



NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of Kotak Mahindra Finance Limited will be held on Thursday, 26th September 2002 at 3:30 p.m. at Patkar Hall, 1, Nathibai Thackersey Road, Mumbai 400 020, to transact the following business :

1. To receive and adopt the Profit and Loss Account for the year ended 31st March 2002, the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.
2. a) To declare final dividend on equity shares.
b) To note the payment of interim dividend on equity shares.
3. To appoint a Director in place of Mr. Anand Mahindra who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. K.M. Gherda who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Cyril Shroff who retires by rotation and, being eligible, offers himself for re-appointment.
6. To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:
"RESOLVED that, pursuant to Section 224 and other applicable provisions, if any, of the Companies Act, 1956, Messrs. V. C. Shah & Co., Chartered Accountants, and Messrs. Deloitte Haskins & Sells, Chartered Accountants, be and are hereby appointed Joint Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company."

SPECIAL BUSINESS :

7. To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:
"RESOLVED that Mr. Ajay Sondhi, who was appointed as an Additional Director of the Company with effect from 1st July 2002 pursuant to the provisions of Section 260 of the Companies Act, 1956, ("the Act") and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a Notice from a shareholder proposing his candidature for the office of Director under Section 257 of the Act, be and is hereby appointed as a Director of the Company."
8. To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:
"RESOLVED that, pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, ("the Act") including Schedule XIII to the Act and subject to the approval of the Central Government, if required, consent and approval of the Company be and is hereby accorded to the appointment of Mr. Uday Kotak as a Whole-time Director of the Company, designated as Executive Vice Chairman and Managing Director, for an initial period of five years with effect from 1st August 2002, on the terms and conditions including as to remuneration, perquisites, benefits and facilities set out in the Agreement dated 30th July 2002 entered into between the Company and Mr. Uday Kotak, a copy whereof, initialled by the Chairman for the purpose of identification, has been submitted to this Meeting, which Agreement is hereby specifically approved.
"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration and perquisites payable or to be provided to Mr. Uday Kotak including the monetary value thereof as specified in the aforementioned Agreement to the extent the Board of Directors may consider appropriate or as may be permitted or authorised in accordance with the provisions of the Act for the time being in force, provided, however, that if there are any limits prescribed by the Act in respect of remuneration payable, then the remuneration payable to Mr. Uday Kotak shall be within such limits, if any, as may be set out in the Act including the said Schedule XIII to the Act or any amendments thereto or any modification or statutory re-enactment(s) thereof and/or any rules or regulations framed thereunder from time to time or as may be approved by the Central Government, as the case may be, and the terms of the aforesaid Agreement between the Company and Mr. Uday Kotak shall be suitably modified to give effect to such variation or increase as the case may be."

Notes :

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item 6 and Special Business under Items 7 and 8 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
The instrument appointing a Proxy, to be effective, must be duly filled, stamped and signed and must reach the Company's Registered Office not later than 48 hours before the commencement of the Meeting.
3. The Register of Members and the Share Transfer Books of the Company will be closed from Tuesday, 24th September to Thursday, 26th September 2002, both days inclusive, for the purposes of the Annual General Meeting.
4. If the dividend on shares, as recommended by the Board of Directors, is declared at the Meeting, payment thereof will be made, on and after Friday, 27th September 2002, to those shareholders whose names appear on the Register of Members of the Company on Thursday, 26th September 2002. In respect of shares held in dematerialised form in the Depository system, dividend thereon will be paid to the beneficial owners as per the list to be provided by the Depositories.
5. All correspondence regarding shares of the Company should be addressed to the Company's Registrars and Transfer Agents, Karvy Consultants Limited, (Unit : Kotak Mahindra Finance Limited) at 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad 500 034.
6. Shareholders may avail of the facility for making nominations in respect of the shares held by them. All rights of transfer and/or to amounts payable in respect of the shares shall vest in the nominee in the event of the death of the shareholder. A minor may be a nominee provided that the name of the guardian is mentioned in the Nomination form. The facility of nomination is not available to non-individual shareholders such as bodies corporate, kartas of Hindu undivided families, partnership firms, societies, trusts and holders of Power of Attorney.



7. The Equity shares of the Company are listed for trading on the following Stock Exchanges :
- (i) The Stock Exchange, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001;
 - (ii) National Stock Exchange of India Limited, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai- 400 051;
 - (iii) The Stock Exchange - Ahmedabad, Kamdhenu Complex, Panjara Pole, Ahmedabad - 380 015;
 - (iv) The Delhi Stock Exchange Association Limited, DSE House, 3/1, Asaf Ali Road, New Delhi - 110 002;
 - (v) Madras Stock Exchange Limited, Exchange Building, 11, Second Line Beach, Chennai - 600 001.

The Company has paid the annual listing fees to each of the above Stock Exchanges upto the financial year 2002-03.

Pursuant to the approval of Members by way of a Special Resolution, the Company has applied to the Stock Exchanges listed at (iii), (iv) and (v) above for voluntary de-listing of the Company's shares.

8. The Securities and Exchange Board of India has included the equity shares of the Company in the list of shares in which trading is compulsorily in dematerialised form, from 29th November 1999. The equity shares of the Company have been activated for dematerialisation with the National Securities Depository Limited with effect from 4th August 1998 and with the Central Depository Services (India) Limited with effect from 26th February 1999 vide ISIN INE237A01010.

By order of the Board of Directors

N.J.N.VAZIFDAR
Vice President & Secretary

Mumbai, July 30, 2002.

EXPLANATORY STATEMENT

In terms of Section 173 of the Companies Act, 1956, the following explanatory statement sets out all the material facts relating to Items 6, 7 and 8 of the accompanying Notice dated July 30, 2002.

Item 6

One of the joint Auditors of the Company, Messrs. C.C. Chokshi & Co., Chartered Accountants, vide their letter dated July 9th, 2002, have informed the Company of their unwillingness to act as Auditors of the Company. The Company has, however, received a letter from Messrs. Deloitte Haskins & Sells, Chartered Accountants, Mumbai, conveying their willingness to act as joint Auditors of the Company, if appointed and also intimating compliance of limits under Section 224 (1-B) of the Companies Act, 1956.

It is proposed to appoint Messrs. Deloitte Haskins & Sells, Chartered Accountants, Mumbai, as Joint Auditors of the Company alongwith Messrs. V.C. Shah & Co., Chartered Accountants, from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting.

The Directors commend the Resolution at Item 6 for the approval of the Members.

No Director is concerned or interested in the passing of this Resolution.

Item 7

Mr. Ajay Sondhi was appointed as an Additional Director of the Company with effect from 1st July 2002 and, pursuant to the proviso to Section 260 of the Companies Act, 1956, ("the Act") he holds office as a Director only upto the date of this Annual General Meeting but is eligible to be appointed as a Director. The Company has received the required notice pursuant to the provisions of Section 257 of the Act from a Member signifying his intention to propose the appointment of Mr. Ajay Sondhi as a Director of the Company. Mr. Sondhi has filed his consent, pursuant to the provisions of Section 264 of the Act, to act as a Director, if appointed. The relevant particulars in respect of Mr. Sondhi are given in the Report on Corporate Governance.

The Directors commend the Resolution at Item 7 for the approval of the Members.

Mr. Sondhi may be deemed to be concerned or interested in the Resolution relating to his appointment.

Item 8

At the Meeting of the Board of Directors of the Company held on 30th July 2002, Mr. Uday Kotak was appointed as a Whole-time Director of the Company, designated as Executive Vice Chairman & Managing Director, for a period of five years with effect from 1st August 2002, on the terms and conditions including as to remuneration, perquisites, benefits and facilities set out in the Agreement submitted to this Meeting.

The Resolution at Item 8 seeks to obtain the Members' approval to the appointment of and payment of remuneration to Mr. Uday Kotak as set out in the Agreement dated 30th July 2002 entered into between the Company and Mr. Uday Kotak, a copy of which is available for inspection by the Members at the Registered Office of the Company on any working day of the Company between 11:00 a.m. and 1:00 p.m. upto the date of the Annual General Meeting.

The Directors commend the Resolution at Item 8 for the approval of the Members.

Mr. Uday Kotak may be deemed to be concerned or interested in the Resolution relating to his appointment and remuneration.

By order of the Board of Directors

N.J.N.VAZIFDAR
Vice President & Secretary

Mumbai, July 30, 2002.