

Notice



Dhanlaxmi Bank Limited
CIN: L65191KL1927PLC000307
Regd. Off: P.B No.9, Dhanalakshmi Buildings, Naickanal, Thrissur, Kerala-680001
Ph: 0487-2999711; Fax: 0487-2335367
Corporate Office: Punnamm, Thrissur, Kerala-680002; Ph: 0487-7107100
E-mail: investors@dhanbank.co.in; Website: www.dhanbank.com

NOTICE OF 96th ANNUAL GENERAL MEETING

Notice is hereby given that the 96th Annual General Meeting of the Members of Dhanlaxmi Bank Limited (“the Bank”) will be held on **Saturday, September 30, 2023** at **11:00 A.M (IST)** through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Bank’s Audited Balance Sheet as at March 31, 2023 and the Profit & Loss Account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon
2. To appoint a Director in the place of Shri. Gopinathan C.K (DIN-01236752) who retires by rotation under Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment
3. To appoint Joint Statutory Central Auditors for the Bank

To consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution: -

“RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 30 of the Banking Regulation Act, 1949, guidelines issued by Reserve Bank of India and other applicable rules and regulations, including any statutory modification(s) or re-enactment(s) thereof, and the approval accorded by Reserve Bank of India vide letter no. CO.DOS.RPD.No. S3922/08.09.005/2023-24 dated August 21, 2023, approval be and is hereby accorded to appoint M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Ernakulam (FRN-001488S) and M/s. Sagar & Associates, Chartered Accountants, Hyderabad (FRN-003510S) as Joint Statutory Central Auditors of the Bank for the period commencing from the conclusion of the 96th Annual General Meeting to the conclusion of the 97th Annual General Meeting of the Bank for a total remuneration of Rs. 50 lakh (Rupees Fifty lakh only) plus taxes as applicable from time to time, excluding the fee for branch audits conducted by them and in addition to reimbursement of actual travelling and out-of-pocket

expenses, for the purpose of audit of the Bank's accounts, with the power to the Board/ Audit Committee to alter and vary the terms and conditions of appointment, revision including upward revision in the remuneration during the current / remaining tenure, etc., including by reason of necessity on account of conditions as may be stipulated by RBI and / or any other authority, in such manner and to such extent as may be mutually agreed with the Joint Statutory Central Auditors."

SPECIAL BUSINESS

4. Authorizing the Board of Directors to appoint and fix the remuneration of branch auditors

To consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution: -

"RESOLVED THAT pursuant to the provisions of Sections 139 and 143(8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, the applicable provisions of the Banking Regulation Act, 1949 and the rules, circulars and guidelines issued by Reserve Bank of India, including any statutory modification(s) or re-enactment(s) thereof, the Board of Directors be and is hereby authorized to arrange for the audit of the Bank's branches for the financial year 2023-24 and to appoint and fix the remuneration of branch auditors in consultation with the Statutory Central Auditors."

5. To approve the Alteration of Articles of Association of the Bank

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 14 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, the relevant provisions of the Banking Regulation Act, 1949, Banking Laws (Amendment) Act, 2012, the rules, circulars and guidelines issued by the Reserve Bank of India (the "RBI") from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in compliance to Regulation 23(6) of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and subject to the approval of the Reserve Bank of India, Registrar of Companies ("ROC") or any other statutory authorities, if required, and subject further to such other terms, conditions, stipulations, alterations, amendments or modifications as may be specified by such statutory authorities, approval of the Members of the Bank be and is hereby accorded for the alteration of the Articles of Association of the Bank in the manner as detailed in the Statement of material facts under Section 102(1) of the Companies Act, 2013, annexed to and forming part of the Notice of the 96th Annual General Meeting of the Bank."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be required in connection with the aforesaid resolutions,

including but not limited to making necessary filings / correspondences with the Ministry of Corporate Affairs, the Reserve Bank of India, the Stock Exchange(s) and other Statutory / Regulatory Authorities as may be required or considered necessary or incidental thereto for giving effect to this resolution and to delegate all or any of the powers herein conferred to any Director(s) or Officer(s) of the Bank.”

6. To Increase the Authorised Share Capital and consequent alteration to the Memorandum of Association & Articles of Association of the Bank

To consider and, if thought fit, to pass, with or without modification, the following resolution as Special Resolution: -

“**RESOLVED THAT** pursuant to Section 61 and other applicable provisions, if any, of the Companies Act, 2013 and the Banking Regulation Act, 1949, the Authorized Capital of the Bank be and is hereby increased from 400,00,00,000 (Rupees Four Hundred Crore only) to 500,00,00,000 (Rupees Five Hundred Crore only) by creation of additional 10,00,00,000 (Ten Crore only) shares of 10/- each, ranking for dividend and in all other respects pari passu with the existing equity shares of the Bank when issued, and accordingly the existing Clause V of the Memorandum of Association of the Bank be and is hereby amended by substituting the words and figures “Rs.500,00,00,000 (Rupees Five Hundred Crore only) divided into 50,00,00,000 equity shares of 10/-(Rupees Ten Only) each” for the words and figures “400,00,00,000 (Rupees Four Hundred Crore only) divided into 40,00,00,000 shares of 10/-(Rupees Ten only) each”, appearing in Clause V thereof, and Article 2 of Articles of Association of the Bank be and is hereby amended by substituting the words and figures “Rs.500,00,00,000 (Rupees Five Hundred Crore only) divided into 50,00,00,000 (Fifty Crore Only) equity shares of 10/- (Rupees Ten Only) each” for the words and figures “Rs.400,00,00,000 (Rupees Four Hundred Crore only) divided into 40,00,00,000 (Forty Crore Only) equity shares of Rs.10/- (Rupees Ten Only) each”, subject to the approval of Reserve Bank of India.”

Place: Thrissur
Date: September 04, 2023

For and on behalf of the Board,
Sd/-
Venkatesh. H
Company Secretary & Secretary to the Board

NOTES:

1. In view of the continuing applicability of directions issued by the Ministry of Corporate Affairs (“MCA”) vide its circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022 and December 28, 2022 (collectively referred to as “MCA Circulars”) and SEBI vide its circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 05, 2023 (collectively referred to as “SEBI Circulars”) has permitted the holding of the Annual General Meeting (“AGM”) of the Members of the Bank through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), MCA Circulars and SEBI Circulars, the AGM is being held through VC / OAVM.

2. In compliance with the above-mentioned circulars, the Notice of the AGM along with Annual Report for the financial year 2022-23 is being sent in electronic mode to all the Members to their e-mail addresses registered with the Bank / Depository Participants / Registrar & Transfer Agents. The Notice of AGM and the Annual Report of the Bank for the financial year 2022-23 will also be available on the websites of the Bank (www.dhanbank.com), KFin (<https://evoting.kfintech.com>), National Stock Exchange of India Limited (www.nseindia.com) and BSE Limited (www.bseindia.com). In terms of the aforementioned circulars, the Bank will not be sending physical copies of the Notice of AGM and the Annual Report to the Members.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is also entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a Member of the Bank. Since this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. The Bank is offering e-voting facility to its Members in respect of the businesses to be transacted at the 96th Annual General Meeting scheduled to be held on **Saturday, September 30, 2023 at 11.00 A.M (IST)**. The Bank has engaged the services of M/s. KFin Technologies Limited (“KFin”) as the authorized agency to provide e-voting facilities. **The remote e-voting facility will be available from 09.00 A.M (IST) on Wednesday, September 27, 2023 to 05.00 P.M (IST) on Friday, September 29, 2023.** The Members who have cast their vote by remote e-voting prior to the AGM (“remote e-voting”) may also attend/ participate in the AGM through VC/ OAVM but shall not be entitled to cast their vote again. Other Members may cast their vote at the AGM through electronic means (“Instapoll”).

4. The Register of Members and Share Transfer Books of the Bank will remain closed from **Monday, September 25, 2023 to Saturday, September 30, 2023 (both days inclusive)**. Transfers received during book closure will be considered only after re-opening of the Register of Members.

5. The cut-off date (i.e., the record date) for the purpose of voting is **Sunday, September 24, 2023** and the voting rights will be one vote per Equity Share registered in the name of the

shareholders/ beneficial owners as on that date.

6. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting / instapoll. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to vassociates16@gmail.com with a copy marked to einward.ris.@kfintech.com.

7. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by using the remote e-voting login credentials and selecting the EVEN for the Bank's AGM as further detailed in the Notice-Instructions for members for remote e-voting. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first-come-first-served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first-come-first-served basis.

8. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

9. All relevant documents referred to in this Notice requiring the approval of the Members at the meeting shall be available for inspection by the members at the Registered Office of the Bank, in physical form, on all working days between 10.00 A.M (IST) to 3.00 P.M (IST) and upto the conclusion of the Annual General Meeting. These documents are also available in electronic form till the conclusion of Annual General Meeting.

10. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the special business to be transacted at the meeting is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at the 96th AGM is also annexed.

11. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Bank on or before September 20, 2023 through email to investors@dhanbank.co.in and the same will be replied by the Bank suitably.

12. In case of the need for any technical assistance or any grievances connected with e-voting, Members may contact Mr. Rajkumar Kale, Assistant Vice President, KFin Technologies Limited, "Selenium Tower B", Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad-500032; Phone:1800 3094 001 (tollfree). The AGM Notice is being sent in electronic mode to all the Shareholders whose name appear in the Register of Members as on **Friday, September 01, 2023**, to their e-mail addresses registered with the Bank / Depository Participants / Registrar & Transfer Agents. Members who have not received the e-mail of the aforesaid AGM Notice / Annual

Report or who have purchased the Equity Shares of the Bank after **September 01, 2023** may also contact Mr. Rajkumar Kale, Assistant Vice President at the above-mentioned address / phone number for the e-mail of the Notice / Annual Report.

13. The User ID and Password for remote e-voting / instapoll / registering attendance at the AGM is provided along with the e-mail delivering this Notice and the Annual Report of 2022-23.

14. Members who have not registered their e-mail address and, therefore, are not able to receive the Annual Report, Notice of AGM and e-Voting instructions, may temporarily get their email address and mobile number registered with M/s. KFin Technologies Limited, the Bank's RTA, by accessing the link <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>.

15. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

16. Members may please note that there is a facility for nomination, in the prescribed form, of any person to whom shares in the Bank held by such Member shall vest in the event of his / her death.

17. Shares of the Bank are traded in dematerialized form. Members may opt for availing the benefits of electronic holding / transfer of shares held by them. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in demat form only, while processing service requests viz. issue of duplicate securities certificates, claim from unclaimed suspense account, renewal/exchange of securities certificate endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Bank's website.

18. Members should notify the changes in their address immediately to the Transfer Agents/Depository Participants as the case may be, giving full details in block letters with pin code and post office along with address proof and photo identity proof.

19. Members described as "Minor" in the address but who have attained majority of age may update their status in the Register of Members by producing proof of age.

20. Members holding physical shares in identical order of names in more than one folio are requested to write to the Share Transfer Agents to facilitate consolidation of their holdings in one folio.

21. In terms of Section 125 of the Companies Act, 2013, the dividends which are unclaimed for a period of seven years have to be transferred to "Investor Education and Protection Fund" maintained with Central Government and the shareholders/beneficial owners cannot make any claim for the dividends once the unclaimed dividends are transferred to such fund. The unpaid dividend for the financial year 2010-11 was transferred to this fund in the financial year 2018-19.

Consequently, all dividends remaining unclaimed or unpaid have been transferred to this fund.

22. In terms of Section 124 (6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, it may be noted that if the dividends have been unpaid or unclaimed for seven consecutive years or more, the underlying shares shall be transferred to the IEPF Demat Account maintained with depositories. Upon transfer of such shares to IEPF account, all benefits (eg. bonus, spilt, etc.), if any, accruing on such shares shall also be credited to the IEPF Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. The members/claimants whose shares, unclaimed dividend etc. have been transferred to IEPF authority may claim the shares or apply for refund by making an application to IEPF authority as per the procedure prescribed in the IEPF Rules. The Bank has transferred all shares on which dividends have remained unclaimed / unpaid for the last seven years to the said account after giving due notice to the shareholders as prescribed under the Companies Act, 2013 and the rules made thereunder.

23. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by September 30, 2023, vide its circular dated March 16, 2023. In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date i.e., September 30, 2023, our registrars are obligated to freeze such folios. The security holder(s) whose folio(s) have been frozen shall be eligible to lodge grievances or avail any service request from the RTA only after furnishing the complete documents/details and shall also be eligible for any payment including dividend, interest, or redemption payment in respect of such frozen folios, only through electronic mode with effect from April 01, 2024. If the securities continue to remain frozen as on December 31, 2025, the registrar / the Bank shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or the Prevention of Money Laundering Act, 2002. In terms of above circular, it shall be mandatory for all holders of physical securities in listed entity to furnish/update PAN, Nomination, Address, Mobile Number, E-Mail Address, Bank Account details and Specimen Signature by submitting prescribed Forms viz., ISR-1, ISR-2, SH-13, etc., as the case may be. Hence, physical security holders are requested to furnish/update the above details by submitting duly filled prescribed Forms to Bank's Registrars & Share Transfer Agents ("RTA"). In this regard, the Bank has also sent individual letters to all physical shareholders of the Bank, to their registered addresses available with the Bank / RTA, requesting them to furnish PAN, KYC details and Nomination to avoid freezing of their folios. Specimen copy of letter and prescribed forms for updating PAN, KYC details and Nomination are available on the Bank's website at <https://www.dhanbank.com/statutory-reports>. Shareholders who are holding shares in demat form may contact their Depository Participant (DP), where the demat account is maintained, for furnishing / updating their PAN, Nomination, Address, Mobile Number, E-Mail Address, Bank Account details and Specimen Signature.

24. Mr. V. Suresh, Senior Partner, M/s. V. Suresh Associates, Practising Company Secretaries, First Floor, No.28, Ganapathy Colony, IIIrd Street, Teynampet, Chennai – 600018 (FCS 2969/ CP 6032) or in his absence Mr. Udaya Kumar K.R, Partner, M/s. V. Suresh Associates, Practising Company Secretaries, First Floor, No.28, Ganapathy Colony, IIIrd Street, Teynampet, Chennai – 600018 (ACS 42435/ CP 21973) will be the Scrutinizer for conducting the remote e-voting

process and e-voting at the venue (“Instapoll”) in accordance with law. The Scrutinizer’s decision on the validity of voting shall be final.

25. The Scrutinizer shall, on the date of the Meeting, unblock the votes in the presence of at least two witnesses not in the employment of the Bank and make a report of the votes cast in favour or against, if any, and submit the same to the Chairman of the Meeting.

26. The results of voting will be announced by the Chairman of the Meeting at or after the Meeting and the resolutions will be deemed to have been passed on the date of the Meeting, subject to receipt of the requisite number of votes in favour of the resolutions.

27. The results of the voting along with the Scrutinizer’s Report will be submitted to the Stock Exchanges where the Equity Shares of the Bank are listed and will also be hosted on the Bank’s website (www.dhanbank.com) and on the website of KFin (<https://evoting.kfintech.com>) within 2 working days of conclusion of the Meeting.

Place: Thrissur
Date: September 04, 2023

For and on behalf of the Board,
Sd/-

Venkatesh. H
Company Secretary &
Secretary to the Board

Statement of material facts as required under Section 102(1) of the Companies Act, 2013 annexed to and forming part of the Notice dated September 04, 2023

Item No. 2

Sri. Gopinathan C.K (DIN-01236752) was appointed as Director of the Bank pursuant to the provisions of the Companies Act, 2013 and the SEBI Regulations at the Annual General Meeting held on December 30, 2022 and he is liable to retire by rotation.

The Bank has received a notice in writing as per Section 160 of the Companies Act, 2013 from Sri. Gopinathan C.K proposing his candidature for the office of Director. The Nomination & Remuneration Committee has also conducted “due diligence” in accordance with the provisions of the Banking Regulation Act, 1949 and RBI guidelines and found that Sri. Gopinathan C.K is “fit & proper” to continue as director of the Bank. The Committee is also of the opinion that he fulfills the conditions specified in the Companies Act, 2013 and the SEBI Regulations, and the rules made thereunder, for holding the office of director and that he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

Accordingly, the Directors recommend Resolution No. 2 of the Notice for approval.

The additional information as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by The Institute

Notice

of Company Secretaries of India is furnished as follows: -

SRI. GOPINATHAN C.K (DIN - 01236752)

Date of Birth and age	29.03.1954 ; 69 years
Qualifications	B.Com
Brief Resume, Experience and Nature of expertise in specific functional areas	Sri. Gopinathan C.K has more than 25 years of experience in the financial sector. He was a Director in the Catholic Syrian Bank Limited for almost 8 years from September 26, 2008 to July 20, 2016. He was also Director of C.K.G Supermarket Limited and Managing Director of C.K.G Securities and Investments Limited. Sri. Gopinathan C.K is a major shareholder in the Bank and also has major investments in various leading companies across the State.
Terms and conditions of appointment / re-appointment along with details of remuneration	Sri. Gopinathan C.K will be entitled to sitting fees for attending Board / Committee Meetings.
Details of Remuneration last drawn	Sri. Gopinathan C.K was paid only sitting fees of Rs.14,85,000/- for attending Board / Committee Meetings during the financial year 2022-23. Sri. Gopinathan C.K was paid only sitting fees of Rs.7,50,000/- for attending Board / Committee Meetings from April 01, 2023 upto 31.07.2023.
Date of first appointment on Board	August 11, 2016
Shareholding in the Bank as on the date of this Notice	1,89,70,000 Equity Shares
Relationship with other Directors, Manager and Key Managerial Personnel of the Bank	Nil
Number of Board Meetings attended during 2021-22	16
Number of Board Meetings attended from April 01, 2023 upto 31.07.2023	6
Chairperson / Member of Committees of Board of Directors of the Bank as on the date of this Notice	<u>Chairperson</u> HRD Committee NPA Monitoring Committee Stakeholders Relationship Committee

	<p><u>Member</u></p> <p>Audit Committee Credit & Business Committee of Board Corporate Social Responsibility Committee Customer Service Committee Nomination & Remuneration Committee Equity Issuance Committee</p>
Directorship in other public companies	Nil
Membership / Chairmanship of Committees of Boards of other listed companies as on the date of this Notice	Nil

Save and except Sri. Gopinathan C.K, none of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested in the above resolution.

Item No. 3

As per Reserve Bank of India (RBI) circular No. Dos. CO.ARG/ SEC.01/08.91.001/2021-22 dated April 27, 2021, the statutory audit of the Bank should be conducted under joint audit of a minimum of two audit firms as the asset size of the Bank as on 31.03.2023 was more than ₹15,000 crore.

At present the Statutory Central Auditors of the Bank is M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Ernakulam (FRN-001488S). They were appointed in the 95th Annual General Meeting of the Bank for the second term and to hold office up to the conclusion of the 96th Annual General Meeting of the Bank. As per the regulatory norms, the Statutory Central Auditors can be appointed for a continuous period of 3 years, subject to firms satisfying the eligibility norms each year. M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants is qualified for reappointment and has expressed its willingness to continue. Reserve Bank of India, vide letter no. CO.DOS.RPD.No. S3922/08.09.005/2023-24 dated August 21, 2023, has accorded approval for appointment of M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants as the Joint Statutory Central Auditors of the Bank for their third year.

The Bank also proposes to appoint M/s. Sagar & Associates, Chartered Accountants, Hyderabad (FRN – 003510S) as the as the new Joint Statutory Central Auditors of the Bank. As per the regulatory norms, the Statutory Central Auditors can be appointed for a continuous period of 3 years, subject to firms satisfying the eligibility norms each year. M/s. Sagar & Associates, Chartered Accountants is qualified for appointment and has also expressed its willingness to be appointed as Joint Statutory Central Auditors of the Bank. Reserve Bank of India, vide letter no. CO.DOS.RPD.No. S3922/08.09.005/2023-24 dated August 21, 2023, has accorded approval for appointment of M/s. Sagar & Associates, Chartered Accountants as the Joint Statutory Central Auditors of the Bank for their first year.

The Board of Directors recommends the appointment of M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Ernakulam (FRN-001488S) and M/s. Sagar & Associates, Chartered Accountants, Hyderabad (FRN – 003510S) as Joint Statutory Central Auditors of the Bank to hold office from the conclusion of 96th Annual General Meeting of the Bank upto the conclusion of 97th Annual General Meeting of the Bank.

a) Proposed fees payable to the Joint Statutory Central Auditors along with terms of appointment

Equal division of Fee of Rs. 50,00,000 (Rupees Fifty Lakh Only) plus applicable taxes for Quarterly Review, Audit, Certifications, LFAR and Tax Audit and reimbursement of actual travelling and out-of- pocket expenses extra (on actual basis) for the FY 2023-24 among the Joint Statutory Central Auditors, except that of Tax Audit and consolidation of Long Form Audit Report to be continued to be assigned to M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Ernakulam:-

Quarterly Review	Rs.21.00 lakh (i.e., Rs.7 lakh per quarter for 3 quarters)
Audit Fee	Rs.29.00 lakh (i.e., Rs.24 lakh for Audit/ Certification, Rs.2.50 lakh for LFAR and Rs. 2.50 lakh for Tax Audit)

(b) Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed

M/s. Krishnamoorthy & Krishnamoorthy & Co., Ernakulam is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India with Firm Registration No. 001488S. The firm has 33 years of audit experience. They were the Statutory Central Auditors of State Bank of India and Nedungadi Bank Limited and have conducted statutory branch audits of various banks. The firm has confirmed its eligibility to be appointed as Joint Statutory Central Auditors in terms of Section 141 of the Companies Act, 2013 and the applicable rules and as per the guidelines of RBI.

M/s. Sagar & Associates, Hyderabad is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India with Firm Registration No. 003510S. The firm has 33 years of audit experience. They were the Statutory Central Auditors of various private/ public sector banks including Central Bank of India and Andhra Bank and various Grameen Banks. They have also conducted the statutory branch audits of various banks They were the Statutory Central Auditors of Dhanlaxmi Bank Limited for 3 financial years previously from 2012-13 to 2014-15. Presently, they are the sole Statutory Central Auditors of NMDC Ltd., which is a Maharatna Public Sector Undertaking. The firm has confirmed its eligibility to be appointed as Joint Statutory Central Auditors in terms of Section 141 of the Companies Act, 2013 and the applicable rules and as per the guidelines of RBI.

Accordingly, the Directors recommend Resolution No. 3 of the Notice for approval.

None of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested in the above resolution.

Item No. 4

Pursuant to the provisions of Sections 139 and 143(8) of the Companies Act 2013, the guidelines issued by the Reserve Bank of India and other regulatory requirements, the shareholders of the Bank may authorize its Board of Directors to appoint branch auditors in consultation with Bank's Statutory Central Auditors for those branches which are not proposed to be audited by the Statutory Central Auditors.

Accordingly, the Directors recommend Resolution No. 4 of the Notice for approval.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested in the above Resolution.

Item No. 5

The Board of Directors of the Bank at its meeting approved the amendments to be made to the Articles of Association of the Bank in line with the new Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, Banking Regulation Act, 1949 and other regulatory requirements and recommends the same for shareholders' approval.

The material changes that have been proposed to make the Articles of Association of the Bank to be in line with the new regulatory requirements are as follows:

Articles	Existing	Modified	Reason for Amendment
48A	-	a) If at any time the Company issues debentures or bonds or such other instruments, then the Debenture Trustee shall have right to appoint a Director ("Nominee Director"), in terms of Regulation 15(1)(e) of the SEBI (Debenture Trustees) Regulations, 1993, for such period as is therein provided not exceeding the period for which the debentures/bonds or any of them shall remain outstanding and for the removal from office of such Nominee Director and on a vacancy	Insertion of enabling clause pursuant to recent amendment in Regulation 23(6) of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021. This amendment is mandatory as per the SEBI Regulations amended on February 02, 2023.

		<p>being caused whether by resignation, death, removal or otherwise for appointment of a Nominee Director in the vacant place.</p> <p>b) The Nominee Director shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue in office for so long as the debt subsists.</p> <p>c) The Nominee Director shall also be appointed as a member of any committee of the Board and shall not be liable for any act or omission of the Company.</p> <p>d) The Nominee Director shall be entitled to all the rights and privileges of other non-executive directors and the sitting fees, expenses as payable to other directors on the Board and any other fees, commission, monies or remuneration in any form payable to the non-executive directors, which shall be to the account of the Company.</p>	
1(i)(b)	‘the seal’ means the common seal of the Bank.	To be deleted	The common seal has been made optional under the Companies Act, 2013; therefore, it is proposed to remove the provisions in the Articles relating to the Common Seal.
5(ii)	Every Certificate shall be under the seal and shall specify the shares to which it relates, and the	Every certificate shall specify the number of shares in respect of which it is issued and amount paid-up thereon and shall be issued and/ or signed	The common seal has been made optional under the Companies Act, 2013; therefore, it is proposed to avoid use of common seal

	amount paid up thereon.	by a Director and the Company Secretary.	and authorize one director and Company Secretary for the same.
28A	-	Subject to the provisions of the Act and the guidelines of SEBI, the Bank may, from time to time, issue shares, securities and hybrids of various kinds including employee stock options, shares with differential rights, preference shares, in accordance with various provisions of the Act including Sections 42, 43, 55, 62, 63, 71 and other applicable provisions of the Companies Act, 2013, and Rules made there under, either by issue of an information memorandum or shelf prospectus or otherwise as may be thought fit by the Board of Directors of the Bank from time to time.	Provisions relating to stock options.
49	The qualification of a director, other than the whole-time Chairman and Chief Executive Officer shall be the holding of shares in his own right of the nominal value of Rs. 2000/-.	To be deleted	This is not mandatory as per Companies Act, 2013.
72	i) The Board shall provide for the safe custody of the seal. ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the	To be deleted	The common seal has been made optional under the Companies Act, 2013; therefore, it is proposed to avoid use of common seal and authorize a director and Company Secretary for the same. Therefore, it is proposed to delete this clause.

	<p>Board authorized by it in that behalf, and except in the presence of atleast two directors and of the Whole-time Chairman or Managing Director or Chief Executive Officer or such other person as the Board may appoint for the purpose; and those two directors and the Chief Executive Officer or other person as aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.</p>		
<p>76</p>	<p>i) Any dividend, interest or other money payable in cash in respect of shares, may be paid by cheque or warrant sent through post directed to the registered address of the holder or in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. ii) Every cheque or warrant shall be made payable to the</p>	<p>Unless otherwise directed, any dividend may be paid in any electronic mode or by cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint holders, to the registered address of that one whose name stands first on the register in respect of the joint holding, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.</p>	<p>To capture new mode of payment of dividends.</p>

Notice

	order of the person to whom it is sent.		
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Accordingly, the Directors recommend Resolution No. 5 of the Notice for approval.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested in the above Resolution.

Item No. 6

The Bank is proposing to increase the Authorised Capital from Rs.400,00,00,000 to Rs.500,00,00,000 to meet the requirement of additional capital to prepare for Basel-II & Basel III compliance, subject to the approval of Reserve Bank of India.

The Bank may require additional capital in the future to maintain the capital adequacy ratio as prescribed by Reserve Bank of India. Keeping in view the same, it is now proposed to increase the Authorised Capital of the Bank from the present level of Rs. 400,00,00,000 to Rs.500,00,00,000, subject to the approval of the Reserve Bank of India. The proposal also involves alteration of Clause V (Capital Clause) of the Memorandum of Association and Article 2 of the Articles of Association of the Bank.

Accordingly, the Directors recommend Resolution No. 6 of the Notice for approval.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested in the above Resolution.

Place: Thrissur
Date: September 04, 2023

For and on behalf of the Board,
Sd/-
Venkatesh. H
Company Secretary &
Secretary to the Board