



**KOTAK MAHINDRA BANK LIMITED (STANDALONE)**

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

**STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> MARCH, 2017**

₹ crore

Sr No	Particulars	Quarter ended			Year ended	
		31-Mar-17 (Audited) Refer Note 2	31-Dec-16 (Unaudited)	31-Mar-16 (Audited) Refer Note 2	31-Mar-17 (Audited)	31-Mar-16 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>4,432.00</b>	<b>4,467.61</b>	<b>4,265.41</b>	<b>17,698.93</b>	<b>16,384.19</b>
	(a) Interest/discount on advances/ bills	3,367.62	3,403.06	3,205.57	13,402.10	12,470.37
	(b) Income on investments	848.16	937.86	925.45	3,681.04	3,456.01
	(c) Interest on balances with RBI & other interbank funds	138.58	31.80	44.50	218.32	92.91
	(d) Others	77.64	94.89	89.89	397.47	364.90
2	<b>Other income (Refer Note 3)</b>	<b>1,002.65</b>	<b>910.22</b>	<b>681.91</b>	<b>3,477.16</b>	<b>2,612.23</b>
3	<b>Total income (1+2)</b>	<b>5,434.65</b>	<b>5,377.83</b>	<b>4,947.32</b>	<b>21,176.09</b>	<b>18,996.42</b>
4	Interest expended	2,270.63	2,417.29	2,408.17	9,572.78	9,483.81
5	<b>Operating expenses (a+b)</b>	<b>1,462.02</b>	<b>1,432.84</b>	<b>1,345.00</b>	<b>5,618.50</b>	<b>5,471.52</b>
	(a) Employee cost	680.61	697.40	634.03	2,744.64	2,803.98
	(b) Other operating expenses	781.41	735.44	710.97	2,873.86	2,667.54
6	<b>Total expenditure (4+5) (excluding provisions &amp; contingencies)</b>	<b>3,732.65</b>	<b>3,850.13</b>	<b>3,753.17</b>	<b>15,191.28</b>	<b>14,955.33</b>
7	<b>Operating profit (3-6) (Profit before provisions and contingencies)</b>	<b>1,702.00</b>	<b>1,527.70</b>	<b>1,194.15</b>	<b>5,984.81</b>	<b>4,041.09</b>
8	Provisions (other than tax) and contingencies (Refer Note 4)	267.37	192.10	200.41	836.74	917.37
9	Exceptional items	-	-	-	-	-
10	<b>Profit from ordinary activities before tax (7-8-9)</b>	<b>1,434.63</b>	<b>1,335.60</b>	<b>993.74</b>	<b>5,148.07</b>	<b>3,123.72</b>
11	Tax expense	458.15	455.84	297.96	1,736.57	1,033.94
12	<b>Net Profit from ordinary activities after tax (10-11)</b>	<b>976.48</b>	<b>879.76</b>	<b>695.78</b>	<b>3,411.50</b>	<b>2,089.78</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-
14	<b>Net Profit (12-13)</b>	<b>976.48</b>	<b>879.76</b>	<b>695.78</b>	<b>3,411.50</b>	<b>2,089.78</b>
15	<b>Paid up equity share capital - (of Face Value ₹ 5 per share)</b>	<b>920.45</b>	<b>919.63</b>	<b>917.19</b>	<b>920.45</b>	<b>917.19</b>
16	<b>Reserves (excluding revaluation reserves)</b>				<b>26,695.62</b>	<b>23,041.87</b>
17	<b>Analytical Ratios</b>					
	(i) Percentage of shares held by Government of India	-	-	-	-	-
	(ii) Capital adequacy ratio – Basel III	16.77	15.99	16.34	16.77	16.34
	(iii) Earnings per share					
	- Basic (not annualised) ₹	5.31	4.79	3.80	18.57	11.42
	- Diluted (not annualised) ₹	5.30	4.78	3.79	18.55	11.40
	(iv) NPA Ratios					
	a) Gross NPA	3,578.61	3,177.88	2,838.11	3,578.61	2,838.11
	b) Net NPA	1,718.07	1,379.07	1,261.96	1,718.07	1,261.96
	c) % of Gross NPA to Gross Advances	2.59	2.42	2.36	2.59	2.36
	d) % of Net NPA to Net Advances	1.26	1.07	1.06	1.26	1.06
	(v) Return on Assets (average) – not annualised	0.47	0.44	0.37	1.73	1.19

## 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.

		Quarter ended			Year ended	
		31-Mar-17 (Audited) Refer Note 2	31-Dec-16 (Unaudited)	31-Mar-16 (Audited) Refer Note 2	31-Mar-17 (Audited)	31-Mar-16 (Audited)
<b>1</b>	<b>Segment Revenue</b>					
	a. Corporate/ Wholesale Banking	2,159.99	2,111.36	1,906.83	8,285.12	6,825.36
	b. Retail Banking	2,683.67	2,648.43	2,300.58	10,274.57	9,345.42
	c. Treasury, BMU and Corporate Centre	1,283.09	1,284.19	1,153.31	5,108.61	4,424.45
	<b>Sub-total</b>	<b>6,126.75</b>	<b>6,043.98</b>	<b>5,360.72</b>	<b>23,668.30</b>	<b>20,595.23</b>
	Less: Inter-segmental revenue	692.10	666.15	413.40	2,492.21	1,598.81
	<b>Total</b>	<b>5,434.65</b>	<b>5,377.83</b>	<b>4,947.32</b>	<b>21,176.09</b>	<b>18,996.42</b>
<b>2</b>	<b>Segment Results</b>					
	a. Corporate/ Wholesale Banking	737.61	711.27	584.49	2,670.37	2,030.39
	b. Retail Banking	357.82	322.09	259.93	1,194.72	916.60
	c. Treasury, BMU and Corporate Centre	339.20	302.24	149.32	1,282.98	176.73
	<b>Total Profit Before Tax</b>	<b>1,434.63</b>	<b>1,335.60</b>	<b>993.74</b>	<b>5,148.07</b>	<b>3,123.72</b>
<b>3</b>	<b>Segment Assets</b>					
	a. Corporate / Wholesale Banking	80,202.99	77,728.74	66,331.50	80,202.99	66,331.50
	b. Retail Banking	122,665.94	122,114.38	119,417.46	122,665.94	119,417.46
	c. Treasury, BMU and Corporate Centre	77,136.64	68,930.96	71,791.18	77,136.64	71,791.18
	d. Other Banking business	-	-	-	-	-
	<b>Sub-total</b>	<b>280,005.57</b>	<b>268,774.08</b>	<b>257,540.14</b>	<b>280,005.57</b>	<b>257,540.14</b>
	Less : Inter-segmental Assets	65,663.21	67,224.73	65,811.46	65,663.21	65,811.46
	<b>Total</b>	<b>214,342.36</b>	<b>201,549.35</b>	<b>191,728.68</b>	<b>214,342.36</b>	<b>191,728.68</b>
	Add : Unallocated Assets	247.60	236.54	531.11	247.60	531.11
	<b>Total Assets as per Balance Sheet</b>	<b>214,589.96</b>	<b>201,785.89</b>	<b>192,259.79</b>	<b>214,589.96</b>	<b>192,259.79</b>
<b>4</b>	<b>Segment Liabilities</b>					
	a. Corporate / Wholesale Banking	69,800.85	68,064.22	56,139.58	69,800.85	56,139.58
	b. Retail Banking	114,071.16	113,877.40	109,222.85	114,071.16	109,222.85
	c. Treasury, BMU and Corporate Centre	68,741.82	60,498.83	68,635.96	68,741.82	68,635.96
	d. Other Banking business	-	-	-	-	-
	<b>Sub-total</b>	<b>252,613.83</b>	<b>242,440.45</b>	<b>233,998.39</b>	<b>252,613.83</b>	<b>233,998.39</b>
	Less : Inter-segmental Liabilities	65,663.21	67,224.73	65,811.46	65,663.21	65,811.46
	<b>Total</b>	<b>186,950.62</b>	<b>175,215.72</b>	<b>168,186.93</b>	<b>186,950.62</b>	<b>168,186.93</b>
	Add : Unallocated liabilities	23.27	2.44	113.80	23.27	113.80
	Add : Share Capital & Reserves & surplus	27,616.07	26,567.73	23,959.06	27,616.07	23,959.06
	<b>Total Liabilities as per Balance Sheet</b>	<b>214,589.96</b>	<b>201,785.89</b>	<b>192,259.79</b>	<b>214,589.96</b>	<b>192,259.79</b>

## NOTES:

- The above results were reviewed at the meeting of the Audit Committee of the Board and approved at the meeting of the Board of Directors held on 27<sup>th</sup> April, 2017. The results for the quarter and year ended 31<sup>st</sup> March, 2017 are subjected to audit by the statutory auditors of the Bank and there are no qualifications in the Auditor's Report. The information presented above is extracted from the audited financial statements.
- The figures of the last quarter in each of the year are balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures up to the third quarter of the respective financial year.

3. 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.
4. 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:

Particulars	Quarter ended			Year ended	
	31-Mar-17 (Audited) Refer Note 2	31-Dec-16 (Unaudited)	31-Mar-16 (Audited) Refer Note 2	31-Mar-17 (Audited)	31-Mar-16 (Audited)
Provision towards advances / Others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures)	251.92	136.95	170.39	697.50	781.05
Provision / (write back of provisions) towards investments (net)	15.45	55.15	30.02	139.24	136.32
<b>Total provisions (other than Tax) and contingencies</b>	<b>267.37</b>	<b>192.10</b>	<b>200.41</b>	<b>836.74</b>	<b>917.37</b>

₹ crore

5. During the quarter, the Bank has granted 250,000 options under employee stock option scheme. Stock options aggregating to 1,636,060 were exercised during the quarter and 8,663,925 stock options were outstanding with employees of the Bank and its subsidiaries as at 31<sup>st</sup> March, 2017.
6. RBI circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated 1<sup>st</sup> July, 2015 on 'Basel III Capital Regulations' read together with the RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31<sup>st</sup> 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: <http://ir.kotak.com/financials/regulatory-disclosure-section>. These disclosures have not been subjected to audit or limited review.
7. The Board of Directors of the Bank have proposed a dividend of ₹ 0.60 per share having face value ₹ 5 for the year ended 31<sup>st</sup> March, 2017 (Previous Year ₹ 0.50 per share having face value ₹ 5). The Bank is obliged to pay dividend to those shareholders whose names are appearing in the register of members as on the book closure date. The dividend will be paid after the approval of shareholders at the Annual General Meeting. 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), effective from 1st 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, as at the balance sheet date, its surplus in Profit and Loss Account would have been lower by ₹ 132.94 crore and Other Liabilities would have been higher by ₹ 132.94 crore ( including dividend distribution tax of ₹ 22.49 crore). There has been no other change in significant accounting policies during the year ended 31<sup>st</sup> March 2017.

8. The summarized standalone Balance Sheet of the Bank is given below:

₹ crore		
Summarised Balance Sheet	As at 31 <sup>st</sup> March 2017 (Audited)	As at 31 <sup>st</sup> March 2016 (Audited)
<b>CAPITAL AND LIABILITIES</b>		
Capital	920.45	917.19
Reserves and Surplus	26,695.62	23,041.87
Employees' Stock Options (Grants) Outstanding	1.87	3.41
Deposits	157,425.86	138,643.02
Borrowings	21,095.48	20,975.34
Other Liabilities and Provisions	8,450.68	8,678.96
<b>TOTAL</b>	<b>214,589.96</b>	<b>192,259.79</b>
<b>ASSETS</b>		
Cash and balances with Reserve Bank of India	7,492.43	6,903.43
Balances with Banks and Money at Call and Short Notice	15,079.58	3,976.28
Investments	45,074.19	51,260.22
Advances	136,082.13	118,665.30
Fixed Assets	1,537.63	1,551.59
Other Assets	9,324.00	9,902.97
<b>TOTAL</b>	<b>214,589.96</b>	<b>192,259.79</b>

9. Figures for the previous periods / year have been regrouped wherever necessary to conform to current period's presentation.

By order of the Board of Directors  
For Kotak Mahindra Bank Limited

Mumbai, 27<sup>th</sup> April, 2017

**Dipak Gupta**  
Joint Managing Director

**KOTAK MAHINDRA BANK LIMITED (CONSOLIDATED)**

Registered Office: 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

**CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> MARCH, 2017**

₹ crore

Sr No	Particulars	Quarter Ended			Year Ended	
		31-Mar-17 (Audited) Refer Note 3	31-Dec-16 (Unaudited)	31-Mar-16 (Unaudited)	31-Mar-17 (Audited)	31-Mar-16 (Audited)
1	<b>Interest earned (a+b+c+d)</b>	<b>5,654.76</b>	<b>5,666.07</b>	<b>5,317.46</b>	<b>22,324.21</b>	<b>20,401.64</b>
	(a) Interest/discount on advances/bills	4,194.24	4,228.47	3,978.38	16,619.84	15,412.37
	(b) Income on investments	1,162.57	1,239.36	1,178.10	4,855.36	4,408.28
	(c) Interest on balances with RBI & other interbank funds	181.17	62.68	55.68	307.87	132.05
	(d) Others	116.78	135.56	105.30	541.14	448.94
2	<b>Other income (a+b+c)</b>	<b>4,298.81</b>	<b>2,003.97</b>	<b>2,592.95</b>	<b>11,581.23</b>	<b>7,572.88</b>
	(a) Profit/(Loss) on sale of investments including revaluation (insurance business)	735.24	(340.80)	(57.37)	1,475.16	(245.13)
	(b) Premium on Insurance Business	2,138.03	1,098.51	1,637.14	5,137.77	3,911.29
	(c) Other income (Refer Notes 4, 5 & 6)	1,425.54	1,246.26	1,013.18	4,968.30	3,906.72
3	<b>Total income (1+2)</b>	<b>9,953.57</b>	<b>7,670.04</b>	<b>7,910.41</b>	<b>33,905.44</b>	<b>27,974.52</b>
4	Interest expended	2,765.05	2,919.02	2,850.52	11,457.51	11,122.97
5	<b>Operating expenses (a+b+c)</b>	<b>4,822.86</b>	<b>2,671.81</b>	<b>3,348.83</b>	<b>14,167.08</b>	<b>10,836.25</b>
	(a) Employees cost	1,023.47	993.61	926.68	3,982.31	3,854.05
	(b) Policy holders' reserves, surrender expense and claims	2,587.66	631.29	1,348.47	6,020.15	3,174.65
	(c) Other operating expenses (Refer Note 5 and 7)	1,211.73	1,046.91	1,073.68	4,164.62	3,807.55
6	<b>Total expenditure (4+5) (excluding provisions and contingencies)</b>	<b>7,587.91</b>	<b>5,590.83</b>	<b>6,199.35</b>	<b>25,624.59</b>	<b>21,959.22</b>
7	<b>Operating Profit (3-6) (Profit before provisions and contingencies)</b>	<b>2,365.66</b>	<b>2,079.21</b>	<b>1,711.06</b>	<b>8,280.85</b>	<b>6,015.30</b>
8	Provisions (other than tax) and contingencies (Refer Note 8)	299.61	217.81	211.98	948.92	991.56
9	Exceptional items	-	-	-	-	-
10	<b>Profit from ordinary activities before tax (7-8-9)</b>	<b>2,066.05</b>	<b>1,861.40</b>	<b>1,499.08</b>	<b>7,331.93</b>	<b>5,023.74</b>
11	Tax expense	644.67	611.46	442.49	2,382.85	1,592.62
12	<b>Net Profit from ordinary activities after tax before Minority Interest (10-11)</b>	<b>1,421.38</b>	<b>1,249.94</b>	<b>1,056.59</b>	<b>4,949.08</b>	<b>3,431.12</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-
14	<b>Net Profit from ordinary activities after tax before Minority Interest (12-13)</b>	<b>1,421.38</b>	<b>1,249.94</b>	<b>1,056.59</b>	<b>4,949.08</b>	<b>3,431.12</b>
15	Less: Share of Minority Interest	26.34	17.62	19.93	78.83	65.19
16	Add: Share in profit of associates	9.30	34.27	18.57	70.18	92.92
17	<b>Profit after tax (14-15+16)</b>	<b>1,404.34</b>	<b>1,266.59</b>	<b>1,055.23</b>	<b>4,940.43</b>	<b>3,458.85</b>
18	<b>Paid up equity share capital - (Face value of ₹ 5 per share)</b>	<b>920.45</b>	<b>919.63</b>	<b>917.19</b>	<b>920.45</b>	<b>917.19</b>
19	Group Reserves (excluding Minority Interest and revaluation reserves)				37,570.39	32,443.45
20	Minority Interest				474.43	395.60

Sr No	Particulars	Quarter Ended			Year Ended	
		31-Mar-17 (Audited) Refer Note 3	31-Dec-16 (Unaudited)	31-Mar-16 (Unaudited)	31-Mar-17 (Audited)	31-Mar-16 (Audited)
21	<b>Analytical Ratios</b>					
	(i) Capital adequacy ratio – Basel III (standalone)	16.77	15.99	16.34	16.77	16.34
	(ii) Earnings per share					
	- Basic (not annualised) ₹	7.63	6.89	5.76	26.89	18.91
	- Diluted (not annualised) ₹	7.62	6.88	5.74	26.86	18.87
	(iii) NPA Ratios (unaudited)					
	(a) Gross NPA	3,803.92	3,367.67	3,016.55	3,803.92	3,016.55
	(b) Net NPA	1,814.23	1,450.43	1,353.03	1,814.23	1,353.03
	(c) % of Gross NPA to Gross Advances	2.25	2.11	2.06	2.25	2.06
	(d) % of Net NPA to Net Advances	1.09	0.92	0.93	1.09	0.93
	(iv) Return on Average Assets (not annualised) (unaudited)	0.52	0.50	0.45	1.95	1.55

**NOTES:**

- 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 Statement” specified under section 133 of the Companies Act, 2013, read with Paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
- The above results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 27<sup>th</sup> April, 2017. The consolidated results for the year ended 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2016 are subjected to audit by the statutory auditors and there are no qualifications in the Auditor’s Report. The results for quarter ended 31<sup>st</sup> December, 2016 have been subjected to limited review by Statutory Auditors whereas results for quarter ended 31<sup>st</sup> March 2016 have not been subjected to limited review.
- The figures of the last quarter in each of the year are balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures up to the third quarter of the respective financial year.
- Details of other income forming part of the consolidated results are as follows:

**₹ crore**

Particulars	Quarter Ended			Year Ended	
	31-Mar-17 (Audited) Refer Note 3	31-Dec-16 (Unaudited)	31-Mar-16 (Unaudited)	31-Mar-17 (Audited)	31-Mar-16 (Audited)
Commission, fees, exchange, brokerage and others	1,301.63	1,094.77	950.57	4,343.26	3,514.93
Profit on sale of investments (other than insurance business)	123.91	151.49	62.61	625.04	391.79
<b>Total – Other income</b>	<b>1,425.54</b>	<b>1,246.26</b>	<b>1,013.18</b>	<b>4,968.30</b>	<b>3,906.72</b>

5. Other income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 21.79 crore for the quarter ended 31<sup>st</sup> March, 2017 and for the year ended 31<sup>st</sup> March, 2017 ₹ 78.33 crore (for the quarter ended 31<sup>st</sup> December, 2016 ₹ 19.01 crore, quarter ended 31<sup>st</sup> March, 2016 ₹ 12.46 crore, for the year ended 31<sup>st</sup> March, 2016 ₹ 57.84 crore).
6. 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.
7. Details of other expenditure forming part of consolidated results are as follows:

₹ crore

Particulars	Quarter Ended			Year Ended	
	31-Mar-17 (Audited) Refer Note 3	31-Dec-16 (Unaudited)	31-Mar-16 (Unaudited)	31-Mar-17 (Audited)	31-Mar-16 (Audited)
Brokerage	178.36	112.95	142.96	485.72	403.20
Depreciation	91.54	93.08	88.17	362.21	344.51
Rent, taxes and lighting	156.48	151.45	138.64	616.29	588.14
Others	785.35	689.43	703.91	2,700.40	2,471.70
<b>Total – Other operating expenses</b>	<b>1,211.73</b>	<b>1,046.91</b>	<b>1,073.68</b>	<b>4,164.62</b>	<b>3,807.55</b>

8. 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:

₹ crore

Particulars	Quarter Ended			Year Ended	
	31-Mar-17 (Audited) Refer Note 3	31-Dec-16 (Unaudited)	31-Mar-16 (Unaudited)	31-Mar-17 (Audited)	31-Mar-16 (Audited)
Provision towards advances / others (including provisions for exposures to entities with Unhedged Foreign Currency Exposures) (net)	287.48	153.54	185.03	797.39	851.59
Provision / (Write back of provisions) towards investments (net)	12.13	64.27	26.95	151.53	139.97
<b>Total – provisions (other than tax) and contingencies</b>	<b>299.61</b>	<b>217.81</b>	<b>211.98</b>	<b>948.92</b>	<b>991.56</b>

9. 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 31<sup>st</sup> 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: <http://ir.kotak.com/financials/regulatory-disclosure-section>. These disclosures have not been subjected to audit or limited review.

10. In accordance with 'Guidance Note on Accounting for Derivative Contracts' issued by the Institute of Chartered Accountants of India effective from 1<sup>st</sup> April, 2016, the Subsidiaries and Associates have changed their accounting policy to recognise all mark-to-market gains or losses on derivative contracts in the Profit and Loss Account. Earlier mark-to-market gains or losses on derivative contracts were determined on a portfolio basis with net unrealised losses being recognised and the net unrealised gains ignored on grounds of prudence as enunciated in Accounting Standard – 1 (AS-1) 'Disclosure of Accounting Policies'. The impact of the above change in accounting policy is recognised in the opening reserves to the extent of ₹ 0.89 crore (net of tax). Had the Group followed the earlier method, the profit after tax for year ended 31<sup>st</sup> March, 2017 would have been lower by ₹ 2.71 crore.
11. As per AS 4 (Revised), effective from 1<sup>st</sup> April, 2016, the Group is not required to provide for dividend proposed / declared after the balance sheet date. Had the Group continued with creation of provision for proposed dividend, as at balance sheet date, its surplus in Profit and Loss Account would have been lower by ₹ 132.94 crore and Other Liabilities would have been higher by ₹ 132.94 crore (including dividend distribution tax of ₹ 22.49 crore).
12. There has been no change in significant accounting policies during the year ended 31<sup>st</sup> March, 2017 other than those mentioned above.
13. The summarised consolidated Balance Sheet of the Bank is given below:

<b>₹ crore</b>		
<b>Summarised Audited Balance Sheet</b>	<b>As at 31<sup>st</sup> March 2017</b>	<b>As at 31<sup>st</sup> March 2016</b>
<b>CAPITAL AND LIABILITIES</b>		
Capital	920.45	917.19
Reserves and Surplus	37,570.39	32,443.45
Minority Interest	474.43	395.60
Employees' Stock Options (Grants) Outstanding	1.87	3.41
Deposits	155,540.00	135,948.76
Borrowings	49,689.91	43,729.79
Policyholder's Funds	18,792.88	15,148.28
Other Liabilities and Provisions	13,197.63	12,217.10
<b>TOTAL</b>	<b>276,187.56</b>	<b>240,803.58</b>
<b>ASSETS</b>		
Cash and balances with Reserve Bank Of India	7,512.23	6,924.90
Balances with Banks and Money at Call and Short Notice	18,076.32	4,674.51
Investments	68,461.54	70,273.90
Advances	167,124.91	144,792.82
Fixed Assets	1,755.20	1,757.60
Other Assets	13,257.36	12,379.85
<b>TOTAL</b>	<b>276,187.56</b>	<b>240,803.58</b>





Figures for the previous periods / year have been regrouped wherever necessary to conform to current period's / year's presentation.

By order of the Board of Directors  
**For Kotak Mahindra Bank Limited**

**Mumbai, 27<sup>th</sup> April, 2017**

**Dipak Gupta**  
Joint Managing Director