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## Notice

**NOTICE** is hereby given that the Thirty First Annual General Meeting of Kotak Mahindra Bank Limited will be held on Friday, 22 July 2016, at 10.30 a.m. at Walchand Hirachand Hall of the Indian Merchants Chamber, 4<sup>th</sup> Floor, Churchgate, Mumbai - 400 020 to transact the following business:

1. To consider and adopt the audited financial statements of the Bank for the year ended 31<sup>st</sup> March 2016, together with the Reports of the Directors and the Auditors thereon.
2. To declare dividend on equity shares.
3. To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED that, pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, and subject to the approval of the Reserve Bank of India, the appointment of S. R. Batliboi & Co. LLP, Chartered Accountants (Registration No. 301003E / E300005), Auditors of the Bank be and is hereby ratified to hold office from the conclusion of the Thirty First Annual General Meeting until the conclusion of the Thirty Second Annual General Meeting of the Bank and that their remuneration be fixed by the Audit Committee of the Board of Directors of the Bank."

### **SPECIAL BUSINESS:**

4. To consider and pass the following Resolution as an Ordinary Resolution:

"RESOLVED that Mr. N.P. Sarda (DIN:03480129), 70 years, who was appointed as the Director of the Bank with effect from 1<sup>st</sup> April, 2011, and who holds office up to this Annual General Meeting retires by rotation and does not seek re-appointment. The Members of the Bank resolve that the vacancy created pursuant to Mr. Sarda's retirement by rotation at this Annual General Meeting be not filled."

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

"RESOLVED that Mr. C. Jayaram, (DIN:00012214) who was appointed as non-executive non-independent director of the Bank with effect from 1<sup>st</sup> May 2016, 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 Companies Act, 2013, be and is hereby appointed a Director of the Bank.

"RESOLVED FURTHER that the 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, if any, Section 35-B and other applicable provisions, if any, of the Banking Regulation Act, 1949 and subject to conditions as may be prescribed by the Reserve Bank of India or any other regulator while granting necessary approvals, the approval of the members of the Bank be and is hereby accorded for the increase in remuneration of Dr. Shankar Acharya (DIN:00033242), part-time Chairman of the Bank, to be fixed by the Board of Directors of the Bank, on an annual basis such that the remuneration does not exceed ₹ 35 lakhs per annum at any given time.

"RESOLVED FURTHER that the Board be and is hereby authorized 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 to the provisions of sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and Rules framed thereunder, Regulation 17 (6) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Guidelines on compensation of Non-Executive Directors of private sector banks issued by the Reserve Bank of India (RBI) and pursuant to the provisions of the Articles of Association of the Bank and subject to necessary approvals, the Non-Executive Directors of the Bank be paid with effect from the financial year 2015-16, a sum not exceeding ₹10 lakh each by way of annual commission.

"RESOLVED FURTHER that the above remuneration shall be in addition to fee payable to the Director(s) for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors, and reimbursement of expenses for participation in the Board and other meetings.

"RESOLVED FURTHER that the Board of Directors (including the Nomination and Remuneration Committee) be and is hereby authorised to do all such acts, deeds, matters and things in this connection as may be considered necessary, proper, desirable and expedient including seeking all approvals as may be required to give effect to this Resolution and to settle any question, difficulty or doubt that may arise in this regard."

## Notes

### A. Voting by Electronic means:

The instructions for remote e-voting are as under:

- (1) Remote E-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice.

#### A. In case a Member receives an email from Karvy [for members whose email IDs are registered with the Bank / Depository Participant(s)]:

- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN number followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for remote e-voting, you can use your existing User ID and password for casting your vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVENT" i.e., Kotak Mahindra Bank Limited.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together not exceeding your total shareholding as mentioned herein above. You may also choose the option "ABSTAIN". If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.,) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email [rupaldjhaveri@rediffmail.com](mailto:rupaldjhaveri@rediffmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned

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image of the above mentioned documents should be in the naming format "Kotak Mahindra Bank Limited 31<sup>st</sup> Annual General Meeting".

- B. In case of Members receiving physical copy of Notice [for members whose email IDs are not registered with the Bank / Depository Participant(s)]

- (i) Remote E-Voting Event Number (EVEN), User ID and Password is provided in the E-voting Form.
- (ii) Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

- B. **Voting at AGM:** The Members who have not cast their vote electronically through Remote E-voting, can exercise their voting rights at the AGM. The Bank will make necessary arrangements in this regard at the AGM Venue. 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/e-voting facility for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

**Other Instructions:**

- i. In case of any queries, you may refer Help & FAQ section of <https://evoting.karvy.com> (Karvy Website) or call Karvy on 040-67162222 & Toll Free No.1800 3454 001.
- ii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- iii. The remote e-voting period commences on 18<sup>th</sup> July, 2016 (9.00 am onwards) and ends on 21<sup>st</sup> July, 2016 (5.00 pm.) During this period shareholders of the Bank, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 15<sup>th</sup> July, 2016, may cast their vote electronically in the manner and process set out herein above. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- iv. Any person, who acquires shares of the Bank and becomes a member of the Bank after dispatch of the notice and holds shares as of the cut-off date i.e. 15<sup>th</sup> July, 2016, may obtain the login ID and password by sending a request at [evoting@karvy.com](mailto:evoting@karvy.com).
- v. However, if you are already registered with Karvy for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on <https://evoting.karvy.com> or call Karvy at the following toll free no.: 1800 3454 001.
- vi. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Bank as on the cut-off date 15<sup>th</sup> July, 2016, subject to applicable laws.
- vii. The Board of Directors has appointed Ms. Rupal D. Jhaveri, (Membership No.5441 and Certificate of practice No. 4225), Practicing Company Secretary as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
- viii. The scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Bank and within a period not exceeding 48 hours from the conclusion of the meeting, make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by the Chairman for counter signature.
- ix. The Results shall be declared either by the Chairman or by an authorized person of the Chairman and the resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- x. Immediately after declaration of results, the same shall be placed along with the Scrutinizer's Report on the Bank's website [www.kotak.com](http://www.kotak.com) and on the website of KARVY <https://evoting.karvy.com> and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Bank are listed, for placing the same in their websites.

**B. General**

- 1. The relevant Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the Item Nos. 3 to 7 of the Notice dated 11<sup>th</sup> May, 2016 is annexed hereto.
- 2. A MEMBER ENTITLED TO ATTEND OR 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. Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.
6. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
8. 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.
9. The Register of Members and the Share Transfer Books of the Bank will be closed from Saturday, 16<sup>th</sup> July, 2016 to Friday, 22<sup>nd</sup> July, 2016 both days inclusive, for the purpose of payment of dividend.
10. 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 Monday, 1<sup>st</sup> August, 2016, to those members whose names appear on the Register of Members of the Bank as on Friday, 15<sup>th</sup> July, 2016. 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.
11. 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.
12. 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, karts of Hindu Undivided Families, partnership firms, societies, trusts and holders of Power of Attorney.
13. A brief profile of all the Directors of the Bank including profile of Directors seeking appointment / reappointment and as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the Report on the Corporate Governance.
14. The route map of the venue of the Meeting is given at the end of the Notice. The prominent land mark for the venue is 'Churchgate Station'.

**By Order of the Board of Directors**

**Bina Chandarana**

Company Secretary & Sr. Executive Vice President

Place: Mumbai,

Date: 11<sup>th</sup> May, 2016

Registered Office:

27BKC, C 27, G Block,

Bandra Kurla Complex,

Bandra (E), Mumbai – 400 051

CIN: L65110MH1985PLC038137

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**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. 3 to 7 of the Notice dated 11<sup>th</sup> May, 2016.

**Item No. 3**

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Messrs S.R Batliboi & Co. LLP, Chartered Accountants, having (ICAI Firm Registration Number No. 301003E / E 300005) were appointed as auditors of the Bank for a period of four consecutive years at the Thirtieth Annual General Meeting (AGM) of the Bank held on June 29, 2015, to hold office as such until the conclusion of the Thirty fourth AGM of the Bank.

As per the provisions of Section 139 of the Companies Act, 2013, the said appointment is required to be ratified by the Members at every AGM.

Messrs S.R Batliboi & Co. LLP has issued a certificate to the effect that the appointment, if ratified, shall be in accordance with the conditions as prescribed in Sections 139 and 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

Pursuant to the recommendation of the Audit Committee of Directors, your Board recommends the ratification of the appointment and fixing of remuneration of Messrs S.R Batliboi & Co. LLP, Chartered Accountants as the auditors of the Bank to hold office from the conclusion of this AGM until the conclusion of the next AGM of the Bank as set out at Item No. 3 of this Notice, for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Bank or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

**Item No. 4**

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Mr. N.P. Sarda (DIN 03480129), non-executive & non-independent Director of the Bank, retires by rotation as a Director at this Annual General Meeting but having crossed 70 years of age is not offering himself for re-appointment in line with Reserve Bank of India policy and directions.

The Bank does not intend to fill this vacancy at this Annual General Meeting.

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. 5**

Mr. C. Jayaram, was the Joint Managing Director of the Bank, until he retired on 30<sup>th</sup> April, 2016 on attaining the age of superannuation.

The Nomination and Remuneration Committee of the Bank and the Board of Directors on 31<sup>st</sup> March, 2016 and 1<sup>st</sup> April, 2016, respectively had recommended and approved continuation of Mr. Jayaram as a non-executive non-independent director of the Bank with effect from 1<sup>st</sup> May, 2016 till the next Annual General Meeting of the Bank to be held in July 2016.

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. Jayaram as a non-executive non-independent director of the Bank, and the requisite deposit of ₹ 1 lakh has also been received by the Bank.

Mr. Jayaram has filed his consent, pursuant to sub-section (5) of Section 152 of the Companies Act, 2013, to act as a Director, if appointed.

As on 11<sup>th</sup> May, 2016, Mr. Jayaram holds 12,17,720 equity shares in the Bank. He is not related to any of the Directors of the Bank.

The Directors recommend the appointment of Mr. Jayaram as non-executive non-independent director of the Bank.

Mr. Jayaram 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 Thirtieth Annual General Meeting of the Bank held on 29<sup>th</sup> June, 2015, the members of the Bank had accorded their consent for the re-appointment of Dr. Shankar Acharya as a part-time Chairman of the Bank for a period of three years.

At the aforesaid Meeting, members had also approved the remuneration to Dr. Acharya, 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 lakhs per annum at any given time.

The Resolution at Item No. 6 seeks to obtain the members approval to increase remuneration payable to Dr. Shankar Acharya from ₹ 30 lakhs to ₹ 35 lakhs per annum, subject to the approval of the Government of India, The Reserve Bank of India ("RBI") and such other concerned authorities, if any.

Article 169 of the Articles of Association of the Bank permits payment of such remuneration subject to the approvals of the Government of India and RBI.

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 remuneration.

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**

Pursuant to Section 197 of the Companies Act, 2013, the Bank can pay remuneration to its Non-Executive Directors (NEDs) either by way of a monthly payment or at a specified percentage of its net profits or partly by one way and partly by the other. Further, since the Bank has a managing director and whole-time directors, a maximum of 1% of its net profits can be paid as remuneration to its NEDs.

RBI vide its circular no. DBR.No.BC.97/29.67.001/2014-15 dated June 1, 2015 has issued guidelines on payment of compensation to the NEDs of private sector banks which inter-alia specifies the following:

- The Board of Directors of the Bank (in consultation with the Nomination & Remuneration Committee) needs to formulate and adopt a comprehensive compensation policy for NEDs (other than part-time non-executive Chairman).
- Maximum amount of profit related commission not to exceed ₹ 10 lacs per annum for each director of the Bank.

The Nomination and Remuneration Committee and the Board of Directors of the Bank have adopted a compensation policy for the NEDs (excluding Non-Executive Chairman) and approved the payment of commission to such NEDs, subject to the approval of the shareholders.

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

All NEDs of the Bank (excluding Non-Executive Chairman) and their relatives are deemed to be interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in the passing of the Resolution.

**By Order of the Board of Directors**

**Bina Chandarana**

Company Secretary & Sr. Executive Vice President

Place: Mumbai,

Date: 11<sup>th</sup> May, 2016

Registered Office:

27BKC, C 27, G Block,

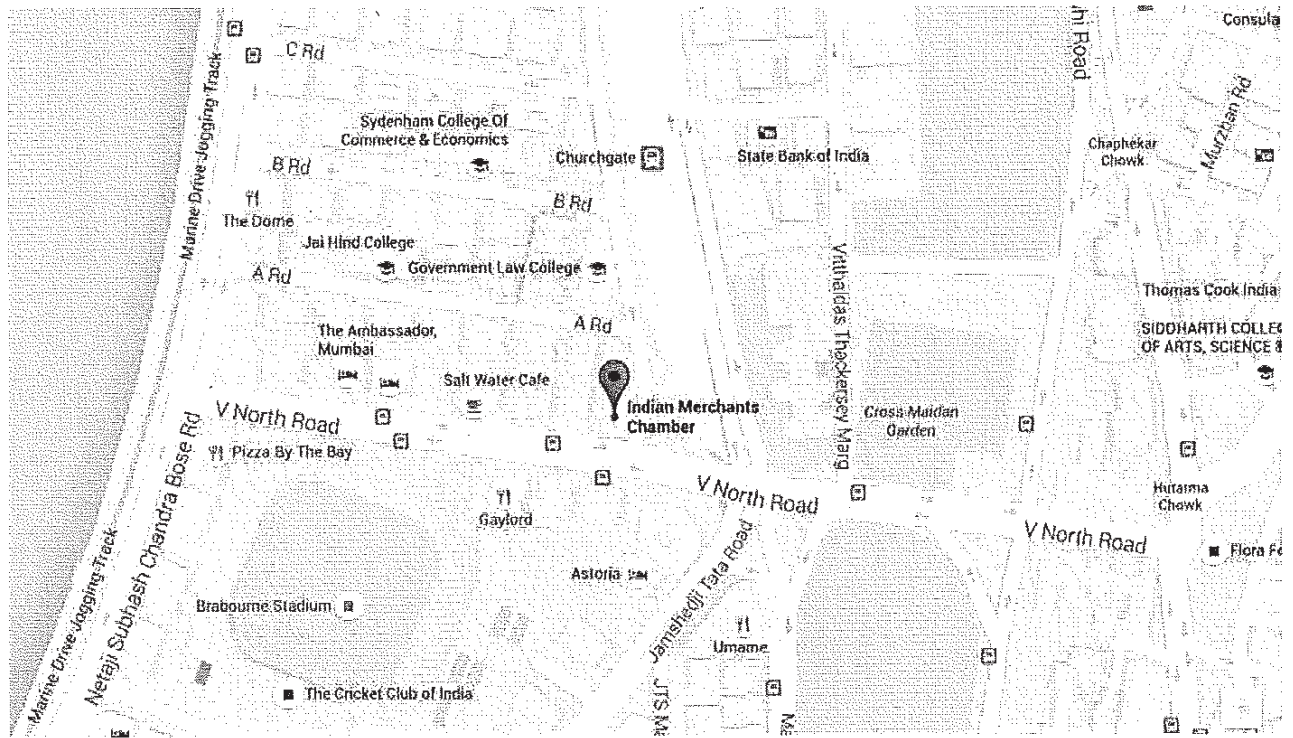
Bandra Kurla Complex,

Bandra (E), Mumbai – 400 051

CIN: L65110MH1985PLC038137



## ROUTE MAP FOR THE VENUE OF THE ANNUAL GENERAL MEETING





# MULTIPLYING BY ADDING

ANNUAL REPORT 2015 - 16



# Across This Report

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## REGISTERED OFFICE

Kotak Mahindra Bank Limited,  
27BKC, C 27, G Block,  
Bandra Kurla Complex, Bandra (E)  
Mumbai 400 051  
Tel.: +91 22 61660001  
Fax.: +91 22 67132403  
Website: [www.kotak.com](http://www.kotak.com)

## COMPANY SECRETARY

Bina Chandarana,  
Company Secretary and  
Senior Executive Vice President

## AUDITORS

Messrs. S. R. Batliboi & Co. LLP,  
Chartered Accountants,  
14th Floor, The Ruby,  
29, Senapati Bapat Marg,  
Dadar West,  
Mumbai 400 028

## REGISTRAR AND TRANSFER AGENT

Karvy Computershare Private Limited,  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District,  
Nanakramguda,  
Hyderabad 500 032

7, Andheri Industrial Estate,  
Off Veera Desai Road,  
Andheri West,  
Mumbai 400 058

Integration of businesses creates an interplay of addition and multiplication.

**Adding Presence, Multiplying Reach**

**Adding Capacities, Multiplying Capabilities**

**Adding Competencies, Multiplying Skills**

**Adding Experience, Multiplying Expertise**

We are at an exciting cusp. With the successful integration of Kotak Mahindra Bank and erstwhile ING Vysya Bank last year, we have added branches, people and strengths.

We look ahead at an unprecedented opportunity in the banking space as the Indian economy powers ahead.

We are **MULTIPLYING BY ADDING**

