67
	(b) Income on investments (Refer Note 4)	838.96	834.63	505.00	1,673.59	1,004.24	2,133.54
	(c) Interest on balances with RBI & other banks	9.99	22.29	3.26	32.28	8.96	24.06
	(d) Others (Refer Note 4)	97.27	88.02	18.44	185.29	42.14	93.60
2	<b>Total income (Refer Note 5)</b>	<b>615.73</b>	<b>592.43</b>	<b>466.45</b>	<b>1,208.16</b>	<b>866.21</b>	<b>2,028.45</b>
3	<b>Total income (1+2)</b>	<b>4,621.38</b>	<b>4,583.86</b>	<b>2,818.93</b>	<b>9,205.24</b>	<b>5,505.04</b>	<b>11,748.32</b>
4	Interest expended	2,326.91	2,393.24	1,313.55	4,720.15	2,597.70	5,496.13
5	<b>Operating expenses (a+b)</b>	<b>1,249.71</b>	<b>1,593.65</b>	<b>771.74</b>	<b>2,843.36</b>	<b>1,508.18</b>	<b>3,254.73</b>
	(a) Employees cost	623.01	928.78	354.52	1,551.79	702.93	1,449.73
	(b) Other operating expenses	626.70	664.87	417.22	1,291.57	805.25	1,805.00
6	<b>Total expenditure (4+5) (excluding provisions &amp; contingencies)</b>	<b>3,576.62</b>	<b>3,986.89</b>	<b>2,085.29</b>	<b>7,563.51</b>	<b>4,105.88</b>	<b>8,750.86</b>
7	<b>Operating profit (3-6) (Profit before provisions and contingencies)</b>	<b>1,044.76</b>	<b>596.97</b>	<b>733.64</b>	<b>1,641.73</b>	<b>1,399.16</b>	<b>2,997.46</b>
8	Provisions (other than tax) and contingencies (Refer Note 6)	176.40	305.31	53.65	481.71	67.64	164.50
9	Exceptional items	-	-	-	-	-	-
10	<b>Profit from ordinary activities before tax (7-8-9)</b>	<b>868.36</b>	<b>291.66</b>	<b>679.99</b>	<b>1,160.02</b>	<b>1,331.52</b>	<b>2,832.96</b>
11	Tax expense	298.86	101.88	235.47	400.74	457.20	966.98
12	<b>Net Profit from ordinary activities after tax (10-11)</b>	<b>569.50</b>	<b>189.78</b>	<b>444.52</b>	<b>759.28</b>	<b>874.32</b>	<b>1,865.98</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	<b>Net Profit (12-13)</b>	<b>569.50</b>	<b>189.78</b>	<b>444.52</b>	<b>759.28</b>	<b>874.32</b>	<b>1,865.98</b>
15	<b>Paid up equity share capital - (of Face Value ₹ 5 per share) (Refer Note 3)</b>	<b>915.26</b>	<b>456.42</b>	<b>385.67</b>	<b>915.26</b>	<b>385.67</b>	<b>386.18</b>
16	<b>Reserves (excluding revaluation reserves)</b>						<b>13,754.91</b>
17	<b>Analytical Ratios</b>						
	(i) Percentage of shares held by Government of India	-	-	-	-	-	-
	(ii) Capital adequacy ratio - Basel III	15.54	16.36	16.44	15.54	16.44	17.17
	(iii) Earnings per share (before and after extraordinary items and post-bonus) (Refer Note 3)						
	- Basic (not annualised) ₹	3.28	2.08	2.89	5.72	5.68	12.10
	- Diluted (not annualised) ₹	3.26	2.07	2.88	5.69	5.66	12.07
	(iv) NPA Ratios						
	a) Gross NPA	2,655.38	2,421.77	1,165.40	2,655.38	1,165.40	1,237.23
	b) Net NPA	1,167.60	1,077.34	611.47	1,167.60	611.47	609.08
	c) % of Gross NPA to Gross Advances	2.35	2.31	1.89	2.35	1.89	1.85
	d) % of Net NPA to Net Advances	1.05	1.04	1.00	1.05	1.00	0.92
	(v) Return on Assets (average) - not annualised	0.34	0.11	0.49	0.45	0.99	1.98
18	<b>Public Shareholding</b>						
	(i) No. of shares	1,212,319,900	603,745,578	462,238,215	1,212,319,900	462,238,215	463,256,322
	(ii) Percentage of shareholding	66.23	66.14	59.93	66.23	59.93	59.98
19	<b>Promoters and promoter group Shareholding</b>						
	a) Pledged/Encumbered						

For Identification Purpose Only.



Sr No	Particulars	Quarter ended			Half-year ended		Year ended
		30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
	- 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 Bank)	-	-	-	-	-	-
	b) Non-encumbered						
	- Number of Shares	618,192,684	309,096,342	309,096,342	618,192,684	309,096,342	309,096,342
	- 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 Bank)	33.77	33.86	40.07	33.77	40.07	40.02

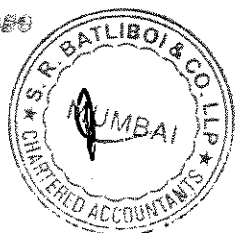
### Segment Results

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.

		Quarter ended			Half-year ended		Year ended
		30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
<b>₹ crore</b>							
1	<b>Segment Revenue</b>						
	a. Treasury, BMU and Corporate Centre	1,040.62	1,076.28	639.08	2,116.90	1,248.07	2,735.45
	b. Corporate/ Wholesale Banking	1,641.52	1,558.58	1,080.89	3,200.10	2,095.13	4,438.80
	c. Retail Banking	2,356.77	2,336.57	1,970.85	4,693.34	3,830.86	8,193.53
	Sub-total	<b>5,038.91</b>	<b>4,971.43</b>	<b>3,690.82</b>	<b>10,010.34</b>	<b>7,174.06</b>	<b>15,367.78</b>
	Less: Inter-segmental revenue	417.53	387.57	871.89	805.10	1,674.38	3,625.55
	Add: Unallocated Income	-	-	-	-	5.36	6.09
	<b>Total</b>	<b>4,621.38</b>	<b>4,583.86</b>	<b>2,818.93</b>	<b>9,205.24</b>	<b>5,505.04</b>	<b>11,748.32</b>
2	<b>Segment Results</b>						
	a. Treasury, BMU and Corporate Centre	10.77	(88.61)	135.15	(77.84)	274.87	467.75
	b. Corporate/ Wholesale Banking	529.84	369.12	335.15	898.96	625.93	1,402.11
	c. Retail Banking	327.76	11.16	209.69	338.92	425.36	957.01
	Sub-total	<b>868.37</b>	<b>291.67</b>	<b>679.99</b>	<b>1,160.04</b>	<b>1,326.16</b>	<b>2,826.87</b>
	Add: Unallocated Income / (expense)	(0.01)	(0.01)	-	(0.02)	5.36	6.09
	<b>Total Profit Before Tax</b>	<b>868.36</b>	<b>291.66</b>	<b>679.99</b>	<b>1,160.02</b>	<b>1,331.52</b>	<b>2,832.96</b>
3	<b>Capital employed (Segmental Assets less Segmental Liabilities)</b>						
	a. Treasury, BMU and Corporate Centre	3,781.03	4,124.56	4,014.51	3,781.03	4,014.51	3,702.75
	b. Corporate/ Wholesale Banking	9,062.59	8,488.84	4,152.76	9,062.59	4,152.76	4,928.94
	c. Retail Banking	9,620.16	9,209.30	5,108.26	9,620.16	5,108.26	5,639.89
	Sub-total	<b>22,463.78</b>	<b>21,822.70</b>	<b>13,275.53</b>	<b>22,463.78</b>	<b>13,275.53</b>	<b>14,271.58</b>
	Add: Unallocated	141.82	64.34	(77.02)	141.82	(77.02)	(130.49)
	<b>Total Capital Employed</b>	<b>22,605.60</b>	<b>21,887.04</b>	<b>13,198.51</b>	<b>22,605.60</b>	<b>13,198.51</b>	<b>14,141.09</b>

For Identification Purpose Only.



**NOTES:**

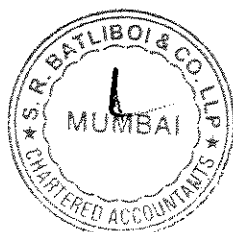
- The above results were reviewed by the Audit Committee of the Board and approved at the meeting of the Board of Directors held on 30<sup>th</sup> October, 2015. The results for the quarter ended 30<sup>th</sup> September, 2015 are subjected to limited review by the statutory auditors of the Bank.
- The Reserve Bank of India ("RBI") approved the scheme of amalgamation of ING Vysya Bank Ltd ("ING Vysya") with Kotak Mahindra Bank Ltd ("Bank") under the Banking Regulation Act, 1949 effective 1<sup>st</sup> April, 2015. The results for the quarter and half year ended 30<sup>th</sup> September, 2015 include operations of erstwhile ING Vysya. Hence, the results for the quarter and half year ended 30<sup>th</sup> September, 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 30<sup>th</sup> September, 2015, pursuant to a bonus issue approved by the shareholders at the annual general meeting, held on 29<sup>th</sup> 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 16<sup>th</sup> July, 2015, the Bank, has effective quarter ended 30<sup>th</sup> 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".
- 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	₹ crore					
	Quarter ended			Half-year ended		Year ended
	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
Provision towards advances (including provisions for exposures to entities with Unhedged Foreign Currency Exposures)	189.07	266.21	63.86	455.29	129.58	276.03
Provision / (write back of provisions) towards investments (net)	(14.00)	36.41	(10.21)	22.41	(60.21)	(111.33)
Others	1.33	2.69	0.00	4.01	(1.73)	(0.20)
<b>Total provisions (other than Tax) and contingencies</b>	<b>176.40</b>	<b>305.31</b>	<b>53.65</b>	<b>481.71</b>	<b>67.64</b>	<b>164.50</b>

- During the quarter, the Bank has granted 14,000 options. Stock options aggregating to 4,828,744 were exercised during the quarter and 15,908,310 stock options were outstanding with employees of the Bank and its subsidiaries as at 30<sup>th</sup> September, 2015. All options referred to here are post-bonus.
- The Bank had three outstanding shareholder complaints as at 30<sup>th</sup> June 2015, which was subsequently resolved. During the quarter, the Bank received nine complaints from shareholders all of which have been resolved. There are no complaints pending as on 30<sup>th</sup> September 2015.
- RBI circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated 1<sup>st</sup> July, 2015 on 'Basel III Capital Regulations' read together with the RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31<sup>st</sup> 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.
- There has been no change in any significant accounting policies during the quarter and half year ended 30<sup>th</sup> September, 2015.

*For Identification Purpose Only.*



11. The Summarised Balance Sheet of the Bank (Standalone) is given below:

₹ crore

Summarised Balance Sheet	As at 30 September 2015 (Unaudited)	As at 30 September 2014 (Unaudited)	As at 31 March 2015 (Audited)
<b>CAPITAL AND LIABILITIES</b>			
Capital	915.26	385.67	386.18
Reserves and Surplus	21,690.34	12,812.84	13,754.91
Employees' Stock Options (Grants) Outstanding	2.64	6.24	3.00
Deposits	123,211.07	68,102.59	74,860.31
Borrowings	21,872.74	10,553.99	12,149.71
Other Liabilities and Provisions	7,733.53	3,568.90	4,857.97
<b>TOTAL</b>	<b>175,425.58</b>	<b>95,430.23</b>	<b>106,012.08</b>
<b>ASSETS</b>			
Cash and balances with Reserve Bank of India	6,069.33	3,007.21	3,928.30
Balances with Banks and Money at Call and Short Notice	3,428.56	1,218.60	2,334.06
Investments	42,571.09	27,226.80	28,659.11
Advances	111,661.80	60,947.74	66,160.71
Fixed Assets	1,577.47	1,070.36	1,206.71
Other Assets	10,117.33	1,959.52	3,723.19
<b>TOTAL</b>	<b>175,425.58</b>	<b>95,430.23</b>	<b>106,012.08</b>

12. Figures for the previous periods / year have been regrouped wherever necessary to conform to current period's presentation.
13. The above financial results for the quarter ended 30<sup>th</sup> September, 2015 are reviewed by the statutory auditors, S.R. Batliboi & Co. LLP Chartered Accountants. The financial results for the quarter ended 30<sup>th</sup> September, 2014 and the year ended 31<sup>st</sup> March, 2015 are subjected to limited review or audit by another firm of chartered accountants.

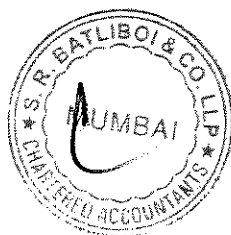
By order of the Board of Directors  
For Kotak Mahindra Bank Limited



**Dipak Gupta**  
Joint Managing Director

Mumbai, 30<sup>th</sup> October, 2015

*For Identification Purpose  
Only.*



**UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED  
30th SEPTEMBER, 2015**

₹ crore

Sr No	Particulars	Quarter ended			Half-year ended		Year ended
		30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>4,996.57</b>	<b>4,941.88</b>	<b>3,268.67</b>	<b>9,938.45</b>	<b>6,404.03</b>	<b>13,318.89</b>
	(a) Interest/discount on advances/bills	3,765.44	3,751.38	2,491.77	7,516.82	4,870.79	10,121.19
	(b) Income on investments (Refer note 10)	1,088.40	1,051.70	726.22	2,140.10	1,431.04	2,968.24
	(c) Interest on balances with RBI & other banks	19.96	30.90	12.73	50.86	28.23	61.02
	(d) Others (Refer note 10)	122.77	107.90	37.95	230.67	73.97	168.44
2	<b>Other income (a+b+c)</b>	<b>1,732.50</b>	<b>1,442.75</b>	<b>1,651.73</b>	<b>3,175.25</b>	<b>3,523.00</b>	<b>8,103.86</b>
	(a) Profit / (loss) on sale of investments including revaluation (insurance business)	(62.83)	(75.28)	278.14	(138.11)	1,039.76	1,982.02
	(b) Premium on insurance business	824.83	619.83	653.13	1,444.66	1,096.12	2,975.06
	(c) Other income (Refer notes 5, 6 & 7)	970.50	898.20	720.46	1,868.70	1,387.12	3,146.78
3	<b>Total income (1+2)</b>	<b>6,729.07</b>	<b>6,384.63</b>	<b>4,920.40</b>	<b>13,113.70</b>	<b>9,927.03</b>	<b>21,422.75</b>
4	Interest expended	2,718.32	2,778.39	1,684.86	5,496.71	3,310.15	6,966.10
5	<b>Operating expenses (a+b+c)</b>	<b>2,453.69</b>	<b>2,536.34</b>	<b>2,099.87</b>	<b>4,990.03</b>	<b>4,422.69</b>	<b>9,700.94</b>
	(a) Employee cost	883.67	1,169.08	575.52	2,052.75	1,139.53	2,375.47
	(b) Policy holders' reserves, surrender expense and claims	681.43	477.65	875.93	1,159.08	2,055.49	4,572.21
	(c) Other operating expenses (Refer notes 6 & 8)	888.59	889.61	648.42	1,778.20	1,227.67	2,753.26
6	<b>Total expenditure (4+5) (excluding provisions and contingencies)</b>	<b>5,172.01</b>	<b>5,314.73</b>	<b>3,784.73</b>	<b>10,486.74</b>	<b>7,732.84</b>	<b>16,667.04</b>
7	<b>Operating Profit before provisions and contingencies (3-6)</b>	<b>1,557.06</b>	<b>1,069.90</b>	<b>1,135.67</b>	<b>2,626.96</b>	<b>2,194.19</b>	<b>4,755.71</b>
8	Provisions (other than tax) and contingencies (Refer note 9)	196.66	321.90	58.22	518.56	85.46	205.73
9	Exceptional items	-	-	-	-	-	-
10	<b>Profit from ordinary activities before tax (7-8-9)</b>	<b>1,360.40</b>	<b>748.00</b>	<b>1,077.45</b>	<b>2,108.40</b>	<b>2,108.73</b>	<b>4,549.98</b>
11	Tax expense	443.84	228.34	357.99	672.18	692.57	1,484.90
12	<b>Profit from ordinary activities after tax before minority interest (10-11)</b>	<b>916.56</b>	<b>519.66</b>	<b>719.46</b>	<b>1,436.22</b>	<b>1,416.16</b>	<b>3,065.08</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	<b>Profit from ordinary activities after tax before minority interest (12-13)</b>	<b>916.56</b>	<b>519.66</b>	<b>719.46</b>	<b>1,436.22</b>	<b>1,416.16</b>	<b>3,065.08</b>
15	Less: Share of minority interest	12.60	17.17	13.60	29.77	26.42	59.51
16	Add: Share in profit of associates	37.93	14.08	12.07	52.01	26.50	39.88
17	<b>Profit after tax (14-15+16)</b>	<b>941.89</b>	<b>516.57</b>	<b>717.93</b>	<b>1,458.46</b>	<b>1,416.24</b>	<b>3,045.45</b>
18	<b>Paid Up Equity Capital - (Face value of ₹ 5 per share) (Refer note 4)</b>	<b>915.26</b>	<b>456.42</b>	<b>385.67</b>	<b>915.26</b>	<b>385.67</b>	<b>386.18</b>
19	Group reserves (excluding minority interest)						21,752.09
20	Minority interest						335.69
21	<b>Analytical ratios</b>						
	(i) % Capital adequacy ratio – BASEL III	16.46	16.90	16.70	16.46	16.70	17.56
	(ii) Earnings per share (before and after extraordinary items) (Refer note 4)						
	(a) Basic (not annualised) ₹	5.42	2.83	4.66	10.99	9.19	19.75
	(b) Diluted (not annualised) ₹	5.40	2.82	4.65	10.94	9.17	19.70
	(iii) NPA ratios						
	(a) Gross NPA	2,829.67	2,595.24	1,305.44	2,829.67	1,305.44	1,392.35
	(b) Net NPA	1,257.74	1,173.33	680.89	1,257.74	680.89	697.44
	(c) % of Gross NPA/ Gross advances	2.08	2.04	1.59	2.08	1.59	1.56
	(d) % of Net NPA/ Net advances	0.93	0.93	0.84	0.93	0.84	0.79
	(iv) Return on assets (average) (not annualised) (unaudited)	0.44	0.24	0.55	0.68	1.11	2.26



**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 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- There has been no change in significant accounting policies during the quarter and half-year ended 30<sup>th</sup> September, 2015.
- The Reserve Bank of India ("RBI") approved the scheme of amalgamation of ING Vysya Bank Ltd ("ING Vysya") with Kotak Mahindra Bank Ltd ("Bank") under the Banking Regulation Act, 1949 effective 1<sup>st</sup> April, 2015. The results for the quarter and half-year ended 30<sup>th</sup> September, 2015 include operations of erstwhile ING Vysya. Hence, the results for the quarter and half-year ended 30<sup>th</sup> September, 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 30<sup>th</sup> September, 2015, pursuant to a bonus issue approved by the shareholders at the annual general meeting, held on 29<sup>th</sup> 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.
- Details of other income forming part of the consolidated results are as follows:

₹ crore

Particulars	Quarter ended			Half-year ended		Year ended
	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
Commission, fees, exchange, brokerage and others	839.26	813.09	650.00	1,652.35	1,224.72	2,685.73
Profit on sale of investments (other than insurance business)	131.24	85.11	70.46	216.35	162.40	461.05
<b>Total – Other income</b>	<b>970.50</b>	<b>898.20</b>	<b>720.46</b>	<b>1,868.70</b>	<b>1,387.12</b>	<b>3,146.78</b>

- Other Income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiaries amounting to ₹ 13.51 crore for the quarter ended 30<sup>th</sup> September, 2015 and for half-year ended 30<sup>th</sup> September, 2015 ₹ 26.01 crore (for the quarter ended 30<sup>th</sup> June, 2015 ₹ 12.50 crore, quarter ended 30<sup>th</sup> September, 2014 ₹ 11.28 crore, half-year ended 30<sup>th</sup> September, 2014 ₹ 24.29 crore, for the year ended 31<sup>st</sup> March, 2015 ₹ 48.33 crore).
- 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.
- Details of other expenditure forming part of consolidated results are as follows:

₹ crore

Particulars	Quarter ended			Half-year ended		Year ended
	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Jun 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
Brokerage	90.38	70.80	83.24	161.18	146.74	389.97
Depreciation	83.49	88.29	58.62	171.78	116.84	236.89
Rent, taxes and lighting	152.23	141.68	95.19	293.91	189.00	399.42
Others	562.49	588.84	411.37	1,151.33	775.09	1,726.98
<b>Total – Other operating expenses</b>	<b>888.59</b>	<b>889.61</b>	<b>648.42</b>	<b>1,778.20</b>	<b>1,227.67</b>	<b>2,753.26</b>

- 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			Half-year ended		Year ended
	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> June 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	30 <sup>th</sup> Sep 15 (Unaudited)	30 <sup>th</sup> Sep 14 (Unaudited)	31 <sup>st</sup> Mar 15 (Audited)
Provision towards advances (including provisions for exposures to entities with unhedged foreign currency exposures)	210.21	281.01	72.41	491.22	150.48	316.87
Provision on other receivables	1.26	1.81	1.77	3.07	0.04	5.43
Provision / (Write back of provision) towards investments (net)	(14.81)	39.08	(15.96)	24.27	(65.06)	(116.57)
<b>Total – Provisions (other than tax) and contingencies</b>	<b>196.66</b>	<b>321.90</b>	<b>58.22</b>	<b>518.56</b>	<b>85.46</b>	<b>205.73</b>

10. Pursuant to RBI circular DBR.BP.BC.No.31/21.04.2018/2015-16 dated 16<sup>th</sup> July, 2015, the Bank, has effective quarter ended 30<sup>th</sup> 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".
11. RBI circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated 1<sup>st</sup> July, 2015 on 'Basel III Capital Regulations' read together with the RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31<sup>st</sup> March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards-Amendments' requires banks to make applicable Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III Framework. These disclosures are available on the Bank's website at the following link: <http://ir.kotak.com/financials/regulatory-disclosure-section>. The disclosures have not been subjected to audit or limited review.
12. The summarised consolidated Balance Sheet of the Bank is given below:

₹ crore

Summarised Balance Sheet	As at 30 <sup>th</sup> September 2015 (Unaudited)	As at 30 <sup>th</sup> September 2014 (Unaudited)	As at 31 <sup>st</sup> March 2015 (Audited)
<b>CAPITAL AND LIABILITIES</b>			
Capital	915.26	385.67	386.18
Reserves and Surplus	30,417.79	20,168.53	21,767.14
Minority Interest	360.17	297.32	335.69
Employees' Stock Options (Grants) Outstanding	2.64	6.24	3.00
Deposits	120,209.44	66,311.42	72,843.46
Borrowings	42,602.07	28,241.06	31,414.88
Policyholder's Funds	14,176.48	12,165.98	13,792.61
Other Liabilities and Provisions	10,843.62	6,824.90	8,032.80
<b>TOTAL</b>	<b>219,527.47</b>	<b>134,401.12</b>	<b>148,575.76</b>
<b>ASSETS</b>			
Cash and balances with Reserve Bank Of India	6,081.57	3,019.22	3,945.12
Balances with Banks and Money at Call and Short Notice	4,578.96	1,730.82	2,958.33
Investments	59,892.13	41,516.64	45,588.89
Advances	134,668.60	81,418.18	88,632.21
Fixed Assets	1,767.02	1,223.80	1,381.55
Other Assets	12,539.19	5,492.46	6,069.66
<b>TOTAL</b>	<b>219,527.47</b>	<b>134,401.12</b>	<b>148,575.76</b>

13. Figures for the previous periods / year have been regrouped wherever necessary to conform to current period's presentation

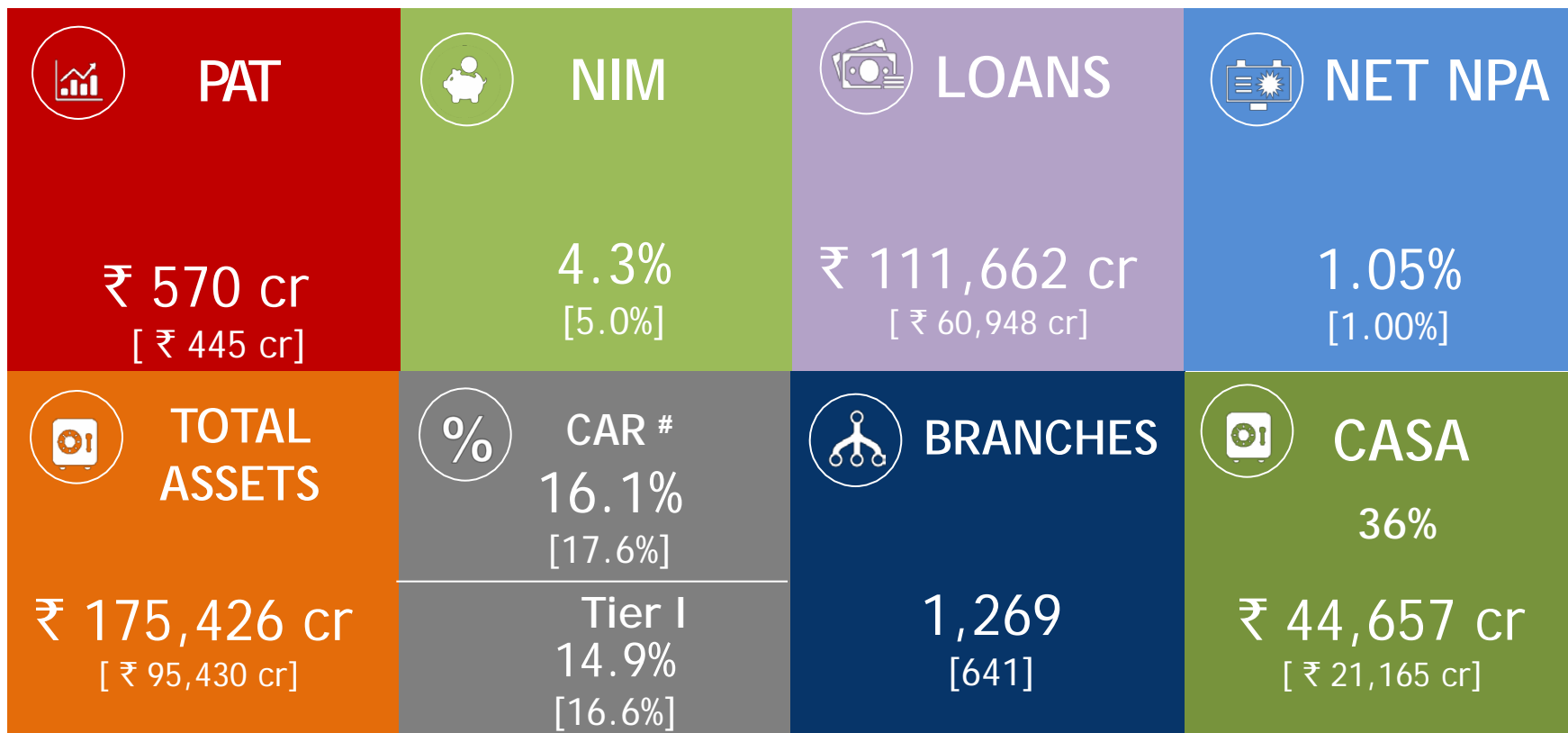
# EARNINGS UPDATE

## Q2FY16

October 30, 2015



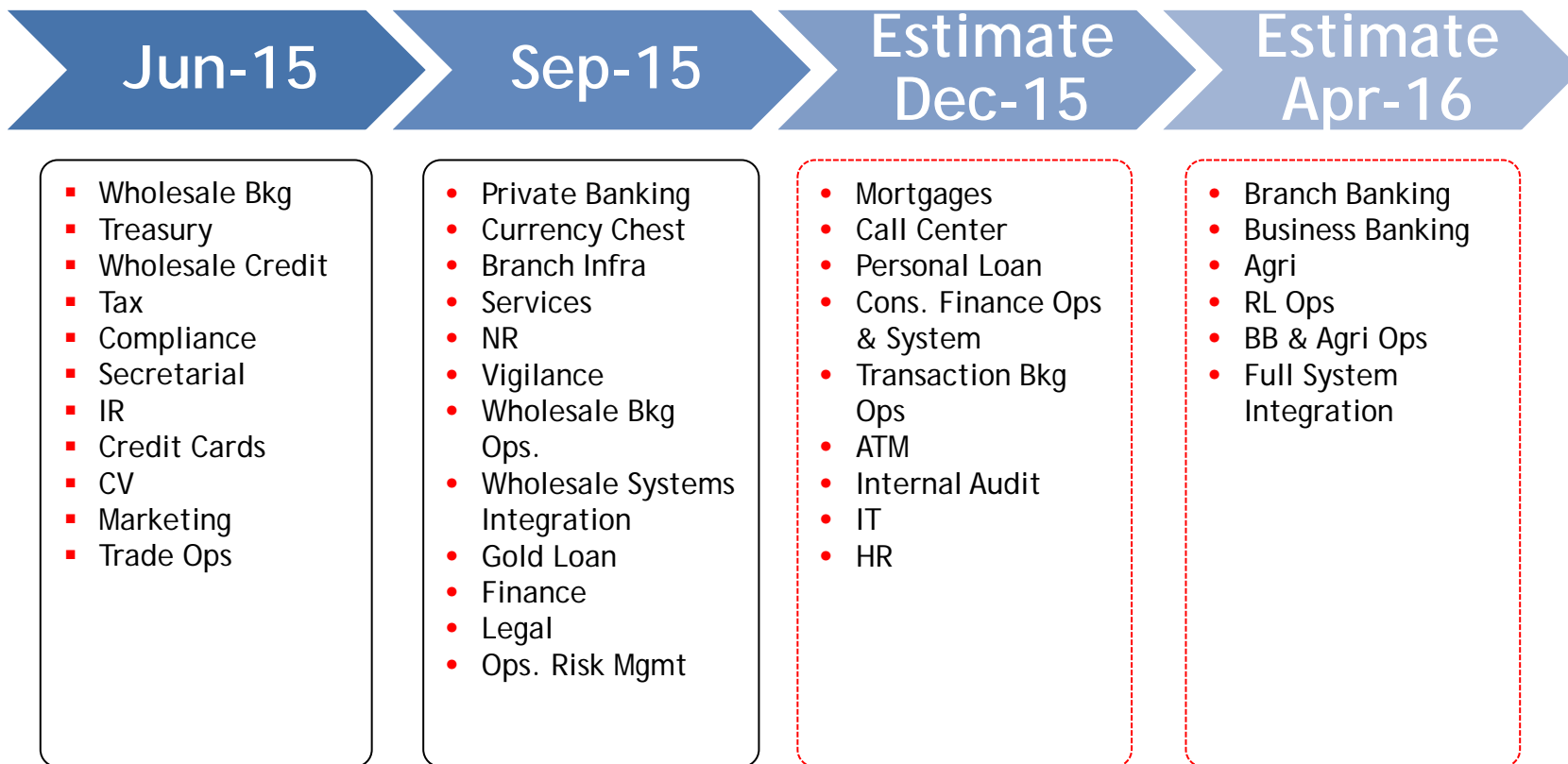
# Standalone Highlights Q2FY16



Figures in [brackets] are Q2FY15 numbers

# As per Basel III, including unaudited profits. Excluding profit CAR 15.5%, Tier I 14.4% (CAR 16.4% and Tier I 15.5%)

Merger of ING Vysya Bank effective April 1, 2015. Previous periods not comparable



## Leveraging integration

- Large scale training initiated for employees of eIVBL
- Commingling of employees at branches initiated
- Various initiatives kicked off to generate cost synergies

## Revenue Synergy

- SA growth has boosted, impact of 6% visible in eIVBL network
  - 23% YoY growth in average balances in eIVBL branches
- Overall customer acquisition has gained momentum
  - Combined bank adding ~ 100,000 customers a month
- Recruitment to drive acquisition & product x-sell through eIVBL branches
  - Traction in Consumer Asset & Insurance x-sell
- Launched special focus on CA; Initiatives launched for both NTB and Deepening

## Cost Synergy

- Identification & consolidation of overlapping Branches & ATMs has been initiated
  - Pilot Launched. Opportunity to relocate about 75 branches
- People synergy including opportunities within group, being explored
- Rationalization of general & administrative expenses is in progress
- Consolidation and re-negotiation of vendor contracts
  - Services, ATM management, IT vendors
- Space rationalization
  - Shifting & consolidation of Non branch business from rented to owned premises underway
  - Non core premises being disposed

## Stressed Book

- Bad Bank formed in Q1FY16 (~6% of funded and non funded book of eIVBL) under experienced asset reconstruction team
- Most of the stressed assets being managed by this team
- At Q1FY16, we estimated additional provision of 0.5% of combined book for balance three quarters of FY16
- Impact on Q2FY16 results of ₹ 238 cr (₹ 305 cr in Q1FY16) of which a significant portion is from eIVBL
  - Q2FY16 includes a reversal of income of ₹ 62 cr on account of a credit event w.r.t. a derivative customer

## Other Merger Related Expenses

- Integration cost of ₹ 12 cr in Q2FY16, ₹ 63 cr for Q1FY16 and ₹ 54 cr for FY15
- ~ ₹ 30 cr for Q2FY16 - additional interest up to 6% on savings accounts of eIVBL

# Profit and Loss Q2FY16



₹ cr	Q1FY16	Q2FY15	Q2FY16	FY15
Net Interest Income	1,598	1,039	1,679	4,224
Other Income	593	466	616	2,028
<b>Net Total Income</b>	<b>2,191</b>	<b>1,505</b>	<b>2,295</b>	<b>6,252</b>
Employee Cost*	929	355	623	1,450
Other Operating Expenses#	665	416	627	1,805
<b>Operating Expenditure</b>	<b>1,594</b>	<b>771</b>	<b>1,250</b>	<b>3,255</b>
<b>Operating Profit</b>	<b>597</b>	<b>734</b>	<b>1,045</b>	<b>2,997</b>
Provision On Advances (net)	266	64	189	275
Provision On Other Receivables	3	-	1	-
Provision On Investments	36	(10)	(14)	(111)
<b>Provision &amp; Contingencies</b>	<b>305</b>	<b>54</b>	<b>176</b>	<b>164</b>
<b>PBT</b>	<b>292</b>	<b>680</b>	<b>869</b>	<b>2,833</b>
Provision For Tax	102	235	299	967
<b>PAT</b>	<b>190</b>	<b>445</b>	<b>570</b>	<b>1,866</b>

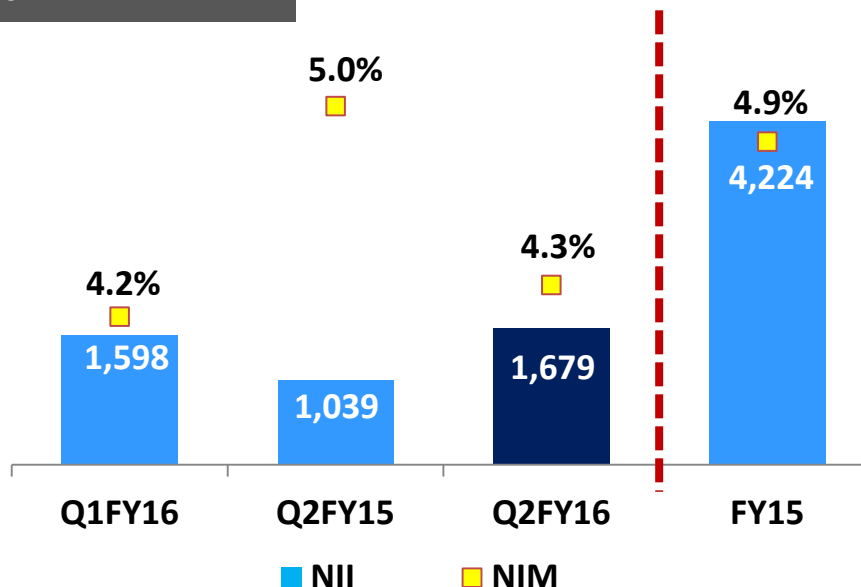
\*Q1FY16 Includes large one-time retiral benefit expense pertaining to eIVBL

#Includes merger related expenses of ₹ 12 cr for Q2FY16, ₹ 63 cr for Q1FY16 and ₹ 54 cr for FY15

Merger of ING Vysya Bank effective April 1, 2015. Previous periods not comparable



## NII (₹ cr) and NIM



Other Income (₹ cr)	Q1FY16	Q2FY15	Q2FY16	FY15
Fee and Services	418	321	457	1,353
Treasury Income	138	85	91	421
ARD Buyout Income	36	48	65	239
Others	1	12	3	15
<b>Total</b>	<b>593</b>	<b>466</b>	<b>616</b>	<b>2,028</b>

Merger of ING Vysya Bank effective April 1, 2015. Previous periods not comparable

## Bank Segmental PBT

As per RBI (₹ cr)	Q1FY16	Q2FY15	Q2FY16	FY15
Corporate/Wholesale Banking	369	335	530	1,402
Retail Banking #	12	210	328	957
Treasury, BMU* & Corporate Centre **	(89)	135	11	468
Unallocated Income	-	-	-	6
<b>Total</b>	<b>292</b>	<b>680</b>	<b>869</b>	<b>2,833</b>

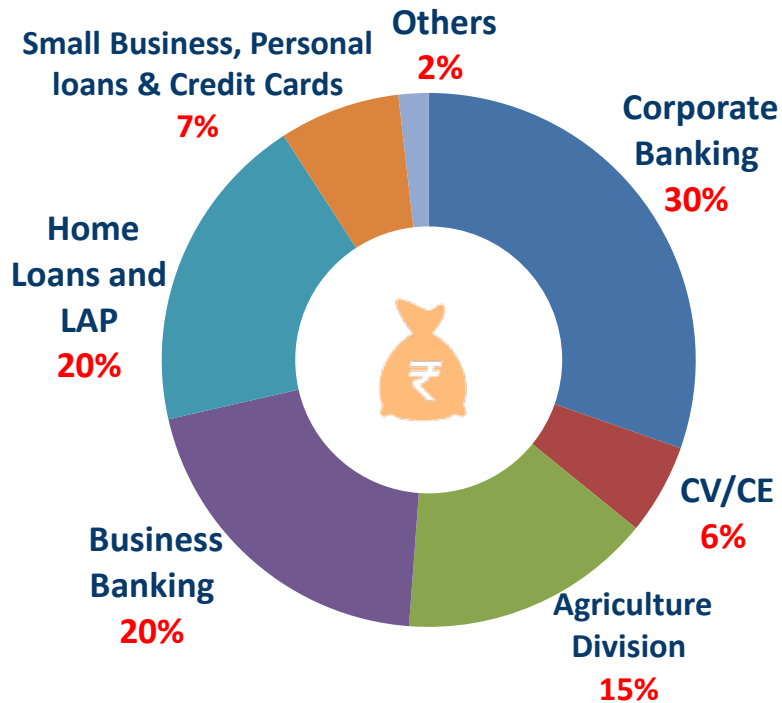
# Q1FY16 included retiral benefit expenses of eIVBL. A large part of the same was in retail banking

\*Balance Sheet Management Unit

\*\* integration costs are part of Treasury, BMU & Corporate Centre

# Advances & Investments

30-Sep-15 [₹ 111,662 cr]



₹ cr	31-Mar-15	30-Sep-14	30-Sep-15
Corporate Banking	20,299	21,140	33,909
CV/CE	5,204	5,062	6,123
Agriculture Division	12,106	10,137	17,112
Business Banking	6,422	5,655	22,616
Home Loans and LAP	14,709	12,894	21,697
Small Business, Personal loans & Credit Cards	6,263	5,301	8,171
Others	1,158	759	2,034
<b>Total Advances</b>	<b>66,161</b>	<b>60,948</b>	<b>111,662</b>

## Advances as per Segmental Classification

₹ cr	31-Mar-15	30-Sep-14	30-Sep-15
Retail	29,113	24,733	48,339
Corporate	37,048	36,215	63,323
<b>Total Advances</b>	<b>66,161</b>	<b>60,948</b>	<b>111,662</b>
Investments / Treasury Assets	28,659	26,049	42,571
<b>Total Advances and Investments</b>	<b>94,820</b>	<b>86,997</b>	<b>154,233</b>

# Balance Sheet



₹ cr	31-Mar-15	30-Jun-15	30-Sep-14	30-Sep-15
Networth	14,141	21,887	13,199	22,606
Deposits	74,860	116,812	68,103	123,211
CA	13,181	17,385	9,472	20,322
SA	14,036	22,730	11,693	24,335
Certificate of Deposit	3,785	11,074	4,653	8,987
Term Deposit Others	43,858	65,623	42,285	69,567
Borrowings	12,150	21,435	10,554	21,873
Other Liabilities and Provisions	4,861	6,740	3,574	7,736
<b>Total Liabilities</b>	<b>106,012</b>	<b>166,874</b>	<b>95,430</b>	<b>175,426</b>

₹ cr	31-Mar-15	30-Jun-15	30-Sep-14	30-Sep-15
Cash, Bank and Call	6,262	9,507	4,226	9,498
Investments	28,659	42,693	26,049	42,571
Government Securities	22,882	35,525	19,139	36,358
Others	5,777	7,168	6,910	6,213
Advances	66,161	103,614	60,948	111,662
Fixed Assets and Other Assets	4,930	11,060	4,207	11,695
<b>Total Assets</b>	<b>106,012</b>	<b>166,874</b>	<b>95,430</b>	<b>175,426</b>

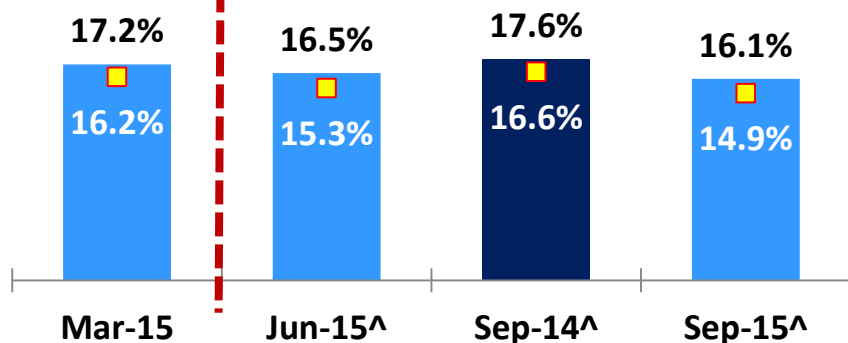
Merger of ING Vysya Bank effective April 1, 2015. Previous periods not comparable

# Key Ratios

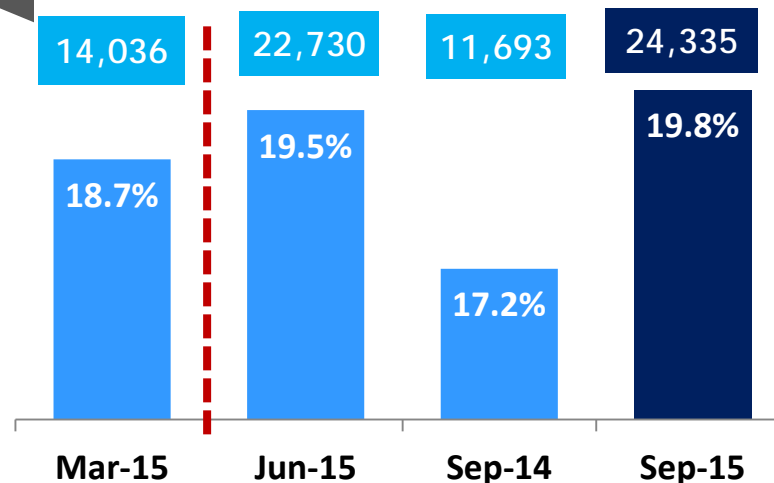
## CAR & Tier I (%)

^ including unaudited profits

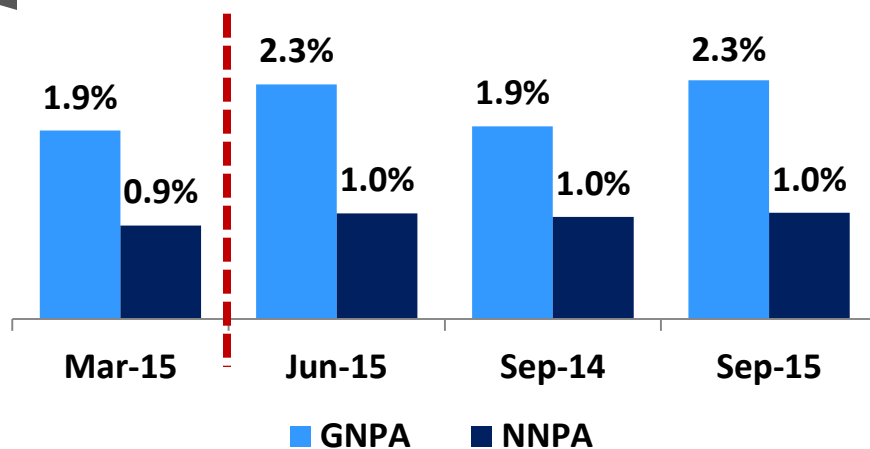
■ CAR (%) ■ Tier I (%)



## Savings Account (₹ cr & % of deposits)



## GNPA and NNPA (%)

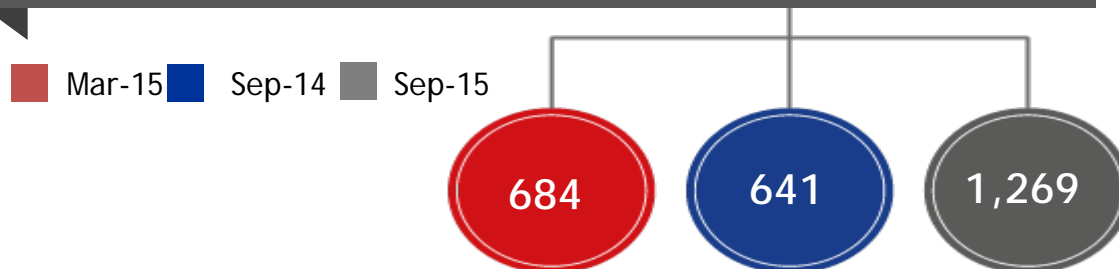


## Asset Quality

- Restructured loans considered standard ₹ 403 cr (0.4%) of which ₹ 256 cr from eIVBL portfolio
- In this quarter
  - No CDR participation
  - No transfer to ARC
  - No conversion to off-balance sheet
  - No 5/25 loans
  - No rectification

# Branches & Deposits

## No of Branches

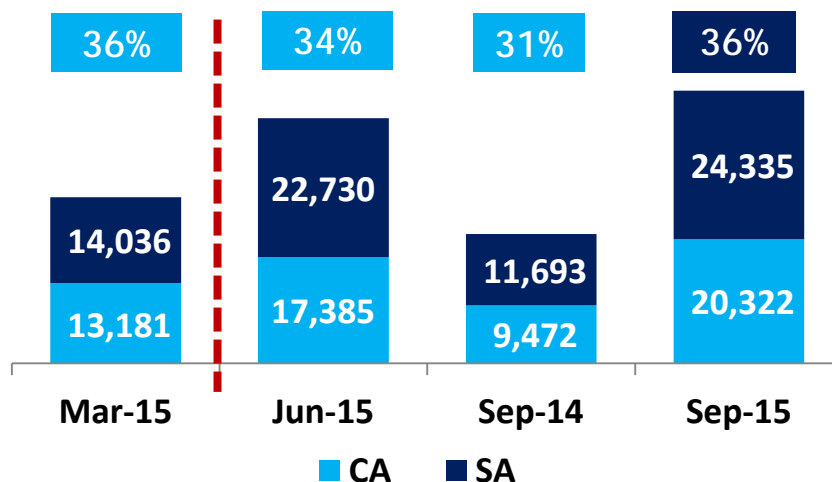


## No of ATMs



## CASA (₹ cr)

CASA %



## Highlights

- Plan to reach 1400 branches by March 2017
- CASA and TDs below ₹ 5 cr constitute 72% of total deposits (65% as on Sep-14)
- TDs below ₹ 1 cr were ₹ 34,105 cr (₹ 16,983 cr as on Sep-14)
- Added ~ 2.8 lac customer accounts for the quarter
- TD sweep were ₹ 6,629 cr (₹ 5,502 cr as on Sep-14)
- Cost of SA - 5.48%

## Mobility

Top rated mobile app with > 80 features in Mobile banking Bill pymts, TD, RD, MF & Fund Transfers  
Simplified registration process



Billpay reminders via Google Now

Bharat banking App – Internet-free multilingual app with 25 Banking transactions incl. small-value Fund Transfer

## Digital Acquisition

Recommendations based online acquisition for Savings, Currents A/cs & Personal Loan



New site for sourcing NPS customers

eKYC- Customer can complete online application using Aadhaar based authentication

## Big Data & Analytics



Actionable Predictive Analysis thru UNICA

Implementation for campaign & life cycle Management

## Social



Kotak Jifi & Jifi Saver accounts – Worlds first digital & social bank account

Hashtag Banking on Twitter – Global first, Social Rewards

First bank to introduce Social commerce (movies and book)

## Payment

P2P Payments - Kaypay: World's largest Bank agnostic, real time, P2P platform; Mail & Message money; PFM section on Net Banking; First Bank to Launch – Online Payment Authentication using Mobile PIN & Debit Card PIN along with Net Banking with mobile responsive payment pages



mStore in App for customer convenience–Flight & Hotel booking

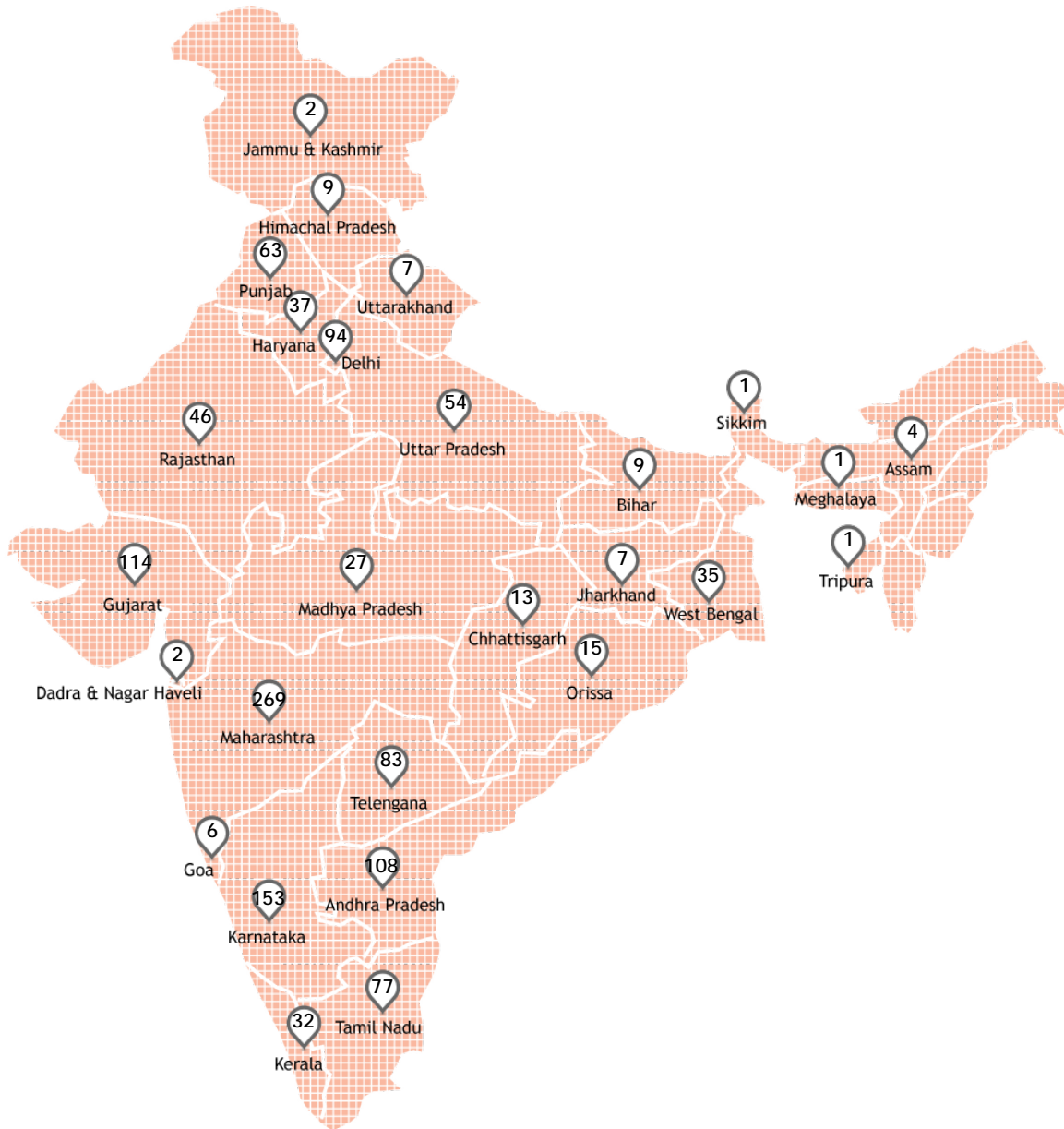
Mobile Payments: Dual strategy - 1. Owned Payment App, 2. Cobranded partnership

## Highlights

- 8% (Jul-15) share in value of mobile banking transactions; while share of industry advances & deposits is 1.6% & 1.3% resp (Jun-15) - RBI data
- Ranked at No. 5 with highest growth of 81% from Apr-15 to Jul-15 in terms of value of mobile banking transactions across all banks
- Instant PL thru Net Banking
- 50% of TDs are booked Online
- Tab Account Opening gone live for Corp Sal customers
- Over 50% YoY growth in Online Payment
- One of highest rated banking App in India (4.4)
- Kotak Bharat- first multilingual/ no data connectivity App
- Privy league website launched
- Local pages for Branch / ATM for better search results

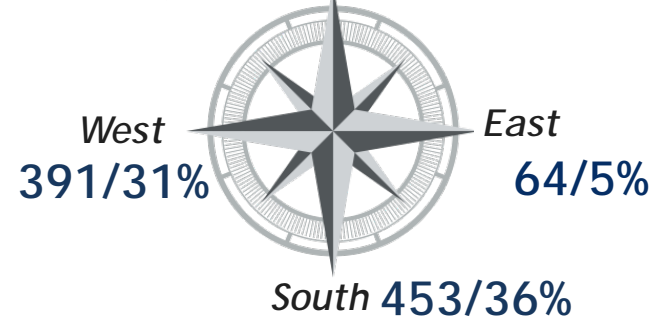


# Geographical Presence



Branches 1,269 [No./%]

361/28% North

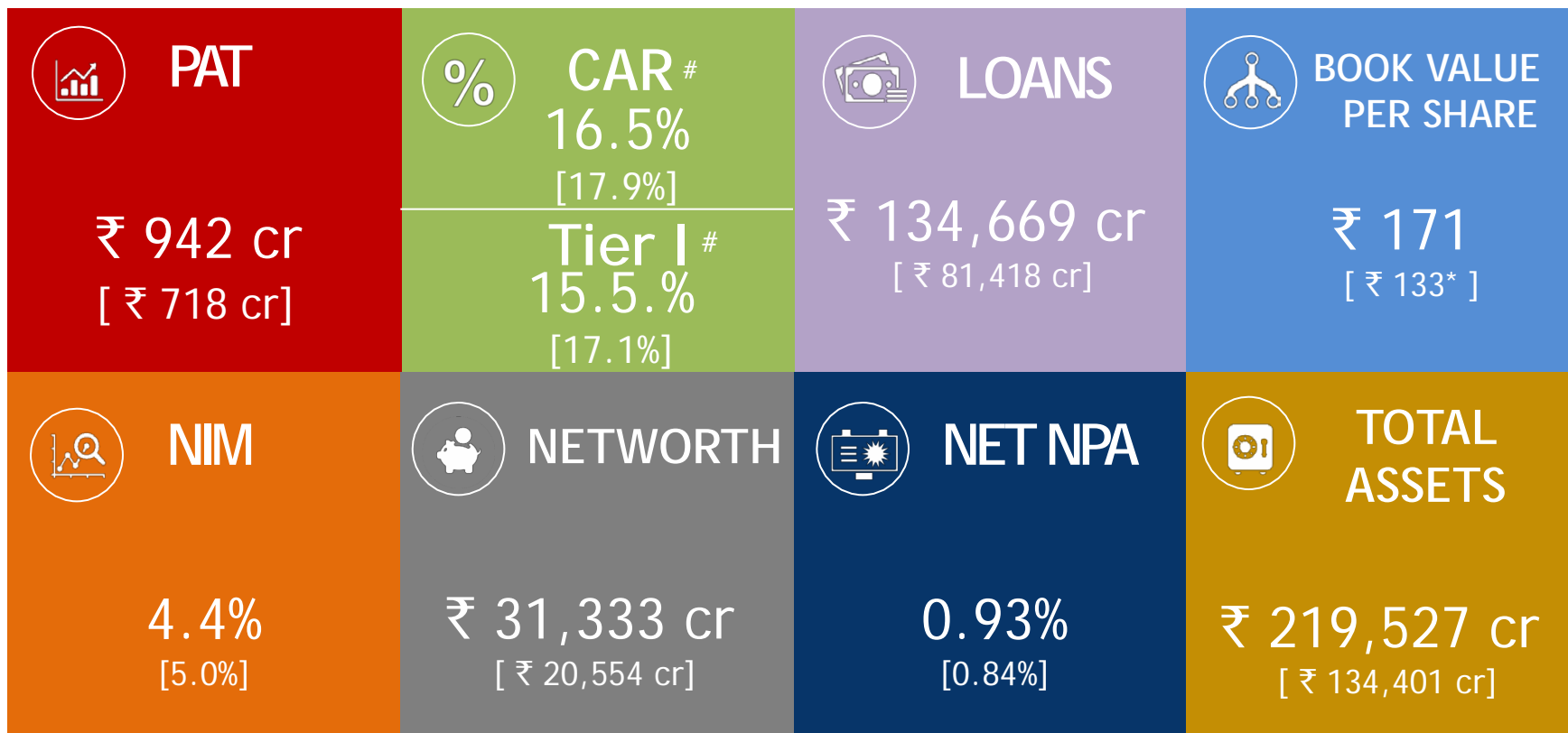


No of ATMs

1,934

Bank has a Rep office in Dubai

# Consolidated Highlights Q2FY16



Figures in [brackets] are Q2FY15 numbers

# As per Basel III, including unaudited profits. Excluding profit CAR 15.7%, Tier I 14.8% (CAR 16.7% and Tier I 15.9%)

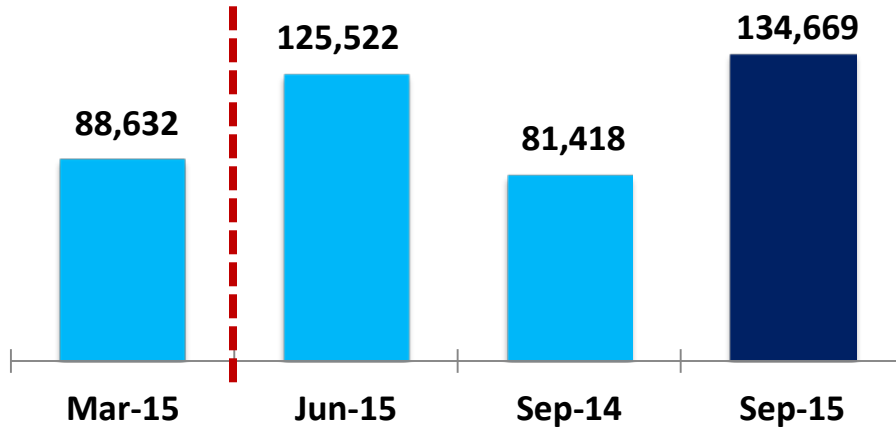
\* Adjusted for bonus issue

Merger of ING Vysya Bank effective April 1, 2015. Previous periods not comparable

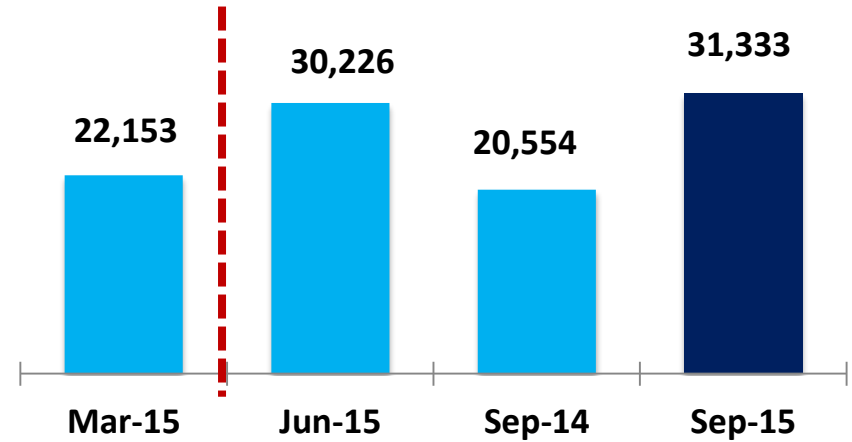
# Consolidated Key Financials



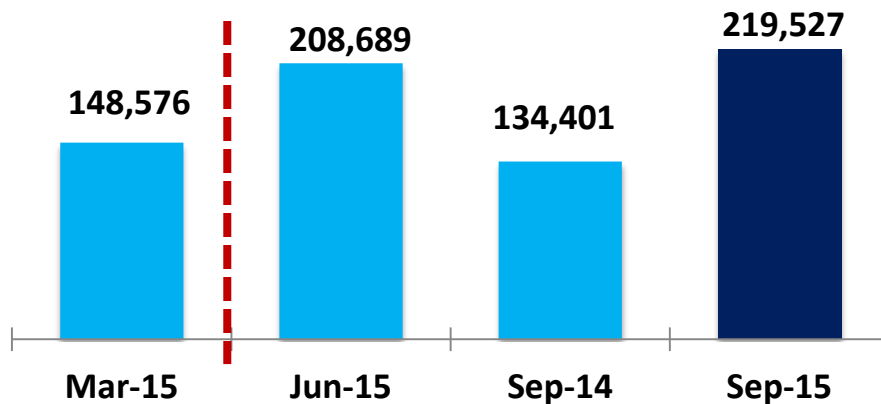
Advances [₹ cr]



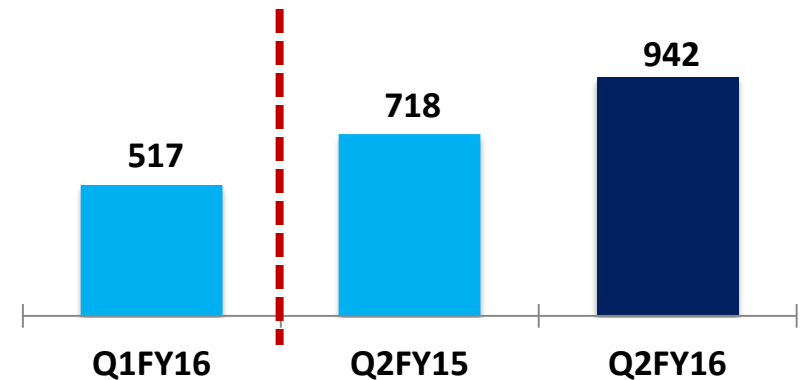
Networth [₹ cr]



Total Assets [₹ cr]



PAT [₹ cr]

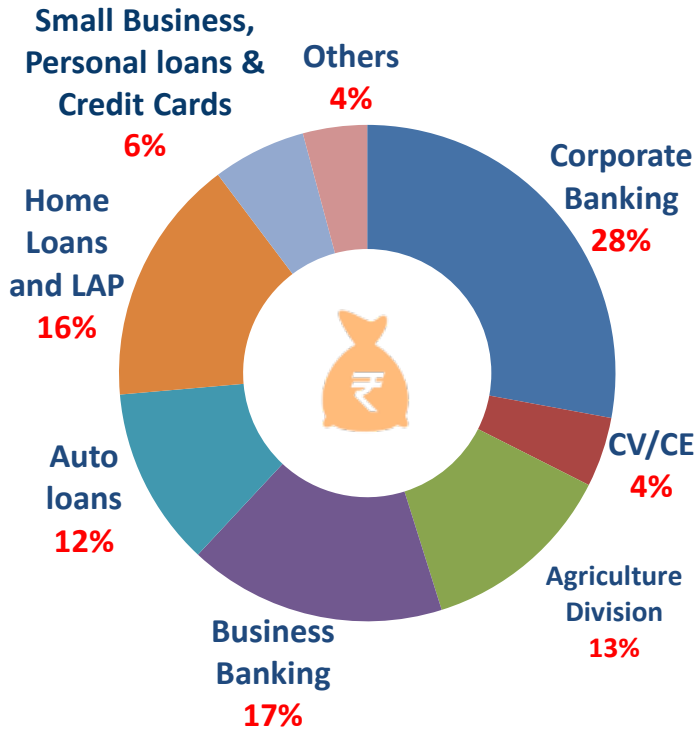


Merger of ING Vysya Bank effective April 1, 2015. Previous periods not comparable

# Consolidated Advances & Investments



30-Sep-15 (₹ 134,669 cr)



₹ cr	31-Mar-15	30-Sep-14	30-Sep-15
Corporate Banking	24,546	24,845	37,569
CV/CE	5,204	5,062	6,123
Agriculture Division	12,106	10,137	17,112
Business Banking	6,422	5,655	22,616
Auto loans	14,691	13,893	15,726
Home Loans and LAP	14,709	12,894	21,697
Small Business, PL & Credit Cards	6,298	5,344	8,199
Others	4,656	3,588	5,627
<b>Total Advances</b>	<b>88,632</b>	<b>81,418</b>	<b>134,669</b>
Investments/ Treasury Assets *	31,910	29,252	46,064
<b>Total Advances &amp; Investments</b>	<b>120,542</b>	<b>110,670</b>	<b>180,733</b>

\* Does not include policy holders' investments

# Consolidated PAT



₹ cr	Q1FY16	Q2FY15	Q2FY16	H1FY15	H1FY16	FY15
Kotak Mahindra Bank	190	445	570	875	759	1,866
Kotak Life Insurance	66	52	48	101	114	229
Kotak AMC and TC	20	(1)	23	(1)	43	(29)
Kotak Securities	67	66	78	134	145	290
Kotak Mahindra Capital	3	(7)	7	(11)	10	12
Kotak Mahindra Prime	119	125	127	245	246	507
Kotak Mahindra Investments	30	25	36	42	65	106
International subsidiaries	25	13	32	20	57	51
Kotak Investment Advisors	-	4	-	12	1	26
Others	-	-	(2)	-	(2)	-
<b>Total</b>	<b>520</b>	<b>722</b>	<b>919</b>	<b>1,417</b>	<b>1,438</b>	<b>3,058</b>
Minority Interest, Affiliates and Others	(3)	(4)	23	(1)	20	(13)
<b>Consolidated PAT</b>	<b>517</b>	<b>718</b>	<b>942</b>	<b>1,416</b>	<b>1,458</b>	<b>3,045</b>

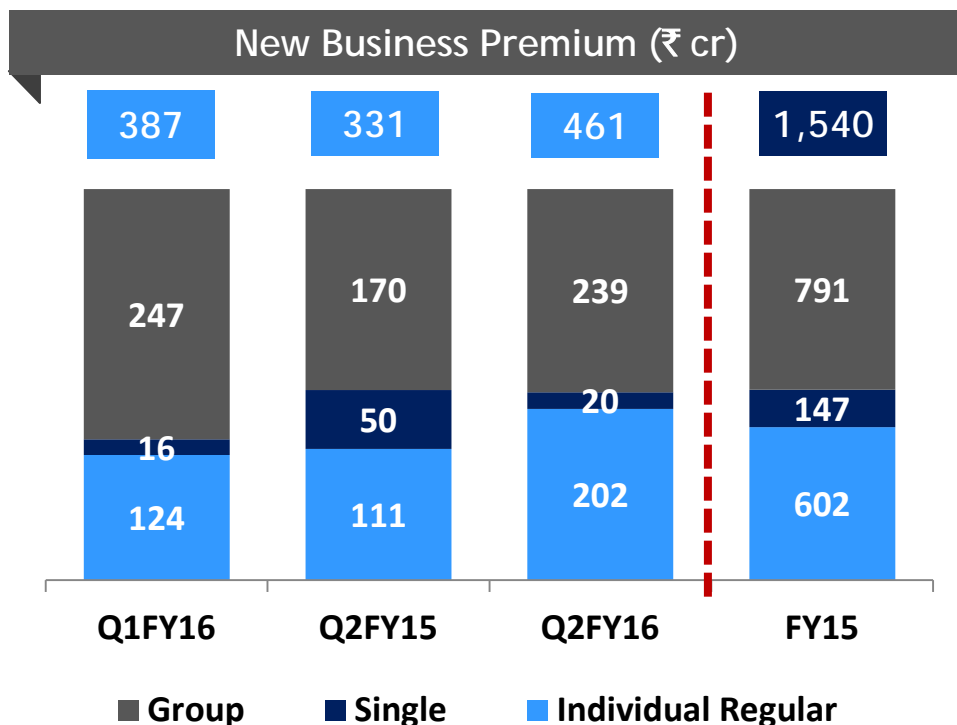
Merger of ING Vysya Bank effective April 1, 2015. Previous periods not comparable

# Entity Wise Network



₹ cr	31-Mar-15	30-Jun-15	30-Sep-14	30-Sep-15
Kotak Mahindra Bank	14,141	21,887	13,199	22,606
Kotak Life Insurance	1,291	1,337	1,143	1,385
Kotak AMC and TC	102	121	125	144
Kotak Securities	2,384	2,451	2,228	2,529
Kotak Mahindra Capital	415	418	391	425
Kotak Mahindra Prime	3,350	3,469	3,087	3,596
Kotak Mahindra Investments	617	717	553	753
Kotak Mahindra General Insurance	1	1	-	132
International subsidiaries	480	514	443	571
Kotak Investment Advisors	266	267	253	267
Other Entities	31	44	32	45
<b>Total</b>	<b>23,078</b>	<b>31,226</b>	<b>21,454</b>	<b>32,453</b>
Add: Associates	586	601	573	638
Less: Minority, Inter-company and Other Adjustments	(1,511)	(1,601)	(1,473)	(1,758)
<b>Consolidated Network</b>	<b>22,153</b>	<b>30,226</b>	<b>20,554</b>	<b>31,333</b>

Merger of ING Vysya Bank effective April 1, 2015. Previous periods not comparable

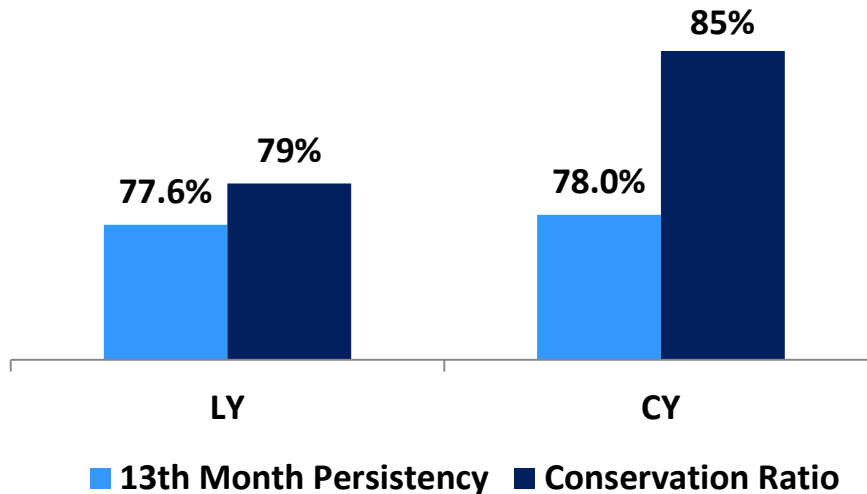


## Highlights

- Individual regular business grew by 93% against private insurance industry growth of 15%
- Group business grew by 60%
- On APE basis, Kotak Bank share for Q2FY16 is 48% (PY - 33%) for first year individual premium
- Sum assured increased 29% yoy

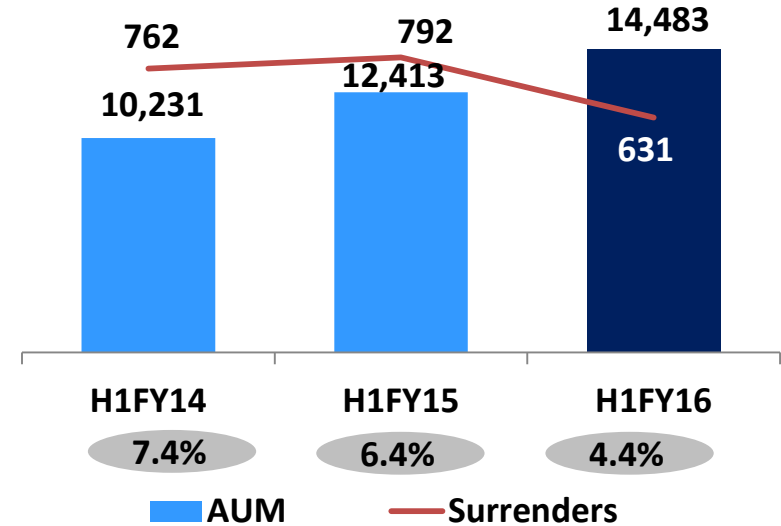
₹ cr	Q1FY16	Q2FY15	Q2FY16	FY15
Capital	562	562	562	562
Total Premium	637	668	842	3,038
Profit After Tax	66	52	48	229
Persistency Ratio (%)	79	84	86	89
Solvency Ratio (%)	3.21	2.98	3.16	3.13

## 13<sup>th</sup> Month Persistency\* & Conservation Ratio



\* The 13<sup>th</sup> Month persistency is after a time lag of 45 days from quarter end, accordingly the current number is of Q1FY16

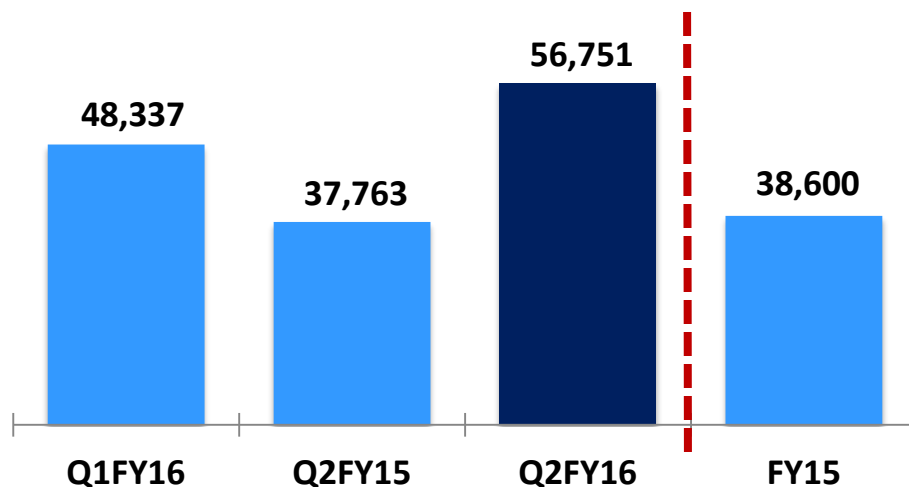
## Surrenders and AUM (₹ cr)



- KLI has shown improvement in Conservation ratio and persistency
- Policyholders' AUM increased at a CAGR (H1FY14-H1FY16) of ~19%
- The claims settlement ratio of KLI for 2014-15 stood at 98.4%, which is one of the best amongst the private players
- Number of lives covered grew by 42% YoY
- Number of policies sourced through E-Insurance about 2% of total policies sourced in H1FY16
- Investment Performance of 100% of Equity Funds in Quartile 1



## Average Assets Under Management (₹cr)

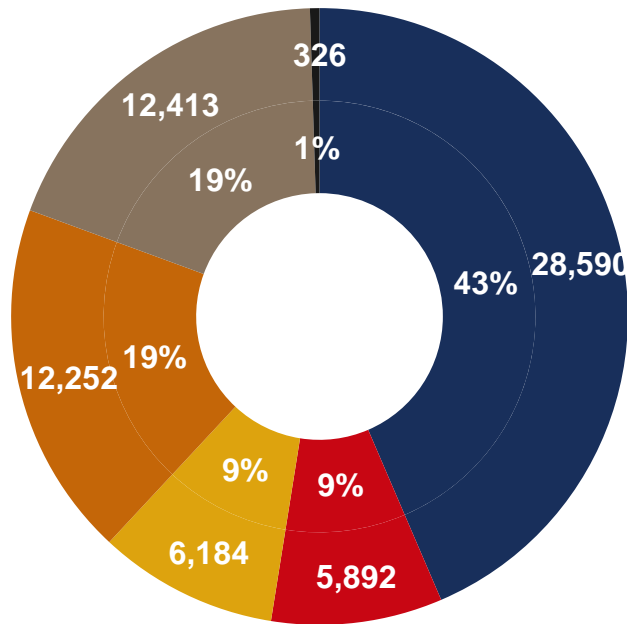


## Highlights

- Closing equity market share in Sep-15 at 3.35% up from 2.59% in Mar 15
- 80% of equity AUM in Quartile 1
- 15% growth in overall AAUM in Q2FY16 vs Q1FY16 against an industry AAUM growth of 7%

₹ cr	Q1FY16	Q2FY15	Q2FY16	FY15
Total Income	54	36	59	137
Profit Before Tax	21	-	24	(25)
Profit After Tax	20	(1)	23	(29)
Average AUM (₹ bn)	483	378	568	386
Average AUM - Equity (₹ bn)	116	52	139	62

## Sep 30, 2014

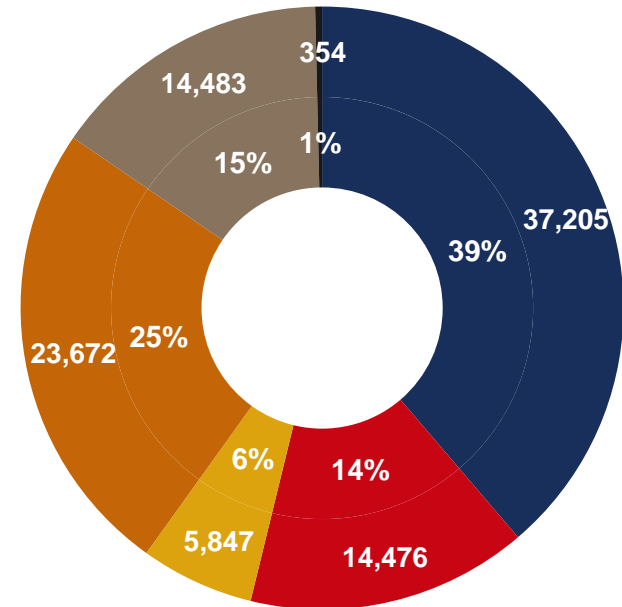


- Domestic MF Debt
- Domestic MF Equity
- Alternate Asset
- Offshore Funds
- Insurance
- PMS



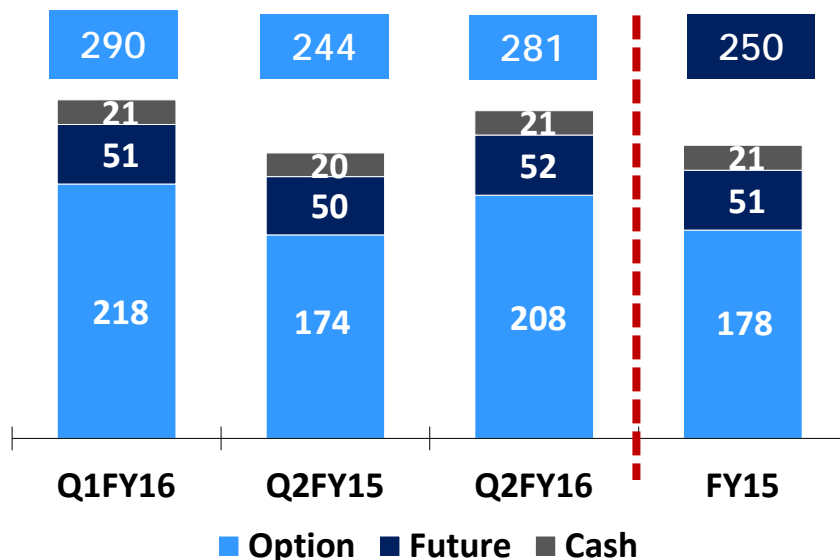
**AUM ₹ 65,657 cr**

## Sep 30, 2015

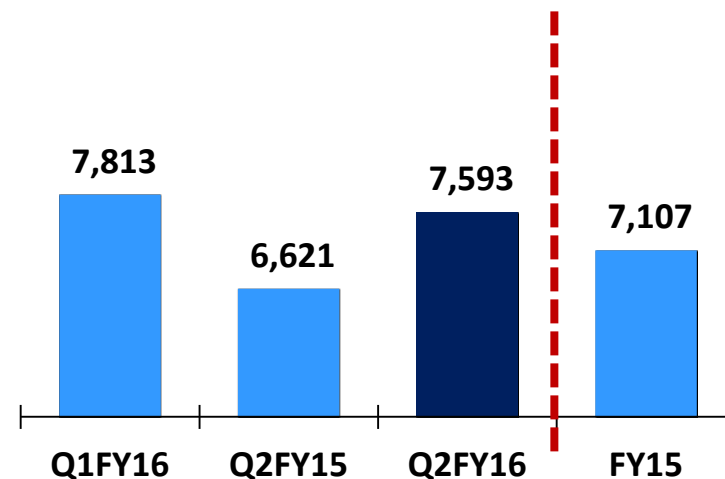


**AUM ₹ 96,037 cr**

Market ADV (₹ '000 cr)



ADV (₹ cr) - KS



₹ cr	Q1FY16	Q2FY15	Q2FY16	FY15
Total Income	250	224	270	960
Profit Before Tax	102	100	120	441
Profit After Tax	67	66	78	290
Market Share * (%)	2.7	2.7	2.7	2.8

\*excluding BSE Derivative segment

Kotak Securities services more than 1.1 million secondary market customers through 1,185 branches & franchises

## Advisory



₹ 876 cr

Divestment of controlling interest in National Collateral Management Services to Fairfax



₹ 402 cr

Acquisition of controlling interest in Astec Lifesciences by Godrej Agrovet (including Open Offer)



₹ 60 cr

Investment in Parag Milk Foods Pvt. Ltd by IDFC S.P.I.C.E. Fund

## Equity



₹ 5,435 cr\* Warrants + ₹ 5,000 cr NCDs

Qualified Institutional Placement (QIP of NCD + Warrants)

\* Assuming full conversion of warrants



₹ 9,396 cr

Offer for Sale (OFS)



₹ 273 cr

Initial Public Offering (IPO)



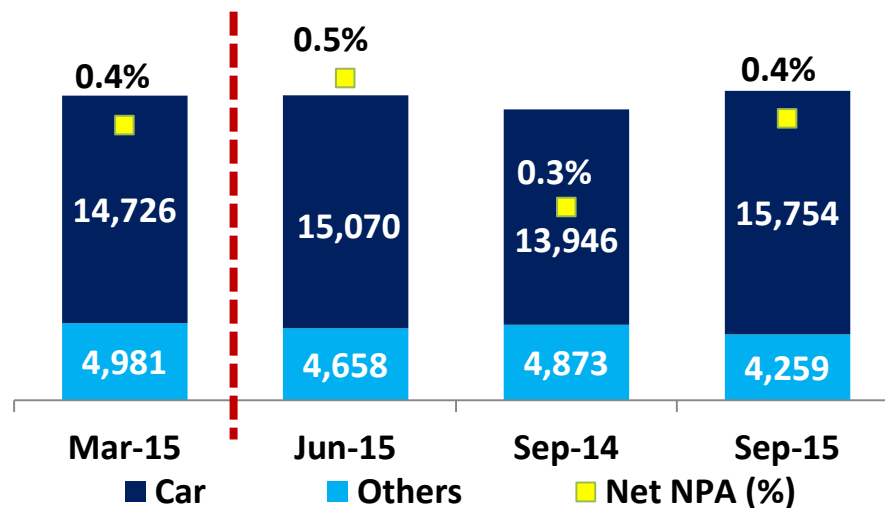
Sadbhav Infrastructure Project Ltd.

₹ 492 cr

Initial Public Offering (IPO)

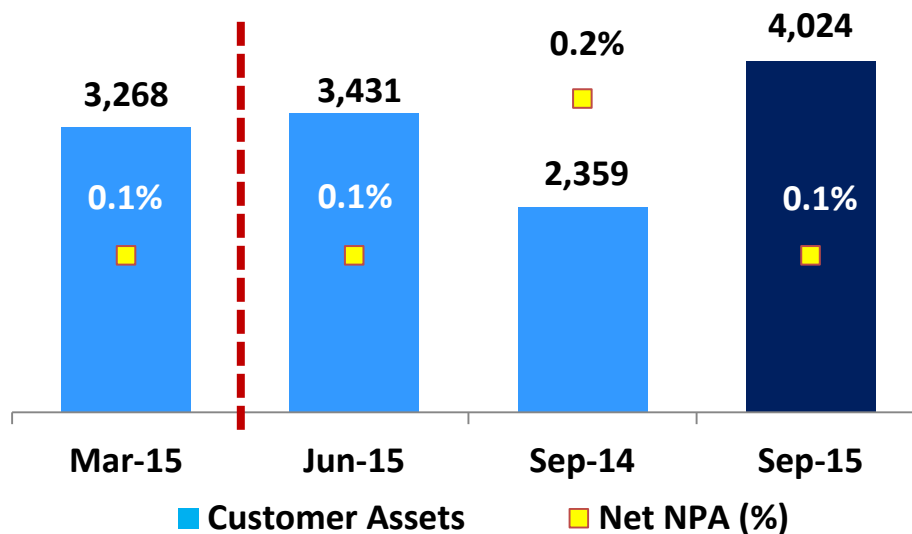
₹ cr	Q1FY16	Q2FY15	Q2FY16	FY15
Total Income	21	11	29	89
Profit Before Tax	3	(7)	12	16
Profit After Tax	3	(7)	7	12

## Customer Assets (₹cr) & NPA (%)



₹ cr	Q1FY16	Q2FY15	Q2FY16	FY15
NII	235	227	237	915
Other Income	42	51	61	206
Total Income	277	278	298	1,121
Profit Before Tax	183	190	195	774
Profit After Tax	119	125	127	507
CAR (%)				18.3
ROA (%) - annualised				2.5

## Customer Assets (₹cr) & NPA (%)



₹ cr	Q1FY16	Q2FY15	Q2FY16	FY15
NII	48	39	63	164
Other Income	8	8	5	37
Total Income	56	47	68	201
Profit Before Tax	46	38	55	158
Profit After Tax	30	25	36	106
CAR (%)				18.3
ROA (%) - annualised				5.0

# Bank Awards & Recognition



- **Best Bank in India**  
Euromoney Awards for Excellence, Asia 2015

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- **Best Private Bank India**  
FinanceAsia Country Awards 2015

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- **Best Retail Growth Performance**  
Dun & Bradstreet Awards 2015

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- **Most Imminent Bank 2014**  
by Outlook Money

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- **AsiaMoney Cash Management Poll 2015**
  - **Best Local Cash Management Bank in India** (7<sup>th</sup> year in a row) For SME
  - **Best Overall Domestic Cash Management Services** Small, Medium & large Size Corporates
  - **Best Overall Cross-Border Cash Management Services** Small & Large Size Corporates

- **DataQuest Business Technology Award 2015**  
DataQuest Magazine

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- **Bank of the year-2015**  
12th India International Gold Convention in the Emerging Nominated Agency-Bullion category

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- **Shanti Ekambaram Most Powerful Women 2015**  
Business Today

- **Excellence in Security under 'Security in Bank' category** at Data Security Council of India Excellence Awards 2014

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- **#2 best midsize Bank** in the BW-PWC Best Bank Survey 2014
- **#3 fastest growing midsize Bank** in the BW-PWC Best Bank Survey 2014



- **Mr. Uday Kotak Business Leader of the year** ET Awards 2015

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- **Entrepreneur of the Year** Forbes India Leadership Awards 2015

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- **Ernst & Young World Entrepreneur Of The Year India Award 2014**

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- **IR Global Ranking** - one of the top 5 Best Ranked Companies for Corporate Governance Practices

# Awards and Recognition



- Best Domestic Equity House  
Asiamoney - 2015

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- SKOCH BSE Aspiring  
Nation Award 2015

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- Best Investment Bank in India,  
FinanceAsia Country Awards for  
Achievement 2014

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- Best Domestic Investment  
Bank - The Asset Triple A  
Country Awards 2014

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- Securities Advisory Firm of the  
Year in India - CorporateINTL  
Global Awards 2014

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- Best ECM House in India  
FinanceAsia Country Awards  
for Achievement 2014

- Best Brokerage House - India -  
The Asset Triple A Country  
Awards 2014

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- Ranked #1 on a weighted formula  
basis in Institutional  
Investor's 2014 All-India Research  
Team

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- Asiamoney Brokers Poll 2014
  - Ranked #2 for Most  
Independent Research  
Brokerage among all domestic  
and foreign brokerages
  - Ranked #2 for Best Overall  
Country Research among all  
domestic and foreign  
brokerages
  - Ranked #2 for Best Execution  
among all domestic and  
foreign brokerages

- Best Broker in India  
FinanceAsia Country Awards for  
Achievement 2015

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- Best SEO for Website, India  
Digital Media Awards (IDMA) 2015

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- Best SEO for Website  
Silver Award at DMAI 2015

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- NSDL Star Performers Award 2014  
Top Performer in New Accounts Opened  
(Non-Bank Category)

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- Kotak Mahindra Asset Management  
Awarded ETF Manager of the Year (India)  
under Country  
Category Awards by ETFI Asia -ETF &  
Indexing Awards 2015



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