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Kotak Mahindra Bank

BEST EMPLOYERS IN INDIA
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14th May 2015

The Manager,
National Stock Exchange Of India Limited,
Exchange Plaza,
5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex,
Bandra (E),
Mumbai-400 051

Dear Sir,

Sub: Code of Fair Disclosure and Code of Conduct under the SEBI (Prohibition of Insider Trading) Regulations, 2015

With reference to Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, we confirm that the Bank has formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (copy enclosed) and a Trading Code of Conduct.

Further, the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information has also been published on the website of the Bank.

This is for your information and records.

Yours faithfully,
For **KOTAK MAHINDRA BANK LIMITED**

Jaimin Bhatt
President & Group CFO

Encl: as above

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Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)

Kotak Mahindra Bank's policy is to maintain active and open communication with all shareholders, institutional investors, brokers/dealers, analysts and potential investors regarding its historical performance and future prospects. The Bank is committed to fair disclosure of information to its investors in compliance with all applicable laws. The Bank believes that when information is equally available to all, there is no distinct advantage that insiders can capitalize on.

The Board of Directors of the Bank has adopted the following Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) -

Prompt public disclosure of unpublished price sensitive information
The Bank would disclose the events and occurrences and unpublished price sensitive information that would impact price discovery in the market no sooner than credible and concrete information comes into being in order to make such information generally available. Following is the indicative list of events which are material and/or price sensitive and which would require disclosure:

Sr. No.	Events & Occurrences which are material and/or price sensitive	Trigger point for disclosure
1	Change in general character or nature of business	Prior to the media release
2	Commencement or any postponement or commercial operations of any material division	Prior to the media release
3	Arrangements for strategic, technical, manufacturing, marketing or financial tie-up	Prior to the media release
4	Adoption of new lines of business	Prior to the media release
5	Closure of operations of any material division	Prior to the media release
6	Material acquisitions, Scheme of Arrangement (amalgamation/merger/demerger/restructuring) or sale/disposal of any division/subsidiary	Board Meeting approving the proposal
7	Material capacity or material product launch	Prior to the media release
8	Awarding, bagging/receiving, amendment or termination of awarded/bagged material orders/contract	Board Meeting approving the proposal
9	Material agreements (viz. Shareholder Agreement(s), joint venture agreement(s), agreements/contracts with media companies) or material loan agreement(s)	Upon execution of the requisite agreement
10	Issuance or forfeiture of securities or change in terms/structure of existing securities or buy back of securities. • Issuance of securities • Split/consolidation of shares • Bonus Issue	Board Meeting approving the proposal

	• Buy back of securities • Options to purchase securities (including any ESOP/ESPS Scheme) at the time of instituting the scheme and vesting or exercise of options • Any restrictions on transferability of securities • Change on terms/structure of any existing securities	
11	Disruption of operations of any division/subsidiary due to natural calamity, force majeure and events such as strikes, lockouts	Upon occurrence of event
12	Material effects arising out of change in the applicable regulatory framework	Upon change in the applicable regulatory framework
13	Litigation/dispute/regulatory action with a material impact	Upon occurrence of event
14	Rating / revision in ratings	Prior to the media release
15	Material fraud/defaults etc. by directors/employees/agents of the Bank	Upon occurrence of event
16	Outcome of Board meeting with respect to • Dividend and/or cash bonuses • Decision on buyback of securities • Decision on fund raising • Increase in capital • Reissue of forfeited shares • Alterations of capital • Financial results • Decision on voluntary delisting from Stock Exchange(s)	Board Meeting approving the proposal
17	Miscellaneous events • Change in directors/KMPs, Auditors, Compliance Officer • Granting, withdrawal, surrender, cancellation or suspension of key licenses or key regulatory approvals • Corporate Debt Restructuring of the Bank • Notices/resolutions/circulars sent to shareholders/debentureholders/creditors or advertised in the media • Proceedings of general meetings • Amendment to memorandum and articles of association • Major development likely to affect business/reputation of the Bank	Upon occurrence of events

Uniform and universal dissemination of unpublished price sensitive information
The Bank would disclose the events/release the unpublished price sensitive information immediately to the Stock Exchanges first before releasing it to the media/analyst to avoid selective disclosure.

In case where the unpublished price sensitive information which has not been given to the Stock Exchanges but has been released inadvertently or otherwise to a section of the market viz. at the investor/analyst meet or at the media briefing or through its publication on a website or in social media, the Bank will immediately give such information to the Stock Exchanges for release to the market.

Chief investor relations officer
The Group Chief Financial Officer is the designated Chief Investor Relations Officer who would deal with dissemination of information and disclosure of unpublished price sensitive information to the stock exchanges, analysts, shareholders and media. Information disclosure/dissemination needs to be approved in advance by the Chief Investor Relations Officer. If information is accidently disclosed without prior approval, the person responsible may inform the Chief Investor Relations Officer immediately.

Appropriate and fair response to comments, speculation in media and market rumours
The Bank would make a public announcement with respect to any matter only after it has taken a final or definitive decision. When there are rumours/ news reports and the Bank is queried by the regulatory authorities, the Bank will provide an appropriate and fair response by accepting/denying/clarifying the same. Bank will not be required to make disclosures in cases where the proposal is still in progress, or there are impending negotiations or incomplete proposals, the disclosure of which not be appropriate and could prejudice the Bank's legitimate interests.

Generally, following categories of information would be excluded from disclosure:

- Where it would be a breach of a law to disclose the information;
- The information is regarding a proposal or negotiation that is in progress or is not concrete/credible;
- The information comprises matters that are assumed or insufficient to warrant disclosure;
- The information is generated for the use of internal management of the entity; or
- The information is a trade secret.

Sharing of unpublished price sensitive information

- Utmost care would be taken to ensure that the information shared with analysts/ research personnel is not unpublished price sensitive information.
- Presentations/Transcripts/records of proceedings of the meetings with analysts and other investor relations conferences would be made available on the Bank's official website for official confirmation and documentation of disclosures made.
- All unpublished price sensitive information would be handled on a need-to-know basis.
- Parties having unpublished price sensitive information would be required to enter into confidentiality and non-disclosure agreement.

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