MINUTES OF THE TWENTY SEVENTH ANNUAL GENERAL MEETING OF KOTAK MAHINDRA BANK LIMITED HELD ON THURSDAY, JULY 19, 2012 AT 11.30 A.M. AT INDIAN MERCHANTS CHAMBER, WALCHAND HIRACHAND HALL, 4TH FLOOR, CHURCHGATE, MUMBAI – 400 020.

PRESENT	Dr. Shankar Acharya	}	Chairman
	Mr. Uday Kotak	}	Executive Vice-Chairman and Managing Director and Member
	Dr. Sudipto Mundle	}	Directors
	Mr. Prakash Apte	}	
	Mr. N. P. Sarda	}	
	Mr. Dipak Gupta	}	Joint Managing Directors and
	Mr. C. Jayaram	}	Members
	Ms. Bina Chandarana	}	Company Secretary and Member

And 64 Members, present in person or by proxy.

Certified True Copy
For Kotak Mahindra Bank Ltd.
B. R. Chandarana
Bina Chandarana
Company Secretary &
Executive Vice President

Dr. Shankar Acharya, the Chairman of the Board of Directors of the Bank, presided.

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

The Register of Directors' Shareholdings under Section 307 of the Companies Act, 1956, ("the Act"), the certificate from the Statutory Auditors of the Bank pursuant to Clause 14 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the proxies and representations under Section 187 of the Act, validly registered with the Bank, along with the Register in which they had been entered, were laid on the table.

NOTICE

The Chairman inquired whether the Notice of the Meeting could be taken as read. The Members present agreed and the Notice was taken as read.

AUDITORS' REPORT

The Auditors' Report was read by the Company Secretary.

The Chairman then proceeded with the business of the Meeting.

The Chairman stated that the foremost expectation by a shareholder from the company that he or she has invested in was stability and value creation. He further stated that the Bank acknowledged this reality and embraced it as a part of its corporate philosophy.

The Chairman further stated that although the global economic environment had been quite uncertain and turbulent, it has been the Bank's endeavor to stay ahead of the curve with a sharp, risk-focused approach to business. Since the beginning of its journey, the Bank had steadily enhanced its capability for value creation by developing a robust business model.

The Chairman informed the members that 'Value Creation with Stability' was the theme of the Annual Report for the year 2011-12 which represented the focal point of the Bank's delivery mechanism. The Report explained how the Bank had consistently altered its asset mix, enriched its products-services bandwidth, widened its customer spectrum and elevated its technology readiness to emerge as a value-focused enterprise.

He further stated that he was optimistic about the future and looked forward to building a durable, long-term institution of excellence.

He then briefed the members on the broader economic and banking scenario stating that the economic environment in advanced economies had continued to pose significant challenges. The US economy tended to show some growth uptick which was also accompanied by fall in the unemployment rate to around 8.1%. However, signs of economic weakness continued. Of greater concern were the continuing issues of fiscal/debt stress and banking fragility in Europe. For a while there was some comfort from the Long-Term Refinancing Operations fund infusions by the European Central Bank, completion of the Greek bond swap and the agreement on a second bailout package for Greece. However, the unpopularity of austerity programmes had changed the political landscape in several major European nations, and had once again heightened concerns about Greece's continuation in the Euro-zone and increased contagion risks for other countries such as Spain and Italy.

In India, after two successive years of 8.4% growth in 2009-10 and 2010-11, GDP growth had slowed sharply to 6.5% in 2011-12, with growth in the final quarter dropping to 5.3 %, the lowest in nine years. The slowdown was particularly pronounced in the industrial sector due to number of factors identified by the RBI, including, domestic policy uncertainty, impact of monetary tightening, high fiscal deficits, slackening of external demand and dampening of the investment sentiment in the economy.

With inflation stubbornly high, RBI had continued with its monetary tightening phase till October 2011, with the policy Repo rate, peaking at 8.5% in October 2011. The banking-system liquidity averaged below 50,000 crore in the first half of the 2011-12 but more than doubled thereafter.

In the country's external finances, the current account deficit widened sharply in 2011-12 to a record level of 4.2 % of GDP. Together with weaker growth, fiscal stress and reduced capital inflows, a more than 20 % drop in the rupee's exchange rate was witnessed in the second half of the year. Depreciation, measures taken by the RBI along with expectations of government policy actions and lower international prices of key commodities such as oil and gold, should hopefully reduce the country's foreign trade and current account imbalances in the current year.

As regards the performance of the Bank and its subsidiaries, he was happy to inform the members that despite this challenging global and domestic economic environment, the Bank had done quite well in 2011-12. In particular, the financing businesses of the Group had shown strong growth during a difficult year. However, the capital market businesses, which included investment banking and stock broking, had seen their profits drop due to lower activity levels in the market.

Consolidated profit after tax grew 16.9% to ₹ 1,832.24 crore.

The consolidated earnings per share was ₹ 24.67 for 2011-12 as against ₹ 21.60 for 2010-11. The consolidated total income was ₹ 12,937.39 crore during 2011-12 as against ₹ 10,997.43 crore in 2010-11.

Profit before tax of the Bank for 2011-12 was ₹ 1,599.93 crore as against ₹ 1187.70 crore for 2010-11. Profit after tax of the Bank was ₹ 1,085.05 crore in 2011-12 compared with ₹ 818.18 crore in 2010-11.

As per BASEL II, the capital adequacy ratio of the Bank as at 31st March 2012 was 17.5%. Tier I ratio was 15.7%.

The deposits of the Bank grew by 32% from ₹ 29,260.97 crore as at 31st March 2011 to ₹ 38,536.52 crore as at 31st March 2012.

As at 31st March 2012, the Bank had built a network of 355 full-fledged branches spread across 211 locations and 848 ATMs.

He also mentioned about the various significant awards won by the Bank.

He further added that the results for 2011-12 demonstrated the underlying resilience of the Indian economy despite pressures from continuing inflation, global uncertainties and weakening domestic growth. It showcased the Group's capacity to meet new challenges as they arise. The Group believed that the coming year would be even more challenging. But it was confident that it would meet the challenges and continue to grow and create value.

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 had benefited from.

ADOPTION OF ACCOUNTS

The Chairman moved the following resolution regarding adoption of accounts which was proposed by Mr. P. A. Vijayakar and seconded by Mr. Vinod Agarwal as an Ordinary Resolution:

"RESOLVED that Profit and Loss Account for the year ended 31st March 2012 and the Balance Sheet as at that date together with the Auditors' Report and the Directors' Report be and are hereby approved and adopted."

Before putting the Resolution to vote, the Chairman invited queries and comments from the Members relevant to the Annual Report and Accounts.

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

1. Mr. R. P. Surana
2. Mr. Joseph Martins
3. Mr. Michael Martins
4. Mr. Vinit Kumar Parikh
5. Mr. Vinod Agarwal
6. Mr. P. A. Vijayakar
7. Mr. Beruz Pouredehi
8. Mr. Kirti Shah

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

1. Reason for increase in the amount of Provisions and Contingencies.
2. Reason for disclosing the Balance Sheet and Profit & Loss account numbers in ₹ in thousands and not in crore.
3. Rate of dividend declared was less as compared to the rate of inflation.
4. Congratulated the Bank for the number of significant awards won by it.
5. Appreciated the commendable efforts of the Bank in the CSR activities.
6. Appreciated the contents of the Annual Report.
7. Appreciated the services of Karvy Computershare Pvt. Ltd., the Bank's Registrar and Transfer Agent.
8. Reason for increase in the maintenance cost.
9. Suggested usage of eco-friendly paper for the Annual Report.
10. Number of branches in India and abroad.
11. Ratio of owned and leased branches.
12. Details of NPAs.
13. Ranking of the Bank.
14. Risks that may be faced by the Bank for exceeding the single borrower limits for two borrowers.
15. Increase in the lending to Real Estate Sector.
16. Details of law charges, brokerage and travel & conveyance expenses.
17. Grant of stock options to employees.
18. Nature of the shareholder/customer complaints.
19. Reduction in the promoter shareholding in terms of the RBI directive.

The Chairman requested the Executive Vice – Chairman and Managing Director to respond to the aforesaid queries/ comments of the members.

The Executive Vice – Chairman and Managing Director responded to the queries and comments to the satisfaction of the members.

The Chairman then put the Resolution to vote and on a show of hands, the Chairman declared it carried with the requisite majority.

DIVIDEND

Mr. Kirti Shah proposed and Mr. P. A. Vijayakar seconded the following as an Ordinary Resolution:

"RESOLVED that, pursuant to the recommendation of the Board of Directors of the Company, a dividend be declared for the year ended 31st March, 2012 out of the profits of the Company for the said financial year at the rate of ₹ 0.60 (Sixty Paisa only) per share on the paid-up equity share capital of the Company, and that the said dividend be paid on or after 20th July 2012 to those members whose names appear on the Register of Members of the Company on 10th July 2012."

The Resolution was put to vote and on a show of hands, the Chairman declared it carried with the requisite majority.

RE-APPOINTMENT OF DR. SHANKAR ACHARYA

As the next item pertained to re-appointment of Dr. Shankar Acharya, Dr. Acharya requested Mr. Uday Kotak to take the Chair.

Mr. P.A. Vijayakar proposed and Mr. Vinod Agarwal seconded the following as an Ordinary Resolution:

"RESOLVED that Dr. Shankar Acharya, a Director of the Company, who retires by rotation at this meeting and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

The Resolution was put to vote and on a show of hands, the Chairman declared it carried nem con.

Mr. Uday Kotak then requested Dr. Shankar Acharya to resume the chair.

RE-APPOINTMENT OF DR. SUDIPTO MUNDLE

Mr. Kirti Shah proposed and Mr. P. A. Vijayakar seconded the following as an Ordinary Resolution:

"RESOLVED that Dr. Sudipto Mundle, a Director of the Company, who retires by rotation at this meeting and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

The Resolution was put to vote and on a show of hands, the Chairman declared it carried with the requisite majority.

RE-APPOINTMENT OF M/S. S. B. BILLIMORIA & CO., AS STATUTORY AUDITORS

Mr. Kirti Shah proposed and Mr. P. A. Vijayakar seconded the following 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."

The Resolution was put to vote and on a show of hands, the Chairman declared it carried with the requisite majority.

RE-APPOINTMENT OF AND PAYMENT OF REMUNERATION TO DR. SHANKAR ACHARYA AS THE CHAIRMAN OF THE BANK

As the next item pertained to the re-appointment of and payment of remuneration to Dr. Shankar Acharya, Dr. Acharya requested Mr. Uday Kotak to take the Chair.

Mr. Vinod Agarwal proposed and Mr. Kirti Shah seconded the following as an Ordinary Resolution:

"RESOLVED that pursuant to Section 309(4) and other applicable provisions of the Companies Act, 1956, Section 35-B and other applicable provisions, if any, of the Banking Regulation Act, 1949 and subject to the approvals, as may be necessary from the Government of India, the Reserve Bank of India and other concerned regulatory authorities and subject to conditions as may be prescribed by any of them while granting such approvals, the approval of the members of the Bank be and is hereby accorded for the re-appointment of Dr. Shankar Acharya as the Chairman of the Bank for a period of three years with effect from 20th July 2012 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 ₹ 25 lakh per annum at any given time.

"RESOLVED FURTHER that in case of absence or inadequacy of profit in any financial year, the aforesaid remuneration be paid to Dr. Shankar Acharya as minimum remuneration.

"RESOLVED FURTHER that the Board be and is hereby authorised 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."

The Resolution was put to vote and on a show of hands, the Chairman declared it carried nem con.

Mr. Uday Kotak then requested Dr. Shankar Acharya to resume the chair.

BORROWING LIMITS UNDER SECTION 293(1)(d)

Mr. Mr. P. A. Vijayakar proposed and Mr. R. Surana seconded the following as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 and in supersession of all earlier Resolutions passed in this regard by the Bank in general meetings, the consent of the Bank be and is hereby accorded to the Board of Directors of the Bank for borrowing from time to time all such sums of money for the purpose of the business of the Bank notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Bank (apart from the temporary loans obtained or to be obtained from the bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital and free reserves, that is to say, reserves not set apart for any specific purpose, provided that the maximum amount of moneys so borrowed by the Board of Directors and outstanding shall not at any time exceed the sum of ₹ 40,000 crore (Rupees forty thousand crore only)."

The Resolution was put to vote and on a show of hands, the Chairman declared it carried with the requisite majority.

INCREASE IN CEILING FOR INVESTMENT BY FOREIGN INSTITUTIONAL INVESTORS (FIIs)

Mr. P. A. Vijayakar proposed and Mr. M. Kothekar seconded the following 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 1st July 2011 issued by the Reserve Bank of India ("RBI"), Consolidated FDI Policy dated 10th April 2012 issued by the Department of 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 33% to 35% 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."

The Resolution was put to vote and on a show of hands, the Chairman declared it carried with the requisite majority.

TERMINATION OF THE MEETING

There being no other business, the Meeting terminated with a vote of thanks to the Chair.

CHAIRMAN OF THE MEETING