

Independent Auditor's Report

To the Members of Kotak Mahindra Bank Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Kotak Mahindra Bank Limited ("the Bank"), which comprise the Balance sheet as at March 31, 2019, the Profit and Loss Account, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 ("the Act") in the manner so required for banking companies and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Bank as at March 31, 2019, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Identification of and provisioning for Non-performing advances (Refer Schedule 17C – Note 2 to the financial statements):	
<p>Advances constitute a significant portion of the Bank's assets and the quality of these advances is measured in terms of ratio of Non-Performing Advances ("NPA") to the gross advances of the Bank. The Bank's net advances constitute 66% of the total assets and the gross NPA ratio of the Bank is 2.14% as at March 31, 2019.</p> <p>The Reserve Bank of India's ("RBI") guidelines on Income recognition and asset classification ("IRAC") prescribe the prudential norms for identification and classification of NPAs and the minimum provision required for such assets. The Bank is also required to apply its judgement to determine the identification and provision required against NPAs by applying quantitative as well as qualitative factors. The risk of identification of NPAs is affected by factors like stress and liquidity concerns in certain sectors.</p> <p>The provisioning for identified NPAs is estimated based on ageing and classification of NPAs, value of security and other qualitative factors and is subject to the minimum provisioning norms specified by RBI.</p>	<p>The audit procedures performed, among others, included:</p> <ul style="list-style-type: none"> - Considering the Bank's policies for NPA identification and provisioning and assessing compliance with the IRAC norms. - Understanding, evaluating and testing the design and operating effectiveness of key controls (including application controls) around identification of impaired accounts based on the extant guidelines on IRAC. - Performing other procedures including substantive audit procedures covering the identification of NPAs by the Bank. These procedures included: <ul style="list-style-type: none"> - Testing of the exception reports generated from the application systems where the advances have been recorded.

Key audit matters	How our audit addressed the key audit matter
<p>Since the identification of NPAs and provisioning for advances require significant level of estimation and given its significance to the overall audit including possible observations by RBI which could result in disclosures in the financial statements, we have ascertained identification and provisioning for NPAs as a key audit matter.</p>	<ul style="list-style-type: none"> - Reading the accounts reported by the Bank and other banks as Special Mention Accounts ("SMA") in RBI's central repository of information on large credits (CRILC) to identify stress. - Reading account statements and other related information of the borrowers selected based on quantitative and qualitative risk factors. - Performing inquiries with the credit and risk departments to ascertain if there were indicators of stress or an occurrence of an event of default in a particular loan account or any product category which need to be considered as NPA. Examining the early warning reports generated by the Bank to identify stressed loan accounts. - Holding specific discussions with the management of the Bank on sectors where there is perceived credit risk and the steps taken to mitigate the risks to identified sectors. <p>With respect to provisioning of advances, we performed the following procedures:</p> <ul style="list-style-type: none"> - Gained an understanding of the Bank's process for provisioning of advances. - Tested on a sample basis the realizable value of assets provided as security against loans classified as non-performing for determining the provision. - Tested on a sample basis the calculation performed by the management for compliance with RBI regulations and internally laid down policies for provisioning.
<p>Information Technology ("IT") Systems and controls</p> <p>The reliability and security of IT systems plays a key role in the business operations of the Bank. Since large volume of transactions are processed daily, the IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner. These systems also play a key role in the financial accounting and reporting process of the Bank.</p> <p>Due to the pervasive nature and complexity of the IT environment we have ascertained IT systems and controls as a key audit matter.</p>	<ul style="list-style-type: none"> - We included specialized IT auditors as part of the audit team for testing IT General Controls (logical access, change management and aspects of IT operations controls), application controls and IT dependent manual controls implemented by the Bank, and testing the information produced by the Bank. - Tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. - Tested the Bank's periodic review of access rights. We inspected requests of changes to systems for approval and authorisation. - Considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit. - Tested key application controls to evaluate their operating effectiveness. - Where deficiencies were identified, we tested compensating controls or performed alternate procedures.

Key audit matters	How our audit addressed the key audit matter
Compliance with regulations impacting financial statements	
<p>The Bank operates in a highly regulated environment. In addition to the Banking Regulation Act, 1949, RBI provides directives and guidelines in the form of circulars from time to time.</p> <p>Given the pervasive nature of the regulations, failure to comply with them could have a material financial impact on the operations of the Bank.</p>	<ul style="list-style-type: none"> - Understood the relevant legal and regulatory framework within which the Bank operates and assessed the design and operation of its key controls over this framework. - Assessed the compliance structure of the Bank with regard to adherences to various regulations. We understood the process followed by the Bank's compliance team to obtain and disseminate updates regarding new circulars/notifications/press releases. - Reviewed the RBI Annual Financial Inspection report and other communication with regulators. - Reviewed the minutes of meeting of board level committees, risk management committee, credit and NPA review committees and internal audit reports for any recorded instances of potential non-compliance, and maintained a high level of vigilance when carrying out our other audit procedures for indications of noncompliance. - Assessed that disclosures in the financial statements are in line with the requirements of RBI. - Enquired about penalties levied on the Bank for any assessed non-compliance with regulatory requirements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Bank's Board of Directors is responsible for the other information. The other information received by us comprises the information included in the Basel III - Pillar 3 disclosures but does not include the financial statements and our auditor's reports thereon, which we obtained prior to the date of this auditor's report, and other elements of the Annual Report, which are expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other elements of the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged with Governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Bank's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 in so far as they apply to the Bank and the guidelines and directions issued by the Reserve Bank of India from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Those Charged with Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Those Charged with Governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Those Charged with Governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 read with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014.
2. As required sub section (3) of section 30 of the Banking Regulation Act, 1949, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
 - (b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and
 - (c) The financial accounting systems of the Bank are centralised and therefore, accounting returns for the purpose of preparing financial statements are not required to be submitted by the branches; we have visited 144 branches for the purpose of our audit.
3. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;
- (g) In our opinion, the entity being a banking company, the remuneration to whole-time directors during the year ended March 31, 2019 has been paid by the Bank in accordance with the provisions of Section 35B (1) of the Banking Regulation Act, 1949; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Bank has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Schedule 12.I, Schedule 17C - Note 13 and Schedule 18B - Note 15 to the financial statements;
 - ii. The Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Schedule 12.2, Schedule 17C - Note 11, Schedule 17C - Note 13 and Schedule 18B - Note 11 and Note 15 to the financial statements; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank.

For S. R. BATLIBOI & CO. LLP

Chartered Accountants

Firm's Registration No.: 301003E/E300005

per Viren H. Mehta

Partner

Membership Number: 048749

Place of Signature: Mumbai

Date: 30 April 2019

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KOTAK MAHINDRA BANK LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**
To the Members of Kotak Mahindra Bank Limited

We have audited the internal financial controls over financial reporting of Kotak Mahindra Bank Limited (the "Bank") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Bank's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Bank has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Viren H. Mehta

Partner

Membership Number: 048749

Place of Signature: Mumbai

Date: 30 April 2019

Balance Sheet

as at 31st March, 2019

(₹ in thousands)

	Schedule	As at 31 st March, 2019	As at 31 st March, 2018
CAPITAL AND LIABILITIES			
Capital	1	14,543,774	9,528,243
Employee's Stock Options (Grants) Outstanding		20,728	21,680
Reserves and Surplus	2	414,440,027	365,288,316
Deposits	3	2,258,803,630	1,926,432,709
Borrowings	4	322,482,914	251,541,531
Other Liabilities and Provisions	5	111,429,836	96,521,497
Total		3,121,720,909	2,649,333,976
ASSETS			
Cash and Balances with Reserve Bank of India	6	108,775,243	89,085,076
Balances with Banks and Money at Call and Short Notice	7	137,980,161	107,116,004
Investments	8	711,890,850	645,623,468
Advances	9	2,056,948,097	1,697,179,249
Fixed Assets	10	16,515,501	15,271,602
Other Assets	11	89,611,057	95,058,577
Total		3,121,720,909	2,649,333,976
Contingent Liabilities	12	2,120,822,671	2,051,048,385
Bills for Collection		318,522,336	242,553,119
Significant accounting policies and notes to accounts forming part of financial statements	17 & 18		

The schedules referred to above form an integral part of this Balance Sheet.

The Balance Sheet has been prepared in conformity with Form 'A' of the Third Schedule to the Banking Regulation Act, 1949.

As per our report of even date attached.

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E/E300005

per Viren H. Mehta
Partner
Membership No. 048749

Mumbai
30th April, 2019

For and on behalf of the Board of Directors

Prakash Apte
Chairman

Dipak Gupta
Joint Managing Director

Jaimin Bhatt
President and Group Chief Financial Officer

Uday Kotak
Chief Executive Officer and Managing Director

Uday Khanna
Director

Bina Chandarana
Company Secretary

Profit and Loss Account

for the year ended 31st March, 2019

(₹ in thousands)

	Schedule	Year ended 31 st March, 2019	Year ended 31 st March, 2018
I. INCOME			
Interest Earned	13	239,432,076	197,484,956
Other Income	14	46,040,270	40,522,082
Total		285,472,346	238,007,038
II. EXPENDITURE			
Interest Expended	15	126,842,487	102,168,077
Operating Expenses	16	75,148,008	64,257,223
Provisions and Contingencies (Refer Note 11 - Schedule 18 B)		34,828,534	30,738,704
Total		236,819,029	197,164,004
III. PROFIT			
Net Profit for the year (I - II)		48,653,317	40,843,034
Add : Balance in Profit and Loss Account brought forward from previous year		136,045,968	107,562,902
Total		184,699,285	148,405,936
IV. APPROPRIATIONS			
Transfer to Statutory Reserve		12,163,400	10,210,800
Transfer to Capital Reserve		69,900	240,000
Transfer to Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961		400,000	550,000
Transfer to Investment Reserve Account (Refer Note 34 - Schedule 18 A)		310,622	-
Transfer to Investment Fluctuation Reserve		708,918	-
Transfer to Fraud Provision		13,971	-
Dividend		1,602,824	1,142,141
Corporate Dividend Tax		236,780	217,027
Balance carried over to Balance Sheet		169,192,870	136,045,968
Total		184,699,285	148,405,936
V. EARNINGS PER SHARE (Face value of ₹ 5/-)			
Basic		25.52	21.54
Diluted		25.48	21.51
(Refer Note 1 - Schedule 18 B)			
Significant accounting policies and notes to accounts forming part of financial statements	17 & 18		

The schedules referred to above form an integral part of this Profit and Loss Account.

The Profit and Loss Account has been prepared in conformity with Form 'B' of the Third Scheduled to the Banking Regulation Act, 1949.

As per our report of even date attached.

For and on behalf of the Board of Directors

For S.R. Batliboi & Co. LLP

Chartered Accountants
Firm Registration No. 301003E/E300005

Prakash Apte

Chairman

Uday Kotak

Chief Executive Officer and Managing Director

per Viren H. Mehta

Partner
Membership No. 048749

Dipak Gupta

Joint Managing Director

Uday Khanna

Director

Mumbai
30th April, 2019

Jaimin Bhatt

President and Group Chief Financial Officer

Bina Chandarana

Company Secretary

Cash Flow Statement

for the year ended 31st March, 2019

(₹ in thousands)

	Year ended 31 st March, 2019	Year ended 31 st March, 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Profit after tax	48,653,317	40,843,034
Add: Provision for tax	25,204,623	21,339,169
Net Profit before taxes	73,857,940	62,182,203
Adjustments for :-		
Employee Stock Options Expense	17,961	17,470
Depreciation on Bank's Property	3,669,196	3,026,901
Diminution in the value of Investments written off	(137,350)	1,969,098
Dividend from Subsidiaries / Joint Ventures	(451,432)	(76,070)
Amortization of Premium on HTM Investments	2,688,983	2,796,655
Provision for Non Performing Assets, Standard Assets and Other Provisions	9,761,261	7,430,437
Profit on sale of Fixed Assets	(194,823)	(457,390)
	89,211,736	76,889,304
Adjustments for :-		
Increase in Investments (other than Subsidiaries, Joint Ventures and Other HTM Investments)	(80,249,746)	(177,283,772)
Increase in Advances	(368,210,353)	(342,606,061)
Decrease / (Increase) in Other Assets	4,469,053	(1,949,097)
Increase in Deposits	332,370,921	352,174,110
Increase in Other Liabilities and Provisions	12,973,094	10,937,267
	(98,647,031)	(158,727,553)
Direct Taxes Paid	(24,441,895)	(20,910,902)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(33,877,190)	(102,749,151)
CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES		
Purchase of Fixed Assets	(4,200,748)	(3,431,258)
Sale of Fixed Assets	299,734	563,806
Investments in Subsidiaries / Joint Ventures	(656,924)	(16,048,267)
Investments in HTM securities	12,087,655	(6,315,309)
Dividend from Subsidiaries / Joint Ventures	451,432	76,070
NET CASH FLOW USED IN INVESTING ACTIVITIES (B)	7,981,149	(25,154,958)
CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES		
Decrease in Subordinated Debt	(5,995,882)	(2,728,530)
Increase in Refinance	8,421,965	13,788,283
Increase in Borrowings [other than Refinance and Sub-ordinated debt]	68,515,300	29,526,969
Money received on exercise of Stock Options / Issue of Equity Shares	2,235,908	59,531,804
Issue of Perpetual Non Cumulative Preference Shares	5,000,000	-
Share Issue Expenses	(7,013)	(387,125)
Dividend paid including Corporate Dividend Tax	(1,839,604)	(1,359,168)

Cash Flow Statement

for the year ended 31st March, 2019

(₹ in thousands)

	Year ended 31 st March, 2019	Year ended 31 st March, 2018
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)	76,330,674	98,372,233
Increase in Foreign Currency Translation Reserve (D)	119,691	12,857
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D)	50,554,324	(29,519,019)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (Refer Note below)	196,201,080	225,720,099
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Refer Note below)	246,755,404	196,201,080
Note:		
Balance with Banks in India in Fixed Deposit (As per Sch 7 I (i) (b))	21,625	62,425
Balance with Banks in India in Current Account (As per Sch 7 I (i) (a))	2,665,556	3,338,130
Money at Call and Short Notice in India (as per Sch 7 I (ii))	85,741,126	85,471,317
Cash in hand (including foreign currency notes) (As per Sch 6 I.)	12,211,056	12,049,839
Balance with RBI in Current Accounts (As per Sch 6 II.)	96,564,187	77,035,237
Balance with Banks Outside India:		
(i) In Current Account (As per Sch 7 II (i))	6,675,754	6,186,757
(ii) In other Deposit Accounts (As per Sch 7 II (ii))	42,876,100	12,057,375
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	246,755,404	196,201,080

As per our report of even date attached.

For and on behalf of the Board of Directors

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration No. 301003E/E300005

per Viren H. Mehta

Partner

Membership No. 048749

Mumbai

30th April, 2019

Prakash Apte

Chairman

Dipak Gupta

Joint Managing Director

Jaimin Bhatt

President and Group Chief Financial Officer

Uday Kotak

Chief Executive Officer and Managing Director

Uday Khanna

Director

Bina Chandarana

Company Secretary

Schedules

Forming part of the Balance Sheet as at 31st March, 2019

SCHEDULE 1 - CAPITAL

(₹ in thousands)

	As at 31 st March, 2019	As at 31 st March, 2018
Authorised Capital		
2,800,000,000 Equity Shares of ₹ 5/- each (31 st March, 2018: 3,000,000,000 Equity Shares of ₹ 5/- each)	14,000,000	15,000,000
1,000,000,000 (31 st March, 2018: Nil) Perpetual Non Cumulative Preference Shares of ₹ 5/- each	5,000,000	-
	19,000,000	15,000,000
Issued, Subscribed and Paid-up Capital		
1,908,754,827 (31 st March, 2018: 1,905,648,506) Equity Shares of ₹ 5/- each fully paid-up	9,543,774	9,528,243
1,000,000,000 (31 st March, 2018: Nil) Perpetual Non Cumulative Preference Shares of ₹ 5/- each fully paid-up	5,000,000	-
Total	14,543,774	9,528,243

SCHEDULE 2 - RESERVES AND SURPLUS

(₹ in thousands)

	As at 31 st March, 2019	As at 31 st March, 2018
I. Statutory Reserve		
Opening Balance	55,094,383	44,883,583
Add: Transfer from Profit and Loss Account	12,163,400	10,210,800
Total	67,257,783	55,094,383
II. Capital Reserve		
Opening Balance	2,063,986	1,823,986
Add: Transfer from Profit and Loss Account	69,900	240,000
Total	2,133,886	2,063,986
III. General Reserve		
Opening Balance	6,404,249	6,404,249
Add: Transfer from Profit and Loss Account	-	-
Total	6,404,249	6,404,249
IV. Investment Reserve Account		
Opening Balance	-	-
Add: Transfer from / (to) Profit and Loss Account (Refer Note 34 - Schedule 18 A)	310,622	-
Total	310,622	-
V. Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961		
Opening Balance	4,542,000	3,992,000
Add: Transfer from Profit and Loss Account	400,000	550,000
Total	4,942,000	4,542,000
VI. Securities Premium Account		
Opening Balance	159,943,364	101,107,974
Add: Received during the year	2,239,291	59,222,515
Less: Share Issue Expenses	7,013	387,125
Total	162,175,642	159,943,364

(₹ in thousands)

	As at 31 st March, 2019	As at 31 st March, 2018
VII. Amalgamation Reserve		
Opening Balance	1,224,046	1,224,046
Add: Additions	-	-
Total	1,224,046	1,224,046
VIII. Investment Allowance (Utilised) Reserve		
Opening Balance	500	500
Add: Transfer from Profit and Loss Account	-	-
Total	500	500
IX. Investment Fluctuation Reserve		
Opening Balance	-	-
Add: Transfer from Profit and Loss Account	708,918	-
Total	708,918	-
X. Foreign Currency Translation Reserve		
Opening Balance	(30,180)	(43,039)
Add: Current Year	119,691	12,859
Total	89,511	(30,180)
XI. Balance in the Profit and Loss Account		
Balance in the Profit and Loss Account	169,192,870	136,045,968
Total	169,192,870	136,045,968
Total (I to XI)	414,440,027	365,288,316

SCHEDULE 3 - DEPOSITS

(₹ in thousands)

	As at 31 st March, 2019	As at 31 st March, 2018
A. I. Demand Deposits		
i. From Banks	3,685,256	4,031,444
ii. From Others	385,324,336	318,426,242
Total	389,009,592	322,457,686
II. Savings Bank Deposits	796,847,139	655,292,031
III. Term Deposits		
i. From Banks	630,768	13,446,945
ii. From Others	1,072,316,131	935,236,047
Total	1,072,946,899	948,682,992
Total Deposits (I to III)	2,258,803,630	1,926,432,709
B. I. Deposits of Branches in India	2,257,200,505	1,925,907,939
II. Deposits of Branches Outside India	1,603,125	524,770
Total	2,258,803,630	1,926,432,709

SCHEDULE 4 - BORROWINGS

(₹ in thousands)

	As at 31 st March, 2019	As at 31 st March, 2018
I. Borrowings in India		
(i) Reserve Bank of India	16,290,000	13,750,000
(ii) Other Banks	76,527,642	36,526,105
(iii) Other Institutions and Agencies (Refer Note 13 - Schedule 18 B)	116,658,400	120,407,480
Total	209,476,042	170,683,585
II. Borrowings outside India		
Banks and Other Institutions (Refer Note 13 - Schedule 18 B)	113,006,872	80,857,946
Total	113,006,872	80,857,946
Total Borrowings (I + II)	322,482,914	251,541,531
Secured Borrowings other than CBLO and Repo Borrowings included in I above	-	-
Tier II Bonds included in I (iii) above	4,560,000	7,018,000
Tier II Bonds included in II above	-	2,251,008

SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS

(₹ in thousands)

	As at 31 st March, 2019	As at 31 st March, 2018
I. Bills Payable	18,481,653	14,851,284
II. Interest Accrued	11,750,424	8,709,983
III. Provision for tax (net of advance tax and tax deducted at source)	710,653	109,134
IV. Standard Asset provision (Refer Note 20 - Schedule 18 A)	8,817,797	7,609,142
V. Others (including provisions)	71,669,309	65,241,954
Total	111,429,836	96,521,497

SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA

(₹ in thousands)

	As at 31 st March, 2019	As at 31 st March, 2018
I. Cash in hand (including foreign currency notes)	12,211,056	12,049,839
II. Balances with RBI in Current Account	96,564,187	77,035,237
Total	108,775,243	89,085,076

SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE

(₹ in thousands)

	As at 31 st March, 2019	As at 31 st March, 2018
I. In India		
(i) Balances with Banks		
(a) In Current Accounts	2,665,556	3,338,130
(b) In Other Deposit Accounts	21,625	62,425
Total	2,687,181	3,400,555
(ii) Money at Call and Short Notice		
(a) With Banks	42,741,126	51,921,317
(b) With Other Agencies	43,000,000	33,550,000
Total	85,741,126	85,471,317
Total (i + ii)	88,428,307	88,871,872
II. Outside India		
(i) In Current Accounts	6,675,754	6,186,757
(ii) In Other Deposit Accounts	42,876,100	12,057,375
Total	49,551,854	18,244,132
Total (I + II)	137,980,161	107,116,004

SCHEDULE 8 - INVESTMENTS

(₹ in thousands)

	As at 31 st March, 2019	As at 31 st March, 2018
I. Investments in India in		
i. Government Securities	578,924,110	516,280,145
ii. Other approved Securities	-	-
iii. Shares	7,280,357	12,449,591
iv. Debentures and Bonds	56,807,827	59,750,322
v. Subsidiaries and Joint Ventures	25,087,090	24,430,166
vi. Others [Units, Certificate of Deposits (CD), Commercial Paper (CP), Security Receipts, Pass Through Certificates (PTC)]	41,837,365	31,168,183
Total	709,936,749	644,078,407
II. Investments Outside India in		
i. Government Securities	1,705,969	1,296,929
ii. Shares	16,523	16,523
iii. Subsidiaries and Joint Ventures	231,609	231,609
Total	1,954,101	1,545,061
Total Investments (I + II)	711,890,850	645,623,468

SCHEDULE 9 - ADVANCES

(₹ in thousands)

	As at 31 st March, 2019	As at 31 st March, 2018
A.		
(i) Bills purchased and discounted #	91,420,925	71,057,817
(ii) Cash Credits, Overdrafts and loans repayable on demand	587,758,751	496,101,501
(iii) Term Loans	1,377,768,421	1,130,019,931
Total	2,056,948,097	1,697,179,249
<i># Bills purchased and discounted is net of bills rediscounted ₹ 491.21 crore (Previous Year ₹ 1,482.66 crore)</i>		
B.		
(i) Secured by tangible assets *	1,544,699,747	1,286,295,458
(ii) Covered by Bank / Government guarantees	20,844,952	19,352,191
(iii) Unsecured	491,403,398	391,531,600
Total	2,056,948,097	1,697,179,249
<i>* including advances secured against book debts</i>		
C. I. Advances in India		
(i) Priority Sector	722,728,549	592,840,670
(ii) Public Sector	11,687,525	21,786,687
(iii) Banks	66	482,031
(iv) Others	1,281,108,590	1,054,739,032
II. Advances outside India		
(i) Due from banks	-	-
(ii) Due from others		
a) Bills purchased and discounted	-	-
b) Syndicated and term loans	41,423,367	27,330,829
c) Others	-	-
Total	2,056,948,097	1,697,179,249

SCHEDULE 10 - FIXED ASSETS

(₹ in thousands)

	As at 31 st March, 2019	As at 31 st March, 2018
A. Premises (Including Land)		
Gross Block		
At cost on 31 st March of the preceding year	10,671,851	10,733,251
Additions during the year	135,794	371
Less: Deductions during the year	65,482	61,771
Total	10,742,163	10,671,851
Depreciation		
As at 31 st March of the preceding year	1,573,804	1,421,080
Add: Charge for the year	177,589	176,545
Less: Deductions during the year	20,889	23,821
Depreciation to date	1,730,504	1,573,804
Net Block	9,011,659	9,098,047
B. Other Fixed Assets (including furniture and fixtures)		
Gross Block		
At cost on 31 st March of the preceding year	25,067,950	24,653,555
Additions during the year	4,882,212	3,028,269
Less: Deductions during the year	5,867,611	2,613,874
Total	24,082,551	25,067,950
Depreciation		
As at 31 st March of the preceding year	19,051,379	18,746,431
Add: Charge for the year	3,491,607	2,850,356
Less: Deductions during the year	5,807,293	2,545,408
Depreciation to date	16,735,693	19,051,379
Net Block (Refer Note 6 - Schedule 18 B)	7,346,858	6,016,571
C. Leased Fixed Assets		
Gross Block		
At cost on 31 st March of the preceding year	1,540,585	1,540,585
Additions during the year	-	-
Less: Deductions during the year	-	-
Total	1,540,585	1,540,585
Depreciation		
As at 31 st March of the preceding year	1,383,601	1,383,601
Add: Charge for the year	-	-
Less: Deductions during the year	-	-
Depreciation to date	1,383,601	1,383,601
Net Block	156,984	156,984
Total (A) + (B) + (C)	16,515,501	15,271,602

SCHEDULE 11 - OTHER ASSETS

(₹ in thousands)

	As at 31 st March, 2019	As at 31 st March, 2018
I. Interest accrued	22,533,459	20,659,572
II. Advance tax (net of provision for tax)	-	-
III. Stationery and stamps	14,606	15,300
IV. Cheques in course of collection	-	241,428
V. Non banking assets acquired in satisfaction of claims	-	67,824
VI. Others (Refer Note 4 - Schedule 18 B)*	67,062,992	74,074,453
Total	89,611,057	95,058,577

* Includes Deferred Tax Asset ₹ 178.16 crore (Previous year ₹ 194.28 crore)

SCHEDULE 12 - CONTINGENT LIABILITIES

(₹ in thousands)

	As at 31 st March, 2019	As at 31 st March, 2018
I. Claims not acknowledged as debts	13,728,603	13,213,254
II. Liability on account of outstanding forward exchange contracts	1,199,198,327	1,240,928,580
III. Guarantees on behalf of constituents		
i) In India	264,990,195	272,736,633
ii) Outside India	-	-
IV. Acceptances, Endorsements and Other Obligations	167,730,488	135,250,530
V. Other items for which the Bank is contingently liable:		
a. Liability in respect of interest rate, currency swaps and forward rate agreements	386,178,825	350,225,731
b. Liability in respect of Options Contracts	85,786,201	35,352,504
c. Capital commitments not provided	1,363,300	1,687,900
d. Unclaimed Customer balances transferred to RBI DEAF Scheme	1,846,732	1,653,253
Total	2,120,822,671	2,051,048,385

SCHEDULE 13 - INTEREST EARNED

(₹ in thousands)

	Year ended 31 st March, 2019	Year ended 31 st March, 2018
I. Interest / discount on advances / bills	183,712,467	147,279,543
II. Income from investments	48,727,735	39,330,039
III. Interest on balances with RBI and other inter-bank funds	3,814,238	7,552,917
IV. Others	3,177,636	3,322,457
Total	239,432,076	197,484,956

SCHEDULE 14 - OTHER INCOME

(₹ in thousands)

	Year ended 31 st March, 2019	Year ended 31 st March, 2018
I. Commission, exchange and brokerage	33,907,787	27,645,399
II. Profit / (Loss) on sale of Investments (net)	708,918	2,123,029
III. Profit / (Loss) on sale of building and other assets (net)	194,823	457,390
IV. Profit on exchange transactions (net) (including derivatives)	7,382,556	6,039,115
V. Income earned by way of dividend, etc. from Subsidiaries / Associates and / or Joint Venture in / outside India	1,275,131	896,991
VI. Profit on recoveries of non-performing assets acquired	1,796,826	2,131,131
VII. Miscellaneous Income	774,229	1,229,027
Total	46,040,270	40,522,082

SCHEDULE 15 - INTEREST EXPENDED

(₹ in thousands)

	Year ended 31 st March, 2019	Year ended 31 st March, 2018
I. Interest on Deposits	110,126,352	89,375,012
II. Interest on RBI / Inter-Bank Borrowings	9,142,756	5,669,773
III. Others (Refer Note 13(c) - Schedule 18 B)	7,573,379	7,123,292
Total	126,842,487	102,168,077

SCHEDULE 16 - OPERATING EXPENSES

(₹ in thousands)

	Year ended 31 st March, 2019	Year ended 31 st March, 2018
I. Payments to and provision for employees (Refer Note 10 - Schedule 18 B)	31,836,118	29,502,348
II. Rent, taxes and lighting (Refer Note 3 - Schedule 18 B)	6,280,940	5,784,842
III. Printing and Stationery	914,117	870,835
IV. Advertisement, Publicity and Promotion	1,194,763	1,105,157
V. Depreciation on Bank's property	3,669,196	3,026,901
VI. Directors' fees, allowances and expenses	16,201	16,603
VII. Auditors' fees and expenses (Refer Note 14 - Schedule 18 B)	24,107	21,127
VIII. Law Charges	505,108	342,800
IX. Postage, telephone etc.	1,686,942	1,388,870
X. Repairs and maintenance	3,996,147	3,828,591
XI. Insurance	2,012,459	1,634,727
XII. Travel and Conveyance	1,038,888	1,028,118
XIII. Professional Charges	7,935,896	6,231,326
XIV. Brokerage	2,800,034	2,201,170
XV. Stamping Expenses	127,983	103,351
XVI. Other Expenditure (Refer Note 12 - Schedule 18 B)	11,666,088	8,337,618
	75,704,987	65,424,384
Less: Reimbursement of Costs from Group Companies	556,979	1,167,161
Total	75,148,008	64,257,223

SCHEDULE 17 – SIGNIFICANT ACCOUNTING POLICIES

A BACKGROUND

In February 2003, Kotak Mahindra Finance Limited was given a license to carry out banking business by the Reserve Bank of India (“RBI”). It was the first Non Banking Finance Company (NBFC) in India to be converted into a Bank. Kotak Mahindra Bank Limited (“Kotak Mahindra Bank”, “Kotak” or “the Bank”) provides a full suite of banking services to its customers encompassing Retail Banking, Treasury and Corporate Banking in India and also has a representative office in Dubai. The Bank set up and commenced operations in May 2016, at its International Financial Services Center Banking Unit (IBU) in Gujarat International Finance Tec (GIFT) City, Gujarat.

B BASIS OF PREPARATION

The financial statements have been prepared in accordance with statutory requirements prescribed under the Banking Regulation Act, 1949. The accounting and reporting policies of Kotak Mahindra Bank used in the preparation of these financial statements is the accrual method of accounting and historical cost convention except derivatives and it conforms with Generally Accepted Accounting Principles in India (“Indian GAAP”), the Accounting Standards specified under section 133 and the relevant provision of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013 (“the 2013 act”) and the Companies (Accounting Standards) Amendment Rules 2016 as amended from time to time in so far as they apply to banks and the guidelines issued by RBI.

Use of estimates

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. The Bank’s Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to the accounting estimates is recognised prospectively in the current and future periods.

C SIGNIFICANT ACCOUNTING POLICIES

1 Investments

Classification:

In accordance with the RBI guidelines on investment classification and valuation, investments are classified on the date of purchase into “Held for Trading” (“HFT”), “Available for Sale” (“AFS”) and “Held to Maturity” (“HTM”) categories (hereinafter called “categories”). Subsequent shifting amongst the categories is done in accordance with the RBI guidelines at the lower of the acquisition cost or carrying value and market value on the date of the transfer, and depreciation, if any, on such transfer is fully provided.

Under each of these categories, investments are further classified under six groups (hereinafter called “groups”) - Government Securities, Other Approved Securities, Shares, Debentures and Bonds, Investments in Subsidiaries / Joint Ventures and Other Investments for the purposes of disclosure in the Balance Sheet.

The Bank follows ‘Settlement Date’ accounting for recording purchase and sale transactions in securities, except in the case of equity shares where ‘Trade Date’ accounting is followed.

Basis of classification:

Investments that are held principally for resale within 90 days from the date of purchase are classified under HFT category. As per the RBI guidelines, HFT securities, which remain unsold for a period of 90 days are reclassified as AFS securities as on that date. Investments which the Bank intends to hold till maturity are classified as HTM securities. The Bank has classified investments in subsidiaries, joint ventures and associates under HTM category. Investments which are not classified in either of the above two categories are classified under AFS category.

Acquisition Cost:

The cost of investments is determined on weighted average basis. Broken period interest on debt instruments and government securities are considered as a revenue item. The transaction costs including brokerage, commission, etc. paid at the time of acquisition of investments is recognised in Profit and Loss Account.

Disposal of investments:

- **Investments classified as HFT or AFS** - Profit or loss on sale or redemption is recognised in the Profit and Loss Account.
- **Investments classified as HTM** - Profit on sale or redemption of investments is recognised in the Profit and Loss Account and is appropriated to Capital Reserve after adjustments for tax and transfer to Statutory Reserve. Loss on sale or redemption is recognised in the Profit and Loss Account.

Valuation:

The valuation of investments is performed in accordance with the RBI guidelines as follows:

- a) **Investments classified as HTM** – These are carried at their acquisition cost. Any premium on acquisition of debt instruments / government securities is amortised over the balance maturity of the security on a straight line basis. Any diminution, other than temporary, in the value of such securities is provided.
- b) **Investments classified as HFT or AFS** – Investments in these categories are marked to market and the net depreciation, if any, within each group is recognised in the Profit and Loss Account. Net appreciation, if any, is ignored. Further, provision other than temporary diminution is made at individual security level. Except in cases where provision other than temporary diminution is made, the book value of the individual securities is not changed as a result of periodic valuations.
- c) The market or fair value of quoted investments included in the 'AFS' and 'HFT' categories is measured with respect to the market price of the scrip as available from the trades or quotes on the stock exchanges, SGL account transactions, price list of RBI or prices declared on Fixed Income Money Market and Derivatives Association of India ('FIMMDA') website by Financial Benchmark India Private Limited ('FBIL') as at the year end.
- d) Treasury Bills, Exchange Funded Bills, Commercial Paper and Certificate of Deposits being discounted instruments, are valued at carrying cost.
- e) Market value of units of mutual funds is based on the latest net asset value declared by the mutual fund.
- f) Investments in subsidiaries / joint ventures (as defined by RBI) are categorised as HTM and assessed for impairment to determine other than temporary diminution, if any, in accordance with RBI guidelines.
- g) Market value of investments where current quotations are not available are determined as per the norms prescribed by the RBI as under:
 - In case of unquoted bonds, debentures and preference shares where interest / dividend is received regularly (i.e. not overdue beyond 90 days), the market price is derived based on the Yield to Maturity for Government Securities as published by FIMMDA / FBIL and suitably marked up for credit risk applicable to the credit rating of the instrument. The matrix for credit risk mark-up for each category and credit rating along with residual maturity issued by FIMMDA / FBIL is adopted for this purpose;
 - In case of bonds and debentures (including Pass Through Certificates) where interest is not received regularly (i.e. overdue beyond 90 days), the valuation is in accordance with prudential norms for provisioning as prescribed by the RBI. Interest on such securities is not recognised in the Profit and Loss Account until received;
 - Equity shares, for which current quotations are not available or where the shares are not quoted on the stock exchanges, are valued at break-up value (without considering revaluation reserves, if any) which is ascertained from the company's latest Balance Sheet. In case the latest Balance Sheet is not available, the shares are valued at ₹ 1 per investee company;
 - Units of Venture Capital Funds ('VCF') held under AFS category where current quotations are not available are marked to market based on the Net Asset Value (NAV) shown by VCF as per the latest audited financials of the fund. In case the audited financials are not available for a period beyond 18 months, the investments are valued at ₹ 1 per VCF. Investment in unquoted VCF after 23rd August, 2006 are categorised under HTM category for the initial period of three years and valued at cost as per RBI guidelines. Such investments are required to be transferred to AFS thereafter;
 - Security receipts are valued as per the Net Asset Value ('NAV') obtained from the issuing Asset Reconstruction Company or Securitisation Company or estimated recovery whichever is lower.
- h) Non-performing investments are identified and provision is made thereon based on RBI guidelines.
- i) Repurchase and reverse repurchase transactions - Securities sold under agreements to repurchase (Repos) and securities purchased under agreements to resell (Reverse Repos) are accounted as collateralised borrowing and lending transactions respectively. The difference between the consideration amount of the first leg and the second leg of the repo is recognised as interest income or interest expense over the period of the transaction.

2 Advances**Classification:**

Advances are classified as performing and non-performing advances ('NPAs') based on RBI guidelines and are stated net of bills rediscounted, specific provisions, interest in suspense for non-performing advances and claims received from Export Credit Guarantee Corporation, provisions for funded interest term loan and provisions in lieu of diminution in the fair value of restructured assets. Also, NPAs are classified into sub-standard, doubtful and loss assets as required by RBI guidelines. Interest on NPAs remaining uncollected is transferred to an interest suspense account and not recognised in the Profit and Loss Account until received.

Amounts paid for acquiring non-performing assets from other banks and NBFCs are considered as advances. Actual collections received on such non-performing assets are compared with the cash flows estimated while purchasing the asset to ascertain overdue. If these overdue are in excess of 90 days, then these assets are classified into sub-standard, doubtful or loss as required by the RBI guidelines on purchase of non-performing assets.

The Bank transfers advances through inter-bank participation with and without risk. In accordance with the RBI guidelines, in the case of participation with risk, the aggregate amount of the participation issued by the Bank is reduced from advances and where the Bank is participating, the aggregate amount of the participation is classified under advances. In the case of participation without risk, the aggregate amount of participation issued by the Bank is classified under borrowings and where the Bank is participating, the aggregate amount of participation is shown as due from banks under advances.

Provisioning:

Provision for NPAs comprising sub-standard, doubtful and loss assets is made in accordance with RBI guidelines. In addition, the Bank considers accelerated specific provisioning that is based on past experience, evaluation of security and other related factors. Specific loan loss provision in respect of non-performing advances are charged to the Profit and Loss Account. Any recoveries made by the Bank in case of NPAs written off are recognised in the Profit and Loss Account.

The Bank considers a restructured account as one where the Bank, for economic or legal reasons relating to the borrower's financial difficulty, grants to the borrower concessions that the Bank would not otherwise consider. Restructuring would normally involve modification of terms of the advance / securities, which would generally include, among others, alteration of repayment period / repayable amount / the amount of installments / rate of interest (due to reasons other than competitive reasons). Restructured accounts are classified as such by the Bank only upon approval and implementation of the restructuring package. Necessary provision for diminution in the fair value of a restructured account is made.

In accordance with RBI guidelines the Bank has provided general provision on standard assets including credit exposures computed as per the current marked to market values of interest rate and foreign exchange derivative contracts, and gold at levels stipulated by RBI from time to time - farm credit to agricultural activities, individual housing loan and SME at 0.25%, commercial real estate at 1.00%, restructured standard advances and MSME borrowers registered under GST who have been granted relief at 5%, teaser rate housing loans at 2.00%, commercial real estate-residential housing at 0.75% and for other sectors at 0.40%. Additional 2% standard asset provision is done for overseas stepdown subsidiaries of Indian corporates. Standard provision is also done at higher than the prescribed rates in respect of advances to stressed sectors as per the framework approved by the Board of Directors. In case of Frauds, the Bank makes provision for amounts it is liable for in accordance with the guidelines provided by RBI.

Further to provisions required as per the asset classification status, provisions are held for individual country exposure (except for home country) as per the RBI guidelines. Exposure is classified in the seven risk categories as mentioned in the Export Credit Guarantee Corporation of India Limited ('ECGC') guidelines and provisioning is done for that country if the net funded exposure is one percent or more of the Bank's total assets based on the rates laid down by the RBI.

Provision for Unhedged Foreign Currency Exposure of borrowers is made as per the RBI guidelines.

3 Loss on Sale of Advances to Asset Reconstruction Company

Loss on sale of Advances sold to Asset Reconstruction Company are recognised immediately in the Profit and Loss Account.

4 Securitisation

The Bank enters into arrangements for sale of loans through Special Purpose Vehicles ('SPVs'). In most cases, post securitisation, the Bank continues to service the loans transferred to the SPV. At times, the Bank also provides credit enhancement in the form of cash collaterals and / or by subordination of cash flows to Senior Pass Through Certificate ('PTC') holders. In respect of credit enhancements provided or recourse obligations (projected delinquencies, future servicing etc.) accepted by the Bank, appropriate provision / disclosure is made at the time of sale in accordance with Accounting Standard 29, "Provisions, Contingent Liabilities and Contingent Assets".

In accordance with the RBI guidelines, the profit or premium on account of securitisation of assets at the time of sale is computed as the difference between the sale consideration and the book value of the securitised asset amortised over the tenure of the securities issued. Loss on account of securitisation on assets is recognised immediately to the Profit and Loss Account.

The Bank invests in PTCs of other SPVs which are accounted for at the deal value and are classified under Investments.

5 Fixed assets (Property, Plant & Equipment and Intangible) and depreciation / amortisation

Property, Plant & Equipment and Intangible Assets have been stated at cost less accumulated depreciation and amortisation and adjusted for impairment, if any. Cost includes cost of purchase inclusive of freight, duties, incidental expenses and all expenditure like site preparation, installation costs and professional fees incurred on the asset before it is ready to put to use. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future benefit / functioning capability from / of such assets. Gain or losses arising from the retirement or disposal of a Property Plant and Equipment / Intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of assets and recognised as income or expense in the Profit and Loss Account. Profit on sale of premises, if any, is transferred to Capital Reserve as per the RBI guidelines.

Depreciation / Amortisation - Depreciation is provided on a pro-rata basis on a Straight Line Method over the estimated useful life of the assets at rates which are equal to or higher than the rates prescribed under Schedule II of the Companies Act, 2013 in order to reflect the actual usage of the assets. The estimated useful lives of assets based on technical evaluation by management are as follows:

Asset Type	Estimated Useful life in years
Premises	58
Improvement to leasehold premises	Over the period of lease subject to a maximum of 6 years.
Office equipments (High capacity chillers, Transformers, UPS, DG set, Fire Suppression, HVAC, PAC & Elevators)	10
Office equipments (other than above)	5
Computers	3
Furniture and Fixtures	6
Motor Vehicles	4
ATMs	5
Software (including development) expenditure	3

Used assets purchased are depreciated over the residual useful life from the date of original purchase.

Items costing less than ₹ 5,000 are fully depreciated in the year of purchase.

6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances with Reserve Bank of India and Balances with Other Banks / institutions and money at Call and Short Notice (including the effect of changes in exchange rates on cash and cash equivalents in foreign currency).

7 Bullion

The Bank imports bullion including precious metal bars on a consignment basis for selling to its wholesale and retail customers. The difference between the sale price to customers and actual price quoted by supplier is reflected under other income.

The Bank also borrows and lends gold, which is treated as borrowings or lending as the case may be in accordance with the RBI guidelines and the interest paid or received is classified as interest expense or income and is accounted on an accrual basis.

8 Revenue recognition

Interest income is recognised on accrual basis.

Interest income in respect of retail advances is accounted for by using the internal rate of return method to provide a constant periodic rate of return on the outstanding on the contract.

Interest income on investments in PTCs and loans bought out through the direct assignment route is recognised at their effective interest rate.

Interest income on discounted instruments is recognised over the tenure of the instruments so as to provide a constant periodic rate of return.

Service charges, fees and commission income are recognised when due except for guarantee commission and letter of credit which is recognised over the period of the guarantee / letter of credit. Syndication / arranger fee is recognised as income as per the terms of engagement.

Upon an asset becoming NPA the income accrued gets reversed, and is recognised only on realisation, as per RBI guidelines. Penal interest is recognised as income on realization other than on running accounts where it is recognised when due.

Dividend income is accounted on an accrual basis when the Bank's right to receive the dividend is established.

Gain on account of securitisation of assets is amortised over the life of the securities issued in accordance with the guidelines issued by the RBI. Loss on account of securitisation of assets is recognised immediately in Profit and Loss account.

In respect of non-performing assets acquired from other Banks / FIs and NBFCs, collections in excess of the consideration paid at each asset level or portfolio level is treated as income in accordance with RBI guidelines and clarifications.

Fees received on sale of Priority Sector Lending Certificates is considered as Miscellaneous Income, while fees paid for purchase is recognized as expense under other expenses in accordance with the guidelines issued by the RBI.

9 Employee benefits

Defined Contribution Plan:

Provident Fund

Contribution as required by the statute made to the government provident fund or to a fund set up by the Bank and administered by a board of trustees is debited to the Profit and Loss Account when an employee renders the related service. The Bank has no further obligations.

Superannuation Fund

The Bank makes contributions in respect of eligible employees, subject to a maximum of ₹0.01 crore per employee per annum to a Fund administered by trustees and managed by Life Insurance Companies. The Bank recognises such contributions as an expense in the year when an employee renders the related service.

New Pension Scheme

The Bank contributes up to 10% of eligible employees' salary per annum, to the New Pension Fund administered by a Pension Fund Regulatory and Development Authority ('PFRDA') appointed pension fund manager. The Bank recognises such contributions as an expense in the year when an employee renders the related service.

Defined Benefit Plan:

Gratuity

The Bank provides for Gratuity, covering employees in accordance with the Payment of Gratuity Act, 1972, service regulations and service awards as the case may be. The Bank's liability is actuarially determined (using Projected Unit Credit Method) at the Balance Sheet date. The Bank makes contribution to Gratuity Funds administered by trustees and managed by Life Insurance Companies.

Pension Scheme

In respect of pension payable to certain erstwhile ING Vysya Bank Limited ("eVBL") employees under Indian Banks' Association ("IBA") structure, the Bank contributes 10% of basic salary to a pension fund and the balance amount is provided based on actuarial valuation conducted by an independent actuary as at the Balance Sheet date. The Pension Fund is administered by the Board of Trustees and managed by Life Insurance Company. The present value of the Bank's defined obligation is determined using the Projected Unit Credit Method as at the Balance Sheet date.

Employees covered by the pension plan are not eligible for employer's contribution under the provident fund plan.

The contribution made to the Pension fund is recognised as planned assets. The defined benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of the plan assets.

Actuarial gains or losses in respect of all defined benefit plans are recognised immediately in the Profit and Loss Account in the year they are incurred.

Compensated Absences – Other Long-Term Employee Benefits:

The Bank accrues the liability for compensated absences based on the actuarial valuation as at the Balance Sheet date conducted by an independent actuary which includes assumptions about demographics, early retirement, salary increases, interest rates and leave utilisation. The net present value of the Banks' obligation is determined using the Projected Unit Credit Method as at the Balance Sheet date. Actuarial gains / losses are recognised in the Profit and Loss Account in the year in which they arise.

Other Employee Benefits:

As per the Bank's policy, employees are eligible for an award after completion of a specified number of years of service with the Bank. The obligation is measured at the Balance Sheet date on the basis of an actuarial valuation using the Projected Unit Credit Method.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include performance incentives.

Employee share based payments:

Equity-settled scheme:

The Employee Stock Option Schemes ('ESOSs') of the Bank are in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The schemes provide for grant of options on equity shares to employees of the Bank and its Subsidiaries to acquire the equity shares of the Bank that vest in a cliff vesting or in a graded manner and that are to be exercised within a specified period.

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, issued by The Institute of Chartered Accountants of India, the cost of equity-settled transactions is measured using the intrinsic value method. The intrinsic value being the excess, if any, of the fair market price of the share under ESOSs over the exercise price of the option is recognised as deferred employee compensation with a credit to Employee's Stock Option (Grant) Outstanding account. The deferred employee compensation cost is amortised on a straight-line basis over the vesting period of the option. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the number of equity instruments that are outstanding.

The options that do not vest because of failure to satisfy vesting condition are reversed by a credit to employee compensation expense in "Payment to and provision for employee", equal to the amortised portion of value of lapsed portion. In respect of the options which expire unexercised the balance standing to the credit of Employee's Stock Option (Grant) Outstanding accounts is transferred to General Reserve. The fair market price is the latest available closing price, preceding the date of grant of the option, on the stock exchange on which the shares of the Bank are listed.

Where the terms of an equity-settled award are modified, the minimum expense recognised in 'Payments to and provision for employees' is the expense as if the terms had not been modified. An additional expense is recognised for any modification which increases the total intrinsic value of the share-based payment arrangement, or is otherwise beneficial to the employee as remeasured as at the date of modification.

In respect of options granted to employees of subsidiaries, the Bank recovers the related compensation cost from the respective subsidiaries.

Cash-settled scheme:

The cost of cash-settled transactions (Stock Appreciation Rights – ["SARs"]) is measured initially using intrinsic value method at the grant date taking into account the terms and conditions upon which the instruments were granted. This intrinsic value is amortised on a straight-line basis over the vesting period with recognition of corresponding liability. This liability is remeasured at each Balance Sheet date up to and including the vesting date with changes in intrinsic value recognised in Profit and Loss Account in 'Payments to and provision for employees'.

The SARs that do not vest because of failure to satisfy vesting condition are reversed by a credit to employee compensation expense, equal to the amortised cost in respect of the lapsed portion.

10 Foreign currency transactions

Foreign currency monetary assets and monetary liabilities are translated as at the Balance Sheet date at rates notified by the Foreign Exchange Dealers' Association of India ('FEDAI') and the resultant gain or loss is accounted in the Profit and Loss Account.

Income and Expenditure items are translated at the rates of exchange prevailing on the date of the transactions except in respect of representative office (which are integral in nature) expenses, which are translated at monthly average exchange rates.

Outstanding forward (other than deposit and placement swaps) and spot foreign exchange contracts outstanding at the Balance Sheet date are revalued at rates notified by FEDAI for specified maturities and at the interpolated rates of interim maturities. In case of forward contracts of greater maturities where exchange rates are not notified by FEDAI, are revalued at the forward exchange rates implied by the swap curves in respective currencies. The forward profit or loss on the forward contracts are discounted using discount rate and the resulting profits or losses are recognised in the Profit and Loss Account as per the regulations stipulated by the RBI.

Foreign exchange swaps "linked" to foreign currency deposits and placements are translated at the prevailing spot rate at the time of swap. The premium or discount on the swap arising out of the difference in the exchange rate of the swap date and the maturity date of the underlying forward contract is amortised over the period of the swap and the same is recognised in the Profit and Loss Account.

Contingent liabilities on account of letters of credit, bank guarantees and acceptances and endorsements outstanding as at the Balance Sheet date denominated in foreign currencies and other foreign exchange contracts are translated at year-end rates notified by FEDAI.

The financial statements of IBU which are in the nature of non-integral overseas operations are translated on the following basis: (a) Income and expenses are converted at the average rate of exchange during the period and (b) All assets and liabilities are translated at closing rate as on Balance Sheet date. The exchange difference arising out of year end translation is debited or credited as "Foreign Currency Translation Reserve" forming part of "Reserves and Surplus".

11 Derivative transactions

Notional amounts of derivative transactions comprising of forwards, swaps, futures and options are disclosed as off Balance Sheet exposures. The Bank recognises all derivative contracts (other than those designated as hedges) at fair value, on the date on which the derivative contracts are entered into and are re-measured at fair value as at the Balance Sheet or reporting date. Derivatives are classified as assets when the fair value is positive (positive marked to market) or as liabilities when the fair value is negative (negative marked to market). Changes in the fair value of derivatives other than those designated as hedges are recognised in the Profit and Loss Account.

Outstanding derivative transactions designated as “Hedges” are accounted in accordance with hedging instrument on an accrual basis over the life of the underlying instrument. Option premium paid or received is recognised in the Profit and Loss Account on expiry of the option. Option contracts are marked to market on every reporting date.

12 Lease accounting

Leases where all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss Account on a straight-line basis over the lease term. Initial direct costs in respect of operating leases such as legal costs, brokerage costs, etc. are recognised as expense immediately in the Profit and Loss Account.

13 Accounting for provisions, contingent liabilities and contingent assets

The Bank has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with Accounting Standard - 29 on ‘Provisions, Contingent Liabilities and Contingent Assets’, the Bank recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are measured based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Bank does not expect the outcome of these contingencies to have a materially adverse effect on its financial results. Contingent assets are neither recognised nor disclosed in the financial statements.

14 Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. Impairment loss, if any, is provided in the Profit and Loss Account to the extent carrying amount of assets exceeds their estimated recoverable amount.

15 Taxes on income

The Income Tax expense comprises current tax and deferred tax. Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences being the difference between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

Deferred tax assets on account of timing differences are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In case of carry forward losses and unabsorbed depreciation, under tax laws, all the deferred tax assets are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets are reassessed at each reporting date, based upon the Management’s judgement as to whether realisation is considered as reasonably certain.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Changes in deferred tax assets / liabilities on account of changes in enacted tax rates are given effect to in the Profit and Loss Account in the period of the change.

16 Accounting for Dividend

As per AS 4 (Revised), with effect from April 2016, the Bank is not required to provide for dividend proposed / declared after the Balance Sheet date. The same shall be appropriated from next year amount available for appropriation.

17 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year.

18 Share issue expenses

Share issue expenses are adjusted from Securities Premium Account as permitted by Section 52 of the Companies Act, 2013.

19 Credit cards reward points

The Bank estimates the liability for credit card reward points and cost per point using actuarial valuation conducted by an independent actuary, which includes assumptions such as mortality, redemption and spends.

20 Segment reporting

In accordance with guidelines issued by RBI vide DBOD.No.BP.BC.81/21.01.018/2006-07 dated 18th April, 2007 and Accounting Standard 17 (AS-17) on "Segment Reporting", the Banks' business has been segregated into the following segments whose principal activities were as under:

Segment	Principal activity
Treasury, BMU and Corporate Centre	Money market, forex market, derivatives, investments and primary dealership of government securities and Balance Sheet Management Unit ('BMU') responsible for Asset Liability Management and Corporate Centre which primarily comprises of support functions.
Corporate / Wholesale Banking	Wholesale borrowings and lendings and other related services to the corporate sector which are not included under retail banking.
Retail Banking	Includes: <ul style="list-style-type: none"> I Lending <ul style="list-style-type: none"> Commercial vehicle finance, personal loans, home loans, agriculture finance, other loans / services and exposures which fulfill the four criteria for retail exposures laid down in Basel Committee on Banking Supervision document "International Convergence of Capital Measurement and Capital Standards: A Revised Framework". II Branch Banking <ul style="list-style-type: none"> Retail borrowings covering savings, current, term deposit accounts and Branch Banking network / services including distribution of financial products. III Credit Cards <ul style="list-style-type: none"> Receivables / loans relating to credit card business.
Other Banking business	Any other business not classified above.

A transfer pricing mechanism has been established by Asset Liability Committee ('ALCO') for allocation of interest cost to the above segments based on borrowing costs, maturity profile of assets / liabilities etc. and which is disclosed as part of segment revenue.

Segment revenues consist of earnings from external customers and inter-segment revenues based on a transfer pricing mechanism. Segment expenses consist of interest expenses including allocated operating expenses and provisions.

Segment results are net of segment revenues and segment expenses.

Segment assets include assets related to segments and exclude tax related assets. Segment liabilities include liabilities related to the segment excluding net worth, employees' stock option (grants outstanding) and proposed dividend and dividend tax thereon.

Since the business operations of the Bank are primarily concentrated in India, the Bank is considered to operate only in the domestic segment.

SCHEDULE 18 – NOTES TO ACCOUNTS
A. DISCLOSURES AS LAID DOWN BY RBI CIRCULARS:
1. Capital Adequacy Ratio:

The Bank's Capital Adequacy Ratios as per Basel III guidelines are as follows:

(₹ in crore)

	31 st March, 2019	31 st March, 2018
Capital Ratios:		
(i) Common Equity Tier I Capital (%)	16.72%	17.53%
(ii) Tier I Capital (%)	16.93%	17.56%
(iii) Tier II Capital (%)	0.52%	0.66%
(iv) Total CRAR %	17.45%	18.22%
(v) Percentage of the shareholding of the Government of India	-	-
(vi) Amount raised by issue of Equity Shares #	224.78	5,915.91
(vii) Amount of Additional Tier I capital raised of which		
PNCPS*	500.00	-
PDI	-	-
(viii) Amount of Tier II Capital raised of which		
Debt capital instruments	-	-
Preference share capital instruments	-	-

* The Bank has allotted 8.10% Perpetual Non-Convertible Preference Shares (PNCPS) on 2nd August, 2018 to eligible investors at issue price of ₹ 5 per PNCPS aggregating to ₹ 500 crore, resulting in increase in paid-up capital of the Bank.

Further the Bank has allotted during the year 3,106,321 equity shares consequent to exercise of ESOPs vested. Accordingly the share capital further increased by ₹ 1.55 crore and share premium increased by ₹ 223.93 crore, net of share issue expenses of ₹ 0.70 crore.

2. Investments held under the 3 categories viz. "Held for Trading (HFT)", "Available for Sale (AFS)" and "Held to Maturity (HTM)" are as under:

In India:

(₹ in crore)

	31 st March, 2019				31 st March, 2018			
	HFT	AFS	HTM	Total	HFT	AFS	HTM	Total
Government Securities *	755.80	31,332.60	25,804.01	57,892.41	713.11	23,633.23	27,281.67	51,628.01
Other Approved Securities	-	-	-	-	-	-	-	-
Shares	-	728.04	-	728.04	-	1,244.96	-	1,244.96
Debentures and Bonds	835.07	4,845.71	-	5,680.78	400.99	5,574.05	-	5,975.04
Subsidiaries, Associates and Joint Ventures	-	-	2,508.71	2,508.71	-	-	2,443.02	2,443.02
Units, Certificate of Deposits, CP, SRs, PTCs etc.	-	4,183.74	-	4,183.74	-	3,116.82	-	3,116.82
Total	1,590.87	41,090.09	28,312.72	70,993.68	1,114.10	33,569.06	29,724.69	64,407.85

* Includes securities with face Value of ₹ 7,684.71 crore (previous year ₹ 3,246.48 crore) pledged and encumbered for availment of fund transfer facility, clearing facility, margin requirements and with RBI for LAF

Outside India:

(₹ in crore)

	31 st March, 2019				31 st March, 2018			
	HFT	AFS	HTM	Total	HFT	AFS	HTM	Total
Government Securities	-	170.60	-	170.60	-	129.69	-	129.69
Shares	-	1.65	-	1.65	-	1.65	-	1.65
Subsidiaries, Associates and Joint Ventures	-	-	23.16	23.16	-	-	23.16	23.16
Total	-	172.25	23.16	195.41	-	131.34	23.16	154.50

3. The details of investments and the movement of provisions held towards depreciation of investments of the Bank as on 31st March, 2019 and 31st March, 2018 are given below:

(₹ in crore)

	31 st March, 2019	31 st March, 2018
1. Value of Investments		
i. Gross value of Investments		
a. In India	71,505.84	64,933.74
b. Outside India	195.41	154.50
ii. Provision for Depreciation		
a. In India	(512.16)	(525.89)
b. Outside India	-	-
iii. Net value of Investments		
a. In India	70,993.68	64,407.85
b. Outside India	195.41	154.50
2. Movement of provisions held towards depreciation on investments		
i. Opening balance	525.89	328.98
ii. Add: Provisions made during the year	186.94	254.93
iii. Less: Write-back of provisions during the year	200.67	58.02
iv. Closing balance	512.16	525.89

**4. Details of Repo / Reverse Repo (excluding LAF and MSF transactions for the year) deals (in face value terms):
Year ended 31st March, 2019:**

(₹ in crore)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	31 st March, 2019
Securities sold under repos				
i. Government securities	-	8,090.09	2,590.72	6,974.55
ii. Corporate debt securities	-	200.00	5.21	-
Securities purchased under reverse repos				
i. Government securities	-	11,996.31	1,601.07	4,255.16
ii. Corporate debt securities	-	100.00	0.27	-

Year ended 31st March, 2018:

(₹ in crore)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	31 st March, 2018
Securities sold under repos				
i. Government securities	-	7,835.85	2,039.43	2,020.27
ii. Corporate debt securities	-	200.00	1.25	-
Securities purchased under reverse repos				
i. Government securities	-	10,797.21	1,396.80	5,088.65
ii. Corporate debt securities	-	-	-	-

5. Disclosure in respect of Non-SLR investments:
(i) Issuer composition of Non-SLR investments as at 31st March, 2019:

(₹ in crore)

No.	Issuer	Amount	Extent of Private Placement	Extent of 'Below Investment Grade' Securities	Extent of 'Unrated' Securities	Extent of 'Unlisted' Securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	PSUs	1,859.40	1,291.25	-	-	1,145.59
2	FIs	52.40	30.02	-	-	-
3	Banks	559.02	500.00	-	200.00	200.00
4	Private Corporates	6,219.16	4,962.25	17.83	786.73	1,857.12
5	Subsidiaries, Associates and Joint Ventures	2,561.69	1,207.97	-	2,561.69	2,561.69
6	Others	2,386.57	2,343.55	1,318.31	483.71	2,386.57
7	Provision held towards depreciation	(512.16)	-	-	-	-
	Total	13,126.08	10,335.04	1,336.14	4,032.13	8,150.97

Amounts reported under column (4), (5), (6) and (7) above are not mutually exclusive.

Issuer composition of Non-SLR investments as at 31st March, 2018:

(₹ in crore)

No.	Issuer	Amount	Extent of Private Placement	Extent of 'Below Investment Grade' Securities	Extent of 'Unrated' Securities	Extent of 'Unlisted' Securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	PSUs	834.27	788.87	-	-	703.62
2	FIs	66.99	4.00	-	-	-
3	Banks	292.81	200.00	-	203.01	200.00
4	Private Corporates	8,431.35	6,216.38	17.83	1,327.45	2,136.11
5	Subsidiaries, Associates and Joint Ventures	2,496.00	1,141.38	-	2,496.00	2,496.00
6	Others	1,174.73	1,171.71	831.06	116.69	1,174.73
7	Provision held towards depreciation	(491.51)	-	-	-	-
	Total	12,804.64	9,522.34	848.89	4,143.15	6,710.46

Amounts reported under column (4), (5), (6) and (7) above are not mutually exclusive.

(ii) Non-performing Non-SLR investments:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Opening balance	238.03	140.88
Additions during the year since 1 st April	59.95	140.87
Reductions during the year	(1.06)	(43.72)
Closing balance	296.92	238.03
Total provisions held	239.14	138.76

6. During the year ended 31st March, 2019 and year ended 31st March, 2018, the value of sale / transfer of securities to / from HTM category (excluding one-time transfer of securities and sales to RBI under OMO auctions) was within 5% of the book value of instruments in HTM category at the beginning of the year.

7. Derivatives:**A. Forward Rate Agreements/ Interest Rate Swaps:**

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
The notional principal of swap agreements	34,522.03	29,765.31
Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	184.57	178.19
Collateral required by the Bank upon entering into swaps	NA	NA
Concentration of credit risk arising from the swaps	77.45% (Banks)	92.68% (Banks)
The fair value of the swap book	(8.68)	50.45

B. Exchange Traded Interest Rate Derivatives:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Notional principal amount of exchange traded interest rate derivatives undertaken during the year	-	-
Notional principal amount of exchange traded interest rate derivatives outstanding	-	-
Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective" *	NA	NA
Mark to market value of exchange traded interest rate derivatives outstanding and not "highly effective" *	NA	NA

* Being trading positions

Disclosures on risk exposures in derivatives:**Qualitative disclosures:****a) Structure and organization for management of risk in derivatives trading:**

The Board of Directors, the Asset Liability Management Committee ('ALCO'), the Risk Management Committee ('RMC'), the Senior Management Committee for Derivatives ('SMC') and the Market Risk Management Department are entrusted with the management of risks in derivatives.

The philosophy and framework for the derivative business is laid out in the Board approved Investment and Derivative policies. The ALCO of the Bank is empowered to set the limit-framework for derivatives. It also reviews the market risk exposures of derivatives against the limits. The Risk Management Committee reviews all risks on a consolidated basis.

The Senior Management Committee for Derivatives (SMC) performs the ongoing oversight and monitoring of the client derivatives business. This committee is responsible for reviewing and approving the derivative products that can be offered to clients (within the regulatory framework provided by the RBI). The Board approved 'Customer Suitability and Appropriateness Policy for Derivatives' lays down the risk management & governance framework for offering derivatives to clients.

The Bank has Back-Office and Risk Management - independent of the dealing function. The Market Risk Management & Counterparty Risk Management Departments are responsible for assessment, monitoring, measurement & reporting of Market & Counterparty risks in derivatives.

b) Scope and nature of risk measurement, risk reporting and risk monitoring systems:

All significant risks of the derivative portfolio are monitored, measured & reported to the senior management. The Market Risk Management Department, on a daily basis, measures & reports risk-metrics like Value-at-Risk (VaR), PV01, Option Greeks like Delta, Gamma, Vega, Theta, Rho etc. Counterparty Risk exposure of the derivatives portfolio is also reported daily. The Market Risk Management Department independently reports profitability on a daily basis. Rate reasonability tests are performed on the Derivative portfolio to ensure that all trades are entered into at market rates. Stress testing is performed to measure the impact of extreme market shifts on the Bank's portfolio (including derivatives). Suitability and Appropriateness assessment is performed before offering derivatives to clients. The Bank continuously invests in technology to enhance the Risk Management architecture.

c) Policies for hedging and / or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges / mitigants:

The Board Approved 'Hedging Policy' details the hedging strategies, hedging processes, accounting treatment, documentation requirements and effectiveness testing for hedges.

Hedges are monitored for effectiveness periodically, in accordance with the Board Approved Policy.

d) Accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation:

Derivative transactions are segregated into trading or hedge transactions. Trading transactions outstanding as at the Balance Sheet dates are marked to market and the resulting profits or losses, are recorded in the Profit and Loss Account.

Derivative transactions designated as "Hedges" are accounted in accordance with hedging instruments on an accrual basis over the life of the underlying instrument.

Option premium paid / received is accounted for in the Profit and Loss Account on expiry of the option.

Pursuant to the RBI guidelines, any receivables as well positive Mark to Market (MTM) in respect of future receivable under derivative contracts comprising of crystallised receivables which remain overdue for more than 90 days are reversed through the Profit and Loss Account. Derivative exposures for Corporates are approved by the Credit Committee and for Banks by the ALCO. These exposures are renewable annually and are duly supported by ISDA agreements. MTM breaches are monitored daily and are cash collateralised wherever necessary.

Quantitative Disclosures:

31st March 2019:

(₹ in crore)

Sr. No.	Particulars	Currency Derivatives	Interest rate Derivatives
1	Derivatives (Notional Principal Amount)		
	a) For hedging	4,910.00	1,383.10
	b) For trading	127,684.30	33,138.93
2	Marked to Market Positions **		
	a) Asset (+)	1,901.67	173.99
	b) Liability (-)	1,730.47	182.67
3	Credit Exposure	4,721.26	479.41
4	Likely impact of one percentage change in interest rate (100*PV01) #		
	a) On hedging derivatives	0.11	-
	b) On trading derivatives	2.77	119.01
5	Maximum of 100*PV01 observed during the year #		
	a) On hedging derivatives	3.62	10.05
	b) On trading derivatives	11.63	119.01
6	Minimum of 100*PV01 observed during the year #		
	a) On hedging derivatives	0.03	-
	b) On trading derivatives	0.11	79.84

Currency interest rate swaps have been included under currency derivatives.

Excludes PV01 on options.

** MTM has been considered at product level.

The nature and terms of the Interest Rate Swaps (IRS) as on 31st March, 2019 are set out below:

(₹ in crore)

Nature	No.*	Notional Principal	Benchmark	Terms
Hedge	6	1,383.10	LIBOR	Receive Floating Vs. Pay Fixed
Trading	79	2,629.35	LIBOR	Receive Fixed Vs. Pay Floating
Trading	146	7,963.03	LIBOR	Receive Floating Vs. Pay Fixed
Trading	201	6,995.00	MIFOR	Receive Fixed Vs. Pay Floating
Trading	43	2,276.00	MIFOR	Receive Floating Vs. Pay Fixed
Trading	81	3,264.61	MIBOR	Receive Fixed Vs. Pay Floating
Trading	279	10,010.94	MIBOR	Receive Floating Vs. Pay Fixed
Total	835	34,522.03		

The nature and terms of the Cross Currency Swaps (CCS) as on 31st March, 2019 are set out below:

(₹ in crore)

Nature	No.*	Notional Principal	Benchmark	Terms
Trading	1	3.02	EURIBOR	Receive Fixed Vs. Pay Floating
Trading	4	201.86	EURIBOR Vs. LIBOR	Receive Floating Vs. Pay Floating
Trading	5	88.97	FIXED	Pay Fixed
Trading	11	558.18	FIXED	Receive Fixed
Trading	60	1,440.46	FIXED	Receive Fixed Vs. Pay Fixed
Trading	11	1,162.81	LIBOR	Receive Fixed Vs. Pay Floating
Trading	1	345.89	LIBOR	Receive Floating Vs. Pay Fixed
Trading	3	294.66	LIBOR Vs. LIBOR	Receive Floating Vs. Pay Floating
Total	96	4,095.85		

* Above notional principal does not include trades done with GIFT-City branch since it gets zeroed at bank level however, only count of trades done is specified.

The overnight Net open position as at 31st March, 2019 is ₹ 182.96 crore (previous year ₹ 90.54 crore).

31st March 2018:

(₹ in crore)

Sr. No.	Particulars	Currency Derivatives	Interest rate Derivatives
1	Derivatives (Notional Principal Amount)		
	a) For hedging	2,466.26	-
	b) For trading	130,419.11	29,765.31
2	Marked to Market Positions **		
	a) Asset (+)	1,991.50	171.94
	b) Liability (-)	2,221.09	121.49
3	Credit Exposure	4,188.25	459.10
4	Likely impact of one percentage change in interest rate (100*PV01) #		
	a) On hedging derivatives	1.35	-
	b) On trading derivatives	0.55	87.99
5	Maximum of 100*PV01 observed during the year #		
	a) On hedging derivatives	4.90	-
	b) On trading derivatives	11.66	90.25
6	Minimum of 100*PV01 observed during the year #		
	a) On hedging derivatives	1.35	-
	b) On trading derivatives	0.01	63.20

Currency interest rate swaps have been included under currency derivatives.

Excludes PV01 on options.

** MTM has been considered at product level.

The nature and terms of the Interest Rate Swaps (IRS) as on 31st March, 2018 are set out below:

(₹ in crore)

Nature	No.*	Notional Principal	Benchmark	Terms
Trading	83	3,107.54	LIBOR	Receive Fixed Vs. Pay Floating
Trading	135	7,392.22	LIBOR	Receive Floating Vs. Pay Fixed
Trading	169	6,425.00	MIFOR	Receive Fixed Vs. Pay Floating
Trading	56	2,901.00	MIFOR	Receive Floating Vs. Pay Fixed
Trading	73	3,148.43	MIBOR	Receive Fixed Vs. Pay Floating
Trading	195	6,791.12	MIBOR	Receive Floating Vs. Pay Fixed
Total	711	29,765.31		

The nature and terms of the Cross Currency Swaps (CCS) as on 31st March, 2018 are set out below:

(₹ in crore)

Nature	No.*	Notional Principal	Benchmark	Terms
Hedging	3	395.20	LIBOR	Receive Floating Vs. Pay Fixed
Hedging	1	266.52	LIBOR Vs. LIBOR	Receive Floating Vs. Pay Floating
Trading	1	3.93	EURIBOR	Receive Fixed Vs. Pay Floating
Trading	1	150.53	EURIBOR	Receive Floating Vs. Pay Fixed
Trading	2	367.67	EURIBOR Vs. LIBOR	Receive Floating Vs. Pay Floating
Trading	1	41.99	FIXED	Pay Fixed
Trading	24	717.06	FIXED	Receive Fixed
Trading	56	1,375.17	FIXED	Receive Fixed Vs. Pay Fixed
Trading	37	1,258.86	LIBOR	Receive Fixed Vs. Pay Floating
Trading	1	325.98	LIBOR	Receive Floating Vs. Pay Fixed
Trading	2	3.93	LIBOR Vs. EURIBOR	Receive Floating Vs. Pay Floating
Trading	2	350.42	LIBOR Vs. LIBOR	Receive Floating Vs. Pay Floating
Total	131	5,257.26		

8. Credit default swaps:

The Bank has not entered into any Credit Default Swap transactions.

9. Movements in Non Performing Advances (Funded):

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
i. Net NPAs to Net Advances %	0.75%	0.98%
ii. Movement of Gross NPAs		
Gross NPAs as on 1 st April (opening balance)	3,825.38	3,578.61
Additions (Fresh NPAs) during the year	1,995.24	1,858.21
Sub-total (A)	5,820.62	5,436.82
Less:		
(i) Upgradations	470.73	575.69
(ii) Recoveries (excluding recoveries made from upgraded accounts)	662.39	628.41
(iii) Technical / Prudential Write-offs	76.31	267.55
(iv) Write-offs other than those under (iii) above	143.25	139.79
Sub-total (B)	1,352.68	1,611.44
Gross NPAs as on 31 st March (closing balance) (A-B)	4,467.94	3,825.38
iii. Movement of Net NPAs		
a. Opening balance	1,665.05	1,718.07
b. Additions during the year	689.67	724.85
c. Reductions during the year	(810.35)	(777.87)
d. Closing balance	1,544.37	1,665.05
iv. Movement of provisions for NPAs (excluding provisions on standard assets)		
a. Opening balance	2,160.33	1,860.54
b. Provisions made during the year	1,305.57	1,133.36
c. Write-off / write-back of excess provisions	(542.33)	(833.57)
d. Closing balance	2,923.57	2,160.33

10. Movement of Technical Write-offs and Recoveries:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Opening balance of Technical / Prudential written-off accounts as at 1 st April	1,025.65	870.39
Add: Technical / Prudential write-offs during the year	76.31	267.55
Sub-Total (A)	1,101.96	1,137.94
Less: Recoveries / Reductions made from previously Technical / Prudential written-off accounts during the year (B)	68.37	112.29
Closing Balance as at 31 st March (A-B)	1,033.59	1,025.65

11. The Provision Coverage Ratio (PCR) of the Bank after considering technical write-off is 71.93% as at 31st March, 2019 (previous year: 65.68%).

12. Concentration of NPAs:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Total Exposure to top four NPA accounts	638.15	612.80

Above represents Gross NPA and NPI

13. RBI vide its circular dated 1st April 2019, has directed banks shall make suitable disclosures, wherever either (a) the additional provisioning requirements assessed by RBI exceed 10 percent of the published net profits before provision and contingency for the reference period or (b) the additional Gross NPAs identified by RBI exceed 15 percent of the published incremental Gross NPAs for the reference period, or both. There has been no divergence observed by RBI for the financial year 17-18 (previous year: NIL) in respect of the Bank's asset classification and provisioning under the extant prudential norms on income recognition asset classification and provisioning ('IRACP') which require such disclosures.

14. Sector-wise Advances

(₹ in crore)

Sl. No	Sector	31 st March, 2019			31 st March, 2018		
		Outstanding Total Advances*	Gross NPAs	Percentage of Gross NPAs to Total Advances in that Sector	Outstanding Total Advances*	Gross NPAs	Percentage of Gross NPAs to Total Advances in that Sector
A	Priority Sector						
1	Agricultural and Allied Activities	21,915.47	688.47	3.14%	19,075.24	675.49	3.54%
2	Advances to Industries Sector eligible as Priority sector lending	18,687.30	305.55	1.64%	15,531.76	396.59	2.55%
3	Services	31,570.48	504.01	1.60%	23,935.09	308.76	1.29%
4	Personal Loans and others	903.72	39.49	4.37%	1,433.15	27.59	1.93%
	Sub-Total (A)	73,076.97	1,537.52	2.10%	59,975.24	1,408.43	2.35%
B	Non Priority Sector						
1	Agricultural and Allied Activities	1,290.69	66.34	5.14%	1,615.17	11.66	0.72%
2	Industry	58,078.11	1,731.45	2.98%	48,433.86	1,505.26	3.11%
3	Services	40,288.66	532.28	1.32%	34,549.38	485.85	1.41%
4	Personal loans and others	35,897.72	600.35	1.67%	27,366.86	414.18	1.51%
	Sub-Total (B)	135,555.18	2,930.42	2.16%	111,965.27	2,416.95	2.16%
	Total (A+B)	208,632.15	4,467.94	2.14%	171,940.51	3,825.38	2.22%

* Represents Gross Advances

The Bank has compiled the data for the purpose of this disclosure from its internal MIS system.

15. Priority sector lending certificates

The amount of PSLCs (categorywise) sold and purchase during the year:

As at 31st March, 2019:

(₹ in crore)

Sl. No.	Type of PSLCs	Purchase	Sale
1	PSLC – Agriculture	-	2,667.50
2	PSLC - SF / MF	7,740.50	-
3	PSLC - Micro Enterprises	-	500.00
4	PSLC – General	2,000.00	6,895.75
TOTAL		9,740.50	10,063.25

As at 31st March, 2018:

(₹ in crore)

Sl. No.	Type of PSLCs	Purchase	Sale
1	PSLC – Agriculture	1,537.50	2,499.50
2	PSLC - SF / MF	6,270.00	500.00
3	PSLC - Micro Enterprises	-	-
4	PSLC – General	-	9,260.00
TOTAL		7,807.50	12,259.50

**16. Details of Loan Assets subjected to Restructuring:
As at 31st March, 2019:**

(₹ in crore)

Sl. No.	Type of Restructuring Asset Classification Details	Under CDR Mechanism			Under SME Debt Restructuring Mechanism			Others			Total					
		Standard	Sub standard	Doubtful	Total	Standard	Sub standard	Doubtful	Total	Standard	Sub standard	Doubtful	Total			
1	Restructured Accounts as on April 1 of the FY (opening figures)	58.96	11.12	199.69	269.77	-	-	-	11	4,388	3,764	8,163	13	4,389	3,770	8,172
	Provision thereon	18.03	1.74	162.84	182.61	-	-	-	39.16	40.71	93.87	173.74	57.19	42.45	256.71	356.35
	Movement in the Accounts	(1.79)	(2.43)	0.08	(4.14)	-	-	-	(2)	(693)	(629)	(1,324)	(2)	(693)	(629)	(1,324)
	Provision thereon	4.84	0.50	17.56	22.90	-	-	-	(0.56)	55.23	(14.26)	40.41	4.28	55.73	3.30	63.31
2	Fresh restructuring during the year	-	-	-	-	-	-	-	4	3,547	602	4,153	4	3,547	602	4,153
	Provision thereon	-	-	-	-	-	-	-	7.59	71.16	108.64	187.39	7.59	71.16	108.64	187.39
	Provision thereon	-	-	-	-	-	-	-	0.52	27.13	67.94	95.59	0.52	27.13	67.94	95.59
3	Upgradations to restructured standard category during the FY	-	-	-	-	-	-	-	4	(1)	(3)	-	4	(1)	(3)	-
	Provision thereon	-	-	-	-	-	-	-	0.30	(0.28)	(0.02)	-	0.30	(0.28)	(0.02)	-
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	-	-	-	-	-	-	-	0.01	(0.01)	-	-	0.01	(0.01)	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	(1)	-	1	-	-	-	-	(1)	(3,106)	3,107	-	(2)	(3,106)	3,108	-
	Provision thereon	(27.50)	19.06	8.44	-	-	-	-	(65.09)	(138.54)	203.63	-	(92.59)	(119.48)	212.07	-
	Provision thereon	(13.81)	11.63	2.18	-	-	-	-	(34.99)	(103.22)	138.21	-	(48.80)	(91.59)	140.39	-
6	Write-offs of restructured accounts during the FY	-	-	(1)	(1)	-	-	-	-	(2,259)	(1,073)	(3,332)	-	(2,259)	(1,074)	(3,333)
	Provision thereon	-	-	(26.01)	(26.01)	-	-	-	-	(8.89)	(50.52)	(59.41)	-	(8.89)	(76.53)	(85.42)
	Provision thereon	-	-	(26.01)	(26.01)	-	-	-	-	(8.89)	(50.52)	(59.41)	-	(8.89)	(76.53)	(85.42)
7	Restructured Accounts as on March 31 of the FY (closing figures*)	29.67	27.75	182.20	239.62	-	-	-	16	1,876	5,768	7,660	17	1,877	5,774	7,668
	Provision thereon	9.06	13.87	156.57	179.50	-	-	-	4.14	10.95	235.24	250.33	13.20	24.82	391.81	429.83

* Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable)

As at 31st March, 2018:

(₹ in crore)

Sl. No	Type of Restructuring Asset Classification Details	Under CDR Mechanism			Under SME Debt Restructuring Mechanism			Others			Total					
		Standard	Sub standard	Doubtful	Total	Standard	Sub standard	Doubtful	Total	Standard	Sub standard	Doubtful	Total			
1	Restructured Accounts as on April 1 of the FY (opening figures)	4	1	5	10	-	-	-	21	4,223	1,455	5,699	25	4,224	1,460	5,709
	Amt. Outstanding	123.19	39.29	400.19	562.67	-	-	-	9.02	30.06	251.68	290.76	132.21	69.35	651.87	853.43
	Provision thereon	25.79	31.08	320.23	377.10	-	-	-	4.69	9.75	152.81	167.25	30.48	40.83	473.04	544.35
	Movement in the Accounts	-	-	-	-	-	-	-	(12)	(665)	(175)	(852)	(12)	(665)	(175)	(852)
	Amt. Outstanding	(39.94)	0.36	(45.55)	(85.13)	-	-	-	(1.63)	(6.35)	(73.52)	(81.50)	(41.57)	(5.99)	(119.07)	(166.63)
	Provision thereon	(1.06)	0.28	14.06	13.28	-	-	-	0.77	1.25	(27.95)	(25.93)	(0.29)	1.53	(13.89)	(12.65)
2	Fresh restructuring during the year	-	-	-	-	-	-	-	-	4,332	290	4,622	-	4,332	290	4,622
	Amt. Outstanding	-	-	-	-	-	-	-	-	135.83	4.79	140.62	-	135.83	4.79	140.62
	Provision thereon	-	-	-	-	-	-	-	-	38.96	3.14	42.10	-	38.96	3.14	42.10
	No. of borrowers	-	-	-	-	-	-	-	5	(1)	(4)	-	5	(1)	(4)	-
3	Upgradations to restructured standard category during the FY	-	-	-	-	-	-	-	83.41	(0.23)	(83.18)	-	83.41	(0.23)	(83.18)	-
	Amt. Outstanding	-	-	-	-	-	-	-	-	35.40	(0.01)	(35.39)	-	35.40	(0.01)	(35.39)
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amt. Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	(2)	-	2	-	-	-	-	(3)	(2,458)	2,461	-	(5)	(2,458)	2,463	-
	Amt. Outstanding	(24.29)	(28.53)	52.82	-	-	-	-	(1.79)	(20.01)	21.80	-	(26.08)	(48.54)	74.62	-
	Provision thereon	(6.70)	(29.62)	36.32	-	-	-	-	(1.70)	(7.62)	9.32	-	(8.40)	(37.24)	45.64	-
6	Write-offs of restructured accounts during the FY	-	-	(1)	(1)	-	-	-	-	(1,043)	(263)	(1,306)	-	(1,043)	(264)	(1,307)
	Amt. Outstanding	-	-	(207.77)	(207.77)	-	-	-	-	(1.62)	(8.06)	(9.68)	-	(1.62)	(215.83)	(217.45)
	Provision thereon	-	-	(207.77)	(207.77)	-	-	-	-	(1.62)	(8.06)	(9.68)	-	(1.62)	(215.83)	(217.45)
7	Restructured Accounts as on March 31 of the FY (closing figures*)	58.96	11.12	199.69	269.77	-	-	-	89.01	137.68	113.51	340.20	147.97	148.80	313.20	609.97
	Provision thereon	18.03	1.74	162.84	182.61	-	-	-	39.16	40.71	93.87	173.74	57.19	42.45	256.71	356.35

* Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable)

Disclosure on Strategic Debt Restructuring Scheme (accounts which are currently under the stand-still period):

As at 31st March, 2019:

No. of accounts where SDR has been invoked	Amount outstanding as on the reporting date		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity is pending		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity has taken place	
	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA
	NIL	NIL	NA	NA	NIL	NIL

(₹ in crore)

As at 31st March, 2018:

No. of accounts where SDR has been invoked	Amount outstanding as on the reporting date		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity is pending		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity has taken place	
	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA
1	NIL	76.48	NA	NA	NIL	76.48

(₹ in crore)

Disclosures on the Scheme for Sustainable Structuring of Stressed Assets (S4A)

As at 31st March, 2019:

No. of accounts where S4A has been applied	Aggregate amount outstanding	Amount outstanding		Provision Held
		In Part A	In Part B	
Classified as Standard	-	-	-	-
Classified as NPA	114.13	60.93	53.20	83.63

(₹ in crore)

As at 31st March, 2018:

No. of accounts where S4A has been applied	Aggregate amount outstanding	Amount outstanding		Provision Held
		In Part A	In Part B	
Classified as Standard	39.88	27.55	12.33	8.64
Classified as NPA	74.03	33.16	40.87	37.45

(₹ in crore)

Disclosure on the scheme for MSME sector – restructuring of advances

As at 31st March, 2019:

No. of accounts restructured	Amount
4	7.59

(₹ in crore)

17. Overseas Assets, NPAs and Revenue:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Total Assets*	4,376.90	2,953.14
Total NPAs	Nil	Nil
Total Revenue*	197.91	99.81

* pertains to IBU

18. A. Details of financial assets (including written off accounts) sold to Securitisation / Reconstruction Company for Asset Reconstruction (SC/RC):

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
(a) No. of accounts	Nil	6
(b) Aggregate value (net of provisions) of accounts sold to SC/RC	Nil	10.81
(c) Aggregate consideration*	Nil	47.48
(d) Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
(e) Aggregate gain / (loss) over net book value	Nil	36.67
(f) Excess provision reversed to Profit and Loss Account in case of sale of NPAs	Nil	2.88

* The entire consideration was received in cash.

B. Net Book Value of Investments in Security Receipts ("SRs"):

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
(i) Backed by NPAs sold by the bank as underlying	92.53	117.46
(ii) Backed by NPAs sold by other banks / financial institutions / nonbanking financial companies as underlying	908.98	216.59
Total	1,001.51	334.05

C. Disclosure of Investment in Security Receipts:
31st March, 2019:

(₹ in crore)

Particulars	SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years	SRs issued more than 8 years ago
(i) Book value of SRs backed by NPAs sold by the bank as underlying	264.37	-	-
Provision held against (i)	(171.84)	-	-
(ii) Book value of SRs backed by NPAs sold by other banks / financial institutions / non-banking financial companies as underlying	834.72	96.65	35.52
Provision held against (ii)	3.83*	(26.22)	(35.52)
Total (i) + (ii)	931.08	70.43	-

* amount shown is appreciation on SRs and not provision held against SRs.

31st March, 2018:

(₹ in crore)

Particulars	SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years	SRs issued more than 8 years ago
(i) Book value of SRs backed by NPAs sold by the bank as underlying	264.37	-	-
Provision held against (i)	(146.91)	-	-
(ii) Book value of SRs backed by NPAs sold by other banks / financial institutions / non-banking financial companies as underlying	177.58	63.47	39.07
Provision held against (ii)	(2.25)	(22.21)	(39.07)
Total (i) + (ii)	292.79	41.26	-

D. Details of non-performing financial assets purchased:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
(a) Number of accounts purchased during the year*	14	13
(b) Aggregate outstanding in the Banks books**	222.13	136.89

* Retail assets portfolio purchased by the Bank has been considered as single portfolio.

** Represents outstanding balance of total non-performing financial assets purchased by the Bank at the Balance Sheet date.

None of the non-performing financial assets purchased have been restructured during the year (previous year Nil).

E. Details of non-performing financial assets sold (including written off accounts), excluding those sold to SC/RC:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
(a) No. of accounts sold	Nil	2
(b) Aggregate value (net of provisions)	Nil	61.62
(c) Aggregate consideration received	Nil	109.45

19. There are no unsecured advances for which intangible security such as charge over the rights, licenses, authority, etc. are accepted as collateral by the Bank.

20. Provisions on Standard Assets (including unhedged foreign currency exposure)

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Provisions towards Standard Assets	881.78	760.91

21. Business ratios / information:

Particulars	31 st March, 2019	31 st March, 2018
Interest income as a percentage of working funds	8.33%	8.38%
Non Interest income as a percentage of working funds	1.60%	1.72%
Operating profit as a percentage of working funds	2.90%	3.04%
Return on assets (average)	1.69%	1.73%
Business (deposit plus advance) per employee (₹ in crore)	9.96	9.04
Profit per employee (₹ in crore)	0.12	0.12

Definitions:

- (A) Working funds is the monthly average of total assets of the Bank as reported to RBI under Section 27 of the Banking Regulation Act, 1949 and those of IBU
- (B) Operating profit = (Interest Income + Other Income – Interest expenses – Operating expenses).
- (C) Business is monthly average of net advances and deposits as reported to the RBI under section 27 of the Banking Regulation Act, 1949. Interbank deposits are excluded for the purposes of computation of this ratio.
- (D) Productivity ratios are based on average number of employees.

22. Maturity pattern of certain items of assets and liabilities:
31st March, 2019:

(₹ in crore)

Particulars	Day 1	2 to 7 days	8 to 14 days	15 to 28 days	29 days to 3 months	Over 3 months & upto 6 months	Over 6 months & upto 12 months	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Advances	324.70	1,885.40	2,365.74	5,897.18	17,727.06	13,946.06	14,959.17	95,510.33	24,236.79	28,842.38	205,694.81
Investments*	10,374.87	9,003.44	1,209.81	1,711.89	6,885.65	7,214.17	7,379.08	21,092.56	1,549.27	4,520.86	70,941.60
Deposits	5,623.38	7,980.18	4,446.26	3,967.03	23,227.36	32,098.00	32,781.98	114,592.77	833.18	330.22	225,880.36
Borrowings	253.08	8,994.63	13.14	120.92	6,109.31	3,095.89	4,227.04	7,526.02	1,758.26	150.00	32,248.29
Foreign Currency Assets	862.29	4,505.03	190.67	504.78	2,839.08	2,614.52	659.48	1,822.44	1,760.93	423.57	16,182.79
Foreign Currency Liabilities	727.72	737.92	284.17	463.92	5,893.87	2,814.46	1,474.54	4,893.33	1,481.61	0.34	18,771.88

* Listed equity investments in AFS have been considered at 50% (₹ 247.49 crore) haircut as per RBI directions

In computing the above information, certain estimates and assumptions have been made by the Bank's Management.

31st March, 2018:

(₹ in crore)

Particulars	Day 1	2 to 7 days	8 to 14 days	15 to 28 days	29 days to 3 months	Over 3 months & upto 6 months	Over 6 months & upto 12 months	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Advances	187.27	2,248.46	3,282.32	5,904.98	14,795.73	10,582.94	12,633.60	77,716.80	20,605.30	21,760.52	169,717.92
Investments*	13,139.62	5,837.31	1,128.84	1,738.87	5,837.26	5,134.40	7,075.60	19,167.73	1,747.66	3,485.38	64,292.67
Deposits	4,706.58	6,321.02	3,769.46	6,101.05	26,166.50	24,580.21	25,314.25	94,104.81	1,200.56	378.83	192,643.27
Borrowings	365.02	4,760.12	284.46	217.82	3,103.42	6,163.66	2,869.56	5,124.82	2,265.27	-	25,154.15
Foreign Currency Assets	766.70	1,398.44	219.41	758.99	2,817.53	2,023.20	749.97	1,513.23	1,315.23	281.76	11,844.48
Foreign Currency Liabilities	724.19	420.77	472.45	596.08	2,735.52	2,840.39	1,754.78	2,205.04	964.27	-	12,713.49

* Listed equity investments in AFS have been considered at 50% (₹ 269.67 crore) haircut as per RBI directions

In computing the above information, certain estimates and assumptions have been made by the Bank's Management.

23. Exposures:**(a) Exposure to Real Estate Sector*:**

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
a) Direct exposure	29,887.98	25,054.24
i. Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Includes Individual housing loans eligible for inclusion in priority sector advances as at 31 st March, 2019 ₹ 268.26 crore and as at 31 st March, 2018 ₹ 317.76 crore)	14,214.51	10,991.61
ii. Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure also includes non-fund based (NFB) limits	15,673.47	14,062.63
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures-	-	-
- Residential,	-	-
- Commercial Real Estate	-	-
b) Indirect Exposure	3,659.59	3,784.40
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	3,659.59	3,784.40
Total Exposure to Real Estate Sector	33,547.57	28,838.64

* On limit basis or outstanding basis whichever is higher

(b) Exposure to Capital Market*:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
i. Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;#	701.04	754.45
ii. Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	394.05	347.01
iii. Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv. Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	2,608.24	2,675.95

Particulars	31 st March, 2019	31 st March, 2018
v. Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	3,096.55	3,471.94
vi. Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii. Bridge loans to companies against expected equity flows / issues;	-	-
viii. Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
ix. Financing to stockbrokers for margin trading;	-	-
x. All exposures to Venture Capital Funds (both registered and unregistered) will be deemed to be on par with equity and hence will be reckoned for compliance with the capital market exposure ceilings (both direct and indirect)	0.03	0.03
xi. Others (Financial Guarantees)	0.18	0.12
Total Exposure to Capital Market*	6,800.09	7,249.50

* On limit basis or outstanding basis whichever is higher

The above amount excludes shares/convertible bonds aggregating to ₹ 135.18 crore (Previous year ₹ 135.18 crore) acquired due to conversion of debt to equity under restructuring process. As per para 20 of DBR.No.BPBC.101/21.04.048/2017-18 dated 12th February, 2018, the above amount is exempt from regulatory ceilings/restriction on capital market exposure.

(c) Risk category wise country exposure:

As per extant RBI guidelines, the country exposure of the Bank is categorised into various risk categories listed in following table. Since the country exposure (net) of the Bank in respect of any country does not exceed 1% of the total funded assets, no provision is required to be maintained on country exposure as on 31st March, 2019 (Nil provision for the year ended 31st March, 2018).

(₹ in crore)

Risk Category	Exposure (net) as at 31 st March, 2019	Provision held as at 31 st March, 2019	Exposure (net) as at 31 st March, 2018	Provision held as at 31 st March, 2018
Insignificant	5,139.83	-	3,561.78	-
Low	664.45	-	702.72	-
Moderate	17.29	-	10.02	-
High	-	-	-	-
Very High	-	-	-	-
Restricted	-	-	-	-
Off-credit	-	-	-	-
Total	5,821.57	-	4,274.52	-

24. Concentration of deposits:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Total deposits of twenty largest depositors	27,641.57	25,812.97
Percentage of deposits of twenty largest depositors to total deposits of the Bank	12.24 %	13.40%

25. Concentration of advances*:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Total advances to twenty largest borrowers	31,002.00	25,568.50
Percentage of advances to twenty largest borrowers to total advances of the bank	8.99%	8.68%

* Advances represents credit exposure including derivatives furnished in Master Circular on Exposure Norms DBR.No.Dir.BC.12/13.03.00/2015-16 dated 1st July, 2015.

The Bank has compiled the data for the purpose of this disclosure from its internal MIS system.

26. Concentration of exposures:**

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Total exposure to twenty largest borrowers / customers	32,565.33	27,848.74
Percentage of exposures to twenty largest borrowers / customers to total exposure of the bank on borrowers / customers	9.08%	9.05%

** Exposures represents credit, derivatives and investment exposure as prescribed in Master Circular on Exposure Norms DBR.No.Dir.BC. 12/13.03.00/2015-16 dated 1st July, 2015.

The Bank has compiled the data for the purpose of this disclosure from its internal MIS system.

27. Disclosure in Respect of ILFS and ILFS entities:**Position as of 31st March 2019:**

Amount Outstanding held* (1)	Of (1), total amount of exposure which are NPAs as per IRAC norms and not classified as NPA. (2)	Provision required to be made as per IRAC norms. (3)	Provisions actually held (4)
Nil	Nil	Nil	Nil

* Above does not include Non-fund outstanding

28. During the year ended 31st March, 2019 and year ended 31st March, 2018 the Bank has not exceeded the prudential exposure limits as laid down by RBI guidelines for the Single Borrower Limit (SBL) / Group Borrower Limit (GBL).

29. Provision made for taxes during the year:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Current tax	2,504.34	2,080.60
Deferred tax	16.12	53.32
Total	2,520.46	2,133.92

30. During the year penalty of ₹ 0.20 crore (previous year ₹ NIL) had been imposed by the Reserve Bank of India in terms of the Section 47 A (1) read with Section 46(4)(i) of the Banking Regulation Act, 1949 for non-compliance of RBI instructions.

31. There are no Off-Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms) (previous year ₹ Nil).

32. Bancassurance Business:

(₹ in crore)

Sr. No.	Nature of Income	31 st March, 2019	31 st March, 2018
1.	For selling life insurance policies	200.50	182.51
2.	For selling non life insurance policies	13.07	9.18
3.	For selling mutual fund products	205.32	250.75
4.	Others	-	-

This Income has been reflected under Commission, exchange and brokerage under Other Income.

33. Floating Provisions:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
(a) Opening balance in the floating provisions account	Nil	Nil
(b) The quantum of floating provisions made in the accounting year	Nil	Nil
(c) Amount of draw down made during the accounting year	Nil	Nil
(d) Closing Balance in floating provisions account	Nil	Nil

34. Draw Down from Reserves:

In accordance with the RBI requirement on creation and utilisation of Investment reserve in respect of HFT and AFS investments, no amounts has been utilised during the year (previous year ₹ NIL utilised).

35. a) Status of Shareholder Complaints:

	31 st March, 2019	31 st March, 2018
(a) No. of complaints pending at the beginning of the year	-	-
(b) No. of complaints received during the year	11	9
(c) No. of complaints redressed during the year	7	9
(d) No. of complaints pending at the end of the year	4	-

b) Status of Customer Complaints:

	31 st March, 2019	31 st March, 2018
(a) No. of complaints pending at the beginning of the year	512	1,149
(b) No. of complaints received during the year	125,514	117,678
(c) No. of complaints redressed during the year	125,212	118,315
(d) No. of complaints pending at the end of the year	814	512

c) Status of Awards passed by the Banking Ombudsman:

	31 st March, 2019	31 st March, 2018
(a) No. of unimplemented Awards at the beginning of the year	Nil	Nil
(b) No. of Awards passed by the Banking Ombudsman during the year	Nil	Nil
(c) No. of Awards implemented during the year	Nil	Nil
(d) No. of unimplemented Awards at the end of the year	Nil	Nil

The Bank has compiled the data for the purpose of this disclosure from its internal MIS system.

36. There are no outstanding letter of awareness / letter of comfort (previous year Nil).

37. DISCLOSURES ON REMUNERATION**A. Qualitative Disclosures:****a) Information relating to the composition and mandate of the Remuneration Committee:**

The Nomination & Remuneration committee comprises of independent directors of the Bank. Key mandate of the Nomination & Remuneration committee is to oversee the overall design and operation of the compensation policy of the Bank and work in coordination with the Risk Management Committee to achieve alignment between risks and remuneration.

b) Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy:

Objective of Banks' Compensation Policy is:

- To maintain fair, consistent and equitable compensation practices in alignment with Bank's core values and strategic business goals;
- To ensure effective governance of compensation and alignment of compensation practices with prudent risk taking;
- To have mechanisms in place for effective supervisory oversight and Board engagement in compensation

The remuneration process is aligned to the Bank's Compensation Policy objectives.

c) Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks:

In order to manage current and future risk and allow a fair amount of time to measure and review both quality and quantity of the delivered outcomes, a significant portion of senior and middle management compensation is variable. Further reasonable portion variable compensation is non- cash and deferred, over a period of 3 years or longer.

In addition, remuneration process provides for 'malus' and 'clawback' option to take care of any disciplinary issue or future drop in performance of individual/ business/ company.

d) Description of the ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration:

Individual performances are assessed in line with business / individual delivery of the Key Result Areas (KRAs), top priorities of business, budgets etc. KRAs of Line roles are linked to financials, people, service and process (Quality) parameters and KRAs of non-Line Roles have linkage to functional deliveries needed to achieve the top business priorities.

Further remuneration process is also linked to market salaries / job levels, business budgets and achievement of individual KRAs.

e) A discussion of the Banks' policy on deferral and vesting of variable remuneration and a discussion of the Bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting:

A discussion on Policy on Deferral of Remuneration

Employees are classified into following three categories for the purpose of remuneration:

Category I: Whole Time Directors (WTD) / Chief Executive Officer (CEO)

Category II: Risk Control and Compliance Staff

Category III: Other Categories of Staff

Following principles are applied for deferral / vesting of variable remuneration in accordance with RBI guidelines and Bank's compensation policy:

Category I

- a. Variable Pay will not exceed 70% of Fixed Pay.
- b. The Cash component of the Variable Pay will not exceed 50% of the Fixed Pay.
- c. If Variable Pay is higher than 50% of Fixed Pay, at least 40% of Variable Pay will be deferred over a period of 3 years, or longer.

The compensation will be approved by the Nomination and Remuneration committee and RBI

Category II

- a. Variable Pay will not exceed 70% of Fixed Pay.
- b. The Cash component of the Variable Pay will not exceed 50% of the Fixed Pay.
- c. If Variable Pay is higher than 50% of Fixed Pay, at least 40% of Variable Pay will be deferred over a period of 3 years, or longer.

Category III

Variable Pay is payable as per approved schemes for incentive or Bonus:

- i) The Cash component of the Variable Pay will not exceed 60% of the Fixed Pay.
- ii) If Variable Pay is higher than 60% of Fixed Pay, at least 40% of Variable Pay will be deferred over a period of 3 years, or longer, on a pro-rata basis.
- iii) However, if Variable Pay is less than or equal to ₹10 lakhs, management will have the discretion to pay the entire amount as cash.

For adjusting deferred remuneration before & after vesting:

Malus: Payment of all or part of amount of deferred variable pay can be prevented. This clause will be applicable in case of:

- Disciplinary Action (at the discretion of the Disciplinary Action Committee) and / or
- Significant drop in performance of Individual / Business / Company (at the discretion of the Nomination & Remuneration Committee) and / or
- Resignation of the staff prior to the payment date.

Clawback: Previously paid or already vested deferred variable pay can also be recovered under this clause.

This clause will be applicable in case of Disciplinary Action (at the discretion of the Disciplinary Action Committee and approval of the Nomination & Remuneration Committee).

f) Description of the different forms of variable remuneration (i.e. cash, shares, ESOPs and other forms) that the Bank utilizes and the rationale for using these different forms:

The main forms of such variable remuneration include:

- Cash – this may be at intervals ranging from Monthly, Quarterly, Annual.
- Deferred Cash / Deferred Incentive Plan.
- Stock Appreciation Rights (SARs) as per SEBI guidelines: These are structured, variable incentives, linked to Kotak Mahindra Bank Stock price, payable over a period of time
- ESOP as per SEBI guidelines.

The form of variable remuneration depends on the job level of individual, risk involved, the time horizon for review of quality and longevity of the assignments performed.

B. Quantitative Disclosures:
a) Number of meetings held by the Remuneration Committee during the financial year and remuneration paid to its members.

During year ended 31st March, 2019 5 meetings of Nomination and Remuneration committee was held. Non-Executive Director of the Nomination and Remuneration committee is paid a sitting fee of ₹ 40,000 per meeting.

b) Number of employees having received a variable remuneration award during the financial year.

Quantitative disclosure restricted to CEO, one Whole Time Director and Seven Group Management Council as risk takers.

c) Number and total amount of sign-on awards made during the financial year.

Nil

d) Details of guaranteed bonus, if any, paid as joining / sign on bonus.

Not applicable

e) Details of severance pay, in addition to accrued benefits, if any.

NIL (previous year Nil)

f) Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms

Cash – NIL (previous year Nil)

Outstanding SARs as at 31st March, 2019 – 127,866 rights (previous year 156,428 rights)Outstanding ESOPs as at 31st March, 2019 – 1,134,503 equity shares (previous year 1,218,277 equity shares)**g) Total amount of deferred remuneration paid out in the financial year.**Payment towards SARs during year ended 31st March, 2019 ₹ 9.26 crore (previous year ₹ 8.91 crore)**h) Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.**Total fixed salary for the year ended 31st March, 2019 - ₹ 21.80 crore (previous year ₹ 20.82 crore)**Deferred Variable Pay***

SARs – 53,430 rights (previous year 68,180 rights)

ESOPs – 441,130 equity shares (previous year 497,100 equity shares)

Non Deferred variable pay* ₹ 4.88 crore (previous year ₹ 4.68 crore)* Details relating to variable pay pertains to remuneration awards for the financial year 2017-18 awarded during current financial year. Remuneration award for the year ended 31st March, 2019 are yet to be reviewed and approved by the remuneration committee**i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and / or implicit adjustments. – NIL (Previous year Nil)****j) Total amount of reductions during the financial year due to ex- post explicit adjustments. – NIL (Previous year Nil)****k) Total amount of reductions during the financial year due to ex- post implicit adjustments. – NIL (Previous year Nil)****38. Intra – Group Exposures**

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
(a) Total amount of intra-group exposures	4,323.02	4,186.80
(b) Total amount of top-20 intra-group exposures	4,322.69	4,186.59
(c) Percentage of intra-group exposures to total exposure of the bank on borrowers / customers	1.21%	1.36%
(d) Details of breach of limits on intra-group exposures and regulatory action thereon, if any.	NA	NA

The Bank has compiled the data for the purpose of this disclosure from its internal MIS system.

39. Transfers to Depositor Education and Awareness Fund (DEAF)

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Opening balance of amounts transferred to DEAF	165.32	135.91
Add: Amounts transferred to DEAF during the year	22.49	30.57
Less: Amounts reimbursed by DEAF towards claim	3.14	1.16
Closing balance of amounts transferred to DEAF	184.67	165.32

40. Unhedged Foreign Currency Exposure of borrowers:

The Bank recognises the importance of the risk of adverse fluctuation of foreign exchange rates on the profitability and financial position of borrowers who are exposed to currency risk. Currency induced credit risk refers to the risk of inability of borrowers to service their debt obligations due to adverse movement in the exchange rates and corresponding increase / decrease in their book values of trade payables, loan payables, trade receivables, etc. thereby exposing the Bank to risk of default by the borrower. In this regard, the Bank had put in place requisite policies & processes for monitoring and mitigation of currency induced credit risk of borrowers. These include the following:

- a) Currency risk of borrowers on account of un-hedged foreign currency exposures ("UFCE") is duly considered and analysed in credit appraisal notes.
- b) Periodic monitoring of un-hedged foreign currency exposures of borrowers.
- c) Risk classification of borrowers having un-hedged foreign currency exposures, into Low / Medium / High, as per internal norms, based on likely loss / EBID ratio. Likely loss means the potential loss which can be caused over a one year horizon by adverse movement of exchange rates.
- d) Incremental provisioning (over and above provision applicable for standard assets) is made in Bank's Profit and Loss Account, on borrower counter parties having UFCE, depending on the likely loss / EBID ratio, in line with stipulations by RBI. Incremental capital is maintained in respect of borrower counter parties in the highest risk category, in line with stipulations by RBI. These requirements are given below:

Likely Loss / EBID ratio	Incremental Provisioning Requirement (computed on the total credit exposures reckoned for standard asset provisioning)	Incremental Capital Requirement
Up to 15%	Nil	Nil
More than 15% to 30%	20 bps	Nil
More than 30% to 50%	40 bps	Nil
More than 50% to 75%	60 bps	Nil
More than 75% (Most risky)	80 bps	25 per cent increase in the risk weight

- e) In case of borrowers exposed to currency risk where declarations for foreign currency payables / receivables (UFCE declarations) are not submitted, provision for currency induced credit risk is made as per RBI stipulated rates mentioned below:
 - 10 bps in cases where limits with banking system are less than ₹ 25 crore;
 - 80 bps in cases where limits with banking system are ₹ 25 crore or more.
- f) Further, where annual certification from statutory auditors of UFCE data is not submitted, such borrowers are treated as UFCE declaration not submitted cases and provision is computed as per point (e) above.
- g) Borrowers where the credit exposure is only Letter of Credit, Bills Discounting, Fixed Deposit backed, Bank Guarantee / Standby Letter of Credit backed or Debt Mutual Fund backed are exempted from the above requirements. Exposures on other Banks and Public Financial Institutions like SIDBI, EXIM Bank, NABARD, NHB are also exempted from the above requirements.
- h) Management of foreign exchange risk is considered as a parameter for internal risk rating of borrowers.

Provision held for currency induced credit risk as at 31st March, 2019 is ₹ 56.41 crore. (Previous year ₹ 50.24 crore). Incremental Risk weighted Assets value considered for the purpose of CRAR calculation in respect of currency induced credit risk as at 31st March, 2019 is ₹ 2,371.09 crore (Previous year ₹ 1,293.22 crore.)

41. a) Liquidity Coverage Ratio

(₹ in crore)

	Average Q4 2018-2019			Average Q3 2018-2019			Average Q2 2018-2019			Average Q1 2018-2019		
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Value (average)
High Quality Liquid Assets												
1 Total High Quality Liquid Assets (HQLA)	-	53,082	-	53,051	-	42,153	-	41,101	-	41,101	-	41,101
Cash Outflows												
2 Retail deposits and deposits from small business customers, of which:												
(i) Stable deposits	17,911	895	17,413	871	16,541	827	15,696	785	15,696	827	15,696	785
(ii) Less stable deposits	108,548	10,854	104,701	10,470	96,228	9,623	89,291	8,929	89,291	9,623	89,291	8,929
3 Unsecured wholesale funding, of which												
(i) Operational deposits (all counterparties)	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Non-operational deposits (all counterparties)	69,436	35,432	68,936	36,667	64,081	35,475	64,001	36,162	64,001	35,475	64,001	36,162
(iii) Unsecured debt	1,716	1,716	3,006	3,006	2,867	2,867	2,573	2,573	2,573	2,867	2,573	2,573
4 Secured wholesale funding	-	1	-	1	-	1	-	1	-	1	-	1
5 Additional requirements, of which												
(i) Outflows related to derivative exposures and other collateral requirements	10,839	10,839	11,668	11,668	12,774	12,774	10,770	10,770	10,770	12,774	10,770	10,770
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	4,006	491	3,588	406	3,122	358	3,276	444	3,276	358	3,276	444
6 Other contractual funding obligations	3,107	3,107	3,107	3,107	2,864	2,864	2,618	2,618	2,618	2,864	2,618	2,618
7 Other contingent funding obligations	69,387	2,718	68,353	2,680	66,833	2,607	64,627	2,508	64,627	2,607	64,627	2,508
8 Total Cash Outflows	-	66,053	-	68,876	-	67,396	-	64,790	-	67,396	-	64,790
Cash Inflows												
9 Secured lending (e.g. reverse repos)	5,902	-	5,759	-	3,864	-	5,293	-	5,293	-	5,293	-
10 Inflows from fully performing exposures	29,176	22,431	28,384	22,106	31,289	25,462	30,133	23,227	30,133	25,462	23,227	23,227
11 Other cash inflows	1,213	606	1,381	691	1,080	540	1,224	612	1,224	540	1,224	612
12 Total Cash Inflows	36,291	23,037	35,524	22,797	36,233	26,002	36,650	23,839	36,650	26,002	23,839	23,839
Total Adjusted Value												
21 TOTAL HQLA		53,082		53,051		42,153		41,101		42,153		41,101
22 Total Net Cash Outflows		43,016		46,079		41,394		40,951		41,394		40,951
23 Liquidity Coverage Ratio (%)		123.40%		115.13%		101.83%		100.37%		101.83%		100.37%

	Average Q4 2017-2018				Average Q3 2017-2018				Average Q2 2017-2018				Average Q1 2017-2018			
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)		
High Quality Liquid Assets																
1	-	43,661	-	37,490	-	33,091	-	-	-	-	-	-	-	32,720		
Cash Outflows																
2	15,118	756	14,432	722	13,640	682	13,154	658	84,162	8,416	79,455	7,946	73,960	7,396		
3	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
4	64,228	37,547	60,553	36,025	54,672	33,136	49,837	30,010	1,988	1,988	3,158	2,415	2,612	2,612		
5	11,275	11,275	10,584	10,584	9,669	9,669	7,993	7,993	-	1	-	-	-	-		
6	3,564	469	3,963	525	4,180	470	4,982	731	2,371	2,371	2,477	2,483	2,233	2,233		
7	64,634	2,497	62,715	2,425	59,514	2,308	57,192	2,206	-	65,320	-	63,862	-	53,839		
8	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Cash Inflows																
9	11,680	-	12,383	-	8,865	-	12,688	-	30,617	23,874	28,261	21,247	23,248	17,463		
10	881	441	1,037	518	730	365	874	437	43,178	24,315	41,681	21,612	36,810	17,900		
11	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
12	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
21	43,661	43,661	37,490	37,490	33,091	33,091	32,720	32,720	41,005	41,005	37,247	37,247	35,939	35,939		
22	106.48%	106.48%	91.20%	91.20%	88.84%	88.84%	91.04%	91.04%								
23																

b) Qualitative disclosure around LCR

The Reserve Bank of India has prescribed monitoring of sufficiency of Bank's liquid assets using Basel III – Liquidity Coverage Ratio ('LCR'). The LCR is aimed at measuring and promoting short-term resilience of Banks to potential liquidity disruptions by ensuring maintenance of sufficient high quality liquid assets ('HQLAs') to survive an acute stress scenario lasting for 30 days.

The ratio comprises of high quality liquid assets ('HQLAs') as numerator and net cash outflows in 30 days as denominator. HQLA has been divided into two parts i.e. Level 1 HQLA which comprises of primarily cash, excess CRR, SLR securities in excess of minimum SLR requirement and a portion of mandatory SLR as permitted by RBI (under MSF and FALLCR) and Level 2 HQLA which comprises of investments in highly rated non-financial corporate bonds and listed equity investments considered at prescribed haircuts. Cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities by the outflow run-off rates and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by the rates at which they are expected to flow in.

The Bank has implemented the LCR framework and has consistently maintained LCR well above the regulatory threshold. The average LCR for the quarter ended 31st March, 2019 was 123.4% which is above the regulatory requirement of 100%. For the quarter ended 31st March, 2019 Level 1 HQLA stood at 95.94% (50,926 crs.) of the total HQLA.

Apart from LCR, Bank uses various stock liquidity indicators to measure and monitor the liquidity risk in terms of funding stability, concentration risk, dependence on market borrowings, liquidity transformation, etc. The Bank maintains a diversified source of funding in terms of depositors, lenders and various funding instruments. This is evident through low depositor and lender concentration with top 20 depositors contributing 12.2% of Bank's total deposits and top 10 lenders contributing 5.6% of Bank's total liabilities.

Asset Liability Committee ('ALCO') of the Bank is the primary governing body for Liquidity Risk Management supported by Balance Sheet Management Unit ('BMU'), Risk Management Department (RMD), Finance and ALCO Support Group. BMU is the central repository of funds within the Bank and is vested with the responsibility of managing liquidity risk within the risk appetite of the Bank. Bank has incorporated Basel III Liquidity Standards - LCR and NSFR as part of its risk appetite statement for liquidity risk.

42. Frauds

The Bank has reported 376 (Previous year 268 cases) fraud cases involving fraud amount of one lakh and above during the financial year ended 31st March 2019 amounting to ₹ 14.10 crore (Previous year ₹ 56.73 crore). The Bank has recovered / expensed off / provided the entire amount where necessary.

Details of fraud provisioning made in more than one financial year:

(₹ in crore)

Number of fraud reported	Amount involve in Fraud	Provision made during the year	Quantum of unamortised provision debited from 'other reserve'
1	2.86	1.46	1.40

B. OTHER DISCLOSURES:**1. Earnings per Equity Share:**

Particulars	31 st March, 2019	31 st March, 2018
Reconciliation between weighted shares used in the computation of basic and diluted earnings per share		
Weighted average number of equity shares used in computation of basic earnings per share	1,906,844,174	1,896,049,700
Effect of potential equity shares for stock options outstanding	2,263,269	2,572,354
Weighted average number of equity shares used in computation of diluted earnings per share	1,909,107,443	1,898,622,054
Following is the reconciliation between basic and diluted earnings per share		
Nominal value per share	5.00	5.00
Basic earnings per share	25.52	21.54
Effect of potential equity shares for stock options	0.04	0.03
Diluted earnings per share	25.48	21.51
Earnings used in the computation of basic and diluted earnings per share (₹ in crore)	4,865.33	4,084.30

2. Segment Reporting:

The Summary of the operating segments of the Bank for the year ended 31st March, 2019 are as given below:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
1. Segment Revenue		
a. Treasury, BMU and Corporate Centre	5,965.16	5,730.26
b. Corporate / Wholesale Banking	11,392.66	9,061.32
c. Retail Banking	13,885.48	11,437.61
d. Other Banking business	-	-
Sub-total	31,243.30	26,229.19
Less : Inter-segmental revenue	2,696.06	2,428.49
Total	28,547.24	23,800.70
2. Segment Results		
a. Treasury, BMU and Corporate Centre	2,050.07	1,723.06
b. Corporate / Wholesale Banking	3,287.57	2,984.45
c. Retail Banking	2,048.15	1,510.71
d. Other Banking business	-	-
Sub-total	7,385.79	6,218.22
Total Profit Before Tax	7,385.79	6,218.22
Provision for Tax	2,520.46	2,133.92
Total Profit After Tax	4,865.33	4,084.30
3. Segment Assets		
a. Treasury, BMU and Corporate Centre	101,401.71	91,500.50
b. Corporate / Wholesale Banking	134,695.27	100,506.20
c. Retail Banking	174,501.61	143,303.89
d. Other Banking business	-	-
Sub-total	410,598.59	335,310.59
Less : Inter-segmental Assets	98,604.66	70,571.48
Total	311,993.93	264,739.11
Add : Unallocated Assets	178.16	194.28
Total Assets as per Balance Sheet	312,172.09	264,933.39
4. Segment Liabilities		
a. Treasury, BMU and Corporate Centre	84,885.34	76,300.61
b. Corporate / Wholesale Banking	122,068.09	88,984.44
c. Retail Banking	160,851.80	132,725.09
d. Other Banking business	-	-
Sub-total	367,805.23	298,010.14
Less : Inter-segmental Liabilities	98,604.66	70,571.48
Total	269,200.57	227,438.66
Add : Unallocated liabilities	73.14	13.08
Add : Share Capital & Reserves & surplus	42,898.38	37,481.65
Total Liabilities as per Balance Sheet	312,172.09	264,933.39

Particulars	31 st March, 2019	31 st March, 2018
5. Capital Expenditure		
a. Treasury, BMU and Corporate Centre	83.41	44.21
b. Corporate / Wholesale Banking	53.64	20.71
c. Retail Banking	364.75	237.94
d. Other Banking business	-	-
Total	501.80	302.86
6. Depreciation / Amortisation		
a. Treasury, BMU and Corporate Centre	107.47	101.30
b. Corporate / Wholesale Banking	25.21	16.47
c. Retail Banking	234.24	184.92
d. Other Banking business	-	-
Total	366.92	302.69

Segmental Information is provided as per the MIS available for internal reporting purposes, which includes certain estimates and assumptions.

3. Lease Disclosures:

- The Bank has taken various premises and equipment under operating lease. The lease payments recognised in the Profit and Loss Account are ₹ 500.92 crore (previous year ₹ 453.31 crore). The sub-lease income recognised in the Profit and Loss Account is ₹ 5.53 crore (previous year ₹ 5.56 crore).
- The future minimum lease payments under non-cancellable operating lease – not later than one year is ₹ 438.26 crore (previous year ₹ 402.44 crore), later than one year but not later than five years is ₹ 1,378.45 crore (previous year ₹ 1,275.44 crore) and later than five years ₹ 1,101.50 crore (previous year ₹ 1,089.00 crore).

The lease terms include renewal option after expiry of primary lease period. There are no restrictions imposed by lease arrangements. There are escalation clauses in the lease agreements.

4. Deferred Taxes:

"Others" in Other Assets (Schedule 11 (VI)) includes deferred tax asset (net) of ₹ 178.16 crore (previous year ₹ 194.28 crore). The components of the same are as follows:

(₹ in crore)		
Particulars of Asset/ (Liability)	31 st March, 2019	31 st March, 2018
Provision for NPA and general provision on standard assets	170.05	197.66
Expenditure allowed on payment basis	139.68	130.47
Depreciation	29.02	9.43
Deduction u/s. 36(1)(viii) of the Income Tax Act, 1961	(160.59)	(143.28)
Net Deferred Tax Asset	178.16	194.28

5. Credit card reward points:

The following table sets forth, for the periods indicated, movement in provision for credit card account reward points:

(₹ in crore)		
Particulars	31 st March, 2019	31 st March, 2018
Opening provision for reward points	13.12	7.95
Provision for reward points made during the year	24.53	17.18
Utilisation/write-back of provision for reward points	(22.72)	(12.01)
Closing provision for reward points*	14.93	13.12

* This amount will be utilised towards redemption of the credit card accounts reward points.

6. Fixed Assets as per Schedule 10 B include intangible assets relating to purchased software and system development expenditure which are as follows:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Gross Block		
At cost on 31 st March of the preceding year	489.16	506.01
Additions during the year	169.35	67.47
Deductions during the year	149.62	84.32
Total	508.89	489.16
Depreciation / Amortisation		
As at 31 st March of the preceding year	400.61	424.45
Charge for the year	94.95	60.48
Deductions during the year	145.97	84.32
Depreciation to date	349.59	400.61
Net Block	159.30	88.55

Capital commitments for purchase of software and system development expenditure are ₹ 38.73 crore (previous year ₹ 53.87 crore).

7. Related Party Disclosures:

As per Accounting Standard -18, Related Party Disclosure, the Bank's related parties are disclosed below:

A. Parties where control exists:

Nature of relationship	Related Party
Subsidiary Companies	Kotak Mahindra Prime Limited
	Kotak Securities Limited
	Kotak Mahindra Capital Company Limited
	Kotak Mahindra Life Insurance Company Limited (formerly known as Kotak Mahindra Old Mutual Life Insurance Limited)
	Kotak Mahindra Investments Limited
	Kotak Mahindra Asset Management Company Limited
	Kotak Mahindra Trustee Company Limited
	Kotak Mahindra (International) Limited
	Kotak Mahindra (UK) Limited
	Kotak Mahindra Inc.
	Kotak Investment Advisors Limited
	Kotak Mahindra Trusteeship Services Limited
	Kotak Infrastructure Debt Fund Limited
	Kotak Mahindra Pension Fund Limited
	Kotak Mahindra Financial Services Limited
	Kotak Mahindra Asset Management (Singapore) Pte. Ltd.
	Kotak Mahindra General Insurance Company Limited
	IVY Product Intermediaries Limited
	BSS Microfinance Limited (formerly known as BSS Microfinance Private Limited) (w.e.f 27 September, 2017)

B. Other Related Parties:

Nature of Relationship	Related Party
Individual having significant influence over the enterprise	Mr. Uday S. Kotak along with relatives and enterprises in which he has beneficial interest holds 29.99% of the equity share capital and 19.68% of the paid-up share capital of Kotak Mahindra Bank Limited as on 31 st March, 2019.
Associates / Others	ACE Derivatives and Commodity Exchange Limited. Infina Finance Private Limited Matrix Business Services India Private Limited Phoenix ARC Private Limited Kotak Education Foundation ING Vysya Foundation
Key Management Personnel (KMP)	Mr. Uday S. Kotak, Managing Director and CEO Mr. Dipak Gupta, Joint Managing Director
Enterprises over which KMP / relatives of KMP have control / significant influence	Aero Agencies Limited Kotak and Company Private Limited Komaf Financial Services Private Limited Asian Machinery & Equipment Private Limited. Insurekot Sports Private Limited Kotak Trustee Company Private Limited Cumulus Trading Company Private Limited Palko Properties Private Limited Kotak Chemicals Limited Kotak Ginning & Pressing Industries Private Limited Kotak Commodities Services Private Limited Harisiddha Trading and Finance Private Limited Puma Properties Private Limited Business Standard Private Limited Business Standard Online Private Limited Allied Auto Accessories Private Limited Uday S Kotak HUF Suresh A Kotak HUF USK Benefit Trust II Kotak Family Foundation (w.e.f. 2 May 2017) Helena Realty Private Limited (w.e.f. 2 Feb 2018) Doreen Realty Private Limited (w.e.f. 15 Feb 2018) Renato Realty Private Limited (w.e.f. 15 Feb 2018) Pine Tree Estates Private Limited (w.e.f. 20 Mar 2018) Meluha Developers Private Limited (w.e.f. 20 Mar 2018) Quanyco Realty Private Limited (w.e.f. 16 Mar 2018) Xanadu Properties Private Limited (w.e.f. 20 Mar 2018)
Relatives of KMP	Ms. Pallavi Kotak Mr. Suresh Kotak Ms. Indira Kotak Mr. Jay Kotak Mr. Dhawal Kotak Ms. Aarti Chandaria Ms. Anita Gupta Ms. Urmila Gupta Mr. Arnav Gupta Mr. Parthav Gupta Mr. Prabhat Gupta Ms. Jyoti Banga

(₹ in crore)

Items/Related Party	Subsidiary Companies	Associates/ Others	Key Management Personnel (KMP)	Enterprise over which KMP/ Relative of KMP have control / significant influence	Relatives of KMP	Total
Liabilities						
Deposits	1056.10 (1,407.47)	125.00 (57.75)	632.99 (128.35)	144.75 (134.45)	143.35 (1.99)	2102.19 (1,730.01)
Borrowings	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Interest Payable	1.65 (8.21)	0.39 (0.05)	5.56 (0.95)	1.72 (1.37)	0.41 (0.01)	9.73 (10.59)
Other Liabilities	16.91 (14.42)	0.01 (0.01)	- (-)	0.01 (0.30)	- (-)	16.93 (14.73)
Assets						
Advances	0.52 (#)	- (-)	- (-)	- (-)	- (-)	0.52 (#)
Investments-Gross	3067.74 (3,072.15)	33.88 (33.88)	- (-)	# (#)	- (-)	3101.62 (3,106.03)
Diminution on Investments	- (-)	29.82 (29.82)	- (-)	# (#)	- (-)	29.82 (29.82)
Commission Receivable	49.54 (43.81)	- (-)	- (-)	- (-)	- (-)	49.54 (43.81)
Others	65.04 (69.58)	0.01 (0.04)	# (-)	# (0.07)	# (-)	65.05 (69.69)
Expenses						
Salaries/fees (Include ESOP)	- (-)	- (-)	8.84 (8.06)	- (-)	- (-)	8.84 (8.06)
Interest Paid	48.96 (88.37)	7.31 (38.23)	36.10 (12.02)	11.66 (15.38)	1.09 (0.31)	105.12 (154.31)
Others	120.36 (27.85)	10.02 (19.00)	- (-)	4.29 (4.51)	- (-)	134.67 (51.36)
Income						
Dividend	45.14 (7.61)	- (-)	- (-)	- (-)	- (-)	45.14 (7.61)
Interest Received	51.86 (44.23)	- (-)	- (-)	- (-)	- (-)	51.86 (44.23)
Others	392.36 (319.71)	0.11 (0.10)	# (#)	0.86 (0.87)	# (-)	393.33 (320.68)
Other Transactions						
Sale of investment	642.67 (180.27)	- (-)	- (-)	- (-)	- (-)	642.67 (180.27)
Purchase of Investment	1185.64 (821.57)	- (-)	- (-)	- (-)	- (-)	1185.64 (821.57)

(₹ in crore)

Items/Related Party	Subsidiary Companies	Associates/ Others	Key Management Personnel (KMP)	Enterprise over which KMP/ Relative of KMP have control / significant influence	Relatives of KMP	Total
Loan disbursed during the year	343.38 (1,820.23)	- (-)	- (-)	- (-)	- (-)	343.38 (1,820.23)
Loan repaid during the year	343.05 (1,881.48)	- (-)	- (-)	- (-)	- (-)	343.05 (1,881.48)
Dividend paid	- (-)	- (-)	39.78 (34.10)	0.05 (0.04)	0.26 (0.22)	40.09 (34.36)
Reimbursement to companies	21.12 (20.06)	- (-)	- (-)	- (-)	- (-)	21.12 (20.06)
Reimbursement from companies	98.82 (165.17)	0.09 (0.10)	- (-)	- (-)	- (-)	98.91 (165.27)
Purchase of Fixed assets	0.14 (0.59)	- (-)	- (-)	- (-)	- (-)	0.14 (0.59)
Sale of Fixed assets	0.04 (0.55)	- (-)	- (-)	- (-)	- (-)	0.04 (0.55)
Swaps/Forward/ Options contracts	2132.70 (5,068.59)	- (-)	- (-)	- (-)	1.88 (-)	2134.58 (5,068.59)
Guarantees/Lines of credit	20.25 (0.25)	- (0.05)	- (-)	- (-)	- (-)	20.25 (0.30)
QIP Issuance Expense adjusted against Share Premium	- (10.09)	- (-)	- (-)	- (#)	- (-)	- (10.09)
Professional Charges towards Strategic investment - capitalized	- (3.51)	- (-)	- (-)	- (-)	- (-)	- (3.51)
I. Liabilities:						
Other liabilities						
Other Payable						
Kotak Mahindra Prime Limited	0.89 (0.33)	- (-)	- (-)	- (-)	- (-)	0.89 (0.33)
BSS Microfinance Limited	13.59 (4.03)	- (-)	- (-)	- (-)	- (-)	13.59 (4.03)
Kotak Securities Limited	1.06 (6.86)	- (-)	- (-)	- (-)	- (-)	1.06 (6.86)
Others	1.37 (3.20)	0.01 (0.01)	- (-)	0.01 (0.30)	- (-)	1.39 (3.51)

(₹ in crore)

Items/Related Party	Subsidiary Companies	Associates/ Others	Key Management Personnel (KMP)	Enterprise over which KMP/ Relative of KMP have control / significant influence	Relatives of KMP	Total
II. Assets:						
Investments						
Kotak Mahindra Life Insurance Company Limited	1557.20 (1,557.20)	- (-)	- (-)	- (-)	- (-)	1557.20 (1,557.20)
Kotak Mahindra Prime Limited	141.71 (361.82)	- (-)	- (-)	- (-)	- (-)	141.71 (361.82)
BSS Microfinance Limited	138.56 (117.87)	- (-)	- (-)	- (-)	- (-)	138.56 (117.87)
Kotak Mahindra Investments Limited	338.03 (338.03)	- (-)	- (-)	- (-)	- (-)	338.03 (338.03)
Kotak Mahindra General Insurance Company Limited	220.00 (175.00)	- (-)	- (-)	- (-)	- (-)	220.00 (175.00)
Kotak Infrastructure Debt Fund Limited	492.19 (342.19)	- (-)	- (-)	- (-)	- (-)	492.19 (342.19)
Others	180.05 (180.05)	- (-)	- (-)	# (#)	- (-)	180.05 (180.05)
ACE Derivatives and Commodity Exchange Limited	- (-)	33.88 (33.88)	- (-)	- (-)	- (-)	33.88 (33.88)
Diminution on Investments						
ACE Derivatives and Commodity Exchange Limited	- (-)	29.82 (29.82)	- (-)	- (-)	- (-)	29.82 (29.82)
Business Standard Private Ltd	- (-)	- (-)	- (-)	# (#)	- (-)	# (#)
Commission Receivable						
Kotak Mahindra Life Insurance Company Limited	48.35 (42.81)	- (-)	- (-)	- (-)	- (-)	48.35 (42.81)
Kotak Mahindra General Insurance Company Limited	1.19 (0.99)	- (-)	- (-)	- (-)	- (-)	1.19 (0.99)
Others Receivable						
Kotak Mahindra Prime Limited	14.97 (22.29)	- (-)	- (-)	- (-)	- (-)	14.97 (22.29)
Kotak Securities Limited	11.01 (2.89)	- (-)	- (-)	- (-)	- (-)	11.01 (2.89)
Kotak Investment Advisors Limited	2.70 (3.29)	- (-)	- (-)	- (-)	- (-)	2.70 (3.29)
Kotak Mahindra Life Insurance Company Limited	4.70 (8.97)	- (-)	- (-)	- (-)	- (-)	4.70 (8.97)

(₹ in crore)

Items/Related Party	Subsidiary Companies	Associates/ Others	Key Management Personnel (KMP)	Enterprise over which KMP/ Relative of KMP have control / significant influence	Relatives of KMP	Total
Kotak Infrastructure Debt Fund Limited	15.02 (4.88)	- (-)	- (-)	- (-)	- (-)	15.02 (4.88)
BSS Microfinance Limited	10.88 (23.03)	- (-)	- (-)	- (-)	- (-)	10.88 (23.03)
Others	5.76 (4.23)	0.01 (0.04)	- (-)	# (0.07)	- (-)	5.77 (4.34)
III. Expenses:						
Salaries / fees (Include ESOPs)						
Mr. Uday Kotak	- (-)	- (-)	3.54 (3.20)	- (-)	- (-)	3.54 (3.20)
Mr. Dipak Gupta	- (-)	- (-)	5.30 (4.86)	- (-)	- (-)	5.30 (4.86)
Other Expenses						
Brokerage						
Kotak Securities Limited	0.02 (0.30)	- (-)	- (-)	- (-)	- (-)	0.02 (0.30)
Premium						
Kotak Mahindra Life Insurance Company Limited	4.51 (3.30)	- (-)	- (-)	- (-)	- (-)	4.51 (3.30)
Kotak Mahindra General Insurance Company Limited	2.47 (2.66)	- (-)	- (-)	- (-)	- (-)	2.47 (2.66)
Others						
Kotak Mahindra Prime Limited	3.36 (3.30)	- (-)	- (-)	- (-)	- (-)	3.36 (3.30)
Kotak Infrastructure Debt Fund Limited	0.06 (-)	- (-)	- (-)	- (-)	- (-)	0.06 (-)
Aero Agencies Limited	- (-)	- (-)	- (-)	4.22 (4.39)	- (-)	4.22 (4.39)
Business Standard Private Limited	- (-)	- (-)	- (-)	0.07 (0.12)	- (-)	0.07 (0.12)
BSS Microfinance Limited	104.92 (13.78)	- (-)	- (-)	- (-)	- (-)	104.92 (13.78)
Kotak Mahindra Financial Services Limited	5.02 (4.51)	- (-)	- (-)	- (-)	- (-)	5.02 (4.51)
Kotak Mahindra (UK) Limited	# (-)	- (-)	- (-)	- (-)	- (-)	# (-)
Others	# (#)	0.28 (0.22)	- (-)	- (-)	- (-)	0.28 (0.22)

(₹ in crore)

Items/Related Party	Subsidiary Companies	Associates/ Others	Key Management Personnel (KMP)	Enterprise over which KMP/ Relative of KMP have control / significant influence	Relatives of KMP	Total
Donations						
Kotak Education Foundation	-	9.74	-	-	-	9.74
	(-)	(18.79)	(-)	(-)	(-)	(18.79)
IV. Income:						
Dividend						
Kotak Mahindra Capital Company Limited	41.23	-	-	-	-	41.23
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Trustee Company Limited	3.75	-	-	-	-	3.75
	(7.50)	(-)	(-)	(-)	(-)	(7.50)
Kotak Infrastructure Debt Fund Limited	0.05	-	-	-	-	0.05
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Prime Limited	0.11	-	-	-	-	0.11
	(0.11)	(-)	(-)	(-)	(-)	(0.11)
Other Income						
Kotak Mahindra Life Insurance Company Limited	215.19	-	-	-	-	215.19
	(193.44)	(-)	(-)	(-)	(-)	(193.44)
Kotak Mahindra General Insurance Company Limited	15.71	-	-	-	-	15.71
	(11.73)	(-)	(-)	(-)	(-)	(11.73)
Kotak Securities Limited	93.02	-	-	-	-	93.02
	(22.82)	(-)	(-)	(-)	(-)	(22.82)
Kotak Mahindra Capital Company Limited	9.71	-	-	-	-	9.71
	(9.91)	(-)	(-)	(-)	(-)	(9.91)
Kotak Mahindra Asset Management Company Limited	26.37	-	-	-	-	26.37
	(47.13)	(-)	(-)	(-)	(-)	(47.13)
Kotak Mahindra Prime Limited	11.74	-	-	-	-	11.74
	(14.19)	(-)	(-)	(-)	(-)	(14.19)
Kotak Investment Advisors Limited	9.91	-	-	-	-	9.91
	(11.32)	(-)	(-)	(-)	(-)	(11.32)
Others	10.71	0.11	#	0.86	#	11.68
	(9.17)	(0.10)	(#)	(0.87)	(-)	(10.14)
V. Other Transactions:						
Sale of Investment						
Kotak Mahindra Life Insurance Company Limited	262.70	-	-	-	-	262.70
	(130.15)	(-)	(-)	(-)	(-)	(130.15)

(₹ in crore)

Items/Related Party	Subsidiary Companies	Associates/ Others	Key Management Personnel (KMP)	Enterprise over which KMP/Relative of KMP have control / significant influence	Relatives of KMP	Total
Kotak Mahindra Prime Limited	100.00 (-)	- (-)	- (-)	- (-)	- (-)	100.00 (-)
Kotak Mahindra (UK) Limited	236.63 (-)	- (-)	- (-)	- (-)	- (-)	236.63 (-)
Kotak Securities Limited	43.34 (-)	- (-)	- (-)	- (-)	- (-)	43.34 (-)
Kotak Infrastructure Debt Fund Limited	- (50.12)	- (-)	- (-)	- (-)	- (-)	- (50.12)
Purchase of Investments						
Kotak Mahindra Life Insurance Company Limited	- (70.37)	- (-)	- (-)	- (-)	- (-)	- (70.37)
Kotak Mahindra Prime Limited	723.43 (300.67)	- (-)	- (-)	- (-)	- (-)	723.43 (300.67)
Kotak Infrastructure Debt Fund Limited	150.00 (250.00)	- (-)	- (-)	- (-)	- (-)	150.00 (250.00)
Kotak Mahindra Investments Limited	- (100.00)	- (-)	- (-)	- (-)	- (-)	- (100.00)
Kotak Investment Advisors Limited	- (50.00)	- (-)	- (-)	- (-)	- (-)	- (50.00)
Kotak Mahindra General Insurance Company Limited	45.00 (40.00)	- (-)	- (-)	- (-)	- (-)	45.00 (40.00)
Kotak Mahindra (UK) Limited	267.21 (-)	- (-)	- (-)	- (-)	- (-)	267.21 (-)
Kotak Securities Limited	- (10.53)	- (-)	- (-)	- (-)	- (-)	- (10.53)
Loan Disbursed during the year						
Kotak Mahindra Prime Limited	- (60.00)	- (-)	- (-)	- (-)	- (-)	- (60.00)
Kotak Mahindra (International) Limited	343.38 (1,760.23)	- (-)	- (-)	- (-)	- (-)	343.38 (1,760.23)
Loan Repaid during the year						
Kotak Mahindra (International) Limited	343.05 (1,761.48)	- (-)	- (-)	- (-)	- (-)	343.05 (1,761.48)

(₹ in crore)

Items/Related Party	Subsidiary Companies	Associates/ Others	Key Management Personnel (KMP)	Enterprise over which KMP/ Relative of KMP have control / significant influence	Relatives of KMP	Total
Kotak Mahindra Prime Limited	- (120.00)	- (-)	- (-)	- (-)	- (-)	- (120.00)
Dividend paid						
Mr. Uday Kotak	- (-)	- (-)	39.69 (34.02)	- (-)	- (-)	39.69 (34.02)
Mr. Dipak Gupta	- (-)	- (-)	0.09 (0.08)	- (-)	- (-)	0.09 (0.08)
Ms. Pallavi Kotak	- (-)	- (-)	- (-)	- (-)	0.08 (0.07)	0.08 (0.07)
Ms. Indira Kotak	- (-)	- (-)	- (-)	- (-)	0.16 (0.14)	0.16 (0.14)
Others	- (-)	- (-)	- (-)	0.05 (0.04)	0.02 (0.02)	0.07 (0.06)
Reimbursements to companies						
Kotak Mahindra Capital Company Limited	2.15 (2.39)	- (-)	- (-)	- (-)	- (-)	2.15 (2.39)
Kotak Mahindra Prime Limited	5.96 (5.99)	- (-)	- (-)	- (-)	- (-)	5.96 (5.99)
Kotak Securities Limited.	10.53 (9.87)	- (-)	- (-)	- (-)	- (-)	10.53 (9.87)
Kotak Mahindra Life Insurance Company Limited	0.67 (0.79)	- (-)	- (-)	- (-)	- (-)	0.67 (0.79)
Kotak Infrastructure Debt Fund Limited	- (0.03)	- (-)	- (-)	- (-)	- (-)	- (0.03)
Others	1.81 (1.00)	- (-)	- (-)	- (-)	- (-)	1.81 (1.00)
Reimbursements from companies						
Kotak Mahindra Capital Company Limited	7.16 (7.09)	- (-)	- (-)	- (-)	- (-)	7.16 (7.09)
Kotak Mahindra Prime Limited	21.52 (21.64)	- (-)	- (-)	- (-)	- (-)	21.52 (21.64)
Kotak Mahindra Life Insurance Company Limited	17.47 (20.20)	- (-)	- (-)	- (-)	- (-)	17.47 (20.20)
Kotak Securities Limited	20.67 (84.93)	- (-)	- (-)	- (-)	- (-)	20.67 (84.93)

(₹ in crore)

Items/Related Party	Subsidiary Companies	Associates/ Others	Key Management Personnel (KMP)	Enterprise over which KMP/Relative of KMP have control / significant influence	Relatives of KMP	Total
Kotak Mahindra Investments Limited	8.92 (9.45)	- (-)	- (-)	- (-)	- (-)	8.92 (9.45)
Others	23.08 (21.86)	0.09 (0.10)	- (-)	- (-)	- (-)	23.17 (21.96)
Purchase of Fixed assets						
Kotak Mahindra Prime Limited	0.14 (0.03)	- (-)	- (-)	- (-)	- (-)	0.14 (0.03)
Kotak Securities Limited	- (0.52)	- (-)	- (-)	- (-)	- (-)	- (0.52)
Kotak Mahindra Investments Limited	# (-)	- (-)	- (-)	- (-)	- (-)	# (-)
Kotak Mahindra Capital Company Limited	- (0.04)	- (-)	- (-)	- (-)	- (-)	- (0.04)
Sale of Fixed assets						
Kotak Mahindra Capital Company Ltd	- (0.08)	- (-)	- (-)	- (-)	- (-)	- (0.08)
Kotak Investment Advisors Limited	# (#)	- (-)	- (-)	- (-)	- (-)	# (#)
Kotak Mahindra Asset Management Company Limited	- (0.06)	- (-)	- (-)	- (-)	- (-)	- (0.06)
Kotak Infrastructure Debt Fund Limited	- (0.25)	- (-)	- (-)	- (-)	- (-)	- (0.25)
Kotak Mahindra Investments Limited	0.03 (-)	- (-)	- (-)	- (-)	- (-)	0.03 (-)
Kotak Mahindra Life Insurance Company Limited	- (0.06)	- (-)	- (-)	- (-)	- (-)	- (0.06)
Kotak Mahindra Prime Limited	- (0.09)	- (-)	- (-)	- (-)	- (-)	- (0.09)
Kotak Securities Limited	0.01 (#)	- (-)	- (-)	- (-)	- (-)	0.01 (#)
Swaps/Forward /Options contract						
Kotak Mahindra (International) Limited	2132.70 (5,068.59)	- (-)	- (-)	- (-)	- (-)	2132.70 (5,068.59)
Others	- (-)	- (-)	- (-)	- (-)	1.88 (-)	1.88 (-)

(₹ in crore)

Items/Related Party	Subsidiary Companies	Associates/ Others	Key Management Personnel (KMP)	Enterprise over which KMP/ Relative of KMP have control / significant influence	Relatives of KMP	Total
Guarantees/Lines of credit						
Kotak Investment Advisors Limited	20.25 (-)	- (-)	- (-)	- (-)	- (-)	20.25 (-)
Kotak Mahindra Life Insurance Company Limited	- (0.25)	- (-)	- (-)	- (-)	- (-)	- (0.25)
Matrix Business Services India Private Limited	- (-)	- (0.05)	- (-)	- (-)	- (-)	- (0.05)
QIP Issuance Expense adjusted against Share Premium						
Kotak Mahindra Capital Company Ltd	- (10.09)	- (-)	- (-)	- (-)	- (-)	- (10.09)
Aero Agencies Limited	- (-)	- (-)	- (-)	- (#)	- (-)	- (#)
Professional Charges towards Strategic investment - capitalized						
Kotak Mahindra Capital Company Ltd	- (3.51)	- (-)	- (-)	- (-)	- (-)	- (3.51)

Note:

1. Figures in brackets represent previous year's figures.

2. The above does not include any transactions in relation to listed securities done on recognised stock exchange during the year. However above includes transactions done on NDS with known related parties.

3. # in the above table denotes amounts less than ₹50,000

4. Remuneration paid to KMPs is pursuant to approval from RBI

Maximum Balance outstanding during the year

(₹ in crore)

Items/Related Party	Subsidiary Companies	Associates/ Others	Key Management Personnel	Enterprise over which KMP/Relative of KMP have control / significant influence	Relatives of Key Management Personnel
Liabilities					
Deposits	9,000.39 (5,936.64)	2,174.53 (5,180.30)	1,274.95 (358.56)	351.93 (397.28)	147.02 (16.37)
Borrowings	- (10.00)	- (-)	- (-)	- (-)	- (-)
Other Liabilities	38.21 (116.96)	0.62 (1.56)	5.56 (1.52)	3.84 (2.55)	0.41 (0.03)
Assets					
Advances	915.01 (412.05)	0.85 (-)	- (-)	# (#)	- (-)
Investments-Gross	3737.88 (3,222.15)	33.88 (33.88)	- (-)	# (#)	- (-)
Commission Receivable	49.53 (43.81)	- (-)	- (-)	- (-)	- (-)
Others	129.17 (138.65)	0.11 (0.10)	- (-)	0.16 (0.32)	- (-)

Note:

1. Figures in brackets represent previous year's figures.

2. # in the above table denotes amounts less than ₹50,000

8. Employee Share Based Payments:

At the General Meetings, the shareholders of the Bank had unanimously passed Special Resolutions on 28th July, 2000, 26th July, 2004, 26th July, 2005, 5th July, 2007, 21st August, 2007 and 29th June, 2015, to grant options to the eligible employees of the Bank and its subsidiaries and associate companies. Pursuant to these resolutions, the following Employees Stock Option Schemes had been formulated and adopted:

- (a) Kotak Mahindra Equity Option Scheme 2001-02;
- (b) Kotak Mahindra Equity Option Scheme 2002-03;
- (c) Kotak Mahindra Equity Option Scheme 2005;
- (d) Kotak Mahindra Equity Option Scheme 2007; and
- (e) Kotak Mahindra Equity Option Scheme 2015

Further, pursuant to the Scheme of Amalgamation of ING Vysya Bank Limited with the Bank, the Bank has renamed and adopted the ESOP Schemes of the eIVBL, as given below:

- Kotak Mahindra Bank Limited (IVBL) Employees Stock Option Scheme 2005;
- Kotak Mahindra Bank Limited (IVBL) Employees Stock Option Scheme 2007;
- Kotak Mahindra Bank Limited (IVBL) Employee Stock Option Scheme 2010; and
- Kotak Mahindra Bank Limited (IVBL) Employees Stock Option Scheme 2013

Consequent to the above, the Bank has granted stock options to the employees of the Group. The Bank under its various plan / schemes, has granted in aggregate 152,525,793 options (including options issued in exchange on amalgamation) as on 31st March, 2019 (Previous year 148,401,294).

In aggregate 10,046,188 options are outstanding as on 31st March, 2019 (Previous year 9,475,005) under the aforesaid schemes.

Equity-settled options

The Bank has granted options to employees of the Group vide various employee stock option schemes. During the year ended 31st March, 2019, the following schemes were in operation:

	Plan 2007	Plan 2015
Date of grant	Various Dates	Various Dates
Date of Board Approval	Various Dates	Various Dates
Date of Shareholder's approval	5 th July, 2007 as amended on 21 st August, 2007	29 th June, 2015
Number of options granted	68,873,000	12,212,139
Method of Settlement (Cash / Equity)	Equity	Equity
Vesting Period	1.00 – 4.14 years	1.00 – 4.02 years
Exercise Period	0.30 – 1.08 years	0.21 – 0.50 years
Vesting Conditions	Graded / Cliff vesting	Graded / Cliff vesting

	KMBL (IVBL) Plan 2007	KMBL (IVBL) Plan 2010	KMBL (IVBL) Plan 2013
Number of options granted (addition on amalgamation)	1,245,010	5,773,046	4,642,198
Method of Settlement (Cash / Equity)	Equity	Equity	Equity

The details of activity under Plan 2007 have been summarised below:

	Year ended 31 st March, 2019		Year ended 31 st March, 2018	
	Number of Shares	Weighted Average Exercise Price(₹)	Number of Shares	Weighted Average Exercise Price(₹)
Outstanding at the beginning of the year	1,320,788	614.14	3,228,236	572.03
Granted during the year	-	-	-	-
Forfeited during the year	35,880	665.00	149,740	640.29
Exercised during the year	947,069	595.88	1,741,978	533.47
Expired during the year	8,153	657.12	15,730	657.33
Outstanding at the end of the year	329,686	660.00	1,320,788	614.14
Out of the above exercisable at the end of the year	329,686	660.00	231,244	396.02
Weighted average remaining contractual life (in years)	-	0.24	-	0.87

The details of activity under Plan 2015 have been summarised below:

	Year ended 31 st March, 2019		Year ended 31 st March, 2018	
	Number of Shares	Weighted Average Exercise Price(₹)	Number of Shares	Weighted Average Exercise Price(₹)
Outstanding at the beginning of the year	6,873,434	855.14	3,778,230	721.10
Granted during the year	4,124,499	1,265.43	4,191,170	952.24
Forfeited during the year	379,029	955.68	453,894	849.09
Exercised during the year	1,873,709	847.35	631,975	704.46
Expired during the year	23,933	867.88	10,097	710.00
Outstanding at the end of the year	8,721,262	1,046.44	6,873,434	855.14
Out of the above exercisable at the end of the year	49,513	901.99	103,630	710.00
Weighted average remaining contractual life (in years)	-	1.69	-	1.94
Weighted average fair value of options granted during the year	-	350.19	-	232.34

The details of activity under KMBL (IVBL) Plan 2007 have been summarised below:

	Year ended 31 st March, 2019		Year ended 31 st March, 2018	
	Number of Shares	Weighted Average Exercise Price(₹)	Number of Shares	Weighted Average Exercise Price(₹)
Outstanding at the beginning of the year	150,802	416.00	156,022	408.82
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	5,220	201.50
Expired during the year	-	-	-	-
Outstanding at the end of the year	150,802	416.00	150,802	416.00
Out of the above exercisable at the end of the year	150,802	416.00	150,802	416.00
Weighted average remaining contractual life (in years)	-	0.70	-	1.70

The details of activity under KMBL (IVBL) Plan 2010 have been summarised below:

	Year ended 31 st March, 2019		Year ended 31 st March, 2018	
	Number of Shares	Weighted Average Exercise Price(₹)	Number of Shares	Weighted Average Exercise Price(₹)
Outstanding at the beginning of the year	552,406	285.62	716,978	280.53
Forfeited during the year	-	-	-	-
Exercised during the year	212,614	258.00	164,572	263.45
Expired during the year	-	-	-	-
Outstanding at the end of the year	339,792	302.90	552,406	285.62
Out of the above exercisable at the end of the year	339,792	302.90	552,406	285.62
Weighted average remaining contractual life (in years)	-	0.70	-	1.31

The details of activity under KMBL (IVBL) Plan 2013 have been summarised below:

	Year ended 31 st March, 2019		Year ended 31 st March, 2018	
	Number of Shares	Weighted Average Exercise Price(₹)	Number of Shares	Weighted Average Exercise Price(₹)
Outstanding at the beginning of the year	577,575	386.53	784,459	387.72
Forfeited during the year	-	-	-	-
Exercised during the year	72,929	398.00	206,884	391.05
Expired during the year	-	-	-	-
Outstanding at the end of the year	504,646	384.87	577,575	386.53
Out of the above exercisable at the end of the year	504,646	384.87	577,575	386.53
Weighted average remaining contractual life (in years)	-	1.04	-	2.04

The weighted average share price at the date of exercise for stock options exercised during the year was ₹1,266.32 (Previous year ₹ 1,008.92).

The details of exercise price for stock options outstanding at the end of the year are:

31st March, 2019:

Range of exercise prices (₹)	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
201-300	226,830	0.66	246.58
301-400	430,347	1.08	379.50
401-500	348,063	0.74	418.41
501-600	28,572	0.88	550.00
601-700	371,185	0.42	669.76
701-800	1,965,284	1.07	735.48
801-900	58,820	2.08	900.00
901-1000	2,607,868	1.58	955.10
1001-1100	46,800	1.71	1,076.10
1201-1300	3,962,419	2.08	1,270.71

31st March, 2018:

Range of exercise prices (₹)	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
201-300	442,958	1.14	247.70
301-400	469,656	2.08	379.50
401-500	629,573	1.21	416.89
501-600	50,001	1.43	550.00
601-700	1,134,954	1.07	667.27
701-800	2,877,113	1.71	728.13
901-1000	3,823,950	2.10	955.07
1001-1100	46,800	2.71	1,076.10

Stock appreciation rights (SARs)

At the General Meeting on 29th June, 2015, the shareholders of the Bank had passed Special Resolution to grant SARs to the eligible employees of the Bank, its subsidiaries and associate companies. Pursuant to this resolution, Kotak Mahindra Stock Appreciation Rights Scheme 2015 has been formulated and adopted. Subsequently, the SARs have been granted under this scheme and the existing SARs will continue.

The SARs are settled in cash and vest on the respective due dates in a graded manner as per the terms and conditions of grant. The contractual life of the SARs outstanding range from 1.10 to 4.02 years.

Detail of activity under SARs is summarised below:

	Year Ended 31 st March, 2019	Year Ended 31 st March, 2018
Outstanding at the beginning of the year	1,224,556	1,355,642
Granted during the year	407,842	586,858
Additions / (Reduction) due to transfer of employees	(8,849)	23,823
Settled during the year	552,138	611,673
Lapsed during the year	(66,463)	130,094
Outstanding at the end of the year	1,004,948	1,224,556

Fair value of Employee stock options

The fair value of the equity-settled and cash-settled options is estimated on the date of grant using Black-Scholes options pricing model taking into account the terms and conditions upon which the options were granted. The fair value of the cash-settled options is remeasured at each Balance Sheet date. The following table lists the inputs to the model used for equity-settled and cash-settled options:

Year ended 31 st March,	2019		2018	
	Equity-settled	Cash-settled	Equity-settled	Cash-settled
Exercise Price ₹	900-1271	0-1271	700-1,084	0-955
Weighted Average Share Price ₹	1,268.97	1,047.97	957.63	948.80
Expected Volatility	18.68%-32.95%	19.74%-28.06%	18.12%-39.37%	16.74%-22.56%
Historical Volatility	18.68%-32.95%	19.74%-28.06%	18.12%-39.37%	16.74%-22.56%
Life of the options granted (Vesting and exercise period)				
- At the grant date	1.10-3.87		1.19-3.88	
- As at 31 st March	0.06-3.38		0.08-3.59	
Risk-free interest rate	6.97%-7.99%	6.17%-6.84%	6.30%-7.42%	6.01%-7.33%
Expected dividend rate	0.06%	0.05%	0.06%	0.06%

The expected volatility was determined based on historical volatility data and the Bank expects the volatility of its share price may reduce as it matures. The measure of volatility used in the Black-Scholes options pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. For calculating volatility, the daily volatility of the stock prices on the National Stock Exchange, over a period prior to the date of grant, corresponding with the expected life of the options has been considered.

Effect of the employee share-based payment plans on the Profit and Loss Account and on the financial position:

	(₹ in crore)	
Year ended 31 st March,	2019	2018
Total Employee compensation cost pertaining to share-based payment plans	78.00	67.42
Compensation cost pertaining to equity-settled employee share-based payment plan included above	1.80	1.75
Liability for employee stock options outstanding as at year end	4.10	4.41
Deferred Compensation Cost	2.02	2.24
Closing balance of liability for cash-settled options	79.81	73.10
Expense arising from increase in intrinsic value of liability for cash stock appreciation plan	63.07	56.79

Had the Bank recorded the compensation cost computed on the basis of Fair Valuation method instead of intrinsic value method, employee compensation cost would have been higher by ₹ 56.98 crore (Previous year ₹ 42.26 crore) and the profit after tax would have been lower by ₹ 37.26 crore (Previous year ₹ 27.64 crore). Consequently the basic and diluted EPS would have been ₹ 25.32 (Previous year ₹ 21.40) and ₹ 25.28 (Previous year ₹ 21.37) respectively.

In computing the above information, certain estimates and assumptions have been made by Management.

9. Advances securitised by the Bank :

	(₹ in crore)	
Particulars	31 st March, 2019	31 st March, 2018
Book value of advances securitized	-	-
Number of accounts	-	-
Sale consideration received for the accounts securitized	-	-
Gain on securitisation amortised during the year	-	-
Credit enhancement, liquidity support provided	-	-
Provision on securitised assets	-	-
Nature of post securitisation support	-	-

10. Employee Benefits

i. The Bank has recognised the following amounts in the Profit and Loss Account towards contributions to Provident Fund and Other Funds:

	(₹ in crore)	
Particulars	31 st March, 2019	31 st March, 2018
Provident Fund	110.17	97.23
Superannuation Fund	1.61	1.85
New Pension Fund	4.16	3.56

ii. Gratuity

The gratuity plan provides a lumpsum payment to vested employees at retirement or on termination of employment based on respective employee's salary and years of employment with the Bank subject to a maximum of ₹ 0.20 crore. There is no ceiling on gratuity payable to directors and certain categories of employees subject to service regulations and service awards.

Reconciliation of opening and closing balance of present value of defined benefit obligation for gratuity benefits is given below.

(₹ in crore)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
<i>Change in benefit obligations</i>		
Liability at the beginning of the year	373.13	280.66
Current Service cost	36.38	32.13
Interest cost	28.55	21.38
Actuarial Losses / (Gain)	28.97	5.98
Past Service Cost	-	81.92
Liability assumed on acquisition / (Settled on divestiture)	(0.39)	(0.04)
Benefits paid	(66.58)	(48.90)
Liability at the end of the year	400.06	373.13
<i>Change in plan assets</i>		
Fair value of plan assets at the beginning of the year	289.56	296.23
Expected return on plan assets	23.85	22.83
Actuarial Gain / (Losses)	9.63	(0.84)
Benefits paid	(66.58)	(48.90)
Employer contributions	145.53	20.24
Fair value of plan assets at the end of the year	401.99	289.56

(₹ in crore)

<i>Reconciliation of present value of the obligation and the fair value of the plan assets</i>	31st March, 2019	31st March, 2018
Fair value of plan assets at the end of the year	401.99	289.56
Liability at the end of the year	400.06	373.13
Net Asset / (Liability) (included under Schedule 5.IV)	1.93	(83.57)
<i>Expense recognised for the year</i>		
Current Service cost	36.38	32.13
Interest cost	28.55	21.38
Expected return on plan assets	(23.85)	(22.83)
Actuarial (Gain) / Loss	19.35	6.82
Past Service Cost	-	81.92
Net gratuity expense recognised in Schedule 16.I	60.42	119.42
Actual return on plan assets	33.48	21.98

(₹ in crore)

<i>Reconciliation of the Liability recognised in the Balance Sheet</i>	31st March, 2019	31st March, 2018
Net Liability / (Asset) at the beginning of the year	83.57	(15.57)
Expense recognized	60.42	119.42
Liability assumed on acquisition / (Settled on divestiture)	(0.39)	(0.04)
Employer contributions	(145.53)	(20.24)
Net Liability / (asset)	(1.93)	83.57

Investment details of plan assets

The plan assets are invested in insurer managed funds. Major categories of plan assets as a percentage of fair value of total plan assets are as follows:

	31 st March, 2019 %	31 st March, 2018 %
LIC managed funds #	10.97%	26.16%
Government securities	28.22%	33.94%
Bonds, debentures and other fixed income instruments	22.19%	14.03%
Money market instruments	3.53%	1.63%
Equity shares	35.09%	24.24%
Total	100.00%	100.00%

In the absence of detailed information regarding plan assets which is funded with Life Insurance Corporation of India, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

Actuarial assumptions used

Discount rate	7.15% - 7.64% p.a. (Previous Year 7.71% - 7.90% p.a.)
Salary escalation rate	5.50% (IBA) and 7.00% (others) p.a. (Previous Year 5.50% (IBA) and 7.00% (others) p.a.)
Expected return on plan assets	7.50% - 8.00% p.a. (Previous Year 7.50% - 8.00% p.a.)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Experience adjustments

Amounts for the current and previous four years are as follows:

	(₹ in crore)				
	Gratuity				
	Year ended 31 st March				
	2019	2018	2017	2016	2015
Defined benefit obligation	400.06	373.13	280.66	278.33	86.23
Plan assets	401.99	289.56	296.23	256.35	84.68
Surplus / (Deficit)	1.93	(83.57)	15.57	(21.98)	(1.55)
Experience adjustments on plan liabilities	20.46	10.20	3.15	43.40	1.30
Experience adjustments on plan assets	9.63	(0.83)	11.38	(6.66)	15.59

The Bank expects to contribute ₹ 60.00 crore to gratuity fund in financial year 2019-2020.

The above information is as certified by the actuary and relied upon by the auditors.

iii. Pension

Pension liability relates to employees of eVBL.

Reconciliation of opening and closing balance of the present value of the defined benefit obligation for pension benefits is given below.

(₹ in crore)

	As at	As at
	31 st March, 2019	31 st March, 2018
	Funded	Funded
<i>Change in benefit obligations</i>		
Liability at the beginning of the year	1,057.85	950.14
Transfer of liabilities funded during the year	-	-
Current Service cost	35.13	29.19
Interest cost	74.81	67.99
Actuarial (gain) / loss on obligations	145.66	147.03
Past Service cost	-	-
Benefits paid	(157.12)	(136.50)
Liability at the end of the year	1,156.33	1,057.85
<i>Change in plan assets</i>		
Fair value of plan assets at the beginning of the year	1,063.69	924.91
Expected return on plan assets	88.91	79.54
Actuarial Gain / (loss)	(6.46)	(0.72)
Benefits paid	(157.12)	(136.50)
Employer contributions	170.14	196.46
Fair value of plan assets as at the end of the year	1,159.16	1,063.69

(₹ in crore)

Reconciliation of present value of the obligation and the fair value of the plan Assets	As at	As at
	31 st March, 2019	31 st March, 2018
	Funded	Funded
Fair value of plan assets as at the end of the year	1,159.16	1,063.69
Liability at the end of the year	1,156.33	1,057.85
Net Asset / (Liabilities) included in "Others" under "Other Assets" / "Other Liabilities"	2.83	5.84
Expenses recognised for the year		
Current service cost	35.13	29.19
Interest cost	74.81	67.99
Expected return on plan assets	(88.91)	(79.54)
Actuarial (gain) / loss	152.12	147.75
Effect of the limit in Para 59(b)	-	-
Net pension expense included in "[payments to and provision for employees]" under "Operating Expenses" [Schedule 16.I]	173.15	165.39
Actual return on plan assets	82.46	78.82

(₹ in crore)

Reconciliation of the Liability recognised in the Balance Sheet	As at	As at
	31 st March, 2019	31 st March, 2018
	Funded	Funded
Net (Asset) / Liability at the beginning of the year	(5.84)	25.23
Expense recognized	173.15	165.39
Employer contributions	(170.14)	(196.46)
Effect of the limit in Para 59(b)	-	-
Net (Asset) / Liability is included in "Others" under "Other Assets" / "Other Liabilities"	(2.83)	(5.84)

Investment details of plan assets

The plan assets are invested in a fund managed by Life Insurance Corporation of India. In the absence of detailed information regarding plan assets of the fund, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

Actuarial assumptions used

	As at	As at
	31 st March, 2019	31 st March, 2018
Discount rate	7.64% p.a.	7.71% p.a.
Salary escalation rate	5.50% p.a.	5.50% p.a.
Expected rate of return on plan assets	8.00% p.a.	8.00% p.a.
Inflation	8.00% p.a.	8.00% p.a.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Experience adjustments

Amounts for the current year are as follows:

(₹ in crore)

Pension	Year ended	Year ended
	31 st March, 2019	31 st March, 2018
Defined benefit obligation	1,156.33	1,057.85
Plan assets	1,159.16	1,063.69
Surplus / (deficit)	2.83	5.84
Experience adjustments on plan liabilities	102.64	208.24
Experience adjustments on plan assets	(6.46)	(0.72)

The Bank expects to contribute ₹ 8.01 crore to pension fund in financial year 2019-2020.

iv. Compensated absences

The actuarially determined liability for compensated absences of accumulated leaves of the employees of the Bank is given below:

(₹ in crore)

	31 st March, 2019	31 st March, 2018
Total actuarial liability	192.95	177.57
Assumptions:		
Discount rate	7.15% - 7.64%	7.71% - 7.90%
Salary escalation rate	5.50% (IBA) and 7.00% (others)	5.50% (IBA) and 7.00% (others)

v. Long Service Award

The actuarially determined liability in respect of Long Service Award of the employees of the Bank is given below:

(₹ in crore)

	31 st March, 2019	31 st March, 2018
Total actuarial liability	10.34	9.22
Assumptions:		
Discount rate	7.15% - 7.64%	7.90%

11. Provisions and Contingencies

Breakup of "Provisions and Contingencies" (including write-offs; net of write-backs) shown under the head Expenditure in Profit and Loss Account:

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Provisions for Depreciation on Investments	(13.74)	196.91
Provision towards NPA	844.15	624.81
Provision towards Unhedged Foreign Currency Exposure	6.17	(0.30)
Provision towards Standard Assets	114.70	112.65
Provision for Taxes	2,520.46	2,133.92
Other Provision and Contingencies	11.11	5.88
Total Provisions and Contingencies	3,482.85	3,073.87

12. Corporate Social Responsibility (CSR)

As per the provisions of the Section 135 of the Companies Act, 2013 the Bank is required to contribute ₹ 96.27 crore. The Bank has contributed ₹ 9.74 crore to the Kotak Education Foundation and ₹ 26.81 crore to other CSR initiatives in the current financial year. The Bank has also adopted a strong CSR policy, charting out its plan to invest in society and its own future. The Bank is building its CSR capabilities on a sustainable basis and is committed to gradually increase its CSR spend in the coming years.

(₹ in crore)

Details of CSR expenditure			
a) Gross amount required to be spent during the year ₹ 96.27 (Previous year ₹73.97)			
(b) Amount spent during the year ending on 31st March, 2019:			
	Paid	Yet to be paid	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	36.55	-	36.55
b) Amount spent during the year ending on 31st March, 2018:			
	Paid	Yet to be paid	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	26.40	-	26.40

13. Tier II Bonds

- a) Lower Tier II Bonds outstanding as at 31st March, 2019 ₹ 456.00 crore (previous year ₹ 701.80 crore).
During the current year and previous year, the Bank had not issued lower Tier II bonds. In accordance with the RBI requirements lower Tier II bonds of ₹ 212.40 crore (previous year ₹ 367.00 crore) are not considered as Tier II capital for the purposes of capital adequacy computation under Basel III guidelines.
- b) Upper Tier II Bonds outstanding as at 31st March, 2019 are ₹ Nil (previous year ₹ 225.10 crore) of which bonds issued outside India are ₹ Nil (previous year ₹ 225.10 crore).
During the current and previous year, the Bank did not issue upper Tier II bonds.
- c) Interest Expended-Others (Schedule 15(III)) includes interest on subordinated debt (Lower and Upper Tier II) ₹ 58.35 crore (previous year ₹ 81.68 crore).

14. Details of payments of audit fees

(₹ in crore)

Particulars	31 st March, 2019	31 st March, 2018
Statutory Audit fees	2.26	1.93
Other Matters	0.15	0.18
Total	2.41	2.11

15. Description of Contingent Liabilities:

Sr. No.	Contingent Liability*	Brief Description
1.	Claims not acknowledged as debts	This includes liability on account of income tax, sales tax, lease tax demands, property tax demands and legal cases filed against the Bank. The Bank is a party to various legal proceedings in the normal course of business. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, result of operations or cash flows. In respect of appeals filed by the Income Tax department with higher authorities, where the matter was settled in favour of the Bank at the first appellate stage, and where in view of the Management, it gives rise to an item of timing difference, no contingent liability is envisaged by the Bank.
2.	Liability on account of outstanding forward exchange contracts	The Bank enters into foreign exchange contracts with inter Bank participants on its own account and for customers. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate.
3.	Guarantees on behalf of constituents	As a part of its Banking activities, the Bank issues guarantees on behalf of its customers. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of customer failing to fulfill its financial or performance obligations.
4.	Acceptances, endorsements and other obligations	These includes: <ul style="list-style-type: none"> ● Documentary credit such as letters of obligations, enhance the credit standing of the customers of the Bank. ● Bills re-discounted by the Bank and cash collateral provided by the Bank on assets which have been securitised. ● Underwriting commitments in respect of Debt Syndication.
5.	Other items for which the Bank is contingently liable	These include: <ul style="list-style-type: none"> ● Liabilities in respect of interest rate swaps, currency swaps, forward rate agreements, futures and options contracts. The Bank enters into these transactions with inter Bank participants on its own account and for customers. Currency Swaps are commitments to exchange cash flows by way of interest/principal in one currency against another, based on predetermined rates. Interest rate swaps are commitments to exchange fixed and floating interest rate cash flows. The notional amounts that are recorded as contingent liabilities are amounts used as a benchmark for the calculation of interest component of the contracts. ● Liability in respect of Capital commitments relating to fixed assets and undrawn commitments in respect of investments. ● Amount Transferred to RBI under the Depositor Education and Awareness Fund ('DEAF').

* Also refer Schedule 12 – Contingent Liability

16. With regard to a recent Supreme Court (SC) judgement on PF there are various interpretative issues including applicability. The Bank has based on a legal opinion taken the view that the judgement will be applicable from March 2019.
17. The Bank has received few intimations from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and there is no outstanding against those suppliers as on 31st March, 2019, hence disclosures, if any, relating to amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been given.
18. Figures for the previous year have been regrouped / reclassified wherever necessary to conform to current years' presentation.

As per our report of even date attached.

For and on behalf of the Board of Directors

For S. R. Batliboi & Co. LLP

Chartered Accountants
Firm Registration No. 301003E/E300005

Prakash Apte

Chairman

Uday Kotak

Chief Executive Officer and Managing
Director

per Viren H. Mehta

Partner
Membership No 048749

Dipak Gupta

Joint Managing Director

Uday Khanna

Director

Mumbai

30th April, 2019

Jaimin Bhatt

President and
Group Chief Financial Officer

Bina Chandarana

Company Secretary