



Investor Presentation

March 2016

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Overview

Vision & Mission

Journey so far

Profile of Board of Directors

Profile of Key Management Personnel

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Summary of Financials

Way Forward

Appendix: Supplementary Information - Distribution Network & Key Milestones

VISION

Banking on Relationships forever





MISSION

To Become a Strong and Innovative Bank with Integrity and Social Responsibility to Maximize Customer Satisfaction as well as that of the Employees, Shareholders and the Society.





The Journey so far

- Dhanlaxmi Bank, over the last 89 years has been earning the trust and goodwill of its customers through its motto of relationship driven banking.
- The Bank had a humble beginning on 14th November 1927 and on its 50th Anniversary, the Bank got elevated as a Scheduled Commercial Bank and opened its first branch outside the state of Kerala.
- Now in it's 89th year of customer service, the Bank has spread its reach through a Pan India presence of 678 outlets in 15 states/UTs (280 branches, 398 ATMs)
- Well established & recognised brand in Southern India (especially due to business dominance among the religious trusts and Govt. enterprises segment) wherein the Bank serves as a primary banker to the three largest temple trusts in the state of Kerala (Sabarimala, Guruvayoor and Shri. Padmanabhaswamy temple – Thiruvananthapuram).
- The Bank continues to focus actively on its financial inclusion initiatives (thrust areas of GOI and RBI) through microfinance funding to Self Help Groups in under privileged sections of the society and has also earned recognition & rewards at the State level for its leadership position & exemplary services in this area.

Profile of Board of Directors

	Name	Designation	Experience & Other Directorships
	Dr. Jayaram Nayar	Part-time Chairman	<p>He carries with him 36 years of experience in banking and higher education. He served the Reserve Bank of India for 17 years in various departments including Currency, Accounts, Bank Examination and Regulation Departments. He is also a Certified Associate of the Indian Institute of Bankers. with a Doctorate n Economics from the University of Kerala.</p>
	Mr. G. Sreeram	MD & CEO	<p>Took charge as MD&CEO on 6th April, 2015. Prior to this , he was the Chief General Manager, Mumbai Circle of Canara Bank. Mr. G. Sreeram has 35 years of banking experience in Canara Bank. He was also Director of Canara Robecco Asset Management Company Limited Canara Bank Securities Ltd. and Senior Vice President of Canbank Venture Capital Fund Ltd. He was also DGM at London Branch of Canara Bank for 2 years handling credit, investments and forex. An engineering graduate, he is also a Certified Associate of the Indian Institute of Bankers and a postgraduate in Personnel Management & IR.</p>
	Mr. P. Mohanan	Independent Director	<p>He has 35 years of Banking experience and retired as General Manager of Canara Bank. While at Canara Bank, he was part of the core team for the Canara Bank's IPO and also contributed in the formulation of Bank's corporate governance policy. He has undergone various Executive Development Programs at IIM Ahmedabad, ISB Hyderabad and training in Microfinance at Bank Rakia, Indonesia.</p>
	Mr. Chella K Srinivasan	Independent Director	<p>Mr. Chella K Srinivasan is a Practicing Chartered Accountant for more than 32 years and has professional expertise in accounting, auditing and corporate taxation. He has varied experience in audits of manufacturing companies, hotels, Insurance companies, NBFCs and Banks (Statutory Audits of Bank of India and RBI). On behalf of his firm, he has carried out inspection of NBFC registration as directed by the RBI and also NSE members on behalf of SEBI. Mr. Srinivasan is the past National President of the Indo-American Chamber of Commerce (IACC) and was also a member of the Vision Committee of the Institute of Chartered Accountants of India.</p>

Profile of Board of Directors

	Name	Designation	Experience & Other Directorships
	Dr. Lakshmy Devi K.R	Independent Director	<p>Dr. Lakshmy Devi K.R. was Head of Department of Economics of University of Calicut. She completed her Ph.D in Economics from Calicut University in 1986. Her post doctoral experience includes Ford Foundation Post Doctoral Fellowship at University of Maryland , Washington DC, U.S.A and Senior Fellowship of the Social Sciences Research Council, New York, U.S.A.</p>
	Mr. E. Madhavan	Independent Director	<p>Mr. E. Madhavan has 37 years of service with the Reserve Bank of India in various departments concerned with banking supervision, NBFC regulation, rural credit, currency management, internal debt management, foreign exchange management, etc. He has also served as faculty at the Bankers Training College in RBI. He has also served as Banking Ombudsman for Kerala and Lakshadweep.</p>
	Mr. Susobhan Sinha	Additional Director	<p>Mr. Susobhan Sinha, General Manager (Department of Non Banking Supervision, Reserve Bank of India – Bengaluru), is an Additional Director on the Board as RBI nominee.</p>
	Mr. S T Kannan	Additional Director	<p>Mr. S. T Kannan has been appointed as Additional Director on the Board by Reserve Bank of India. He is also serves as a faculty member at Staff Training College, Chennai.</p>

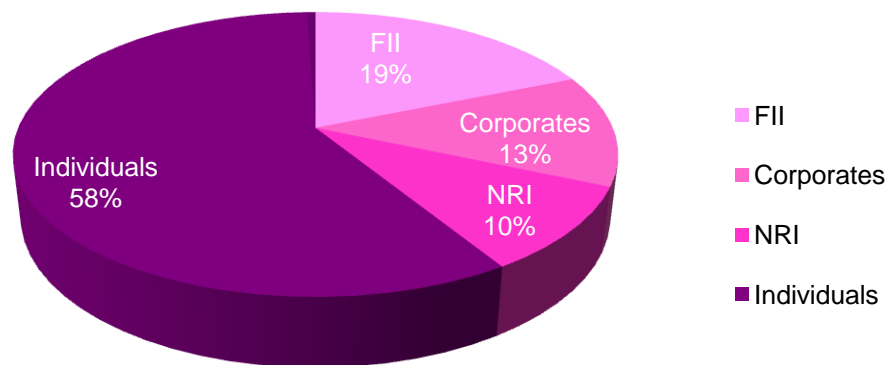
Profile of Key Management Personnel

Name	Designation	Experience
Mr. P. Manikandan	Chief General Manager	<ul style="list-style-type: none"> ▪ Experience of 36 years in banking sector ▪ Experience of 10 years in Planning, Operations, Credit, HRD, Inspection, Vigilance, Third Party Products, Premises and Cash Management System areas of the Bank. ▪ He is a PGDCA and M Com. LLB. He is also a Certified Associate of the Indian Institute of Bankers.
Mr. A. Rajan	General Manager	<ul style="list-style-type: none"> ▪ Experience of 37 years with Canara Bank in various positions across cadres at Regional Offices, Head Office and with sponsored exchange companies in Dubai. ▪ Expertise in handling legal issues, industrial relations matters, service matters, disciplinary matters etc. ▪ He holds a LLB degree post his graduation in Science.
Mr. A.K.S.Namboodiri	General Manager (Risk Based Supervision & Information Technology)	<ul style="list-style-type: none"> ▪ Experience of 36 years out of which 20 years with Canara Bank in various positions. ▪ Worked with Tata Consultancy Services as Senior Consultant. He was handling various projects for foreign Banks in Business Process Re-engineering consultancy, implementation of Core banking System, Card Management System, System Designing and Development of retail lending module, banking applications, risk management, internal audit etc. ▪ He has done his post graduation in Science.
Mr. Chandran L	Chief Compliance Officer	<ul style="list-style-type: none"> ▪ Experience of 25 years in banking/financial sector. Worked in Branch, Zonal Office, Credit Department (SME & Corporate underwriting). He also headed Integrated Risk Management Department of the Bank. Had a key role in formulation of Credit Policy, Credit Appraisal Formats and Credit Rating Models of the Bank. ▪ Worked in Government sector, Public Sector Financial Institution for 7 years and Bank for 16 years in different capacities in various geographical areas. ▪ A post graduate in Science, he holds an MBA and B. Ed. degree and also is a Certified Associate of the Indian Institute of Bankers.

Profile of Senior Management

Name	Designation	Experience
Mr. Ajith Prasad G.S	Chief Credit Officer (Officiating)	<ul style="list-style-type: none"> ▪ Experience of 36 years with Dhanlaxmi Bank. ▪ Currently he is the officiating Chief Credit Officer of the Bank ▪ Experience in Branch Banking, Operations and Credit functions of the Bank ▪ He holds a Bachelors degree in Science
Mr. Bhasi K V	Chief Financial Officer	<ul style="list-style-type: none"> ▪ Experience of 28 years in diverse areas of Banking, Finance & Accounts, Fund Management, Statutory Compliance, IT / Service tax returns and appeals etc. ▪ He was previously working with Sunrise Group as General Manager, Finance & with South Indian Bank as AGM and headed Treasury, Risk Management functions also during his tenure. ▪ He is an Associate member of Institute of Chartered Accountants of India (ACA) and a Certified Associate of the Indian Institute of Bankers (CAIIB).
Mr. Santosh Kumar Barik	Company Secretary	<ul style="list-style-type: none"> ▪ He is an Associate Member (ACS) of the Institute of Company Secretaries of India (ICSI) and was previously working as Asst. Company Secretary at Manappuram Finance Ltd. ▪ He is also having rich experience in handling Secretarial Audit, IPO diligence, Appointing Merchant Bankers, Compliance, Liaisoning with Regulators, Conducting board meeting & Annual Report Preparations etc. ▪ He is a CS with a post graduation in Commerce.

Shareholding pattern



Individual Investors (incl. NRI) with shareholding more than 1% (As on March 31, 2016)

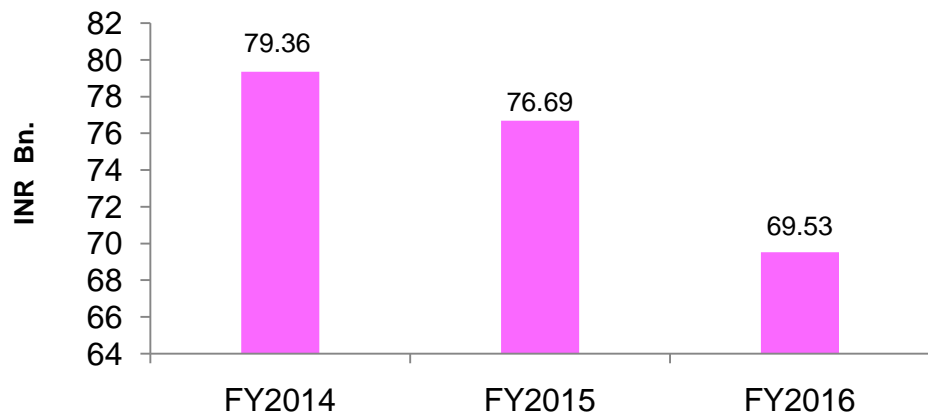
B RAVINDRAN PILLAI	4.99
YUSUFFALI MUSALIAM VEETIL ABDUL KADER	4.31
SHITAL RAGHU KATARIA	3.75
P RAJA MOHAN RAO	3.61
KAPILKUMAR WADHAWAN	3.49
VIRAL AMAL PARIKH	3.21
MOHANACHANDRAN NAIR B	2.28
DEEPA ARUN KUMAR	1.97
HAREENDRAN C K	1.97
LAVINA ASHISH GOENKA	1.56
GOPINATHAN C K	1.41
DILIPKUMAR LAKHI	1.40
JINSHA NATH C K	1.30

Institutional Investors with shareholding greater than 1% (As on March 31, 2016)

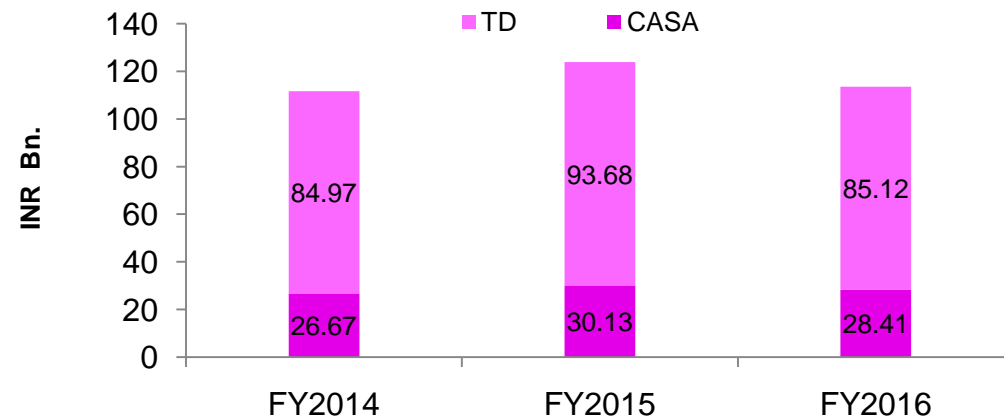
ELARA INDIA OPPORTUNITIES FUND LTD.	3.49
ANTARA INDIA EVERGREEN FUND LTD.	3.44
MARSHAL GLOBAL CAPITAL FUND LTD.	3.10
RELIANCE LIFE INSURANCE COMPANY LIMITED	3.00
PREMIER CAPITAL AND SECURITIES PVT LTD	2.25
JUPITER INDIA FUND	1.94
INDIA MAX INVESTMENT FUND LTD.	1.55
LOTUS GLOBAL INVESTMENTS LTD.	1.38
HYPNOS FUND LTD.	1.38
JUPITER SOUTH ASIA INVESTMENT CO. LTD.	1.09

Business Parameters

Advances (Net)

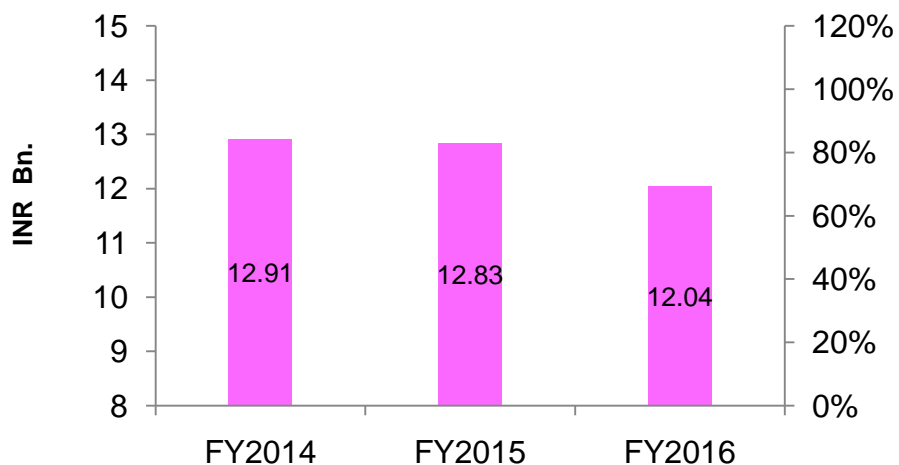


Deposits



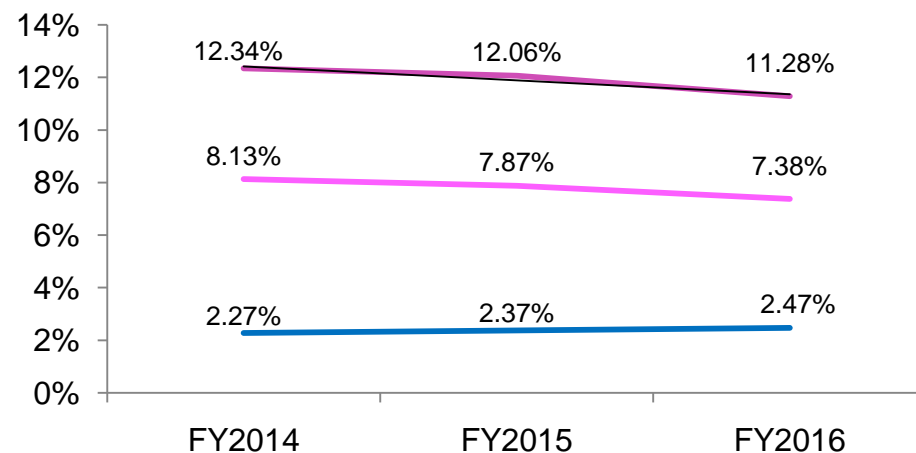
Interest Income

Interest Earned



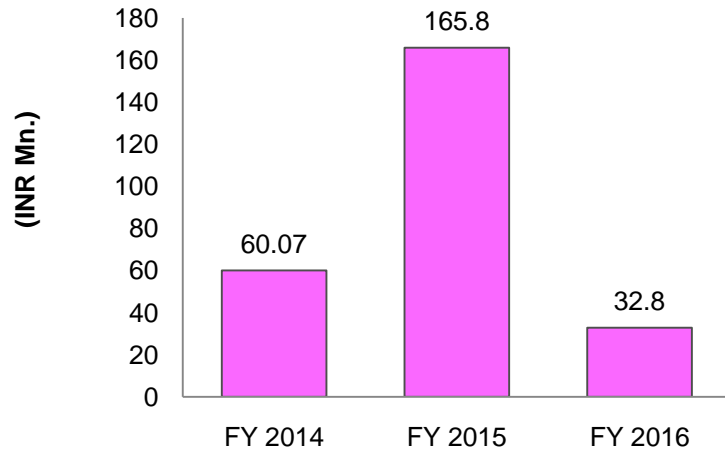
Yield on advances, Cost of Deposit and NIMs

Yield on advances, Cost of Deposit, NIMs

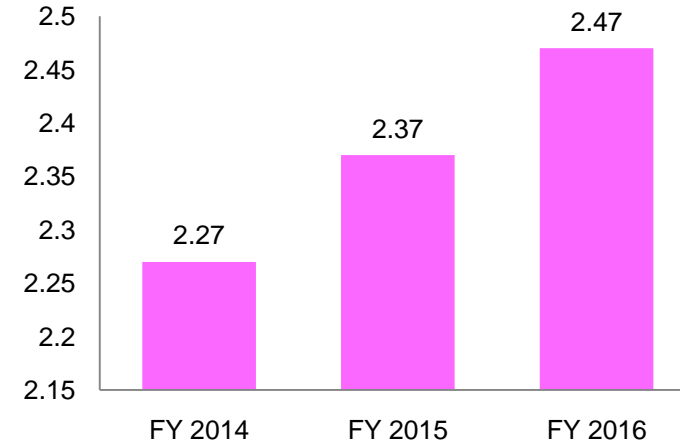


Operational Efficiency & Profitability

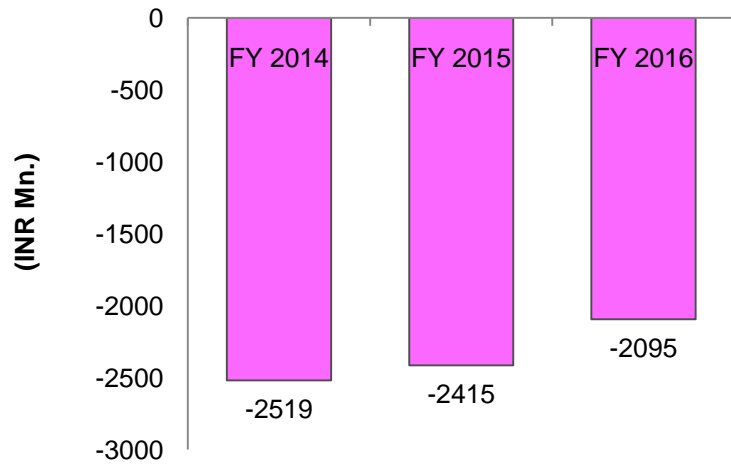
Operating Profit



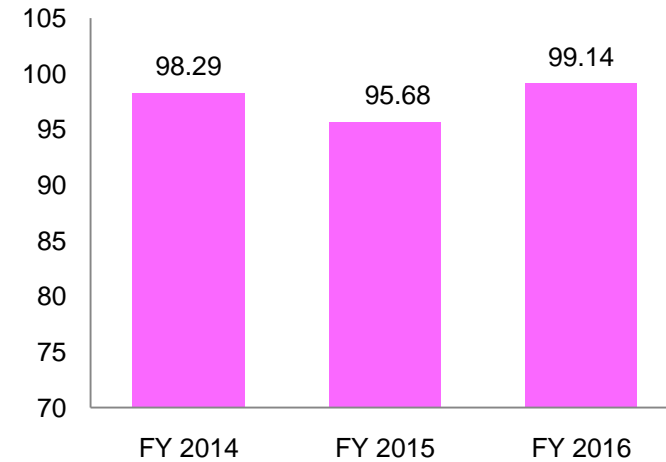
Net Interest Margin (%)



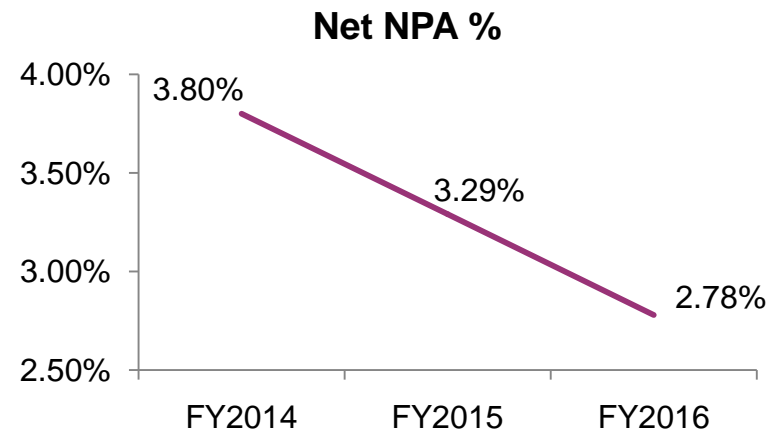
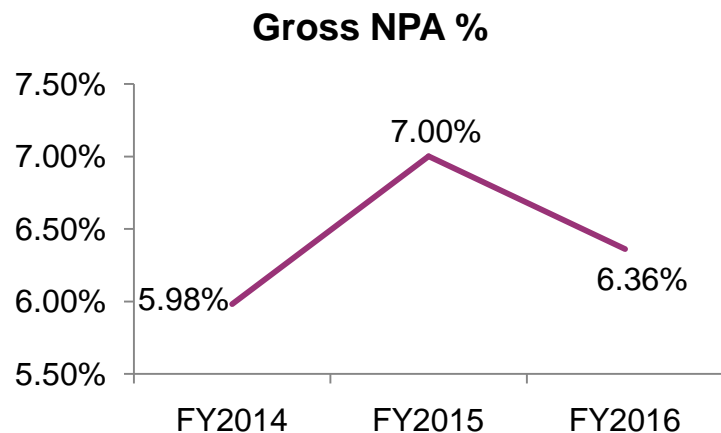
Profit After Tax



Cost Income Ratio (%)



NPA Position



The Integrated Risk Management Department of the Bank validates the ratings assigned to all exposures of Rs. 10.0 Mn. and above and out of total standard advances as on 31st March 2016, **32%** advances are rated A & above and **87%** advances are rated B and above.

Capital Adequacy

<i>Parameters</i>	<i>FY 2014</i>	<i>FY 2015</i>	<i>FY 2016</i>
<i>Basel III CRAR %</i>	<i>8.67</i>	<i>9.59</i>	<i>7.51</i>
<i>Core CRAR- Basel- III (%)</i>	<i>6.99</i>	<i>7.42</i>	<i>6.12</i>

Summary of Financials – Profit & Loss Account

(Figures in INR Mn.)

Particulars	FY 2014	FY2015	FY 2016
Interest Income	12920	12836	12043
Interest Expenses	10118	9848	8996
NET INTEREST INCOME	2801	2988	3047
Other Income	734	850	767
<u>Operating Expenses</u>			
- Staff Cost	1892	2115	2132
- Other Expenses	1583	1467	1677
Provisions	2579	2671	2100
PROFIT AFTER TAX	(2518)	(2416)	(2095)

Summary of Financials – Balance Sheet

(Figures in INR Mn.)

Particulars	FY 2014	FY2015	FY 2016
Capital	1259	1774	1774
Reserves	6104	5464	3305
Deposits	121332	123817	113538
Borrowings	13356	9414	2519
Other Liabilities	4825	3050	3494
TOTAL LIABILITIES	146876	143519	124630
Cash/ Bank Balance	16753	12901	8331
Investments*	44823	44967	37923
Advances	79360	76698	69527
Fixed Assets	2124	2028	1789
Other Assets	3816	6925	7060
TOTAL ASSETS	146876	143519	124630

* Adjusted regrouping of Investments in RIDF, MSME etc.

Summary of Key Ratios

Particulars	FY2014	FY2015	FY2016
Credit Deposit Ratio	66.92%	64.41%	63.57%
CASA Ratio	21.99%	24.34%	25.03%
Gross NPA	5.98%	7.00%	6.36%
Net NPA	3.80%	3.29%	2.78%
Cost to Income Ratio %	98.29%	95.68%	99.14%
OPEX as a % of Total Income	25.45%	26.83%	29.52%
Net Interest Margin	2.27%	2.37%	2.47%
ROA	(1.86%)	(1.77%)	(1.61%)
ROE	(37.39%)	(24.14%)	(44.93%)

Way Forward



Appendix – Supplementary information

Key Milestones Achieved

1927	1977	1986	1989	1996	1998	2002	2007
Incorporated in Thrissur, Kerala	<ul style="list-style-type: none"> ▪ Designated as scheduled commercial bank by the Reserve Bank of India (RBI) ▪ Opened first branch outside Kerala and crossed 50 strong branches network 	Total business of Rs. 1000 Mn.	First branch outside southern region was opened in Mumbai	Raised Rs. 240 Mn. in IPO and listed Equity Shares on the NSE , BSE and the Cochin Stock Exchange	First north Indian branch opened in New Delhi	Raised Rs. 270 Mn. in a Rights Issue	Total business* of Rs. 50,000 Mn. 80th Anniversary year

2008	2009	2010	2011	2012	2013	2014
Total business* of Rs. 75,000 Mn. Second Rights Issue	<ul style="list-style-type: none"> • Recorded net profit of Rs.574.5 Mn. • Awarded “Best Bank in the Private Sector” by the State Forum of Banker’s Club • Opened 200th branch 	Launched new “Dhanlaxmi Bank” brand Raised Rs. 3,800Mn. by QIP. 250th branch opened Total business* Rs.1,00,000Mn.	<ul style="list-style-type: none"> ▪ Awarded the “Best Mid-sized Bank in Growth Category” by Business Today-KPMG survey • Awarded the Information Week EDGE Award 2011 for IT transformation. 	Awarded the Asian Banker Technology Implementation award - International award for Best branch automation . Raised Rs. 1167 Mn by Tier II Bonds	Raised Rs. 1167.5 Mn. of Equity through QIP and Preferential Allotment	Raised Rs.2968.6 Mn. by way of Preferential Allotment in April 2014 & August 2014

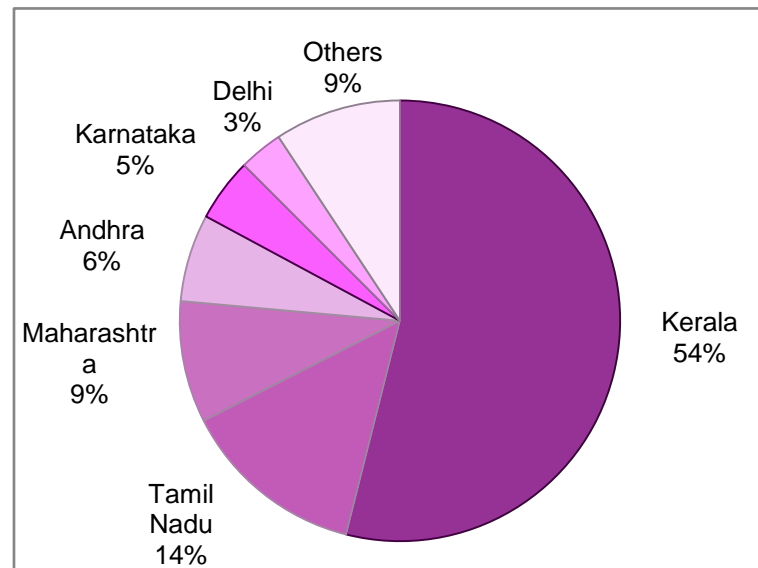
* Business refers to total of advances and deposits

Broad based Distribution Network

Branches Profile (As on March 31, 2016)

- As of March 31, 2016 the Bank has 678 customer outlets which includes 280 branches and 398 ATMs.
- As of March 31, 2016 the Bank is present in 15 states/UTs with 280 branches :
 - ⇒ Metro Branches – 65
 - ⇒ Urban Branches – 85
 - ⇒ Semi-Urban Branches – 106
 - ⇒ Rural Branches – 24

Branches Profile (As on March 31, 2016)



Thank You