



KOTAK MAHINDRA BANK LIMITED (CONSOLIDATED)
Registered Office: 36-38A, Nariman Bhavan, 227, Nariman Point, Mumbai 400 021

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2011

₹ in lakhs

Sr No	Particulars	Quarter Ended		Year Ended	
		Mar-11 (Unaudited)	Mar-10 (Unaudited)	Mar-11 (Audited)	Mar-10 (Audited)
1	Interest earned (a+b+c+d)	172,270.95	124,775.49	614,143.52	460,116.01
	(a) Interest/discount on advances/bills	134,559.16	95,873.27	471,084.83	352,637.01
	(b) Income on investments	35,734.99	27,371.23	135,518.78	101,854.83
	(c) Interest on balances with RBI & other banks	733.64	143.56	2,309.06	690.68
	(d) Others	1,243.16	1,387.43	5,230.85	4,933.49
2	Other income (a+b+c)	130,507.81	169,755.76	482,230.33	538,473.85
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	(20,555.88)	3,519.27	28,510.11	80,384.77
	(b) Premium on Insurance Business	106,299.32	113,738.23	293,990.87	284,933.73
	(c) Other income (see Notes 1 and 5)	44,764.37	52,498.26	159,729.35	173,155.35
3	Total income (1+2)	302,778.76	294,531.25	1,096,373.85	998,589.86
4	Interest expended	77,436.21	46,385.13	263,454.92	177,285.75
5	Operating expenses (a+b+c)	154,886.51	174,048.66	593,419.05	579,944.86
	(a) Payments to and provisions for employees	40,051.85	35,992.43	152,234.49	126,095.47
	(b) Policy holders' reserves, surrender expense and claims	71,768.03	97,304.60	280,861.43	311,893.65
	(c) Other operating expenses (see Note 2 and 5)	43,066.63	40,751.63	160,323.13	141,955.74
6	Total expenditure (4+5) (excluding provisions and contingencies)	232,322.72	220,433.79	856,873.97	757,230.61
7	Operating Profit before provisions and contingencies (3-6)	70,456.04	74,097.46	239,499.88	241,359.25
8	Provisions (other than tax) and contingencies (see Note 3)	(857.12)	12,177.11	14,759.97	51,072.82
9	Exceptional items	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	71,313.16	61,920.35	224,739.91	190,286.43
11	Tax expense	20,766.97	19,332.72	67,816.41	57,550.44
12	Profit from Ordinary activities after tax before Minority Interest (10 – 11)	50,546.19	42,587.63	156,923.50	132,735.99
13	Extraordinary items (net of tax expense)	-	-	-	-
14	Profit from ordinary activities after tax before Minority Interest (12 – 13)	50,546.19	42,587.63	156,923.50	132,735.99
15	Less: Share of Minority Interest	1,851.59	1,154.96	2,635.26	1,799.84
16	Add: Share in Profit of associates	443.18	422.43	2,386.23	(236.10)
17	Profit after tax (14-15+16)	49,137.78	41,855.10	156,674.47	130,700.05
18	Paid Up Equity Capital - (Face Value of ₹ 5 per share) (See Note 6)	36,843.58	34,814.15	36,843.58	34,814.15
19	Group Reserves (excluding Minority Interest)			1,059,450.54	756,280.26
20	Minority Interest			10,721.12	8,085.86
21	Analytical Ratios				
	(i) Earnings per Share (before and after extraordinary items) (See Note 6)				
	(a) Basic (not annualized) ₹	6.67	6.02	21.73	18.84
	(b) Diluted (not annualized) ₹	6.63	5.95	21.60	18.64
	(ii) NPA Ratios				
	(a) Gross NPA	71,198.46	91,667.25	71,198.46	91,667.25
	(b) Net NPA	24,267.10	44,083.72	24,267.10	44,083.72
	(c) % of Gross NPA/ Gross Advances	1.71	3.04	1.71	3.04
	(d) % of Net NPA/ Net Advances	0.59	1.48	0.59	1.48
	(e) % of Gross NPA/ Gross Advances (excluding NPAs acquired from other banks/ NBFCs)	1.13	2.16	1.13	2.16
	(f) % of Net NPA/ Net Advances (excluding NPAs acquired from other banks/ NBFCs)	0.43	1.14	0.43	1.14
	(iii) Return on Assets (average) (not annualised)	0.68	0.78	2.39	2.73
	(iv) Return on Assets (average) (not annualised) (excluding policyholder fund)	0.87	1.02	3.00	3.34

NOTES:

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

Particulars	Quarter Ended		Year Ended	
	Mar-11	Mar-10	Mar-11	Mar-10
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Commission, fees, exchange and brokerage	33,396.47	31,992.74	128,317.19	128,366.51
Profit on sale of investments (other than insurance business)	4,659.01	5,463.29	16,424.25	19,710.21
Others	6,708.89	15,042.23	14,987.91	25,078.63
Total – Other income	44,764.37	52,498.26	159,729.35	173,155.35

₹ lakhs

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

Particulars	Quarter Ended		Year Ended	
	Mar-11	Mar-10	Mar-11	March-10
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Brokerage	5,784.38	6,967.44	22,538.71	22,022.24
Depreciation	3,925.87	3,516.13	15,234.62	14,291.97
Rent, taxes and lighting	5,555.13	4,638.98	21,585.55	22,547.57
Others	27,801.25	25,629.08	100,964.25	83,093.96
Total – Other operating expenses	43,066.63	40,751.63	160,323.13	141,955.74

₹ 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 ₹ 1,401.03 lakhs for the quarter ended 31st March, 2011 and year ended 31st March, 2011 ₹ 6,553.38 lakhs (for the quarter ended 31st March, 2010 ₹ 1,619.34 lakhs, year ended 31st March, 2010 ₹ 6,740.19 lakhs).
6. Each equity share of the Bank having face value of ₹ 10 fully paid-up was sub-divided into two equity shares of the face value of ₹ 5 each fully paid-up in September 2010. Accordingly, the number of shares in the previous periods has been restated to make them comparable. In accordance with Accounting Standard 20 “Earnings Per Share”, the Bank has given effect to the sub-division of shares in computing the earnings per share for the previous periods.
7. Pursuant to Reserve Bank of India’s circular RBI/2009-2010/356 IDMD/4135/11.08.43/2009-10 dated March 23, 2010 on Uniform Accounting for Repo/Reverse Repo Transactions, effective April 1, 2010, securities sold under agreements to repurchase (Repos) and securities purchased under agreements to resell (Reverse Repos) are treated and disclosed as collateralized borrowing and lending transactions respectively. For previous period, these transactions were recorded and disclosed as sale and purchase of investments respectively in line with then applicable regulatory requirements. There has been no other change in significant accounting policies during the year.
8. 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: 36-38A, Nariman Bhavan, 227, Nariman Point, Mumbai 400 021

₹ in lakhs

Sr No	Particulars	Quarter Ended		Year Ended	
		Mar-11 (Unaudited)	Mar-10 (Unaudited)	Mar-11 (Audited)	Mar-10 (Audited)
1	Interest earned (a+b+c+d)	123,263.20	88,075.61	430,355.82	325,562.49
	(a) Interest/ discount on advances/ bills	97,954.75	68,138.34	332,815.43	252,691.10
	(b) Income on investments	24,831.38	19,846.56	95,717.85	72,685.73
	(c) Interest on balances with RBI & other banks	434.66	52.40	1,718.84	105.70
	(d) Others	42.41	38.31	103.70	79.96
2	Other Income	19,129.77	25,150.26	63,303.73	62,824.00
3	Total income (1+2)	142,392.97	113,225.87	493,659.55	388,386.49
4	Interest expended	61,106.47	35,471.13	205,848.54	139,747.55
5	Operating expenses (a+b)	44,489.43	34,194.51	155,332.02	118,939.34
	(a) Payments to and Provisions for employees	21,829.71	17,399.12	75,114.84	55,579.04
	(b) Other Operating expenses	22,659.72	16,795.39	80,217.18	63,360.30
6	Total expenditure (4+5)	105,595.90	69,665.64	361,180.56	258,686.89
7	Operating Profit (3-6)	36,797.07	43,560.23	132,478.99	129,699.60
8	Other provisions & contingencies (Refer Note 1)	(717.29)	12,757.25	13,708.81	48,589.24
9	Exceptional items	-	-	-	-
10	Profit / Loss from Ordinary Activities before tax (7-8-9)	37,514.36	30,802.98	118,770.18	81,110.36
11	Provision for taxes	12,644.23	10,552.86	36,951.97	24,999.79
12	Net Profit / Loss from Ordinary Activities after tax (10-11)	24,870.13	20,250.12	81,818.21	56,110.57
13	Extraordinary items (net of tax expense)	-	-	-	-
14	Net Profit / Loss for the Period (12-13)	24,870.13	20,250.12	81,818.21	56,110.57
15	Paid Up Equity Capital - (Face Value ₹ 5 per share) (Refer Note 2)	36,843.58	34,814.15	36,843.58	34,814.15
16	Reserves excluding revaluation reserves			642,803.62	413,697.35
17	Analytical Ratios				
	(i) % of shares held by Govt. of India	-	-	-	-
	(ii) % Capital adequacy ratio (Basel II)	19.92	18.35	19.92	18.35
	(iii) Earnings Per Share (EPS) for the period - Not Annualized				
	- Basic ₹	3.38	2.91	11.35	8.09
	- Diluted ₹	3.36	2.88	11.28	8.00
	(iv) NPA Ratios ₹				
	a) Gross Non-performing assets	60,349.33	76,733.92	60,349.33	76,733.92
	b) Net Non-performing assets	21,115.94	36,024.57	21,115.94	36,024.57
	c) % of Gross NPA to Gross Advances	2.03	3.62	2.03	3.62
	d) % of Net NPA to net Advances	0.72	1.73	0.72	1.73
	e) % of Gross NPA to Gross Advances (excluding NPAs acquired from other banks and NBFCs)	1.23	2.38	1.23	2.38
	f) % of Net NPA to net Advances (excluding NPAs acquired from other banks and NBFCs)	0.50	1.25	0.50	1.25
	g) Return on Assets %(Average) – Not Annualized	0.50	0.58	1.77	1.72
18	Public Shareholding				
	(i) No. of shares	401,081,236	360,477,666	401,081,236	360,477,666
	(ii) % of shareholding	54.43%	51.77%	54.43%	51.77%

Sr No	Particulars	Quarter Ended		Year Ended	
		Mar-11 (Unaudited)	Mar-10 (Unaudited)	Mar-11 (Audited)	Mar-10 (Audited)
19	Promoters and promoter group Shareholding				
	a) Pledged/Encumbered				
	- Number of shares	100,000	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%	0.03%
	- Percentage of shares (as a% of the total share capital of the company)	0.01%	0.01%	0.01%	0.01%
	b) Non-encumbered				
	- Number of Shares	335,690,268	335,705,288	335,690,268	335,705,288
	- Percentage of shares (as a% of the total shareholding of promoter and promoter group)	99.97%	99.97%	99.97%	99.97%
	- Percentage of shares (as a % of the total share capital of the company)	45.56%	48.21%	45.56%	48.21%

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

₹ in lakhs

		Quarter Ended		Year ended	
		Mar-11 (Unaudited)	Mar-10 (Unaudited)	Mar- 11 (Audited)	Mar- 10 (Audited)
1	Segment Revenue				
	a. Treasury and BMU	41,348.90	30,569.13	146,386.13	112,623.27
	b. Corporate/ Wholesale Banking	49,470.77	42,511.86	160,386.97	115,638.57
	c. Retail Banking	90,357.95	63,243.38	311,286.78	255,804.39
	Sub-total	181,177.62	136,324.37	618,059.88	484,066.23
	Less : Inter-segmental revenue	38,784.65	23,107.12	124,426.11	95,688.36
	Add : Unallocated Income	-	8.62	25.78	8.62
	Total	142,392.97	113,225.87	493,659.55	388,386.49
2	Segment Results				
	a. Treasury and BMU	10,646.52	10,195.94	30,483.36	36,745.57
	b. Corporate/ Wholesale Banking	16,970.88	15,747.09	54,389.11	38,546.09
	c. Retail Banking	9,896.96	5,147.22	33,871.93	6,105.97
	Sub-total	37,514.36	31,090.25	118,744.40	81,397.63
	Add : Unallocated Income /(expense)	-	(287.27)	25.78	(287.27)
	Total Profit Before Tax	37,514.36	30,802.98	118,770.18	81,110.36
3	Capital employed (Segmental Assets less Segmental Liabilities)				
	a. Treasury and BMU	189,618.97	153,434.08	189,618.97	153,434.08
	b. Corporate/ Wholesale Banking	178,330.91	114,222.77	178,330.91	114,222.77
	c. Retail Banking	299,226.15	166,780.01	299,226.15	166,780.01
	Sub-total	667,176.03	434,436.86	667,176.03	434,436.86
	Add: Unallocated	12,471.17	14,074.64	12,471.17	14,074.64
	Total Capital Employed	679,647.20	448,511.50	679,647.20	448,511.50

NOTES:

- Provisions and contingencies are net of recoveries made against accounts which have been written off as bad in the previous period/ year.
- Each equity share of the Bank having face value of ₹ 10 fully paid-up was sub-divided into two equity shares of the face value of ₹ 5 each fully paid-up in September 2010. Accordingly, the number of shares in the previous periods has been restated to make them comparable. In accordance with Accounting Standard 20 "Earnings per Share", the Bank has given effect to the sub-division of shares in computing the earnings per share for the previous periods.

3. During the quarter, the Bank has not granted any options under employee stock option scheme. Stock options aggregating to 570,174 (Post Split) were exercised during the quarter and 13,420,010 (Post Split) stock options were outstanding with employees of the Bank and its subsidiaries as at 31st March 2011.
4. The Bank had one outstanding shareholder complaint as at 31st December 2010, which was subsequently resolved. During the quarter the Bank received 12 complaints from shareholders out of which two complaints were pending as at 31st March 2011, which has subsequently been resolved.
5. Figures for the previous period/year have been regrouped wherever necessary to conform to current period's presentation.
6. Pursuant to Reserve Bank of India's circular RBI/2009-2010/356 IDMD/4135/11.08.43/2009-10 dated March 23, 2010 on Uniform Accounting for Repo/Reverse Repo Transactions, effective April 1, 2010, securities sold under agreements to repurchase (Repos) and securities purchased under agreements to resell (Reverse Repos) are treated and disclosed as collateralized borrowing and lending transactions respectively. For previous period, these transactions were recorded and disclosed as sale and purchase of investments respectively in line with then applicable regulatory requirements. There has been no other change in significant accounting policies during the year.
7. The Bank has declared a dividend of ₹ 0.50 per share having face value ₹ 5 for the year ended 31st March 2011 (Previous Year ₹ 0.85 per share having face value ₹ 10). 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.
8. The above results were taken on record at the Audit Committee meeting and at the meeting of the Board of Directors held on 5th May 2011.
9. The Summarized Balance Sheet of the Bank (Standalone) is given below:

Summarized Balance Sheet	₹ in lakhs	
	As at 31st March 2011	As at 31st March 2010
CAPITAL AND LIABILITIES		
Capital	36,843.58	34,814.15
Reserves and Surplus	642,803.62	413,697.35
Employees' Stock Options (Grants) Outstanding	3,691.72	5,480.17
Deposits	2,926,096.86	2,388,646.71
Borrowings	1,172,394.84	614,051.32
Other Liabilities and Provisions	303,235.96	286,941.95
TOTAL	5,085,066.58	3,743,631.65
ASSETS		
Cash and balances with Reserve Bank Of India	210,772.42	208,567.26
Balances with Banks and Money at Call and Short Notice	36,326.07	21,459.15
Investments	1,712,143.95	1,251,266.25
Advances	2,932,930.67	2,077,505.41
Fixed Assets	42,560.73	42,764.92
Other Assets	150,332.74	142,068.66
TOTAL	5,085,066.58	3,743,631.65

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

Dipak Gupta
Executive Director

Mumbai, 5th May, 2011