

# Actions speak.

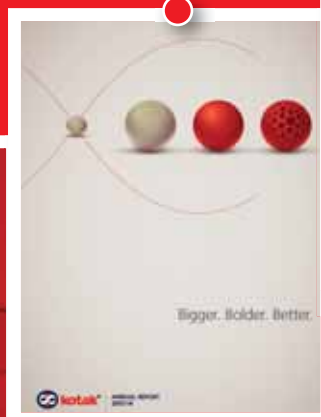
2016-17



2015-16



2014-15



2013-14



2012-13



2011-12

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### Registered Office

Kotak Mahindra Bank Limited  
27BKC, C 27, G Block,  
Bandra Kurla Complex, Bandra (E),  
Mumbai - 400 051.  
Tel.: +91 22 61660001  
Fax.: +91 22 67132403  
Website: [www.kotak.com](http://www.kotak.com)

### Company Secretary

Bina Chandarana  
Company Secretary and  
Senior Executive Vice President

### Auditor

Messrs S. R. Batliboi & Co. LLP  
Chartered Accountants,  
14<sup>th</sup> Floor, The Ruby,  
29, Senapati Bapat Marg,  
Dadar West,  
Mumbai - 400 028.

### Registrar and Transfer Agent

Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District,  
Nanakramguda,  
Hyderabad - 500 032.

7, Andheri Industrial Estate,  
Off Veera Desai Road,  
Andheri West,  
Mumbai - 400 058.



**India today is in the midst  
of a transformation.**

**An India more vibrant  
and dynamic.  
And more aware about its  
needs and aspirations.**

**An India more digitised and  
transparent.  
And more rooted in trust and  
reliability.**

**It is this new India that Kotak is striving to  
cater to.**

With a portfolio of products and solutions that are packaged in  
prudence and simplicity.

Structured around an opportunity-focussed and risk-balanced model,  
aimed at minimising the downsides.

And designed to maximise reach through the creation of a  
robust phygital (physical + digital) network, facilitating faster  
customer acquisition.

**It is this new India that Kotak is geared to service.**

Led by a culture of transparency and strong governance to steer its  
emergence as one of the most trustworthy organisations.

With a strategic charter that blends organic with inorganic growth, and  
focussed on multiplying capacities and competencies.

And powered to undertake proactive and bold decisions, enabling it to  
seize the biggest chunk of the opportunity pie.

Kotak has transformed into a bigger, better and bolder organisation to  
fulfil the aspirations of this new India.

Through determined actions spanning every facet of its business  
value chain.

Because Kotak believes in letting its **Actions speak.**

# An Organisation that lets its Actions Speak

**That has prioritised value creation and stability in all its service delivery.**

**That is driven by prudence and simplicity in every action.**

**That has tasked itself to become bigger, bolder and better to capture industry opportunity.**

**That is proud to be present across the 'Kona Kona' of the country.**

**That is multiplying by adding.**

**That is evolving to cater to the changing aspirations.**

**This is the story of Kotak Mahindra Group, Where actions speak.**

The Kotak Mahindra Group's core strategy is built on an approach of "concentrated India, diversified financial services". Accordingly, it caters to the diverse financial needs of individuals and corporates, both nationally and internationally, focussed on India. Our offerings include banking (consumer, commercial, corporate), credit and financing, equity broking, wealth and asset management, insurance (general and life), and investment banking solutions, etc.



**₹3.4 trillion**  
Institution\*



**₹2.5 trillion**  
Market Capitalisation\*\*



**>50,000**  
Employees



**170,000+**  
Shareholder base



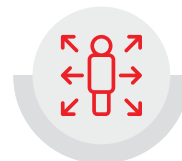
**1,388**  
Bank Branches



**2,199**  
ATMs



**₹2.3 trillion**  
Wealth + Priority Relationship Value



**13 million+**  
Bank active customer base



**8.2 million**  
Debit card holders



**1.5 million**  
Credit card holders

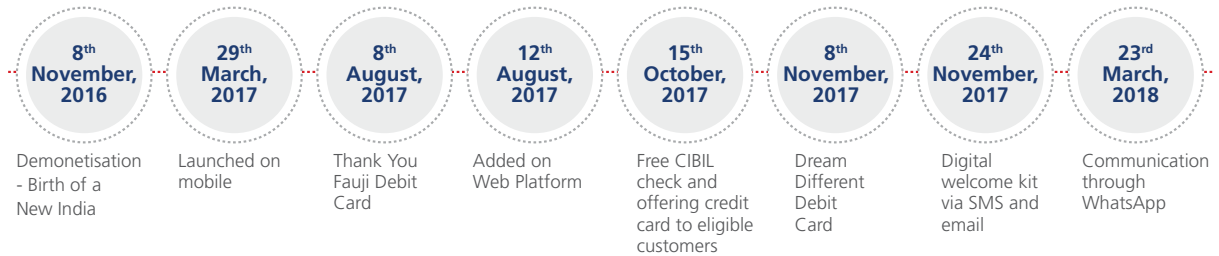
\* Consolidated Assets

\*\* as on 18<sup>th</sup> May, 2018

## Actions speak when pioneering initiatives disrupt

Government's announcement of demonetisation on 08<sup>th</sup> November, 2016, as a move to push India towards a less cash economy, set the ground for Kotak's 811. Launched on 29<sup>th</sup> March, 2017, the eponymous offering, leverages the potential of Aadhaar to dramatically bring down customer acquisition cost, to accelerate speed and to improve efficiency.

### Our 811 journey



### 811 achievements in FY 2017-18

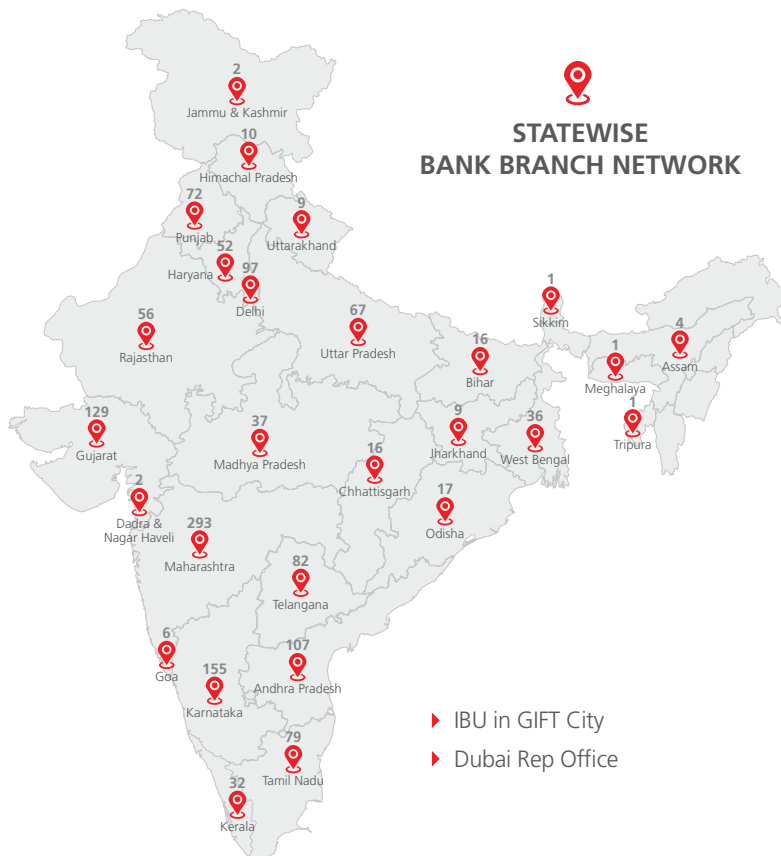
**44%** customers are salaried employees

**90%** customers aged between 18-40 years

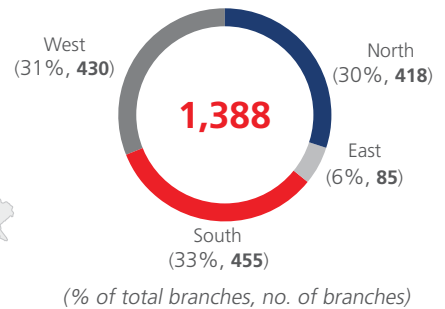
**65%** customers come from the top 20 Cities

Customers acquired from > **6,700** pin codes in India

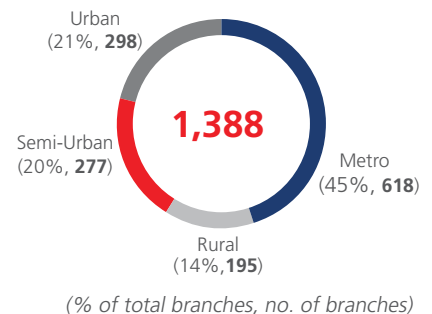
Accounts opened across **24** hours of the day



### Zone-wise branch classification as on 31<sup>st</sup> March, 2018



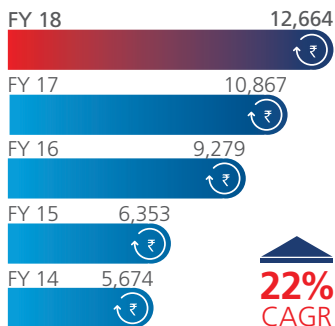
### Category-wise branch classification as on 31<sup>st</sup> March, 2018



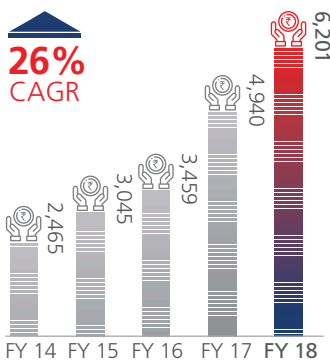
Map not to scale. For illustrative purposes only.

# Actions lead to Bigger Gains

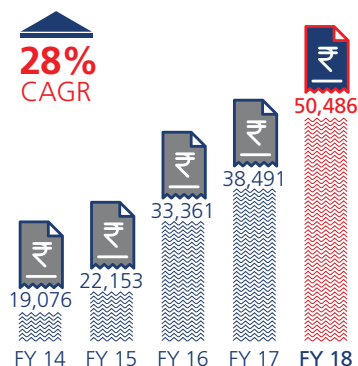
## Net Interest Income (₹ in cr)



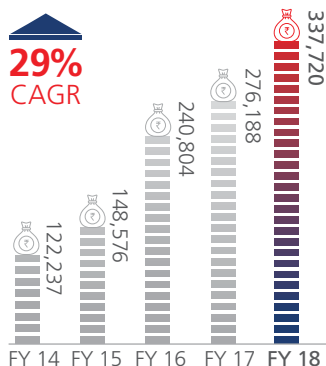
## Net Profit (₹ in cr)



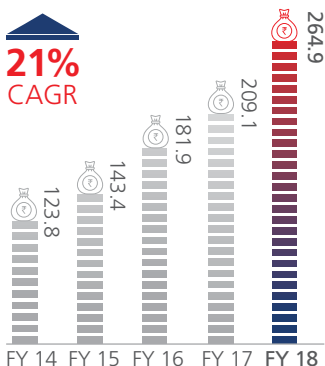
## Net Worth (₹ in cr)



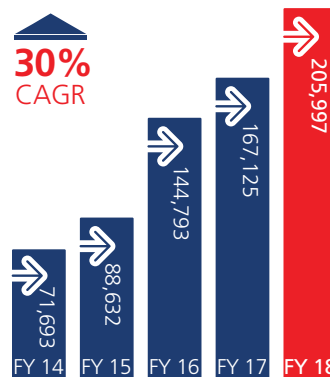
## Total Assets (₹ in cr)



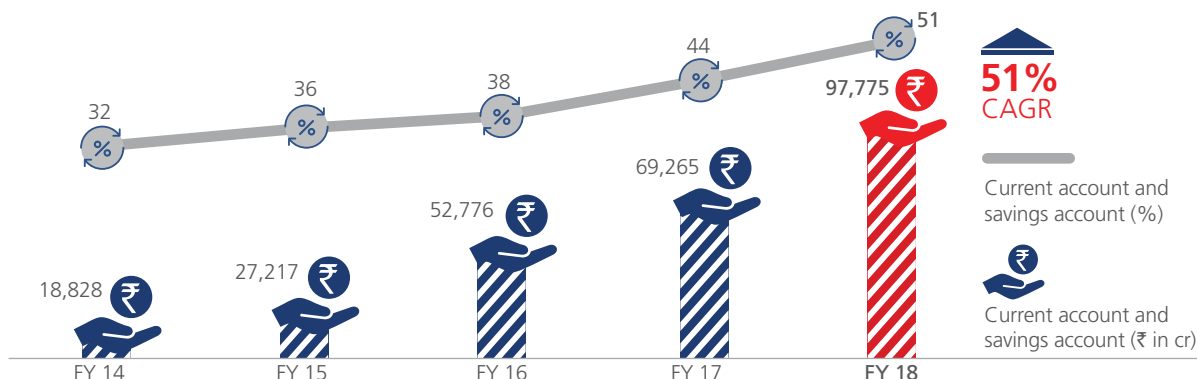
## Book Value Per Share\* (₹)



## Advances (₹ in cr)



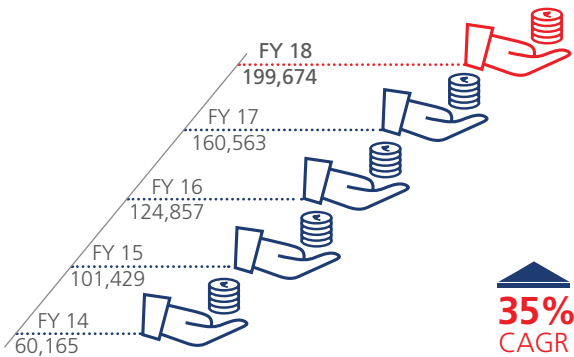
## Current Account and Savings Account (CASA) Balances (Bank Standalone)



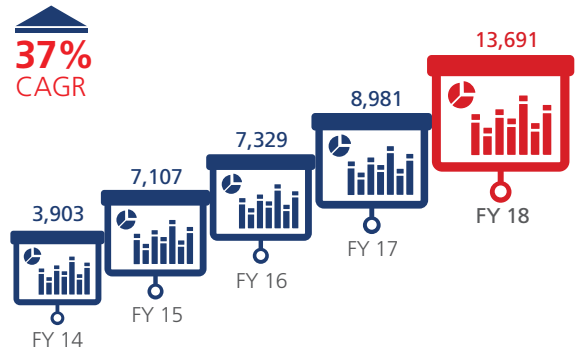
All nos. are consolidated basis except where stated  
 Merger of ING Vysya Bank effective 1<sup>st</sup> April, 2015, previous year periods not comparable

\* Book Value Per Share adjusted for Bonus issuance in July 2015

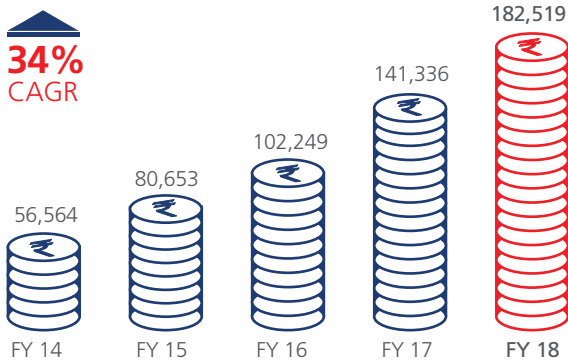
### Market Capitalisation (₹ in cr)



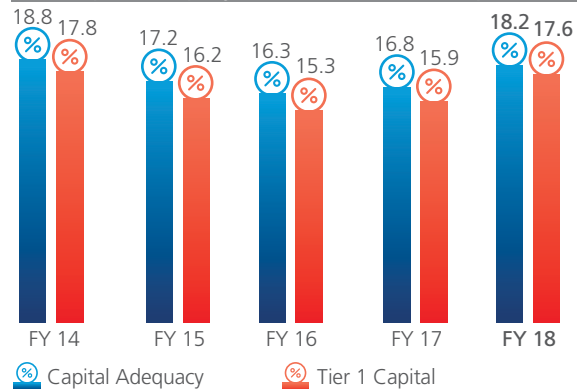
### Kotak Securities Average Daily Volume (₹ in cr)



### Total Assets Under Management (₹ in cr)

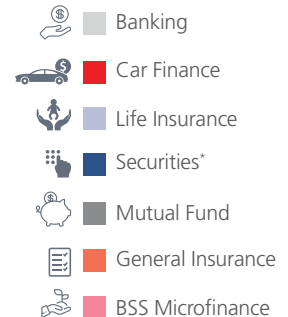


### Bank Capital Adequacy Ratio (CAR) and Tier 1 Capital (%)



### Group Branch Network (Nos.)

FY 14	605	69	205	1,157	79	2,115
FY 15	684	77	211	1,128	79	2,179
FY 16	1,333	79	227	1,209	79	2,935
FY 17	1,369	79	235	1,281	79	3,055
FY 18	1,388	84	227	1,325	83	3,241



All nos. are consolidated basis except where stated  
 Merger of ING Vysya Bank effective 1<sup>st</sup> April, 2015, previous year periods not comparable



# Strategic Business Review

## Consumer Banking

(Kotak Mahindra Bank Limited)

- ▶ Provides a complete bouquet of liability and asset products for retail customers, small businesses and NRIs, backed by innovative, digital-first solutions
- ▶ Offers a wide range of savings accounts, fixed deposits, loan products, payment products and investment services to cater to the varying requirements of customers
- ▶ Delivers comprehensive solutions to the business community, including current accounts, loans, working capital, trade services, foreign exchange services and cash management services

## Corporate Banking

(Kotak Mahindra Bank Limited)

- ▶ Caters to the diverse needs of major Indian corporate bodies, financial institutions, public sector undertakings, multinational companies, mid-market companies and realty businesses across nine key locations in India
- ▶ Offers a comprehensive portfolio of products and services – working capital financing, medium term finance, export credit, transaction banking, custody services, debt capital markets, forex and treasury services

## Commercial Banking

(Kotak Mahindra Bank Limited)

- ▶ Plays a significant role in meeting financial inclusion goals and financing deep into 'Bharat'

- ▶ Participates in India's growth by partnering Small and Medium Enterprises (SMEs) in the country

- ▶ Offers a range of products for purchase and operation of commercial vehicles, construction equipment, finance for tractors, crop loans, small enterprises and allied agricultural activities

## Wealth Management

(Kotak Mahindra Bank Limited)

- ▶ One of the oldest and most respected wealth management businesses in India, providing bespoke financial solutions to high net worth families. Kotak Wealth caters to about 40% of India's top 100 families
- ▶ Offers 'Family Office Services' to ultra-high net worth investors, providing solutions that go beyond investments
- ▶ 'Kotak Mahindra Trusteeship Services' offers estate planning services that deal with succession planning by creating private family trusts

## Car Finance

(Kotak Mahindra Prime Limited)

- ▶ Offers car finance options in the form of loans and leases for the entire range of passenger cars and multi-utility vehicles
- ▶ Provides a complete finance solution through a single window to car dealers for their working capital and infrastructure set up requirements in the form of inventory funding and term loans

## Lending NBFC

(Kotak Mahindra Investments Limited)

- ▶ Offers comprehensive financial assistance and solutions such as Project Finance for construction, Structured Finance including Acquisition Finance, Lease Rental Discounting (LRD) and Financing against ready inventory (LAP) to real estate developers across various asset classes including Residential, Commercial, Retail and IT
- ▶ Capital Market Financing including loans against listed and unlisted equity shares, debt instruments and MF Units (debt and equity) and Structured Finance including Sponsor Financing, Acquisition Finance, Leverage Finance, etc.

## Life Insurance

(Kotak Mahindra Life Insurance Company Limited)

- ▶ Focus on enhancing value proposition for customers through a meaningful product suite that combines protection and long-term savings, multimodal outreach and superior services
- ▶ Balanced product mix (Traditional and ULIPs) and distribution mix (Bancassurance, Agency and Group Businesses)





- ▶ Emphasis on need-based selling from a wide range of innovative insurance products

### General Insurance

#### (Kotak Mahindra General Insurance Company Limited)

- ▶ Second fastest growing general insurance company; scaled up operations with stability and customer focus
- ▶ Expanded product offerings across retail and commercial lines to enhance portfolio diversification
- ▶ Claim handling capabilities were strengthened with settlement ratios improving on a much large base of claims handled, in line with increase in the scale of the business

### Mutual Fund

#### (Kotak Mahindra Asset Management Company Limited)

- ▶ One of the fastest growing fund houses whose total average assets under management has grown 199% in the last three years
- ▶ Offers schemes that cater to investors with varying risk-return profiles
- ▶ Diversified product portfolio across a wide range of equity, debt and exchange traded funds (ETFs)

### Brokerage

#### (Kotak Securities Limited)

- ▶ A leading secondary market broking firm, offering services to retail and institutional investors
- ▶ It has a full-fledged, highly ranked research division, engaged in macro-economic studies, and

industry and company specific equity research

### Investment Banking

#### (Kotak Mahindra Capital Company Limited)

- ▶ A leading full-service investment bank in India, offering integrated solutions and high-quality financial advisory services
- ▶ Services include Equity Capital Market issuances, M&A advisory and Private Equity advisory

### Alternate Assets

#### (Kotak Investment Advisors Limited)

- ▶ Building its business successfully across five verticals – Private Equity, Realty Fund, Infrastructure Fund, Listed Equity Strategies and the Special Situations Credit Fund – all led by independent investment teams

### Infrastructure Financing

#### (Kotak Infrastructure Debt Fund Limited)

- ▶ Caters to development and growth of India's infrastructure sector by providing long tenor funding to operational infrastructure projects
- ▶ Has offered financing in the first year of operation to various sub-sectors within infrastructure – Renewable Energy, Transmission, Hospitals and Industrial Parks and is actively expanding further into sectors like Roads & Transportation, Education and Logistics
- ▶ Endeavour to contribute to growth of social infrastructure sectors like Hospitals and Education in addition to core infrastructure sectors

### Microfinance

#### (BSS Microfinance Limited)

- ▶ Helps in reaching out to sections of financially excluded population in the states of Karnataka, Maharashtra and Madhya Pradesh
- ▶ Provides loans to women for allied agricultural activities and small enterprises contributing to women empowerment
- ▶ Participates in social upliftment of the bottom of the pyramid population by enhancing the income levels of rural households

### International Business

#### (Kotak Mahindra (UK) Limited, Kotak Mahindra (International) Limited, Kotak Mahindra Inc., Kotak Mahindra Asset Management (Singapore) Pte Limited, Kotak Mahindra Financial Services Limited)

- ▶ Operates in overseas markets through international subsidiaries with presence in the UK, Singapore, UAE, US and Mauritius
- ▶ Dedicated fund management team overseas that manages a wide range of India dedicated funds (equity and debt) through which international investors can invest in India
- ▶ Also engaged in dealing in securities, advisory services, broker-dealer activities and investments on own account

## Future of Finance



### Uday Kotak and Nandan Nilekani exchange ideas on forces transforming the future of finance

**Deeper penetration of Aadhaar coupled with formalisation of the economy and financial savings drives Kotak's digital-first organic growth strategy.**

#### **Uday Kotak**

*Managing Director & CEO,  
Kotak Mahindra Bank Ltd.*

“

*A year ago, we set out on an ambitious journey to bring millions of Indians into the banking fold by using technology to mitigate much of the friction in opening a savings bank account. We now aim to expand the convenience and simplicity of 811 to make banking more accessible to Indians across all demographics in every 'Kona' of our country.”*

“

*Data plays a big role in credit decisions taken by banks. Currently, data is used to evaluate creditworthiness of retail consumers with more focus on personal loans, credit cards and other consumer loans. The business side will take off once GST settles down.”*

“

*India has the potential to be a USD 10 trillion economy by 2030. We see immense opportunity and we will work to disproportionately increase Kotak's share of the financial services pie.”*

#### **Nandan Nilekani**

*Founding Chairman, Unique Identification Authority of India and Co-founder & Chairman, Infosys Ltd.*

“

*With Aadhaar, we set out to create a forward-looking digital ID platform that would empower over a billion Indian residents to get access to services at unprecedented speed and convenience. It is heartening to see how the banking industry, led by Kotak 811, has leveraged Aadhaar to reimagine bank account opening from days to minutes. I commend Uday and his team for taking the lead and continuing to leverage the power of technology and Aadhaar as they transform the banking experience for Indians.”*

“

*Expecting one company to create 100,000 jobs in India is not going to happen. Jobs will get created if 100,000 small businesses can add one job each. The financial revolution that is taking place in India is at the heart of the economic growth and job creation engine of this country.”*