

Dhanalakshmi Bank Limited

October 2009

Key Details - as at September 30, 2009

207
Branches

73
ATMs

CRAR
14.93%

100%
CBS

2.12%
NIM

Net NPA
0.86%

2,162
employees

Financial Information

Financial Result (Q2 2009-10)

Rs. in crores

Particulars	Q2 - 2010	Q2 - 2009	Y-o-Y growth	H1 - 2010	H1 - 2009	Y-o-Y growth
Interest Income	123.7	96.2	29%	244.3	181.8	35%
Non Interest Income	27.4	11.9	131%	42.4	26.3	61%
Total Income	151.1	108.1	40%	286.7	208.1	39%
Interest Expenses	96.5	65.8	47%	186.8	125.7	49%
Operating Expenses	43.5	28.2	54%	75.8	52.7	44%
<i>Staff costs</i>	<i>26.0</i>	<i>16.3</i>	<i>60%</i>	<i>44.2</i>	<i>29.2</i>	<i>51%</i>
Provisions	2.8	(0.3)	-	4.2	2.8	50%
Profit before tax	8.3	14.4	(43)%	19.9	26.9	26%
Provision for tax	2.0	5.6	(64)%	3.5	8.6	(59)%
Net Profit	6.3	8.8	(29)%	16.4	18.3	(10)%

- Decline in NII due to shift in lending focus to the corporate segment
- Opex rise attributed to increase in employee strength by ~800 and branch infrastructure setup costs

Performance Ratios

Particulars	Sept 30, 2009	June 30, 2009	Mar 31, 2009	Sept 30, 2008
Capital Adequacy Ratio				
<i>Basel I (%)</i>	14.93	13.38	14.44	15.56
<i>Basel II (%)</i>	15.90	14.14	15.38	-
Gross NPAs (Rs. in cr.)	70.26	67.96	64.43	64.32
Net NPAs (Rs. in cr.)	34.43	33.70	28.24	22.68
Gross NPA Ratio (%)	1.73	1.92	1.99	2.54
Net NPA Ratio (%)	0.86	0.96	0.88	0.91

Particulars	Q2 2010	Q1 2010	H1 2010	H1 2009
Net Interest Margin (%)	1.91	2.38	2.12	3.32
Cost / Income ratio (%)	79.71	71.15	75.82	64.02
Credit Deposit Ratio (%)	74.17	71.04	74.17	66.04
Return on Assets (%)	0.50	0.71	0.54	0.88

Credit - Deposit Growth

Rs. in crores

Particulars	Sept 30, 2009	June 30, 2009	Mar 31, 2009	Sept 30, 2008	Y-O-Y growth
CASA	1,244.9	1,126.0	1,207.6	1,209.5	3%
CASA (%)	22%	22%	24%	31%	-
Term Deposits	4,384.6	3,944.6	3,761.1	2,726.8	61%
Total Deposits	5,629.4	5,070.6	4,968.8	3,936.2	43%
Total Advances (net)	4,001.8	3,488.6	3,196.1	2,490.4	61%

- Deposits increased by 43% vis-à-vis 20% expansion in the industry
- Growth in Advances (+61%) outpaced the industry growth of 13%

Qualitative comments

- Issued Rs.150 crores of Tier II capital @ 10.30% p.a. and maturity of 67 months to high networth NRIs
- Rolled out project based lending to SHG members for Mini-Dairies/ Rural Housing
- New micro-insurance product from Bajaj for Life as well as General Insurance
- Launched internet banking services for our customers
- Appointed Ogilvy & Mather and FITCH to chart out a new brand proposition and communication strategy
- Top notch rating of PR1+ from CARE for its Certificate of Deposit programme
- Awarded Best bank in the private sector at the Banking Excellence Awards instituted by the State Forum of Bankers' Clubs

Shareholding Pattern

Stakeholders	September 30, 2009		June 30, 2009	
	Shares in million	%	Shares in million	%
Resident Individuals	27.9	43.55	29.1	45.38
Foreign Institutional Investors	14.9	23.30	14.8	23.04
Corporate Bodies	15.0	23.34	13.3	20.72
Non Resident Indians	3.5	5.46	3.5	5.47
Banks / Financial Institutions	0.7	1.06	2.7	4.16
Others *	2.1	3.29	0.8	1.23
Total	64.1	100.00	64.1	100.00

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

Thank You