



Kotak Mahindra Bank

19<sup>th</sup> March 2020

The Manager Corporate Relationship, BSE Limited, 1 <sup>st</sup> Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	The Manager National Stock Exchange of India Ltd. Exchange Plaza, 5 <sup>th</sup> Floor, Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.
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Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we wish to inform you that the Bank has sold 8.50% of its stake and Kotak Mahindra Prime Limited (a wholly owned subsidiary of the Bank) has sold 11.50% of its stake in ECA Trading Services Limited (ECA) (Formerly known as Ace Derivatives & Commodity Exchange Limited).

Enclosed herewith are the requisite details of the sale in Annexure 1.

Kindly take the same on record.

Yours faithfully,  
**Kotak Mahindra Bank Limited**

*B. R. Chandarana*  
**Bina Chandarana**  
**Joint President & Company Secretary**





Kotak Mahindra Bank

Annexure 1

Given below are the requisite details of the sale:

1) Name of the target entity, details in brief such as size, turnover etc.	Name of the Target Company : ECA Trading Services Limited (ECA) (Formerly known as Ace Derivatives & Commodity Exchange Limited)  Networth as of 31 <sup>st</sup> March, 2019 : ₹16.30 crore Turnover for FY 2019 : ₹ 0.84 crore
2) Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	No
3) Whether the promoter/ promoter group/group companies have any interest in the entity being acquired?. If yes, nature of interest and details thereof.	N.A
4) Industry to which the entity being acquired belongs;	Trading in commodities (Earlier commodity exchange)
5) Objects and effects of transaction (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	Divestment of equity stake of 8.50% held by Kotak Mahindra Bank Limited ('Bank') and 11.50% held by Kotak Mahindra Prime Limited ('KMP') (a wholly owned subsidiary of the Bank) to comply with the RBI Regulations on investment in a non-financial services entity since ECA has ceased to be a commodity exchange.
6) Brief details of any governmental or regulatory approvals required for the acquisition	N.A.
7) Indicative time period for completion of the transaction	Transaction completed on 18 <sup>th</sup> March 2020.
8) Nature of consideration and details of the same	Cash consideration: For Bank : ₹ 1.67 crore For KMP: ₹ 2.27 crore
9) Price at which the shares are divested (Sale Price per Share)	₹ 1.80 per equity share.





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<p>10) Percentage of shareholding / control divested and / or number of shares divested (Sale Shares)</p>	<p><u>Bank:</u> Percentage Holding: 8.50% 93,03,629 equity shares</p> <p><u>KMP (a wholly owned subsidiary of the Bank):</u> Percentage Holding: 11.50% 1,25,94,221 equity shares</p> <p>Post this transaction, the Bank and the Group will hold 20% equity stake in ECA.</p>												
<p>11) Brief background about the entity</p>	<p>Date of Incorporation - March 31, 1956</p> <p>Products/Line of business: Trading in commodities (Earlier Commodity exchange)</p> <p>Historical Financial Information (₹ in crore) :</p> <table border="1" data-bbox="738 955 1372 1228"> <thead> <tr> <th>Financial Year</th> <th>2017</th> <th>2018</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>Total Income</td> <td>0.93</td> <td>1.07</td> <td>0.84</td> </tr> <tr> <td>Profit After Tax</td> <td>0.47</td> <td>0.74</td> <td>0.32</td> </tr> </tbody> </table>	Financial Year	2017	2018	2019	Total Income	0.93	1.07	0.84	Profit After Tax	0.47	0.74	0.32
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