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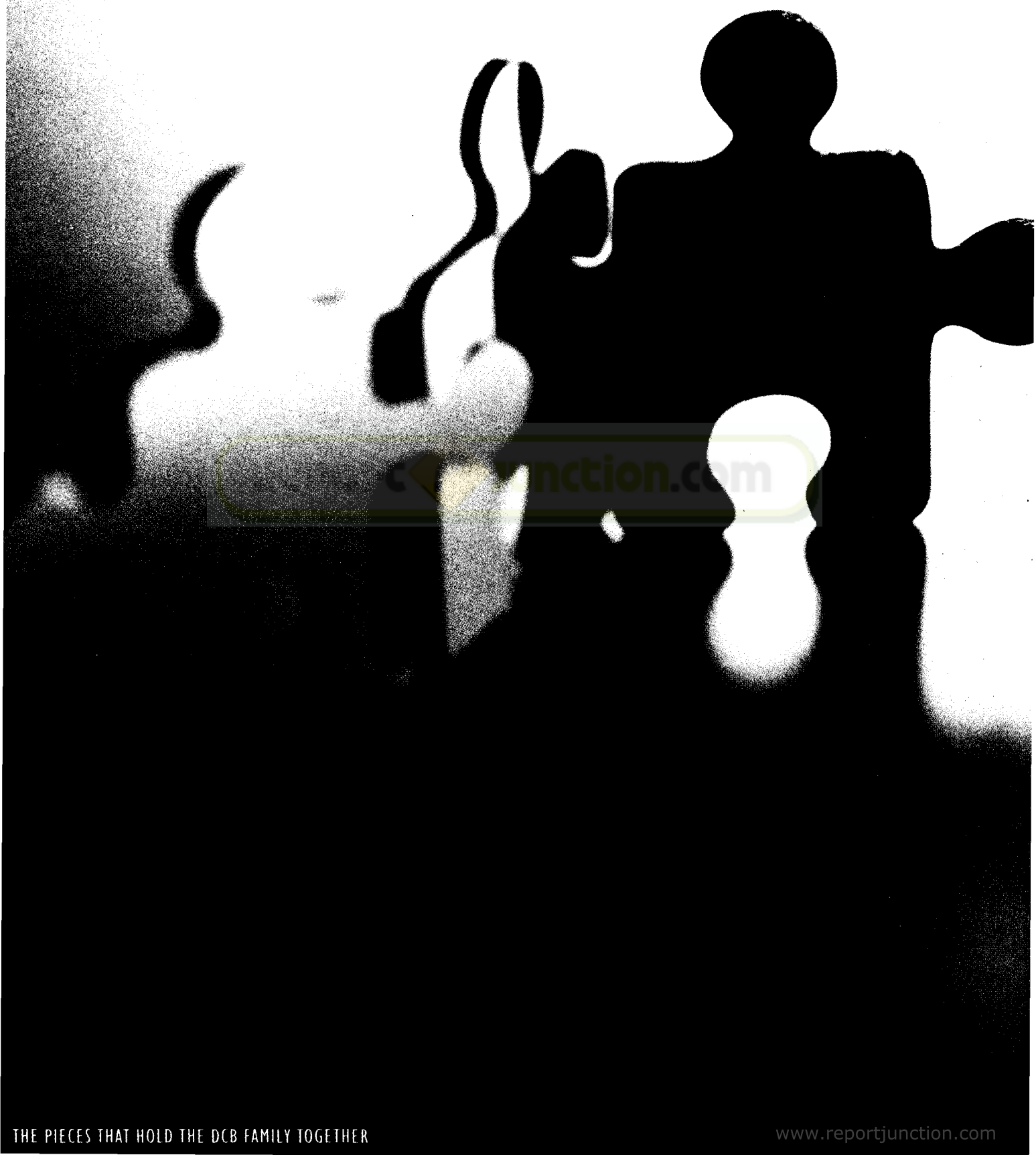
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Chairman

Dr. Naushad I. Padamsee

Directors

Mr. Iain Cheyne
 Mr. A.H. Dossani
 Mr. H.A. Dossani
 Dr. H.A. Kajani
 Mr. S.H. Karim
 Mr. S.V. Khoja
 Mr. N.S. Maknojia
 Mr. A.H. Manekia
 Mr. J.N. Maredia
 Mr. A.H. Merchant
 Mr. M.R. Prasla
 Mr. H.G. Rahimtoola
 Mr. H.B. Rajan
 Mr. Frederic Lucien
 (Alternate to Mr. Iain Cheyne)

Managing Director
 & Chief Executive

Mr. H.V. Sheshadri

Statutory Auditors

M/s. Habib & Co., Mumbai

Senior Management

Head - Corporate Banking
 Head - Credit & Risk Management
 Head - Integrated Treasury
 Head - Personal Financial Services
 Head - Human Resources
 Chief Financial Officer
 General Manager

Mr. Manoj Bhalla
 Mr. T.S. Easwaran
 Mr. Harihar Krishnamoorthy
 Mr. Sandeep Mookerjee
 Ms Archana Shiroor
 Mr. Yogesh Chadha
 Mr. D.A. Muljiani

Company Secretary

Mr. H.V. Barve

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N O T I C E O F A G M

Notice to Members

Notice is hereby given that the Eighth Annual General Meeting of the members of DEVELOPMENT CREDIT BANK LIMITED will be held at BIRLA MATUSHRI SABHAGAR, 19, MARINE LINES, MUMBAI 400 020 on Tuesday, 30th September, 2003 at 4.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Bank as on 31st March, 2003 and the Profit and Loss Account for the financial year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare Final Dividend on Equity Shares.
3. To appoint a Director in place of Dr. H.A. Kajani who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. N. S. Maknojia who retires by rotation and, being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr. A. H. Manekia who retires by rotation and, being eligible, offers himself for reappointment.
6. To appoint a Director in place of Mr. H. G. Rahimtoola who retires by rotation and, being eligible, offers himself for reappointment.
7. To appoint Auditors and fix their remuneration and in that connection to consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT M/s. Habib & Co., Chartered Accountants, Mumbai be and are hereby appointed as the Statutory Auditors of the Bank to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration of such sum(s) as may be fixed by the Board of Directors, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Bank."

SPECIAL BUSINESS:

8. Appointment of Branch Auditors.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary

Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 228 of the Companies Act, 1956, the Board of Directors of the Bank be and is hereby authorised to appoint, in consultation with the Statutory Auditors, the Branch Auditors as and when required, to audit the Accounts in respect of the Branch Offices of the Bank; on such terms and conditions as it may deem fit and to fix their remuneration."

9. Increase in Borrowing Powers.

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

"RESOLVED THAT in supersession of the resolution passed at the Annual General Meeting of the Company held on 30th November 1996 and pursuant to the provisions of Section 293 (1) (d) and any other applicable provisions of the Companies Act, 1956 and subject to the applicable provisions, if any, of the Banking Regulation Act, 1949, the consent of the Company be and is hereby accorded to the Board of Directors for borrowing from time to time any sum or sums of monies, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Bank will exceed the aggregate of the paid-up capital of the Bank and its free reserves, that is to say reserves not set apart for any specific purpose, provided, however, that the total monies so borrowed by the Board of Directors, excluding deposits referred to in Section 293 (4) of the Act and not regarded as borrowings under Section 293 (1)(d) of the Act and outstanding at any time, shall not exceed in aggregate the limit of Rs. 500 crores (Rupees Five Hundred Crores Only)".

10. Alteration in the Articles of Association.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT subject to the approval of the Reserve Bank of India (RBI), if required, and subject to such conditions and modifications as may be prescribed or imposed by the RBI in granting such approval which may be agreed to by the Board of Directors of the Company and pursuant to Section 31 and other applicable



provisions of the Companies Act, 1956, the following clause (d) be and is hereby inserted after clause (c) in Article 14 of the Articles of Association of the Company:-

"(d) Where at any time it is proposed to issue further shares to the shareholders of the Company they shall have the right to renounce the shares only to the existing shareholders."

11. Further Issue of Shares.

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

"RESOLVED THAT in accordance with the provisions of Section 81 (1A) and all other applicable provisions of the Companies Act, 1956 and enabling provisions in the Memorandum and Articles of Association of the Company and circulars, notifications issued by Reserve Bank of India (RBI), and all other concerned authorities, if any, and to the extent necessary and such other approvals, permissions and sanctions of Foreign Investment Promotion Board / Secretariat of Industrial Assistance and Ministry/ies of the Government of India, if any, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them in granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the Board) and/or duly authorised Committee thereof for the time being exercising the powers conferred by the Board, consent of the Company be and is hereby accorded to the Board to issue / offer Equity Shares out of the unissued balance of Equity Shares in the Authorised Capital of the Company as the Board at its sole discretion may at any time hereafter decide for an amount not exceeding Rs. 20.00 crores (Rupees Twenty Crores), through Rights Issue and/or on Private Placement and/or on Preferential basis or otherwise to such persons and at such times and in one or more tranches and on such terms and conditions including the number of Equity Shares to be issued, the face value, rate of premium and the ratio as the Board or Committee thereof for the time being exercising the powers conferred by the Board may in its absolute discretion think fit."


"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors or its Committee be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, appropriate and desirable."

By Order of the Board of Directors
For DEVELOPMENT CREDIT BANK LTD.

Registered Office:

154, S.V. Patel Road (East),
Dongri, Mumbai 400 009.

July 31, 2003.


H. V. BARVE
Company Secretary

NOTES :

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2) The instrument appointing the proxy, in order to be effective, should be duly stamped, completed and signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 3) MEMBER / PROXY SHOULD BRING THE ATTENDANCE SLIP SENT HERewith, DULY FILLED IN, FOR ATTENDING THE MEETING.
- 4) The relative Explanatory Statement, pursuant to Section 173 (2) and other applicable provisions, if any, of the Companies Act, 1956 is annexed hereto.
- 5) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 16th September, 2003 to Tuesday, 30th September, 2003 (both days inclusive).
- 6) Subject to the provisions of Sections 206 and 206A of the Companies Act, 1956, the dividend on the Equity Shares as recommended by the Board of Directors, if declared at the meeting, will be payable to those members whose names appear on the Company's Register of Members on 30th September, 2003.
- 7) Any dividend remaining unclaimed / unpaid for seven years will be transferred to Investor Education and Protection Fund and once so transferred, no claim there against shall be entertained. Balance in Unpaid Dividend (1996-97) account will be due for transfer as per above, in December 2003 / January 2004. Members are requested to take a note thereof and ensure prompt collection of unclaimed dividend, if any.
- 8) MEMBERS ARE REQUESTED TO ADDRESS ALL THEIR CORRESPONDENCE INCLUDING CHANGE OF ADDRESS, MANDATES ETC. TO THE REGISTRARS VIZ. M/S. SHAREPRO SERVICES AT SATAM INDUSTRIAL ESTATE, 3RD FLOOR, ABOVE BANK OF BARODA, CARDINAL GRACIOUS MARG, CHAKALA, ANDHERI (EAST), MUMBAI - 400 099 or AT 912, RAHEJA CENTRE, FREE PRESS JOURNAL MARG, NARIMAN POINT, MUMBAI - 400 021.

DEVELOPMENT CREDIT BANK LIMITED

Annexure to the Notice.

Explanatory Statement as required by section 173(2) and other applicable provisions, if any, of the Companies Act, 1956, annexed to and forming part of the Notice dated July 31, 2003.

ITEM NO. 8

Section 228 of the Companies Act, 1956, requires that where the Company in General Meeting decides to have the accounts of a Branch Office, audited other than by the Statutory Auditors, the Company in that meeting shall for the audit of those accounts appoint a person(s) qualified for the appointment as auditors of the Company under Section 226 of the Companies Act, 1956 or shall authorise the Board of Directors to appoint such person(s) in consultation with the Statutory Auditors. For operational convenience, it is proposed to authorise the Board of Directors to appoint such Branch Auditors in consultation with the Statutory Auditors for audit of accounts of the Branches of the Bank and to fix the terms and conditions and remuneration of such Branch Auditors.

The Board recommends the approval by the members of the resolution at item No. 8 of the accompanying notice.

None of the Directors of the Company are interested in the said Resolution.

ITEM NO. 9

The Bank has embarked on consolidation and ambitious growth plan which presupposes technology upgradation, quality loan book of a larger size, creation of an environment for high growth, introduction of new and innovative products, both on assets and liabilities sides, network of ATMs, capabilities for connectivity and transmission of funds, internet banking, etc. In order to acquire an edge over the established competition, procuring of funds at effectively low costs for long-term and short-term deployments is imperative. Existing levels permissible for raising the funds by borrowings offer a limited scope in the area for consolidation and growth as under the extant provisions of the Companies Act, 1956 the Board of Directors cannot borrow in excess of paid-up capital and free reserves without the consent of the shareholders.

The Bank is, therefore, approaching the members for the consent to the Board of Directors to borrow monies in excess of the paid-up capital and free reserves of the Bank, such that the monies so borrowed, excluding the deposits referred to in Section 293 (4) of the Companies Act, 1956 and not regarded as borrowings for the purpose of Section 293 (1)(d) of the said Act and outstanding at any time shall not in aggregate exceed the limit of Rs. 500.00 crores (Rupees Five Hundred Crores Only).

The Board recommends the approval by the members of the resolution at item No. 9 of the accompanying notice.

None of the Directors are interested or concerned in the said resolution.

ITEM NO. 10

Your Company has a majority of members who are traditional investors in the Bank. It is proposed to provide suitable provisions in the Articles of Association to enable the shareholders to renounce their rights only to the existing shareholders.

The Board recommends the approval by the members of the resolution as a Special Resolution at item No. 10 of the accompanying notice.

A copy of Memorandum and Articles of Association of the Company, together with the proposed alteration, will be available for inspection by the Members at the Registered Office of the Company, between 11.00 am and 1.00 pm on all working days.

The Directors are deemed to be interested in the said resolution to the extent of the shares held by them.

ITEM NO. 11

The Bank needs resources for various reasons as already explained in the explanatory statement at Item No. 9. While attempting to raise borrowed resources, it shall also be an endeavour to increase the owned funds of the Bank. This will further augment the Tier I resources and improve the Capital Adequacy Ratio of the Bank. To raise these resources in a cost effective manner, at opportune times and on various terms and conditions including consideration, premium, ratio etc., which the Board deems appropriate, the approval of the members is requested to give authority to the Board to enable and raise the Capital by issuing further shares for an amount not exceeding Rs. 20 crores.

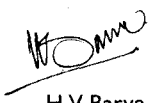
The Board recommends the approval of the resolution by the members as a Special Resolution as required under Article 14(b) of the Articles of Association of the Company at item No. 11 of the accompanying notice.

The Directors may be deemed to be interested in the said resolution to the extent of the shares, if any, that may be offered and allotted, to them.

By order of the Board of Directors
For Development Credit Bank Ltd.

Registered Office:
154, S.V. Patel Road (East),
Dongri, Mumbai 400 009.

July 31, 2003.


H.V. Barve
Company Secretary



