

Price Waterhouse Chartered Accountants LLP

The Board of Directors
Kotak Mahindra Investments Limited
27BKC, C-27, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051.

1. We have reviewed the statement of unaudited financial results (the "Statement") of Kotak Mahindra Investments Limited (the "Company") for the half year ended September 30, 2018. The Statement has been prepared by the Company pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") and SEBI Circular dated August 10, 2016, which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company's opening unaudited Balance Sheet as at April 01, 2017 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. 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 Engagement (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.
3. A review is limited primarily to inquiries of company 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, 2015 and SEBI circular dated August 10, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to the following matters:
 - a. Note 1 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from April 1, 2018, and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS.
 - b. We were neither engaged to review, nor have we reviewed the comparative figures including the reconciliation to the Total Comprehensive Income for the half year ended on September 30, 2017 and accordingly, we do not express any conclusion on the results in the Statement for the half year ended September 30, 2017. As set out in Note 3 to the Statement, these figures have been furnished by the Management.

Our conclusion is not modified in respect of these matters.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants



Sharad Vasant
Partner
Membership Number 101119

Mumbai
December 13, 2018

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Kotak Mahindra Investments Limited

Regd Office : 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

CIN : U65900MH1988PLC047986

Website: www.kotak.com Telephone: 91 22 61660000

Statement of Unaudited Financial Results for the half year ended September 30, 2018**Statement of Profit and Loss**

(Rs. In Lakhs)

Particulars	Half year ended	
	September 30, 2018	September 30, 2017
	Unaudited	Unaudited (Refer note 3)
I Revenue from operations	41,839.88	38,308.34
II Other Income	3,470.27	3,229.06
III Total Income (I+II)	45,310.15	41,537.40
IV Expenses		
Employee benefits expense	1,332.51	1,371.02
Finance costs	27,172.45	23,453.31
Depreciation and amortization expense	30.00	33.09
Provision for expected credit losses	1,580.46	(433.33)
Other expenses	1,212.63	957.23
Total expenses (IV)	31,328.05	25,381.32
V Profit/(loss) before exceptional items and tax (III- IV)	13,982.10	16,156.08
VI Exceptional Items		
VII Profit/(loss) before tax (V-VI)	13,982.10	16,156.08
VIII Tax expense:		
(1) Current tax	5,057.60	5,381.01
(2) Deferred tax	(129.87)	241.48
Total tax expense	4,927.73	5,622.49
IX Profit/(loss) for the period (VII-VIII)	9,054.37	10,533.59
X Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss	(19.72)	(0.50)
(ii) Income tax relating to items that will not be reclassified to profit or loss	6.89	0.17
B (i) Items that will be reclassified to profit or loss	(564.88)	(287.71)
(ii) Income tax relating to items that will be reclassified to profit or loss	198.30	99.57
Other comprehensive income for the period, net of tax	(379.41)	(188.47)
XI Total Comprehensive Income for the period (IX+X)	8,674.96	10,345.12
XIV Paid-up equity share capital (face value of Rs. 10 per share)	562.26	516.80
XV Earnings per equity share (not annualised):		
(1) Basic	161.04	203.82
(2) Diluted	161.04	203.82
See accompanying note to the financial results		

For and on behalf of Board of Directors


 Paritosh Kashyap
 Managing Director & CEO

 Date: December 13, 2018
 Place: Mumbai

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Statement of Unaudited Financial Results as at September 30, 2018

Balance Sheet

(Rs. In Lakhs)

Particulars		As at September 30, 2018 Unaudited (Refer note 3)
ASSETS		
1 Non-Current Assets		
a Property, plant And equipment		59.72
b Other intangible assets		17.87
c Intangible Assets under Development		6.00
d Financial Assets		
i. Investments		8,219.02
ii. Loans		211,321.83
iii. Others		11.94
e Deferred tax assets (net)		2,281.50
f Non Current tax assets (Net)		2,719.87
Total non-current assets		224,637.75
2 Current assets		
a Financial assets		
i. Investments		7,344.14
ii. Trade receivables		0.35
iii. Cash and cash equivalents		103,926.49
iv. Bank balances other than (iii) above		2,648.54
v. Loans		587,303.03
vi. Others		7.57
b Other current assets		149.75
Total current assets		701,379.87
Total assets		926,017.62
EQUITY AND LIABILITIES		
Equity		
a Equity share capital		562.26
b Other Equity		145,858.83
Total Equity		146,421.09
LIABILITIES		
1 Non-current liabilities		
a Financial liabilities		
i. Borrowings		92,625.66
b Provisions		304.54
c Other non-current liabilities		-
Total non-current liabilities		92,930.20
2 Current liabilities		
a Financial liabilities		
i. Borrowings		588,322.95
ii. Trade payables		674.97
iii. Other financial liabilities		93,779.57
b Other current liabilities		407.02
c Provisions		118.11
d Current tax liabilities (net)		3,363.71
Total current liabilities		686,666.33
Total liabilities		779,596.53
Total equity and liabilities		926,017.62



Notes:

1 The financial results of Kotak Mahindra Investments Limited have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016. The Company has adopted Ind AS from 1 April 2018 with effective transition date of 1 April 2017 and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - Interim Financial Reporting, prescribed under section 133 of the Companies Act 2013 ('The Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India.

This transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act, read with rule 7 of Companies (Accounts) Rules 2014 (as amended), guidelines issued by the Reserve Bank of India ('The RBI') and other generally accepted accounting principles in India (collectively referred to as 'the Previous GAAP').

Accordingly, the impact of transition has been recorded in the opening reserves as at 1 April 2017. Comparative previous period as presented in these financial results has been restated / reclassified in order to conform to current period presentation.

These financial results have been drawn up on the basis of Ind AS that are applicable to the Company effective from 1 April 2018 based on the Press Release issued by the Ministry of Corporate Affairs ("MCA") on 18 January 2016. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

2 The above results were reviewed by the Audit Committee and approved and taken on record by the Board of Directors at their respective meetings held on 13th December, 2018.

3 In compliance with Regulation 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of financial results for the half year ended 30 September 2018 has been carried out by the Statutory Auditors.

As permitted under circular no CIR/IMD/DF 1/69/2016 dated 10 August 2016 issued by SEBI, the Company has opted to avail exemption for submission of Ind AS compliant financial results and Balance sheet for the previous year ended 31 March 2018 and Balance sheet for the corresponding half year ended 30 September 2017. Further, the financial results for the half year ended 30 September 2017 have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results for the half year ended 30 September 2017 provide a true and fair view of the Company's affairs.

4 In accordance with para 32 of Ind AS 101, net profit reconciliation between the figures previously reported under previous GAAP and as per Ind AS is presented below:

Rs. In Lakhs	
Half Year ended September 30, 2018	
Unaudited	(Refer note 3)
Net Profit after tax as reported under previous GAAP	9,957.30
Add/(Less) - Adjustments	
A. Adoption of EIR* for amortisation of income and expense- financial assets at amortised cost	173.91
B. Adoption of EIR for amortisation of expenses - financial liabilities at amortised cost	(14.29)
C. On account of measuring effect of expected credit loss	739.59
D. Actuarial loss on employee defined benefit plan recognised in 'Other Comprehensive Income' as per Ind AS 19	0.49
D. Fair valuation of financial assets at fair value through profit and loss	(25.05)
E. Other Adjustments	31.26
F. Taxes	(329.62)
Net profit after tax as per Ind AS	10,533.59
Other comprehensive income, net of tax	(188.47)
Total comprehensive income	10,345.12

* EIR = Effective Interest Rate

For and on behalf of Board of Directors



Paritosh Kashyap
Managing Director & CEO

Date: December 13, 2018
Place: Mumbai

