Registered Office: Dhanlaxmi Bank Limited,
PB No.9, Dhanalakshmi Buildings, Naickanal, Thrissur-680 001

NOTICE

Notice is hereby given that an Extraordinary General Meeting of Dhanlaxmi Bank Ltd will be held on Saturday, 29th March 2014 at Vadakke Samooham Kalyanamandapam, Thrissur – 680 001, at 11.00 A M to transact the following business.

SPECIAL BUSINESS

1. To consider and if thought fit to pass with or without modification the following resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof) (the **"Act"**), the Banking Regulation Act, 1949, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended **("SEBI ICDR Regulations"),** and the provisions of the Securities and Exchange Board of India Act, 1992, including the rules, regulations and the guidelines notified thereunder and the circulars issued thereunder, the provisions of the Foreign Exchange Management Act, 1999 (the **"FEMA"**), the Foreign Exchange Management (Transfer or issue of Security by a Person Resident Outside India) Regulations, 2000 and any other rules, regulations notified under FEMA and circulars issued under FEMA, and subject to any approval, consent, permission and/or sanction, as may be required, from the Foreign Investment Promotion Board, Government of India, Secretariat for Industrial Assistance, Government of India, the Securities and Exchange Board of India (the **"SEBI"**), the Ministry of Finance (Department of Economic Affairs), the Reserve Bank of India, the Stock Exchanges, the enabling provisions of the Memorandum of Association and Articles of Association of the Bank, the listing agreements entered into by the Bank with the Stock Exchanges on which the Bank's equity shares or any other securities are listed, subject to necessary approvals, permissions, consents and sanctions of other relevant statutory and other authorities, institutions or bodies, in India and other applicable countries, and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Bank (hereinafter referred to as the **"Board"**, which term shall include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the consent, authority and approval of the Bank be and is hereby accorded to the Board to offer, issue, and allot **5,96,50,000** equity shares of Rs. 10/- each **("Equity Shares")** (collectively referred to as **"Issue Shares"**) at a premium of **Rs. 29/-** per Equity Share aggregating to an amount of **Rs. 232,63,50,000/-** to the investors named below (the **"Investors"**) on preferential allotment basis, at such time or times and on such terms and conditions and in such manner as may be decided by the Board in this connection (the **"Issue"**)"

Sr. No.	Name of Investors	No. of Issue Shares proposed to be allotted
1.	Kapilkumar Wadhwan	62,00,000
2.	Bimal N Mehta	62,00,000
3.	Ashok J Jain	62,00,000
4.	Pinki K Thakural	62,00,000
5.	Dr. Parmindar Singh	62,00,000
6.	Kalpesh M Mehta	62,00,000
7.	Sumit Bakshi	62,00,000
8.	Suraj A Muchhala	62,00,000
9.	Mahesh Dalal	62,00,000
10.	Dr. B.K. Raveendran Pillai	38,50,000
	Total	**5,96,50,000**

"RESOLVED FURTHER THAT the Issue Shares shall be issued and allotted by the Bank to the above-mentioned Investors, inter alia, subject to the following:

- The Issue Shares shall be allotted within such time period as specified under SEBI ICDR Regulations; and
- The Issue Shares to be issued and allotted in the manner aforesaid shall rank pari passu with the existing Equity Shares of the Bank in all respects".

"RESOLVED FURTHER THAT the price of the Issue Shares has been calculated in accordance with provisions of Chapter VII of the SEBI ICDR Regulations. The **"Relevant Date"** for the purpose of calculating the price of the Issue Shares is the date 30 days prior to the date on which meeting of shareholders is held to consider the proposed preferential allotment, in this case being **February 26, 2014"**.

"RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of the Issue Shares, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary and desirable for such purpose, including without limitation, issuing clarifications on the issue and allotment of the Issue Shares, resolving any difficulties, effecting any modification to the foregoing (including any modifications to the terms of the Issue), preparing, signing and filing applications with the appropriate authorities for obtaining requisite approvals, liaising with appropriate authorities to obtain the requisite approvals, entering into contracts, arrangements, agreements, memoranda, documents for appointment of agencies for managing, listing and trading of Issue Shares, to appoint such consultants, legal advisors, advisors and all such agencies as may be required for the issuance of the Issue Shares".

Place :Thrissur
Date :03-03-2014

By order of the Board,
Sd/-
Ravindran K Warrier
Secretary to Board & Company Secretary

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the companies act, 1956)

Item No. 1

As a part of its future growth strategy, it is necessary for the Bank to augment long term capital for meeting strategic business needs of the Bank. Further the Bank would also require incremental capital to facilitate the additional capital requirements under Basel II norms.

The Board of Directors proposes to issue and allot **5,96,50,000** Issue Shares to the Investors on a preferential basis. The proceeds of the Issue are proposed to be utilized to augment the long term Tier 1 Capital Base of the Bank to meet growing business needs and to facilitate the additional capital requirements under the Basel II norms. The proposed Preferential Issue is undertaken in accordance with the SEBI ICDR Regulations.

The Bank has received inclination from the following Investors to subscribe to these Equity Shares:

Sr. No	Name of Investors	No. of Issue Shares proposed to be allotted	Category
1.	Kapilkumar Wadhwan	62,00,000	Resident Indian
2.	Bimal N Mehta	62,00,000	Resident Indian
3.	Ashok J Jain	62,00,000	Resident Indian
4.	Pinki K Thakural	62,00,000	Resident Indian
5.	Dr. Parmindar Singh	62,00,000	Non Resident Indian
6.	Kalpesh M Mehta	62,00,000	Non Resident Indian
7.	Sumit Bakshi	62,00,000	Non Resident Indian
8.	Suraj A Muchhala	62,00,000	Resident Indian
9.	Mahesh Dalal	62,00,000	Resident Indian
10.	Dr.B.K. Raveendran Pillai	38,50,000	Non Resident Indian

Information as required under Regulation 73 of the SEBI ICDR Regulations is as under:

a) Objects of the Issue:

The funds raised through the proposed issue of Issue Shares shall be used for

- To augment the long term Tier 1 Capital Base of the Bank to meet growing business needs; and
- To facilitate the additional capital requirements under the Basel II norms.

b) Proposal of Directors / Key Management Personnel to subscribe to the Issue:

The directors and key management personnel do not intend to apply/subscribe to any of the Issue Shares.

c) **Undertakings:**

The Bank hereby undertakes that it shall recompute the price of the specified securities in terms of the provisions of the SEBI ICDR Regulations where it is required to do so. The Bank also undertakes that if the amount payable on account of the recomputation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the specified securities shall continue to be locked in till the time such amount is paid by the allottees.

d) **Shareholding pattern before and after the Issue:**

The shareholding pattern of the Bank before and after the proposed preferential allotment is as follows.

Pre-issue shareholding pattern of the Bank as on February 21, 2014.

Sl no	Description	Cases	Shares	% to Equity
1.	Resident Individuals	79509	49841724	39.58
2	Foreign Institutional Investor	18	42303642	33.59
3	Non Resident Indians	1407	16093802	12.78
4	Bodies Corporates	1021	14199177	11.28
5	H U F	1043	1406977	1.12
6	Indian Financial Institution	1	1075000	0.85
7	Insurance Companies	2	442277	0.35
8	Clearing Members	91	320996	0.25
9	Banks	5	219906	0.17
10	Directors	6	21200	0.02
11	Trusts	4	6830	0.01
12	Mutual Funds	3	3088	0.00
	Total:	**83110**	**125934619**	**100.00**

Post-issue shareholding pattern of the Bank on full subscription of the equity shares by the respective investors.

Sl no	Description	Cases	Shares	% to Equity
1.	Resident Individuals	79515	87041724	46.9
2	Foreign Institutional Investor	18	42303642	22.79
3	Non Resident Indians	1410	38543802	20.77
4	Bodies Corporates	1021	14199177	7.65
5	H U F	1043	1406977	0.76
6	Indian Financial Institution	1	1075000	0.58
7	Insurance Companies	2	442277	0.25
8	Clearing Members	91	320996	0.17
9	Banks	5	219906	0.12
10	Directors	6	21200	0.01
11	Trusts	4	6830	0
12	Mutual Funds	3	3088	0
	Total:	**83119**	**185584619**	**100.00**

e) **Proposed time within which allotment shall be completed:**

The allotment of Issue Shares is proposed to be completed within a period of 15 days from March 29, 2014 being the date of meeting of the shareholders for the preferential allotment of Issue Shares provided that where the allotment is pending on account of pendency of any approval from any regulatory authority or the Central Government, then the allotment shall be completed by the Bank within a period of 15 days from the date on which the Bank receives all approvals from the concerned authorities.

f) Identity and details of the proposed allottees with percentage of expanded capital to be held by them and change in control if any:

Sr. No	Name	Category	Pre-Issue holding	%of pre-Issue holding	Post Issue holding	% of Post Issue holding
1.	Kapilkumar Wadhwan	Resident	0	0	62,00,000	3.34%
2.	Bimal N Mehta	Resident	0	0	62,00,000	3.34%
3.	Ashok J Jain	Resident	0	0	62,00,000	3.34%
4.	Pinki K Thakural	Resident	0	0	62,00,000	3.34%
5.	Dr. Parmindar Singh	NRI	0	0	62,00,000	3.34%
6.	Kalpesh M Mehta	NRI	0	0	62,00,000	3.34%
7.	Sumit Bakshi	NRI	0	0	62,00,000	3.34%
8.	Suraj A Muchhala	Resident	0	0	62,00,000	3.34%
9.	Mahesh Dalal	Resident	0	0	62,00,000	3.34%
10.	Dr. B.K. Raveendran Pillai	NRI	52,50,000	4.17%	91,00,000	4.90%

g) Pricing of the Issue:

The issue price will be **Rs. 39/-** per Issue Share or any such other price as will be decided by the Board of Directors, which will be more than the minimum price as will be determined in accordance with the regulations for pricing of the Issue under Chapter VII of SEBI ICDR Regulations.

h) Change in Control:

The proposed preferential issue of Issue Shares would not result in any change in control of the Bank.

i) Auditor's Certificate:

The auditor's certificate required under Clause 73(2) of the SEBI ICDR Regulations certifying that the Issue is being made in accordance with the requirements contained in SEBI ICDR Regulations will be made available for inspection at the registered office of the Bank between 3.00 p.m. and 5.00 p.m. on any working day from the relevant date i.e. **February 26, 2014** up to the date of the meeting of the shareholders.

j) Lock-in of proposed issue of Issue Shares :

The Issue Shares proposed to be issued to above proposed allottees shall be locked-in in terms of Regulation 78 of SEBI ICDR Regulations.

Further the entire pre-issue shareholding of the proposed allottees, if any, shall be locked-in from the relevant date up to a period of six months from the date of trading approval.

As per Section 81 of the Companies Act, 1956 and the provisions of the Listing Agreement which have been entered into by the Bank with the Stock Exchanges on which the Equity Shares of the Bank are listed, as and when it is proposed to increase the Equity Shares of the Bank by allotment of further Equity Shares, such Equity Shares shall be first offered to the existing shareholders of the Bank in the manner laid down under Section 81 unless the shareholders in general meeting decide otherwise by passing a special resolution.

Additionally, the SEBI ICDR Regulations require matters to be stated in the resolution which is required to be passed under Section 81 (1A) of the Companies Act, 1956 and in the explanatory statement in respect of such resolution.

Hence, the consent of the shareholders by way of special resolution is being sought for issue of the Issue Shares on preferential basis to the Investors.

The Board recommends the resolution for your approval of the members by special resolution.

None of the Directors of your Bank shall be concerned or deemed to be interested in the said resolution.

Notes:

1. The relative Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, **(Corresponding new section 102 of the Companies Act, 2013)** in respect of the business under item No. 1 above, are annexed hereto.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Bank. Proxies, in order to be effective, must be received at the Bank's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolution / authority, as applicable.

Place :Thrissur
Date :03-03-2014

By order of the Board,
Sd/-
Ravindran K Warrier
Secretary to Board & Company Secretary.

Registered Office: Dhanlaxmi Bank Ltd. Naickanal, Thrissur- 680 001

ATTENDANCE SLIP

(Please complete the slip and hand it over at the entrance to the meeting hall)

Name & Address of the Member

Folio No/DP ID & Client ID

I, hereby record my presence at the Extraordinary General Meeting of the Bank at **Vadakke Samooham Kalyanamandapam, Thrissur** at 11 AM, on Saturday, March 29, 2014

Number of Shares Held	Signature of the Member/Proxy (Strike out whichever is not applicable)

Registered Office: Dhanlaxmi Bank Ltd. Naickanal, Thrissur- 680 001

PROXY FORM

I/We .....of.....in the District of.....being a member/members of Dhanlaxmi Bank Ltd.,..... hereby appoint..... of.....in the district of..... or failing him/her..... of.....in the district of.....

As my/our Proxy in my /our absence to attend and vote for me/us on my/our behalf, at the Extraordinary General Meeting of the Bank to be held on March 29, 2014 and at any adjournment thereof.

Signed this .....day of.....2014

Folio No./ DP ID & Client ID	Number of shares held

Signature of the Proxy

Affix 15 paise Revenue Stamp

Signature

Notes:
1. The proxy to be valid should be deposited at the Registered Office of the Bank at Naickanal, Thrissur-680 001, **at least 48 hours before the meeting.**
2. In the case of a body corporate, the proxy form should be signed by the authorized person duly enclosing thereto, a certified copy of the resolution of the Board under Section 187 of the Companies Act, 1956.