



January 21, 2025

<b>BSE Limited</b> Corporate Relationship Department Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051
<b>BSE Scrip Code:</b> 500247, 958687, 974396, 974682, 974924, 975387	<b>NSE Symbol:</b> KOTAKBANK, KMBL, KMB26, KMB29, KMB30

Dear Sir/Madam,

**Sub: Intimation regarding Notice of Postal Ballot**

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), we attach herewith a copy of the Postal Ballot Notice dated January 21, 2025, along with the Explanatory Statement (“Postal Ballot Notice”), being dispatched today for seeking the approval of the members of Kotak Mahindra Bank Limited (“Bank”) on the Special business as contained in the Postal Ballot Notice, by passing the resolutions through Postal Ballot (only through the remote e-voting process), pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI Listing Regulations, and General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 9/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs, Government of India (“MCA Circulars”), Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India and any other applicable law, rules, and regulations.

The Postal Ballot Notice is being dispatched by e-mail, only to those members whose names appeared in the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) (collectively referred to as the “Depositories”) and as was available with the Bank, as on Friday, January 17, 2025 and whose email address are registered with the Bank / Depositories / Depository Participants. A copy of the Postal Ballot Notice is also being made available on the website of the Bank <https://www.kotak.com/en/investor-relations/governance/sebi-listing-disclosures.html> and the website of NSDL, the remote e-voting service providing agency to the Bank [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

As per the provisions of the MCA Circulars, the manner of voting on the proposed resolutions is restricted only to remote e-voting. The Bank has engaged the services of NSDL for providing remote e-voting facility to all its members.

**The e-voting period will commence on Wednesday, January 22, 2025 (9:00 a.m. IST) and end on Thursday, February 20, 2025 (5:00 p.m. IST).** Members holding equity shares of the Bank as on Friday, January 17, 2025, the Cut-off Date only shall be entitled to vote through remote e-voting process in relation to the resolutions specified in the Postal Ballot Notice.

In accordance with the MCA Circulars, the Bank has made necessary arrangements to enable the eligible members who have not registered their e-mail address, to register the same so as to receive the Postal Ballot Notice and the procedure for remote e-voting along with the login ID and password related details. The procedure for registration of e-mail address by such members is set out in Note 6 of the Postal Ballot Notice. The instructions for remote e-voting are set out in Note 7 of the Postal Ballot Notice.

Kotak Mahindra Bank Ltd.  
CIN: L65110MH1985PLC038137

Registered Office:  
27 BKC, C 27, G Block,  
Bandra Kurla Complex,  
Bandra (E), Mumbai 400051,  
Maharashtra, India.

T +91 22 61660001  
[www.kotak.com](http://www.kotak.com)



Kotak Mahindra Bank

The results of Postal Ballot will be declared on or before Monday, February 24, 2025.

We request you to kindly take the above information on your records and disseminate to all concerned.

Thanking you,

**Yours faithfully**  
**For Kotak Mahindra Bank Limited**

**Avan Doomasia**  
**Company Secretary**

Encl.: as above

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**KOTAK MAHINDRA BANK LIMITED**

**CIN: L65110MH1985PLC038137**

**Registered Office:** 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

**Tel:** +91 22 6166 0001; **Fax:** +91 22 6713 2403

**Website:** [www.kotak.com](http://www.kotak.com); **E-mail:** [KotakBank.Secretarial@kotak.com](mailto:KotakBank.Secretarial@kotak.com)

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## **POSTAL BALLOT NOTICE**

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**NOTICE** is hereby given that pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, General Circular No. 14 / 2020 dated April 8, 2020 and General Circular No. 17 / 2020 dated April 13, 2020 read with other relevant circulars, including General Circular No. 9 / 2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs, Government of India (“MCA Circulars”), Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India and any other applicable law, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the resolutions set out below are proposed to be passed by the members of Kotak Mahindra Bank Limited (“Bank”) by means of a Postal Ballot, only by way of remote e-voting process.

The proposed resolutions and explanatory statement setting out all material facts relating thereto, as required in terms of Section 102(1) of the Act read with the Rules and the MCA Circulars, are appended below.

In compliance with Regulation 44 of the SEBI Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules and the MCA Circulars, the manner of voting on the proposed resolutions is restricted only to remote e-voting (“e-voting”), i.e., by casting votes electronically instead of submitting postal ballot forms. The instructions for e-voting are appended to this Postal Ballot Notice under the head ‘Instructions for e-voting’ at Note 7, which the members are requested to carefully read.

The Board of Directors of the Bank have appointed Mr. P. N. Parikh (Membership No. 327 and Certificate of Practice No. 1228), Practising Company Secretary and Partner in Parikh & Associates, Company Secretaries, as the Scrutinizer and Ms. Jigyasa N. Ved (Membership No. 6488 and Certificate of Practice No. 6018), Practising Company Secretary and Partner in Parikh & Associates, Company Secretaries, as an alternate Scrutinizer to Mr. P. N. Parikh, for conducting the Postal Ballot process in a fair and transparent manner.

Members holding equity shares of the Bank on the Cut-off Date mentioned in this Postal Ballot Notice are requested to record their assent (“FOR”) or dissent (“AGAINST”) on the proposed resolutions through the e-voting process not later than 5:00 p.m. (IST) on Thursday, February 20, 2025. The Bank has engaged the services of National Securities Depository Limited (“NSDL”) for the purpose of providing e-voting facility to its members. In accordance with the MCA Circulars, the Bank has made necessary arrangements to enable the members to register their e-mail address. Those members who have not yet registered their e-mail address, are requested to register the same by following the procedure set out in Note 6 in this Postal Ballot Notice.

After completion of scrutiny of the votes cast, the Scrutiniser will submit the Scrutiniser's Report to the Chairman of the Bank, or in his absence, the Managing Director & CEO or the Company Secretary. The results of the e-voting will be announced by the Chairman of the Bank, or in his absence, the Managing Director & CEO or the Company Secretary, on or before Monday, February 24, 2025. The said results, along with the Scrutiniser's Report, will be placed on the website of the Bank, <https://www.kotak.com/en/investor-relations/governance/sebi-listing-disclosures.html> and NSDL, [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and also displayed at the Registered Office of the Bank. The same will also be simultaneously forwarded to the Stock Exchanges where the equity shares of the Bank are listed, for placing the same on their websites. The resolutions, if approved, will be deemed to have been duly passed on the last date specified for e-voting, i.e., Thursday, February 20, 2025.

## **SPECIAL BUSINESS:**

### **1. Appointment of Mr. Jaideep Hansraj as a Director and Whole-time Director, to be designated as 'Whole-time Director (Executive Director)' of the Bank and payment of remuneration to him**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED** that pursuant to Section 161 of the Companies Act, 2013 (“Act”) and the applicable provisions of the Act and the Banking Regulation Act, 1949 (“BR Act”), Mr. Jaideep Hansraj (DIN: 02234625), appointed as an Additional Director to act as a Whole-time Director of Kotak Mahindra Bank Limited (“Bank”), to be designated as ‘Whole-Time Director (Executive Director)’, for a period of three years, with effect from the date of receipt of all the regulatory and statutory approvals, as may be necessary from the Reserve Bank of India (“RBI”) or any other regulatory / statutory authority, and in respect of whom the Bank has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Bank, with effect from the said date.”

**“RESOLVED FURTHER** that pursuant to the provisions of Section 35-B and other applicable provisions of the BR Act, as amended, read with the rules, regulations, directions, guidelines and circulars issued by the RBI in this regard, the applicable provisions of the Act read with the relevant rules made thereunder, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), any other applicable law (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereof, for the time being in force), the provisions of the Articles of Association and pursuant to the recommendation of the Nomination and Remuneration Committee (“NRC”) of the Bank and the approval of the Board of Directors of the Bank (“Board”) and further subject to the approvals, as may be received or as may be necessary from the RBI and such other statutory / regulatory authority and subject to such conditions as may be prescribed by the RBI and / or such other regulatory / statutory authority while granting such approvals, the approval of the members of the Bank, be and is hereby accorded for the appointment of Mr. Jaideep Hansraj as a Whole-time Director of the Bank, to be designated as ‘Whole-Time Director (Executive Director)’, for a period of three years, with effect from the date of receipt of all the regulatory and statutory approvals, as may be necessary from the RBI or any other regulatory / statutory authority, on the following terms and conditions of remuneration:

Basic Salary	Up to Rs. 40 lakh per month
Performance bonus	As may be decided by the Board of Directors
Allowances towards driver wages, furnishings, gas, electricity, water, servants, gardener, entertainment, etc.	Up to Rs. 60 lakh per annum
Perquisites	
i) Housing Accommodation	Fully furnished leased accommodation or House Rent Allowance
ii) Car	Use of the Bank's car for official and private purposes
iii) Medical Reimbursement	As per the Bank's rules applicable to employees of the Bank
Provident Fund / Gratuity / Superannuation / NPS or allowance thereof	As per the Bank's rules applicable to employees of the Bank
Leave Travel Allowance	Up to Rs. 15 lakh per annum
Other benefits towards club fees for subscription to two clubs, health insurance, leave	As per the Bank's rules applicable to employees of the Bank
Employee Stock Options / Stock Appreciation Rights / any other share-linked instrument as may be deemed fit *	As may be granted by the NRC

\* Variable component

*Variable component elaborated:*

*As per the prevailing RBI Guidelines on compensation, the total variable pay of a Whole-time Director shall be limited to and cannot exceed a maximum of 300% of the fixed pay. Further, such variable pay shall be inclusive of cash as well as share-linked components.*

*The actual amount of performance bonus (cash or deferred cash component) and the Employee Stock Options / cash-linked Stock Appreciation Rights / any other permissible share-linked instrument as may be deemed fit as variable pay (share-linked component) in the above table, are part of the variable pay of the Whole-time Director and linked to his performance, the performance of the Bank as a whole and such other performance-based criteria as may be determined by the NRC from time to time. The quantum and cycles of payment of performance bonus / grant of Employee Stock Options or Stock Appreciation Rights or other permissible share-linked instruments shall be as determined by the NRC and Board of Directors and approved by the RBI from time to time, based on an annual review of performance and as per the Compensation Policy of the Bank, in line with the RBI Guidelines on Compensation for Whole Time Directors / Chief Executive Officers / Material Risk Takers and Control Function Staff, issued on November 4, 2019, as may be in force from time to time."*

**"RESOLVED FURTHER** that the Board (which term shall include any Committee which the Board may have constituted or may hereafter constitute and delegate with the powers necessary for the purpose), be and is hereby authorised to fix the actual amount of remuneration (including perquisites), payable or to be provided to Mr. Hansraj and vary or increase the same from time to time, within the limits approved by the members, to the extent the Board may consider appropriate and as may be permitted or authorised by the RBI, on an application made by the Bank."

**"RESOLVED FURTHER** that Mr. Hansraj shall be subject to retirement by rotation during his tenure as Whole-time Director of the Bank."

**"RESOLVED FURTHER** that in case of absence or inadequacy of profits in any financial year, the aforesaid remuneration shall be paid to Mr. Hansraj, as minimum remuneration, subject to approvals, if any, from the RBI or any other regulatory / statutory authority."

**"RESOLVED FURTHER** that the Board, be and is hereby authorised to execute any agreement, document or instruction as may be required, and settle at its sole and absolute discretion, any query or difficulty that may arise in this regard, and to generally do all such acts, deeds and things as may be necessary and appropriate and to delegate all or any of its powers herein conferred to any Director(s) / Officer(s) of the Bank, to give effect to this resolution."

**2. Revision in remuneration of Ms. Shanti Ekambaram, Whole-time Director designated as ‘Deputy Managing Director’ of the Bank**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED** that in partial modification of the resolution passed by the members of the Bank on August 27, 2022 and pursuant to the provisions of Section 35-B and other applicable provisions of the Banking Regulation Act, 1949 (“BR Act”), as amended, read with the rules, regulations, directions, guidelines and circulars issued by the Reserve Bank of India (“RBI”) in this regard, the provisions of the Companies Act, 2013 (“Act”) read with the relevant rules made thereunder, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), any other applicable law (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereof, for the time being in force), the provisions of the Articles of Association of the Bank and pursuant to the recommendation of the Nomination and Remuneration Committee (“NRC”) of the Bank and the approval of the Board of Directors of the Bank (“Board”) and further subject to the approvals, as received and as may be received or as may be necessary from the RBI and from such other regulatory / statutory authority and subject to such conditions as may be prescribed by the RBI and / or such other regulatory / statutory authority while granting such approvals, the approval of the members of the Bank, be and is hereby accorded for the revision in the remuneration of Ms. Shanti Ekambaram (DIN: 00004889), Whole-time Director, designated as the Deputy Managing Director of the Bank, from April 1, 2024 till the end of her current term, i.e., till October 31, 2025, on the following terms of remuneration:

Basic Salary	Up to Rs. 40 lakh per month
Performance bonus	As may be decided by the Board of Directors
Allowances towards driver wages, furnishings, gas, electricity, water, servants, gardener, entertainment, etc.	Up to Rs. 60 lakh per annum
Perquisites	
i) Housing Accommodation	Fully furnished leased accommodation or House Rent Allowance
ii) Car	Use of the Bank’s car for official and private purposes
iii) Medical Reimbursement	As per the Bank’s rules applicable to employees of the Bank
Provident Fund / Gratuity / Superannuation / NPS or allowance thereof	As per the Bank’s rules applicable to employees of the Bank
Leave Travel Allowance	Up to Rs. 15 lakh per annum
Other benefits towards club fees for subscription to two clubs, health insurance, leave	As per the Bank’s rules applicable to employees of the Bank
Employee Stock Options / Stock Appreciation Rights / any other share-linked instrument as may be deemed fit *	As may be granted by the NRC

\* Variable component

*Variable component elaborated:*

*As per the prevailing RBI Guidelines on compensation, the total variable pay of a Whole-time Director shall be limited to and cannot exceed a maximum of 300% of the fixed pay. Further, such variable pay shall be inclusive of cash as well as share-linked components.*

*The actual amount of performance bonus (cash or deferred cash component) and the Employee Stock Options / cash-linked Stock Appreciation Rights / any other permissible share-linked instrument as may be deemed fit as variable pay (share-linked component) in the above table are part of the variable pay of Whole-time Director and linked to her performance, the performance of the Bank as a whole and such other performance-based criteria as may be determined by the NRC from time to time. The quantum and cycles of payment of performance bonus / grant of Employee Stock Options or Stock Appreciation Rights or other permissible share-linked instruments shall be as determined by the NRC and Board of Directors and approved by the RBI from time to time, based on an annual review of performance and as per the Compensation Policy of the Bank, in line with the RBI Guidelines on Compensation for Whole Time Directors / Chief Executive Officers / Material Risk Takers and Control Function Staff, etc. issued on November 4, 2019, as may be in force from time to time.”*

**“RESOLVED FURTHER** that the Board (which term shall include any Committee which the Board may have constituted or may hereafter constitute and delegate with the powers necessary for the purpose), be and is hereby authorised to fix the actual amount of remuneration (including perquisites), payable or to be provided to Ms. Ekambaram and vary or increase the same from time to time, within the limits approved by the members, to the extent the Board may consider appropriate and as may be permitted or authorised by the RBI, on an application made by the Bank.”

**“RESOLVED FURTHER** that in case of absence or inadequacy of profits in any financial year, the aforesaid remuneration shall be paid to Ms. Ekambaram, as minimum remuneration, subject to approvals, if any, from the RBI or any other regulatory / statutory authority.”

**“RESOLVED FURTHER** that the Board, be and is hereby authorised to execute any agreement, document or instruction as may be required, and settle at its sole and absolute discretion, any query or difficulty that may arise in this regard, and to generally do all such acts, deeds and things as may be necessary and appropriate and to delegate all or any of its powers herein conferred to any Director(s) / Officer(s) of the Bank, to give effect to this resolution.”

### **3. Issuance of Unsecured, Redeemable, Non-Convertible Debentures / Bonds / other Debt Securities on a private placement basis during FY 2025-26**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED** that pursuant to the provisions of Sections 42, 71 and other applicable provisions of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and any other rules, guidelines or circulars issued by the Ministry of Corporate Affairs and / or the Reserve Bank of India (“RBI”), from time to time, the applicable provisions of the Banking Regulation Act, 1949 and the applicable provisions of the Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 and such other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) and the relevant provisions of the Memorandum and Articles of Association of the Bank and subject to such other approvals and consents, as may be necessary from any regulatory / statutory authority, the approval of the members of the Bank, be and is hereby accorded for borrowing and raising funds by the Board of Directors of the Bank (“Board”) by way of issuance of redeemable securities in the nature of Unsecured Non-Convertible Debentures / Bonds / other Debt securities, in Indian / foreign currency, in the domestic and / or overseas markets, as may be permitted under the RBI guidelines, as applicable and from time to time, in one or more series, on a private placement basis, during the financial year 2025-26, for an amount not exceeding Rs. 10,000 crore (Rupees Ten Thousand Crore only), for its general corporate purposes and / or for financing infrastructure and affordable housing sector, within the overall borrowing limit of the Bank, as per the structure and on such terms as to price, coupon and such other terms and conditions as may be determined, from time to time, by the Board (including any Committee thereof, duly authorised by the Board in this behalf).”

**“RESOLVED FURTHER** that the Board (including any Committee thereof, duly authorised by the Board in this behalf) and any other person(s) duly authorised by the Board in this behalf, be and are hereby severally authorised to do all such acts, matters, deeds, matters and things and execute all such agreements, documents, instruments and writings, as may be required, with power to settle all questions, difficulties or doubts that may arise with regard to the said matter as it may in its sole and absolute discretion deem necessary and give such directions as may be deemed necessary or expedient in connection with or incidental thereto, for giving effect to the above resolution, including but not limited to filing of necessary forms with the regulatory / statutory authorities and to comply with all other requirements in this regard.”

**4. Approval of the Kotak Mahindra Performance Linked Restricted Stock Unit Scheme 2025 for grant of performance linked restricted stock units to eligible employees of the Bank**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED** that pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) read with the rules framed thereunder, the provisions of Regulation 6 and all other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time (“SBEB & SE Regulations”) read with any circular / notification / guideline, etc. issued thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, the provisions of any regulation / guidelines prescribed by the Securities and Exchange Board of India (“SEBI”) and / or the Reserve Bank of India (“RBI”), the applicable Accounting Standards, the applicable provisions, if any, of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder (“FEMA Regulations”) and all other applicable laws, rules, regulations, circulars and guidelines, if any, of any / various statutory / regulatory authority(ies) that are or may become applicable (collectively referred to as “Applicable Laws”), the Memorandum and Articles of Association of Kotak Mahindra Bank Limited (“Bank”), and subject to any approvals, permissions and sanctions of any / various authority(ies) as may be required and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to and accepted by the Board of Directors of the Bank (hereinafter referred to as the “Board”, which term shall include the Nomination and Remuneration Committee (“NRC”) constituted by the Board and which has been authorized by the Board to exercise certain powers conferred on the Board and which is authorized to act as the “Compensation Committee” under the SBEB & SE Regulations, including the powers conferred by this resolution and / or such other persons who may be authorized in this regard by the Board of Directors), the approval of the members of the Bank, be and is hereby accorded for the adoption and implementation of the Kotak Mahindra Performance Linked Restricted Stock Unit Scheme 2025 (“PRSU Scheme”), for the benefit of the eligible employees of the Bank, the salient features of which are mentioned in the Explanatory Statement annexed to the Postal Ballot Notice dated January 21, 2025, on such terms and conditions, price and manner, etc., as referred to in the PRSU Scheme.”

**“RESOLVED FURTHER** that the approval of the members of the Bank, be and is hereby accorded to the Board to create, grant, offer, issue and allot 90,00,000 performance linked restricted stock units (“PRSUs”) (which on exercise will result into 90,00,000 equity shares of the Bank of the face value of Rs.5/- each) in one or more series under the PRSU Scheme, at any time, to or for the benefit of the employees of the Bank, whether in India or abroad, as determined to be eligible by the Board (“Eligible Employees”), by way of reducing the limit of 2,00,00,000 equity shares (equivalent to 1.01% of the issued equity shares of the Bank, as at December 31, 2024), which was approved to be issued as options under the Kotak Mahindra Equity Option Scheme 2023 (“ESOP Scheme 2023”), at face value and on such terms and conditions as may be fixed or determined by the Board in accordance with the SBEB & SE Regulations and such other Applicable Laws as may be prevailing at that time, over a period of 5 years and as contained in the PRSU Scheme.”



“**RESOLVED FURTHER** that the said equity shares allotted pursuant to the exercise of the PRSUs, in terms of the PRSU Scheme, shall rank *pari-passu* in all respects with the existing fully paid-up equity shares of the Bank.”

“**RESOLVED FURTHER** that in case of any corporate action(s) such as rights issues, bonus issues, split or consolidation of shares, change in capital structure, reorganization, merger or demerger, sale of division or undertaking and other similar corporate action(s), the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be required and deemed fit in its absolute discretion and permitted under Applicable Laws for the purpose of making a fair and reasonable adjustment to the PRSUs under the PRSU Scheme, including but not limited to, by adjusting the number of PRSUs and / or the exercise price, as necessary, in which case the aforesaid ceiling of the PRSUs / equity shares shall be deemed to have been adjusted to the extent of such adjusted PRSUs / equity shares.”

“**RESOLVED FURTHER** that without prejudice to the generality of the above, but subject to the terms as approved by the members of the Bank, in accordance with the terms of the PRSU Scheme and the Articles of Association of the Bank, the Board be and is hereby authorized on behalf of the Bank to bring into effect the PRSU Scheme or suspend, withdraw or terminate the PRSU Scheme, subject to compliance with the SBEB & SE Regulations and / or Applicable Laws prevailing from time to time, as it may deem fit.”

“**RESOLVED FURTHER** that the Board be and is hereby authorised to take necessary steps for listing and trading of the equity shares allotted under the PRSU Scheme on the Stock Exchanges where the existing equity shares of the Bank are listed and may be listed, as per the provisions of the SBEB & SE Regulations, the SEBI Listing Regulations and other applicable laws, rules and regulations.”

“**RESOLVED FURTHER** that for the purpose of bringing into effect and implementing the PRSU Scheme and generally for giving effect to this resolution, the Board, be and is hereby authorized, on behalf of the Bank, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and with power to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the members of the Bank to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and / or instructions as may be necessary, proper or expedient to give effect to the above resolution and to take all such steps and do all acts as may be incidental or ancillary thereto.”

5. **Approval of the Kotak Mahindra Performance Linked Restricted Stock Unit Scheme 2025 for grant of performance linked restricted stock units to the eligible employees of wholly-owned subsidiaries of the Bank**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED** that pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed thereunder (hereinafter referred to as the “Act”), the provisions of Regulation 6 and all other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time (“SBEB & SE Regulations”) read with any circular / notification / guideline, etc. issued thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI Listing Regulations”), the provisions of any regulation / guidelines prescribed by the Securities and Exchange Board of India (“SEBI”) and / or the Reserve Bank of India (“RBI”),

the applicable Accounting Standards, the applicable provisions, if any, of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder (“FEMA Regulations”) and all other applicable laws, rules, regulations, circulars and guidelines, if any, of any / various statutory / regulatory authority(ies) that are or may become applicable (collectively referred to as “Applicable Laws”), the Memorandum and Articles of Association of Kotak Mahindra Bank Limited (“Bank”), and subject to any approvals, permissions and sanctions of any / various authority(ies) as may be required and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to and accepted by the Board of Directors of the Bank (hereinafter referred to as the “Board”, which term shall include the Nomination and Remuneration Committee (“NRC”) constituted by the Board and which has been authorized by the Board to exercise certain powers conferred on the Board and which is authorized to act as the “Compensation Committee” under the SBEB & SE Regulations, including the powers conferred by this resolution and / or such other persons who may be authorized in this regard by the Board of Directors), the approval of the members of the Bank be and is hereby accorded for the adoption and implementation of the Kotak Mahindra Performance Linked Restricted Stock Unit Scheme 2025 (“PRSU Scheme”), for the benefit of the eligible employees of the wholly-owned subsidiary companies of the Bank, the salient features of which are mentioned in the Explanatory Statement annexed to the Postal Ballot Notice dated January 21, 2025, on such terms and conditions, price and manner, etc. as referred to in the PRSU Scheme.”

**“RESOLVED FURTHER** that the approval of the members of the Bank, be and is hereby accorded to the Board to create, grant, offer, issue and allot performance linked restricted stock units (“PRSUs”) (which on exercise will result into equity shares of the Bank of the face value of Rs. 5/- each), in one or more series under the PRSU Scheme, at any time, to or for the benefit of the employees of the wholly-owned subsidiary companies of the Bank, whether in India or abroad, as determined to be eligible by the Board (“Subsidiary Eligible Employees”) which shall form part of the 90,00,000 PRSUs referred to in the resolution proposed at Item No. 4 of the Postal Ballot Notice dated January 21, 2025, at face value and on such terms and conditions as may be fixed or determined by the Board in accordance with the SBEB & SE Regulations and such other Applicable Laws as may be prevailing at that time, over a period of 5 years and as contained in the PRSU Scheme.”

**“RESOLVED FURTHER** that the said equity shares allotted pursuant to the exercise of the PRSUs, in terms of the PRSU Scheme, shall rank *pari-passu* in all respects with the existing fully paid-up equity shares of the Bank.”

**“RESOLVED FURTHER** that in case of any corporate action(s) such as rights issues, bonus issues, split or consolidation of shares, change in capital structure, reorganization, merger or demerger, sale of division or undertaking and other similar corporate action(s), the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be required and deemed fit in its absolute discretion and permitted under Applicable Laws for the purpose of making a fair and reasonable adjustment to the PRSUs under the PRSU Scheme, including but not limited to, by adjusting the number of PRSUs and / or the exercise price, as necessary, in which case the aforesaid ceiling of the PRSUs / equity shares shall be deemed to have been adjusted to the extent of such adjusted PRSUs / equity shares.”

**“RESOLVED FURTHER** that without prejudice to the generality of the above, but subject to the terms as approved by the members of the Bank, in accordance with the terms of the PRSU Scheme and the Articles of Association of the Bank, the Board be and is hereby authorized on behalf of the Bank to bring into effect the PRSU Scheme or suspend, withdraw or terminate the PRSU Scheme, subject to compliance with the SBEB & SE Regulations and / or Applicable Laws prevailing from time to time, as it may deem fit.”

**“RESOLVED FURTHER** that the Board be and is hereby authorised to take necessary steps for listing and trading of the equity shares allotted under the PRSU Scheme on the Stock Exchanges where the existing equity shares of the Bank are listed and may be listed, as per the provisions of the SBEB & SE Regulations, the SEBI Listing Regulations and other applicable laws, rules and regulations.”

**“RESOLVED FURTHER** that for the purpose of bringing into effect and implementing the PRSU Scheme and generally for giving effect to this resolution, the Board, be and is hereby authorized, on behalf of the Bank, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and with power to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the members of the Bank to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and / or instructions as may be necessary, proper or expedient to give effect to the above resolution and to take all such steps and do all acts as may be incidental or ancillary thereto.”

**6. Revision in the approved ESOP pool under the Kotak Mahindra Equity Option Scheme 2023 for the implementation of the Kotak Mahindra Performance Linked Restricted Stock Unit Scheme 2025**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED** that pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed thereunder (hereinafter referred to as the “Act”), the provisions of Regulation 6 and all other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time (“SBEB & SE Regulations”) read with any circular / notification / guideline, etc. issued thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI Listing Regulations”), the provisions of any regulation / guidelines prescribed by the Securities and Exchange Board of India (“SEBI”) and / or the Reserve Bank of India (“RBI”), the applicable Accounting Standards, the applicable provisions, if any, of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder (“FEMA Regulations”) and all other applicable laws, rules, regulations, circulars and guidelines, if any, of any / various statutory / regulatory authority(ies) that are or may become applicable (collectively referred to as “Applicable Laws”), the Memorandum and Articles of Association of Kotak Mahindra Bank Limited (“Bank”), and subject to any approvals, permissions and sanctions of any / various authority(ies) as may be required and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to and accepted by the Board of Directors of the Bank (hereinafter referred to as the “Board”, which term shall include the Nomination and Remuneration Committee (“NRC”) constituted by the Board and which has been authorized by the Board to exercise certain powers conferred on the Board and which is authorized to act as the “Compensation Committee” under the SBEB & SE Regulations, including the powers conferred by this resolution and / or such other persons who may be authorized in this regard by the Board of Directors, the approval of the members of the Bank be and is hereby accorded for the revision in the number of options to be granted and equivalent number of resultant equity shares under the Kotak Mahindra Equity Option Scheme 2023 (“ESOP Scheme 2023”) as approved by the members on December 22, 2023, for the purposes of implementation of the Kotak Mahindra Performance Linked Restricted Stock Unit Scheme 2025 (“PRSU Scheme”), the salient features of which are mentioned in the Explanatory Statement annexed to the Postal Ballot Notice dated January 21, 2025, and which shall be subject to the approval of the PRSU Scheme by the members of the Bank.”



**“RESOLVED FURTHER** that pursuant to the recommendations of the NRC and the Board, the approval of the members of the Bank is hereby accorded for the reduction of the number of equity shares available for issuance under the ESOP Scheme 2023, as approved by the members on December 22, 2023, from 2,00,00,000 equity shares to 1,10,00,000 equity shares, upon approval of the resolutions at Item Nos. 4 and 5 of the Postal Ballot Notice dated January 21, 2025.”

**“RESOLVED FURTHER** that for the purpose of giving effect to this resolution, the Board be and is hereby authorized, on behalf of the Bank, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and with power to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the members of the Bank to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and / or instructions as may be necessary, proper or expedient to give effect to the above resolution and to take all such steps and do all such acts as may be incidental or ancillary thereto.”

**By Order of the Board of Directors  
For Kotak Mahindra Bank Limited**

**Avan Doomasia  
Company Secretary  
(FCS. No. 3430)**

Place: Mumbai  
Date: January 21, 2025

**Registered Office:**

27BKC, C 27, G Block, Bandra Kurla Complex,

Bandra (East), Mumbai - 400 051

**CIN:** L65110MH1985PLC038137

**Website:** [www.kotak.com](http://www.kotak.com)

**Notes:**

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, setting out all the material facts relating to and the recommendation of the Board of Directors pursuant to Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) in respect of the resolutions of Special Business at Item Nos. 1 to 6 contained in this Postal Ballot Notice dated January 21, 2025, is annexed hereto.
2. In accordance with the General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 read with other relevant circulars, including General Circular No. 9/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs, Government of India (“MCA Circulars”), this Postal Ballot Notice is being sent only by electronic mode to those members whose names appeared in the Register of Members/List of Beneficial Owners as on Friday, January 17, 2025, received from the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”) (collectively referred to as “Depositories”) and whose e-mail address is registered with the Bank / Depositories / Depository Participants. A copy of this Postal Ballot Notice will also be available on the website of the Bank <https://www.kotak.com/en/investor-relations/governance/sebi-listing-disclosures.html>, the relevant section of the websites of the Stock Exchanges on which the equity shares of the Bank are listed i.e. BSE Limited [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited [www.nseindia.com](http://www.nseindia.com) and the website of NSDL, [www.evoting.nsdl.com](http://www.evoting.nsdl.com), the remote e-voting service providing agency to the Bank.
3. In accordance with the MCA Circulars, the physical copies of this Postal Ballot Notice, along with postal ballot form and postage pre-paid business reply envelope, are not being sent to any member. Accordingly, the communication of the assent or dissent of the members eligible to vote is restricted only to remote e-voting (“e-voting”), i.e., by casting their votes electronically instead of submitting postal ballot forms.
4. Once the vote is cast, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
5. The Cut-off date for the purpose of reckoning voting rights shall be Friday, January 17, 2025 (“Cut-off Date”). Members holding equity shares of the Bank as on the Cut-off Date (“Eligible Members”) only shall be entitled to vote through remote e-voting process in relation to the resolutions specified in this Postal Ballot Notice. A person who becomes a member after the Cut-off Date is not eligible to vote and should treat this Postal Ballot Notice for information purpose only.

**6. Regarding receiving E-mail communication**

Eligible Members who have not registered their e-mail IDs, are required to register the same on or before 10:00 a.m. (IST) on Thursday, February 20, 2025 so as to receive this Postal Ballot Notice and the procedure for e-voting along with the login ID and password related details.

Members may send request to procure e-mail communication of this Postal Ballot Notice from the Bank, by sending an email on [KotakBank.Secretarial@kotak.com](mailto:KotakBank.Secretarial@kotak.com) along with the documents mentioned below:

- (i) In case shares are held in physical form, please provide Folio Number, name of the member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN Card) and Aadhaar (self-attested scanned copy of Aadhaar Card).

- (ii) In case shares are held in demat mode, please provide DP ID and Client ID (16-digit DP ID and Client ID or 16-digit beneficiary ID), name of the member, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN Card) and Aadhaar (self-attested scanned copy of Aadhaar Card).

Members are required to update their mobile number and e-mail ID correctly in their Demat account in order to access e-voting facility.

After successful submission of the e-mail ID, the Bank or NSDL will share an electronic copy of the Postal Ballot Notice within 48 hours of receiving details of e-mail ID.

It may be noted that the Bank / KFin Technologies Limited (“KFinTech” / “RTA”) may use the e-mail address of such member (in case of physical shareholding) for sending all future correspondence (including Annual Reports, Notices, intimations, etc.) electronically and that the member would be deemed to have consented to the same.

## **7. INSTRUCTIONS FOR E-VOTING:**

In accordance with the provisions of Sections 108 and 110 of the Act read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (“Rules”) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) read with circular of SEBI on e-Voting Facility provided by Listed Entities dated December 9, 2020, Secretarial Standard on General Meetings (SS-2) and any amendments thereto, the Bank is providing facility for voting remotely, by electronic means, to its Eligible Members and the stated items of Special Business may be transacted through e-voting.

The Bank has engaged the services of NSDL for providing e-voting facility to its Eligible Members, enabling them to cast their vote electronically, in a secured manner.

Eligible Members, other than individuals may, in accordance with the provisions of Sections 112 and 113 of the Act, authorise representatives for the purpose of e-voting.

The manner of e-voting by (i) individual members holding equity shares of the Bank in demat mode, (ii) members other than individuals holding equity shares of the Bank in demat mode, (iii) members holding equity shares of the Bank in physical form, and (iv) members who have not registered their e-mail address, is explained in the instructions given herein below:


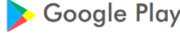


### **(i) INFORMATION AND INSTRUCTIONS FOR E-VOTING BY INDIVIDUAL MEMBERS HOLDING EQUITY SHARES OF THE BANK IN DEMAT MODE**

As per circular of SEBI on e-Voting Facility provided by Listed Entities dated December 9, 2020, all “individual members holding equity shares of the Bank in demat mode” can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. The procedure to login and access e-voting, as implemented by the Depositories / Depository Participant(s) is, given below.

“Two Step” Process for voting electronically, using the NSDL e-Voting system:

## Step 1: Access to NSDL e-Voting system

### A) Login method for e-Voting

Type of Member	Login Method
Individual members holding equity shares of the Bank in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. Visit the e-Voting website of NSDL by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> in the web browser either on a Personal Computer or on a mobile or a tablet. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Kotak Mahindra Bank Limited or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>2. Existing IDeAS users can visit the e-Services website of NSDL, viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. On the next screen, enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value Added Services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on Kotak Mahindra Bank Limited or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>3. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>4. Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.  <b>NSDL Mobile App is available on</b>   App Store     Google Play      </li> </ol>
Individual members holding equity shares of the Bank in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing User ID and Password. Option will be made available to reach NSDL e-Voting page without any further authentication. The users logging in through Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">http://www.cdslindia.com</a> and click on login icon and then select New System Myeasi option, followed by entering the existing my easi username and password.</li> </ol>

	<ol style="list-style-type: none"> <li>2. After successful login, the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress. On clicking the e-voting option, the user will be able to see link to NSDL e-Voting page for casting your vote during the remote e-Voting period.</li> <li>3. If the user is not registered for Easi/Easiest, the option to register is available on CDSL's website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon and then select New System Myeasi option. Then, click on registration option to complete registration.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN on the e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a>. The system will authenticate the user by sending OTP on registered Mobile and E-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting cycles is in progress can be viewed and votes can be casted by clicking on the name of the Bank appearing on the page.</li> </ol>
<p>Individual members (holding equity shares of the Bank in demat mode) - Login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Kotak Mahindra Bank Limited or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

<b>Contact details in case of any technical issue on NSDL Website</b>	<b>Contact details in case of any technical issue on CDSL Website</b>
<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911</p>

**(ii) INFORMATION AND INSTRUCTIONS FOR E-VOTING BY (I) MEMBERS OTHER THAN INDIVIDUALS HOLDING EQUITY SHARES OF THE BANK IN DEMAT MODE AND (II) ALL MEMBERS HOLDING EQUITY SHARES OF THE BANK IN PHYSICAL FORM**

Institutional / Corporate members (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG format) of the relevant Board resolution / Authority letter, etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to [cs@parikhassociates.com](mailto:cs@parikhassociates.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [evoting@nsdl.com](mailto:evoting@nsdl.com)



**(A) In case a member receives an e-mail from the Bank / NSDL [for members whose e-mail address is registered with the Bank / Depository Participant(s)]:**

1. Visit the e-voting website of NSDL by typing the following URL: <https://www.evoting.nsdl.com/> in the web browser either on a Personal Computer or on a mobile or a tablet.
2. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services, i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 3, i.e., Cast your vote electronically.

4. Your User ID details are, given below:

<b>Manner of holding shares, i.e., Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID. For example, if your DP ID is IN300*** and Client ID is 12*****, then your user ID is IN300***12*****.
b) For members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID. For example, if your Beneficiary ID is 12*****, then your user ID is 12*****.
c) For members holding shares in physical form.	EVEN Number followed by Folio Number registered with the company. For example, if folio number is KMFOO1*** and EVEN is 132713, then user ID is KMFOO1***

5. Password details for members other than individual members are, given below:
  - a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your e-mail ID is registered in your Demat Account or with the Bank, your ‘initial password’ / process to login would be communicated to you on your e-mail ID. Trace the e-mail sent to you by NSDL in your mailbox. Open the e-mail and open the attachment, i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

(ii) If your e-mail address is not registered, please follow steps mentioned below (Process for those members whose e-mail address are not registered):

(A) If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- b) Physical User Reset Password?” (If you are holding shares in physical form) option available [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address, etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

(B) After entering your password, tick on “Agree to Terms and Conditions” by selecting on the check box.

(C) Now, you will have to click on “Login” button.

(D) After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

- (i) After successful login at Step 1, you will be able to see all active “EVENTS”.
- (ii) Select “EVENT” of the Bank for remote e-Voting.
- (iii) Now you are ready for e-Voting as the Voting page opens.
- (iv) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- (v) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (vi) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

### General Guidelines for members

- (i) Institutional / Corporate members (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter, etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to [cs@parikhassociates.com](mailto:cs@parikhassociates.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [evoting@nsdl.com](mailto:evoting@nsdl.com) Institutional members can also upload their Board Resolution/Power of Attorney/Authority Letter, etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
- (ii) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details / Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- (iii) In case of any queries, you may refer to the Frequently Asked Questions (“FAQs”) for members and the e-voting user manual for members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on 022 - 4886 7000 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [evoting@nsdl.com](mailto:evoting@nsdl.com)

**(B) In case of a member whose e-mail address is not registered / updated with the Bank / KFin Technologies Limited (“RTA”) / Depository / Depository Participant(s), please follow the following steps to generate your login credentials:**

Members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [evoting@nsdl.com](mailto:evoting@nsdl.com) / [KotakBank.Secretarial@kotak.com](mailto:KotakBank.Secretarial@kotak.com) for procuring user ID and password for e-voting.

- a) In case shares are held in physical form, please provide Folio Number, name of the member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN Card) and Aadhaar (self-attested scanned copy of Aadhaar Card).
- b) In case shares are held in demat mode, please provide DP ID and Client ID (16-digit DP ID and Client ID or 16-digit beneficiary ID), name of the member, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN Card) and Aadhaar (self-attested scanned copy of Aadhaar Card).
- c) If you are an individual member holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A).

After verification of your request, NSDL will send the user ID and password credentials to you electronically.

8. The documents referred to in this Postal Ballot Notice shall be open for inspection from 9:00 a.m. IST on Wednesday, January 22, 2025 till 5:00 p.m. IST on Friday, February 20, 2025, in electronic mode, without any fee, on the Bank’s website at <https://www.kotak.com/en/investor-relations/governance/sebi-listing-disclosures.html>

9. In case of any queries, you may refer to the Frequently Asked Questions (“FAQs”) for members and e-voting user manual for members available in the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to get your grievances on e-voting addressed.
- 10. The voting period shall commence on Wednesday, January 22, 2025 (9:00 a.m. IST) and end on Thursday, February 20, 2025 (5:00 p.m. IST). During this period, Eligible Members may cast their votes electronically.**
11. Vote on a resolution, once cast, cannot be changed subsequently.
12. There will be one login for every Folio/Client ID irrespective of the number of joint holders.
13. The voting rights of Eligible Members shall be in proportion to their share in the paid-up equity share Capital of the Bank as on the Cut-off Date, subject to applicable laws, including the Banking Regulation Act, 1949.
14. The Board of Directors have appointed Mr. P. N. Parikh (Membership No. 327 and Certificate of Practice No. 1228), Practising Company Secretary and Partner in Parikh & Associates, Company Secretaries, as the Scrutinizer and Ms. Jigyasa N. Ved (Membership No. 6488 and Certificate of Practice No. 6018), Practising Company Secretary and Partner in Parikh & Associates, Company Secretaries, as an alternate Scrutinizer to Mr. P. N. Parikh, for conducting the Postal Ballot process in a fair and transparent manner.
15. After completion of scrutiny of the votes cast, the Scrutiniser will submit Scrutiniser’s Report to the Chairman of the Bank, or in his absence, to the Company Secretary. The results of the e-voting will be announced by the Chairman of the Bank, or in his absence, the Managing Director & CEO, or in his absence, the Company Secretary, on or before Monday, February 24, 2025. The resolutions, if approved, will be taken as having been duly passed on the last date specified for voting, i.e., Thursday, February 20, 2025.
16. The said results, along with the Scrutiniser’s Report, will be placed on the website of the Bank, <https://www.kotak.com/en/investor-relations/governance/sebi-listing-disclosures.html> and NSDL, [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and also displayed at the Registered Office of the Bank. The same will also be simultaneously forwarded to the Stock Exchanges where the equity shares of the Bank are listed, for placing the same on their websites, i.e., BSE Limited [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited [www.nseindia.com](http://www.nseindia.com)

**EXPLANATORY STATEMENT CONTAINING MATERIAL FACTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS, ALONG WITH THE RATIONALE FOR RECOMMENDATION OF THE ITEMS OF BUSINESS BY THE BOARD OF DIRECTORS PURSUANT TO REGULATION 17(11) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

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The following Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, sets out all the material facts relating to and recommendation of the Board of Directors pursuant to Regulation 17(11) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the items of Special Business, mentioned in this Postal Ballot Notice dated January 21, 2025:

**Item No. 1**

With a view to augment the representation of the operating management on the Board of the Bank, the Board of Directors of the Bank had, at their meeting held on September 12, 2024, based on the recommendation of the Nomination and Remuneration Committee (“NRC”) of the Board of Directors of the Bank and upon evaluation of Mr. Jaideep Hansraj’s (DIN: 02234625) eligibility in terms of the ‘Fit and Proper’ criteria as laid down by the Reserve Bank of India (“RBI”) and compliance with the provisions of the Companies Act, 2013 (“Act”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and the Banking Regulation Act, 1949 (“BR Act”) and the various circulars issued by the RBI from time to time, appointed Mr. Hansraj, Group President - One Kotak, as an Additional Director and a Whole-time Director as also a Key Managerial Personnel of the Bank, for a period of three years, with effect from the date of receipt of all the regulatory and statutory approvals, as may be necessary from the RBI or any other regulatory / statutory authority, on the terms and conditions of remuneration, as set out in the Ordinary Resolution at Item No. 1 of the accompanying Postal Ballot Notice. Subsequently, the Board had, vide a resolution passed on December 21, 2024, approved the designation of Mr. Hansraj as ‘Whole-Time Director (Executive Director)’, on his aforesaid appointment taking effect.

Mr. Jaideep Hansraj, a Commerce graduate, joined Kotak Mahindra Group in July 1993. He started his career as the Head of the East region of Kotak Securities Limited (“KSL”), a subsidiary of Kotak Mahindra Finance Limited, now Kotak Mahindra Bank Limited. In a short span of four years, he was elevated as the Chief Executive Officer of Kotak Mahindra International Limited, another subsidiary of Kotak Mahindra Finance Limited, in Dubai.

In October 1999, he took over as the Head of KSL's Private Client function. He moved from KSL to build the Kotak Private Banking portfolio of the Bank in 2004. In the Bank, Mr. Hansraj went on to head the Bank's Private Banking and Priority Banking from 2014. He also headed the Non-Residential (NR) business of the Bank in addition to Private Banking and Priority Banking prior to moving for the next role. Under his leadership, Private Banking has emerged as a leader in India and has won several accolades and recognition across the industry, including being ranked No.1 in the Asian Private Banker's India 2017 AUM League Table.

In July 2019, Mr. Hansraj was appointed as the Managing Director and CEO of KSL. His strong domain experience in investments and capital markets and a proven track record of building and scaling large businesses helped in scaling the business of KSL further. At KSL, he used technology to keep digitization and innovation at the core of customer experience. Under his astute leadership, KSL improved in all critical areas of business, including client acquisition, client activation, volumes, market share across segments, MTF book and profitability. The launch of Neo, the new age order management and risk management system, was done during his tenure as Managing Director and CEO in the brokerage firm. The market share for the securities business more than doubled during his tenure.

In April 2024, Mr. Hansraj was brought back to the Bank to focus on the 'One Kotak' agenda as Group President - One Kotak. In his current role, he is driving the agenda for synergies, distribution and alignment of Kotak Group products through the distribution channels (physical, digital, voice and video). He also has oversight to Kotak Group entities. Mr. Hansraj is a member of the Secondary Market Advisory Committee ("SMAC") of the Securities and Exchange Board of India ("SEBI"), which deals with secondary market issues such as recommending actions to improve market safety, efficiency and transparency. He also serves on NSE Clearing Limited's Advisory Committee.

The brief details of Mr. Hansraj, in terms of the SEBI Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, has been provided in the Annexure to this Postal Ballot Notice.

The Bank has received a notice in writing, in terms of Section 160(1) of the Act, from a member proposing the candidature of Mr. Hansraj for the office of Director of the Bank.

Mr. Hansraj is not debarred from being appointed as a Director by the Securities and Exchange Board of India or any other authority. He has furnished to the Bank, his consent to act as a Director and Whole-time Director and that he is not disqualified from being appointed as a Director of the Bank, in Form DIR-8.

The Board of Directors of the Bank are of the view that Mr. Hansraj possesses requisite skills and capabilities and given his vast experience, business acumen and the understanding of the complexities involved in the banking and financial services business, it is considered desirable and in the interest and benefit of the Bank to appoint Mr. Hansraj as a Director and Whole-time Director of the Bank. Mr. Hansraj oversees the Private Bank, Data Analytics, Human Resources Function, One Kotak and has over sight on the Bank's subsidiaries.

The Bank has made the necessary application to the RBI, for the appointment of Mr. Hansraj and the approval of RBI, is awaited.

Mr. Hansraj is not related to any Director or any Key Managerial Personnel of the Bank.

Approval of the members is, therefore, sought for the proposed appointment of and payment of remuneration to Mr. Hansraj, as set out in the Ordinary Resolution at Item No. 1 of the accompanying Postal Ballot Notice.

Except for Mr. Jaideep Hansraj and his relatives, none of the Directors and Key Managerial Personnel of the Bank or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 1 of the accompanying Postal Ballot Notice.

In accordance with the facts of the proposal and the rationale as aforesaid, your Directors recommend passing of the Ordinary Resolution at Item No. 1 of the accompanying Postal Ballot Notice.

## **Item No. 2**

The members of the Bank had, at the Thirty-Seventh Annual General Meeting of the Bank held on August 27, 2022, approved, subject to the approval of the Reserve Bank of India ("RBI"), the appointment of and remuneration payable to Ms. Shanti Ekambaram as a Director and Whole-time Director of the Bank, for a period of three years, from November 1, 2022 or the date of approval by the RBI, whichever is later. On the receipt of the approval from the RBI, Ms. Ekambaram assumed office as a Director and Whole-time Director of the Bank, with effect from November 1, 2022.

In view of the changes in the organisational structure, the role and responsibilities shouldered by Ms. Ekambaram as a Whole-time Director of the Bank had significantly increased over a period of time and, in keeping with her increased responsibilities, with the approval of the Board of Directors and the RBI, Ms. Ekambaram was re-designated as the Deputy Managing Director of the Bank, with effect from March 19, 2024.

Ms. Shanti Ekambaram is a Commerce Graduate, a Chartered Accountant and a Cost and Works Accountant. She has been associated with the Kotak Mahindra Group for over 30 years and has been responsible for successfully setting up and running several business units. Ms. Ekambaram currently oversees the Treasury, Public Affairs, 811, Corporate Marketing, Consumer Bank Proposition, Vigilance, Internal Audit, Company Secretariat and the Corporate Social Responsibility and Environmental, Social and Governance functions. The Investment Banking and Institutional Equities businesses is also under the oversight of Ms. Ekambaram. A detailed profile of Ms. Shanti Ekambaram is available at <https://www.kotak.com/en/investor-relations/governance/board-of-directors.html>

Having regard to the significant contributions made by Ms. Shanti Ekambaram in the growth of the Bank and keeping in view the annual review of her remuneration, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (“NRC”) of the Board of Directors of the Bank, approved the revision in the overall limits of remuneration payable to Ms. Ekambaram, from April 1, 2024 till the end of her current term, i.e., till October 31, 2025, on the terms and conditions, as set out in the Ordinary Resolution at Item No. 2 of the accompanying Postal Ballot Notice, subject to the approval of the RBI and the members of the Bank.

The aforesaid revision in the remuneration is considered reasonable and, if approved, would enable the Bank to pay remuneration to Ms. Ekambaram commensurate with her increased role and responsibilities. The actual remuneration payable to Ms. Ekambaram would be within the revised limits of remuneration proposed herein and subject to the Bank’s extant policies (including meeting with any performance related conditions or assessment), the remuneration framework for the Whole-time Directors and Material Risk Takers set out from time to time by the RBI and the approval of the NRC, the Board of Directors and the RBI.

Approval of the members is, therefore, sought for the proposed revision in the overall limits of remuneration (fixed as well as variable) payable to Ms. Shanti Ekambaram, as set out in the Ordinary Resolution at Item No. 2 of the accompanying Postal Ballot Notice.

Except for Ms. Shanti Ekambaram and her relatives, none of the other Directors, Key Managerial Personnel of the Bank or their respective relatives are, in any way concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 2 of the accompanying Postal Ballot Notice.

In accordance with the facts of the proposal and the rationale as aforesaid, your Directors recommend passing of the Ordinary Resolution at Item No. 2 of the accompanying Postal Ballot Notice.

**Item No. 3**

As per the provisions of the Companies Act, 2013 (“Act”) (including any statutory modifications or re-enactments thereof, for the time being in force), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 (“Rules”), as amended from time to time, a company offering or making an invitation to subscribe to securities on a private placement basis, is required to obtain the prior approval of the members by way of a Special Resolution, where the proposed amount to be raised through such offer or invitation, together with monies already borrowed or raised, exceeds the limit as specified under the Act. It shall be sufficient if the company passes a previous Special Resolution only once in a year for all such offers or invitations during the year.

Earlier, the members had, vide a Special Resolution passed on March 12, 2024, approved the issuance of redeemable securities in the nature of Non-Convertible Debentures / Bonds / other Debt securities, on a private placement basis, in accordance with the provisions of the Act, for an amount not exceeding Rs. 10,000 crore, during the financial year 2024-25, for its general corporate purposes and / or for financing infrastructure and affordable housing sector, within the overall borrowing limit of the Board of Directors under Section 180(1)(c) of the Act.

With a view to catering to the increased credit demand from the eligible sectors as per the extant guidelines of the Reserve Bank of India (“RBI”), the Bank may be required to borrow money / (ies) by way of issue, from time to time, of redeemable securities in the nature of Unsecured Non-Convertible Debentures / Bonds / other Debt securities, in Indian / foreign currency, in the domestic and / or overseas markets, in one or more tranches or series, on a private placement basis, for an amount not exceeding Rs. 10,000 crore (Rupees Ten Thousand Crore only), for its general corporate purposes and / or for financing infrastructure and affordable housing sector, during the financial year 2025-26, as per the aforesaid provisions of the Act and the Rules and within the overall borrowing limit of the Board of Directors under Section 180(1)(c) of the Act.

The pricing of the Non-Convertible Debentures / Bonds / other Debt securities depends primarily upon the rates prevailing for risk free instruments, rates of other competing instruments of similar rating and tenor in the markets, investor appetite for such instruments and investor regulations which enable investments in such instruments. The Board of Directors had, at their meeting held on January 18, 2025, approved of the borrowing / raising of funds, during the financial year 2025-26, by way of issuance of redeemable securities in the nature of Unsecured Non-Convertible Debentures / Bonds / other Securities, in Indian / foreign currency, in domestic and / or overseas markets, for an amount not exceeding Rs. 10,000 crore (Rupees Ten Thousand Crore only), on a private placement basis, in one or more tranches and series, within the overall borrowing limits of the Bank, as per the structure and on such terms and conditions as may be determined, from time to time, by the Board of Directors of the Bank or any Committee, subject to the approval of the members of the Bank and subject to such other approvals, consents, as may be necessary from any regulatory / statutory authority.

The approval of the members is being sought by way of a Special Resolution under the applicable provisions of the Act read with the Rules made thereunder, for the aforementioned purpose.

None of the Directors, Key Managerial Personnel of the Bank or their relatives are, in any way concerned or interested, financially or otherwise, in the passing of the Special Resolution at Item No. 3 of the accompanying Postal Ballot Notice.

In accordance with the facts of the proposal and the rationale as aforesaid, your Directors recommend the passing of the Special Resolution set out at Item No. 3 in the accompanying Postal Ballot Notice.



#### **Item Nos. 4, 5 and 6**

Kotak Mahindra Bank Limited (“Bank”) is pursuing a growth strategy, which involves transforming for scale. There are a few strategic enablers that will help the Bank and its subsidiaries (“Kotak”) realise this, key amongst them being its Talent i.e., its employees.

Employees will be Kotak’s biggest asset and ambassadors of this change journey over the next five years and beyond. Kotak has incorporated five key pillars of engagement to ensure that its employees remain its competitive advantage. These pillars include a clear focus on delivering the best of Kotak for Kotakites (its employees), employees’ development, recognizing and celebrating employees’ achievements, transparent communication and enhancing employees’ value proposition through a pervasive career management and compensation philosophy.

The Bank believes in aligning employees’ rewards with the long-term value creation for the shareholders by creating an “owner-manager” culture and rewarding employees for their consistent performance, and their strong commitment towards realizing the growth strategy outcomes.

The Bank’s compensation structure has a fixed and variable component. The variable component includes cash bonuses and for senior leaders, additionally includes deferred cash and share-linked instruments, including Employee Stock Options, based on performance.

Realising the Bank’s strategy, will require a larger base of middle managers and frontline managers with critical skills and experiences beyond the senior leaders, to be a high performing team by staying focused on agreed execution plans linked to specific performance milestones. Middle managers and frontline managers have a key role in the development of a stable and skilled talent pool, and securing their strong performance, is paramount in the achievement of the Bank’s strategy.

To achieve this, the Bank proposes to introduce the Kotak Mahindra Performance Linked Restricted Stock Unit Scheme 2025 (hereinafter referred to as the “PRSU Scheme” or “the Scheme”) where the performance linked restricted stock units (“PRSUs”) would be granted to the employees of the Bank and its wholly-owned subsidiaries (i.e., 100% owned by the Bank or together with one or more of its subsidiary companies, whether present or future, in India or abroad), which would give them a right to purchase or subscribe at a future date, upon fulfilling the performance based vesting conditions, the shares offered by the Bank, at an exercise price of face value of the underlying equity shares of the Bank.

This would also act as a retention mechanism by enhancing competitiveness of total compensation of consistent performers linked to the long-term performance of the Bank, and thus align the interest of the employees with that of the shareholders in driving long-term value creation.

The objectives of the PRSU Scheme are:

- a. To align the interests of employees across levels with the performance of the Bank and its wholly-owned subsidiary companies, ensuring affordability for the grantees with a view to incentivizing the achievement of sustainable growth, value creation and value sharing with the employees;
- b. To motivate employees and secure their undivided focus and commitment to the corporate vision and the strategy;
- c. To provide means to enable the Bank and its wholly-owned subsidiary companies, to attract and retain appropriate talent in the employment of the Bank and its wholly-owned subsidiary companies; and
- d. To create a sense of ownership and participation amongst the employees of the Bank and of its wholly-owned subsidiary companies.

The grant of PRSUs to the employees of its wholly-owned subsidiary companies by the Bank, would synergize the benefits across Kotak to incentivize the employees at a group level along with aligning their interest with the success and to attract and retain talent across Kotak.

The Bank values employees who are committed to building a successful organization and in order to incentivize, induce, reward and motivate the employees to contribute effectively towards the growth and profitability of the Bank, the Nomination and Remuneration Committee (“NRC”) and the Board of Directors (“Board”) of the Bank, at their respective meetings held on January 10, 2025 and January 18, 2025, have recommended / approved the PRSU Scheme in terms of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEB & SE Regulations”).

The salient features of the PRSU Scheme are, as follows:

1. **Brief description of the PRSU Scheme:**

In line with the objectives of the PRSU Scheme, as mentioned above, the Bank proposes to adopt and implement the PRSU Scheme in terms of the applicable provisions of the SBEB & SE Regulations, the Companies Act, 2013 and the relevant rules notified thereunder and other applicable laws, rules and regulations enacted by any statutory / regulatory authority(ies) in India.

The Compensation Policy of the Bank, which factors in the ‘Guidelines on Compensation of Whole Time Directors / Chief Executive Officers / Material Risk Takers and Control Function staff’ issued by the Reserve Bank of India (“RBI”) on November 4, 2019, permits the Bank to offer variable compensation in the form of share-linked instruments.

The NRC is designated to act as the ‘Compensation Committee’ and its powers shall be limited to the administration and superintendence of the PRSU Scheme and would, subject to the provisions of the Scheme and applicable law, be in accordance with the authority delegated to it, in this regard, from time to time. In respect of any issues or queries arising on interpretation or implementation of the PRSU Scheme, the decision of the Board or the NRC shall be final and binding on all concerned.

The PRSU Scheme shall be deemed to have come into force on the date of receipt of the members’ approval to the Scheme, i.e., the effective date. The PRSUs under the PRSU Scheme may be granted during a period of 5 (Five) years from the effective date and, thereafter, no new grants shall be permitted under this PRSU Scheme.

The Scheme shall remain in effect until the occurrence of any of the following events, whichever is earlier:

- (i) all PRSUs granted under the PRSU Scheme have been exercised and / or have expired by reasons of lapse of time or otherwise; or
- (ii) any event, including the occurrence of a corporate action, pursuant to which the Bank is to lose its existence, specifically being the effective date of any court / tribunal / the Reserve Bank of India (“RBI”) / competent authority sanctioned scheme or the date on which a winding up order is passed against the Bank or any order passed by the RBI / competent authority.

2. **The total number of PRSUs to be offered and granted:**

A maximum of 90,00,000 (Ninety Lakh) PRSUs may be offered and granted under the PRSU Scheme, which on exercise, would entitle not more than 90,00,000 (Ninety Lakh) equity shares of face value of Rs. 5/- each of the Bank, subject to any adjustment as may be required due to any corporate action or change in capital structure of the Bank.

The PRSUs would be granted under the PRSU Scheme by way of reducing the limit of 2,00,00,000 (Two Crore) equity shares (equivalent to 1.01% of the issued equity shares of the Bank, as at December 31, 2024) that was approved by the Bank's shareholders at the time of adoption of the Kotak Mahindra Equity Option Scheme 2023 ("ESOP Scheme 2023") on December 22, 2023. Once the PRSU Scheme is approved by the members of the Bank, the total number of shares available for issuance under the ESOP Scheme 2023, shall stand reduced from 2,00,00,000 (Two Crore) equity shares to 1,10,00,000 (One Crore Ten Lakh) equity shares, on account of reservation, allocation and migration of 90,00,000 (Ninety Lakh) equity shares for issuance under the PRSU Scheme.

Since the issuance and allotment of shares pursuant to exercise of PRSUs under the PRSU Scheme along with the issuance and allotment of shares under the ESOP Scheme 2023 would not exceed 2,00,00,000 (Two Crore) equity shares, it would not result in additional dilution in the issued share capital of the Bank. Further, the PRSUs granted under the PRSU Scheme that have lapsed / forfeited before their exercise by the PRSU grantee, shall stand forfeited and shall not be available for any further grants under the PRSU Scheme.

The Board / NRC, on the basis of the recommendations of the management of the Bank and the Board / NRC of its subsidiary, as the case may be, thereafter decide on the employees eligible to be granted PRSUs, in one or more series and the terms and conditions of the grant in a documented plan ("Plan Series"). The Board / NRC shall vary or modify the terms and conditions of the grant for any employee or class of employees, only after considering the interests of all stakeholders and such variation or modification shall not be done if it is (i) not in accordance with the PRSU Scheme, (ii) detrimental to the interests of the employees and (iii) not in compliance with applicable law, regulations, guidelines, as may be in force from time to time.

The Award letter shall specify the grant date, number of PRSUs granted, the exercise price, the vesting date / schedule, vesting conditions (upon fulfilment of which the vesting shall take place), exercise period and other terms and conditions thereof.

3. **Identification of classes of employees entitled to participate and be beneficiaries in the scheme:**

The following classes of employees / directors shall be entitled to participate and shall be the beneficiaries under the PRSU Scheme:

- (i) an employee as designated by the Bank, who is exclusively working for the Bank in India or outside India and satisfies the criteria for eligibility as may be determined by the Board / NRC, from time to time; or
- (ii) the Managing Director & Chief Executive Officer ("MD & CEO") or a Whole-time Director ("WTD") of the Bank; or

- (iii) an employee or a Managing Director (“MD”) or Chief Executive Officer (“CEO”) or WTD of a wholly-owned subsidiary of the Bank, in India or outside India.

but shall not include:

- (a) an employee who is a Promoter or a person belonging to the Promoter Group of the Bank; or
- (b) a director who, either himself or through his / her relative or through any body corporate, directly or indirectly, holds more than 10% (Ten Per Cent) of the outstanding shares of the Bank; or
- (c) Non-Executive director.

The Board / NRC may, from time to time, based on the recommendation of the management of the Bank and the Board / NRC of its subsidiary, as the case may be, make grants of PRSUs to employees from Level 1 (One) (being MD / CEO and WTDs) to Level 8 (Eight) (being grade M6) of 13 (Thirteen) Levels in the Bank and to the employees of its subsidiaries, in equivalent grades / levels. In the event of change in the Level structure, the Board / NRC shall determine the Level structure for the purpose of the PRSU Scheme, as near to the current structure as possible and in the equivalent grades / levels of a subsidiary.

The PRSU Scheme aims to cover front-line managers, employees with specialized skills, middle managers and senior leaders, to ensure close alignment on performance objectives, for all covered employees across these levels in accordance with the PRSU Scheme. The grant of PRSUs will aid in accelerating the focus on strategy and growing the business, developing a skilled, committed talent pool of front-line, middle managers and senior leaders and specialists and employee retention through competitive total compensation, thereby de-risking the strategy.

The grants made under the PRSU Scheme, including those to the Managing Director (MD) / Chief Executive Officer (CEO), whole-time directors (WTD), material risk takers and leaders in control functions, shall be in conformity with the prevalent regulatory guidelines on executive compensation, promoting responsible finance.

The grants to the MD / CEO and WTDs of the Bank and its subsidiaries would be based on or subject to regulatory approvals, as may be required and applicable.

In any Plan Series under the PRSU Scheme, of the total employees covered, about 70% employees shall be from Levels 4 (Four) to 8 (Eight) and further, about 55% of the PRSUs granted shall be allocated to employees in these levels.

The maximum number of PRSUs that may be and granted to an eligible employee under the PRSU Scheme shall not exceed 20,000 (Twenty Thousand) PRSUs in a financial year (which shall be adjusted in lieu of corporate action or change in capital structure). Further, the maximum number of PRSUs that may be granted to an employee under the PRSU Scheme shall not exceed 1,00,000 (One Lakh) PRSUs (which shall be adjusted in lieu of corporate action or change in capital structure).

In respect of grant to employees of a subsidiary, no grants shall be made to employees of a subsidiary company, unless it is a wholly-owned subsidiary company of the Bank, at the time of such grant. Further, any PRSUs granted but not vested in an employee of a subsidiary of the Bank shall lapse in the event of such subsidiary ceasing to be a wholly-owned subsidiary company of the Bank.

#### 4. **Requirements of vesting and period of vesting:**

##### Vesting Conditions:

All PRSUs granted under the PRSU Scheme shall vest only upon the achievement of the performance parameters mentioned under the vesting conditions and assessment of such achievement will be made by the Board / NRC at the vesting of each tranche to the grantee.

The vesting conditions shall consist of the following Bank and individual performance parameter(s):

- (1) Any or in combination of or all of the following Bank performance parameters on a consolidated basis in the ordinary course of business, after adjusting for any extraordinary items:
  - (i) Book Value per share
  - (ii) Return on Equity
  - (iii) Asset Quality
  - (iv) Return on Asset
  - (v) Profitability / Growth in Earnings

The Board / NRC would determine the applicable performance parameter(s) from the above, and weightage for each Plan Series, based on macro-economic conditions and other such conditions likely to impact the sectoral / business performance outlook. The performance parameter(s) and the weightage for each such parameter(s) shall be communicated to the employee(s) in the award letter issued at the time of grant and will not be subject to any subsequent changes by the Board / NRC, except in the case of a force majeure event.

- (2) Individual performance:

With a minimum of 'Achiever' / 'Meets Expectations' or equivalent rating (against the defined goal sheet for each year) or higher on such determined goals as part of the annual performance appraisal process.

Vesting for employees for a Plan Series under the PRSU Scheme at the senior levels will essentially be based on level of achievement against the Bank's performance parameters alone, though the individual's performance against individual goals and conduct has to be at acceptable level (with the minimum qualifying performance level being an equivalent of "Achiever" / "Meets Expectations" against goals for the year as part of the annual performance appraisal process.) At other levels, it will be a combination of level of achievement against Bank's performance parameters and individual performance as also conduct for the year, with greater emphasis on individual performance. Individual performance will be assessed through the annual performance appraisal system for the vesting year(s), with the minimum qualifying performance level being an equivalent of "Achiever" / "Meets Expectation" against goals for the year.

For each Plan Series that is operative, the Bank shall disclose in its subsequent annual reports, details of Bank's performance parameters and weightage, the target achievement for each of the performance parameters and achievement during the year, basis which the vesting of the PRSUs was allowed, count of employees covered, number of PRSUs granted, count of employees whose PRSUs vested, number of PRSUs due for vesting as per the vesting schedule and number of PRSUs vested as per vesting schedule on meeting the vesting conditions.

Please refer to Sr. No. 20 of the salient features below, for the illustration.

Set out below is the table outlining the weightages assigned to Bank and individual performance parameters depending on the employees' level in the organisation:

Exhibit 1:

Levels	Weightage of Bank performance versus individual performance	
	Bank	Individual
MD / CEO and WTDs (being Level 1), Levels 2 and 3	100%	0%
Levels 4 and 5	85%	15%
Levels 6, 7 and 8	50%	50%

The vesting of PRSUs granted shall be in accordance with the below-mentioned combined level of achievement (i.e., Bank and individual performance):

Exhibit 2:

Level of achievement (Bank performance and Individual performance)	Percentage of PRSUs to be vested
<85%	Nil
85% to <90%	50%
90% to <100%	75%
100% and >100%	100%

Illustrated below is the way the Bank's performance and individual performance and the weightages will be applied to determine eligibility for vesting.

(a) Illustration for employees at Levels 1, 2 and 3:

100 units due for vesting as per the vesting schedule in a year	Methodology	Weightage	Achievement	Units eligible for vesting
Bank performance	% Achievement against target	100% (a)	96% <sup>^</sup> (b)	
Individual performance*	Equivalent of minimum 'Achiever' / 'Meets Expectations'	0% (c)	Achieved criteria <sup>^</sup> (d)	
Combined level of achievement	$(a \times b) + (c \times d)$		96%	
Level of achievement (Bank performance and Individual performance)	90% to <100% (Combined level of achievement as per Exhibit 2)		75% (e)	
Units eligible for vesting	Achievement score (e) x units due for vesting as per vesting schedule in a year			75

(b) Illustration for employees at Levels 4 and 5:

100 units due for vesting as per the vesting schedule in a year	Methodology	Weightage	Achievement	Units eligible for vesting
Bank performance	% Achievement against target	85% (a)	35% <sup>^</sup> (b)	
Individual performance*	Equivalent of minimum 'Achiever' / 'Meets Expectations'	15% (c)	Achieved criteria <sup>^</sup> (d)	
Combined level of achievement	(a x b) + (c x d)		45%	
Level of achievement (Bank performance and Individual performance)	<85% (Combined level of achievement as per Exhibit 2)		0% (e)	
Units eligible for vesting	Achievement score (e) x units due for vesting as per vesting schedule in a year			0

(c) Illustration for employees at Levels 6, 7 and 8:

100 units due for vesting as per the vesting schedule in a year	Methodology	Weightage	Achievement	Units eligible for vesting
Bank performance	% Achievement against target	50% (a)	75% <sup>^</sup> (b)	
Individual performance*	Equivalent of minimum 'Achiever' / 'Meets Expectations'	50% (c)	Achieved criteria <sup>^</sup> (d)	
Combined level of achievement	(a x b) + (c x d)		88%	
Level of achievement (Bank performance and Individual performance)	85% to <90% (Combined level of achievement as per Exhibit 2)		50% (e)	
Units eligible for vesting	Achievement score (e) x units due for vesting as per vesting schedule in a year			50

\* if the Individual rating falls below equivalent of 'Achiever' / 'Meets Expectation' level, then the units eligible for vesting would be Nil. Minimum equivalent of 'Achiever' / 'Meets Expectations' level results into 100% Achieved criteria.

<sup>^</sup> where (b) is the assumed level of achievement of Bank performance parameter and (d) is the assumed minimum rating ('Achiever' / 'Meets Expectations') of the employee for the purpose of the aforesaid illustrations.

The grants under the PRSU Scheme are aimed at accomplishing the medium to long term strategy of the Bank and will have a four-year vesting schedule. Any PRSUs not vested on account of non-achievement of the Bank's performance parameters in the previous tranches, shall vest in the last tranche of the vesting schedule, on achievement of 100% of the cumulative targets against the Bank's performance parameters or compounded target of the Plan Series, whichever is applicable. This would be subject to the Individual rating not being below equivalent of 'Achiever' / 'Meets Expectation' level in each of the years of the Plan Series.

The vested PRSUs can be exercised at the exercise price at one time or at various points of time within the exercise period.

For the period of vesting, please refer to Sr. No. 5 of the salient features below.

Prior to the vesting of each tranche of PRSUs, the employees shall be intimated vide a vesting intimation advice regarding the status of vesting against the performance parameters laid down in the award letter and the consequent number of PRSUs that would be vested. Accordingly, the employee shall be eligible to exercise the said PRSUs (which have vested) during the exercise period.

The vesting of PRSUs granted to employees may expire or lapse or forfeit or accelerate, etc. (as the case may be) in the following circumstances, as determined under the PRSU Scheme:

- (i) Cessation of employment for 'cause': In case an employee ceases to be in service of the Bank or its subsidiary for 'cause', all PRSUs outstanding (whether vested or not) on the date of cessation of employment, shall expire forthwith and the employee shall not be permitted to exercise any right in respect thereof.
- (ii) Resignation or termination of employment: In the event of resignation or termination of employment (for a reason other than 'cause') or cessation of employment of an employee for any other reason (except superannuation), all PRSUs granted and not vested on the date of cessation (i.e., date of notice), shall expire forthwith.
- (iii) Transfer or deputation or secondment to another division / function or wholly-owned subsidiary (or between wholly-owned subsidiaries inter se): In the event that an employee who has been granted PRSUs is transferred, deputed or seconded to another division / function in the Bank or to its wholly-owned subsidiary (or between its wholly-owned subsidiaries inter se), prior to vesting, the vesting as per the terms of the award letter shall continue in case of such transferred, deputed or seconded employee even after the transfer, deputation or secondment.
- (iv) Superannuation: In case of superannuation of PRSU grantee (in accordance with the policies and rules of the Bank and its subsidiary), the rights and obligations under the PRSUs outstanding in such PRSU grantee shall continue to vest in his / her hands as per the vesting schedule provided in the award letter issued. For this purpose, the individual performance is deemed to have been met for the remaining period (i.e., after superannuation) of the Plan Series, but will be subject to meeting the criteria of Bank's performance.

Further, vesting shall be conditional upon he / she not being in employment of or being associated in any advisory or any other capacity (contractual or otherwise) with any other entity in the banking or financial services sector and their regulators, in India or abroad, as on the date of vesting of PRSUs, unless specifically approved by the Board / NRC of the Bank.



- (v) **Suspension or Misconduct:** In case of employees to whom PRSUs are granted but not vested, where such employee has been suspended or against whom an enquiry is being conducted for any reason, the PRSUs granted shall stand suspended and shall not vest until the suspension is revoked or the enquiry is completed and the concerned employee has been absolved of all allegations by giving reasons in writing by the Board / NRC. In case where such employee has been found guilty of misconduct, whether or not he / she is dismissed or discharged, the Board / NRC shall determine the eligibility of such an employee as regards the vesting of any unvested PRSUs and / or exercise of any vested PRSUs and / or whether PRSUs (whether vested or not), in part or full, should lapse or otherwise. If an employee who has superannuated is found guilty of misconduct, the Board / NRC shall determine the eligibility of such superannuated employee as regards vesting of any unvested PRSUs and / or exercise of any vested PRSUs and / or whether PRSUs (whether vested or not), in part or full, should lapse or otherwise.
- (vi) **Force majeure event:** The Board / NRC, in its discretion may permit the PRSUs already granted for any PRSU grantee or class of PRSU grantees, to be vested and exercised within such time and as per such terms and conditions as it may determine or the vesting conditions may be altered, such that it is not prejudicial to the interest of the PRSU grantees, if so necessitated on account of a Force majeure event.
- (vii) **Death or permanent incapacitation:** In the event of (i) a death of PRSU grantee while in Bank's or subsidiary's employment or after superannuation; or (ii) permanent incapacitation while in the Bank's or subsidiary's employment or after superannuation, the rights and obligations under the PRSUs granted and outstanding in such PRSU grantee shall vest in his / her legal heirs or his / her nominees in case of death and in his / her hands in case of permanent incapacitation, with effect from the date of death or permanent incapacitation and the minimum vesting period of 1 (One) year shall not be applicable.
- (viii) **Conduct and / or performance:** Granted PRSU may be cancelled / lapsed / reduced in respect of employees on account of their conduct and / or performance and / or on account of any regulatory action for non-compliance by the grantee, if the MD / CEO of the Bank or the Board / NRC of a subsidiary makes such a recommendation to the Board / NRC of the Bank. Any decision of the Board / NRC in this regard would be final.
- (ix) **Ceasing to be a wholly-owned subsidiary:** Any PRSUs granted but not vested in an employee of a subsidiary of the Bank shall lapse in the event of such subsidiary ceasing to be a wholly-owned subsidiary of the Bank.

5. **Maximum period within which PRSUs shall be vested:**

The vesting shall commence only after the expiry of 1 (One) year from the date of the grant of the PRSUs to the employee and shall vest over the period of 4 (Four) years from the grant date in four tranches as per any one of the three schedule options given below, as determined and communicated by the Board / NRC, at the time of issuance of award letter for each such grant(s):

<b>Year of vesting / schedule</b>	<b>Option-A</b>	<b>Option-B</b>	<b>Option-C</b>
End of year-1	25%	20%	10%
End of year-2	25%	20%	20%
End of year-3	25%	30%	30%
End of year-4	25%	30%	40%

In case where the PRSUs are granted by the Bank in lieu of PRSUs held by the same person in another company which has merged, demerged, arranged or amalgamated with the Bank, the period during which the PRSUs granted by the other company were held by such employee, shall be adjusted against the minimum vesting period of 1 (One) year as aforementioned.

6. **Exercise price or pricing formula:**

The exercise price shall be the face value of the shares at the time of the grant. This is to align the interests of employees across levels with the performance of the Bank and its wholly-owned subsidiary companies, ensuring affordability for the grantees with a view to incentivizing the achievement of sustainable growth, value creation and value sharing with the employees.

Each PRSU would entitle the employee, on exercise, to acquire 1 (One) share each of the Bank or such adjusted numbers of such face value, as may be determined by the Board / NRC, in accordance with the provisions of the PRSU Scheme.

7. **Exercise period and process of exercise / acceptance of offer:**

Exercise period while in employment:

The exercise period shall be the period commencing from the vesting date and ending on 1 (One) year from the vesting date of the PRSUs, except in case of the employee being suspended.

Exercise period in the case of cessation of employment:

- (i) Resignation or termination other than 'cause' or cessation of employment for any other reason (except superannuation): In such situations, the employee may exercise his / her vested PRSUs up to his / her last working day in the Bank or subsidiary, failing which all the unexercised PRSUs shall lapse irrevocably and the rights thereunder shall be extinguished.
- (ii) In case of superannuation: In the event of superannuation of PRSU grantee, the PRSUs outstanding shall continue to vest as per the vesting schedule provided in the award letter, considering only Bank's performance level and can be exercised on or before the expiry of the date / period specified in the vesting schedule and on fulfilment of such terms and conditions as stated under the award letter, failing which all the unexercised PRSUs shall lapse irrevocably and the rights thereunder shall be extinguished.
- (iii) In case of death or permanent incapacitation: In case of death or permanent incapacitation (as the case may be), all vested PRSUs as on that date shall be exercised by the legal heirs / nominees or employees (as the case may be), before the expiry of 12 (twelve) months from the date of death or permanent incapacitation of such employee or the prescribed exercise period for such PRSUs, whichever is earlier, unless such time period is extended by Board / NRC, failing which all the unexercised PRSUs shall lapse irrevocably and the rights there under shall be extinguished, without any further action.
- (iv) Transfer or deputation or secondment to another division / function or wholly-owned subsidiary (or between wholly-owned subsidiaries inter se): In the event that an employee who has been granted PRSUs is transferred, deputed or seconded to another division / function in the Bank or transferred, deputed or seconded, to a wholly-owned subsidiary (or between wholly-owned subsidiaries inter se), the exercise as per the terms of award letter shall continue even after the transfer, deputation or secondment.

Process of exercise:

The PRSU grantee may exercise the PRSUs, *inter alia*, by submitting an application (online or physical) to the Bank accompanied by payment of the full amount equivalent to the exercise price of the shares along with the applicable tax amount and such other writing or through any other process defined by the Bank, after which the equity shares would be allotted.

Exercise conditions:

The Board / NRC may:

- (i) not permit the exercise of any PRSUs granted (whether vested or not) to an employee, in the event of the employee being found to be involved in fraud, misfeasance, gross negligence, breach of trust, misconduct, etc. and in such an event, the rights under the PRSUs (whether vested or not) shall lapse forthwith without any claim on, or recourse to the Bank or the subsidiary;
- (ii) if the exercise of PRSUs within the exercise period, is prevented by any law or regulation in force, defer or not to permit the exercise of PRSUs till such time as it is prohibited by the applicable laws or regulations and in such an event, the Bank or subsidiary shall not be liable to pay any compensation or similar payment to the employee for any loss suffered due to such refusal. Notwithstanding anything contrary contained in the PRSU Scheme, the Board / NRC shall have the power to extend the exercise period in such case.

Provided, further, that the Board / NRC shall have the power to cancel all or any of the PRSUs granted under the PRSU Scheme, if so required under any law for the time being in force or the order of any jurisdictional court. In the event of any such cancellation, no compensation shall be payable to the PRSU Grantee for such cancelled PRSUs.

**8. The appraisal process for determining the eligibility of employees for the Scheme:**

The Board / NRC may, from time to time, based on the recommendation of the management of the Bank and the Board / NRC of its subsidiary, make grants of PRSUs to Employees from Level 1 (One) (being MD / CEO and WTDs) to Level 8 (Eight) (being grade M6) of 13 (Thirteen) levels in the Bank and to the employees of its subsidiaries in equivalent grades / levels. In the event of change in the Level structure, the Board / NRC shall determine the Level structure for the purpose of the PRSU Scheme, as near to the current structure as possible and in the equivalent grades / levels of a subsidiary.

The employees to whom the PRSUs would be granted, would be determined by the Board / NRC in accordance with the PRSU Scheme. The eligibility criteria for grant of PRSUs for employees shall be based on their role, past performance (as per Bank's or its wholly-owned subsidiary's performance appraisal system), capability and potential and criticality of skills and experiences of the individual for achieving the business strategy.

The PRSU Scheme aims to cover front-line managers, employees with specialized skills, middle managers and senior leaders, to ensure close alignment on performance objectives, for all covered employees across these levels in accordance with the Scheme. The grant of PRSUs will aid in accelerating the focus on strategy and growing the business, developing a skilled, committed talent pool of front-line, middle managers and senior leaders and specialists and employee retention through competitive total compensation, thereby de-risking the strategy.

In any Plan Series under the PRSU Scheme, of the total employees covered, about 70% employees shall be from Levels 4 (Four) to 8 (Eight) and further, about 55% of the total PRSUs shall be granted to employees in such levels.

The maximum number of PRSUs that may be and granted to an eligible employee under the PRSU Scheme shall not exceed 20,000 (Twenty Thousand) PRSUs in a financial year (which shall be adjusted in lieu of corporate action or change in capital structure). Further, the maximum number of PRSUs that may be granted to an Employee under the PRSU Scheme shall not exceed 1,00,000 (One Lakh) PRSUs (which shall be adjusted in lieu of corporate action or change in capital structure).

9. **Maximum number of PRSUs to be offered and issued per employee and in aggregate, if any**

A maximum of 90,00,000 (Ninety Lakh) PRSUs may be offered and granted under the PRSU Scheme, which on exercise would entitle not more than 90,00,000 (Ninety Lakh) equity shares of face value of Rs. 5/- each of the Bank, subject to any adjustment as may be required due to any corporate action or change in capital structure of the Bank.

The maximum number of PRSUs that may be and granted to an eligible employee under the PRSU Scheme shall not exceed 20,000 (Twenty Thousand) PRSUs in a financial year (which shall be adjusted in lieu of corporate action or change in capital structure). Further, the maximum number of PRSUs that may be granted to an Employee under the PRSU Scheme shall not exceed 1,00,000 (One Lakh) PRSUs (which shall be adjusted in lieu of corporate action or change in capital structure).

10. **Maximum quantum of benefits to be provided per employee under the scheme:**

The maximum number of PRSUs that may be granted to an eligible employee under the PRSU Scheme shall not exceed 20,000 (Twenty Thousand) PRSUs in a financial year (which shall be adjusted in lieu of corporate action or change in capital structure). Further, the maximum number of PRSUs that may be granted to an eligible employee under the PRSU Scheme shall not exceed 1,00,000 (One Lakh) PRSUs (which shall be adjusted in lieu of corporate action or change in capital structure).

The fair value of the PRSUs so granted shall be treated as part of the variable compensation of the said employees.

11. **Whether the scheme is to be implemented and administered directly by the Bank or through a trust:**

The PRSU Scheme shall be implemented and administered directly by the Bank.

12. **Whether the scheme involves new issue of shares by the Bank or secondary acquisition by the trust or both:**

The PRSU Scheme involves new issuance of 90,00,000 (Ninety Lakh) PRSUs entitling the PRSU holders to subscribe to an aggregate of 90,00,000 (Ninety Lakh) fully paid-up equity shares of the Bank.

The PRSUs would be granted under the PRSU Scheme by way of reducing the limit of 2,00,00,000 (Two Crore) equity shares (equivalent to 1.01% of the issued equity shares of the Bank, as at December 31, 2024) that was approved by the Bank's shareholders at the time of adoption of ESOP Scheme 2023 by way of postal ballot on December 22, 2023. Once the PRSU Scheme is approved, the total number of options available for the purposes of grant under the ESOP Scheme 2023 shall stand reduced to 1,10,00,000 (One Crore Ten Lakh) options pursuant to reservation, allocation and migration of 90,00,000 (Ninety Lakh) equity shares for issuance under the PRSU Scheme.

Since the issuance and allotment of shares pursuant to exercise of PRSUs under the PRSU Scheme along with the issuance and allotment of shares under the ESOP Scheme 2023 would not exceed 2,00,00,000 (Two Crore) equity shares, it would not result in additional dilution in the issued share capital of the Bank.

13. **The amount of loan to be provided for implementation of the scheme by the Bank to the trust, its tenure, utilization, repayment terms, etc.:**

Not applicable.

14. **Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme:**

Not applicable.

15. **A statement to the effect that the Bank shall conform to the accounting policies specified in regulation 15:**

The Bank shall conform to the applicable accounting policies prescribed under the SBEB & SE Regulations, or such other policy(ies) as may be prescribed under any other law with respect to accounting for PRSUs, including by the RBI or any other regulatory authority.

16. **The method which the Bank shall use to value its PRSUs:**

The Bank shall follow the fair value method for the valuation of the PRSUs, calculated in accordance with the Guidance Note on Accounting for Employee Share-Based Payments, as may be prescribed by the Institute of Chartered Accountants of India or prescribed under the relevant accounting standard, as may be applicable to the Bank, from time to time.

The fair value of PRSUs pertaining to employees of subsidiaries shall be recovered from the respective subsidiaries.

The fair value of the PRSUs so granted shall be treated as part of the variable compensation of the said employees.

17. **Period of lock-in:**

The equity shares issued under the PRSU Scheme shall not be subject to any transfer restrictions or lock-in restrictions, except as may be required for compliance of any regulatory / statutory / judicial requirements from time to time.

18. **Terms & conditions for buyback, if any, of specified securities covered under these regulations.**

None.

19. **Malus and clawback**

The benefits accrued and / or availed under the PRSU Scheme shall be subject to *malus and clawback* conditions, in accordance with the regulatory guidelines and / or policies of the Bank and its subsidiary. The Bank and its subsidiary shall be entitled to recover from the employee or from anyone who ceases to be an employee on account of resignation, termination (with / without cause) and those who have superannuated, subject to applicable laws, an amount corresponding to the PRSUs granted or vested under the PRSU Scheme or any benefit derived through any PRSUs granted under the PRSU Scheme, whether the employee is in employment or not at the time of recovery, in the event of any disciplinary action taken against the PRSU grantee.

20. **Disclosures**

Every year, the Bank shall disclose data of the grants awarded during the year in the annual report.

For clarity, given below, is an example for illustration purposes only:

<b>1<sup>st</sup> year of issuance of grants</b>		
<b>Levels</b>	<b>Number of employees granted PRSUs</b>	<b>Number of PRSUs granted</b>
MD / CEO and WTDs (being Level 1), Levels 2 and 3	30	4,500
Levels 4 to 8	70	5,500
<b>Total</b>		<b>10,000</b>

For each Plan Series that is operative, the Bank shall disclose in its subsequent annual reports, the details of Bank's performance parameters and weightage, the target achievement for each of the performance parameters and achievement during the year, basis which the vesting of the PRSUs was allowed, count of employees covered, number of PRSUs granted, count of employees whose PRSUs vested, number of PRSUs due for vesting as per the vesting schedule and number of PRSUs vested as per vesting schedule on meeting the vesting conditions.

**Indicative Illustration:**

If the Bank's performance parameters for a grant under the Plan Series is 'Book Value per share', then:

- i) To arrive at the target for the 1<sup>st</sup> tranche vesting, the actual book value per share is taken at the base year and indexed at 100
- ii) For the 1<sup>st</sup> tranche vesting (expected vesting after 12 months from grant), target is set at 120
- iii) The actual achievement of the target at the end of 12 months, is at 118 as against 120
- iv) The disclosure in the annual report for the 1<sup>st</sup> tranche vesting would include the following:
  - a) Bank's performance parameter: Book value per share growth
  - b) Weightage: XX%
  - c) Base year value: 100

- d) Target: 120
- e) Actuals: 118
- f) Level of achievement for Bank's performance parameter: 98%
- g) The proportion of units may be further adjusted at individual level based on levels and individual performance / conduct
- h) Units eligible for vesting as per Exhibit 2 (as provided in Sr. No. 4 of the salient features above): 75%
- i) Details of vesting

<b>1<sup>st</sup> tranche of vesting</b>				
<b>Levels</b>	<b>Number of Employees covered in the Plan Series</b>	<b>Number of Employees whose PRSUs vested in the Plan Series</b>	<b>No. of PRSUs due for vesting as per vesting schedule (Option A)</b>	<b>No. of PRSUs vested as per vesting schedule (Option A) on meeting vesting conditions</b>
MD / CEO and WTDs (being Level 1), Levels 2 and 3	30	27	1,125	801
Levels 4 to 8	70	63	1,375	979
<b>Total</b>			<b>2,500</b>	<b>1,780</b>

## 21. Others

### (i) Amendment or Termination of the Scheme

The Board, to the extent permissible in the SBEB & SE Regulations and applicable law, may from time to time suspend, withdraw or terminate the Scheme. Any material amendments / variations to this Scheme shall be done by the Board / NRC only with the prior approval of the members. However, while making such amendment or alteration to the Scheme, the interest of all the other stakeholders shall also be considered.

The term 'material amendments / variations' shall, *inter alia*, include the following:

- a. the alteration to the duration of the PRSU Scheme;
- b. the maximum quantum of PRSUs to be granted per employee and in aggregate under the PRSU Scheme or alteration to the pool size;
- c. the conditions under which the PRSUs may vest in employees and may lapse in case of cessation of employment including termination of employment for 'cause' as defined under the PRSU Scheme;
- d. the exercise period within which an employee can exercise the vested PRSUs;
- e. the specified time period within which the employee shall exercise the vested PRSUs in the event of termination or resignation;
- f. the vesting period;
- g. the vesting conditions in respect of employees covered under the PRSU Scheme; and
- h. the alteration to the conditionalities set out under the PRSU Scheme for the purposes of exercise of PRSUs.

Further, the Board / NRC shall not, without the approval of the members, amend the PRSU Scheme to increase the aggregate number of shares which may be issued pursuant to the provisions of the PRSU Scheme on exercise or surrender of PRSUs or upon grants except as otherwise stated elsewhere in the PRSU Scheme and as per the SEBI Regulations.

(ii) Compliance with Applicable Laws

In the event of any variation between the provisions of the Scheme and the SBEB & SE Regulations, the provisions of the SBEB & SE Regulations shall prevail over the PRSU Scheme and the provisions of the PRSU Scheme shall be deemed to have been amended so as to be read in consonance with the SBEB & SE Regulations.

The Board / NRC may without any reference to or consent of the employees concerned, amend the Scheme or grant or any agreement to comply with any law, regulation or guideline.

Approval of the members is being sought in terms of Section 62 of the Companies Act, 2013 and rules made thereunder, Regulation 6 of SBEB & SE Regulations and any other applicable provisions of law, for the implementation of the PRSU Scheme and the grant and issuance of PRSUs exercisable into equal number of equity shares of the Bank to the employees of the Bank and the subsidiary companies, as decided from time to time.

As stated earlier, the PRSUs would be granted under the PRSU Scheme by way of reducing the limit of 2,00,00,000 (Two Crore) equity shares (equivalent to 1.01% of the issued equity shares of the Bank, as at December 31, 2024) that was approved by the Bank's shareholders at the time of adoption of the ESOP Scheme 2023, on December 22, 2023. Once the PRSU Scheme is approved, the total number of options available for the purposes of grant under the ESOP Scheme 2023 shall stand reduced to 1,10,00,000 (One Crore Ten Lakh) options. In view of the above and to give effect to the change in the number of resultant equity shares that could be created, issued, granted and offered as options to the employees under the ESOP Scheme 2023, it is also proposed to, accordingly, update the relevant provisions of the ESOP Scheme 2023. It may be noted that 19,52,427 (Nineteen Lakh Fifty-Two Thousand Four Hundred Twenty-Seven) options have been granted to date.

Based on the above statement covering the facts and the rationale of the proposal, your Directors recommend the passing of the Special Resolutions set out at Item Nos. 4, 5 and 6 in the accompanying Postal Ballot Notice.

The PRSU Scheme and the proposed amendments to the ESOP Scheme 2023 will be open for inspection from 9:00 a.m. IST on Wednesday, January 22, 2025 till 5:00 p.m. IST on Friday, February 20, 2025, in electronic mode, without any fee, on the Bank's website at <https://www.kotak.com/en/investor-relations/governance/sebi-listing-disclosures.html>

The Executive Directors and the Key Managerial Personnel of the Bank and their relatives, are concerned or interested, financially or otherwise, in the Special Resolutions set out herein, to the extent of PRSUs / ESOPs that have been granted and / or may be granted from time to time under the respective schemes. None of the other Directors of the Bank and their respective relatives, are in any way concerned or interested, financially or otherwise, in the Special Resolutions set out herein above.

**By Order of the Board of Directors  
For Kotak Mahindra Bank Limited**

Place: Mumbai

Date: January 21, 2025

**Avan Doomasia  
Company Secretary  
(FCS. No. 3430)**

**Registered Office:**

27BKC, C 27, G Block, Bandra Kurla Complex,

Bandra (East), Mumbai - 400 051

**CIN:** L65110MH1985PLC038137

**Website:** [www.kotak.com](http://www.kotak.com)



**Annexure**
**DETAILS OF THE DIRECTORS AS SET OUT IN THE POSTAL BALLOT NOTICE**

**(Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard - 2 on General Meetings, issued by the Institute of the Company Secretaries of India)**

<b>Name of the Director</b>	<b>Mr. Jaideep Hansraj</b>	<b>Ms. Shanti Ekambaram</b>
<b>DIN</b>	02234625	00004889
<b>Age</b>	59 years	62 years
<b>Qualification</b>	B.Com	B.Com., Chartered Accountant and Cost and Works Accountant
<b>Brief details, nature of expertise in specific functional area and experience</b>	<p>Skill-set: Banking, Economics, Finance, Human Resources and Business Management.</p> <p>Please refer the Explanatory Statement to Resolution No. 1 of this Postal Ballot Notice for profile.</p>	<p>Skill-set: Business Management, Finance, Accountancy, Digital / Media, Banking and Payment and Settlement Systems.</p> <p>Please refer the Explanatory Statement to Resolution No. 2 of this Postal Ballot Notice for profile.</p>
<b>Terms and Conditions of appointment including remuneration sought to be paid</b>	As detailed in Resolution No. 1 of this Postal Ballot Notice	As detailed in Resolution No. 2 of this Postal Ballot Notice
<b>Remuneration last drawn:</b>		
<b>(a) as a Director of the Bank</b>	Not Applicable	Rs. 4.68 crore (during FY 2024-25 till December 31, 2024)
<b>(b) as a Director on the Board of Kotak Group entities</b>	Nil	Nil
<b>Date of appointment</b> (initial appointment)	Appointment would be effective from the date of receipt of all the regulatory and statutory approvals, as may be necessary from the RBI or any other regulatory / statutory authority	November 1, 2022
<b>Directorships in other companies / Positions in other entities</b>	<ul style="list-style-type: none"> <li>• Kotak Securities Limited - Non-Executive Chairman</li> <li>• Kotak Mahindra Life Insurance Company Limited - Non-Executive Director</li> <li>• Kotak Mahindra Asset Management Company Limited - Non-Executive Director</li> <li>• Kotak Alternate Asset Managers Limited - Non-Executive Director</li> </ul>	<ul style="list-style-type: none"> <li>• Kotak Securities Limited - Non-Executive Director</li> <li>• Kotak Mahindra Capital Company Limited - Non-Executive Director</li> <li>• Kotak Karma Foundation - Non-Executive Director</li> <li>• IIM Bangalore (IIMB), Member – Board of Governors</li> </ul>

Name of the Director	Mr. Jaideep Hansraj	Ms. Shanti Ekambaram
	<ul style="list-style-type: none"> <li>• Zurich Kotak General Insurance Company (India) Limited (Formerly Kotak Mahindra General Insurance Company Limited) - Non-Executive Director</li> <li>• Anukriya Foundation -Non-Executive Director (Section 8 company)</li> </ul>	
<b>Memberships / Chairmanships of Committees in other companies / Positions in other entities</b>	<p><b>Kotak Mahindra Life Insurance Company Limited:</b></p> <ul style="list-style-type: none"> <li>• Investment Committee – Member;</li> <li>• Policyholder Protection, Grievance Redressal and Claims Monitoring Committee – Member;</li> <li>• Risk Management Committee – Member;</li> <li>• Banking Committee – Member</li> </ul> <p><b>Kotak Securities Limited:</b></p> <ul style="list-style-type: none"> <li>• Investment Committee - Chairman</li> <li>• First Tier Audit Committee (FTAC) - Chairman</li> <li>• Routine and Administrative Functions (RAF) Committee - Chairman</li> <li>• Expense Approval Committee – Chairman</li> <li>• Audit Committee - Member</li> <li>• Corporate Social Responsibility Committee - Member</li> <li>• Risk Management Committee – Member</li> </ul> <p><b>Kotak Mahindra Asset Management Company Limited</b></p> <ul style="list-style-type: none"> <li>• Audit Committee - Member</li> <li>• Corporate Social Responsibility Committee - Member</li> <li>• Unitholder Protection Committee - Member</li> </ul>	<p><b>Kotak Securities Limited:</b></p> <ul style="list-style-type: none"> <li>• Routine and Administrative Functions (RAF) Committee – Member</li> <li>• Expense Approval Committee – Member</li> </ul> <p><b>IIM Bangalore:</b></p> <ul style="list-style-type: none"> <li>• Finance and Audit Committee – Chairperson</li> </ul>

<b>Name of the Director</b>	<b>Mr. Jaideep Hansraj</b>	<b>Ms. Shanti Ekambaram</b>
	<b>Zurich Kotak General Insurance Company (India) Limited:</b> <ul style="list-style-type: none"> <li>• Risk Management Committee – Member</li> <li>• Policyholder Protection and Grievance Redressal Committee – Member</li> <li>• Expenditure Approval and Banking Committee – Member</li> </ul>	
<b>Listed entities from which the Director resigned in the past three years</b>	KFin Technologies Limited - Nominee Director (due to substitution of Bank's nominee)	Nil
<b>Relationship between Directors inter-se and Key Managerial Personnel of the Bank</b>	None	None
<b>Shareholding in the Bank (including as beneficial owner) as on date</b>	2,79,112 equity shares	13,21,453 equity shares
<b>Number of Board Meetings attended till date (during the current financial year)</b>	Not Applicable as the appointment is yet to come into effect	12 out of 13

**By Order of the Board of Directors  
For Kotak Mahindra Bank Limited**

Place: Mumbai  
Date: January 21, 2025

**Avan Doomasia  
Company Secretary  
(FCS. No. 3430)**

**Registered Office:**  
27BKC, C 27, G Block, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051  
**CIN:** L65110MH1985PLC038137  
**Website:** [www.kotak.com](http://www.kotak.com)