

KOTAK MAHINDRA BANK LIMITED

NOTICE FOR EXTRAORDINARY GENERAL MEETING



kotak[®]
Kotak Mahindra Bank



Notice

NOTICE is hereby given that the Extraordinary General Meeting of Kotak Mahindra Bank Limited will be held on Thursday, 9th May 2013, at 3.00 p.m. at Walchand Hirachand Hall of the Indian Merchants Chamber, 4th Floor, Churchgate, Mumbai - 400 020, to transact the following business:

SPECIAL BUSINESS:

1. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a special resolution:

"RESOLVED that pursuant to Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 ("Companies Act") (including any statutory modifications or re-enactments thereof, for the time being in force), the Memorandum of Association and Articles of Association of the Bank, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time ("SEBI ICDR Regulations"), the provisions of any other applicable laws and regulations and listing agreement(s) entered into by the Bank with the stock exchanges where the securities of the Bank are listed and subject to such other approvals including from the Reserve Bank of India ("RBI"), permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, and which may be agreed to and accepted by the Board of Directors of the Bank (hereinafter referred to as the "Board", which expression shall be deemed to include person(s) authorised or any committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this resolution), the consent of the Bank be and is hereby accorded to the issue and allotment of 2,00,00,000 (Two Crore) equity shares of the Bank of face value of ₹5 (Rupees Five Only) ("Subscription Shares"), representing approximately 2.61% of the paid up capital of the Bank post preferential allotment (where, paid up capital of the Bank, post preferential allotment means, the aggregate of the pre-allotment paid up capital of the Bank as on 31st March 2013 and the Subscription Shares) to Heliconia Pte Ltd., a private company limited by shares incorporated and existing under the laws of Singapore having its registered office at 168 Robinson Road, #37-01 Capital Tower, Singapore - 068912 ("Heliconia"), on a preferential basis at a price per equity share of ₹648 (Rupees Six Hundred Forty Eight Only) ("Subscription Price") for a total consideration of ₹12,96,00,00,000 (Rupees One Thousand Two Hundred Ninety Six Crore Only) through the Foreign Direct Investment ("FDI") route, on such terms and conditions as the Board may deem fit and proper and in accordance with the terms and conditions of the investment agreement entered into between the Bank and Heliconia.

"RESOLVED FURTHER that:

- (i) the Subscription Shares to be so issued and allotted shall be in dematerialised form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Bank;
- (ii) the Subscription Shares shall rank *paripassu* with the existing equity shares of the Bank in all respects; and

(iii) the relevant date for the preferential issue, for the purpose of SEBI ICDR Regulations, is 9th April 2013, which is the date, 30 days prior to the date of this Extraordinary General Meeting i.e. 9th May 2013.

"AND RESOLVED FURTHER that for the purpose of giving effect to the foregoing resolution the Board be and is hereby authorized and directed to execute such deeds, documents, and agreements and do all such acts, deeds, matters, or things as it in its sole discretion may deem necessary or desirable for such purpose without being required to seek any further consent or approval of the Bank or otherwise to the extent that they shall be deemed to have given their approval hereto expressly by the authority of this resolution and with power on behalf of the Bank to settle any question, difficulty, or doubt that may arise in this regard as it may in its absolute discretion deem fit and proper, including without limitation the power to agree to any amendment, alteration, or modification to the terms of the investment and the issue of the Subscription Shares."

Notes

1. 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.

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.

2. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the Special Business under Item No. 1 is annexed hereto.
3. Members/Proxies for Members should bring the attendance slip duly filled in for attending the meeting.

By Order of the Board of Directors

Bina Chandarana
Company Secretary
& Executive Vice President

Place : Mumbai

Date : 11th April 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 No. 1 of the Notice dated 11th April 2013.

Item No. 1

1. It is proposed to issue and allot 2,00,00,000 equity shares of the Bank of face value of ₹5 each ("Subscription Shares") to Heliconia Pte Ltd., a private company limited by shares incorporated and existing under the laws of Singapore, having its registered office at 168 Robinson Road, #37-01 Capital Tower, Singapore – 068912 ("Heliconia") on a preferential basis at a price per equity share of ₹648 (Rupees Six Hundred Forty Eight Only) ("Subscription Price") for a total consideration of ₹12,96,00,00,000 (Rupees One Thousand Two Hundred Ninety Six Crore Only) through the FDI route. Heliconia is an affiliate of Government of Singapore Investment Corporation Pte Ltd. (GIC). GIC is a global investment management company established in 1981 to manage Singapore's foreign reserves.
2. The Subscription Shares when allotted to Heliconia, shall represent approximately 2.61% of the paid up capital of the Bank's post preferential allotment (where, paid up capital of the Bank, post preferential issue means, the aggregate of the pre-allotment paid up capital of the Bank as on 31st March 2013 and the Subscription Shares).

3. Section 81(1A) of the Companies Act, 1956 provides, inter alia, that a company may increase its subscribed capital by further issue/offer and allotment of its shares to any person in any manner whatsoever if the company passes a special resolution approving the same in a general meeting of its shareholders.

Accordingly, the consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) and all other provisions of the Companies Act, 1956.

4. In terms of Regulation 73 of Chapter VII (Regulations for Preferential Issue) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations"), the following disclosures are being made:

(i) Objects of the preferential issue

The object of the proposed issue of Subscription Shares is to augment the Tier I capital of the Bank for pursuit of growth opportunities. It will also be a step towards dilution of promoter stake in the Bank.

(ii) The proposal of the promoters/directors/key management personnel to subscribe to the offer

The promoters/directors/key management personnel would not subscribe to the offer.

(iii) Shareholding pattern of the Bank before and after the proposed preferential issue and allotment of equity shares pursuant to the resolution

Shareholding pattern of the Bank before and after the preferential allotment:

Category	Pre- issue*		Post- Preferential Allotment	
	No. of Shares held	Percentage of share holding	No. of Shares held	Percentage of share holding
A. Promoters Holding				
1. Promoters				
- Indian Promoters	33,56,81,624	44.96	33,56,81,624	43.79
- Foreign Promoters	-	-	-	-
2. Persons acting in concert	-	-	-	-
Sub Total	33,56,81,624	44.96	33,56,81,624	43.79
B. Non-Promoters Holding				
1. Institutions				
a. Mutual Funds and UTI	90,19,128	1.21	90,19,128	1.18
b. Banks, Financial Institutions, Insurance Companies, (Central/ State Government Institutions/ Non-Government Institutions)	72,60,530	0.97	72,60,530	0.95
c. FIIs	24,00,36,670	32.15	24,00,36,670	31.31
Sub Total	25,63,16,328	34.33	25,63,16,328	33.44
2. Others				
a. Bodies Corporate	2,30,29,539	3.08	2,30,29,539	3.00
b. Indian Public	8,88,17,118	11.90	8,88,17,118	11.58
c. NRIs/OCBs/Foreign Bodies-DR	83,68,389	1.12	83,68,389	1.09
d. Foreign Bank	3,28,00,000	4.39	3,28,00,000	4.28
e. Clearing Members	3,63,421	0.05	3,63,421	0.05
f. Global Depository Shares (Depository)	12,32,607	0.17	12,32,607	0.16
g. Heliconia	-	-	2,00,00,000	2.61
Sub Total	15,46,11,074	20.71	17,46,11,074	22.77
Grand Total	74,66,09,026	100.00	76,66,09,026	100.00

* As on 31st March 2013

The shareholding pattern post preferential allotment as stated above reflects capital as on 31st March 2013 added only with the proposed allotment under this resolution.

(iv) Proposed time within which the issue and allotment will be completed

As required under the SEBI ICDR Regulations, the allotment as aforesaid is proposed to be made within 15 days from the date of passing of this resolution or if the allotment of Subscription Shares would require any approval(s) from any regulatory authority or the Central Government, within 15 (fifteen) days from the date of such approval(s) being received, as the case may be.



- (v) Identity of the proposed allottee and the percentage of paid up capital post preferential allotment that may be held by the said allottee

Identity of proposed allottee	% of post preferential allotment equity capital*
Heliconia Pte Ltd., a private company limited by shares incorporated and existing under the laws of Singapore having its registered office at 168 Robinson Road, #37-01 Capital Tower, Singapore - 068912	2.61%

* The paid up capital post preferential allotment as stated above reflects capital as on 31st March 2013 added only with the proposed allotment under this resolution.

- (vi) No Special Rights to Heliconia: There will be no special rights granted to Heliconia pursuant to the preferential allotment of the Subscription Shares in the management of the affairs of the Bank and as such, no change in control of the Bank shall take place pursuant to the preferential allotment.
- (vii) The Board of Directors of the Bank has already approved the issue and allotment of Subscription Shares of the Bank on a preferential basis to the above entity.
- (viii) Statutory Auditor's Certificate: A certificate from M/s. S. B. Billimoria & Co., Chartered Accountants, the statutory auditors of the Bank shall be obtained, certifying that the above preferential issue of Subscription Shares to Heliconia is in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations and shall be laid before the shareholders at the time of the meeting of the shareholders of the Bank.
- (ix) Lock-in: Pursuant to the SEBI ICDR Regulations, the Subscription Shares shall be subject to a lock-in for a period of one year from the date of their allotment.
- (5) Such issue and allotment of equity shares to Heliconia would also require approvals, including from the RBI, before the Bank can affect the allotment and if such approvals/activities are not obtained/ completed within the time frame contemplated under the agreement between the parties, the preferential issue and allotment may not occur. It may further be noted that there are certain mutual obligations to be carried out by the Bank and Heliconia until the completion of the allotment, as is customary. In the event of non-fulfilment of these, the agreement may be terminated by the concerned party and the allotment may not occur.
- (6) The Board recommends the above mentioned resolution to be passed as special resolution.
- (7) No Director of the Bank is interested or concerned in this item of business.

By Order of the Board of Directors

Bina Chandarana
Company Secretary
& Executive Vice President

Place : Mumbai

Date : 11th April 2013

Registered Office:

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