


**KOTAK MAHINDRA BANK LIMITED (CONSOLIDATED)**

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

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2011**

₹ lakhs

Sr No	Particulars	Quarter Ended			Half Year Ended		Year Ended
		Sep-11 (Unaudited)	June-11 (Unaudited)	Sep-10 (Unaudited)	Sep-11 (Unaudited)	Sep-10 (Unaudited)	March-11 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>202,935.56</b>	<b>186,960.88</b>	<b>141,109.45</b>	<b>389,896.44</b>	<b>268,976.38</b>	<b>597,311.23</b>
	(a) Interest/discount on advances/bills	156,956.97	143,191.55	106,319.93	300,148.52	201,249.44	454,252.54
	(b) Income on investments	44,116.00	41,957.91	33,044.79	86,073.91	64,709.14	135,518.78
	(c) Interest on balances with RBI & other banks	946.89	780.68	409.80	1,727.57	599.23	2,309.06
	(d) Others	915.70	1,030.74	1,334.93	1,946.44	2,418.57	5,230.85
2	<b>Other income (a+b + c)</b>	<b>71,148.12</b>	<b>84,003.82</b>	<b>153,611.01</b>	<b>155,151.94</b>	<b>258,611.74</b>	<b>502,431.75</b>
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	(37,191.73)	(7,058.80)	37,793.91	(44,250.53)	47,572.72	28,510.11
	(b) Premium on Insurance Business	66,349.74	50,027.53	72,630.82	116,377.27	127,253.46	293,990.87
	(c) Other income (see Notes 1 and 5)	41,990.11	41,035.09	43,186.28	83,025.20	83,785.56	179,930.77
3	<b>Total income (1+2)</b>	<b>274,083.68</b>	<b>270,964.70</b>	<b>294,720.46</b>	<b>545,048.38</b>	<b>527,588.12</b>	<b>1,099,742.98</b>
4	Interest expended	107,028.64	94,923.60	61,228.03	201,952.24	113,771.92	266,824.05
5	<b>Operating expenses (a+b+c)</b>	<b>101,522.28</b>	<b>113,375.61</b>	<b>176,643.83</b>	<b>214,897.89</b>	<b>304,364.95</b>	<b>593,419.05</b>
	(a) Payments to and provisions for employees	39,504.13	38,481.48	37,322.37	77,985.61	72,510.85	152,234.49
	(b) Policy holders' reserves, surrender expense and claims	20,679.65	37,253.95	99,278.88	57,933.60	155,394.44	280,861.43
	(c) Other operating expenses (see Note 2 and 5)	41,338.50	37,640.18	40,042.58	78,978.68	76,459.66	160,323.13
6	<b>Total expenditure (4+5) (excluding provisions and contingencies)</b>	<b>208,550.92</b>	<b>208,299.21</b>	<b>237,871.86</b>	<b>416,850.13</b>	<b>418,136.87</b>	<b>860,243.10</b>
7	<b>Operating Profit (3-6) (Profit before provisions and contingencies)</b>	<b>65,532.76</b>	<b>62,665.49</b>	<b>56,848.60</b>	<b>128,198.25</b>	<b>109,451.25</b>	<b>239,499.88</b>
8	Provisions & contingencies (other than tax) (see Note 3)	2,706.40	2,416.20	4,744.56	5,122.60	10,273.60	14,759.97
9	Exceptional items	-	-	-	-	-	-
10	<b>Profit from ordinary activities before tax (7-8-9)</b>	<b>62,826.36</b>	<b>60,249.29</b>	<b>52,104.04</b>	<b>123,075.65</b>	<b>99,177.65</b>	<b>224,739.91</b>
11	Tax expense	19,209.25	18,312.66	15,797.83	37,521.91	30,903.67	67,816.41
12	<b>Profit from ordinary activities after tax before Minority Interest (10 – 11)</b>	<b>43,617.11</b>	<b>41,936.63</b>	<b>36,306.21</b>	<b>85,553.74</b>	<b>68,273.98</b>	<b>156,923.50</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	<b>Profit from ordinary activities after tax before Minority Interest (12 – 13)</b>	<b>43,617.11</b>	<b>41,936.63</b>	<b>36,306.21</b>	<b>85,553.74</b>	<b>68,273.98</b>	<b>156,923.50</b>
15	Less: Share of Minority Interest	1,364.85	1,203.44	349.37	2,568.29	169.71	2,635.26
16	Add: Share in Profit of associates	1,005.71	876.91	453.95	1,882.62	1,075.86	2,386.23
17	<b>Profit after tax (14-15+16)</b>	<b>43,257.97</b>	<b>41,610.10</b>	<b>36,410.79</b>	<b>84,868.07</b>	<b>69,180.13</b>	<b>156,674.47</b>
18	Paid Up Equity Capital - (Face Value of ₹ 5 per share)	36,932.37	36,890.52	36,670.34	36,932.37	36,670.34	36,843.58
19	Group Reserves (excluding Minority Interest)						1,059,450.54
20	Minority Interest						10,721.12
21	<b>Analytical Ratios</b>						
	<b>(i) Earnings per Share (before and after extraordinary items)</b>						
	(a) Basic (not annualized) ₹	5.86	5.64	5.08	11.50	9.79	21.73
	(b) Diluted (not annualized) ₹	5.83	5.61	5.04	11.44	9.72	21.60
	<b>(ii) NPA Ratios</b>						
	(a) Gross NPA	70,524.33	71,738.61	90,432.25	70,524.33	90,432.25	71,198.46
	(b) Net NPA	23,257.06	24,066.96	33,196.85	23,257.06	33,196.85	24,267.10
	(c) % of Gross NPA/ Gross Advances	1.38	1.59	2.37	1.38	2.37	1.71
	(d) % of Net NPA/ Net Advances	0.46	0.54	0.88	0.46	0.88	0.59
	(e) % of Gross NPA/ Gross Advances (excluding NPAs acquired from other banks/ NBFCs)	0.93	1.07	1.69	0.93	1.69	1.13
	(f) % of Net NPA/ Net Advances (excluding NPAs acquired from other banks/ NBFCs)	0.36	0.41	0.69	0.36	0.69	0.43
	<b>(iii) Return on Assets % (average) (not annualised)</b>	0.53	0.55	0.59	1.08	1.13	2.39

**NOTES:**

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

Particulars	Quarter Ended			Half Year Ended		Year Ended
	Sep-11 (Unaudited)	June-11 (Unaudited)	Sep-10 (Unaudited)	Sep-11 (Unaudited)	Sep-10 (Unaudited)	March-11 (Audited)
Commission, fees, exchange, brokerage and others	41,523.12	38,559.52	38,106.05	80,082.64	78,696.16	163,506.52
Profit on sale of investments (other than insurance business)	466.99	2,475.57	5,080.23	2,942.56	5,089.40	16,424.25
<b>Total – Other income</b>	<b>41,990.11</b>	<b>41,035.09</b>	<b>43,186.28</b>	<b>83,025.20</b>	<b>83,785.56</b>	<b>179,930.77</b>

₹ lakhs

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

Particulars	Quarter Ended			Half Year Ended		Year Ended
	Sep-11 (Unaudited)	June-11 (Unaudited)	Sep-10 (Unaudited)	Sep-11 (Unaudited)	Sep-10 (Unaudited)	March-11 (Audited)
Brokerage	5,520.55	4,733.78	6,585.81	10,254.33	11,744.40	22,538.71
Depreciation	3,891.28	3,778.44	3,783.46	7,669.72	7,453.28	15,234.62
Rent, taxes and lighting	5,864.49	5,735.33	5,447.54	11,599.82	10,464.17	21,585.55
Others	26,062.18	23,392.63	24,225.77	49,454.81	46,797.81	100,964.25
<b>Total – Other operating expenses</b>	<b>41,338.50</b>	<b>37,640.18</b>	<b>40,042.58</b>	<b>78,978.68</b>	<b>76,459.66</b>	<b>160,323.13</b>

₹ lakhs

3. Provisions and contingencies are net of recoveries made against accounts which have been written off as bad in the previous year/s.
4. The consolidated financial results are prepared in accordance with Accounting Standard – 21, “Consolidated Financial Statements “ and AS - 23 “ Accounting for investment in associates in consolidated financial statement “ issued by The Institute of Chartered Accountants of India.
5. Other income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 1,226.17 lakhs for the quarter ended 30th September, 2011 and for half year ended 30th September, 2011 ₹ 3,325.53 lakhs (for the quarter ended 30<sup>th</sup> June, 2011 ₹ 2,099.36 lakhs, for the quarter ended 30th September, 2010 ₹ 1,903.44 lakhs, half year ended 30th September, 2010 ₹ 3,169.79 lakhs, for the year ended 31st March, 2011 ₹ 6,553.38 lakhs).
6. There has been no change in significant accounting policies during the quarter.
7. Figures for the previous period/year have been regrouped wherever necessary to conform to current period's presentation.



**KOTAK MAHINDRA BANK LIMITED (STANDALONE)**

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

**[UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>th</sup> SEPTEMBER, 2011 & AUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2011]**

₹ lakhs

Sr No	Particulars	Quarter Ended			Half-Year Ended		Year Ended
		Sep-11 (Unaudited)	Jun-11 (Unaudited)	Sep-10 (Unaudited)	Sep-11 (Audited)	Sep-10 (Unaudited)	Mar-11 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>146,464.94</b>	<b>132,978.22</b>	<b>98,957.61</b>	<b>279,443.16</b>	<b>188,699.29</b>	<b>418,975.20</b>
	(a) Interest/ discount on advances/ bills	115,908.37	104,217.48	75,099.39	220,125.85	142,163.21	321,434.81
	(b) Income on investments	30,489.92	28,635.93	23,447.55	59,125.85	45,995.48	95,717.85
	(c) Interest on balances with RBI & other banks	54.69	88.24	363.48	142.93	488.31	1,718.84
	(d) Others	11.96	36.57	47.19	48.53	52.29	103.70
2	<b>Other Income (Refer Note 2)</b>	<b>21,249.06</b>	<b>22,866.21</b>	<b>17,071.41</b>	<b>44,115.27</b>	<b>33,333.66</b>	<b>78,053.49</b>
3	<b>Total income (1+2)</b>	<b>167,714.00</b>	<b>155,844.43</b>	<b>116,029.02</b>	<b>323,558.43</b>	<b>222,032.95</b>	<b>497,028.69</b>
4	<b>Interest expended</b>	<b>85,918.98</b>	<b>76,193.23</b>	<b>47,713.29</b>	<b>162,112.21</b>	<b>89,190.61</b>	<b>209,217.68</b>
5	<b>Operating expenses (a+b)</b>	<b>43,793.67</b>	<b>41,045.62</b>	<b>35,640.28</b>	<b>84,839.29</b>	<b>68,632.70</b>	<b>155,332.02</b>
	(a) Payments to and provisions for employees	21,516.15	20,619.05	16,874.34	42,135.20	33,436.31	75,114.84
	(b) Other Operating expenses	22,277.52	20,426.57	18,765.94	42,704.09	35,196.39	80,217.18
6	<b>Total expenditure (4+5) (Excluding provisions &amp; contingencies )</b>	<b>129,712.65</b>	<b>117,238.85</b>	<b>83,353.57</b>	<b>246,951.50</b>	<b>157,823.31</b>	<b>364,549.70</b>
7	<b>Operating Profit (3-6) (profit before provisions and contingencies)</b>	<b>38,001.35</b>	<b>38,605.58</b>	<b>32,675.45</b>	<b>76,606.93</b>	<b>64,209.64</b>	<b>132,478.99</b>
8	Provisions & contingencies (Other than tax ) (Refer Note 1)	(236.09)	2,208.49	4,550.78	1,972.40	10,160.26	13,708.81
9	Exceptional items	-	-	-	-	-	-
10	<b>Profit from ordinary activities before tax (7-8-9)</b>	<b>38,237.44</b>	<b>36,397.09</b>	<b>28,124.67</b>	<b>74,634.53</b>	<b>54,049.38</b>	<b>118,770.18</b>
11	Provision for taxes	12,236.43	11,193.60	8,654.28	23,430.03	15,888.66	36,951.97
12	<b>Net Profit from ordinary activities after tax (10-11)</b>	<b>26,001.01</b>	<b>25,203.49</b>	<b>19,470.39</b>	<b>51,204.50</b>	<b>38,160.72</b>	<b>81,818.21</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	<b>Net Profit for the Period (12-13)</b>	<b>26,001.01</b>	<b>25,203.49</b>	<b>19,470.39</b>	<b>51,204.50</b>	<b>38,160.72</b>	<b>81,818.21</b>
15	<b>Paid Up Equity Capital - (Face Value ₹ 5 per share)</b>	<b>36,932.37</b>	<b>36,890.52</b>	<b>36,670.34</b>	<b>36,932.37</b>	<b>36,670.34</b>	<b>36,843.58</b>
16	<b>Reserves excluding revaluation reserves</b>						642,803.62
17	<b>Analytical Ratios</b>						
	(i) % of shares held by Govt. of India	-	-	-	-	-	-
	(ii) % Capital adequacy ratio ( Basel II )	17.80	18.15	19.43	17.80	19.43	19.92
	(iii) Earnings Per Share (EPS) for the period						
	- Basic ₹	3.52	3.42	2.72	6.94	5.40	11.35
	- Diluted ₹	3.50	3.40	2.70	6.90	5.36	11.28
	(iv) NPA Ratios						
	a) Gross Non-performing assets	60,906.46	61,570.81	75,113.88	60,906.46	75,113.88	60,349.33
	b) Net Non-performing assets	21,005.10	21,352.49	25,301.11	21,005.10	25,301.11	21,115.94
	c) % of Gross NPA to Gross Advances	1.61	1.88	2.78	1.61	2.78	2.03
	d) % of Net NPA to net Advances	0.56	0.66	0.95	0.56	0.95	0.72
	e) % of Gross NPA to Gross Advances (excluding NPAs acquired from other banks and NBFCs)	1.01	1.16	1.82	1.01	1.82	1.23
	f) % of Net NPA to net Advances (excluding NPAs acquired from other banks and NBFCs)	0.43	0.49	0.68	0.43	0.68	0.50
	g) Return on Assets %(Average) – Not Annualized	0.45	0.47	0.44	0.92	0.89	1.77
18	<b>Public Shareholding</b>						
	(i) No. of shares	402,857,204	402,020,101	397,613,436	402,857,204	397,613,436	401,081,236

Sr No	Particulars	Quarter Ended			Half-Year Ended		Year Ended
		Sep-11 (Unaudited)	Jun-11 (Unaudited)	Sep-10 (Unaudited)	Sep-11 (Audited)	Sep-10 (Unaudited)	Mar-11 (Audited)
	(ii) % of shareholding	54.54%	54.49%	54.22%	54.54%	54.22%	54.43%
19	Promoters and promoter group Shareholding						
	a) Pledged/Encumbered						
	- Number of shares	-	-	100,000	-	100,000	100,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	0.03%	-	0.03%	0.03%
	- Percentage of shares (as a % of the total share capital of the company)	-	-	0.01%	-	0.01%	0.01%
	b) Non-encumbered						
	- Number of Shares	335,790,268	335,790,268	335,693,268	335,790,268	335,693,268	335,690,268
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	99.97%	100%	99.97%	99.97%
	- Percentage of shares (as a % of the total share capital of the company)	45.46%	45.51%	45.77%	45.46%	45.77%	45.56%

### Segment Results

The reportable segments of the bank are as under:

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

		Quarter Ended			Half-Year Ended		Year Ended
		Sep-11 (Unaudited)	Jun-11 (Unaudited)	Sep-10 (Unaudited)	Sep-11 (Audited)	Sep-10 (Unaudited)	Mar-11 (Audited)
1	<b>Segment Revenue</b>						
	a. Treasury and BMU	48,214.89	44,088.36	34,296.02	92,303.25	66,919.74	149,755.27
	b. Corporate/ Wholesale Banking	59,753.50	55,235.52	37,888.55	114,989.02	69,376.79	160,386.97
	c. Retail Banking	109,994.31	99,990.16	71,750.07	209,984.47	138,296.72	311,286.78
	Sub-total	<b>217,962.70</b>	<b>199,314.04</b>	<b>143,934.64</b>	<b>417,276.74</b>	<b>274,593.25</b>	<b>621,429.02</b>
	Less : Inter-segmental revenue	50,248.70	43,491.14	27,931.40	93,739.84	52,586.08	124,426.11
	Add : Unallocated Income	-	21.53	25.78	21.53	25.78	25.78
	<b>Total</b>	<b>167,714.00</b>	<b>155,844.43</b>	<b>116,029.02</b>	<b>323,558.43</b>	<b>222,032.95</b>	<b>497,028.69</b>
2	<b>Segment Results</b>						
	a. Treasury and BMU	1,899.21	(894.02)	5,520.39	1,005.19	14,111.11	30,483.36
	b. Corporate/ Wholesale Banking	19,849.09	23,756.62	13,822.31	43,605.71	24,312.59	54,389.11
	c. Retail Banking	16,489.32	13,513.02	8,756.19	30,002.34	15,599.90	33,871.93
	Sub-total	<b>38,237.62</b>	<b>36,375.62</b>	<b>28,098.89</b>	<b>74,613.24</b>	<b>54,023.60</b>	<b>118,744.40</b>
	Add : Unallocated Income /(expense)	(0.18)	21.47	25.78	21.29	25.78	25.78
	<b>Total Profit Before Tax</b>	<b>38,237.44</b>	<b>36,397.09</b>	<b>28,124.67</b>	<b>74,634.53</b>	<b>54,049.38</b>	<b>118,770.18</b>
3	<b>Capital employed (Segmental Assets less Segmental Liabilities)</b>						
	a. Treasury and BMU	120,765.40	129,647.44	207,372.55	120,765.40	207,372.55	189,618.97
	b. Corporate/ Wholesale Banking	253,080.17	241,586.87	152,249.96	253,080.17	152,249.96	178,330.91
	c. Retail Banking	349,528.67	329,083.57	254,067.65	349,528.67	254,067.65	299,226.15
	Sub-total	<b>723,374.24</b>	<b>700,317.88</b>	<b>613,690.16</b>	<b>723,374.24</b>	<b>613,690.16</b>	<b>667,176.03</b>
	Add: Unallocated	12,759.00	7,335.09	19,153.30	12,759.00	19,153.30	12,471.17
	<b>Total Capital Employed</b>	<b>736,133.24</b>	<b>707,652.97</b>	<b>632,843.46</b>	<b>736,133.24</b>	<b>632,843.46</b>	<b>679,647.20</b>

**Notes**

- Provisions and contingencies are net of recoveries made against accounts which have been written off as bad in the previous period/year.
- Other Income includes non fund based income such as commission earned from guarantees/Letters of credit, financial advisory fees, selling of third party products, earnings from foreign exchange transactions and profit/loss from the sale of Securities.
- During the quarter, the Bank has not granted any options under employee stock option scheme. Stock options aggregating to 837,103 were exercised during the quarter and 14,263,243 stock options were outstanding with employees of the Bank and its subsidiaries as at 30<sup>th</sup> September, 2011.
- The Bank had two outstanding shareholder complaints as at 30<sup>th</sup> June, 2011, which were subsequently resolved. During the quarter, the Bank received Ten complaints from shareholders out of which one complaint was pending as at 30<sup>th</sup> September, 2011, which was subsequently resolved.
- Figures for the previous period/year have been regrouped wherever necessary to conform to current period's presentation.
- There has been no change in significant accounting policies during the quarter.
- The above Results have been approved by the Board of Directors of the Bank at its meeting held today.
- The results for the half year ended 30<sup>th</sup> September, 2011 have been audited by the statutory auditors of the Bank.
- The summarized Balance Sheet of the Bank (standalone) is given below:

**₹ lakhs**

Summarised Balance Sheet	As at 30 <sup>th</sup> September 2011 (Audited)	As at 30 <sup>th</sup> September 2010 (Unaudited)	As at 31 <sup>st</sup> March 2011 (Audited)
<b>CAPITAL AND LIABILITIES</b>			
Capital	36,932.37	36,670.34	36,843.58
Reserves and Surplus	699,200.87	596,173.12	642,803.62
Employees' Stock Options (Grants) Outstanding	3,932.10	3,500.18	3,691.72
Deposits	3,639,016.55	2,828,696.64	2,926,096.86
Borrowings	1,277,134.76	807,738.84	1,172,394.84
Other Liabilities and Provisions	293,859.64	325,756.73	303,235.96
<b>TOTAL</b>	<b>5,950,076.29</b>	<b>4,598,535.85</b>	<b>5,085,066.58</b>
<b>ASSETS</b>			
Cash and balances with Reserve Bank Of India	276,129.54	205,243.43	210,772.42
Balances with Banks and Money at Call and Short Notice	15,587.38	115,172.39	36,326.07
Investments	1,694,405.58	1,393,519.58	1,712,143.95
Advances	3,734,933.55	2,650,663.64	2,932,930.67
Fixed Assets	42,679.56	40,459.23	42,560.73
Other Assets	186,340.68	193,477.58	150,332.74
<b>TOTAL</b>	<b>5,950,076.29</b>	<b>4,598,535.85</b>	<b>5,085,066.58</b>

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

Dipak Gupta  
Joint Managing Director

Mumbai, 25<sup>th</sup> October, 2011