



**KOTAK MAHINDRA BANK LIMITED (CONSOLIDATED)**

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

**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2010**

Rs in lakhs

Sr No	Particulars	Nine Months Ended	Quarter Ended		Year Ended	
			Dec-09 (Unaudited)	Mar-10 (Unaudited)	Mar-09 (Unaudited)	Mar-10 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>335,340.52</b>	<b>124,775.49</b>	<b>110,445.19</b>	<b>460,116.01</b>	<b>436,656.34</b>
	(a) Interest/discount on advances/bills	256,763.74	95,873.27	89,323.91	352,637.01	350,545.90
	(b) Income on investments	74,483.60	27,371.23	19,930.14	101,854.83	75,957.73
	(c) Interest on balances with RBI & other banks	547.12	143.56	355.98	690.68	5,621.68
	(d) Others	3,546.06	1,387.43	835.16	4,933.49	4,531.03
2	<b>Other income (a+b+c)</b>	<b>368,718.09</b>	<b>169,755.76</b>	<b>112,766.92</b>	<b>538,473.85</b>	<b>281,397.88</b>
	(a) Profit/(Loss) on sale of investments including revaluation (Insurance Business)	76,865.50	3,519.27	(3,829.37)	80,384.77	(51,812.67)
	(b) Premium on Insurance Business	171,195.50	113,738.23	89,771.71	284,933.73	230,709.63
	(c) Other income (see Notes 2 and 5)	120,657.09	52,498.26	26,824.58	173,155.35	102,500.92
3	<b>Total income (1+2)</b>	<b>704,058.61</b>	<b>294,531.25</b>	<b>223,212.11</b>	<b>998,589.86</b>	<b>718,054.22</b>
4	Interest expended	130,900.62	46,385.13	47,682.42	177,285.75	199,239.47
5	<b>Operating expenses (a+b+c)</b>	<b>405,896.20</b>	<b>174,048.66</b>	<b>129,583.86</b>	<b>579,944.86</b>	<b>391,078.64</b>
	(a) Payments to and Provisions for employees	90,103.04	35,992.43	26,077.02	126,095.47	119,251.05
	(b) Policy holders' reserves, surrender expense and claims	214,589.05	97,304.60	67,093.60	311,893.65	113,946.90
	(c) Other operating expenses (see Note 3 and 5)	101,204.11	40,751.63	36,413.24	141,955.74	157,880.69
6	<b>Total expenditure (4+5) (excluding provisions and contingencies)</b>	<b>536,796.82</b>	<b>220,433.79</b>	<b>177,266.28</b>	<b>757,230.61</b>	<b>590,318.11</b>
7	<b>Operating Profit before Provisions and Contingencies (3-6)</b>	<b>167,261.79</b>	<b>74,097.46</b>	<b>45,945.83</b>	<b>241,359.25</b>	<b>127,736.11</b>
8	Provisions (other than tax) and Contingencies (see Note 1)	38,895.71	12,177.11	12,916.10	51,072.82	26,115.92
9	<b>Exceptional Items</b>	-	-	-	-	-
10	<b>Profit from Ordinary Activities before tax (7-8-9)</b>	<b>128,366.08</b>	<b>61,920.35</b>	<b>33,029.73</b>	<b>190,286.43</b>	<b>101,620.19</b>
11	Tax expense	38,217.72	19,332.72	10,942.16	57,550.44	36,352.98
12	<b>Profit from Ordinary activities after tax before Minority Interest (10 – 11)</b>	<b>90,148.36</b>	<b>42,587.63</b>	<b>22,087.57</b>	<b>132,735.99</b>	<b>65,267.21</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-
14	<b>Profit from Ordinary activities after tax before Minority Interest (12 – 13)</b>	<b>90,148.36</b>	<b>42,587.63</b>	<b>22,087.57</b>	<b>132,735.99</b>	<b>65,267.21</b>
15	Less: Share of Minority Interest	644.88	1,154.96	1,031.35	1,799.84	372.83
16	Add: Share in Profit of associates (658.53)	(658.53)	422.43	10.25	(236.10)	344.25
17	<b>Profit after tax (14-15+16)</b>	<b>88,844.95</b>	<b>41,855.10</b>	<b>21,066.47</b>	<b>130,700.05</b>	<b>65,238.63</b>
18	Paid Up Equity Capital - (Face Value of Rs. 10 per share)	34,769.59	34,814.15	34,566.89	34,814.15	34,566.89
19	Group Reserves (excluding Minority Interest)				756,280.25	617,687.52
20	Minority Interest				8,085.86	6,286.02
21	<b>Analytical Ratios</b>					
	<b>(i) Earnings per Share (before and after extraordinary items)</b>					
	(a) Basic (not annualized) Rs.	25.64	12.03	6.10	37.68	18.90
	(b) Diluted (not annualized) Rs.	25.37	11.90	6.09	37.28	18.87
	<b>(ii) NPA Ratios</b>					
	(a) Gross NPA	110,864.85	91,667.25	79,058.59	91,667.25	79,058.59
	(b) Net NPA	57,254.08	44,083.72	45,430.59	44,083.72	45,430.59
	(c) % of Gross NPA/ Gross Advances	3.71	3.04	3.46	3.04	3.46
	(d) % of Net NPA/ Net Advances	1.95	1.48	2.02	1.48	2.02



(e) % of Gross NPA/ Gross Advances (excluding NPAs acquired from other banks/ NBFCs)	2.81	2.16	2.26	2.16	2.26
(f) % of Net NPA/ Net Advances (excluding NPAs acquired from other banks/ NBFCs)	1.46	1.14	1.18	1.14	1.18
<b>(iii) Return on Assets (average) (not annualised)</b>	<b>1.93</b>	<b>0.78</b>	<b>0.52</b>	<b>2.73</b>	<b>1.61</b>

**Notes:**

- Provisions and contingencies are net of recoveries made against accounts which have been written off as bad in the previous year/s.
- Details of other income forming part of the Consolidated audited results are as follows:

Particulars	Rs in lakhs				
	Nine Months Ended	Quarter Ended		Year Ended	
	Dec-09 (Unaudited)	Mar-10 (Unaudited)	Mar-09 (Unaudited)	Mar-10 (Audited)	Mar-09 (Audited)
Commission, Fees, Exchange and brokerage	96,373.77	31,992.74	21,239.93	128,366.51	103,406.75
Profit/(Loss) on sale of investments (other than insurance business)	14,246.92	5,463.29	132.07	19,710.21	(14,874.73)
Others	10,036.40	15,042.23	5,452.58	25,078.63	13,968.90
<b>Total – Other income</b>	<b>120,657.09</b>	<b>52,498.26</b>	<b>26,824.58</b>	<b>173,155.35</b>	<b>102,500.92</b>

- Details of other expenditure forming part of Consolidated audited results are as follows:

Particulars	Rs in lakhs				
	Nine Months Ended	Quarter Ended		Year Ended	
	Dec-09 (Unaudited)	Mar-10 (Unaudited)	Mar-09 (Unaudited)	Mar-10 (Audited)	Mar-09 (Audited)
Brokerage	15,054.80	6,967.44	5,758.96	22,022.24	28,244.66
Depreciation	10,775.84	3,516.13	3,008.87	14,291.97	12,593.23
Rent, taxes and lighting	17,908.59	4,638.98	5,858.99	22,547.57	22,085.27
Others	57,464.88	25,629.08	21,786.42	83,093.96	94,957.53
<b>Total – Other operating expenses</b>	<b>101,204.11</b>	<b>40,751.63</b>	<b>36,413.24</b>	<b>141,955.74</b>	<b>157,880.69</b>

- The consolidated financial results are prepared in accordance with Accounting Standard – 21, "Consolidated Financial Statements" and Accounting Standard -23 "Accounting for investment in associates in consolidated financial statement" issued by The Institute of Chartered Accountants of India.
- Other income in the consolidated results for the reporting periods is net of sub-brokerage paid amounting to Rs. 1,619.34 lakhs for the quarter ended 31st March, 2010 and for year ended 31st March, 2010 Rs. 6,740.19 lakhs (for the quarter ended 31st March, 2009 Rs. 909.58 lakhs and for the year ended 31st March, 2009 Rs. 3,772.46 lakhs).
- Consolidated Capital Adequacy ratio as per BASEL II as on 31st March, 2010 is 19.3% and 22.5% as on 31st March, 2009.
- Figures for the previous period/ year have been regrouped wherever necessary to conform to current period's presentation.
- The above results were taken on record at the Audit Committee meeting and subsequently at the meeting of the Board of Directors held on 11th May, 2010.



**KOTAK MAHINDRA BANK LIMITED (STANDALONE)**

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

Rs in lakhs

Sr No	Particulars	Nine Months Ended	Quarter Ended		Year Ended	
			Dec-09 (Unaudited)	Mar-10 (Unaudited)	Mar-09 (Unaudited)	Mar-10 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>237,486.88</b>	<b>88,075.61</b>	<b>80,302.91</b>	<b>325,562.49</b>	<b>306,514.40</b>
	(a) Interest/ discount on advances/ bills	184,552.76	68,138.34	65,631.39	252,691.10	249,372.58
	(b) Income on investments	52,839.17	19,846.56	14,624.38	72,685.73	55,840.38
	(c) Interest on balances with RBI & other banks	53.30	52.40	13.03	105.70	1,172.35
	(d) Others	41.65	38.31	34.11	79.96	129.09
2	<b>Other Income</b>	<b>37,673.74</b>	<b>25,150.26</b>	<b>11,668.77</b>	<b>62,824.00</b>	<b>27,363.01</b>
3	<b>Total income (1+2)</b>	<b>275,160.62</b>	<b>113,225.87</b>	<b>91,971.68</b>	<b>388,386.49</b>	<b>333,877.41</b>
4	<b>Interest expended</b>	104,276.42	35,471.13	38,503.58	139,747.55	154,659.75
5	<b>Operating expenses (a+b)</b>	<b>84,744.83</b>	<b>34,194.51</b>	<b>27,659.65</b>	<b>118,939.34</b>	<b>119,642.29</b>
	(a) Payments to and Provisions for employees	38,179.92	17,399.12	12,045.85	55,579.04	55,683.48
	(b) Other Operating expenses	46,564.91	16,795.39	15,613.80	63,360.30	63,958.81
6	<b>Total expenditure (4+5)</b>	<b>189,021.25</b>	<b>69,665.64</b>	<b>66,163.23</b>	<b>258,686.89</b>	<b>274,302.04</b>
7	<b>Operating Profit (3-6)</b>	<b>86,139.37</b>	<b>43,560.23</b>	<b>25,808.45</b>	<b>129,699.60</b>	<b>59,575.37</b>
8	Other provisions & contingencies (Refer Note 1)	35,831.99	12,757.25	9,791.35	48,589.24	16,969.63
9	Exceptional items	-	-	-	-	-
10	<b>Profit / Loss from Ordinary Activities before tax (7-8-9)</b>	<b>50,307.38</b>	<b>30,802.98</b>	<b>16,017.10</b>	<b>81,110.36</b>	<b>42,605.74</b>
11	Provision for taxes	14,446.93	10,552.86	5,759.82	24,999.79	14,996.02
12	<b>Net Profit / Loss from Ordinary Activities after tax (10-11)</b>	<b>35,860.45</b>	<b>20,250.12</b>	<b>10,257.28</b>	<b>56,110.57</b>	<b>27,609.72</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-
14	<b>Net Profit / Loss for the Period (12-13)</b>	<b>35,860.45</b>	<b>20,250.12</b>	<b>10,257.28</b>	<b>56,110.57</b>	<b>27,609.72</b>
15	<b>Paid Up Equity Capital - (Face Value Rs. 10 per share)</b>	34,769.59	34,814.15	34,566.89	34,814.15	34,566.89
16	<b>Reserves excluding revaluation reserves</b>				413,697.35	346,794.90
17	<b>Analytical Ratios</b>					
	(i) % of shares held by Govt. of India					-
	(ii) % Capital adequacy ratio ( Basel II )	17.01	18.35	20.01	18.35	20.01
	(iii) Earnings Per Share (EPS) for the period					
	- Basic Rs.	10.35	5.82	2.97	16.18	8.00
	- Diluted Rs.	10.24	5.76	2.96	16.00	7.99
	(iv) NPA Ratios					
	a) Gross Non-performing assets	92,823.99	76,733.92	68,920.68	76,733.92	68,920.68
	b) Net Non-performing assets	46,751.57	36,024.57	39,684.20	36,024.57	39,684.20
	c) % of Gross NPA to Gross Advances	4.25	3.62	4.07	3.62	4.07
	d) % of Net NPA to net Advances	2.18	1.73	2.39	1.73	2.39



Sr No	Particulars	Nine Months Ended	Quarter Ended		Year Ended	
		Dec-09 (Unaudited)	Mar-10 (Unaudited)	Mar-09 (Unaudited)	Mar-10 (Audited)	Mar-09 (Audited)
	e) % of Gross NPA to Gross Advances (excluding NPAs acquired from other banks and NBFCs)	3.02	2.38	2.46	2.38	2.46
	f) % of Net NPA to net Advances (excluding NPAs acquired from other banks and NBFCs)	1.50	1.25	1.26	1.25	1.26
	g) Return on Assets %(Average) – Not Annualized	1.12	0.58	0.38	1.72	1.03
18	<b>Public Shareholding</b>					
	(i) No. of shares	179,841,650	180,229,702	164,556,059	180,229,702	164,556,059
	(ii) % of shareholding	51.73	51.77	47.61	51.77	47.61
19	Promoters and promoter group Shareholding					
	a) Pledged/Encumbered	50,000	50,000	50,000	50,000	50,000
	- Number of shares					
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.03%	0.03%	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%	0.01%	0.01%
	b) Non-encumbered					
	- Number of Shares	167,795,144	167,852,644	181,053,669	167,852,644	181,053,669
	- Percentage of shares (as a% of the total shareholding of promoter and promoter group)	99.97%	99.97%	99.97%	99.97%	99.97%
	- Percentage of shares (as a % of the total share capital of the company)	48.26%	48.21%	52.38%	48.21%	52.38%

### 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

Rs in lakhs

		Nine Months Ended	Quarter Ended		Year ended	
		Dec-09 (Unaudited)	Mar-10 (Unaudited)	Mar-09 (Unaudited)	Mar-10 (Audited)	Mar-09 (Audited)
1	<b>Segment Revenue</b>					
	a. Treasury and BMU	82,054.14	30,569.13	25,054.77	112,623.27	83,321.30
	b. Corporate/ Wholesale Banking	73,126.71	42,511.86	22,720.45	115,638.57	88,793.21
	c. Retail Banking	192,561.01	63,243.38	71,783.85	255,804.39	275,219.05
	Sub-total	<b>347,741.86</b>	<b>136,324.37</b>	<b>119,559.07</b>	<b>484,066.23</b>	<b>447,333.56</b>
	Less : Inter-segmental revenue	72,581.24	23,107.12	27,594.08	95,688.36	113,471.09
	Add : Unallocated Income	-	8.62	6.69	8.62	14.94
	<b>Total</b>	<b>275,160.62</b>	<b>113,225.87</b>	<b>91,971.68</b>	<b>388,386.49</b>	<b>333,877.41</b>
2	<b>Segment Results</b>					
	a. Treasury and BMU	26,549.63	10,195.94	4,847.58	36,745.57	12,928.58
	b. Corporate/ Wholesale Banking	22,799.00	15,747.09	6,059.63	38,546.09	22,534.32



		Nine Months Ended	Quarter Ended		Year ended	
		Dec-09	Mar-10	Mar-09	Mar-10	Mar-09
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
	c. Retail Banking	958.75	5,147.22	5,103.20	6,105.97	7,127.90
	<b>Sub-total</b>	<b>50,307.38</b>	<b>31,090.25</b>	<b>16,010.41</b>	<b>81,397.63</b>	<b>42,590.80</b>
	Add : Unallocated Income /(expense)	-	(287.27)	6.69	(287.27)	14.94
	<b>Total Profit Before Tax</b>	<b>50,307.38</b>	<b>30,802.98</b>	<b>16,017.10</b>	<b>81,110.36</b>	<b>42,605.74</b>
3	<b>Capital employed (Segmental Assets less Segmental Liabilities)</b>					
	a. Treasury and BMU	154,020.73	153,434.08	124,493.33	153,434.08	124,493.33
	b. Corporate/ Wholesale Banking	101,018.96	114,222.77	98,696.41	114,222.77	98,696.41
	c. Retail Banking	159,089.51	166,780.01	152,686.44	166,780.01	152,686.44
	d. Unallocated	14,958.18	14,074.64	5,485.61	14,074.64	5,485.61
	<b>Sub-total</b>	<b>429,087.38</b>	<b>448,511.50</b>	<b>381,361.79</b>	<b>448,511.50</b>	<b>381,361.79</b>

#### Notes

- Provisions and contingencies are net of recoveries made against accounts which have been written off as bad in the previous period/ year.
- During the quarter, the Bank has not granted any options under employee stock option scheme. Stock options aggregating to 445,552 were exercised during the quarter and 8,901,425 stock options were outstanding with employees of the Bank and its subsidiaries as at 31st March, 2010.
- The Provision Coverage Ratio (PCR) of the Bank after considering technical write-offs is 58.34% as at 31st March, 2010.
- The Bank had no outstanding shareholder complaints as at 31st December, 2009. During the quarter the Bank received 26 complaints from shareholders. All shareholder complaints have been resolved and there are no pending complaints as at 31st March, 2010.
- 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 Board approved a proposal to sub-divide the face value of equity shares of the Bank from Rs 10 per share to Rs 5 per share. This is subject to necessary approvals.
- The Board has recommended a dividend of Rs. 0.85 per share (Previous Year Rs.0.75 per share) on Rs 10 per share paid-up for the year ended 31st March, 2010. The Bank is obliged to pay dividend to those shareholders whose names are appearing in the register of members as on the book closure date. The dividend will be paid after the approval of shareholders at the Annual General Meeting.
- The above results were taken on record at the Audit Committee meeting and subsequently at the meeting of the Board of Directors held on 11th May 2010.
- The summarized Balance Sheet of the Bank (standalone) is given below:

Summarized Balance Sheet	Rs. in lakhs	
	As at 31 <sup>st</sup> March 2010	As at 31 <sup>st</sup> March 2009
<b>CAPITAL AND LIABILITIES</b>		
Capital	34,814.15	34,566.89
Reserves and Surplus	413,697.35	346,794.90
Employees' Stock Options (Grants) Outstanding	5,480.17	9,190.86
Deposits	2,388,646.71	1,564,399.63
Borrowings	614,051.32	673,401.06
Other Liabilities and Provisions	286,941.95	242,834.05
<b>TOTAL</b>	<b>3,743,631.65</b>	<b>2,871,187.39</b>



<b>ASSETS</b>	<b>As at 31<sup>st</sup> March 2010</b>	<b>As at 31<sup>st</sup> March 2009</b>
Cash and balances with Reserve Bank Of India	208,567.26	99,535.33
Balances with Banks and Money at Call and Short Notice	21,459.15	14,531.64
Investments	1,251,266.25	911,018.05
Advances	2,077,505.41	1,662,533.71
Fixed Assets	42,764.92	21,335.60
Other Assets	142,068.66	162,233.06
<b>TOTAL</b>	<b>3,743,631.65</b>	<b>2,871,187.39</b>

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

**Dipak Gupta**  
Executive Director

Mumbai, 11<sup>th</sup> May, 2010