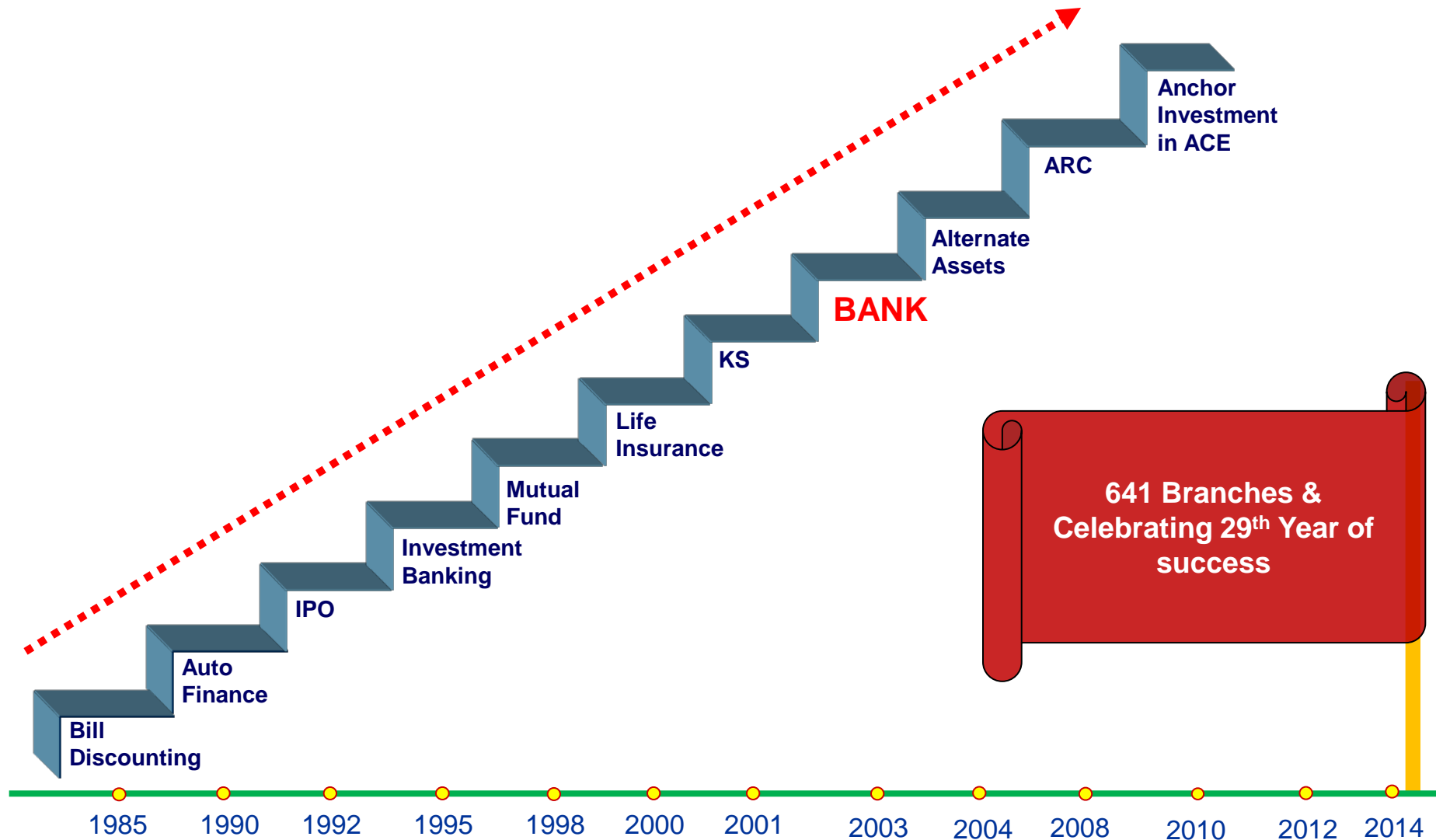


# *Investor Presentation Q2FY15*



Oct 22, 2014

# Journey So Far.....

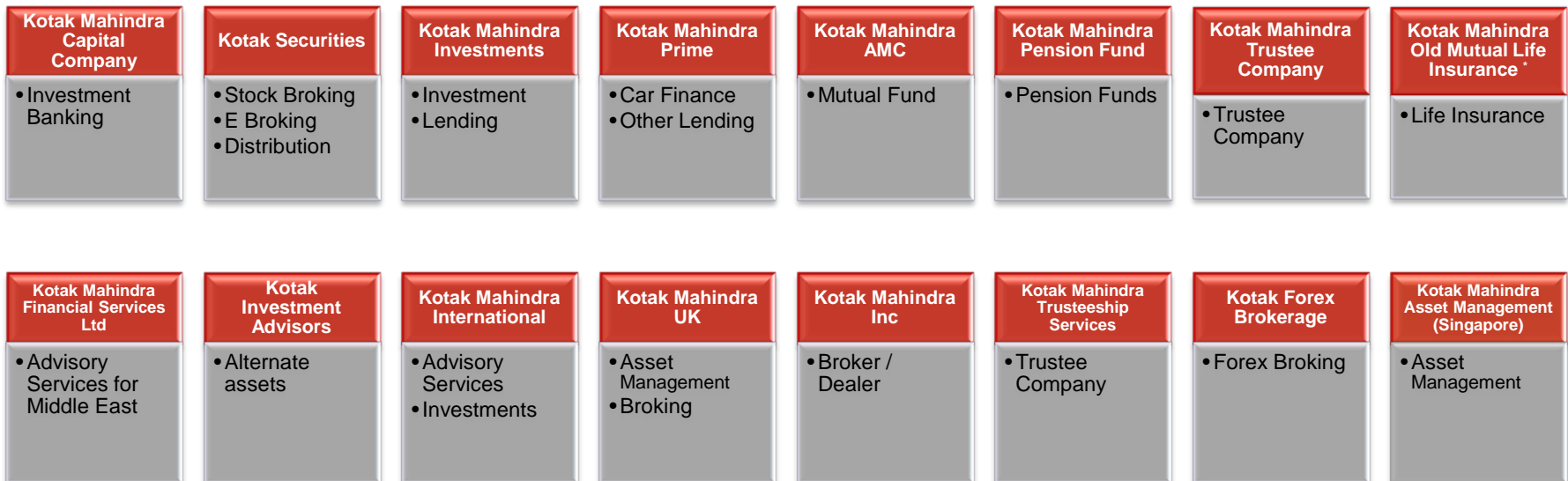


# Group Structure



## Kotak Mahindra Bank

- Commercial Bank & Holding Company

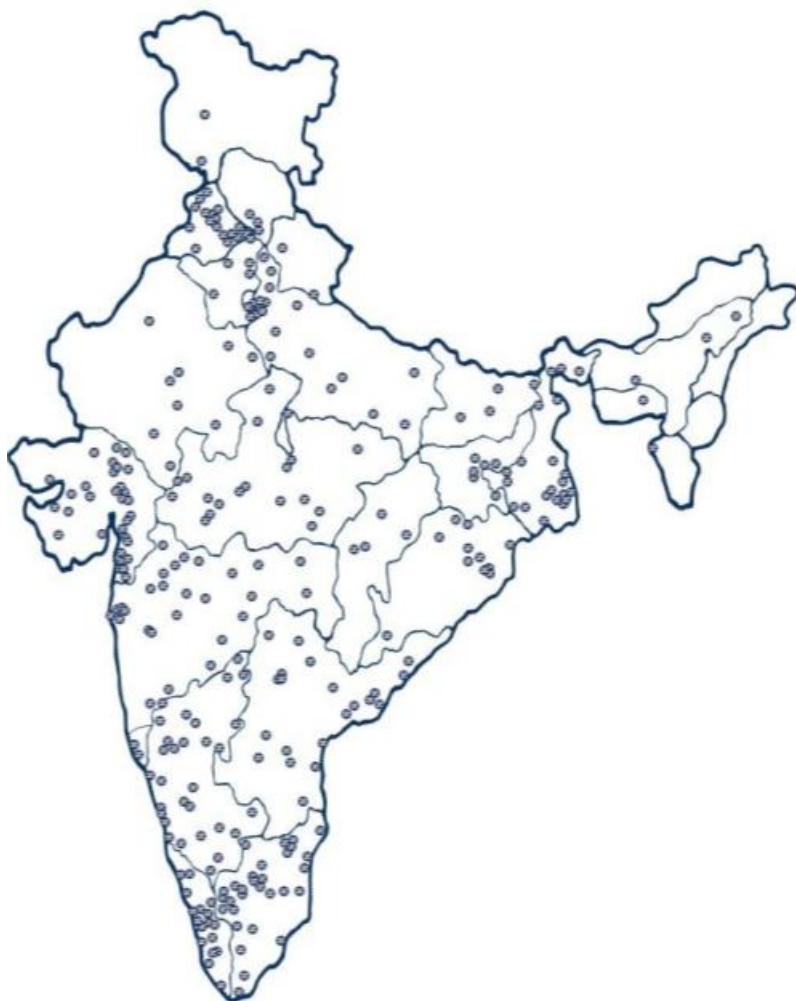


Note:

- All companies are fully owned subsidiaries excepting KM Old Mutual which is held 74%

# Geographical Presence

## Wide National Footprint .....



## ..... With Multiple Points of Presence

Business	Sep 30, 2014
Banking	641
Car Finance	74
Life Insurance	210
Securities	1,164
Mutual Fund	79
<b>Total</b>	<b>2,168</b>

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

# Consolidated Highlights – Q2FY15

**PAT**

**₹ 718 cr**  
(₹ 583 cr)  
Up 23%

**Networth**

**₹ 20,554 cr**  
(₹ 17,868 cr)

**RoA**

**2.2% (2.0%)**

**Book  
Value**

**(per share)**  
**₹ 266.5**  
(₹ 232.6)

**NIM**

**5.0% (4.9%)**

**Loans**

**₹ 81,418 cr**  
(₹ 68,226 cr)  
Up 19%\*

**Total  
Assets**

**₹ 134,401 cr**  
(₹ 114,631 cr)

**Net  
NPA**

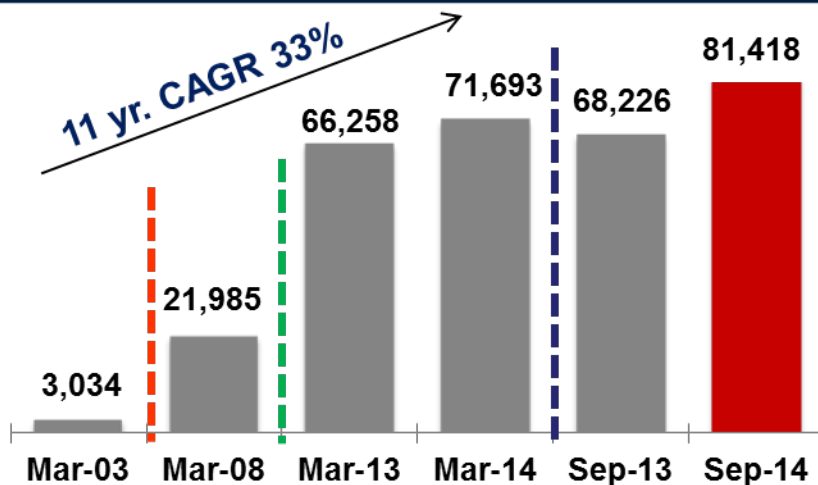
**0.84% (0.80%)**

*\* Advances growth excluding CV/CE at 24%*

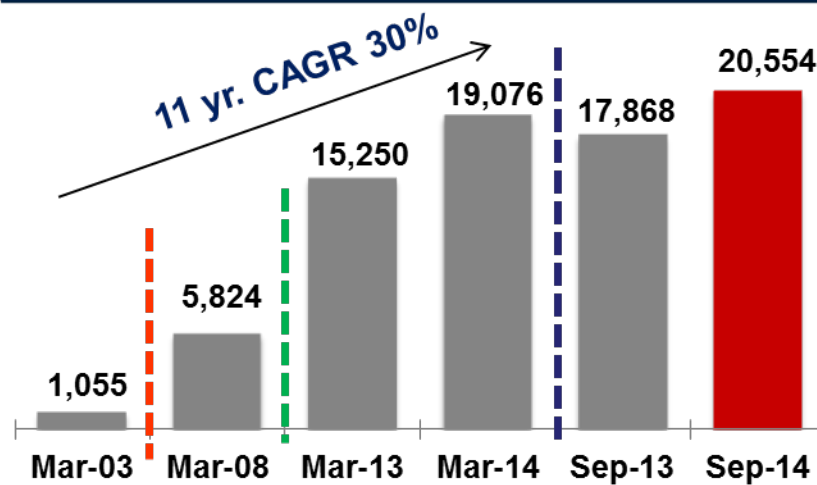
*Figures in brackets are Q2FY14 numbers*

# Consolidated Key Financials

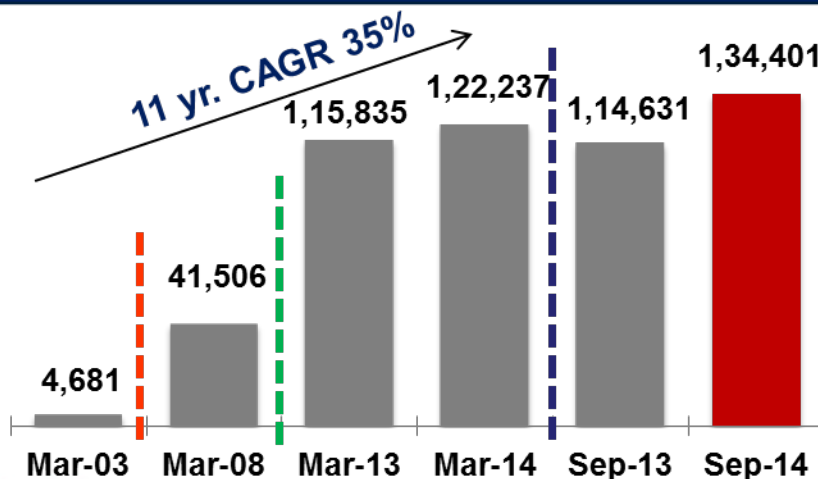
Advances (₹ cr)



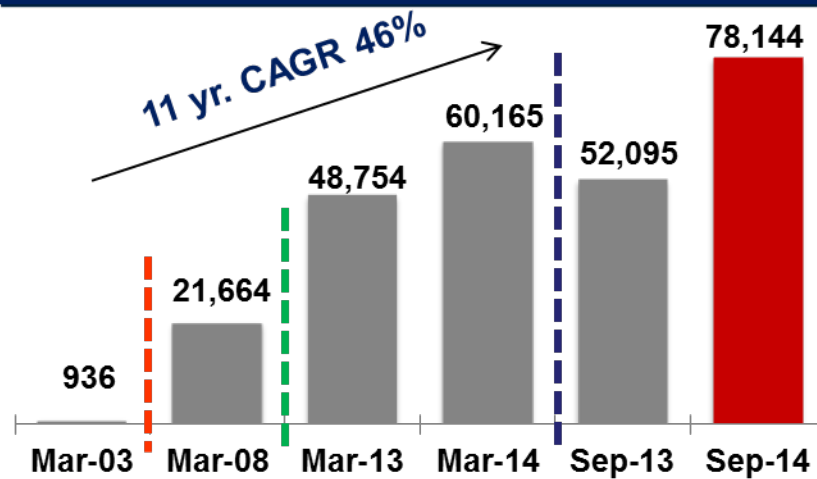
Networth (₹ cr)



Total Assets (₹ cr)

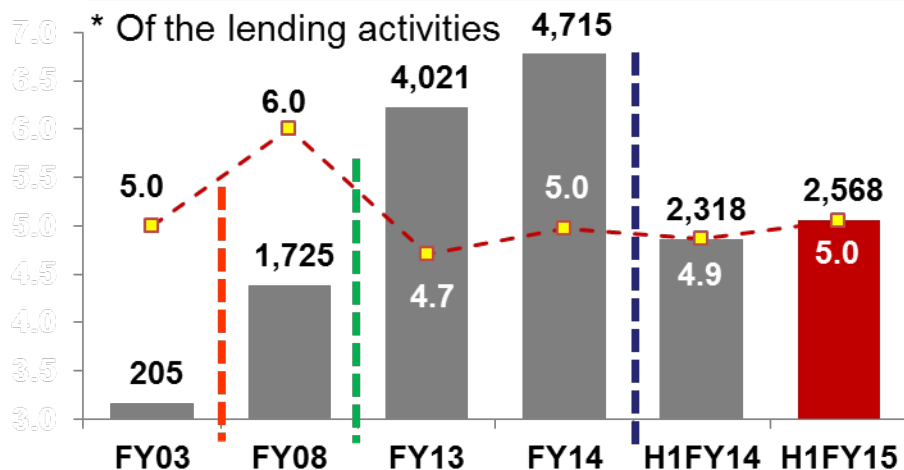


Market Cap (₹ cr)

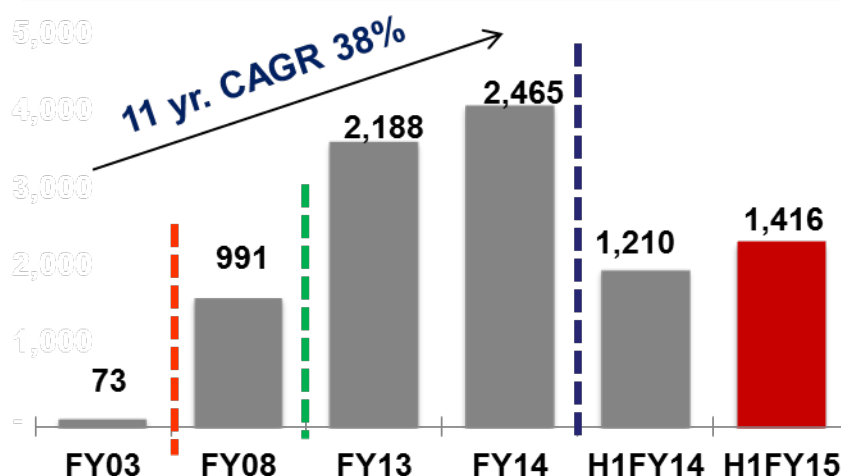


# Consolidated Key Financials

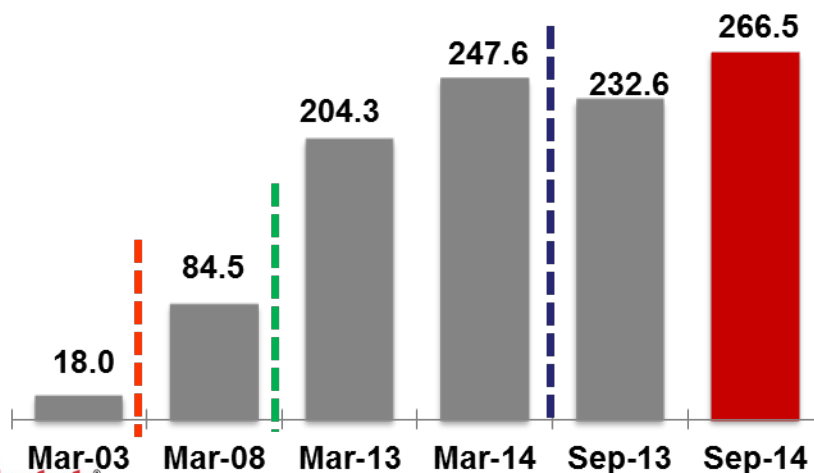
## NII\* (₹ cr) & NIM\* (%)



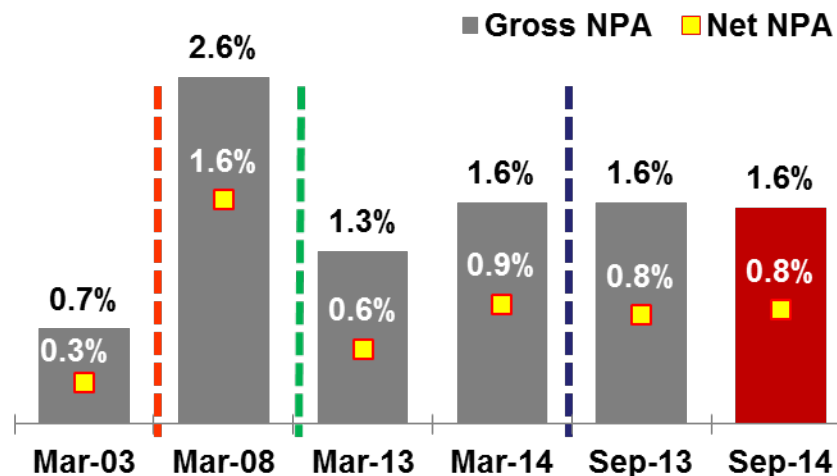
## PAT (₹ cr)



## Book Value Per Share (₹)



## NPA (%)



# Consolidated PAT

₹ cr	FY03	FY08	FY11	FY12	FY13	FY14
Kotak Mahindra Bank	45	294	818	1,085	1,361	1,503
Kotak Mahindra Prime	11	101	318	385	431	491
Kotak Mahindra Investments	15	43	24	15	33	42
Kotak Securities	24	409	182	126	114 *	160
Kotak Mahindra Capital Company	31	115	52	6	17	14
Kotak Mahindra Old Mutual Life Insurance	(42)	(72)	101	203	190	239
Kotak Mahindra AMC & Trustee Co	3	8	17	22	12	41
International subsidiaries	-	64	51	(11)	6	7
Kotak Investment Advisors	(1)	13	33	36	31	18
<b>Total</b>	<b>86</b>	<b>975</b>	<b>1,596</b>	<b>1,867</b>	<b>2,195</b>	<b>2,515</b>
Minority Interest, Affiliates, others	(13)	16	(29)	(35)	(7) *	(50)
<b>Consolidated PAT</b>	<b>73</b>	<b>991</b>	<b>1,567</b>	<b>1,832</b>	<b>2,188</b>	<b>2,465</b>

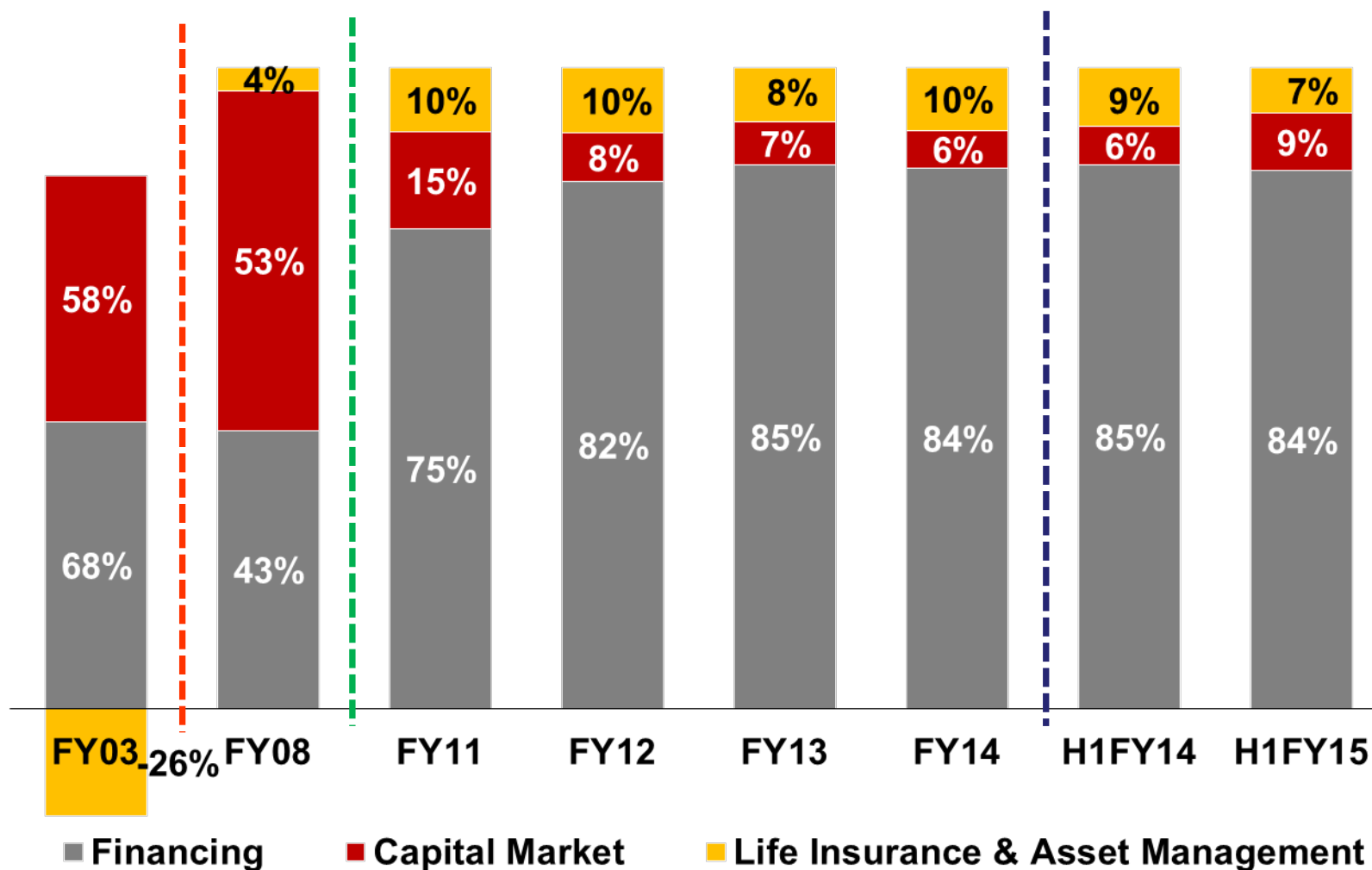
\* after considering ₹ 30 cr loss on divestment of stake in a fellow subsidiary ; no impact on consolidated profits



# Consolidated PAT – cont'd

₹ cr	Q1FY15	Q2FY14	Q2FY15	H1FY14	H1FY15
Kotak Mahindra Bank	430	353	445	756	875
Kotak Mahindra Prime	120	125	125	242	245
Kotak Mahindra Investments	17	11	25	15	42
Kotak Securities	68	40	66	71	134
Kotak Mahindra Capital Company	(4)	(2)	(7)	2	(11)
Kotak Mahindra Old Mutual Life Insurance	49	44	52	115	101
Kotak Mahindra AMC & Trustee Co	-	17	(1)	24	(1)
International subsidiaries	7	1	13	(9)	20
Kotak Investment Advisors	8	4	4	5	12
<b>Total</b>	<b>695</b>	<b>593</b>	<b>722</b>	<b>1,221</b>	<b>1,417</b>
Minority Interest, Affiliates, others	3	(10)	(4)	(11)	(1)
<b>Consolidated PAT</b>	<b>698</b>	<b>583</b>	<b>718</b>	<b>1,210</b>	<b>1,416</b>

# Consolidated Profit (PBT) Mix



# Consolidated Profit and Loss

₹ cr	FY03	FY08	FY11	FY12	FY13	FY14
Net Interest Income	246	1725	3,305	3,928	4,813	5,674
Other Income	279	4198	5,090	4,544	5,113	5,259
<b>Net Total Income</b>	<b>525</b>	<b>5,923</b>	<b>8,395</b>	<b>8,472</b>	<b>9,926</b>	<b>10,933</b>
Employee Cost	104	1,198	1,522	1,602	1,774	1,915
Other Operating Expenses	255	2,893	4,478	4,115	4,824	5,013
<b>Operating Expenditure</b>	<b>359</b>	<b>4,091</b>	<b>6,000</b>	<b>5,717</b>	<b>6,598</b>	<b>6,928</b>
<b>Operating Profit</b>	<b>166</b>	<b>1,832</b>	<b>2,395</b>	<b>2,755</b>	<b>3,327</b>	<b>4,004</b>
Provision on advances and other receivables	10	275	118	86	217	163
Provision on investments	14	149	30	13	(34)	146
Provision & contingencies	24	424	148	99	183	309
<b>PBT</b>	<b>142</b>	<b>1,408</b>	<b>2,247</b>	<b>2,657</b>	<b>3,144</b>	<b>3,696</b>
Provision for Tax	64	449	678	806	940	1,184
MI & Affiliates	(5)	32	(2)	(18)	(16)	(47)
<b>PAT</b>	<b>73</b>	<b>991</b>	<b>1,567</b>	<b>1,832</b>	<b>2,188</b>	<b>2,465</b>

# Consolidated Profit and Loss – cont'd

₹ cr	Q1FY15	Q2FY14	Q2FY15	H1FY14	H1FY15
Net Interest Income	1,510	1,416	1,584	2,790	3,094
Other Income	1,871	713	1,652	2,070	3,523
<b>Net Total Income</b>	<b>3,381</b>	<b>2,130</b>	<b>3,236</b>	<b>4,860</b>	<b>6,617</b>
Employee Cost	564	439	576	933	1,140
Other Operating Expenses	1,759	721	1,524	1,853	3,283
<b>Operating Expenditure</b>	<b>2,323</b>	<b>1,160</b>	<b>2,100</b>	<b>2,786</b>	<b>4,423</b>
<b>Operating Profit</b>	<b>1,058</b>	<b>970</b>	<b>1,136</b>	<b>2,074</b>	<b>2,194</b>
Provision on advances and other receivables	76	8	74	149	151
Provision on investments	(49)	79	(16)	97	(65)
Provision & contingencies	27	86	58	246	85
<b>PBT</b>	<b>1,031</b>	<b>884</b>	<b>1,077</b>	<b>1,829</b>	<b>2,109</b>
Provision for Tax	335	290	358	593	693
MI & Affiliates	2	(11)	(2)	(25)	0
<b>PAT</b>	<b>698</b>	<b>583</b>	<b>718</b>	<b>1,210</b>	<b>1,416</b>

# Consolidated Balance Sheet

Liabilities ₹ cr	Mar-03	Mar-08	Mar-13	Mar-14	Jun-14	Sep-13	Sep-14
Capital	59	345	373	385	385	384	386
Reserves and Surplus	996	5,479	14,877	18,691	19,400	17,484	20,169
Policyholders' Funds	27	2,842	10,077	11,015	11,754	10,038	12,166
Deposits	203	13,692	49,389	56,930	59,693	50,683	66,311
Borrowings	2,680	14,508	36,172	29,007	28,590	30,228	28,241
Other Liabilities and Provisions	716	4,640	4,947	6,209	6,921	5,815	7,128
<b>Total</b>	<b>4,681</b>	<b>41,506</b>	<b>115,835</b>	<b>122,237</b>	<b>126,743</b>	<b>1,14,631</b>	<b>1,34,401</b>
Assets ₹ cr	Mar-03	Mar-08	Mar-13	Mar-14	Jun-14	Sep-13	Sep-14
Cash and Balances with RBI	59	1,690	2,221	2,960	3,242	2,941	3,019
Bank Balances & Money at Call/Short Notice	96	2,593	2,298	3,683	2,005	3,000	1,731
Investments	1,044	12,491	40,907	38,791	39,270	35,097	42,694
Loans & Advances	3,034	21,985	66,258	71,693	77,076	68,226	81,418
Fixed Assets	120	333	616	1,261	1,237	1,236	1,224
Other Assets	328	2,414	3,535	3,849	3,913	4,132	4,315
<b>Total</b>	<b>4,681</b>	<b>41,506</b>	<b>115,835</b>	<b>122,237</b>	<b>126,743</b>	<b>1,14,631</b>	<b>1,34,401</b>

# Consolidated Advances and Investments

₹ cr	Mar 31, 2014	Sep 30, 2013	Sep 30, 2014	YoY Growth
Corporate Banking	17,319	17,245	24,845	44%
CV/CE	5,441	6,781	5,062	(25%)
Agriculture Division	10,468	7,910	10,137	28%
Business Banking	5,388	5,308	5,655	7%
Auto loans	13,223	13,094	13,893	6%
Home Loans and LAP	12,100	11,307	12,894	14%
Small Business, Personal loans & Credit Cards	4,667	4,131	5,344	29%
Others	3,087	2,450	3,588	46%
<b>Total Advances</b>	<b>71,693</b>	<b>68,226</b>	<b>81,418</b>	<b>19%</b>
Investments/ Treasury Assets *	27,788	25,198	30,430	21%
<b>Total Advances and Investments</b>	<b>99,481</b>	<b>93,424</b>	<b>111,848</b>	<b>20%</b>

**Advances growth excluding CV/CE at 24%**

\* Does not include policy holders' investments

# Entity wise Network

₹ cr	Mar 31, 2014	Sep 30, 2013	Sep 30, 2014
Kotak Mahindra Bank	12,275	11,553	13,199
Kotak Mahindra Prime	2,843	2,593	3,087
Kotak Mahindra Investments	436	360	553
Kotak Securities	2,094	2,005	2,228
Kotak Mahindra Capital Company	403	391	391
Kotak Mahindra Old Mutual Life Insurance	1,042	917	1,143
Kotak Mahindra AMC & Trustee Co	126	133	125
International Subsidiaries	410	411	443
Kotak Investment Advisors	240	228	253
Other Entities	32	32	32
<b>Total</b>	<b>19,901</b>	<b>18,623</b>	<b>21,454</b>
Add: Associates	549	538	573
Less: Minority, Inter-company and Other Adjustments	(1,374)	(1,293)	(1,473)
<b>Consolidated Network</b>	<b>19,076</b>	<b>17,868</b>	<b>20,554</b>

# Kotak Bank - Standalone Highlights – Q2FY15

**PAT**

₹ 445 cr  
(₹ 353 cr)  
Up 26%

**RoA**

2.0% (1.7%)

**Loans**

₹ 60,948 cr  
(₹ 50,609 cr)  
Up 20%\*

**NIM**

5.0%  
(4.9%)

**Net  
NPA**

1.0% (0.96%)

**CAR<sup>#</sup>**

17.6% (19.4%)

**Tier 1**

16.6% (18.1%)

**CASA**

₹ 21,165 cr  
(₹ 15,393 cr)

**Branches**

641  
(502)

Acquired 15% stake in Multi Commodity Exchange of India Ltd (MCX) for ₹ 459 cr at ₹ 600 per share  
AAA rating by Crisil, ICRA and India Ratings for both subordinated as well as senior debt

\* Advances growth excluding CV/CE at 28%

# As per Basel III, including profits. Excluding unaudited profit CAR 16.4%, Tier I 15.5% (CAR 18.1% and Tier I 16.9%)

Figures in brackets are Q2FY14 numbers



# Bank Profit & Loss

₹ cr	FY14	Q1FY15	Q2FY14	Q2FY15
Net Interest Income	3,720	1,002	924	1,039
Other Income	1,400	400	297	466
<b>Net Total Income</b>	<b>5,120</b>	<b>1,402</b>	<b>1,221</b>	<b>1,505</b>
Employee Cost	1,159	348	265	355
Other Operating Expenses	1,384	388	350	416
<b>Operating Expenditure</b>	<b>2,543</b>	<b>736</b>	<b>615</b>	<b>771</b>
<b>Operating Profit</b>	<b>2,577</b>	<b>666</b>	<b>606</b>	<b>734</b>
Provision on advances	256	73	41	95
Recoveries	(109)	(7)	(19)	(31)
Provision on other receivables	(19)	(2)	(20)	-
Provision on investments	176	(50)	70	(10)
<b>Provision &amp; contingencies</b>	<b>304</b>	<b>14</b>	<b>72</b>	<b>54</b>
<b>PBT</b>	<b>2,273</b>	<b>652</b>	<b>534</b>	<b>680</b>
Provision for Tax	770	222	181	235
<b>PAT</b>	<b>1,503</b>	<b>430</b>	<b>353</b>	<b>445</b>

# Bank Other Income

₹ cr	FY14	Q1FY15	Q2FY14	Q2FY15
Fee and Services	942	315	212	321
Treasury Income *	299	54	70	85
ARD Buyout Income	141	29	13	48
Others	18	2	2	12
<b>Total</b>	<b>1,400</b>	<b>400</b>	<b>297</b>	<b>466</b>

\* Does not include provisions

# Bank Segmental Performance

As per RBI (₹ cr)	FY14	Q1FY15	Q2FY14	Q2FY15
Corporate/Wholesale Banking	1,301	291	307	335
Retail Banking	793	216	180	210
Treasury & BMU *	176	140	47	135
Unallocated Income	3	5	-	-
<b>Total</b>	<b>2,273</b>	<b>652</b>	<b>534</b>	<b>680</b>

\* Balance Sheet Management Unit

# Bank Advances & Investments

₹ cr	Mar 31, 2014	Sep 30, 2013	Sep 30, 2014	YoY Growth
Corporate Banking	14,377	14,759	21,140	43%
CV/CE	5,441	6,781	5,062	(25%)
Agriculture Division	10,468	7,910	10,137	28%
Business Banking	5,388	5,308	5,655	7%
Home Loans and LAP	12,100	11,307	12,894	14%
Small Business, Personal loans & Credit Cards	4,632	4,099	5,301	29%
Others	622	445	759	71%
<b>Total Advances</b>	<b>53,028</b>	<b>50,609</b>	<b>60,948</b>	<b>20%*</b>

## Advances – as per segmental classification

₹ cr	Mar 31, 2014	Sep 30, 2013	Sep 30, 2014
Retail	23,682	24,785	24,733
Corporate	29,346	25,824	36,215
<b>Total Advances</b>	<b>53,028</b>	<b>50,609</b>	<b>60,948</b>
Investments / Treasury Assets	25,485	22,528	27,227
<b>Total Advances and Investments</b>	<b>78,513</b>	<b>73,137</b>	<b>88,175</b>

\* Advances growth excluding CV/CE at 28%

# Bank Balance Sheet

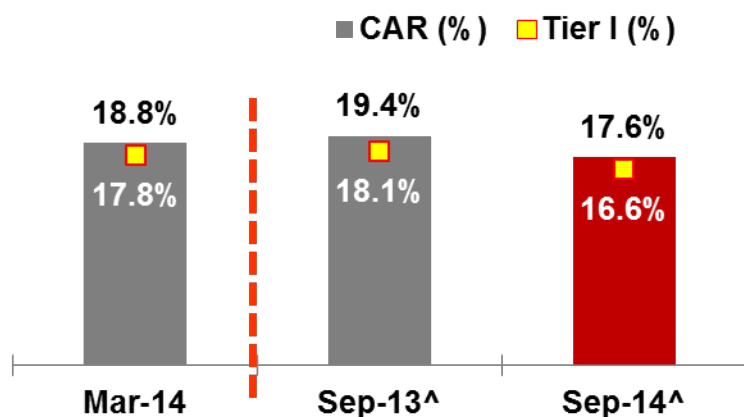
₹ cr	Mar 31, 2014	Sep 30, 2013	Sep 30, 2014	YoY Growth
Net Worth	12,275	11,553	13,199	14%
Deposits	59,072	52,642	68,103	29%
CA	8,741	7,008	9,472	35%
SA	10,087	8,385	11,693	39%
<i>Certificate of Deposit</i>	5,726	4,536	4,653	3%
<i>Term Deposit Others</i>	34,518	32,713	42,285	29%
Borrowings	12,896	14,523	10,554	(27%)
Other Liabilities and Provisions	3,342	3,467	3,574	3%
<b>Total</b>	<b>87,585</b>	<b>82,185</b>	<b>95,430</b>	<b>16%</b>

₹ cr	Mar 31, 2014	Sep 30, 2013	Sep 30, 2014	YoY Growth
Cash, Bank and Call	5,980	5,339	4,226	(21%)
Investments	25,485	22,528	27,227	21%
<i>Government Securities</i>	17,466	16,837	19,139	14%
<i>Others</i>	8,019	5,691	8,088	42%
Advances	53,028	50,609	60,948	20%
Fixed Assets and Other Assets	3,092	3,709	3,029	(18%)
<b>Total</b>	<b>87,585</b>	<b>82,185</b>	<b>95,430</b>	<b>16%</b>

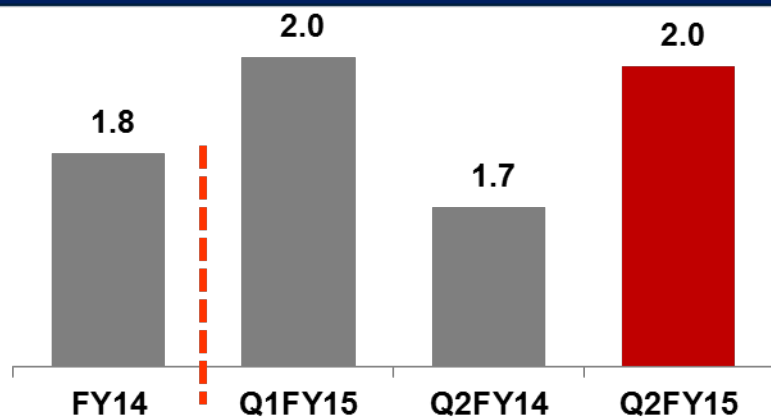
# Bank Key Ratios

## CAR & Tier I (%) – BASEL III

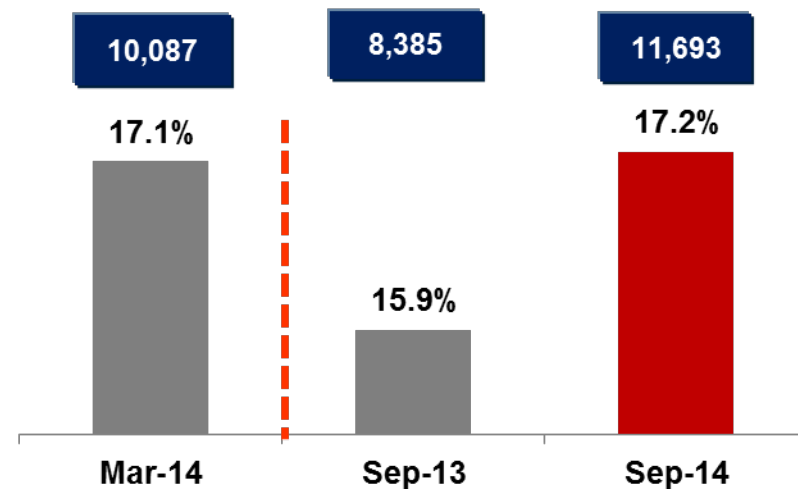
^ Including unaudited profits



## RoA (%)



## Savings Account (₹ cr & % of deposits)

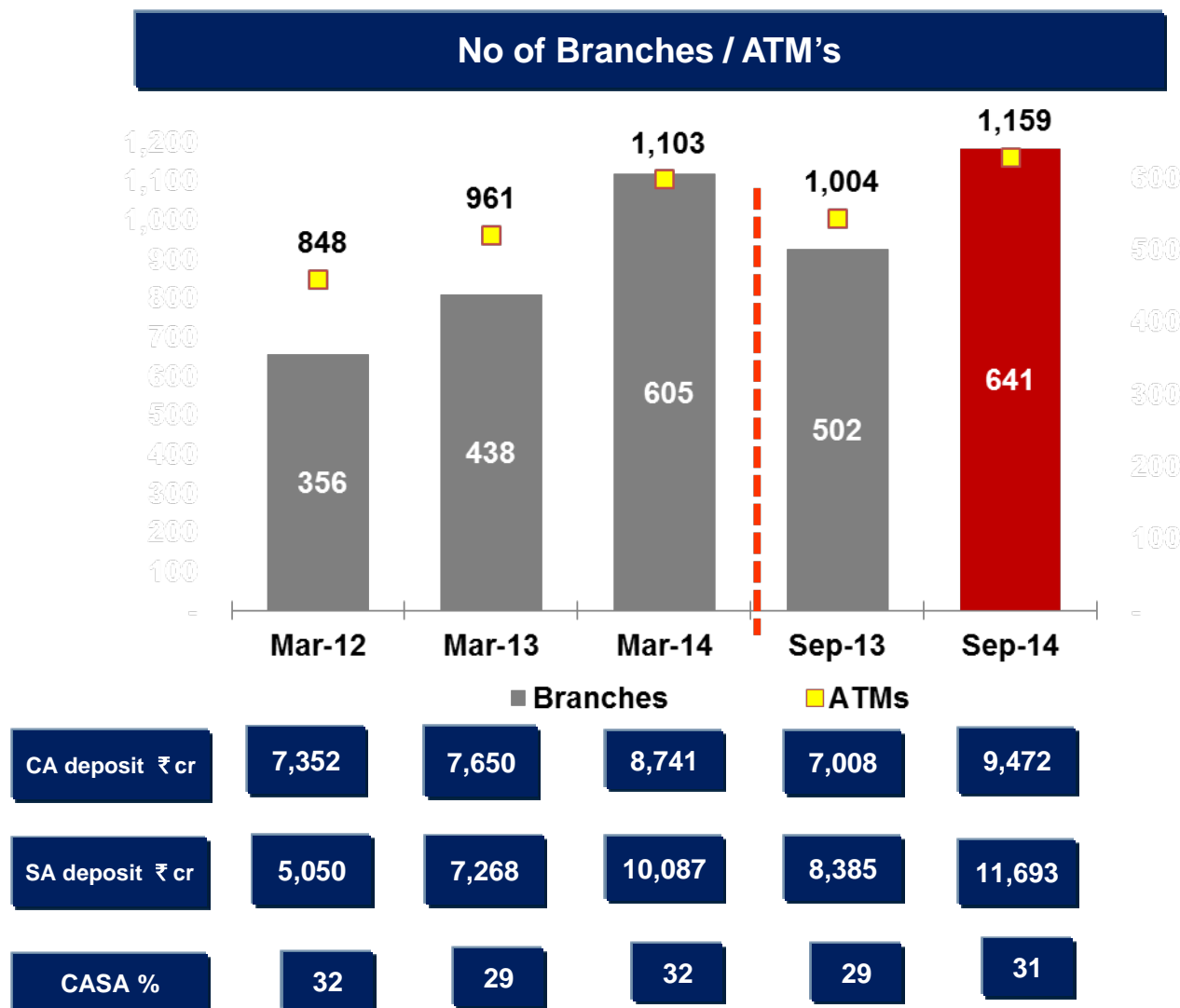


## Asset Quality

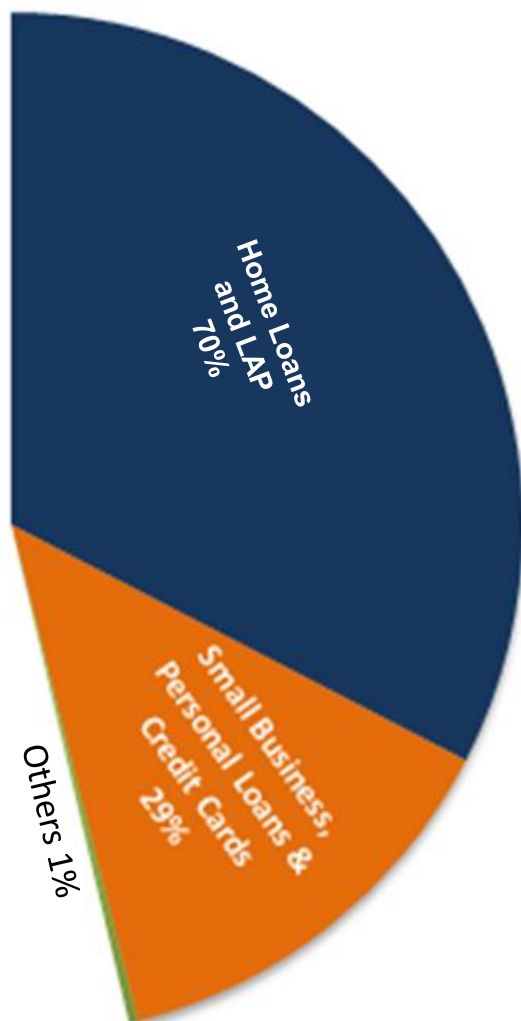
Restructured loans considered standard  
 ₹ 161.5 cr (0.26%)  
 No CDR participation  
 No transfer to ARC  
 No conversion to off-Balance sheet

# Consumer Banking Liabilities

- Plan to reach 1,000 branches by calendar 2016
- TD sweep to total deposit ratio at 8.1% (7.2% as on Sep-13)
- CASA and TDs below ₹ 5 cr constitute 65% of total deposits (63% as on Sep-13)
- TDs below ₹ 1 cr grew 31% yoy
- Added ~ 2.1 lac customer accounts for the quarter
- Digital initiatives: Kaypay, Kotak Jifi, send money via email
- Cost of SA - 5.58%



# Consumer Banking Asset - Bank

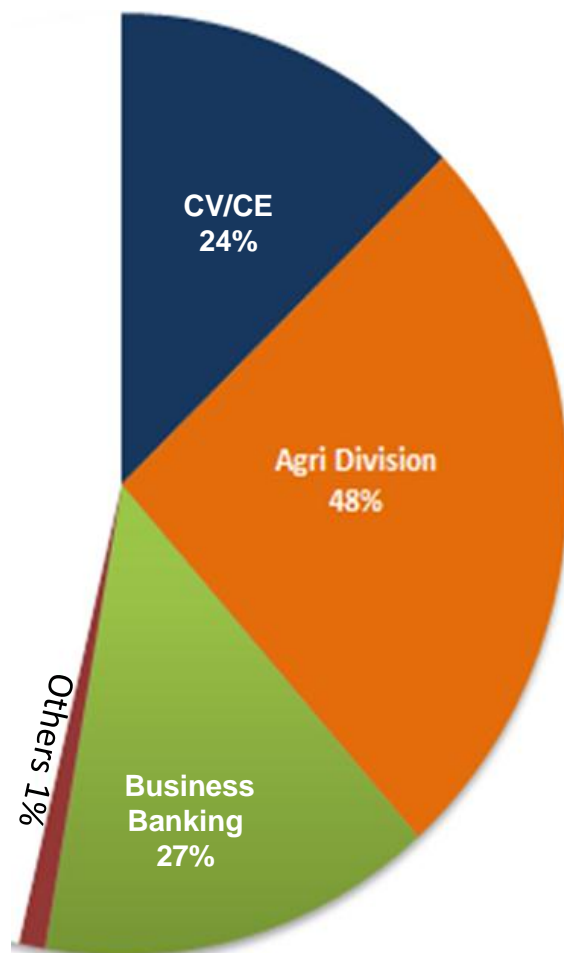


	Mar 31, 2014	Sep 30, 2013	Sep 30, 2014	YoY Growth
Home Loans and LAP	12,100	11,307	12,894	14%
Small Business, Personal loans & Credit Cards	4,632	4,099	5,301	29%
Others	162	149	113	(24%)
<b>Total Consumer Banking</b>	<b>16,894</b>	<b>15,555</b>	<b>18,308</b>	<b>18%</b>

- ❑ 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 Asset - Bank

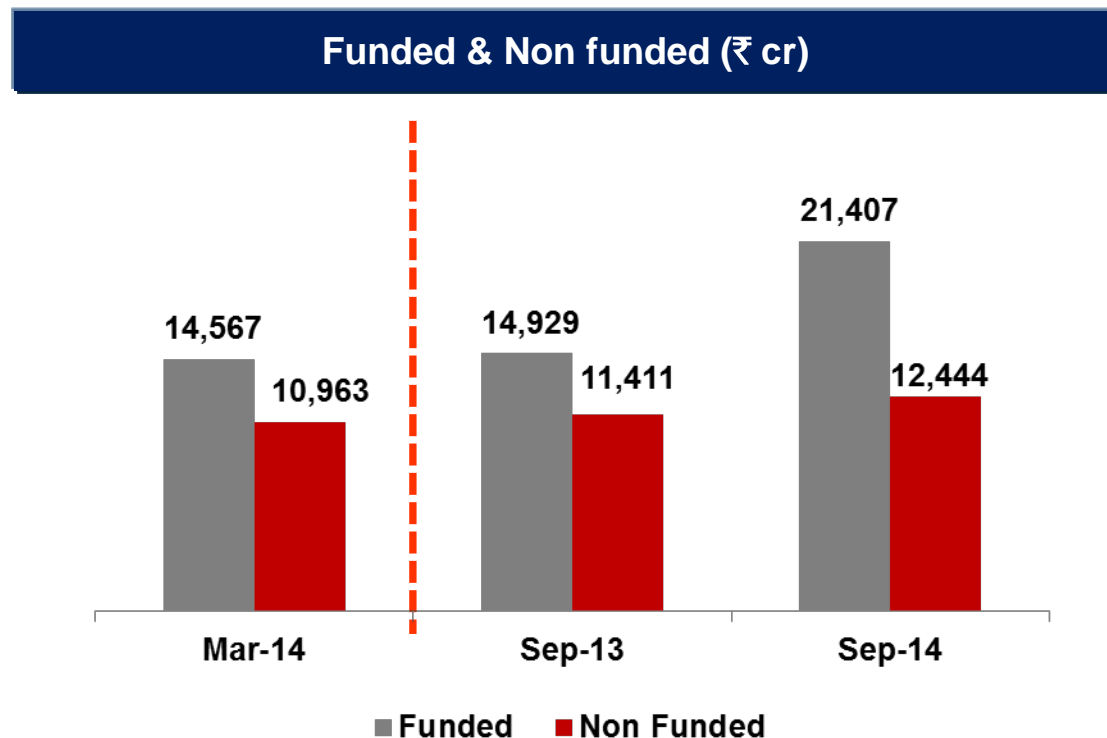


	Mar 31, 2014	Sep 30, 2013	Sep 30, 2014	YoY Growth
CV/CE	5,441	6,781	5,062	(25%)
Agri Division	10,468	7,910	10,137	28%
Business Banking	5,388	5,308	5,655	7%
Others	270	125	379	-
<b>Total Commercial Banking</b>	<b>21,567</b>	<b>20,124</b>	<b>21,233</b>	<b>6%</b>

- ❑ Continued focus and growth in Agri finance
- ❑ Refocus on heavy commercial vehicles by gradual increase in month on month disbursements

# Wholesale Banking - Bank

- ❑ Complete range of financial products in offer for diverse corporates
  - Large and midmarket, PSUs, MNCs, financial market players
- ❑ Focus on franchise establishment with large corporates and deepening mid market segment
- ❑ Built-out corporate franchise
  - through improved client coverage, product innovation & leveraging technology
- ❑ Enhancing value for customer as well as optimizing risk return for the bank
- ❑ Focus on transaction banking, trade book, Fx and structured finance business
- ❑ Drive to achieve product synergies and increase wallet share



# Kotak Mahindra Prime

₹ cr	FY14	Q1FY15	Q2FY14	Q2FY15
NII	880	216	220	227
Other income	181	51	45	51
Total Income	1,061	267	265	278
Profit before tax	752	183	191	190
<b>Profit after tax</b>	<b>491</b>	<b>120</b>	<b>125</b>	<b>125</b>

₹ cr	Mar 31, 2014	Sep 30, 2013	Sep 30, 2014
Customer Assets	17,948	17,697	18,819
Car Advances	13,273	13,136	13,946
Disbursement (Car) – For the quarter	1,582	1,435	1,834
Net NPA	56	51	64
Net NPA (%)	0.3	0.3	0.3
CAR (%)	17.7	16.4	17.7
ROA (%) - annualised	2.6	2.6	2.5

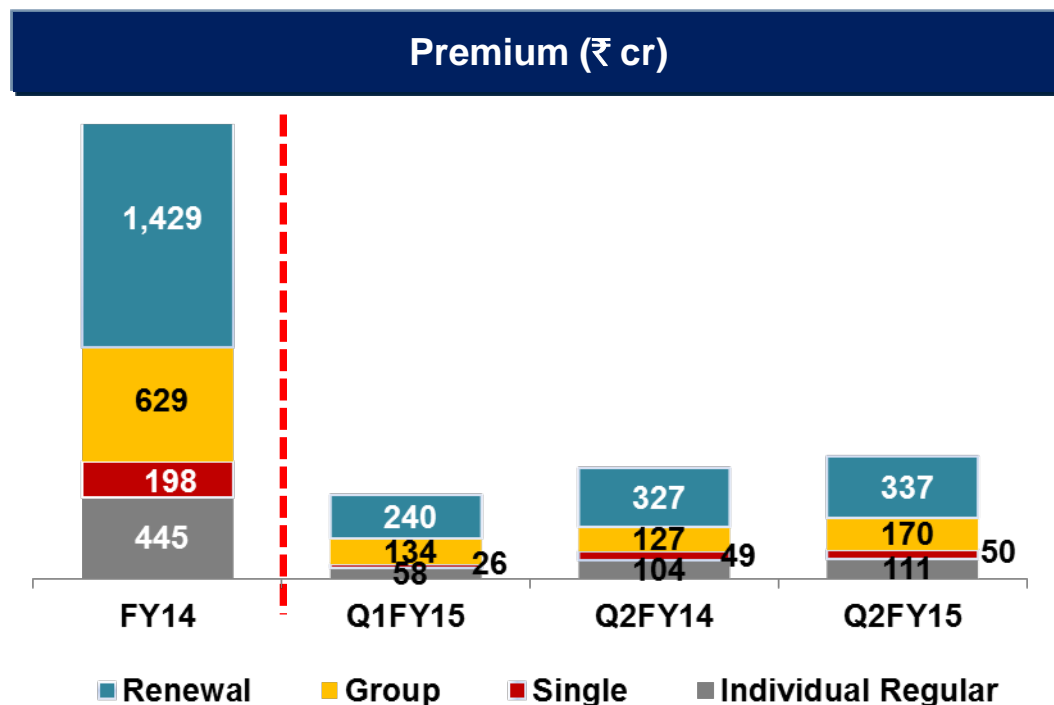
# Kotak Mahindra Investments

₹ cr	FY14	Q1FY15	Q2FY14	Q2FY15
NII	78	30	20	39
Other income	10	6	1	8
Total Income	88	36	21	47
Profit before tax	64	26	18	38
<b>Profit after tax</b>	<b>42</b>	<b>17</b>	<b>11</b>	<b>25</b>

₹ cr	Mar 31, 2014	Sep 30, 2013	Sep 30, 2014
Customer Assets	1,555	741	2,359
Net NPA	7	15	6
Net NPA (%)	0.5	2.0	0.2
CAR (%)	26.3	42.4	22.7
ROA (%) - annualised	3.6%	5.0%	3.9%

# Kotak Mahindra Life Insurance

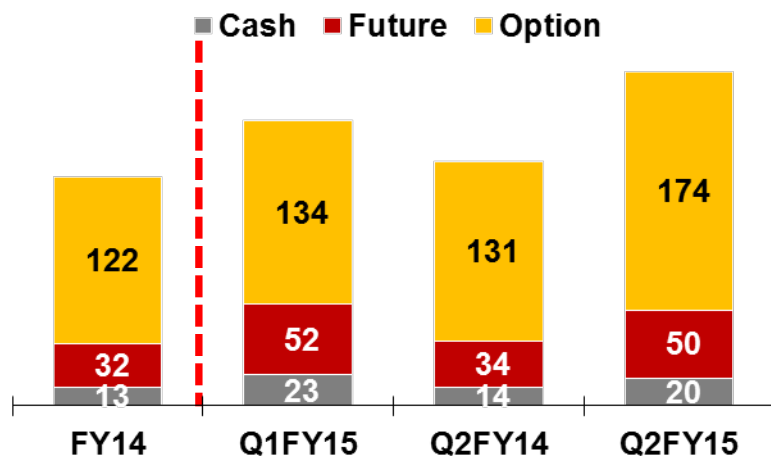
- Individual Business grew by 7%
- Agency's Regular Business grew by 21%
- On APE (Single @ 1/10<sup>th</sup>) Basis, Share of Kotak Bank for FY14 is at 28% ( PY – 25%)
- Inforce Sum Assured has increased 24% from ₹ 2,361 bn to ₹ 2,926 bn



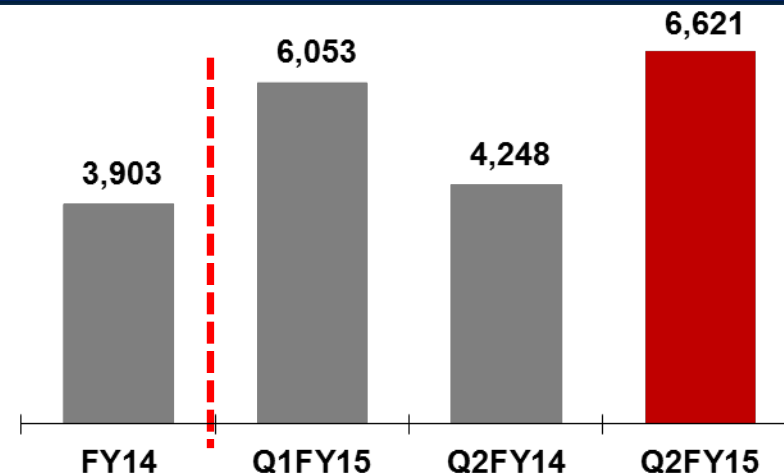
₹ cr	FY14	Q1FY15	Q2FY14	Q2FY15
Capital	562	562	562	562
Solvency ratio (%)	3.02	3.06	3.12	2.98
PAT	239	49	44	52

# Kotak Securities

Market ADV (₹ '000 cr)



ADV (₹ cr) - KS











₹ cr	FY14	Q1FY15	Q2FY14	Q2FY15
Total income	627	223	152	224
Profit before tax	234	103	60	100
Profit after tax	160	68	40	66
Market Share* (%)	2.3	2.9	2.4	2.7

\*excluding BSE Derivative segment

Kotak Securities services more than 9.9 lac secondary market customers through 1,164 branches and franchises

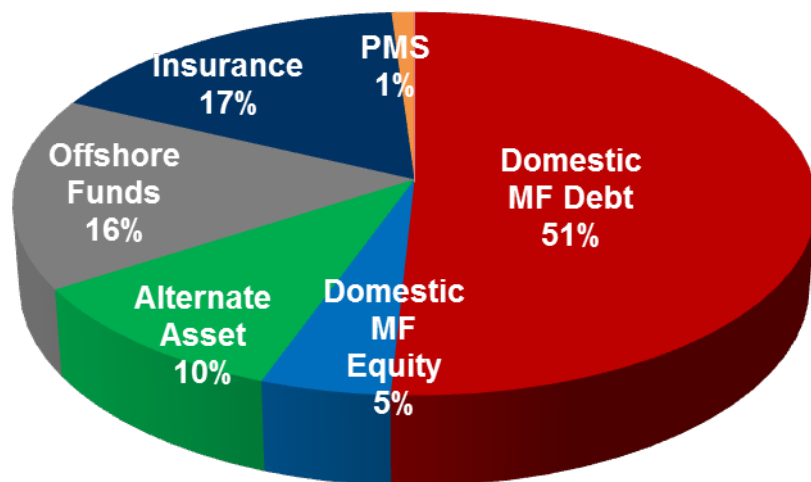
# Kotak Mahindra Capital Co.

Client (Equity)	Transactions	Size (₹ cr)
Capital Market Deals		
	Qualified Institutions Placement (QIP)	1,000
	Qualified Institutions Placement (QIP)	350
M&A Deals		
	Exclusive Financial Advisor to Apax Partners for investment in Cholamandalam Investment & Finance Company Ltd	500
	Exclusive Financial Advisor to Kotak Mahindra Bank Ltd for the acquisition of 15% stake in Multi Commodity Exchange of India Ltd (MCX)	459
	Manager to Open Offer for Styrolution ABS (India) Limited	220
	Fairness Opinion for the acquisition by Medispray Laboratories, (a 100% subsidiary of Cipla) of two manufacturing units of Okasa Pvt. Ltd. and Okasa Pharma Pvt. Ltd.	~101
	Exclusive Financial Advisor to Bausch & Lomb Eyecare India Ltd for the sale of Ophthalmology Portfolio to Ipca Laboratories Ltd	Undisclosed
	Financial Advisor for the demerger of insurance and services business of Mastek Ltd	NA

₹ cr	FY14	Q1FY15	Q2FY14	Q2FY15
Total income	84	12	12	11
Profit before tax	18	(6)	(3)	(7)
Profit after tax	14	(4)	(2)	(7)

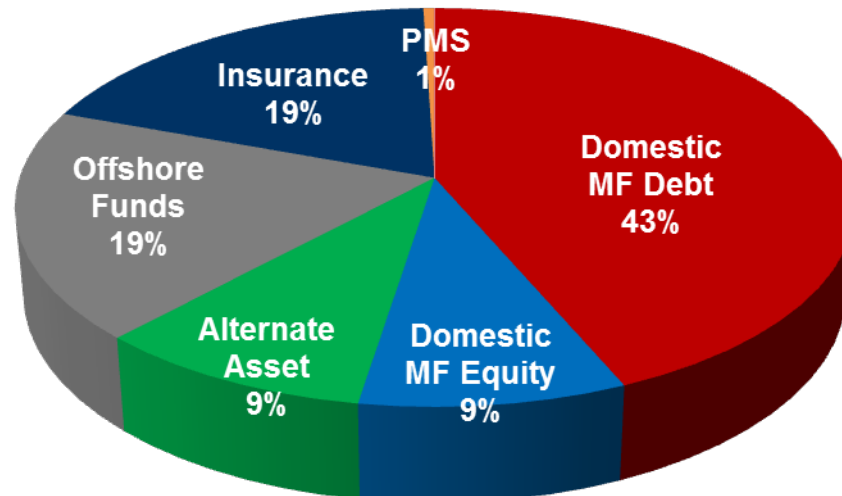
# Asset Under Management

AUM ₹ 60,450 cr



Sep 30, 2013

AUM ₹ 65,657 cr



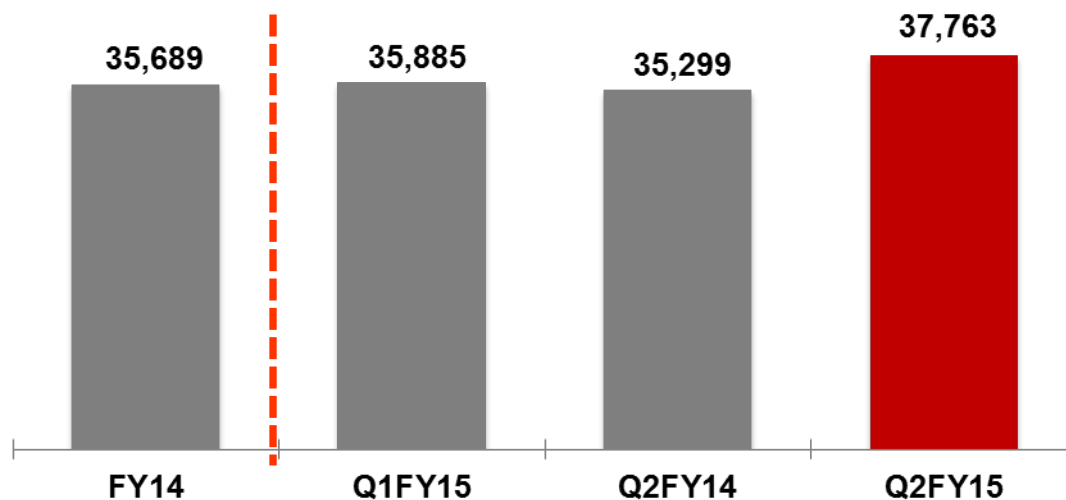
Sep 30, 2014



# Kotak Mahindra AMC and Trustee Co.

## Average Assets Under Management ₹ cr

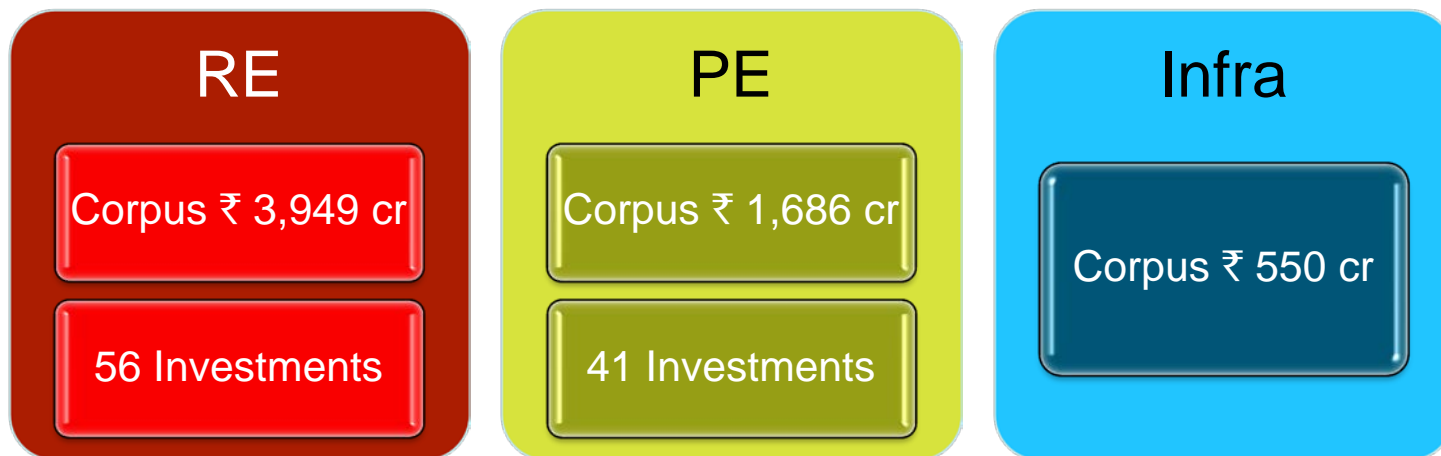
- Agreed to acquire schemes of PineBridge Mutual Fund – AUM ₹ 660 cr



₹ cr #	FY14	Q1FY15	Q2FY14	Q2FY15
Total income	177	29	51	36
Profit before tax	60	-	26	-
<b>Profit after tax</b>	<b>41</b>	<b>-</b>	<b>17</b>	<b>(1)</b>
Average AUM (₹ bn)	357	359	353	378
Average AUM - Equity (₹ bn)	31	39	29	52

# AMC & Trustee Co

# Kotak Investment Advisors



**Total Corpus ₹ 6,185 cr**

₹ cr	FY14	Q1FY15	Q2FY14	Q2FY15
Total income	83	22	20	19
Profit before tax	25	9	7	6
Profit after tax	18	8	4	4

# Bank Awards and Recognition

## Received in FY15

Kotak Wealth Management won the Best Private Bank – India by FinanceAsia Country Awards 2014

Kotak Jifi won the following awards at the Indian Digital Media Awards 2014:

- Gold Award for Best Innovation – World's first socially powered bank account
- Gold Award for Best App developed – World's first banking application using Twitter

Kotak Jifi won the following awards at Campaign India Digital Crest Awards:

- Platinum for Innovation – World's first Twitter Enabled Banking Product
- Gold for Best Usage of Viral Marketing
- Gold for Best Usage of Social Media
- Gold for Best Usage of Digital Marketing
- Gold for Best Digital Strategy

Kotak adjudged as the 9th most valuable brand in India in the BrandZ's 50 most valuable Indian brands ranking

Kotak Mahindra Bank won the Best Local Cash Management Bank in India (6th year in a row) in the Asiamoney Cash Management Poll 2014 (For small and medium enterprises)

# Bank Awards and Recognition

## Received in FY14

Best Medium Sized Bank of the Year Award by Businessworld

Best Bank - Emerging Banks at Outlook Money Awards 2013

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

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

EMC Transformers Award – 2013 for Innovative implementation of storage technologies in the Bank

The 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)

Green IT Enterprise Award 2013 by CIO Forum and Schneider Electric for various power saving techniques implemented in Data Center. Kotak Mahindra Bank was amongst the Top 10 in the 'Top 10 Large Enterprises' category

Asian Banker's IT Award in Best Self Service category for Courtesy Callback feature

# 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



2014: Best Investment Bank in India  
2014: Best Equity House

## 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 2014**



**Best Domestic Equity House  
by Asiamoney – 2014**



**Broker of the Year in India**

**The Asian Banker Financial  
Markets Awards 2014**



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**

8<sup>th</sup> most respected company in India's  
BFS & Insurance space



**NSDL Star Performers Award  
2013**  
Top Performer in New Accounts  
Opened (Non-Bank Category)



# Kotak Uniqueness

## The 5<sup>th</sup> Largest Bank by Market Capitalisation

### Integrated Financial Services Business Model

- ∞ Mature businesses across most financial services products
- ∞ Leading positions across Retail Banking, Private Banking, Insurance, Investment Banking, Institutional Brokerage and Asset Management,

### Robust Financials & Track Record of Value Creation

- ∞ Strong capital base: Bank's Capital Adequacy Ratio\* at 17.6% as on Sep 30, 2014
- ∞ Strong on-ground relationships key contributor to achieve low risk and high return
- ∞ Consistent stock performance & return to investors – Now part of NSE S&P CNX Nifty Index
- ∞ Record of successful partnerships & alliances across businesses (e.g. Old Mutual, Ford Motor Credit, Goldman Sachs)

### Ability to Identify and Exploit Opportunities

- ∞ Ability to take advantage of opportunities and build profitable business models
- ∞ Ability to gauge warning signals and take early decisions
- ∞ Stay focused on businesses with a long term vision

### Strong Governance Culture & Talent Pool

- ∞ Recognised as amongst India's most trusted financial services brands and the best employers
- ∞ Strong Sponsor commitment & Group reputation
- ∞ Stable leadership team – majority of whom have been with the Group for over 15 years
- ∞ Ability to spot opportunities and trends ahead of time (e.g. car finance, asset reconstruction, retail brokerage, domestic private banking)

# The Path of Leadership

<b>Strong Capital Position</b>	<ul style="list-style-type: none"><li>∞ Capital adequacy amongst the highest in the Indian banking sector</li><li>∞ Provides the basis for growth</li></ul>
<b>Aggressive Pursuit of Cross Sell Opportunities</b>	<ul style="list-style-type: none"><li>∞ Robust bank platform and retail distribution network</li><li>∞ Pan-India reach of over 2,100 retail distribution points across Banking, Broking, Mutual Fund and Insurance</li><li>∞ Provides a platform for improving funding from low-cost liabilities – as can be seen in the improving low cost deposit balance</li><li>∞ Strong Bancassurance model with good cross-sell ratio, ability to mine customer base</li></ul>
<b>Manage Risks beyond “Modeling”</b>	<ul style="list-style-type: none"><li>∞ Extensive on-the-ground presence and superior sponsor / CXO relationships</li><li>∞ Deep, longstanding relationships with a substantial share of corporate India</li></ul>
<b>Multiple Growth Engines</b>	<ul style="list-style-type: none"><li>∞ Continue to evolve a stable annuity flow driven business model – balancing volatility inherent in capital market-linked revenues</li><li>∞ Leveraging world-class infrastructure and technology to drive cost-efficiencies</li><li>∞ Leverage “India asset class strength” to tap global investors – individual as well as institutional</li></ul>
<b>Attract &amp; Retain Talent</b>	<ul style="list-style-type: none"><li>∞ High degree of stability within the management team, many of whom have been with the Group for over fifteen years</li><li>∞ Preferred Employer status in the Financial Services sector allows us to attract the best people</li></ul>



# Talent...Professional Entrepreneurs at work



## Arvind Kathpalia

- ❑ Joined Kotak in 2003; **First charge** | Group Head , Operations, Technology & Finance, Kotak Mahindra Finance
- ❑ **Current charge** | President and Group Chief Risk Officer, Kotak Mahindra Bank
- ❑ **On being a professional entrepreneur** | I joined Kotak Mahindra Bank in 2003 after working for two decades in a Foreign Bank in a variety of Senior Leadership roles. The nature of my first role in Kotak – the thrill of setting up the technology platform, Operations policies and processes for a new bank was truly entrepreneurial. There were daily "innovations" to ensure we met the challenges of the market as the new bank ramped up. I learnt more and never had worked harder (without ever feeling it ) in any of my previous roles. In 2009, at the height of the banking crisis I moved to head the Risk function – having never worked in the function earlier – that's Kotak.



## C. Jayaram

- ❑ Joined Kotak in 1990; **First charge** | Vice President, Kotak Mahindra Finance
- ❑ **Current charge** | Joint Managing Director, Kotak Mahindra Bank
- ❑ **On being a professional entrepreneur** | When I joined Kotak, I didn't really foresee that I would be running a business for the Group. As it turns out, I have been involved with building more than four businesses. Each one has presented its own set of challenges and opportunities. I can't think of too many companies which offer their people this kind of a canvas.



## D Kannan

- ❑ Joined Kotak in 1991; **First charge** | Assistant Manager, Kotak Mahindra Finance
- ❑ **Current charge** | Group Head, Commercial Banking, Kotak Mahindra Bank
- ❑ **On being a professional entrepreneur** | Joined Kotak Mahindra Finance as Assistant Manager and was part of the start up team which set up the Karnataka operations and moved up to be the State Head. Was Asst. Vice President, Asset Finance Division, between 1995 to 1998. Took over as Vice President Sales and Marketing, Ford Credit India Ltd, in 1998 and continued till 2000. Moved to Kotak Securities, in 2000, launched Kotak Securities.com, the internet broking platform and set up the Retail brokerage business. Have been the Managing Director of Kotak Securities since April 2010 and have moved to the Bank in August 2014



# Talent...Professional Entrepreneurs at work

## Dipak Gupta



- ❑ Joined Kotak in 1992; **First charge** | Senior Manager, Kotak Mahindra Finance
- ❑ **Current charge** | Joint Managing Director, Kotak Mahindra Bank
- ❑ **On being a professional entrepreneur** | I used to be an engineer and then a consultant. My first job at Kotak was to look after the Lease and Hire Purchase business. We built one of the largest leasing businesses in the country. When Ford Credit came to India around 1995-96, we entered into a joint venture with them and it was very interesting discussing, debating and negotiating with them. I went on to become the head of that joint venture. Running different businesses while still being in the same fold gives you the twin benefit of a deeper perspective and wider all-round growth.

## Gaurang Shah



- ❑ Joined Kotak in 1996; **First charge** | Chief Operating Officer, Kotak Mahindra Primus;
- ❑ **Current charge** | President – Asset Management and Life Insurance
- ❑ **On being a professional entrepreneur** | I came from a corporate finance background and joined Kotak's Car Finance business. That was in 1996. I was totally new to retail finance. In 1999, I took over as Executive Director of Car Finance and by 2002, we had built one of India's most profitable car finance companies. In 2002, I took over as head of Retail Assets and we added Home Loans, Subprime Lending in automobile financing and agricultural finance to our retail portfolio. In 2004, I moved into Life Insurance with my knowledge of insurance restricted to a single policy that I owned.

## Jaimin Bhatt



- ❑ Joined Kotak in 1995; **First charge** | Proprietary Investments
- ❑ **Current charge** | President & Group CFO
- ❑ **On being a professional entrepreneur** | My initial work at Kotak was in the area of Proprietary Investments, where I worked with Narayan (S.A.). Around the time of the Ford JV, I was invited to be on the team structuring the JV and that was very exciting. I moved to the Investment Bank and handled M&A. I was involved in a number of exciting transactions. Thereafter my role grew into larger operational role at the Investment Bank and also included doing structuring work for the Group. What stands out for me is the freedom and sense of responsibility that one gets and this, in turn, instills a lot of self-confidence. As you grow and inculcate the same sense of self-confidence in those around you, it becomes a part of the culture.

# Talent...Professional Entrepreneurs at work



## K.V.S. Manian

- ❑ Joined Kotak in 1995; **First charge** | Compliance, Kotak Mahindra Capital Company;
- ❑ **Current charge** | President –Wholesale Banking, Kotak Mahindra Bank
- ❑ **On being a professional entrepreneur** | After two years in Investment Banking, I moved into Corporate Finance. I was instrumental in turning around and building the Retail Asset Finance Division (including the early stages of the Commercial Vehicle and Personal Loans Businesses). When the Group restructured its business in preparation for the conversion to a bank, I managed the team working on viability, decision making and structuring of the banking business as a project. I now oversee the Personal customer segment comprising of the Home Finance Division, the Consumer Services Group, Credit Cards and the Auto Finance Business, in addition to the Branch Banking and Retail Liabilities business. I handled the consumer banking business till Mar-14, I am now handling corporate banking business. It's been a diverse set of responsibilities and looking back, I realize that I had no prior experience in any of the functions.



## Mohan Shenoi

- ❑ Joined Kotak in 2002;
- ❑ **Current charge** | President – Group Treasury and Global Markets, Kotak Mahindra Bank
- ❑ **On being a professional entrepreneur** | Very few in the banking industry have the experience of starting a new bank. I had this rare privilege of associating with two banks right from their inception. The first was ICICI Bank and the second is Kotak Mahindra Bank. I was instrumental in setting up and managing the treasury in both banks. At Kotak, Treasury is one of the important contributors to the revenues of the Bank. Over a 29-year banking career, I have worked in branch banking, credit, recoveries, strategic planning and retail banking (apart from treasury). The environment at Kotak allows me to leverage this diversity of experience to the fullest.

# Talent...Professional Entrepreneurs at work



## Narayan S.A.

- ❑ Joined Kotak in 1992; **First charge** | Associate Vice President, Kotak Mahindra Finance (Operations);
- ❑ **Current charge** | President – Commercial Banking and Capital Markets, Kotak Mahindra Bank
- ❑ **On being a professional entrepreneur** | In 1996, broking was largely seen as in institutional business. I believed that retail broking was an opportunity waiting to happen and took up the challenge of going retail. I always wanted to be an entrepreneur and Kotak gave me an opportunity to build a business that any entrepreneur would be proud of.



## Shanti Ekambaram

- ❑ Joined Kotak 1991; **First charge** | Senior Manager – Bill Discounting
- ❑ **Current charge** | President – Consumer Banking covering all liabilities and assets, Kotak Mahindra Bank
- ❑ **On being a professional entrepreneur** | I joined Kotak from a foreign bank. Since financial services was still a new area I was apprehensive but here was a company that seemed young and hungry. In the back of my mind, I knew I could always go back to a MNC if things didn't work out. That was 16 years ago and I'm still here and raring to go. I have run the Bill Discounting business, serviced FIIs and started the M&A desk. When we entered into a strategic alliance with Goldman Sachs, I moved to look after that business and we dominated the GDR and private placement markets. I subsequently moved into the domestic Investment Banking business to develop corporate relationships, then head Fixed Income. In 1998, I took over as the CEO of the Investment Bank and we went on to top the league tables. In 2003 when the bank project was launched I was given the opportunity to build the wholesale bank. I handled the corporate banking business till Mar-14, I am now handling consumer banking business. I don't think any MNC would give me so many opportunities for learning and growth.

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## Contact

Jaimin Bhatt / Nimesh Kampani

Kotak Mahindra Bank Limited

Tel: +91 22 61660000

E-mail: [investor.relations@kotak.com](mailto:investor.relations@kotak.com)