

# Notice

**NOTICE** is hereby given that the Thirtieth Annual General Meeting of Kotak Mahindra Bank Limited will be held on Monday, 29th June 2015, at 11.30 a.m. at Y. B. Chavan Auditorium, Chavan Centre, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai - 400 021, to transact the following business:

1. To consider and adopt the audited financial statements of the Bank for the year ended 31st March 2015, together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Dr. Shankar Acharya (DIN:00033242) who retires by rotation and, being eligible, offers himself for re-appointment.
3. To declare dividend on equity shares.

## **SPECIAL BUSINESS:**

4. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED that pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, the Banking Regulation Act, 1949 and subject to the approvals/consents/permissions/ sanctions as may be necessary from the concerned regulatory/statutory authority(ies), S. R. Batliboi & Co. LLP, Chartered Accountants (Registration No. 301003E) be and are hereby appointed Auditors of the Bank, in place of retiring Auditors M/s. S. B. Billimoria & Co., Chartered Accountants, to hold office from the conclusion of the Thirtieth Annual General Meeting until the conclusion of the Thirty fourth Annual General Meeting of the Bank, subject to the approval of Reserve Bank of India each year and ratification at every annual general meeting and that their remuneration be fixed annually by the Audit Committee of the Board of Directors of the Bank.

"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."

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that Mr. Mark Edwin Newman, (DIN:03518417) who was appointed as an Additional Director of the Bank with effect from 5th May 2015, pursuant to the provisions of Section 161 of the Companies Act, 2013, ("the Act") and who holds office up to the date of this Annual General Meeting and in respect of whom the Bank has received a notice from a member proposing his candidature for the office of Director under Section 160 of the Act, be and is hereby appointed a Director of the Bank.

"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."

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to Section 197 and other applicable provisions of the Companies Act, 2013, Section 35-B and other applicable provisions, if any, of the Banking Regulation Act, 1949 and subject to the approvals, as may be necessary from the Government of India, the Reserve Bank of India and other concerned authorities or bodies and subject to conditions as may be prescribed by any of them while granting such approvals, the approval of the members of the Bank be and is hereby accorded for the re-appointment of Dr. Shankar Acharya (DIN: 00033242) as the part-time Chairman of the Bank on the terms of remuneration to be fixed by the Board of Directors of the Bank, on an annual basis such that the remuneration does not exceed ₹ 30 lakh per annum at any given time.

"RESOLVED FURTHER that the Board be and is hereby authorised to do all such acts, deeds and things and to execute any agreements, documents or instructions as may be required to give effect to this Resolution."

7. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

"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 ₹ 50,000 crore (Rupees Fifty 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.”

8. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 61 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Authorized Share Capital of the Bank be altered and increased from the present ₹ 900,00,00,000 (Rupees Nine Hundred Crore Only) consisting of 180,00,00,000 (One Hundred and Eighty Crore) Equity Shares of ₹ 5 (Rupees Five Only) each to ₹ 1500,00,00,000 (Rupees One Thousand Five Hundred Crore Only) divided into 300,00,00,000 (Three Hundred Crore) Equity Shares of ₹ 5 (Rupees Five Only) each.

“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.”

9. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

“RESOLVED that, pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and such approvals as may be necessary, the existing Clause V of the Memorandum of Association of the Bank relating to the Share Capital be substituted with the following clause:

‘V. The authorised share capital of the Company is ₹ 1500,00,00,000 (Rupees One Thousand Five Hundred Crore Only) divided into 300,00,00,000 (Three Hundred Crore) Equity Shares of ₹ 5 (Rupees Five Only) each. The Company has power from time to time to increase or reduce or cancel its capital and to attach thereto respectively such preferential, cumulative, convertible, guarantee, qualified or other special rights, privilege, condition or restriction, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such right, privilege or condition or restriction in such manner as may for the time being be permitted by the Articles of Association or the legislative provisions for the time being in force in that behalf.

Provided however, that the subscribed capital of the Company shall not be less than one-half of the authorized capital and the paid-up capital, if not the same as the subscribed capital, shall not be less than one-half of the subscribed capital and that, if the capital is so increased, the Company shall comply with the conditions prescribed, within such period not exceeding two years as the Reserve Bank of India may allow.

“AND RESOLVED FURTHER that any Director or the Secretary of the Bank be and is hereby authorised to do all such acts, deeds and things as may be necessary and incidental to give effect to the aforesaid Resolution.”

10. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 63 and other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Share Capital & Debentures) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the relevant provisions of the Memorandum and Articles of Association of the Bank and the recommendation of the Board of Directors of the Bank and subject to the regulations and guidelines for bonus shares issued by the Securities and Exchange Board of India and the Reserve Bank of India (as amended from time to time), as applicable, and such permissions, sanctions and approvals as may be required in this regard, consent of the Members be and is hereby accorded to the Board of Directors of the Bank (hereinafter to be referred to as “the Board” which term shall include any Committee which the Board of Directors of the Bank may have constituted or may thereafter constitute and delegated with the powers necessary for the purpose) for capitalization of such amount standing to the credit of the Securities Premium Account/General Reserves/Capital Reserves or any other Reserve or Accumulated Profits as per the Audited Accounts for the financial year ended 31st March 2015, available for the purpose of capitalization, as may be considered necessary by the Board for issuance of bonus shares of ₹ 5 (Rupees five only) each, credited as fully paid-up shares to the holders of the existing equity shares of the Bank whose names appear on the Register of Members of the Bank/List of Beneficial Owners, as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on such date as may be hereafter fixed by the Board in that behalf (hereinafter referred to as “the Record Date”) in the proportion of 1 (One) equity share for every 1 (One) equity share held by such persons on the Record Date.

“RESOLVED FURTHER that the issue and allotment of the bonus shares to Non-Resident shareholders of the Bank shall be subject, if required, to the approval of the Reserve Bank of India under the provisions of Foreign Exchange Management Act, 1999 and rules and regulations made thereunder.

"RESOLVED FURTHER that the bonus shares so issued and allotted pursuant to this Resolution shall rank in all respects pari passu with the existing fully paid equity shares of the Bank.

"RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters or things as it may in its absolute discretion deem necessary, expedient, usual or proper including giving directions to settle any question or difficulty that may arise with regard to the issue and distribution of the bonus shares as it may think fit."

11. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof, for the time being in force), the alteration of the Articles of Association of the Bank in the form and manner as per the draft placed at the Meeting be and are hereby approved.

"AND RESOLVED FURTHER that any Director or the Company Secretary of the Bank be and is hereby authorised to do all such acts, deeds and things including agreeing to any changes to these Articles as may be directed by the Reserve Bank of India or any other statutory authority and as may be necessary and incidental to give effect to the aforesaid Resolution."

12. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED that, in terms of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SEBI Regulations") issued by the Securities and Exchange Board of India ("SEBI") and as amended from time to time and, pursuant to the provisions of Section 62 and other applicable provisions of the Companies Act, 2013 (the "Act") and subject to such permissions and approvals as may be required and subject to such conditions and modifications as may be imposed by any of the authorities while granting such permissions and approvals and agreed to by the Board of Directors of the Bank (hereinafter referred to as "the Board", which term shall include the Nomination and Remuneration Committee of the Bank constituted by the Board to exercise its powers in relation hereto, including the powers conferred by this Resolution and/or such other persons who may be authorised by the Board or the Nomination and Remuneration Committee in this regard), which the Board be and is hereby authorised to accept on behalf of the Bank and subject to such other conditions and modifications as may be imposed on or considered necessary by the Board, the approval of the members be and is hereby accorded to adopt the Share Based Employee Benefit Scheme of the Bank under the name and style of 'Kotak Mahindra Equity Option Scheme 2015' ("ESOP Scheme 2015") and the Board be and is hereby authorised to create, issue, offer and allot equity shares, from time to time, to employees of the Bank, as defined in SEBI Regulations, selected on the basis of criteria prescribed by the Board, under the ESOP Scheme 2015, more particularly described in the Statement setting out the material facts of items of special business annexed hereto, such that the creation, issue, offer and allotment of such equity shares under the ESOP Scheme 2015 (not including shares already issued or to be issued pursuant to exercise of grant of options to employees under earlier ESOP Schemes of the Bank) shall not exceed in aggregate (including any equity shares issued to employees, as defined in SEBI Regulations, of the subsidiaries and associate companies of the Bank pursuant the resolution proposed under item no. 13) 1,82,00,000 (One crore Eighty two lakh only) equity shares of the Bank of the face value of ₹ 5/- each for cash being not more than 2% of the issued equity shares of the Bank as on May 5, 2015 or such adjusted numbers of such face value, as may be determined by the Board and approved by the members, due to change in capital structure of the Bank as a result of re-classification of shares, splitting up of the face value of shares, sub-division of shares, issue of bonus shares, conversion of shares into other shares or securities of the Bank and any other change in the rights or obligations in respect of shares, inter alia, on the terms and conditions as detailed in the Statement setting out the material facts of items of special business annexed hereto and on such other terms and conditions and in such tranches as may be decided by the Board in its absolute discretion.

"RESOLVED FURTHER that the equity shares to be issued as stated aforesaid shall rank pari passu with all the existing equity shares of the Bank for all purposes.

"AND RESOLVED FURTHER that for the purpose of giving effect to this Resolution, regarding creation, offer, issue and allotment, listing of such shares, the Board be and is hereby authorized to evolve, decide upon and bring into effect the aforesaid Scheme and to make any modifications, changes, variation, alteration or revisions in the said Scheme or to suspend, withdraw or revive the Scheme from time to time in accordance with applicable laws and/or as may be specified by any appropriate authority and to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary, desirable, usual or proper in relation thereto with the liberty to the Board on behalf of the Bank to settle any question, difficulties or doubts whatsoever may arise with regard to such creation, offer, issue and allotment of shares without requiring the Board to secure any further consent or approval of the Members of the Bank at a general meeting."

13. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED that, in terms of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SEBI Regulations") issued by the Securities and Exchange Board of India ("SEBI") and as amended from time to time and, pursuant to the provisions of Section 62 and other applicable provisions of the Companies Act, 2013 (the "Act") and subject to such permissions and approvals as may be required and subject

to such conditions and modifications as may be imposed by any of the authorities while granting such permissions and approvals and agreed to by the Board of Directors of the Bank (hereinafter referred to as "the Board", which term shall include the Nomination and Remuneration Committee of the Bank constituted by the Board to exercise its powers in relation hereto, including the powers conferred by this Resolution and/or such other persons who may be authorised by the Board or the Nomination and Remuneration Committee in this regard), which the Board be and is hereby authorised to accept on behalf of the Bank and subject to such other conditions and modifications as may be imposed on or considered necessary by the Board, the approval of the members be and is hereby accorded to adopt the Share Based Employee Benefit Scheme of the Bank under the name and style of 'Kotak Mahindra Equity Option Scheme 2015' ("ESOP Scheme 2015") and the Board be and is hereby authorised to create, issue, offer and allot equity shares, from time to time, to employees of the subsidiaries or associate companies of the Bank, as defined in SEBI Regulations, selected on the basis of criteria prescribed by the Board, under the ESOP Scheme 2015, more particularly described in the Statement setting out the material facts of items of special business annexed hereto, such that the creation, issue, offer and allotment of such equity shares under the ESOP Scheme 2015 (not including shares already issued or to be issued pursuant to exercise of grant of options to employees under earlier ESOP Schemes of the Bank) shall not exceed in aggregate (including any equity shares to be issued to employees, as defined in SEBI Regulations, of the holding company (i.e. the Bank) pursuant the resolution proposed under item no. 12) 1,82,00,000 (One crore Eighty two lakh only) equity shares of the Bank of the face value of ₹ 5/- each for cash being not more than 2% of the issued equity shares of the Bank as on May 5, 2015 or such adjusted numbers of such face value, as may be determined by the Board and approved by the members, due to change in capital structure of the Bank as a result of re-classification of shares, splitting up of the face value of shares, sub-division of shares, issue of bonus shares, conversion of shares into other shares or securities of the Bank and any other change in the rights or obligations in respect of shares, inter alia, on the terms and conditions as detailed in the Statement setting out the material facts of items of special business annexed hereto and on such other terms and conditions and in such tranches as may be decided by the Board in its absolute discretion.

"RESOLVED FURTHER that the equity shares to be issued as stated aforesaid shall rank pari passu with all the existing equity shares of the Bank for all purposes.

"AND RESOLVED FURTHER that for the purpose of giving effect to this Resolution, regarding creation, offer, issue and allotment, listing of such shares, the Board be and is hereby authorized to evolve, decide upon and bring into effect the aforesaid Scheme and to make any modifications, changes, variation, alteration or revisions in the said Scheme or to suspend, withdraw or revive the Scheme from time to time in accordance with applicable laws and/or as may be specified by any appropriate authority and to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary, desirable, usual or proper in relation thereto with the liberty to the Board on behalf of the Bank to settle any question, difficulties or doubts whatsoever may arise with regard to such creation, offer, issue and allotment of shares without requiring the Board to secure any further consent or approval of the Members of the Bank at a general meeting."

14. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED that, in terms of the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 (the "SEBI Regulations") issued by the Securities and Exchange Board of India ("SEBI") and as amended from time to time and subject to such permissions and approvals as may be required and subject to such conditions and modifications as may be imposed by any of the authorities while granting such permissions and approvals and agreed to by the Board of Directors of the Bank (hereinafter referred to as "the Board", which term shall include the Nomination and Remuneration Committee of the Bank constituted by the Board to exercise its powers in relation hereto, including the powers conferred by this Resolution and/or such other persons who may be authorised by the Board or the Nomination and Remuneration Committee in this regard), which the Board be and is hereby authorised to accept on behalf of the Bank and subject to such other conditions and modifications as may be imposed on or considered necessary by the Board, the approval of the members be and is hereby accorded to the Board to adopt the Share Based Employee Benefit Scheme of the Bank under the name and style of 'Kotak Mahindra Stock Appreciation Rights Scheme 2015' ('SARs Scheme 2015') and the Board be and is hereby authorised to grant Stock Appreciation Rights (SARs) to be paid as cash in the form of Appreciation, to employees of the Bank, as defined in SEBI Regulations, selected on the basis of criteria prescribed by the Board, under the SARs Scheme 2015 of the Bank, more particularly described in the Statement setting out the material facts of items of special business annexed hereto, such that the SARs (not including SARs already awarded or to be awarded to employees under earlier SARs of the Bank) shall not exceed in aggregate (including any SARs awarded to employees, as defined in SEBI Regulations, of the subsidiaries and associate companies of the Bank pursuant the resolution proposed under item no. 15) 91,00,000 (Ninety one lakh only) SARs, being not more than 1% of the issued equity shares of the Bank as on May 5, 2015 or such adjusted numbers of such face value, as may be determined by the Board and approved by the members, due to change in capital structure of the Bank as a result of re-classification of shares, splitting up of the face value of shares, sub-division of shares, issue of bonus shares, conversion of shares into other shares or securities of the Bank and any other change in the rights or obligations in respect of shares, inter alia, on the terms and conditions as detailed in the Statement setting out the material facts of items of special business annexed hereto and on such other terms and conditions and in such tranches as may be decided by the Board in its absolute discretion.

"AND RESOLVED FURTHER that for the purpose of giving effect to this Resolution, regarding grant of SARs, the Board be and is hereby authorized to evolve, decide upon and bring into effect the aforesaid Scheme and to make any modifications, changes, variation, alteration or revisions in the said Scheme or to suspend, withdraw or revive the Scheme from time to time in accordance with the applicable laws and/or as may be specified by any appropriate authority and to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings

as it may in its absolute discretion deem necessary, desirable, usual or proper in relation thereto with the liberty to the Board on behalf of the Bank to settle any question, difficulties or doubts whatsoever may arise with regard to grant of SARs without requiring the Board to secure any further consent or approval of the members of the Bank at a general meeting."

15. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED that, in terms of the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 (the "SEBI Regulations") issued by the Securities and Exchange Board of India ("SEBI") and as amended from time to time and subject to such permissions and approvals as may be required and subject to such conditions and modifications as may be imposed by any of the authorities while granting such permissions and approvals and agreed to by the Board of Directors of the Bank (hereinafter referred to as "the Board", which term shall include the Nomination and Remuneration Committee constituted by the Board to exercise its powers in relation hereto, including the powers conferred by this Resolution and/or such other persons who may be authorised by the Board or the Nomination and Remuneration Committee in this regard), which the Board be and is hereby authorised to accept on behalf of the Bank and subject to such other conditions and modifications as may be imposed on or considered necessary by the Board, the approval of the members be and is hereby accorded to the Board to adopt the Share Based Employee Benefit Scheme of the Bank under the name and style of 'Kotak Mahindra Stock Appreciation Rights Scheme 2015' ('SARs Scheme 2015') and the Board be and is hereby authorised to grant Stock Appreciation Rights (SARs) to be paid as cash incentive in the form of Appreciation, to employees of the subsidiaries or associate companies of the Bank, as defined in SEBI Regulations, selected on the basis of criteria prescribed by the Board, under the SARs Scheme 2015 of the Bank, more particularly described in the Statement setting out the material facts of items of special business annexed hereto, such that the SARs (not including SARs already awarded or to be awarded to employees under earlier SARs of the Bank) shall not exceed in aggregate (including any SARs awarded to employees, as defined in SEBI Regulations, of the holding company (i.e. the Bank) pursuant the resolution proposed under item no. 14) 91,00,000 (Ninety one lakh only) SARs, being not more than 1% of the issued equity shares of the Bank as on May 5, 2015 or such adjusted numbers of such face value, as may be determined by the Board and approved by the shareholders, due to change in capital structure of the Bank as a result of re-classification of shares, splitting up of the face value of shares, sub-division of shares, issue of bonus shares, conversion of shares into other shares or securities of the Bank and any other change in the rights or obligations in respect of shares, inter alia, on the terms and conditions as detailed in the Statement setting out the material facts of items of special business annexed hereto and on such other terms and conditions and in such tranches as may be decided by the Board in its absolute discretion.

"AND RESOLVED FURTHER that for the purpose of giving effect to this Resolution, regarding grant of SARs, the Board be and is hereby authorized to evolve, decide upon and bring into effect the aforesaid Scheme and to make any modifications, changes, variation, alteration or revisions in the said Scheme or to suspend, withdraw or revive the Scheme from time to time in accordance with the applicable laws and/or as may be specified by any appropriate authority and to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary, desirable, usual or proper in relation thereto with the liberty to the Board on behalf of the Bank to settle any question, difficulties or doubts whatsoever may arise with regard to grant of SARs without requiring the Board to secure any further consent or approval of the members of the Bank at a general meeting."

## Notes

### A. Voting by Electronic means:

1. In accordance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the stated items of business may be transacted through electronic voting system and the Bank is providing facility for voting by electronic means ("remote e-voting") to its Members. The Bank has engaged the services of National Securities Depository Limited ("NSDL") for providing remote e-voting facilities to the Members, enabling them to cast their vote in a secure manner.
2. Members may choose to cast their vote electronically by logging on to <https://www.evoting.nsdl.com/>.
3. The login ID and password for remote e-voting along with process, manner and instructions for remote e-voting is being sent to the Members who have not registered their email IDs with the Bank. Those Members who have registered their email IDs with the Bank/ their respective Depository Participants will be forwarded the login-ID and password for remote e-voting along with process, manner and instruction via email by NSDL.
4. The remote e-voting period commences on 25th June 2015 (9.00 a.m. onwards) and ends on 28th June 2015 (5.00 p.m.). During this period members of the Bank, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd June 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.
5. Vote on a resolution, once cast, cannot be changed subsequently.
6. A person, whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date i.e. 22nd June 2015 only shall be entitled to avail the facility of remote e-voting.

7. Any person, who acquires shares of the Bank and becomes member of the Bank after dispatch of the Notice and holding shares as of the cut-off date i.e. 22nd June 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if the member is already registered with NSDL for remote e-voting then he can use his existing user ID and password for casting his vote. If he forgets his password, he can reset his password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
8. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Bank as on the cut-off date of 22nd June 2015, subject to applicable laws.
9. The members who have cast their vote by remote e-voting prior to the Annual General Meeting (AGM) may also attend and participate in the AGM but shall not be entitled to cast their vote again. In case a member casts his vote at the AGM again, the same will be treated invalid.

## **B. General**

1. The relevant Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the Item Nos. 4 to 15 of the Notice dated 5th May 2015 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
3. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent, of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
4. The instrument appointing a proxy, to be effective, must be duly filled, stamped and signed and must reach the Bank's Registered Office not later than 48 hours before the commencement of the Meeting.
5. Corporate members are requested to send to the Registered Office of the Bank a duly certified copy of the board resolution, pursuant to Section 113 of the Companies Act 2013, authorizing their representatives to attend and vote at the general meeting.
6. The Register of Members and the Share Transfer Books of the Bank will be closed from Monday, 22nd June 2015 to Monday, 29th June 2015 both days inclusive, for the purpose of payment of dividend.
7. If the dividend on shares, as recommended by the Board of Directors, is declared at the Meeting, payment thereof will be made, on or before Tuesday, 7th July 2015, to those members whose names appear on the Register of Members of the Bank on Monday, 22nd June 2015. In respect of shares held in dematerialized form in the Depository system, dividend thereon will be paid to the beneficial owners as per the list to be provided by the Depositories.
8. All correspondence regarding shares of the Bank should be addressed to the Bank's Registrar and Transfer Agent, Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.
9. Members may avail of the facility for making nominations in respect of the shares held by them. All rights of transfer and/or to amounts payable in respect of the shares shall vest in the nominee in the event of the death of the shareholder. A minor may be a nominee provided that the name of the guardian is mentioned in the Nomination form. The facility of nomination is not available to non-individual members such as bodies corporate, kartas of Hindu Undivided Families, partnership firms, societies, trusts and holders of Power of Attorney.
10. A brief profile of all the Directors of the Bank including profile of Directors seeking appointment / reappointment and as required under Clause 49 of the Listing Agreement with the Stock Exchanges is given in the Report on the Corporate Governance.
11. In terms of Clause 35B of the Listing Agreement, in order to enable its members who do not have access to E-voting facility, a Ballot Form is annexed to the Notice to send their assent or dissent in writing in respect of the resolutions as set out in this Notice. A member who is not able to attend the AGM and desiring to exercise vote by Ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against), as per the instructions mentioned in the ballot form, and send it to the Scrutinizer.
12. Members can opt to vote either through the physical ballot forms or through remote e-voting. In case a member casts his votes through both the means, voting done through electronic means shall be considered and vote cast through physical ballot form will be treated invalid.
13. Mr. Ashwin Ankhad, Advocate and Managing Partner, M/s. Ashwin Ankhad & Associates, is appointed as a Scrutinizer to scrutinize the voting and remote e-voting process and ballot forms received, in a fair and transparent manner.

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14. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper/ polling paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  15. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Bank and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  16. The results declared along with the report of the Scrutinizer shall be placed on the website of the Bank [www.kotak.com](http://www.kotak.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Bank's shares are listed.

**By Order of the Board of Directors**

**Bina Chandarana**

Company Secretary & Sr. Executive Vice President

Place: Mumbai,

Date: 5th May 2015

Registered Office:

27BKC, C 27, G Block,

Bandra Kurla Complex,

Bandra (E),

Mumbai – 400 051

CIN: L65110MH1985PLC038137



**STATEMENT SETTING OUT MATERIAL FACTS CONCERNING ITEMS OF SPECIAL BUSINESS:**

In terms of Section 102 of the Companies Act, 2013, the following statement sets out all the material facts relating to Item Nos. 4 to 15 of the Notice dated 5th May 2015.

**Item No. 4**

M/s. S. B. Billimoria & Co., Chartered Accountants have been the statutory auditors of the Bank since financial year 2011-2012. As per the provisions of RBI Circular No. DBS.No.ARS.BC.8/08.91.001/2000-2001 dated 30th January 2001, an audit firm is allowed to continue as the auditor of a bank for a continuous period of four years only.

M/s. S. B. Billimoria & Co., Chartered Accountants have been auditors of the Bank for last four financial years and hence cannot be re-appointed. It is proposed to appoint S.R. Batliboi & Co. LLP, Chartered Accountants (Registration No. 301003E) in place of M/s. S. B. Billimoria & Co., Chartered Accountants as the new statutory auditors of the Bank, to hold office from the conclusion of the Thirtieth Annual General meeting until the conclusion of the Thirty fourth Annual General Meeting, subject to approval of members and all concerned regulatory/statutory authority(ies).

S.R. Batliboi & Co. LLP, Chartered Accountants, have consented to act as auditors of the Bank, if appointed, and have intimated that such appointment would be in accordance with the conditions prescribed in Section 139 of the Companies Act, 2013.

The Board recommends the appointment of S.R. Batliboi & Co. LLP, Chartered Accountants as the Bank's statutory auditors.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in the passing of the Resolution.

**Item No. 5**

Mr. Mark Edwin Newman, aged 48 years, was appointed as an Additional Director of the Bank with effect from 5th May 2015 and, pursuant to the provisions of Section 161 of the Companies Act, 2013, ("the Act") holds office as a Director up to the date of this Annual General Meeting but is eligible to be appointed as a Director.

The Bank has received the required notice pursuant to the provisions of Section 160 of the Act from a member signifying his intention to propose the appointment of Mr. Newman as a Director of the Bank. Mr. Newman has filed his consent, pursuant to sub-section (5) of Section 152 of the Companies Act, 2013, to act as a Director, if appointed.

Mr. Mark Newman is a Chartered Accountant and has obtained Mathematics (Honours) degree from King's College London.

Mr. Mark Newman is CEO, Commercial Banking, ING, Asia. He started his career at Deloitte Haskins and Sells where he qualified as a Chartered Accountant before joining ING in 1992, in London. He is also Executive Management Board Member of ASIFMA (Asia Securities Industry and Financial Markets Association).

He is a Non Executive Director on the Board of ING Bank Australia Limited.

Mr. Newman does not hold any equity shares either directly or on a beneficial basis in the Bank.

The Directors recommend the appointment of Mr. Mark Edwin Newman as Director of the Bank

Mr. Newman and his relatives may be deemed to be concerned or interested in the Resolution relating to his appointment.

None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the passing of the Resolution.

**Item No. 6**

At the Annual General Meeting of the Bank held on 19th July 2012, the Members of the Bank had accorded its consent, subject to the approval of the Reserve Bank of India ("RBI"), for the re-appointment and payment of remuneration to Dr. Shankar Acharya as a part-time Chairman of the Bank for a period of three years with effect from 20th July 2012. The RBI vide its letter no.DBOD.APPT.No.4288/29.40.001/2012-13 dated 17th September 2012, had approved the re-appointment of Dr. Acharya as part-time Chairman of the Bank from 20th July 2012 for three years i.e. up to 19th July 2015.

The Board of Directors of the Bank, at its meeting held on 5th May 2015, has re-appointed Dr. Shankar Acharya as the part-time Chairman of the Bank on the terms of remuneration to be fixed by the Board of Directors of the Bank, on an annual basis such that the remuneration does not exceed ₹ 30 lakh per annum at any given time, subject to the approval of the member and of the Reserve Bank of India.

The Resolution at Item No. 6 seeks to obtain the members' approval to the re-appointment of and payment of remuneration to Dr. Shankar Acharya, in order to enable the Bank to make the requisite application to the RBI for such re-appointment.

The Directors recommend the Resolution at Item No. 6 for the approval of the members of the Bank.

Dr. Shankar Acharya and his relatives may be deemed to be concerned or interested in the Resolution relating to his re-appointment and remuneration.



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None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in the passing of the Resolution.

#### **Item No. 7**

At the Annual General Meeting of the Bank held on 16th July 2014 the Board of Directors were authorized to borrow in excess of the paid up share capital and free reserves up to a limit of ₹ 40,000 crore.

In view of the increase in borrowings that might be necessitated to meet the needs of the constantly expanding business of the Bank and its capacity to utilize the funds profitably, as well as increase in borrowings due to merger of ING Vysya Bank Ltd. with the Bank it is considered necessary to increase the borrowing powers of the Board of Directors to a sum not exceeding ₹ 50,000 crore (Rupees Fifty thousand crore only) over and above the aggregate of the paid up capital of the Bank and its free reserves at any time.

The Directors recommend the resolution at Item No. 7 of the accompanying Notice for approval of the members of the Bank.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in the passing of the Resolution.

#### **Item Nos. 8, 9 & 10**

At the meeting of the Board of Directors of the Bank held on 5th May 2015, the Board considered and approved a bonus issue of 1 (One) equity share for every 1 (One) equity share held by such persons on the record date (to be determined by the Board), credited as fully paid-up bonus equity shares, such bonus equity shares to rank pari passu in all respects with the existing fully paid equity shares of the Bank.

It was also proposed to capitalise such amount standing to the credit of the Securities Premium Account/General Reserve/Capital Reserve or any other Reserve or Accumulated Profits as per the Audited Accounts for the financial year ended 31st March 2015 for the purpose of issuance of the bonus shares.

The Articles of Association of the Bank authorizes the capitalization and the issue of the bonus shares by the Bank in the manner proposed. The Resolution at Item No. 10 is intended to give effect to the above proposal and the Board recommends the passing of this Resolution. The bonus shares are being issued in line with the provisions of the Companies Act, 2013 and the Rules made thereunder and the regulations & guidelines issued by the Securities and Exchange Board of India and the Reserve Bank of India, as applicable.

Requisite applications will also be made to the various Stock Exchanges where the existing shares of the Bank are already listed, for permission to deal in such bonus shares.

It is proposed to alter and increase the Authorised Capital from ₹ 900,00,00,000 (Rupees Nine Hundred crores) divided into 180,00,00,000 (One Hundred Eighty crores) equity shares of ₹ 5 (Rupees Five) each to ₹ 1500,00,00,000 (Rupees One Thousand Five Hundred crores) divided into 300,00,00,000 (Three Hundred crores) equity shares of ₹ 5 (Rupees Five) each. Accordingly, Clause V of the Memorandum of Association is sought to be amended to reflect the increased capital. Article 5 of the Articles of Association states that the Authorised Share Capital would be of each amount stated in Clause V of the Memorandum of Association and hence its not being amended.

The Resolutions contained in Item Nos. 8 and 9 seek to increase the Authorised Capital of the Bank, as aforesaid and to alter the Memorandum of Association of the Bank, consequential to the increase in the Authorised Share Capital of the Bank as proposed, respectively.

The Resolution contained in Item No. 10 seeks your approval for capitalization of the amount as recommended by the Board of Directors in their meeting held on 5th May 2015 and issue 1 (One) equity share for every 1 (One) equity share held by such persons on the Record Date, credited as fully paid-up bonus shares.

A copy of the Memorandum and Articles of Association of the Bank will be available for inspection at the Registered Office of the Bank between 10:00 am to 1:00 p.m. on all working days up to the date of this Annual General Meeting.

The Directors recommend the Resolutions set out at Item Nos. 8, 9 & 10 for the approval of the members.

The Directors, Key Managerial Personnel and their relatives may be deemed to be concerned or interested in the issue of bonus shares to the extent of their shareholdings in the Bank.

#### **Item No. 11**

The Companies Act, 2013 and the Rules made thereunder (the 'Act') has been enacted to replace the existing Companies Act, 1956.

The Articles of Association (AOA) of the Bank as currently in force was originally adopted under the Companies Act, 1956. The reference to specific sections of the Companies Act, 1956 in the existing AOA may no longer be in conformity with the Act.

With the coming into force of the Act, several clauses in the existing AOA require alteration or deletions. Hence, it is considered necessary to alter the existing AOA to replace their terms to align the provisions of the AOA with the provisions of the Act.

Certain provisions of the existing AOA have been simplified by providing reference to relevant Sections of the Companies Act, 2013 and the Rules framed thereunder, to avoid repetition in its entirety.

A copy of the proposed altered AOA of the Bank will also be available for inspection at the Registered Office of the Bank between 10:00 a.m. to 1:00 p.m. on all working days up to the date of this Annual General Meeting.

The Directors recommend the Resolutions set out at Item No. 11 for the approval of the members.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in the passing of the Resolution.

#### **Item Nos. 12, 13, 14 & 15**

The Securities and Exchange Board of India (SEBI) has issued the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('Regulations 2014') with effect from 28th October 2014 and has repealed the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ('SEBI ESOP Guidelines 1999'). All listed companies having existing schemes to which the Regulations 2014 apply are required to comply with the same in their entirety within one year of their coming into effect.

Accordingly, it is proposed that the Bank adopt a new scheme under the Regulations 2014, under the name and style of 'Kotak Mahindra Share Based Employee Benefit Scheme 2015' comprising of:

- Kotak Mahindra Equity Option Scheme 2015 ('ESOP Scheme 2015')
- Kotak Mahindra Stock Appreciation Rights Scheme 2015 ('SARs Scheme 2015')

for the purposes of granting options and stock appreciation rights to the Employees of the Bank, its subsidiaries and its associate company(ies), as applicable.

The Resolutions contained at Item Nos. 12, 13, 14 and 15 seek to obtain the members' approval to authorise the Board of Directors of the Bank (hereinafter referred to as "the Board", which term shall include the Nomination and Remuneration Committee ("Compensation Committee") constituted by the Board to exercise its powers in relation hereto, including the powers conferred by this Resolution and/or such other persons who may be authorised by the Board or the Nomination and Remuneration Committee of the Bank in this regard) to create, issue, offer and allot equity shares, from time to time, to employees of the Bank, its subsidiaries and its associate companies under this Scheme.

A copy of the proposed ESOP Scheme 2015 and SARs Scheme 2015 will also be available for inspection at the Registered Office of the Bank between 10:00 a.m. to 1:00 p.m. on all working days up to the date of this Annual General Meeting.

As per Clause 6 and Clause 14 of the Regulation 2014, the key details of the aforesaid Schemes are set out below :

#### **PART A – ESOP Scheme 2015**

##### **a. The total number of options to be granted**

Each option would entitle an employee to acquire one equity share of the Bank. The Compensation Committee shall determine the options to be granted to the employees of the Bank, its subsidiaries and its associate companies, as applicable, under the ESOP Scheme 2015. However, allotment of such number of equity shares pursuant to exercise of the options by employees, shall not exceed in aggregate 1,82,00,000 equity shares of the Bank of the face value of ₹5/- (Rupees Five) each representing 2% of the issued equity shares of the Bank as 5th May 2015 or such adjusted numbers as determined by the Compensation Committee due to change in capital structure or any corporate action post 5th May 2015.

In the case of Whole-time Directors, the total options that may be granted to each of them in a financial year shall not exceed 2,00,000 options.

##### **b. Identification of classes of employees entitled to participate in the Scheme**

All the employees, as defined under the Regulations 2014, of the Bank, its subsidiary companies and associate companies, as applicable, whether working in India or abroad, will be entitled to participate in the Scheme, subject to fulfillment of such eligibility criteria(s) as may be specified in the Regulations 2014 and / or as may be determined by the Compensation Committee from time to time.

##### **c. Compensation Committee**

The Nomination & Remuneration Committee of the Board constituted by the Company pursuant to the provisions of Section 178 of the Companies Act, 2013 is designated as the 'Compensation Committee' for the administration and superintendence of the ESOP Scheme 2015.

##### **d. Requirements of vesting and period of vesting and the maximum period (subject to clause 18 of the Regulations 2014) within which the options shall be vested**

The vesting of an option would also be subject to the terms and conditions as may be stipulated by the Compensation Committee from time to time including but not limited to satisfactory performance of the employees, their continued employment with the Bank/its subsidiaries/its