



TRANSCRIPT

38TH ANNUAL GENERAL MEETING

SATURDAY, AUGUST 19, 2023

10:00 A.M. (IST) TO 12:01 P.M. (IST)

[@10:00 a.m. IST]

- **Mr. Prakash Apte – Chairman, Kotak Mahindra Bank Limited**
- Ladies and Gentlemen, Good Morning and welcome to the Thirty-Eighth Annual General Meeting (“AGM”) of our Company, and the Twenty-First Annual General Meeting as a Bank. It is now 10:00 a.m. and we have the quorum and hence, I call this Meeting to order. The AGM is being held through Video Conferencing in compliance with the provisions of the Companies Act, 2013 and Rules made thereunder and the directions issued by the Ministry of Corporate Affairs, from time to time. The Bank has taken all feasible steps to ensure that the shareholders are provided an opportunity to participate in the AGM and vote. Adequate Video-conferencing facility and live webcast of the proceedings of the AGM have also been provided.

With me, I have Mr. Uday Khanna, Dr. Ashok Gulati, Mr. Uday Shankar, Ms. Ashu Suyash, Mr. C S Rajan, Mr. C. Jayram, Mr. Uday Kotak, Mr. KVS Manian, Ms. Shanti Ekambaram.

Mr. Amit Desai, Non-Executive Director could not join the AGM since he had to attend to an urgent matter. Mr. Dipak Gupta, Joint Managing Director on the Board, could not attend the AGM since he had to attend to rituals due to the sad demise of his mother.

All the Directors present, including myself, are participating in this Meeting through Video Conferencing from the registered office of the Bank at 27 BKC, Mumbai. Apart from the Directors, we have Mr. Jaimin Bhatt, Group Chief Financial Officer and Ms. Avan Doomasia, Company Secretary and the representatives of Price Waterhouse LLP, Chartered Accountants and KKC & Associates LLP, Chartered Accountants, the Joint Statutory Auditors and Parikh & Associates, Company Secretaries, the Secretarial Auditor of the Bank for financial year 2022-23 attending this AGM. Ms. Rupal D. Jhaveri, the Scrutinizer appointed to scrutinize the e-voting process in a fair and transparent manner, is also attending this Meeting.

I, now, request Ms. Avan Doomasia, Company Secretary to inform the Shareholders on other attendant matters regarding the AGM.

- **Ms. Avan Doomasia – Company Secretary, Kotak Mahindra Bank Limited**

Thank you, Chairman Sir. The Register of Directors and Key Managerial Personnel and their shareholdings maintained under Section 170, the Register of contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013, the certificate from Secretarial Auditor of the Bank certifying that the Kotak Mahindra Equity Option Scheme 2015 and Kotak Mahindra Stock Appreciation Rights Scheme 2015 of the Bank have been implemented in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolutions of the Bank passed at the AGM held on 29th June, 2015, and the other documents as mentioned in the Notice convening this Meeting, are available for inspection upon login at NSDL e-voting system at <https://www.evoting.nsdl.com> As the AGM is being held through Video Conferencing, the facility for appointment of proxies by Members is not applicable and hence, the proxy register is not available for inspection.

In compliance with the regulatory requirements, the Notice of the AGM and the Integrated Annual Report, containing the Directors' Report, Auditors' Report, Annual Financial Statements, Business Responsibility and Sustainability Report and other related documents for the year ended March 31, 2023 have already been circulated electronically only to Members whose email address is registered with the Bank or the Depository Participant(s). Physical copies of the Notice of AGM and the Integrated Annual Report have been provided to those Members who requested for the same. The Bank shall continue to honour such requests in future as well. Thank you.

- **Mr. Prakash Apte**

Thank you, Avan.

Dear Shareholders, now, with your permission, I will take the Notice of the Annual General Meeting as read. The Auditors' Report issued by the Joint Statutory Auditors and the Secretarial Audit Report issued by the Secretarial Auditor do not contain any qualifications, observations, adverse comments or remarks. With your permission, I will take the Reports of these Auditors, as read.

[Chairman's Speech begins]

Ladies and Gentlemen, Kotak Mahindra Bank embarked on a path to change last year and recalibrated its approach to meet the needs of the future. This year, the Bank accelerated the pace of change in its quest to make a demonstrable difference in the chosen areas of customer centricity, technology adoption, digital enablement and talent mix proposition. At Kotak Mahindra Bank, efforts are being accelerated to not only stay in step with India's aspirations, but strive ahead with purpose and commitment. Change heralds both opportunities as well as challenges and so, your Bank is harnessing technology to provide comprehensive offerings across segments and present differentiated propositions to deepen its presence in key segments such as the mass affluent segment and is also redefining customer experience and convenience with a well-defined technology-enabled strategy and also build a future-ready talent pool and empower them to take on the challenges of a new India. We aspire to be the 'go-to' bank for every Indian and are doing all of this with a sense of purpose and urgency. We will continue to remain true to our core DNA of driving differentiation and trust, and building a franchise that is recognised for its promise and potential.

We have designed our digital universe to complement our physical infrastructure and have created a seamless experience between the two ecosystems, driving efficiency and enhancing customer experience.

Embracing the winds of change, Kotak has emerged as a transformative force within India's financial landscape. Powered by innovation and cutting-edge technology, Kotak has pioneered financial solutions, ushering in an era of convenience and empowerment for its customers.

Economy

As the world economy was beginning to settle for a year of normalization amidst the waning of the Covid 19 pandemic, the global economic outlook turned awry yet again from the impact of the Russia-Ukraine war, just before onset of FY 2022-23. The immediate fallout of the conflict was felt globally, with resurgence of supply disruptions and consequently, a surge in commodity prices. In April 2022, the International Monetary Fund pegged global GDP growth for CY2022 at 3.6%, revising it down to 3.4% in January 2023. To combat the multi-decadal high inflation trends, the global central banks embarked on a synchronized aggressive monetary

tightening cycle, threatening the nascent recovery from the Covid 19 disruptions with a slowdown in global growth and potential risks of a recession in various economies.

India started FY 2022-23 on a weaker footing with Q1FY23 real GDP growth surprising on the downside at 13.08% YoY, despite favourable base effects, as compared to expectation of 15.3%. However, real GDP growth at 6.06% was on the upside in Q4FY23, compared to an expectation of 5%, buoyed by investments growth at 8.92% and a sharp improvement in net exports. FY 2022-23 real GDP surprised on the upside at 7.24% against the expectation of 7%. The GDP growth was buoyed by impressive growth in the Service sector which improved to 9.46 % from 8.81% in FY21-22, while Industrial sector growth was more modest at 4.38% compared to 11.62% in FY21-22.

Union Budget for FY 2023-24 maintained focus on growth while balancing its objective on fiscal consolidation. On capital expenditure and infrastructure, the Government facilitated investment through higher allocation to railways and roadways, tariff protection through high judicious use of customs duties for select sectors, encouraging private sector investment in emerging areas of clean energy and capital support to oil marketing companies.

As regards inflation, barring the brief uptick in February 2023, inflation remained comfortable with the March 2023 print surprising on the downside at 5.66%, led by a favourable base effect and easing food and core inflation. Over the course of FY 2022-23, headline Consumer Price Index inflation remained above the RBI Monetary Policy Committee's upper threshold of 6% for nine months, largely on account of supply disruptions, consequent high commodity prices and adverse weather conditions causing high food inflation.

As RBI embarked on withdrawing the measures introduced during the pandemic, 250bps repo rate hikes were accompanied by tightening liquidity conditions. The banking system liquidity surplus reduced and the widening credit-deposit gap further weighed on the system liquidity and money market rates.

Chosen Areas – The Big Three

This year, Kotak Mahindra Bank accelerated the pace of change in its quest to make a demonstrable difference in the chosen areas of Customer Centricity, Digital prowess and Technology strengths and Talent transformation.

Recognising the transformative power of technology and digitalisation and to remain competitive and agile, your Bank continues to stay at the forefront of innovation. The Bank's aim of improving the efficiency of its processes, strengthening security measures and delivering personalized experiences to its valued customers, drives your Bank to implement the most effective technologies.

Navigating the ever-evolving digital landscape requires the support of a strong and skilled team, making it imperative to develop and retain skilled talent. Your Bank is focused on driving change with a future-ready team capable of taking forward the digital initiatives. Nurturing of the talent pool is prioritised, by creating a conducive work culture which fosters innovation, collaboration and continuous development. The challenge of attrition predominantly is at the junior management level in the areas of sales, service, call centre and collections. In order to manage the same, your Bank is focussing on a number of areas such as ease of working, better engagement, training, benchmarking and technology automation.

The Bank's ultimate goal is to deliver best-in-class customer experiences. Hence, engaging with customers through various channels, understanding their needs and tailoring products accordingly, is what the Bank strives to do.

Financial Performance

For FY 2022-23, consolidated profit after tax was Rs. 14,925 crore, which was 23% higher than the previous year. At a standalone level, profit after tax of the Bank for FY 2022-23 was Rs. 10,939 crore compared with Rs. 8,573 crore in FY 2021-22, a growth of 28%.

Net Interest Income for FY 2022-23 increased to ₹ 21,552 crore, from ₹ 16,818 crore in FY 2021-22, up 28% YoY. Net Interest Margin was 5.33% for FY 2022-23. The CASA ratio as at March 31, 2023 stood at 52.8%. As at March 31, 2023, the Bank's Gross NPA stood at 1.78% which was 2.34% a year ago. The Net NPA was as at March 31, 2023, 0.37% as against 0.64% as at March 31, 2021.

Capital Adequacy Ratio of the Bank, as at March 31, 2023 was 21.8% and CET I ratio of 20.6%.

The Group's subsidiaries and associates contributed 27% of the consolidated profit after tax for FY 2022-23, reflecting the diversity of our business model.

ESG and CSR

Your Bank aims to create value for all its stakeholders by incorporating social and environmental considerations in its strategy and operations. The ESG Policy Framework outlines our approach to harmonise its business strategy, processes and disclosures with domestic and international standards and frameworks. We endeavour to enhance value for our stakeholders by integrating social and environmental considerations into our operational and financial decision-making. Taking cognizance of our corporate and fiduciary responsibility, we are embedding ESG aspects across the Bank and its subsidiaries.

Financial inclusion is one of your Bank's key strategic priorities to drive positive economic and societal impact by providing greater financial access to the underserved sections of the society. Your Bank continued on its path of growth momentum with respect to the Microfinance business and grew at more than 100%, while extending the outreach of the business in new locations across 11 states (6 of which were added during the year). The Microfinance business also crossed the 1 million-customer mark during the year. With the rural economy and livelihoods on a path of recovery, leaving the uncertainties of Covid 19 behind, collection efficiency for the business saw a significant improvement with reduction in both delinquency and GNPA levels.

We, understand the criticality of conserving the planet's natural resources for the future generations. As a responsible corporate citizen, we are committed to take proactive steps towards environmental sustainability.

We are working towards transforming the communities we operate in, through impactful Corporate Social Responsibility initiatives. We have forged strong relationships with a wide network of nongovernmental organisations and foundations to collaboratively drive positive change in the communities we serve.

Awards

I am also happy to inform you that your Bank was recognised as the Best BFSI Brand 2022-23 at the 6th edition of The Economic Times Best BFSI Brands 2023. It

was indeed a proud moment for your Bank to have been certified as 'One of India's Best Employers among Nation-Builders' by the Great Place to Work® Institute, second year in a row. Further, your Bank's Learning A-Fair Platform won Gold for Best Advance in Unique Learning Technology at the Brandon Hall Technology Excellence Awards 2022. Your Bank achieved Gold for FY 2021-22 Integrated Report at the Institute of Chartered Accountants of India (ICAI) Sustainability Report Awards 2021-22.

Apart from this, as in the past years, your Bank and its subsidiaries have won a number of significant awards for its excellence in Product & Services, Brand & Marketing and Information Technology.

Outlook for the Group

At Kotak, we are accelerating our efforts to not only stay in step but strive ahead with purpose and commitment.

In order to embrace the opportunities and address the risks presented by the external environment and realise its vision, your Bank is pursuing nine strategic drivers, viz.:

- (i) Technology at the core
- (ii) Leadership in digital capabilities
- (iii) Customer centricity
- (iv) Expanding access to low-cost liabilities
- (v) Pursue Advances growth
- (vi) Execute with discipline and improving productivity
- (vii) Financial inclusion as an opportunity
- (viii) Building a team of talented, engaged and motivated employees, and
- (ix) pursue inorganic opportunities.

As customers increasingly utilise digital channels to engage and transact with us, your Bank consistently augments its digital capabilities, including the mobile suite, self-service options and digital-driven processes, to provide a multitude of opportunities for its customers to Bank conveniently. We also work on blending talent with tools and technology to enable a more productive, informed and empowered employee ecosystem. Your Bank's initiatives to be future-ready are underpinned by its time-tested values of customer centricity, managing risk, strong governance and community engagement. Our strategic drivers are dedicated to delivering the best

possible experience for our customers and employees while also driving sustainable performance and delivering long-term shareholder value.

With that, on behalf of Board of Directors, I would like to thank all the Central and State Governments, regulators, our customers, shareholders and other stakeholders for the continued trust and encouragement, sustained support and timely guidance that we have benefited from.

Lastly, as you are aware, I would be stepping down as the Chairman from the Board of Kotak Mahindra Bank after completion of my current term on December 31, 2023, in compliance with the regulatory requirements. I would like to express my heartfelt gratitude to the shareholders, Board and the Bank for having given me this opportunity to serve as the Chairman of your Bank.

I wish you all good health, happiness and prosperity.

Thank you all.

[Chairman's Speech concludes]

Now, before inviting questions from the members, I now request Mr. Uday Kotak, Managing Director and CEO, to brief the shareholders.

[Speech of the Managing Director & CEO begins]

- Mr. Uday Kotak – Managing Director & CEO, Kotak Mahindra Bank Limited

Thank you Chairman, and a warm welcome to all our shareholders. The Chairman has covered comprehensively the perspective from the Bank's point of view in many broad areas and contours. I just wanted to give my thoughts on some of the matters which are current as we look at the future of the economy, banking and of course, Kotak Mahindra Bank.

So first on the global macro. I think elevated interest rates now look to be around globally longer than what most of us would have liked. And as I see it in the developed world, particularly in Europe, UK and even the US, inflation has turned out to be far stickier for longer and that is going to keep the central banks around the world in a mode of higher interest rates for longer. The second important aspect is the global geopolitical tensions around Russia and Ukraine. We are seeing that continue even as we sit here and it is again back to more than nearly one and a half

years that this tension has continued, and so far we are not seeing any concrete resolution to that dispute. And in that context I think the global thoughts and actions around the two major powers, namely the United States and China are also playing out in the geopolitical arena as we sit here. And in that context it's also important to know that for the first time we are beginning to see the China growth engine stutter and we have seen the financial sector developments as it's played out in media in recent days with some of the real estate developers as well as financial institutions in China being under more pressure. So in the context of this global macro, which is certainly cautious, India in many ways stands out.

I must compliment the Indian policymakers for navigating India through the COVID period as also the post the Russia-Ukraine conflict to a position of stability and soundness in a turbulent world. India also has the advantage of 'China Plus One' as the world diversifies its risk beyond China and we must take advantage of this. The other major factor which we have to keep in mind that both the corporate sector in India and the banking sector in India has been very robust through this period and therefore comes out of the period of COVID in a much stronger position. Of course, in recent days we have seen some spike inflation and the risks of inflationary expectations and I'm quite convinced that the policymakers will take appropriate actions on that as we go forward.

On the financial sector, last 12 to 18 months have been what I call as the Goldilocks period. None of us at the beginning of COVID could have imagined that Indian financial sector would be in such great shape from the point of view of strength and stability as it has demonstrated. So once again I give enormous credit to the policymakers for getting the Indian financial sector in this good shape. But very often I ask that what is the risk of Goldilocks at some point of time becoming Cinderella when the clock strikes midnight. And that is the aspect which we have to continuously keep in mind from the point of view of health and continued sustainability of the Indian financial sector. At the same time the financial sector has to have the capacity, capability and the aspiration to support a 30 trillion economy for India as we aspire to it by 2047. Therefore, how do we balance the two engines of risk management on the one hand and combine it with Indian people's growth aspirations for which the financial sector has to be out there to support in full steam. And it is this dual balance which is going to be important for India as we go forward.

On Kotak Mahindra Bank, I must say that we have had a very good 2022-23 and we have come out with an extremely strong balance sheet into 2023-24. So, within that we have also taken a number of steps to strengthen the Bank in the area of product

excellence, beefing our technology capability, including technology talent, a high focus on customer centricity of course as the Chairman spent time on it and bringing it all together for managing customer experience with outstanding products and high quality people, creating a more stable long term situation for the Bank including its financials.

A major significant mind-set change is undergoing at the Bank and the Group moving from a world which was once upon a time physical to a world which had moved to phygital and now we are fully convinced to move to a world of digical as the core. And digical, friends, means digital first supported by physical as we go forward.

One of the other theme changes which you may have seen in our annual report for 2022-23 versus 2021-22 is, in 2021-22, we said the headline is 'change', and in 2022-23, we have changed the headline to 'accelerating change'. And therefore, that is going to be key future approach of Kotak Mahindra Bank - accelerating change in a fast changing environment around us, both in India and globally.

And in that same spirit, friends, this is going to be my last Annual General Meeting in my capacity as Managing Director and CEO, I at the same time would like to thank all the shareholders for a resolution which they have already approved overwhelmingly for me to be able to continue as a Non-Executive Director on ceasing to be Managing Director.

With that, friends, I now hand it back to the Chairman and thank you all for the years of support as shareholders and committed shareholders of Kotak Mahindra Bank. Thank you.

[Speech of the Managing Director & CEO concludes]

Mr. Prakash Apte

Thank you, Uday.

This Meeting has been convened to seek Members' approval for items as detailed in the Notice of the Thirty-Eighth Annual General Meeting. I now request the Company Secretary, on my behalf, to briefly explain the resolutions set out in the Notice.

Ms. Avan Doomasia

Resolution no. 1: Receiving, considering and adopting the standalone audited financial statement of the Bank for financial year ended 31st March, 2023 together with the Reports of the Board of Directors and the Auditors thereon – as an Ordinary

resolution, the objective being compliance with the provisions of Section 129(2) of the Companies Act, 2013.

Resolution no. 2: Receiving, considering and adopting the consolidated audited financial statement of the Bank for financial year ended 31st March, 2023 together with the Report of the Auditors thereon – as an Ordinary resolution, the objective being compliance with the provisions of Section 129(3) of the Companies Act, 2013.

Resolution no. 3: Confirmation of payment of interim dividend on 8.10% Non-Convertible Perpetual Non-Cumulative Preference Shares for financial year 2022-23 – as an Ordinary resolution, the objective being compliance with the provisions of the Companies Act, 2013.

Resolution no. 4: Declaration of dividend on equity shares for financial year 2022-23 – as an Ordinary resolution, in compliance with the provisions of Section 123 of the Companies Act, 2013.

Resolution no. 5: Re-appointment of Mr. Dipak Gupta (DIN: 00004771), who retires by rotation and, being eligible, has offered himself for re-appointment as a Director, designated as Joint Managing Director of the Bank, to hold office up to the end of his current term on 31st December, 2023 – as an Ordinary resolution, being compliance with the provisions of Section 152(6) of the Companies Act, 2013.

Resolution no. 6: Ordinary resolution - Re-appointment of Mr. C. Jayaram (DIN: 00012214), who retires by rotation and, being eligible, has offered himself for re-appointment as a Director of the Bank to hold office up to the end of his tenure on 30th April, 2024 – as an Ordinary resolution, in compliance with the provisions of Section 152(6) of the Companies Act, 2013.

Resolution no. 7: Fixing of remuneration of Joint Statutory Auditors for the audit of Bank's standalone and consolidated financial statements for financial year 2023-24 – as an Ordinary resolution, being compliance with the provisions of Section 142(1) of the Companies Act, 2013.

Thank you.

Mr. Prakash Apte

Thank you, Avan. I now invite questions from Members relevant to the business set out in the AGM Notice. I request Ms. Avan Doomasia to facilitate the Q&A session. Speakers are requested to be brief – you may speak for about two minutes, not repeat questions already asked by previous speakers and restrict to only the

business of the Meeting and maintain decorum. You may contact the office of the Company Secretary in case you have queries other than the business of the Meeting.

Thank you.

– **Ms. Avan Doomasia**

We have Speaker no. 1, Mr. Satish Shah.

– **Mr. Satish Shah – Shareholder**

Hello, can you hear me, Sir?

– **Mr. Prakash Apte**

Yes, Mr. Satish Shah, we can hear you.

– **Mr. Satish Shah – Shareholder**

Good morning.

– **Mr. Prakash Apte**

Good morning.

– **Mr. Satish Shah – Shareholder**

Good morning, Sir. Respected Chairman Sir.

– **Mr. Prakash Apte**

May I request you to switch on your camera please, Satishbhai?

– **Mr. Satish Shah – Shareholder**

No, I am sorry, Sir, problem, technical problem, Sir, Sorry, Sir. Thank you.

– **Mr. Prakash Apte**

Okay.

– **Mr. Satish Shah – Shareholder**

Respected Chairman Sir, and other directors, in your Chairman speech, you informed us very well about the Company. Uday bhai also explained about the Company very well. I would like to ask today that the Company's performance was good and the Company also gave a good dividend, so I would like to know what is the policy of the Company and when did the Company give its last bonus shares. I

would like to thank our Company Secretary, Ms. Avan Doomasia, for sending us the link for the meeting. She contacted me to remind me to be on time and to contact the Bank's secretarial team immediately in case I face any problem. This is the best investor service. I support all the resolutions today. I would like to know how many branches the Bank has in Mumbai and how many branches the Bank has all over India?

Thank you, Sir, and wish you the best, Sir.

– **Mr. Prakash Apte**

Thank you, Mr. Shah.

– **Ms. Avan Doomasia**

Speaker no. 2, Ms. Lekha Shah.

– **Ms. Lekha Shah – Shareholder**

Hello, can you hear me, Sir?

– **Mr. Prakash Apte**

Yes, Madam.

– **Ms. Lekha Shah – Shareholder**

Thank you, Sir.

Respected Chairman Sir, Board of Directors and my fellow members, good morning to all of you, myself Lekha Shah from Mumbai.

First of all, I am very much thankful to our Company Secretary, Ms. Avan Doomasia, for extending very good investor services and also sending me the AGM notice well in time, which is full of knowledge, facts and figures in place. So, I am very grateful to our Company Secretary, Avan Ma'am.

Thank you, Chairman Sir, for explaining aspects of the Company. Congratulations for excellent work, Sir. I pray to God that he always showers his blessings upon you.

Thank you, Uday Kotakji, for such an informative and wonderful presentation.

Chairman Sir, I would like to thank all the personnel of the Bank for receiving awards and recognition for every plan during the year 2022-23. And also I am glad the Bank is doing very well in the field of CSR activities. Chairman Sir, I am confident that with

your vision and determination, you will lead our Bank to greater heights, and also I pray to God our Bank should progress more and more under you and your teamwork.

Chairman Sir, I have a couple of questions. My first question is how many new retail investors added in our demat account in our broking services. My second question is what initiatives are taken to retain talent and improve our employees' wellbeing so that they don't change jobs.

Chairman Sir, I hope the Bank will continue video conference meeting in future. I am a very old shareholder of Kotak Mahindra from IPO. I am proud to be shareholder of this Bank. So, I strongly and wholeheartedly support all the resolutions for today's meeting and my best wishes always to the Bank and its prosperity.

Thank you so much Sir.

– **Mr. Prakash Apte**

Thank you very much, Madam.

– **Ms. Avan Doomasia**

We move on to Speaker no. 3, Mr. Kaushik Shahukar.

– **Mr. Kaushik Shahukar – Shareholder**

Hello.

– **Mr. Prakash Apte**

Hello, yes, Mr. Shahukar.

– **Mr. Kaushik Shahukar – Shareholder**

Am I audible, sir?

– **Mr. Prakash Apte**

Yes, can you please adjust the camera, we are not able to see your face.

That's perfect, thank you.

– **Mr. Kaushik Shahukar – Shareholder**

Thank you, Sir.

Good morning to all. I am honoured to have the opportunity to address you all today. I would like to express my gratitude to the Board of Directors for allowing me this chance once again.

First of all, I salute the Board of Directors for the out-of-box thinking and keeping the VC on Saturday and also VC mode of meeting thereby allowing pan-India participation. Sir, thank you for this and request you to continue this trend. I am a satisfied shareholder of the Company and I must commend the management for the remarkable efforts in trading wealth of the shareholders.

However, I would like to raise a couple of concerns. My primary concern pertains to the utilization of savings on account of virtual mode of meeting. I believe it would be prudent to allocate a portion of these funds to the welfare of the shareholders, more particularly among speaker shareholders who actively participate in the AGM as speakers, considering their valuable contribution and active involvement in the meeting it will be a gesture of recognition and appreciation and to distribute a small memento to the speaker shareholder on occasion of important festivals.

Sir, can you just give a breakup of cost on account of virtual meeting and on account of physical meeting, if possible. I humbly request the board to consider my proposal and explore the possibility of implementing this gesture of gratitude and appreciation, by doing so I strongly believe that it will reinforce the confidence of the shareholders and contribute to overall wellbeing of our corporate family.

My next concern is what steps have been taken to enhance our digital capabilities and provide a seamless online banking experience for the customers. What is the Bank's plan for expanding its branch network and customer base in coming years? Are there any new market segment or geographies that the Bank is targeting for growth?

My final concern is the Company has been hesitant in supporting individual in need, including myself. I have shared my credentials in the past and follow-up consistently with the Company but my request has not been considered. Isn't aiding a differently abled person a part of CSR activity, then why is the Company hesitant in supporting me. I appeal for your support in certification including Form 15 (CP). Your assistance would mean a lot to me. If I can't get help from a reputed company like Kotak then who can I turn to. I am sending my credentials after the AGM for your consideration and in hopes of receiving justice and proactive consideration for your help and support. I want to clarify that I am not seeking any handouts of free money nor any sympathy. I value my independence and self-reliance as a Chartered Account and I hope you can understand and respect my desire to maintain independence. Thank

you for your consideration to my request, and I firmly believe that with your support I can make significant contribution to our organization and have a positive impact on our society. I eagerly await your response and sincerely appreciate the time and presence you have given me today. Additionally, I would request you for your assistance in introducing me to your esteemed auditor, as a fellow professional, I believe the expertise and guidance would be instrumental in realizing our mutual goal.

Thank you so much, Sir.

– **Mr. Prakash Apte**

Thank you, Mr. Shahukar.

– **Ms. Avan Doomasia**

We move on to Speaker no. 4 – Ms. Hutoksi Sam Patel.

– **Moderator from NSDL**

The person with the said name is not connected in the meeting.

– **Ms. Avan Doomasia**

We will try again at the end of the speakers.

Speaker no. 5, Mr. Sadananda Shastri has informed the Company that he will not be attending the meeting today.

We move on to Speaker no. 6, Mr. Anil B. Mehta.

– **Mr. Anil B. Mehta – Shareholder**

Hello, am I audible.

– **Mr. Prakash Apte**

Yes, Mr. Mehta.

– **Mr. Anil B. Mehta – Shareholder**

Good morning to all of you, this is Anil Mehta attending this meeting from my resident Kandivali, Mumbai with all my family members, they are also shareholders.

Sir, we have a few questions, my first question is that does the Bank have a process to identify significant business risk, what type of process. How does it work? How is it performed? Who is responsible for it?

My second question is that, Sir, how does the Bank identify a new director? Has the Bank used outside recruiting services to find the directors? What fees were paid to these consultants? And our last question is that, Sir, what the Bank is doing to improve the shareholders' relations?

With this we are supporting all the resolutions and thanks to the secretarial department for their support and all the best. Thank you very much, Sir.

– **Mr. Prakash Apte**

Thank you, Thank you Mr. Mehta.

– **Ms. Avan Doomasia**

We move on to Speaker no. 7, Mr. Sunil Kumar Modak.

– **Mr. Sunil Kumar Modak – Shareholder**

Hello.

– **Mr. Prakash Apte**

Hello.

– **Mr. Sunil Kumar Modak – Shareholder**

Good Morning, Sir. Good Morning to all.

Respected Chairman Mr. Apte, respected MD Mr. Uday Kotak, distinguished eminent Board of Directors, Company Secretary, employees of the Company, my fellow shareholders, myself Sunil Modak joining this virtual meeting from my residence in Kolkata.

I find from the balance sheet that our total income, expenditure and profit all have increased than previous year. Profit after tax (*consolidated*), it comes to Rs. 14,780 crore. Dividend also declared. Surplus carried over to balance sheet (*standalone*), of Rs. 37,760 crore. Very good, Sir. Can you split the shares, i.e. Rs. 2 shares, can you split it? How many new branches you have opened and how many yet to?

I support all the resolutions. The strength and stability of our Company is very good and we think that our Company is in very good hands and will do better in the coming future.

Thank you, Sir, I congratulate the Bank for receiving the recognition as the best performing bank in our country. I congratulate the management and employees of Kotak Mahindra Bank.

Thank you very much for patient hearing.

– **Mr. Prakash Apte**

Thank you, Mr. Modak.

– **Ms. Avan Doomasia**

We move on to Speaker no. 8, Ms. Prakashini Shenoy.

– **Ms. Prakashini Shenoy – Shareholder**

Hello, am I audible?

– **Mr. Prakash Apte**

Yes, Yes, Madam.

– **Ms. Prakashini Shenoy – Shareholder**

I am Prakashini Ganesha Shenoy from Mumbai.

Respected honourable Chairman, Mr. Prakash Apteji and other dignitaries on the board and my fellow shareholders, Good Morning to all of you.

I have received the annual report well in time which is transparent, informative, and knowledgeable and contains all the information as per the corporate governance. I thank Madam Avan, Company Secretary and her team for the same. I should not forget to thank her once again for reminding me of today's meeting along with the link without which I wouldn't have been in a position to speak. Thank you, Ms. Avan and her team.

The Chairman has given a beautiful picture regarding the Bank in all parameters, and even Mr. Uday Kotak along with the Chairman has also explained to us regarding the Bank and its working in all parameters. Thank you, Mr. Kotak and Chairman Sir.

I am glad that the Bank is doing robust performance during the year, when compared to the last year. Congratulations, Chairman Sir.

I am thankful to the board for recommending dividend for financial year 2022-23. At the outset, I congratulate one and all staff for getting various awards during the year. This shows the sincerity and hard work of all staff. I congratulate the

management for doing outstanding work in the field of CSR activities, during the year.

Chairman Sir, I have a few questions. My first question is our Bank has 1,780 branches, how many of them are our own? And any plans to increase our branch network in small towns and rural areas?

My second question is, there is huge number of shares and dividends transferred to IEPF account. Any efforts taken by the Bank's registrars to inform the members and locate their addresses?

My last question is, how beneficial is Kotak Mahindra Bank's digital platform in current times? Is our Bank educating customers on Do's and Don'ts? Please let me know.

Last but not the least my honest request to the Chairman Sir, please continue with VC as told by my predecessor, Ms. Lekha Shah, please continue with VC so that people all over their world will have an opportunity to express their views.

I wish the Bank good luck for a bright future and pray to God that the profit of the Company shall reach the peak in due course. Sir, I strongly and wholeheartedly support all the resolutions put forth in today's meeting.

Thank you, Chairman Sir.

– **Mr. Prakash Apte**

Thank you, thank you madam.

– **Ms. Avan Doomasia**

We move on to Speaker no. 9, Mr. Ashok Joshi.

– **Moderator from NSDL**

The person with the said name is not connected in the Meeting.

– **Ms. Avan Doomasia**

We move on to Speaker no. 10, Mr. Bimal Agarwal.

– **Mr. Bimal Agarwal – Shareholder**

Hello, can you hear me?

- **Mr. Prakash Apte**

Yes, please.

- **Mr. Bimal Agarwal – Shareholder**

Good Morning to everyone.

First of all, I will thank the Company Secretary and her team and management, the staff and the shareholders also.

As Chairman and Managing Director has given a beautiful picture about the Bank, I got nothing to say regarding this and only I want to know how many ATM branches we have got?, and how many foreign employees and how many foreign branches we have got? That's all from me. Thank you again, I thank the Company Secretary and her team. They are very helpful and many times they have called me like, 'You will be joining that'. 'Yes, why not?' Thank you very much. That's all and always keep the video conference meeting. Anyone, I'm out of Mumbai today. I could join, otherwise I couldn't have joined. That's all from me. Thank you very much.

- **Mr. Prakash Apte**

Thank you. Thank you, Mr. Agarwal.

- **Ms. Avan Doomasia**

Thank you. Speaker number 11, Mr. Muralidharan R. has conveyed to the Bank, that he will not be able to attend. We move on to speaker number, can you just check 11 again? Speaker number 12, Mr. Dhiraj Lal has also conveyed that he will not be able to attend the AGM. We move on to speaker number 13, Mr. Manoj Kumar Gupta.

- **Mr. Manoj Kumar Gupta – Shareholder**

Hello, Good Morning. Good Morning, respected Chairman.

- **Mr. Prakash Apte**

Hello, Good Morning.

- **Mr. Manoj Kumar Gupta – Shareholder**

Board of Directors, fellow shareholders. My name is Manoj Kumar Gupta. I'm an equity shareholder of Kotak Mahindra Bank. I've joined this meeting from my residence in Kolkata. I feel proud to be a part of Kotak Mahindra Bank. And Sir, I

thank you and the entire team for the excellent results of the Bank for the year 2022-23, despite of several challenges, and you are paying the dividend. And I thank our beloved MD, Mr. Uday Kotak, because there are three or four, Uday in the Board, so we feel proud and we also feel proud to see Mr. Uday Khanna in our Board because we are missing him in Calcutta, you as our Chairman in Bata India. Yesterday, I missed due to some technical mistake to see him in Pfizer meeting. But I have a great respect and regard for Mr. Uday Khanna. And Sir, we are very sorry to hear that you are stepping down from the Board as Chairman in December, 2023. If the RBI guidelines allow you, you should continue as Chairman for next two to three years more to take the Bank further on new heights under your leadership with the help of the Board, Executives and the MD. And because we are very satisfied under your leadership as Chairman. So, if the RBI guidelines allow you to continue a chairman after 31st December 2023, you should not think about to step down. And if Board considers to take as Non-Executive Director in the Board to continue then Board can consider. And I thanks to Company Secretary and her team for their excellent service to the investors because today I've got one call before 10 o'clock, 'Mr. Gupta, the meeting will start at 10 o'clock, can you join?' I said, 'Yes, I will join.' So, such type of people should be there and you should improve the woman empowerment because women are giving good services to the Bank. So, you should try to improve them.

And Sir, have you any plan to split the share to increase the liquidity and the market capitalization. Just you see the HDFC Bank, the two rupees HDFC Bank share price was 1,700 in 2019. After the split of shares from 2 to 1, the share price of 1,700 of Re 1. So, you should consider. And I will not suggest you to issue the bonus, because our MD has considered bonus three times 1:1, 2:3 and 2:1. So, just to take the Bank on new heights, then consider anything to reward the investors.

Sir, try to flaunt the more branches and the ATM in the interiors. When I go interiors, I don't find that your branch is there. A newly open bank, Bandhan Bank, has reached in the interiors like Jharkhand, Orrisa, and Chhattisgarh. They have reached in the Khodiyari area, steel mines area. You should also try to open your branches in that area. And you can open the Kotak Bank ATM at the railway stations, at the Airport and the corporate hospitals so that people can easily withdraw their money.

And Sir, how much NPA is there and what steps are you taking to reduce the NPA, and how much amount is reported as fraud till 31st March 2023? And what steps you have taken to recover the fraud amount? And Sir, what's your plan for subsidiaries? Have you any plan to list the AMC business in the stock market? And VC meetings

should continue because I'm from Kolkata, I've joined this meeting from Kolkata and you are in Mumbai. Our beloved Prime Minister, has inspired the digitalization. So, this is the miracle of digitalization that we can, you Directors can also join the meeting from any part of the country and shareholder can also joined the meeting from any part of the country. So, if government allows physicals and keep some time for the hybrid meetings so that small investors can also take part in the AGM. And once again, I thank you and Mr. Uday Kotak and Mr. Uday Khanna and entire secretarial team for their good services to the investors. Thank you, Sir.

- **Mr. Prakash Apte**

Thank you. Thank you, Mr. Gupta.

Ms. Avan Doomasia

We have speaker number 11, Mr. Muralidharan on the line. So we'll take him please.

- **Moderator from NSDL**

Person with the said name is not connected right now.

- **Mr. Prakash Apte**

Okay.

- **Ms. Avan Doomasia**

We move on to speaker number 14, Mr. Dipankar Purkayastha.

- **Mr. Dipankar Purkayastha – Shareholder**

Good morning. Am I audible?

- **Mr. Prakash Apte**

Yes.

- **Mr. Dipankar Purkayastha – Shareholder**

Okay, I have a couple of questions. First of all, every year for the last five years, the Capital Adequacy Ratio is increasing. It now stands at around 23%, which is nearly three times the regulatory minimum. Such excessive capitalization is hurting the shareholders by dragging ROE (*Return on Equity*) down. As a result, the price to book ratio is steadily diminishing each year. See, your numerators are the best-in-

class. ROAs (Return on Assets) and NIMs (Net Interest Margins) are excellent, but it is the denominator which is in the form of excess capital which is spoiling the whole show. If you are not able to find safe and profitable opportunities to deploy the capital, why don't you return that excess capital to the shareholders, rather than keeping it idle. This phenomenon has started from the COVID period, when it was necessary to build up capital. I don't see the necessity of keeping such excessive levels of capital now.

Second, a lot of talk about digitalization, physical, digital, etc., etc. But there is no impact of the same on operating expenses. Cost to income ratio has been steadily increasing, it was 46% five years back, it is now 48%. Why is this so?

You have a rewards program for credit card holders, but you don't have a loyalty program or any other rewards program for the other lines of retail business, which many other banks have.

You have very high loss NPAs in agriculture and allied activities, non-priority sector, it was 7.77% last year, it has gone up to 11.63% this year. As far as I know, it is not mandatory to lend to non-priority sector, agriculture sector. Then why don't you discontinue this lending because apparently you don't have the skill sets to handle this activity.

You run an asset reconstruction division for taking exposures and distressed and non-performing assets. At the same time, you have a full-fledged asset reconstruction company in the group. Isn't this duplication and overlap of work? I have not seen any other bank running an asset reconstruction division, which is taking exposures in NPAs and distressed assets.

Chairman in his remarks had talked about the need to engage with employees, especially junior employees. It doesn't seem to be working because over the last three years the turnover is going up every year and now it stands at more than 50% which is more than double of that IT service companies. How can you build up a talent and skill pools with such levels of attrition?

My final questions are on your segmental results, note 45.2, retail banking assets have gone up by 19% whereas the segment results have gone up by more than four times. Can you just explain how this happened?

Corporate wholesale banking assets are 38% more than retail banking assets, whereas the former segment results are more than two times that of the latter

segment results. What is the reason for this considering that the retail banking assets are generally supposed to have higher yields than corporate banking assets?

And finally, note 52 of the standalone financial statements. You have an investment in below investment grade securities of a private corporate amounting Rs. 126 crore and another investment in below grade investment securities amounting to Rs. 856 crore. Why was it necessary to make investments in below grade securities, if you could please explain the reason?

I'm sorry, I had to get into such detail question but I had sent a detailed mail, quite some time back and I had requested the CS to send me a response so that we could avoid time in the AGM, but unfortunately, I didn't receive any response. So, I have to take up these questions in the meeting. Anyway, thank you for the opportunity and good day.

- **Mr. Prakash Apte**

Thank you. Thank you, Mr. Purkayastha.

- **Ms. Avan Doomasia**

Thank you. We move on to speaker number 15, Mr. Kunal Karsia.

- **Mr. Prakash Apte**

Mr. Kunal Karsia, speak up please. Okay, we don't seem to be. Okay. Let us move to the next one.

- **Ms. Avan Doomasia**

We move on to the next speaker. Mr. Aspi Bhesania, speaker number 16.

- **Mr. Aspi Bhesania – Shareholder**

Sir, am I audible?

- **Mr. Prakash Apte**

Yes.

- **Mr. Aspi Bhesania – Shareholder**

I am Aspi from Mumbai. So why not physical AGM? Bosch Limited holds a meeting in Bengaluru without any online meeting. Sir, why you can also hold in Mumbai? I

congratulate the management on excellent results in spite of all possible hurdles. Even first quarter was very good.

Sir, in FY23 CASA (Current Account and Savings Account) has fallen to its lowest in four years. What is the reason? Sir, page 21, our market capitalization has remained almost flat for FY21 to 23. When will we break this barrier?

Sir, our Chairman and MD both are retiring, who will take over as Chairman and MD? Mr. Kotak, I welcome you as Non-Executive Director. I will recommend that you do backseat driving, it will be good for the Bank also that without paying you anything we can avail of your services.

Sir, thanks for Rs. 1.50 dividend. However, it looks too high considering that even in 2018 you had paid only 70 paise dividend. Sir, cash is our raw material, you should conserve it as much as possible.

Sir, Mahindra's have sold their stake in the Bank. Will you continue to keep the name of a Bank, 'Kotak Mahindra Bank'. Sir, as mentioned by my predecessor, why don't you do a buyback to reduce the excess liquidity? Thank you very much and all the best for the future.

- **Mr. Prakash Apte**

Thank you. Thank you, Mr. Bhesania.

- **Ms. Avan Doomasia**

We move on to speaker number 17, Mr. Gaurav Rozatkar.

- **Moderator from NSDL**

The person with the said name is not connected in the meeting.

- **Mr. Prakash Apte**

Okay.

- **Moderator from NSDL**

We move on to speaker number 18, Mr. Shailesh Mahadevia.

- **Mr. Shailesh Mahadevia – Shareholder**

Respected Chairman, distinguished Directors, Members of the management team. Sir, let me congratulate the entire group for achieving excellent results under difficult conditions. Sir, working of the Company has been very well presented in the Annual Report which also includes BR and SR, the capital changes we have made, etc., etc. Therefore, I will not go into the details of it. And you have also made an excellent presentation in your Chairman speech and also by our Managing Director. Sir, we accept all the things you have mentioned and appreciate the presentation. However, with the view to increase my understanding, I wish to put some questions. Sir, before I proceed, I would also like to appreciate that environment has become very important all over the world. And one of the excellent lead which you have taken is your central office building is LED certified and similarly, a number of our branches are also certified in the same manner.

Sir, now, my questions are as under:

From BR and SR report, I have taken all this data. Our retail business is 43%, our corporate business is 41% and the rest of the businesses comprise 16% of our total business. Sir, may I know whether this combination is likely to remain or is it likely to change in the years to come?

Sir, my second question is regarding the holding in our Company. The promoters are holding 25%, the foreign investments are as high as 44% and this may increase at any time. I want to know two things in this. Sir, are we a foreign bank or when we will become a foreign bank, if foreigners continue to invest and the Reserve Bank also gives the permission? Sir, I further find that PNCPS, 55 holders are having 98.21% interest in this field and this may change at any time because there are only about 55 holders.

Sir, my next question is regarding the ESG, which rating we are doing and we are enjoying a very good position on this. Sir, what I want to know is whether Bank considers ESG rating of the client before sanctioning any further loans or how much weightage ESG rating has in our business?

Sir, my next question is regarding our CSR work. We are doing excellent work in this field and it is beneficial to the society at large. However, the benefit which society gets is by a great multiple, it has a ripple effect. So, Sir what I would like to know is whether economic impact of our social work has been calculated, because that would

be the correct picture of benefit to the society of our social work and such independent agencies are now available and such work is also being done.

Sir, with all this my last question was regarding Asset Reconstruction business. I understand, that our reward in this particular field are comparatively high. Sir, may I know to what extent this business is likely to increase in the times to come. It requires a lot of skill, specialized knowledge of various aspects of the economy.

Sir, and lastly, I would like to appreciate that you as a Chairman has given excellent service to the Bank, during your association as Chairman, and I wish you all the best in the years to come after your retirement from the Bank. And similarly, I would like to appreciate the contribution of Mr. Uday Kotak, he is not only the promoter, but right from day one, he has taken the Bank to greater and greater heights. And I'm sure he will continue to do so in his capacity as Non-Executive Director. Sir, with this, namaste to all of you and best wishes.

And Sir my last request that continue to have such a virtual meetings. It is only because of that, that I have been able to participate at the age of 84 from my residence. Thank you.

- **Mr. Prakash Apte**

Thank you. Thank you, Mr. Mahadevia.

- **Ms. Avan Doomasia**

We move on to speaker number 19, Mr. Yusuf Rangwala.

- **Mr. Yusuf Rangwala – Shareholder**

Good Morning, respected Chairman. Can you hear me?

Mr. Prakash Apte

Yes.

- **Mr. Yusuf Rangwala – Shareholder**

Good Morning, Sir, I'm speaking Rangwala from Mumbai.

Mr. Prakash Apte

Good Morning.

- **Mr. Yusuf Rangwala – Shareholder**

Sir, our Bank is given 7% interest today in saving account and our brand ambassador is Ranveer Singh who is one of the prime film actors. All their advertisements are very excellent. Sir, I like their advertisements. Also, from your side to join the meeting, your Secretarial department are all very excellent Sir. Also thanks to our Company Secretary for giving us excellent services.

Sir, I will come directly on point. Sir this is our 38th Annual General Meeting my good wishes and this year. Sir, Chairman Sir, how is you health Sir? Sir Uday Sir, how is your health? I came to know that December is the last month before your retirement, Uday Sir, I would like to meet you Sir. Please give me an appointment Sir. I would like to take a photo with you Chairman Sir. My wish is to meet you Sir, before October, can you give me appointment in your office Sir?, this is my humble request. Before your retirement, I would like to present you a flower Sir, this is my humble request. I would like to give you a flower. As from day one you're working very hard. Sir, today our Banks two-rupee share is for Rs. 1,700. All the members from LIC and all the investor and all the broker are telling to buy this share. This shows how excellent is our Kotak Bank. Sir, you have given three-time bonus in history till now, this is one of the excellent banks under your guidance. We are in the Mutual Fund, Mutual Fund business also doing very excellent Sir. If there is a Mutual Fund get together, please call me Sir. This is my humble request about Mutual Fund, I would like to meet individually in Mutual Fund, if possible, Sir. And nothing more to add. Sir, one small piece I would like to share for you (reciting a Hindi verse). I wish you greeting for all the festivals, especially for Ganesh Chaturthi that is approaching. Wishing you a very Happy Ganesh Chaturthi, Raksha Bandhan and all the festivals, Sir.

Kotak Sir, you are always remembered from the heart. You are the oldest Chairman of Kotak Bank and I have an account in the Bombay Central branch, Sir. We have branches at Agripada, Bombay Central, Muhammad Ali road all over India our branches are there Sir. The people are so good they are worth praising, your people are very polite and very smiling. Whenever we go to the Kotak branch, your staff helps me immediately. Our staff is excellent. Nothing more to add Sir, I have no complaints about the Bank, Sir. I am pleased to be a shareholder of this Bank it gives me immense pleasure to be one. And Ranveer Singh our brand ambassador Sir, how long have you retained him for? How many years will he be with you, Sir? I would like to know, if possible, you can keep a small get together before Diwali. I would like to meet you Kotak Sir. It is my desire to meet you Sir, what else to say thank you Sir.

God bless our Company thank you very much and nothing more to add, I end my speech praying to god for health and wellness and my full support is there for you Chairman Sir and also my support for the secretary team. I would like to say thank you to NSDL also. Their team is excellent. NSDL is giving very excellent services and we are very lucky. Thank you very much. I wish to take a photo with you Sir. Chairman Sir, can you see my photo, I wish to say Namaste and wind up.

- **Mr. Prakash Apte**

Thank you, Mr. Rangwala.

- **Mr. Yusuf Rangwala – Shareholder**

Namaste. Chairman Sir, can you see me? Sir, I would like to take one photo.

- **Mr. Prakash Apte**

No, I can't see your video.

- **Mr. Yusuf Rangwala – Shareholder**

Namaste.

- **Mr. Prakash Apte**

Thank you, Mr. Rangwala. I think we will move to the next speaker.

- **Ms. Avan Doomasia**

The next speaker, speaker no. 20, Mr. Ashok Chakravarthi.

- **Mr. Ashok Chakravarthi – Shareholder**

Very Good Morning. Is it audible, Sir?

- **Mr. Prakash Apte**

Yes

- **Mr. Ashok Chakravarthi – Shareholder**

Sir, my name is S. Ashok Chakravarthi, speaking from Bengaluru. Good morning to the board, to my fellow shareholders and to all the people. Sir, I'm very happy for having been given the opportunity to participate in this Annual General Body meeting. Sir, Our MD & CEO - Mr. Uday Kotak, has informed in his message that he

will become a Non-Executive Director after his term. But, I sincerely propose extension of MD & CEO – Mr. Uday Kotak and also the Chairman. I propose and I wholeheartedly request the Board and the concerned authorities for this extension, Sir. The next subject is, I thank and appreciate the customer service of Kotak Securities, because they have immediately responded for my grievance and Mr. Ved Singh had immediately responded and also assured yesterday that he will solve my grievances at the earliest, Sir. Again, I thank the customer service team of Kotak Securities, Sir, and I'm very happy for this immediate response from the team, Sir.

Next subject, Sir, is that we are pioneers in computerisation and digitalisation in all aspects of banking activities. In this regard, what I can request is, please introduce digitalisation of life certificates of the retirees, so that we can reduce a lot of expenditure on postage, stationery and other things, and also, this will reduce stationery expenditure at all places. It will also reduce the workload, because some departments have already introduced digitalisation as we are the pioneers in all computerisation. Please consider to introduce digitalisation of life certificates as early as possible.

Sir, I also refer to the message of our MD informing creating of wealth to the shareholders from Rs. 10,000 to Rs. 300 crore. I'm also one of them, having got some wealth out of this. In this regard, I will bring it to your notice, and maybe all are aware of it, that our share price, now, has come down to Rs. 1,750.80 and it is not very far away from its 52-week low of Rs. 1,660. Again, one more thing is, analysts are treating this Kotak Bank share as an underperforming stock because of this fall in the market price and a bit of stagnation, or whatever it may be. However, I wish to inform you, I am not unhappy for this volatility of the share price and for whatever fall has happened. But however, I repeat my request to consider split of shares, because as the Board and everyone knows the example of ICICI Bank, Axis Bank and State Bank of India, and many other banks' face value of the share price is less than Rs. 5. So, it will be better if the management could consider split of the shares, so that it would enhance the liquidity, and it may reduce the volatility of the Company share as well. I am thankful, and I congratulate the management for their financial performance. And, thank you to all the people, especially to the Board and the Secretarial Team. Thank you, Sir.

– **Mr. Prakash Apte**

Thank you Mr. Chakravarthi.

– **Moderator from NSDL**

We move on to the next speaker no. 21, Mr. Kirti Shah.

– **Mr. Kirti Shah – Shareholder**

Good Morning, Sir.

– **Mr. Prakash Apte**

Good Morning.

– **Mr. Kirti Shah – Shareholder**

Chairman Sir, many speakers have spoken before me. Last year, in 2022, you spoke about 'Change', this year you'll be saying 'Accelerating the Change' in 2023. It's very good that you're taking forward Mr. Modi's dream of making India the 3rd largest economy of the world, and are already planning towards it. The Secretarial Team has been very co-operative. This is the first company in India, where they have sent us the direct link from NSDL. Otherwise, you have the Karvy platform, but you don't get the link from Karvy. So, your Secretarial Department did a great job by sending the NSDL link. I called the helpline number provided by you during the AGM, and they informed me that I was speaker no. 21. Wish you all the best. Mr. Mahadevia asked you a good question, please look into that. I have sought your appointment a number of times but never got one. Now that you and Mr. Uday are retiring in December, please give us an appointment before that. That would be for the betterment of the Company and of the shareholder. For that, you can engage your Secretarial Team and KFin Technologies Limited. Since the country is on its way to progress, the Company, shareholders and registrar have to work together for the benefit of the shareholder, so please think about this.

I have a private question, which would bring about improvements in the Company. I have a demat account with you for 22 years. I have three demat accounts. I wanted to meet you regarding that, as I receive service on only one account, and not the other two. So, I wanted to meet you regarding this and sort this out personally with you. I have a few disputes with Karvy too, so I'd appreciate if you personally look into that too. Everything is detailed in my letter. Wish you all the best. Thank you very much.

– **Mr. Prakash Apte**

Thank you Mr. Shah.

- **Ms. Avan Doomasia**

Do we have any shareholders who've come back?

- **Moderator from NSDL**

Mr. Muralidharan R. has come back, speaker no. 11.

- **Ms. Avan Doomasia**

Speaker no. 11, Mr. Muralidharan R., please.

- **Mr. Muralidharan R. – Shareholder**

Am I audible?

- **Mr. Prakash Apte**

Yes, Mr. Muralidharan.

- **Mr. Muralidharan R. – Shareholder**

Mr. Chairman, Mr. Uday Kotak, Managing Director, distinguished guests on the dais, ladies and gentlemen, I'm R. Muralidharan. Sir, I have been trying to reach and join this meeting since half past 9 this morning as I was very eager to participate in this. I was not able to log in due to various problems. I had to disturb your staff a lot, and the staff co-operated, and finally I could reach you. There were lots of mistakes which I didn't want to do, as this is the last meeting our Managing Director and Chairman would be attending. I was told listen to them, but I missed the opportunity. In case you have any recorded messages, please send it to me, that's point 1.

Point 2, you have been doing a lot of good work under the CSR scheme, and I appreciate it and my congratulations to one and all. Second thing is, I am very eager to know who would be replacing the Managing Director and Chairman. But, before Mr. Uday Kotak retires, I would request you to do something for the retirees to upgrade/update their financial problems. Sir, for the retirees as such, the other banks have kept one small website of Kotak Mahindra Bank. Likewise, a website can be created where you put all the dump into that, give each one their employee id and password, so that the interaction would be there. So, if anybody wants to see it, they can just go to the app and see it. This would definitely help the management also to interact directly and reply to emails. This would definitely help, both, retirees as well as the management.

And finally, I congratulate Mr. Uday Kotak and the Chairman for their services rendered during the period. Thank you very much Sir.

– **Mr. Prakash Apte**

Thank you Mr. Muralidharan. Any other speakers are there?

– **Moderator from NSDL**

No.

– **Mr. Prakash Apte**

Okay, so we will now take a short break and reassemble after 5 minutes to continue with the proceedings of the AGM. Thank you.

[11:27 a.m. IST to 11:37 a.m. IST - ad break]

– **Mr. Prakash Apte**

Welcome back everyone. Thank you to all speakers. I now request Mr. Uday Kotak, Managing Director and CEO of the Bank to provide answers and insights on the questions asked.

– **Mr. Uday Kotak**

Thank you Chairman, and responding to the questions which were asked:

The last bonus by the Company was 1:1 in 2015. 4 bonuses since listing, 1994, 2004 and 2005 earlier.

Branches in India as of March 4 2023 – 1,780. In Mumbai MMR region it is 157. We have one foreign branch, 32 branches in Chhattisgarh. ATMs as of March, 2023 – 2,963 and as of June 2023 it is 3,047. Micro-ATMs as of March, 2023 – 15,572 and as of June, 2023 – 17,549. Opened during FY2023 – 80 branches. Plan for FY2024 – around 150 new branches. Demat accounts opened in Kotak Securities in FY23 – 8.75 lakh. Total as of March, 2023 – 35 lakh.

We've heard the feedback of the shareholders on physical and virtual (*meeting*), and most shareholders have supported virtual because virtual enables the shareholders across the world to attend the meeting.

The Face Value of the shares is Rs. 5. I'm sure the board will take note of the request of the shareholders in its future meetings with reference to split, bonus, as it thinks appropriate at a future date.

Under CSR, we support projects that provide skill development for differently-abled. We have a specific job portal created. Would request to please get in touch with our CSR division. Women CSR initiatives include, for women startups – Kotak Kanya Scholarship, programs for back-to-school skill development programs. Impact assessment of all CSR projects is on our website.

Employee wellbeing, health check-ups, day care facilities, training, health insurance, POSH and whistleblower encouraged. 51 employees of the Bank are outside India. The group has 5 subsidiaries additionally outside India in the US, UK, UAE, Singapore and Mauritius.

Fraud provision for March, 2023 for the year was around Rs. 34 crore. For FY23 there was a write-back of Rs. 2 crore, approximately. Please check page 203 (*of the Annual Report 2023*), all efforts, including legal, are being taken to recover.

Gross NPA as on March, 2023 was 1.78%. Outstanding under Agriculture and Allied Activity (Non-Priority) has reduced. It is now an exposure of Rs. 567 crore in the overall balance sheet, which is much larger. Retail and Corporate Banking segment results include liabilities and are not proportionate with asset size alone.

As regards investment in below investment grade, a lot of those are security receipts, including security receipts for distress assets. As you know, we do that as a business activity and we evaluate the risk and return metrics on that before we buy that. In addition to that, we buy priority sector certificates which are important, including from microfinance companies and other companies and NBFCs.

Listed equity investments of the Bank are in MCX, KFin Tech and Yes Bank and all our public listed companies.

Capital adequacy has increased post issuance in 2020. This was done during the COVID period because of the uncertainty, to beef up the capital of the Bank in view of significant uncertainty going forward. Additionally, for the year ended March 2020, the Reserve Bank had asked banks not to pay dividend in that year. So, both those activities have increased the capital adequacy of the Bank. Having said that, I would also like to highlight, the world in banking has changed post global financial crisis. Prior to global financial crisis, many banks, both in India and globally, used to run with very low capital adequacy, including in single-digit capital adequacy numbers. Since then, the rules have changed. There have been buffer capital requirements which have been put by BASEL. And therefore, in India and globally, the banks have started maintaining higher capital adequacy than earlier. So, we have to keep a change in the global perspective on banking, and need to beef up risk capital at the

cost of dilution of Return On Equity (“ROE”), for safety and stability. Therefore, the Board does need to have the balance between improved ROEs v/s. additional risks which the Bank would take with reference to the capital. And in general, Kotak Mahindra Bank has always believed in stability and sustainability as the core features of how it does its banking business.

On Cost to Income, while it has dropped, there are significant efforts to further bring it down. Very often, with reference to Cost to Income, there is a trade-off between taking front-end costs, the benefits of which come over a period of time. And, it is here, that the Bank has taken a very significant step of dramatically increasing its technology and digital spend upfront, which was done in the last year and in the current year it is continuing, benefits of which will come over a period of time. So, this is a conscious strategic call the Bank has taken, but the Bank is conscious of need to improve productivity and efficiency of its spend, as it goes looking for superior outcomes.

With reference to attrition, all the details are given. It’s an area of very high focus. But, if you look at attrition at senior and middle management, it is within reasonable limits. Bulk of the attrition is at the junior levels. But, the management of the Bank is significantly focused on reducing attrition at all levels, including junior levels, as we go forward. So, we will work on this as the senior management is fully seized of the importance of bringing attrition down.

Next point is with reference to buybacks. The buybacks are not possible under the current regulation.

As regards investor protection as of March 2023, 40.23 lakh shares transferred, as required, under regulation. During the year, transfer was 2.5 lakh shares. Total dividend transferred is Rs. 2.7 crore. We are co-operating with IEPF and shareholders whenever there is a request. Before sending shares or dividend to IEPF, shareholders are repeatedly reminded before it finally has to go as per the law into IEPF.

As far as Current Account and Savings Account (“CASA”) drop is concerned, in the COVID period interest rates had dropped sharply, and post that in 2022 and 2023. As interest rates have moved up, depositors have moved at preferred term deposits over savings and current account deposits. So, that has led to some drop in CASA ratios, but we are seeing significant growth in our term deposit base. And, the recently launched campaign around ActiveMoney has got great success from depositors who are moving into ActiveMoney deposits, which give them the very significant flexibility

between their savings and deposit management. And, we are quite enthused with the progress there.

As regards foreign ownership, I'm happy and proud to say that we are the only large Indian bank with a foreign shareholding which is below 50%. All other major large private sector banks in India, have foreign shareholding which is more than 50%.

Ranveer Singh is a brand ambassador. We have a continuing arrangement, at this point, with Ranveer Singh, and we believe that he has added a lot of value to the Kotak Mahindra Bank franchise. And, we would like to, for now, see that continue for at least some time.

And lastly, on the question of customer grievances, I would like to say that please contact our Company Secretary.

And, there was one other point also, on the Asset Reconstruction division. One of the things which companies, banks, financial services companies have to continuous do, is to find creative and interesting ways of looking at business opportunities. Asset Reconstruction division of Kotak Mahindra Bank is one of those very interesting divisions, where we have differentiated ourselves from others, and actually provided ways for reducing and actually resolving the larger stress and NPLs in the Indian banking system. And, we believe, this is a business which continues to have significant opportunity, even as we go forward.

And, as far as Phoenix ARC is concerned, it is not our subsidiary, and we are not the majority shareholders as Kotak Mahindra Bank in Phoenix ARC.

Thank you very much. I will hand it back to the Chairman.

– **Mr. Prakash Apte**

Thank you, Thank you Uday. I think Uday has comprehensively dealt with most of the questions which have been raised. As there are no more questions, I will now proceed further.

In accordance with the provisions of Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the applicable MCA Circulars and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular on e-voting facility provided by Listed Entities dated December 9, 2020 and the Secretarial Standard 2 on General Meetings, the Bank had provided a remote e-voting facility to enable the Members to cast their vote remotely, using electronic

voting system, on the business set out in the Notice of the 38th Annual General Meeting. The remote e-voting period commenced at 9:00 a.m. (IST) on August 14, 2023 and ended at 5:00 p.m. (IST) on August 18, 2023. The detailed procedure to enable the Members to participate in this Annual General Meeting through Video Conferencing as also voting using electronic voting system, has been made available in the AGM Notice. Ms. Rupal D. Jhaveri, Practising Company Secretary, has been appointed as the Scrutinizer for remote e-voting and the e-voting process at the Meeting. I now announce that the Members who have not cast their vote through remote e-Voting and who are participating in this Meeting, can vote at the AGM using the same e-voting facility provided by NSDL.

I would like to thank all the Members for participating in the Meeting through Video Conferencing. I would also like to thank the Directors of the Bank for their participation in the Meeting. The result of the e-voting would be declared after the voting process is complete and the results have been certified by the Scrutinizer. The combined result, of the remote e-voting before the AGM and e-voting at the AGM, will be announced and communicated simultaneously to the Stock Exchanges within two working days of conclusion of the AGM, i.e., on or before Tuesday, August 22, 2023. The results declared, along with the Scrutinizer's Report, shall also be placed on the Bank's website and the website of NSDL at www.evoting.nsd.com

Ladies and Gentlemen, all the business set out in the Notice of this Meeting having concluded. A time period of 15 minutes would be available for e-voting at the Meeting after which the Meeting will stand closed. Thank you, thanks to all.

– **Mr. Uday Kotak**

Thank you shareholders, and I thank the Chair as well for conducting this meeting.

[@11:46 a.m. IST]

– **E-VOTING BEGINS**

[@12:01 p.m. IST]

– **E-VOTING ENDS / MEETING CONCLUDES**

Note: This document has been edited to improve readability.