

Business Responsibility Report

At Kotak Mahindra Bank Limited (KMBL), sustainability forms an integral part of the Bank's business functions and has established mechanisms for environmental and social compliance in its operations. This has helped the Bank in providing solutions that not only meet customer requirements, but also create a positive social and environmental impact.

KMBL's policies, code of conduct and its stringent checks and balance ensure that the Bank conducts its operations in an ethical and transparent manner. By adopting tenets of Environmental Social Governance (ESG) in its operations, the Bank has been able to fulfill its responsibilities towards its internal and external stakeholders.

The disclosures in this Business Responsibility Report (BRR), covering the Bank's operations, are aligned to National Voluntary Guidelines on Social, Environmental and Economic responsibilities of Business (NVG-SEE) released by the Ministry of Corporate Affairs in 2011, and is in accordance with Securities and Exchange Board of India's (SEBI) Clause 55 of the Listing Agreement with stock exchanges. The report is also compliant to Section 135, Schedule VII of the Companies Act, 2013, and the subsequent relevant notifications issued by the Ministry of Corporate Affairs.

PRINCIPLE 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

At KMBL, corporate governance is practiced in letter and spirit and is at the core of the Bank's business operations. It is within this robust framework, that the Bank conducts its business in an ethical and transparent manner. Details of KMBL's corporate governance standards can be found in the 'Report on Corporate Governance' section of this annual report.

KMBL has a whistleblower policy which allows its employees to report any unusual incidents or activities observed at their workplaces without any fear of reprisals. The whistleblower mechanism is also extended to the Bank's customers.

Business Responsibility Committee

KMBL constituted a Business Responsibility Committee (BRC) in FY 2012-13, which has been entrusted with the responsibility of overseeing the Bank's BR agenda and initiatives. The committee comprises of four senior executives and is chaired by a whole time director. A senior executive - Head of Business Responsibility & CSR, reports to this Committee.

1	Mr. C. Jayaram	Joint Managing Director & Chairman of BR Committee
2	Ms. Shanti Ekambaram	President - Consumer Banking
3	Mr. Karthi Marshan	Senior Executive Vice President, Head – Group Marketing & Principal Nodal Officer
4	Mr. Rohit Rao	Executive Vice President, Head – Group Corporate Communications, Business Responsibility and CSR

During FY 2014-15, two meetings of the BR Committee were held, on April 28, 2014 and March 30, 2015. The meetings were attended by all members of the Committee.

CSR Committee

The Bank has a Board approved CSR policy, charting out its CSR approach, and is available on the Bank's website <http://www.kotak.com/corporate-responsibility.html>. The CSR Policy Statement is in accordance with Section 135, Schedule VII requirements of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014 and the relevant notifications issued by the Ministry of Corporate Affairs.

In FY 2014-15, the Bank established a CSR Board Committee (CSR Committee) to guide it in effective implementation of its Policy Statement on Corporate Social Responsibility. The committee comprises of three directors, of which one is an independent director. A senior executive, Head of Business Responsibility & CSR, reports to this committee. The CSR Committee confirms that the Bank is compliant with its CSR objectives and policy.

1	Mr. C. Jayaram	Joint Managing Director & Chairman of CSR Committee
2	Mr. Dipak Gupta	Joint Managing Director
3	Prof. S. Mahendra Dev	Independent Non-Executive Director

The Bank's CSR Committee held three meetings in FY 2014-15, and the director's attendance is as follows:

	April 29, 2014	September 4, 2015	March 13, 2015
Mr. C Jayaram Jt-MD & Chairman of CSR Committee	Present	Present	Present
Mr. Dipak Gupta, Jt-MD	Present	Present	Present
Prof S. Mahendra Dev, Independent Director	Absent	Present	Present

Policy Framework

The Bank has a robust policy framework which is led by its code of ethics and values.

- **Code of Conduct:** In order to ensure compliance and promote good banking practices, KMBL has in place mechanisms supported by policies that help delineate and echo the Bank's stance towards upholding principles such as honesty, integrity and transparency within the workplace.
- **Ethical Conduct:** KMBL believes in acting with professionalism, utmost care, skill, diligence and conducting its business in a fair and transparent manner by upholding moral and ethical standards.
- **Fair Practice Code:** KMBL's fair policy code believes in making its products available without discrimination on the basis of caste, race, colour, religion, sex, etc.

The Bank focuses on ensuring that new joiners are aware of KMBL's orientation towards transparency, integrity and their role in living up to ethical standards. The Bank has a dedicated session in their induction programs (classroom and online) on "Being a Compliant Employee".

Sl. No.	Business Responsibility Principles	Relevant Policies
1	Ethics, Transparency and Accountability	Code of Conduct (Directors, Employees; Direct selling agents); Ethical Conduct Policy; Vigilance Policy; Whistleblower Policy; Code for Banking Practice; Compliance Policy; Internal Audit Policy; Fraud Risk Management Policy; Operational Risk Management Policy; Stress Testing Framework Policy; Group Enterprise Risk Management Policy; Disclosure Policy, Protected Disclosure Scheme; Policy Statement on Business Responsibility; Intellectual Property Rights Policy; Know Your Customer Policy & Anti Money Laundering Policy
2	Products Life Cycle Sustainability	Financial Inclusion Plan; Social Environmental Management System Plan; Policy Statement on Business Responsibility
3	Employees' Well-Being	Recruitment and Separation Policies; Employee Benefits Policies; Leave Policy; Training Policy; Prevention of Sexual Harassment Policy, Policy Statement on Human Rights and Anti-Discrimination; Policy Statement for Health, Safety & Welfare at Work Place; Policy Statement for Environment; Policy Statement on Business Responsibility, Part-time Working Policy
4	Stakeholder Engagement	Group Corporate Responsibility Policy; Policy Statement on Business Responsibility, Group Corporate Communications Policy
5	Human Rights	Policy Statement on Human Rights and Anti-Discrimination; Policy Statement on Business Responsibility
6	Environment	Policy Statement for Health, Safety & Welfare at Work Place; Policy Statement for Environment; Policy Statement on Business Responsibility
7	Policy Advocacy	Policy Statement on Public-Policy Advocacy; Policy Statement on Business Responsibility
8	Inclusive Growth	Group Corporate Responsibility Policy; Policy Statement on Corporate Social Responsibility; Policy Statement on Business Responsibility
9	Customer Value	Fair Practice Code; Code for Banking Practice; Fair Practices Code for Lenders; Group Corporate Communications Policy; Third Party Distribution Policy; Protected Disclosures Scheme; Disclosure Policy; Grievance Redressal Policy; Customer's Compensation Policy; Waiver Policy; Policy Statement on Business Responsibility; Intellectual Property Rights Policy; Information Security Management Policy (Apex)

PRINCIPLE 2: PRODUCTS AND SERVICES DESIGNED WITH ENVIRONMENTAL AND SOCIAL OPPORTUNITIES

Towards Value Creation

Developing the right products that provide customers with viable solutions determines the success of any organisation. The Bank believes that in order to build a more sustainable future, it needs to develop products and provide services that enable a positive economic and social change. The Bank has gone the extra mile to develop solutions that not only add to customer delight, but also contribute to the economic prosperity of the marginalised and the needy.

Financial Inclusion

Over the past decade the government has made remarkable strides by reaching out to the under-banked and unbanked areas by offering newer products with the help of innovative service delivery mechanisms and technology. While the earlier focus was at village level, the government has

now set the agenda of opening a savings account in each household. The government has taken key initiatives like Pradhan Mantri Jan Dhan Yojana (PMJDY) - opening savings account for each household with benefits like life cover of ₹ 30,000/-, personal accident insurance cover worth Rupees one lakh, overdraft facility of up to ₹ 5,000, etc.

This initiative has encouraged KMBL to set up camps across the country to open bank accounts for this segment. The Bank has conducted camps every week where over 660 branches participated in this activity. Insta-kits containing deliverables like cheque book, RuPay card, etc. were handed over to the customers to expedite account activation. More than one lakh savings accounts were opened under PMJDY. KMBL has received a certificate of appreciation from the government for the exemplary work by its branches in Ahmedabad, Sarangpur and Maninagar.

KMBL till date has opened 4.47 lakh bank accounts using in-house resources and Business Correspondents (BC). Under the BC model, the Bank has opened over 2.34 lakh bank accounts issuing smart cards. It has covered 838 villages by providing them with basic banking services through 220 Customer Service Points (CSP) till March 2015. Under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREG) project in Chhattisgarh, the Bank has disbursed over ₹ 20 crore, in FY 2014-15.

The other key agendas include issuance / activation of RuPay card, issuance of pass book under the PMJDY, E-KYC for account opening, simplified KYC, interoperability of RuPay card in micro-ATMs, Aadhaar Enabled Payment System (AEPS) for withdrawal of cash based on biometric authentication from Unique Identification Authority of India (UIDAI) data base, setting up of Bank Mitras / BC, financial literacy campaigns, etc. Even the State Level Bankers Committee (SLBC) has allotted Sub Service Areas (SSAs) to banks for expediting the agenda of Financial Inclusion and rigorous follow-up is being done on the action taken by banks in servicing these areas basis regular reporting to SLBC. UIDAI along with NPCI has come up with E-KYC facility wherein the customer can share his Aadhaar number with the bank to facilitate faster account opening.

Further, the Bank is implementing the two schemes - Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) launched by the Hon'ble Prime Minister Shri Narendra Modi in May 2015. These schemes will further the agenda of financial independence, helping to build a universal social security system for India.

Engagement with Micro Borrowers

Over the past few years KMBL has been reaching out to the rural and urban poor through intermediation arrangements with several Micro Finance Institutions (MFI). After gaining significant experience of micro lending, the Bank took a step ahead and started developing micro loans through a BC arrangement. As part of this initiative undertaken in FY 2014-15, the Bank disbursed loans to women belonging to economically disadvantaged sections of the society in backward areas of Uttar Pradesh. These women borrowers are engaged in activities like agricultural and allied activities, rearing of livestock, dairy, cottage industries etc.

It has been observed that women borrowers manage their finances prudently and for the purpose for which the same has been lent. Including the women folk into the financial mainstream has given them a sense of empowerment. This has enabled them to avoid loans from non-formal sources at usurious rates.

As a measure of the Bank's commitment to the cause of financial inclusion, the Bank has entered into a lending relationship with women borrowers located largely in rural eastern and north eastern India. This outreach covered over seven lakh women engaged in

agriculture, micro and small enterprises displaying a keen spirit of entrepreneurship. The Bank conducted detailed onsite due diligence in rural areas and far flung villages in the states of West Bengal, Bihar, Assam, Tripura etc. These women have the abilities and aspirations of scaling up their business for which availability of timely finance is key. KMBL's endeavour is to fulfill this need.



PMJDY camp organised by Kotak Mahindra Bank



Micro loans offered to women from economically disadvantaged sections of the society, in backward areas of Uttar Pradesh

PRINCIPLE 3: EMPLOYEE WELL-BEING

Investing in Employee Welfare

Employees are the backbone of any organisation and KMBL believes in nurturing and developing skills and talent of its workforce, ensuring their security and providing equal opportunities for all to grow. The employee policies guide in creating a work environment that is non-discriminatory, safe and secure.

Diversity & Inclusion

With 19% of its workforce being women, KMBL has made considerable progress in its journey towards mainstreaming diversity and inclusion across the Bank. KMBL has developed initiatives that focus on improving diversity and inclusiveness within the Bank.



40 senior management women employees of the Group launch "Astra"

Astra

In August 2014, the Bank introduced an initiative called "Astra" for the women workforce. Over 40 women in senior management roles across the Group were identified to promote the diversity agenda in their circle of influence, understand apprehensions and challenges of other women colleagues, and guide them in their journey at Kotak.

Strisangini

KMBL also has an ongoing programme "Strisangini", an in-house women's cell that encourages female employees to have an open dialogue and seek guidance on professional and personal issues from other members of the cell, i.e. their female colleagues from the Human Resources team. The members, apart from acting as a sounding board for women seeking support, actively reach out to certain specific employees, like women who have returned from long leave/maternity leave in order to check if they have any issues settling down in work after a long period of absence.

The Bank has also adopted a zero-tolerance approach for issues concerning discrimination and harassment. It has revised its Prevention of Sexual Harassment (POSH) Policy in accordance with the statutory requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Any complaints pertaining to sexual harassment are diligently reviewed and investigated by a sexual harassment committee.

Nurturing Talent

Career development helps employees fine tune their skills that directly impact the growth and development of a company. KMBL recognises the importance of nurturing and developing skills of its employees, and has implemented a number of initiatives to hone the skills of its workforce. The Bank has designed various leadership platforms like Kotak Leadership Team (KLT), Kotak Initiatives Team (KIT) and Regional Forums (RF) which enable senior leaders to gain a holistic view of people practices and operational processes through cross-functional reach of leadership within the organisation's human resource base. Apart from these leadership programmes, the Bank offers approximately 350 functional and development programmes for employees across cadres.

Employee Satisfaction

With continued focus on building employee engagement and ensuring their satisfaction, KMBL undertook an organisation wide engagement study. With a 90% + participation rate, the study provided feedback to the Bank on various employee parameters which would be the basis of action plans across various work groups. KMBL consistently benchmarks itself with external best practices, and recently participated in the Great Places to Work, 2015, to identify gaps and take actionable measures that will aid in enhancing employee satisfaction. In an effort to effectively address grievances within the Bank, KMBL's grievance redressal mechanism allows employees to raise issues to their respective HR RMs.



Mock fire safety drill organised at the Bank's BKC (Mumbai) office



Creating a Safe Environment

KMBL believes that by ensuring health and safety at the workplace, it helps create a positive work environment for its employees. Proper attention to workers' health and safety has extensive benefits and that is why at KMBL numerous initiatives such as mock fire evacuation drills, workshops on personal safety of women and self-defense classes are conducted regularly. The Bank also organises health workshops to help employees have a better health and strike a better work-life balance.

PRINCIPLE 4: STAKEHOLDER ENGAGEMENT**Connecting with those who Matter**

Stakeholders have the ability to influence the way an organisation is perceived and are vital for their growth and progress. Collectively and individually, they have the ability to affect the Bank's license to operate, and build levels of trust on the Bank's products and services. The stakeholder engagement process at KMBL is efficient and constructive, enabling the Bank to identify its material aspects and develop mechanisms for improvement of its business processes.

The primary objective of KMBL's stakeholder engagement process is to attain a better understanding stakeholder perspectives on key issues, as well as to build strong relationships with them. The engagement process helps KMBL in making informed decisions by enhancing business intelligence and thereby avoiding risks. Ultimately the stakeholder engagement process helps bring together diverse perspectives and ideas that enhance innovation in services offered, leading towards sustainable outcomes. The Bank has identified seven key stakeholder groups (Investors and Shareholders, Customers and Clients, Employees, Government and Regulators, Suppliers and Business Associates, Communities and NGOs, Media) with whom it frequently engages in strategic dialogue.

Who do we engage with?	How do we engage?	How frequently do we engage	What do stakeholders have dialogue on	Who is responsible?
Investors and Shareholders	Emails, letters, investor grievance cell, media, Bank's website	Annually, Quarterly and on a need basis i.e. During events that take place concerning shareholders e.g. Extraordinary General Meeting (EGM) etc.	Financial results, shareholder returns and dividends, issues related to shares' issue, transfer and dividend pay-outs. Post the quarterly results, a conference call is held wherein the senior leadership team participates and the call is open to all investors and analysts. The transcript of the call is also made available on the Bank's website.	Investor relations team, Secretarial team
Customers and Clients	One-on-one interactions, customer satisfaction surveys, customer grievance cell, customer meets, customer helplines/ toll-free numbers, media, Bank's website	On-going and need based	Customer service quality, investment returns, product features and benefits, technology interface for banking experience	Relationship managers, Branch staff, Customer Service Quality team
Employees	Induction programme, e-mails, town halls, skip-level meetings, leadership meetings, employee engagement initiatives, rewards and recognition programmes, employee grievance cell, intranet, employee satisfaction surveys, employee volunteering initiatives	On-going and need based	Bank's policies and procedures, employee welfare issues, performance appraisal and rewards, training and career development, workplace health, safety and security, community development and employee volunteering	Human resources team, Corporate Social Responsibility team
Government and Regulators	Bank's regulatory filings, compliance statements, meetings, letters, emails	As per regulatory requirements and need based	License request and renewal, compliance to regulatory requirements, participation in Government financial sector plans and programmes	Cross functional team
Suppliers and Business Associates	Meetings, emails, letters, supplier and business associates performance reviews	On-going and need based	Product/Service/Technology quality and support, contract commercial and technical terms and conditions, minimum wage payments, supplier and business associates' statutory compliances	Respective departments dealing with suppliers and business associates, Commercial and procurements team

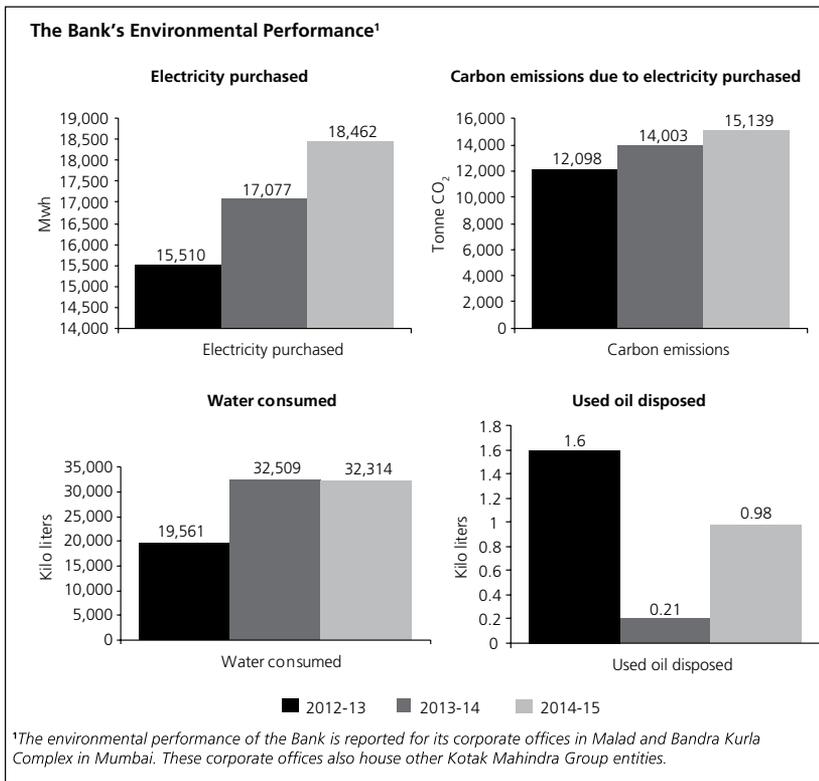
Who do we engage with?	How do we engage?	How frequently do we engage	What do stakeholders have dialogue on	Who is responsible?
Communities and NGOs	Community development initiatives, proposals and requests for new initiatives / funding	Need based	Community needs, financial/ infrastructure/ human/ organisational support	Corporate Social Responsibility team
Media	Advertising, media interactions / interviews / responses, meetings, emails	On-going and need based	Marketing and advertising agenda, information disclosure through media, viewpoints on industry, and Bank related opportunities and issues	Marketing team, Corporate communications team

PRINCIPLE 5: HUMAN RIGHTS

Ensuring the Rights of Every Citizen

Societies are getting increasingly concerned about an organisation’s impact on human rights. KMBL respects human rights and acts without discrimination whilst upholding the dignity of every individual in-line with the Bank’s Fair Practice Code. The Bank does not employ child labour and its recruitment policies ensure that all employees are free to choose to be associated with the firm. Statutory compliance of all contractors on minimum wage payments is reviewed and monitored. The security personnel are trained to prohibit under age or child workers in any of the Bank’s premises.

PRINCIPLE 6: ENVIRONMENT



Reducing the Ecological Footprint

KMBL is a socially and environmentally responsible organisation and constantly works to develop solutions that minimise its environmental impact. It aims to integrate its environmental policies and practices into everyday business operations. And by doing so, it ensures responsible decision making. The Bank has undertaken numerous initiatives to monitor energy consumption by controlling ACs with the help of BMS system. The Bank has installed occupancy sensors which help in switching off lights when the area is not occupied. KMBL is also replacing CFL fittings with LED lights at their Kotak Infiniti (Malad) office for two floors.

Saving Paper

KMBL used to issue manual receipts while collecting dues from retail loan / credit card customers, where each receipt book had 50 original receipts. On an average, approximately one million such receipts were being issued on an annual basis. Realising the amount of paper that was being consumed, KMBL introduced “M Collection”, a mobile based application used for collection of such dues. The initiative was undertaken during FY 2014-15, and since then under its drive for automation, the Bank has been able to save 1.5 million A4 size papers.

KMBL has implemented various e-initiatives. One such initiative is to deliver better customer service by providing

access to e-statements, which has helped the cause of resource conservation. Through ‘Think-green’ initiative, the Bank has partnered with Grow-Trees.com to plant a sapling for every e-credit card statement registration on behalf of customers. A total of 21,204 trees were planted during FY 2014-15.

The Bank also undertook an initiative to avoid unnecessary printing of certain documents and wherever possible, made efforts to re-size certain items. It estimates significant savings of a minimum 4,36,400 pages every year, bearing a positive impact on the environment. The list of various paper saving

initiatives has been provided in the Bank's Business Responsibility Report for FY 2012-13. The Bank continues to encourage shareholders to opt for electronic copies of the annual report, instead of physical copies.

Saving 1.5 million A4 size papers has resulted in the following:

- 7 tonnes of paper saved
- 30 tonnes of wood saved; 7 lakh litres of water saved*
- 76 Mega Watt hours (Mwh) of energy saved
- 20 tonnes of Greenhouse Gas (GHG) emissions avoided
- 7 tonnes of solid waste avoided

*equivalent to saving 191 trees from being cut for paper

Source: www.papercalculator.org

Green Data Centre

The increasing need for storing information, computing and analysis has led to capacities of existing data centres being expanded. Data centres are one of largest energy consumers across KMBL's operations. The Bank has optimised the Data Centre facility into a single facility in 2009 to leverage system efficiencies and exercise better control on energy performance of the Data Centre. Various continual improvement initiatives are undertaken to enhance the energy performance of the Data Centre. Initiatives such as high and medium density server rooms, server virtualization, server consolidation, cold aisle containment, managing optimal levels of inlet temperature, etc. have yielded good results to reduce the energy intensity of Data Centre and contribute towards environmental sustainability.

Cold Aisle containment for Data Centre was implemented for high density server room during the last financial year, which has been extended for low density server room this year. KMBL plans to implement Cold Aisle containment for BKC server room as well by April 2015. Improving cooling efficiency in Cold Aisle area, where it is needed the most, has resulted in direct savings of power units consumed.

Virtualization

Energy efficiency and reduction of carbon footprint is a significant boon for companies who opt for Virtualization. The initiative has been touted as one of the key solutions for not only reducing the environmental impact of an organisation's Data Centre, but also optimising the efficiency of Data Centres.

KMBL has moved portions of their user base to 'virtual desktop infrastructure', which has helped in replacing the CPU unit with a small Thin Client unit. A Thin Client consumes 1/7th power of a typical CPU.

Green Investments

The Bank takes cognizance of its role in promoting adoption of environmentally sustainable technologies through its lending and investment decisions and strictly adheres to RBI's mandate to not extend financing / re-financing of investments which have a negative environmental impact. These include the sale or purchase of banned wildlife products, highly polluting projects / industries, units consuming or producing Ozone Depleting Substances. The Bank's Social and Environmental Management System Plan (SEMSP) evaluates the social and environmental risk of eligible borrowers for the IFC line of credit.

PRINCIPLE 7: PUBLIC POLICY ADVOCACY

Policy Advocacy

Public policy aids KMBL to drive change and foster policies that are beneficial to the Bank. Below are the various associations that it is currently a part of:

- Association of Mutual Funds in India
- Bombay Chamber of Commerce and Industry
- Confederation of Indian Industry
- Council for Fair Business Practices
- Data Security Council of India
- Federation of Indian Export Organisations
- Fixed Income Money Market and Derivatives Association of India
- Foreign Exchange Dealers Association of India
- Indian Banks' Association
- Indian Institute of Banking and Finance
- International Fiscal Association Indian Branch W R C
- Primary Dealers Association of India
- The Employers Federation of India
- The Madras Chamber of Commerce and Industry

PRINCIPLE 8: INCLUSIVE GROWTH

Investing in Community Development

Kotak adheres to the notion that a financial institution should play a pivotal role in mitigating social inequities, contributing to sustainable development, and deliberating on decisions that positively impact the society and environment around us. The CSR policy, approved by the Bank's CSR Board Committee, outlines the key focus areas:

- Promoting education – primary focus area
- Enhancing vocational skills and livelihood
- Promoting preventive healthcare and sanitation
- Reducing inequalities faced by socially and economically backward groups
- Sustainable development
- Relief and rehabilitation
- Clean India

Pursuant to provisions of Section 135, Schedule VII of the Companies Act, 2013 (the Act), read with the Companies (Corporate Social Responsibility) Rules, 2014 the report of the expenditure on CSR by the Company is as under:

- The average net profit U/S 198 of the Bank standalone for the last three financial years preceding March 31, 2015 is ₹ 1,959.79 crore.
- The prescribed CSR expenditure required under section 135 of the Act for FY 2014-15 is ₹ 3,920 lakh.
- The CSR expenditure incurred for the period April 1, 2014 to March 31, 2015 of the Bank standalone, which is eligible U/S 135, amounts to ₹ 1,197 lakh. The CSR expenditure of the Bank standalone for FY 2013-14 was ₹ 363 lakh.
- Additionally, the Bank has extended financial grant amounting to ₹ 2.40 lac to the NGO - United Way Mumbai during the FY 2014-15. However, financial grant / donation given to NGOs for Marathon purposes being ineligible, the same has not been considered in the CSR expenditure.
- CSR expenditure ₹ 1,197/- as a percentage of average net profit U/S 198 of the Bank standalone at ₹ 1,959.79 crore is 0.61%.
- The Bank believes in social inclusion and is constantly working towards ensuring that every citizen will enjoy everyday benefits, irrespective of age, income, or location.

(₹ lakh)

Sr. No.	CSR project / activity identified	Sector in which the project is covered	Area of project implementation (Name of the District / s, State / s where project / programme was undertaken)	Programme / project wise budgeted amount	Programme / project wise actual spend during the year – Direct expenditures	Programme / project wise actual spend during the year – Overheads	Cumulative Expenditure upto reporting period	Amount spent through implementing agency [#]
1	Kotak Education Foundation - Kotak Education Foundation (KEF) was set up in FY 2006-07 with a purpose to support children and youth from underprivileged families through different education based interventions on a sustainable basis. The interventions are designed to empower recipients and provide employable skills which will enable them to lead a dignified life. KEF provides livelihood support to children and youth from Below the Poverty Line (BPL) families in Mumbai, Thane and Raigad regions. The projects undertaken by Kotak Education Foundation (KEF) are: Kotak Udaan, Kotak Unnati, Kotak In Search of Excellence (KISE), Health & Nutrition, Parent Intervention Program (PIP), School Teachers' Enrichment Program (STEP), School Leadership Development Intervention (SLDI), and Infrastructure.	Promoting education	Mumbai, Thane and Raigad regions	560.00	336.19	180.12	560.00 (Out of the this financial grant made by Kotak Mahindra Bank, Kotak Education Foundation has not utilised ₹ 43,71,000/-and is kept as a deposit which will be used towards meeting future office rental - 'overheads', in coming years)	560.00

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(₹ lakh)

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3	Through Rajendra Maruti Kapse, the Bank directly engaged to make benches for four schools in Nandurdi, a village approximately 40 kms. from Nashik city, Maharashtra.	Promoting education	Villages Dixi, Shivare and Kothure in District Nasik, Maharashtra	3.58	3.58	NIL	3.58	3.58
4	Helen Keller Institute for Deaf & Deaf Blind - Helen Keller Institute for Deaf & Deafblind is a pioneering institute in the field of education for the Deafblind and is focused on education, vocational training and rehabilitation of children and young deaf and deafblind adults.	Promoting education	Mumbai, Maharashtra	6.00	6.00	NIL	6.00	6.00
5	Society of Parents of Children with Autistic Disorders (SOPAN) – mission is to empower individuals with autism/other developmental disabilities and their families.	Promoting education	Mumbai, Maharashtra	3.40	3.40	NIL	3.40	3.40
6	The Indian Council For Mental Health (ICMH) - provided psychiatric and counselling services to children with developmental disabilities. ICMH also conducts Occupational Therapists, Speech Therapists, Yoga, Colour Therapy along with sports, drama and vocational training.	Promoting education	Mumbai, Maharashtra	3.40	NIL	3.40	3.40	3.40
7	Yuva Unstoppable - The organisation works for underprivileged children of India through mobilisation of youth and resources. One of the flagship initiatives of Yuva is the Municipal School Empowerment Programme called 'Evolution'. Their programme was started in order to put in place basic infrastructure (water purifiers, toilets, desks, sports equipment, etc) in schools to provide a habitable environment to study.	Promoting education	Ahmedabad & Gandhinagar, Gujarat	50.00	45.66	2.50	50.00 (Out of this financial grant made by Kotak Mahindra Bank, Yuva Unstoppable has not utilised ₹ 1,83,500/-. This will be used towards expenses for supervision cost and stationary in the FY2015-16)	50.00

(₹ lakh)

Sr. No.	CSR project / activity identified	Sector in which the project is covered	Area of project implementation (Name of the District / s, State / s where project / programme was undertaken)	Programme / project wise budgeted amount	Programme / project wise actual spend during the year – Direct expenditures	Programme / project wise actual spend during the year – Overheads	Cumulative Expenditure upto reporting period	Amount spent through implementing agency [#]
8	Action for Ability Development & Inclusion (AADI) - AADI has been working in the field of disability and development for the last 34 years. Their endeavour is to cater to the needs and the rights of people with disability.	Promoting education	Hauz Khas, New Delhi	2.50	2.50	NIL	2.50	2.50
9	Dharm Singh Desai Foundation - works towards the upliftment of the poor and also provides education to the weaker sections of the society at nil/nominal fees. The trust also provides medical assistance to the underprivileged.	Promoting education	Mumbai, Maharashtra	35.00	35.00	NIL	35.00	35.00
10	Azim Premji Foundation For Development - The Foundation has been working for more than a decade towards making deep, large scale and institutionalised impact on the quality and equity of education in India, along with related development areas.	Promoting education	Bengaluru, Karnataka	28.00	28.00	NIL	28.00	28.00
11	National Indian Association- The trust works for the cause of promoting education, cultural and medical activities for under privileged women section of the society.	Promoting education	Ahmedabad, Gujarat	2.00	1500.00* (₹ 1,500/- interest accrued for the one month period March 2015)	NIL	2.00 (The entire financial grant of ₹ 2,00,000/- given by Kotak Mahindra Bank in February 27, 2015 has been kept in Fixed Deposit. Out of this, the prorate interest of ₹ 1,500/- has been utilised as direct expenditure in FY14-15.)	2.00
12	Purkal Youth Development Society (PYDS) provides education to the poorest in the areas around the foothills of the Himalayas. PYDS runs a school near Dehradun and they take on very poor children and provide them opportunities for their all-round development including schooling, counselling, nutrition, clothing and medical attention.	Promoting education	Dehradun, Uttarakhand	5.00	3.86	1.14	5.00	5.00
13	Development Education Empowerment of the Disadvantaged in Society (DEEDS) - provides a one stop platform for the Deaf taking them through education, vocational training and leading to their job placements which will give them financial independence and a life of purpose, joy and dignity.	Promoting Education & enhancing vocational skills and livelihood projects	Mumbai, Maharashtra	2.00	1.84	0.16	2.00	2.00
14	Dilasa Sanstha focuses on creating infrastructure to create sustaining livelihoods for marginalised communities like small and marginal farmers, landless farmers and women.	Relief & rehabilitation	Dist. Yavatmal, Maharashtra	5.00	5.00	NIL	5.00	5.00

Business Responsibility Report

(₹ lakh)

Sr. No.	CSR project / activity identified	Sector in which the project is covered	Area of project implementation (Name of the District / s, State / s where project / programme was undertaken)	Programme / project wise budgeted amount	Programme / project wise actual spend during the year – Direct expenditures	Programme / project wise actual spend during the year – Overheads	Cumulative Expenditure upto reporting period	Amount spent through implementing agency [#]
15	Vishwas Vision for Health Welfare and Special Needs - works in the area providing education and basic health care to the underprivileged irrespective of disability, gender, class or caste.	Promoting education & promoting preventive healthcare	Gurgaon, Haryana	50.00	NIL	NIL	50.00 (Entire financial grant of ₹ 50,00,000/-made by Kotak Mahindra Bank has been invested in Fixed Maturity Plan and the valuation as on 31st March was ₹ 53,69,450/-. The NGO is building a corpus as according to the NGO, corpus is important for the continuity of Programmes of Vishwas Vision for Health Welfare and Special Needs	50.00
16	Madangopal Maheshwari Foundation - works in the field of education and healthcare. The objective of Madangopal Maheshwari Foundation is charity and development in education and medical relief for the poor and destitute.	Promoting education & promoting preventive healthcare	Mumbai, Maharashtra	100.00	NIL	NIL	100.00 (The financial grant made by Kotak Mahindra Bank been kept in fixed deposits.The funds including accrued interest would be utilised for the project in the FY15-16)	100.00
17	Ch. Lal Chand Memorial Charitable Trust - The Trust is associated with many charitable causes especially related to education. They provide free education to underprivileged children. The Trust wishes to give back to the society in many other ways and hence want to set up hospital for charitable purposes.	Promoting preventive healthcare	New Delhi	100.00	NIL	NIL	100.00 (financial grant of ₹ 1 crore given by Kotak Mahindra Bank to Ch. Lal Chand Memorial Charitable Trust on 31/03/2015 has not been utilised till date and this amount has been kept in Fixed Deposit. The NGO will utilise the same in due course of time and release the fund utilisation report.)	100.00
18	Cancer Patients Aid Association - works towards the 'Total Management of Cancer 'as a disease.	Promoting preventive healthcare	Mumbai, Maharashtra	3.40	3.26	0.14	3.40 (Out of the total financial grant of ₹ 3,40,000/- made by Kotak Mahindra Bank, the balance unutilised amount of ₹ 283/- will be used for medicines for cancer patients in FY15-16)	3.40
19	CanSupport - provides palliative care, free of cost, to people with advanced cancer.	Promoting preventive healthcare	Mayapuri, West Delhi	12.80	7.34	Nil	12.80 (Out of the total financial grant made by Kotak Mahindra Bank, CanSupport has utilised ₹ 7,34,690/- till March 31, 2015 The balance amount of ₹ 5,45,310/-will be utilised in FY 2015-16 towards direct expenses)	12.80

(₹ lakh)

Sr. No.	CSR project / activity identified	Sector in which the project is covered	Area of project implementation (Name of the District / s, State / s where project / programme was undertaken)	Programme / project wise budgeted amount	Programme / project wise actual spend during the year – Direct expenditures	Programme / project wise actual spend during the year – Overheads	Cumulative Expenditure upto reporting period	Amount spent through implementing agency ¹
20	Virgo India Foundation - started with the objective of creating awareness and strengthening curative service amongst the weaker sections of the society.	Promoting preventive healthcare	Aundh, Pune	68.00	10.00	3.00	68.00 (Out of the total financial grant made by Kotak Mahindra Bank, the balance unutilised amount is ₹ 55,00,000/-. Out of this ₹ 50,00,000/- will be used towards direct expenditure and ₹ 5,00,000/- will be used towards overheads in FY15-16)	68.00
21	Vision Foundation of India - The NGO was founded with a vision to reduce blindness and treat eye diseases for the underprivileged sections of the society.	Promoting preventive healthcare	Sambhalpur, Odisha	20.00	1.00	NIL	20.00 (The entire donation amount of ₹ 20,00,000/- has been kept in Fixed Deposit. Out of this, the interest accrued of ₹ 1,00,000/- has been utilised as direct expenditure in FY14-15.)	20.00
22	The Indian Red Cross Society - provides relief in times of disasters/emergencies and promotes health & care of vulnerable people and communities.	Promoting preventive healthcare	Mumbai, Maharashtra	5.00	NIL	NIL	5.00 (Donation of ₹ 5,00,000/- was received on 25.03.2015. Hence this amount could not be utilised in FY 2014-15. The same will be utilised in FY15-16)	5.00
23	Dhanwantari Medical Trust's (DMT) objective is to educate people about major illnesses like HIV, TB, Cancer, Polio, Anemia, Malaria etc. One of DMT's project called 'Crafting Smile', supports Child Cancer patients. Under this project, they organise entertainment programs for child cancer patients, giving them cancer medicines for poor patients at concession level, making people aware about the hazards of tobacco etc.	Promoting preventive healthcare	Mumbai, Maharashtra	4.00	3.42	0.58	4.00	4.00
24	Habitat for Humanity - the organisation builds homes and provides housing-related services to low-income, marginalised families across India.	Reducing inequalities faced by socially and economically backward groups	Maharashtra, Karjat Taluka, Raigad District	3.00	2.40	0.60	3.00	3.00
25	Indian Council for Research on International Economic Relations - engages in policy oriented research	Sustainable development	Gurgaon, New Delhi	100.00	100.00	NIL	100.00	100.00
26	Able Disable All People Together (ADAPT) was set up to address the lack of services and the lack of knowledge about multiple disabilities in general and cerebral palsy in particular.	Education, rehabilitation & livelihood	Mumbai, Maharashtra	5.00	Nil	Nil	5.00 (The NGO received the financial grant made by Kotak Mahindra Bank on 26.03.2015. Hence ₹ 5,00,000/- could not be utilised in FY 2014-15. The same will be utilised in FY15-16)	5.00
27	GiveIndia - GiveIndia is an online donation platform and aims to channel and provide resources to credible non-governmental organisations across India. As a web portal, it helps raise funds and contributions from individuals across India and the world and then disburses these donations to credible Indian NGOs.	Multiple sectors as GiveIndia supports several NGOs	Mumbai, Maharashtra	0.54	0.54	Nil	0.54	0.54

(₹ lakh)

Sr. No.	CSR project / activity identified	Sector in which the project is covered	Area of project implementation (Name of the District / s, State / s where project / programme was undertaken)	Programme / project wise budgeted amount	Programme / project wise actual spend during the year – Direct expenditures	Programme / project wise actual spend during the year – Overheads	Cumulative Expenditure upto reporting period	Amount spent through implementing agency [#]
28	Pangea Econetassets Private Limited	Sustainable development	Panchmahal, Gujarat, Dwarka, Gujarat, Kumbhalgarh Wildlife Sanctuary, Rajasthan, Madanapalle, Andhra Pradesh	16.52	16.52	NIL	16.52	16.52
TOTAL CSR SPEND U/S 135 OF THE COMPANIES ACT, 2013, DURING FY 2014-15								1,197.54
* The Bank has given a financial grant of Rs. 563.40 lakh to Kotak Education Foundation, done direct CSR intervention of Rs. 3.58 lakh to make benches in four schools in Nandurdi village, near Nashik city, Maharashtra and implemented other CSR initiatives amounting to Rs. 630.56 lakh through other NGOs.								

The Bank continued its community engagement initiatives in villages around Nashik city. KMBL did direct CSR intervention through a CSR spend of Rs. 3.58 lakh towards benches for four schools in Nandurdi, a village approximately 40 kms from Nashik city, Maharashtra, where schools lack basic infrastructure.

Enabling Livelihood through Education

KMBL believes that education is key to the alleviation of social malaise afflicting India's underprivileged. In a bid to address this issue, the Bank has established the Kotak Education Foundation (KEF) in FY 2006-07 with a purpose to support children and youth from such families through different education-based interventions on a sustainable basis.

KEF provides various interventions in the fields of education and livelihood for children and youth from Below Poverty Line (BPL) families in Mumbai, Thane and Raigad regions. KEF has seven school based programmes, and has partnered with 28 schools, many of which are located in M-ward locality (Deonar and Govandi area) of Mumbai. KEF opted to work in M-ward region as it ranks lowest in the human development index (HDI) in Mumbai. These regional language schools are government-aided private schools based in some of the poorest neighbourhoods. In addition, KEF's livelihood programme provides vocational skills in the retail and hospitality sector to youth who have dropped out of school.



Benches donated to schools in Nandurdi village, near Nashik

Student Intervention Programme (SIP)

Kotak Umang - Spoken English Programme

Students in KEF partner schools find it difficult to learn English, in spite of it being introduced at primary levels, because of inadequate teaching and lack of exposure to the language. Most teachers in these schools struggle to speak the language, and students also have no support to learn it at home. In fact, 60% of seven and eight standard students cannot read or even comprehend basic English.

Since 2007, KEF has been attempting to bridge this gap with Spoken English Programme which aims to train students to understand and speak in English. It is hoped that these skills and knowledge will help the students when they move to colleges (where the medium of instruction is English) as well as help them find jobs in the organised sector at a later date.

Saima Khatoon Azad Khan, a student of Standard 9 at Shaheen Urdu High School, made best use of Umang classes by using her class experiences in day-to-day life. Umang's motto is to make sure that children enrolled in the programme at least know how to speak simple English. Through the classes, she actively participated in the skits designed to help students overcome their fear and speak English on a larger platform. She also gained confidence to stand against all odds and for her rights. She surged to be the class top scorer whilst managing household chores along with studies. One of her English teacher says "When I spoke to her, she made me feel so proud by saying that she learnt a lot from Umang classes, and it was a great inspiration for her".

Promoting Health & Nutrition

Health issues among children are not identified at an early stage in most cases and are often responsible for significant drop outs and/or underperformance in academics. KEF realised that very few schools have adequate sanitation facilities like toilets, drinking water, hand washing points, etc. KEF undertook numerous activities centred on addressing health issues in schools by providing preventive and corrective measures such as Eye Care, Kishori Sehat Abhiyan (prevention of anaemia amongst adolescent girls), Parvarish (curbing undernourishment amongst pre-primary and primary children), deworming and hygiene education and Majhi Swachha Shala (cleanliness initiative). All these initiatives seek to develop the formation of healthy habits at a tender age.

Jayanta Khandu Chaudhari, a tribal student from Bhanuben Pravin Shah School in Tara village (Maharashtra) studying in Standard V, was referred to Bachooali Hospital for further investigation, after initial screening at the eye camp organised by KEF.

As diagnosed, he needed to undergo retina surgery for the right eye and laser surgery for the left eye. During the counselling session at the hospital, it was discovered that the parents were totally unaware of impairment. The doctor explained that the retina of the right eye was completely damaged and chances of improvement in vision after surgery were minimum, and advised laser surgery for the left eye. The student was operated on in February 2015. The hospital extended the stay of the student as the family was living in a remote village. The student was called for follow-up twice after the surgery and the family came regularly to the hospital for check-ups. After doing a home visit, it was learnt that parents worked as daily wagers and therefore there was no fixed income in the family. It was becoming difficult for them to come for follow-up visit at hospital. The school authorities then helped in getting the student for further follow-up at the hospital. The child is showing progress slowly as he is able to see images of objects and people which he could not see prior to the surgery.

Scholarships

To give students timely and right guidance so that they do not drift in life, KEF conducts two programmes for two different age groups and level of education. These programmes emphasise on providing academic support through in-school and coaching-class inputs, and emotional support to the child, and if need be to his/her family members.

Kotak Udaan

Kotak Udaan - a scholarship programme for school children, supports students facing extreme hardships in life by enhancing their learning environment and providing them holistic support. These students, due to social and financial circumstances, are at high risk of dropping out of school. Udaan selects marginalised students (e.g. orphans, first generation learners) from class eight and offers a range of activities that not only help them academically but also shape their personality.

In addition to tuition fees, KEF goes the extra mile to help a student. It understands the capability of each student, and provides necessary guidance and help until they complete SSC. Regular follow-ups and counseling for students and parents is conducted to make education a priority and create conducive environment for students to excel. For holistic growth, students are engaged through platforms of expression and exposures in the form of workshops, talent shows, visits and camps.

Kotak Udaan has managed to contain drop-out rate, with close to 90% students completing school. In the 2014 batch, four students scored more than 90% and a fifth of the batch scored over 80%. Almost all students who completed SSC have continued their education, and are now studying in Junior college.

Parag, a student with one of the KEF partner schools, suffered an inferiority complex arising out of poor living conditions at home. His father is a rickshaw driver and his mother is a housewife. Parag was very resentful and ashamed of his father's profession. His inability to accept his family background led to frequent fights at home. He started performing poorly at school and dropped out of coaching classes as well.

Parag was selected for the Kotak Udaan programme, where after months of counselling and sessions on dignity of labour and anger management, his attitude began to change. His concentration on studies improved and became determined to do well in his SSC exams. Parag secured 85% in SSC and was selected for Kotak "In Search for Excellence" scholarship.

Kotak "In Search of Excellence" (KISE)

KISE scholarship is for junior college students who have scored over 80% in SSC. A large number of students cannot afford professional coaching classes because of the high fees. In an effort to support these students, KEF launched KISE, a scholarship project which recognises and honours the achievements of students of its partner schools. Every year, KEF rewards such students with a scholarship to cover basic educational needs relating to the tough early years of college. In order to encourage students to take up professional courses, the foundation tied up with Career Launcher, a specialised coaching class which helps students to prepare for various competitive exams. Five students of the 2014 batch aspiring to be engineers have been enrolled.

Pritam was a very bright student from Kumud Vidyamandir, one of KEF's partner schools. He scored 93% in his SSC Board exams. He was selected for KISE. Subsequently, he pursued a diploma in electrical engineering from VJTI and then moved on to complete his degree in the same field from Fr. Agnel Engineering College, Bandra. He has also completed one year internship programme with L&T.

Pritam was selected by Johnson & Johnson through campus placement with a salary of ₹ 3.2 lakh per annum. Pritam now works in the Quality Control department of an organisation in China, and earns a salary of ₹ 13 lakh. Further, he has supported other KISE students in academics and also lent financial support to another student.

School Teacher Enhancement Programme (STEP)

Students from regional language schools often find it difficult to understand, speak, read or write English. Their inability to comprehend and use the language prevents them from pursuing higher education, technical knowledge, operating computers, and thereby, finding employment opportunities. One of the main causes for this inadequacy is that teachers themselves are not well versed in English. Lack of English training both prior and during their tenure makes it difficult for them to learn the language. Consequently, English is seldom used in the classroom.

STEP aims to help school teachers of KEF partner schools to improve their teaching skills through:

- Workshops on English and communication skills
- Workshops on teaching academic English, as well as other subjects like Science and Maths in English efficiently
- Focus on improving pedagogy
- Personalised mentoring through classroom observations and feedback

This programme has built confidence among many teachers and has equipped them with new skills, which eventually has translated in providing an improved learning environment for the students.

Nirmala Patankar, a teacher in one of the KEF partner schools, was low on self-confidence and was weak in English. She would give instructions and even teach English lessons in a regional language (Marathi). She was inducted into the School Teacher Enhancement Programme, and has worked hard to improve her vocabulary for the past year. This resulted in significant improvement in all areas of her work.

School Leadership Development Intervention (SLDI)

SLDI aims to bring necessary changes in KEF's partner schools to boost the morale of school leaders of their capability. To ensure significant development at personal and organisational level, primary and secondary head teachers are accompanied by an assistant head teacher and a supervisor. This creates a pipeline of leaders in the school who can take charge and guide children both academically and otherwise. By building on the school leaders' managerial and leadership competencies, SLDI creates awareness among school leaders about the critical role they play in breaking the cycle of poverty faced by most students.

Kotak Unnati

Kotak Unnati is a vocational training program for youth drop-outs from schools / colleges, in the age group of 18-25 and from underprivileged backgrounds. After completion of three month training, the youth are placed with leading brands of retail / hospitality, for entry-level jobs. These become the foundation for a sustainable career which will help them to raise their families out of poverty. Across the three completed batches, 519 aspirants (i.e. 68% of those enrolled) successfully completed training and were willing to take up employment. Of these 489 aspirants, 94% found employment. The training at Kotak Unnati is conducted by KEF's team imparting spoken English, basic IT and life skills for all aspirants. Over 13 weeks, the daily training ensures that they get into the right habits of regularity and punctuality, grooming and etiquettes. They are also trained in 'Pocket Money' – a financial literacy module developed and co-sponsored by National Institute of Securities Markets (NISM). They are exposed to motivational sessions by guest lecturers / volunteers from the industry. They also undergo 2-3 weeks of on-the-job training with their future employers, to equip them to hit the ground running. In FY 2014-15, 946 aspirants enrolled in nine centres of which 467 aspirants were placed by KEF.



Vocational training for Kotak Unnati students

Kotak Mahindra Group CSR Activities

The Group supports several NGOs through contributions, employee engagement and volunteering initiatives.



Blood donation drive organised across 13 cities



Puneet Kapoor, Sr. EVP hands over the cheque of ₹ 1,01,173/- to CPAA

Blood Donation

Every year the Bank organises a week long blood donation camp across its offices in 13 cities to commemorate Kotak Mahindra Group Day (Kotak Mahindra was established on November 21, 1985). In November 2014, 1,367 units of blood were collected.

Building Homes for the Needy

The Bank sponsored 60 employees to volunteer in Habitat for Humanity's Build programme to construct decent and affordable homes for rural families in need of urgent shelter.



Employees volunteer in Habitat for Humanity's Build programme near Karjat



Employees of Kotak Mahindra Group participate in Swachh Bharat Abhiyaan initiatives

Providing Aid to Cancer Patients

The Bank conducts a monthly newspaper collection drive, in association with Dhanwantari Medical Trust. Proceeds from sale of newspapers are used for nutrition and treatment of cancer affected children. In FY 2014-15, KMBL collected ₹ 34,275/- for 3,626 kgs of newspapers.

On the occasion of its annual Reward and Recognition programme 'Star Trek', the Bank's Customer Contact Centre (CCC) at Kotak Infronti, organised a Fun 'n' Fair and donated

proceeds of the event to Cancer Patients Aid Association. ₹ 1,07,173/- was donated to the NGO.

Kotak Mahindra Group Payroll Giving Programme

Employees of KMBL and its subsidiaries support six NGOs - The Akanksha Foundation, Cancer Patients Aid Association (CPAA), National Association for the Blind (NAB), Dignity Foundation, Make-A-Wish Foundation of India and Society of Parents of Children with Autistic Disorders (SOPAN).

Swachh Bharat Abhiyaan Initiative

KMBL launched its Swachh Bharat Abhiyaan initiative at Chennai Marathon on December 7, 2014, where employees of the group, led by senior members, cleaned up the venue after the marathon. Similarly clean up drives were organised during the Powai Marathon (Mumbai), Bangalore Cyclothon, and Clean BKC (Mumbai).

Mumbai Marathon 2015



Employees participated in Mumbai Marathon 2015 and raised pledges in support of 6 NGOs



KVS Manian and Shanti Ekambaram are highest and second highest individual pledge raisers

100 Kotakites ran Mumbai Marathon 2015 in support of four NGOs – Cancer Patients Aid Association (CPAA), The Indian Council for Mental Health (ICMH), Society of Parents of Children with Autistic Disorders (SOPAN) and Kotak Education Foundation (KEF).

- Kotak runners raised pledges amounting to ₹ 45,21,855/-, and collectively with Bank's contribution, the total funds raised, amounts to ₹ 61,21,855/. KMBL has been acknowledged as the 2nd Highest Fundraising Company in Corporate Challenge category.

- KVS Manian, President – Corporate, Institutional & Investment Banking, raised ₹ 13,81,116/- and was acknowledged as highest individual pledge raiser in the Corporate Challenge category.
- Shanti Ekambaram, President - Consumer Banking raised ₹ 10,21,000/- and was acknowledged as second highest individual pledge raiser in the Corporate Challenge category.

Delhi Half Marathon 2014

25 Kotakites ran Delhi Half Marathon 2014 in support of the NGO – Action for Ability Development & Inclusion. Vineet Prakash, Vice President - Corporate Banking, was acknowledged as the highest individual fund raiser in the Corporate Challenge category.

Pinkathon

134 women employees in Mumbai and 13 women employees in New Delhi participated in Pinkathon – a run for women to spread awareness on breast cancer.



Employees participated in Delhi Half Marathon 2014 and raised pledges for the NGO - Aadi



Women employees participate in Pinkathon for breast cancer awareness

Financial Literacy Camps

KMBL conducted Financial Literacy Camps where over 60 activities were conducted in different locations across Maharashtra (Jalgaon District), Rajasthan, (Nimbhaura, Sumerpur Districts), Gujarat (Rabod, Khandach Districts), Madhya Pradesh (Hoshangabad District) and Bihar (Muzaffarpur, Begusarai Districts). These activities were conducted in the form of customer meets at bank branches and nearby villages, schools and local markets. Door-to-door activities were also conducted. Overall 1,100 people participated in these activities. They were briefed about the importance of savings and banking activities and advantages of financial planning were also explained. Participants' reviews on Financial Literacy Camps were positive. They were keen to understand various non-essentials where money was spent, and learned how to save money.

PRINCIPLE 9: CUSTOMER VALUE**Enhancing Customer Value**

KMBL has introduced a number of measures to gauge customer experience at various touch-points. Feedback is measured rigorously month on month and the same is then analysed to ensure continuous improvements in service delivery across the Bank. As a part of the new initiatives taken, the Bank now measures transactional feedback of their customers and then evaluates customer experience based on the interaction with the Bank staff, branch visits etc. The exemplary service standards that the Bank has set for itself, is now being reinforced aggressively through the concept of "Service Dilse". The core idea behind this concept is to convert the customers' "moment of truth" into "moment of magic", purely by driving the right kind of customer behavior at the branches. Further, the Bank evaluates internally as well as deploys external agencies to measure various aspects of customer feedback.

There are various kinds of customer service surveys that get done for tracking service metrics and customer feedback. Some are commissioned and some are third party syndicated surveys. The Banking Codes and Standards Board of India (BCSBI) – an independent banking industry watchdog that protects consumers of banking services in India, conducted a survey in an endeavour to oversee compliance at the Bank. The respondents were onsite customers on the Bank's premises who were selected by CRISIL.

The survey was conducted at 3,035 branches, 55 Central Processing Centres and 48 member banks; 6,000 customers were interviewed on 16 parameters.

For Kotak Mahindra Bank - 28 branches and one hub were chosen. The Bank received high level of compliance with a score of 85, and ranked 2nd amongst 19 private sector banks, and 3rd amongst all 48 banks.

Customer Satisfaction

The Bank commissions its annual customer satisfaction survey through an accredited research provider, IMRB- CSMM. As per the survey findings, a dip of 2% was observed in the overall customer satisfaction. The Bank has already started identifying specific areas in which the dip has happened and is working on improving the same. The customer satisfaction surveys focused on three areas viz. customer transactions initiated at branches, customer feedback in processing of their service requests and quality of RMs' interaction with customers. Summary of "Voice of Customer" across these parameters:

VOICE OF CUSTOMER	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15
Feedback on RO/RM	42%	77%	74%	70%	74%
Br. Txn Monitoring(NEFT/ RTGS)	74%	*	85%	87%	76%
Siebel SR Closure	**	78%	66%	66%	70%
Physical & e-feedback form	96%	96%	96%	96%	94%

* Not done in October 2014

** Started from October 2014

As compared to FY2013-14, the customer service parameters have been realigned to project the actual customer experience at the Bank. Few key changes initiated to drive customer centric behavior are as below:

- Driving through appreciations, defining & sharing expected behaviours, and finally measuring it through mystery shopping (internal and external)
- August-December 2014 "Service Dilse" rollouts happened with 9+ video case studies. External vendor appointed for mystery shopping. The overall results will have an impact on the performance appraisal of the branches.
- Service Request Audits in Scorecard were made stringent from August 2014 onwards included to see resolutions from customer's point of view & what communication customer receives

Developing Customer Loyalty

The Bank has a number of mechanisms for gathering feedback and resolving grievances from its myriad stakeholders. The grievance redressal mechanism at KMBL is well publicised across its website and all branches. A customer can formally escalate/lodge a grievance by sending an email, letter, fax, or by visiting the branch. The complaints are then recorded and resolved within well-defined timelines depending on the types of customer issues. KMBL prioritises resolution of grievances received on social media platform.

Meeting Customer Demands

Next generation banking is rapidly growing in India and KMBL recognises the importance of digital platforms to reach out to customers. The Bank has a slew of digital innovative banking solutions which simplify otherwise cumbersome banking processes and offer customers a faster, more simplified way to bank.

- **Jifi Saver:** A social savings bank account which can be managed via Twitter and Facebook. It seamlessly integrates popular social media platforms with conventional banking. The account also has a rewards programme, and over 23 services, including mobile and DTH recharge, which can be availed under its Hashtag Banking proposition.
- **KayPay:** This is the world's first bank agnostic, real time funds transfer platform, connecting over 250 million bank account holders from 29 Indian banks. One can transfer funds to contacts on Facebook and Google+, or by simply entering the email id of the beneficiary. The platform has seen rapid adoption since its launch in October 2014. It has also been rated among the most innovative payment platforms, both in India and globally.



Puneet Kapoor, Manish A and GPJ Gupta receive 'Best Use of Digital and Channel Technology Award' for Instant Pin Regeneration at IBA Technology Awards 2014-15

- **Instant Pin Generation for Debit and Credit Cards:** This service enables customers to generate a PIN immediately through channels like net banking, mobile banking & Interactive Voice Response (IVR). Earlier, the only method to regenerate PIN for debit & credit cards was to request for a physical PIN mailer which took anywhere between 4 – 10 days to reach the customer. As a result, customers were not able to use their card(s) during this period.
- **Insta Balance Service:** Customers can quickly check balances of all their accounts from their mobile devices. All they need to do is give a missed call to the toll-free number – 1800 274 0110 from their registered mobile number. The system instantly identifies all accounts linked to the mobile number, and fetches balance of the accounts, which is sent to the customer via SMS. The entire process takes less than 30 seconds. This service is offered for up to 10 accounts linked to the mobile number.
- **Mail Money:** Mail Money allows customers to transfer funds simply by entering an email id and mobile number of a beneficiary and initiate a fund transfer through KMBL's secure net banking. By using Mail Money, the sender is not required to know the recipient's bank account details for initiating the transfer.



(Right to left) Deepak Sharma and Manish A receive 'Best New Product and Service' for Kotak Jifi at Efma Accenture Innovation Awards 2014



Jasneet Bachal receives 'Best Social Media Project' by Asian Banker for Jifi and KayPay

- **Message Money:** This feature enables customers to transfer money through the mobile banking application, merely by entering the mobile number of the recipient in the beneficiary details. Users can access their contact list to fetch the mobile number and share the required information via any of the messaging options available on his device, such as Whatsapp, WeChat, Hike, etc.

Section A: General information about the company		
1	Corporate Identity Number (CIN) of the Company	L65110MH1985PLC038137
2	Name of the Company	Kotak Mahindra Bank Limited
3	Registered address	27BKC, C27, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
4	Website	www.kotak.com
5	Email id	cr@kotak.com
6	Financial year reported	2014-15
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Code: 64191 – Kotak Mahindra Bank is a banking company governed by the Banking Regulation Act, 1949
8	Three key products/services of the Company (as in balance sheet)	Deposits, Advances and Investment Advisory.
9 (i)	Number of international locations	None
9 (ii)	Number of National locations	643
10	Markets served by the Company – Local/State/National/International/	India
Section B: Financial detail about the company		
1	Paid up capital (INR)	₹ 386.18 crore as on 31st March, 2015
2	Total turnover (INR)	₹ 11,748.32 crore (Bank Standalone)
3	Total profit after taxes (PAT) (INR)	₹ 1,865.98 crore (Bank Standalone)
4	CSR spend as percentage of profit after tax (PAT) (%)	0.64% (Bank Standalone)
5	List of CSR activities	Refer 'Investing in Community Development' section of 'Business Responsibility Report', page 152
Section C: Other details		
1	Company subsidiaries / joint-ventures	Refer Related Party Disclosures of the Annual Report, page 232
2	Subsidiaries participating in Company's BR initiatives	Nil
3	Other entities (e.g. suppliers, distributors etc.) participating in Company's BR initiatives	Nil
Section D (1): Business Responsibility Information (BR)		
1.a	Director responsible for implementation of BR policies (DIN)	00012214
	Director responsible for implementation of BR policies (Name)	Mr. C. Jayaram
	Director responsible for implementation of BR policies (Designation)	Joint Managing Director
1.b	BR Head (DIN, if applicable)	N.A.
	BR Head (Name)	Mr. Rohit Rao
	BR Head (Designation)	Executive Vice President, Head – Corporate Communications, Business Responsibility & CSR
	BR Head (Telephone number)	+91-22-6166 0001
	BR Head (email id)	rohit.rao@kotak.com

Section D (2): Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)										
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Policy/policies for.	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Policy being formulated in consultation with the relevant stakeholders.	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Policy conforming to national / international standards	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Policy approved by the Board and signed by MD / CEO / appropriate Director.	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Committee of the Board / Director/Official to oversee the implementation of the policy.	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Link for the policy to be viewed online	All policies are available on the Bank's intranet.								
7.	Policy formally communicated to all relevant internal and external stakeholders.	Yes. Policies have been communicated to all key internal stakeholders of the Bank. The communication on policies covering all internal and external stakeholders is an on-going process.								
8.	In-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Independent audit/evaluation of the working of this policy by an internal or external agency.	Evaluation done through internal audit mechanism.								

Section D (2.a): BR Information - Principle-wise (as per NVGs) explanation. If the answer to S. No.1 under Section D (2) against any Principle is "No" – Not Applicable.

Section D (3): BR Governance

1.a	Frequency of Board of Directors, Committee of the Board or CEO review of BR performance	BR Committee met twice in FY 2014-15. The Bank has also put in place CSR Committee U/S 135 of the Companies Act 2013, which met thrice in FY 2014-15. Further, the Bank has been updating its CSR initiatives and CSR expenditure to the Board every quarter.
1.b	BR report or sustainability (frequency and hyperlink)	BR Report Frequency: Annual Hyperlink: http://www.kotak.com/corporate-responsibility.html .

Section E: Principle Wise Performance

Principle 1

1	Policy relating to ethics, bribery and corruption covering the Company and Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others	Refer 'Ethics, Transparency & Accountability' section of 'Business Responsibility Report', page 145
2	Stakeholder complaints received in FY 2014-15 (Complaints include investor complaints received through the Bank's investor grievance mechanism. For customer complaints / consumer cases please refer Principle 9)	32
3	Percentage of stakeholder complaints resolved (Complaints include investor complaints received through the Bank's investor grievance mechanism. For customer complaints / consumer cases please refer Principle 9)	100%

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Principle 2		
1	Products and services designed with social or environmental concerns, risks and/ or opportunities incorporate Up to three products or services	1. Basic Savings Bank Deposits Accounts 2. Agri business banking products 3. Tractor financing Additionally refer 'Towards Value Creation' section of the 'Business Responsibility Report' for the Bank's products designed with social concerns, risks and / or opportunities (Financial Inclusion), page 146
2	i. Reduction with respect to resource use (energy, water, raw material etc.) per unit of product during sourcing/production/ distribution achieved since the previous year throughout the value chain (optional) ii. Reduction during usage by customers (energy, water) has been achieved since the previous year (optional)	N.A.
3	Procedures for sustainable sourcing (including transportation)	N.A.
4	Procurement of goods and services from local & small producers, including local communities	Bank does not procure any goods for processing. Manpower services for offices and branches are generally hired from local agencies, Bank website, job-portals, internal movements, walk-ins, or through references.
5	Mechanism to recycle products and waste	Refer 'Reducing the Ecological Footprint' section of the 'Business Responsibility Report', page 150
Principle 3		
1	Total number of employees (as at 31.03.2015)	18,335 (Bank Standalone)
2	Total number of employees hired on temporary/contractual/casual basis (as at 31.03.2015)	5,673 (Bank Standalone)
3	Total number of permanent women employees (as at 31.03.2015)	3,398 (Bank Standalone)
4	Total number of permanent employees with disabilities (as at 31.03.2015)	9 (Bank Standalone)
5	Employee association recognised by management	Through employee engagement mechanism, the Bank directly engages with all employees on various aspects of employee well-being. For more details, please refer 'Investing in Employee Welfare' section of the 'Business Responsibility Report', page 148
6	Percentage of permanent employees part of employee association	N.A.
7.1	Child labour/forced labour/involuntary labour complaints filed (pending)	Nil
7.2	Sexual harassments complaints filed	5 (Bank Standalone)
7.3	Discriminatory employment complaints filed	Nil
8.1	Percentage of employees covered with safety & skill up-gradation training (permanent employees)	KMBL provides training to its employees and contract staff on safety and skill upgradation. Please refer 'Investing in Employee Welfare' section of the 'Business Responsibility Report', page 148
8.2	Percentage of employees covered with safety & skill up-gradation training (permanent women employees)	KMBL provides training to its employees and contract staff on safety and skill upgradation. Please refer 'Investing in Employee Welfare' section of the 'Business Responsibility Report', page 148
8.3	Percentage of employees covered with safety & skill up-gradation training (Casual/Temporary/Contractual)	KMBL provides training to its employees and contract staff on safety and skill upgradation. Please refer 'Investing in Employee Welfare' section of the 'Business Responsibility Report', page 148
8.4	Percentage of employees covered with safety & skill up-gradation training (Employees with disabilities)	KMBL provides training to its employees and contract staff on safety and skill upgradation. Please refer 'Investing in Employee Welfare' section of the 'Business Responsibility Report', page 148
Principle 4		
1	Mapping of internal and external stakeholders	Yes. Refer 'Connecting with those who Matter' section of 'Business Responsibility Report', page 149
2	Identification of the disadvantaged, vulnerable & marginalised stakeholders.	Refer 'Connecting with those who Matter' section of 'Business Responsibility Report', page 149

3	Special initiatives to engage disadvantaged, vulnerable & marginalised stakeholders	Refer 'Towards Value Creation' section of 'Business Responsibility Report', page 146
Principle 5		
1	Policy relating to Human Rights covering the Company and Group/Joint Ventures/Suppliers/Contractors/NGOs /Others	The Policy Statement on Human Rights and Anti-discrimination is applicable for the Bank. Refer 'Ethics, Transparency & Accountability' section of 'Business Responsibility Report', page 145
2	Stakeholder complaints on human rights received (percentage resolved)	Nil
Principle 6		
1	Policy relating to Environment covering the Company and Group/Joint Ventures/Suppliers/Contractors/NGOs /Others	The Policy Statement on Environment is applicable for the Bank. Refer 'Ethics, Transparency & Accountability' section of 'Business Responsibility Report', page 145
2	Strategies / initiatives to address global environmental issues such as climate change, global warming, etc.	Refer 'Reducing the Ecological Footprint' section of 'Business Responsibility Report', page 150
3	Identification and assessment of potential environmental risks	Refer 'Reducing the ecological footprint' section of 'Business Responsibility Report', page 150
4	Projects related to Clean Development Mechanism	None
5	Initiatives on clean technology, energy efficiency, renewable energy, etc.	Refer 'Reducing the Ecological Footprint' section of 'Business Responsibility Report', page 150
6	Emissions / Waste generated by the company within the permissible limits given by CPCB/SPCB	NA
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending	Nil
Principle 7		
1	Trade or chamber association memberships	Refer 'Policy Advocacy' section of 'Business Responsibility Report', page 151
2	Advocacy through above associations for the advancement or improvement of public good	Refer 'Policy Advocacy' section of 'Business Responsibility Report', page 151
Principle 8		
1	Programmes / initiatives / projects related to inclusive growth	Refer 'Investing in Community Development' section of 'Business Responsibility Report', page 152
2	Programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation	Refer 'Investing in Community Development' section of 'Business Responsibility Report', page 152
3	Impact assessment of initiatives	Refer 'Investing in Community Development' section of 'Business Responsibility Report', page 152
4	Direct contribution to community development projects- Amount in INR and the details of the projects undertaken	CSR contribution by KMBL in FY 2014-15: ₹ 11,97,54,147/- (Rupees Eleven Crore Ninety Seven Lakh Fifty Four Thousand One Hundred Forty Seven only). For more information refer 'Investing in Community Development' section of 'Business Responsibility Report', page 152
5	Successful adoption of community initiatives by communities	Refer 'Investing in Community Development' section of 'Business Responsibility Report', page 152
Principle 9		
1	Percentage of customer complaints/consumer cases are pending	1.9% (Bank Standalone)
2	Product information display on the product label, over and above what is mandated as per local laws	Refer 'Enhancing Customer Value' section of 'Business Responsibility Report', page 161
3	Cases filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years	Nil
4	Consumer survey/ consumer satisfaction trends	Refer 'Enhancing Customer Value' section of 'Business Responsibility Report', page 161