



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

NOTICE

Notice is hereby given that an Extra Ordinary General Meeting of Dhanlaxmi Bank Ltd will be held on Friday, 15th February at Kousthubham Auditorium, Thrissur - 680 001, at 3 P 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, Government of India, the Securities and Exchange Board of India (the "SEBI"), the Ministry of Finance (Department of Financial Services), 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 Board be and is hereby authorized to create, offer, issue and allot equity shares of face value of Rs. 10/- each ("Equity Shares"), in one or more tranches, with or without a green shoe option, to 'Qualified Institutional Buyers' as such term is defined in Regulation 2(1)(zd) of the SEBI ICDR Regulations, as a 'Qualified Institutions Placement' or "QIP", in Indian and/or international markets, in terms of Chapter VIII of the SEBI ICDR Regulations, whether they be holders of Equity Shares or other securities of the Bank or not, as may be decided by the Board in their discretion and permitted under applicable laws and regulations, of an aggregate amount not exceeding Rs.200 crore or equivalent thereof in such foreign currencies as may be necessary, inclusive of such premium as may be fixed on such Equity Shares by offering the Equity Shares through private placement(s) at such time or times, and any green shoe option attached thereto, through a placement document and/or such other documents/writings/circulars/

memoranda in such manner, at such price or prices, at a discount or premium to market price or prices, as the Board may determine on the relevant date in accordance with the SEBI ICDR Regulations, in such manner and on such terms and conditions as may be deemed appropriate by the Board in compliance with the SEBI ICDR Regulations, and such Equity Shares shall be allotted within such time as may be allowed by the SEBI ICDR Regulations, considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or other advisor(s), as the Board at its absolute discretion may deem fit and appropriate (the "Issue")."

"RESOLVED FURTHER THAT the Equity Shares issued in foreign markets shall be deemed to have been made abroad and/or in the market and/or at the place of issue of the Equity Shares in the international market and may be governed by applicable foreign laws."

"RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions, the Equity Shares to be so offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Bank"

"RESOLVED FURTHER THAT in case of issue and allotment of Equity Shares by way of a QIP to Qualified Institutional Buyers ("QIBs") in terms of Chapter VIII of the SEBI ICDR Regulations:

- (i) the relevant date for the purpose of pricing of the Equity Shares to be issued, if issued pursuant to Chapter VIII of the SEBI ICDR Regulations, and/ or other applicable regulations, shall be the date of the meeting in which the Board or a duly authorised Committee of the Board decides to open the proposed Issue, subsequent to the receipt of approval from the shareholders of the Bank in terms of section 81(1A) of the Companies Act, 1956, and other applicable laws, rules regulations and guidelines in relation to the QIP;
- (ii) the Board or a duly authorised Committee of the Board may offer a discount of up to 5% of the floor price in accordance with Regulation 85(1) the SEBI ICDR Regulations;
- (iii) the issue and allotment of Equity Shares shall be made only to QIBs within the meaning of the SEBI ICDR Regulations, and such Equity Shares shall be fully paid up on its allotment, which shall be completed within 12 months from the date of this resolution approving the proposed Issue, or such other time that may be allowed under the SEBI ICDR Regulations from time to time;
- (iv) the Equity Shares to be issued and allotted in terms of this resolution shall rank pari passu in all respects with the existing Equity Shares of the Bank;
- (v) the Equity Shares shall be listed with the Stock Exchanges, where the existing Equity Shares of the Bank are listed;
- (vi) the Equity Shares shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized stock exchange and except as may be permitted by the SEBI ICDR Regulations;
- (vii) the total amount raised in such manner should not, together with the over-allotment option, exceed five times of the net worth of the Bank as per its audited balance sheet for the previous financial year; and

(viii) the allotment to each QIB in the proposed QIP shall not exceed 5% of the post Issue paid-up capital of the Bank, unless such allotment is either approved or acknowledged by RBI in accordance with applicable laws".

"RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Equity Shares may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Equity Shares and the Board subject to applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Equity Shares that are not subscribed."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized, on behalf of the Bank, to do all such acts, deeds, matters and things including but not limited to finalization and approval for the preliminary as well as final placement document, determining the form and manner of the Issue, including the class of investors to whom the Equity Shares are to be issued and allotted, number of Equity Shares to be allotted, issue price, face value, premium or discount amount on issue of the Equity Shares, if any, execution of various transaction documents and agreements, listing of the Equity Shares on Stock Exchanges, resolving all questions and difficulties that may arise in the issue, offer and allotment of the Equity Shares, appointing lead managers, advisors, agencies and other such intermediaries as may be necessary, and to remunerate such lead managers, advisors and all other agencies and intermediaries by way of commission, brokerage, fees and the like as may be involved or connected in such offerings of Equity Shares, as it may in its absolute discretion deem fit."

"RESOLVED FURTHER THAT for the purpose aforesaid, the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Equity Shares and utilization of the issue proceeds".

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to sign and submit the requisite forms and to do all acts, deeds, matters and things as are required to be done in order to give effect to this resolution and give such directions as may be, in absolute discretion, deemed necessary in this regard."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any other Officer(s)/ authorized representative(s) of the Bank to give effect to the aforesaid resolutions."

Place: Thrissur

Date: 15-01-2013

By Order of the Board,
Sd/-

Ravindran K Warriar
Secretary to Board &
Company Secretary

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No.1

In order to meet the capital adequacy requirements of the Bank analogous with the business expansion and also for augmenting the resources the Bank is proposing to make a Qualified Institutions Placement (QIP) by issue of not exceeding Rs.200 crore by way of issuing equity shares of Rs.10/- (Equity Shares) each at such price or prices including premium/discount on each share, to Qualified Institutional Buyers (QIBs) and for this purpose seeks your approval to the resolution proposed. QIP means allotment of eligible securities by a listed Issuer of QIBs on private placement basis in terms of Chapter VIII of the SEBI ICDR Regulations.

Accordingly the Bank proposes to make a further Issue of shares by way of QIP in terms of Chapter VIII of the SEBI ICDR Regulations. These Equity Shares will be allotted only to QIBs in accordance with the SEBI ICDR Regulations.

The QIP shall be made at a price not less than the average of the weekly high and low of the closing prices of the equity shares of the same class quoted on the stock exchange during the two weeks preceding the relevant date. The prices and other terms and of QIP will be in accordance with the SEBI ICDR Regulations.

The Relevant Date means the date of the meeting in which the Board / Committee decides to open the proposed issue.

Our Bank's shares have been listed for more than one year in BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), both exchanges having national wide terminals and Cochin Stock Exchange Limited (CSE).

Post QIP, the Bank will continue to maintain the minimum public shareholding as per the Listing Agreement.

Pursuant to the provisions of Section 81(1A) and other applicable provision of the Companies Act, 1956 and those of SEBI ICDR Regulations and in terms of the provisions of the Listing Agreement the proposal to make a QIP should be approved by the shareholders by means of a Special Resolution.

The proposed QIP Issue is in the interest of the Bank and the shareholders and the Board recommends the passing of the above item as a Special Resolution.

As per SEBI ICDR Regulations the Special Resolution under this item will be valid for a period of 12 months from the date of the passing of the Resolution.

The Placement under this resolution will be made only after obtaining prior in principle approval from Reserve Bank of India (RBI) and in-principle approval from Stock Exchanges where the shares of the Bank are listed.

None of the Directors of your Bank is interested or concerned in the resolution under the above item.

Place: Thrissur

Date: 15-01-2013

By Order of the Board,
Sd/-

Ravindran K Warriar
Secretary to Board &
Company Secretary



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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 Extra Ordinary General Meeting of the Bank at Kousthubham Auditorium, Thrissur - 680 001 at 3 PM, on Friday, February 15, 2013

Number of Shares Held

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



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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 Extra Ordinary General Meeting of the Bank to be held on February 15, 2013 and at any adjournment thereof.

Signed thisday of.....2013

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.