

# Notice

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of Kotak Mahindra Bank Limited will be held on Thursday, 18<sup>th</sup> July 2013, at 11.30 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 receive and adopt the Profit and Loss Account for the year ended 31<sup>st</sup> March 2013, the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Mr. Asim Ghosh who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Prakash Apte who retires by rotation and, being eligible, offers himself for re-appointment.
5. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED that, pursuant to Section 224 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Reserve Bank of India, M/s. S. B. Billimoria & Co., Chartered Accountants (Registration No. 101496W), be and are hereby re-appointed as Auditors of the Bank to hold office from the conclusion of this Meeting until the conclusion of the next 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:

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:  
“RESOLVED that Prof. S. Mahendra Dev, who was appointed as an Additional Director of the Bank with effect from 15<sup>th</sup> March, 2013, pursuant to the provisions of Section 260 of the Companies Act, 1956, (“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 shareholder proposing his candidature for the office of Director under Section 257 of the Act, be and is hereby appointed a Director of the Bank.”
7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:  
“RESOLVED that pursuant to the provisions of Section 94 and other applicable provisions of the Companies Act, 1956 the Authorized Share Capital of the Bank be altered and increased from the present ₹ 400,00,00,000 (Rupees Four Hundred Crore Only) consisting of 80,00,00,000 (Eighty Crore) Equity Shares of ₹ 5 (Rupees Five Only) each to ₹ 500,00,00,000 (Rupees Five Hundred Crore Only) divided into 100,00,00,000 (One Hundred Crore) Equity Shares of ₹ 5 (Rupees Five Only) each.”
8. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:  
“RESOLVED that, pursuant to the provisions of Section 16 and other applicable provisions, if any, of the Companies Act, 1956 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 ₹ 500,00,00,000 (Rupees Five Hundred Crore Only) divided into 100,00,00,000 (One 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.”
9. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:  
“RESOLVED that pursuant to the applicable provisions of the Companies Act, 1956, Foreign Exchange Management Act, 1999 (“FEMA”), Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000, the Master Circular on Foreign Investment in India dated 2<sup>nd</sup> July 2012 issued by the Reserve Bank of India (“RBI”), Consolidated FDI Policy dated 5<sup>th</sup> April 2013 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India and other applicable rules, guidelines,

regulations, notifications, circulars, provisions, if any, (including any amendments, or re-enactments or re-notification thereof for the time being in force), and subject to the approval of the Reserve Bank of India and such other statutory/regulatory approvals as may be necessary, consent of the Bank be and is hereby accorded to increase the ceiling limit on total holdings of Foreign Institutional Investors (FIIs)/ Securities and Exchange Board of India approved sub-account of FIIs in the equity share capital of the Bank, through primary or secondary route, from 35% to 37% of the paid-up equity capital of the Bank with effect from such date(s) as may be decided by the Board from time to time.

“AND RESOLVED FURTHER that any of the Directors of the Bank be and are hereby severally authorised to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above Resolution and to delegate all or any of its powers to any Committee of Directors of the Bank in this regard.”

#### **Notes**

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the Item Nos. 6 to 9 of the Notice dated 2<sup>nd</sup> May 2013 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. 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.
4. The Register of Members and the Share Transfer Books of the Bank will be closed from Monday, 8<sup>th</sup> July 2013 to Thursday, 18<sup>th</sup> July 2013, both days inclusive, for the purpose of payment of dividend.
5. If the dividend on shares, as recommended by the Board of Directors, is declared at the Meeting, payment thereof will be made, on or after Friday, 19<sup>th</sup> July 2013, to those members whose names appear on the Register of Members of the Bank on Monday, 8<sup>th</sup> July 2013. 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.
6. All correspondence regarding shares of the Bank should be addressed to the Bank's Registrar and Transfer Agent, Karvy Computershare Private Limited, (Unit: Kotak Mahindra Bank Limited) at Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad-500 081.
7. 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.
8. A brief profile of all the Directors of the Bank including profile of Directors retiring by rotation and eligible for re-appointment and as required under Clause 49 of the Listing Agreement with the Stock Exchanges is given in the Report on the Corporate Governance.

#### **By Order of the Board of Directors**

**Bina Chandarana**  
**Company Secretary**  
**& Executive Vice President**

Place: Mumbai

Date: 2<sup>nd</sup> May 2013

#### **Registered Office:**

36-38A, Nariman Bhavan,  
227, Nariman Point,  
Mumbai - 400 021

## **Explanatory Statement**

In terms of Section 173 of the Companies Act, 1956, the following explanatory statement sets out all the material facts relating to the Item Nos. 6 to 9 of the Notice dated 2<sup>nd</sup> May 2013.

### **Item No. 6**

Prof. S. Mahendra Dev was appointed as an Additional Director of the Bank with effect from 15<sup>th</sup> March 2013 and, pursuant to the proviso to Section 260 of the Companies Act, 1956, ("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 257 of the Act from a member signifying his intention to propose the appointment of Prof. Dev as a Director of the Bank. Prof. Dev has filed his consent, pursuant to the provisions of Section 264 of the Act, to act as a Director, if appointed.

Prof. S. Mahendra Dev, PhD from the Delhi School of Economics, aged 55 years is currently Director and Vice Chancellor, Indira Gandhi Institute of Development Research (IGIDR), Mumbai, India. He was Chairman of the Commission for Agricultural Costs and Prices (CACP), Govt. of India, Delhi. He was Director, Centre for Economic and Social Studies, Hyderabad for 9 years during 1999 to 2008. He has done his Post-doctoral research at Yale University and was faculty member at the Indira Gandhi Institute of Development Research, Mumbai for 11 years.

He has been a member of several government committees including the Prime Minister's Task Force on Employment and Rangarajan Commission on Financial Inclusion. He has received honors for eminence in public service. He is the Chairman of the Committee on Terms of Trade on agriculture constituted by the Ministry of agriculture, Govt. of India. He is also member of the newly constituted Expert Panel on poverty estimates chaired by Dr. C. Rangarajan.

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

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

Prof. Dev may be deemed to be concerned or interested in the Resolution relating to his appointment. No other Director is concerned or interested in this item of business.

### **Item Nos. 7 & 8**

It is proposed to alter and increase the Authorised Share Capital from ₹ 400,00,00,000 (Rupees Four Hundred Crore Only) divided into 80,00,00,000 (Eighty Crore) Equity Shares of ₹ 5 (Rupees Five Only) each to ₹ 500,00,00,000 (Rupees Five Hundred Crore Only) divided into 100,00,00,000 (One Hundred Crore) Equity Shares of ₹ 5 (Rupees Five Only) each. Accordingly, Clause V of the Memorandum of Association is sought to be amended to reflect the increased capital.

The Resolutions contained in Item Nos. 7 & 8 seek to increase the Authorised Share Capital of the Bank, as aforesaid and to alter the Memorandum of Association of the Bank, respectively, consequential to such increase in the Authorised Share Capital of the Bank as proposed. Article 5 of the Articles of Association states that the Authorised Share Capital would be of such amount as stated in Clause V of the Memorandum of Association and hence, is not being amended.

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 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 nos. 7 and 8 for the approval of the members.

None of the Directors is concerned or interested in the passing of these Resolutions.

### **Item No. 9**

In accordance with the provisions of the Companies Act, 1956, Foreign Exchange Management Act, 1999 ("FEMA"), Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000, the Master Circular on Foreign Investment in India dated 2<sup>nd</sup> July 2012 issued by the Reserve Bank of India ("RBI"), Consolidated FDI Policy dated 5<sup>th</sup> April 2013 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, the ceiling limit for investments by Foreign Institutional Investors (FIIs) has been prescribed at 24%. Reserve Bank of India had permitted the Bank to increase the ceiling limit to 35%.

It is pertinent to note that over the past few months, FII holding in the Bank has increased consistently and hence, it is proposed to increase the ceiling limit on total holdings of FII/sub-accounts of FIIs from existing limit of 35% to 37% of the paid-up equity capital of the Bank, subject to such statutory/regulatory approvals as may be necessary.

Pursuant to Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000 read with Master Circular No. 15/2012-13 dated 2<sup>nd</sup> July 2012 issued by RBI and Consolidated FDI Policy dated 5th April 2013 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, increase in the ceiling limit as aforesaid requires the consent of the members of the Bank by way of special resolution.

This Special Resolution is proposed to be passed to enable the Board of Directors of the Bank to increase the ceiling limit on total holdings of FIIs/SEBI approved sub-account of FIIs in the paid-up equity share capital of the Bank from 35% to 37% as aforesaid which would further enable FIIs to take up a larger stake in the Bank.

The Directors recommend the Resolution at Item No. 9 for the approval of the members.

None of the Directors is concerned or interested in the said Resolution.

**By Order of the Board of Directors**

**Bina Chandarana**  
**Company Secretary**  
**& Executive Vice President**

Place: Mumbai

Date: 2<sup>nd</sup> May 2013

**Registered Office:**

36-38A, Nariman Bhavan,  
227, Nariman Point,  
Mumbai - 400 021