

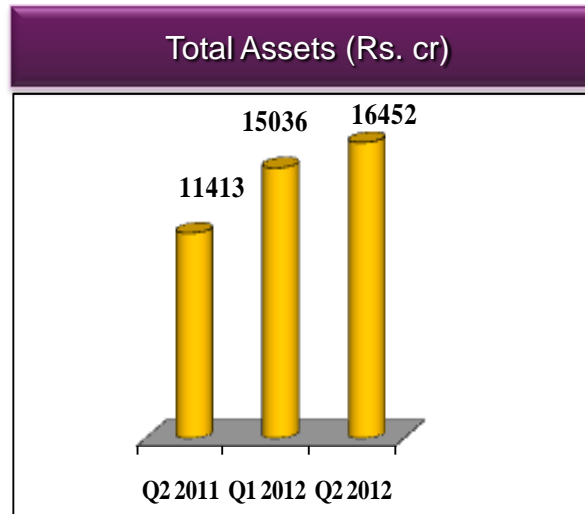
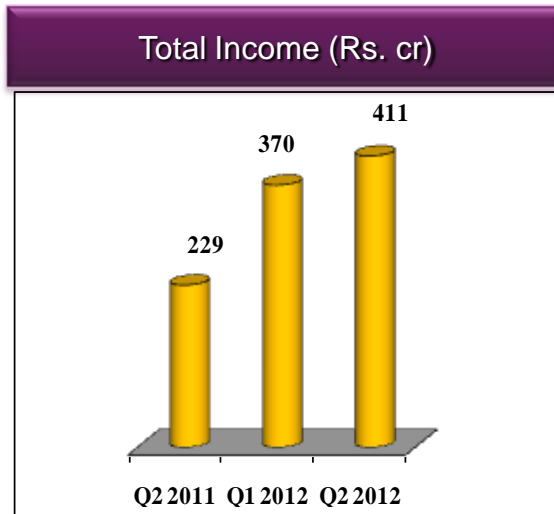
**DhanlaxmiBank**   
established 1927

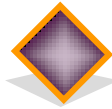
# **Financial Results for the quarter ended September 30, 2011**

**October 2011**

# Snapshot for the quarter

- Total asset base rose to Rs.165 billion as at September 30, 2011
- Capital adequacy as at September 30, 2011
  - As per Basel II- 10.70% with a Tier-I ratio of 8.73%
- Employee strength rose to 4,779 as on September 30, 2011 from 4,744 as at June 30, 2011
- Provision coverage ratio stood at 70.43% on September 30, 2011



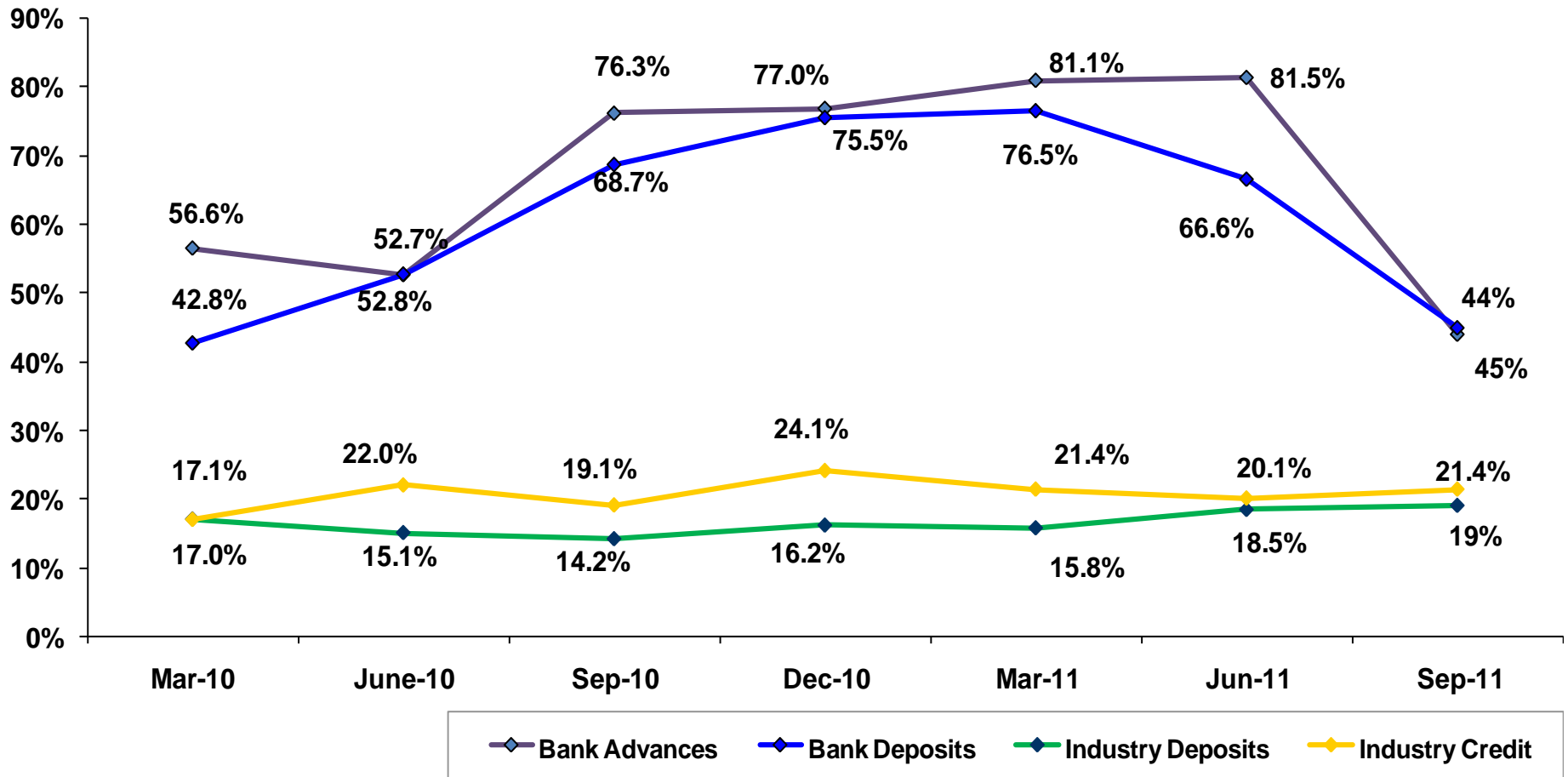


## Financials

# Balance Sheet

| (Rs. in Crores)     | 30-Sep-11     | 30-Jun-11     | Q-o-Q growth | 30-Sep- 10    | Y-o-Y growth |
|---------------------|---------------|---------------|--------------|---------------|--------------|
| Capital             | 85            | 85            | 0%           | 85            | 0%           |
| Reserves            | 766           | 762           | 0.6%         | 743           | 3%           |
| Deposits            | 13,815        | 12,904        | 7%           | 9,497         | 45%          |
| Borrowings          | 1,285         | 884           | 45%          | 555           | 131%         |
| Other Liabilities   | 501           | 400           | 25%          | 533           | (6%)         |
| <b>Total</b>        | <b>16,452</b> | <b>15,035</b> | <b>9.4%</b>  | <b>11,413</b> | <b>44%</b>   |
| Cash / bank balance | 1,261         | 993           | 27%          | 1,230         | 3%           |
| Investments         | 4,409         | 3,705         | 19%          | 2,711         | 63%          |
| Advances            | 10,130        | 9,674         | 5%           | 7,057         | 44%          |
| Fixed assets        | 140           | 134           | 5%           | 111           | 27%          |
| Other Assets        | 511           | 529           | (3%)         | 304           | 68%          |
| <b>Total</b>        | <b>16,452</b> | <b>15,035</b> | <b>9.4%</b>  | <b>11,413</b> | <b>44%</b>   |

# Deposits - Advances Growth Better Than the Industry

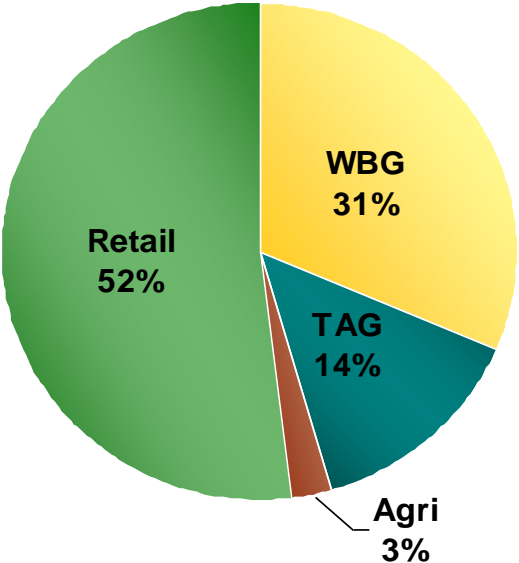


# Deposits

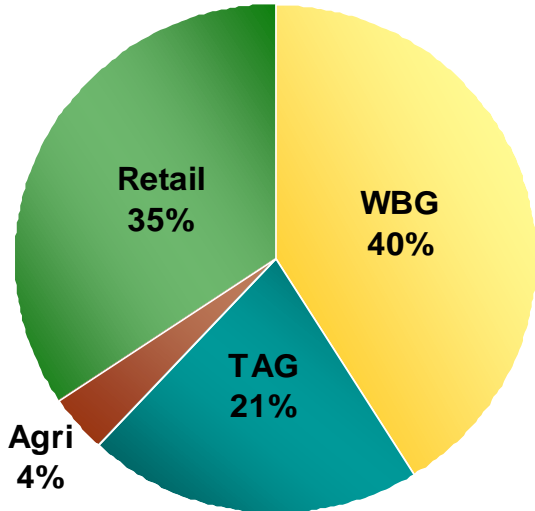
| (Rs. in Crores)         | 30-Sep-11     | 30-Jun-11     | Q-o-Q growth | 30-Sep-10     | Y-o-Y growth |
|-------------------------|---------------|---------------|--------------|---------------|--------------|
| <b>Current Deposits</b> | <b>1,265</b>  | <b>1,536</b>  | <b>(18%)</b> | <b>841</b>    | <b>50%</b>   |
| <b>Saving Deposits</b>  | <b>1,452</b>  | <b>1,331</b>  | <b>9%</b>    | <b>1,206</b>  | <b>20%</b>   |
| CASA                    | 2,717         | 2,867         | (5%)         | 2,047         | 33%          |
| CASA (%)                | <b>19.67%</b> | 22.2%         |              | <b>21.55%</b> |              |
| <b>Term Deposits</b>    | <b>11,098</b> | <b>10,037</b> | <b>11%</b>   | <b>7,450</b>  | <b>49%</b>   |
| <b>Total</b>            | <b>13,815</b> | <b>12,904</b> | <b>7%</b>    | <b>9,497</b>  | <b>45%</b>   |

# Business Mix

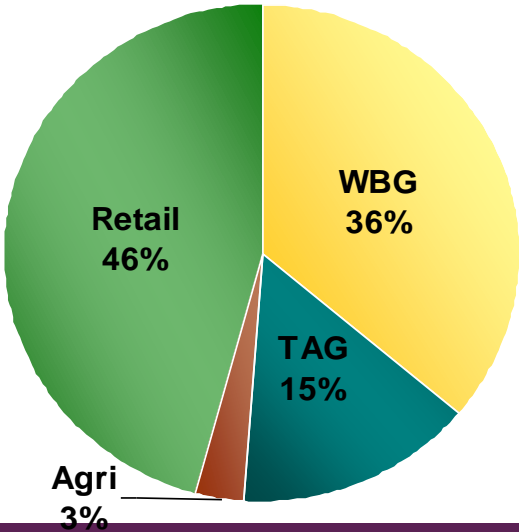
As at September 30, 2011



As at September 30, 2010



As at June 30, 2011





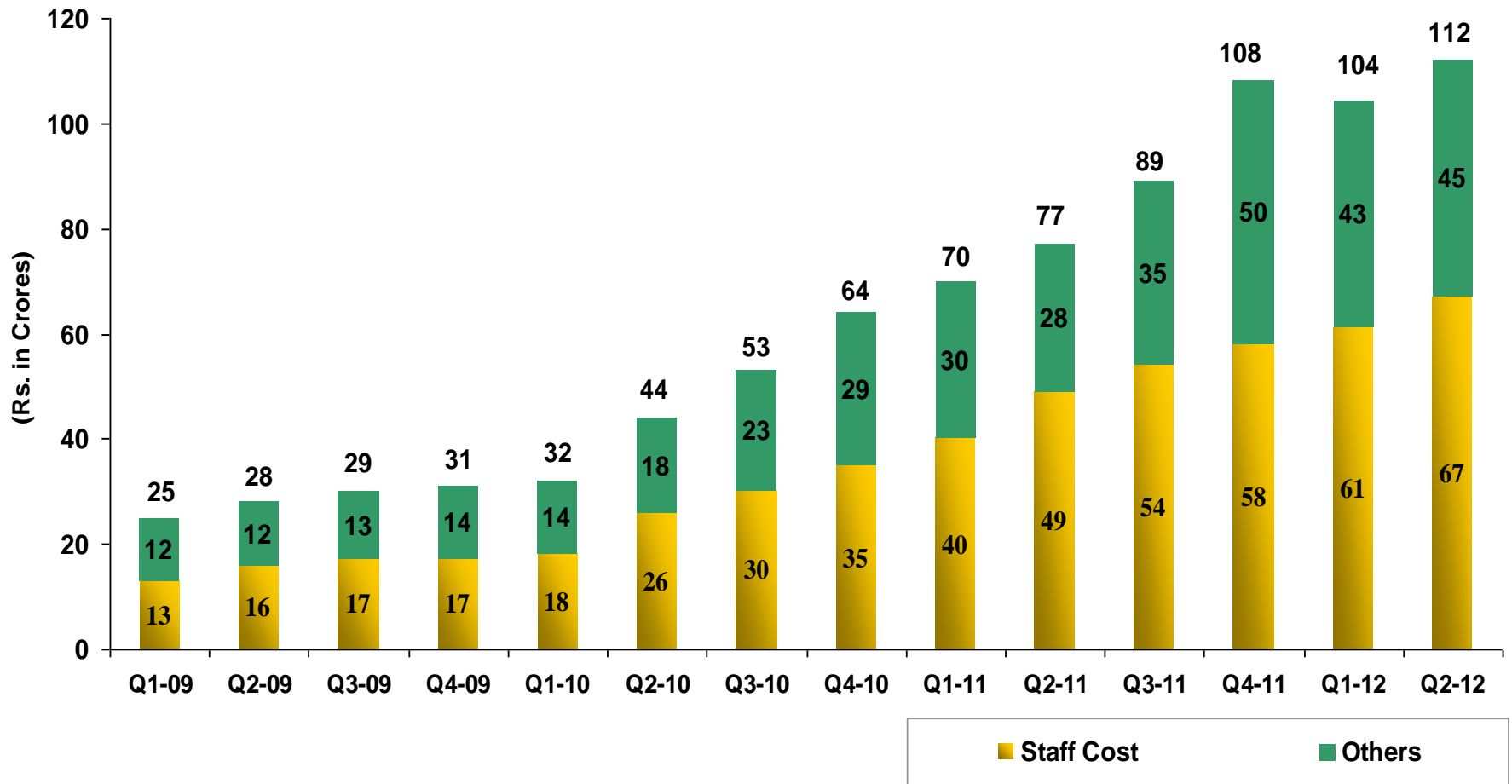
# Profit and Loss Statement

| (Rs. in Crores)            | 30-Sep-11   | 30-Jun-11   | Q-o-Q growth | 30-Sep-10   | y-o-y growth  |
|----------------------------|-------------|-------------|--------------|-------------|---------------|
| Interest income            | 366.1       | 315.6       | 16.0%        | 192.4       | 90.3%         |
| Interest expenses          | 298.2       | 251.8       | 18.4%        | 139.7       | 113.5%        |
| <b>Net interest income</b> | <b>67.9</b> | <b>63.8</b> | <b>6.4%</b>  | <b>52.7</b> | <b>28.8%</b>  |
| Non Interest income        | 44.4        | 54.9        | (19.1%)      | 36.8        | 20.7%         |
| Operating expenses         | 111.7       | 104.0       | 7.4%         | 77.4        | 44.3%         |
| <i>Staff cost</i>          | <i>67.5</i> | <i>60.7</i> | <i>11.2%</i> | <i>49.1</i> | <i>37.5%</i>  |
| Provisions                 | (5.3)       | 9.6         | (155.2%)     | 8.3         | (163.9%)      |
| Profit before tax          | 5.9         | 5.1         | 15.7%        | 3.8         | 55.3%         |
| Provisions for tax         | 1.5         | 1.7         | (11.8%)      | 2.2         | (31.8%)       |
| <b>Profit after tax</b>    | <b>4.3</b>  | <b>3.4</b>  | <b>26.5%</b> | <b>1.6</b>  | <b>168.8%</b> |

# Net Interest Income

| (Rs. in Crores)            | Q2 FY12     | Q1 FY12     | Q-o-Q growth | Q2 FY11     | Y-o-Y growth |
|----------------------------|-------------|-------------|--------------|-------------|--------------|
| Interest income            | 366.1       | 315.6       | 16.0%        | 192.4       | 90.3%        |
| <i>from Advances</i>       | 281.9       | 251.5       | 12.1%        | 142.1       | 98.4%        |
| <i>from Investments</i>    | 83.6        | 63.1        | 32.6%        | 48.5        | 72.3%        |
| <i>Others</i>              | 0.5         | 1           | (45.5%)      | 1.8         | (69.1%)      |
| Interest expenses          | 298.2       | 251.8       | 18.4%        | 139.7       | 113.5%       |
| <i>On Deposits</i>         | 268.1       | 229.1       | 17.0%        | 128.9       | 107.9%       |
| <i>On Borrowings</i>       | 30.1        | 22.7        | 32.8%        | 10.8        | 179.2%       |
| <b>Net Interest Income</b> | <b>67.9</b> | <b>63.8</b> | <b>6.4%</b>  | <b>52.7</b> | <b>28.9%</b> |

# Trend in Operating Expenses

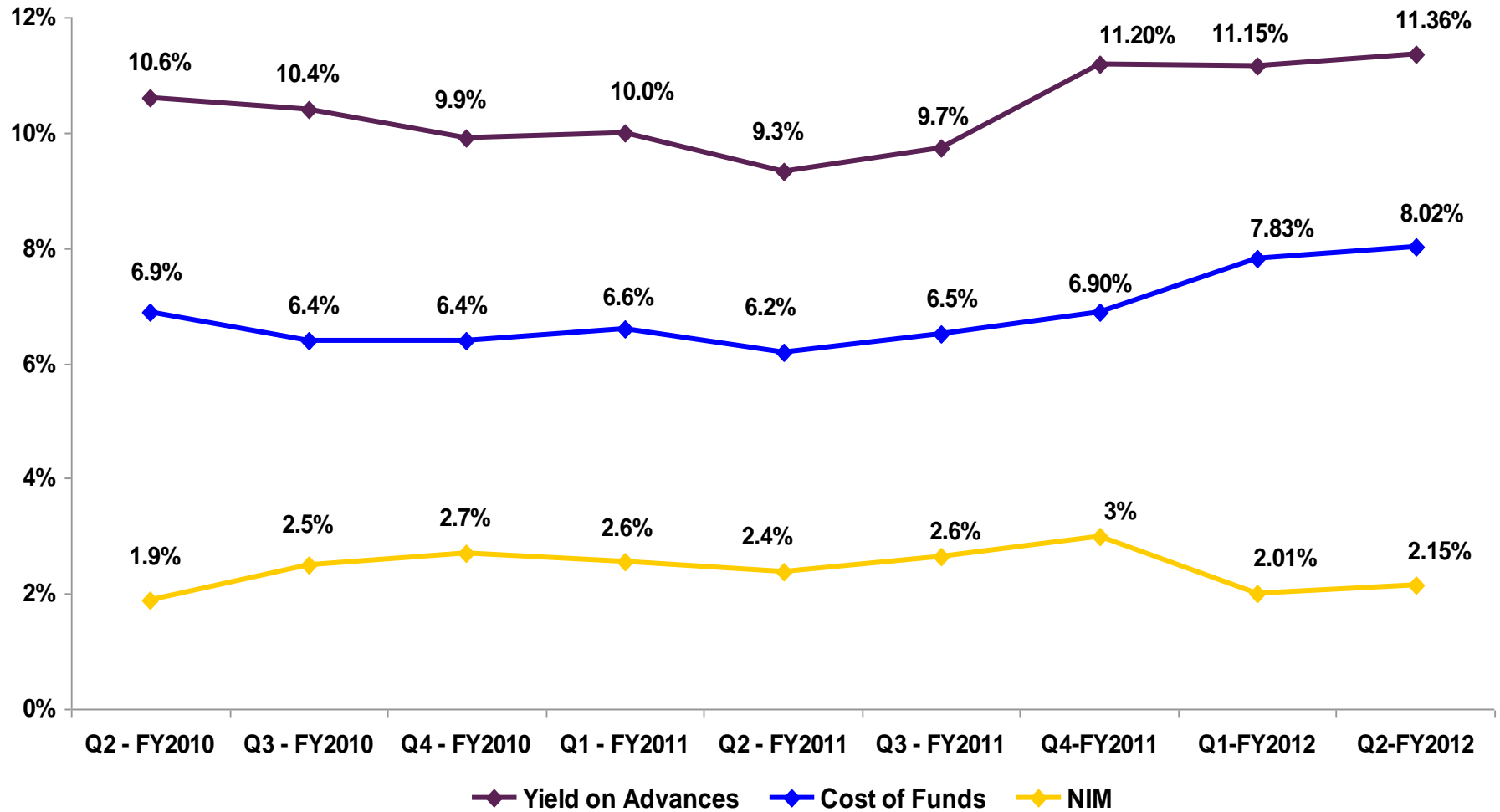


## Key Ratios (%)

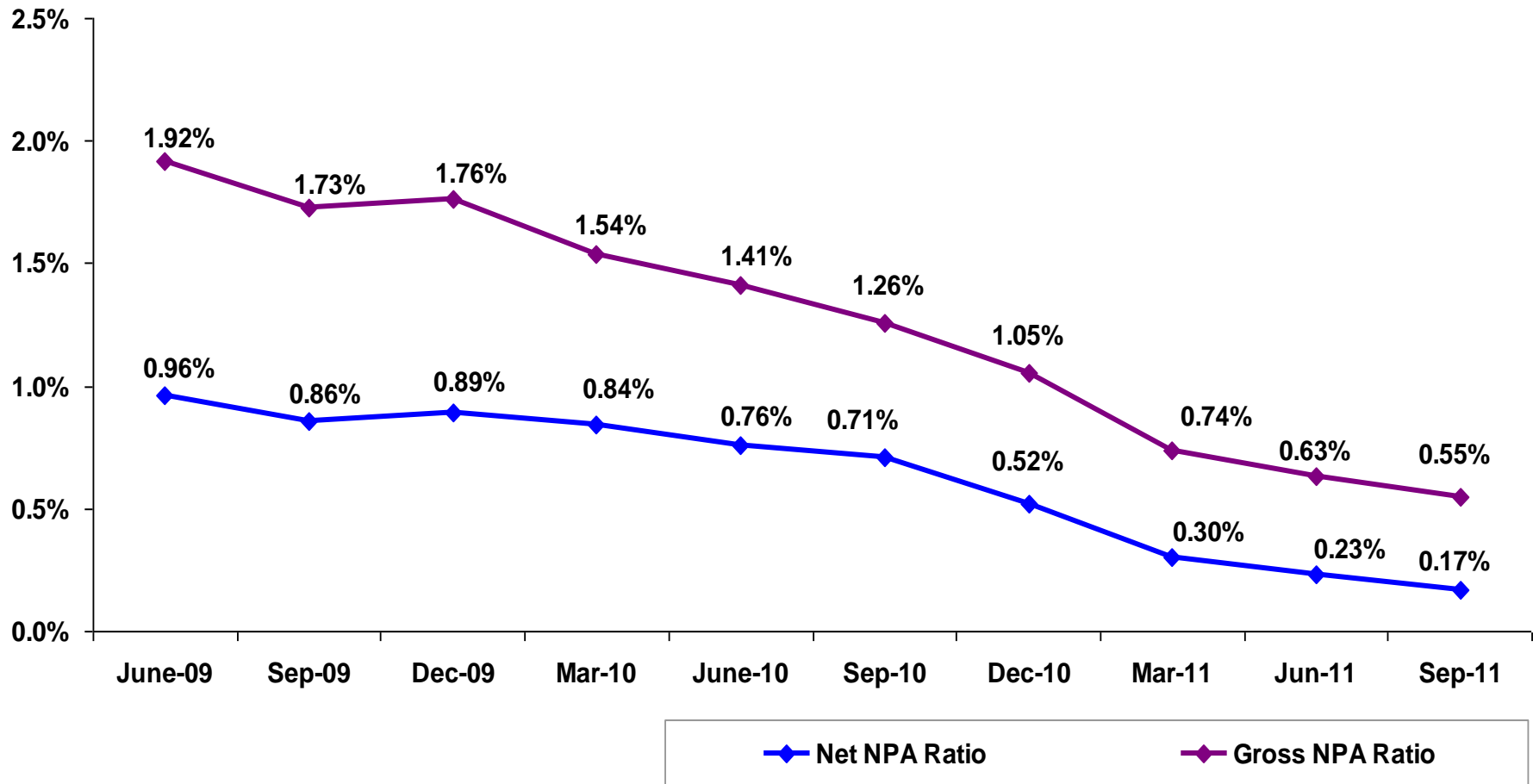
|                        | Q2- FY2012 | Q1- FY2012 | Q2- FY2011 |
|------------------------|------------|------------|------------|
| Credit - Deposit ratio | 73.34      | 74.97      | 74.31      |
| Return on Equity       | 2.03       | 1.68       | 0.78       |
| Return on Assets       | 0.11       | 0.09       | 0.20       |

|                            | Sept 30, 2011 | Jun 30, 2011 | Sept 30, 2010 |
|----------------------------|---------------|--------------|---------------|
| Gross NPAs (Rs. in crores) | 56.00         | 61.46        | 89.71         |
| Net NPAs (Rs. in crores)   | 17.50         | 21.84        | 50.41         |
| <b>Basel I</b>             |               |              |               |
| Capital adequacy           | 9.71          | 10.18        | 10.36         |
| - Tier I                   | 7.92          | 8.33         | 7.39          |
| <b>Basel II</b>            |               |              |               |
| Capital adequacy           | 10.70         | 11.40        | 11.01         |
| - Tier I                   | 8.73          | 9.33         | 7.85          |

# Trends in Net Interest Margin



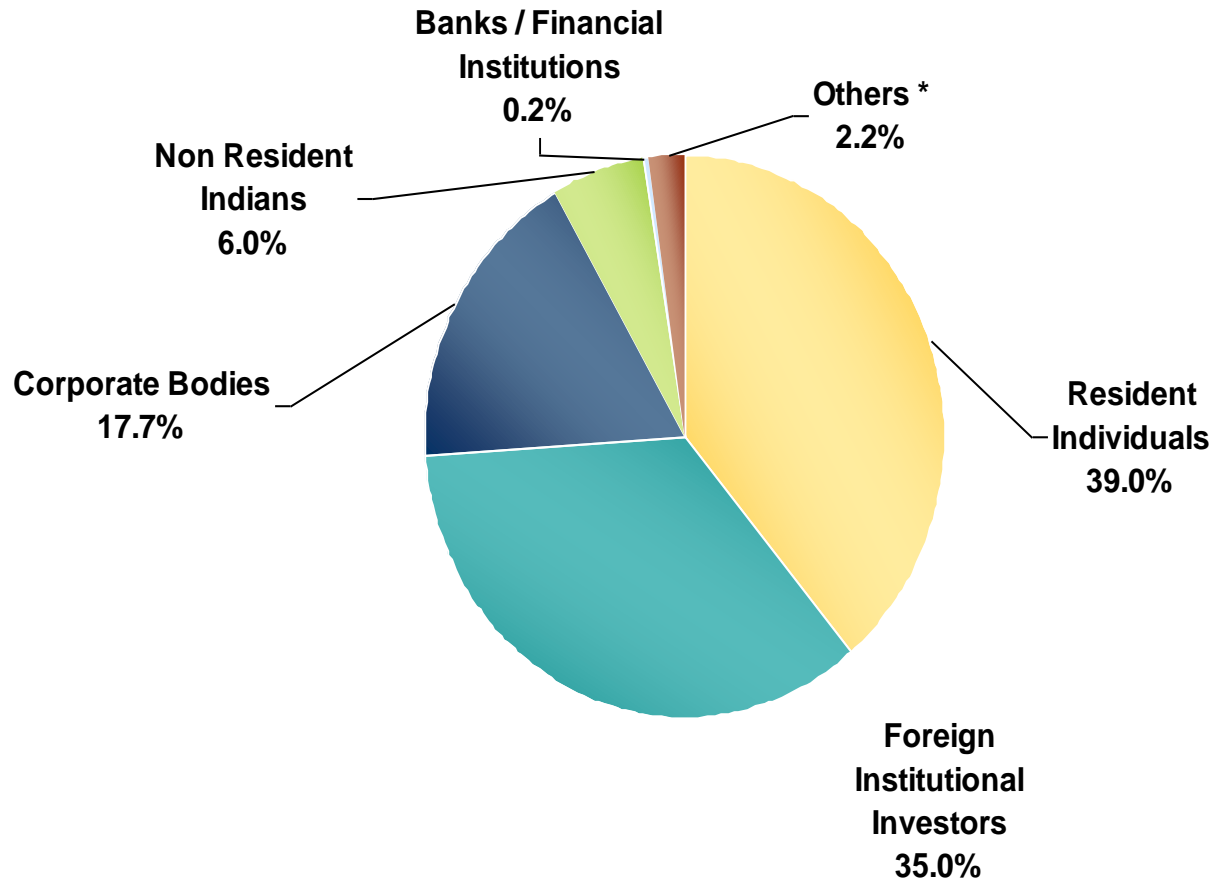
# Asset Quality



■ Provision coverage ratio stands at 70.43% as on 30<sup>th</sup> September 2011

# Nearly 68,000 Shareholders form Part of the Dhanlaxmi Family

Shareholding Pattern as at September 30, 2011



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

Investment limits for FIIs / NRIs at 49% and 24% respectively  
FIPB approval received – FDI limit at 74%



# Business Strategy

## 1 Focus on 3Ps:

 *Profitability*  *Productivity*  *Profit per customer*

## 2 Incremental asset creation in the retail and SME segments

## 3 Enhancing income from distribution of third party products

## 4 Increase in retail and low cost liabilities franchise

## 5 Growth in Non fund income



**Thank You**