Kotak Mahindra Bank

28th March 2019

The Manager Corporate Relationship, BSE Limited, 1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	The Manager National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.

Dear Sir/Madam,

Sub: Issue of Senior Unsecured, Rated, Listed, Redeemable Long Term Bonds in the nature of Non-Convertible Debentures, on a private placement basis – Outcome of Committee meeting.

This has reference to our letter dated 25th March 2019, intimating you of the meeting of the ALCO (Asset Liability Committee), a Committee authorized by the Board of Directors of the Company being held on 28th March 2019 to, amongst other things, consider and determine the terms and conditions on which the Non-Convertible Debentures (NCDs) are proposed to be issued, including the issue price, the size of tranche or series, Interest yield/coupon and the information memorandum in relation to the NCDs proposed to be issued to eligible investors.

We wish to inform you that the said Committee has today approved the issuance of the aforesaid NCDs for an aggregate amount of Rs.150 crore at issue price of Rs.10,00,000/- per NCD i.e. at par, at a coupon rate of 8.25% p.a. with a tenor of 7 years 1 month (85 months). Please find enclosed information memorandum in relation to the issuance of the aforesaid NCDs.

We request you to kindly take the above on record and treat the same as compliance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Yours faithfully,
Kotak Mahindra Bank Limited

B. P. Chandarana

Bina Chandarana
Company Secretary &
Sr. Executive Vice President

KOTAK MAHINDRA BANK LTD.

Kotak Mahindra Bank Ltd.
CIN: L65110MH1985PLC038137
Registered Office:
27 BKC, C 27, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai 400051,
Maharashtra, India.
T +91 22 61660000
F +91 22 67132403
www.kotak.com

Dated: 28th March 2019
Serial No:
Addressed to:

KOTAK MAHINDRA BANK LIMITED

Registered/ Corporate Office: 27BKC, C 7,
G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
Tel. 022 - 61660001, Fax No. 022 - 67132403,
Web site: www.kotak.com

ISSUE OF 1500 SENIOR UNSECURED RATED LISTED REDEEMABLE LONG TERM BONDS IN THE NATURE OF NON-CONVERTIBLE DEBENTURES ("DEBENTURES") OF THE FACE VALUE OF RS. 10,00,000/- (RUPEES TEN LAKHS) EACH, ON A PRVATE PLACEMENT BASIS, AGGREGATING TO RS.150,00,00,000/- (RUPEES ONE HUNDRED AND FIFTY CRORES ONLY) ("ISSUE").

THIS INFORMATION MEMORANDUM (HEREINAFTER REFERRED TO AS THE "**INFORMATION MEMORANDUM**") IS PREPARED IN ACCORDANCE WITH THE TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 AS AMENDED FROM TIME TO TIME, SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AS AMENDED FROM TIME TO TIME, PROVISIONS OF SECTION 42 OF THE COMPANIES ACT, 2013 AND THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED FROM TIME TO TIME, AS APPLICABLE FOR PRIVATE PLACEMENT OF DEBENTURES. THIS INFORMATION MEMORANDUM IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE DEBENTURES TO BE ISSUED BY THE ISSUER.

GENERAL DISCLAIMER:

This Information Memorandum is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by Kotak Mahindra Bank Limited (the "**Issuer**"). This Information Memorandum is for the exclusive use of the institutions to whom it is delivered and it should not be circulated or distributed to third parties. It cannot be acted upon by any person other than to whom it has been specifically addressed. Multiple copies hereof given to the same entity shall be deemed to be offered to the same person. No document in relation to the Issuer or this issue of Debentures has been delivered for registration to any authority.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms, that the information contained in this Information Memorandum contains all the information with regard to the Issuer and the Issue which is material in the context of the issue and as required under Section 42 of the Companies Act, 2013 and

the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and that the information contained in this Information Memorandum is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

CREDIT RATING:

As of the date of this Information Memorandum, CRISIL Limited has assigned a rating of **"CRISIL AAA/stable"** vide their rating letter dated March 19, 2019, ICRA Limited has assigned **"ICRA AAA"** vide their letter dated March 20, 2019 and India Ratings and Research Pvt Ltd has assigned a rating of **"IND AAA"** vide their rating letter dated March 26, 2019 for the issuance of the Debentures. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instrument carries lowest credit risk.

Investors may please note that the rating is not a recommendation to buy, sell or hold securities and investors should take their own decisions. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The Rating Agency(ies) has the right to suspend, withdraw or revise the rating / outlook assigned to the Issue at any time, on the basis of new information or unavailability of information or other circumstances which the Rating Agency(ies) believes may have an impact on the rating. Please refer to Annexure II of this Information Memorandum for the letter dated March 19, 2019 from CRISIL Limited, March 20, 2019 from ICRA Limited and March 26, 2019 from India Ratings and Research Pvt Ltd assigning the credit rating abovementioned and the rating rationale adopted for the aforesaid rating.

Sole Arranger	Registrar & Transfer Agent	Debenture Trustee
KOTAK MAHINDRA BANK LIMITED	**LINK INTIME INDIA PRIVATE LIMITED**	**IDBI TRUSTEESHIP SERVICES LIMITED**
5th floor , 27BKC, C 7, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	C – 13, Pannalal silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078	Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001.

Auditors	Company Secretary & Compliance Officer
Messrs. S .R. Batliboi & Co. LLP, Chartered Accountants 14th Floor, The Ruby, 29, Senapati Bapat Marg, Dadar West, Mumbai – 400028.	Name : Bina Chandarana Address : 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Tel : +91 22 6166 0001 Fax : +91 22 6713 2403 E-Mail : investor.grievances@kotak.com

LISTING: The Debentures are proposed to be listed on the wholesale debt market of National Stock Exchange of India ("**NSE**") Limited and the BSE Limited ("**BSE"**). Please refer to Annexure XII of this Information

Memorandum for a copy of the in-principle approval letter dated March 27, 2019 issued by NSE and a copy of the in-principle approval letter dated March 27, 2019 issued by BSE.

TRUSTEE FOR THE DEBENTUREHOLDERS: IDBI Trusteeship Services Limited has given its consent to the Issuer to act as trustee for the Debenture holders vide its letter dated March 19, 2019.

ISSUE SCHEDULE

Issue Opening Date	March 28, 2019
Issue Closing Date	March 28, 2019
Deemed Date of Allotment	March 28, 2019

GENERAL RISK:

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. Investors are advised to take informed decision before taking an investment decision in relation to this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer, this Information Memorandum issued in pursuance hereof and the Issue including the risks involved. The Debentures have not been recommended or approved by Securities and Exchange Board of India (**"SEBI"**) nor does SEBI guarantee the accuracy or adequacy of this document. The risks, as set out in this Information memorandum are not, and are not intended to be, a complete list of all risks and considerations relevant to the Debentures or investor's decision to purchase the Debentures. The Debentures proposed to be issued are *Pari passu* with claims of other uninsured, unsecured creditors of the Issuer and only senior to such obligations as have been specified under the 'Risk Factors' with respect to '**Risks relating to the Debentures'** and more particularly '*All Debentures being offered under this Information Memorandum are unsecured and RBI prescribes certain restrictions in relation to the terms of these Debentures'.*

DATE OF THIS DOCUMENT: MARCH 28, 2019**.**

SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Information Memorandum.

DEFINITIONS/ ABBREVIATIONS/ TERMS USED

Our ''Bank'' or the ''Bank'' or the ''Issuer'' or "KMBL'' or ''Kotak Bank'' or "Company"	Kotak Mahindra Bank Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 and CIN L65110MH1985PLC038137.
AGM	Annual General Meeting of the Bank
Allot / Allotment / Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to the Issue.
AMFI	Association of Mutual Funds in India
ANBC	Adjusted net bank credit
Application Form	The form used by the recipient of this Information Memorandum, to apply for subscription to the Debentures, which is annexed to this Information Memorandum and marked as Annexure IV.
Articles of Association/ Articles	The Articles of Association of the Bank
Associates	Infina Finance Private Limited, Phoenix ARC Limited, ACE Derivatives and Commodity Exchange Limited and Matrix Business Services India Private Limited.
Auditors	M/s. S.R Batliboi & Co. LLP, Chartered Accountants, being the statutory auditors of the Bank.
ATM(s)	Automated Teller Machine(s)
AUM	Average Assets Under Management
Bank/Company/Issuer	Kotak Mahindra Bank Limited
Banking Regulation Act	The Banking Regulation Act, 1949
Basel III/ Basel III Guidelines	Master Circular No. DBR.No. BP.BC.1/ 21.06.201/ 2015-16 dated July 1, 2015 issued by the Reserve Bank of India on Basel III Capital Regulations ("Master Circular").
Beneficiary/Beneficiaries	Those persons whose names appear on the beneficiary details provided by the Depositories (NSDL and/ or CDSL) as on the record date.
BIS	Bank for International Settlements
Board/Board of Directors	The Board of Directors of the Bank
BSE	BSE Limited
Business Day	Any day of the week (excluding Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) on which money market institutions and scheduled commercial banks are generally open for business in Mumbai, India
CASA	Current account plus saving account
CDs	Certificates of Deposit
CDR	Corporate Debt Restructuring Scheme
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CEOBE	Credit equivalent amount of off-balance sheet exposures
CET	Common Equity Tier
CFO	Chief Financial Officer
CIN	Corporate Identity Number
CIRP	Corporate Insolvency Resolution Process

Companies Act	The Companies Act, 2013 and/or the Companies Act, 1956, as may be applicable
Companies Act, 1956	The Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder
Consolidated FDI Policy	The Consolidated FDI Policy (effective from August 28, 2017), issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
Corporate Office	The registered office of the Bank, being, 27 BKC, C 27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
CRISIL	CRISIL Limited (A Standard and Poor's Company)
DCM	Debt Capital Markets
Debentures / NCDs	Issue of 1500 Senior Unsecured, Rated, Listed, Redeemable Long Term Bonds in the nature of Non-Convertible Debentures, each having a face value of Rs. 10,00,000/- (Ten Lakhs), for an aggregate amount of Rs. 150,00,00,000/- (Rupees One Hundred and Fifty Crores only), on a private placement basis.
Debenture Holders / Investors	The holders of the Debentures and shall also mean and include any of their successors and assigns, and each of their transferees, from time to time, whose names are listed in the list of beneficial owners as prepared, held and issued by the Depository.
Deemed Date of Allotment	March 28, 2019
Debenture Trust Deed	Debenture Trust Deed to be entered between the Issuer and the Debenture Trustee inter alia for recording the terms and conditions upon which the Debentures are proposed to be issued.
Debenture Trustee	IDBI Trusteeship Services Limited
Debenture Trustee Agreement	Agreement executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the Issue of Debentures.
Depositories	NSDL and CDSL
DFSA	Dubai Financial Services Authority
DIFC	Dubai International Financial Centre
Directors	The directors of the Bank
DP	Depository Participant
DRT	Debt Recovery Tribunal
eIVBL	Erstwhile ING Vysya Bank Limited
eIVBL Scheme	The scheme of amalgamation between the Bank and eIVBL, effective from April 1, 2015
ECGC	Export Credit Guarantee Corporation of India Limited
EGM	Extraordinary General Meeting of the Bank
EFT	Electronic Fund Transfer.

ETFs	Exchange Traded Funds
Equity Shares	Equity shares of the Bank of face value of ₹ 5 each
FATCA	Foreign Account Tax Compliance Act, 2010
FEMA	The Foreign Exchange Management Act, 1999
FEMA 20	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FIIs	Foreign institutional investors
FINRA	Financial Industry Regulatory Authority
FIU	Financial Intelligence Unit (India)
FPIs	Foreign Portfolio Investors
FSC	Financial Services Commission
FY/Financial Year	Fiscal Year/Financial Year
GAAP	Generally Accepted Accounting Principles
General Meeting	AGM or EGM
GIFT City	Gujarat International Finance Tec-City
Group	The Bank, its Subsidiaries and Associates
HFC	Housing Finance Companies
IBA	Indian Banks' Association
IFRS	International Financial Reporting Standards
Information Memorandum	This Information Memorandum dated March 28, 2019 for private placement of the Debentures, as the same may be amended and supplemented from time to time.
Indian GAAP	Indian Generally Accepted Accounting Principles (GAAP) as applicable to the respective entities in accordance with the regulations under which they operate and in relation to our Bank, as applicable to banking companies in India
IPO	Initial Public Offering
IRDA	Insurance Regulatory Development Authority
IRDAI	The Insurance Regulatory and Development Authority of India
ISIN	International Securities Identification Number
Issue Closing Date	March 28, 2019 which is the last date up to which Application Forms shall be accepted, or such other earlier date or time as may be decided by the Board or committee of directors of the Bank
Issue Opening Date	March 28, 2019 subsequent to issue approval by Board or committee of directors, which is the first date from which Application Forms shall be accepted.
Issue Size	Rs. 150,00,00,000 (Rupees One Hundred and Fifty Crores)
Joint Ventures	Any arrangement whereby two or more parties/companies co-operate in order to run a business or to achieve a commercial objective.
Majority Debenture Holders	The Debenture Holder(s) holding an aggregate amount representing not less than 66% (Sixty Six Percent) of the value of the nominal amount of the Debentures for the time being outstanding.
Key Management Personnel	The key management personnel of the Bank in accordance with the provisions of the Companies Act, 2013.
KIE	Kotak Institutional Equities division
KMAMC	Kotak Mahindra Asset Management Company Limited
KGI or Kotak General Insurance	Kotak Mahindra General Insurance Company Limited
KMCC	Kotak Mahindra Capital Company Limited
KMFL	Kotak Mahindra Finance Limited

KMPL or Kotak Prime	Kotak Mahindra Prime Limited
KMT	Kotak Mahindra Trustee Company Limited
KLI or Kotak Life	Kotak Mahindra Life Insurance Company Limited (formerly, Kotak Mahindra Old Mutual Life Insurance Limited)
Kotak Forex Brokerage Limited	Kotak Forex Brokerage Limited (presently known as, Kotak Infrastructure Debt Fund Limited)
Kotak Mahindra Old Mutual Life Insurance Limited	Kotak Mahindra Old Mutual Life Insurance Limited (presently known as, Kotak Mahindra Life Insurance Company Limited)
KSL or Kotak Securities	Kotak Securities Limited
KMIL or Kotak Investments	Kotak Mahindra Investments Limited
KYC	Know Your Client
LCR	Liquidity Coverage Ratio
LIBOR	London Interbank Offered Rate
Maturity Date	April 28, 2026
Material Subsidiary	KLI
Memorandum of Association/Memorandum	The Memorandum of Association of the Bank to time.
MRA	Master Restructuring Agreement
MSME	Micro, small and medium-sized enterprises
MUDRA	Micro Units Development and Refinance Agency Limited
N.A.	Not applicable
NABARD	National Bank for Agriculture and Rural Development
NBFC	Non-Banking Financial Company
NCLT	National Company Law Tribunal
NDS	Negotiated Dealing System
New Banks Licensing Guidelines	Guidelines on 'Licensing of New Banks in the Private Sector' issued by RBI on February 22, 2013
NHB	National Housing Bank
NPA	Non-Performing Assets
NPLL	Normally Permitted Lending Limit
NRE	Non-Resident (External)
NRO	Non-Resident Ordinary
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
NSFR	Net Stable Funding Ratio
NSE	National Stock Exchange of India Limited
On-Tap Guidelines	Guidelines for 'on tap' Licensing of Universal Banks in the Private Sector released by the RBI on August 1, 2016
PAN	Permanent Account Number allotted under the I.T. Act
PCA	Prompt Corrective Action
PCM	Professional Clearing Member
PFRDA	Pension Fund Regulatory and Development Authority
PMLA	Prevention of Money Laundering Act, 2002
PNCPS	Perpetual Non Convertible Preference Shares
PSL	Priority sector lending
QIP	Qualified institutions placement undertaken by the Bank, pursuant to which the Bank allotted 62,000,000 Equity Shares in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Rating Agency(ies)	CRISIL Limited, a company incorporated under the provisions of the Act and having its registered office at

	CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400 076; and ICRA Limited, a company incorporated under the provisions of the Act and having its registered office at 1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi - 110 001 India Ratings and Research Private Limited, a company incorporated under the provisions of the Act and having corporate headquarters at Wockhardt Towers, 4th Floor, West Wing, Bandra Kurla Complex, Bandra East,Mumbai – 400051.
RBI	Reserve Bank of India
Record Date	The record date means, the day falling 15 days before any Due Date. In the event the Record Date falls on a day which is not a Business Day, the next Business Day will be considered as the Record Date.
Registered Office	The registered office of the Bank, being, 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
RIDF	Rural Infrastructure Development Fund
RoC or Registrar	Registrar of Companies, Maharashtra at Mumbai
₹, Rs., INR, Rupees	Indian Rupees
RTA	Registrar and Share Transfer Agents of the Bank, being Karvy Computershare Private Limited
SARFAESI Act	The Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002
SEBI	Securities and Exchange Board of India
SEBI Debt Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 issued by SEBI, as amended from time to time
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
SEZ	Special Economic Zone
Shareholders	Shareholders of the Bank
SIDBI	Small Industries Development Bank of India
SIPs	Systematic Investment Plans
SLR	Statutory Liquidity Ratio
SMA2	Special Mention Accounts Category 2
SME	Small and Medium sized enterprises
Sole Arranger	Kotak Mahindra Bank Limited
TDS	Tax Deducted at Source
Transaction Documents	Means the Debenture Trustee Agreement, Debenture Trust Deed, this Information Memorandum any other document that may be designated as a Transaction Document by the Debenture Trustee and the Issuer and "Transaction Document" means any of the above.
WDM	Wholesale Debt Market.
UIDAI	Unique Identification Authority of India
UK	United Kingdom
VaR	Value at risk
VAT	Valued Added Tax

SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

This Information Memorandum, is neither a Prospectus nor a Statement in lieu of Prospectus. The issue of the Debentures to be listed on the WDM segment of the NSE and BSE is being/ shall be made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. It does not constitute and shall not be deemed to constitute an offer or an invitation to subscribe to the Debentures to the public in general. Apart from this Information Memorandum, no offer document or prospectus has been prepared in connection with the offering of this Issue, nor is such a prospectus required to be registered under applicable laws. Accordingly, this Information Memorandum has neither been delivered for registration, nor is intended to be registered.

As per the applicable provisions, it is not necessary for a copy of this Information Memorandum to be filed or submitted to the SEBI for its review and/or approval. However pursuant to the provisions of Section 42 of the Companies Act 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the copy of this Information Memorandum shall be filed with the ROC and SEBI within the stipulated timelines under the Companies Act, 2013.

No invitation is being made to any persons other than those to whom application forms along with this Information Memorandum have been sent. Any application by a person to whom the Information Memorandum and the application form has not been sent by the Issuer shall be rejected without assigning any reason.

Any person who is in receipt of this Information Memorandum shall maintain utmost confidentiality regarding the contents of this Information Memorandum and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents hereof without the prior written consent of the Issuer.

It is the responsibility of potential investors to ensure that they will sell these Debentures in strict accordance with the terms and conditions of this Information Memorandum and other applicable laws.

The contents of this Information Memorandum are intended to be used only by those investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient. The person to whom a copy of the Information Memorandum is sent is alone entitled to apply for the Debentures.

No person has been authorised to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer.

Each of the Debenture Holders should conduct such due diligence on the Issuer and the Debentures, as it deems appropriate and make its own independent assessment thereof.

2.1 Disclaimer Statement from the Issuer

The Issuer accepts no responsibility for statements made otherwise than in the Information Memorandum and anyone placing reliance on any other source of information would be doing so at their own risk.

This Information Memorandum has been prepared to provide general information about the Issuer to potential investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Information Memorandum does not purport to contain all the information that any potential investor may require. This Information Memorandum is not intended to provide the basis for any credit or other evaluation and any

recipient of this Information Memorandum should not consider such receipt a recommendation to purchase any Debentures. Each investor contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such investor's particular circumstances. Potential investors should also determine for themselves whether their subscribing to the Debentures is permissible under law as applicable to them and their respective constitutional documents. The Issuer shall not be responsible to verify whether any potential investor is permitted to invest in the Debentures under the law applicable to it and/or its constitutional documents and shall not be liable for the consequences of any investment made in contravention thereof.

This Information Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Information Memorandum in any jurisdiction where such action is required. Persons into whose possession this Information Memorandum comes are required to inform themselves about and to observe any such restrictions. The Information Memorandum is made available to potential investors in the Issue on the strict understanding that it is confidential.

2.2 Disclaimer Clause of The Sole Arranger

The role of the Sole Arranger (while acting as such) with respect to the Debentures is confined to arranging placement of the Debentures on the basis of this Information Memorandum. Without limiting the foregoing, the Sole Arranger is not acting, and has not been engaged to act, as an underwriter, merchant banker or other such intermediary with respect to the Debentures.

The Sole Arranger is not acting on behalf of the recipients of this Information Memorandum. The receipt of this Information Memorandum by any recipient is not to be constituted as the giving of investment advice by the Sole Arranger to that recipient, nor to constitute such a recipient a customer of the Sole Arranger. The Sole Arranger is not responsible to any other person for providing the protection afforded to the customers of the Sole Arranger nor for providing advice in relation to the Debentures.

Each recipient of this Information Memorandum acknowledges that:

(a) each recipient has been afforded an opportunity to request and to review and has received all additional information considered by the recipient to be necessary to verify the accuracy of or to supplement the information contained herein; and

(b) such recipient has not relied on the Sole Arranger in connection with its investigation of the accuracy of such information or its investment decision.

2.3 Disclaimer in respect of Jurisdiction

This Issue is to be made in India to the type of investors as specified under the clause titled “Eligible Investors” of this Information Memorandum, who shall be specifically approached by the Issuer. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts and tribunals at Mumbai. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to

whom it is unlawful to make an offer or invitation in such jurisdiction.

2.4 Disclaimer of the Stock Exchange

A copy of this Information Memorandum will be submitted to NSE and BSE. It is to be distinctly understood that the submission of Information Memorandum to NSE and BSE should not in any way be deemed or construed to mean that the Information Memorandum has been cleared or approved by the stock exchange(s); nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum, nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the stock exchange(s); nor does it take any responsibility for the financial or other soundness of the Issuer, its Promoters, its management or any scheme or project of this Issuer.

2.5 Disclaimer of SEBI

As per the provisions of the SEBI Debt Listing Regulations, it is not stipulated that a copy of this Information Memorandum has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Information Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue issued hereunder is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum.

2.6 Disclaimer of the Rating Agency(ies)

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency(ies) has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency(ies) does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency(ies) have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

2.7 Issue Of Debentures In Dematerialised Form

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depository for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of the Depositories Act. The Issuer shall take necessary steps to credit the Debentures to the beneficiary account maintained by the Investor with its depositary participant. The Issuer will make the Allotment to investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

2.8 Force Majeure

The Issuer reserves the right to withdraw the Issue at any time prior to the closing date thereof in the event of any unforeseen development adversely affecting the economic and/or regulatory environment or otherwise. In such an event, the Issuer will refund the application money, if any, collected in respect of the Issue without assigning any reason.

2.9 Each person receiving this Information Memorandum acknowledges that:

(a) Such person has been afforded an opportunity to request and to review all additional information

considered by it to be necessary to verify the accuracy of or to supplement the information herein and it has received all additional information so requested (if any);

(b) Such person understands the nature of the Debentures and the risk involved in investing in them, including for any reason having to sell them or to be made to redeem them before the Maturity Date;

(c) Such person has not relied on the Sole Arranger or any intermediary, agent, advisor, or underwriter that may be associated with the issuance of Debentures in connection with its investigation of the accuracy of such information or its investment decision.

The Information Memorandum is made available to investors in the Issue on the strict understanding that it is confidential.

SECTION 3: KEY RISK FACTORS

Potential investors should carefully consider the risks and uncertainties described below, in addition to the other information contained in this IM before making any investment decision relating to the Issue. If any of the following risks or other risks that are not currently known or are deemed immaterial at this time, actually occur, our business, financial condition and results of operation could suffer, and you may lose all or part of your investment amounts and the Interest payments may be affected. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. The order of the risk factors appearing hereunder is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Unless the context requires otherwise, the risk factors described below apply to us / our operations as well as our Subsidiaries.

You must rely on your own examination of the Bank and this Issue, including the risks and uncertainties involved.

Reference to "our business" or "Bank's business" in this section refers to the business of the Bank and its subsidiaries.

Risks relating to our Business

1. ***We have grown rapidly in the past, and there is no assurance that our growth will continue at a similar rate or that we will be able to manage our rapid growth.***

   We have grown rapidly in the past. As of December 31, 2018, we had a branch network comprising of 1,453 domestic branches and 2,270 ATMs. Our consolidated net advances as of December 31, 2018, March 31, 2018, March 31, 2017 and March 31, 2016 were ₹ 2,32,756 , ₹ 2,05,997 crore, ₹ 1,67,125 crore and ₹ 1,44,793 crore respectively. The growth in our business is attributable to our organic growth which includes the expansion of our branch network, and inorganic growth which includes the merger with eIVBL.
   Our rapid growth has placed and will continue to place significant demands on our operational, credit, financial and other internal risk controls including:

   - preserving our asset quality as our geographical presence increases and our customer profile changes;
   - developing and improving our products and delivery channels;
   - recruiting, training and retaining sufficient skilled personnel;
   - upgrading, expanding and securing our technology platform;
   - integrating newly-acquired businesses;
   - complying with regulatory requirements including KYC norms, FEMA and FATCA; and
   - maintaining high levels of customer satisfaction.

   If we are not successful in implementing or executing these operational measures and risk controls, we may not be able to expand our business as we have in the past, and our growth rate may decline. We may not be able to manage our new operations effectively or efficiently, which would mean that our operations would suffer and our performance and financial results as a whole would be materially adversely affected.

2. ***Our business is highly competitive, which creates significant pricing pressures for us to retain existing customers and solicit new business, and our strategy depends on our ability to compete effectively.***

   The Indian banking industry is highly competitive. We face strong competition in all our lines of business from much larger Indian and foreign commercial banks, non-banking financial companies, insurance companies, mutual funds, financial service firms and other entities operating in the Indian banking and financial sector. We compete directly with large government-controlled public sector banks, major private sector banks and foreign banks with branches in India. As of March 13, 2019, there were 162 scheduled commercial banks in India, including 21 public sector banks, 24 private sector banks (including us), 7 payments banks, 10 small finance banks, 56 regional rural banks and 44 foreign

banks with branches in India. Public sector banks, which generally have a much larger customer and deposit base, larger branch networks and Government support for capital augmentation, pose strong competition to us. Mergers among public sector banks, including because of Government efforts to encourage and facilitate such mergers, may result in enhanced competitive strengths in pricing and delivery channels for the merged entities. Further, a number of the private sector banks in India have a larger customer base and greater financial resources than us, giving them a substantial advantage by enabling economies of scale and improving organisational efficiencies.

The RBI has liberalised the licensing regime for banks in India and intends to issue licences on an ongoing basis, subject to meeting the criteria laid down by RBI. The New Banks Licensing Guidelines were issued by the RBI in February 2013 specifying that select entities or groups in the private sector, entities in the public sector and non-banking financial companies with a successful track record of at least 10 years would be eligible to promote banks. The RBI permitted private sector entities owned and controlled by Indian residents and entities in the public sector in India to apply to the RBI for a license to operate a bank through a wholly-owned non-operative financial holding company ("**NOFHC**") route, subject to compliance with certain specified criteria. Such a NOFHC was permitted to be the holding company of the bank as well as any other financial services entity, with the objective that the holding company ring-fences the regulated financial services entities in the group, including the Bank, from other activities of the group. The RBI is supportive of creating more specialised banks and granting differentiated banking licenses such as for payment banks and small finance banks. The RBI also has plans to create wholesale and long-term finance banks in the near future. We believe that this will continue to intensify the competition in the banking sector.

In August 2016, the RBI released the On-Tap Guidelines for "on-tap" licensing of universal banks in the private sector. The guidelines aim at moving from the current "stop and go" licensing approach (wherein the RBI notifies the licensing window during which a private entity may apply for a banking license) to a continuous or "on-tap" licensing regime. Among other things, the On-Tap Guidelines specify conditions for the eligibility of promoters, corporate structure and foreign shareholdings. One of the key features is that, unlike the New Banks Licensing Guidelines, the On-Tap Guidelines make the NOFHC structure non-mandatory in the case of promoters being individuals or standalone promoting/converting entities which do not have other group entities.

Some Indian banks have recently experienced higher growth, achieved better profitability and increased their market share in comparison to us. Further, liberalisation of the Indian financial sector could lead to a greater presence and new entries of Indian and foreign banks, that offer a wider range of products and services, which could adversely affect our competitive environment.

We also compete with foreign banks with operations in India. The RBI, on February 28, 2005, released a "Roadmap for Presence of Foreign Banks in India and Guidelines on Ownership and Governance in Private Sector Banks". In November 2013, the RBI released a framework for the setting up of wholly owned subsidiaries in India by foreign banks. The framework encourages foreign banks to establish a presence in India by granting rights similar to those received by Indian banks, subject to certain restrictions and safeguards. Under the current framework, wholly owned subsidiaries of foreign banks are allowed to raise Rupee resources through issue of non-equity capital instruments. Further, wholly owned subsidiaries of foreign banks may be allowed to open branches in tier 1 to tier 6 centres (except at a few locations considered sensitive on security considerations) without having the need for prior permission from the RBI in each case, subject to certain reporting requirements. Any growth in the presence of foreign banks or in foreign investments in Indian banks may increase the competition that we face and as a result may have a material adverse effect on our business.

If the number of scheduled commercial banks, public sector banks, private sector banks and foreign banks with branches in the country increases, we will face increased competition in the businesses, which could have a material adverse effect on our financial condition and results of operations.

Some of the public sector, private and foreign banks have subsidiaries and affiliates operating as non-banking financial companies in asset management, insurance, stock broking, investment banking and other financial services with significant market share, distribution reach and product portfolio, and our Subsidiaries compete with them for business.

In addition, we may face attrition and difficulties in hiring at senior management and other levels due to competition from existing banking and financial services entities, as well as new banks and financial services entities entering the market. Due to such intense competition, we may be unable to execute our growth strategy successfully and offer

competitive products and services, which would have a material adverse effect on our business, financial condition and results of operations.
Due to competitive pressures, we may be unable to successfully execute our growth strategy and offer products and services at reasonable returns and this may adversely affect our business.

3. ***If the level of non-performing assets in our portfolio increases, we will be required to increase our provisions, which would negatively impact our profits.***

Our management of credit risk involves having appropriate credit policies, underwriting standards, approval processes, loan portfolio monitoring, remedial management and overall architecture for managing credit risk. Our risk mitigation and risk monitoring techniques may not be accurate or appropriately implemented and we may not be able to anticipate future economic and financial events, leading to an increase in our NPAs.
Any such increase in NPAs might require us to increase our provisions, which could materially adversely affect our net profits and financial position.

Provisions for NPAs are created by a charge to Profit and Loss account, and are currently subject to minimum provision requirements, linked to ageing of NPAs. Besides the regulatory minimum, we also consider our internal estimate for loan losses and risks inherent in the credit portfolio while deciding on the level of provisions. The determination of an appropriate level of loan losses and provisions involves a degree of subjectivity and requires that we make estimates of current credit risks and future trends, all of which may undergo material changes. Any incorrect estimation of risks may result in our provisions not being adequate to cover any further increase in the amount of NPAs or any further deterioration in our NPA portfolio.
A number of factors outside of our control affect our ability to control and reduce NPAs. These factors include developments in the Indian and global economy, domestic or global turmoil, competition, industry level arrangements or amendments based on recommendations by IBA or otherwise, changes in interest rates and exchange rates and changes in regulations, including with respect to regulations requiring us to lend to certain sectors identified by the RBI. These factors coupled with other factors such as volatility in commodity markets and declining business and consumer confidence and decreases in business and consumer spending could impact the operations of our customers and in turn impact their ability to fulfil their obligations under the loans granted to them by us. In addition, the expansion of our business may cause our NPAs to increase and the overall quality of our loan portfolio to deteriorate. If our NPAs increase, we will be required to increase our provisions, which would result in our net profit being less than it otherwise would be and could materially adversely affect our financial condition.

4. ***We may be unable to foreclose on collateral in a timely fashion or at all when borrowers default on their obligations to us, or the value of collateral may decrease, any of which may result in failure to recover the expected value of collateral security, increased losses and a decline in net profits.***

Among other factors, we consider a mix of cash flow and availability of collateral while taking lending decisions. Many of our loans to corporate customers are secured by various assets, including property, plant and equipment. Loans to corporate customers also include working capital credit facilities that are typically secured by a first charge on inventory, receivables and other current assets. In some cases, we may have taken further security of a first or second charge on fixed assets and a pledge of financial assets including marketable securities, corporate guarantees and personal guarantees. A significant portion of our loans to retail customers is also secured by the underlying assets financed, mainly property and vehicles.

As per the RBI's Master Circular on Income Recognition and Asset Classification, an exposure is considered as secured if the realisable value of the security is more than 10% of the outstanding exposure. As of March 31, 2018*, 76.9% of the Bank advances were secured as per the RBI guidelines. We may not be able to realise the full value of the collateral, due to, among other things, economic downturn, fall in the values of relevant collateral, stock market volatility, changes in economic policies of the Indian government, obstacles and delays in legal proceedings, borrowers and guarantors not being traceable, the Bank's records of borrowers' and guarantors addresses being ambiguous or outdated and defects in the perfection of collateral and fraudulent transfers by borrowers. In the event that a specialised regulatory agency gains jurisdiction over the borrower, creditor actions can be further delayed. In addition, the value of collateral may be less than we expect or may decline. If we are unable to foreclose on our collateral or realise adequate value, our losses will increase and our net profits will decline.

* Do note that the above data is as of March 31, 2018 and would have changed as on the date of this Information Memorandum.

The SARFAESI Act, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, Insolvency and Bankruptcy Code, 2016, together with the Banking Regulation (Amendment) Act, 2017 which amends the Banking Regulation Act, giving the RBI wide-ranging powers for the recovery of bad loans and resolution of stressed assets and have strengthened the ability of lenders to recover NPAs by granting lenders greater rights to enforce security and recover amounts owed from secured borrowers. While we believe that such legislations have contributed to strengthening enforcement efforts, there can be no assurance that these legislations will continue to be effective in resolving NPAs. A failure to recover the expected value of collateral security could expose us to potential losses and may adversely affect our financial condition.

5. ***We are exposed to borrower and industry concentrations, and a default by any large borrower or a deterioration in the performance of any of the industry sectors to which we have significant exposure would adversely affect the quality of our portfolio, and our ability to meet capital requirements could be jeopardized.***

We calculate exposure in accordance with the policies established by RBI. In the case of customer exposures, we aggregate the higher of the outstanding balances of, or limits on, funded and non-funded exposures. As of March 31, 2018, aggregate credit exposure including derivatives to the Bank's 20 largest borrowers amounted to ₹ 27,849 crore representing 9.05% of total exposure of the Bank on its borrowers/customers. While none of our twenty largest customer exposures were classified as non-performing as of March 31, 2018, if any of them were to become non-performing, our net profits would decline and, due to the magnitude of the exposures, our ability to meet capital requirements could be jeopardised.*

As of March 31, 2018, our largest industry concentrations as per internal classifications, based on the exposures of the consolidated Bank, were as follows: Banks (8.1%), Commercial Real Estate (5.1%), NBFCs (including HFCs) (4.6%), Automobiles including Ancillaries (3.6%) and Engineering (3.1%)*

Industry-specific difficulties in these or other sectors may increase our level of non-performing customer assets. If we experience a downturn in an industry in which we have concentrated exposure, our net profits will likely decline significantly and our financial condition may be materially adversely affected.

* Do note that the above data is provided as of March 31, 2018 and would have changed as on the date of this Information Memorandum.

6. ***We may not be able to secure funding for our operations when we need it, and funding shortages or maturity mismatches or increases in funding costs could materially and adversely affect our business, financial condition and results of operations.***

We meet most of our funding requirements through short-term and medium-term funding sources, primarily in the form of customer deposits. Short-term deposits are those with a maturity not exceeding one year. Medium-term deposits are those with a maturity of greater than one year but not exceeding three years. A portion of our assets has long-term maturities, which sometimes causes funding mismatches. In the past, a substantial portion of our customer term deposits has been rolled over upon maturity and has been, over time, a stable source of funding. However, if a substantial number of our depositors do not roll over term deposits upon maturity, our liquidity position will be adversely affected. We may also face a concentration of deposits by our larger depositors. Any sudden or large withdrawals by such large depositors or group of large depositors may impact our liquidity position. As such, we may be required to seek more expensive sources of funding to finance our operations, which would result in a decline in our net profits and have a material adverse effect on our business, financial condition, results of operations, and prospects.

Apart from the above short-term and medium-term funding sources, our other sources of funding (other than equity share capital and share premium) are primarily institutional and inter-bank borrowings, long-term tier II debt, perpetual debt instruments and foreign currency borrowings. Failure to obtain these sources of funding or replace them with fresh borrowings or deposits at competitive rates may materially and adversely affect our business, financial condition and results of operations.

We face pre-payment risk on our loans, which may result in losing future interest and reduced cash flow if the proceeds are re-invested at lower interest rates. In certain products, we may not be able to collect prepayment charges. The Bank is not permitted to charge foreclosure charges or pre-payment penalties on all floating rate term loans sanctioned to individual borrowers.

Our cost of funds is sensitive to interest rate fluctuations, which exposes us to the risk of reduction in spreads, which is the difference between the returns that we earn on our advances as well as our investments and the amounts that we must pay to fund them, on account of changing interest rates.

The pricing on our issuances of debt will also be negatively impacted by any downgrade or potential downgrade in our credit ratings. This would increase our financing costs, and adversely affect our future issuances of debt and our ability to raise new capital on a competitive basis.

In addition, any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may have a similar effect on our ability to raise additional financing and the terms at which such financing is available. This could have an adverse effect on our business, profitability and the ability to fund our growth. In addition, attracting customer deposits in the Indian market is competitive. If we fail to sustain or achieve the growth rate of our deposit base, including our CASA base, our business may be adversely affected. The rates that we must pay to attract deposits are determined by numerous factors, such as the prevailing interest rate structure, competitive landscape, Indian monetary policy and inflation. For example, in October 2011, the RBI deregulated interest rates on savings bank deposits, which resulted in certain banks increasing their interest rates, leading to increased competition in this area. In the event that our spreads decrease, it may have a material adverse effect on our business, financial condition, results and cash flow.

7. *Our banking and insurance businesses are particularly vulnerable to interest rate risk and volatility in interest rates could materially adversely affect our net interest margin, pension liabilities and our financial performance.*

Our results depend to a great extent on our net interest income in particular at the Bank and the three NBFCs, whose primary revenue source is interest income, as well as at our insurance companies, who invest in interest-earning securities. During fiscal year 2018, 2017 and 2016, interest earned for the Bank represented 83.0%, 83.6% and 86.2% of its total income (interest earned plus other income) on a standalone basis while interest earned for Group represented 64.7%, 65.7% and 72.8% of our total income (interest earned plus other income) on a consolidated basis. Changes in market interest rates affect the interest rates charged on our interest-earning assets differently from the interest rates paid on our interest-bearing liabilities and also affect the value of our investments. An increase in interest rates could result in an increase in interest expense relative to interest income if we are not able to increase the rates charged on our advances, which would lead to a reduction in our net interest income and net interest margin. Further, an increase in interest rates could negatively affect demand for our loans and credit substitutes and we may not be able to achieve our volume growth, which could materially adversely affect our net profits. A decrease in interest rates could result in a decrease in interest income relative to interest expense due to the repricing of our loans at a pace faster than the rates we pay on our interest-bearing liabilities. The quantum of the changes in interest rates for our assets and liabilities may also be different. In order to attract savings deposits, we provide attractive interest rates of up to 6% for our domestic savings accounts. If the interest rate were to fluctuate, this could materially and adversely affect our net interest margin.

We also have a defined benefit pension scheme in respect of pensions payable to certain eIVBL employees under the IBA structure. If interest rates were to fall, our liabilities under the pension plan will increase, which would impact our profits.
Moreover, changes in interest rates could affect our fixed income portfolio and treasury income. See "*Risk Factors - Our treasury income, debt investment portfolio and derivatives portfolio is exposed to risks relating to mark-to-market valuation, illiquidity, credit risk and income volatility. Any such losses could materially and adversely affect our business, financial condition and results of operations.*" for a discussion of risks relating to our treasury income and fixed income portfolio.

Life Insurance is a long term business and therefore exposed to risk of future interest rate changes. Some of our key products have guaranteed or semi-guaranteed benefits, any fall in future interest rates could reduce our investment returns and spread and thus materially and adversely affect our insurance businesses and investment returns, which in turn could have a material adverse effect on our business, financial condition, results of operations and prospects.

A decline in interest rates could not only result in an increase in the value of our existing fixed income assets calculated based on fair value, but could also result in reduced returns on investment from our newly added fixed income assets and thus materially reduce our profitability. During periods of declining interest rates, our average investment yield may be affected as our maturing investments and bonds that are redeemed or prepaid to take advantage of the lower interest rate environment may have to be replaced with new investments carrying lower yields, thus reducing our investment margins and investment income.

An increase in interest rates could also negatively affect our profitability. An increase in interest rates could not only result in an increase in investment returns on our newly added fixed income assets, but could also result in reduced value of our existing fixed income assets calculated based on fair value. While the increased investment yield will increase the returns on investment from newly added assets in our investment portfolios, surrenders and withdrawals of existing insurance policies may increase as policyholders may seek to buy products with perceived higher returns. These surrenders and withdrawals may result in payments by us requiring the sale of invested assets at a time when the prices of those assets are adversely affected by the increase in market interest rates, potentially resulting in realised investment losses. These payments to policyholders would result in a decrease in total invested assets and a potential decrease in net income.

8. ***We could experience a decline in our revenue generated from activities in the capital markets if there is a prolonged or significant downturn on the Indian stock exchanges, or we may face difficulties in procuring required regulatory approvals for our business if we fail to meet regulatory limits on capital market exposures.***

The Bank and a number of our Subsidiaries, such as our broking, asset management and investment banking subsidiaries, provide a variety of services and products to participants involved with the Indian stock exchanges. The Bank offers working capital funding and margin guarantees to share brokers, personal loans secured by shares, IPO finance for retail customers, stock exchange clearing services, collecting bankers to various public issues, and depository accounts. Similarly, through our Subsidiaries, we offer capital markets financing, broking services, distribution of IPO, Gold ETFs and mutual funds, and investment banking services. If there is a prolonged or significant downturn or extreme volatility on the Indian stock exchanges, our revenue generated from these products and services may decrease, which would have a material adverse effect on our financial condition. In our insurance subsidiary, a portion of investment returns comes from investments in the equity markets in India. Any decline in stock prices or dividends from stocks could negatively affect our net investment income and fund management fees.

We are required to maintain our exposure to capital markets within the regulatory limits prescribed by the RBI. Our capital markets exposures consist primarily of investments in equity shares, loans to share brokers and financial guarantees issued to stock exchanges on behalf of share brokers.

As per RBI norms, a bank's capital market exposure (both fund-based and non-fund-based) is limited to 40% of its last audited net worth under Indian GAAP, both on a consolidated and standalone basis. Our capital market exposure as of March 31, 2018 was within the prescribed limits*. In the future, if we breach these regulatory limits, we may face regulatory actions that may have a material adverse effect on our business, operations and reputation.

* Do note that the above data is as of March 31, 2018 and would have changed as on the date of this Information Memorandum.

9. ***We face the threat of fraud and cyber attacks, such as hacking, phishing, trojans and advanced persistency threats, attempting to exploit our network to disrupt services to customers and/or theft of sensitive internal Bank data or customer information. This may cause damage to our reputation and adversely impact our business and financial results.***

We offer online banking services to our customers. Our online banking channel includes multiple services such as electronic funds transfer, bill payment services, usage of credit cards on-line, requesting account statements, and requesting cheque books. Our systemic and operational controls may not be adequate to prevent adverse impact from frauds, errors, hacking and system failures. Further, our mobile and internet based customer applications and interfaces may be open to being hacked or compromised by third parties, resulting in thefts and losses to our customers and us.

Some of these cyber threats from third parties include: (a) phishing and trojans – targeting our customers, wherein fraudsters send unsolicited mails to our customers seeking account sensitive information or to infect customer machines to search and attempt ex-filtration of account sensitive information; (b) hacking – wherein attackers seek to hack into our website with the primary intention of causing reputational damage to us by disrupting services; (c) data theft – wherein cyber criminals may attempt to intrude into our network with the intention of stealing our data or information; and (d) advanced persistency threat – network attack in which an unauthorized person gains access to our network and remains undetected for a long period of time. The intention of this attack is to steal our data or information rather than to cause damage to our network or organization. Attempted cyber threats fluctuate in frequency but are generally not decreasing in frequency. Not only are we exposed to such risks from our own actions or those of our employees, but from actions of our third party service providers, over whom we do not have full control. If we suffer from any of such cyber threats, it could materially and adversely affect our business, financial condition and results of operations.

A significant system breakdown or system failure caused due to intentional or unintentional acts would have an adverse impact on our revenue-generating activities and lead to financial loss.
There is also the risk of our customers blaming us and terminating their accounts with us for a cyber-incident that might have occurred on their own system or with that of an unrelated third party. The RBI has, on June 2, 2016, issued a framework for cyber- security for banks, prescribing measures to be adopted by banks to address security risks including putting in place a cyber- security policy and requiring banks to report all unusual cyber-security incidents to the RBI. Any cyber-security breach could also subject us to additional regulatory scrutiny and expose us to civil litigation and related financial liability.

Although we have established a geographically remote disaster recovery site to support critical applications, it is possible the disaster recovery site may also fail or it may take considerable time to make the system fully operational and achieve complete business resumption using the alternate site. Therefore, in such a scenario, where the primary site is completely unavailable, there may be significant disruption to our operations, which would materially adversely affect our reputation and financial condition.
Our reputation could be adversely affected by fraud committed by employees, customers or outsiders, or by our perceived inability to properly manage fraud-related risks. Our inability or perceived inability to manage these risks could lead to enhanced regulatory oversight and scrutiny.

10. *Differences between our actual benefits and claim payments and those assumptions and estimates used in the pricing of, and setting reserves for, our insurance products could have a material adverse effect on our business, financial condition, results of operations and prospects.*

We price our insurance products based on assumptions for benefits and claim patterns. Our insurance earnings depend significantly upon the extent to which actual claims and benefits are consistent with the assumptions used in pricing our insurance products and determining the appropriate amount of policy reserves. Such assumptions include future mortality and morbidity rates. Although our annuity portfolio is small, we are exposed to longevity risk for this portfolio. If actual mortality rates are lower than those expected for annuitants, it could have a material adverse effect on our profitability. In respect of our products that offer death and morbidity related benefits, actual mortality and morbidity rates that are higher than those projected could have a material adverse effect on our business, financial condition, results of operations and prospects. Mortality risk, i.e., the risk of higher mortality than expected, is more significant for our pure protection products as compared to our other products which offer both protection benefits as well as savings. Our pure protection portfolio currently represents a small proportion of our product portfolio. However, we have been increasingly focusing on protection business in recent years. Although we transfer a significant proportion of our mortality risk exposure to reinsurers, if our protection portfolio grows significantly, we would still have a significant exposure to mortality risk. Further, in recent years, we have released various new insurance products. The assumptions used in pricing such products involve an elevated degree of uncertainty, as they are often based on limited experience when compared to assumptions used for existing products. In addition to the assumptions mentioned above, we use policyholder data and various other third-party data as inputs to our models, which could be inaccurate or incomplete. Also, the models we use to value our expected benefits and claim payments themselves could be incorrect. As we increase the number and complexity of products we offer, the likelihood of an inaccuracy in our models may also increase. Therefore, if our actual benefits and claim payments experience are worse than our assumptions used in the pricing of our products or if we rely on inaccurate internal or third-party data or models, it could have a material adverse effect on our business, financial condition, results of operations and prospects. We establish liabilities to provide for future obligations under our insurance products. However, reserves do not represent an exact calculation of

liability, but are estimates of expected net future policy benefits and claims payments. The assumptions used to set our reserves and our estimates require significant judgement and, therefore, are inherently uncertain. We cannot determine with precision the ultimate amounts that we will pay for actual benefit and claim payments, the timing of those payments, or whether the assets supporting our liabilities will increase to the levels we estimate before payment of benefits or claims.

11. ***We have undertaken, and may continue to undertake, strategic investments, acquisitions and joint ventures, which may not perform in line with our expectations.***

In FY 2016, we concluded the merger of eIVBL into the Bank. The Life Insurance business, until last year, was a joint venture between Kotak Mahindra Bank and Old Mutual with the ownership ratio of 74:26, between the two entities. We bought Old Mutual's stake in October 2017, and now Kotak Life is a 100% subsidiary of the Bank. During FY 2018, the Bank acquired BSS Microfinance Limited ("**BSS**") and it is now a wholly owned subsidiary of the Bank. We may, depending on our management's view and market conditions, pursue additional strategic investments, undertake acquisitions and enter into joint ventures. We cannot assure you that we will be able to undertake such strategic investments, acquisitions (including by way of a merger, or share or asset acquisition) or joint ventures in the future, either on terms acceptable to us or at all. Moreover, we require regulatory approval for acquisitions, and we cannot guarantee that we will receive such approvals in a timely manner, or subject to any conditions, or at all. Any inability to identify suitable acquisition targets or investments or failure to complete such transactions may adversely affect our competitiveness or growth prospects.

We regularly conduct feasibility studies and evaluate the commercial risks of any planned acquisition, investment and joint venture arrangement to ensure that such a transaction is in line with our strategy and business plan. For instance, one of the rationales for pursuing the eIVBL Scheme was to expand our branch network in Southern India and to increase our portfolio of SME customers. We have historically entered into partnerships and joint ventures to expand our service offering. However, there can be no assurance that our strategy or related evaluative processes will be successful in ensuring that the expected strategic benefits of our current or future acquisitions, investments or joint ventures will be realised or that our profitability will not be adversely affected.

Acquisitions, joint ventures or strategic investments may involve a number of special risks, including, but not limited to:

- the obligation to maintain our shareholding level or to comply with maximum or minimum shareholding levels, which could require us to purchase shares in rights issues or other capital raising activities and to seek RBI approval or that of other regulatory authorities, which we cannot guarantee will be forthcoming;
- higher provisioning, impacting our overall asset quality and leading to adverse effects on our reported operating results;
- difficulties in retaining customers or certain contracts;
- recruitment, training and retention of management;
- operational and financial systems and controls to handle the increased complexity and expanded breadth and geographic area of our newly acquired operations;
- satisfactory performance by our joint venture partners of their contractual obligations, and any disagreement or deadlock with them;
- difficulties assimilating and integrating our operations with that of the acquired entity or investment or joint venture partner;
- difficulties determining, evaluating and managing the risks and uncertainties in entering new markets and acquiring new businesses;
- difficulties in evaluating the contractual, financial, regulatory, environmental and other obligations and liabilities associated with our acquisitions, joint ventures and investments, including the appropriate implementation of

financial oversight and internal controls and the timely preparation of financial statements that are in conformity with our accounting policies;

- unanticipated liabilities or contingencies relating to the acquired entity, investment or joint venture partner;
- accurately judging market dynamics, demographics, growth potential and competitive environment; and
- obtaining, maintaining and complying with the conditions prescribed under necessary permits, certificates, licences and approvals from governmental and regulatory authorities and agencies.

If we are unable to manage one or more of the events or challenges listed above, it could have a material adverse effect on our ability to successfully complete our acquisitions, investments or joint ventures and could prevent us from achieving our strategic and financial goals and operational synergies, which in turn could have a material adverse effect on our business, results of operation, prospects and financial condition.

12. ***We depend on our brand recognition, and failure to maintain and enhance awareness of our brand would adversely affect our ability to retain and expand our base of customers.***

We believe that the strong reputation of the "Kotak" and "Kotak Mahindra" brand names are essential to our business. As such, any damage to our reputation and that of the "Kotak" or "Kotak Mahindra" brand names could substantially impair our ability to maintain or grow our business. In addition, any action on the part of our promoter or any of the companies in the Kotak Mahindra group that negatively impacts the "Kotak" or "Kotak Mahindra" brand names could have a material adverse effect on our business, financial condition and results of operations.

If we fail to maintain this brand recognition with our target customers due to any issues with our product offerings, a deterioration in service quality, or otherwise, or if any premium in value attributed to our business or to the brands under which our services are provided declines, market perception and customer acceptance of our brands may also decline. In such an event, we may not be able to compete for customers effectively, and our business, financial condition and growth prospects may be materially and adversely affected.

In addition, any unauthorized or inappropriate use of our brand, trademarks and other related intellectual property rights by others, including our Subsidiaries or third party distributors of our products, in their corporate names or product brands or otherwise could harm our brand image, competitive advantages and business and dilute or harm our reputation and brand recognition. Further, if a dispute arises with respect to any of our intellectual property rights or proprietary information, we will be required to produce evidence to defend or enforce our claims, and we may become party to litigation, which may strain our resources and divert the attention of our management. We cannot assure you that any infringement claims that are material will not arise in the future or that we will be successful in defending any such claims when they arise.

Our efforts to protect our intellectual property or proprietary information and the measures we take to identify potential infringement of our intellectual property may not be adequate to detect or prevent infringement, misappropriation or unauthorized use. The misappropriation or duplication of our intellectual property or proprietary information may disrupt our business, distract management and employees, reduce revenues and increase expenses. In addition, we may also become subject to infringement claims. Even if claims against us are not meritorious, any legal, arbitral or administrative proceedings that we may be required to initiate or defend in this regard may be time-consuming, costly and harmful to our reputation, and there is no assurance that such proceedings will ultimately be determined in our favour. Furthermore, the application of laws governing intellectual property rights in India is continuously evolving and there may be instances of infringement or passing-off of our brand in Indian markets.

Our failure to adequately protect our brand, trademarks and other related intellectual property rights may adversely affect our business, financial condition and results of operations.

13. ***Our Group's business is subject to various risks, including on account of our products or clients or agents which may subject us to substantial losses or affect our capital***.

Our Group offers various financial products to clients, which exposes us to various financial and non-financial risks. For example, as part of our broking business we allow clients to take positions on the markets, basis their margins

placed with us. In the event of a volatile stock market or adverse movements in stock prices, the collateral securing the position may have decreased significantly in value, resulting in defaults by our customers. Similarly, with a decline in market trading volumes, our profitability will be adversely affected because our revenues will be reduced.

In many of our businesses, we rely on third parties to deliver products and services to customers. Any termination of our agreements with such third parties may result in loss of business for us from such parties. For example in KSL, we use services of sub-brokers or authorised persons to deliver our products and services to our customers. We may suffer reputational damage if such third parties were not to conduct business in accordance with good practices.

In our broking business we engage in arbitrage and trading opportunities using our own capital. Any error in judgment or assessment of risk, or any other mala fide representation of trade positions by our proprietary traders, or any other human or mechanical errors may result in erosion of our capital and affect our financial conditions.

Our income and profit from our asset management business depend on the total value and composition of assets under our management. Any decrease in the value or composition of assets under management will cause a decline in our income and profit. The assets under management may decline or fluctuate for various reasons, many of which are outside our control. In respect of our mutual funds business, many of our funds invest in fixed income securities, the value of which may decline as a result of changes in interest rates, an issuer's actual or perceived creditworthiness or an issuer's ability to meet its obligations. This may, accordingly, adversely affect our business, financial condition and results of operation.

14. ***Certain of our Subsidiaries, Associates and entities in which we have equity investments have incurred losses, which may affect our profitability and may lead to an erosion of the value of our investments.***

Certain of our Subsidiaries, Associates and entities in which we have equity investments have incurred losses in recent years. Any adverse impact on the business and revenue of our Subsidiaries will affect our profitability on a consolidated basis and could place the capital invested by us at risk, thereby affecting our consolidated business, profitability, financial condition and results of operation.

15. ***Any volatility in housing or real estate prices may have an adverse impact on our business and our growth strategy.***

We have exposure to the real estate sector, including through home loans, loan against property, lease rental discounting, loans to developers and commercial real estate loans. Accordingly, we are exposed to the effects of volatility in real estate prices. Any sudden or sharp movement in housing or commercial real estate prices may adversely affect the demand and the quality of our portfolio which may have an adverse impact on our business and growth strategy. Any adverse impact on the real estate sector due to changing regulations may diminish the value of our collateral which may affect our business and results of operations in the event of a default in repayment by borrowers. Also, if any of the projects which form part of our collateral are stalled for any reason for any length of time, the same may affect our ability to enforce its security, thereby effectively diminishing the value of such security.

16. ***The Real Estate (Regulation and Development) Act, 2016 (the "RERA") was introduced to regulate the real estate industry and protect customer interests. Any slowdown in the housing finance industry as a result of RERA may adversely our business***

The Government notified the RERA in the official gazette on March 25, 2016. The RERA was introduced to regulate the real estate industry and ensuring protection of customer interest. The RERA imposes certain obligations on real estate developers, including mandatory registration of real estate projects, prohibition on advertisements or accepting advances unless real estate projects are registered under RERA, maintenance of a separate escrow account for amounts realized from each real estate project and restrictions on withdrawal of amounts from such escrow accounts and taking customer approval for major changes in sanctions plan. In addition, real estate developers will have to comply with state specific legislations which may be enacted by the respective state government due to the introduction of RERA. Any slowdown in the housing finance industry as a result of RERA may adversely affect our business.

17. ***Any adverse developments in the asset backed financing industry could adversely affect our business and results of operations.***

The Group has a significant portfolio in asset backed financing for cars, commercial vehicles, construction equipment and tractors. The success of our business depends on various factors that affect demand for such assets, including the demand for transportation services in India, changes in Indian regulations and policies affecting utility vehicles, tractors, commercial vehicles and cars, natural disasters, calamities, fuel prices, monsoons and other macroeconomic conditions in India and globally. This may result in a decline in the sales or value of vehicles. Such factors may also affect the business of our customers, which in turn will affect their ability to perform their obligations under the existing financing agreements. Any decline in sales of, or in demand for financing for, utility vehicles, tractors, cars or commercial vehicles or non-performance of the existing financing agreements could adversely affect our business and results of operations.

18. ***In the event our customers use loans for purposes other than those stated on the loan application, it may result in customers being unable to repay such loans to us, which may have an adverse effect on our financial condition, results of operations and cash flows.***

With respect to some of our loans, we do not have any direct control over how the customer actually utilizes the loan proceeds. Although our credit appraisal system conducts a due diligence during its underwriting process and exercises caution in its lending, any use of loan proceeds for purposes outside those stated on the application may negatively affect the repayment capacity of the borrowers to repay the loan. Any failure to repay such loans could have an adverse effect on our financial condition, results of operations and cash flows.

19. ***We may engage in new businesses that may not be successful and may not meet our expectations.***

We are involved in and in the future may have further plans to be involved in new businesses, including complementary businesses, technologies, services and products, and we may enter into strategic partnerships or joint ventures with parties that we believe can provide access to new markets, technology, capabilities or assets.

These new businesses subject us to many risks, and we can provide no assurances that any such ventures will be successful or meet our expectations. In addition, these new ventures may require regulatory approvals, and we cannot assure you that we will be able to procure such approvals, either in a timely manner or at all. If these new ventures are not successful, we may suffer losses, dilute value to shareholders or may not be able to take advantage of appropriate investment opportunities or conclude transactions on terms commercially acceptable to us. These ventures may require significant investments of capital and we may not realize our expected (or any) returns on these investments. Our management may also need to divert its attention from our operations in order to integrate such new businesses, which may affect the quality of operational standards and our ability to retain the business of our existing customers. We could also have difficulty in integrating the acquired products, services, solutions, technologies, management and employees into our operations. We may face litigation or other claims arising out of our new businesses, including disputes with regard to additional payments or other closing adjustments. These difficulties could disrupt our ongoing business, distract our management and employees, and increase our expenses. As such, our business, financial condition and results of operations could be materially adversely affected.

20. ***We are expanding into new overseas jurisdictions which would involve a number of unknown factors that could materially and adversely affect our business, financial condition and results of operations.***

We are expanding our business internationally. Our international operations are subject to risks that are specific to each country and region in which we operate as well as risks associated with international operations in general. These risks included:

- unfamiliar and potentially complex regulations and regulatory frame works and environments in the new jurisdictions;
- changes in laws, regulations and policies of India and of each particular country in which we will operate in;
- trade restrictions (including foreign trade and investment);
- currency exchange controls and currency fluctuations;
- cultural and language barriers and customer behaviour and preferences that are different from those in India and that we may not understand or be able to address;

- political and macro-economic risks;
- interest rates and the availability of credit;
- property and contractual rights;
- where and to whom products may be sold;
- taxes;
- regulations associated with financial product liability;
- volatility in the industries and markets in which we operate;
- varying and unpredictable requirements and preferences of customers;
- the behaviour of our competitors;
- labour disruptions;
- natural disasters;
- administrative difficulties, including difficulties in management of international partners;
- difficulty in understanding local business and regulatory environments;
- government instability and corruption; and
- war, civil unrest, other military action and terrorism.

Unfavourable developments in any of the above areas may create difficulties for our business. For example, we may encounter difficulties in obtaining the necessary governmental approvals in a timely manner or at all or face challenges as a result of the pervasiveness of corruption and other irregularities in business practices. Similarly, restricted access to global markets would impair our ability to grow our overseas businesses. As a result, our business, prospects, financial condition and results of operations may be adversely affected.

21. ***Our success depends, in large part, upon our management team and skilled personnel and on our ability to attract and retain such persons. Inability to attract and retain such persons may restrict our ability to grow, to execute our strategy, to raise the profile of our brand, to raise funding, to make strategic decisions and to manage the overall running of our operations, which would have a material adverse impact on our results of operations and financial position.***

We are highly dependent on the continued services of our management team, including the efforts of our Chairperson, Managing Director and Chief Executive Officer, and Joint Managing Director. The Bank complies with the RBI guidelines on Fit & Proper Criteria for Directors, relevant provisions of the Banking Regulation Act regarding Board composition, and other applicable provisions of the Companies Act, 2013.

We are also dependent on our experienced members of the Executive Board and Key Management Personnel. See the section "*Management*" for details of our Board and Executive Board. Our future performance is dependent on the continued service of these persons. Our internal retirement policy mandates a retirement age of 60 years old, which will require majority members of our Executive Board to retire within the next five years. We may not be able to replace these Executive Board members with similarly experienced professionals, which could materially and adversely impact the quality of our management and leadership team.

Our employment agreements with our management team do not obligate them to work for us for any specified period and do not contain non-compete or non-solicitation clauses in the event of termination of employment. Further, we do not maintain any "key man" insurance. If one or more of these key personnel are unwilling or unable to continue in their present positions, we may not be able to replace them with persons of comparable skills and expertise.

We also face a continuing challenge to hire and assimilate a number of skilled personnel. Competition for management and other skilled personnel in our industry is intense, and we may not be able to attract and retain the personnel we need in the future. The loss of key personnel or our inability to replace key personnel may restrict our ability to grow, to execute our strategy, to raise the profile of our brand, to raise funding, to make strategic decisions and to manage the overall running of our operations, which would have a material adverse impact on our results of operations and financial position.

22. ***We rely on models for risk analysis to guide our managerial decisions and any mis-specification, deficiencies or inaccuracies in the models and data may impact our decision-making and operations.***

As part of our ordinary decision making-process, we rely on various models for risk and data analysis. These models are based on historical data and supplemented with managerial input and comments. There are no assurances that these models and the data they analyze are accurate or adequate to guide our strategic and operational decisions and protect us from risks. Any misspecification, deficiencies or inaccuracies in the models or the data might have a material adverse effect on our business, financial condition or results of operation.

23. ***We could be subject to claims by our customers and/or regulators for alleged mis-selling of our products.***

We sell insurance through Kotak Mahindra General Insurance and Kotak Mahindra Life Insurance Company Limited and their intermediaries, including individual agents, corporate agents, brokers and bancassurance partners, as well as certain of our employees. Intermediaries aid the customer in choosing the correct product by advising on appropriate benefits and affordable premiums, disclosing product features and advising on whether to continue with a particular product or switch products.

We also sell investment products through our investment advisory unit within the Bank. Our investment advisory unit introduces and advises our customer as to the different types of products available for their investments and aids the customer in choosing appropriate products which suits their risk profile. Our investment advisory unit has received customer complaints previously but has not been involved in any material legal disputes with our customers. Our treasury group also deals with foreign currency and derivative products and offers them to customers.
Under certain circumstances, customers may claim that our sales process is inadequate or that there was misconduct on the part of our employees or intermediaries at the time of signing of the policy contract or during the course of customer service. Such misconduct could include activities such as making non-compliant or fraudulent promises of high returns on investments and recommending inappropriate products and fund management strategies. We may be subject to claims by customers for such alleged instances of mis-selling. In some instances, we may also have paid a commission to the intermediary prior to a claim of mis-selling by our customers, and if we have to refund the customer but are unable to recover such commission, we might face significant losses. In addition, regulators may attribute the mis-selling activities of intermediaries to us and impose penalties on us for non-compliance with relevant laws and regulations.

It is also possible that a third party aggregates a number of individual complaints against us with the intention of obtaining increased negotiating power. This could result in significant financial losses to us as well as loss of our reputation. Further, persons may also misrepresent themselves as agents of the Bank to defraud customers and such aggrieved customers, have filed and, in the future, may file complaints against us.

Cases of mis-selling, or recurring cases of mis-selling which are sub judice or initiated against us, could result in substantial claims and fines and could have a material adverse effect on our business, financial condition, results of operations and reputation.

24. ***Our business and financial results could be impacted materially by adverse results in legal proceedings.***

There are outstanding legal proceedings involving our Bank which are primarily incidental to our business and operations. These proceedings are pending at different levels before various courts, tribunals, quasi-judicial authorities and appellate tribunals. Any adverse decision in any of these cases may adversely affect our reputation and financial condition. No assurance can be given as to whether these proceedings will be settled in our favour or against us. If any new developments arise, for example, rulings against us by the appellate courts or tribunals, we may face losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities. If a claim is determined against us and we are required to pay all or a portion of the disputed amount, it could have an

adverse effect on our results of operations and cash flows. Further, we may incur significant expenses and management time in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities.

We establish reserves for legal claims when payments associated with claims become probable and the costs can be reasonably estimated. We may still incur legal costs for a matter even if we have not established a reserve. In addition, the actual cost of resolving a suit, proceeding or a legal claim may be substantially higher than any amounts reserved for that matter. The final outcome of any pending or future legal proceeding, depending on the remedy sought and granted, could materially adversely affect our results of operations and financial condition.

25. ***Negative publicity could damage our reputation and adversely impact our business and financial results.***

Reputational risk, or the risk to our business, earnings and capital from negative publicity, is inherent in our business. The reputation of the banking and financial services industry in general has been closely monitored as a result of the global financial crisis and other matters affecting the financial services industry. Negative public opinion about the banking and financial services industry generally or us specifically could materially adversely affect our ability to attract and retain customers, and may expose us to litigation and regulatory action. While we have developed our brand and reputation over our history, any negative incidents or adverse publicity could rapidly erode customer trust and confidence in us, particularly if such incidents receive widespread adverse mainstream and social media publicity, or attract regulatory investigations. Negative publicity can result from our or our third-party service providers' actual or alleged conduct in any number of activities, including lending practices, mortgage servicing and foreclosure practices, technological practices, corporate governance, regulatory compliance, mergers and acquisitions, and related disclosure, sharing or inadequate protection of customer information, and actions taken by government regulators and community organisations in response to that conduct. Although we take steps to minimise reputational risk in dealing with customers and other constituencies, we, as a large financial services organisation with a high industry profile, are inherently exposed to this risk. Any damage to our brand or our reputation may result in withdrawal of business by our existing customers as well as loss of new business from potential customers.

26. ***We may breach third-party intellectual property rights which may have a material adverse effect on our business, prospects, reputation, results of operations and financial condition.***

We may be subject to claims by third parties, both inside and outside India, if we breach their intellectual property rights by using slogans, names, designs, software or other such rights that are of a similar nature to the intellectual property these third parties may have registered or are using. We might also be in breach of such third-party intellectual property rights due to accidental or purposeful actions by our employees where we may also be subjected to claims by such third parties.

Any legal proceedings that result in a finding that we have breached third parties' intellectual property rights, or any settlements concerning such claims, may require us to provide financial compensation to such third parties or stop using the relevant intellectual property (including by way of temporary or permanent injunction) or make changes to our marketing strategies or to the brand names of our products, any of which may have a material adverse effect on our business, prospects, reputation, results of operations and financial condition.

27. ***We rely on third-party service providers who may not perform their obligations satisfactorily or in compliance with law.***

We enter into outsourcing arrangements with third party vendors, in compliance with the RBI guidelines on outsourcing. These vendors provide services which include, among others, cash management services, software services, client sourcing, debt recovery services and call centre services. However, we cannot guarantee that there will be no disruptions in the provision of such services or that these third parties will adhere to their contractual obligation. If there is a disruption in the third-party services, or if the third-party service providers discontinue their service agreement with us, our business, financial condition and results of operations will be adversely affected. In case of any dispute, we cannot assure you that the terms of such agreements will not be breached, which may result in litigation costs. Such additional cost, in addition to the cost of entering into agreements with third parties in the same industry, may materially and adversely affect our business, financial condition and results of operations. We may also suffer from reputational and legal risks if our third-party service providers act unethically or unlawfully, which could materially and adversely affect our business, financial condition and results of operations.

28. ***We do not own a majority of our branches, delivery centres or office premises from which we operate, which may materially and adversely affect our business, financial condition and results of operations in respect of such defaulting premises.***

We do not own a majority of the premises in which our branches, delivery centres and other office premises are situated. We cannot assure you that we will have the right to occupy our leased premises in the future, which may impair our operations and could materially and adversely affect our business, results of operations and financial condition.

In case it is discovered that some of our lease agreements and leave and license agreements are not adequately stamped or registered with the registering authority of the appropriate jurisdiction, it may affect us and our operations adversely. An instrument not duly stamped, or insufficiently stamped, shall not be admitted as evidence in any Indian court or may attract a penalty as prescribed under applicable law, which could adversely affect the continuance of our operations and business.

The majority of our offices, branches, ATMs and marketing outlets are located on premises leased from third parties, which require renewal or escalations in rentals from time to time during the lease period. If we are unable to renew the relevant lease agreements, or if such agreements are renewed on unfavourable terms and conditions, we may be required to relocate operations and incur additional costs in such relocation. We may also face the risk of being evicted in the event that our landlords allege a breach on our part of any terms under these lease agreements. This may cause a disruption in our operations or result in increased costs, or both, which may materially and adversely affect our business, financial condition and results of operations in respect of such defaulting premises.

29. ***Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition and results of operations.***

Our operations are subject to various risks inherent in the banking industry, as well as fire, theft, robbery, earthquake, flood, acts of terrorism and other force majeure events. Our insurance cover includes, among other things, protection from corporate crime, professional liability, employment practice liability, banker indemnity, employee medical and personnel accident, directors' and officers' liability and general commercial liability. We maintain insurance for our operations in India largely through third party insurers in India. None of our insurance policies are assigned in favor of any third party.

We may not have identified every risk and further may not be insured against every risk, including operational risk that may occur and the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events or risks not covered by insurance policies or due to the same being inadequate, could materially harm our financial condition and future results of operations. There can be no assurance that any claims filed will be honoured fully or timely under our insurance policies. Also, our financial condition may be affected to the extent we suffer any loss or damage that is not covered by insurance or which exceeds our insurance coverage. In addition, we may not be able to renew certain of our insurance policies upon their expiration, either on commercially acceptable terms or at all.

30. ***Deficiencies in the accuracy and completeness of information about our customers and counterparties may adversely impact us.***

We rely on the accuracy and completeness of information about our customers and counterparties, and on representations by them or third parties as to the accuracy and completeness of such information, while carrying out transactions with these entities or on their behalf. For example, when deciding whether or not to extend credit to a customer, we may rely on reports of independent auditors with respect to the financial statements of the customer. We also rely on credit ratings assigned to our customers. Our financial condition and results of operations could be negatively impacted by such reliance on information that is inaccurate or materially misleading. This may affect the quality of information available to us about the credit history of our borrowers, especially individuals and small businesses. As a consequence, our ability to effectively manage our credit risk may be adversely affected.

31. ***Any failure or material weakness of our internal control system could cause significant operational errors, which would materially and adversely affect our profitability and reputation.***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size of the Bank and group companies and complexity of operations. Our internal or concurrent audit functions are equipped to make an independent and objective evaluation of the adequacy and effectiveness of internal controls on an ongoing basis to ensure that business units adhere to our policies, compliance requirements and internal circular guidelines. While we periodically test and update, as necessary, our internal control systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. Given our high volume of transactions, it is possible that errors may repeat or compound before they are discovered and rectified. Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to fully correct such internal control weakness. We face operational risks in our various businesses within the group and there may be losses due to deal errors, settlement problems, errors in computation of net asset value, pricing errors, inaccurate financial reporting, fraud and failure of mission critical systems and infrastructure. In addition, certain processes are carried out manually, which may increase the risk that human error, tampering or manipulation will result in losses that may be difficult to detect. As a result, we may suffer material monetary losses. Such instances may also adversely affect our reputation.

32. ***Our financial performance may be materially and adversely affected by an inability to generate and sustain other income.***

For the 9M FY 2019, FY 2018, FY 2017 and FY 2016 we generated other income, which includes commission, exchange and brokerage income, profit / loss on sale of investments, profit / loss on revaluation of investments of insurance business, profit on exchange transactions (including derivatives) and premiums on our insurance business, of ₹ 10,121 crore , ₹ 13,593 crore, ₹ 11,581 crore and ₹ 7,573 crore respectively. This represents 31.55%, 35.10%, 34.16% and 27.07% of our total income for respective periods.

We generate a majority of our other income from the Bank and life insurance, finance, investment and stock broking subsidiaries. We are facing various pressures in these industries that may result in reduced margins going forward. In particular, the premiums and fee structures that we use in our business may be limited by existing and upcoming regulations, which may result in our being paid less overall for our services and products. Moreover, the Indian financial services sector is facing increasing competition, which might further reduce the income that we generate out of our subsidiaries. There can be no assurance that we will be able to sustain current levels of income from, or effectively manage the risks associated with, our subsidiaries' businesses in the future.

Further, as part of our growth strategy, we have been diversifying and expanding our product and service offerings to retail customers in order to build a more balanced portfolio. New initiatives, products and services entail a number of risks and challenges, including risks relating to execution, the failure to identify new segments, the inability to attract customers and the inability to make competitive offerings. If we are unable to successfully diversify our products and services while managing the related risks and challenges, returns on such products and services may be less than anticipated, which may materially and adversely affect our business, financial condition and results of operations.

33. ***Any worldwide financial instability could influence the Indian economy and affect our business.***

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and indirectly in the Indian economy in general. Any financial instability in the global markets could have a negative influence on the Indian economy and on other economies in which the Group operates, including the United States, the United Kingdom, the United Arab Emirates and Singapore. While legislators and financial regulators across the globe including in the United States, the United Kingdom, the United Arab Emirates, Singapore and India, have implemented several measures designed to add stability to the financial markets, these may not have the intended stabilizing effects. Furthermore, in several parts of the world, there are signs of increasing retreat from globalisation of goods, services and people, as pressure for the introduction of a protectionist regime is building and such developments could adversely affect the Indian economy. In the event that the conditions in the global credit markets are adverse, or if there are any significant financial disruption, this could have an adverse effect on our business, financial condition and results of operations.

There is a risk that a systemic shock could occur that causes an adverse impact on domestic or global financial systems. During the past decade the financial services industry and capital markets have been, adversely affected by market volatility, global economic conditions and political developments. A global shock could result in currency and interest rate fluctuations and operational disruptions that negatively impact the Group. Any such market and economic disruptions could adversely affect financial institutions and demand for the products and services we provide may decline, thereby reducing our earnings. These conditions may also affect the ability of our borrowers to repay their loans or our counterparties to meet their obligations, causing us to incur higher credit losses. These events could also result in the undermining of confidence in the financial system, reducing liquidity, impairing our access to funding and impairing our customers and counterparties and their businesses. If this were to occur, our business prospects, financial performance or financial condition could be adversely affected. The nature and consequences of any such event are difficult to predict and there can be no certainty that we could respond effectively to any such event.

34. ***Any failure of a bank in India or one of our key overseas correspondent banks would materially and adversely affect our business.***

Our business relies heavily on our overseas correspondent banks to facilitate our international transactions. In India, the banking industry is also inter-dependent to facilitate domestic transactions. There is no assurance that our overseas correspondent banks or our domestic banking partners will not fail or face financial problems. If any bank in India, especially a private bank, or any of our key overseas correspondent banks were to fail, this would materially and adversely affect our business, financial condition and results of operations.

35. ***Our hedging strategies may not be successful in preventing all risk of losses.***

We may utilize a variety of financial instruments, such as derivatives, options, interest rate swaps, caps and floors, futures and forward contracts to seek to hedge against any decline in value of our assets as a result of changes in currency exchange rates, certain changes in the equity markets and market interest rates and other events. Hedging transactions may also limit the opportunity for gain if the value of the hedged positions should increase, it may not be possible for us to hedge against a change or event at a price sufficient to fully protect our assets from the decline in value of the positions anticipated as a result of such change. In addition, it may not be possible to hedge against certain changes or events at all. While we may enter into such transactions to seek to reduce currency exchange rate and interest rate risks, or the risks of a decline in the equity markets generally or one or more sectors of the equity markets in particular, or the risks posed by the occurrence of certain other events, unanticipated changes in currency or interest rates or increases or smaller than expected decreases in the equity markets or sectors being hedged or the non-occurrence of other events being hedged may result in a poorer overall performance for the Group than if we had not engaged in any such hedging transaction. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the position being hedged may vary. Moreover, for a variety of reasons, we may not seek to establish a perfect correlation between such hedging instruments and the positions being hedged. Such imperfect correlation may prevent us from achieving the intended hedge or expose the Group to additional risk of loss.

36. ***Our treasury income, debt investment portfolio and derivatives portfolio are exposed to risks relating to mark-to-market valuation, illiquidity, credit risk and income volatility. Any such losses could materially and adversely affect our business, financial condition and results of operations.***

The Bank had debt investment portfolio (consists of government securities, treasury bills and other debt securities) in available for sale and held for trading of ₹ 33,568 crore as of March 31, 2018.* We run value-at-risk tests to manage risks in our investments, but in the event interest rates rise, our portfolio will be exposed to the adverse impact of the mark-to-market valuation of such bonds. Any rise in interest rates leading to a fall in the market value of such debentures or bonds may materially and adversely affect our business, financial condition and results of operations. We face income volatility due to the illiquid market for the disposal of some of debt investment portfolio.

* Do note that the Bank's debt investment portfolio in available for sale and held for trading is as of March 31, 2018 and would have changed as on the date of this Information Memorandum.

Income from the Bank's sale of investments comprised 1.6%, 3.8% and 2.2% of the Bank's total net income (which comprises net interest income plus other income) on a standalone basis for fiscal year 2018, 2017 and 2016.

Our income from treasury operations at both the Bank and certain Subsidiaries, (including Kotak Life), is subject to volatility due to, among other things, changes in interest rates and foreign currency exchange rates as well as other market fluctuations. For example, an increase in interest rates may have a negative impact on the value of certain investments such as Government securities and corporate bonds and may require us to mark down the value of these investments on our balance sheet and recognize a loss on our income statement. Similarly, our derivative portfolio is subject to fluctuations in interest rates and foreign exchange rates, and any movement in those rates may require us to mark down the value of our derivatives portfolio. While we invest in corporate debt instruments as part of our normal business, we are exposed to risk of the issuer defaulting on its obligations. Changes in corporate bond spreads also affect valuations and expose us to risk of valuation losses. Although we have risk and operational controls and procedures in place for our treasury operations, such as sensitivity limits, VaR limits, position limits, stop loss limits and exposure limits, that are designed to mitigate the extent of such losses, there can be no assurance that we will not lose money in the course of trading on our fixed income book in held for trading and available-for-sale portfolio. Any such losses could materially and adversely affect our business, financial condition and results of operations.

37. *Our ability to resolve our loans and NPAs and enforce collateral and security is subject to inter-creditor arrangements with other lenders, various regulations and multiple regulators with concurrent jurisdiction, which may impact the timing of our enforcement actions as well as the total amount we recover.*

The Bank's total gross standard restructured advances as on March 31, 2018, March 31, 2017 and March 31, 2016 were ₹ 148 crore, ₹ 132 crore and ₹ 270 crore, respectively, on a standalone basis.* We resolve assets based on a borrower's potential to restore its financial health. However, there can be no assurance that borrowers will be able to meet their obligations under such resolution plans and certain assets may potentially turn delinquent. Any resulting increase in delinquency levels from such failed resolution plans may adversely impact our business, financial condition and results of operations. We also have investments in security receipts arising from the sale of non-performing assets to asset reconstruction companies. There can be no assurance that asset reconstruction companies will be able to recover these assets and redeem our investments in security receipts and that there will be no reduction in the value of these investments.

* Do note that the above data is as of March 31, 2018 and would have changed as on the date of this Information Memorandum.

In addition to the debt recovery and security enforcement mechanisms available to lenders under DRT Act and the SARFAESI Act, the Indian parliament enacted the Insolvency and Bankruptcy Code, 2016 to provide a consolidated framework to address the concerns of lenders and to provide corporate debtors with an exit mechanism. Additionally, the Banking Regulation (Amendment) Act, 2017 states that the central Government may by order authorize the RBI to issue directions to banking companies to initiate insolvency proceedings under the Insolvency and Bankruptcy Code, 2016. Further, the RBI may issue directions to banking companies for the resolution of stressed assets.

However, there can be no assurance that these regulatory measures will have a favourable impact on our efforts to recover NPAs. Any failure to recover the expected value of collateral would expose us to potential loss. Banks in India are also required to share data with each other on certain categories of special mention accounts, and formulate resolution plans for resolution of these accounts.

In February 2018, the RBI scrapped all the past restructuring mechanisms such as Corporate Debt Restructuring and Strategic Debt Restructuring ("**SDR**") and said if a borrower delays in payment for even one day, this should be seen as a stress and lenders should begin resolution of the stressed assets. The RBI has also identified a list of financial difficulty signs, including the failure or anticipated failure to make timely payment of instalments of principal and interest on term loans, delay in meeting the commitments and crystallised liabilities under letters of credit and bank guarantees. In respect of accounts with aggregate exposure of the lenders at ₹ 2,000 crores or above, on or after March 1, 2018, including those where a resolution might have been initiated under any of the existing schemes, as well as accounts classified as restructured standard assets, a Resolution Plan ("**RP**") will be implemented within 180 days from the reference date. If in default after the reference date, 180 days from the date of the first such occurrence, the new rule mandates lenders to initiate insolvency resolution under the Bankruptcy Code.

38. ***A delay in the resolution of stressed assets and increased provisioning norms may adversely affect our business, results of operations and financial condition.***

Resolution of large borrowers' accounts which are facing severe financial difficulties may require coordinated deep financial restructuring, which often involves a substantial write-down of debt and/or making of large provisions. The RBI released a discussion paper on the dynamic loan loss provisioning framework in March 2012, with the objective of limiting the pro-cyclicality in loan loss provisioning during an economic cycle. The framework proposes to replace existing general provisioning norms and recommends that banks make provisions on their loan books every year based on their historical loss experience in various categories of loans. In years where the specific provision is higher than the computed dynamic provision requirement, the existing dynamic provision balance can be drawn down to the extent of the difference, subject to a minimum specified level of dynamic provision balance being retained. Any further increase by the RBI of the provisioning requirements may adversely affect our business, results of operations and financial condition.

39. ***Our unsecured loan portfolio is not supported by any collateral that could help ensure repayment of the loan, and in the event of non-payment by a borrower of one of these loans, we may be unable to collect the unpaid balance.***

We offer unsecured personal loans and credit cards to the retail customer segment, including salaried individuals and self- employed professionals. In addition, we offer unsecured loans to corporates, small businesses and individual businessmen. Unsecured loans are at higher credit risk for us than our secured loan portfolio because they may not be supported by realisable collateral that could help ensure an adequate source of repayment for the loan. Although we may obtain direct debit instructions or post-dated checks from our customers for our unsecured loan products, we may be unable to collect in part or at all in the event of non-payment by a borrower. Further, any increase in delinquency in our unsecured loan portfolio could require us to increase our provision for credit losses, which would decrease our earnings.

40. ***Devolvement of our off-balance sheet liabilities could adversely affect our financial condition.***

As of March 31, 2018, we had total contingent liabilities (as per Banking Regulation Act and Accounting Standard 29) as per the Consolidated Financial Statements of ₹ 209,758 crore.* Our off-balance sheet liabilities consist of, among other things, liability on account of forward exchange and derivative contracts, guarantees and claims not acknowledged as debts. In case of derivative contracts, we face potential losses if counterparties default due to adverse market movements. We are subject to credit risk on our off balance sheet commitments in the event that any of the above liabilities crystallizes, we may be required to honour the demands raised. If we are unable to recover payment from our customers in respect of the commitments that we are called upon to fulfil, our business financial conditions, result of operations and prospects may be adversely impacted.

* Do note that the above data is as of March 31, 2018 and would have changed as on the date of this Information Memorandum.

41. ***Significant deviations from our assumptions regarding future persistency, coupled with mass surrenders of policies, could have a material adverse effect on our business, financial condition, results of operations and prospects.***

We use models and estimates to anticipate the overall level of policy surrenders, withdrawals and lapses in a given period. The occurrence of unusual events that have significant or lasting impact, such as sharp declines in income of customers, changes in applicable government policies, loss of customer confidence in the insurance industry, may trigger mass surrenders, withdrawals and lapses of insurance policies, thus reducing our persistency. Increased volatility in the capital markets could trigger mass surrenders in unit linked portfolio, thus reducing our persistency.
Since the prices and expected future profitability of our products are based in part upon expected patterns of premiums and assumptions related to persistency, if the actual persistency of our products is different from our persistency assumptions, it could have a material adverse impact on our business and profitability.

In addition, if mass surrenders were to occur, we would have to sell our investment assets to cover the significant amount of surrender payments. If concentrated surrenders were to occur, we may be unable to sell our investment assets at favourable prices or in a timely manner to cover the significant level of surrender payments, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

42. ***The actuarial valuations of liabilities for our insurance policies with outstanding liabilities are not required to be audited and if such valuation is incorrect, it could have an adverse effect on our financial condition.***

The actuarial valuation that we use to estimate our liabilities for our insurance policies with outstanding liabilities are performed by an appointed actuary. In India, appointed actuaries of an insurance company certify such valuations and that in their opinion, the assumptions for such valuations are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. Our auditors rely upon our appointed actuary's certificate and do not review or audit such valuation independently, which practice might differ from other jurisdictions. If the assumptions and/or models used to conduct such an actuarial valuation of our liabilities are incorrect, or if there is an error in a calculation, it could have an adverse effect on our financial condition, given that there is no independent assurance on the actuarial liabilities through an audit process. We continually monitor the assumptions used in the calculation of reserves such as discount rates, mortality, morbidity, expenses including expense inflation, persistency, revival and free look cancellations. If we conclude that our reserves are insufficient to cover actual or expected policy benefits and expenses, we would be required to increase our reserves and incur income statement charges for the period in which we make the determination, and may lead to an increase in our pricing of certain products, which could have material adverse effect on our business, financial condition and results of operations.

43. ***The actuarial valuation of retiral benefits is carried out by an independent actuary and if such valuation is incorrect, it could have an adverse effect on our financial condition.***

The Bank operates defined benefit schemes such as gratuity and pension (employees of eIVBL covered under the IBA structure) for its employees. No new members are accepted into the pension plan. Under defined benefit plans, there is an obligation to pay defined future benefits from the time of retirement. The calculation of the net obligation is based on valuations made by external actuaries who are qualified to do such valuations and estimations. These valuations rely on assumptions about a number of variables, including discount rate and mortality rates and salary increases. The company and auditors rely on the valuations done by actuaries. Actuarial risk arises as estimated value of the defined benefit scheme liabilities may increase due to changes in actuarial assumptions.

44. ***Changes in our pension liabilities and obligations could have a materially adverse effect on us.***

We operate a defined benefit pension scheme in respect of certain erstwhile eIVBL employees under the IBA structure. The pension fund is administered by the board of trustees and managed by a life insurance company. Should the value of assets to liabilities in respect of the defined benefit scheme operated by us record a deficit, due to either a reduction in the value of the pension fund assets (depending on the performance of financial markets) and/or an increase in the pension fund liabilities due to changes in legislation, mortality assumptions, discount rate assumptions, inflation, the expected rate of return on scheme assets, or other factors, this could result in us having to make increased contributions to reduce or satisfy the deficits which would divert resources from use in other areas of our business and reduce the bank's capital resources.

45. ***We rely extensively on our information technology systems and the telecommunications network in India, which require significant investment and expenditure for regular maintenance, upgrades and improvements. Failure in our system may materially and adversely affect our business, financial condition and results of operations.***

Our information technology systems are a critical part of our business that help us manage, among other things, our risk management, deposit servicing and loan origination functions, as well as our increasing portfolio of products and services. We are heavily reliant on our technology systems in connection with financial controls, risk management and transaction processing. In addition, our delivery channels include ATMs, call centres, mobile applications and the internet. Our offline and online business channel networks are dependent on a dense, comprehensive telecommunications network in India. While deregulation and liberalisation of telecommunications laws have prompted the steady improvement in local and long-distance telephone services, telephone network coverage and accessibility is still intermittent in many parts of India. Failure by the Indian telecommunications industry to improve network coverage to meet the demands of the rapidly growing economy may affect our ability to expand our customer base, acquire new customers or service existing customers by limiting access to our services and products. This may materially and adversely affect our business, financial condition and results of operations.
In addition, our digital platform provides both internet and mobile application based banking services which includes multiple services such as electronic funds transfer, bill payment services, usage of credit cards on-line, requesting

account statements, and requesting cheque books. These services are highly dependent on our ability to efficiently and reliably process a high volume of transactions across numerous locations and delivery channels. We place heavy reliance on our technology infrastructure for processing this data; therefore, ensuring system security and availability is of paramount importance.

Our success will depend, in part, on our ability to respond to new technological advances and emerging banking, capital markets, and other financial services industry standards and practices on a cost-effective and timely basis. The development and implementation of such technology entails significant technical and business risks. There can be no assurance that we will successfully implement new technologies or adapt our transaction processing systems to customer requirements or improving market standards.
We use our information systems and the internet to deliver services to, and perform transactions on behalf of, our customers and we may need to regularly upgrade our systems, including our software, back-up systems and disaster recovery operations, at substantial cost so that it remains competitive. Our hardware and software systems are also subject to damage or incapacitation by human error, natural disasters, power loss, sabotage, computer viruses and similar events or the loss of support services from third parties such as internet service providers. There is no warranty under our information technology licence agreements that the relevant software or system is free of interruptions, will meet our requirements or be suitable for use in any particular condition. So far, we have not experienced widespread disruptions of service to our customers, but there can be no assurance that we will not encounter disruptions in the future due to substantially increased numbers of customers and transactions, or for other reasons. Any inability to maintain the reliability and efficiency of our systems could adversely affect our reputation, and our ability to attract and retain customers. In the event we experience system interruptions, errors or downtime (which could result from a variety of causes, including changes in customer use patterns, technological failure, changes to systems, linkages with third-party systems and power failures), we are unable to develop necessary technology or any other failure occurs in our systems, this may materially and adversely affect our business, financial condition and results of operations.

46. *Our financial performance may be materially and adversely affected by an inability to respond promptly and effectively to new technology innovations.*

Currently, technology innovations in mobilisation and digitisation of financial services require banks to continuously develop new and simplified models for offering banking products and services. Disruptive technology and new models of banking or other financial services that utilise such technology, such as micro-financing and peer-to-peer lending, might also materially and adversely affect our financial performance.

Such technologies could increase competitive pressures on banks, including us, to adapt to new operating models and upgrade back-end infrastructure on an ongoing basis. There is no assurance that we will be able to continue to respond promptly and effectively to new technology developments, be in a position to dedicate resources to upgrade our systems and to compete with new players entering the market. Please see related risk factor "*We rely extensively on our information technology systems and the telecommunications network in India which require significant investment and expenditure for regular maintenance, upgrades and improvements*". As such, the new technology innovations may result in a material adverse effect on our business, financial condition and results of operations.

47. *The rise of digital platforms and payment solutions may adversely impact our floats and impact our fees, and there may be disintermediation in the loan market by fintech companies.*

Through our electronically linked branch network, correspondent bank arrangements and centralized processing, we effectively provide a nationwide collection, disbursement and payment systems for our clients. Disruption from digital platforms could have an adverse effect on the cash float and fees that we have traditionally received on such services. We also face threat to our loan market from newer business models that leverage technology to bring together savers and borrowers. We may not be competitive in facing up to the challenges from such newer entrants. This may, accordingly, have an adverse impact on our business and growth strategy.

48. *Banking companies in India, including us, may be are required to prepare financial statements under Indian Accounting Standards ("IND-AS") in the future. We may be materially adversely affected by this transition.*

The Ministry of Corporate Affairs, in its press release dated January 18, 2016, issued a roadmap for implementation of IND-AS converged with IFRS for scheduled commercial banks, insurers, insurance companies and non-banking

financial companies. This roadmap required these institutions to prepare IND-AS based financial statements for the accounting periods beginning from April 1, 2018 onwards with comparatives for the periods ending March 31, 2018.

The RBI through its Statement on Developmental and Regulatory Policies dated April 5, 2018 had deferred implementation of IND-AS for banks by one year i.e. to the financial year beginning April 1, 2019 pending legislative amendments to The Banking Regulation Act, 1949. Since legislative amendments recommended by RBI to facilitate IND-AS implementation are under consideration of Government of India, the RBI, vide its circular RBI/2018-2019/146 DBR.BP.BC No. 29/21.07.001/2018-19 dated March 22, 2019, has deferred the implementation of IND-AS for banks till further notice.

The possible impact of IND-AS on our financial reporting, the nature and extent of such impact is still uncertain. Further, the new accounting standards will change, among other things, our methodology for estimating allowances for expected loan losses and for classifying and valuing our investment portfolio and our revenue recognition policy. For estimation of expected loan losses, the new accounting standards may require us to calculate the present value of the expected future cash flows realisable from our advances, including the possible liquidation of collateral (discounted at the loan's effective interest rate). This may result in us recognising allowances for expected loan losses in the future which may be higher or lower than under current Indian GAAP. There can be no assurance, therefore, that our financial condition, results of operations or cash flows will not appear materially worse under IND-AS than under Indian GAAP. In our transition to IND-AS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems. Moreover, there is increasing competition for the small number of IFRS- experienced accounting personnel available as more Indian companies begin to prepare IND-AS financial statements. Further, there is no significant body of established practice on which to draw in forming judgments regarding the new system's implementation and application. There can be no assurance that our adoption of IND-AS will not adversely affect our reported results of operations or financial condition and any failure to successfully adopt IND-AS could materially adversely affect our business, financial condition and results of operations.

Risks Relating to Regulations

We operate in a highly regulated environment and there are numerous laws and regulations impacting many aspects of our operations, including our capital maintenance, lending limits and the types of business in which we can engage. As such, we are exposed to a number of risks relating to regulations as detailed below. Any change to the existing legal framework will require us to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

We have the necessary approvals from RBI with regards to the establishment of all our subsidiaries. Any changes in the RBI regulations relating to the continuation of businesses of our subsidiaries, may impact the group and we may not be able to undertake certain types of businesses. This may impact our growth and profits.

49. *The RBI expects our Bank to reduce its promoters' shareholding. The Bank has met the promoter holding milestone of December 31, 2018 prescribed by the RBI in prior correspondence, but the RBI has not accepted the same. The matter is sub-judice. The RBI may initiate regulatory action against the Bank, which may adversely affect the Bank's business and operations.*

The RBI expected the Bank to reduce its promoter holding to 20% of paid-up capital by December 31, 2018. The Bank completed the issue of Perpetual Non Convertible Preference Shares (PNCPS) on August 2, 2018, which resulted in dilution of promoter shareholding to 19.70% of the Bank's paid-up capital in accordance with prior communications with the RBI. However, the RBI communicated to the Bank that such reduction of promoter shareholding pursuant to the PNCPS issue does not meet the RBI's promoter holding dilution milestone, and instead required the Bank to reduce its promoter shareholding as a percentage of its paid-up voting equity capital.

The Bank has since clarified and conveyed to the RBI its position in relation to PNCPS being a part of the Bank's paid-up capital and on the legal issues involved in the matter of dilution of promoter shareholding under the Banking Regulation Act, 1949. The Bank has also shared with the RBI, opinions of jurists and senior advocates, which confirm the Bank's position and understanding on this issue.

Given the milestone of December 31, 2018 was approaching and the RBI did not respond to the Bank's communications and requests for meetings, by way of abundant caution, the Bank filed a writ petition before the Hon'ble Bombay High Court on December 10, 2018, to validate its position. The matter is now sub-judice.

Given the RBI's view that the promoter shareholding dilution milestone has not been achieved, the RBI may impose regulatory restrictions on the Bank. Such regulatory restrictions, if imposed, may adversely affect the Bank's business and operations.

50. ***Our Group operates in a highly regulated environment. Any change to the existing legal or regulatory framework will require us to allocate additional resources, which may increase our regulatory compliance costs and direct management attention and consequently affect our business.***

Our Group operates in a highly regulated environment in which the Bank and our Subsidiaries are regulated by SEBI, RBI, IRDAI, PFRDA, and other domestic and international regulators. Accordingly, legal and regulatory risks are inherent and substantial in our businesses. As we operate under licences or registrations obtained from appropriate regulators, we are subject to actions that may be taken by such regulators in the event of any non-compliance with any applicable policies, guidelines, circular, notifications and regulations issued by the relevant regulators.

The Group's business could be directly affected by any changes in applicable policies and regulations for such entities. Being regulated they are subject to regular scrutiny and supervision by their respective regulators, such as regular inspections that may be conducted by SEBI and IRDAI. The requirements imposed by regulators are designed to ensure the integrity of the financial markets and to protect investors and depositors. Among other things, in the event of being found non-compliant, our investment bank or broking or asset management businesses could be fined or prohibited from engaging in certain business activities. For instance, our investment bank could face the risk of investigation and surveillance activity and judicial or administrative proceedings that may result in substantial penalties, if we are found to be in violation of applicable law. Such action may have reputational impact on the entire Group. Another example could be in respect of cases where our Bank and its Subsidiaries have received various letters from the Registrar of Companies (ROC), seeking information regarding their respective CSR expenditures and fulfilling the requirements under Section 135 read with Section 134(3) (o) of the Companies Act 2013. The Bank and its Subsidiaries have responded to such letters by filing e-Form CFI (CSR) within the stipulated timelines. Investors may refer to specific disclosures made by us in Section 6 – "Disclosures under Companies Act" of this Information Memorandum. We are not in a position to predict the outcome and the implication of such letters and responses given (or any changes to the existing legal or regulatory framework or the interpretation thereof) or the impact that the outcome may have on the operations or profitability of the Bank or its Subsidiaries.

In addition, we are also exposed to the risk of us or any of our employees being non-compliant with insider trading rules or engaging in front running in securities markets. In the event of any such violations, regulators could take regulatory actions, including financial penalties against us and the concerned employees. This could have a materially adverse financial and reputational impact on the Group.

Any change to the existing legal or regulatory framework will require us to allocate additional resources, which may increase our regulatory compliance costs and direct management attention and consequently affect our business.

51. ***The Bank may become a "foreign owned" company as per the Consolidated FDI Policy and FEMA 20 and any investment by the Bank in its Subsidiaries may be subject to Indian foreign investment laws.***

Indian companies, which are owned or controlled by non-resident entities, are subject to investment restrictions specified in FEMA 20. Under the FEMA 20, an Indian company is considered to be "owned" by a non-resident entity if more than 50.0% of its equity interest is beneficially owned by non-resident entities. If the non-resident equity shareholding in the Bank exceeds 50.0%, the Bank would be considered as being "owned" by non-resident entities under FEMA 20. In such an event, any downstream investment by the Bank may, subject to applicable regulations, be considered as indirect foreign investment and shall be subject to various requirements specified under the Consolidated FDI Policy for downstream investments, including sectoral investment restrictions, approval requirements and pricing guidelines.

52. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, across the multiple jurisdictions we operate in may materially adversely affect our business and financial performance.*

Our business and financial performance could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us and our business, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations, in India or in the other jurisdictions we operate in.

The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition and results of operations.

Banking Regulations

We operate in a highly regulated environment in which the RBI extensively supervises and regulates all banks. Our business could be directly affected by any changes in policies for banks in respect of directed lending, reserve requirements, provisioning and other areas. For example, the RBI could change its methods of enforcing directed lending standards so as to require more lending to certain sectors, which could require us to change certain aspects of our business. In addition, we could be subject to other changes in laws and regulations, such as those affecting the extent to which we can engage in specific businesses or those that reduce our margins through a cap on either fees or interest rates chargeable to our customers or those affecting foreign investment or ownership requirements in the banking industry, as well as changes in other governmental policies and enforcement decisions, income tax laws, foreign investment laws and accounting principles. Laws and regulations governing the banking sector may change in the future and any changes may materially adversely affect our business and our future financial performance.

Tax

The application of various Indian and international sales, value-added and other tax laws, rules and regulations to our services, currently or in the future, may be subject to interpretation by applicable authorities, and if amended/ notified, could result in an increase in our tax payments (prospectively or retrospectively) and/or subject us to penalties, which could affect our business operations. Further, we have incomplete income tax assessments for the previous years and we run the risk of the Income Tax Department assessing our tax liability that may be materially different from the provision that we carry in our books for the past periods.

The Government has implemented two major reforms in Indian tax laws, namely the goods and services tax ("**GST**"), and provisions relating to the General Anti-Avoidance Rule (the "**GAAR**").

GST is implemented with effect from July 1, 2017 which has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge currently being collected by the central and state governments. The GST is expected to increase tax incidence and administrative compliance.

There are several areas where there is ambiguity in interpreting the GST. Any such clarifications would have to come from potential litigation or challenges on issues related to interpretation of various provisions. Due to the uncertainty in introducing the GST, we may have to change and adapt our systems and such changes might have a material adverse effect on our business, financial condition and results of operations.

Furthermore, the GST has reduced the taxation threshold and reduction in the taxation threshold from the earlier limits may impact the working capital of the SME sector. Further, central registration has been replaced with state registration, resulting in additional compliance requirements for its customers in SME / MSME sector. With the introduction of GST, any major impact on the SME and MSME sector may have a material effect on our business, results of operations and financial conditions.

As regards GAAR, the provisions have been introduced in the Finance Act, 2012 and have come into effect from April 1, 2017. The GAAR provisions intend to identify arrangements declared as "impermissible avoidance arrangements",

which is any arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and which satisfy at least one of the following tests (i) creates rights or obligations which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. If GAAR provisions are invoked, then the tax authorities have wide powers, including denial of tax benefit or a benefit under a tax treaty. As the taxation system is intended to undergo significant overhaul, its consequent effects on the banking system cannot be determined at present and there can be no assurance that such effects would not adversely affect our business and future financial performance.

*Cash Reserve Ratio ("**CRR**") and Statutory Liquidity Ratio ("**SLR**") requirements*
Under RBI regulations, we are subject to a CRR requirement. The CRR is a bank's balance held in a current account with the RBI calculated as a specified percentage of its total demand and time liabilities, adjusted for exemptions. Banks do not earn any interest on those reserves.

In addition, under the Banking Regulation Act, all banks operating in India are required to maintain Statutory Liquidity Ratio ("**SLR**"). The SLR is a specified percentage of a bank's total demand and time liabilities by way of liquid assets such as cash, gold or approved unencumbered securities. Approved unencumbered securities consist of unencumbered Government securities and other securities as may be approved from time to time by the RBI and earn lower levels of interest as compared to advances to customers or investments made in other securities. The majority of Government securities held by us comprised fixed rate instruments. In an environment of rising interest rates, the value of Government securities and other fixed income securities may depreciate. Our large portfolio of Government securities may limit our ability to deploy funds into higher yielding investments.

Further, a decline in the valuation of our trading book as a result of rising interest rates may adversely affect our financial condition and results of operations. As a result of the statutory requirements imposed on us, we may be more structurally exposed to interest rate risk as compared to banks in other countries.

Further, the RBI may increase the CRR and SLR requirements to higher proportions as a monetary policy measure. Any increases in the CRR from the current levels could affect our ability to deploy our funds or make investments, which could in turn have a negative impact on our results of operations. We are also exposed to the risk of the RBI increasing the applicable risk weight requirement for different asset classes from time to time. If we are unable to meet the reserve requirements of the RBI, the RBI may impose penal interest or prohibit us from receiving any further fresh deposits, which may have a material adverse effect on our business, financial condition and results of operations.

Capital Adequacy, Liquidity Coverage Ratio, Net Stable Funding Ratio
In order to support and grow our business, we must maintain a minimum capital adequacy ratio, and a lack of access to the capital markets may prevent us from maintaining an adequate ratio.

The RBI requires a minimum capital adequacy ratio of 9.0% of our total risk-weighted assets. RBI Basel III capital regulations are effective in India from April 1, 2013 in a phased manner. The Bank's capital adequacy ratio, calculated in accordance with RBI's Basel III guidelines, was 16.5% (excluding profits), 18.2%, 16.8% and 16.3% as of December 31, 2018, March 31, 2018, March 31, 2017 and March 31, 2016, respectively. Our ability to support and grow our business would become limited if the capital adequacy ratio declines. While we may access the capital markets to offset declines in our capital adequacy ratio, we may be unable to access the markets at the appropriate time or the terms of any such financing may be unattractive due to various reasons attributable to changes in the general environment, including political, legal and economic conditions.

The Basel Committee on Banking Supervision issued a comprehensive reform package entitled "*Basel III: A global regulatory framework for more resilient banks and banking systems*" in December 2010. In May 2012, the RBI released guidelines on implementation of Basel III capital regulations in India and in July 2013, the RBI issued a Master Circular consolidating all relevant guidelines on Basel III. In July 2014, the RBI released a master circular consolidating the guidelines on capital adequacy issued to banks till June 30, 2014. Further, in July 2015, the RBI released a consolidated master circular on "*Basel III Capital Regulations*."

The key items covered under these guidelines include: (i) improving the quality, consistency and transparency of the capital base; (ii) enhancing risk coverage; (iii) graded enhancement of the total capital requirement; (iv) introduction of capital conservation buffer and countercyclical buffer; and (v) supplementing the risk-based capital requirement with a leverage ratio. One of the major changes in the Basel III capital regulations is that the tier I capital will predominantly consist of common equity of the banks which includes common shares, reserves and stock surplus. Perpetual non-cumulative preference shares will be considered as a part of additional tier I capital. Basel III also defines criteria for Additional tier I and tier II instruments to improve their loss absorbency. The guidelines also set-out criteria for loss absorption through conversion/write-down/write-off of all non-common equity regulatory capital instruments at the point of non-viability. The point of non-viability is defined as a trigger event upon the occurrence of which non-common equity tier I and tier II instruments issued by banks in India under the Basel III rules may be required to be written off or converted into common equity. The capital requirement, including the capital conservation buffer, will be 11.5% once these guidelines are fully phased-in.

Domestically, systemically important banks would be required to maintain CET I capital requirement ranging from 0.2% to 0.8% of risk weighted assets. Banks will also be required to have an additional capital requirement under countercyclical capital buffer requirements, increasing linearly up to 2.5% of the risk weighted assets by March 31, 2020 Additionally, the Basel III LCR, which is a measure of the Bank's high quality liquid assets compared to its anticipated cash outflows over a 30 day stressed period, was applied in a phased manner starting with a minimum requirement of 60.0% from January 1, 2015 and will reach a minimum of 100.0% on January 1, 2019.

Besides LCR, the Basel III liquidity framework also envisage the NSFR, which measures the ratio between available stable funding (>1 year) and the required stable funding (> 1 year) to support long-term lending and other long term assets. The BIS, in October 2014, released the final guidelines for NSFR and aims for an NSFR of at least 100% as of 2018. For banks in India, RBI released the final guidelines on NSFR in May 2018. The date for implementation of NSFR as advised by RBI is April 1, 2020. This is expected to limit the reliance on short-term wholesale funding and may potentially increase the cost of funding and impact profits.

If we are unable to meet the new and revised requirements, our business and future financial performance could be adversely affected.

Labour Laws

As of March 31, 2018, we have around 50,000 employees in our Group.* Our full-time employees are employed by us and are entitled to statutory employment benefits, such as the employees' provident fund scheme and the employees' pension scheme, among others. In addition to our employees, our workforce also consists of outsourced personnel and personnel retained on a contractual basis.

* Do note that the total number ofGroup’s employees is as of March 31, 2018 and would have changed as on the date of this Information Memorandum.

We are subject to various labour laws and regulations governing our relationships with our employees and contractors, including in relation to minimum wages, working hours, overtime, working conditions, hiring and terminating the contracts of employees and contractors, contract labour and work permits.

A change of law that requires us to increase the benefits to the employees from the benefits now being provided may create potentially liability for us. Such benefits could also include provisions which reduce the number of hours an employee may work for or increase in number of mandatory casual leaves, which all can affect the productivity of the employees.

A change of law that requires us to treat and extend benefits to our outsourced personnel, and personnel retained on a contractual basis, as being full-time employees may create potentially liability for us. We cannot assure you that we will be in compliance with current and future health and safety and labour laws and regulations at all times and any failure to comply with such laws and regulations, including obtaining relevant statutory and regulatory approvals, could materially and adversely affect our business, future financial performance and results of operations.

Currently, some of our workforce is unionized and it is possible that future calls for work stoppages or other similar actions could force us to suspend all or part of our operations until disputes are resolved. The wage settlement discussion between IBA and Bank Unions takes place once every five years. The next wage settlement is due effective November 1, 2018. This is an industry level settlement and is currently under negotiation stage. Whenever the settlement is arrived at it shall be binding on us effective the due date. From time to time, the labour unions for the banking employees organise strikes, as a result of which, we have been and may in the future be affected by strikes, work stoppages or other labour disputes. In the event of a labour dispute, protracted negotiations and strike action may impair our ability to carry on our day-to-day operations, which could materially and adversely affect our business, future financial performance and results of operations.

53. ***We depend on various licenses issued by domestic and foreign regulators for the banking and other operations of the Bank. Failure to obtain, renew or maintain any required approvals, permits or licenses, may result in the interruption of all or some of the operations, which could materially and adversely affect the business and results of operations.***

We are also required to maintain various licenses issued by domestic regulators and foreign regulators for our banking and other operations. Domestically, we maintain our licenses with the RBI, IRDA, PFRDA and SEBI. Globally, we maintain our licenses with FSC Mauritius, Central Bank of UAE, FCA, DFSA Dubai, MAS, and in the United States, Securities and Exchange Commission and FINRA. Any license we have obtained may be revoked if we fail to comply with any of the terms or conditions relating to such license, or restrictions may be placed on our operations. Any such failure to obtain, renew or maintain any required approvals, permits or licenses, may result in the interruption of all or some of our operations, which could materially and adversely affect our business and results of operations.

RBI may cancel a licence for violations of the conditions under which it was granted. The RBI issues instructions and guidelines to banks on branch authorization from time to time. With the objective of liberalizing and rationalizing the branch licensing process, the RBI, effective September 19, 2013, granted general permission to domestic banks to open branches in tier 1 to tier 6 centres, subject to certain specified conditions. If we are unable to perform in a manner satisfactory to the RBI in any of the above areas, it may have an impact on the number of branches we will be able to open and would in turn have an impact on our future growth and may also result in the imposition of penal measures by the RBI.

54. ***We are required to undertake directed lending under RBI guidelines. We may experience a higher level of non-performing assets in our directed lending portfolio, which could materially adversely impact the quality of our loan portfolio and our business. Further, in the case of any shortfall in complying with these requirements, we may be required to invest in deposits as directed by the RBI. These deposits yield low returns, which may impact our profitability.***

The RBI prescribes guidelines on PSL in India. Under these guidelines, banks in India are required to lend 40% of their ANBC or the CEOBE, whichever is higher, as defined by the RBI, to certain eligible sectors categorised as priority sectors. The priority sector requirements are monitored on a quarterly basis to arrive at a shortfall or excess lending in each quarter. A simple average of all quarters will be arrived at and considered for computation of overall shortfall or excess as at the end of the financial year. Of the total priority sector advances, the RBI specifies sub-targets for lending towards agricultural advances, micro, small and medium enterprises, advances to weaker sections and the differential rate of interest scheme.

We have not always been able to meet the lending targets of certain sub-targets of the priority sector lending scheme in the past and may not be able to meet the overall priority sector lending target or certain sub-targets in the future. For example, we have in the past failed to meet the sub-targets for lending to small and marginal farmers, as a result of which we were required to increase our contribution to the RIDF (as defined below). Furthermore, the RBI can make changes to the types of loans that qualify under the PSL scheme or the RBI can change the sub-target requirements. Changes that reduce the types of loans that can qualify toward meeting our PSL targets could increase shortfalls under the overall target or under certain sub-targets.

In the case of non-achievement of priority sector lending targets, including sub-targets, we are required to invest in the RIDF established with NABARD and other Funds with NHB/SIDBI/ MUDRA Ltd. as decided by the RBI from time to time. The amount to be deposited, interest rates on such deposits and periods of deposits, and other terms, are

determined by the RBI from time to time. The interest rates on such deposits are lower than the interest rates which the Bank would have obtained by investing these funds at its discretion. Additionally, as per RBI guidelines, non-achievement of priority sector lending target and sub-targets will be taken into account by the RBI when granting regulatory clearances/approvals for various purposes.

We may experience a higher level of NPAs in our directed lending portfolio, particularly in loans to the agricultural sector, small enterprises and weaker sections, where we are less able to control the portfolio quality and where economic difficulties are likely to affect our borrowers more severely. Further expansion of the PSL scheme could result in an increase of NPAs due to our limited ability to control the portfolio quality under the directed lending requirements.

In addition to the directed lending requirements, the RBI has encouraged banks in India to have a financial inclusion plan for expanding banking services to rural and unbanked centres and to customers who currently do not have access to banking services. The expansion into these markets involves significant investments and recurring costs. The profitability of these operations depends on our ability to generate business volumes in these centres and from these customers. Future changes by the RBI in the directed lending norms may result in our inability to meet the priority sector lending requirements as well as require us to increase our lending to relatively more risky segments and may result in an increase in non-performing loans.
RBI had issued a revised framework on Resolution of Stressed Assets through its circular dated February 12, 2018 which stipulates norms for declaring the borrowers as default and otherwise. The framework has a set process for taking the borrower accounts to NCLT under IBC etc. The application of framework could result in some of our borrowers being declared as defaulted borrowers and also bank have to deal with more NCLT cases. The RBI supervisory team may also apply the norms in deciding the classification of our borrowers as NPAs.

55. ***We face restrictions on lending to large borrowers which may have a material adverse effect on our business, financial condition and results of operations.***

In August 2016, the RBI released guidelines on the framework for enhancing credit supply for large exposures through market mechanism. As per the guidelines, from Fiscal 2018, incremental exposure of the banking system to a specified borrower beyond the NPLL shall be deemed to carry higher risks which needs be recognized by way of additional provisioning and higher risk weights.

Further, the RBI has also aligned its limits on single and group borrowers to the Basel III standards. From April 01, 2019, our limits for single and group borrowers will be 20.0% and 25.0% of our tier 1 capital funds as against the current norm of 15.0% and 40.0% of the total capital funds. These limits may be subjected to further changes and revisions in future. These new regulations may have a material adverse effect on our business, financial condition and results of operations.

56. ***RBI guidelines relating to ownership in private banks and foreign ownership restrictions in private banks and its downstream companies could discourage or prevent a change of control or other business combination involving us.***

On May 12, 2016, RBI issued the Master Direction - Ownership in Private Sector Banks, Directions, 2016 ("**Master Directions**"). The Master Directions prescribe limits on ownership for all shareholders in the long run based on categorization of shareholders under two broad categories, namely (i) individuals; and (ii) entities/institutions. Further, these entities shall have separate limits for shareholding as laid down in the Master Directions.

There can be higher percentages of holding stakes by promoters or non-promoters through capital infusion by domestic or foreign entities or institutions if the RBI approves such transactions on a case-by-case basis.

If a transaction results in any person acquiring or agreeing to acquire, directly or indirectly, by itself or acting in concert with any other person, shares of a banking company or voting rights therein which taken together with shares and voting rights, if any, held by such person or such person's relative or associate enterprise or person acting in concert with such person, results in such person(s) holding at least 5.0% of the paid-up share capital of a banking company or entitles such person(s) to exercise at least 5.0% of a banking company's voting rights, RBI's approval is required prior to such a transaction.

The RBI, when considering whether to grant an approval, may take into account all matters that it considers relevant to the application, including ensuring that shareholders whose aggregate holdings are above specified thresholds meet fit and proper criteria.

RBI, vide gazette notification DBR.PSBD No. 1084/16.13.100/2016-17 dated July 21, 2016, has put a ceiling on voting rights at 26.0% by any person holding shares in banks. There are also foreign ownership restrictions in a private bank and in downstream companies which may impact an acquirer's ability to acquire a majority of our shares or acquire control over the Bank. The implementation of such restrictions could discourage or prevent a change in control, merger, consolidation, takeover or other business combination involving us, which might be beneficial to our shareholders.

Any substantial stake in us could discourage or prevent another entity from exploring the possibility of a combination with us. Any such obstacles to potentially synergistic business combinations could negatively impact our share price and have a material adverse effect on our ability to compete effectively with other large banks and, consequently, our ability to maintain and improve our financial condition.

57. ***RBI guidelines relating to prompt corrective action could materially and adversely affect our business, future financial performance and results of operations.***

On April 13, 2017, the RBI revised the PCA framework for Banks. The new PCA framework has stipulated thresholds for capital ratios, non-performing assets, profitability and leverage for banks. When the PCA framework is triggered, the RBI would have a range of discretionary actions it can take to address the outstanding issues. These discretionary actions include conducting supervisory meetings, conducting reviews, advising banks' boards for altering business strategy, review of capital planning, restricting staff expansion, removing of managerial persons and superseding the Board. If we are covered under the PCA framework, it could materially and adversely affect our business, future financial performance and results of operations.

58. ***We have previously been subject to penalties imposed by the RBI. Any regulatory investigations, fines, sanctions, and requirements relating to conduct of business and financial crime could negatively affect our business and financial results, or cause serious reputational harm across our businesses.***

The RBI is empowered under the Banking Regulation Act, to impose penalties on banks for any failure by the banks to comply with the applicable regulatory requirements.

During fiscal year 2014, the RBI investigated a corporate borrower's loan and current accounts maintained with 12 Indian banks, including us. On July 25, 2014, RBI imposed a penalty of ₹ 10,00,000 on us on the grounds that we failed to exchange information about the conduct of the corporate borrower's account with other banks at intervals as prescribed in the RBI guidelines on "Lending under Consortium Arrangement / Multiple Banking Arrangements" and for not obtaining the "No Objection Certificate" from other banks before opening current account.

In September 2015, the FIU has imposed a fine of ₹300,000 on us relating to the failure of erstwhile eIVBL in detecting and reporting attempted suspicious transactions in 2013. We had filed an appeal against the FIU order as permitted by the order. The appeal preferred by the Bank before the Appellate Tribunal under the PMLA challenging the order passed by FIU imposing penalty of ₹ 3,00,000 was allowed in the Bank's favour and the order passed by FIU has been set aside. However, FIU has gone for a further appeal on this and the outcome of the appeal may result in imposition of penalty of ₹ 3,00,000 on the Bank.

In relation to the an instance of bouncing of SGL on April 13, 2016 for Rs. 9141.25 lacs, RBI has imposed a penalty of Rs.5 lacs on KMBL vide its letter dated May 12, 2016.

On April 13, 2017, RBI imposed a penalty of ₹ 10,000, under section 11(3) of FEMA 1999 for non-reporting of transactions on gross basis in the R-Returns in a specific case.

Further, RBI had imposed a penalty of Rs.20 lakh on our Bank in February 2019 – for KYC deficiencies found in opening ONE savings account opened in the year 2010.

We cannot predict the initiation or outcome of any further investigations by other authorities or different investigations by the RBI. The penalty imposed by the RBI has generated adverse publicity for our business. Such adverse publicity, or any future scrutiny, investigation, inspection or audit which could result in fines, public reprimands, damage to our reputation, significant time and attention from our management, costs for investigations and remediation of affected customers, may materially adversely affect our business and financial results.

59. ***Any non-compliance with mandatory Anti Money Laundering (AML) and Know Your Customer (KYC) policies could expose us to additional liability and harm our business and reputation.***

In accordance with the requirements applicable to banks, we are mandated to comply with applicable anti-money laundering ("**AML**") and KYC regulations in India. These laws and regulations require us, among other things, to adopt and enforce AML and KYC policies and procedures. While we have adopted policies and procedures aimed at collecting and maintaining all AML and KYC related information from our customers in order to detect and prevent the use of our banking networks for illegal money-laundering activities, there may be instances where we may be used by other parties in attempts to engage in money-laundering and other illegal or improper activities. In addition, a number of jurisdictions (including India) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA. Pursuant to these provisions, as part of our KYC processes we are required to collect and report certain information regarding US persons having accounts with us.

Although we believe that we have adequate internal policies, processes and controls in place to prevent and detect AML activity and ensure KYC compliance, including FATCA compliance, and have taken necessary corrective measures, there can be no assurance that we will be able to fully control instances of any potential or attempted violation by other parties and may accordingly be subject to regulatory actions including imposition of fines and other penalties by the relevant government agencies to whom we report, including the FIU-IND. Our business and reputation could suffer if any such parties use or attempt to use us for money-laundering or illegal or improper purposes and such attempts are not detected or reported to the appropriate authorities in compliance with applicable regulatory requirements.

60. ***RBI may remove any employee, managerial person or may supersede our Board which may adversely affect our business, results of operations and financial conditions.***

The Banking Regulation Act confers powers on the RBI to remove from office any directors, chairman, chief executive officer or other officers or employees of a bank. RBI also has the powers to supersede the board of directors of a bank and appoint an administrator to manage the bank for a period of up to 12 months. The RBI may exercise powers of supersession where it is satisfied, in consultation with the Central Government that it is in the public interest to do so, to prevent the affairs of any bank from being conducted in a manner that is detrimental to the interest of the depositors, or for securing the proper management of any bank. Should any of the steps as explained herein are taken by RBI, our business, results of operations and financial conditions would be materially and adversely affected.

61. ***Non-compliance with RBI inspection/observations may have a material adverse effect on our business, financial condition or results of operation.***

We are subject to periodic inspections by RBI under the Banking Regulation Act. In the past certain observations were made by RBI during such inspections regarding our business and operations. While we attempt to be in compliance with all regulatory provisions applicable to us, in the event we are not able to comply with the observations made by the RBI, we could be subject to supervisory actions which may have a material adverse effect on our reputation, financial condition and results of operations.

Risks relating to the Debentures

62. ***All Debentures being offered under this Information Memorandum are unsecured and RBI prescribes certain restrictions in relation to the terms of these Debentures.***

All Debentures being issued under this Information Memorandum are unsecured in nature. The claims of the holders in the long term bonds being issued as Debentures shall rank *pari passu* along with claims of other uninsured, unsecured creditors of the Issuer and senior to (a) the claims for payment of any obligation that, expressly (as permitted under law) or by applicable law, are subordinated to these Debentures, (b) the claims of holders of preference and equity shares of the Issuer and (c) the claims of investors in other instruments eligible for capital status.

The Debentures shall not be redeemable at the initiative of the holder at any time during the tenure of the Debentures or otherwise. These Debentures do not have any special features like Put option and Call option. Thus, the Debenture holder(s) would not be able to withdraw their investments in the Debentures by exercise of put option.

We have appointed a Debenture Trustee to protect the interest of all the Debenture holder(s) In the event of any default/liquidation, the Debenture holder(s) may proceed against us in the manner as may be stipulated under the Debenture Trust Deed to be entered into for the Issue between the Trustee and the Issuer. The Trustee may refuse to take any action upon the instructions of the Debenture holder(s) under the Debenture Trust Deed unless suitably indemnified.

63. ***The Issuer will not create or maintain a Debenture Redemption Reserve (DRR) for the Bonds issued under this Offer Document.***

As per the provisions of the Companies Act, any company that intends to issue debentures must create a debenture redemption reserve to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. However, under the Companies (Issuance of Share Capital and Debentures) Rules, 2014, All India Financial Institutions (AIFIs) regulated by RBI and banking companies are exempt from this requirement in respect of both public and privately placed debentures. Pursuant to this exemption, and given that the Debentures being issued in terms of this Information Memorandum are in the nature of debentures, the Issuer does not intend to create any reserve funds for the redemption of the Debentures**.** Therefore, the Issuer will not be maintaining debenture redemption reserve in respect of the Debentures issued herein and the Debenture holder(s) may find it difficult to enforce their interests in the event of a default.

64. ***Repayment is subject to the credit risk of the issuer.***

Potential investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential investors assume the risk that the Issuer may not be able to satisfy it's obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

65. ***The secondary market for the debentures may be illiquid.***

The Debentures may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Potential investors may have to hold the Debenture until redemption to realise any value.

66. ***Credit Risk & Rating Downgrade Risk***

The Rating Agency(ies) has assigned the credit ratings to the Debentures. In the event of deterioration in the financial

health of the Issuer, there is a possibility that the Rating Agency(ies) may downgrade the rating of the Debentures. In such cases, potential investors may incur losses on re-valuation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms.

67. ***Tax Considerations And Legal Considerations***

Special tax considerations and legal considerations may apply to certain types of investors. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of this investment.

68. ***Accounting Considerations***

Special accounting considerations may apply to certain types of taxpayers. Potential investors are urged to consult with their own accounting advisors to determine implications of this investment.

69. ***Material Changes In Regulations To Which The Issuer Is Subject Could Impair The Issuer's Ability To Meet Payment Or Other Obligations.***

The Issuer is subject to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

70. ***Legality Of Purchase***

Potential investors of the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

Risks Relating to India

71. ***Any adverse change in India's credit rating by an international rating agency could materially adversely affect our business and profitability.***

Our outstanding debt is mostly domestic even though the Bank is rated both domestically and internationally.

Standard and Poor's ("**S&P**"), Moody's Investors Service Limited ("**Moody's**") and Fitch Ratings, Inc. ("**Fitch**") currently have stable outlooks on their sovereign rating for India. There is no assurance that these stable outlooks would remain and they may lower their sovereign ratings for India or the outlook on such ratings, which would also impact our ratings. Further, rating agencies may change their methodology for rating banks, which may impact our standing amongst peer banks.

Any adverse credit rating outlook on India would impact the country's outlook and cascade into interest rate and currency depreciation.

In September 2014, S&P affirmed the "BBB minus" sovereign credit rating on India and revised the outlook on India's long-term rating from "negative" to "stable", citing improvement in the Government's ability to implement reforms and encourage growth, which in turn would lead to improving the country's fiscal performance. At the same time, S&P revised the rating outlooks on 11 Indian banks, including the Bank and other financial institutions from "negative" to "stable". In April 2015, Moody's revised India's sovereign rating outlook from "stable" to "positive" and retained the long-term rating at "Baa3" as it expected actions of policymakers to enhance India's economic strength in the medium term. In July 2016, Fitch revised its outlook for the Indian banking sector to "Negative" from "Stable" due to the increase in non- performing loans. In November 2017, Moody's has raised India's credit rating from the lowest investment grade of Baa3 to Baa2, and changed the outlook from stable to positive**.**

There can be no assurance that these ratings will not be further revised or changed by S&P, Fitch or Moody's or that any of the other global rating agencies will not downgrade India's credit rating. As our foreign currency ratings are pegged to India's sovereign ceiling, any adverse revision to India's credit rating for international debt will have a corresponding effect on our ratings. Therefore, any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available. Any of these developments may materially and adversely affect our business, financial condition and results of operations.

72. ***Political instability or changes in the government in India could delay the liberalisation of the Indian economy and materially adversely affect economic conditions in India generally, which would impact our financial results and prospects.***

Since 1991, successive Indian governments have pursued policies of economic liberalisation, including significantly relaxing restrictions on the private sector. Nevertheless, the roles of the Indian central and state governments in the Indian economy as producers, consumers and regulators remain significant as independent factors in the Indian economy.
In recent years, India has been following a course of economic liberalisation and our business could be significantly influenced by economic policies followed by the Government. Further, our businesses are also impacted by regulation and conditions in the various states in India where we operate. There can be no assurance as to the policies future governments will follow or that it will continue the policies of the existing government.

The rate of economic liberalisation is subject to change and specific laws and policies affecting banking and finance companies, foreign investment, currency exchange and other matters affecting investment in our securities are continuously evolving as well. Any significant change in India's economic liberalisation, deregulation policies or other major economic reforms could materially adversely affect business and economic conditions in India generally and our business in particular.

73. ***Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries would negatively affect the Indian market where our shares trade and lead to a loss of confidence and impair travel, which could reduce our customers' appetite for our products and services.***

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our equity shares trade and also materially adversely affect the global financial markets. These acts may also result in a loss of business confidence, make travel and other services more difficult and as a result ultimately materially adversely affect our business. In addition, any deterioration in relations between India and its neighbours might result in investor concern about stability in the region.
India has also witnessed civil disturbances in recent years and future civil unrest as well as other adverse social, economic and political events in India could have an adverse impact on us. Such incidents also create a greater perception that investment in Indian companies involves a higher degree of risk, which could have an adverse impact on our business.

74. ***Investors may have difficulty enforcing foreign judgments in India against the Bank or its management.***

The Bank was constituted under the Companies Act, 1956. Substantially all of the Bank's directors and executive officers named herein are residents of India and a substantial portion of the assets of the Bank and such persons are located in India. As a result, it may not be possible for investors outside of India to effect service of process on the Bank or such persons from their respective jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India predicated upon civil liabilities of the Bank or such directors and executive officers under laws other than Indian Law.

75. ***A slowdown in economic growth in India would cause us to experience slower growth in our asset portfolio and deterioration in the quality of our assets.***

Our performance and the quality and growth of our assets are necessarily dependent on the health of the overall Indian economy, which in turn is linked to global economic conditions. Below-trend global growth may adversely affect the growth prospects of the Indian economy. This could adversely affect our business, including our ability to grow our

asset portfolio, the quality of our assets and our ability to implement our strategy. The Indian economy may be adversely affected by financial instability which could emanate from volatile oil prices, given India's dependence on imported oil for its energy needs, and adverse weather conditions weighing on inflation outlook. Also, risk-off led by sharp global slowdown and the consequent capital outflows may further have a cascading impact on our asset portfolio. In addition, the Indian economy is in a state of normalisation post the implementation of demonetisation and GST. Certain challenges in the financial space resulting in tightening of the market conditions are expected to weigh on the growth in the near term. Besides, for India to sustain the high growth there is a need for substantial infrastructure development and improvement of access to healthcare and education. The supply constraints and the lack of funding pose a challenge to the sustenance of India's high growth trajectory. If the Indian economy deteriorates, our asset base may erode, which would result in a material decrease in our net profits and total assets.

SECTION 4: FINANCIAL STATEMENTS

Please refer to **Annexure V** of this Information Memorandum.

SECTION 5: REGULATORY DISCLOSURES

This Information Memorandum is prepared in accordance with the provisions of SEBI Debt Listing Regulations, SEBI LODR Regulations and the Act, and in this section, the Issuer has set out the details required as per Schedule I of the SEBI Debt Listing Regulations

5.1 Documents Submitted to the Exchanges

The following documents have been / shall be submitted to the NSE and BSE:

(a) Memorandum and Articles of Association of the Issuer and the resolution(s) passed for the allotment of the Debentures;
(b) Copy of last three years audited Annual Reports;
(c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
(d) Copy of the Board / Committee Resolution authorizing the borrowing and list of authorised signatories;
(e) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, would be executed within the time frame prescribed in the relevant regulations/act/rules etc. and the same would be uploaded on the website of the Designated Stock exchange, where the debt securities have been listed, within 5 (Five) working days of execution of the same
(f) Any other particulars or documents that the recognized stock exchange may call for as it deems fit.

5.2 Documents Submitted to Debenture Trustee

The following documents have been / shall be submitted to the Debenture Trustee:
(a) Memorandum and Articles of Association of the Issuer and resolution(s) passed for the allotment of the Debentures;
(b) Copy of last three years audited Annual Reports
(c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
(d) Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any.
(e) An undertaking to the effect that the Issuer would, till the redemption of the debt securities, submit the details mentioned in point (d) above to the Debenture Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No.SEBI/IMD/BOND/1/2009/11/05, dated May 11, 2009 as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 (One Hundred Eighty) days from the end of the Financial Year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture-holders within 2 (two) working days of their specific request.

5.3 Name and Address of Registered Office of the Issuer

Name:	Kotak Mahindra Bank Limited
Date of Incorporation:	21st November 1985
Registered Office of Issuer:	27BKC, C 7, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
Corporate Office of Issuer:	27BKC, C 7, G Block, Bandra Kurla Complex,

	Bandra (E), Mumbai - 400 051
Company Secretary	Ms. Bina Chandarana, Sr. Executive Vice President & Company Secretary
Compliance Officer of Issuer:	Ms. Bina Chandarana, Sr. Executive Vice President & Company Secretary
CFO of Issuer:	Mr. Jaimin Bhatt, President & Group CFO
Arrangers, of the instrument:	Kotak Mahindra Bank Limited
Corporate Identification	L65110MH1985PLC038137
Phone No. Fax No.	022 - 61660001 022 - 67132403
Contact Person: Email: Website of issuer:	Ms. Bina Chandarana bina.chandarana@kotak.com www.kotak.com
Trustee to the Issue:	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001
Registrar to the Issue:	Link Intime India Private Limited C – 13, Pannalal silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078
Credit Rating Agencies:	CRISIL Limited CRISIL House , Central Avenue , Hiranandani Business Park , Powai , Mumbai 400 076 Ph : 022 3342 3000 / Fax : 022 3342 3050 Web site : www.crisil.com ICRA Limited 1105, Kailash Building, 11th Floor 26, Kasturba Gandhi Marg, New Delhi – 110 001 Tel: +91-22-61796300 Fax: +91-22-24331390 Web site: www.icra.in India Ratings and Research Private Limited Wockhardt Towers, 4th Floor, West Wing Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 Tel: +91-22-4000 1700 Fax: +91-22-4000 1701 Web site: www.indiaratings.co.in

Auditors of the Issuer	Messrs. S .R. Batliboi & Co. LLP, Chartered Accountants 14th Floor, The Ruby, 29, Senapati Bapat Marg, Dadar West, Mumbai – 400028.

5.4 A brief summary of business / activities of Issuer and its line of business

The Issuer hereunder provides a brief summary of business/activities about itself and its various lines of businesses including the overview and corporate strategy of the Issuer.

We are a diversified and integrated financial services conglomerate led, by the commercial bank and the holding company in our Group structure, being Kotak Bank, is among the largest private sector banks in India by total assets as of December 31, 2018. Our products and services cover banking, financing through NBFCs, asset management, life and general insurance, stock broking, investment banking, wealth management and asset reconstruction, encompassing all customer and geographic segments within India. As a group, we also operate in overseas markets through international Subsidiaries or branches in the United States, United Kingdom, Mauritius, UAE and Singapore.

We organize our banking activities into consumer banking, corporate banking, commercial banking and treasury. Our consumer banking operations include deposit taking, disbursing loans such as home loans, loans against property, personal loans and working capital loans and offer various products such as debit cards and credit cards. Under corporate banking, we offer products and services such as corporate loans, trade finance, foreign exchange and derivatives, and cash management activities and loans to SME (which we also call "**Business Banking**"). We also provide standardized and structured client solutions including loan syndication, bond placement, mezzanine financing and securitisation through the DCM division. Under commercial banking, we provide tractor loans, commercial vehicles and construction equipment financing and agricultural finance. Treasury provides foreign exchange services and interest rate risk management solutions to our consumer banking, commercial banking and corporate banking customer segments. Our strength in our businesses is demonstrated by the following awards:

- Banker's Choice Awards : Best Cash Management Bank in India
- India's Best Bank and Best Bank in the Emerging Markets in Euromoney Regional Awards by Euromoney Awards for Excellence 2018;
- Icon of Indigenous Excellence Award at 2nd Annual Economic Times Iconic Brand Summit 2018;
- 811 & Biometric-Most Innovative Product at IBAs Banking Technology Awards 2018;
- DMAI Asia Echo: Best integrated campaign : 811 Shop Pay Bank Live (Gold) 2018
- Customer Service Provider of the Year - Private Bank by the India Banking Summit & Awards 2018
- Best Mid-Size Bank by Businessworld Magna Awards 2018;
- Best Mid-Size Bank by Business Today Best Banks Awards 2018;
- Best Savings Bank Product by FE India's Best Bank Award 2016-17;
- Best Bank for CTS Clearing Operations for year 2017 by NPCI
- Excellence in Financial Reporting – Annual Report FY16-17 (Private Sector Banks category) by ICAI Awards for 2016-17;
- Best Fund in over 5 years (Midcap) at the 2018 Thomson Reuters Lipper Fund Award for India;
- Best Corporate & Investment Bank at the Asiamoney Best Bank Awards 2018 for India; and
- Securities Advisory Firm of the Year in India at the Corporate INTL Global Awards 2017.

Our Group structure comprises of Kotak Bank (the commercial bank and holding company) along with its 19 wholly-owned Subsidiaries. The largest companies in our Group by profit after tax for 9M FY 19 were Kotak Bank, Kotak Prime, Kotak Life, and Kotak Securities a which accounted for 67.0%, 8.4%, 7.1%, and 6.6% of our consolidated profit after tax for 9M FY 19 respectively. Kotak Prime is a NBFC.

Kotak Bank services a customer base in excess of 1.3 crore customers as of March 31, 2018 covering a wide spectrum across domestic individual and households, non-residents, small and medium business segments for a range of products from basic savings and current accounts to term deposits, credit cards, unsecured and secured loans, working capital and distribution of investment products.

As of December 31, 2018, Kotak Bank had 1,453 branches and 2,270 ATMs and our group companies Kotak Prime, Kotak Life, Kotak Securities and KMAMC had additional distribution outlets across India (including branches, franchises and referral co-ordinators). The Group has an international presence in New York, London, Mauritius, California, Dubai, Singapore and Abu Dhabi. We have an international banking unit in GIFT City, India's first international financial services centre and have also received the RBI approval to set up a bank branch in DIFC. In addition, we also have correspondent banking arrangements and other arrangements to provide international remittance services.

For the year ended March 2016, 2017, 2018 and 9M FY 19 we generated a total consolidated income of ₹ 27,975crore, ₹ 33,905 crore, ₹ 38,724 and ₹ 32,080 crore respectively, and our net profit for the corresponding period was ₹ 3,459 crore, ₹ 4,940 crore, ₹ 6,201 crore and ₹ 5,166 crore respectively, in each case on a consolidated basis. Our total consolidated assets have increased from ₹ 2,40,804 crore as of March 31, 2016, to ₹ 2,76,188 crore as of March 31, 2017, to ₹ 3,37,720 crore as of March 31, 2018 and ₹ 3,69,261 crore as of December 31, 2018. Our standalone total deposits have also increased from ₹ 1,38,643 crore as of March 31, 2016, to ₹ 1,57,426 crore as of March 31, 2017 to ₹ 1,92,643 crore as of March 31, 2018 and ₹ 2,13,804 crore as of December 31, 2018

Our Competitive Strengths

We believe that the following strengths give us a competitive advantage in the Indian financial services space:

An integrated and diversified business model

We have an integrated and diversified business model offering banking, financing, asset management, insurance, stock broking, investment banking, wealth management and asset reconstruction encompassing all customer and geographic segments within India. Such a model gives us the ability to take advantage of shifting economic environments. We have balance-sheet driven businesses, such as lending and investing, to capitalise on favourable interest rate movements, market-driven businesses such mutual funds to capitalise on favourable capital markets conditions and knowledge-driven businesses such as investment banking to maximize fee-based income, deepen relationships and increase customer penetration.

We also benefit from diverse revenue streams in many of our business segments. For example, in the mutual fund segment, we not only manage our own mutual fund products but also act as distributors for third-party products, allowing us to capture the margins that arise from offering our own products while also earning distribution revenue from others' products. The wide spectrum of financial products and services that we offer provides us with complementary revenue streams that help to balance against market cycles and hedge against downturns in any particular business segment or asset class, as well as access multiple growth avenues.

Our broad product spectrum also helps us to meet our customers' diverse financial and investment requirements, enhancing the overall experience of our customers. Our diversified business leads to significant cross-selling opportunities, subject to any regulatory restrictions, enabling us to garner a larger proportion of potential revenue from our customers to meet their diverse financial requirements. For example, we are able to realise advisory fees by providing investment banking services, underwriting fees by arranging bond financing for a transaction and service income by acting as the escrow bank for a transaction, all while deepening our customer interactions and relationships, which we can then leverage into corporate banking services.

We are diversified not only across products and service segments and revenue streams, but also customer segments and geographies within India. Our corporate and institutional customers range from small and medium enterprises to emerging, large and very large corporates. Our retail customers range from mass market to affluent to high net worth individuals. Geographically, our retail customers are spread across metro, urban, semi-urban and rural geographies in India, and our bank branch network covers 1,453 branches as of December 31, 2018 across India.

Our integrated business model is strengthened by our senior management, many of whom have expertise across the spectrum of financial services, as opposed to expertise only within the banking industry or isolated business segments. This cross-group expertise allows our senior management team to understand the interactions and relationships between various aspects of our businesses in order to flexibly respond to changing economic conditions and to enhance our product and service offerings.

We are able to identify and capitalise on opportunities
One of our key strengths is our ability to identify and capitalise on opportunities, both through offering innovative new products and services as well as by entering into established segments and effectively compete. To this end, we are continually looking for opportunities to innovate and expand our offerings.

We were the first NBFC to convert into a bank in India, having converted in 2003. Subsequent to our conversion, we have grown to become among the largest private sector banks in India by total assets as of December 31, 2018. We believe that a key element of our growth has been our ability to create niche and differentiated business segments across many aspects of the financial services industry.

Since our founding in 1985, we have led many "firsts" in India's financial services industry. For example, our Subsidiary, Kotak Mahindra Capital Company Limited managed one of the first book-built IPO in India, and we were among the first banks to raise interest rates over the prevalent 4% on domestic savings deposits after the RBI deregulated interest rates on savings deposits in 2011, which helped to drive a rise in our savings deposit base.

More recently, we have developed a comprehensive digital offering across internet and mobile platforms to increase our new customer acquisition and better engage with our existing customers. Our digital strategy has been designed to complement our physical infrastructure to drive efficiency and enhance customer experience.

We routinely review and monitor a number of internal and external factors across all our various businesses to identify opportunities as well as weaknesses in order to take early decisions to either capitalise on an opportunity or take corrective action to limit our exposure. We believe that our culture of innovation has allowed us to build profitable business models across our various businesses and has enabled us to enter into and maintain partnerships across our various businesses from time to time and also attract quality long term investors as shareholders.

Prudent Risk Management Capabilities
One of our key strengths is our ability to assess opportunities in order to make clear decisions with a focus on rewards that commensurate with risk. While our policy is one of prudent risk management, we are not averse to taking risk so long as the risk is priced to provide attractive risk-based returns.

Our prudent risk management and credit evaluation processes, coupled with our ability to evaluate and appropriately price risk, have helped us maintain low NPAs and SMA2, despite rapid growth in recent years. Our Net NPA and SMA2 were 0.71% and 0.18% of net advances respectively on a standalone basis as of December 31, 2018. Our outstanding Net NPA and SMA2 were ₹ 1,397 crore and ₹ 344 crore respectively as on December 31, 2018. We also have an asset reconstruction division to buy stressed portfolios from other financial institutions.

We are a well-capitalised Bank with a standalone capital adequacy ratio of 16.5% (excluding profits) as per Basel III as on December 31, 2018. Our strong financial position is also reaffirmed by the AAA rating accorded by CRISIL and ICRA to the Bank, Kotak Prime, Kotak Investments and Kotak Securities. We have also been able to maintain high NIMs in spite of the fact that we offer higher interest rates on domestic savings deposit than many of our peers. Though we offer a rate up to 6% on domestic savings deposits between ₹ 0.01 crore and ₹ 1 crore, as against 3.5% to 4% provided by many of our peers, our standalone NIMs were 4.33% for Q3 FY 19.

Our strong brand and leadership in various businesses
We believe that the "Kotak" and "Kotak Mahindra" brands are among the most reputed and widely recognised brands in Indian financial services. The 'Kotak Mahindra Bank' brand was recognised as the seventh and the sixth most valuable Indian brand across industry categories in 2016 and 2017 respectively, in the BrandZ Top 50 Most Valuable Indian Brand study by WPP Group and Kantar Millward Brown. We have been recognized with numerous industry awards and accolades for various aspects of our business, which we believe reflect the governance culture and talent of our senior management and employees as well as trust in the quality of our products and services. Examples of the awards and recognitions that we have received include being named "Company of the Year" in 2016 at the Economic Times Awards for Corporate Excellence, 'Best Domestic Bank' in India as well as Best Corporate & Investment Bank in India at the Asia Money Best Bank Awards 2018.

Our brand strength is supported by strong positions that we hold across various segments of our business. In addition to being among the largest private sector banks in India by total assets, for the period up to Feb-19, we

also are the Sixth largest private sector life insurer in terms of individual first year premiums for that period on the basis of data for all life insurers released by the Life Insurance Council of India and the seventh largest mutual fund in terms of quarterly average assets under management for the quarter October – December, 2018 as per data available from AMFI. Moreover, Kotak Mahindra Capital Company Limited, our 100% Subsidiary, has the highest ranking among the investment banks in India based on the amount raised through domestic equity issuances for the period April 1, 2013 to March 31, 2018 (*Source: Prime Database*).

We have a strong governance culture and an experienced management team

Eleven of the twelve members of our Executive Board are professional entrepreneurs that have spent more than 20 years with our Group and helped us to create various businesses since inception. This continuity in leadership has carried our Group successfully through periods of global financial crisis and economic downturn, as well as through periods of volatility in markets and interest rates. We also derive our strength from our Promoter, Uday Kotak, an entrepreneur whose leadership achievements have been recognised and rewarded through numerous awards throughout his career, including being named 'Banker of the Year' by Businessworld Magna Awards 2018, 'EY World Entrepreneur of The Year 2014' by Ernst & Young, 'Entrepreneur of the Year' at the Forbes India Leadership Awards 2015 and 'Businessman of the Year 2016' by Business India.

In addition, we have a significant pool of managerial talent in our mid-to-senior ranks so that we are not dependent on the continuing services of any one person.

Having a management team with such length, breadth and depth of experience enables us to have a strong succession pipeline for senior leadership positions and also helps us to carefully nurture our culture of growth, innovation and high quality governance.

Our Business Strategy

Expanding market share in Indian financial services with our established offerings
We aim to expand our market share in Indian financial services by increasing our customer base across the Group. The Bank will continue to be our main customer acquisition engine and we aim to leverage customer growth achieved at the Bank by offering our banking customers products and services offered by our other businesses. To drive growth at the Bank, we are focusing particularly on our digital platform, such as "811" mobile application, to target the mass markets across India. We believe that digital offerings will position us well to capitalise on growth in India's banking and financial services sector arising from India's emerging middle class and growing number of bankable households.

With 1,453 branches across India as of December 31, 2018, we believe that we have a widespread distribution network, through which we can offer our products and services to a broad range of customers, while maintaining profitability. We plan to have a measured growth of our branch network.

Our diversification across financial products and services, coupled with our organizational structure and culture, provides us with an ability to offer various products and services from across our businesses to our expanding base of banking customers. We believe that this will position us well to increase the proportion of our customers' total spending that we capture.

Our life insurance business has been growing through a multi-pronged strategy of entering new geographical markets, cross- selling to our Group's customer base, introducing new products to cater to underpenetrated customer segments, increase the number of life insurance advisers licensed by us and tying up with new distributors.

In our asset management business, the focus has been to deepen penetration through increased distribution tie-ups across channels, increasing accounts under the regular saving SIPs and further improving performance of existing funds. As a result, our consolidated Assets under management has grown from ₹ 1,41,336 crore for March 31, 2017 to ₹ 1,82,519 crore for March 31, 2018 and to ₹ 2,03,222 crore for December 31, 2018 including insurance and alternate investments. These initiatives are expected to help us increase our customer base further and also aid in increasing our AUM.

Kotak Securities, our stock broking Subsidiary, has worked with the Bank to leverage on the banks client base to extend broking services. Kotak Securities has also tied up with some other banks to offer broking services to

their clients. It uses digital marketing to generate customer leads and has also introduced a number of initiatives to simplify customer on boarding. This is in addition to new products that it launches regularly in line with customer needs.

Focus on Additional Avenues of Organic Growth

In addition to benefiting from the overall growth in India's economy and financial services industry, we aim to increase our market share by continuing to focus on our competitive strengths, including our strong brand and our extensive network, to increase our market penetration. We also aim to deepen our market penetration by pursuing new opportunities in our commercial, corporate and retail lending businesses, as well as by growing our various non-banking businesses.

Within our banking business, we aim to continue harnessing synergies provided by the eIVBL merger to increase our strength in Business Banking and to grow our corporate loan book. In addition, we have set up an infrastructure debt financing company to increase our corporate loan book through avenues such as infrastructure lending. We have made an entry into the area of consumer durable finance, which we believe holds significant growth potential given increasing household disposable incomes and increased awareness. Moreover, we aim to expand our international presence through an increased focus on our international lending portfolio, through our international banking unit in GIFT City and through the opening of an overseas bank branch in Dubai, for which we have received an in-principle approval from RBI and have submitted an application for the same to the DFSA which is under their active consideration.

We inherited a strong portfolio of SMEs under our merger with eIVBL. These self-employed customers, in addition to being a strong base for our cross-sell proposition for other Group products and services, especially on the consumer finance side, also serve as a customer segment for our priority and wealth management offerings.

We are not just focused on increasing market penetration in our banking business. We also aim to increase the share of contribution from our complementary non-banking businesses, such as insurance and securities broking.

We see an immense opportunity in the under-penetrated life insurance space. Our life insurance business is well poised to capitalise on the same. We are targeting higher growth through a planned foray into new geographies and customer segments, introducing new tools to improving front-line productivity and retention, increased numbers of life insurance advisors licensed by us and new distribution tie-ups.

Leverage our strong standing to pursue inorganic opportunities

We will actively seek inorganic growth opportunities in the Indian financial services space. These opportunities can take various forms, including acquisitions, mergers, joint ventures, strategic investments and asset purchases. To this end, we will seek inorganic growth opportunities in businesses or assets that are aligned to our business across our product and service lines. We will pursue these inorganic growth opportunities where we see the ability to add value for our stakeholders and customers and also grow our footprint across the Indian banking and financial services chain. For example, from time-to-time in the past we have acquired portfolios from others banks, such as international banks exiting their India businesses, to expand our deposit and loan portfolios. We have also recently acquired BSS Microfinance Limited which was in the business of microfinance. We will also seek out partners and investors for particular businesses and asset classes to diversify the risk of launching new businesses and also benefit from the expertise or track record of such partners and investors in these businesses.

We believe that our successful integration of eIVBL demonstrates our strong ability to execute complex and large transactions.

Capitalize on opportunities arising from the increase in NPAs and stressed assets in the Indian banking industry

In recent years, the level of NPAs and stressed assets across the Indian banking sector has risen substantially. RBI has, post its asset quality review in 2015, introduced various guidelines to banks on ways to handle stressed assets and methods to improve the financial condition of banks. These guidelines cover different aspects such as revisions in rules pertaining to the sale of NPAs, restructuring of stressed assets and availability of data on industry level position of stressed assets. The Bank, is among the few banks in India to buy NPAs from other banks and financial institutions and considers opportunities in the stressed assets space to be of interest. We

believe that there could be strategic investment opportunities in the form of setting up and operating an entity focused on purchasing and restructuring of these portfolios. We have and will actively seek out and look to participate in this opportunity either on our own or with a consortium of banks and investors. We are evaluating opportunities to invest in the proposed bad loan asset management company.

Continue our investments in technology

We believe the increased availability of internet access and broadband connectivity across India requires a comprehensive digital strategy to proactively develop new methods of reaching our customers and running our businesses. We have therefore adopted a four-pronged digital strategy, focusing on: (i) acquiring customers; (ii) enhancing our customer experience; (iii) making our internal business operations more efficient; and (iv) enhancing our cyber security and data protection framework.

We are continuously investing in technology as a means of improving our customers' experience, offering them a range of products tailored to their financial needs and making it easier for them to interact with us. We have launched internet and mobile based applications across most of our product and service portfolios, and we will continue to invest in creating a superior technology infrastructure to support our digital strategy. We believe additional investments in our technology infrastructure to further develop our digital strategy will allow us to cross-sell a wider range of products on our digital platform in response to our customers' needs and thereby expand our relationship with our customers across a range of customer segments. We believe a comprehensive digital strategy will provide benefits in developing long-term customer relationships by allowing customers to interact with us and access their accounts wherever and whenever they desire.

On the operational side, we believe that investments in internal systems and security technology lead to enhanced customer satisfaction, and therefore enhance our competitiveness. Accordingly, we are continuing to invest in technology in order to improve our banking operations and efficiency, to reduce errors arising out of manual intervention and to carry out regular IT audits which are reviewed by committees of our Board. We are also continuing to invest in our cyber security network and privacy protection systems, in order to supplement our growth and increase the robustness of our data security framework.

History

Over the course of the last 30 years, we have built up our business to provide the full suite of financial products for our customers.

We commenced operations in 1985 as a non-bank finance company providing bill-discounting services. In 1987, we entered the lease and hire purchase business. With opening up of the Indian economy in early 1990, we entered the auto finance (1990) and investment banking (1991) business to capitalise on new opportunities. We completed our IPO in 1992. In 1995, we entered into a joint venture with Goldman Sachs and incorporated Kotak Mahindra Capital Company, our investment banking Subsidiary. In 1996, our auto finance business was hived off into a separate company - Kotak Mahindra Primus Limited (now known as Kotak Mahindra Prime Limited), a joint venture with Ford Credit to finance non-Ford vehicles. We also took a significant stake in Ford Credit Kotak Mahindra Limited for financing Ford vehicles. In 1998, we entered into the asset management business with the launch of India's first gilt fund managed by Kotak Mahindra Asset Management Company. Our life insurance Subsidiary, Kotak Mahindra Old Mutual Life Insurance Limited (now known as Kotak Mahindra Life Insurance Company Limited) was incorporated in 2000 as a joint venture with Old Mutual Plc. In the same year, after corporatisation of individual brokers was permitted, the stock broking business became our Subsidiary, Kotak Securities.

In 2003, KMFL, the Group's flagship company, received a banking license from the RBI. With this, KMFL became the first NBFC in India to be converted into a commercial bank - Kotak Mahindra Bank Limited.

In 2004, we became one of the early entrants into the alternate assets business with the launch of a private equity fund. Thereafter, we launched a real estate fund in 2005. In 2005, we realigned our joint venture with Ford Credit to take 100% ownership of Kotak Mahindra Prime (formerly known as Kotak Mahindra Primus Limited). We also sold our stake in Ford Credit Kotak Mahindra to Ford Credit. In 2006, we bought out Goldman Sachs' equity stake in Kotak Mahindra Capital Company Limited and Kotak Securities Limited. In 2008, Phoenix Asset Reconstruction Company obtained registration from RBI to conduct the business of securitisation and asset reconstruction. In 2009, we launched a pension fund under India's National Pension Fund. In 2015, we received

IRDAI approval to commence our general insurance business through Kotak Mahindra General Insurance Limited. In 2017, we bought out the 26% equity stake held by Old Mutual Plc in Kotak Life to make it a wholly owned subsidiary.

We have pursued growth also through inorganic initiatives. In 2014, Kotak Mahindra Asset Management Company acquired the schemes of Pinebridge Mutual Fund. In 2015, eIVBL merged in the Bank in one of the largest bank mergers in the Indian banking industry. In 2017, we acquired BSS Microfinance Limited which was in the business of microfinance.

Key Operational and Financial Parameters for the last three audited years

The financial statements of the Bank have been prepared in accordance with requirements prescribed under the Third Schedule of the Banking Regulation Act. Accordingly, the information in the below table has been provided in line with the financial statements of the Bank.

Project cost and means of financing, in case of funding of new projects

Not Applicable

A. Based on Consolidated Financial Statements*

*The Issuer, being a scheduled commercial bank reports its financial parameters as per the prescriptions of the RBI and hence hereby discloses information in the following manner (being different from as required under SEBI Listing regulations).

(₹ in crores)

Sr. No.	Parameters	H1 FY 2018-19	FY 2017-18 (Audited)	FY 2016-17 (Audited)	FY 2015-16 (Audited)
1	Share Capital	1,453.50	952.82	920.45	917.19
2	Reserves and Surplus	52,895.14	49,533.24	37,570.39	32,443.45
3	Minority Interest	-	-	474.43	395.60
4	Employees Stock Options (Grants) Outstanding	2.70	2.17	1.87	3.41
5	Deposits	2,03,930.02	1,91,235.80	1,55,540.00	1,35,948.76
6	Borrowings	66,535.01	58,603.97	49,689.91	43,729.79
7	Total Debt (5+6)	2,70,465.03	2,49,839.77	2,05,229.91	1,79,678.55
8	Policyholders funds	23,421.39	22,425.34	18,792.88	15,148.28
9	Advances	2,22,172.25	2,05,997.32	1,67,124.91	1,44,792.82
10	Investments	93,313.97	90,976.60	68,461.54	70,273.90
11	Net Fixed Assets	1,822.95	1,749.83	1,755.20	1,757.60
12	Total Income	20,732.64	38,723.67	33,905.44	27,974.52
13	Total Expenditure (Interest expended + operating Expenses)	15,008.12	28,540.70	25,624.59	21,959.22
14	Operating Profit	5,724.52	10,182.97	8,280.85	6,015.30
15	Provisions and Contingencies	2,465.83	4,035.83	3,331.77	2,584.19
16	Profit after tax before Minority Interest	3,258.69	6,147.14	4,949.08	3,431.12
17	Less: Share of Minority Interest	-	56.67	78.83	65.19
18	Add: Share in profit/ (loss) of Associates	63.16	110.50	70.18	92.92
19	Profit after tax	3,321.85	6,200.97	4,940.43	3,458.85
20	% of Gross NPA to Gross Advances	1.91	1.95	2.25	2.06
21	% of Net NPA to Net Advances	0.73	0.86	1.09	0.93

22	Capital Adequacy Ratio (Basel III)	18.7%	18.4%	17.2%	17.0%
23	Tier I Capital Adequacy Ratio	18.2%	17.8%	16.5%	16.1%
24	Tier II Capital Adequacy Ratio	0.5%	0.6%	0.7%	0.9%
25	Return on Average Assets (%)	0.95 (not annualised)	2.03	1.95	1.55
26	Earnings per share (in ₹)				
	Basic (₹)	17.43 (not annualised)	32.70	26.89	18.91
	Diluted (₹)	17.40 (not annualised)	32.66	26.86	18.87

The consolidated financial statements (unaudited) for the quarter ended December 31, 2018, is annexed herewith in Annexure X of this Information Memorandum.

B. Based on Standalone Financial Statement*

*The Issuer, being a scheduled commercial bank reports its financial parameters as per the prescriptions of the RBI and hence hereby discloses information in the following manner (being different from as required under SEBI Listing regulations).

(₹ in crores)

Sr. No.	Parameters	H1 FY 2018-19	FY 2017-18 (Audited)	FY 2016-17 (Audited)	FY 2015-16 (Audited)
1	Share Capital	1,453.50	952.82	920.45	917.19
2	Reserves and Surplus	38,649.93	36,528.83	26,695.62	23,041.87
3	Employees Stock Options (Grants) Outstanding	2.70	2.17	1.87	3.41
4	Deposits	2,05,829.83	1,92,643.27	1,57,425.86	1,38,643.02
5	Borrowings	32,583.54	25,154.15	21,095.48	20,975.34
6	Total Debt (4+5)	2,38,413.37	2,17,797.42	1,78,521.34	1,59,618.36
7	Advances	1,84,940.31	1,69,717.92	1,36,082.13	1,18,665.30
8	Investments	67,915.02	64,562.35	45,074.19	51,260.22
9	Net Fixed Assets	1,598.05	1,527.16	1,537.63	1,551.59
10	Total Income	13,660.45	23,800.70	21,176.09	18,996.42
11	Total Expenditure (Interest expended + operating Expenses)	9,532.96	16,642.53	15,191.28	14,955.33
12	Operating Profit	4,127.49	7,158.17	5,984.81	4,041.09
13	Provisions and Contingencies	1,960.90	3,073.87	2,573.31	1,951.31
14	Profit after taxation (PAT)	2,166.59	4,084.30	3,411.50	2,089.78
15	% of Gross NPA to Gross Advances	2.15	2.22	2.59	2.36
16	% of Net NPA to Net Advances	0.81	0.98	1.26	1.06
17	Capital Adequacy Ratio (Basel III)	17.04%	18.22%	16.77%	16.34%
18	Tier I Capital Adequacy Ratio	16.41%	17.56%	15.90%	15.28%
19	Tier II Capital Adequacy Ratio	0.63%	0.66%	0.87%	1.06%
20	Return on Average Assets (%)	0.80 (not annualised)	1.73	1.73	1.19

Sr. No.	Parameters	H1 FY 2018-19	FY 2017-18 (Audited)	FY 2016-17 (Audited)	FY 2015-16 (Audited)
21	Earnings per share (in ₹)				
	Basic (₹)	11.37 (not annualised)	21.54	18.57	11.42
	Diluted (₹)	11.35 (not annualised)	21.51	18.55	11.40

The standalone financial statements (unaudited) for the quarter ended December 31, 2018, is annexed herewith in Annexure X of this Information Memorandum.

Maturity* Profile of borrowings of Standalone Bank:

(₹ in crores)

	FY 2017-18	FY 2016-17	FY 2015-16
Upto 1 year	17,764.06	13,366.52	15,680.73
1-3 years	5,124.82	6,174.94	3,286.16
3-5 years	2,265.27	1,112.00	156.30
More than 5 years	-	442.02	1,852.15
Total	25,154.15	21,095.48	20,975.34

*on Residual maturity basis.

Gross Debt: Equity Ratio of the Bank on a consolidated basis as of December 31, 2018

Before the issue of the Debentures	1.2242
After the issue of Debentures	1.2270

Note:
1) Preference shares issued by the Bank has been included as part of the equity base.
2) Deposits are not considered as part of debt for the Gross Debt:Equity ratio calculation above.

Our Principal Business Activities

We organise our principal business activities into the following business units: consumer banking, commercial banking, wholesale banking, treasury, and other financial services. The consumer, commercial and wholesale banking businesses correspond to the key customer segments of the Bank. The treasury offers specialised products and services to these customer segments and also undertakes asset liability management as well as proprietary trading.

In addition to our banking activities, our Group offers a significant array of other financial products and services as well, which we operate through our Subsidiaries. These products and services include banking, financing through NBFCs, asset management, insurance, broking, investment banking, wealth management and asset reconstruction.

The table below provides a breakdown of the Bank's total advances and investments on a standalone basis as of the dates indicated.

(₹ in crores)

	As on December 31, 2018	As on March 31, 2018	As on March 31, 2017	As on March 31, 2016
Corporate Banking	62,972	52,133	41,703	34,278
Commercial Vehicles/Commercial Equipment	17,999	15,202	10,827	7,873
Agricultural Division	23,742	22,916	18,969	17,583

Business Banking	18,012	18,269	17,884	17,997
Home Loans and Loan Against Property	38,305	32,429	26,121	23,009
Small Business, Personal Loan and Credit Cards	31,085	25,129	17,387	14,948
Others	4,317	3,640	3,191	2,977
Investments	73,588	64,562	45,074	51,260
TOTAL ADVANCES AND INVESTMENTS	**2,70,020**	**2,34,280**	**1,81,156**	**1,69,925**

Consumer Banking

Overview

Our consumer banking business unit provides a wide range of products and services to retail customers. The products and services include deposits, branch banking services, financial products such as insurance and mutual funds which the unit distributes, consumer finance products such as housing loans, loans secured against property, credit cards, personal loans, loans against securities and unsecured business loans.

Branch Banking
We use a combination of our branch network, ATMs and alternative channels, such as mobile banking, internet banking and 24/7 customer contact centres, to deliver our banking services. Our branch banking offering include deposits, distribution of third party products such as mutual funds and insurance products. We also distribute three-in-one savings accounts comprising of linked demat and trading accounts offered through Kotak Securities. Our deposit products include the following:
Savings accounts

We offer savings accounts, which are interest bearing on-demand deposit accounts designed primarily for individuals and trusts. For Indian residents, we currently offer rates of 5% on domestic savings deposits up to ₹ 0.01 crore, up to 6% on domestic savings deposits between ₹ 0.01 crore and up to ₹ 1 crore and 5.5% on domestic savings deposits above ₹ 1 crore.
Current accounts

We also offer current accounts which are non-interest-bearing accounts, designed primarily for businesses. Customers have a choice of regular and premium product offerings with different minimum average quarterly account balance requirements.

Term deposits

The Bank accepts term deposits (also known as fixed deposits or time deposits) giving a fixed return, for periods ranging from 7 days to 10 years. In addition to regular deposits, we also offer specialized products such as recurring deposits (the customer deposits a pre-determined amounts over a predetermined time period), Sweep Term Deposits (deposits which automatically transfer from the customer's CASA account to one or more fixed deposits and vice versa), senior citizen deposits (offers higher rate of interest for Senior Citizens) and non premature withdrawal deposits (deposits which give a little higher rates of interest but are not permitted to be withdrawn prematurely) as improved value added services to our depositors. The Bank also offers overdraft facility against the term deposits to its customers. As of December 31, 2018, Sweep Term Deposits constituted 6.7% of total deposits.

Retail Term Deposits (term deposits of less than ₹1 crore) provides the Bank with cost efficient and stable funding and hence remains a key focus area. We had ₹ 35,348 crore, ₹ 39,034 crore, ₹ 41,934 core and ₹ 53,620 crore in Retail Term Deposits as of March 31, 2016, 2017, 2018 and December 31, 2018 respectively.

In addition to Retail Term Deposits, the Bank also accepts Wholesale Term Deposits (i.e. deposits of greater than ₹ 1 crore) and also issues CDs selectively as an alternate source of funding, based on ALM and liquidity requirements.

Other Retail Services and Products

Debit Cards

Our debit cards can be used at domestic and international ATMs, point-of-sale terminals and e-commerce portals.*Mutual Funds*

We offer our retail customers units in our own mutual funds as well as most of the other large and reputable mutual funds in India. We earn our fee income through a combination of upfront commission and trail income (also known as servicing fees) in subsequent years. We distribute mutual funds primarily through our branches and our personal banking advisors.

Insurance

We have bancassurance arrangements for distribution of life insurance policies and non-life policies with our Subsidiaries, Kotak Life and Kotak General Insurance, respectively. We currently do not distribute third-party insurance products.
We earn upfront commissions on new premiums collected as well as trail income on all policies which are under renewal annually or as specified by the customer.

Investment Advisory

We offer our customers a broad range of investment advice, including advice regarding the purchase of bonds, mutual funds, and alternate assets. Our wealth management division caters to the investment needs of high net worth investors by structuring customized investment plans. Its customers range from entrepreneurs to business families and professionals. The business caters to around 40% of India's top 100 families. The family office service provides a strategic consolidated view on the client's overall portfolio across multiple advisors, in addition to comprehensive financial solutions that go beyond investments. These include value added services such as assistance with investment structuring, banking and credit, consolidated reporting, referral for philanthropy services and concierge services. The trusteeship services offers estate planning services helping clients with succession planning activities through creation of private trusts.

Forex Cards

We offer travel foreign exchange prepaid cards for which we earn fee income based on the exchange rate conversion and other transaction fees.

Non Resident Services

We offer a range of products and services to NRI customers. Our products include current, savings and term deposits of both NRE and NRO variants. We also offer lending products such as home loans and credit cards. The NRI credit card is offered against an NRE/NRO Term Deposit of ₹ 0.01 crore or above. The credit limit offered can be as high as 80% of the term deposit amount. In addition, we offer remittance and fund transfer solutions in various foreign currencies under our Click2Remit facility. Our NRI customers can also choose to avail of our investment and insurance products and services.

Corporate Salary Accounts

Our corporate salary product offers an efficient payroll service through the Salary2Wealth program, where an employer can open salary accounts for its employees and credit those accounts. The Salary2Wealth program offers various bundled products such as investments, household/ retail assets and a host of value added services across all major industry segments.

Our tablet-based account opening process paired with biometric and Aadhaar integration has enabled faster account opening with reduced turn-around-time.

TASC and Government Business

Our government business division caters to central and state governments and various other autonomous bodies such as municipal corporations, state enterprises, urban local bodies and other implementing agencies. The banking services offered to government entities ranges from online payments/ collections and various other

transactions executed through our branch network. We also actively work with multiple government departments to digitize their existing processes in line with the central government's Digital India programme.
The retail institutions business offers customised banking and investment solutions for non-profit institutions such as Trusts, Association, Societies, Clubs ("**TASC**"). These solutions help the respective institutions in easy reconciliation and efficient management of funds.

Consumer Finance
We offer a wide range of consumer loans, including secured loans such as housing loans, loans against property, loans against securities and working capital loans and unsecured products such as credit cards, personal loans and business loans. Loans are classified as consumer loans primarily on the nature of the customer segment, the nature of the product, granularity of the exposure and the end use.
Apart from working with our branches, we also engage with direct selling agents to source customers for our loan products, which we promote across our channels. We also seek to drive customer acquisition through our digital channels. For example, our customers are able to apply for personal loans through our mobile banking app.

Housing loans

We provide housing loans with a maximum tenor of 20 years on under-construction and ready properties, secured by a mortgage on the underlying property. The loan-to-value ratio depends on the tenor, loan size and customer segment. The loan-to-value ratio across our housing loans could go up to 80% at an individual loan level. It may go higher for affordable housing/budget housing loans as per existing regulations. Although the return on equity for these loans is lower as compared to some other product segments, the long tenure of these loans helps maintain a stable loan base and increases the opportunities to cross-sell other products and services.

Loans against property

We offer multi-purpose loans secured against residential or commercial property to salaried or self-employed individuals and small businesses, including proprietorships, partnership firms and companies.
Working capital loans for businesses
We offer facilities such as credit lines, term loans for expansion or addition of facilities and receivables discounting to address the borrowing needs of small businesses. These facilities are typically secured against current assets as well as immovable property, or fixed assets in some cases.

Personal loans, business loans and credit cards

We offer unsecured personal loans at fixed rates to specific customer segments, including salaried individuals and self-employed professionals. These loans can be used for a wide variety of end-uses such as medical, marriage, special occasions, travel and small asset purchase.
We also offer unsecured loans to small businesses and individual businessmen, which we classify as business loans. We are able to provide loans of up to a maximum of ₹ 1 crore, depending on the financial performance of the borrower. We work with multiple credit bureaus to obtain standardised credit scores, which help us conduct a more comprehensive risk assessment of our customers.
We offer consumer and commercial credit cards from Visa and MasterCard (commercial cards), including Gold, Platinum, Signature, and Infinite cards. For customers of our wealth management division and Privy League, we offer the option of applying for a Visa Infinite card and Visa Signature card respectively.

Loans against securities

We offer loans against securities such as equity shares, mutual fund units, government securities and other securities on our approved list. We limit our loans against equity shares to ₹ 0.2 crore per retail customer, in line with regulatory guidelines, and limit the amount of our total exposure secured by particular securities. The minimum margin for lending against equity shares is prescribed by the RBI.

Gold Loans

We offer loans against gold jewellery to specific customer segments; such loans are offered with monthly interest payments and principal due at maturity. These loans also have a margin requirement in the event of a decrease in the value of the gold collateral due to fluctuations in market prices of gold.

Rural Housing and Rural Business Loans

We offer small principal loans for housing and business in the tier 2 to tier 6 locations in India (being areas with populations under 1,00,000). We primarily offer these through our branch network in these locations.

Commercial Banking

Overview

We offer a range of products for agriculture finance, tractor finance, the purchase of commercial vehicles and construction equipment. The commercial banking business focuses on meeting the banking and financial needs of various customer segments with deeper coverage beyond metro and urban centres through an expanding network of branches and business correspondents. The business has specialized units which offer financial solutions in the areas of commercial vehicles, construction equipment, tractor and agriculture business. It services the priority sector through providing finance for tractor, crop loans, small enterprises and allied agricultural activities thereby helping the Bank meet its financial inclusion goal. In line with growing rural incomes, Bank's commercial bank branches have experienced robust growth across product lines on both in savings and lending side. Post completion of integration with ING Vysya Bank, these commercial bank branches have stabilized and have started contributing towards Bank's growth in a significant manner.

Agriculture and Tractor Finance

Our loans to the agricultural sector consist of loans to farmers, agricultural businesses and corporations. We also have a crop loan portfolio consisting of extending working capital facilities to farmers to finance activities such as agricultural input and farm mechanisation, post-harvest expenses and domestic consumption needs. The amount of funding available is based on the land holding, the crops the farmer cultivates, cropping pattern and the area of operations. We provide tractor finance to individual farmers with the underlying tractor as collateral. In addition, we also provide secured/unsecured financing to tractor dealers. The agriculture and tractor finance portfolio helps us meet our priority sector lending obligations. We are required to lend 40% of our adjusted net bank credit or credit equivalent amount of off balance sheet exposure, whichever is higher, towards priority sectors.

Commercial Vehicles and Construction Equipment Loans

We provide loans for the purchase of commercial vehicles with flexible payment options. We also provide loans for the purchase of various construction, earth-moving and material handling equipment, which includes excavators, cranes, rollers, tippers and loaders.

Wholesale Banking

Corporate Banking

Our corporate banking business caters to various customer and industry segments in the wholesale space, such as large corporations, mid-market corporations, SME businesses, multi-national corporations, financial institutions and commercial real estate. We offer our customers a wide range of banking services covering their working capital, medium term finance, trade finance, foreign exchange services, supply chain, cash management, debt capital markets and other transaction banking requirements. The core focus of our business has been to acquire quality customers on a consistent basis, delivering customized solutions through efficient technology platforms backed by high quality service. We also aim to secure value addition through the cross-selling of our varied products and services.

Our corporate segment focuses on building a strong franchise with quality customers and deepening existing relationships. Our mid-market strategy is driven by targeted client acquisitions and becoming a preferred banker to the mid-market corporations.

We have focused on increasing our market share over the large and mid-market corporations and SME businesses. Our exposures were confined to segments with credit comfort in terms of better rated exposure and industries with a positive outlook.

Our transaction banking group focuses on acquiring customers through understanding our customer's requirements and business. We provide both trade and cash management services. Our cash management services include cheque collection, dividend payment and remittance services.

Our transaction banking product offerings include documentary credits, bank guarantees, export credit and supply chain financing among others. Our focus on driving higher trade, foreign exchange and debt syndication services has resulted in growth in our fee income. Our offerings around cash management services, supply chain management services, escrow account services and other transaction banking services have resulted in a deepening of current account deposits across our customers.

We also focus on product innovation and risk management through technology. We offer a range of fund based and non-fund based services to capital market intermediaries and provide custodial services to domestic and international financial institutions. These services include the safekeeping of securities and collection of dividend and interest payments on securities. We also offer derivative clearing services to domestic and foreign institutional investors.

In order to limit our exposure, we have introduced exposure limits for various industries, which we review periodically based on industry performance. Our industry research group rates industries on an internal scale and they provide industry input when we define our strategies for the industry.

We also continually monitor our portfolio diversification through the tracking of industry, group and company specific exposure limits. We rate our portfolio with an internal credit rating tool, which facilitates appropriate credit selection and monitoring.

The debt capital markets division provides standardised and structured client solutions including the syndication of loans, bonds, mezzanine financing, promoter funding, acquisition financing and securitization. The correspondent banking division actively builds on relationships with offshore banks towards improving quality and international reach for its customers.

Treasury

Our treasury group manages our balance sheet, including maintaining reserve and liquidity requirements and managing market and liquidity risk. The treasury group also advises and executes the foreign exchange and derivatives transactions for our corporate and institutional customers. In addition, treasury offers certificates of deposit to our corporate and institutional customers. CDs are discounted liquid instruments which are tradable and hence evince interest from investors. Subscribers to the Bank's CDs are well diversified ranging from banks, mutual funds, insurance companies and corporates. Typical tenors where the Bank's CDs are issued range between 60 to 365 days.

Our treasury group seeks to optimize profits through active management of the Bank's investment book, which comprises of government securities and non-government securities. Our investments stood at ₹ 73,588 crore as of December 31, 2018, as compared to ₹ 64,562 crore as of March 31, 2018 and ₹ 45,074 crore as of March 31, 2017 and ₹ 51,260 crore as of March 31, 2016.

We have four divisions within our treasury group, namely fixed income, balance sheet management, bullion and the forex division. Our balance sheet management unit manages the asset liability mismatches, interest rate and liquidity gaps and the implementation of funds transfer pricing between various business units. Our forex division offers forex solutions to our retail and corporate customers.

Other Financial Services

Overview

We provide a diverse array of financial products and services, a key component of our overall strategy of increased cross-selling and deeper customer penetration. These services include financing through NBFCs, life and general insurance, stock broking, asset management, investment banking and wealth management.

The largest Subsidiaries in our Group by profit after tax for 9M FY 19 were Kotak Mahindra Prime Limited (NBFC), Kotak Mahindra Life Insurance Company Limited (our life insurance Subsidiary), and Kotak Securities Limited (our stock broking Subsidiary) which respectively accounted for 8.4%, 7.1%, and 6.6%of our consolidated profit after tax for 9M FY 19. These three Subsidiaries, when taken together with Kotak Bank, accounted for 89.1% of our profit after tax for 9M FY 19, with the rest of our Subsidiaries together accounted for the remaining 10.9% of our profit after tax for 9M FY 19.

Kotak Mahindra Prime Limited

We offer car loans through our Subsidiary, Kotak Mahindra Prime Limited (Kotak Prime). Kotak Prime offers loans to customers against the underlying four wheeler / two wheeler as collateral. These loans can be for new cars, used cars or for refinance against existing car. We also offer financing to car dealers against security collateral such as immovable property and current assets. In addition, we also offer top-up loans (additional loan on the underlying car as collateral on reduction of outstanding loan-to-value due to repayments) to our customers, with existing car loans, who have a good repayment track record.

Kotak Prime also offers other products such as capital markets - based lending and real estate developer financing.

As of March31, 2018, Kotak Prime had a retail distribution network comprising 83 outlets in 83 cities and towns across India.*

* Do note that the above information is as of March 31, 2018 and would have changed as on the date of this Information Memorandum

Kotak Mahindra Investments Limited

Kotak Mahindra Investments Limited offers comprehensive financial solutions such as financing against securities, acquisition financing, promoter financing, mezzanine debt solutions, bridge loans, take out financing including structured debt. Kotak Investments also offers financial assistance to real estate developers for construction and development of residential complexes, commercial buildings and SEZ, among others. It also offers products such as loan against property and lease rental discounting to the developers.

Kotak Mahindra Life Insurance Company Limited (formerly known as Kotak Mahindra Old Mutual Life Insurance Limited)

Kotak Mahindra Old Mutual Life Insurance Limited was a 74:26 joint venture partnership between Kotak Mahindra Group and Old Mutual Plc, based in UK. In April 2017, the Bank executed a share purchase agreement with Old Mutual Plc. to acquire its 26% stake in Kotak Life, subject to regulatory approvals for a cash consideration of ₹ 1,292.70 crore. The transaction was consummated in October 2017 and Kotak Life has become a 100% subsidiary of the Bank.
Kotak Life is in the business of life insurance, annuity and providing employee benefit products to its individual and group clientele. Kotak Life has developed a multi-channel distribution network to cater to its customers and markets through agency, alternate group and online channels on a pan-India basis.

For period up to Feb-19, Kotak Life was ranked Sixth largest private sector life insurer in terms of individual first year premiums for that period on the basis of data for all life insurers released by the Life Insurance Council of India. As of December 31, 2018, Kotak Life's solvency ratio was 3.10, as against the minimum regulatory requirement of 1.5.

As on December 31, 2018, Kotak Life had 236 life insurance branches.

Kotak Securities Limited

Retail broking
Under retail broking, we help customers trade in the stock market, invest in IPOs, mutual funds, currency derivatives across online and offline modes. We are also registered as participants with depositories viz. NSDL and CDSL, enabling us to provide depository services, including for trade settlement to our customers.

As of December 31, 2018, Kotak Securities has a registered customer base of approximately 0.18 crore secondary market customers through 1,411 outlets and additional sub-brokers and authorized persons.

Institutional broking and Research

KIE covers secondary market broking and markets Indian equity offerings, including IPOs, to domestic mutual funds, FIIs, FPIs, insurance companies, sovereign funds and pension funds. KIE has a full-fledged research division, engaged in macro-economic studies, and industry- and company-specific equity research.

KIE offers high quality trade execution on the cash and futures and options desk. It also offers its clients extensive corporate access leveraging on the Group's corporate relationships. KIE's clients can address their trading needs through a single window and also take benefit of the bank's PCM services and custodial services.

Kotak Mahindra Capital Company Limited

Our investment bank, KMCC, services our customers by advising on equity capital markets issuances, merger and acquisitions, private equity and infrastructure projects. KMCC works with customers across wide range of sectors including automobiles, infrastructure, banking and finance, media and entertainment, consumer and retail, real estate, healthcare and pharmaceuticals, technology, industrials, engineering and telecommunications. KMCC, our 100% Subsidiary, has the highest ranking among the investment banks in India based on the amount raised through domestic equity issuances for the period April 1, 2013 to March 31, 2018 (*Source: Prime Database*).

Kotak Mahindra Asset Management Company Limited

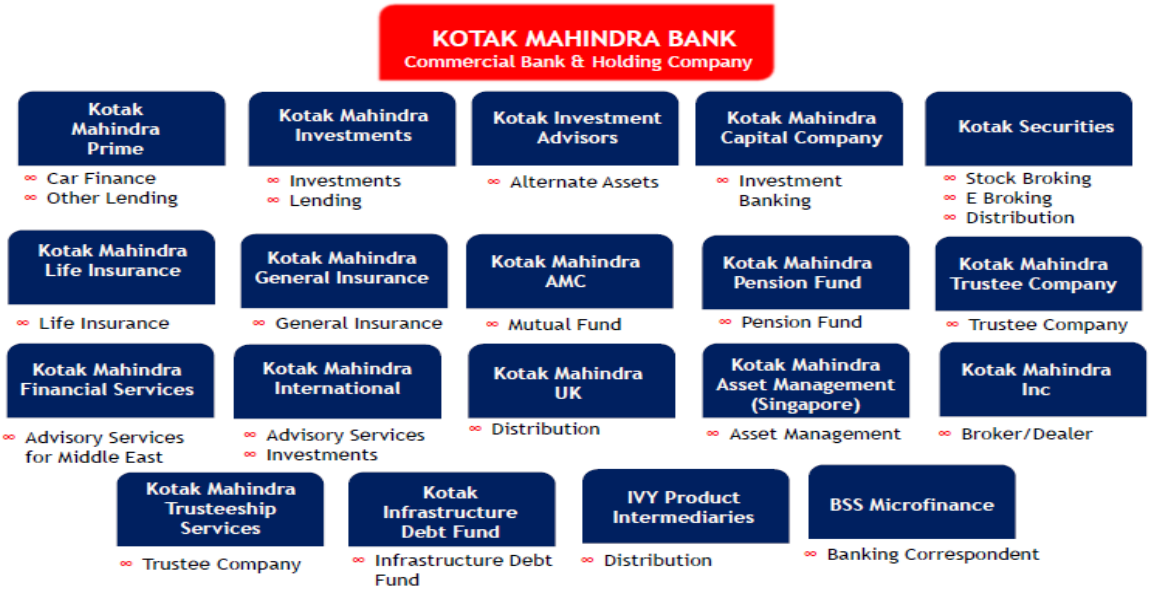
KMAMC is the investment manager to our mutual funds, with KMT acting as trustee. KMAMC was the seventh largest mutual fund manager in India by average AUM, for the quarter of October – December 2018 based figures available from the AMFI. KMAMC raises its assets under management directly and through a variety of distribution channels, such as banks, independent financial advisors, large brokers, branches and online channels. As of March 31, 2018, KMAMC had 84 branches across India.

Kotak Mahindra (UK) Limited and Kotak Mahindra Asset Management (Singapore) Pte. Limited
We provide asset management services to overseas investors seeking to invest in India through our Subsidiaries Kotak Mahindra (UK) Limited and Kotak Mahindra Asset Management (Singapore) Pte. Limited. Through these Subsidiaries, investors can access our asset management capabilities through funds domiciled outside India.

In Singapore, Kotak Mahindra Asset Management (Singapore) Pte. Limited is registered with the Monetary Authority of Singapore and holds a capital markets license to engage in fund management activities.

Kotak Investment Advisors Limited
Through Kotak Investment Advisors Limited, we advise our customers on investments into alternative assets such as private equity funds, real estate funds and special situation funds.

Corporate Structure



All subsidiaries are 100% owned beneficially by the Bank.

Distribution Channels

Branch Network

As of December 31, 2018, we had an aggregate of 1,453 bank branches across India. We also have an international banking unit in the International Finance Services Centre at GIFT City. Additionally we have received an in-principle approval from RBI for opening an overseas bank branch in Dubai and have submitted an application for the same to the DFSA which is under their active consideration.

As of December 31, 2018, 44%, 22%, 20% and 14% of our branches were located in metro, urban, semi-urban and rural locations, respectively as clarified by the RBI.

ATM Network

As of December 31, 2018, we had a total of 2,270 ATMs. We issue Visa, MasterCard and Rupay debit cards which can be used on all our ATMs and other bank ATMs in India. In addition, our Visa and MasterCard debit cum ATM cards can also be used at international ATMs.

Phone Banking

Our customers can access their accounts over the phone through our 24-hour automated voice response system and can order cheque books, conduct balance inquiries and order stop payments on cheques. In selected cities, our customers can engage in financial transactions (such as cash transfers, opening deposits and ordering demand drafts) over the phone. A foundation for Natural Language Processing (NLP) was laid down and enabled the launch of 'Keya' the first Artificial Intelligence (AI) powered Voicebot in the banking sector. Developed on a library of millions of phone banking conversations, 'Keya' services customers in English and Hindi and facilitates the resolution of customer queries in a single interaction.

Digital Offerings

Kotak Mahindra Bank

Our digital strategy focuses on: (i) acquiring customers, (ii) enhancing our customer experience, (iii) making our internal business operations more efficient, and (iv) enhancing our cyber security and data protection framework. The strategy is supported by our Group's core pillars which include ease of use, scalability, cost effectiveness and increased agility.

Through internet banking, our customers can perform various transactions such as accessing account information, tracking transactions, ordering cheque books, requesting stop cheque payments, transferring funds between accounts and to third parties accounts, opening fixed deposits, transacting in mutual funds, paying bills and making demand draft requests. Apart from internet banking, our mobile banking services allow our customers to perform a range of transactions including bill-payments, recharge, fund-transfer, online shopping and access to investments.

Enabling digital payments in a fast, safe and secure manner forms another key component of our digital strategy. We have introduced a number of features that can be accessed natively through our mobile banking app to facilitate the same, including (i) an integrated payment platform where funds transfers can be made easily, wherein we have also integrated QR code recognition to allow our customers to transfer funds via the scanning of the mVisa and Bharat QR standards; (ii) an m-store with offerings across categories such as movies, online shopping, travel, magazines where our customers are able to book tickets and shop online; comprehensive banking services where our customers can access their accounts, credit cards, apply for health insurance, and apply for an instant personal loan and (iii) update their mobile number, email id, PAN, Aadhar on real time basis.

We have rolled out additional features across our digital channels to further enhance customer experience. Some of them include online customer profile updating, online submission of 15G/H forms (used for claiming reduced deduction of tax deducted at source on interest earned on term deposits), pre-approved loans, personal loans in 72 hours, superfast home loans and DigiLocker. DigiLocker is the Government of India's cloud-based platform for issuance and verification of documents and certificates digitally. Such initiatives are steps towards making banking easier and more convenient for our customers.

To remain at the forefront of continuous innovation, we have created an innovation hub wherein we work on emerging transformational technologies such as blockchain, artificial intelligence, security and analytics. We have also set up a special design studio dedicated to improving user experience and engagement across digital channels. We have also partnered with various financial technology companies to develop and roll out new technologies.

In March 2017, we launched Kotak 811, a digital service that we offer through our mobile banking app that allows potential customers to open a savings account on their mobile through a completely paperless procedure. We were the first bank in India to integrate the newly introduced Aadhaar-based OTP authentication process for savings account opening on mobile. 811 is a unique, full-service digital banking ecosystem on mobile, designed around the ideas of simplicity and ease of use. Using the Aadhaar OTP guidelines for account opening issued by the RBI, 811 allow customers to open a bank account in under 5 minutes, by simply downloading an app on their mobile phone. The product has no balance commitment, zero charges on digital transactions, and a competitive interest rate of up to 6% on account balances.

The ability to manage and analyse data has become key. Hence, strategic digital and technology initiatives in FY2018 were the implementation of an upgraded enterprise data warehouse and a big data platform. These platforms facilitate the Bank's ability to use analytics to provide personalised customer experience with improved service and customised offers.

The Bank's ability to collaborate with external merchants, developers and service providers has been enhanced with the implementation of an "API Manager". The technology facilitates rapid time to market for integrating in a secure and simplified manner with all entities outside the Bank. The resulting interface to the customer with information and services from third parties and the Bank, provides a holistic, seamless end user experience.

Our Subsidiaries are also embracing the digital revolution. Some key highlights of our Subsidiaries' digital initiatives are given below:

Kotak Securities

Kotak Securities, our brokerage arm, has introduced the Kotak Stock Trader application which allows customers to trade via the mobile application. The mobile trading application continues to be a leader in the market. Kotak Securities also introduced client onboarding through a tie-up with UIDAI where-in customer's details are validated electronically using his Aadhaar number enabling instant account opening and trading for the customer. Kotak Securities also introduced a new trading platform with advanced market analytics for all

customers called the TradeSmart Terminal. To experience faster service and query resolution, Kotak Securities customers can be serviced through mediums such as WhatsApp and Telegram.

Kotak Life and Kotak General Insurance

The number of policies which our insurance Subsidiaries provide has increased with the deployment of Genie, a mobile application to serve as an end to end sales solution and designed to allow our customers access to our insurance products.

Competition
We face intense competition in all of our principal lines of business. Our primary competitors are some of the public sector banks, private sector banks, foreign banks, cooperative banks and, for some products, NBFCs, mutual funds, insurance companies and investment banks.

Kotak Bank

In consumer banking, our principal competitors are public sector banks, private sector banks, foreign banks and NBFCs in the case of retail loan products and credit cards. In mutual fund sales, insurance distribution and other investment-related products, our principal competitors are broking houses, foreign banks, private sector banks and public sector banks. In addition, some foreign banks have a significant presence among non-resident Indians and also compete for non-branch-based products.
Our principal competitors in the commercial banking space are certain public sector banks, private sector banks and foreign banks. We also face significant competition from NBFCs in areas such as tractor finance, and commercial vehicle finance.

Our principal competitors in corporate banking are public sector banks, private sector banks, foreign banks and financial institutions. The large public sector banks have traditionally been the market leaders in this space. Foreign banks have focused primarily on serving the needs of multinational companies and Indian corporations with cross-border financing requirements including trade and transactional services and foreign exchange products and derivatives, while large public sector banks have large local currency funding capabilities through their extensive branch networks.

In our treasury advisory services for corporate customers, we compete principally with foreign banks, private sector banks and public sector banks in the foreign exchange and money markets businesses.

Kotak Prime

Kotak Prime's primary competitors are public sector banks, private sector banks, co-operative banks, regional rural banks and NBFCs. Banks are increasingly expanding into retail loans in the rural and semi-urban areas of India.

Kotak Investments
Kotak Investments competes primarily with banks and other NBFCs focused on wholesale lending, private equity funds focused on lending to real estate developers and structured lending. Mutual funds are also becoming a big competition in vanilla financing to large and medium corporates.

Kotak Life
We face intense competition in the Indian insurance market from both public and private sector competitors. We believe that competition in the Indian insurance sector is based on a number of factors, including distribution networks, quality of service, product features, pricing, marketing methods, brand recognition, financial strength ratings and other indicators of financial soundness. We also believe that products offered by the life insurance sector compete with other financial services products. In the area of savings-oriented insurance products, we compete with mutual fund companies, bank fixed deposits and Government small saving schemes.

Kotak Securities
Our competitors in the retail broking business include domestic brokerage houses and broking Subsidiaries of other private sector banks. On the institutional broking side, we compete with international and domestic broking houses.

Employees
The Group had an employee base of around 50,000 as on March 31, 2018*, around 44,000 as on March 31, 2017 and around 42,000 as on March 31, 2016). Most of our employees are located in India. In addition to our own employees, we also engage contract labour through registered contractors for ancillary activities.

* Do note that the above data is as of March 31, 2018 and would have changed as on the date of this Information Memorandum

5.5 Brief history of Issuer since its incorporation

CAPITAL STRUCTURE

(a) Details of Share Capital as on December 31, 2018

Share Capital	
Authorized Share Capital *	₹1900,00,00,000 consisting of 280,00,00,000 Equity Shares of face value of ₹5 each and 100,00,00,000 Preference Shares of face value of ₹5 each
Equity Share Capital	₹1400,00,00,000 consisting of 280,00,00,000 Equity Shares of face value of ₹5 each
Preference Share Capital	₹500,00,00,000 consisting of 100,00,00,000 Preference Shares of face value of ₹5 each
Issued, Subscribed and Paid-up Share Capital	₹1453,77,20,550 consisting of 190,75,44,110 Equity Shares of face value of ₹5 each and 100,00,00,000 Preference Shares of face value of ₹5 each
Equity Share Capital	₹953,77,20,550 consisting of 190,75,44,110 Equity Shares of face value of ₹5 each
Preference Share Capital	₹500,00,00,000 consisting of 100,00,00,000 Preference Shares of face value of ₹5 each
Share Premium Account	
Before the Issue	₹ 16,117.7crores
After the Issue	₹ 16,117.7 crores

**The Board of Directors of the Bank at its meeting held on May 19, 2018 had proposed to seek approval of Shareholders at the ensuing Annual General Meeting of the Bank scheduled on July 19, 2018, to increase the authorized share capital of the Bank from the existing ₹15,000,000,000 to ₹19,000,000,000 divided into 2,800,000,000 equity shares of ₹5 each; and 1,000,000,000 preference shares of ₹ 5 each. The Shareholders have approved the same at the Annual General Meeting of the Bank held on July 19, 2018.*

(b) Changes to its capital structure of the Bank as of December 31, 2018, since last five years

Date of change (AGM/EGM)	Amount in ₹	Particulars
Authorised Share Capital		
July 18, 2013#	500,00,00,000	100,00,00,000 equity shares of the face value of ₹5 each
January 7, 2015@	700,00,00,000	140,00,00,000 equity shares of the face value of ₹5 each
April 3, 2015^	900,00,00,000	180,00,00,000 equity shares of the face value of ₹5 each
June 29, 2015*	1,500,00,00,000	300,00,00,000 equity shares of the face value of ₹5 each
July 19, 2018**	1,900,00,00,000	2,800,000,000 equity shares of ₹5 each; and 1,000,000,000 preference shares of ₹ 5 each

#Authorised Share Capital of the Bank was altered and increased from ₹400,00,00,000 consisting of 80,00,00,000 Equity Shares of ₹5 each to ₹500,00,00,000 consisting of 100,00,00,000 Equity Shares of ₹5 each.

@Authorised Share Capital of the Bank was altered and increased from ₹500,00,00,000 consisting of 100,00,00,000 Equity Shares of ₹5 each to ₹700,00,00,000 consisting of 140,00,00,000 Equity Shares of ₹5 each.

^At the meeting of the Board of Directors of the Bank held on April 3, 2015, the Authorised Share Capital of the Bank was increased from ₹700,00,00,000 consisting of 140,00,00,000 Equity Shares of ₹5 each to ₹900,00,00,000 consisting of 180,00,00,000 Equity Shares of ₹5 each, pursuant to the Scheme of Amalgamation of eIVBL with the Bank.

**Authorised Share Capital of the Bank was altered and increased from ₹900,00,00,000 consisting of 180,00,00,000 Equity Shares of ₹5 each to ₹1,500,00,00,000 consisting of 300,00,00,000 Equity Shares of ₹5 each.*

*** Authorised Share Capital of the Bank was altered and increased from ₹1500,00,00,000 consisting of 300,00,00,000 Equity Shares of ₹5 each to ₹1900,00,00,000 divided into 280,00,00,000 equity shares of ₹5 each; and 100,00,00,000 preference shares of ₹ 5 each.*

(c) Equity Share Capital History of the Bank as on December 31, 2018, for the last five years

The following table sets forth details of allotments of Equity Shares of the Bank as on December 31, 2018, for the last five years:

(in ₹, unless otherwise stated and except share data)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
July 2, 2013	29,750	5	147.5	Cash	ESOP Allotment	76,73,77,665	3,83,68,88,325	54,37,66,76,108	ESOP Scheme 2007/15 (IV)
	17,650		147.5						ESOP Scheme 2007/17 (IV)
	79,058		421						ESOP Scheme 2007/32 (II)
July 24, 2013	10,000	5	147.5	Cash	ESOP Allotment	76,74,80,184	3,83,74,00,920	54,41,55,43,275	ESOP Scheme 2007/15 (IV)
	6,425		147.5						ESOP Scheme 2007/17 (IV)
	64,844		421						ESOP Scheme 2007/32 (II)
	21,250		305						ESOP Scheme 2007/33 (II)
August 12, 2013	20,750	5	147.5	Cash	ESOP Allotment	76,78,62,767	3,83,93,13,835	54,54,98,12,034	ESOP Scheme 2007/15 (IV)
	14,675		147.5						ESOP Scheme 2007/17 (IV)
	94,316		312.5						ESOP Scheme 2007/26 (II)
	1,75,300		337.5						ESOP Scheme 2007/27 (II)
	14,000		200						ESOP Scheme 2007/28 (III)
	63,542		421						ESOP Scheme 2007/32 (II)
August 27, 2013	7,500	5	147.5	Cash	ESOP Allotment	76,80,65,154	3,84,03,25,770	54,62,19,34,190	ESOP Scheme 2007/15 (IV)
	5,400		147.5						ESOP Scheme 2007/17 (IV)
	37,289		312.5						ESOP Scheme 2007/26 (II)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	1,30,600		337.5						ESOP Scheme 2007/27 (II)
	21,598		421						ESOP Scheme 2007/32 (II)
September 17, 2013	1,450	5	147.5	Cash	ESOP Allotment	76,82,43,055	3,84,12,15,275	54,68,68,59,950	ESOP Scheme 2007/17 (IV)
	2,230		200						ESOP Scheme 2007/18 (IV)
	27,488		312.5						ESOP Scheme2007/26 (II)
	1,31,500		337.5						ESOP Scheme 2007/27 (II)
	15,233		421						ESOP Scheme 2007/32 (II)
October 7, 2013	2,750	5	147.5	Cash	ESOP Allotment	76,86,70,022	3,84,33,50,110	54,84,43,02,215	ESOP Scheme 2007/17 (IV)
	43,500		312.5						ESOP Scheme 2007/26 (II)
	3,37,600		337.5						ESOP Scheme 007/27 (II)
	35,335		421						ESOP Scheme 2007/32 (II)
	7,782		545						ESOP Scheme 2007/34 (I)
November 1, 2013	16,000	5	147.5	Cash	ESOP Allotment	76,87,97,738	3,84,39,88,690	54,89,25,73,291	ESOP Scheme 2007/15 (IV)
	1,450		147.5						ESOP Scheme 2007/17 (IV)
	28,817		312.5						ESOP Scheme 2007/26 (II)
	17,500		200						ESOP Scheme 2007/28 (III)
	47,141		421						ESOP Scheme 2007/32 (II)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	16,808		545						ESOP Scheme 2007/34 (I)
November 28, 2013	1,000	5	147.5	Cash	ESOP Allotment	76,89,24,599	3,84,46,22,995	54,94,53,94,052	ESOP Scheme 2007/15 (IV)
	1,000		147.5						ESOP Scheme 2007/17 (IV)
	2,840		200						ESOP Scheme 2007/18 (IV)
	4,910		5						ESOP Scheme 2007/23 (IV)
	38,531		312.5						ESOP Scheme 2007/26 (II)
	9,811		250						ESOP Scheme 2007/30 (III)
	250		250						ESOP Scheme 2007/30 (IV)
	49,082		421						ESOP Scheme 2007/32 (II)
	19,437		545						ESOP Scheme 2007/34 (I)
December 16, 2013	1,250	5	147.5	Cash	ESOP Allotment	76,91,17,006	3,84,55,85,030	55,02,40,37,263	ESOP Scheme 2007/17 (IV)
	128		5						ESOP Scheme 2007/23 (IV)
	76,390		312.5						ESOP Scheme 2007/26 (II)
	16,031		250						ESOP Scheme 2007/30 (III)
	75,830		421						ESOP Scheme 2007/32 (II)
	10,000		305						ESOP Scheme 2007/33 (II)
	9828		545						ESOP Scheme 2007/34 (I)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	2950		545						ESOP Scheme 2007/38 (I)
January 7, 2014	11,000	5	147.5	Cash	ESOP Allotment	76,95,96,412	3,84,79,82,060	55,21,39,19,834	ESOP Scheme 2007/15 (IV)
	2,800		147.5						ESOP Scheme 2007/17 (IV)
	928		200						ESOP Scheme 2007/18 (IV)
	398		5						ESOP Scheme 2007/23 (IV)
	1,32,867		312.5						ESOP Scheme 2007/26 (II)
	83,873		312.5						ESOP Scheme 2007/26 (III)
	22,720		250						ESOP Scheme 2007/30 (III)
	1,82,778		421						ESOP Scheme 2007/32 (II)
	18,750		305						ESOP Scheme 2007/33(II)
	15,138		545						ESOP Scheme 2007/34 (I)
	6,804		350						ESOP Scheme 2007/36 (I)
	1,350		545						ESOP Scheme 2007/37 (I)
January 30, 2014	90,000	5	147.5	Cash	ESOP Allotment	76,97,97,261	3,84,89,86,305	55,27,23,10,729	ESOP Scheme 2007/15 (IV)
	8,550		147.5						ESOP Scheme 2007/17 (IV)
	2,680		200						ESOP Scheme 2007/18 (IV)
	50,825		312.5						ESOP Scheme 2007/26 (III)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	17,085		250						ESOP Scheme 2007/30 (III)
	1,500		421						ESOP Scheme 2007/32
	30,209		545						ESOP Scheme 2007/34 (I)
February 25, 2014	38,000	5	147.5	Cash	ESOP Allotment	76,99,52,736	3,84,97,63,680	55,32,63,81,931	ESOP Scheme 2007/15 (IV)
	13,500		147.5						ESOP Scheme 2007/17 (IV)
	44,409		312.5						ESOP Scheme 2007/26 (III)
	21,180		250						ESOP Scheme 2007/30 (III)
	616		421						ESOP Scheme 2007/32
	37,770		545						ESOP Scheme 2007/34 (I)
March 10, 2014	86,000	5	147.5	Cash	ESOP Allotment	77,00,89,974	3,85,04,49,870	55,36,31,54,837	ESOP Scheme 2007/15 (IV)
	700		147.5						ESOP Scheme 2007/17 (IV)
	16,179		312.5						ESOP Scheme 2007/26 (III)
	14783		250						ESOP Scheme 2007/30 (III)
	19576		545						ESOP Scheme 2007/34 (I)
March 24, 2014	57,500	5	147.5	Cash	ESOP Allotment	77,02,19,283	3,85,10,96,415	55,40,74,20,327	ESOP Scheme 2007/15 (IV)
	3,550		147.5						ESOP Scheme 2007/17 (IV)
	6,190		312.5						ESOP Scheme 2007/26 (III)
	21,655		250						ESOP Scheme 2007/30 (III)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	29,746		545						ESOP Scheme 2007/34 (I)
	10,668		350						ESOP Scheme 2007/35 (I)
March 31, 2014	4,251	5	147.5	Cash	ESOP Allotment	77,03,11,001	38,515,55,005	55,45,14,89,920	ESOP Scheme 2007/17 (IV)
	9,783		312.5						ESOP Scheme 2007/26 (III)
	29,576		250						ESOP Scheme 2007/30 (III)
	48,108		545						ESOP Scheme 2007/34 (I)
April 21, 2014	32,349	5	147.5	Cash	ESOP Allotment	77,03,50,389	3,85,17,51,945	55,45,90,71,051	ESOP Scheme 2007/17 (IV)
	3,902		312.5						ESOP Scheme 2007/26 (III)
	1,995		250						ESOP Scheme 2007/30 (III)
	1,142		545						ESOP Scheme 2007/34 (I)
June 12, 2014	44,296	5	312.5	Cash	ESOP Allotment	77,04,67,156	3,85,23,35,780	55,51,54,61,948	ESOP Scheme 2007/26 (III)
	300		421						ESOP Scheme 2007/32
	61,965		545						ESOP Scheme 2007/34 (II)
	10,206		350						ESOP Scheme 2007/36 (II)
July 3, 2014	19,810	5	312.5	Cash	ESOP Allotment	77,06,25,669	3,85,31,28,345	55,58,66,46,193	ESOP Scheme 2007/26 (III)
	87,875		421						ESOP Scheme 2007/32 (III)
	50,828		545						ESOP Scheme 2007/34 (II)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
July 24, 2014	16,106	5	312.5	Cash	ESOP Allotment	77,08,06,015	3,85,40,30,075	55,66,77,09,355	ESOP Scheme 2007/26 (III)
	1,06,244		421						ESOP Scheme 2007/32 (III)
	21,250		305						ESOP Scheme 2007/33 (III)
	25,744		545						ESOP Scheme 2007/34 (II)
	11,002		350						ESOP Scheme 2007/35 (II)
September 1, 2014	8,918	5	312.5	Cash	ESOP Allotment	77,09,00,772	3,85,45,03,860	55,70,91,82,824	ESOP Scheme 2007/26 (III)
	14,000		200						ESOP Scheme 2007/28 (IV)
	125		250						ESOP Scheme 2007/30 (IV)
	47,297		421						ESOP Scheme 2007/32 (III)
	24,417		545						ESOP Scheme 2007/34 (II)
September 30, 2014	65,418	5	312.5	Cash	ESOP Allotment	77,13,34,557	3,85,66,72,785	55,91,40,44,664	ESOP Scheme 2007/26 (III)
	17,500		200						ESOP Scheme 2007/28 (IV)
	1,70,798		421						ESOP Scheme 2007/32 (III)
	28,750		305						ESOP Scheme 2007/33 (III)
	99,379		545						ESOP Scheme 2007/34 (II)
	5,000		350						ESOP Scheme 2007/35 (II)
	2,950		545						ESOP Scheme 2007/38 (II)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	33,570		724						ESOP Scheme 2007/40 (I)
	2,500		550						ESOP Scheme 2007/41 (I)
	7,920		550						ESOP Scheme 2007/42 (I)
October 30, 2014	3,420	5	312.5	Cash	ESOP Allotment	77,13,77,230	3,85,68,86,150	55,93,64,39,687	ESOP Scheme 2007/26 (III)
	18,948		421						ESOP Scheme 2007/32 (III)
	7,410		545						ESOP Scheme 2007/34 (II)
	12,895		724						ESOP Scheme 2007/40 (I)
December 2, 2014	36,316	5	312.5	Cash	ESOP Allotment	77,15,79,128	3,85,78,95,640	56,03,61,85,168	ESOP Scheme 2007/26 (III)
	22,696		250						ESOP Scheme 2007/30 (IV)
	50,207		421						ESOP Scheme 2007/32 (III)
	63,321		545						ESOP Scheme 2007/34 (II)
	2,025		545						ESOP Scheme 2007/37 (II)
	27,333		724						ESOP Scheme 2007/40 (I)
December 26, 2014	40,871	5	312.5	Cash	ESOP Allotment	77,17,29,618	3,85,86,48,090	56,10,05,40,193	ESOP Scheme 2007/26 (III)
	24,470		250						ESOP Scheme 2007/30 (IV)
	76,043		421						ESOP Scheme 2007/32 (III)
	975		545						ESOP Scheme 2007/34 (II)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	8,131		724						ESOP Scheme 2007/40 (I)
January 28, 2015	28,210	5	312.5	Cash	ESOP Allotment	77,19,50,397	3,85,97,51,985	56,19,64,22,908	ESOP Scheme 2007/26 (III)
	24,820		250						ESOP Scheme 2007/30 (IV)
	29,781		421						ESOP Scheme 2007/32 (III)
	1,24,188		421						ESOP Scheme 2007/32 (IV)
	13,780		724						ESOP Scheme 2007/40 (I)
February 16, 2015	19,588	5	250	Cash	ESOP Allotment	77,20,77,388	3,86,03,86,940	56,25,42,84,289	ESOP Scheme 2007/30 (IV)
	94,367		421						ESOP Scheme 2007/32 (IV)
	13,036		724						ESOP Scheme 2007/40 (I)
March 17, 2015	33,860	5	250	Cash	ESOP Allotment	77,21,96,917	3,86,09,84,585	56,32,12,39,414	ESOP Scheme 2007/30 (IV)
	34,493		421						ESOP Scheme 2007/32 (IV)
	41,676		724						ESOP Scheme 2007/40 (I)
	9,500		550						ESOP Scheme 2007/41 (I)
March 24, 2015	8,068	5	250	Cash	ESOP Allotment	77,22,45,238	3,86,12,26,190	56,34,49,45,582	ESOP Scheme 2007/30 (IV)
	29,829		421						ESOP Scheme 2007/32 (IV)
	10,424		724						ESOP Scheme 2007/40 (I)
March 31, 2015	12,031	5	250	Cash	ESOP Allotment	77,23,52,664	3,86,17,63,320	56,39,72,56,775	ESOP Scheme 2007/30 (IV)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	54,524		421						ESOP Scheme 2007/32 (IV)
	21,250		305						ESOP Scheme 2007/33 (IV)
	19,621		724						ESOP Scheme 2007/40 (I)
April 21, 2015	13,92,05,159	5	5	Cash	Merger Ratio of 725 equity shares of ₹5 each in the transferee bank i.e Bank for every 1,000 equity shares of ₹10 each held in transferor bank i.e. ING Vysya Bank Limited.	91,15,48,523	4,55,77,42,615	99,60,37,66,396	13,92,05,159 equity shares of ₹5 each issued to erstwhile shareholders of ING Vysya Bank Limited pursuant to the scheme of amalgamation less 9,300 shares cancelled on account of cross holding. Record date: April 17, 2015, Allotment date: April 21, 2015.
May 7, 2015	1,038	5	250	Cash	ESOP Allotment	91,21,59,247	4,56,07,96,235	99,97,87,82,899	ESOP Scheme 2007/30 (IV)
	32,011		421						ESOP Scheme 2007/32 (IV)
	140		724						ESOP Scheme 2007/40 (I)
	9,091		403						KMBL(IVBL) 2007
	46,998		832						KMBL(IVBL) 2007
	44,941		444						KMBL(IVBL) 2010
	14,864		481						KMBL(IVBL) 2010
	2,00,812		504						KMBL(IVBL) 2010
	72,500		514						KMBL(IVBL) 2010

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	78,983		832						KMBL(IVBL) 2010
	1,080		799						KMBL(IVBL) 2013
	1,08,266		832						KMBL(IVBL) 2013
May 28, 2015	67,214	5	421	Cash	ESOP Allotment	91,28,41,920	4,56,42,09,600	100,43,06,88,414	ESOP Scheme 2007/32 (IV)
	24,750		305						ESOP Scheme 2007/33 (IV)
	3,037		185						KMBL(IVBL) 2007
	5,409		362						KMBL(IVBL) 2007
	10,500		403						KMBL(IVBL) 2007
	8,689		444						KMBL(IVBL) 2010
	9,440		481						KMBL(IVBL) 2010
	1,15,988		504						KMBL(IVBL) 2010
	98,292		832						KMBL(IVBL) 2010
	3,04,389		759						KMBL(IVBL) 2013
	2,430		797						KMBL(IVBL) 2013
	32,535		832						KMBL(IVBL) 2013
July 10, 2015[1]	91,28,41,920	5	Bonus (1:1) Record Date – July 9, 2015 Allotment Date – July 10, 2015	Other than cash	Bonus Issue	1,82,56,83,840	9,12,84,19,200	95,86,47,00,414	-
July 16, 2015	1,42,260	5	210.5	Cash	ESOP Allotment	1,82,70,85,982	9,13,54,29,910	96,30,85,26,506	ESOP Scheme 2007/32 (IV)
	66,394		272.5						ESOP Scheme 2007/34 (III)
	4,350		146						KMBL(IVBL) 2007
	4,654		92.5						KMBL(IVBL) 2007

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	10,152		201.5						KMBL(IVBL) 2007
	3,916		181						KMBL(IVBL) 2007
	47,618		222						KMBL(IVBL) 2010
	50,026		232.5						KMBL(IVBL) 2010
	17,188		240.5						KMBL(IVBL) 2010
	2,17,550		252						KMBL(IVBL) 2010
	79,974		257						KMBL(IVBL) 2010
	1,95,828		416						KMBL(IVBL) 2010
	4,80,494		379.5						KMBL(IVBL) 2013
	2,916		399.5						KMBL(IVBL) 2013
	78,822		416						KMBL(IVBL) 2013
August 24, 2015	300	5	210.5	Cash	ESOP Allotment	1,82,81,12,992	9,14,05,64,960	96,62,71,48,494	ESOP Scheme 2007/32 (IV)
	61,058		272.5						ESOP Scheme 2007/34 (III)
	38,933		181						KMBL(IVBL) 2007
	36,974		201.5						KMBL(IVBL) 2007
	33,276		416						KMBL(IVBL) 2007
	1,15,814		222						KMBL(IVBL) 2010
	81,036		240.5						KMBL(IVBL) 2010
	1,67,043		252						KMBL(IVBL) 2010
	7,756		278.5						KMBL(IVBL) 2010
	1,26,300		416						KMBL(IVBL) 2010
	3,40,390		379.5						KMBL(IVBL) 2013
	18,130		416						KMBL(IVBL) 2013
September 7, 2015	23,604	5	210.5	Cash	ESOP Allotment	1,82,96,66,759	9,14,83,33,795	97,10,60,45,002	ESOP Scheme 2007/32 (IV)
	8,000		152.5						ESOP Scheme 2007/33 (IV)
	1,40,184		272.5						ESOP Scheme 2007/34 (III)
	26,670		175						ESOP Scheme 2007/35 (III)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	34,020		175						ESOP Scheme 2007/36 (III)
	1,02,171		362						ESOP Scheme 2007/40 (II)
	10,000		275						ESOP Scheme 2007/41 (II)
	15,840		275						ESOP Scheme 2007/42 (II)
	8,700		92.5						KMBL(IVBL) 2007
	47,804		201.5						KMBL(IVBL) 2007
	6,000		416						KMBL(IVBL) 2007
	1,10,048		222						KMBL(IVBL) 2010
	1,46,150		240.5						KMBL(IVBL) 2010
	2,87,226		252						KMBL(IVBL) 2010
	2,10,718		416						KMBL(IVBL) 2010
	3,60,624		379.5						KMBL(IVBL) 2013
	16,008		416						KMBL(IVBL) 2013
	6,520	5	210.5	Cash	ESOP Allotment	1,83,05,12,584	9,15,25,62,920	97,33,27,19,544	ESOP Scheme 2007/32 (IV)
	84,284		272.5						ESOP Scheme 2007/34 (III)
	52,926		362						ESOP Scheme 2007/40 (II)
	24,834		99						KMBL(IVBL) 2007
September 30, 2015	19,236		116.5						KMBL(IVBL) 2007
	14,822		151.5						KMBL(IVBL) 2007
	17,500		181						KMBL(IVBL) 2007
	58,000		201.5						KMBL(IVBL) 2007
	18,452		217.5						KMBL(IVBL) 2007
	14,484		262						KMBL(IVBL) 2007
	44,800		222						KMBL(IVBL) 2010
	15,700		240.5						KMBL(IVBL) 2010
	53,839		252.5						KMBL(IVBL) 2010

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	2,49,102		257						KMBL(IVBL) 2010
	19,576		416						KMBL(IVBL) 2010
	1,31,036		379.5						KMBL(IVBL) 2013
	20,714		416						KMBL(IVBL) 2013
October 16, 2015	16,783	5	272.5	Cash	ESOP Allotment	1,83,10,96,991	9,15,54,84,955	97,49,96,23,024	ESOP Scheme 2007/34 (III)
	5,000		272.5						ESOP Scheme 2007/38 (III)
	23,059		362						ESOP Scheme 2007/40
	70,820		406						ESOPScheme2007/44
	21,433		181						KMBL(IVBL) 2007
	11,740		201.5						KMBL(IVBL) 2007
	32,626		416						KMBL(IVBL) 2007
	91,136		222						KMBL(IVBL) 2010
	55,100		240.5						KMBL(IVBL) 2010
	46,008		252						KMBL(IVBL) 2010
	1,44,498		257						KMBL(IVBL) 2010
	56,312		379.5						KMBL(IVBL) 2013
	9,892		416						KMBL(IVBL) 2013
November 4, 2015	18,466	5	272.5	Cash	ESOP Allotment	1,83,13,04,724	9,15,65,23,620	97,57,13,75,010	ESOP Scheme 2007/34 (III)
	900		272.5						ESOP Scheme 2007/38 (III)
	4,588		362						ESOP Scheme 2007/40 (II)
	4,322		406						ESOP Scheme 2007/44 (I)
	1,740		201.5						KMBL(IVBL) 2007
	9,716		222						KMBL(IVBL) 2010
	1,500		240.5						KMBL(IVBL) 2010
	35,086		252						KMBL(IVBL) 2010
	10,000		257						KMBL(IVBL) 2010
	1,250		278.5						KMBL(IVBL) 2010

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	47,477		379.5						KMBL(IVBL) 2013
	15,700		416						KMBL(IVBL) 2013
	52,636		436.5						KMBL(IVBL) 2013
	4,352		444						KMBL(IVBL) 2013
November 26, 2015	21,558	5	210.5	Cash	ESOP Allotment	1,83,17,16,940	9,15,85,84,700	97,69,57,99,070	ESOP Scheme 2007/33 (III)
	19,346		272.5						ESOP Scheme 2007/34 (III)
	47,779		362						ESOP Scheme 2007/40 (II)
	33,960		406						ESOP Scheme 2007/44 (I)
	7,000		416						KMBL(IVBL) 2007
	7,877		222						KMBL(IVBL) 2010
	41,552		240.5						KMBL(IVBL) 2010
	1,52,052		252						KMBL(IVBL) 2010
	10,000		416						KMBL(IVBL) 2010
	30,512		379.5						KMBL(IVBL) 2013
	40,580		416						KMBL(IVBL) 2013
December 14, 2015	1,298	5	210.5	Cash	ESOP Allotment	1,83,22,59,304	9,16,12,96,520	97,90,31,10,951	ESOP Scheme 2007/32 (III)
	43,237		272.5						ESOP Scheme 2007/34 (III)
	41,643		362						ESOP Scheme 2007/40 (II)
	16,714		406						ESOP Scheme 2007/44 (I)
	96,548		416						KMBL(IVBL) 2007
	4,329		222						KMBL(IVBL) 2010
	500		240.5						KMBL(IVBL) 2010
	390		252						KMBL(IVBL) 2010
	10,000		416						KMBL(IVBL) 2010
	2,20,257		379.5						KMBL(IVBL) 2013

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	26,104		416						KMBL(IVBL) 2013
	81,344		444.5						KMBL(IVBL) 2013
December 31, 2015	5,570	5	210.5	Cash	ESOP Allotment	1,83,24,99,206	9,16,24,96,030	97,98,58,61,297	ESOP Scheme 2007/32 (IV)
	85,256		272.5						ESOP Scheme 2007/34 (III)
	3,376		272.5						ESOP Scheme 2007/37(III)
	13,476		362						ESOP Scheme 2007/40 (II)
	6,982		406						ESOP Scheme 2007/44 (I)
	5,438		252						KMBL(IVBL) 2010
	38,046		416						KMBL(IVBL) 2010
	31,174		379.5						KMBL(IVBL) 2013
	11,948		416						KMBL(IVBL) 2013
	38,636		436.5						KMBL(IVBL) 2013
January 15, 2016	1,132	5	272.5	Cash	ESOP Allotment	1,83,29,51,055	9,16,47,55,275	98,15,28,48,018	ESOP Scheme 2007/34 (III)
	64,420		272.5						ESOP Scheme 2007/34 (IV)
	11,917		362						ESOP Scheme 2007/40 (II)
	26,000		275						ESOP Scheme 200741 (II)
	28,218		406						ESOP Scheme 2007/44 (I)
	7,646		300						ESOP Scheme 2007/45 (I)
	5,800		201.5						KMBL(IVBL) 2007
	1,11,652		416						KMBL(IVBL) 2007
	4,350		240.5						KMBL(IVBL) 2010
	20,220		252						KMBL(IVBL) 2010

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	1,000		278.5						KMBL(IVBL) 2010
	42,920		416						KMBL(IVBL) 2010
	68,744		379.5						KMBL(IVBL) 2013
	1,924		416						KMBL(IVBL) 2013
	14,000		436.5						KMBL(IVBL) 2013
	41,906		444.5						KMBL(IVBL) 2013
February 4, 2016	32,784	5	210.5	Cash	ESOP Allotment	1,83,32,55,065	9,16,62,75,325	98,25,91,48,280	ESOP Scheme 2007/32 (IV)
	59,518		272.5						ESOP Scheme 2007/34 (IV)
	63,510		362						ESOP Scheme 2007/40 (II)
	51,363		406						ESOP Scheme 2007/44 (I)
	26,628		416						KMBL(IVBL) 2007
	14,752		379.5						KMBL(IVBL) 2013
	1,225		416						KMBL(IVBL) 2013
	54,230		436.5						KMBL(IVBL) 2013
February 25, 2016	57,324	5	272.5	Cash	ESOP Allotment	1,83,36,70,808	9,16,83,54,040	98,40,18,14,181	ESOP Scheme 2007/34 IVI)
	6,670		175						ESOP Scheme 2007/35 (IV)
	1,36,111		362						ESOP Scheme 2007/40 (II)
	90,001		406						ESOP Scheme 2007/44 (I)
	25,000		300						ESOP Scheme 2007/45 (I)
	10,000		201.5						KMBL(IVBL) 2007
	9,492		222						KMBL(IVBL) 2010
	30,300		240.5						KMBL(IVBL) 2010
	13,448		252						KMBL(IVBL) 2010
	346		278.5						KMBL(IVBL) 2010

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	25,756		379.5						KMBL(IVBL) 2013
	11,295		416						KMBL(IVBL) 2013
March 15, 2016	30,558	5	272.5	Cash	ESOP Allotment	1,83,38,72,280	9,16,93,61,400	98,47,66,39,292	ESOP Scheme 2007/34 (IV)
	34,776		362						ESOP Scheme 2007/40 (II)
	1,19,062		406						ESOP Scheme 2007/44 (I)
	2,374		252						KMBL(IVBL) 2010
	3,752		379.5						KMBL(IVBL) 2013
	10,950		416						KMBL(IVBL) 2013
March 30, 2016	2,693	5	272.5	Cash	ESOP Allotment	1,83,43,82,158	9,17,19,10,790	98,64,85,31,825	ESOP Scheme 2007/34 (IV)
	3,374		272.5						ESOP Scheme 2007/37 (IV)
	2,54,601		320						ESOP Scheme 200739 (I)
	92,856		406						ESOP Scheme 2007/44 (I)
	13,686		240.5						KMBL(IVBL) 2010
	36,608		252						KMBL(IVBL) 2010
	8,526		416						KMBL(IVBL) 2010
	84,108		379.5						KMBL(IVBL) 2013
	13,426		416						KMBL(IVBL) 2013
April 22, 2016	13,381	5	272.5	Cash	ESOP Allotment	1,83,46,01,123	9,17,30,05,615	98,72,79,07,914	ESOP Scheme 2007/34 (IV)
	76,850		320						ESOP Scheme 2007/39 (I)
	44,786		406						ESOP Scheme 2007/44 (I)
	58,000		416						KMBL(IVBL) 2007
	222		222						KMBL(IVBL) 2010
	1,912		252						KMBL(IVBL) 2010

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	14,144		379.5						KMBL(IVBL) 2013
	9,670		416						KMBL(IVBL) 2013
May 18, 2016	4,472	5	272.5	Cash	ESOP Allotment	1,83,47,71,600	9,17,38,58,000	98,78,57,44,967	ESOP Scheme 2007/34 (IV)
	46,125		320						ESOP Scheme 2007/39 (I)
	5,916		222						KMBL(IVBL) 2010
	2,610		240.5						KMBL(IVBL) 2010
	18,774		252						KMBL(IVBL) 2010
	36,252		416						KMBL(IVBL) 2010
	51,358		379.5						KMBL(IVBL) 2013
	4,970		416						KMBL(IVBL) 2013
June 8, 2016	94,010	5	272.5	Cash	ESOP Allotment	1,83,51,31,446	9,17,56,57,230	98,91,51,42,850	ESOP Scheme 2007/34 (IV)
	1,10,174		320						ESOP Scheme 2007/39 (I)
	16,320		275						ESOP Scheme 2007/42 (III)
	54,000		400						ESOP Scheme 2007/46
	400		201.5						KMBL(IVBL) 2007
	9,916		222						KMBL(IVBL) 2010
	22,358		252						KMBL(IVBL) 2010
	41,200		379.5						KMBL(IVBL) 2013
	11,468		416						KMBL(IVBL) 2013
June 30, 2016	1,48,564	5	272.5	Cash	ESOP Allotment	1,83,55,74,980	9,17,78,74,900	99,04,64,00,456	ESOP Scheme 2007/34 (IV)
	2,00,750		320						ESOP Scheme 200739 (I)
	20,000		175						ESOP Scheme 2007/35 (IV)
	5,800		92.5						KMBL(IVBL) 2007
	16,100		240.5						KMBL(IVBL) 2010
	23,974		252						KMBL(IVBL) 2010

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	17,678		416						KMBL(IVBL) 2010
	4,352		379.5						KMBL(IVBL) 2013
	6,066		416						KMBL(IVBL) 2013
	250		444						KMBL(IVBL) 2013
July 12, 2016	43,046	5	272.5	Cash	ESOP Allotment	1,83,57,63,513	9,17,88,17,565	99,10,60,11,106	ESOP Scheme 2007/34 (IV)
	32,200		320						ESOP Scheme 200739 (I)
	79,649		362						ESOP Scheme 2007/40 (III)
	17,400		240.5						KMBL(IVBL) 2010
	4,980		252						KMBL(IVBL) 2010
	1,250		278.5						KMBL(IVBL) 2010
	2,654		416						KMBL(IVBL) 2010
	7,254		379.5						KMBL(IVBL) 2013
	100		416						KMBL(IVBL) 2013
August 3, 2016	54,900	5	320	Cash	ESOP Allotment	1,83,59,97,778	9,17,99,88,890	99,18,83,62,800	ESOP Scheme 200739 (I)
	32,367		362						ESOP Scheme 2007/40 (III)
	16,000		275						ESOP Scheme 2007/41 (III)
	54,742		406						ESOP Scheme 2007/44 (II)
	1,000		201.5						KMBL(IVBL) 2007
	4,626		240.5						KMBL(IVBL) 2010
	19,630		252						KMBL(IVBL) 2010
	20,000		416						KMBL(IVBL) 2010
	31,000		379.5						KMBL(IVBL) 2013
August 29, 2016	1,07,500	5	320	Cash	ESOP Allotment	1,83,63,66,957	9,18,18,34,785	99,30,91,03,240	ESOP Scheme 200739 (I)
	1,24,550		320						ESOP Scheme 200739 (II)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	31,513		362						ESOP Scheme 2007/40 (III)
	28,796		406						ESOP Scheme 2007/44 (II)
	9,038		222						KMBL(IVBL) 2010
	6,960		240.5						KMBL(IVBL) 2010
	16,782		252						KMBL(IVBL) 2010
	27,358		379.5						KMBL(IVBL) 2013
	16,682		416						KMBL(IVBL) 2013
	4,86,900	5	320	Cash	ESOP Allotment	1,83,72,88,329	9,18,64,41,645	99,59,24,65,461	ESOP Scheme 2007/39 (I)
	2,44,550		320						ESOP Scheme 2007/39 (II)
	31,969		362						ESOP Scheme 2007/40 (III)
September 21, 2016	26,922		406						ESOP Scheme 2007/44 (II)
	20,632		201.5						KMBL(IVBL) 2007
	79,752		222						KMBL(IVBL) 2010
	10,710		252						KMBL(IVBL) 2010
	1,450		278.5						KMBL(IVBL) 2010
	12,429		379.5						KMBL(IVBL) 2013
	6,058		416						KMBL(IVBL) 2013
	5,900	5	272.5	Cash	ESOP Allotment	1,83,79,31,481	9,18,96,57,405	99,84,18,73,276	ESOP Scheme 2007/38 (IV)
	2,33,950		320						ESOP Scheme 2007/39 (II)
November 2, 2016	65,457		362						ESOP Scheme 2007/40 (III)
	11,500		275						ESOP Scheme 2007/41 (III)
	73,862		406						ESOP Scheme 2007/44 (II)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	1,25,536		665						ESOP Scheme 2007/47 (I)
	2,730		201.5						KMBL(IVBL) 2007
	32,700		222						KMBL(IVBL) 2010
	54,378		240.5						KMBL(IVBL) 2010
	4,456		252						KMBL(IVBL) 2010
	3,046		278.5						KMBL(IVBL) 2010
	14,210		416						KMBL(IVBL) 2010
	9,865		379.5						KMBL(IVBL) 2013
	5,562		416						KMBL(IVBL) 2013
November 18, 2016	330	5	62.184	Cash	Rights & Bonus shares kept in abeyance by eIVBL issued to an individual shareholder	1,83,79,32,141	9,18,96,60,705	99,84,18,73,276	-
	330		-						
November 24, 2016	3,12,856	5	320	Cash	ESOP Allotment	1,83,85,72,903	9,19,28,64,515	100,07,96,80,540	ESOP Scheme 2007/39 (II)
	64,989		362						ESOP Scheme 2007/40 (III)
	2,500		275						ESOP Scheme 2007/41 (III)
	85,125		406						ESOP Scheme 2007/44 (II)
	68,454		665						ESOP Scheme 2007/47 (I)
	350		201.5						KMBL(IVBL) 2007
	46,400		416						KMBL(IVBL) 2007
	30		222						KMBL(IVBL) 2010
	47,000		252						KMBL(IVBL) 2010
	3,700		416						KMBL(IVBL) 2010

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	6,926		379.5						KMBL(IVBL) 2013
	2,432		416						KMBL(IVBL) 2013
December 19, 2016	4,24,094	5	320	Cash	ESOP Allotment	1,83,92,61,817	9,19,63,09,085	100,32,95,63,781	ESOP Scheme 200739 (II)
	73,935		362						ESOP Scheme 2007/40 (III)
	48,336		406						ESOP Scheme 2007/44 (II)
	32,646		300						ESOP Scheme 2007/45 (II)
	58,774		665						ESOP Scheme 2007/47 (I)
	1,580		222						KMBL(IVBL) 2010
	15,226		240.5						KMBL(IVBL) 2010
	956		252						KMBL(IVBL) 2010
	18,052		416						KMBL(IVBL) 2010
	14,087		379.5						KMBL(IVBL) 2013
	1,228		416						KMBL(IVBL) 2013
January 13, 2017	51,867	5	362	Cash	ESOP Allotment	1,83,95,69,858	9,19,78,49,290	100,45,89,67,997	ESOP Scheme 2007/40 (III)
	72,487		362						ESOP Scheme 2007/40 (IV)
	1,00,825		406						ESOP Scheme 2007/44 (II)
	43,780		665						ESOP Scheme 2007/47 (I)
	10,000		500						ESOP Scheme 2007/48 (I)
	350		201.5						KMBL(IVBL) 2007
	17,650		252						KMBL(IVBL) 2010
	1,180		379.5						KMBL(IVBL) 2013
	9,902		444						KMBL(IVBL) 2013

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
February 15, 2017	37,933	5	362	Cash	ESOP Allotment	1,83,98,66,440	9,19,93,32,200	100,58,81,27,200	ESOP Scheme 2007/40 (IV)
	7,400		362						ESOP Scheme 2007/43
	1,28,610		406						ESOP Scheme 2007/44 (II)
	77,733		665						ESOP Scheme 2007/47 (I)
	29,580		222						KMBL(IVBL) 2010
	13,050		240.5						KMBL(IVBL) 2010
	1,926		252						KMBL(IVBL) 2010
	350		379.5						KMBL(IVBL) 2013
March 9, 2017	28,386	5	362	Cash	ESOP Allotment	1,84,04,05,119	9,20,20,25,595	100,83,41,39,397	ESOP Scheme 2007/40 (IV)
	3,450		362						ESOP Scheme 2007/43
	1,51,203		665						ESOP Scheme 2007/47 (I)
	12,620		500						ESOP Scheme 2007/48 (I)
	3,500		690						ESOP Scheme 2015/01 (I)
	1,16,000		416						KMBL(IVBL) 2007
	59,600		252						KMBL(IVBL) 2010
	1,50,166		379.5						KMBL(IVBL) 2013
	13,754		416						KMBL(IVBL) 2013
March 22, 2017	22,658	5	362	Cash	ESOP Allotment	1,84,06,93,600	9,20,34,68,000	100,98,39,37,887	ESOP Scheme 2007/40 (IV)
	89,150		362						ESOP Scheme 2007/43
	1,52,449		665						ESOP Scheme 2007/47 (I)
	314		252						KMBL(IVBL) 2010
	17,476		379.5						KMBL(IVBL) 2013
	6,434		416						KMBL(IVBL) 2013

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
March 31, 2017	12,114	5	362	Cash	ESOP Allotment	1,84,08,97,877	9,20,44,89,385	101,10,79,73,269	ESOP Scheme 2007/40 (IV)
	1,70,631		665						ESOP Scheme 2007/47 (I)
	7,604		252						KMBL(IVBL) 2010
	13,928		379.5						KMBL(IVBL) 2013
April 26, 2017	22,352	5	362	Cash	ESOP Allotment	1,84,10,28,253	9,20,51,41,265	101,17,12,51,950	ESOP Scheme 2007/40 (IV)
	47,638		665						ESOP Scheme 2007/47 (I)
	8,700		416						KMBL(IVBL) 2010
	9,932		379.5						KMBL(IVBL) 2013
	36,254		399.5						KMBL(IVBL) 2013
	5,500		416						KMBL(IVBL) 2013
May 18, 2017[2]	6,20,00,000	5	936	Cash	Qualified institutions placement	1,90,30,28,253	9,51,51,41,265	158,892, 283,052	-
June 14, 2017	79,322	5	362	Cash	ESOP Allotment	1,90,32,18,838	9,51,60,94,190	158,63,78,72,263	ESOP Scheme 2007/40 (IV)
	30,000		275						ESOP Scheme 2007/41 (IV)
	8,974		665						ESOP Scheme 2007/47
	650		222						KMBL(IVBL) 2010
	7,250		252						KMBL(IVBL) 2010
	6,090		416						KMBL(IVBL) 2010
	51,196		379.5						KMBL(IVBL) 2013
	7,103		416						KMBL(IVBL) 2013
June 27, 2017	1,06,598	5	362	Cash	ESOP Allotment	1,90,33,44,086	9,51,67,20,430	158,67,10,44,230	ESOP Scheme 2007/40 (IV)
	1,120		406						ESOP Scheme 2007/44 (III)
	1,344		665						ESOP Scheme 2007/47 (II)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	1,242		710						ESOP Scheme 2015/02 (I)
	8,077		252						KMBL(IVBL) 2010
	6,867		379.5						KMBL(IVBL) 2013
June 30, 2017	43,016	5	362	Cash	ESOP Allotment	1,90,35,00,911	9,51,75,04,555	158,69,30,28,795	ESOP Scheme 2007/40 (IV)
	89,520		406						ESOP Scheme 2007/44 (III)
	21,764		300						ESOP Scheme 2007/45 (III)
	200		201.5						ESOP Scheme 2007
	1,000		252						KMBL(IVBL) 2010
	1,325		379.5						KMBL(IVBL) 2013
July 13, 2017	64,014	5	406	Cash	ESOP Allotment	1,90,35,69,160	9,51,78,45,800	158,71,51,18,709	ESOP Scheme 2007/44 (III)
	300		201.5						KMBL(IVBL) 2007
	400		252						KMBL(IVBL) 2010
	3,480		240.5						KMBL(IVBL) 2010
	55		379.5						KMBL(IVBL) 2013
August 23, 2017	34,143	5	406	Cash	ESOP Allotment	1,90,37,90,537	9,51,89,52,685	158,84,75,18,579	ESOP Scheme 2007/44 (III)
	1,120		406						ESOP Scheme 2007/44 (IV)
	1,73,313		665						ESOP Scheme 2007/47 (II)
	896		665						ESOP Scheme 2007/47 (III)
	896		665						ESOP Scheme 2007/47 (IV)
	710		201.5						KMBL(IVBL) 2007
	744		222						KMBL(IVBL) 2010
	1,100		240.5						KMBL(IVBL) 2010

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	5,401		252						KMBL(IVBL) 2010
	2,854		379.5						KMBL(IVBL) 2013
	200		416						KMBL(IVBL) 2013
September 14, 2017	10,809	5	406	Cash	ESOP Allotment	1,90,38,81,745	9,51,94,08,725	158,90,28,68,848	ESOP Scheme 2007/44 (III)
	69,212		665						ESOP Scheme 2007/47 (II)
	5,120		500						ESOP Scheme 2007/48 (II)
	1,210		201.5						KMBL(IVBL) 2007
	250		252						KMBL(IVBL) 2010
	4,607		379.5						KMBL(IVBL) 2013
September 29, 2017	11,736	5	406	Cash	ESOP Allotment	1,90,40,04,302	9,52,00,21,510	158,96,56,88,975	ESOP Scheme 2007/44 (III)
	61,267		665						ESOP Scheme 2007/47 (II)
	7,500		500						ESOP Scheme 2007/48 (II)
	1,400		201.5						KMBL(IVBL) 2007
	22,450		252						KMBL(IVBL) 2010
	13,002		379.5						KMBL(IVBL) 2013
	5,202		416						KMBL(IVBL) 2013
November 2, 2017	12,674	5	406	Cash	ESOP Allotment	1,90,42,34,027	9,52,11,70,135	159,11,20,80,517	ESOP Scheme 2007/44 (III)
	60,976		665						ESOP Scheme 2007/47 (II)
	7,500		500						ESOP Scheme 2007/48 (II)
	1,30,899		710						ESOP Scheme 2015/02 (I)
	1,400		201.5						KMBL(IVBL) 2007
	5,278		252						KMBL(IVBL) 2010
	3,344		379.5						KMBL(IVBL) 2013

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	7,654		416						KMBL(IVBL) 2013
November 23, 2017	22,844	5	406	Cash	ESOP Allotment	1,90,44,15,542	9,52,20,77,710	159,21,35,21,980	ESOP Scheme 2007/44 (III)
	64,260		665						ESOP Scheme 2007/47 (II)
	51,951		710						ESOP Scheme 2015/02 (I)
	4,350		222						KMBL(IVBL) 2010
	4,350		240.5						KMBL(IVBL) 2010
	13,052		252						KMBL(IVBL) 2010
	12,582		379.5						KMBL(IVBL) 2013
	8,126		416						KMBL(IVBL) 2013
December 29, 2017	80,282	5	406	Cash	ESOP Allotment	1,90,47,03,780	9,52,35,18,900	159,38,11,03,519	ESOP Scheme 2007/44 (III)
	1,07,613		665						ESOP Scheme 2007/47 (II)
	2,500		500						ESOP Scheme 2007/8 (II)
	84,542		710						ESOP Scheme 2015/02 (I)
	828		710						ESOP Scheme 2015/02 (III)
	828		710						ESOP Scheme 2015/02 (IV)
	1,186		222						KMBL(IVBL) 2010
	2,814		240.5						KMBL(IVBL) 2010
	7,030		252						KMBL(IVBL) 2010
	615		379.5						KMBL(IVBL) 2013
January 15, 2018	30,852	5	406	Cash	ESOP Allotment	1,90,49,74,012	9,52,48,70,060	159,52,42,06,350	ESOP Scheme 2007/44 (III)
	68,657		406						ESOP Scheme 2007/44 (IV)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	1,08,974		665						ESOP Scheme 2007/47 (II)
	34,197		710						ESOP Scheme 2015/02 (I)
	6,526		222						KMBL(IVBL) 2010
	16,724		252						KMBL(IVBL) 2010
	4,030		379.5						KMBL(IVBL) 2013
	272		416						KMBL(IVBL) 2013
February 7, 2018	25,473	5	406	Cash	ESOP Allotment	1,90,52,76,061	9,52,63,80,305	159,71,51,36,555	ESOP Scheme 2007/44 (IV)
	2,10,521		665						ESOP Scheme 2007/47 (II)
	54,993		710						ESOP Scheme 2015/02 (I)
	2,800		252						KMBL(IVBL) 2010
	7,750		379.5						KMBL(IVBL) 2013
	512		416						KMBL(IVBL) 2013
February 28, 2018	39,080	5	406	Cash	ESOP Allotment	1,90,54,68,072	9,52,73,40,360	159,82,41,37,523	ESOP Scheme 2007/44 (IV)
	2,000		90						ESOP Scheme 2015/01 (II)
	90,476		710						ESOP Scheme 2015/02 (I)
	21,429		550						ESOP Scheme 2015/04 (I)
	64		222						KMBL(IVBL) 2010
	2,72,86		252						KMBL(IVBL) 2010
	970		379.5						KMBL(IVBL) 2013
	10,706		416						KMBL(IVBL) 2013
	8,098	5	406	Cash	ESOP Allotment	1,90,56,48,506	9,52,82,42,530	159,94,33,63,648	ESOP Scheme 2007/44 (IV)

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
March 22, 2018	1,500		690						ESOP Scheme 2015/01 (II)
	1,57,090		710						ESOP Scheme 2015/02 (I)
	7,520		252						KMBL(IVBL) 2010
	5,926		379.5						KMBL(IVBL) 2013
	300		416						KMBL(IVBL) 2013
April 17, 2018	12,616	5	406	Cash	ESOP Allotment	1,90,57,74,896	9,52,88,74,480	160,02,46,57,072	ESOP Scheme 2007/44 (IV)
	1,01,870		710						ESOP Scheme 2015/02 (I)
	1,242		710						ESOP Scheme 2015/02 (II)
	1,000		222						KMBL(IVBL) 2010
	3,300		252						KMBL(IVBL) 2010
	2,916		379.5						KMBL(IVBL) 2013
	3,446		416						KMBL(IVBL) 2013
May 16, 2018	14,126	5	406	Cash	ESOP Allotment	1,90,58,57,958	9,52,92,89,790	160,04,83,66,354	ESOP Scheme 2007/44 (IV)
	2,134		222						KMBL(IVBL) 2010
	60,950		252						KMBL(IVBL) 2010
	1,500		416						KMBL(IVBL) 2013
	4,352		444						KMBL(IVBL) 2013
June 6, 2018	94,802	5	406	Cash	ESOP Allotment	1,90,60,45,129	9,53,02,25,645	160,11,52,91,581	ESOP Scheme 2007/44 (IV)
	1,004		665						ESOP Scheme 2007/47 (III)
	1,767		710						ESOP Scheme 2015/02 (II)
	33,780		222						KMBL(IVBL) 2010
	15,076		252						KMBL(IVBL) 2010
	13,050		416						KMBL(IVBL) 2010
	21,856		379.5						KMBL(IVBL) 2013

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
	5,836		416						KMBL(IVBL) 2013
June 28, 2018	44,460	5	406	Cash	ESOP Allotment	1,90,61,31,883	9,53,06,59,415	160,15,37,33,338	ESOP Scheme 2007/44 (IV)
	21,764		300						ESOP Scheme 2007/45 (IV)
	1,004		665						ESOP Scheme 2007/47 (IV)
	1,178		710						ESOP Scheme 2015/02 (III)
	1,638		955						ESOP Scheme 2015/07 (I)
	1,638		955						ESOP Scheme 2015/07 (II)
	7,737		379.5						KMBL(IVBL) 2013
	7,335		416						KMBL(IVBL) 2013

Date of Allotment	No.of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (Cash, other than cash etc.,) (₹)	Nature of Allotment	Cumulative			Remarks
						No.of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
July 25, 2018	43,228	5	406	Cash	ESOP Allotment	190,63,22,474	953,16,12,370	1,60,25,70,05,771	ESOP Scheme 2007/44 (IV)
	1,25,943		665						ESOP Scheme 2007/47 (III)
	144		665						ESOP Scheme 2007/47 (IV)
	96		710						ESOP Scheme 2015/02 (II)
	64		710						ESOP Scheme 2015/02 (III)
	1,242		710						ESOP Scheme 2015/02 (IV)
	204		955						ESOP Scheme 2015/07 (I)
	204		955						ESOP Scheme 2015/07 (II)
	1,228		955						ESOP Scheme 2015/07 (III)

	1,228		955						ESOP Scheme 2015/07 (IV)
	16,530		240.5						KMBL(IVBL) 2010
	480		252						KMBL(IVBL) 2010
August 17, 2018	1,07,355		665	Cash	ESOP Allotment	190,65,80,596	953,29,02,980	1,60,42,47,79,290	ESOP Scheme 2007/47 (III)
	4,080		500						ESOP Scheme 2007/48 (III)
	1,31,068		710						ESOP Scheme 2015/02 (II)
	5,000	5	222						KMBL(IVBL) 2010
	9,294		252						KMBL(IVBL) 2010
	1,300		379.5						KMBL(IVBL) 2013
	25		416						KMBL(IVBL) 2013
September 12, 2018	58,452		665	Cash	ESOP Allotment	190,68,06,807	953,40,34,035	1,60,60,11,83,727	ESOP Scheme 2007/47 (III)
	77,451		710						ESOP Scheme 2015/02 (II)
	86,562	5	955						ESOP Scheme 2015/07 (I)
	3,146		252						KMBL(IVBL) 2010
	600		379.5						KMBL(IVBL) 2013
September 28, 2018	24,757		665	Cash	ESOP Allotment	190,70,04,130	953,50,20,650	1,60,76,19,61,646	ESOP Scheme 2007/47 (III)
	65,287		710						ESOP Scheme 2015/02 (II)
	1,01,755	5	955						ESOP Scheme 2015/07 (I)
	3,100		252						KMBL(IVBL) 2010
	500		379.5						KMBL(IVBL) 2013
	1,924		416						KMBL(IVBL) 2013
October 22, 2018	23,272		665	Cash	ESOP Allotment	190,71,20,562	953,56,02,810	1,60,85,29,69,403	ESOP Scheme 2007/47 (III)
	35,785		710						ESOP Scheme 2015/02 (II)
	50,629	5	955						ESOP Scheme 2015/07 (I)
	2,746		252						KMBL(IVBL) 2010
	4,000		416						KMBL(IVBL) 2010
November 15, 2018	15,401		665	Cash	ESOP Allotment	190,71,85,686	953,59,28,430	1,60,90,53,58,978	ESOP Scheme 2007/47 (III)
	16,013	5	710						ESOP Scheme 2015/02 (II)
	31,960		955						ESOP Scheme 2015/07 (I)

	750		222						KMBL(IVBL) 2010
	1,000		416						KMBL(IVBL) 2013
December 11, 2018	46,526	5	665	Cash	ESOP Allotment	190,73,38,257	953,66,91,285	1,61,01,66,30,948	ESOP Scheme 2007/47 (III)
	11,000		500						ESOP Scheme 2007/48 (III)
	65,872		710						ESOP Scheme 2015/02 (II)
	28,173		955						ESOP Scheme 2015/07 (I)
	1,000		252						KMBL(IVBL) 2010
December 27, 2018	56,811	5	665	Cash	ESOP Allotment	190,75,44,110	953,77,20,550	1,61,17,71,00,930	ESOP Scheme 2007/47 (III)
	61,861		710						ESOP Scheme 2015/02 (II)
	16,429		550						ESOP Scheme 2015/04 (II)
	69,692		955						ESOP Scheme 2015/07 (I)
	60		222						KMBL(IVBL) 2010
	1,000		379.5						KMBL(IVBL) 2013

[1] *These Equity Shares were allotted to the Shareholders on account of a bonus issue in the ratio of 1:1 undertaken pursuant to the resolutions of the Board and the Shareholders.*

[2] *The Bank allotted 62,000,000 Equity Shares pursuant to a qualified institutions placement in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.*

(d) Preference Share Capital History of the Bank as on December 31, 2018, for the last five years

₹500,00,00,000 consisting of 100,00,00,000 Preference Shares of face value of ₹5 each were issued and allotted on 2nd August 2018.

Details of Preference Shares

Party Name (in case of Facility) / Instrument Name	**Type of Facility / Instrument**	**Amt Sanctioned / Issued**	**Principal Amt outstanding**	**Repayment Date / Schedule**	**Credit Rating**	**Secured / Unsecured**	**Security**
8.10% Kotak Mahindra Bank Limited Perpetual Non-Cumulative Preference Shares 2018 ("PNCPS 2018")	Perpetual Non-cumulative preference shares. These PNCPS 2018 will neither be secured nor covered by a guarantee of the Bank or any related entity, or other arrangement that legally or economically enhances the seniority of the claim vis-a-vis bank creditors.	500 Cr	500 Cr	Perpetual	'CRISIL AA+/STABLE' by Crisil (pursuant to letter dated August 1, 2018)	NA	NA

(e) Details of any Acquisition or Amalgamation in the last 1 Year :

There has been no Acquisition or Amalgamation in last 1 year. Please note in September 2017, the Bank completed the acquisition of BSS Microfinance Private Limited. In October 2017, the Bank completed the acquisition of 26% equity stake in Kotak Life from Old Mutual Plc, subsequent to which Kotak Life became a 100% subsidiary of Kotak Bank.

(f) Details of any Reorganization or restructure in the last 1 Year : NONE

(g) Details of allotments made by the Bank in the last one year for consideration other than cash

a. Details of allotment of the Equity Shares

None.

b. Details of allotment of Preference Shares

None.

(h) Details of Shareholding of the Bank as on December 31, 2018

(a) Equity Shareholding pattern of the Bank as on December 31, 2018

Sr. No.	Particulars	Total No. of Equity Shares	No. of Equity Shares in demat	Total Shareholding as % of total no of Equity Shares
1.	Promoter & Promoter Group*	57,24,65,964	57,24,65,964	30.01
2.	Mutual Funds	13,52,30,604	13,52,02,604	7.09
3.	Alternate Investment Funds	31,90,888	31,90,888	0.17
4.	Foreign Portfolio Investors	75,07,41,864	75,07,16,264	39.36
5.	Financial Institutions/ Banks	42,26,697	42,20,063	0.22
6.	Insurance Companies	4,11,76,409	4,11,76,409	2.16
7.	Individuals	18,46,00,753	17,85,01,858	9.68
8.	NBFCs registered with RBI	15,79,813	15,79,813	0.08
9.	Others	21,43,31,118	21,32,49,830	11.23
	Total	**1,90,75,44,110**	**1,90,03,03,693**	**100.00**

** No Equity Shares have been pledged by the Promoter and Promoter Group as of December 31, 2018.*

(b) Preference Shareholding pattern of the Bank as on December 31, 2018

Sr. No.	Particulars	Total No. of Preference Shares	No. of Preference Shares in demat	Total Shareholding as % of total no of Preference Shares
1.	Private Corporate Bodies	88,97,55,000	88,97,55,000	88.98
2.	Indian Public	11,02,45,000	11,02,45,000	11.02
	Total	**1,00,00,00,000**	**1,00,00,00,000**	**100.00**

(c) Shareholding pattern as per total paid up capital of the bank as on December 31, 2018

Sr. No.	Particulars	Total No. Shares*	No. of Shares* in demat	Total Shareholding as % of total Paid up Share capital* of the company

1	Promoter & Promoter Group*	57,24,65,964	57,24,65,964	19.69%
2	Mutual Funds	13,52,30,604	13,52,02,604	4.65%
3	Alternate Investment Funds	31,90,888	31,90,888	0.11%
4	Foreign Portfolio Investors	75,07,41,864	75,07,16,264	25.82%
5	Financial Institutions/ Banks	42,26,697	42,20,063	0.15%
6	Insurance Companies	4,11,76,409	4,11,76,409	1.42%
7	Individuals	29,48,45,753	28,87,46,858	10.14%
8	NBFCs registered with RBI	15,79,813	15,79,813	0.05%
9	Others	1,10,40,86,118	1,10,30,04,830	37.97%
	Total	**2,90,75,44,110**	**2,90,03,03,693**	**100.00%**

***Includes Equity Shares and PNCPS**

(d) Top ten Equity Shareholders on the Bank as of December 31, 2018

Sr. No.	Particulars	Total No. of Equity Shares	No. of Equity Shares in dematerialized form	Total Shareholding as % of total no. of Equity Shares
1.	Uday Kotak	56,69,27,100	56,69,27,100	29.72
2.	Canada Pension Plan Investment Board	11,51,63,850	11,51,63,850	6.04
3.	Europacific Growth Fund	9,24,60,644	9,24,60,644	4.85
4.	Oppenheimer Developing Markets Fund	6,49,63,892	6,49,63,892	3.41
5.	ING Mauritius Investments I	5,84,53,476	5,84,53,476	3.06
6.	SBI Mutual Fund	3,78,45,938	3,78,45,938	1.98
7.	Sumitomo Mitsui Banking Corporation	3,28,00,000	3,28,00,000	1.72
8.	Capital World Growth And Income Fund	2,95,05,207	2,95,05,207	1.55
9.	Caladium Investment Pte. Ltd.	2,59,66,992	2,59,66,992	1.36
10.	New World Fund Inc	2,38,16,958	2,38,16,958	1.25

(e) Top ten Preference Shareholders of the Bank as of December 31, 2018

Sr. No.	Particulars	Total No. of Preference Shares	No. of Preference Shares in dematerialized form	Total Shareholding as % of total no. of Preference Shares
1	SIGNET CHEMICAL CORPORATION PRIVATE LIMITED	8,00,00,000	8,00,00,000	8.00
2	TATA CAPITAL FINANCIAL SERVICES LTD	7,00,00,000	7,00,00,000	7.00
3	ADITYA BIRLA FINANCE LIMITED	7,00,00,000	7,00,00,000	7.00
4	BAJAJ ALLIANZ GENERAL INSURANCE COMPANY LIMITED-POLICYHOLDER FUND	6,60,00,000	6,60,00,000	6.60
5	ICICI LOMBARD GENERAL INSURANCE COMPANY LTD	6,60,00,000	6,60,00,000	6.60
6	L AND T FINANCE LIMITED	5,00,00,000	5,00,00,000	5.00
7	DENALI FINANCE PRIVATE LIMITED	4,00,00,000	4,00,00,000	4.00
8	STAR LINE LEASINGS LTD	3,00,00,000	3,00,00,000	3.00
9	FAMY CARE LTD	3,00,00,000	3,00,00,000	3.00
10	PIDILITE INDUSTRIES LIMITED	3,00,00,000	3,00,00,000	3.00

5.6 Following details regarding the directors of the Company:

(a) **Details of current directors of the Company:**

This table sets out the details regarding the Company's Board of Directors as on date of this Information Memorandum:

Sr. No.	Name and Designation	DIN	Age (yrs)	Address	Director of the company since	Details of other Directorships
1.	Prakash Apte, Chairman	00196106	64 years	803, Blossom Boulevard, Koregoan Park, Pune – 411 001.	18.3.2011	• Syngenta India Limited • Syngenta Foundation India • Kotak Mahindra Life Insurance Company Limited • Fine Organic Industries Limited • Indo-Swiss Centre of Excellence

						• Swiss Indian Chamber of Commerce
2.	Uday Kotak, Managing Director & CEO	0000746 7	59 years	62, NCPA Apar tments, Sir Dorabji Tata Marg, Nariman Point, Mumbai - 400021	21.11.1985	• Kotak Mahindra Asset Management Company Limited • Kotak Mahindra Capital Company Limited • Kotak Mahindra Life Insurance Company Limited • Kotak Mahindra Investments Limited • Kotak Mahindra Prime Limited • Infrastructure Leasing & Financial Services Limited • Mahindra United World College of India • The Anglo Scottish Education Society (Cathedral & John Connon School)
3.	Dipak Gupta, Joint Managing Director	0000477 1	58 years	Tanna Residency, Flat No: 32, A-Wing, 392, Veer Savarkar Marg, Opp. Siddhivinaya k Temple, Mumbai – 400025.	01.10.1999	• Kotak Mahindra Capital Company Limited • Kotak Mahindra Life Insurance Company Limited • Kotak Investment Advisors Limited • Kotak Infrastructure Debt Fund Limited • Kotak Mahindra (UK) Limited • Kotak Mahindra Inc.
4.	C. Jayaram, Director	0001221 4	62 years	"Satguru Simran" 7th Floor, 3rd Road,	01.10.1999	• Kotak Mahindra Asset Management Company Limited

				Almeida Park, Bandra (W), Mumbai– 400050.		• Multi Commodity Exchange of India Limited • Multi Commodity Exchange Clearing Corporation Limited • Allsec Technologies Limited • Financial Planning Standards Board India
5.	Prof. S. Mahendra Dev, Director	06519869	60 years	Directors Quarters, IGIDR Campus, Gen. A.K. Vaidya Marg, Goregaon (East), Mumbai – 400 065	15.03.2013	• Kotak Mahindra Prime Limited
6.	Farida Khambata	06954123	68 years	3224, R Street N.W., Washington, D.C. 20007	7.9.2014	• Dragon Capital Group Limited, Vietnam • Cargills Foods Company Private Limited, Sri Lanka • Tata Sons Limited • member on the Advisory Board of ADM CEECAT Fund and Bancroft II and III Funds
7.	Uday Khanna	00079129	68 years	Centrum Towers, Flat 182, 18th Floor, Barkat Ali Road, Wadala East, Mumbai – 400 037	16.9.2016	• Bata India Limited • Castrol India Limited • Pfizer Limited • Pidilite Industries Limited • DSP Blackrock Investment Managers Private Limited

						• The Anglo Scottish Education Society (Cathedral & John Connon School)
8.	Uday Shankar	01755963	57 years	7 Ashford Palazzo, Bhulabhai Desai Road, Opp. Breach Candy Hospital, Mumbai - 400026	16.3.2019	• Tata Sky Limited • Star India Private Limited • Vidhi Centre for Legal Policy • Indian Broadcasting Foundation • Federation of Indian Chamber of Commerce and Industry

*Company to disclose name of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any: **None**

(b) **Details of change in directors since last three years:**

Name and Designation	**DIN**	**Date of Appointment/ Resignation**	**Director of the Company since (in case of resignation)**	**Remarks**
Asim Ghosh, Director	00116139	Appointed on – 9.5.2008 Ceased on – 9.5.2016	9.5.2008	-
C. Jayaram, Director	00012214	Retired as Joint Managing Director on 30.04.2016, on attaining the age of superannuation. However continues as Non-Executive Non-Independent Director w.e.f. 1.5.2016.		-
N P Sarda, Director	03480129	Appointed on – 1.4.2011 Ceased on – 22.7.2016	1.4.2011	-
Uday Khanna, Director	00079129	• Appointed as an Additional Director w.e.f. 16.9.2016		

		• Appointed as a Director up to 15th September 2021		
Prof. S. Mahendra Dev, Director	06519869	Re-appointed as an Independent Director for a further term up to 14th March 2021.		
Uday Kotak, Managing Director & CEO	00007467	Re-appointed as a Managing Director from 1.1.2018 to 31.12.2020		
Dipak Gupta, Joint Managing Director	00004771	Re-appointed as a whole-time director from 1.1.2018 to 31.12.2020		
Shankar Acharya, Chairman	00033242	Appointed on – 20.5.2003 Ceased on – 20.7.2018	20.5.2003	
Mark Newman, Director	03518417	Appointed on – 5.5.2015 Resigned on – 22.2.2019	5.5.2015	
Prakash Apte, Chairman	00196106	Re-appointed as an Independent Director for the period from 18th March 2019 to 17th March 2024.		
Uday Shankar, Director	01755963	Appointed as an Independent Director with effect from 16th March 2019 for a period of 5 years		
Amit Desai, Director		Retired as a Director of the Bank with effect from 17th March 2019 on completion of eight years on the Board of the Bank, in accordance with the provisions of the Banking Regulation Act, 1949.	18.3.2011	

Note : In addition to the above, the Board has also recommended the appointment of Mr. K.V.S. Manian and Mr. Gaurang Shah initially as Additional Directors acting as Whole-time Director of the Bank for a period of three years with effect from the date of approval of the Reserve Bank of India and subject to necessary approval from the shareholders.

5.7 Following details regarding the auditors of the Company:

(a) **Details of the auditor of the Company:**

Name	Address	Auditor since
Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants	14th Floor, The Ruby, 29, Senapati Bapat Marg, Dadar West, Mumbai 400028	Financial Year 2015-16

(b) **Details of change in auditors since last three years:**

Name	Address	Date of Appointment/ Resignation	Auditor of the Company since (in case of resignation)	Remarks
N.A				

5.8 Details of borrowings of the Company, as on latest quarter end:

(a) **Details of Secured Loan Facilities as on December 31, 2018:**

Sr. No.	Lender's name	Type of facility	Amount sanctioned (in ₹ crore)	Principal amount outstanding (in ₹ crore)	Repayment date / schedule	Security
1.	Reserve Bank of India	RBI Repo	Not Applicable	NIL	Not Applicable	Government Securities
2.	Various lenders	Repo	Not Applicable	1,269.78	1st Jan 2019	Government Securities
3.	Various lenders	CBLO Borrowing	Not Applicable	3,999.32	1st Jan 2019	Government Securities
		Total		**5,269.10**		

(b) **Details of Unsecured Facilities as on December 31, 2018:**

Sr. No.	Lender's name	Type of facility	Amount sanctioned(in ₹ crore)	Principal amount outstanding(in ₹ crore)	Repayment date / schedule
1.	ING Bank N.V.	Upper Tier - II Instruments	Not Applicable	232.14	January 23, 2024. *For further details please see the column 'Call Option' in 'Upper Tier II Capital raised by the Bank in foreign currency' section 5.8.(c).ii*

Sr. No.	Lender's name	Type of facility	Amount sanctioned(in ₹ crore)	Principal amount outstanding(in ₹ crore)	Repayment date / schedule
2.	Various Bondholders	Infrastructure Bonds	Not Applicable	962.00	*Please see details in the column 'Long Term Infrastructure Bonds issued by the Bank - Redemption date' section 5.8.(c),iii*
3.	Various Bondholders	Subordinated Debt Tier – II	Not Applicable	516.00	*Please see details in the column 'Private placement of Bonds in Indian currency - Date of redemption in the table' section 5.8.(c),i*
4.	NABARD	Refinance	Not Applicable	218.70	Jan 31, 2020
5.	SIDBI	Refinance	Not Applicable	8288.24	May 03, 2019 – Oct 01, 2021
6.	MUDRA	Refinance	Not Applicable	82.00	Jan 01, 2021
7.	Banks Outside India	Borrowings	Not Applicable	12,771.91	On or before April 22, 2024
8.	Banks	Borrowings	Not Applicable	789.00	On or before June 13, 2019
		Total		**23859.99**	

(c) Details of NCDs as on December 31, 2018

i) Lower Tier II Private placement of Bonds in Indian currency

The Bank had raised Tier II capital by way of issuance of Unsecured Non- Convertible Subordinated Debt Securities, which qualify as Tier 2 risk-based capital under the RBI's guidelines for assessing capital adequacy:

Series/ISIN	Date of Allotment	Amount (in ₹ crore)	Tenure (in months)	Credit Rating*	Coupon Rate (p.a.)	Date of Redemption	Secured/ Unsecured, if Secured what security
INE166A08024	January 31, 2009	60.00	120	AAA rating assigned by CRISIL, ICRA and INDIA Rating	9.65	January 30, 2019	Unsecured
INE237A08890	April 7, 2011	150.00	120	AAA rating assigned by CRISIL, ICRA and INDIA Rating	9.31	April 7, 2021	Unsecured

Series/ISIN	Date of Allotment	Amount (in ₹ crore)	Tenure (in months)	Credit Rating*	Coupon Rate (p.a.)	Date of Redemption	Secured/ Unsecured, if Secured what security
INE166A08032	December 14, 2012	306.00	120	AAA rating assigned by CRISIL, ICRA and INDIA Rating	9.90	December 13, 2022	Unsecured
	Total	**516.00**					

Ratings as on December 31, 2018

ii) Upper Tier II Capital raised by the Bank in foreign currency

Further, the Bank had also raised Upper Tier II Capital which qualify as Tier 2 risk-based capital under the RBI's guidelines for assessing capital adequacy:

Series/ISIN	Date of Placement/ Allotment	Outstanding Amount (in ₹ crore)	Currency	Tenor (in months)	Call Option	Credit Rating	Coupon (%)	Redemption Date	Secured/ Unsecured, if Secured what security
NA	January 23, 2009	232.14*	JPY	180	January 23, 2019	N.A.	3 months LIBOR + 230 bps	January 23, 2024	Unsecured

**Conversion rate JPY:INR 0.634*

iii) Long Term Infrastructure Bonds issued by the Bank in Indian Currency:

Series/ISIN	Date of Placement/ Allotment	Amount (in ₹ crore)	Tenor (inyears)	Credit Rating*	Coupon (%)	Redemption Date	Secured/ Unsecured, if Secured what
INE237A08908	August 12, 2014	262.00	7 years	AAA rating assigned by CRISIL, ICRA and INDIA Rating	9.36	August 12, 2021	Unsecured
INE237A08924	January 14, 2015	500.00	7 years	AAA rating assigned by CRISIL, ICRA and INDIA Rating	8.72	January 14, 2022	Unsecured
INE237A08932	March 30, 2015	200.00	7 years	AAA rating assigned by CRISIL, ICRA and INDIA Rating	8.45	March 30, 2022	Unsecured
	Total	**962.00**					

**Rating as at December 31, 2018*

(d) **List of Top 10 Debenture Holders (as on December 31, 2018)**

Sr. No	Name of the Debenture Holder	Amount (Rs.)
1	NPS TRUST- A/C LIC PENSION FUND SCHEME - STATE GOVT	1,58,90,00,000.00
2	LIFE INSURANCE CORPORATION OF INDIA	1,50,00,00,000.00
3	POSTAL LIFE INSURANCE FUND A/C UTI AMC	1,05,00,00,000.00
4	NPS TRUST- A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - STATE GOVT	1,01,10,00,000.00
5	NPS TRUST- A/C LIC PENSION FUND SCHEME - CENTRAL GOVT	1,01,00,00,000.00
6	THE NEW INDIA ASSURANCE COMPANY LIMITED	1,00,00,00,000.00
7	NPS TRUST- A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - CENTRAL GOVT	52,90,00,000.00
8	POSTAL LIFE INSURANCE FUND A/C SBIFMPL	50,00,00,000.00
9	RURAL POSTAL LIFE INSURANCE FUND A/C UTI AMC	50,00,00,000.00
10	THE LIFE INSURANCE CORPORATION OF INDIA PROVIDENT FUND NO 1	50,00,00,000.00

Note: Top 10 holders' (in value terms, on cumulative basis for all outstanding debenture issues of subordinated and upper tier II series) details have been provided above.

(e) **The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued. (if any).**

As at 31st December, 2018, the Issuer has issued Bank Guarantees on behalf of its subsidiary companies for amount of Rs 10.35 crore as under:

Issue date	Customer Name	INR Outstanding (Rs Crs)	BG Expiry Date
19-Dec-14	Kotak Mahindra Pension Fund Limited	0.10	01-Aug-2019
30-Aug-17	Matrix Business Services India Private Limited	0.05	21-Aug-2018
1-Aug-17	Kotak Mahindra Life Insurance Company Limited	0.25	31-Jul-2027
5-Dec-18	Kotak Investment Advisors Ltd.	10.00	25-May-2019
	TOTAL	**10.40**	

(f) **Details of Commercial Deposits Outstanding**

The total Value of Commercial Deposits Outstanding as on the latest quarter end i.e. **December 31, 2018**,

is provided in the following table:

Sr No	Maturity date	Amount Outstanding
1	25-Jan-2019	1,50,00,00,000
2	28-Feb-2019	5,00,00,00,000
3	15-Mar-2019	3,00,00,00,000
4	22-Mar-2019	5,00,00,00,000
5	27-Mar-2019	4,50,00,00,000
6	25-Apr-2019	1,00,00,00,000
7	21-May-2019	1,00,00,00,000
8	24-May-2019	1,00,00,00,000
9	10-Jun-2019	3,00,00,00,000
10	14-Jun-2019	3,00,00,00,000
11	19-Jun-2019	5,00,00,00,000
12	21-Jun-2019	1,00,00,00,000
13	27-Jun-2019	3,50,00,00,000
14	28-Jun-2019	25,00,00,000
15	9-Jul-2019	10,00,00,000
16	10-Jul-2019	5,00,00,00,000
17	16-Jul-2019	1,25,00,00,000
18	17-Jul-2019	3,00,00,00,000
19	25-Jul-2019	1,50,00,00,000
20	31-Jul-2019	50,00,00,000
21	7-Aug-2019	1,25,00,00,000
22	9-Aug-2019	3,50,00,00,000
23	14-Aug-2019	3,00,00,00,000
24	16-Aug-2019	1,00,00,00,000
25	20-Aug-2019	50,00,00,000
26	21-Aug-2019	5,00,00,00,000
27	27-Aug-2019	10,00,00,000
28	4-Sep-2019	2,00,00,00,000
29	27-Sep-2019	2,70,00,00,000
30	10-Oct-2019	2,50,00,00,000
31	31-Oct-2019	2,50,00,00,000
32	15-Nov-2019	3,50,00,00,000
33	3-Dec-2019	1,00,00,00,000
34	5-Dec-2019	2,50,00,00,000
35	11-Dec-2019	2,25,00,00,000
36	13-Dec-2019	2,00,00,00,000
37	16-Dec-2019	1,75,00,00,000
38	19-Dec-2019	3,25,00,00,000

39	27-Dec-2019	9,40,00,00,000

(g) **Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on December 31, 2018:**

None

(h) **Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the company, in the past 5 years:**

There has been no default / delay in payment of due interest or redemption in relation to debt securities and other financial indebtedness including corporate guarantee issued by the company issued / debt taken by the Issuer in last 5 years.

(i) **Details of any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option:**

NIL

5.9 Details of Promoters of the Company:

Details of Promoter Holding in Company as on the latest quarter end, i.e. December 31, 2018:

Sr. No	Name of the Shareholders	Total Number of Equity shares	No. of shares held in Demat form	Total shareholding as % of total no of equity shares	Total shareholding as % of total paid up share capital*	No. of shares pledged	% of shares pledged with respect to shares owned
1	UDAY SURESH KOTAK	56,69,27,100	56,69,27,100	29.72	19.50	-	-
2	INDIRA SURESH KOTAK	23,00,000	23,00,000	0.12	0.08	-	-
3	PALLAVI KOTAK	11,11,580	11,11,580	0.06	0.04	-	-
4	DINKARRAI KALIDAS DESAI	0	0	0	0.00	-	-
5	KOTAK TRUSTEE COMPANY PVT. LTD (BENEFICIAL OWNER MR. UDAY S KOTAK)	6,24,556		0.03	0.02	-	-
6	KUSUM DINKARRAI DESAI	0	0	0	0.00	-	-

7	SURESH AMRITLAL KOTAK	2,00,000	2,00,000	0.01	0.01	-	-
8	SURESH A KOTAK HUF	1,10,000	1,10,000	0.01	0.00	-	-
9	AARTINEAL CHANDARIA	57,360	57,360	0.00	0.00	-	-
10	JANAK DINKARRAI DESAI	11,35,368	11,35,368	0.06	0.04	-	-
		57,24,65,964	**57,24,65,964**	**30.01**	**19.69**		

***This incudes Equity Shares and PNCPS**

Note:

Mr. Uday S. Kotak is a promoter and person in control. The persons included in promoter group for Mr. Uday S. Kotak are persons neither in control nor acting in concert with Mr. Uday S. Kotak.

None of the promoters hold Preference shares of the company.

5.10 Abridged version of the Audited Consolidated and Standalone Financial Information (like Profit and Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications, if any.

Please refer Annexure V to this Information Memorandum.

5.11 Abridged version of Latest Audited/ Limited Review Half Yearly Consolidated and Standalone Financial Information and auditors qualifications, if any.

Please refer Annexure V to this Information Memorandum.

5.12 Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of Issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities.

The Issuer declares that there has been no material event, development or change at the time of issue from the position as on the date of the last audited financial statements of the Issuer, which may affect the issue or the investor's decision to invest/ continue to invest in the debt securities of the Issuer. However, it is advised that the Investors look at the disclosures made by the Issuer in the entire Information memorandum and specifically look at the Section: 3 titled 'RISK FACTORS', Section: 6 titled 'DISCLOSURES AS PER THE ACT' and Annexure XI : titled 'Legal Proceedings'.

5.13 Names of the Debentures Trustees and consents thereof

The debenture trustee of the proposed Debentures is IDBI Trusteeship Services Limited. The Debenture Trustee has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Information Memorandum. The consent letter from Debenture Trustee is provided in Annexure III of this Information Memorandum.

5.14 Rating and Rating Rationale

CRISIL Limited has assigned a rating of "CRISIL AAA/stable" vide their rating letter dated March 19, 2019, ICRA Limited has assigned "ICRA AAA" vide their letter dated March 20, 2019, and India Ratings and Research Pvt Ltd has assigned a rating of "IND AAA" vide their rating letter dated March 26, 2019 for the issuance of the Debentures. The aforesaid ratings are provided in Annexure II to this Information Memorandum.

5.15 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

Not applicable as these Debentures are unsecured and there is no guarantee or letter of comfort being provided.

5.16 Copy of consent letter of Debenture Trustee to act as the debenture trustee to the issue to be disclosed:

Attached to this Information Memorandum as Annexure III

5.17 Names of all the recognised stock exchanges where the debt securities are proposed to be listed:

The Debentures are proposed to be listed on the WDM segment of NSE and BSE. The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis.

5.18 Other details:

(a) **DRR Creation:**

As per the provisions of the Companies Act, any company that intends to issue debentures must create a debenture redemption reserve to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. However, under the Companies (Issuance of Share Capital and Debentures) Rules, 2014, All India Financial Institutions (AIFIs) regulated by RBI and banking companies are exempt from this requirement in respect of both public and privately placed debentures. Pursuant to this exemption, and given that the Debentures being issued in terms of this Information Memorandum are in the nature of debentures, the Issuer does not intend to create any reserve funds for the redemption of the Debentures.

(b) **Ranking of the Debentures**

The Debentures are senior unsecured and long term obligations of the Issuer and, in the event of the winding up of the Issuer, the claims of the holders of the relative Debentures will rank pari passu along with claims of other uninsured, unsecured creditors of the Bank and senior to (a) the claims for payment of any obligation that, expressly (as permitted under law) or by applicable law, are subordinated to these Debentures, (b) the claims of holders of preference and equity shares of the Issuer and (c) the claims of investors in other instruments eligible for capital status

(c) **Issue / instrument specific regulations:**

The Issue of Debentures shall be in conformity with the applicable provisions of the Act, the applicable RBI guidelines, the SEBI Debt Listing Regulations, Circular dated July 15, 2014 and bearing no. RBI/2014-15/127 DBOD.BP.BC.No.25 / 08.12.014 / 2014-15 issued by RBI titled as "***Issue of Long Term Bonds by banks- Financing of Infrastructure and Affordable Housing***" and the SEBI LODR Regulations, and any other circulars issued by the Securities Exchange Board of India.

(d) **Application process:**

The application process for the issue is as provided in Section 9 of this Information Memorandum.

Issue Details

The Issue details for the issue is as provided in Annexure I : Term sheet of this Information Memorandum

SECTION 6: DISCLOSURES AS PER THE ACT

PART A

6.1 GENERAL INFORMATION:

(a) **Name, address, website and other contact details of the Company, indicating both registered office and the Corporate**:

Issuer / Company: **Kotak Mahindra Bank Limited**
Registered Office: 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

Corporate Office: 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

Website:	www.kotak.com
Fax:	+91 22 6713 2403
Contact Person:	Bina Chandarana
Email:	**investor.grievances@kotak.com**

(b) **Date of Incorporation of the Company: November 21, 1985**

(c) **Business carried on by the Company and its subsidiaries with the details of branches or units, if any:**

Please refer to **Section 5.4** of this Information Memorandum.

(d) **Brief particulars of the management of the Company:**

(a) Details of the current Directors of the Bank

Please refer to Section 5.6 (a) of this Information Memorandum.

(b) Details of change in Directors since last three years

Please refer to Section 5.6 (b) this Information Memorandum.

(c) Remuneration of directors for the current financial year and for the last three financial years

FY 2018-19 (April 1, 2018 to Feb 28, 2019)

(Rs lakhs)

Name	Sitting fees	Commission	Others	Perquisites	Total
Dr. Shankar Acharaya	4.60	0.00	0.00	9.03	**13.63**
Uday Kotak	0.00	0.00	308.52	0.40	**308.91**
Dipak Gupta	0.00	0.00	305.63	612.92	**918.55**
C. Jayaram	9.60	10.00	0.00	0.00	**19.60**
Prakash Apte	15.80	10.00	0.00	11.22	**37.02**
Amit Desai	10.20	8.00	0.00	0.00	**18.20**
Prof. S. Mahendra Dev	15.20	10.00	0.00	0.00	**25.20**

Farida Khambata	6.00	8.00	0.00	0.00	**14.00**
Uday Khanna	10.60	10.00	0.00	0.00	**20.60**

FY 2017-18

(Rs lakhs)

Name	Sitting fees	Commission	Others	Perquisites	Total
Dr. Shankar Acharaya	9.00	0.00	30.00	0.00	**39.00**
Uday Kotak	0.00	0.00	292.36	0.40	**292.76**
Dipak Gupta	0.00	0.00	286.70	566.90	**853.60**
C. Jayaram*	8.80	10.00	0.00	0.00	**18.80**
Prakash Apte	17.4	10.00	0.00	0.00	**27.40**
Amit Desai	9.00	8.00	0.00	0.00	**17.00**
Prof. S. Mahendra Dev	16.00	10.00	0.00	0.00	**26.00**
Farida Khambata	5.40	10.00	0.00	0.00	**15.40**
Mark Newman**	0.00	0.00	0.00	0.00	**0.00**
Uday Khanna#	12.40	7.50	0.00	0.00	**19.90**
Asim Ghosh@	0.00	2.00	0.00	0.00	**2.00**
N. P. Sarda^	0.00	5.00	0.00	0.00	**5.00**

FY 2016-17

(Rs lakhs)

Name	Sitting fees	Commission	Others	Perquisites	Total
Dr. Shankar Acharaya	6.10	0.00	30.00	0.00	**36.10**
Uday Kotak	0.00	0.00	263.28	0.40	**263.68**
Dipak Gupta	0.00	0.00	260.60	465.62	**726.22**
C. Jayaram*	4.90	0.00	76.42	236.42	**317.74**
Prakash Apte	13.90	6.00	0.00	0.00	**19.90**
Amit Desai	6.10	5.00	0.00	0.00	**11.10**
Prof. S. Mahendra Dev	11.50	6.00	0.00	0.00	**17.50**
Farida Khambata	3.90	6.00	0.00	0.00	**9.90**
Mark Newman**	0.00	0.00	0.00	0.00	**0.00**
Uday Khanna#	5.60	0.00	0.00	0.00	**5.60**
Asim Ghosh@	0.00	5.00	0.00	0.00	**5.00**
N. P. Sarda^	3.30	6.00	0.00	0.00	**9.30**

FY 2015-16

(Rs lakhs)

Name	Sitting fees	Commission	Others	Perquisites	Total
Dr. Shankar Acharaya	5.80	0.00	27.00	0.00	**32.80**
Uday Kotak	0.00	0.00	247.06	0.40	**247.46**
Dipak Gupta	0.00	0.00	243.88	708.16	**952.04**
C. Jayaram*	0.00	0.00	245.00	213.29	**458.29**
Prakash Apte	11.50	6.00	0.00	0.00	**17.50**
Amit Desai	4.90	5.00	0.00	0.00	**9.90**
Prof. S. Mahendra Dev	10.90	6.00	0.00	0.00	**16.90**
Farida Khambata	3.30	6.00	0.00	0.00	**9.30**
Mark Newman**	0.00	0.00	0.00	0.00	**0.00**

Uday Khanna[#]	0.00	0.00	0.00	0.00	**0.00**
Asim Ghosh[@]	2.00	5.00	0.00	0.00	**7.00**
N. P. Sarda[^]	7.90	6.00	0.00	0.00	**13.90**

[*]*C. Jayaram retired as Joint Managing Director on April 30, 2016 but continued as a Non-Executive Director w.e.f. May 1, 2016.*
[**]*Mark Newman has waived off the sitting fees & commission payable to him.*
[#]*Uday Khanna appointed w.e.f. September 16, 2016.*
[@]*Asim Ghosh retired w.e.f. May 9, 2016.*
[^]*N. P. Sarda retired w.e.f. July 22, 2016.*

(d) Details of Key Managerial Personnel

Name	Designation
Uday Kotak	Managing Director & CEO
Dipak Gupta	Joint Managing Director
Jaimin Bhatt	President and Group Chief Financial Officer
Bina Chandarana	Senior Executive Vice President and Company Secretary

(e) Financial and material interest of Directors, Promoter and Key Managerial Personnel in the Issue

None of the Promoter, Directors and the Key Managerial Personnel or any of their relatives or any of the companies, in which the Directors or Key Managerial Personnel hold more than 2% equity shareholding, has any financial or material interest in the Issue.

(f) Contribution made by the Promoter or the Directors either as part of the Issue or separately in furtherance of the objects of the Issue

The Promoter and the Directors will not contribute to the Issue and no debentures will be issued and/ or allotted to them.

(e) **Name, address, DIN and occupations of the directors**:

Please refer Section 5.6 (a) of this Information Memorandum.

(f) **Management's perception of Risk Factors:**

Please refer to "KEY RISK FACTORS" as mentioned in Section 3 of this Information Memorandum.

(g) **Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:**

(i) Statutory Dues: NIL
(ii) Bonds and interest thereon: NIL
(iii) Deposits and interest thereon: NIL
(iv) Loans from banks and financial institutions and interest thereon: NIL

(h) **Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue:**

Compliance/ Investor Relations Officer: Bina Chandarana

Designation/Department:	Sr. Executive Vice President & Company Secretary
Registered Office Address:	27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Tel. Nos.:	+91 22 6166 0001
Fax Nos.:	+91 22 6713 2403
Email address(s):	investor.grievances@kotak.com

(i) **Any default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder:**

Nil

6.2 PARTICULARS OF THE OFFER

Financial position of the Company for the last 3 (Three) financial years	Please refer to **Annexure V** of this Information Memorandum.
Date of passing of Board Resolution	Copies of the resolutions dated April 30, 2018 and March 14, 2019 have been attached hereto and marked as Annexure VII
Date of passing of resolution in general meeting, authorizing the offer of securities	1. Shareholders resolution passed under Section 42 of the Act dated July 19, 2018 2. Shareholders resolution passed under Section 180(1)(c) of the Act dated July 20, 2017; and Copies of the aforesaid shareholders resolutions have been attached hereto and marked as Annexure VIII.
Kinds of securities offered	Senior Unsecured Rated Listed Redeemable Long Term Bonds in the nature of Non-Convertible Debentures
Price at which the security is being offered, including premium if any, along with justification of the price	The Debentures are being offered at par with face value of Rs. 10,00,000/- (Rupees Ten lakhs Only) per Debenture.
Name and address of the valuer who performed valuation of the security offered	Not Applicable as the Debentures are being issued at par.
Relevant date with reference to which the price has been arrived at [Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held]	Not Applicable

The Class or classes of persons to whom the allotment is proposed to be made	(a) Mutual Funds (b) Non-banking financial companies (c) Provident Funds and Pension Funds (d) Gratuity funds and superannuation Funds (e) Corporates (f) FIIs/ sub Accounts of FIIs / QFIs / FPIs (g) Insurance Companies
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in case of issue of non-convertible debentures]	Not Applicable
The proposed time within which the allotment shall be completed	Issue Opening Date: March 28, 2019 Issue Closing Date: March 28,2019 Pay-in Dates: March 28, 2019 Deemed Date of Allotment: March 28, 2019
The names of the proposed allottees and the percentage of post private placement capital that may be held by them [Not applicable in case of issue of non-convertible debentures].	Not Applicable
The change in control, if any, in the company that would occur consequent to the private placement	Not Applicable
The number of persons to whom allotment on preferential basis/ private placement/ rights issue has already been made during the year, in terms of securities as well as price	The Bank has allotted a total of 100,00,00,000 Perpetual Non-Convertible Preference Shares of face value of Rs 5 each to a total of 34 persons during the financial year 2018-19
The justification for the allotment proposed to be made for consideration other than cash together	Not Applicable

with valuation report of the registered valuer	
Amount, which the Company intends to raise by way of securities	The Issue size of Rs 150,00,00,000/- (Rupees One Hundred and Fifty Crores Only)
Terms of raising of securities	Please refer to Annexure I of this Information Memorandum.
Proposed time schedule for which the Issue is valid	The Issue shall open on March 28, 2019 and shall close on March 28, 2019.
Purpose and objects of the Issue	The proceeds of the Issue will be utilised in respect of lending to (i) long term projects in infrastructure sub-sectors, and (ii) affordable housing, as prescribed by Reserve Bank of India vide its Circular dated July 15, 2014 and bearing no. RBI/2014-15/127 DBOD.BP.BC.No.25 / 08.12.014 / 2014-15, as amended from time to time.
Contribution being made by the Promoters or directors either as part of the offer or separately in furtherance of the object	Not Applicable
Principal terms of assets charged as security, if applicable	Not Applicable
The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	Not Applicable

The pre-issue and post-issue shareholding pattern of the Company in the following format:

1) Equity Capital :

S. No.	**Category**	**Pre-issue**		**Post-issue**	
		No. of shares held	**Percentage (%) of shareholding**	**No. of shares held**	**Percentage (%) of shareholding**
A	Promoters' holding				
	Indian				
1	Individual	57,18,41,408	29.98%	57,18,41,408	29.98%
	Bodies Corporate	6,24,556	0.03%	6,24,556	0.03%
	Sub-total	57,24,65,964	30.01%	57,24,65,964	30.01%
2	Foreign promoters	0	0.00%	0	0.00%
	Sub-total (A)	**57,24,65,964**	**30.01%**	**57,24,65,964**	**30.01%**

	Non-promoters' holding				
1	Institutional Investors	93,13,75,574	48.83%	93,13,75,574	48.83%
2	Non-Institutional Investors				
	Private Corporate Bodies	6,04,42,862	3.17%	6,04,42,862	3.17%
	Directors and relatives	45,39,747	0.23%	45,39,747	0.23%
	Indian public	17,80,06,263	9.33%	17,80,06,263	9.33%
	Others (including Non-resident Indians)	16,07,13,700	8.43%	16,07,13,700	8.43%
	Sub-total (B)	**1,33,50,78,146**	**69.99%**	**1,33,50,78,146**	**69.99%**
	GRAND TOTAL	**1,90,75,44,110**	**100.00%**	**1,90,75,44,110**	**100.00%**

2) Total Paid-up Share Capital :

S. No.	**Category**	**Pre-issue**		**Post-issue**	
		No. of shares (Total Paid-up Share Capital)	**Percentage (%) of shareholding**	**No. of shares (Total Paid-up Share Capital)***	**Percentage (%) of shareholding**
A	Promoters' holding				
	Indian				
1	Individual	57,18,41,408	19.67%	57,18,41,408	19.67%
	Bodies Corporate	6,24,556	0.02%	6,24,556	0.02%
	Sub-total	57,24,65,964	19.69%	57,24,65,964	19.69%
2	Foreign promoters	-	-	-	-
	Sub-total (A)	**57,24,65,964**	**19.69%**	**57,24,65,964**	**19.69%**
	Non-promoters' holding				
1	Institutional Investors	**93,13,75,574**	**32.03%**	**93,13,75,574**	**32.03%**
2	Non-Institutional Investors				
	Private Corporate Bodies	**95,01,97,862**	32.68%	**95,01,97,862**	32.68%
	Directors and relatives	**21,12,900**	0.07%	**21,12,900**	0.07%
	Indian public	**30,55,00,891**	10.51%	**30,55,00,891**	10.51%
	Others (including Non-resident Indians)	**14,58,90,919**	5.02%	**14,58,90,919**	5.02%

	Sub-total (B)	**2,33,50,78,146**	**80.31%**	**2,33,50,78,146**	**80.31%**
	GRAND TOTAL	**2,90,75,44,110**	**100.00%**	**2,90,75,44,110**	**100.00%**

* includes Equity Share & PNCPS

6.3 Mode of payment for subscription (Cheque/ Demand Draft/ other banking channels): cheque(s)/ demand draft/ electronic clearing services (ECS)/credit through RTGS system/funds transfer

6.4 DISCLOSURE WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION, ETC

Any financial or other material interest of the directors, promoters or key managerial personnel in the Issue and the effect of such interest in so far as it is different from the interests of other persons	None of the Promoter, Directors and the Key Managerial Personnel or any of their relatives or any of the companies, in which the Directors or Key Managerial Personnel hold more than 2% equity shareholding, has any financial or material interest in the Issue.
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any Promoter of the Company during the last 3 (three) years immediately preceding the year of the circulation of this Information Memorandum and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	There is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter of the Bank during the last three years immediately preceding the year of circulation of this Information Memorandum
Remuneration of directors (during the current year and last 3 (three) financial years)	Please refer to Section 6.1 (d) (c) of this Information Memorandum.
Related party transactions entered during the last 3 (three) financial years immediately preceding the year of circulation of this Information	Please refer to Annexure IX of this Information Memorandum

Memorandum including with regard to loans made or, guarantees given or securities provided	
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of circulation of this Information Memorandum and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	NIL
Details of any inquiry, inspections or investigations initiated or conducted under the Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of offer letter in the case of the Company and all of its subsidiaries. Also, if there were any were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this Information Memorandum and if so, section-wise details thereof for the Company and all of its subsidiaries	*Against the Bank* 1. The ROC, through its letter dated April 17, 2018, sought information regarding compliance with the provisions relating to corporate social responsibility ("**CSR**") under section 135 read with section 134(3)(o) of the Companies Act and the rules made thereunder for the financial year 2015-16 by KMBL. KMBL, by its reply dated May 11, 2018, submitted the details of its CSR. KMBL also stated that for the financial year 2015-16, it had not fully utilised the amount required for the CSR spend as the projects undertaken are long-term ongoing projects having a continuing engagement over the next few years and therefore part of the CSR budget will be incurred in the coming years. *Against the Subsidiaries* 1. The office of the Registrar of Companies, Ministry of Corporate Affairs, Mumbai ("**ROC**") issued a show cause notice dated February 14, 2017 (the "**SCN**") to Kotak Securities Limited ("KSL")alleging that KSL had failed to comply with sections 134 and 135 of the Companies Act, 2013 along with the rules made thereunder and the circulars issued in respect of corporate social responsibility expenditure ("**CSR Expenditure**"). The ROC, through this SCN, inquired why action should not be taken against the Directors or the officers in default of KSL for not complying with the CSR Expenditure related requirements and failure to disclose such non-compliance in the Board of Directors' Report for the Fiscal Year 2015. KSL, by its reply dated February 27, 2017 ("**Reply**"), denied any non-compliance with the provisions of the Companies Act, 2013 and the rules made thereunder regarding CSR Expenditure. KSL further stated that in its response dated June 2, 2016 to the ROC letter dated May 25, 2016, it has specified that the Board of Directors have specified that they are in the process of undertaking activities related to CSR Expenditure and are not in violation of applicable law, further specifying that ₹0.45 crore had been spent and ₹3.5 crore remained unspent.

	2. The Deputy Director & Inspector, CSR Cell, Ministry of Corporate Affairs ("**MCA**"), issued a notice (email) dated December 04, 2018 under Section 206 of the Companies Act, 2013 ("**Act**"), inter alia, stating that it prima facie appears KSL has not fulfilled the requirements under Section 135 read with Section 134(3) (o) of the Act, for the Financial Year 2015-16. In view of the same, MCA sought explanation in e-Form CFI (CSR). KSL has filed necessary reply in prescribed e-Form to the MCA within the stipulated timeline. 3. The ROC, through its letter dated May 19, 2016, sought information from Kotak Mahindra Investments Limited ("***KMIL***") regarding its CSR expenditure during the financial year 2014-15, as KMIL is an eligible company qualifying under section 135(1) of the Companies Act. KMIL, by its reply dated May 31, 2016, submitted the details of its CSR expenditure made during the financial year 2014-15. No further correspondence has been made by the ROC in this regard. 4. The Deputy Director & Inspector, CSR Cell, Ministry of Corporate Affairs ("**MCA**"), issued a notice (email) dated March 12, 2019 under Section 206 of the Companies Act, 2013 ("**Act**"), inter alia, stating that it prima facie appears KMIL has not fulfilled the requirements under Section 135 read with Section 134(3) (o) of the Act, for the Financial Year 2015-16. In view of the same, MCA sought explanation in e-Form CFI (CSR). KMIL has filed necessary reply in prescribed e-Form to the MCA within the stipulated timeline. 5. The Office of Registrar of Companies, Mumbai has sent a letter dated February 27, 2019 to KMIL seeking comments/ clarifications and explanations on a complaint by an individual in relation to alleged dealings of KMIL with respect to IVR Hotels & Resorts Limited and IVRCL Limited. KMIL has filed an interim reply denying any the contentions of the Complainant and has sought time to file a detailed reply in the matter. 6. The ROC, through its letter dated May 19, 2016, sought information from Kotak Mahindra Prime Limited ("***KMPL***") regarding its CSR expenditure during the financial year 2014-15, as KMPL is an eligible company qualifying under section 135(1) of the Companies Act. KMPL, by its reply dated June 3, 2016, submitted the details of its CSR expenditure made during the financial year 2014-15. No further correspondence has been made by the ROC in this regard. 7. The Deputy Director & Inspector, CSR Cell, Ministry of Corporate Affairs ("**MCA**"), issued a notice (email) dated March 12, 2019 under Section 206 of the Companies Act, 2013 ("**Act**"), inter alia, stating that it prima facie appears KMP has not fulfilled the requirements under Section 135 read with Section 134(3) (o) of the Act, for the Financial Year 2015-16. In view of the same, MCA sought explanation in e-Form CFI (CSR). KMP has filed necessary reply in prescribed e-Form to the MCA within the stipulated timeline. 8. The Deputy Director & Inspector, CSR Cell, Ministry of Corporate Affairs ("**MCA**"), issued a notice (email) dated December 04, 2018

	under Section 206 of the Companies Act, 2013 ("**Act**"), inter alia, stating that it prima facie appears Kotak Investment Advisory Limited ("***KIAL***") has not fulfilled the requirements under Section 135 read with Section 134(3) (o) of the Act, for the Financial Year 2015-16. In view of the same, MCA sought explanation in e-Form CFI (CSR). KIAL has filed necessary reply in prescribed e-Form to the MCA within the stipulated timeline. 9. The Office of Registrar of Companies, Mumbai has sent a letter dated February 27, 2019 to KIAL seeking comments/ clarifications and explanations on a complaint by an individual in relation to alleged dealings of KIAL with respect to IVR Hotels & Resorts Limited and IVRCL Limited. KIAL has filed an interim reply denying the contentions of the Complainant and has sought time to file a detailed reply in the matter. 10. The Office of Registrar of Companies, Mumbai has sent a letter dated February 27, 2019 to Kotak Mahindra Trusteeship Services Limited ("***KMTSL***") seeking comments/ clarifications and explanations on a complaint by an individual in relation to alleged dealings of KMTSL with respect to IVR Hotels & Resorts Limited and IVRCL Limited. KMTSL has filed an interim reply denying the contentions of the Complainant and has sought time to file a detailed reply in the matter 11. The Deputy Director & Inspector, CSR Cell, Ministry of Corporate Affairs ("**MCA**"), issued a notice (email) dated December 04, 2018 under Section 206 of the Companies Act, 2013 ("**Act**"), inter alia, stating that it prima facie appears Kotak Mahindra Capital Company Limited ("***KMCC***") has not fulfilled the requirements under Section 135 read with Section 134(3) (o) of the Act, for the Financial Year 2015-16. In view of the same, MCA sought explanation in e-Form CFI (CSR). KMCC has filed necessary reply in prescribed e-Form to the MCA within the stipulated timeline. 12. The Deputy Director & Inspector, CSR Cell, Ministry of Corporate Affairs ("**MCA**"), issued a notice (email) dated December 04, 2018 under Section 206 of the Companies Act, 2013 ("**Act**"), inter alia, stating that it prima facie appears Kotak Mahindra Asset management Company Limited ("***KMAMC***") has not fulfilled the requirements under Section 135 read with Section 134(3) (o) of the Act, for the Financial Year 2015-16. In view of the same, MCA sought explanation in e-Form CFI (CSR). KMAMC has filed necessary reply in prescribed e-Form to the MCA within the stipulated timeline. **Apart from the above, there are no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the offer letter for the Bank or any of Bank's subsidiaries under the Companies Act or any previous company law.**

<table>
<tr>
<td>Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company</td>
<td>For the purpose of this section, the Bank has considered frauds above ₹ 10 crores as material frauds and for which description as set out in the table below has been provided:
<table>
<tr><th>S. No</th><th>Fraud committed by</th><th>Nature of Fraud</th><th>Action taken</th></tr>
<tr><td></td><td>“X”</td><td>Diversion of Funds</td><td>Various banks including the Bank, extended facilities to “X”. The principal amounts due from “X” to the Bank was Rs. 98.38 crores. Subsequently, “X” failed to pay the dues of the lenders including ₹ 110.44 crore owed to the Bank. Owing to financial difficulties and the death of the main promoter, the case was referred to the Corporate Debt and Restructuring Cell, which approved the CDR, pursuant to which a MRA was executed with the lenders including Bank. However, due to defaults in the payment of the restructured dues, the joint lender forum decided to treat the CDR as failed and to initiate recovery, including invocation of the guarantees issued, in their favour for the grant of the facilities. It was found that the promoter of “X” had unlawfully diverted funds from the facilities to purchase real</td></tr>
</table>
</td>
</tr>
</table>

					estate for his personal benefit. Subsequently, the Bank has filed an application before the DRT, Mumbai for recovery of its dues. The said original application is pending as on date. We have filed an application before the NCLT under the provisions of Section 7 of the Insolvency and Bankruptcy Code, 2016 wherein the CIRP process is underway. As period of 180 days had expired an extension was sought by the R.P. appointed and the same was granted by the NCLT. A Resolution Plan was approved by the CoC and presented to the NCLT. Orders on the same are pending. Till the process of CIRP is concluded there is a moratorium on any proceedings against X.
			"Y"	Diversion of funds	Various other banks including the Bank, extended credit facilities to "Y" under consortium lending. The Bank had exposure of ₹ 35 crores of which as on today, "Y" failed to pay ₹ 10.07 crores.

					It is reportedly understood that "Y" utilized the credit facility to finance capital expenditure as well as extended support to its loss making subsidiary in the form of corporate guarantee /advances/ investments which resulted in breach of covenants. Due to these reasons, the loan account was classified under early warning signal and due to default, the loan was also classified as NPA. Joint lenders forum had initiated for special investigation audit and as observed by auditors, there are certain serious lapses committed by "Y" and its promoters/directors with regard to inventory maintained by them, while availing the financial facilities from the banks. "Y" had overstated the raw material value. It is further observed that the "Y" has utilised the borrowed funds for siphoning off assets. Bank has issued loan recall notice to "Y". The review committee of the Bank for identification of wilful defaulter and

					non-co-operative borrower on September 29, 2017 reviewed default proceedings against the borrower and issued an order declaring the borrower as "Wilful" defaulter. Bank has filed an application in DRT and order is awaited. The recovery under SARFAESI Act is initiated. NCLT Mumbai has admitted the application for liquidation for "Y" and the public announcement of liquidation process was made on March 10, 2019.
			"Z"	Fraudulent encashment/manipulation of book of account and conversion of property	The Bank had funded ₹ 17.75 crores to "Z". However on further diligence, it was discovered that "Z" had furnished fudged stock statements to the Bank and on cross verifying, it was discovered that the list of debtors never existed. The Bank has filed police complaint with Rajkot Police stations vide a FIR of February 2018. Mr. A and Mr. B, who are the directors of "Z" have been arrested by the police for further investigation. Currently, Mr. A

					and Mr. B are on released on bail. The Bank has also filed suit in DRT against "Z". The Bank has also filed initiated proceedings under Section 138 of the Negotiable Instruments Act, 1881_ against "Z" and its director A for dishonour of the cheque issued by "Z". The Bank has also declared 'Z', its directors and guarantors as wilful defaulters. The Bank has been able to recover ₹ 43 lacs from "Z" till date.
			"AA"	Fraudulent encashment/manipulation of book of account and conversion of property	The Bank had funded ₹ 13.85 crores to "AA". However on further diligence, it was discovered that "AA" had furnished fudged stock statements to the Bank and on cross verifying, it was discovered that the list of debtors never existed. Since the relevant Police officer was reluctant to lodge FIR against 'AA', the Bank obtained an order from the High court of Gujarat at Ahmedabad directing the Police station, Ahmedabad to register an FIR against "AA" and investigate the case. However, police has yet not filed an FIR. A

					petition was filed before the Hon'ble High Court of Gujarat at Ahmedabad for "Contempt of court". The order is awaited. The Bank has also initiated process under SARFAESI to take possession of the mortgaged properties of "AA" which proceedings have been stayed by the Hon'ble High Court of Gujarat at Ahmedabad. The Bank has also has filed suit in DRT against "AA". The Bank has also declared 'AA' and its directors as wilful defaulters.

In addition, the Bank reports on an individual basis all material frauds above ₹1 crore to RBI. Hence, in addition to the above, there are 6 material frauds in the last three years above ₹ 1 crore committed against the Bank involving an aggregate amount of ₹ 17.05 crore. The Bank has initiated various actions against these frauds including, filing first information reports, filing reports with Serious Fraud Investigation office, filing complaints with crime branches, filing complaints with the Bureau of Economic Offences and filings matters before various judicial authorities.

6.5 FINANCIAL POSITION OF THE COMPANY

The capital structure of the Company in the following manner in a tabular form:

The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value) (as on December 31, 2018)	**Share Capital**	**Rs. In Lakhs**
	Authorised	₹190,000
	Issued, Subscribed and Fully Paid- up	₹145,377
	Forfeited shares	NIL

<table>
<tr><td></td><td><table><tr><td>Total</td><td>₹145,377</td></tr></table></td></tr>
<tr><td>Size of the Present Issue</td><td>Rupees One Hundred And Fifty Crore</td></tr>
<tr><td>Paid-up Capital:
a. After the offer:

b. After the conversion of Convertible Instruments (if applicable):</td><td>There is no change in the Paid up capital after the offer, since the issuance is of Non Convertible Debentures. Hence, paid up capital is ₹145,377 Lakhs</td></tr>
<tr><td>Share Premium Account:
• Before the offer:

• After the offer:</td><td>There is no change in the share premium account after the offer, since the issuance is of Non Convertible Debentures. Hence, share premium account is ₹ 16,11,771 Lakhs</td></tr>
<tr><td colspan="2">Details of the existing share capital of the Issuer indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:

Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.

Please refer to Section 5 of this Information Memorandum</td></tr>
<tr><td>Details of Allotments made by the Company for Consideration other than cash</td><td>NIL</td></tr>
<tr><td>Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this Information Memorandum</td><td><table><tr><th></th><th>F.Y. 2017-2018</th><th>F.Y. 2016-2017</th><th>F.Y. 2015-2016</th></tr><tr><td>Profit Before Tax (In Cr)</td><td>9,158.23</td><td>7,331.93</td><td>5,023.74</td></tr><tr><td>Profit After Tax (In Cr)</td><td>6,200.97</td><td>4,940.43</td><td>3,458.85</td></tr></table></td></tr>
<tr><td>Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio (Includes hedging expenses and forex loss) for last three years (cash profit after tax plus interest paid/interest paid)</td><td><table><tr><th>(Rs. Crs)</th><th>F.Y. 2017-2018</th><th>F.Y. 2016-2017</th><th>F.Y. 2015--2016</th></tr><tr><td>Dividend</td><td>114.21**</td><td>0.07*</td><td>91.84</td></tr></table>* As per the requirements of pre-revised AS 4 – ‘Contingencies and Events Occurring after the balance sheet date’, the Bank used to create a liability for</td></tr>
</table>

<table>
<tr><td></td><td>dividend proposed / declared after the balance sheet date if dividend related to periods covered by the financial statements. 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 Bank has paid a dividend at rate of Rs. 0.60 per equity share for the year ended 31st March, 2017, to all shareholders, whose names appear on the
Register of members / beneficial holders list on the book closure date i.e. 14th July, 2017. This payout of Rs. 135.91 crore (including dividend distribution
tax) has been appropriated from current year’s amount available for appropriation.

<table><tr><td>Interest coverage ratio (Includes hedging expenses and forex loss) for last three years (cash profit after tax plus interest paid/interest paid)</td><td>Not Applicable</td></tr></table></td></tr>
<tr><td>A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Information Memorandum</td><td>Please refer to Annexure V of this Information Memorandum.</td></tr>
<tr><td>Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Information Memorandum</td><td>Please refer to Annexure V of this Information Memorandum.</td></tr>
<tr><td>Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company</td><td>NIL</td></tr>
</table>

6.6 Part B (To be filled by the Applicant)

(i) **Name: [●]**
(ii) **Father's name: [●]**
(iii) **Complete Address including Flat / House Number, Street, Locality, Pin Code: [●]**
(iv) **Phone number; if any: [●]**
(v) **Email ID, if any: [●]**
(vi) **PAN Number: [●]**
(vii) **Bank Account details:**

Bank Account	**[●]**
DP ID	**[●]**
Client ID	**[●]**
DP NAME	**[●]**

Signature

_____
Initial of the Officer of the Issuer designated to keep the record

6.7 Payment Instructions:

The Application Form should be submitted directly. The entire amount of Rs. **[●]** (Rs [●]) per Debenture is payable along with the making of an application. Applicants can remit the application amount through Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT / RTGS / other permitted mechanisms on the Pay-in Date. The bank account details of the Issuer are as under:

Beneficiary Name:	KOTAK MAHINDRA BANK LIMITED - INFRA BOND ISSUE - MARCH 2019
Bank Account No.	5112905458
IFSC CODE:	KKBK0001368
Bank Name	27 BKC -Mumbai
Branch Address:	Kotak Mahindra Bank. Plot No. C-27, "G" Block, Bandra Kurla Complex Bandra(East), Mumbai-400051

SECTION 7: TRANSACTION DOCUMENTS AND KEY TERMS

7.1 Transaction Documents

The following documents shall be executed in relation to the Issue and will form part of the Issue ("**Transaction Documents**"):

(a) Debenture Trustee Agreement, which will confirm the appointment of IDBI Trusteeship Services Limited as the Debenture Trustee ("**Debenture Trustee Agreement**");

(b) Debenture Trust Deed, which will set out the broad terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer ("**Debenture Trust Deed**");

(c) Such other documents as agreed between the Issuer and the Debenture Trustee.
The Transaction Documents (other than the Debenture Trust Deed), shall be executed on or prior to the Issue Closing Date.

7.2 Representations and Warranties of the Issuer

The representations and warranties customary for a transaction of this nature shall be as set out in the Transaction Documents.

7.3 Events of Default

The occurrence of each of the following events, in relation to the Debentures, shall constitute an event of default:

(i) When the Issuer makes two consecutive defaults in the payment of any interest which ought to have been paid in accordance with the terms of the issue of the Debentures.

(ii) When the Issuer without the consent of Debenture Holders ceases to carry on its business or gives notice of its intention to do so;

(iii) When an order has been made by the Tribunal or a special resolution has been passed by the members of the Issuer for winding up of the Issuer; and

(iv) When any breach of the terms of the Information Memorandum inviting the subscriptions of debentures or of the covenants of the Debenture Trust Deed is committed.

7.4 Consequences of Events of Default

Upon the happening of an Event of Default, the Debenture Trustee shall be entitled to (a) accelerate the redemption of the Debentures (in whole or in part), declare by way of written notice that all or any part of the Debentures, together with the Coupon, and all amounts accrued or outstanding under the Transaction Documents become due and payable, whereupon they shall become immediately due and payable; and (b) exercise any other rights vested with the Debenture Trustee and/or the Debenture Holders, under the

Transaction Documents and/or under the Applicable Law..

7.5 Meetings and the voting process of the Debenture Holders

The manner of conducting the meetings and the voting process of the Debenture Holders shall be as set out in the Debenture Trust Deed.

SECTION 8: DISCLOSURES PERTAINING TO WILFUL DEFAULTER

1. Name of the bank declaring the entity as a wilful defaulter: NA
2. The year in which the entity is declared as wilful defaulter: NA
3. Outstanding amount when the entity is declared as wilful defaulter: NA
4. Name of the entity declared as a willful defaulter: NA
5. Steps taken, if any, for the removal form the list of wilful defaulter: NA
6. Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions: NIL
7. Any other disclosure as specified by the board: NIL

SECTION 9: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Information Memorandum, the Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

9.1 Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/fund transfer/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

9.2 Debenture Holder not a Shareholder

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

9.3 Modification of Debentures

The Debenture Trustee and the Issuer will agree to make any modifications in this Information Memorandum which in the opinion of the Debenture Trustee is of a formal, minor or technical nature or is to correct a manifest error.

Any other change or modification to the terms and conditions of the Debentures shall require approval by the Majority Debenture Holders.

For the avoidance of doubt, any amendment to the terms and conditions of the Debentures will require the consent of Majority Debenture Holders, either by providing their express consent in writing or by way of a resolution at a duly convened meeting of the Debenture Holders.

9.4 Eligible Investors

The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form:

(a) Mutual Funds
(b) Non-banking financial companies
(c) Provident Funds and Pension Funds
(d) Gratuity funds and superannuation Funds
(e) Corporates

(f) FIIs/ sub Accounts of FIIs / QFIs / FPIs
(g) Insurance Companies

All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

Note: Participation by potential investors in the issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them. The Issuer shall not be bound to verify compliance of such regulatory requirements and shall not be responsible/ liable for any contravention of such regulatory requirements by the Applicants.

For the sake of simplicity we hereby provide the details of documents required to be submitted by various categories of Applicants (who have applied for Allotment of the Bonds) while submitting the Application Form:

The Application must be accompanied by certified true copies of:

- Certificates of Incorporation or Registration under the applicable Act/ Rules under which they are incorporated (e.g SEBI registration certificate for MFs, IRDA certificate for insurance companies, RBI Certificate of Registration for NBFCs, etc.)
- Board Resolution authorizing investments
- Specimen signature of authorized person

9.5 Minimum Application

The Application should be for a minimum of 10 Debentures and in multiples of 10 Debentures thereafter.

9.6 How to apply

Potential investors will be invited to subscribe to the Debentures by way of the Application Form provided for in Annexure IV during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Debentures will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

All applications for the Debenture(s) must be in the prescribed Application Form and be completed in block letters in English. Application forms must be accompanied by either a Demand Draft or a Cheque, drawn and be made payable in favour of "Kotak Mahindra Bank Limited" and crossed "Account Payee only". The investor also has an option to make the payment by way of an RTGS Transfer as below:

Beneficiary : Kotak Mahindra Bank Limited
Bank Details : Kotak Mahindra Bank Ltd
Account No. : 5112905458
IFSC Code : KKBK0001368

The Issuer will not be responsible in any manner for any delayed receipts / non-receipt of RTGS payments or cheques/drafts or applications lost in mail.

The application form will be made available along with the Information Memorandum. The applicant should mention their PAN No. at the appropriate place in the application form and provide a copy of the PAN card along with the application form.

9.7 Right to accept or reject applications

The Issuer is entitled at its sole and absolute discretion, to accept or reject any application in part or in full, without assigning any reason. Incomplete Application Forms are liable to be rejected. The full amount of Debenture(s) has to be submitted along with the Application Form. Also, in case of over subscription, the Issuer reserves the right to increase the size of the placement subject to necessary approvals/certifications, and the basis of allotment shall be decided by the Issuer. All fictitious Applications will be rejected.

9.8 Allotment Intimation

The Issuer has made depository arrangements with NSDL and CDSL for the issue of these Debentures in Dematerialised Form. The investors shall hold these Debentures in the Dematerialised Form and will be governed as per the provisions of the Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL and CDSL (as applicable) from time to time and other applicable laws and rules notified in respect thereof.

Investors should mention their NSDL/ CDSL Depository Participant's name, DP-ID and Beneficiary Account Number at the appropriate place in the Application Form. The Issuer shall take reasonable steps to credit the Beneficiary Account of the Allottee(s), with the NSDL/ CDSL Depository Participant as mentioned in the Application Form, with the number of Debentures allotted. The applicant is responsible for the correctness of its details given in the Application Form vis-à-vis those with its DP. In case the information is incorrect or insufficient, the Issuer would not be liable for losses, if any.

The Issuer shall credit the Letter(s) of Allotment in Electronic Form to the demat account of the investors as per the details furnished in the Application Form.

9.9 Deemed Date of Allotment

All the benefits under the Debentures subscribed to by the Debenture Holders, will accrue to the Investor from the Deemed Date of Allotment.

9.10 Transfer / Transmission

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL and CDSL (as applicable) and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal

procedure followed for transfer of securities held in dematerialised form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

9.11 Payment of Interest on Application Money

If applicable, Interest, at the applicable rate specified in the Issue Details above, on the application money (subject to deduction of tax at source) will be paid to the applicants. Such interest shall be paid for the period commencing from the date of realisation of cheque(s) / draft(s) / RTGS Inflow (date of crediting "Kotak Mahindra Bank Limited" A/C No. 5112905458) upto one day prior to the Deemed Date of Allotment. The interest warrants (for interest on application money), if any, will be dispatched along with the Letter(s) of Allotment or funds will be transferred by way of RTGS.

The interest on application money will be computed on Actual/Actual basis as per the formula below:

Outstanding principal ***** the per annum coupon rate ***** actual number of days/ 365(366 in case of leap year).

9.12 Procedure for Applying for Dematerialised Facility

(a) The applicant must have at least one beneficiary account with any of the DP's of NSDL/CDSL prior to making the application.

(b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".

(c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.

(d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.

(e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.

(f) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.

(g) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.

(h) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits,

until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

9.13 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 10 (Ten) Business Days of the Deemed Date of Allotment of the Debentures towards which the applications were received.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the Registrar shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

9.14 Record Date

This will be 15 (fifteen) days prior to the respective due date for making payment of interest/ redemption premium and/or principal amounts. The list of Beneficial Owner(s) provided by the Depository as at end of day of Record Date shall be used to determine the name(s) of person(s) to whom the interest/ redemption premium and/or principal instalment is to be paid.

9.15 Payment of Interest on Allotted Debenture(s)

Interest on the face value of the Debentures outstanding (subject to deduction of Income Tax at the prescribed rate under the Income Tax Act, 1961 or any statutory modification or re-enactment being in force) shall be due from the Deemed Date of Allotment up to the Maturity Date.

The interest payments for every Debenture will be computed as outstanding principal* the per annum coupon rate applicable to such Debenture * actual number of days/actual number of days in a year.

Please note that if the Deemed Date of Allotment is shifted for any reason whatsoever, the interest payment dates may also be shifted, at the discretion of the Issuer.

Interest warrant(s)/cheque(s)/pay order(s) will be mailed or funds will be transferred by way of RTGS to those Debenture Holder(s) whose names appear on the list of Beneficial Owners as on the Record Date, provided to the Issuer by the Depository. However, in case the list of Beneficial Owner(s) as at Record Date is not available from the Depository for any reason whatsoever and because of which payment of interest is delayed beyond the relevant interest payment date, the Issuer shall pay interest at the coupon rate on the interest amount due from interest payment date up to 1 day prior to actual payment date (both days included).

Investors may also request for payment of interest by way of a RTGS transfer.

In case of dispute of interest claim, the matter should be settled between the transferor(s) and the transferee(s), and not with the Issuer. All interest on the Debenture(s) shall cease on the date of redemption on maturity of Debenture(s), whichever is earlier.

The Issuer agrees that it will not forfeit unclaimed interest before the claim becomes barred by law and that such forfeiture, when effected, may be annulled if so decided by the Issuer.

In case of default in payment of interest/ redemption premium and/or principal on their respective due dates, the Issuer shall become liable to pay default interest for the defaulting period.

9.16 Effect of Holidays

Any day of the week (excluding Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) on which money market institutions and scheduled commercial banks are generally open for business in Mumbai, India.

In case the date for performance of any event or the due date for any payment falls on a day which is not a Business Day, the performance of such event and the payment to be made on such due date shall be made on the succeeding Business Day, except in the event that the Maturity Date falls on a day which is not a Business Day, all payments to be made on such days (including Coupon), shall be made on the immediately preceding Business Day.

9.17 Debentures to Rank Pari Passu

The Debenture(s) of this Issue shall rank first pari passu inter-se without preference or priority of one over the other or others.

9.18 Payments at Par

Payment of the principal, all interest and other monies will be made to the Registered Debenture Holder(s)/ Beneficial Owner(s) and in case of joint holders to the one whose name stands first in the list of Beneficial Owner(s) provided to the Issuer by the Depository (NSDL/ CDSL). Such payments shall be made by cheque or warrant drawn by the Issuer on its bankers or funds will be transferred by way of RTGS.

9.19 Right to Re-Purchase and Re-Issue Debenture (s)

Subject to applicable laws, the Issuer will have the power, exercisable at its absolute discretion from time to time to repurchase some or all the Debenture(s) at any time prior to the specified date of redemption. This right does not construe a call option. In the event of the Debenture(s) being bought back, or redeemed before maturity in any circumstance whatsoever, the Issuer shall have the right, subject to the applicable law to re-issue such Debentures either by re-issuing the same Debenture(s) or by issuing other Debentures in their place.

The Issuer may also, at its discretion and subject to applicable law, at any time purchase Debenture(s) at discount, at par or at premium in the open market. Such Debenture(s) may, at the option of Issuer, be cancelled, held or resold at such price and on such terms and conditions as the Issuer may deem fit and as permitted by applicable law.

9.20 Variation of Debenture Holder(s) rights

The rights, privileges and conditions attached to the Debenture(s) and this Information Memorandum may be varied, modified or abrogated in accordance with the Articles of Association of the Issuer and the Act and with the consent of the Majority Debenture Holder(s) provided that nothing in such resolution shall be operative against the Issuer where such resolution modifies or varies the terms and conditions governing the Debenture(s) if the same are not acceptable to the Issuer.

Provided that the Debenture Trustee and the Issuer may agree to make any modifications in this Information

Memorandum which in the opinion of the Debenture Trustee is of a formal, minor or technical nature or is to correct a manifest error.

9.21 Issue of Debenture(s)

After completion of all legal formalities in respect of the Debentures, the securities held by the investor, under the ISIN representing the Letter(s) of Allotment, shall be converted into Non Convertible Debenture(s) as per the procedure laid down by NSDL/ CDSL in this behalf.

9.22 Register of Debenture Holder(s)

The Issuer shall request the Depository to provide a list of Beneficial Owners as at end of every Record date. This shall be the list, which shall be considered for payment of interest/ redemption premium and repayment of principal, as the case maybe. The list so provided by the Depository shall be deemed to be the Register of Debenture Holders in terms of Section 88 of the Companies Act.

9.23 Redemption on maturity of Debenture(s)

Funds will be transferred by way of RTGS to the holders whose names appear in the Register of Registered Debenture Holder(s)/in the list of Beneficial Owner(s) provided to the Issuer by the Depository as on the Record Date.

The Issuer's liability towards the Beneficial Owner(s) for any payment or otherwise shall stand extinguished on the Maturity Date, in all events and upon the Issuer dispatching the redemption amounts to the Beneficial Owner(s). Further, the Issuer shall not be liable to pay any interest, income or compensation of any kind from the Maturity Date, or the date of redemption of the Debenture(s). However, in case the list of Beneficial Owner(s) as at Record Date is not available from the Depository, for any reason whatsoever and because of which repayment of principal is delayed beyond the principal payment date, the Issuer shall pay interest at the coupon rate on the principal amount due from principal repayment date up to one day prior to actual payment date (both days included).

9.24 Tax Deduction at Source

Issuer will deduct income tax at source as applicable under the Income Tax Act, 1961 and net amount (after the deduction of relevant income taxes) would be payable to the Investor. Tax exemption / lower rate certificate obtained by the Investor from the Indian tax authorities, must be lodged at the office of Issuer before the Record date. Tax exemption / lower rate certificate obtained by the Investor for the interest on application money, must be lodged at the office of Issuer with the Application Form.

The Issuer shall deliver to the Investor, an evidence / certificate of the taxes deducted at source, within the timeframe prescribed under the law.

9.25 Debenture Trustee

The Issuer has appointed IDBI Trusteeship Services Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee intend to enter into the Transaction Documents specified in Section 7 above. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute

discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and the coupon/yield thereon and they will take necessary action, subject to and in accordance with the applicable Transaction Documents, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so.

9.26 Obligations of Investors

Notwithstanding anything contained hereinabove, every potential investor/ investor of the Debentures must read, understand and accept, and shall be deemed to have read, understood and accepted, the terms and conditions of this Information Memorandum prior to investing in the Debentures. As a Debenture Holder, every initial investor undertakes by virtue of this Information Memorandum, that if the initial investor as the Debenture Holder sells the Debentures to subsequent investors, the initial investor as the Debenture Holder shall ensure that such subsequent investors receive from the Debenture Holder, a copy of this Information Memorandum issued hereunder, and shall sell the Debentures to a subsequent investor only if such subsequent investor has read, understood and accepted all the terms and conditions referred to above and is an investor who falls within the categories specified under the section titled "Eligible Investors". Any such subsequent investor shall be deemed to have read, understood and accepted the terms and conditions in the documents referred to above prior to investing in the Debentures.

9.27 Applications under Power of Attorney

In the case of Applications made under power of attorney by companies , registered societies trusts etc., a certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature of all the authorised signatories and /or a certified copy of the Memorandum and Articles of Association / Bye Laws / the Deed of Trust and the certified true copy of the Board Resolution and the tax exemption certificate/document, if any, must be lodged along with the submission of the completed Application Form or sent directly to the Issuer along with a copy of the Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer at its corporate office.

9.28 Sharing of Information

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

9.29 Notices

Any notice may be served by the Issuer/ Debenture Trustee upon the Debenture Holders through by facsimile, by e-mail, by personal delivery or by sending the same by prepaid registered mail addressed to such Debenture Holder at its/his registered address or facsimile number or e-mail address.

All notice(s) to be given by the Debenture Holder(s) to the Issuer/ Debenture Trustee shall be sent by facsimile, by e-mail, by personal delivery or by sending the same by prepaid registered mail to the Issuer or to such persons at such address/ facsimile number/ e-mail address as may be notified by the Issuer from

time to time through suitable communication. All correspondence regarding the Debentures should be marked "Private Placement of Debentures".

Notice(s) shall be deemed to be effective (a) in the case of registered mail, 3 (three) calendar days after posting, (b) in the case of facsimile at the time when dispatched with a report confirming proper transmission or (c) in the case of personal delivery, at the time of delivery or (d) in the case of email, when received in legible form.

Disclaimer: Please note that only those persons to whom this Information Memorandum has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents prescribed by the Issuer in this Information Memorandum is only indicative, and an investor is required to provide all that documents / authorisations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Investment by investors falling in the categories mentioned in this Information Memorandum (as eligible to apply) are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

For **Kotak Mahindra Bank Limited**

Authorised Signatory
Name: Dipak Gupta
Title: Joint Managing Director
Date: March 28, 2019

For **Kotak Mahindra Bank Limited**

Authorised Signatory
Name: Rajiv Mohan
Title: Sr. Executive Vice President, Treasury
Date: March 28, 2019

SECTION 10: DECLARATION

The Issuer and each of the directors of the Issuer, confirm that.

(a) The Issuer has complied with the provisions of the Companies Act and the rules made thereunder in relation to the Issue;

(b) The compliance with the Companies Act and the rules does not imply that payment of dividend or interest or repayment of Debentures, if applicable, is guaranteed by the Central Government;

(c) The monies received under the Issue shall be used only for the purposes and objects indicated in this Information Memorandum.

We, **Dipak Gupta** and **Rajiv Mohan**, are jointly authorized by the **Board Of Directors** of the Issuer vide resolutions dated **April 30, 2018** and **March 14, 2019** to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this Information Memorandum, and matters incidental thereto have been complied with. Whatever is stated in this Information Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of the Information Memorandum has been suppressed or concealed and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association of the Issuer. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For and on behalf of

Kotak Mahindra Bank Limited
Name: Dipak Gupta
Title: Joint Managing Director
Date: March 28, 2019

For and on behalf of

Kotak Mahindra Bank Limited
Name: Rajiv Mohan
Title: Sr. Executive Vice President, Treasury
Date: March 28, 2019

Attachments: -

- *Annexure I: Term Sheet*
- *Annexure II: Rating Letter and Rating Rationale*
- *Annexure III: Consent Letter from the Debenture Trustee*
- *Annexure IV: Application Form*
- *Annexure V: Audited Financial Statement*
- *Annexure VI: Illustration of Bond Cash Flows*
- *Annexure VII: Board Resolutions dated April 30, 2018 and March 14, 2019*
- *Annexure VIII: Shareholders Resolution*
- *Annexure IX: Related Party Transactions*
- *Annexure X: Unaudited Standalone And Consolidated Financial Results For The Quarter And Nine Months Ended 31st December, 2018*
- *Annexure XI: Legal Proceedings*
- *Annexure XII: In-principle approval of recognized stock exchange(s)*

ANNEXURE I: TERM SHEET

Security Name	KMBL Series 1 - 8.25% April 2026
Issuer	Kotak Mahindra Bank Limited ("KMBL" or "Kotak" or "Bank")
Type of Instrument	Non-Convertible Debentures
Nature of Instrument	Senior Unsecured Rated Listed Redeemable Long Term Bonds in the nature of Non-Convertible Debentures
Seniority	Senior
Mode of Issue	Private placement
Eligible Investors	As mentioned in Section 9.4 of this Information Memorandum
Listing	Debentures are to be listed on the WDM of the NSE and BSE within a maximum period of 15 (Fifteen) calendar days from the Deemed Date of Allotment. In the event of the Issuer's failure to do so, to the extent that any Debenture Holders are Foreign Institutional Investors or sub-accounts of Foreign Institutional Investors, or Qualified Foreign Investors, or Foreign Portfolio Investors, the Issuer shall immediately redeem any and all Debentures which are held by such Foreign Institutional Investor(s) or such sub-account(s) of Foreign Institutional Investor(s) or Qualified Foreign Investors or Foreign Portfolio Investors In case of delay in listing of the debt securities beyond 20 calendar days from the Deemed Date of Allotment, the Issuer will pay penal interest of at least 1 % p.a. over the Coupon Rate from the expiry of 30 (Thirty) days from the Deemed Date of Allotment till the listing of such Debentures
Rating of Instrument	'CRISIL AAA / stable' by CRISIL, 'ICRA AAA' by ICRA and 'IND AAA' by India Ratings and Research Pvt Ltd.
Issue Size	The aggregate size of the Issue is INR 150,00,00,000 /- (Rupees One Hundred and Fifty Crore)
Option to retain Oversubscription	None
Objects of the Issue	The Issuer has filed this Information Memorandum for issuance of debt securities on private placement basis for an amount not exceeding the Issue Size. The funds raised through the Issue will be utilised as per the section "Utilisation of Issue Proceeds" below.
Details of the utilisation of the Proceeds	The proceeds of the Issue will be utilised in respect of lending to (i) long term projects in infrastructure sub-sectors, and (ii) affordable housing, as prescribed by Reserve Bank of India vide its Circular dated July 15, 2014 and bearing no. RBI/2014-15/127 DBOD.BP.BC.No.25 / 08.12.014 / 2014-15, as amended from time to time.
Coupon Rate	8.25% p.a
Step Up/ Step Down Coupon Rate	N.A.
Coupon Payment Frequency	Annual
Coupon payment	March 30, 2020

dates	March 29, 2021 March 28, 2022 March 28, 2023 March 28, 2024 March 28, 2025 March 30, 2026 April 28, 2026
Coupon Type	Fixed
Coupon Reset Process	NA
Day Count Basis	Actual / Actual.
Interest on Application Money	None
Default Interest Rate	2% (Two Percent) per annum payable annually over and above the Coupon Rate from the date of the occurrence of the default towards payment of monies on any due dates, in relation to the Debentures, until the default is cured or the debentures are redeemed pursuant to such default, as applicable.
Tenor	7 Years and 1 Month from the deemed date of allotment (85 Months)
Redemption Date/ Maturity Date	April 28, 2026
Redemption Amount	Rs 10,00,000 /- (Ten Lakhs Only)
Redemption Premium	None
Issue Price	Rs 10,00,000 /- (Ten Lakhs Only)
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Put Option Date	Not Applicable
Put Option Price	Not Applicable
Call Option Date	Not Applicable
Call Option Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Face Value	Rs 10,00,000 /- (Ten Lakhs Only)
Minimum Application size	10 Debentures and in multiples of 1 Debentures thereafter
Issue Timing	Opening Date: March 28, 2019 Closing Date: March 28, 2019 Pay-in Date: March 28, 2019 Deemed Date of Allotment: March 28, 2019
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only

Settlement mode of the Instrument	Payment of interest and repayment of principal shall be made by Instrument way of cheque(s)/ interest/ redemption warrant(s)/ demand draft(s)/ credit through direct credit/ NECS/ RTGS/ NEFT mechanism
Depositories	NSDL and CSDL
Business Day Convention	Any day of the week (excluding Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) on which money market institutions and scheduled commercial banks are generally open for business in Mumbai, India. In case the date for performance of any event or the due date for any payment falls on a day which is not a Business Day, the performance of such event and the payment to be made on such due date shall be made on the succeeding Business Day, except in the event that the Maturity Date falls on a day which is not a Business Day, all payments to be made on such days (including Coupon), shall be made on the immediately preceding Business Day. Please note: The dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security – as per SEBI circular NoCIR/IMD/DF-1/122/2016 dated 11 November 2016. The said schedule is provided below in Annexure VI
Record Date	The record date means, the day falling 15 days before any Due Date. In the event the Record Date falls on a day which is not a Business Day, the next Business Day will be considered as the Record Date.
Security	Unsecured
Transaction Documents	Please refer to Section 7.1 of this Information Memorandum.
Delay in execution of the Debenture Trust Deed/ Security Documents	N.A.
Conditions Precedent to Disbursement	1. Execution of Information Memorandum 2. Obtaining Rating Letter(s) 3. Obtaining Debenture Trustee Consent
Conditions Subsequent to Disbursement	1. Listing of the Debentures within 15 days from the Deemed Date of Allotment 2. Execution of Debenture Trust Deed within 60 days from the Deemed Date of Allotment.
Events of Default	Please refer to Section 7.3 of this Information Memorandum.
Provisions related to Cross Default	Not Applicable

Clause	
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders as customary for transaction of a similar nature and size and as executed under the appropriate Transaction Documents.
Illustration of Bond Cash flows	As provided in Annexure VI of this Information Memorandum.
Governing Law and Jurisdiction	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts and tribunals in Mumbai.

ANNEXURE II: RATING LETTER & RATING RATIONALE

Rating Rationale Is Enclosed Separately

Rating Letter - CRISIL LIMITED

Ratings

CRISIL
An S&P Global Company

CONFIDENTIAL

KOTMAHB/203935/INFB/031900794
March 19, 2019

Mr. Dipak Gupta
Joint Managing Director
Kotak Mahindra Bank Limited
5th Floor, 27BKC,
Plot No. C - 27, G Block,
Bandra Kurla Complex,
Mumbai 400051

Dear Mr. Dipak Gupta,

Re: CRISIL Rating on the Rs.1800 Crore Infrastructure Bonds of Kotak Mahindra Bank Limited

All ratings assigned by CRISIL are kept under continuous surveillance and review.

Please find in the table below the rating outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Infrastructure Bonds	1800	CRISIL AAA/Stable

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Rama Patel
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

Rating Letter - ICRA Limited

ICRA

ICRA Limited

CONFIDENTIAL

Ref: 2018-19/MUMR/1844
March 20, 2019

Mr Dipak Gupta
Joint Managing Director
Kotak Mahindra Bank Limited
5th Floor, 27BKC,
Plot No. C – 27, G Block,
Bandra Kurla Complex,
Mumbai – 400 051
Dear Sir,

Re: Revalidation of Credit Rating for the for Rs. 1,500 crore Non-Convertible Debenture / Infrastructure Bond Programme of Kotak Mahindra Bank Limited

This is with reference to your request for re-validating the rating for the captioned programme.

We hereby confirm that the **"[ICRA]AAA"** rating with stable outlook assigned to the captioned programme and last communicated to you vide our letter dated February 18, 2019, stands. Instruments with this rating are considered to have the highest degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same vide our letter Ref: 2018-19/MUM/1703 dated February 18, 2019.

With kind regards,

Yours faithfully,
For ICRA Limited

SUBRATA RAY
Senior Group Vice President
subrata@craindia.com

AASHAY CHOKSEY
Assistant Vice President
aashay.choksey@icraindia.com

Electric Mansion, 3rd Floor
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400025
Tel. : +91.22.61693300
CIN : L74999DL1991PLC042749
Website : www.icra.in
Email : info@icraindia.com
Helpdesk : +91.124.2866928
Registered Office : 1105, Kailash Building, 11th Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001. Tel. : +91.11.23357940-45

RATING • RESEARCH • INFORMATION 3466

Rating Letter - India Ratings and Research Pvt Ltd

India Ratings & Research

Fitch Group

Mr. Narayan S.A
President – Treasury
Kotak Mahindra Bank Ltd
27 BKC, 5th Floor, Plot No. C-27, G-Block,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

March 26, 2019

Dear Sir,

Re: Ratings of Kotak Mahindra Bank Ltd. (KMB).

India Ratings (see definition below) assigns the following ratings of KMB:-

INR 1.50billion Long-term infra bonds: 'IND AAA'; Outlook Stable

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and

India Ratings & Research Private Limited A Fitch Group Company
Wockhardt Tower, Level 4, West Wing, Bandra Kurla Complex, Bandra (E), Mumbai 400 051
Tel: +91 22 4000 1700 | Fax: +91 22 4000 1701 | CIN/LLPIN: U67100MH1995FTC140049 | www.indiaratings.co.in

ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

IDBI Trusteeship Services Ltd
CIN : U65991MH2001GOI131154

IDBI trustee

No. 12496 /ITSL/CL/18-19/DEB/2180
March 19, 2019

Kotak Mahindra Bank,
7th Floor 12 BKC C-12 G block,
Bandra Kurla Complex,
Bandra East 400 051

Kind Attn: Mr. Ganesh R Swamy / Mr. Navin N Salian

Sub: Consent to act as Trustee for Listed Unsecured non-convertible debentures aggregating upto Rs.150 crore.

Dear Sirs

This is with reference to your email dated March 19, 2019 regarding appointment of IDBI Trusteeship Services Ltd. (ITSL) as Bond Trustee for the Bank's proposed for Listed Unsecured non-convertible debentures aggregating upto Rs.150 crore.

It would indeed be our pleasure to be associated with your esteemed organization as Debenture Trustee

Accordingly, we hereby confirm our acceptance to act as Debenture Trustee for the above, subject to the Bank agreeing the conditions as set out in Annexure - A.

We are also agreeable for inclusion of our name as trustees in the Bank's offer document / disclosure document / listing application / any other document to be filed with SEBI / ROC / the Stock Exchange(s) or any other authority as required.

Kotak Mahindra Bank shall enter into Debenture Trustee Agreement for the above NCD issue program.

Thanking you,

Yours faithfully,
For **IDBI Trusteeship Services Limited**

Sunny Nihalani
Vice President

Regd. Office : Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001.
Tel. : 022-4080 7000 • Fax : 022-6631 1776 • Email : itsl@idbitrustee.com • response@idbitrustee.com
Website : www.idbitrustee.com

ANNEXURE IV: APPLICATION FORM

Application form Serial No: Date: ___,

The Compliance Officer,

Kotak Mahindra Bank Limited
27BKC, C 7, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

Dear Sirs,

We have read and understood the Terms and Conditions of the issue of Debentures as mentioned in the Information Memorandum dated March 28, 2019 and have considered these in making our decision to apply for allotment of the Debentures to us. The amount payable on application as shown below is remitted herewith. On allotment, please place our name(s) on the Register of Debenture holder(s). We bind ourselves to the terms and conditions as contained in the Information Memorandum.

(Please read carefully the instructions on the next page before filling this form)

Details		
No. of debentures applied (in figures)		
No. of debentures applied (in words)		
Amount (Rs. in figures)		
Amount (Rs. in words)		
Cheque/Demand Draft/RTGS Details		
Date		
Drawn on Bank		

Applicant's Name & Address in full (please use capital letters)

		Pin Code:
Telephone:	Fax:	Email:
Contact Person		

Status: Banking Company ( ) Insurance Company ( ) Others ( ) – please specify

Name of Authorised Signatory	Designation	Signature

Details of Bank Account

Bank Name & Branch	
Nature of Account	
Account No.:	
IFSC/NEFT Code	
MICR No	

Depository Details

DP Name			
DP ID		Client ID	

(*) We understand that in case of allotment of debentures to us/our Beneficiary Account as mentioned above would be credited to the extent of debentures allotted.

Taxpayers PAN / GIR No.	IT Circle/Ward/District		( ) Not Allotted	
Tax Deduction Status	( ) Fully Exempt	( ) Tax to be deducted at Source	( ) Yes	( ) No

We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the sale value of the Debentures and shall not look directly or indirectly to the Sole Arranger (or to any person acting on its or their behalf) to indemnify or otherwise hold us harmless in respect of any such loss and/or damage. We undertake that upon sale or transfer to subsequent investor or transferee ("Transferee"), we shall convey all the terms and conditions contained herein and in this Information Memorandum to such Transferee. In the event of any Transferee (including any intermediate or final holder of the Debentures) suing the Issuer (or any person acting on its or their behalf) we shall indemnify the Issuer and the Sole Arranger (and all such persons acting on its or their behalf) and also hold the Issuer and Sole Arranger and each of such person harmless in respect of any claim by any Transferee.

Applicant's Signature

(Tear here)_____

ACKNOWLEDGEMENT SLIP

Applications form serial No: _____ Date: _____

Name of the Applicant:
Address of the Applicant:

Details		
No of debentures applied (in figures(		
No. of debentures applied (in words)		
Amount (Rs. In figures)		
Amount (Rs. in words)		
Cheque/Demand Draft/RTGS Details		
Date		
Drawn on Bank		

For all further correspondence please contact: The Compliance Officer, Kotak Mahindra bank Limited

INSTRUCTIONS

1. You must complete application in full in BLOCK LETTERS IN ENGLISH.
2. Your Signatures should be in English or in any of the Indian languages
3. Application forms duly completed in all respects, together with Cheques/Pay Order/Demand Draft, must be lodged at the registered office of the Issuer.
4. In case of payments through RTGS, the payments may be made as follows:

Beneficiary : KOTAK MAHINDRA BANK LIMITED - INFRA BOND ISSUE - MARCH 2019
Bank Details : Kotak Mahindra Bank Ltd
Account No. : 5112905458
IFSC Code : KKBK0001368

5. The Cheque(s)/Demand Draft(s) should be drawn in favour of **"Kotak Mahindra Bank Limited "** and crossed "A/c payee" only. Cheque(s)/Demand draft(s) may be drawn on any scheduled bank and payable at Mumbai.
6. Outstation cheques, cash, money orders, postal orders and stock invest will NOT be accepted.
7. As a matter of precaution against possible fraudulent encashments of interest warrants due to loss/misplacement, you are requested to mention the full particulars of the bank account, as specified in the application form.
8. Interest warrants will then be made out in favour of the bank for credit to your account. In case the full particulars are not given, cheques will be issued in the name of the applicant at their own risk.
9. Issuer in the "Acknowledgement Slip" appearing above the Application Form will acknowledge receipt of applications. No separate receipt will be issued.
10. You should mention your Permanent Account Number or the GIR number allotted under Income-Tax Act, 1961 and the Income-Tax Circle/Ward/District. In case where neither the PAN nor GIR number has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided.
11. The application would be accepted as per the terms of the issue outlined in the Information Memorandum.

ANNEXURE V: AUDITED FINANCIAL STATMENTS

(i) Abridged version of the Audited Consolidated and Standalone Financial Information (like Profit and Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications if any;

Consolidated Balance Sheet

Balance Sheet – (Rs Crs)	**As on 31st March, 2018**	**As at 31st March, 2017**	**As at 31st March, 2016**
CAPITAL AND LIABILITIES			
Capital	952.82	920.45	917.19
Reserves and Surplus	49,533.24	37,570.39	32,443.45
Minority Interest	0.00	474.43	395.60
Employees' Stock Options (Grants) Outstanding	2.17	1.87	3.41
Deposits	1,91,235.80	1,55,540.00	1,35,948.76
Borrowings	58,603.97	49,689.91	43,729.79
Policyholders' Funds	22,425.34	18,792.88	15,148.28
Other Liabilities and Provisions	14,967.13	13,197.64	12,217.09
Total	**3,37,720.47**	**2,76,187.56**	**2,40,803.58**
ASSETS			
Cash and Balances with Reserve Bank of India	8,933.50	7,512.23	6,924.90
Balances with Banks and Money at Call and Short Notice	15,467.13	18,076.32	4,674.51
Investments	90,976.60	68,461.54	70,273.90
Advances	2,05,997.32	1,67,124.91	1,44,792.82
Fixed Assets	1,749.83	1,755.20	1,757.60
Other Assets	13,803.03	13,253.94	12,376.44
Goodwill on Consolidation	793.06	3.42	3.42
Total	**3,37,720.47**	**2,76,187.56**	**2,40,803.58**
Contingent Liabilities	2,09,757.54	1,96,172.07	2,44,711.86
Bills for Collection	24,255.31	20,318.26	14,964.05

Consolidated Profit & Loss Account :

Profit and Loss Account – (Rs Crs)	**Year ended 31st March, 2018**	**Year ended 31st March, 2017**	**Year ended 31st March, 2016**

INCOME			
Interest earned	25,131.08	22,324.21	20,401.64
Other Income	13,682.23	11,659.56	7,630.73
Total	**38,813.31**	**33,983.77**	**28,032.36**
EXPENDITURE			
Interest expended	12,466.85	11,457.51	11,122.97
Operating expenses	16,163.49	14,245.41	10,894.08
Provisions and Contingencies	4,035.83	3,331.77	2,584.19
Total	**32,666.17**	**29,034.68**	**24,601.24**
PROFIT			
Net Profit for the year	6,147.14	4,949.08	3,431.12
Less: Share of Minority Interest	56.67	78.83	65.19
Add: Share in profit / (loss) of Associates	110.51	70.18	92.92
Consolidated Profit for the year attributable to the Group	**6,200.97**	**4,940.43**	**3,458.85**
Add : Balance in Profit and Loss Account brought forward from previous year	20,152.56	16,223.88	11,864.13
Add: Additions on Amalgamation	0.00	0.00	1,804.11
Less: Adjustments on Amalgamation	0.00	0.00	125.38
Add: MTM Gain on Derivatives (net of tax)	0.00	0.89	0.00
Total	**26,353.53**	**21,165.21**	**17,001.71**
APPROPRIATIONS			
Transfer to Statutory Reserve	1,021.08	852.88	522.45
Transfer to Special Reserve u/s 45 IC of RBI Act, 1934	174.06	142.26	131.27
Transfer to Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961	55.00	55.00	45.00
Transfer to Capital Redemption Reserve	8.50	1.00	0.00
Transfer to Capital Reserve	24.00	10.55	9.17
Transfer to General Reserve	1.75	0.00	0.00
Transfer (from) / to Investment Reserve Account	0.00	-48.49	-41.52
Dividend / Proposed Dividend	114.21	0.07	91.84
Corporate Dividend Tax	23.80	-0.62	19.62
Balance carried over to Balance Sheet	24,931.13	20,152.56	16,223.88
Total	**26,353.53**	**21,165.21**	**17,001.71**
EARNINGS PER SHARE			
Basic (₹)	32.70	26.89	18.91
Diluted (₹)	32.66	26.86	18.87
Face value per share (₹)	5.00	5.00	5.00

CONSOLIDATED CASH FLOW STATEMENT

CONSOLIDATED CASH FLOW STATEMENT (Rs Crs)	**Year ended 31st March, 2018**	**Year ended 31st March, 2017**	**Year ended 31st March, 2016**
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit for the year	6,147.14	4,949.08	3,431.12
Add: Provision for tax	3,011.09	2,382.85	1,592.62
Net Profit before taxes	**9,158.22**	**7,331.93**	**5,023.74**
Adjustments for:-			
Employee Stock Options expense	1.75	1.50	2.95
Depreciation on Group's property	383.43	362.21	344.51
Amortisation of Premium on Investments	297.63	245.42	162.21
Diminution / (write back) in the value of investments	208.89	151.53	139.97
(Profit) / Loss on revaluation of investments (net)	105.11	-804.34	640.73
Profit on sale of Investments (net)	-1,120.35	-1,264.95	-716.37
Provision for Non Performing Assets, Standard Assets and Other Provisions	815.86	797.39	851.59
Profit on sale of fixed assets	-47.00	-13.71	-4.58
	9,803.54	**6,806.98**	**6,444.75**
Adjustments for :-			
(Increase) / Decrease in investments - Available for Sale, Held for Trading and Stock-in-Trade	-18,065.11	8,441.72	-3,371.28
(Increase) in Advances	-39,538.68	-23,013.71	-16,612.15
(Increase) in Other Assets	-501.92	-1,113.67	-463.89
Increase in Deposits	35,695.80	19,591.24	17,425.76
Increase in Policyholders' Funds	3,632.46	3,644.60	1,335.33
Increase in Other Liabilities and Provisions	1,528.28	974.87	1,925.11
	-17,249.17	**8,525.05**	**238.88**
Direct Taxes Paid (net of refunds)	**-2,946.78**	**-2,109.53**	**-1,688.70**
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**-10,392.41**	**13,222.50**	**4,994.93**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed assets	-425.84	-404.50	-325.10
Proceeds from sale of Fixed assets	59.83	22.41	14.71
Dividend received from Associates	0.00	0.30	0.20
Proceeds from buy back of Shares in Associates	1.98	0.00	0.00
Investments in Associates	0.00	0.00	-2.27
Purchase consideration paid on acquisition of Subsidiary / Minority Interest	-1,411.33	0.00	0.00

(Increase) in Other Investments	-3,832.89	-4,886.30	-8,349.93
NET CASH FLOW USED IN INVESTING ACTIVITIES (B)	**-5,608.25**	**-5,268.09**	**-8,662.39**
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid including corporate dividend tax	-137.63	-110.66	-99.07
Money received on issue of shares / exercise of stock options	5,953.18	246.37	363.91
Share issue expenses	-28.71	-0.22	-0.56
Redemption of Prefrence Shares	0.00	-40.35	0.00
Increase / (Decrease) in borrowings	8,892.57	5,960.12	1,760.13
	0.00	**0.00**	**0.00**
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)	**14,679.40**	**6,055.26**	**2,024.41**
Increase/(Decrease) in Foreign Currency Translation Reserve (D)	**6.35**	**-20.53**	**29.65**
Net Cash and Cash Equivalent on Acquisition of Subsidiary (E)	**126.99**	**0.00**	**0.00**
Net cash and cash equivalents taken over from erstwhile ING Vysya Bank Limited on amalgamation (F)	**0.00**	**0.00**	**6,309.37**
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C + D + E + F)	**-1,187.92**	**13,989.14**	**4,695.97**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**25,588.55**	**11,599.41**	**6,903.44**
(Refer Note below)			
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**24,400.63**	**25,588.55**	**11,599.41**

Standalone Financials:

Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the Issuer and the corrective steps taken and proposed to be taken by the Issuer for each of the said reservations or qualifications or adverse remark:

No reservations or qualifications or adverse remarks of auditors in the last five financial years

A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer document:

Standalone Financial Information for last three years:

BALANCE SHEET (Rs Crs)	**As at 31st MARCH, 2018**	**As at 31st MARCH, 2017**	**As at 31st MARCH, 2016**
CAPITAL AND LIABILITIES			
Capital	952.82	920.45	917.19
Reserves and Surplus	36,528.83	26,695.62	23,041.87
Employees' Stock Options (Grants) Outstanding	2.17	1.87	3.41
Deposits	1,92,643.27	1,57,425.86	1,38,643.02
Borrowings	25,154.15	21,095.48	20,975.34
Other Liabilities and Provisions	9,652.15	8,450.68	8,678.96
Total	**2,64,933.40**	**2,14,589.96**	**1,92,259.79**
ASSETS			
Cash and Balances with Reserve Bank of India	8,908.51	7,492.43	6,903.43
Balances with Banks and Money at Call and Short Notice	10,711.60	15,079.58	3976.28
Investments	64,562.35	45,074.19	51,260.22
Advances	1,69,717.92	1,36,082.13	1,18,665.30
Fixed Assets	1,527.16	1537.63	1551.59
Other Assets	9,505.86	9,324.00	9,902.97
Total	**2,64,933.40**	**2,14,589.96**	**1,92,259.79**
Contingent Liabilities	2,05,104.84	1,93,067.54	2,42,610.28
Bills for Collection	24,255.31	20,318.26	14,964.05

PROFIT AND LOSS ACCOUNT (Rs Crs)	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2016
I. INCOME			
Interest earned	19,748.50	17,698.93	16,384.18
Other Income	4,052.21	3,477.16	2,612.23
Total	**23,800.70**	**21,176.09**	**18,996.42**
II. EXPENDITURE			
Interest expended	10,216.81	9,572.78	9,483.81
Operating expenses	6,425.72	5,618.50	5,471.52
Provisions and Contingencies	3,073.87	2,573.31	1,951.31
Total	**19,716.40**	**17,764.59**	**16,906.64**
III. PROFIT			
Net Profit for the year (I - II)	**4,084.30**	**3,411.50**	**2,089.78**
Add: Balance in Profit and Loss Account brought forward from previous year	10,756.29	8,214.12	5,095.26
Add: Additions on Amalgamation	-	-	1,800.09
Less: Adjustments on Amalgamation	-	-	125.38
Total	**14,840.59**	**11,625.62**	**8,859.75**
IV. APPROPRIATIONS			
Transfer to Statutory Reserve	1,021.08	852.88	522.45
Transfer to Capital Reserve	24.00	10.55	9.17
Transfer to Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961	55.00	55.00	45.00
Transfer from Investment Reserve Account	-	(48.49)	(41.52)
Dividend / Proposed Dividend	114.21	0.07	91.84
Corporate Dividend Tax	21.70	(0.68)	18.70
Balance carried over to Balance Sheet	13,604.60	10,756.29	8,214.12
Total	**14,840.59**	**11,625.62**	**8,859.75**
V. EARNINGS PER SHARE (Face value of Rs. 5/-)			
Basic	21.54	18.57	11.42
Diluted	21.51	18.55	11.40

Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer document:

CASH FLOW STATEMENT (Rs Crs)	Year Ended 31st March 2018	Year Ended 31st March 2017	Year Ended 31st March 2016
CASH FLOW FROM OPERATING ACTIVITIES			
Profit after tax	**4,084.30**	**3,411.50**	**2,089.78**
Add: Provision for tax	2,133.92	1,736.57	1,033.94
Net Profit Before Taxes	**6,218.22**	**5,148.07**	**3,123.72**
Adjustments for :-			
Employee Stock Options Expense	1.75	1.50	2.95
Depreciation on Bank's property	302.69	290.66	287.38
Diminution in the value of investments written off	196.91	139.24	136.32
Dividend from Subsidiaries/ Joint Ventures	-7.61	-3.42	-3.86
Amortization of Premium on HTM Investments	279.67	226.75	142.00
Provision for Non-Performing Assets, Standard Assets and Other Provisions	743.04	697.50	781.05
Profit on sale of fixed assets	-45.74	-12.26	-3.01
	7,688.93	**6,488.04**	**4,466.54**
Adjustments for :-			
Decrease/(Increase) in Investments [other than Subsidiaries, Joint Ventures and Other Long term Investments]	-17,728.38	8,494.74	-3,652.79
Increase in Advances	-34,260.61	-18,031.25	-12,889.28
(Increase)/Decrease in Other Assets	-194.91	331.58	-304.39
Increase in Deposits	35,217.41	18,782.84	18,098.13
Increase/(Decrease) in Other Liabilities and Provisions	1,093.73	-222.38	1,672.30
	-15,872.76	**9,355.53**	**2,923.97**
Direct Taxes Paid	**-2,091.09**	**-1,431.65**	**-1,256.78**
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**-10,274.92**	**14,411.92**	**6,133.72**
CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES			
Purchase of Fixed assets	-343.13	-320.03	-249.05
Sale of Fixed assets	56.38	19.46	11.34
Investments in Subsidiaries/ Joint Ventures	-1,604.83	-88.90	-218.35
Investments in HTM securities	-631.53	-2,585.79	-5,910.82
Dividend from Subsidiaries/ Joint Ventures	7.61	3.42	3.86
NET CASHFLOW USED IN INVESTMENT ACTIVITIES (B)	**-2,515.50**	**-2,971.84**	**-6,363.01**
CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES			
Increase/(Decrease) in Subordinated Debt	-272.85	-570.99	-143.77

Increase/(Decrease) in Refinance	1,378.83	942.55	-1,071.52
Increase / (Decrease) in Borrowings [other than Refinance and Sub-ordinated debt]	2,952.70	-251.42	-513.88
Money received on exercise of stock options/issue of shares	5,953.18	246.37	363.91
Share issue expenses	-38.71	-0.22	-0.56
Dividend paid including Corporate Dividend Tax	-135.92	-109.78	-98.10
NET CASHFLOW FROM FINANCING ACTIVITIES (C)	**9,837.22**	**256.52**	**-1,463.91**
Increase/(Decrease) in Foreign Currency Translation Reserve (D)	**1.29**	**-4.30**	**-**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C + D)	**-2,951.90**	**11,692.29**	**-1,693.19**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (Refer Note below)	**22,572.01**	**10,879.72**	**6,262.36**
ADDITIONS ON AMALGAMATION	**-**	**-**	**6,310.55**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Refer Note below)	**19,620.11**	**22,572.01**	**10,879.72**
Note:			
Balance with Banks in India in Fixed Deposit	6.24	507.34	41.04
Balance with Banks in India in Current Account	333.81	162.97	263.23
Money at Call and Short Notice in India	8,547.13	13,479.97	2,010.89
Cash in hand (including foreign currency notes)	1,204.98	996.97	947.19
Balance with RBI in Current Accounts	7,703.52	6,495.45	5,956.24
Balance with Banks Outside India:			
(i) In Current Account	618.68	864.45	700.42
(ii) In other Deposit Accounts	1,205.74	64.85	960.70
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**19,620.11**	**22,572.01**	**10,879.72**

Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company:

YEAR ENDED 31ST MARCH, 2017
Accounting for Proposed Dividend
As per the requirements of pre-revised AS 4 – 'Contingencies and Events Occurring after the balance sheet date', the Bank used to create a liability for dividend proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. 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.
Had the Bank continued with creation of provision for proposed dividend, its surplus in the Profit and Loss Account as at March 31, 2017 would have been lower by Rs. 132.94 crore and other liabilities would have been higher by Rs. 132.94 crore (including dividend distribution tax of Rs. 22.94 crore).

ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Company	Kotak Mahindra Bank Limited
Face Value (per security)	Rs 10,00,000 /-
Issue Date/Date of Allotment	March 28, 2019
Redemption Date	April 28, 2026
Coupon Rate	8.25% p.a
Frequency of the Coupon Payment	Annually, and on Redemption Date
Day Count Convention	Actual / Actual

Cash Flows	Cash Flow Date	Day of the week Cash Flow Date	Revised Cash Flow Date*	Day of the week Revised Cash Flow Date	Amount (Rs.) per Debenture / Bond	No.of days in coupon period
1st Coupon	28-Mar-2020	Sat	30-Mar-20	Mon	82,500.00	366
2nd Coupon	28-Mar-2021	Sun	29-Mar-21	Mon	82,500.00	365
3rd Coupon	28-Mar-2022	Mon	28-Mar-22	Mon	82,500.00	365
4th Coupon	28-Mar-2023	Tue	28-Mar-23	Tue	82,500.00	365
5th Coupon	28-Mar-2024	Thu	28-Mar-24	Thu	82,500.00	366
6th Coupon	28-Mar-2025	Fri	28-Mar-25	Fri	82,500.00	365
7th Coupon	28-Mar-2026	Sat	30-Mar-26	Mon	82,500.00	365
8th Coupon	28-Apr-2026	Tue	28-Apr-26**	Tue	7,006.85	31
Redemption	28-Apr-2026	Tue	28-Apr-26**	Tue	10,00,000	NA

*If the interest payment date falls on a holiday, the payment may be made on the following working day however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security – as per SEBI circular NoCIR/IMD/DF-1/122/2016 dated 11 November 2016.

Also please note in the event that the Maturity Date falls on a day which is not a Business Day, all payments to be made on such days (including Coupon), shall be made on the immediately preceding Business Day

ANNEXURE VII: BOARD RESOLUTIONS

ENCLOSED SEPERATELY

This forms an integral part of this Information Memorandum dated March 28, 2019 for issue of 1500 senior unsecured rated listed redeemable long term bonds in the nature of non-convertible debentures by Kotak Mahindra Bank Limited.

ANNEXURE VIII: SHAREHOLDERS RESOLUTION

ENCLOSED SEPERATELY

This forms an integral part of this Information Memorandum dated March 28, 2019 for issue of 1500 senior unsecured rated listed redeemable long term bonds in the nature of non-convertible debentures by Kotak Mahindra Bank Limited.

ANNEXURE IX : RELATED PARTY TRANSACTIONS

1. Related Party Disclosures for FY 2015-16:

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 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 Forex Brokerage Limited Kotak Mahindra Pension Fund Limited Kotak Mahindra Financial Services Limited Kotak Mahindra Asset Management (Singapore) Pte. Ltd. Kotak Mahindra General Insurance Limited (Incorporated on December 20, 2014) IVY Product Intermediaries Limited (formerly known as ING Vysya Financial Services Limited)

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 33.64% of the equity share capital of Kotak Mahindra Bank Limited as on March 31, 2016
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	Mr. Uday S. Kotak, Executive Vice Chairman and Managing Director Mr. C Jayaram, Joint Managing Director Mr. Dipak Gupta, Joint Managing Director
Enterprises over which KMP / relatives of KMP have control / Significant Influence	Aero Agencies Limited Kotak & Company Private Limited Komaf Financial Services Limited Asian Machinery & Equipment Private Limited. Insurekot Sports Private Limited Kotak Trustee Company Private Limited Cumulus Trading Company Private Limited Palko Properties Private Limited

Nature of Relationship	Related Party
	Kotak Chemicals Limited Kotak Ginning & Pressing Industries Limited Kotak Commodity Services Limited Harisiddha Trading and Finance Private Limited Puma Properties Private Limited Business Standard Private Limited Business Standard Online Limited (From March 27, 2015) Allied Auto Accessories Private Limited Uday S Kotak HUF Suresh A Kotak HUF USK Benefit Trust II
Relatives of Key Management Personnel	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 Ms. Usha Jayaram Mr. K. Madhavan Kutty Mr. Vivek Menon Ms. Nayantara Menon Mehta

(₹ 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	Total
Liabilities						
Deposits	2,694.26	303.17	55.82	436.05	11.43	3,500.73
	(2,016.85)	(235.21)	(26.17)	(109.94)	(10.44)	(2,398.61)
Interest Payable	22.14	2.45	0.41	2.52	0.10	27.62
	(19.47)	(1.90)	(0.42)	(0.59)	(0.18)	(22.56)
Other Liabilities	7.49	#	-	0.01	-	7.50
	(2.23)	(-)	(-)	(-)	(-)	(2.23)
Assets						
Advances	60.00	-	-	-	-	60.00
	(12.60)	(-)	(-)	(-)	(-)	(12.60)
Investments-Gross	1,412.61	33.88	-	#	-	1,446.49
	(1,072.95)	(33.88)	(-)	(#)	(-)	(1,106.83)
Diminution on Investments	2.28	29.82	-	#	-	32.10
	(2.28)	(27.64)	(-)	(#)	(-)	(29.92)
Commission Receivable	24.14	-	-	-	-	24.14
	(15.12)	-	(-)	(-)	(-)	(15.12)

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	Total
Others	45.95	0.12	-	0.19	-	46.26
	(30.55)	(0.10)	(-)	(-)	(-)	(30.65)
Expenses						
Salaries/fees (Include ESOP)	-	-	10.98	-	-	10.98
	(-)	(-)	(9.48)	(-)	(-)	(9.48)
Interest Paid	214.69	28.68	4.93	28.10	0.90	277.30
	(179.64)	(28.08)	(1.70)	(5.72)	(0.47)	(215.61)
Others	15.07	10.03	-	4.27	-	29.37
	(42.45)	(8.64)	-	(3.19)	(-)	(54.28)
Income						
Dividend	3.86	-	-	-	-	3.86
	(4.95)	(-)	(-)	(-)	(-)	(4.95)
Interest Received	52.24	-	-	-	-	52.24
	(50.79)	(-)	(-)	(-)	(-)	(50.79)
Others	241.16	0.76	-	0.89	-	242.81
	(156.89)	(0.75)	(-)	(0.01)	(-)	(157.65)
Other Transactions						
Sale of investment	1,431.17	-	-	-	-	1,431.17
	(1,469.48)	(-)	(-)	(-)	(-)	(1,469.48)
Purchase of Investment	1,394.80	-	-	-	-	1,394.80
	(346.59)	(1.59)	(-)	(-)	(-)	(348.18)
Loan disbursed during the year	60.00	-	-	-	-	60.00
	(-)	(30.00)	(-)	(-)	(-)	(30.00)
Loan repaid during the year	-	-	-	-	-	-
	(-)	(30.00)	(-)	(-)	(-)	(30.00)
Dividend paid	-	-	27.69	#	0.17	27.86
	(-)	(-)	(24.60)	(-)	(0.16)	(24.76)
Reimbursement to companies	16.50	0.19	-	0.44	-	17.13
	(14.38)	(0.19)	(-)	(0.39)	(-)	(14.96)
Reimbursement from companies	100.02	0.33	-	-	-	100.35
	(91.55)	(0.71)	(-)	(-)	(-)	(92.26)
Purchase of Fixed assets	0.02	-	-	-	-	0.02
	(0.54)					(0.54)
Sale of Fixed assets	0.68	-	-	-	-	0.68
	(0.61)	(0.20)	(-)	(-)	(-)	(0.81)
Swaps/Forward/ options contracts	0.05	-	-	-	-	0.05
	(-)	(-)	(-)	(-)	(-)	(-)
Guarantees/Lines of credit	100.10	-	-	1.00	-	101.10
	(0.10)	(2.13)	(-)	(-)	(-)	(2.23)
I. Liabilities:						
Other liabilities						
Other Payable						
Kotak Mahindra Prime Limited	1.02	-	-	-	-	1.02
	(0.10)	(-)	(-)	(-)	(-)	(0.10)
Kotak Mahindra Investments Limited	0.04	-	-	-	-	0.04

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	Total
	(0.38)	(-)	(-)	(-)	(-)	(0.38)
Kotak Securities Ltd	5.88	-	-	-	-	5.88
	(0.61)	(-)	(-)	(-)	(-)	(0.61)
Others	0.55	#	-	0.01	-	0.56
	(1.14)	-	(-)	-	(-)	(1.14)
II. Assets:						
Investments						
Kotak Mahindra Old Mutual Life Insurance Limited	260.25	-	-	-	-	260.25
	(260.25)	(-)	(-)	(-)	(-)	(260.25)
Kotak Mahindra Prime Limited	646.00	-	-	-	-	646.00
	(526.78)	(-)	(-)	(-)	(-)	(526.78)
Kotak Mahindra Capital Company Limited	65.14	-	-	-	-	65.14
	(65.14)	(-)	(-)	(-)	(-)	(65.14)
Kotak Mahindra Investments Limited	238.03	-	-	-	-	238.03
	(168.03)	(-)	(-)	(-)	(-)	(168.03)
Kotak Mahindra General Insurance Limited	135.00	-	-	-	-	135.00
	(1.05)	(-)	(-)	(-)	(-)	(1.05)
Others	68.19	-	-	#	-	68.19
	(51.70)	(-)	(-)	(#)	(-)	(51.70)
ACE Derivatives and Commodity Exchange Limited	-	33.88	-	-	-	33.88
	(-)	(33.88)	(-)	(-)	(-)	(33.88)
						-
Diminution on Investments						
Kotak Forex Brokerage Limited	2.28	-	-	-	-	2.28
	(2.28)	(-)	(-)	(-)	(-)	(2.28)
ACE Derivatives and Commodity Exchange Limited		29.82	-	-	-	29.82
	(-)	(27.64)	(-)	(-)	(-)	(27.64)
Others	-	-	-	#	-	#
	(-)	(-)	(-))	(#)	(-)	(#)
Commission Receivable						
Kotak Mahindra Old Mutual Life Insurance Limited	24.05	-	-	-	-	24.05
	(15.12)	(-)	(-)	(-)	(-)	(15.12)
Kotak Mahindra General Insurance Limited	0.09	-	-	-	-	0.09
	(-)	(-)	(-)	(-)	(-)	(-)
Others Receivable						
Kotak Mahindra Prime Limited	21.28	-	-	-	-	21.28
	(26.36)	(-)	(-)	(-)	(-)	(26.36)

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	Total
Kotak Securities Limited	1.28	-	-	-	-	1.28
	(0.93)	(-)	(-)	(-)	(-)	(0.93)
Kotak Investment Advisors Ltd	14.04	-	-	-	-	14.04
	(0.19)	(-)	(-)	(-)	(-)	(0.19)
Kotak Mahindra Old Mutual Life Insurance Limited	5.46	-	-	-	-	5.46
	(1.09)	(-)	(-)	(-)	(-)	(1.09)
Others	3.89	0.12	-	0.19	-	4.20
	(1.98)	(0.10)	(-)	(-)	(-)	(2.08)
III. Expenses:						
Salaries/fees(Include ESOP)						
Mr. Uday Kotak	-	-	2.70	-	-	2.70
	(-)	(-)	(2.47)	(-)	(-)	(2.47)
Mr. C Jayaram	-	-	4.14	-	-	4.14
	(-)	(-)	(3.00)	(-)	(-)	(3.00)
Mr. Dipak Gupta	-	-	4.14	-	-	4.14
	(-)	(-)	(4.01)	(-)	(-)	(4.01)
Other Expenses						
Brokerage						
Kotak Securities Limited	0.25	-	-	-	-	0.25
	(0.64)	(-)	(-)	(-)	(-)	(0.64)
Kotak Mahindra Financial Services Limited	-	-	-	-	-	-
	(7.90)	(-)	(-)	(-)	(-)	(7.90)
Kotak Forex Brokerage Limited	0.08	-	-	-	-	0.08
	-	(-)	(-)	(-)	(-)	-
Premium						
Kotak Mahindra Old Mutual Life Insurance Limited	2.58	-	-	-	-	2.58
	(1.25)	(-)	(-)	(-)	(-)	(1.25)
Kotak Mahindra General Insurance Limited	0.07	-	-	-	-	0.07
	-	(-)	(-)	(-)	(-)	-
Donations						
Kotak Education Foundation	-	9.64	-	-	-	9.64
	(-)	(5.63)	(-)	(-)	(-)	(5.63)
ING Vysya Foundation	-	-	-	-	-	-
	(-)	(2.60)	(-)	(-)	(-)	(2.60)
Other Expenses:						
Kotak Mahindra Prime Limited	1.25	-	-	-	-	1.25
	(1.10)	(-)	(-)	(-)	(-)	(1.10)
Kotak Mahindra Capital Company Limited	-	-	-	-	-	-

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	Total
	(31.50)	(-)	(-)	(-)	(-)	(31.50)
Aero Agencies Limited	-	-	-	4.27	-	4.27
	(-)	(-)	(-)	(3.18)	(-)	(3.18)
Kotak & Company Limited	-	-	-	#	-	#
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
Kotak Mahindra Trusteeship Services Limited	0.02	-	-	-	-	0.02
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Financial Services Limited	4.63	-	-	-	-	4.63
	(-)	(-)	(-)	(-)	(-)	(-)
IVY Product Intermediaries Limited	6.19	-	-	-	-	6.19
	NA	(-)	(-)	(-)	(-)	NA
Others	#	0.39	-	-	-	0.39
	(0.06)	(0.41)	(-)	(-)	(-)	(0.47)
IV. Income:						
Dividend						
Kotak Mahindra Asset Management Company Limited	-	-	-	-	-	-
	(4.95)	(-)	(-)	(-)	(-)	(4.95)
Kotak Mahindra Trustee Co Ltd	3.75	-	-	-	-	3.75
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Prime Limited	0.11	-	-	-	-	0.11
	(-)	(-)	(-)	(-)	(-)	(-)
Other Income						
Kotak Mahindra Old Mutual Life Insurance Limited	140.98	-	-	-	-	140.98
	(81.73)	(-)	(-)	(-)	(-)	(81.73)
Kotak Mahindra General Insurance Limited	1.11	-	-	-	-	1.11
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Securities Limited	18.96	-	-	-	-	18.96
	(19.15)	(-)	(-)	(-)	(-)	(19.15)
Kotak Mahindra Capital Company Limited	12.33	-	-	-	-	12.33
	(10.48)	(-)	(-)	(-)	(-)	(10.48)
Kotak Mahindra Asset Management Company Limited	20.08	-	-	-	-	20.08
	(14.95)	(-)	(-)	(-)	(-)	(14.95)
Kotak Mahindra Prime Limited	14.74	-	-	-	-	14.74
	(12.87)	(-)	(-)	(-)	(-)	(12.87)
Kotak Investment Advisors Ltd	22.13	-	-	-	-	22.13
	(9.13)	(-)	(-)	(-)	(-)	(9.13)

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	Total
Others	10.83	0.76	#	0.89	-	12.48
	(8.58)	(0.75)	(-)	(0.01)	(-)	(9.34)
V. Other Transactions:						
Sale of Investment						
Kotak Mahindra Old Mutual Life Insurance Ltd.	283.00	-	-	-	-	283.00
	(1,224.61)	(-)	(-)	(-)	(-)	(1,224.61)
Kotak Mahindra Prime Limited	150.11	-	-	-	-	150.11
	(225.00)	(-)	(-)	(-)	(-)	(225.00)
Kotak Mahindra Investments Limited	906.78	-	-	-	-	906.78
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Securities Limited	91.28	-	-	-	-	91.28
	(19.87)	(-)	(-)	(-)	(-)	(19.87)
Purchase of Investments						
Kotak Mahindra Old Mutual Life Insurance Ltd.	135.19	-	-	-	-	135.19
	(46.61)	(-)	(-)	(-)	(-)	(46.61)
Kotak Mahindra Prime Limited	313.95	-	-	-	-	313.95
	(225.00)	(-)	(-)	(-)	(-)	(225.00)
Kotak Mahindra Investments Limited	806.71	-	-	-	-	806.71
	(74.98)	(-)	(-)	(-)	(-)	(74.98)
Kotak Mahindra Trusteeship Services Limited	5.00	-	-	-	-	5.00
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra General Insurance Limited	133.95	-	-	-	-	133.95
	(-)	(-)	(-)	(-)	(-)	(-)
ACE Derivatives and Commodity Exchange Limited	-	-	-	-	-	-
	(-)	(1.59)	(-)	(-)	(-)	(1.59)
Loan Disbursed during the year	-	-	-	-	-	-
Kotak Mahindra Prime Limited	60.00	-	-	-	-	60.00
	(-)	(-)	(-)	(-)	(-)	(-)
Phoenix A R C Private Limited	-	-	-	-	-	-
	(-)	(30.00)	(-)	(-)	(-)	(30.00)
Loan Repaid during the year						
Phoenix A R C Private Limited	-	-	-	-	-	-
	(-)	(30.00)	(-)	(-)	(-)	(30.00)
Dividend paid						
Mr. Uday Kotak	-	-	27.56	-	-	27.56
	(-)	(-)	(24.50)	(-)	(-)	(24.50)
Mr. C. Jayaram	-	-	0.06	-	-	0.06
	(-)	(-)	(0.05)	(-)	(-)	(0.05)

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	Total
Mr. Dipak Gupta	-	-	0.07	-	-	0.07
	(-)	(-)	(0.05)	(-)	(-)	(0.05)
Ms. Pallavi Kotak	-	-	-	-	0.05	0.05
	(-)	(-)	(-)	(-)	(0.04)	(0.04)
Ms. Indira Kotak	-	-	-	-	0.11	0.11
	(-)	(-)	(-)	(-)	(0.10)	(0.10)
Others	-	-	-	#	0.01	0.01
	(-)	(-)	(-)	(-)	(0.02)	(0.02)
Reimbursements to companies						
Kotak Mahindra Capital Company Limited	2.13	-	-	-	-	2.13
	(2.45)	(-)	(-)	(-)	(-)	(2.45)
Kotak Mahindra Prime Limited	6.47	-	-	-	-	6.47
	(5.73)	(-)	(-)	(-)	(-)	(5.73)
Kotak Securities Ltd.	7.20	-	-	-	-	7.20
	(5.57)	(-)	(-)	(-)	(-)	(5.57)
Kotak Mahindra Old Mutual Life Insurance Limited	0.27	-	-	-	-	0.27
	(0.21)	(-)	(-)	(-)	(-)	(0.21)
Others	0.43	0.19	-	0.44	-	1.06
	(0.42)	(0.19)		(0.39)		(1.00)
Reimbursements from companies						
Kotak Mahindra Capital Company Limited	3.84	-	-	-	-	3.84
	(6.71)	(-)	(-)	(-)	(-)	(6.71)
Kotak Mahindra Prime Limited	15.57	-	-	-	-	15.57
	(15.98)	(-)	(-)	(-)	(-)	(15.98)
Kotak Mahindra Old Mutual Life Insurance Limited	14.91	-	-	-	-	14.91
	(14.37)	(-)	(-)	(-)	(-)	(14.37)
Kotak Securities Limited	50.66	-	-	-	-	50.66
	(36.69)	(-)	(-)	(-)	(-)	(36.69)
Kotak Mahindra Investments Limited	5.28	-	-	-	-	5.28
	(7.53)	(-)	(-)	(-)	(-)	(7.53)
Others	9.76	0.33	-	-	-	10.09
	(10.27)	(0.71)	(-)	(-)	(-)	(10.98)
Purchase of Fixed assets						
Kotak Mahindra Prime Limited	0.01	-	-	-	-	0.01
	(0.01)	(-)	(-)	(-)	(-)	(0.01)
Kotak Securities Limited	-	-	-	-	-	-
	(0.53)	(-)	(-)	(-)	(-)	(0.53)
Kotak Forex Brokerage Limited	0.01	-	-	-	-	0.01
	(-)	(-)	(-)	(-)	(-)	(-)

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	Total
Sale of Fixed assets						
Kotak Mahindra General Insurance Limited	0.47	-	-	-	-	0.47
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Securities Limited	-	-	-	-	-	-
	(0.38)					(0.38)
Kotak Mahindra Prime Limited	-	-	-	-	-	-
	(0.01)	(-)	(-)	(-)	(-)	(0.01)
Kotak Mahindra, Inc	#	-	-	-	-	#
	-	(-)	(-)	(-)	(-)	-
Kotak Mahindra Investments Limited	0.21	-	-	-	-	0.21
	(0.22)	(-)	(-)	(-)	(-)	(0.22)
Phoenix ARC Private Ltd	-	-	-	-	-	-
	(-)	(0.20)	(-)	(-)	(-)	(0.20)
Swaps/Forward /Options contract						
Kotak Mahindra (International) Ltd	0.05	-	-	-	-	0.05
	(-)	(-)	(-)	(-)	(-)	(-)
Guarantees/Lines of credit						
Kotak Securities Limited	100.00	-	-	-	-	100.00
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Pension Fund Ltd.	0.10	-	-	-	-	0.10
	(0.10)	(-)	(-)	(-)	(-)	(0.10)
Aero Agencies Limited	-	-	-	1.00	-	1.00
	(-)	(-)	(-)	(-)	(-)	(-)
ACE Derivatives and Commodity Exchange Limited	-	-	-	-	-	-
	(-)	(2.13)	(-)	(-)	(-)	(2.13)

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.

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	6,238.54	2,809.78	87.66	713.15	14.61
	(3,840.15)	(2,778.09)	(34.25)	(161.93)	(17.65)
Other Liabilities	33.45	2.47	0.41	2.53	0.10

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
	(3.98)	(0.11)	(-)	(-)	(-)
Assets					
Advances	320.55	-	-	-	-
	(432.03)	(30.00)	(-)	(-)	(-)
Investments-Gross	1,412.61	33.88	-	-	-
	(1072.95)	(33.88)	(-)	(-)	(-)
Commission Receivable	24.14	-	-	-	-
	(15.12)	(-)	(-)	(-)	(-)
Others	90.95	0.20	-	0.19	-
	(25.64)	(0.37)	(-)	(-)	(-)

2. Related Party Disclosures for FY 2016-17:

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 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 (formerly known as Kotak Forex Brokerage 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 (formerly known as ING Vysya Financial Services Limited)

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 32.02% of the equity share capital of Kotak Mahindra Bank Limited as on March 31, 2017
Associates / Others	ACE Derivatives and Commodity Exchange Limited Infina Finance Private Limited Matrix Business Services India Private Limited Phoenix ARC Private Limited

Nature of Relationship	Related Party
	Kotak Education Foundation ING Vysya Foundation
Key Management Personnel (KMP)	Mr. Uday S. Kotak, Executive Vice Chairman and Managing Director Mr. C Jayaram, Joint Managing Director (upto April 30, 2016) 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
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 Ms. Usha Jayaram (upto April 30, 2016) Mr. K. Madhavan Kutty (upto April 30, 2016) Mr. Vivek Menon (upto April 30, 2016) Ms. Nayantara Menon Mehta (upto April 30, 2016)

(₹ 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	1,885.86	201.86	127.80	249.13	11.58	2,476.23
	(2,694.26)	(303.17)	(55.82)	(436.05)	(11.43)	(3,500.73)
Borrowings	10.00	-	-	-	-	10.00

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
	(-)	(-)	(-)	(-)	(-)	(-)
Interest Payable	11.96	1.34	0.90	1.73	0.07	16.00
	(22.14)	(2.45)	(0.41)	(2.52)	(0.10)	(27.62)
Other Liabilities	1.15	0.12	-	-	-	1.27
	(3.57)	(#)	(-)	(0.01)	(-)	(3.58)
Assets						
Advances	60.43	-	-	-	-	60.43
	(60.00)	(-)	(-)	(-)	(-)	(60.00)
Investments-Gross	1,267.31	33.88	-	#	-	1,301.19
	(1,412.61)	(33.88)	(-)	(#)	(-)	(1,446.49)
Diminution on Investments	2.28	29.82	-	#	-	32.10
	(2.28)	(29.82)	(-)	(#)	(-)	(32.10)
Commission Receivable	34.43	-	-	-	-	34.43
	(24.14)	(-)	(-)	(-)	(-)	(24.14)
Others	71.34	0.03	-	-	-	71.37
	(49.86)	(0.12)	(-)	(0.19)	(-)	(50.17)
Expenses						
Salaries/fees (Include ESOP)	-	-	7.83	-	-	7.83
	(-)	(-)	(10.98)	(-)	(-)	(10.98)
Interest Paid	174.14	61.93	6.10	26.21	0.93	269.31
	(214.69)	(28.68)	(4.93)	(28.10)	(0.90)	(277.30)
Others	11.70	13.33	-	4.50	-	29.53
	(15.07)	(10.03)	(-)	(4.27)	(-)	(29.37)
Income						
Dividend	3.42	-	-	-	-	3.42
	(3.86)	(-)	(-)	(-)	(-)	(3.86)
Interest Received	41.06	-	-	-	-	41.06
	(52.24)	(-)	(-)	(-)	(-)	(52.24)
Others	286.11	0.10	-	0.89	-	287.10
	(241.16)	(0.76)	(-)	(0.89)	(-)	(242.81)
Other Transactions						
Sale of investment	435.59	-	-	-	-	435.59
	(1,431.17)	(-)	(-)	(-)	(-)	(1,431.17)
Purchase of Investment	563.07	-	-	-	-	563.07
	(1,394.80)	(-)	(-)	(-)	(-)	(1,394.80)
Loan disbursed during the year	1194.78	-	-	-	-	1194.78
	(60.00)	(-)	(-)	(-)	(-)	(60.00)
Loan repaid during the year	1194.78	-	-	-	-	1194.78
	(-)	(-)	(-)	(-)	(-)	(-)
Loan portfolio acquired under Assignment	247.35	-	-	-	-	247.35
	(-)	(-)	(-)	(-)	(-)	(-)

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
Dividend paid	-	-	30.69	0.04	0.19	30.92
	(-)	(-)	(27.69)	(#)	(0.17)	(27.86)
Reimbursement to companies	20.59	0.09	-	0.15	-	20.83
	(16.50)	(0.19)	(-)	(0.44)	(-)	(17.13)
Reimbursement from companies	134.81	0.16	-	-	-	134.97
	(100.02)	(0.33)	(-)	(-)	(-)	(100.35)
Purchase of Fixed assets	0.43	-	-	-	-	0.43
	(0.02)	(-)	(-)	(-)	(-)	(0.02)
Sale of Fixed assets	0.29	-	-	-	-	0.29
	(0.68)	(-)	(-)	(-)	(-)	(0.68)
Swaps/Forward/ options contracts	3787.74	-	-	-	-	3787.74
	(0.05)	(-)	(-)	(-)	(-)	(0.05)
Guarantees/Lines of credit	100.00	-	-	-	-	100.00
	(100.10)	(-)	(-)	(1.00)	(-)	(101.10)
I. Liabilities:						
Other liabilities						
Other Payable						
Kotak Mahindra Prime Limited	0.54	-	-	-	-	0.54
	(1.02)	(-)	(-)	(-)	(-)	(1.02)
Kotak Mahindra Investments Limited	0.04	-	-	-	-	0.04
	(0.04)	(-)	(-)	(-)	(-)	(0.04)
Kotak Securities Ltd	#	-	-	-	-	#
	(0.78)	(-)	(-)	(-)	(-)	(0.78)
Others	0.56	0.12	-	#	-	0.68
	(1.74)	(#)	(-)	(0.01)	(-)	(1.75)
II. Assets:						
Investments						
Kotak Mahindra Old Mutual Life Insurance Limited	260.25	-	-	-	-	260.25
	(260.25)	(-)	(-)	(-)	(-)	(260.25)
Kotak Mahindra Prime Limited	411.80	-	-	-	-	411.80
	(646.00)	(-)	(-)	(-)	(-)	(646.00)
Kotak Mahindra Capital Company Limited	65.14	-	-	-	-	65.14
	(65.14)	(-)	(-)	(-)	(-)	(65.14)
Kotak Mahindra Investments Limited	238.03	-	-	-	-	238.03
	(238.03)	(-)	(-)	(-)	(-)	(238.03)

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 General Insurance Limited	135.00	-	-	-	-	135.00
	(135.00)	(-)	(-)	(-)	(-)	(135.00)
Others	157.10	-	-	#	-	157.10
	(68.19)	(-)	(-)	(#)	(-)	(68.19)
ACE Derivatives and Commodity Exchange Limited	-	33.88	-	-	-	33.88
	(-)	(33.88)	(-)	(-)	(-)	(33.88)
						-
Diminution on Investments						
Kotak Infrastructure Debt Fund Limited	2.28	-	-	-	-	2.28
	(2.28)	(-)	(-)	(-)	(-)	(2.28)
ACE Derivatives and Commodity Exchange Limited	-	29.82	-	-	-	29.82
	(-)	(29.82)	(-)	(-)	(-)	(29.82)
Business Standard Private Ltd	-	-	-	#	-	#
	(-)	(-)	(-))	(#)	(-)	(#)
Commission Receivable						
Kotak Mahindra Old Mutual Life Insurance Limited	34.10	-	-	-	-	34.10
	(24.05)	(-)	(-)	(-)	(-)	(24.05)
Kotak Mahindra General Insurance Limited	0.33	-	-	-	-	0.33
	(0.09)	(-)	(-)	(-)	(-)	(0.09)
Others Receivable						
Kotak Mahindra Prime Limited	29.64	-	-	-	-	29.64
	(21.28)	(-)	(-)	(-)	(-)	(21.28)
Kotak Securities Limited	9.09	-	-	-	-	9.09
	(6.37)	(-)	(-)	(-)	(-)	(6.37)
Kotak Investment Advisors Ltd	16.89	-	-	-	-	16.89
	(14.04)	(-)	(-)	(-)	(-)	(14.04)
Kotak Mahindra Old Mutual Life Insurance Limited	8.35	-	-	-	-	8.35
	(5.46)	(-)	(-)	(-)	(-)	(5.46)
Others	7.37	0.03	-	#	-	7.40
	(2.70)	(0.12)	(-)	(0.19)	(-)	(3.01)
III. Expenses:						

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
Salaries/fees(Include ESOP)						
Mr. Uday Kotak	-	-	2.85	-	-	2.85
	(-)	(-)	(2.70)	(-)	(-)	(2.70)
Mr. C Jayaram	-	-	0.78	-	-	0.78
	(-)	(-)	(4.14)	(-)	(-)	(4.14)
Mr. Dipak Gupta	-	-	4.20	-	-	4.20
	(-)	(-)	(4.14)	(-)	(-)	(4.14)
Other Expenses						
Brokerage						
Kotak Securities Limited	0.08	-	-	-	-	0.08
	(0.25)	(-)	(-)	(-)	(-)	(0.25)
Kotak Infrastructure Debt Fund Limited	-	-	-	-	-	-
	(0.08)	(-)	(-)	(-)	(-)	(0.08)
Premium						
Kotak Mahindra Old Mutual Life Insurance Limited	3.03	-	-	-	-	3.03
	(2.58)	(-)	(-)	(-)	(-)	(2.58)
Kotak Mahindra General Insurance Limited	1.67	-	-	-	-	1.67
	(0.07)	(-)	(-)	(-)	(-)	(0.07)
Donations						
Kotak Education Foundation	-	13.03	-	-	-	13.03
	(-)	(9.64)	(-)	(-)	(-)	(9.64)
Others						
Kotak Mahindra Prime Limited	2.82	-	-	-	-	2.82
	(1.25)	(-)	(-)	(-)	(-)	(1.25)
Kotak Infrastructure Debt Fund Limited	0.03	-	-	-	-	0.03
	(-)	(-)	(-)	(-)	(-)	(-)
Aero Agencies Limited	-	-	-	4.48	-	4.48
	(-)	(-)	(-)	(4.27)	(-)	(4.27)
Kotak & Company Limited	-	-	-	0.03	-	0.03
	(-)	(-)	(-)	(#)	(-)	(#)
Kotak Mahindra Trusteeship Services Limited	-	-	-	-	-	-
	(0.02)	(-)	(-)	(-)	(-)	(0.02)
Kotak Mahindra Financial Services Limited	4.39	-	-	-	-	4.39
	(4.63)	(-)	(-)	(-)	(-)	(4.63)

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
IVY Product Intermediaries Limited	(0.32)	-	-	-	-	(0.32)
	(6.19)	(-)	(-)	(-)	(-)	(6.19)
Others	-	0.30	-	-	-	0.30
	(#)	(0.39)	(-)	(-)	(-)	(0.39

IV. Income:						
Dividend						
IVY Product Intermediaries Limited	3.32	-	-	-	-	3.32
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Trustee Co Ltd	-	-	-	-	-	-
	(3.75)	(-)	(-)	(-)	(-)	(3.75)
Kotak Mahindra Prime Limited	0.11	-	-	-	-	0.11
	(0.11)	(-)	(-)	(-)	(-)	(0.11)
Other Income						
Kotak Mahindra Old Mutual Life Insurance Limited	165.10	-	-	-	-	165.10
	(140.98)	(-)	(-)	(-)	(-)	(140.98)
Kotak Mahindra General Insurance Limited	5.52	-	-	-	-	5.52
	(1.11)	(-)	(-)	(-)	(-)	(1.11)
Kotak Securities Limited	22.72	-	-	-	-	22.72
	(18.96)	(-)	(-)	(-)	(-)	(18.96)
Kotak Mahindra Capital Company Limited	9.96	-	-	-	-	9.96
	(12.33)	(-)	(-)	(-)	(-)	(12.33)
Kotak Mahindra Asset Management Company Limited	38.70	-	-	-	-	38.70
	(20.08)	(-)	(-)	(-)	(-)	(20.08)
Kotak Mahindra Prime Limited	13.07	-	-	-	-	13.07
	(14.74)	(-)	(-)	(-)	(-)	(14.74)
Kotak Investment Advisors Ltd	22.60	-	-	-	-	22.60
	(22.13)	(-)	(-)	(-)	(-)	(22.13)
Others	8.42	0.10	#	0.89	-	9.41
	(10.83)	(0.76)	(#)	(0.89)	(-)	(12.48)
V. Other Transactions:						
Sale of Investment						
Kotak Mahindra Old Mutual Life Insurance Ltd.	117.90	-	-	-	-	117.90

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
	(283.00)	(-)	(-)	(-)	(-)	(283.00)
Kotak Mahindra Prime Limited	225.00	-	-	-	-	225.00
	(150.11)	(-)	(-)	(-)	(-)	(150.11)
Kotak Mahindra Investments Limited	92.69	-	-	-	-	92.69
	(906.78)	(-)	(-)	(-)	(-)	(906.78)
Kotak Securities Limited	-	-	-	-	-	-
	(91.28)	(-)	(-)	(-)	(-)	(91.28)
Purchase of Investments						
Kotak Mahindra Old Mutual Life Insurance Ltd.	21.15	-	-	-	-	21.15
	(135.19)	(-)	(-)	(-)	(-)	(135.19)
Kotak Mahindra Prime Limited	350.00	-	-	-	-	350.00
	(313.95)	(-)	(-)	(-)	(-)	(313.95)
Kotak Infrastructure Debt Fund Limited	88.90	-	-	-	-	88.90
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Investments Limited	92.69	-	-	-	-	92.69
	(806.71)	(-)	(-)	(-)	(-)	(806.71)
Kotak Mahindra Trusteeship Services Limited	-	-	-	-	-	-
	(5.00)	(-)	(-)	(-)	(-)	(5.00)
Kotak Mahindra General Insurance Limited	10.33	-	-	-	-	10.33
	(133.95)	(-)	(-)	(-)	(-)	(133.95)
Loan Disbursed during the year						
Kotak Mahindra Prime Limited	60.00	-	-	-	-	60.00
	(60.00)	(-)	(-)	(-)	(-)	(60.00)
Kotak Mahindra (International) Limited	1134.78	-	-	-	-	1134.78
	(-)	(-)	(-)	(-)	(-)	(-)
Loan Repaid during the year						
Kotak Mahindra (International) Limited	1134.78	-	-	-	-	1134.78
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Prime Limited	60.00	-	-	-	-	60.00

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 portfolio acquired under Assignment						
Kotak Mahindra Prime Limited	247.35	-	-	-	-	247.35
	(-)	(-)	(-)	(-)	(-)	(-)
Dividend paid						
Mr. Uday Kotak	-	-	30.63	-	-	30.63
	(-)	(-)	(27.56)	(-)	(-)	(27.56)
Mr. C.Jayaram	-	-	-	-	-	-
	(-)	(-)	(0.06)	(-)	(-)	(0.06)
Mr. Dipak Gupta	-	-	0.07	-	-	0.07
	(-)	(-)	(0.07)	(-)	(-)	(0.07)
Ms. Pallavi Kotak	-	-	-	-	0.06	0.06
	(-)	(-)	(-)	(-)	(0.05)	(0.05)
Ms. Indira Kotak	-	-	-	-	0.12	0.12
	(-)	(-)	(-)	(-)	(0.11)	(0.11)
Others	-	-	-	0.04	0.01	0.05
	(-)	(-)	(-)	(#)	(0.01)	(0.01)
Reimbursements to companies						
Kotak Mahindra Capital Company Limited	2.53	-	-	-	-	2.53
	(2.13)	(-)	(-)	(-)	(-)	(2.13)
Kotak Mahindra Prime Limited	5.92	-	-	-	-	5.92
	(6.47)	(-)	(-)	(-)	(-)	(6.47)
Kotak Securities Ltd.	10.22	-	-	-	-	10.22
	(7.20)	(-)	(-)	(-)	(-)	(7.20)
Kotak Mahindra Old Mutual Life Insurance Limited	0.43	-	-	-	-	0.43
	(0.27)	(-)	(-)	(-)	(-)	(0.27)
Others	1.49	0.09	-	0.15	-	1.73
	(0.43)	(0.19)	(-)	(0.44)	(-)	(1.06)
Reimbursements from companies						
Kotak Mahindra Capital Company Limited	6.84	-	-	-	-	6.84
	(3.84)	(-)	(-)	(-)	(-)	(3.84)
Kotak Mahindra Prime Limited	18.16	-	-	-	-	18.16
	(15.57)	(-)	(-)	(-)	(-)	(15.57)

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 Old Mutual Life Insurance Limited	18.92	-	-	-	-	18.92
	(14.91)	(-)	(-)	(-)	(-)	(14.91)
Kotak Securities Limited	62.12	-	-	-	-	62.12
	(50.66)	(-)	(-)	(-)	(-)	(50.66)
Kotak Mahindra Investments Limited	8.22	-	-	-	-	8.22
	(5.28)	(-)	(-)	(-)	(-)	(5.28)
Others	20.55	0.16	-	-	-	20.71
	(9.76)	(0.33)	(-)	(-)	(-)	(10.09)
Purchase of Fixed assets						
Kotak Mahindra Prime Limited	0.02	-	-	-	-	0.02
	(0.01)	(-)	(-)	(-)	(-)	(0.01)
Kotak Securities Limited	0.11	-	-	-	-	0.11
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Infrastructure Debt Fund Limited	#	-	-	-	-	#
	(0.01)	(-)	(-)	(-)	(-)	(0.01)
Kotak Mahindra Old Mutual Life Insurance Limited	0.14	-	-	-	-	0.14
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Asset Management Company Limited	0.14	-	-	-	-	0.14
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Capital Company Limited	#	-	-	-	-	#
	(-)	(-)	(-)	(-)	(-)	(-)
Sale of Fixed assets						
Kotak Mahindra General Insurance Limited	-	-	-	-	-	-
	(0.47)	(-)	(-)	(-)	(-)	(0.47)
Kotak Investment Advisors Limited	0.23	-	-	-	-	0.23
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Asset Management Company Limited	0.06	-	-	-	-	0.06
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra, Inc	-	-	-	-	-	-
	(#)	(-)	(-)	(-)	(-)	(#)
Kotak Mahindra Investments Limited	-	-	-	-	-	-

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
	(0.21)	(-)	(-)	(-)	(-)	(0.21)
Kotak Mahindra Old Mutual Life Insurance Limited	#	-	-	-	-	#
	(-)	(-)	(-)	(-)	(-)	(-)
Swaps/Forward /Options contract						
Kotak Mahindra (International) Ltd	3,787.74	-	-	-	-	3,787.74
	(0.05)	(-)	(-)	(-)	(-)	(0.05)
Guarantees/Lines of credit						
Kotak Securities Limited	100.00	-	-	-	-	100.00
	(100.00)	(-)	(-)	(-)	(-)	(100.00)
Kotak Mahindra Pension Fund Ltd.	-	-	-	-	-	-
	(0.10)	(-)	(-)	(-)	(-)	(0.10)
Aero Agencies Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(1.00)	(-)	(1.00)

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.

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	8714.93	5902.00	149.22	522.73	55.70
	(6,238.54)	(2,809.78)	(87.66)	(713.15)	(14.61)
Borrowings	10.00				
	(-)				
Other Liabilities	44.40	2.84	1.03	10.94	0.38
	(28.36)	(2.47)	(0.41)	(2.53)	(0.10)
Assets					
Advances	302.77	-	-	0.04	-
	(320.55)	(-)	(-)	(-)	(-)
Investments-Gross	1267.31	33.88	-	-	-
	(1,412.61)	(33.88)	(-)	(-)	(-)
Commission Receivable	34.43	-	-	-	-
	(24.14)	(-)	(-)	(-)	(-)
Others	100.80	0.14	-	0.19	-

	(96.05)	(0.20)	-	(0.19)	-

3. Related Party Disclosures for FY 2017-18:

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 September 27, 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 30.04% of the equity share capital of Kotak Mahindra Bank Limited as on March 31, 2018
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, Executive Vice Chairman and Managing Director Mr. C Jayaram, Joint Managing Director (upto April 30, 2016) 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

Nature of Relationship	Related Party
	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. May 2, 2017) Helena Realty Private Limited (w.e.f. February 2, 2018) Doreen Realty Private Limited (w.e.f. February 15, 2018) Renato Realty Private Limited (w.e.f. February 15, 2018) Pine Tree Estates Private Limited (w.e.f. March 20, 2018) Meluha Developers Private Limited (w.e.f. March 20, 2018) Quantyco Realty Private Limited (w.e.f. March 16, 2018) Xanadu Properties Private Limited (w.e.f. March 20, 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 Ms. Usha Jayaram (upto April 30, 2016) Mr. K. Madhavan Kutty (upto April 30, 2016) Mr. Vivek Menon (upto April 30, 2016) Ms. Nayantara Menon Mehta (upto April 30, 2016)

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	1,407.47	57.75	128.35	134.45	1.99	1,730.01
	(1,885.86)	(201.86)	(127.80)	(249.13)	(11.58)	(2,476.23)
Borrowings	-	-	-	-	-	-
	(10.00)	(-)	(-)	(-)	(-)	(10.00)
Interest Payable	8.21	0.05	0.95	1.37	0.01	10.59
	(11.96)	(1.34)	(0.90)	(1.73)	(0.07)	(16.00)
Other Liabilities	14.42	0.01	-	0.30	-	14.73
	(1.15)	(0.12)	(-)	(-)	(-)	(1.27)
Assets						
Advances	#	-	-	-	-	#
	(60.43)	(-)	(-)	(-)	(-)	(60.43)

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
Investments-Gross	3,072.15	33.88	-	#	-	3,106.03
	(1,267.31)	(33.88)	(-)	(#)	(-)	(1,301.19)
Diminution on Investments	-	29.82	-	#	-	29.82
	(2.28)	(29.82)	(-)	(#)	(-)	(32.10)
Commission Receivable	43.81	-	-	-	-	43.81
	(34.43)	(-)	(-)	(-)	(-)	(34.43)
Others	69.58	0.04	-	0.07	-	69.69
	(71.34)	(0.03)	(-)	(-)	(-)	(71.37)
Expenses						
Salaries/fees (Include ESOP)	-	-	8.06	-	-	8.06
	(-)	(-)	(7.83)	(-)	(-)	(7.83)
Interest Paid	88.37	38.23	12.02	15.38	0.31	154.31
	(174.14)	(61.93)	(6.10)	(26.21)	(0.93)	(269.31)
Others	27.85	19.00	-	4.51	-	51.36
	(11.70)	(13.33)	(-)	(4.50)	(-)	(29.53)
Income						
Dividend	7.61	-	-	-	-	7.61
	(3.42)	(-)	(-)	(-)	(-)	(3.42)
Interest Received	44.23	-	-	-	-	44.23
	(41.06)	(-)	(-)	(-)	(-)	(41.06)
Others	319.71	0.10	#	0.87	-	320.68
	(286.11)	(0.10)	(-)	(0.89)	(-)	(287.10)
Other Transactions						
Sale of investment	180.27	-	-	-	-	180.27
	(435.59)	(-)	(-)	(-)	(-)	(435.59)
Purchase of Investment	821.57	-	-	-	-	821.57
	(563.07)	(-)	(-)	(-)	(-)	(563.07)
Loan disbursed during the year	1,820.23	-	-	-	-	1,820.23
	(1,194.78)	(-)	(-)	(-)	(-)	(1,194.78)
Loan repaid during the year	1,881.48	-	-	-	-	1,881.48
	(1,194.78)	(-)	(-)	(-)	(-)	(1,194.78)
Loan portfolio acquired under Assignment	-	-	-	-	-	-
	(247.35)	(-)	(-)	(-)	(-)	(247.35)
Dividend paid	-	-	34.10	0.04	0.22	34.36
	(-)	(-)	(30.69)	(0.04)	(0.19)	(30.92)
Reimbursement to companies	20.06	-	-	-	-	20.06
	(20.59)	(0.09)	(-)	(0.15)	(-)	(20.83)
Reimbursement from companies	165.17	0.10	-	-	-	165.27
	(134.81)	(0.16)	(-)	(-)	(-)	(134.97)
Purchase of Fixed assets	0.59	-	-	-	-	0.59

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
	(0.43)	(-)	(-)	(-)	(-)	(0.43)
Sale of Fixed assets	0.55	-	-	-	-	0.55
	(0.29)	(-)	(-)	(-)	(-)	(0.29)
Swaps/Forward/ Options contracts	5,068.59	-	-	-	-	5,068.59
	(3,787.74)	(-)	(-)	(-)	(-)	(3,787.74)
Guarantees/Lines of credit	0.25	0.05	-	-	-	0.30
	(100.00)	(-)	(-)	(-)	(-)	(100.00)
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	0.33	-	-	-	-	0.33
	(0.54)	(-)	(-)	(-)	(-)	(0.54)
Kotak Mahindra Investments Limited	0.05	-	-	-	-	0.05
	(0.04)	(-)	(-)	(-)	(-)	(0.04)
Kotak Securities Ltd	6.86	-	-	-	-	6.86
	(#)	(-)	(-)	(-)	(-)	(#)
Others	7.19	0.01	-	0.30	-	7.50
	(0.56)	(0.12)	(-)	(#)	(-)	(0.68)
II. Assets:						
Investments						
Kotak Mahindra Life Insurance Company Limited	1,557.20	-	-	-	-	1,557.20
	(260.25)	(-)	(-)	(-)	(-)	(260.25)
Kotak Mahindra Prime Limited	361.82	-	-	-	-	361.82
	(411.80)	(-)	(-)	(-)	(-)	(411.80)
Kotak Mahindra Capital Company Limited	65.14	-	-	-	-	65.14
	(65.14)	(-)	(-)	(-)	(-)	(65.14)
Kotak Mahindra Investments Limited	338.03	-	-	-	-	338.03
	(238.03)	(-)	(-)	(-)	(-)	(238.03)
Kotak Mahindra General Insurance Company Limited	175.00	-	-	-	-	175.00

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
	(135.00)	(-)	(-)	(-)	(-)	(135.00)
Kotak Infrastructure Debt Fund	342.19					342.19
	(92.19)					(92.19)
Others	232.78	-	-	#	-	232.78
	(64.91)	(-)	(-)	(#)	(-)	(64.91)
ACE Derivatives and Commodity Exchange Limited	-	33.88	-	-	-	33.88
	(-)	(33.88)	(-)	(-)	(-)	(33.88)
						-
Diminution on Investments						
Kotak Infrastructure Debt Fund Limited	-	-	-	-	-	-
	(2.28)	(-)	(-)	(-)	(-)	(2.28)
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	42.81	-	-	-	-	42.81
	(34.10)	(-)	(-)	(-)	(-)	(34.10)
Kotak Mahindra General Insurance Company Limited	0.99	-	-	-	-	0.99
	(0.33)	(-)	(-)	(-)	(-)	(0.33)
Others Receivable						
Kotak Mahindra Prime Limited	22.29	-	-	-	-	22.29
	(29.64)	(-)	(-)	(-)	(-)	(29.64)
Kotak Securities Limited	2.89	-	-	-	-	2.89
	(9.09)	(-)	(-)	(-)	(-)	(9.09)
Kotak Investment Advisors Ltd	3.29	-	-	-	-	3.29
	(16.89)	(-)	(-)	(-)	(-)	(16.89)
Kotak Mahindra Life Insurance Company Limited	8.97	-	-	-	-	8.97
	(8.35)	(-)	(-)	(-)	(-)	(8.35)
Others	32.14	0.04	-	0.07	-	32.25
	(7.37)	(0.03)	(-)	(#)	(-)	(7.40)
III. Expenses:						

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
Salaries / fees (Include ESOPs)						
Mr. Uday Kotak	-	-	3.20	-	-	3.20
	(-)	(-)	(2.85)	(-)	(-)	(2.85)
Mr. C Jayaram	-	-	-	-	-	-
	(-)	(-)	(0.78)	(-)	(-)	(0.78)
Mr. Dipak Gupta	-	-	4.86	-	-	4.86
	(-)	(-)	(4.20)	(-)	(-)	(4.20)
Other Expenses						
Brokerage						
Kotak Securities Limited	0.30	-	-	-	-	0.30
	(0.08)	(-)	(-)	(-)	(-)	(0.08)
Premium						
Kotak Mahindra Life Insurance Company Limited	3.30	-	-	-	-	3.30
	(3.03)	(-)	(-)	(-)	(-)	(3.03)
Kotak Mahindra General Insurance Company Limited	2.66	-	-	-	-	2.66
	(1.67)	(-)	(-)	(-)	(-)	(1.67)
Donations						
Kotak Education Foundation	-	18.79	-	-	-	18.79
	(-)	(13.03)	(-)	(-)	(-)	(13.03)
Others						
Kotak Mahindra Prime Limited	3.30	-	-	-	-	3.30
	(2.82)	(-)	(-)	(-)	(-)	(2.82)
Kotak Infrastructure Debt Fund Limited	-	-	-	-	-	-
	(0.03)	(-)	(-)	(-)	(-)	(0.03)
Aero Agencies Limited	-	-	-	4.39	-	4.39
	(-)	(-)	(-)	(4.48)	(-)	(4.48)
Kotak & Company Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.03)	(-)	(0.03)
Business Standard Private Limited	-	-	-	0.12	-	0.12
	(-)	(-)	(-)	(-)	(-)	(-)
BSS Microfinance Limited	13.78	-	-	-	-	13.78
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Financial Services Limited	4.51	-	-	-	-	4.51
	(4.39)	(-)	(-)	(-)	(-)	(4.39)
IVY Product Intermediaries	-	-	-	-	-	-

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
Limited						
	0.32	(-)	(-)	(-)	(-)	0.32
Others	#	0.22	-	-	-	0.22
	(#)	(0.30)	(-)	(-)	(-)	(0.30)
IV. Income:						
Dividend						
IVY Product Intermediaries Limited	-	-	-	-	-	-
	(3.32)	(-)	(-)	(-)	(-)	(3.32)
Kotak Mahindra Trustee Co Ltd	7.50	-	-	-	-	7.50
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Prime Limited	0.11	-	-	-	-	0.11
	(0.11)	(-)	(-)	(-)	(-)	(0.11)
Other Income						
Kotak Mahindra Life Insurance Company Limited	193.44	-	-	-	-	193.44
	(165.10)	(-)	(-)	(-)	(-)	(165.10)
Kotak Mahindra General Insurance Company Limited	11.73	-	-	-	-	11.73
	(5.52)	(-)	(-)	(-)	(-)	(5.52)
Kotak Securities Limited	22.82	-	-	-	-	22.82
	(22.72)	(-)	(-)	(-)	(-)	(22.72)
Kotak Mahindra Capital Company Limited	9.91	-	-	-	-	9.91
	(9.96)	(-)	(-)	(-)	(-)	(9.96)
Kotak Mahindra Asset Management Company Limited	47.13	-	-	-	-	47.13
	(38.70)	(-)	(-)	(-)	(-)	(38.70)
Kotak Mahindra Prime Limited	14.19	-	-	-	-	14.19
	(13.07)	(-)	(-)	(-)	(-)	(13.07)
Kotak Investment Advisors Ltd	11.32	-	-	-	-	11.32
	(22.60)	(-)	(-)	(-)	(-)	(22.60)
Others	9.17	0.10	#	0.87	-	10.14
	(8.42)	(0.10)	(#)	(0.89)	(-)	(9.41)
V. Other Transactions:						
Sale of Investment						
Kotak Mahindra Life Insurance Company Limited	130.15	-	-	-	-	130.15
	(117.90)	(-)	(-)	(-)	(-)	(117.90)

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	-	-	-	-	-	-
	(225.00)	(-)	(-)	(-)	(-)	(225.00)
Kotak Mahindra Investments Limited	-	-	-	-	-	-
	(92.69)	(-)	(-)	(-)	(-)	(92.69)
Kotak Infrastructure Debt Fund	50.12	-	-	-	-	50.12
	(-)	(-)	(-)	(-)	(-)	(-)
Purchase of Investments						
Kotak Mahindra Life Insurance Company Limited	70.37	-	-	-	-	70.37
	(21.15)	(-)	(-)	(-)	(-)	(21.15)
Kotak Mahindra Prime Limited	300.67	-	-	-	-	300.67
	(350.00)	(-)	(-)	(-)	(-)	(350.00)
Kotak Infrastructure Debt Fund Limited	250.00	-	-	-	-	250.00
	(88.90)	(-)	(-)	(-)	(-)	(88.90)
Kotak Mahindra Investments Limited	100.00	-	-	-	-	100.00
	(92.69)	(-)	(-)	(-)	(-)	(92.69)
Kotak Investment Advisors Ltd	50.00	-	-	-	-	50.00
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra General Insurance Company Limited	40.00	-	-	-	-	40.00
	(10.33)	(-)	(-)	(-)	(-)	(10.33)
Kotak Securities Limited	10.53	-	-	-	-	10.53
	(-)	(-)	(-)	(-)	(-)	(-)
Loan Disbursed during the year						
Kotak Mahindra Prime Limited	60.00	-	-	-	-	60.00
	(60.00)	(-)	(-)	(-)	(-)	(60.00)
Kotak Mahindra (International) Limited	1,760.23	-	-	-	-	1,760.23
	(1,134.78)	(-)	(-)	(-)	(-)	(1,134.78)
Loan Repaid during the year						
Kotak Mahindra (International) Limited	1,761.48	-	-	-	-	1,761.48
	(1,134.78)	(-)	(-)	(-)	(-)	(1,134.78)
Kotak Mahindra Prime Limited	120.00	-	-	-	-	120.00

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
	(60.00)	(-)	(-)	(-)	(-)	(60.00)
Loan portfolio acquired under Assignment						
Kotak Mahindra Prime Limited	-	-	-	-	-	-
	(247.35)	(-)	(-)	(-)	(-)	(247.35)
Dividend paid						
Mr. Uday Kotak	-	-	34.02	-	-	34.02
	(-)	(-)	(30.63)	(-)	(-)	(30.63)
Mr. Dipak Gupta	-	-	0.08	-	-	0.08
	(-)	(-)	(0.07)	(-)	(-)	(0.07)
Ms. Pallavi Kotak	-	-	-	-	0.07	0.07
	(-)	(-)	(-)	(-)	(0.06)	(0.06)
Ms. Indira Kotak	-	-	-	-	0.14	0.14
	(-)	(-)	(-)	(-)	(0.12)	(0.12)
Others	-	-	-	0.04	0.02	0.06
	(-)	(-)	(-)	(0.04)	(0.01)	(0.05)
Reimbursements to companies						
Kotak Mahindra Capital Company Limited	2.39	-	-	-	-	2.39
	(2.53)	(-)	(-)	(-)	(-)	(2.53)
Kotak Mahindra Prime Limited	5.99	-	-	-	-	5.99
	(5.92)	(-)	(-)	(-)	(-)	(5.92)
Kotak Securities Ltd.	9.87	-	-	-	-	9.87
	(10.22)	(-)	(-)	(-)	(-)	(10.22)
Kotak Mahindra Life Insurance Company Limited	0.79	-	-	-	-	0.79
	(0.43)	(-)	(-)	(-)	(-)	(0.43)
Kotak Infrastructure Debt Fund	0.03	-	-	-	-	0.03
	(-)	(-)	(-)	(-)	(-)	(-)
Others	1.00	-	-	-	-	1.00
	(1.49)	(0.09)	(-)	(0.15)	(-)	(1.73)
Reimbursements from companies						
Kotak Mahindra Capital Company Limited	7.09	-	-	-	-	7.09
	(6.84)	(-)	(-)	(-)	(-)	(6.84)
Kotak Mahindra Prime Limited	21.64	-	-	-	-	21.64
	(18.16)	(-)	(-)	(-)	(-)	(18.16)
Kotak Mahindra Life Insurance Company	20.20	-	-	-	-	20.20

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
Limited						
	(18.92)	(-)	(-)	(-)	(-)	(18.92)
Kotak Securities Limited	84.93	-	-	-	-	84.93
	(62.12)	(-)	(-)	(-)	(-)	(62.12)
Kotak Mahindra Investments Limited	9.45	-	-	-	-	9.45
	(8.22)	(-)	(-)	(-)	(-)	(8.22)
Others	21.86	0.10	-	-	-	21.96
	(20.55)	(0.16)	(-)	(-)	(-)	(20.71)
Purchase of Fixed assets						
Kotak Mahindra Prime Limited	0.03	-	-	-	-	0.03
	(0.02)	(-)	(-)	(-)	(-)	(0.02)
Kotak Securities Limited	0.52	-	-	-	-	0.52
	(0.11)	(-)	(-)	(-)	(-)	(0.11)
Kotak Infrastructure Debt Fund Limited	-	-	-	-	-	-
	(#)	(-)	(-)	(-)	(-)	(#)
Kotak Mahindra Life Insurance Company Limited	-	-	-	-	-	-
	(0.14)	(-)	(-)	(-)	(-)	(0.14)
Kotak Mahindra Asset Management Company Limited	-	-	-	-	-	-
	(0.14)	(-)	(-)	(-)	(-)	(0.14)
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	#	-	-	-	-	#
	(0.23)	(-)	(-)	(-)	(-)	(0.23)
Kotak Mahindra Asset Management Company Limited	0.06	-	-	-	-	0.06
	(0.06)	(-)	(-)	(-)	(-)	(0.06)
Kotak Infrastructure Debt Fund	0.25	-	-	-	-	0.25
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Mahindra Life Insurance Company Limited	0.06	-	-	-	-	0.06
	(#)	(-)	(-)	(-)	(-)	(#)

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	0.09	-	-	-	-	0.09
	(-)	(-)	(-)	(-)	(-)	(-)
Kotak Securities Limited	#	-	-	-	-	#
	(-)	(-)	(-)	(-)	(-)	(-)
Swaps/Forward /Options contract						
Kotak Mahindra (International) Limited	5,068.59	-	-	-	-	5068.59
	(3,787.74)	(-)	(-)	(-)	(-)	(3787.74)
Guarantees/Lines of credit						
Kotak Securities Limited	-	-	-	-	-	-
	(100.00)	(-)	(-)	(-)	(-)	(100.00)
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

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					

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
Deposits	5,936.64	5,180.30	358.56	397.28	16.37
	(8714.93)	(5902.00)	(149.22)	(522.73)	(55.70)
Borrowings	10.00	-	-	-	-
	(10.00)	(-)	(-)	(-)	(-)
Other Liabilities	116.96	1.56	1.52	2.55	0.03
	(44.40)	(2.84)	(1.03)	(10.94)	(0.38)
Assets					
Advances	412.05	-	-	#	-
	(302.77)	(-)	(-)	(0.04)	(-)
Investments-Gross	3222.15	33.88	-	#	-
	(1267.31)	(33.88)	(-)	(#)	(-)
Commission Receivable	43.81	-	-	-	-
	(34.43)	(-)	(-)	(-)	(-)
Others	138.65	0.10	-	0.32	-
	(100.80)	(0.14)	(-)	(0.19)	(-)

***Note**:*

1. *Figures in brackets represent previous year's figures.*
2. *# in the above table denotes amounts less than* ₹ 50,000.

ANNEXURE X: UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2018

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER, 2018

Rs. crore

Sr No	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-18 (Unaudited)	30-Sep-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Dec-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Mar-18 (Audited)
1	**Interest earned (a+b+c+d)**	**6,250.33**	**5,810.90**	**5,009.20**	**17,540.93**	**14,425.12**	**19,748.49**
	(a) Interest/discount on advances/ bills	4,766.28	4,459.20	3,765.88	13,393.66	10,803.50	14,727.95
	(b) Income on investments	1,299.65	1,196.77	960.78	3,638.30	2,819.97	3,933.00
	(c) Interest on balances with RBI & other interbank funds	105.68	80.02	207.23	278.18	571.59	755.29
	(d) Others	78.72	74.91	75.31	230.79	230.06	332.25
2	**Other income** (Refer Note 2)	**963.88**	**1,205.27**	**1,039.82**	**3,333.74**	**2,900.58**	**4,052.21**
3	**Total income (1+2)**	**7,214.21**	**7,016.17**	**6,049.02**	**20,874.67**	**17,325.70**	**23,800.70**
4	Interest expended	3,311.25	3,121.80	2,615.48	9,329.85	7,473.19	10,216.81
5	**Operating expenses (a+b)**	**1,964.55**	**1,799.40**	**1,613.49**	**5,478.91**	**4,712.29**	**6,425.72**
	(a) Employee cost	836.99	745.24	734.21	2,302.65	2,163.33	2,929.77
	(b) Other operating expenses	1,127.56	1,054.16	879.28	3,176.26	2,548.96	3,495.95
6	**Total expenditure (4+5)** (excluding provisions & contingencies)	**5,275.80**	**4,921.20**	**4,228.97**	**14,808.76**	**12,185.48**	**16,642.53**
7	**Operating profit (3-6)** (Profit before provisions and contingencies)	**1,938.41**	**2,094.97**	**1,820.05**	**6,065.91**	**5,140.22**	**7,158.17**
8	Provisions (other than tax) and contingencies (Refer Note 2 and 3)	(32.30)	353.80	212.77	791.13	633.04	939.95
9	Exceptional items	-	-	-	-	-	-
10	**Profit from ordinary activities before tax (7-8-9)**	**1,970.71**	**1,741.17**	**1,607.28**	**5,274.78**	**4,507.18**	**6,218.22**
11	Tax expense	679.78	599.52	554.07	1,817.26	1,546.93	2,133.92
12	**Net Profit from ordinary activities after tax (10-11)**	**1,290.93**	**1,141.65**	**1,053.21**	**3,457.52**	**2,960.25**	**4,084.30**
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	**Net Profit (12-13)**	**1,290.93**	**1,141.65**	**1,053.21**	**3,457.52**	**2,960.25**	**4,084.30**
15	**Paid up equity share capital - (of Face Value ₹ 5 per share)**	**953.77**	**953.50**	**952.35**	**953.77**	**952.35**	**952.82**
16	**Reserves (excluding revaluation reserves)**						**36,528.83**
17	**Analytical Ratios**						
	(i) Percentage of shares held by Government of India	-	-	-	-	-	-
	(ii) Capital adequacy ratio – Basel III	16.52	17.04	17.09	16.52	17.09	18.22
	(iii) Earnings per equity share						
	- Basic (not annualised) ₹	6.77	5.99	5.53	18.14	15.64	21.54
	- Diluted (not annualised) ₹	6.76	5.98	5.52	18.11	15.61	21.51
	(iv) NPA Ratios						
	a) Gross NPA	4,128.68	4,033.07	3,714.99	4,128.68	3,714.99	3,825.38
	b) Net NPA	1,397.27	1,500.76	1,727.96	1,397.27	1,727.96	1,665.05
	c) % of Gross NPA to Gross Advances	2.07	2.15	2.31	2.07	2.31	2.22

Sr No	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-18 (Unaudited)	30-Sep-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Dec-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Mar-18 (Audited)
	d) % of Net NPA to Net Advances	0.71	0.81	1.09	0.71	1.09	0.98
	(v) Return on Assets (average) – not annualised	0.45	0.41	0.44	1.24	1.30	1.73

Segment Results

The reportable segments of the Bank as per RBI guidelines are as under:

Segment	Principal activity
Corporate/Wholesale Banking	Wholesale borrowings and lending and other related services to the corporate sector which are not included under retail banking.
Retail Banking	Includes lending, deposit taking and other retail services / products including credit cards.
Treasury, BMU and Corporate Centre	Money market, forex market, derivatives, investments and primary dealership of government securities, Balance Sheet Management Unit (BMU) responsible for Asset Liability Management and Corporate Centre which primarily comprises of support functions.

Rs. crore

		Quarter ended			Nine months ended		Year ended
		31-Dec-18 (Unaudited)	30-Sep-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Dec-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Mar-18 (Audited)
1	**Segment Revenue**						
	a. Corporate/ Wholesale Banking	2,892.84	2,704.46	2,315.35	8,078.00	6,636.17	9,061.32
	b. Retail Banking	3,624.82	3,453.18	2,884.31	10,308.18	8,368.71	11,437.61
	c. Treasury, BMU and Corporate Centre	1,405.00	1,517.89	1,429.27	4,459.99	4,161.60	5,730.26
	Sub-total	**7,922.66**	**7,675.53**	**6,628.93**	**22,846.17**	**19,166.48**	**26,229.19**
	Less: Inter-segmental revenue	708.45	659.36	579.91	1,971.50	1,840.78	2,428.49
	Total	**7,214.21**	**7,016.17**	**6,049.02**	**20,874.67**	**17,325.70**	**23,800.70**
2	**Segment Results**						
	a. Corporate/ Wholesale Banking	867.33	796.55	783.71	2,308.43	2,200.87	2,984.45
	b. Retail Banking	445.79	519.73	391.66	1,508.90	1,011.05	1,510.71
	c. Treasury, BMU and Corporate Centre	657.59	424.89	431.91	1,457.45	1,295.26	1,723.06
	Total Profit Before Tax	**1,970.71**	**1,741.17**	**1,607.28**	**5,274.78**	**4,507.18**	**6,218.22**
3	**Segment Assets**						
	a. Corporate / Wholesale Banking	117,187.23	108,555.23	94,468.35	117,187.23	94,468.35	100,506.20
	b. Retail Banking	165,947.99	159,180.84	133,232.60	165,947.99	133,232.60	143,303.89
	c. Treasury, BMU and Corporate Centre	92,342.65	100,318.85	86,559.02	92,342.65	86,559.02	91,500.50
	d. Other Banking business	-	-	-	-	-	-
	Sub-total	**375,477.87**	**368,054.92**	**314,259.97**	**375,477.87**	**314,259.97**	**335,310.59**
	Less : Inter-segmental Assets	81,519.77	79,441.77	65,846.82	81,519.77	65,846.82	70,571.48
	Total	**293,958.10**	**288,613.15**	**248,413.15**	**293,958.10**	**248,413.15**	**264,739.11**
	Add : Unallocated Assets	239.78	222.97	232.58	239.78	232.58	194.28
	Total Assets as per Balance Sheet	**294,197.88**	**288,836.12**	**248,645.73**	**294,197.88**	**248,645.73**	**264,933.39**
4	**Segment Liabilities**						
	a. Corporate / Wholesale Banking	105,536.89	97,762.26	83,734.00	105,536.89	83,734.00	88,984.44
	b. Retail Banking	152,837.42	146,516.07	123,153.44	152,837.42	123,153.44	132,725.09
	c. Treasury, BMU and Corporate Centre	75,823.28	83,762.10	71,296.80	75,823.28	71,296.80	76,300.61

		Quarter ended			Nine months ended		Year ended
		31-Dec-18 (Unaudited)	**30-Sep-18 (Unaudited)**	**31-Dec-17 (Unaudited)**	**31-Dec-18 (Unaudited)**	**31-Dec-17 (Unaudited)**	**31-Mar-18 (Audited)**
	d. Other Banking business	-	-	-	-	-	-
	Sub-total	**334,197.59**	**328,040.43**	**278,184.24**	**334,197.59**	**278,184.24**	**298,010.14**
	Less : Inter-segmental Liabilities	81,519.77	79,441.77	65,846.82	81,519.77	65,846.82	70,571.48
	Total	**252,677.82**	**248,598.66**	**212,337.42**	**252,677.82**	**212,337.42**	**227,438.66**
	Add : Unallocated liabilities	93.86	134.03	11.23	93.86	11.23	13.08
	Add : Share Capital & Reserves & surplus	41,426.20	40,103.43	36,297.08	41,426.20	36,297.08	37,481.65
	Total Liabilities as per Balance Sheet	**294,197.88**	**288,836.12**	**248,645.73**	**294,197.88**	**248,645.73**	**264,933.39**

NOTES:

1. The above results were reviewed at the meeting of the Audit Committee and approved at the meeting of the Board of Directors held on 21st January, 2019. The results for the quarter and nine months ended 31st December, 2018 have been subject to limited review by the statutory auditors and there are no qualifications in the limited review report.

2. Other Income includes non-fund based income such as commission earned from guarantees / letters of credit, financial advisory fees, selling of third party products, earnings from foreign exchange transactions and profit / loss from the sale of securities. Provision / (write-back) for mark-to-market depreciation on investments in AFS and HFT categories are considered in Provisions and Contingencies.

3. Provisions and contingencies are net of recoveries made against accounts which have been written off as bad in the previous period / year.

   Break up of provisions (other than tax) and contingencies:

Rs. crore

Particulars	**Quarter ended**			**Nine months ended**		**Year ended**
	31-Dec-18 (Unaudited)	**30-Sep-18 (Unaudited)**	**31-Dec-17 (Unaudited)**	**31-Dec-18 (Unaudited)**	**31-Dec-17 (Unaudited)**	**31-Mar-18 (Audited)**
Provision towards advances / Others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures)	255.03	221.31	169.78	736.39	568.10	743.04
Provision / (write-back of provisions) for mark-to-market depreciation on investments in AFS and HFT categories (net)	(271.58)	111.72	27.43	42.98	22.66	119.30
Other Provision / (write back of other provisions) towards investments (net)	(15.75)	20.77	15.56	11.76	42.28	77.61
Total provisions (other than Tax)	**(32.30)**	**353.80**	**212.77**	**791.13**	**633.04**	**939.95**

and contingencies						

4. During the quarter, the Bank has granted 50,149 options under employee stock option scheme. Stock options aggregating to 539,980 were exercised and allotted during the quarter and 11,368,883 stock options were outstanding with employees of the Bank and its subsidiaries as at 31st December, 2018.

5. RBI circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated 1st July, 2015 on 'Basel III Capital Regulations' read together with the RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31st March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards-Amendments' requires banks to make applicable Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III Framework. These disclosures are available on the Bank's website at the following link: https://www.kotak.com/en/investor-relations/financial-results/regulatory-disclosure.html. These disclosures have not been subjected to audit or limited review.

6. There has been no change to significant accounting policies during the quarter and nine months ended 31st December, 2018.

7. Figures for the previous period's / year have been regrouped wherever necessary to conform to current period's / year's presentation.

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2018

Rs. Crore

Sr No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-18 (Unaudited)	30-Sep-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Dec-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Mar-18 (Audited)
1	**Interest earned (a+b+c+d)**	**7,744.58**	**7,311.12**	**6,390.71**	**21,959.07**	**18,398.71**	**25,131.08**
	(a) Interest/discount on advances/bills	5,740.67	5,435.56	4,712.93	16,289.36	13,499.43	18,380.86
	(b) Income on investments	1,680.59	1,596.02	1,284.83	4,780.53	3,797.16	5,258.25
	(c) Interest on balances with RBI & other interbank funds	208.30	162.91	262.11	537.77	720.00	966.80
	(d) Others	115.02	116.63	130.84	351.41	382.12	525.17
2	**Other income (a+b+c)**	**3,602.81**	**3,517.96**	**3,713.88**	**10,120.96**	**9,450.84**	**13,592.59**
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	239.42	(39.98)	489.23	248.38	1,147.84	685.20
	(b) Premium on Insurance Business	1,885.10	1,752.54	1,564.41	4,839.15	3,866.71	6,667.08
	(c) Other income (Refer Notes 3, 4 & 5)	1,478.29	1,805.40	1,660.24	5,033.43	4,436.29	6,240.31
3	**Total income (1+2)**	**11,347.39**	**10,829.08**	**10,104.59**	**32,080.03**	**27,849.55**	**38,723.67**
4	Interest expended	3,940.53	3,772.76	3,204.81	11,211.94	9,123.04	12,466.85
5	**Operating expenses (a+b+c)**	**4,698.50**	**4,146.70**	**4,259.49**	**12,435.21**	**11,427.04**	**16,073.85**
	(a) Employees Cost	1,255.68	1,139.30	1,089.95	3,498.51	3,175.82	4,380.90
	(b) Policy holders' reserves, surrender expense and claims	1,908.41	1,507.20	1,855.50	4,522.03	4,529.24	6,533.17
	(c) Other operating expenses (Refer Note 4 and 6)	1,534.41	1,500.20	1,314.04	4,414.67	3,721.98	5,159.78
6	**Total expenditure (4+5)** (excluding provisions and	**8,639.03**	**7,919.46**	**7,464.30**	**23,647.15**	**20,550.08**	**28,540.70**

Sr No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-18 (Unaudited)	30-Sep-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Dec-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Mar-18 (Audited)
	contingencies)						
7	**Operating Profit (3-6)** (Profit before provisions and contingencies)	**2,708.36**	**2,909.62**	**2,640.29**	**8,432.88**	**7,299.47**	**10,182.97**
8	Provisions (other than tax) and contingencies (Refer Note 7)	(10.94)	359.71	226.29	847.75	711.37	1,024.74
9	Exceptional items	-	-	-	-	-	-
10	**Profit from ordinary activities before tax**	**2,719.30**	**2,549.91**	**2,414.00**	**7,585.13**	**6,588.10**	**9,158.23**
11	Tax expense	896.51	835.79	795.94	2,503.65	2,171.00	3,011.09
12	**Net Profit from ordinary activities after tax before Minority Interest (10–11)**	**1,822.79**	**1,714.12**	**1,618.06**	**5,081.48**	**4,417.10**	**6,147.14**
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	**Net Profit from ordinary activities after tax before Minority Interest (12 -13)**	**1,822.79**	**1,714.12**	**1,618.06**	**5,081.48**	**4,417.10**	**6,147.14**
15	Less: Share of Minority Interest	-	-	3.97	-	56.64	56.67
16	Add: Share in Profit of associates	21.22	33.25	10.15	84.38	51.28	110.50
17	**Profit after tax (14-15+16)**	**1,844.01**	**1,747.37**	**1,624.24**	**5,165.86**	**4,411.74**	**6,200.97**
18	**Paid Up Equity Capital - (Face value**	**953.77**	**953.50**	**952.35**	**953.77**	**952.35**	**952.82**
19	Group Reserves (excluding Minority						49,533.24
20	Minority Interest						-
21	**Analytical Ratios**						
	(i) Capital Adequacy ratio – Basel III	16.52	17.04	17.09	16.52	17.09	18.22
	(ii) Earnings per equity share						
	- Basic (not annualised) ₹	9.67	9.17	8.53	27.10	23.30	32.70
	- Diluted (not annualised) ₹	9.66	9.15	8.52	27.06	23.27	32.66
	(iii) NPA Ratios (unaudited)						
	(a) Gross NPA	4,458.10	4,302.17	3,979.06	4,458.10	3,979.06	4,071.04
	(b) Net NPA	1,554.19	1,617.66	1,846.86	1,554.19	1,846.86	1,768.60
	(c) % of Gross NPA to Gross Advances	1.89	1.91	2.01	1.89	2.01	1.95
	(d) % of Net NPA to Net Advances	0.67	0.73	0.94	0.67	0.94	0.86
	(iv) Return on average Assets (not annualised) (unaudited)	0.50	0.49	0.52	1.46	1.48	2.03

NOTES:

1. The consolidated financial results are prepared in accordance with Accounting Standard – 21 (AS-21) "Consolidated Financial Statements" and Accounting Standard – 23 (AS–23) "Accounting for investment in associates in Consolidated Financial Statements" specified under section 133 and relevant provisions of Companies Act, 2013.

2. The above results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 21st January, 2019. The consolidated results for the quarter and nine months ended 31st December, 2018 were subject to limited review by the statutory auditors and there are no qualifications in the limited review report.

3. Details of other income forming part of the consolidated results are as follows:

Rs. Crore

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-18 (Unaudited)	30-Sep-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Dec-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Mar-18 (Audited)
Commission, fees, exchange, brokerage and others	1,480.11	1,638.11	1,565.32	4,703.51	4,051.96	5,692.79
Profit on sale of investments (other than insurance business)	(1.82)	167.29	94.92	329.92	384.33	547.52
Total – Other income	**1,478.29**	**1,805.40**	**1,660.24**	**5,033.43**	**4,436.29**	**6,240.31**

4. Other Income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 20.81 crore for the quarter and ₹ 59.88 crore for the nine months ended 31st December, 2018 (for the quarter ended 30th September 2018, ₹ 21.79 crore, for the quarter and nine months ended 31st December, 2017, ₹ 29.73 crore and ₹ 70.10 crore respectively, for the year ended 31st March, 2018 amounting to ₹ 89.64 crore).

5. Other Income includes non-fund based income such as commission earned from guarantees / letters of credit, financial advisory fees, selling of third party products, earnings from foreign exchange transactions and profit / loss from the sale of securities. Provision / (write-back) for mark-to-market depreciation on investments are considered in Provisions and Contingencies.

6. Details of other expenditure forming part of consolidated results are as follows:

Rs. crore

Particulars	Quarter Ended			Nine Months Ended		Year
	31-Dec-18 (Unaudited)	30-Sep-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Dec-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Mar-18 (Audited)
Brokerage	181.04	194.13	166.23	533.45	450.62	664.23
Depreciation	116.16	115.79	94.63	340.77	283.03	383.43
Rent, taxes and lighting	176.45	174.32	156.15	519.14	477.06	647.57
Others	1,060.76	1,015.96	897.03	3,021.31	2,511.27	3,464.55
Total – Other operating expenses	**1,534.41**	**1,500.20**	**1,314.04**	**4,414.67**	**3,721.98**	**5,159.78**

7. Provisions and contingencies are net of recoveries made against accounts which have been written off as bad in the previous period / year. Details of Provisions (other than tax) and contingencies forming part of consolidated results are as follows:

Rs. crore

Particulars	Quarter Ended			Nine Months Ended		Year
	31-Dec-18 (Unaudited)	30-Sep-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Dec-18 (Unaudited)	31-Dec-17 (Unaudited)	31-Mar-18
Provision towards advances / others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (Net)	280.34	241.91	189.03	794.74	633.16	815.85
Provision /(Write back of provisions) for mark-to-market depreciation and other provisions on investments (net)	(291.28)	117.80	37.26	53.01	78.21	208.89
Total – Provisions (other than tax) and contingencies	**(10.94)**	**359.71**	**226.29**	**847.75**	**711.37**	**1,024.74**

8. RBI circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated 1st July, 2015 on 'Basel III Capital Regulations' read together with the RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31st March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards-Amendments' requires banks to make applicable Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III Framework. These disclosures are available on the Bank's website at the following link: https://www.kotak.com/en/investor-relations/financial-results/regulatory-disclosure.html. These disclosures have not been subjected to audit or limited review.

9. The change in the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists, for the quarter ended 31st December, 2018 amounting to ₹ 1,232.28 crore and for nine months ended 31st December, 2018 ₹ 2,193.80 crore (for the quarter ended 30th September 2018, ₹ 557.94 crore, for the quarter and nine months ended 31st December, 2017, ₹ 1,185.86 crore and ₹ 2,573.41 crore respectively, for the year ended 31st March, 2018 amounting to ₹ 3,593.36 crore) has been included in "Policy holders' reserves, surrender expense and claims" under "Operating Expenses".
10. There has been no change to significant accounting policies during the quarter and nine months ended 31st December, 2018.

ANNEXURE XI

LEGAL PROCEEDINGS

In addition to the disclosures made elsewhere in the Information Memorandum, the Bank has disclosed the following legal proceedings as good corporate practice and may be of interest to the proposed investors.

The Bank and its Subsidiaries are, subject to various legal proceedings from time to time, mostly arising in the ordinary course of their business including criminal proceedings, civil proceedings, tax proceedings, environmental proceedings, labour, land related disputes and notices received from various regulators such as SEBI, RBI and IRDAI. The Bank believes that the number of proceedings and disputes in which the Bank and its Subsidiaries are involved is not unusual for a Bank of its size in the context of doing business in India and in international markets. These proceedings involving the Bank, its Subsidiaries, its respective directors and its employees are primarily in the nature of recovery proceedings initiated by the Bank in respect of advances made, pending before civil courts or the DRTs, as the case may be, criminal cases filed by the Bank in cases of dishonor of cheques or fraud cases, claims against the Bank in relation to erroneous or unauthorized debit from customer accounts, wrongful credit or dishonor of cheques, criminal and labour-related proceedings against the Bank where its directors have also been made a party, claims in relation to repossession of assets by the Bank, proceedings initiated under the SARFAESI Act, claims for refund of business losses and damages, consumer claims for deficiency in service, claims involving forgery of documents, alleged frauds, claim for increased rent, suits claiming compensation, damages for termination from service, claims alleging breach of regulatory and statutory provisions, directions, administrative lapses and suits for setting aside recovery proceedings initiated by the Bank and tax matters.

For the purposes of this Information Memorandum, KLI, is referred to as a Material Subsidiary. Except as disclosed below and elsewhere in this Information Memorandum and specifically in ***[section 6.4 of this Information Memorandum]*** *the Bank and its Material Subsidiary are not involved in any pending legal proceedings: (i) which are quantifiable and exceed ₹62 crore (being 1% of the consolidated profit after tax for Financial Year 2018); or (ii) which the Bank believes could have a material adverse effect on the business, financial condition, profitability or results of operations of the Bank on a consolidated basis. Further, all notices involving the Material Subsidiary, in respect of which fines or penalties have been paid from FY 2016-17 until 28th February 2019, have been disclosed. Accordingly, we have not disclosed any legal proceedings involving the Bank and its Material Subsidiary: (i) which are quantifiable and are below ₹62 crore (being 1% of the consolidated profit after tax for Financial Year 2018); or (ii) which the Bank believes does not have a material adverse effect on the business, financial condition, profitability or results of operations of the Bank on a consolidated basis; or (iii) notices where fines or penalties have not been imposed or have been imposed prior to FY 2016-17. In addition, please note that we have included certain litigations/proceedings involving the Bank's international Subsidiaries that we believe could be of interest to proposed investors.*

I. Litigation involving the Bank

Civil cases

The Bank has filed a suit dated September 23, 2010 against Dena Bank Limited ("Dena Bank") and others seeking, inter alia, damages towards frivolous litigation by Dena Bank from the year 2006 to 2009 causing impediments to the Bank from enjoyment of the property, "Apple Tower" as it stood sub-judice, being part of the terms of the settlement which was challenged by Dena Bank. The Bank has sought a money decree for ₹ 443 crore towards loss of lease rentals and loss of reputation and goodwill, being sole creditors after acquisition of debentures from various banks, including Dena Bank and financial institutions by the Bank and KMPL. Subsequently, Dena Bank has filed a counter claim for ₹ 1,000 crore together with interest along with its written statement, contending that the Bank has made allegations in its suit against Dena Bank with the sole motive and intention of maligning the reputation and goodwill of Dena Bank and hence damages caused to its reputation in terms of money. The matter is at evidence stage wherein the cross-examination of Dena Bank and Apple Finance is complete. The matter is now listed for evidence stage of KMPL.

Penalties/Fines imposed on the Bank:

1. The Bank received a notice dated April 21, 2016 from RBI for our subsidiary general ledger account holders, for not maintaining correct record of the security sold. An amount of ₹ 0.05 crore was levied as penalty on the Bank on May 12, 2016.

2. The RBI imposed a penalty of ₹ 0.001 crore on the Bank on February 8, 2017 for not complying with requirements concerning filing of returns for netted-off transactions on a gross basis in relation to Jas Forwarding Worldwide Private Limited. The RBI issued a show cause notice and issued an order dated April 13, 2017 for imposition of a penalty of ₹ 0.001 crore on the Bank in relation to non-compliance with its directions in respect of reporting.

3. The IRDA imposed a penalty of ₹ 0.001 crore on the Bank in February 2018 for payments made by Exide to eIVBL in the financial year 2013-14. These payments were in violation of clause 21 of Guidelines on Licensing of Corporate Agents (dated July 14, 2015) and Section 40 of Insurance Act, 1938 as the amounts paid had exceeded the limit of expenditure on commission stipulated under Section 40A of the Insurance Act. The payments were made prior to the merger of eIVBL with the Bank.

4. RBI had imposed a penalty of Rs. 0.20 crore . on the Bank in February 2019 for KYC deficiencies found in opening one savings account opened in the year 2010. This was a case of failure of the personnel in meeting the customer before opening the account. As per the Bank's processes, it is mandatory to meet the customer before on boarding the customer. However, in respect of the cited case, branch personnel had visited the house of the customer but did not meet the customer and certified that Bank official met the customer. Action has already been taken on the errant employee and the process has been reiterated for stricter compliance.

II. Litigation involving Kotak Mahindra Life Insurance Company Limited ("KLI") -

Civil cases:

The Directorate General of Central Excise Intelligence, Central Board of Excise and Customs, Department of Revenue. Mumbai, (the "**Authority**") issued a show cause cum demand notice dated November 11, 2013 (the "**SCN**") alleging evasion in payment of service tax, particularly in respect of service tax liability for expenses, such as, pre-recruitment training expenses, advertising and publicity and sales promotion expenses by KLI and KLI was directed to show cause including in relation to recovery of the service tax collected by KLI and interest and imposition of penalties. KLI, through its reply dated April 14, 2014, denied all allegations and submitted, amongst other things that, the SCN is barred by limitation. Subsequently, the Commissioner, Service Tax – VI, Mumbai, through its order dated March 19, 2015 (the "**Order**"), directed the recovery of ₹ 73.33 crore along with other sums due including interest payable and penalty levied. KLI appealed before CESTAT, Mumbai alleging that the Order is in violation of law. The matter has been heard in CESTAT and the order is awaited.

Penalties/Fines imposed on KLI-

IRDAI has issued a show cause notice dated January 22, 2016 to KLI alleging violation of certain provisions of the Insurance Act, 1938, IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002, IRDA (Assets, Liabilities and Solvency Margin of Insurer) Regulations, 2002, IRDA circular dated November 23, 2010, IRDA circular dated March 27, 2003, IRDA (Insurance Brokers) Regulations, 2002, Guidelines on Outsourcing of Activities by Insurance Companies dated February 1, 2011, Guidelines for Unit Linked Insurance Products dated December 21, 2005, Guidelines on Group Insurance Policies dated July 14, 2005, and IRDA (Protection of Policyholders' Interests) Regulations, 2002. After personal hearing and written submissions made by KLI in respect of 14 charges, IRDAI has issued an order dated May 6, 2016 in which: (i) a penalty of ₹ 0.05 crore was levied on KLI in respect of the charge of repudiation of claims under the group master policy on grounds of non-disclosure in the health declaration; (ii) KLI was warned in respect of five charges; and (iii) no charges were pressed in respect of eight charges. KLI has paid off the penalties levied by IRDAI.

Litigation/proceedings involving Bank's international subsidiary, Kotak Mahindra Inc. –

1. Certain investors filed class action law suits and individual action law suits under the Securities Act, before the federal and state courts against, *inter alia*, TerraForm Global, Inc. ("**TerraForm**"), SunEdison, Inc., several individual officers and directors of TerraForm, Kotak Mahindra Inc., and other underwriters to the $ 675 million (equivalent to ₹ 4,620 crore as of June 30, 2018 initial public offering by TerraForm Global, Inc. ("**TerraForm IPO**"), alleging that the offering documents in relation to the TerraForm IPO were false and misleading because they failed to disclose problems undermining TerraForm's business and prospects such as lack of clarity regarding the financial difficulties faced by the sponsor of the TerraForm IPO, thereby causing loss to investors. An amended complaint in relation to combined class actions suits was filed before the multi-district litigation of the U.S. District Court for the Southern District of New York ("**MDL**"). These suits were subsequently stayed, to enable global mediation in the said matter. The parties subsequently did agree on settlement amounts, however the approval of the settlement is still pending before the court due to some class plaintiffs that have opted out of the class settlement. The matter is currently pending.

2. Kotak Mahindra Inc. is currently resolving a pending registration issue with the Alabama State Securities Commission. Kotak Mahindra Inc. had placed a fund in August 2018 with an individual Alabama State resident. Kotak Mahindra Inc. was not registered as a broker-dealer in the state of Alabama. Kotak Mahindra Inc. was under the belief that having registered with Securities and Exchange Commission, registration in the state of Alabama was not required. That being not the case, Alabama Securities Commission has asked Kotak Mahindra Inc.to make a rescission offer to the client to whom the fund was placed. Kotak Mahindra Inc. has made the offer as directed by Alabama Securities Commission and the Client has accepted the rescission offer made. Once completion formalities are done, the Alabama Securities Commission will take steps towards final resolution of the matter.

ANNEXURE XII
IN-PRINCIPLE APPROVAL FROM STOCK EXCHANGE(S)

1) NSE

National Stock Exchange Of India Limited

Ref. No.:NSE/LIST/857 March 27, 2019

The Company Secretary
Kotak Mahindra Bank Limited
27BKC, C 27, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051

Kind Attn.: Ms. Bina Chandarana

Dear Madam,

Sub.: In-principle approval for listing of Non-convertible Debentures on private placement basis.

This is with reference to your application dated 27-Mar-2019 for In-principle approval for listing of Unsecured, Redeemable, Non-cumulative, Taxable, Non-convertible Debentures of face value of Rs. 10 lakhs each, aggregating to Rs. 150 Crore, to be issued by Kotak Mahindra Bank Limited on private placement basis. In this regard, the Exchange is pleased to grant in-principle approval for the said issue.

Kindly note that these debt instruments may be listed on the Exchange after the allotment process has been completed provided the securities of the issuer are eligible for listing on the Exchange as per our listing criteria and the issuer fulfills the listing requirements of the Exchange. The issuer is responsible to ensure compliance with all the applicable guidelines issued by appropriate authorities from time to time including SEBI (Issue and Listing of Debt Securities) Regulations, 2008.

Yours faithfully,
For National Stock Exchange of India Limited

Priya Iyer
Manager

This Document is Digitally Signed

Signer: Priya Ranjith Iyer
Date: Wed, Mar 27, 2019 18:35:16 IST
Location: NSE

2) BSE

DCS/COMP/SB/IP-PPDI/366/18-19
March 27, 2019

The Company Secretary
Kotak Mahindra Bank Limited
27BKC, C 27, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

Dear Sir,

Re: Private Placement of 1500 Senior Unsecured Rated Listed Redeemable Long Term Bonds in the nature of Non-Convertible Debentures of the face value of Rs.10 Lakh each, aggregating to Rs.150 Crores

We acknowledge receipt of your application on online portal on March 27, 2019 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing subject to fulfilling the following conditions:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended 2012, and submission of Disclosures and Documents as per Regulations 21, in the format specified in Schedule I of the said Regulations and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations directions of the Exchange or any statutory authorities, documentary requirements from time to time.

This In Principle Approval is valid for a period of 1 year from the date of issue of this letter. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Rupal Khandelwal

SB **Rupal Khandelwal**
Manager

Hemlata Agarwal
Associate Manager

BSE Limited (Formerly Bombay Stock Exchange Ltd.)
Registered Office : Floor 25, P J Towers, Dalal Street, Mumbai 400 001, India
T: +91 22 2272 1234/33 | E: corp.comm@bseindia.com | www.bseindia.com
Corporate Identity Number : U67120MH2005PLC153188

Kotak Mahindra Bank

CERTIFIED THAT THE FOLLOWING IS A TRUE COPY OF THE RESOLUTION PASSED AT THE ANNUAL GENERAL MEETING OF THE BANK HELD ON 20TH JULY 2017.

"RESOLVED that pursuant and subject to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and in supersession of all earlier resolutions passed in this regard by the Bank in general meetings, the approval of the members of the Bank be and is hereby accorded to the Board of Directors of the Bank for borrowing from time to time all such sums of money for the purpose of the business of the Bank notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Bank (apart from the temporary loans obtained or to be obtained from the bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital and free reserves, that is to say, reserves not set apart for any specific purpose, provided that the maximum amount of moneys so borrowed by the Board of Directors and outstanding shall not at any time exceed the sum of ₹60,000 crore (Rupees Sixty Thousand Crore Only).

"RESOLVED FURTHER THAT Board be and is hereby authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolution, including but not limited to filing of necessary forms with the Registrar of Companies and to comply with all other requirements in this regard."

Kotak Mahindra Bank Limited

B R Chandarana

Bina Chandarana
Company Secretary &
Sr. Executive Vice President

Kotak Mahindra Bank Ltd.
CIN: L65110MH1985PLC038137

Registered Office:
27 BKC, C 27, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai 400051,
Maharashtra, India.

T +91 22 61660000
F +91 22 67132403
www.kotak.com

Kotak Mahindra Bank

CERTIFIED THAT THE FOLLOWING IS A TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE ANNUAL GENERAL MEETING OF THE BANK HELD ON 19TH JULY 2018 AT 4.00 PM AT WALCHAND HIRACHAND HALL OF THE INDIAN MERCHANTS CHAMBER, 4TH FLOOR, CHURCHGATE, MUMBAI - 400 020

"RESOLVED that pursuant to the relevant provisions of the Memorandum and Articles of Association of the Bank, the provisions of Section 42 and other applicable provisions of the Companies Act, 2013, and any rules, guidelines or circulars issued thereunder, including the Companies (Prospectus and Allotment of Securities) Rules, 2014, the applicable provisions of the Banking Regulation Act, 1949, (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force), the rules, guidelines and circulars issued by the Reserve Bank of India from time to time and such other rules and regulations as may be applicable and, the consent of the Members of the Bank be and is hereby accorded to borrowings/raising of funds by the Board of Directors of the Bank ("Board") by way of issue of securities in the nature of unsecured non-convertible debentures/bonds, in Indian/foreign currencies in the domestic and/or overseas markets for an amount up to ₹ 5,000 crore (Rupees Five Thousand Crore Only), for its general corporate purposes within the overall borrowing limits of the Bank, on a private placement basis in one or more tranches and series, as per the structure and on such terms and conditions as may be determined, from time to time, by the Board."

"RESOLVED FURTHER that the Board (including any Committee thereof) and any other person duly authorised by the Board be and is hereby severally authorised to do all such acts, matters, deeds and things and give such directions as may be deemed necessary or expedient in connection with or incidental to give effect to the above resolution, including but not limited to filing of necessary forms with the Registrar of Companies and to comply with all other requirements in this regard."

Kotak Mahindra Bank Limited

B.R. Chandarana

Bina Chandarana
Company Secretary &
Sr. Executive Vice President
Membership No.: FCS3510
Address: 4/22, Alka, B Road, Churchgate, Mumbai – 400 020

Kotak Mahindra Bank Ltd.
CIN: L65110MH1985PLC038137

Registered Office:
27 BKC, C 27, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai 400051.
Maharashtra, India.

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Kotak Mahindra Bank

CERTIFIED THAT THE FOLLOWING IS A TRUE COPY OF THE RESOLUTION PASSED AT THE 240th BOARD MEETING OF KOTAK MAHINDRA BANK LIMITED HELD ON MONDAY, 30TH APRIL 2018, AT 10.30 A.M. AT BOARD ROOM, 10TH FLOOR AT 27BKC, C-27, G BLOCK, BANDRA KURLA COMPLEX, BANDRA (E), MUMBAI – 400 051.

"RESOLVED that pursuant to the provisions of Section 42 and other applicable provisions of the Companies Act, 2013, Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force), such other rules and regulations as may be applicable and the provisions of the Memorandum and Articles of Association of the Bank, and subject to the approval of the shareholders of the Bank, the Bank is hereby authorized to borrow by way of issue of securities in the nature of unsecured, redeemable non-convertible debentures/bonds, in Indian/foreign currencies in the domestic and/or overseas markets for an amount upto ₹5000 crore (Rupees Five Thousand Crore Only), for its general corporate purposes within the overall borrowing limits of the Bank, on a private placement basis in one or more tranches and series, as per the structure and on such terms and conditions as may be determined, from time to time, by the Board of Directors of the Bank.

"RESOLVED FURTHER that the Asset Liability Committee be and is hereby authorized to:

- issue and allot unsecured Debentures on private placement basis upto ₹5000 crore, in one or more tranches/series, as may be deemed fit, from time to time;
- determine issue size(s), pricing, coupon/interest rate(s), other terms and conditions of the Debenture issue; and
- do all acts and things as may be required to give effect to the issuance and allotment of Debentures.

"RESOLVED FURTHER that any two of the following officials of the Bank be and are hereby jointly authorised to sign the Disclosure Documents, Trustee agreement, the Trust Deed, Deed of Variation (modifying, altering, deleting provisions of the Trust Deed) and/or any other connected/related document required to be executed in this regard:

Mr. Uday Kotak, Executive Vice Chairman and Managing Director
Mr. Dipak Gupta, Joint Managing Director
Mr. Jaimin Bhatt, President & Group Chief Financial Officer
Mr. Narayan S.A., President – Treasury & Commercial Banking
Mr. Himanshu Vasa, Financial Controller
Mr. Rajiv Mohan, Sr. Executive Vice President, Treasury
Mr. Mukesh Bohara, Executive Vice President
Ms. Bina Chandarana, Company Secretary & Sr. Executive Vice President

"RESOLVED FURTHER that the Common Seal of the Bank be affixed, if required, on the Trustee Agreement and the Trust Deed in the presence of any one Director of the Bank and countersigned by the Company Secretary or any one of the following authorised signatories :

Mr. Jaimin Bhatt, President & Group Chief Financial Officer
Mr. Himanshu Vasa, Financial Controller
Mr. Rajiv Mohan, Sr. Executive Vice President, Treasury
Mr. Mukesh Bohara, Executive Vice President

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"RESOLVED FURTHER that the aforesaid authorised signatories be and are hereby severally authorised to appoint Merchant Bankers, if required, R&T agents, debenture trustee, rating agencies and legal counsel on such terms and conditions approved by either the Executive Vice Chairman & Managing Director or the Joint Managing Director for this issue.

"RESOLVED FURTHER that the aforesaid authorized signatories be and are hereby severally authorized to get itself and the Debentures admitted to the depositaries and to execute or ratify the necessary or requisite agreement(s) with those depositories and the registrar and transfer agent and any other agreements, undertakings or other writings required for the issue of the Debentures in the dematerialised form."

Kotak Mahindra Bank Limited

B.R. Chandarana

Bina Chandarana
Company Secretary &
Sr. Executive Vice President
Membership No.: FCS3510
Address: 4/22, Alka, B Road, Churchgate, Mumbai – 400 020

Kotak Mahindra Bank

CERTIFIED THAT THE FOLLOWING IS A TRUE COPY OF THE RESOLUTION PASSED AT THE BOARD MEETING OF KOTAK MAHINDRA BANK LIMITED HELD ON 14th MARCH 2019.

"RESOLVED THAT pursuant to the provisions of Sections 42, 71, 179, 180 (1)(a) and 180 (1)(c) of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014 and Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and other applicable laws, if any, and the consent of the shareholders of the Bank authorising the Board of Directors to issue unsecured redeemable non-convertible debentures, for an amount upto Rs. 5000,00,00,000/- (Rupees Five Thousand Crores only) ("Debentures") vide the shareholder resolution passed under Section 42 of the Companies Act, 2013 in the annual general meeting of the shareholders of the Bank, held on 19th July 2018, consent of the Board be and is hereby accorded to issue and allot up to 2000 (Two Thousand) Unsecured Rated Listed Redeemable Long Term Bonds in the nature of Non-Convertible Debentures, in Indian/ foreign currencies in the domestic and/or overseas markets for an amount upto Rs. 200,00,00,000/- (Rupees Two Hundred Crores only), to fund or onward lend for, infrastructure and affordable housing, on a private placement basis in one or more tranches and series, as per the structure and on such terms and conditions as may be determined, from time to time, by the Board of Directors of the Bank and/or the Asset Liability Committee of the Bank ("Infra Bonds").

"RESOLVED FURTHER THAT IDBI Trusteeship Services Limited be appointed as the debenture trustee for the issue of the Infra Bonds ("Debenture Trustee").

"RESOLVED FURTHER THAT that the Asset Liability Committee be and is hereby authorized to:

1. determine, negotiate and finalise the terms and conditions on which the Infra Bonds are proposed to be allotted and issued, including the issue size of each tranche or series, pricing, coupon, other terms and conditions of the issue of Infra Bonds;
2. allot the Infra Bonds; and
3. to do and perform such other acts and things as may be required to give effect to the issuance and allotment of the Infra Bonds;

"RESOLVED FURTHER THAT any two of the Authorised Persons mentioned below:

Mr. Uday Kotak, Managing Director & CEO
Mr. Dipak Gupta, Joint Managing Director
Mr. Jaimin Bhatt, President & Group Chief Financial Officer
Mr. Narayan S.A., President – Treasury & Commercial Banking
Mr. Himanshu Vasa, Financial Controller
Mr. Rajiv Mohan, Sr. Executive Vice President, Treasury
Mr. Mukesh Bohara, Executive Vice President
Ms. Bina Chandarana, Company Secretary & Sr. Executive Vice President

be and are hereby authorised jointly to negotiate, finalise and execute or ratify, on behalf of the Bank, the Debenture Trustee Agreement for the appointment of the Debenture Trustee and to do all such acts, deeds and things as may be necessary or expedient to implement this resolution and to execute all such documents, writings, agreements and evidences as may be required by the Debenture Trustee in connection with the aforesaid.

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"RESOLVED FURTHER THAT any two of the Authorised Persons mentioned above be and are hereby authorized jointly to negotiate, finalise and execute or ratify, on behalf of the Bank, the Debenture Trust Deed *inter alia* to record the terms upon which the Infra Bonds are being issued and to do all such acts, deeds and things as may be necessary or expedient to implement this resolution and to execute all such documents, writings, agreements and evidences as may be required by the Debenture Trustee in connection with the aforesaid.

"RESOLVED FURTHER THAT the Bank be and is hereby authorised to execute and/or issue the Information Memorandum, the Application Form and such other documents as may be required, to the investor(s) which have been identified by the Bank and any two of the Authorised Persons mentioned above be and are hereby authorised jointly to finalise, execute and/or issue the Information Memorandum, the Application Form and such other documents as may be required in connection with the Infra Bonds.

"RESOLVED FURTHER THAT any two of the Authorised Persons mentioned above be and are hereby authorised jointly to approve, finalise and execute or cause to be executed or ratify on behalf of the Bank all other deeds, documents, undertakings, mandates, agreements, assignments, power of attorney(s), promissory notes and instruments and writings in favour of the Debenture Trustee in connection with the Infra Bonds as may be required under the Information Memorandum, the Application Form and/or such other documents including the Debenture Trust Deed.

"RESOLVED FURTHER THAT any two of the Authorised Persons mentioned above be and are hereby authorised jointly to negotiate, finalise and execute or ratify amendments to such executed documents and other documents as and when they become necessary and to sign letters of undertaking, declarations, agreements and other papers which may be required.

"RESOLVED FURTHER THAT any two of the Authorised Persons mentioned above be and are hereby authorised jointly to do all such acts, deeds, things and execute or ratify all such documents whatsoever as may be required in connection with the issue of the Infra Bonds including without limitation the opening of bank accounts, opening of demat accounts, appointment of legal counsel, the sole arranger, the rating agency, filing of relevant forms with the Registrar of Companies, the Registrar to the issue and other advisors as may be required and making payment of their fees.

"RESOLVED FURTHER THAT pursuant to Section 42(2) of the Companies Act, 2013, the Board hereby identifies the investors (as per the list placed before the Board) as identified persons to whom the Bank can offer the Debentures including the Infra Bonds to, through private placement, from time to time (hereinafter collectively referred to as the "Identified Persons"):

1. Where bidding process is applicable (on the Electronic Platform called "EBP Platform" or any successive arrangement/platform mandated by SEBI):

   (i) All such investors, including the "List of Eligible Investors", who are registered on the EBP Platform and eligible to make bids for the Debentures including the Infra Bonds of the Bank (considered as 'deemed identified'); and

(ii) to whom allocation is to be made by the Bank pursuant to selection under the electronic book mechanism for issuance of securities on private placement basis in terms of the relevant circulars and directions issued by the Securities and Exchange Board of India and the relevant electronic book providers ("EBP");

"RESOLVED FURTHER THAT the Common Seal of the Bank be affixed to such documents, deeds, evidences, writings and undertakings and/or other related papers, in presence of any one Directors of the Bank who do sign the same in token thereof and who are also hereby authorised to carry the Common Seal of the Bank outside the City/ State in which the Registered Office of the Bank is situated, wherever necessary for the purpose of such execution.

"RESOLVED FURTHER THAT the aforesaid resolutions shall come into effect immediately and a copy of the foregoing resolution certified to be a true copy by any of the Directors or the Company Secretary may be furnished to such parties concerned with respect to the issue of Debentures including the Infra Bonds."

Kotak Mahindra Bank Limited

B.R. Chandarana

Bina Chandarana
Company Secretary &
Sr. Executive Vice President

List of investors as placed before the Board on 14th March 2019

Sr No	Mutual Funds
1	SBI Funds Management Private Limited
2	UTI Asset Management Company Ltd
3	L&T Investment Management Limited
4	Franklin Templeton Asset Management (India) Private Limited
5	Aditya Birla Sun Life AMC Limited
6	HDFC Asset Management Company Limited
7	ICICI Prudential Asset Management Company Limited
8	Reliance Nippon Life Asset Management Limited

Sr .No	Life Insuramce Companies
1	Life Insurance Corporation of India
2	HDFC Standard Life Insurance Co. Ltd
3	Max Life Insurance Co. Ltd.
4	ICICI Prudential Life Insurance Co. Ltd,
5	Aditya Birla SunLife Insurance Co. Ltd.
6	SBI Life Insurance Co. Ltd.
7	Bajaj Allianz Life Insurance Co. Ltd.
8	PNB MetLife India Insurance Co. Ltd,
9	Reliance Nippon Life Insurance Company Limited
10	Shriram Life Insurance Co. Ltd.
11	Bharti AXA Life Insurance Company Ltd,
12	Future Generali India Life Insurance Company Limited
Sr no.	**General Inurance Companies**
1	Apollo Munich Health Insurance Co. Ltd
2	Exports Credit Guarantee of India Co. Ltd
3	Future Generali India Insurance Co. Ltd.
4	HDFC ERGO General Insurance Co.Ltd.
5	ICICI LOMBARD General Insurance Co. Ltd.
6	National Insurance Co. Ltd.
7	SBI General Insurance Co. Ltd.
8	Shriram General Insurance Co. Ltd.
9	Tata AIG General Insurance Co. Ltd.
10	The New India Assurance Co. Ltd
11	The Oriental Insurance Co. Ltd.
12	United India Insurance Co. Ltd.

BRC

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Sr. No	Public Sector Banks
1	Bank of Baroda
2	Bank of India
3	Canara Bank
4	Punjab National Bank
5	State Bank of India
6	Union Bank of India
Sr No.	**EPFO Fund Manager**
1	State Bank of Inida
2	ICICI Security Primary Dealership
3	Reliance Capital
4	HSBC AMC
5	UTI AMC
Sr No.	**Others**
1	SBI Postal Life
2	UTI Postal Life
3	Infosys Ltd. EPF Trust
4	Wipro Ltd. EPF
5	LIC NPS scheme
6	UTI NPS scheme
7	SBI NPS scheme
8	HDFC NPS scheme
9	ICICI NPS Scheme

CERTIFIED TRUE COPY
Kotak Mahindra Bank Limited

B.R. Chandarana

Bina Chandarana
Company Secretary &
Sr. Executive Vice President

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India Ratings & Research
A Fitch Group Company

India Ratings Assigns Kotak Mahindra Bank's Long-Term Infra Bonds 'IND AAA'/Stable

25

MAR 2019

By Pankaj Naik

India Ratings and Research (Ind-Ra) has rated Kotak Mahindra Bank Ltd's (KMB) long-term Infra bonds as follows:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Long-term infra bonds*	-	-	-	INR1.50	IND AAA/Stable	Assigned

* Yet to be issued

Analytical Approach: Ind-Ra continues to take a consolidated view of KMB and its subsidiaries, to arrive at the ratings.

KEY RATING DRIVERS

Strong Franchisee Across Business Verticals: The Kotak group has strong presence across multiple businesses in the financial services space, such as banking, brokerage, asset management, life and general insurance, and investment banking. The group has two non-banking financial companies that provide real estate financing, car financing and securities-backed lending services. These businesses have a sizeable contribution to the consolidated profitability of the group, with non-banking financial companies, securities broking and life insurance accounting for 29% of the profit in FY18.

These businesses are significant players in their respective domains. For instance, the securities broking business has a market share of 8.8% in the cash segment, the asset management business has an overall market share of 5.9% (based on average assets under management) with Kotak Mahindra Asset Management Company Limited ranking seventh in terms of assets under management. Post the acquisition of ING Vysya Bank Ltd., KMB has a pan-India footprint and is now the fifth-largest private sector bank in the country.

Strong Capitalisation: The rating reflects KMB's ability to raise equity capital from the markets and its strong capital adequacy position, with its Tier I ratio of 17.6% at 3QFYE19 (FYE18: 17.6%); almost all of which is common equity Tier I capital. KMB had mobilised INR58 billion of equity in May 2017 by way of a qualified institutional placement, which strengthened its capitalisation and helped reduce the promoter's stake to 30.07% from 32.08%. Ind-Ra's stress test shows that KMB is comfortable to absorb any asset quality stress.

Adequate Control on Credit Cost: KMB has maintained a good control over asset quality (gross-non-performing asset ratio: 2.1% at 3QFYE19; 2.2% at FYE18; 2.6% at FYE17). In addition, its operating profit buffers have remained strong (9MFY19: 8.2x; FY18: 11.5x; FY17: 9.7x). The bank has consciously avoided exposure to large infra and metals in the past few years and, therefore, has avoided pressure posed by stressed sectors, unlike some of its peers.

In addition, KMB does not face the possibility of stress emanating from assets classified as restructured, special mention accounts-2 and strategic debt restructuring, given such assets proportioned just 0.4% of advances at end-December 2018. The bank is experiencing some pressure in agriculture and allied activities (gross-non-performing asset ratio: 4.51% at 2QFYE19; 4.11% at FYE18; 3.41% at FYE17).

Increasing Granularity of Deposits: KMB's dependence on wholesale deposits has been sequentially declining and the deposit base has been becoming more granular. The proportion of retail deposits (current and savings account (CASA) plus term deposits below INR10 million) increased to 76.0% in December 2018 from 69.0% at FYE17 (FYE16: 64%; FYE13: 50%). KMB's CASA ratio gradually improved to 51.0% in December 2018 from 29% at FYE13. Although the contribution of the top 20 depositors to the total deposits was higher than that of peers at 13.4% in FY18 (FY17: 10%; FYE13: 22%).

The liquidity profile of KMB is moderate due to short-tenor bulkier term deposits (>INR10 million) forming 24% of the total deposits in December 2018 (FY18: 27%; FY17: 31%). The bank has a negative cumulative mismatch of 5.0% of the total assets in the one-year bucket, as per the structural liquidity statement for November 2018. Moreover, it had a liquidity coverage ratio of 124.8% in December 2018 against the regulatory requirement of 90%.

Stable Profitability: KMB's profitability took a hit in FY16 due to the acquisition impact and thereafter improved (standalone bank: return on assets: 9MFY19: 1.65%; FYE18: 1.70%; FY17: 1.68%; FYE16: 1.15%). The bank has maintained a stable margin of above 4.0% and is gradually benefitting from an improvement in operational leverage and growth in scale of operations. The material improvement in the CASA deposit base helps in lowering cost of funds.

KMB has not only managed to maintain a tight control on credit cost by maintaining low delinquencies but has also minimal stressed assets on its books. Treasury gains, fee income and distribution income from third-party products improved the bank's non-interest income (other income to total income: FY18: 17.0%; FY17: 16.4%; FY16: 13.8%), thereby strengthening the return on total assets. KMB has a higher pre-provision operating profit buffer than most of its peers and provides it adequate cushion to absorb credit cost shocks. The bank's emphasis on digital has the potential to reduce its operating costs, further contributing to the bottom line.

Uncertain Business Implication of Current Disagreement on Reduced Shareholding Concentration: The promoter holds 30% equity stake in the bank. According to the Reserve Bank of India regulations, the promoter was required to reduce the stake to 20% of the paid up capital by December 2018 and further by 15% by March 2020. The outcome of the disagreement between the bank and regulator on compliance with promoter's stake dilution is uncertain. The matter is sub judice. The agency would monitor the outcome and any possible restriction/ adverse implication of the same and possible impact if any on the bank's franchise.

RATING SENSITIVITIES

Negative: The rating could be downgraded if there is large erosion of franchise or weakening of competitiveness in the banking space. The ratings could also be downgraded if there is significant deterioration in the asset quality, as large spikes in credit costs would significantly weaken the profit buffers. A decline in the above-average capital buffer, without a corresponding decline in risk appetite, could also warrant a rating action. Materially weakened funding or liquidity profile would also be credit negative.

Material negative implication for banks business or franchise due to an unfavourable ruling on promoter stake dilution may require revisiting the credit strength of the bank.

COMPANY PROFILE

KMB was established as a non-banking financial company in 1985. On receiving the banking licence in February 2003, KMB started offering universal banking services. As on 31 December 2018, KMB had a network of 1,453 branches across India: 32.0% in south India, 31.0% in west India, 31.0% in north India and 6% in east India.

CONSOLIDATED FINANCIAL SUMMARY

Particulars	FY18	FY17
Total assets (INR billion)	3,377	2,762
Total equity (INR billion)	505	390
Net income (INR billion)	61.5	49.5
Return on average assets (%)	2.00	1.91
Tier 1 capital (%)	17.6	15.90
Source: Annual report		

RATING HISTORY

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook		
	Rating Type	Rated Limits (billion)	Rating	18 February 2019	7 December 2017	28 October 2016
Issuer rating	Long-term/Short-term	-	IND AAA/Stable/IND A1+	IND AAA/Stable/IND A1+	IND AAA/Stable/IND A1+	IND AAA/Stable/IND A1+
Senior long-term debt	Long-term	INR3.00	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable
Upper tier 2 subordinated bonds*	Long-term	INR1.50	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable
Lower tier 2 subordinated debt*	Long-term	INR1.90	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable
Lower Tier II subordinated debt	Long-term	INR3.892	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable
Long-term infra bonds	Long-term	INR1.50	IND AAA/Stable	-	-	-

*Unutilised

ANNEXURE

Subordinated (Lower Tier 2) Debt Programme

ISIN	Date Of Issue	Coupon (%)	Maturity Date	Rated Amount (billion)	Rating/Outlook
INE237A08890	7 April 2011	9.31	7 April 2021	INR1.50	IND AAA/Stable
			Unutilised	INR2.392	

COMPLEXITY LEVEL OF INSTRUMENTS

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity-indicators.

SOLICITATION DISCLOSURES

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

ABOUT INDIA RATINGS AND RESEARCH

About India Ratings and Research: India Ratings and Research (Ind-Ra) is India's most respected credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

India Ratings is a 100% owned subsidiary of the Fitch Group.

For more information, visit www.indiaratings.co.in.

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Applicable Criteria

Financial Institutions Rating Criteria
Rating FI Subsidiaries and Holding Companies
Rating of Bank Legacy Hybrids and Sub-Debt

Analyst Names

Primary Analyst

Pankaj Naik

Associate Director
India Ratings and Research Pvt Ltd Wockhardt Towers, 4th floor, West Wing Plot C-2, G Block. Bandra Kurla Complex Bandra (East), Mumbai 400051
+91 22 40001723

Secondary Analyst

Apurva Naik

Analyst

Committee Chairperson

Prakash Agarwal

Director and Head Financial Institutions
+91 22 40001753

Media Relation

Namita Sharma

Manager – Corporate Communication
+91 22 40356121

Kotak Mahindra Bank Limited

February 26, 2019

Kotak Mahindra Bank Limited: Rating reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Outstanding
Infrastructure Bonds/NCD Programme	1,500.00	1,500.00	[ICRA]AAA (Stable); reaffirmed
Lower Tier II Bonds Programme	150.00	150.00	[ICRA]AAA (Stable); reaffirmed
Lower Tier II Bonds Programme	35.80	-	[ICRA]AAA (Stable); withdrawn
Total	**1,685.80**	**1,650.00**	

Rationale

The highest credit quality rating for Kotak Mahindra Bank Limited (KMBL) is supported by the bank's long track record, its experienced senior management team and its strong financial and operational performance over the years. The rating continues to reflect the strong growth in advances in the credit portfolio with the bank maintaining the asset quality, granularity and quality of incremental fresh exposures. Further, the rating draws comfort from KMBL's healthy capitalisation levels, which continue to be supported by strong internal capital generation. Most of KMBL's subsidiaries remain self-sufficient and profitable with limited capital requirements in the medium term.

The rating also factors in the healthy resource profile, with the bank continuing to grow the same at a strong pace while maintaining the granularity of deposits. This is driven partly by the bank's comparatively higher interest rate strategy, its strong retail franchise and its digital initiatives. However, against the backdrop of deposit accretion and lagging credit growth in the banking system, KMBL's ability to maintain deposit growth and granularity remains to be seen. The rating also positively factors in the stringent underwriting standards, along with strong risk management systems, that have helped the bank maintain a healthy asset quality through cycles. The asset quality of the corporate loan book remains comfortable, supported by a diversified presence across top corporate groups, while the stock of SMA2[1] remains at manageable levels on an overall basis. KMBL has adopted a cautious approach in lending to the small and medium enterprises (SMEs) and agri segments lately, with the share of these segments to total advances trending downward. Meanwhile, the bank's unsecured loan book has grown at a faster pace, driven largely by exposure to the small business, personal loans and credit cards segment, which, due to their inherent nature, could expose the bank to high losses on default.

As per Reserve Bank of India (RBI) requirements, the promoter stake in the bank needs to be progressively brought down to 20% of paid up capital as on December 31, 2018 and further to 15% of paid up capital before March 31, 2020. The matter on promoter stake dilution is currently subjudice. Going forward, if the bank decides to follow the acquisition route to achieve meaningful dilution in promoter stake, the operational and financial profile of the entity being acquired would remain a key rating sensitivity.

[1] *SMA2 accounts are loan accounts overdue by 61 days but less than 90 days*

Outlook: Stable

ICRA expects KMBL to grow at a healthy pace, supported by strong capitalisation, while maintaining comfortable asset quality. The bank's ability to maintain the granularity of the assets and liabilities will remain a key monitorable. Further, updates on the dilution of the promoter stake and ability to maintain strong capital cushions while achieving growth will remain key sensitivities.

Key rating drivers

Credit strengths

Healthy growth in advances while maintaining granularity and strong asset quality – KMBL's credit portfolio registered a strong growth of ~25% in FY2018, which was higher than the private sector bank average. The credit portfolio stood at Rs. 1,69,718 crore as on March 31, 2018 compared to Rs. 1,36,082 crore as on March 31, 2017 and grew further by 23% (YoY) to Rs. 1,96,432 crore as on December 31, 2018. The share of corporate loans in overall advances remained largely stable over the years and stood at 32% as on December 31, 2018 against 31% as on March 31, 2017. The quality of incremental advances and overall corporate advances remains comfortable with limited stressed exposures.

During the last few years, the bank has adopted a cautious approach in lending to the SME/business banking segment as well as the agricultural segment. As a result, the share of advances to these segments reduced to 9% and 12%, respectively, as on December 31, 2018 from 13% and 14%, respectively, as on March 31, 2017. This was offset by higher growth in other segments like personal loans/credit card loans, housing/loan against property, and commercial vehicles, whereby the share of these segments rose to 16%, 20% and 9%, respectively, as on December 31, 2018 from 13%, 19% and 8%, respectively, as on March 31, 2017. Despite the increasing scale and the strong growth in advances, the bank has been able to maintain granularity of its exposures with the top 20 exposures accounting for ~9% of exposures as on March 31, 2018. ICRA expects KMBL's credit growth to remain healthy in the medium term, supported by strong capitalisation and comfortable asset quality, even though liability mobilisation at competitive costs while maintaining granularity can be a challenge for growth.

Capitalisation supported by healthy internal accruals – KMBL's overall capitalisation levels remain strong with a capital adequacy ratio of 18.1% and a Tier I ratio at 17.6%, as on December 31, 2018[2]. Apart from healthy internal capital generation with return on equity of 12.5% in FY2018 (11.8% - annualised in 9M FY2019), the capital ratios were further boosted by the raising of fresh equity of ~Rs. 5,800 crore in FY2018. In FY2019, the bank issued perpetual non-cumulative preference shares (PNCPS) to the tune of Rs. 500 crore, which added to its Tier I capital. KMBL's solvency (Net NPA/Net Worth) remained comfortable at 3.37% as on December 31, 2018, which was significantly below the private sector bank average. This increases the bank's ability to absorb asset quality shocks, if any.

In ICRA's view, KMBL's current capital position provides it with adequate room to scale up its lending operations while maintaining a sufficient buffer over the regulatory capital requirement in the medium term. The bank has other subsidiaries that are in the lending, insurance, asset management and broking businesses, at present. On a consolidated basis too, KMBL's capitalisation remains comfortable with a Tier I ratio of 18.3% and CRAR of 18.7%. The subsidiaries are self-sufficient, in terms of capital requirements. Capital infusion towards the subsidiaries is expected to remain limited, in relation to the bank's overall profits, to the general insurance and infrastructure debt fund entities. As per regulatory requirements, banks are expected to shift to Indian Accounting Standards (IND-AS) from April 1, 2019, under which they will be required to provide for expected credit losses (ECL) on loan assets and changes in the fair value of other assets.

[2] *Against a regulatory requirement of 10.875% and 8.875%, respectively, as on March 31, 2019 including capital conservation buffer of 1.875%*

Given the comfortable asset quality and sufficient provision for stressed assets, as well as the limited impact on the fair valuation of the investment portfolio, ICRA does not expect the transition to IND-AS to have a major impact on KMBL's capitalisation levels. The bank is self-sufficient, in terms of capital, for meeting its growth over the next few years. Moreover, raising of capital in the near term, if any, will be driven by the need to comply with the RBI's norms for dilution in the promoter stake.

Strengthening retail franchise with improving CASA deposit base; reducing reliance on wholesale funding – Despite strong YoY growth of ~18.2% in total deposits as on December 31, 2018, KMBL continues to improve its current account and savings account (CASA) liabilities as well as the share of low-ticket deposits. The CASA deposits balance stood at 50.71% as on December 31, 2018 compared to 46.67% as on December 31, 2017, with YoY growth of 28.5%. The bank continues to follow the higher savings interest rate strategy for deposits less than Rs. 1 crore to mobilise granular savings deposits. The improvement in CASA was supported by the strengthening retail franchise of the bank following its merger with ING Vysya Bank Limited as well as its increasing branch presence and initiatives like the 811 scheme, which allows the online opening of bank accounts. The focus on granular deposits has also supported a decline in wholesale funding with CASA and term deposits (<Rs. 5 crore) increasing to 80% of the overall deposits as on December 31, 2018 from 63% as on March 31, 2014. With the increase in CASA and the other developments, as highlighted above, the difference in the bank's cost of interest-bearing funds has been declining and was ~0.3-0.5% above its peer rated private banks as on December 31, 2018 compared to over 1% as on March 31, 2014.

KMBL is expected to continue with the differentiated interest rate strategy for its savings accounts over the medium term to maintain granularity and deposit accretion while pursuing credit growth. Hence, the cost of interest-bearing funds is expected to remain marginally higher than peer banks though the resultant earnings pressure is expected to be offset by the bank's comfortable asset quality.

Asset quality expected to remain comfortable – KMBL's asset quality remains stable with GNPA and NNPA at 2.07% and 0.71%, respectively, as on December 31, 2018. Moreover, the asset quality is comfortable in comparison with its peers. The share of stressed loans in the overall corporate loan portfolio as well as the quality of incremental corporate loans remains comfortable. The diversification across the top corporate groups has also been maintained while achieving growth. The provision coverage ratio (excluding technical write-offs) was comfortable at 66.16% as on December 31, 2018. Further, the stock of stressed assets remains relatively more granular and the share of SMA2 outstanding of Rs. 344 crore (0.18% of net advances), as on December 31, 2018, remains limited. The ability of the bank to maintain its asset quality and granularity in top exposures, while growing at a healthy pace, will remain a key rating sensitivity.

Healthy profitability, supported by stable NIMs and controlled credit costs – With a declining interest rate environment till Q2 FY2018, the yields on average earning assets for KMBL also declined in FY2018 but were better than the average yields of private sector banks. This was on account of the relatively lower NPA levels, which led to higher income earning assets. The yield on assets was also impacted by an increase in the asset base, driven by an increase in KMBL's investment book, whereby it increased its holdings of short-tenor government securities for carry trade. As a result, the yields on average earning assets declined to 8.70% in 9M FY2019 compared to 9.21% in FY2017 (8.63% in FY2018).

However, supported by the declining cost of interest-bearing funds and a higher credit-deposit (CD) ratio, the net interest margins (NIMs), as a percentage of average total assets (ATA), stood comfortable at 3.92% in 9M FY2019 compared to 3.99% in FY2017 (3.98% in FY2018). Supported by strong fee income (1.59% of ATA in 9M FY2019; 1.69% in FY2018) and satisfactory cost-to-income ratios, the bank's operating profitability remains healthy with core operating profits (before credit provisions and treasury gains) of 2.89% of ATA (2.99% in FY2018). The credit costs have remained stable (0.35% of ATA in 9M FY2018 compared to 0.36% in FY2018). Accordingly, the return on assets was good at 1.65% in 9M FY2019, albeit below the FY2018 level of 1.70%. Moreover, with an increase in the equity base in FY2018, the RoE declined to 12.55% from 13.23% in FY2017. ICRA expects the bank's profitability to remain strong, driven by the growing scale of operations, increasing customer franchise and strong asset quality.

Credit challenges

Ability to maintain SA deposits while reducing interest rates remains to be seen – The bank's savings account (SA) deposits and growth in the same are being supported by the higher interest rate offered by KMBL on these accounts compared to peer rated private sector banks. The bank's ability to maintain its SA deposits in future, while reducing the interest rate on these deposits, remains to be seen. Moreover, as the deposit accretion in the banking system remains lower than credit growth, the ability to maintain granularity in the deposit base while pursuing deposit and credit growth will remain a challenge, going ahead. ICRA also notes that the bank has a high share of non-operational deposits among its peer banks, as financial sector entities are among the top few depositors of the bank. The ability to improve the depositors' profile further, in this respect, will also be a monitorable going forward.

Update on reduction in promoter stake, mode of stake dilution remains to be seen: The promoter group holds 30.01% of equity stake in the bank as on December 31, 2018, which declined from 32.08% as on March 31, 2017 after its QIP issue during May 2017. As per RBI requirement, promoter's stake in the bank has to reduce to 20% of its paid-up capital by December 31, 2018 and 15% before March 31, 2020. ICRA notes that if the bank was to pursue fresh capital raise as the mode of promoter stake dilution, the quantum of capital raise will be significantly large given its current market capitalisation. If the bank follows acquisition route by acquiring another entity, the scale and the operational and financial profile of such entity can be one area to watch out for. Recently, RBI has restricted the branch expansion and management compensation for one of the private banks which failed to comply with bank licensing norms related to promoter stake dilution. The bank has also moved to court and the matter is currently sub-judice.

Increasing share of unsecured advances – At a standalone level, unsecured advances increased to Rs. 39,153 crore as on March 31, 2018 from Rs. 30,820 crore as on March 31, 2017. Accordingly, the share of the unsecured loan book to total advances increased to 23.1% from 22.6% during the aforementioned period, which exposes the portfolio to losses if these borrowers were to default. KMBL has been increasing its exposure to small businesses, personal loans and credit cards (16% of net advances as on December 31, 2018 against 15% as on March 31, 2018) at a faster pace. To a large extent, this remains unsecured. Ability to manage the asset quality while growing these product segments will be critical for KMBL's profitability and solvency as the loss, in case of default in these segments, is expected to be high.

Liquidity position

The bank's liquidity remains comfortable with limited asset liability mismatches (as per structural liquidity statement as on September 30, 2018) across all short-term buckets. Supported by better asset quality across group entities thereby adding to healthy inflows from advances; the daily-average liquidity coverage ratio at the consolidated group was comfortable at 125%[3] for Q3FY2019 against the regulatory requirement of 100% as on January 01, 2019. ICRA expects KMBL will be able to retain and expand its depositor base with its increasing franchise and maintain comfortable liquidity,

[3] LCR at a consolidated level

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Rating Methodology for Banks
Parent/Group Support	Not applicable
Consolidation/Standalone	For arriving at the rating, ICRA has considered the standalone financials of KMBL. However, in line with our limited consolidation approach, we have factored in the capital requirement of the key subsidiaries of the Group, going forward. In ICRA's view, KMBL's subsidiaries will largely remain self-sufficient in meeting their capital requirements in the near to medium term and the bank will continue to comfortably meet the regulatory capital requirements at a consolidated level

About the company

KMBL is the flagship company of the Kotak Group. It commenced operations in 1986 as a bill discounting and leasing non-banking financial company (NBFC), Kotak Mahindra Finance Limited, which was converted into a bank in 2003. Effective April 1, 2015, ING Vysya Bank merged with KMBL.

As on December 31, 2018, KMBL had a network of over 1,453 branches and its net advances stood at Rs. 1,96,432 crore. KMBL reported PAT of Rs. 4,084 crore in FY2018 against PAT of Rs. 3,412 crore in FY2017. In 9M FY2018, KMBL reported PAT of Rs. 3,458 crore. Its net worth stood at Rs. 41,426 crore as on December 31, 2018.

Kotak Group

The Kotak Group is one of India's leading full services financial conglomerate, with a significant presence in the securities and investment banking space. The Group is currently growing its banking, asset management and insurance businesses. It derives synergies from its various platforms, given their presence across the financial spectrum. Other than KMBL, the key subsidiaries of the Kotak Group include Kotak Mahindra Prime Limited (car financing; rated [ICRA]AAA(Stable)/A1+), Kotak Securities Limited (retail and institutional broking and portfolio management services), Kotak Mahindra Investments Ltd. (commercial real estate lending and securities-based lending; rated [ICRA]AAA(Stable)/A1+), Kotak Mahindra Capital Company (investment banking), Kotak Mahindra Life Insurance Company Ltd. (life insurance), Kotak Mahindra General Insurance Company Ltd. (general insurance) and Kotak Mahindra Asset Management Company (asset management business).

At the consolidated group level, KMBL's advances constituted 84% of the overall advances of Rs. 2,32,756 crore of the Group as on December 31, 2018. On a consolidated group basis, the Kotak Group reported PAT of Rs. 6,201 crore in FY2018 compared to Rs. 4,940 crore in FY2017. For 9M FY2019, the Group reported PAT of Rs. 5,166 crore. The Group's consolidated net worth stood at Rs. 56,186 crore, as on December 31, 2018.

Key financial indicators (audited) – Standalone

For the period	FY2017	FY2018	9M FY2018	9M FY2019
Net interest income	8,126	9,532	6,952	8,211
Profit before tax	5,148	6,218	4,507	5,275
Profit after tax	3,412	4,084	2,960	3,458
Net advances	1,36,082	1,69,718	1,59,071	1,96,432
Total assets (adjusted for revaluation reserves)	2,14,590	2,64,933	2,48,646	2,94,198
% Tier 1	15.90%	17.60%	18.00%	17.60%
% CRAR	16.80%	18.20%	18.70%	18.10%
% Net interest margin/Average total assets	3.99%	3.98%	4.00%^	3.92%^
% Net profit/Average total assets	1.68%	1.70%	1.70%^	1.65%^
% Return on net worth	13.23%	12.55%	12.35%^	11.76%^
% Gross NPAs	2.59%	2.22%	2.31%	2.07%
% Net NPAs	1.26%	0.98%	1.09%	0.71%
% Provision coverage ratio excl. technical write-offs	51.99%	56.47%	53.49%	66.16%
% Net NPA/Net worth	6.22%	4.44%	4.76%	3.41%

Amounts in Rs. crore; All ratios are as per ICRA calculations. ^ Ratios are annualised for the 9-month periods

Source: KMBL, ICRA research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years

	Instrument	Current Rating (FY2019)			Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Feb 2019	FY2018 Jan 2018	FY2017 Sep 2016	FY2016 -
1	Infrastructure Bonds/NCD	Long Term	1,500.00	962.00	[ICRA] AAA (Stable)	[ICRA] AAA (Stable)	[ICRA] AAA (Stable)	[ICRA] AAA (Stable)
2	Lower Tier II Bonds	Long Term	150.00	150.00	[ICRA] AAA (Stable)	[ICRA] AAA (Stable)	[ICRA] AAA (Stable)	[ICRA] AAA (Stable)
3	Lower Tier II Bonds	Long Term	35.80	-	[ICRA] AAA (Stable) withdrawn	[ICRA] AAA (Stable)	[ICRA] AAA (Stable)	[ICRA] AAA (Stable)

Source: KMBL

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
Unutilised	Infrastructure Bonds	-	-	-	538.00	[ICRA]AAA(stable)
INE237A08908	Infrastructure Bonds	12-08-2014	9.36%	12-08-2021	262.00	[ICRA]AAA(stable)
INE237A08924	Infrastructure Bonds	14-01-2015	8.72%	14-01-2022	500.00	[ICRA]AAA(stable)
INE237A08932	Infrastructure Bonds	30-03-2015	8.45%	30-03-2022	200.00	[ICRA]AAA(stable)
INE237A08890	Lower Tier II Bonds	07-04-2011	9.31%	07-04-2021	150.00	[ICRA]AAA(stable)

Source: KMBL

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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Rating Rationale

August 01, 2018 | Mumbai

Kotak Mahindra Bank Limited

'CRISIL AA+/Stable' assigned to Perpetual Non Cumulative Preference Shares

Rating Action

Rs.500 Crore Perpetual Non Cumulative Preference Shares	**CRISIL AA+/Stable (Assigned)**
Rs.250 Crore Upper Tier-II Bonds (Under Basel II)	**CRISIL AAA/Stable (Withdrawn)**
Rs.295 Crore Lower Tier-II Bonds (Under Basel II)	**CRISIL AAA/Stable (Withdrawn)**
Rs.516 Crore Lower Tier-II Bonds (Under Basel II)*	**CRISIL AAA/Stable (Reaffirmed)**
Rs.185.8 Crore Lower Tier-II Bonds (Under Basel II)	**CRISIL AAA/Stable (Reaffirmed)**
Rs.1800 Crore Infrastructure Bonds	**CRISIL AAA/Stable (Reaffirmed)**
Fixed Deposits	**FAAA/Stable (Reaffirmed)**
Rs.17000 Crore Certificate of Deposits	**CRISIL A1+ (Reaffirmed)**

1 crore = 10 million
Refer to annexure for Details of Instruments & Bank Facilities
** Originally issued by erstwhile ING Vysya Bank*

Detailed Rationale

CRISIL has assigned its **'CRISIL AA+/Stable'** rating to the Rs 500 crore Perpetual Non-Cumulative Preference Shares of Kotak Mahindra Bank Ltd (KMBL; part of the Kotak group) and has withdrawn its rating on Rs 295 crore Lower Tier-II Bonds (under Basel II) and Rs 250 crore Upper Tier-II Bonds (under Basel II) since the outstanding against the same was nil. Ratings on the other debt instruments and fixed deposits have been reaffirmed at 'CRISIL AAA/FAAA/Stable/CRISIL A1+'.

The overall ratings continue to reflect the Kotak group's strong capitalisation, healthy asset quality, and comfortable earnings.

CRISIL's rating on the Perpetual Non-Cumulative Preference Shares (Under Basel III) of KMBL is as per the criteria ' https://www.crisil.com/content/dam/crisil/criteria_methodology/financials/BASEL III compliant instruments.pdf' As per the criteria for tier I capital (under Basel III), CRISIL evaluates the bank's (i) reserves position (adjusted for any medium-term stress in profitability) and (ii) cushion over regulatory minimum CET1 (including CCB) capital ratios. CRISIL also evaluates the bank's demonstrated track record and management philosophy regarding maintaining sufficient CET1 capital cushion above the minimum regulatory requirements. KMBL's eligible reserves to total assets remains comfortable at around 7.5% as of March 31, 2018, with adequate CET1 capital buffer of 10.2% as on March 31, 2018 (CET1 ratio of 17.53% compared to the regulatory minimum of 7.38%).

Analytical Approach

For arriving at the ratings, CRISIL has combined the financial and business risk profiles of KMBL and KMBL's other subsidiaries. This is because all the entities, collectively referred to as the Kotak group, have extensive business and operational linkages, and same senior management and brand.

Key Rating Drivers & Detailed Description

Strong capitalization: The Kotak group has maintained its strong capital position. Absolute networth increased to Rs 50,486 crore as on March 31, 2018 (Rs 52,124 crore as on June 30, 2018), from Rs 38,491 crore as on March 31, 2017. Tier-I capital adequacy ratio (CAR) and overall CAR were healthy, at 17.8% and 18.4%, respectively, as on March 31, 2018 (18.0% and 18.5%, respectively, including unaudited profits for the quarter ended as on June 30, 2018). The bank raised Rs 5,803 crore through a Qualified Institutional Placement (QIP) issuance in fiscal 2018. Networth coverage for net non-performing assets (NPAs) was also comfortable at 28.5 times as on March 31, 2018 (31.8 times as on June 30, 2018). Capitalization of the other fund-based Kotak group entities is also comfortable with the gearing of Kotak Mahindra Prime Ltd and Kotak Mahindra Investments Ltd at 5.1 times and 5.3 times, respectively, as on March 31, 2018 (4.8 times and 4.9 times as on June 30, 2018).

CRISIL believes the Kotak group's capitalisation will continue to be backed by steady internal cash accrual, and will remain strong to support growth initiatives over the medium term.

Healthy asset quality: The Kotak group has demonstrated its ability to maintain asset quality through cycles and its management is proactive in handling potential stress in the lending portfolio. While NPAs and restructured assets have increased post-merger of erstwhile ING Vysya, they remain comparable with peers in the same rating category. The group's gross NPAs were 2.0% as on March 31, 2018 (1.9% as on June 30, 2018), witnessing a decline from 2.3% as on March 31, 2017. Top wholesale advances are also of a low-risk nature. CRISIL believes the Kotak group's stringent underwriting standards, strong risk management systems and processes, and rigorous collection measures will keep asset quality healthy over the medium term.

Comfortable Earnings: The Kotak group has comfortable earnings, with return on assets (RoA) at 2.0% for fiscal 2018 (1.8%, annualized, for quarter ended June 30, 2018). RoA has improved from 1.6% in fiscal 2016 (dipped because of few merger-related one-off costs and elevated credit costs on account of the acquired portfolio). The group's business is diversified across financial services, ensuring a healthy mix of fund- and fee-based revenue streams. Over the past few years, RoA has become more aligned with lending businesses as this segment accounts for around 80% of profit after tax for fiscal 2018, thereby providing stability to earnings. Over the medium term, as the business benefits from the merger flow in and as credit costs are normalised, profitability of the lending business is expected to return to previous levels. With continued traction in the capital markets-related businesses, and steady profitability of the insurance business, outlook for the Kotak group's earnings profile remains comfortable.

Outlook: Stable

CRISIL believes the Kotak group will report steady growth in its lending business, while maintaining healthy asset quality and strong capitalisation, over the medium term. Earnings will continue to benefit from diversified business risk profile. The outlook may be revised to 'Negative' if the group's asset quality weakens, resulting in decline in earnings and capitalisation.

About the Group

KMBL is the flagship company of the Kotak group and has diversified operations covering commercial vehicle financing, consumer loans, corporate finance, and asset reconstruction. Through its subsidiaries, the bank is engaged in investment banking, equity broking, securities-based lending, and car finance. KMBL was reconstituted as a commercial bank from a non-banking financial company (NBFC) in fiscal 2003 to provide a more comprehensive range of financial services. Effective April 1, 2015, ING Vysya Bank was merged with KMBL and the integration process has been completed.

Other than KMBL, the key operating companies of the Kotak group are Kotak Mahindra Prime Ltd (car financing), Kotak Mahindra Capital Company (investment banking), Kotak Securities Ltd (retail and institutional equities broking, and portfolio management services), Kotak Mahindra Investments Ltd (commercial real estate lending and securities-based lending) and Kotak Investment Advisors Ltd (alternate assets space). The group also operates in the life and general insurance business through Kotak Mahindra Life Insurance Company Ltd and Kotak Mahindra General Insurance Company Ltd. It is also present in the asset management business through Kotak Mahindra AMC and Trustee Company Ltd, and recently launched Kotak Infrastructure Debt Fund. The acquisition of BSS Microfinance Ltd (formerly known as BSS Microfinance Pvt. Ltd.), a NBFC-MFI, was completed during the quarter ended September 30, 2017.

The Kotak group's profit after tax (PAT) was Rs 6,201 crore on total income of Rs 38,724 crore (excluding sub-brokerage) for fiscal 2018, against Rs 4,940 crore and Rs 33,905 crore (excluding sub-brokerage), respectively, for fiscal 2017. For the quarter ended June 30, 2018, the group reported a PAT of Rs 1,574 crore on total income of Rs 9,904 crore (excluding sub-brokerage), against Rs 1,347 crore and Rs 8,605 crore (excluding sub-brokerage) for the corresponding period last fiscal.

Key Financial Indicators

As on / for the quarter ended June 30	Unit	2018	2017
Total Assets	Rs crore	3,45,021	2,90,178
Total income	Rs crore	9,904	8,605
Profit after tax	Rs crore	1,574	1,347
Gross NPA	%	1.9	2.2
Overall capital adequacy ratio (including unaudited profits)	%	18.5	19.5
Return on assets (annualized)	%	1.8	1.9

Any other information

Key features of Kotak Mahindra Bank's Rs 500 crore Perpetual Non-Cumulative Preference Shares (under Basel III)

- The preference shares are non-convertible, perpetual, unsecured, and Basel III-compliant for inclusion in Tier I capital.
- Coupon payments shall be annual and non-cumulative.
- The bank has full discretion at all times to cancel coupon payments.
- The coupon is to be paid out of current-year profits. However, if current-year profits are insufficient, and payment of coupon may result in losses during the year, coupon payment can be made out of eligible reserves (subject to the bank meeting minimum regulatory requirements for CET-I, Tier-I, and total capital ratios at all times as prescribed by RBI, and subject to requirements of capital buffer frameworks, or credit balance in profit and loss account).
- Dividend stopper clause as defined in the guidelines is applicable.
- Loss-absorption features as per RBI's BASEL-III norms are applicable.
    - Instrument will be temporarily written-down upon CET I breaching the pre-specified trigger of 5.5% before March 31, 2019, and 6.125% on or after March 31, 2019.
    - The instrument may be permanently written off at the option of RBI on occurrence of point of non-viability (PONV) trigger.
    - The PONV trigger shall be determined by RBI.

Note on complexity levels of the rated instrument:
CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Note on Tier-I Instruments (Under Basel III)

The distinguishing features of non-equity Tier-I capital instruments (under Basel III) are the existence of coupon discreti at all times, high capital thresholds for likely coupon non-payment, and principal write-down (on breach of a pre-specifie trigger). These features increase the risk attributes of non-equity Tier-I instruments over those of Tier-II instruments und Basel III, and capital instruments under Basel II. To factor in these risks, CRISIL notches down the rating on these instruments from the bank's corporate credit rating. The rating on the bank's tier-I Bonds (under Basel III) is lower by or notch from the bank's corporate credit rating, in line with CRISIL's criteria (refer to 'CRISIL's rating criteria for Basel III-compliant instruments of banks').

The factors that could trigger a default event for non-equity Tier-I capital instruments (under Basel III), resulting in non-payment of coupon, include: i) the bank exercising coupon discretion, ii) inadequacy of eligible reserves to honour coup payment if the bank reports low profit or a loss, or iii) the bank breaching the minimum regulatory common equity Tier ((I, including counter cyclical buffer, ratio. Moreover, given their additional risk attributes, the rating transition for non-equ Tier-I capital instruments (under Basel III) can potentially be higher than that for Tier-II instruments

Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Cr)	Outstanding ra with Outlool
INE166A08016	Lower Tier II bonds*#	15-Jul-08	10.40%	14-Jul-18	150.00	CRISIL AAA/Sta
INE166A08024	Lower Tier II bonds*	31-Jan-09	9.65%	30-Jan-19	60.00	CRISIL AAA/Sta
INE166A08032	Lower Tier II bonds*	14-Dec-12	9.9%	14-Dec-22	306.00	CRISIL AAA/Sta
INE237A08866	Lower Tier II bonds#	9-Jul-07	10.25%	9-May-18	10.80	CRISIL AAA/Sta
INE237A08890	Lower Tier II bonds	7-Apr-11	9.31%	7-Apr-21	150.00	CRISIL AAA/Sta
INE237A09153	Lower Tier II bonds#	9-Jul-07	10.25%	9-May-18	25.00	CRISIL AAA/Sta
INE237A08908	Infrastructure Bonds	12-Aug-14	9.36%	12-Aug-21	262.00	CRISIL AAA/Sta
INE237A08924	Infrastructure Bonds	14-Jan-15	8.72%	14-Jan-22	500.00	CRISIL AAA/Sta
INE237A08932	Infrastructure Bonds	30-Mar-15	8.45%	30-Mar-22	200.00	CRISIL AAA/Sta
NA	Infrastructure Bonds**	NA	NA	NA	838.00	CRISIL AAA/Sta
NA	Perpetual Non-Cumulative Preference Shares**	NA	NA	NA	500	CRISIL AA+/Sta
NA	Fixed Deposits	NA	NA	NA	NA	FAAA/Stable
NA	Certificate of Deposits	NA	NA	NA	17000	CRISIL A1+

**Originally issued by erstwhile ING Vysya Bank*
***Not yet issued*
#Awaiting independent confirmation of redemption before withdrawing ratings on these facility

Annexure - Rating History for last 3 Years

	Current			2018 (History)		2017		2016		2015		Sta 20
Instrument	**Type**	**Outstanding Amount**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Ra**
Certificate of Deposits	ST	17000.00	CRISIL A1+			27-11-17	CRISIL A1+	28-11-16	CRISIL A1+	21-08-15	CRISIL A1+	CR A
										13-01-15	CRISIL A1+	
Fixed Deposits	FD	0.00	FAAA/Stable			27-11-17	FAAA/Stable	28-11-16	FAAA/Stable	21-08-15	FAAA/Stable	FAA b
										13-01-15	FAAA/Stable	
Infrastructure Bonds	LT	962.00 31-03-18	CRISIL AAA/Stable			27-11-17	CRISIL AAA/Stable	28-11-16	CRISIL AAA/Stable	21-08-15	CRISIL AAA/Stable	CR AAA
										13-01-15	CRISIL AAA/Stable	
Lower Tier-II Bonds (under Basel II)	LT	0.00 31-03-18	CRISIL AAA/Stable			27-11-17	CRISIL AAA/Stable	28-11-16	CRISIL AAA/Stable	21-08-15	CRISIL AAA/Stable	CR AAA
										13-01-15	CRISIL AAA/Stable	
Perpetual Non Cumulative Preference Shares	LT	500.00	CRISIL AA+/Stable		--		--		--		--	
Upper Tier-II Bonds (under Basel II)	LT	0.00 31-03-18	Withdrawal			27-11-17	CRISIL AAA/Stable	28-11-16	CRISIL AAA/Stable	21-08-15	CRISIL AAA/Stable	CR AAA
										13-01-15	CRISIL AAA/Stable	

All amounts are in Rs.Cr.

Links to related criteria

[Rating Criteria for Banks and Financial Institutions]

[CRISILs Criteria for Consolidation]

[CRISILs Criteria for rating short term debt]

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