

Earnings Update

Consolidated Highlights – FY14

PAT

₹ 2,465 cr
(₹ 2,188 cr)

Networth

₹ 19,076 cr
(₹ 15,250 cr)

RoA

2.1% (2.1%)

**Book
Value**

(per share)
₹ 247.6
(₹ 204.3)

NIM

4.97% (4.70%)

Loans

₹ 71,693 cr
(₹ 66,258 cr)

**Total
Assets**

₹ 122,237 cr
(₹ 115,835 cr)

**Net
NPA**

0.88% (0.55%)

Figures in brackets are FY13 numbers

Kotak Bank - Standalone Highlights – FY14

PAT

₹ 1,503 cr
(₹ 1,361 cr)

RoA

1.8% (1.8%)

Loans

₹ 53,028 cr
(₹ 48,469 cr)

NIM

4.90%
(4.65%)

**Net
NPA**

1.08% (0.64%)

CAR[#]

18.8% (16.0%)

Tier 1

17.8% (14.7%)

CASA

₹ 18,828 cr
(₹ 14,918 cr)

**Restructured
Loans-
standard**

₹ 10 cr – 0.02%
(₹ 8 cr)

As per Basel III, previous period Basel II

Figures in brackets are FY13 numbers

Consolidated PAT

₹ cr	Q3FY14	Q4FY13	Q4FY14	FY13	FY14
Kotak Mahindra Bank	340	436	407	1,361	1,503
Kotak Mahindra Prime	123	119	126	431	491
Kotak Securities	46	13*	44	114 *	160
Kotak Mahindra Capital Company	7	4	5	17	14
Kotak Mahindra Old Mutual Life Insurance	60	58	65	190	239
Kotak Mahindra AMC & Trustee Co	12	2	4	12	41
International subsidiaries	9	(1)	6	6	7
Kotak Investment Advisors	7	8	5	31	18
Kotak Mahindra Investments	11	5	16	33	42
Total	615	644	678	2,195	2,515
Minority Interest, Affiliates, others	(24)	22*	(15)	(7) *	(50)
Consolidated PAT	591	666	663	2,188	2,465

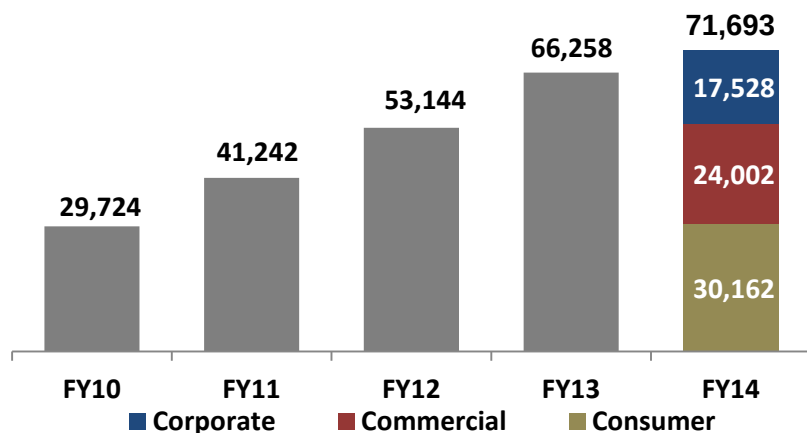
* after considering ₹30 cr loss on divestment of stake in a fellow subsidiary ; no impact on consolidated profits

Entity Wise Networth

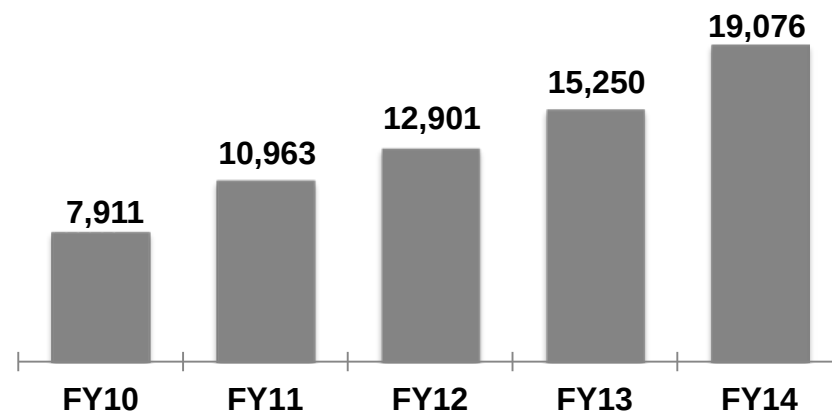
₹ cr	Dec 31, 2013	Mar 31, 2013	Mar 31, 2014
Kotak Mahindra Bank	11,896	9,447	12,275
Kotak Mahindra Prime	2,717	2,352	2,843
Kotak Securities	2,051	1,934	2,094
Kotak Mahindra Capital Company	397	389	403
Kotak Mahindra Old Mutual Life Insurance	977	803	1,042
Kotak Mahindra AMC & Trustee Co	129	108	126
International Subsidiaries	415	378	410
Kotak Investment Advisors	236	223	240
Kotak Mahindra Investments	420	304	436
Other Entities	32	31	32
Total	19,270	15,969	19,901
Add: Associates	545	533	549
Less: Minority, Inter-company and Other Adjustments	(1,360)	(1,252)	(1,374)
Consolidated Networth	18,455	15,250	19,076

Consolidated Key Financials

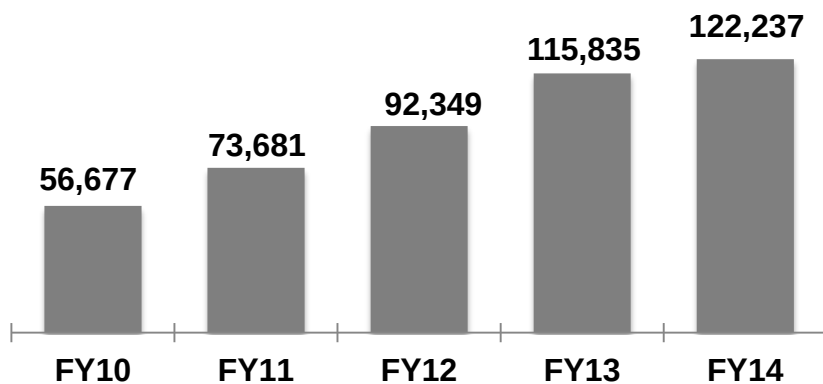
Advances (₹ cr)



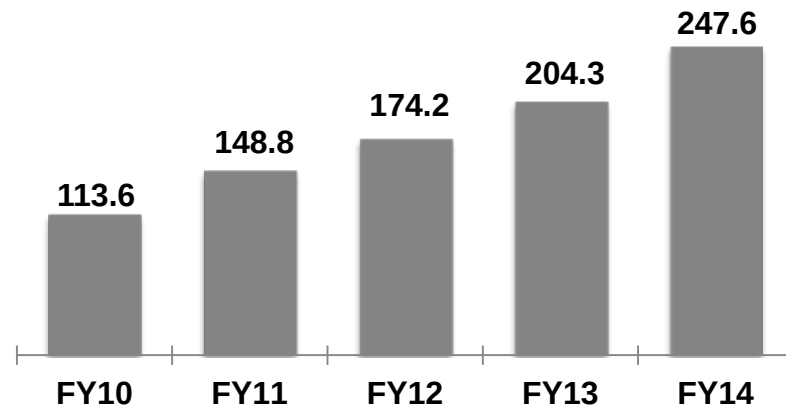
Networth (₹ cr)



Total Assets (₹ cr)



Book Value Per Share (₹)



Consolidated Advances & Investments

₹ cr	Dec 31, 2013	Mar 31, 2013	Mar 31, 2014	YoY Growth
Corporate Banking	19,426	14,535	17,319	19%
CV/CE	6,005	7,805	5,441	(30%)
Agriculture Division	9,023	8,356	10,468	25%
Business Banking	5,246	5,217	5,388	3%
Auto loans	13,022	12,750	13,223	4%
Home Loans and LAP	11,454	10,727	12,099	17%
Small Business & Personal loans	3,189	2,924	3,439	13%
Others	3,676	3,944	4,316	2%
Total Advances	71,041	66,258	71,693	8%
Investments/ Treasury Assets *	26,129	31,340	27,788	(11%)
Total Advances and Investments	97,170	97,598	99,481	2%

Advances growth excluding CV/CE at 13%

* Does not include policy holders' investments

Bank Profit & Loss

₹ cr	Q3FY14	Q4FY13	Q4FY14	FY13	FY14
Net Interest Income	913	903	967	3,206	3,720
Other Income	300	364	340	1,161	1,400
Net Total Income	1,213	1,267	1,307	4,367	5,120
Employee Cost	277	288	316	1,051	1,159
Other Operating Expenses	351	326	384	1,159	1,384
Operating Expenditure	628	614	700	2,210	2,543
Operating Profit	585	653	607	2,157	2,577
Provision on advances	48	46	2	245	256
Recoveries	(22)	(13)	(37)	(40)	(109)
Provision on other receivables	1	3	1	1	(19)
Provision on investments	43	1	28	(21)	176
Provision & contingencies	70	37	(6)	185	304
PBT	515	616	613	1,972	2,273
Provision for Tax	175	180	206	611	770
PAT	340	436	407	1,361	1,503

Bank Other Income

₹ cr	Q3FY14	Q4FY13	Q4FY14	FY13	FY14
Fee and Services	226	232	276	799	942
Treasury Income *	53	81	12	226	299
ARD Buyout Income	18	47	46	118	141
Others	3	4	6	18	18
Total	300	364	340	1,161	1,400

* Does not include provisions

MTM on Investments

MTM accounting as per RBI circular

- ❑ In terms of RBI circular, the Bank had opted to recognise MTM losses in the financial year and did not transfer any security to HTM
- ❑ The Bank has recognised net depreciation on HFT/AFS portfolio aggregating to ₹ 175.08 cr, including depreciation on non-SLR of ₹11.53 cr
- ❑ *Had the Bank chosen to transfer all SLR securities to HTM, the profit before tax for FY14 would have been higher by ₹163.55 cr*
- ❑ The duration of Bank's investment book as on 31st March, 2014 is around 2 years
- ❑ The Bank's SLR securities in HTM category at 31st March, 2014 were 11.43% of net demand and time liabilities (NDTL)

Bank Segmental Performance

As per RBI ₹ cr	Q3FY14	Q4FY13	Q4FY14	FY13	FY14
Corporate/Wholesale Banking	326	353	380	1,211	1,301
Retail Banking	207	201	226	614	793
Treasury & BMU *	(18)	62	7	146	176
Unallocated Income	-	-	-	1	3
Total	515	616	613	1,972	2,273

* Balance Sheet Management Unit

Bank Advances & Investments

₹ cr	Dec 31, 2013	Mar 31, 2013	Mar 31, 2014	YoY Growth
Corporate Banking	16,621	12,291	14,377	17%
CV/CE	6,005	7,805	5,441	(30%)
Agriculture Division	9,023	8,356	10,468	25%
Business Banking	5,246	5,216	5,388	3%
Home Loans and LAP	11,454	10,727	12,100	13%
Small Business & Personal Loans	3,156	2,897	3,404	18%
Others	1,644	1,177	1,850	57%
Total Advances	53,149	48,469	53,028	9%*

Advances – as per segmental classification

₹ cr	Dec 31, 2013	Mar 31, 2013	Mar 31, 2014
Retail	24,237	24,428	23,682
Corporate	28,912	24,041	29,346
Total Advances	53,149	48,469	53,028
Investments / Treasury Assets	23,615	28,873	25,485
Total Advances and Investments	76,764	77,342	78,513

** Advances growth excluding CV/CE at 17%*

Bank Balance Sheet

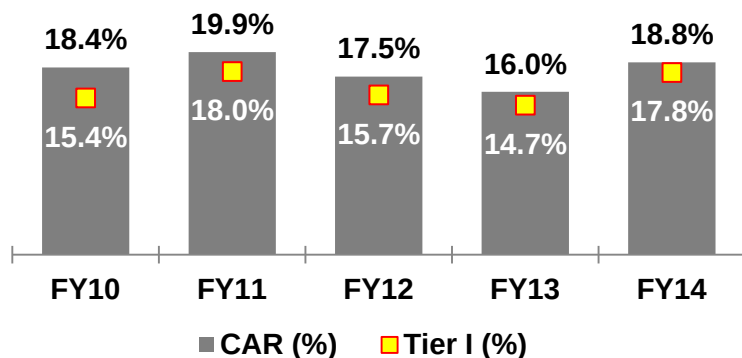
₹ cr	Dec 31, 2013	Mar 31, 2013	Mar 31, 2014	YoY Growth
Net Worth	11,896	9,447	12,275	30%
Deposits	54,671	51,029	59,072	16%
CA	7,155	7,650	8,741	14%
SA	9,106	7,268	10,087	39%
Certificate of Deposit	5,958	8,172	5,726	(30%)
Term Deposit Others	32,452	27,939	34,518	24%
Borrowings	13,673	20,411	12,896	(37%)
Other Liabilities and Provisions	4,057	2,807	3,342	19%
Total	84,297	83,694	87,585	5%

₹ cr	Dec 31, 2013	Mar 31, 2013	Mar 31, 2014	YoY Growth
Cash, Bank and Call	4,128	3,689	5,980	62%
Investments	23,615	28,873	25,485	(12%)
Government Securities	17,228	21,562	17,466	(19%)
Others	6,387	7,311	8,019	10%
Advances	53,149	48,469	53,028	9%
Fixed Assets and Other Assets	3,405	2,663	3,092	16%
Total	84,297	83,694	87,585	5%

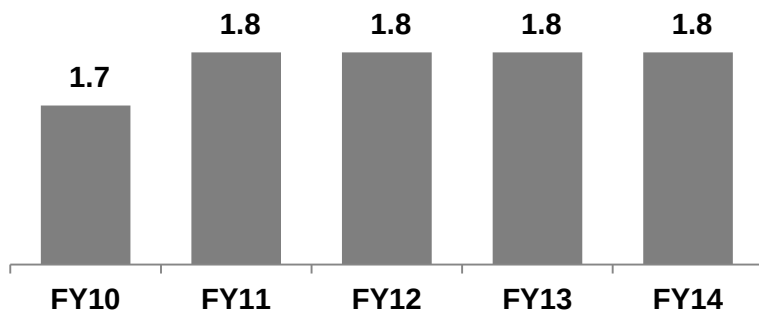
Bank Key Ratios

CAR & Tier I (%)

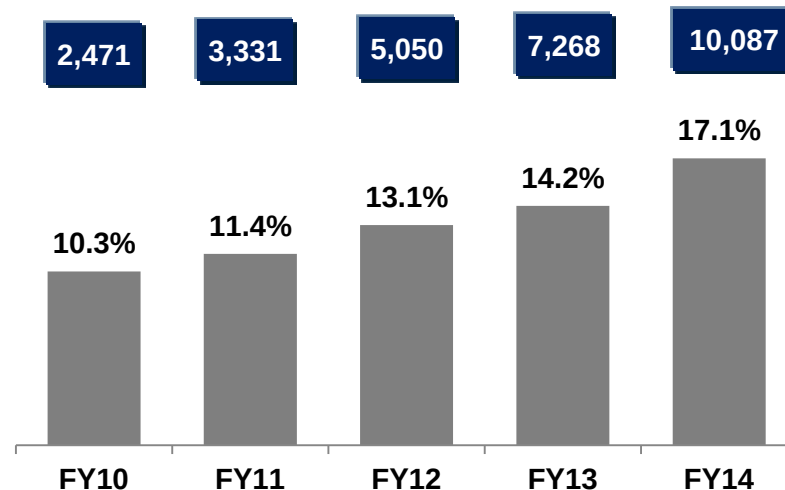
FY14 as per BASEL III



RoA (%)



Savings Account (₹ cr & % of deposits)



Asset Quality

Restructured loans considered standard
₹ 10 cr (0.02%)

No CDR participation

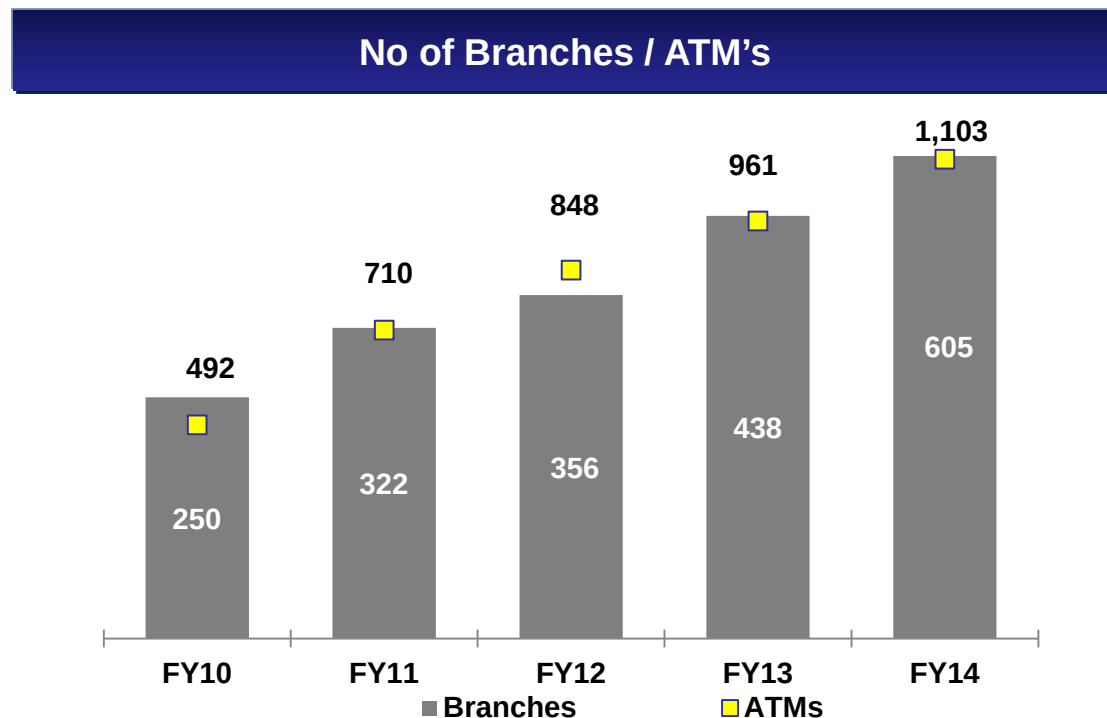
No transfer to ARC

No conversion to off-Balance sheet

Consumer Banking Liabilities

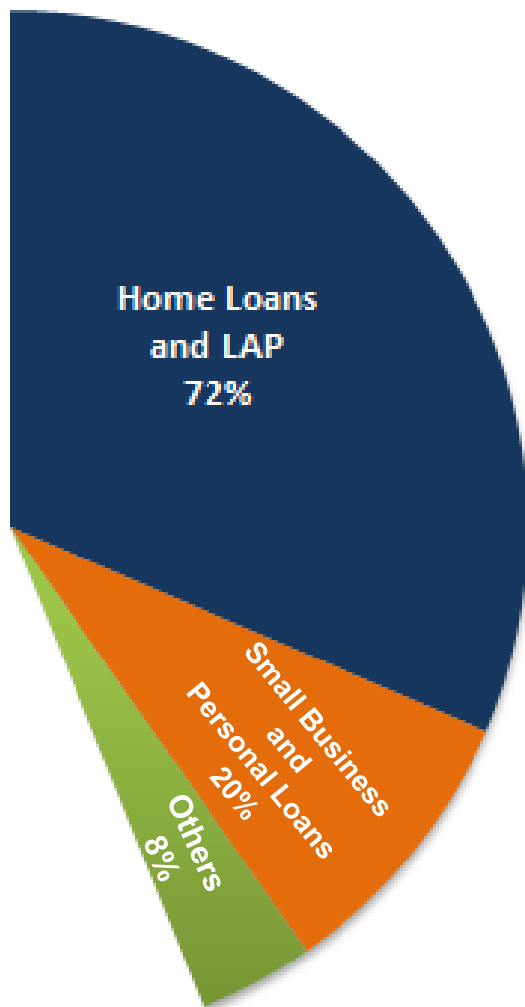
Savings Bank Deposits cross ₹ 10,000 cr

- ❑ Plan to reach 1,000 branches by calendar 2016
- ❑ Average cost of savings deposit 5.5%
- ❑ Savings balances increased 39% yoy
- ❑ TD sweep to total deposit ratio at 7.2%
- ❑ CASA and TDs below ₹ 5 cr constitute 63% of total deposits (59% as on Mar-13)
- ❑ TDs below ₹ 1 cr grew 35% yoy
- ❑ Added ~ 1.63 lac customer accounts for the quarter



CA deposit ₹ cr	4,992	5,460	7,352	7,650	8,741
SA deposit ₹ cr	2,471	3,331	5,050	7,268	10,087
CASA %	31	30	32	29	32

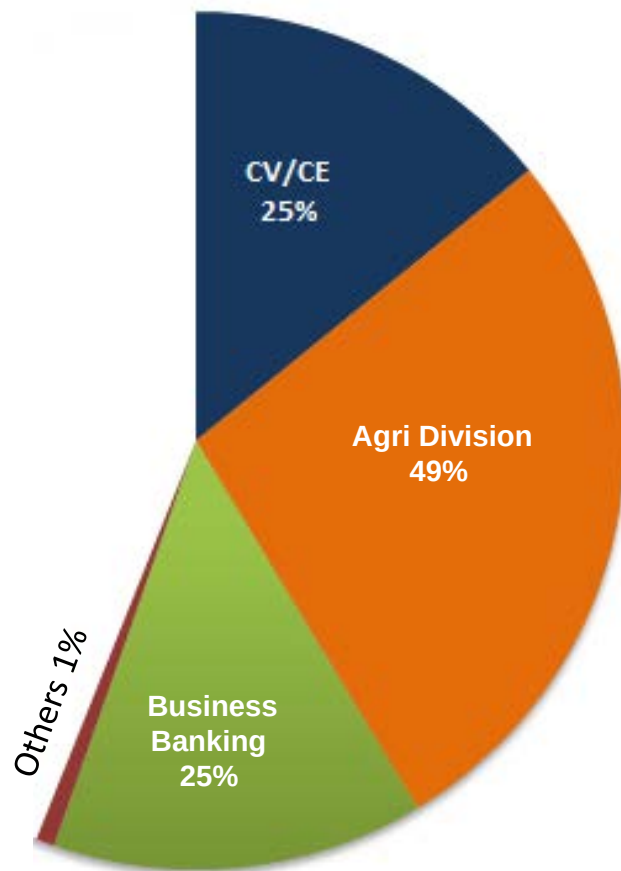
Consumer Banking Assets – Bank



	Dec 31, 2013	Mar 31, 2013	Mar 31, 2014	YoY Growth
Home Loans and LAP	11,449	10,727	12,099	13%
Small Business & Personal Loans	3,161	2,897	3,404	17%
Others	1,285	927	1,391	50%
Total Consumer Banking	15,895	14,551	16,894	16%

- ❑ Focus on SENP and cross sell to bank branch
- ❑ Mortgages growth in select territories
- ❑ Selective growth in small business and personal loans
- ❑ Profitable growth with low delinquencies

Commercial Banking Assets – Bank



	Dec 31, 2013	Mar 31, 2013	Mar 31, 2014	YoY Growth
CV/CE	6,004	7,805	5,441	(30%)
Agri Division	9,023	8,356	10,468	25%
Business Banking	5,246	5,215	5,388	3%
Others	177	76	270	-
Total Commercial Banking	20,450	21,452	21,567	1%

- ❑ Focus on Bharat continued with rollout of rural branches
- ❑ Focus and growth in Agri finance

Wholesale Banking - Bank

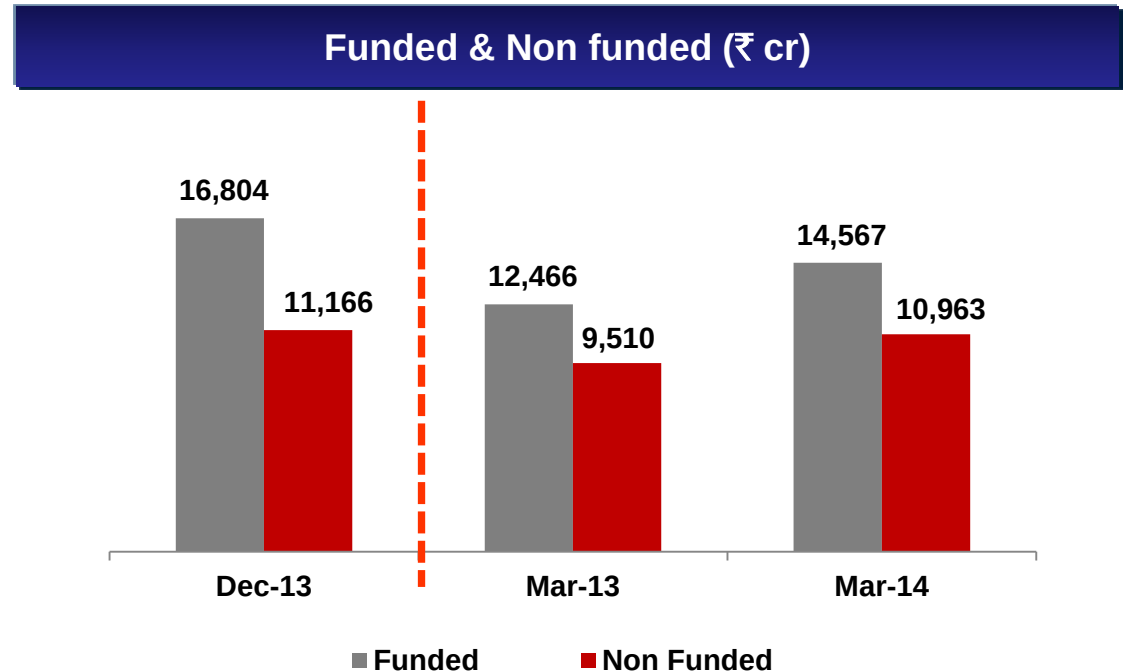
❑ Increased presence in large corporate groups

- Largely medium term finance & working capital
- Stable growth in Trade Credits & Export Finance
- Traction in supply chain financing

❑ Traction in Transaction Banking services

- Customized solutions for optimizing working capital
- Robust technology platforms & consistent innovation
- Focused coverage to enhance FX flow business

❑ Continued to deepen franchise across all customer segments



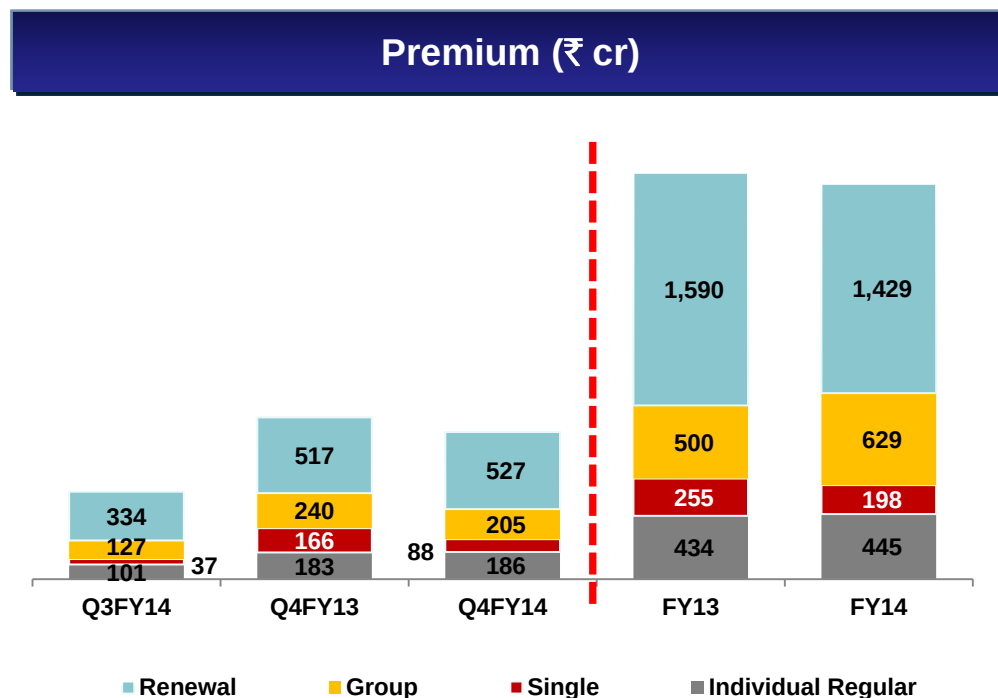
Kotak Mahindra Prime

₹ cr	Q3FY14	Q4FY13	Q4FY14	FY13	FY14
NII	215	199	240	727	880
Other income	45	41	43	186	181
Total Income	260	240	283	913	1061
Profit before tax	190	174	192	641	752
Profit after tax	123	119	126	431	491

₹ cr	Dec 31, 2013	Mar 31, 2013	Mar 31, 2014
Total Advances	16,858	17,022	17,371
Car Advances	13,066	12,777	13,273
Net NPA	63	36	56
Net NPA (%)	0.4	0.2	0.3
CAR (%)	17.1	15.4	17.7
ROA (%) - annualised	2.6	2.6	2.6

Kotak Mahindra Life Insurance

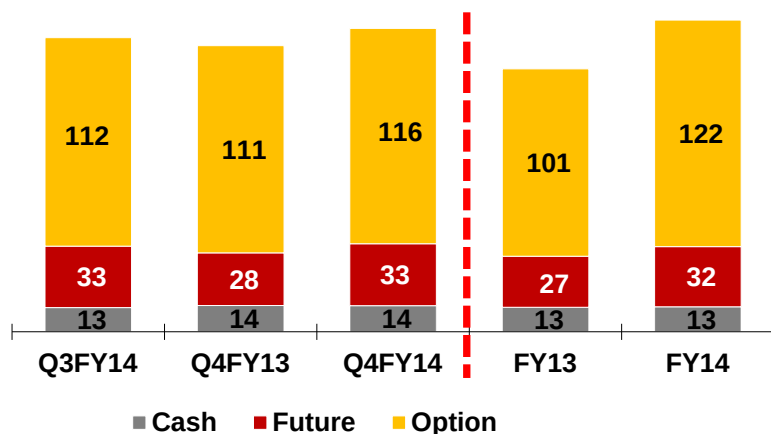
- ❑ 2.6% Growth on Individual Regular Premium against Pvt Industry De --growth of 3.1%
- ❑ Group Business grew by 26%
- ❑ Agency's Regular Business grew by 32%
- ❑ On APE (Single @ 1/10th) Basis, Share of Kotak Bank for FY14 is at 36% (PY – 34%)
- ❑ Protection Share maintained at 33% of total New Business
- ❑ NB Sum Assured grew by 31% from ₹ 106,847 cr to ₹ 139,510 cr



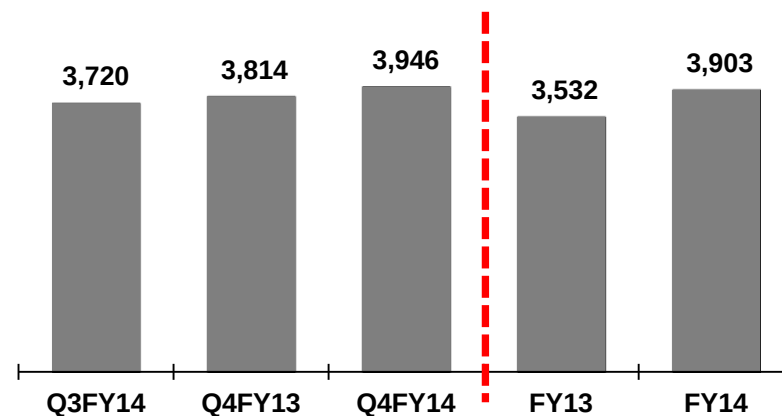
₹ cr	Q3FY14	Q4FY13	Q4FY14	FY13	FY14
Capital (₹ cr)	562	562	562	562	562
Solvency ratio (%)	3.16	2.93	3.02	2.93	3.02
PAT	60	58	65	190	239

Kotak Securities

Market ADV (₹ '000 cr)



ADV (₹ cr) - KS



₹ cr	Q3FY14	Q4FY13	Q4FY14	FY13	FY14
Total income	168	163	160	599	627
Profit before tax	71	37	55	189	234
Profit after tax	46	13^	44	114^	160
Market Share* (%)	2.3	2.5	2.4	2.5	2.3

*excluding BSE Derivative segment

Kotak Securities services more than 9 lac secondary market customers through 1,157 branches and franchises

^ after considering ₹30 cr loss on divestment of stake in a fellow subsidiary

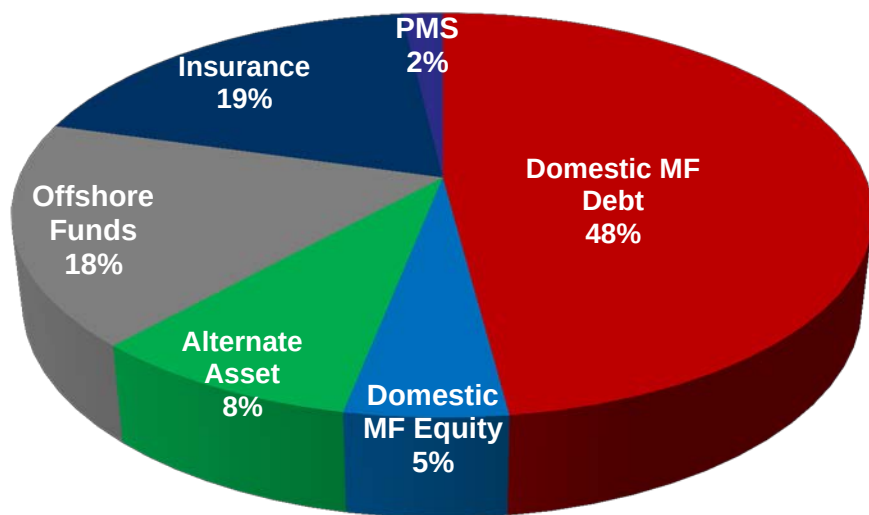
Kotak Mahindra Capital Co.

Client (Equity)	Transactions	Size (₹ cr)
 GlaxoSmithKline	Advisor to the committee of Independent Directors of Glaxo Smithkline Pharmaceuticals Limited for the voluntary Open Offer made by Glaxo Smithkline Plc.	6,389
 Indian Railway Finance Corporation Limited	Bond Issue -Tranche I & II	5,828
 TATA POWER	Rights Issue	1,993
 Engineers India Ltd	Follow-on Public Offering	497
	Advised Varroc Engineering Private Limited on private equity fund raise from Tata Capital Opportunities Fund	300
	Manager to voluntary Open Offer to shareholders of OnMobile Global Ltd	48
	Financial Advisor to Toshiba Corporation, Japan for acquisition of 26% strategic stake in UEM India Private Limited	Undisclosed
	Exclusive Financial Advisor to Actis for the sale of controlling stake in Sterling Gujarat Hospitals Limited	Undisclosed

₹ cr	Q3FY14	Q4FY13	Q4FY14	FY13	FY14
Total income	26	22	25	83	85
Profit before tax	8	6	7	24	18
Profit after tax	7	4	5	17	14

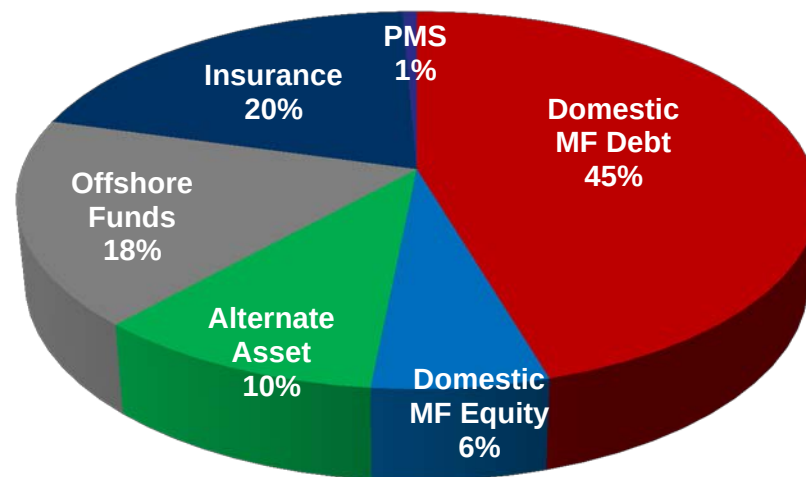
Asset Under Management

AUM ₹ 55,243 cr



Mar 31, 2013

AUM ₹ 56,564 cr

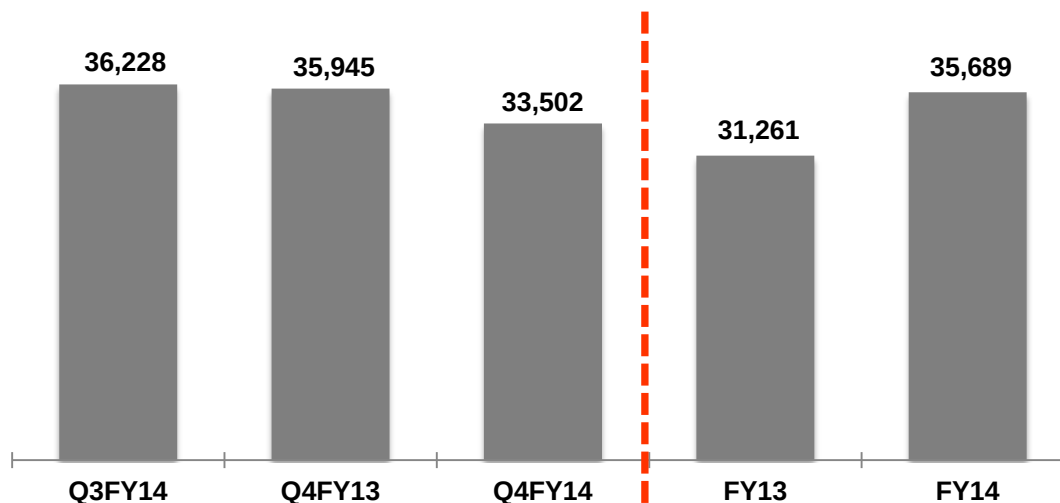


Mar 31, 2014

Kotak Mahindra AMC and Trustee Co.

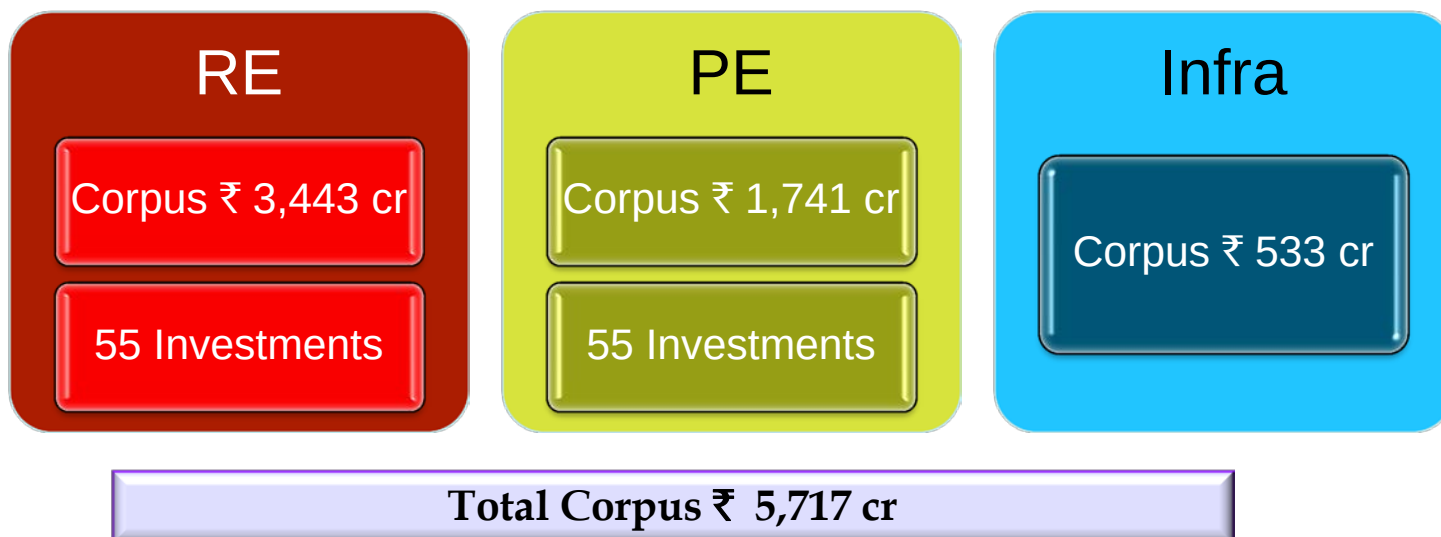
- ❑ KMMF AAUM growth marginally better than that of industry AAUM for the financial year
- ❑ AAUM mix in favour of the long term debt
- ❑ For the full year the industry equity Net sales continued to be negative. KMMF has witnessed positive flows
- ❑ Focus on Investor awareness programs

Average Assets Under Management ₹ cr



₹ cr #	Q3FY14	Q4FY13	Q4FY14	FY13	FY14
Total income	47	37	42	129	177
Profit before tax	18	2	5	14	60
Profit after tax	12	2	4	12	41
Average AUM (₹ bn)	362	359	335	313	357
Average AUM - Equity (₹ bn)	30	30	34	31	24

Kotak Investment Advisors



Kotak Realty Fund closed its second international real estate fund, raising commitments of US\$ 400 million. The aggregate Capital commitments of the Realty Fund crossed the USD 1 bn mark

₹ cr	Q3FY14	Q4FY13	Q4FY14	FY13	FY14
Total income	23	22	18	85	83
Profit before tax	12	11	6	43	25
Profit after tax	7	8	5	31	18

Bank Awards and Recognition

Kotak Mahindra Bank's Board has been adjudged as one of the **Best Managed Board** in the Aon Hewitt-Mint study of 2012

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

Kotak Mahindra Annual Report 2012 – 2013 won the following awards:

➤ LACP Vision Awards, USA

- Bronze Award – Best Report in Banking category
- Top 10 – Among the top 10 Indian reports

➤ ARC Awards

- Gold Award - Traditional Annual Report: Banking and Financial Services
- Honors Award – Interactive Annual Report: Banking and financial services (Asia/South Pacific)

Best Medium Sized Bank of the Year Award by Businessworld

Best Bank - Emerging Banks by Outlook Money

Best Private Bank by Finance Asia Country Awards for Achievement 2013

Kotak Mahindra Bank has made it once again in the list of the prestigious Forbes Asia's **Fab 50 Companies** in 2012 for the 3rd consecutive year (2010-12)

Kotak Junior ad adjudged **Best Banking Ad Worldwide 2013**, by Bank Innovation - a leading global blog on banking

Best Performer in Account Growth Rate Category – 2013 for the Demat Accounts by NSDL (National Securities Depository Limited)



Bank Awards and Recognition

Kotak Wealth Management

Best Private Bank, India by World Finance Banking Awards, 2012

Outstanding Private Bank, South Asia - Private Banker International Global Wealth Awards 2012

Winner in multiple categories by Euromoney Private Banking Survey 2014:

- Second Best Family Office Services Provider, Asia - Among Top 5
- Best Range of Advisory Services
- Best Corporate Advisory for Private Banking Clients
- Best Bespoke Wealth Planning
- Private Equity Investment
- Equity portfolio management
- Specialized Services for Inherited Wealth and Businesses

Kotak Mahindra Bank has been rated amongst the **Top 25 Best Employers in India** for 3 consecutive studies conducted since 2007 by Aon Hewitt

Kotak Mahindra Bank's NRI Banking won the following 2 awards at the **Banking & Payments Asia Trailblazer Awards 2013**

- Click2Remit: Winner in Product Excellence, in the P2P Product Category
- Privy League for NRIs: Winner in Service Excellence, in the Mass Affluent Banking Category

Awarded Gold in the "**Best Local Trade Bank in India**" category of Trade and Forfaiting Review Awards 2012

Kotak Mahindra Bank received the award for **Innovative Use of Data Storage** at the 'India Innovation Award 2013' by CNBC TV18 from Hon'ble Minister of State for IT and Communication Mr. Milind Murli Deora

Green IT Enterprise Award 2013 – Top 10 Large Enterprise category – Presented by CIO and Schneider Electric

Awards and Recognition



**Securities Advisory
Firm of the Year in India**



Best Investment Manager in India

Asiamoney Brokers Poll 2013

**Best Local Brokerage
Eighth year in a row**

Among all domestic and foreign brokerages, ranked:
#1 for Most Independent Research Brokerage
#2 for Best Overall Country Research
#2 for Best Analyst
#3 for Best Overall Sales Services



2012: Best Investment Bank in India
(Seventh year in a row)
2012: Best Equity House
(Third year in a row)

D&B Equity Broking Awards for 2013

Best Equity Broking House
Depository Participant of the year

**Asset Country Awards for 2013
Best Brokerage House**



**Best Broker in
India 2012**



**Best Domestic Equity House
by Asiamoney – 2013**



ACQ Global Awards 2012

**Investment Bank of the
Year in India**



2013: Best Domestic Investment Bank
(Eighth year in a row)



**Euromoney
Awards for Excellence
Best M&A House in India
2013**



**Businessworld Survey of India's Most
Respected Companies 2013**

8th most respected company in India's
BFS & Insurance space

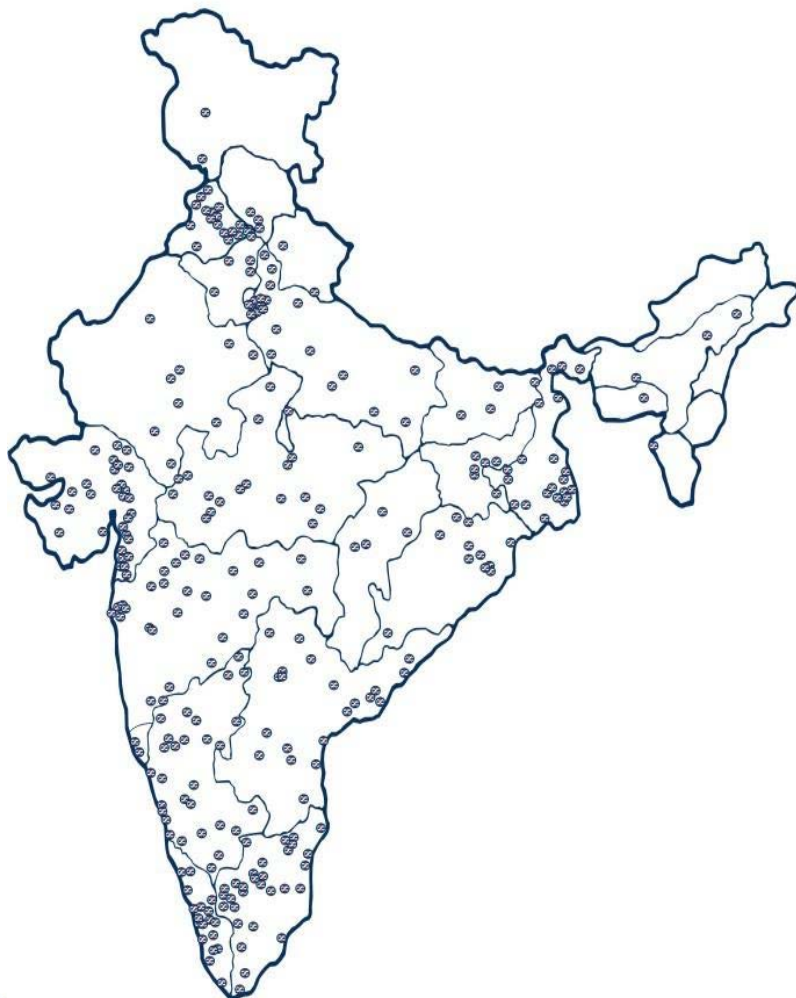


**NSDL Star Performers Award
2013**

Top Performer in New Accounts
Opened (Non-Bank Category)

Geographical Presence

Wide National Footprint



..... With Multiple Points of Presence

Business	Mar 31, 2014
Banking	605
Car Finance	69
Life Insurance	205
Securities	1,157
Mutual Fund	79
Total	2,115

International offices situated in Abu Dhabi, Dubai, London, Mauritius, New York and Singapore

Disclaimer

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Figures for the previous period/ year have been regrouped wherever necessary to conform to current period's / year's presentation. Totals in some columns/ rows may not agree due to rounding off.

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