Kotak Mahindra Bank

4th September 2018

The Manager Corporate Relationship, BSE Limited, 1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	The Manager National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.

Dear Sir,

Sub: Minutes of the Annual General Meeting

Please find enclosed the minutes of the Annual General Meeting of the Bank held on 19th July 2018.

Yours faithfully,
Kotak Mahindra Bank Limited

B.R. Chandarana
Bina Chandarana
Company Secretary &
Sr. Executive Vice President

Encl: as above

Kotak Mahindra Bank Ltd.
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KOTAK MAHINDRA BANK LIMITED

MINUTES OF THE THIRTY THIRD ANNUAL GENERAL MEETING (AGM) OF KOTAK MAHINDRA BANK LIMITED HELD ON THURSDAY, JULY 19, 2018 AT 4.00 P.M. AT WALCHAND HIRACHAND HALL OF THE INDIAN MERCHANT CHAMBERS, 4TH FLOOR, CHURCHGATE, MUMBAI – 400 020

TIME OF COMMENCEMENT OF THE MEETING: 4.00 P.M.
TIME OF CONCLUSION OF THE MEETING: 5.40 P.M.

PRESENT	Dr. Shankar Acharya	}	Non-Executive Chairman
	Mr. Uday Kotak	}	Managing Director & CEO and as a member
	Mr. Dipak Gupta	}	Joint Managing Director and as a member
	Mr. C. Jayaram	}	Non-Executive Director and as a member
	Mr. Prakash Apte	}	Non-Executive Independent Director & Chairman of Audit Committee
	Prof. S. Mahendra Dev	}	Non-Executive Independent Director & Chairman of Stakeholders Relationship Committee
	Ms. Farida Khambata	}	Non-Executive Independent Director and as a member
	Mr. Mark Newman	}	Non-Executive Director
	Ms. Bina Chandarana	}	Company Secretary and as a member
INVITEES	Mr. Viren H. Mehta	}	Partner, S.R. Batliboi & Co. LLP, Statutory Auditors
	Ms. Rupal D. Jhaveri	}	Practicing Company Secretary, Secretarial Auditor

In aggregate, 146 members were present in person or by proxy.

Mr. Uday Khanna and Mr. Amit Desai, Directors of the Bank were unable to attend the meeting due to certain unavoidable prior commitments. Mr. Amit Desai, Chairman of the Nomination and Remuneration Committee had authorized Mr. Prakash Apte, member of the Nomination and Remuneration Committee to attend the AGM on his behalf.

Dr. Shankar Acharya, Non-Executive Chairman of the Bank, chaired the meeting.

The Chairman announced that as there was a quorum present, the meeting was in order and welcomed the members.

The Register of Directors and Key Managerial Personnel and their Shareholdings under Section 170 of the Companies Act, 2013, ("the Act"), the certificate from the Statutory Auditors of the Bank pursuant to Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the proxies and representations under Section 113 of the Act, validly registered with the Bank, along with the Register in which they had been entered, were laid on the table.

With the consent of the members present, the Notice of the meeting and the reports of the auditors were taken as read.

The Chairman then proceeded with the business of the meeting.

The Chairman informed the members that this was his last AGM as Chairman of the Bank since he would retire from the Board at the conclusion of this AGM. He further informed the members that he had joined the Bank as a Director in 2003 and had accepted the Chairmanship in July 2006 taking over the reins from Mr. K.M. Gherda, the previous Chairman of the Bank. He mentioned that he was happy to have been a part of the Bank's journey in which the institution and its subsidiaries had grown strongly, sustainably and profitably through clear vision, entrepreneurial drive, sustained hard work and vigilant risk management. He then welcomed Mr. Prakash Apte the new Chairman-designate of the Bank who had served on the Bank's Board over the last seven years and stated that Mr. Apte's rich and extensive experience would certainly prove invaluable to the Bank in the exciting & challenging years ahead.

The Chairman stated that today India is in the midst of a transformation: to an India more vibrant & dynamic, more aware of its needs & aspirations, more digitized & transparent and more rooted in trust and reliability. The theme for this year's Annual Report was "Actions Speak". Kotak is striving to cater to and service this new India. Kotak has transformed into a bigger, better and bolder organization to fulfill the aspirations of this new India through determined "actions" spanning every facet of our business value chain.

He then briefed the members on the broader economic and banking scenario touching upon the following aspects:

- Landmark reforms
- India's growth performance
- Inflation trajectory – CPI inflation, food inflation, WPI inflation
- Balance of Payment surplus
- GDP growth

The Chairman stated that the Bank's performance along with that of subsidiaries, in the year under review was good.

Consolidated profit after tax grew by 25.5% to ₹6,201 crore. The consolidated earnings per share was ₹32.7 for FY 2018 as against ₹26.9 for FY 2017. The consolidated total income was ₹38,813 crore during 2017-18 as against ₹33,984 crore in 2016-17. The Group had a net worth of ₹50,486 crore as on 31st March 2018. The Group earned a Return on Average Assets of 2.03% in FY 2018 as compared to 1.95% in FY 2017.

On a standalone basis, Profit before tax of the Bank for FY 2018 was ₹6,218 crore as against ₹5,148 crore for FY 2017. Profit after tax of the Bank was ₹4,084 crore in FY 2018 compared with ₹3,412 crore in FY 2017. Return on Average Assets of the Bank for FY 2018 was 1.73%.

The Bank's capitalization levels remain one of the strongest in the industry with overall Capital Adequacy Ratio at 18.2% and Tier I ratio of 17.6% as on 31st March 2018.

Net worth of the Bank increased from ₹27,616 crore as on 31st March 2017 to ₹37,482 crore as on 31st March 2018 primarily due to the QIP issuance done by the Bank in FY 2018.

The deposits of the Bank grew to ₹1,92,643 crore as on 31st March 2018 from ₹1,57,426 crore as on 31st March 2017. CASA deposits increased to ₹97,775 crore as on 31st March 2018 from ₹69,265 crore as on 31st March 2017.

The Bank had 1,388 branches and 2,199 ATMs as on 31st March 2018.

The Chairman was happy to announce that Mr. Uday Kotak, Managing Director & CEO was recognized as 'Business Leader' at the Lakshmipat Singhania IIM Lucknow National Leadership Awards 2017. He further mentioned that Mr. Uday Kotak was also recognized as 'Banker of the Year' by Businessworld Magna Awards 2018 and received a Lifetime Achievement Award at The Financial Express Best Banks' Awards 2015-16. He also mentioned about the various significant awards won by the Bank.

He further stated that the Group's results for the financial year reflected the underlying strength of the India story. However, there were clear concerns regarding the recent evolution of the global economic scenario, especially the elevated oil prices and the worrisome threat of a serious trade war among major trading partners. These could have a negative impact on the Indian economy. However, the Group believed that with sound risk management, high capital adequacy and a strong digital platform, the Bank will continue to perform well and reap the opportunities offered by a robust Indian economy.

The Bank will look forward to capitalize on promising inorganic opportunities, including acquisition and resolution of stressed assets, and additional avenues of organic growth through digital expansion, domestic lending, international lending and investments, for growth of the Bank and its subsidiaries.

He then thanked the valuable shareholders, all the regulators, and Central and State Governments, on behalf of the Board of Directors of the Bank, for the continued encouragement, sustained support, timely guidance and generous advice that the Group benefited from.

Lastly, the Chairman expressed his gratitude to the shareholders, the

Board and management for giving him a marvelous 15-year journey of tremendous learning, engagement and work satisfaction on the Board of the Bank. Based on this long experience he assured the shareholders that with Mr. Uday Kotak and his outstanding team, the shareholders have one of the finest corporate management teams this country has ever seen. He further stated that it had indeed been a singular pleasure and privilege to work with them and all his outstanding colleagues on the Board and that he would profoundly miss everyone. He then wished everyone good health, happiness and prosperity.

The Chairman stated that the meeting had been convened to seek approval of the members for ordinary and special business items detailed in the Notice of the meeting. The Chairman briefed the members on the objective and implications of the special business items pertaining to raising of funds.

He then invited queries and comments from the members on the agenda items.

The following members of the Bank commented on the operations, accounts, gave suggestions and asked certain queries:

1. Mr. Z. I. Maniar
2. Mr. Ratan Surana
3. Mr. Ravi Naredi
4. Mr. H.S. Alamshaw
5. Mr. Shailesh Mahadevia
6. Ms. C.E.Mascarenhas
7. Mr. Aspi Bhesania
8. Ms. H.S. Patel
9. Mr. M. J. Nagar
10. Mr. Yusuf Rangwala
11. Mr. Kirti Shah
12. Mr. Ronald Fernandes

The members commented / enquired on various matters including the following:

- Welcomed the new Chairman of the Bank and thanked the outgoing Chairman.
- Congratulated Mr. Uday Kotak and the Bank for various awards & accolades.
- State of banking sector – public sector banks vis-ā-vis private sector banks.
- Savings, Deposit interest rate.
- Plans for new branches.
- Dividend policy of the Bank.
- Promoter dilution.
- Shareholding of FIIs.
- Number of women employees.
- Attrition rate of employees.
- Investments of the Bank.

- Financial implications of IFRS on the Bank.
- Unlocking shareholders value in subsidiaries.
- Appreciated the Bank for usage of technology/digitization.
- Appreciated CSR activities of the Bank.
- Praised Bank for the good presentation of Annual Report.

After all the queries were raised, the Chairman requested the Managing Director & CEO to respond to the aforesaid queries / comments of the members.

The Managing Director & CEO responded to the queries and comments of the members which inter-alia covered the following:

- State of banking has huge challenges – dealing stress in banking system, quality of underwriting of loan, systems inability to recover. Public sector banks share likely to go down from 68% to 55%.
- 811 launch showed a significant growth in new customers. Fair rate of return to the customers on Savings, Deposit account.
- Concentration on combination of digital and physical branches to expand the Bank's network.
- Conservative dividend policy followed by the Bank. Core philosophy is to add shareholders value through long term appreciation.
- RBI communication of bringing down the promoter stake to 20% by 2018 and 15% by 2020.
- FII shareholding below 50% currently at 47%.
- Number of women employees around 7500 i.e. about 21% of the total bank employees.
- Attrition rate higher at the lower level but lower at the higher level.
- Indebtedness going up as deposits have to grow as a part of banking business.
- Equity investments only ₹1247 crore of the total investments. Investments majorly in Government securities & bonds.
- No significant impact of IFRS on financial performance of Bank.
- No immediate intention of listing subsidiaries. No plans for divesting. No intention of diluting shareholders value.

The Chairman informed the members that in accordance with the provisions of Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank had provided a remote e-voting facility to enable the members to cast vote electronically on the agenda items specified in the Notice of the AGM.

The remote e-voting period had commenced on 16th July 2018 and ended on 18th July 2018. Ms. Rupal D. Jhaveri, Practicing Company Secretary was appointed as Scrutinizer to scrutinize the remote e-voting process and voting through electronic system at the AGM.

He further stated that in order to give an opportunity of voting to the shareholders present at the meeting and who had not e-voted, the Bank had arranged for voting through electronic system at the AGM. The Chairman briefed the members on the voting process. He further informed the members that Ms. Rupal D. Jhaveri, Practicing Company Secretary was also appointed as Scrutinizer to scrutinize the voting through electronic system process which was then opened up for the members to cast their votes.

The Chairman authorized the Whole-time Directors and the Company Secretary of the Bank, severally to declare the combined results of the remote e-voting and the voting through electronic system after the process was complete and the results had been verified by the Scrutinizer. He also mentioned that since he would retire from the Board at the conclusion of the AGM, he authorized Mr. Uday Kotak, Managing Director & CEO or Mr. Prakash Apte, Director of the Bank to countersign and accept the Scrutinizer's Report. He further announced that the combined result would be displayed on the website of the Bank and on the website of Karvy Computershare Pvt. Ltd. i.e. service providers of the remote e-voting facility & voting through electronic system and would also be communicated to the Stock Exchanges.

The Chairman further announced that based on the Scrutinizer's Report, the combined result of remote e-voting and the voting through electronic system i.e. Instapoll at the AGM would be treated as final. Subject to receipt of sufficient votes, the resolutions related to the following would be deemed to be passed on the date of the AGM:

Ordinary Business:

1. a) Adoption of the audited financial statements of the Bank for the year ended 31st March 2018 and the Reports of the Directors and the Auditors thereon. (Ordinary Resolution)

   b) Adoption of the audited consolidated financial statements of the Bank for the year ended 31st March 2018 and the Report of the Auditors thereon. (Ordinary Resolution)

2. Declaration of dividend on equity shares for the year ended 31st March 3018. (Ordinary Resolution)

Special Business:

3. Retirement of Dr. Shankar Acharya (DIN: 00033242), who retires by rotation and does not seek re-appointment. (Ordinary Resolution)
4. Appointment of Mr. Prakash Apte (DIN: 00196106) as part-time Chairman of the Bank from 20th July 2018 till 31st December 2020. (Special Resolution)
5. Approval to issue unsecured, perpetual and/or redeemable non-convertible debentures/bonds for an amount up to ₹5,000 crore. (Special Resolution)
6. Alter and increase in the Authorised Share Capital of the Bank. (Ordinary Resolution)
7. Substitution of Clause V of the Memorandum of Association of the Bank. (Ordinary Resolution)
8. Alteration of Article 11 of the Articles of Association of the Bank. (Special Resolution)
9. Approval to raise funds by way of Non-Convertible Preference Shares, in one or more tranches, for an amount not exceeding ₹500 crore, by way of a private placement. (Special Resolution)

The meeting concluded after the voting through electronic system process was completed at 5.40 p.m.

On the basis of the Scrutinizer's Report dated 19th July 2018, on the combined voting results of the remote e-voting and voting through electronic means conducted at the AGM, all the resolutions as set out in the Notice of the AGM dated 19th May 2018, were passed by the Members with requisite majority and hence deemed to be passed on the date of AGM.

Date of entry: 9th August 2018

S/d
Shankar Acharya
CHAIRMAN OF THE MEETING

Date: 16th August 2018
Place: Mumbai

Kotak Mahindra Bank Ltd.