



[Date]

Ms/Mr. _____

Dear [Name],

Re: Appointment as Non-Executive Independent Director

I am pleased to inform that the Board of Directors of Kotak Mahindra Bank Ltd. ('the Bank') on _____ [date], on the recommendation of its Nomination & Remuneration Committee, has appointed you as a Non-Executive Independent Director of the Bank. The main terms and conditions of your appointment are summarised below.

Appointment Term

You will be appointed as a Non-Executive Independent Director on the Board of the Bank with effect from _____. Your appointment is subject to the approval of the shareholders as per the provisions of the Companies Act, 2013. Your tenure of appointment will be subject to the provisions of Section 10A(2-A) of the Banking Regulation Act, 1949.

Your appointment and proposed engagement on the terms mentioned in this letter shall in addition be subject to stipulations (if any) which may be prescribed under any statute or regulation. The terms stated herein may be varied by the Board or any relevant committee of the Board and you agree to continue to act as independent director on such changed terms, so long the said changed terms are brought to your notice.

Committees

The Board of Director may, if it deems fit, invite you for being appointed on one or more existing Board Committees or any such Committee that is set up in future. Your appointment on such Committee(s) will be subject to the applicable regulations.

Following are the existing Board Committees:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders Relationship Committee

4. Share Transfer and Other Matters Committee
5. ESOP Allotment Committee
6. Customer Service Committee
7. Committee on Frauds
8. Corporate Social Responsibility Committee
9. Risk Management Committee
10. Review Committee for classification and declaration of borrowers as wilful defaulters
11. Committee on Promoter Dilution

Your Role

All directors are expected to take decisions objectively in the interests of the Bank. The Board as a whole is collectively responsible for the success of the Bank.

The role of Non-Executive Director of the Bank, has the following key elements:

- Strategy – Formulate and review strategy;
- Performance – Performance of business with agreed goals and objectives;
- Risk – Risk Control Mechanism;
- Compliance – Governance and compliance with the applicable laws/regulations.

Fiduciary Duties

All directors must act the way they consider, in good faith, would be most likely to promote the success of the Bank for the benefit of its members as a whole. In doing so, as a director you shall:

- a. have fiduciary duty to act in good faith and in the interests of the Bank and not for any collateral purpose;
- b. have duty to act only within the powers as laid down by the Bank's Memorandum and Articles of Association and by applicable laws and regulations;
- c. have duty to acquire proper understanding of the business of the Bank;
- d. be fully responsible in regard to matters entrusted to you by the Board and shall not evade your responsibility;
- e. not let interference in the performance of your duties by the whole-time directors and other officers of the Bank and wherever you have

reasons to believe otherwise, you shall forthwith disclose your concerns to the Board; and

- f. make proper use of the information disclosed to you and shall not use such information as a member of the Board or otherwise for your own or someone else's advantage or benefit. You shall use the information disclosed to you by the Bank in your capacity as director of the Bank only for the purposes of performance of your duties as a director and not for any other purpose.

Code of Conduct

The Bank in order to enhance ethical and transparent process of managing its affairs and to sustain the trust and confidence reposed in the Board of Directors and Officers by the shareholders of the Bank, has laid down a Code of Conduct (copy enclosed and marked as 'Annexure – 1') which has been adopted by the Board of Directors of the Bank and is applicable to Directors and senior managerial personnel. You are expected to adhere to, comply with and uphold the provisions of this Code and standards laid down and affirm compliance with the Code on your appointment and thereafter on an annual basis.

You are also required to adhere to the Insider Trading Code of the Bank (copy enclosed and marked as 'Annexure – 2') & such other requirements as the Board of Directors may from time to time specify.

You will abide by the guidelines of professional conduct, role, function and duties as an Independent Director provided in Schedule IV of the Companies Act, 2013, an extract of the said Schedule IV is set out in Annexure - 3. You may refer to Schedule IV of the Companies Act, 2013 for the full text.

Deed of Covenants

Your appointment as a Director of the Bank is subject to the applicable laws and regulations including the Memorandum and Articles of Association of the Bank and the provisions of the Deed of Covenants (copy enclosed and marked as 'Annexure – 4').

Remuneration

You would be entitled to sitting fees for attending the meetings of the Board and Board Committees as may be determined by the Board from time to time, as per the limits set out under the Companies Act, 2013.

You would also be entitled to reimbursement of expenses incurred by you in connection with attending the Board meetings, Board Committee meetings, general meetings and in relation to the business of the Bank towards hotel accommodation, travelling and other out-of-pocket expenses.

Further, in terms of the RBI Guidelines on compensation of Non-Executive Directors and pursuant to the Bank's Compensation Policy for Non-Executive Directors, you would also be entitled to an annual profit based commission.

Please note that this is a contract for services and is not a contract of employment.

Directors' & Officers Liability Insurance

The Bank provides all its directors and officers with, and pays the premiums for, indemnity and insurance cover up to a defined amount, while acting in their capacities as directors or officers.

Confidentiality

Information acquired during your appointment is confidential to the Bank and should not be disclosed either during your appointment or following termination (by whatever means) to third parties except as when required to be disclosed by law and when so required to disclose you shall (subject to being permitted under the applicable law) get the information proposed to be disclosed cleared (prior to disclosure) from the Chairman.

Please signify your acceptance to the above terms and conditions that govern your appointment by signing and returning the duplicate copy of this letter.

We look forward to your association with us.

Yours sincerely,
For **Kotak Mahindra Bank Limited**

Dr. Shankar Acharya
Chairman

Encl: As above

I hereby accept the terms and conditions of appointment as set out in this letter.

Signature : _____

Name : _____

Date : _____