

# **Dhanalakshmi Bank Limited**

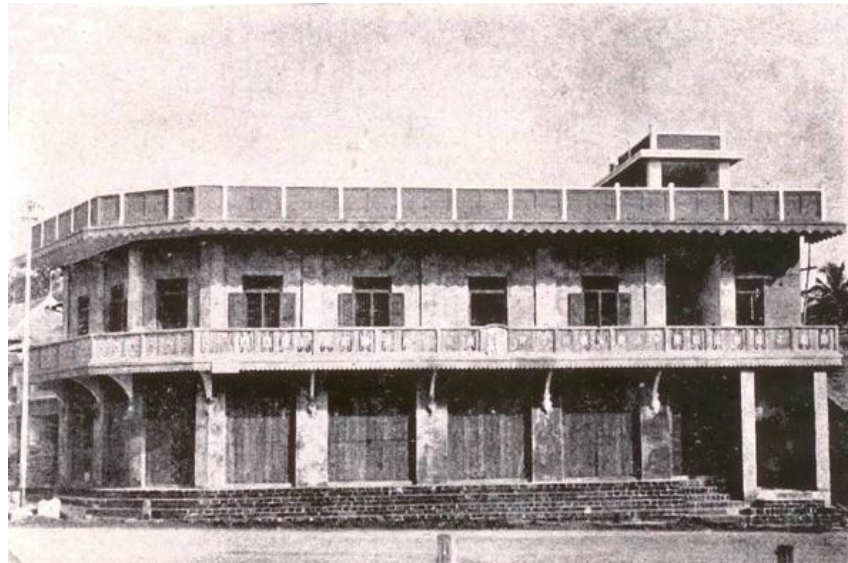
**July 2009**

## Origin

7 employees

Nov 14, 1927  
Trichur

Capital of  
11,000



Conferred Scheduled Commercial Bank status in 1977

## About the Bank

- **A Bank with a pan India presence - 207 branches and 73 ATMs**
- **Special focus on Micro Credit**
- **A tech savvy Bank with 100% business under Core Banking Solutions**
- **Rupee drawing arrangements in force with 8 Exchange Companies**
- **Bancassurance: entered into agreement with Bajaj Allianz Group for distribution of life and non life insurance**
- **Special skills in managing the accounts of over 1,200 temples in Kerala**

## Board of Directors

Name	Age	Total Work Experience
<b>Mr. G.N. Bajpai</b>  <b>Chairman</b>	66	He has had a distinguished career in the Indian financial sector and is currently Director of Future Generali Life Insurance, Future Generali Insurance, Invent ARC Private Limited, Informerics Valuation and Rating Private Limited. He is the ex-chairman of Life Insurance Corporation & Securities Exchange Board of India (SEBI)
<b>Mr. Amitabh Chaturvedi</b>  <b>MD &amp; CEO</b>	41	A Chartered Accountant by qualification having experience of over 18 years in the areas of Banking, Asset Management, Investment Banking. Life Insurance, General Insurance, Broking & Distribution. He was the Group President of Reliance Capital Limited and was in charge of financial services arm of Reliance ADA group. Prior to the Reliance Group, he was in charge of the Retail Banking group at ICICI. Mr. Chaturvedi was appointed on the Board of the Bank on October 10, 2008.
<b>Mr. Shailesh Haribhakti</b>	53	A Chartered Accountant by qualification, he is the only Indian Member on the Standards Advisory council of the International Accounting Standards Board (IASB). He is the Chairman of FPSB, India. He is a Committee member of Futures & Options segment of NSE, SEBI Committee on Disclosure and Accounting Standards, Managing Committees of ASSOCHAM and IMC, and Corporate Governance Committees of ASSOCHAM and CII. He has been awarded "The Best Non Executive Independent Director Award - 2007" by the Asian Centre for Corporate Governance and IMC in January 2008.

## Board of Directors (continued...)

Name	Age	Total Work Experience
<b>Mr. S. Santhanakrishnan</b>	64	Retired as Deputy Managing Director of SBI after serving them 36 years. An independent Director on Board. He was also the executive Chairman of Credit Information Bureau (India) Limited (CIBIL).
<b>Mr. K. S. Reddy</b>	56	He has been in Indian Civil Services for over 16 years and worked in Ministries of Planning and Programme Implementation, Food Processing Industries, Defense, Communications, Welfare and Tourism and Civil Aviation.
<b>Mr. Vidyadhara Rao Chalasani</b>	64	An additional / independent director on board. He has over three decades experience in financial services. Currently, he is the Director of Advice America (California, USA). During 1987-2000, he was the chief investment strategist of Wachovia Securities.

## Key Details - as at June 30, 2009

207  
Branches

73  
ATMs

CRAR  
14.14%

100%  
CBS

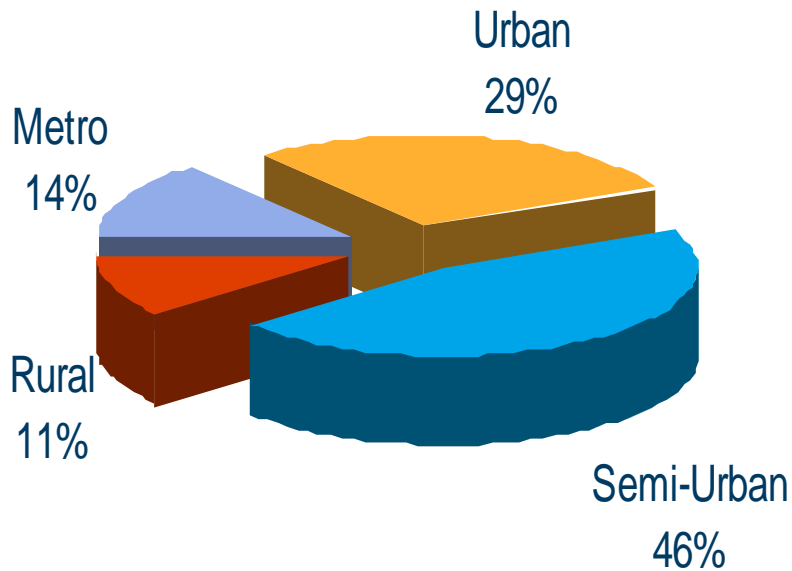
2.38%  
NIM

Net NPA  
0.96%

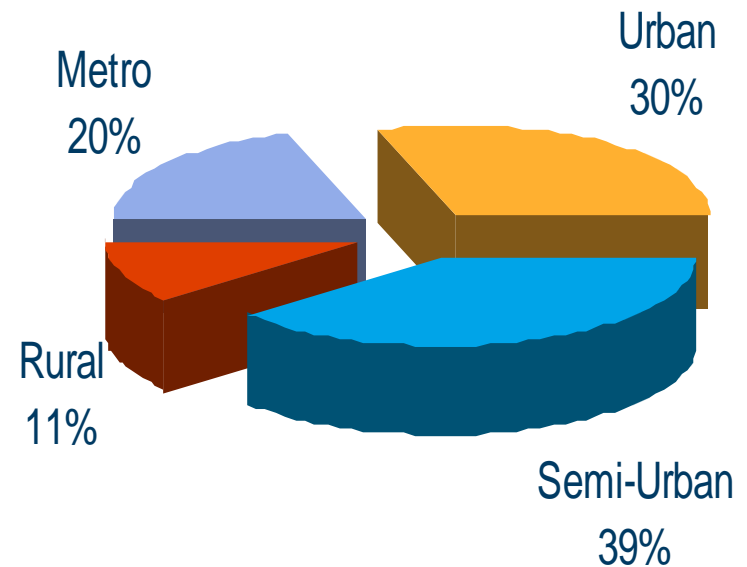
1,478  
employees

## Branches - Backbone for the Retail initiative

**Existing - 207**



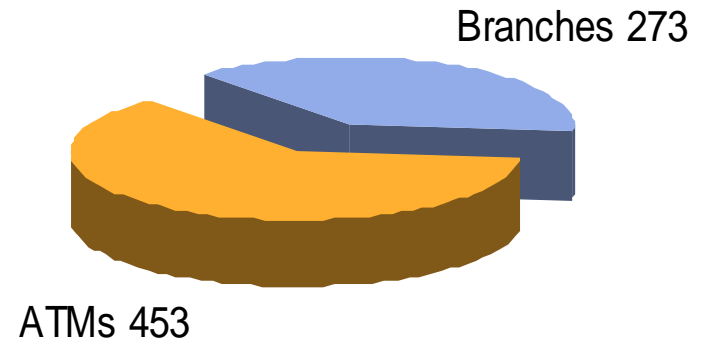
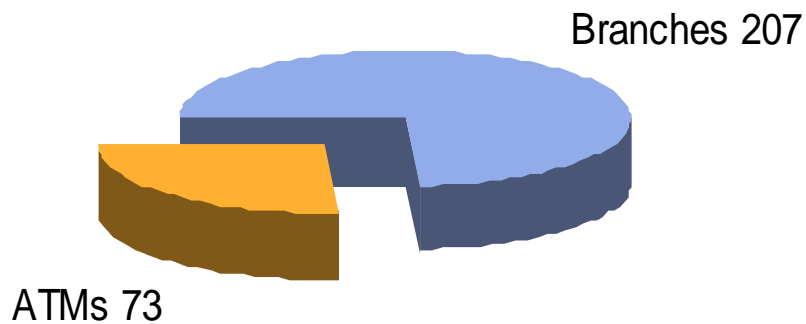
**Proposed - 273**



## Increased Touch Points by March 2010

**Existing - 280**

**Proposed - 726**



*A “use and pay” model for setting up of new ATMs*



## Improved credit ratings

	Current	Previous
<b>ICRA Limited</b>		
Subordinated Debt		
- <i>Lower Tier II Bonds</i>	<i>LA-</i>	<i>LBBB+</i>
<b>Credit Analysis and Research (CARE) Limited</b>		
Subordinated Debt		
- <i>Lower Tier II Bonds</i>	<i>A-</i>	<i>BBB</i>

- **Upgrades reflect higher market confidence in the management's overall strategy & superior execution abilities**
- **The Bank plans to issue Lower Tier II bonds worth Rs. 150 crores in September 2009**
- **The Bank plans to raise additional Rs. 200 crores of Tier II capital (post the above issuance) in the near future to fund its ambitious growth plans**

# **Financial Information**

## Financial Result (Q1 2009-10)

*Rs. in crores*

Particulars	Q1 2009	Q1 2010	Growth (%)
Interest Income	86	121	+41.0
Non Interest Income	14	15	+4.4
<b>Total Income</b>	<b>100</b>	<b>136</b>	<b>+35.7</b>
Interest Expenses	60	90	+50.5
Operating Expenses	25	32	+31.7
Operating Profit	15	13	-15.4
Net Profit	10	10	+6.3
Cost / Income ratio (%)	61.3	71.2	-

- One of the highest QoQ growth in Interest Income among peers
- High growth in expenses due to aggressive ramp up in employee strength and setting up of additional branch operations

## Performance Ratios

Particulars	FY 2008	FY 2009	Q1 2009	Q1 2010
Net Interest Margin (%)	3.11	2.97	3.00	2.38
Credit Deposit Ratio (%)	59.96	65.31	61.00	71.04
Return on Assets (%)	0.76	1.21	0.97	0.71
Capital Adequacy Ratio (%)	9.21	14.44 (Basel I) 15.38 (Basel II)	17.31	13.38 (Basel I) 14.14 (Basel II)
Gross NPA Ratio (%)	2.95	1.99	2.87	1.92
Net NPA Ratio (%)	0.88	0.88	0.98	0.96

## Credit - Deposit Growth

*Rs. in crores*

Particulars	FY 2008	FY 2009	Absolute Growth	Growth (%)
CASA	1,055	1,208	153	+14.5
CASA (%)	29.2	24.3	-	-
Term Deposits	2,553	3,761	1,208	+47.3
Total Deposits	3,608	4,969	1,360	+37.7
Total Advances	2,102	3,196	1,094	+52.0

Particulars	30.06.2008	30.06.2009	Absolute Growth	Growth (%)
CASA	1,130	1,126	(4)	-0.4
CASA (%)	29.5	22.2	-	-
Term Deposits	2,699	3,945	1,245	+46.1
Total Deposits	3,829	5,071	1,241	+32.4
Total Advances	2,207	3,489	1,282	+58.1

## Shareholding Pattern

Stakeholders	June 30, 2009		March 31, 2009	
	Shares in million	%	Shares in million	%
Resident Individuals	29.1	45.38	28.8	44.91
Foreign Institutional Investors	14.8	23.04	14.7	23.00
Corporate Bodies	13.3	20.72	12.4	19.37
Non Resident Indians	3.5	5.47	3.5	5.41
Banks / Financial Institutions	2.7	4.16	4.3	6.76
Others *	0.8	1.23	0.4	0.55
<b>Total</b>	<b>64.1</b>	<b>100.00</b>	<b>64.1</b>	<b>100.00</b>

\* Includes insurance companies, Mutual funds, Trusts and Clearing members

***Thank You***