INVESTOR PRESENTATION
June -2019

Contents

Dhanlaxmi Bank- Profile

- Incorporated in 1927 at Thrissur, Kerala by a group of ambitious and enterprising entrepreneurs.
- Over the 91 years that followed, earned the trust and goodwill of clients.
- Our strength is the number of customers, scale of business, breadth of our product offerings, banking experience we offer and the trust that people invest in us.
- 626 touch points including 250 branches, 346 ATMs and 17 BCs across 14 States and 1 Union Territory; our focus has always been on customizing services and personalizing relations.

Key Milestones

2018: Raised Rs.1500.00 million Basel III compliant Tier-II Bond
2017: Raised Rs. 1200.00 million Equity capital through Preferential Allotment issue
2016: Raised Rs. 841.9 million of Equity capital through Preferential Allotment issue.
2014: Raised Rs. 2296 million of Equity through Preferential Allotment issue.
2013: Raised Rs. 1839.83 million of Equity through Qualified Institutional Placement and Preferential Allotment issue.
2012 : Awarded the Asian Banker Technology Implementation award - International award for Best branch automation
2011: Awarded the "Best Mid-sized Bank in Growth Category" by Business Today- KPMG survey. Awarded the Information Week EDGE Award 2011 for IT transformation
2010: Launched new "Dhanlaxmi Bank" brand. Total business* of Rs. 1,00,000 Million. Raised Rs.3,800 Millions by way of Qualified Institutional Placement . Opened 250th branch.
2009: Recorded net profit of Rs.574.5 Million. Opened 200th branch with first branch in East region in Kolkata
2008: Total business of Rs. 75,000 Million. Second Rights Issue . All branches under core banking
2003: Introduced Core Banking
2002: Raised Rs. 270 million in a Rights Issue
2000: Installed first ATM
1996: Raised Rs. 240 million in IPO and listed Equity Shares on the National Stock Exchange, Bombay Stock Exchange and the Cochin Stock Exchange
1989: First branch outside Southern region was opened in Mumbai.
1986: Total business of Rs. 1000 Million.
1980: 100-strong branch network
1977: Designated as scheduled commercial bank by the Reserve Bank of India (RBI). Opened first branch outside Kerala
1975: Set up the first branch outside the home state of Kerala, at Chennai Mount Road
1927 : Incorporated in Thrissur, Kerala

Vision & Mission

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.

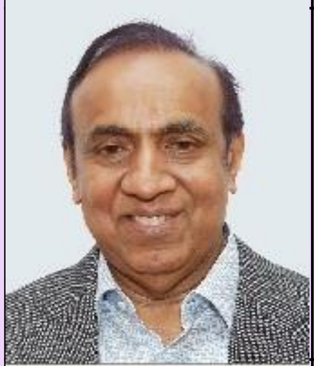
Profile of Board of Directors

Name	Experience & Other Directorships
 **Sajeev Krishnan** **Chairman** **(Part –time)**	Mr. Sajeev Krishnan appointed as Part-time Chairman and took charge on 23.05.2018 He has been with the State Bank group since 1977. He has handled large credits and projects and internal audit at State Bank of India (SBI) at the Republic of Maldives from 1998 to 1999. He was Vice President (NRI) at SBI Toronto, Canada from 2000 to 2003 and also stand-by dealer in forex transactions. He also headed the rupee treasury department of the bank which included trading, bidding for new issues, maintenance of SLR and CRR and also taking care of the liquidity needs of the bank.
 **T. Latha** **MD & CEO**	Ms T Latha assumed charge as Managing Director & Chief Executive Officer of the Bank on July 02, 2018. She has 35 years of banking experience with Punjab National Bank across a host of roles and responsibilities including Branch Management, Regional Management and National Level Credit Management handling a portfolio of approximately INR 40,000 crore. She is a MBA holder in finance and post graduate in MA literature. She has also passed the Limited Insolvency Exam and CAIIB.
 **Chella K Srinivasan** **Independent Director**	Mr. Chella K Srinivasan is a Practicing Chartered Accountant for more than 34 years. He has professional expertise in accounting, auditing and corporate taxation and 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.

Profile of Board of Directors

Name		Experience & Other Directorships
	**Dr. Lakshmy Devi K.R** **Independent Director**	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. S Sreekumar** **Independent Director**	Mr. P. S Sreekumar was Supervisory Officer in the Co-operation department with Government of Kerala. He is a government nominee on the Board of Mannam Sugar Mills Co-operative Limited. He has worked as Special Secretary in the Public Works Department, Government of Kerala and Secretary of Institute of Management in Government. He holds bachelor's degrees in Commerce and law, master's degree in Public Administration and Post-graduate Diploma in Journalism.
	**C.K.Gopinathan** **Director**	Mr.C.K.Gopinathan is promoter Director of C.K.G.Supermarket. He was also Director in the Catholic Syrian Bank Limited for 8 years. Mr.C.K.Gopinathan is a major share holder of our Bank. He has more than 25 years of experience in banking and finance sectors

Profile of Board of Directors

Name		Experience & Other Directorships
	**K.N Murali** **Independent Director**	Mr. K.N Murali had worked in State Bank of Travancore, State Bank of Saurashtra and State Bank of Hyderabad in various positions across the country. He had handled credit, inspection and audit. As General Manager (Commercial Network) of State Bank of Travancore, Mr. K.N Murali was responsible for all large advances of the Bank. He was also a regular invitee to the Board and Board Committees to present the credit proposals. He has also undergone training program at Kellogg's Institute of Management, Chicago.
	**Dr. B Ravindran Pillai** **Director**	Dr.RavindranPillai is an Industrialist. He is the promoter/Managing Director/Director of several companies in India and Middle East. He holds a degree in Business Administration from Cochin university of Science and Technology .Government of India honored him Pravasi Bharathya Samman and with fourth highest Indian civilian award of "Padma Shri" in 2010.
	**S T Kannan** **RBI Additional Director**	Mr .S. T. Kannan has been appointed as Additional Director on the Board by Reserve Bank of India. He is a serving General Manager in the Reserve Bank of India, and in charge of Reserve Bank India, Regional Office, Goa.

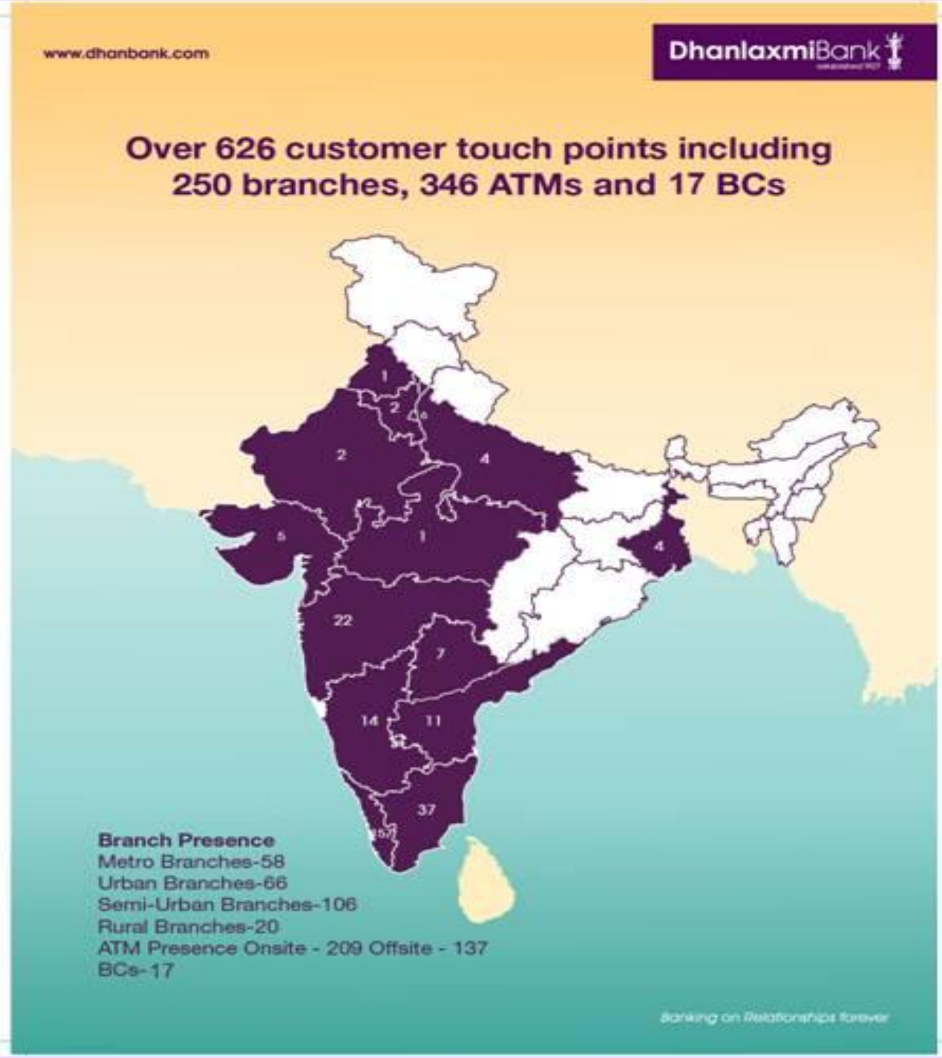
Profile of Key Management Personnel

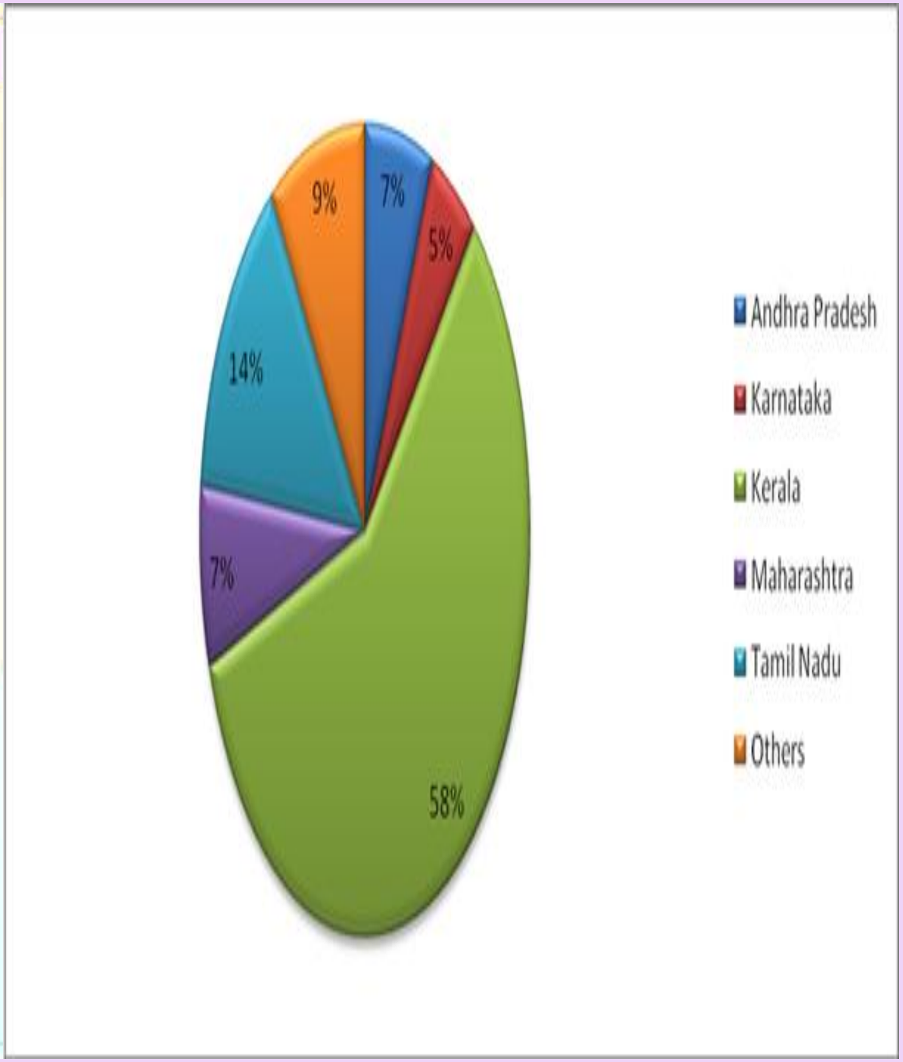
Name	Experience
Mr. P. Manikandan **Chief General Manager**	▪ Experience of 39 years in banking sector ▪ Experience of 11 years in Planning, Operations, Credit, HRD, Inspection, Vigilance, Third Party Products, Premises and Cash Management System areas of the Bank. ▪ He holds M Com, LLB and PGDCA. He is also a Certified Associate of the Indian Institute of Bankers.
Mr. Ramesh AJ **Chief Financial Officer**	▪ Experience of 32 years in banking sector. ▪ Worked in SBI/SBT in various areas like Finance & Accounts ,Large Value Credit intensive branches etc. ▪ He holds a degree in chemistry and is also a Certified Associate of the Indian Institute of Bankers (CAIIB). ▪ He is also a qualified Chartered Accountant.
Mr. Venkatesh .H **Company Secretary**	▪ He is an Associate Member (ACS) of the Institute of Company Secretaries of India and joined in the Bank on 04.11.2013 as Assistant Company Secretary. ▪ He holds CA, M Com, JAIIB ▪ He is also an associate member of Institute of Chartered Accountants of India, Associate member of Institute of Cost Accountants of India and a post graduate in Commerce.

Profile of Senior Management

Name	Experience
Mr. L. Chandran **Chief Recovery Officer**	▪ Experience of 26 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 about 7 years and Bank for 19 years in different capacities in various geographical areas. ▪ A post graduate in Science, he holds an MBA (Finance)and B.Ed. Degree. He is also a Certified Associate of the Indian Institute of Bankers.
Mr. John Varughese **(Chief Compliance Officer &** **Head IT , Digital Banking)**	▪ 26 years experience in IT & Banking of which 21 years Banking Domain. ▪ Worked as Head – Alternate Channels, AGM-IT and Regional Head, ▪ Engineering graduate with CISA qualification, Certified Associate of the Indian Institute of Bankers, ISMS Lead Auditor and BS 7799 Implementer

Overview of Distribution Network

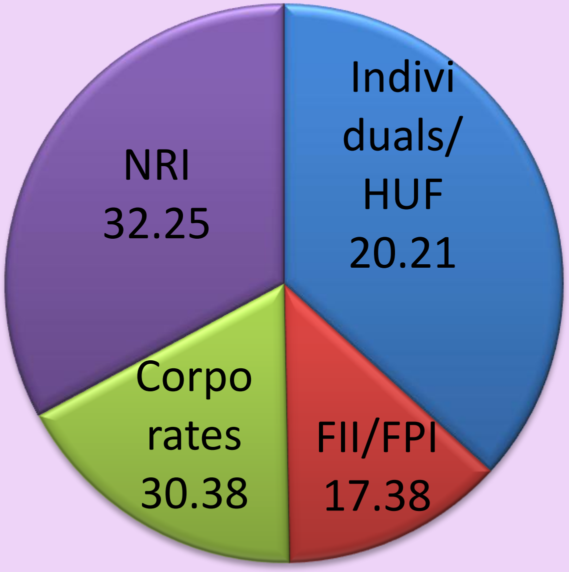




Shareholding pattern

Shareholding 1% & above (As on June 30, 2019)

Share Holder	% Stake
B RAVINDRAN PILLAI	9.9995
GOPINATHAN C K	7.4976
YUSUFFALI MUSALIAM VEETTIL ABDUL KADER .	4.9996
KAPILKUMAR WADHAWAN	4.9996
NICHE FINANCIAL SERVICES PVT LTD	4.2697
VESPERA FUND LIMITED	3.8681
SHITAL RAGHU KATARIA & SHALIN KATARIA	2.6306
POTLURI RAJMOHAN RAO	2.4377
MARSHAL GLOBAL CAPITAL FUND LTD	2.1738
ANTARA INDIA EVERGREEN FUND LTD	1.9406
CANARA HSBC ORIENTAL BANK OF COMMERCE LIFE INSURANCE COMPANY LTD	1.8691
SUASHISH DIAMONDS LIMITEDASHISH RAMESHKUMAR GOENKA	1.7092
MOHANACHANDRAN NAIR B	1.5991
ELARA INDIA OPPORTUNITIES FUND LIMITED	1.5868
B GOVINDAN	1.5197
HAREENDRAN C K	1.3833
AGNUS VENTURES LLP	1.3833



Comprehensive range of Products

Deposits	Corporate Products	Retail Products	Other Services	Technology Related products
Current Account	Cash Credit *	Agriculture / Kissan Vahana Loan/ Kissan Card	Insurance Business	Retail & Corporate Internet Banking
Savings Account	Overdraft	Home Loan / Loan against property	Mutual Fund Distribution	Missed Call Services
Term Deposit	Term Loans	Gold Loan/ Loan against Sovereign Gold Bonds	Depository Services	Mobile Banking
Corporate Salary	Corporate Loans	Vehicle Loan	Locker Services	IMPS
NRE Account	Project Finance	Live Stock Loan	Forex Services	e-IT Return Filing
NRO Account	Bill Advance and Packing Credit Advance	Personal Loans/ Educational Loan	Bankers to Issue /ASBA	Remittances – Real Time Gross Settlement (RTGS) / National Electronics Funds Transfer (NEFT)/MTS
Foreign Currency Non Repatriable Fixed Deposit	Foreign Currency Loans	Loan against LIC policy/ Deposit/ Overdraft against Shares	Cash Management Services/ Aadhaar Based Payments	Online trading
3 in 1 account (Saving Account, Demat Account & Trading Account)	Invoice / Dealer Financing	Micro Credit Loan/ Self Help Group Loans	Import Export related	Point of Sale
Business Correspondents	Lease Rental Discounting	Medical Equipment Loan	Sovereign Gold Bonds	Pay Smart
	Office Equipment Loan	International Debit cards / Credit Cards / Gift Cards/Forex Cards	PAN Card Services	Bill Payment

* New Product under Cash Credit- DHANAM GST BUSINESS LOAN is also available

Bank at a Glance

No : Branches	250
No : ATMs	346
Deposit (Rs. in Crore)	10503
Advances(Gross) (Rs. in Crore)	6520
Total Business (Rs. in Crore)	17023
Total Assets (Rs. in Crore)	11708

* As on 30.06.2019

Performance Overview

➢*Bank has reported net profit of Rs. 19.84 crore for the Quarter ended 30.06.19 compared to net Loss of Rs. 44.99 crore during the same period of last financial year.*
➢*Net Interest Margin has been improved from 2.74% to 3.15 % on Y-o-Y basis*
➢ *Total expenses has been reduced by 3.68 % on Y-o-Y basis (Rs.236.34 Cr to Rs.227.64 Cr)*
➢ *Operating Profit of the bank increased from Rs. 20.02 Crs for the June 2018 quarter to Rs. 29.11 Crs for June 2019 quarter.*
➢*Total provision has come down to Rs. 9.27 Crs for the current quarter from Rs. 65.01 Crs as a year ago.*
➢ *Yield on advances has been improved from 10.36% to 10.37% on Y-o-Y basis*
➢ *Cost of deposits has been reduced from 5.59% to 5.54% on Y-o-Y basis*
➢ *Cost of funds has been reduced from 5.78% to 5.69% on Y-o-Y basis*
➢ *Yield on investments has been improved from 6.60% to 6.76 % on Y-o-Y basis.*
➢ *Net NPA improved to 2.35% from 3.79% on Y-o-Y basis (Rs.212.84 Cr to Rs.145.20 Crs*
➢ *Provision Coverage Ratio improved from 79.45% to 85.38% on Y-o-Y basis*
➢ *CRAR improved from 13.07% to 13.85 % on Y-o-Y basis*

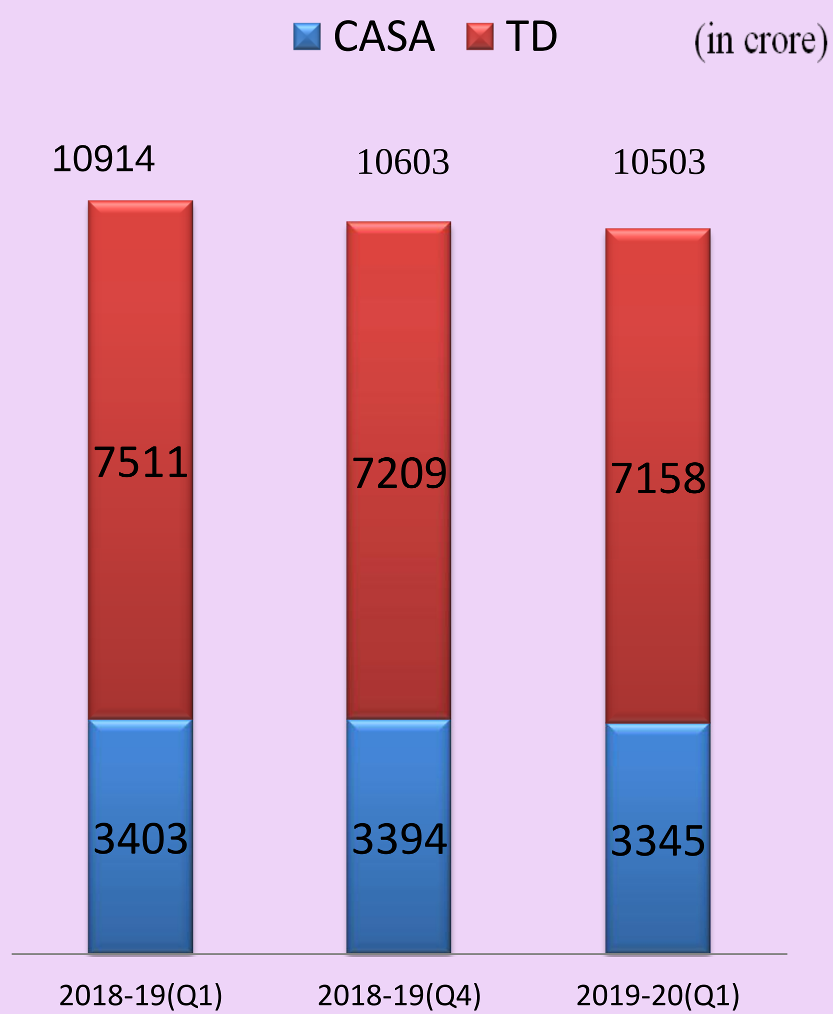
Performance Highlights

Particulars	30-06-2018 (Reviewed)	31-03-2019 (Audited)	30-06-2019 (Reviewed)
Gross Advances (in crore)	5938	6636	6520
Deposits (in crore)	10914	10603	10503
GNPA%	8.94	7.47	7.61
NNPA%	3.79	2.41	2.35
NIM %	2.74	3.00	3.15
ROA %	(1.50)	0.10	0.68
ROE %	(25.62)	1.53	10.19
Cost/Income Ratio %	79.49	76.24	72.65
CASA to Total Deposits	31%	32%	32%
Market Capitalization (in crore)	433.92	437.71	406.08
Book Value Per Share (Rs.)	27.84	30.08	30.87
CRAR %	13.07	13.75	13.85

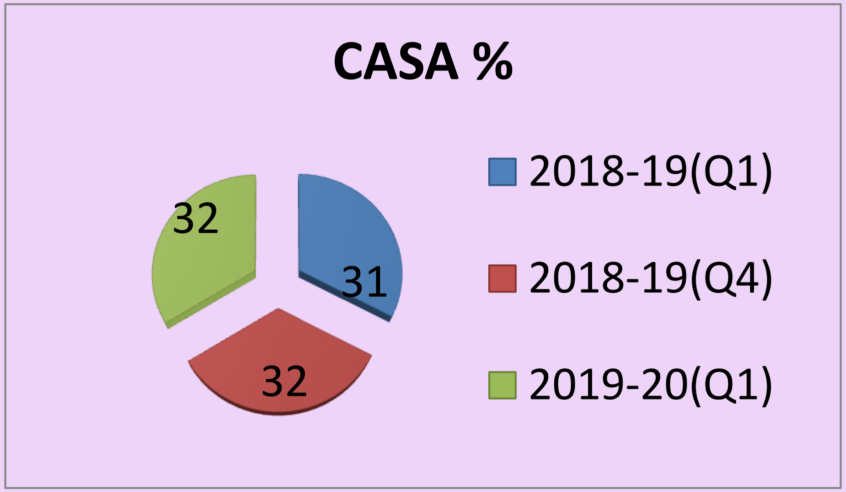
Performance Highlights

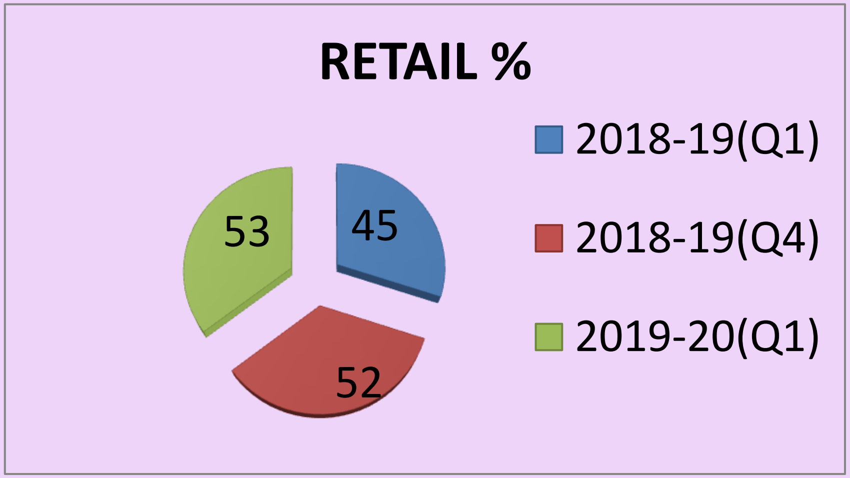
(Rs. in Cr)

DEPOSITS

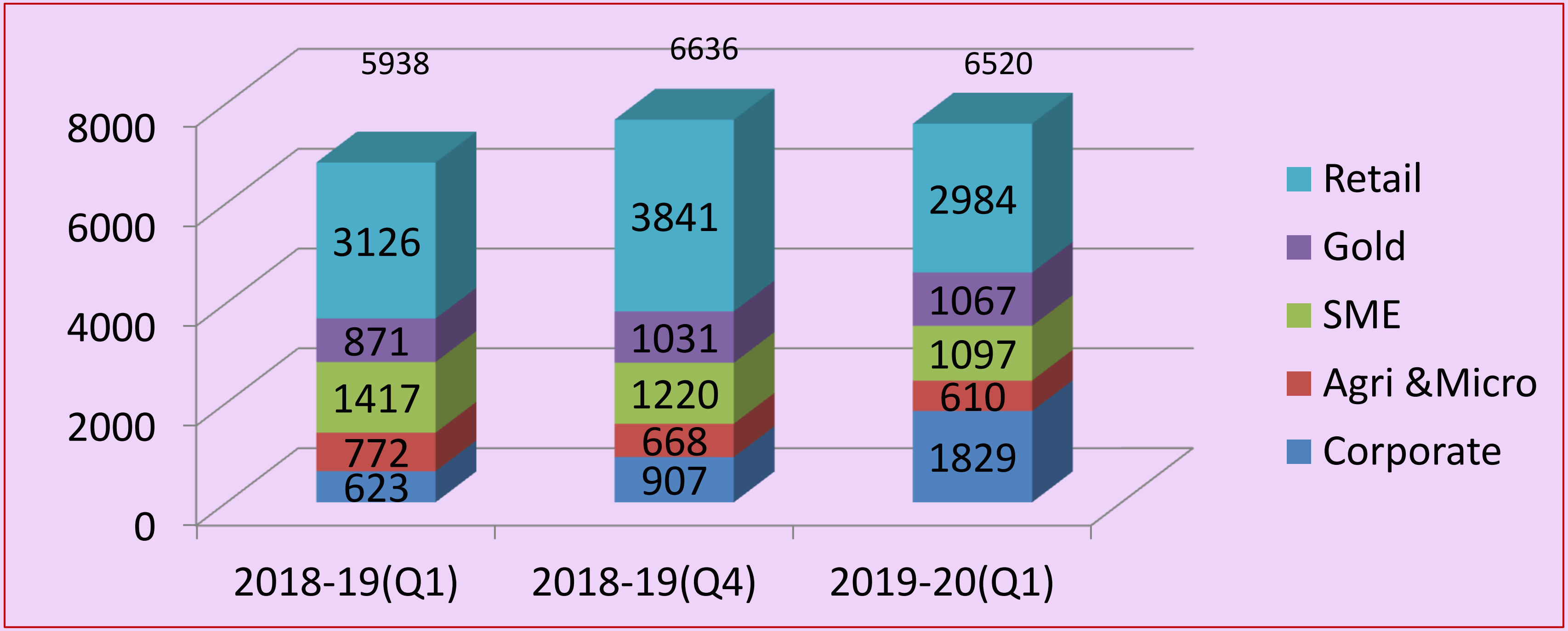


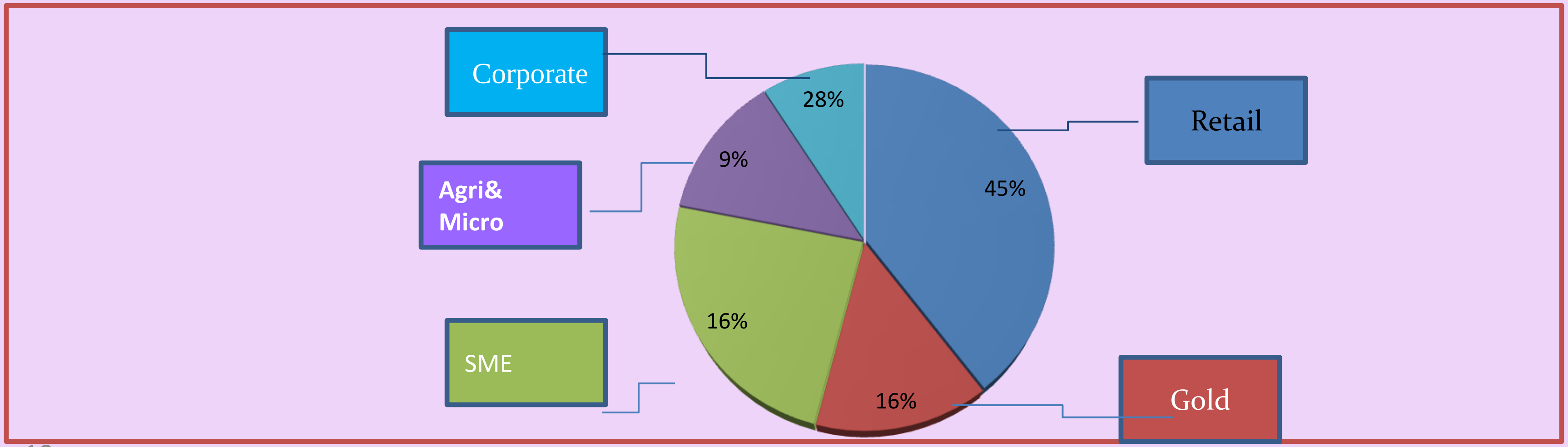
Trend in movement of CASA %



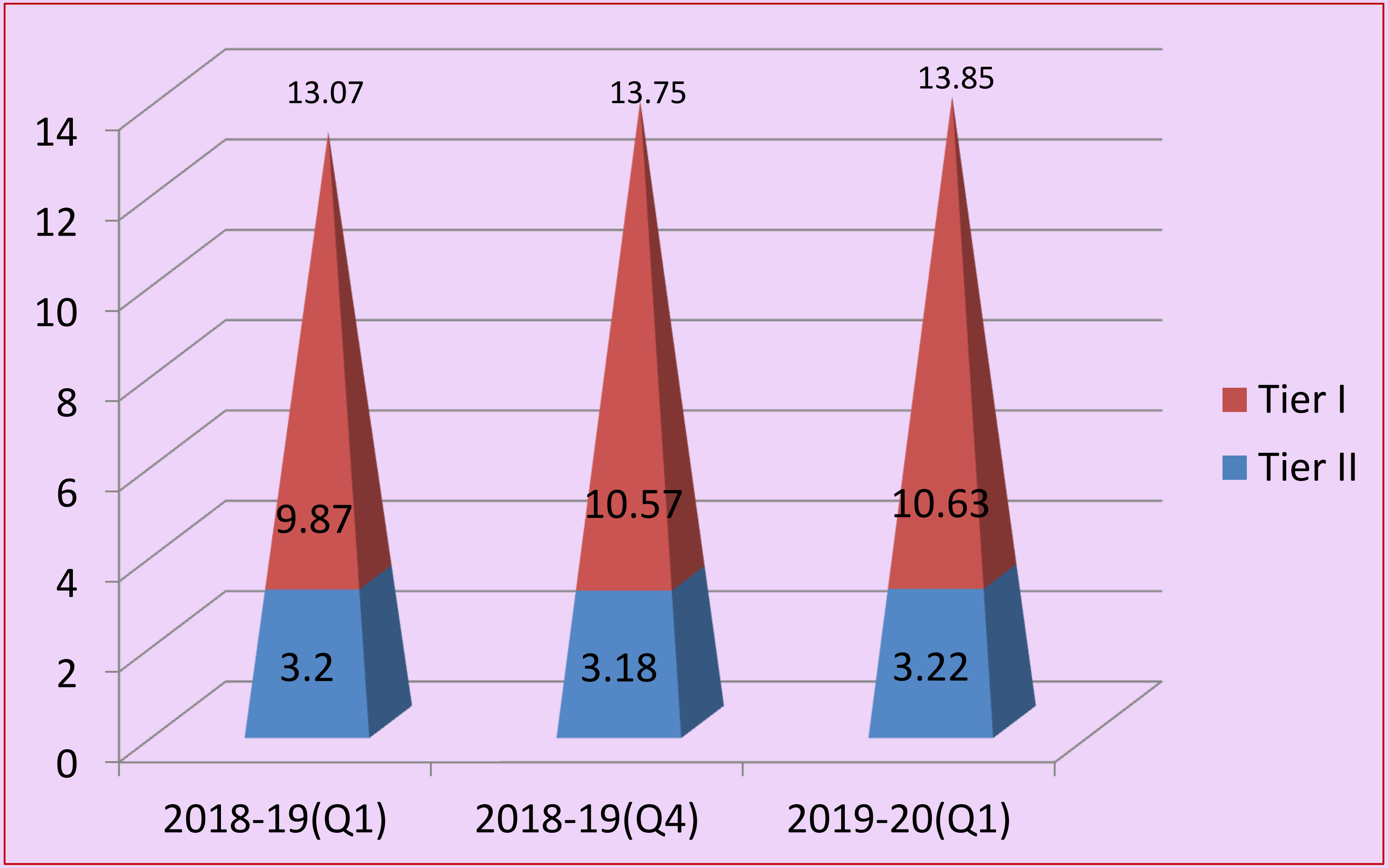


Advance Portfolio- Gross Advance





Performance Highlights-CRAR



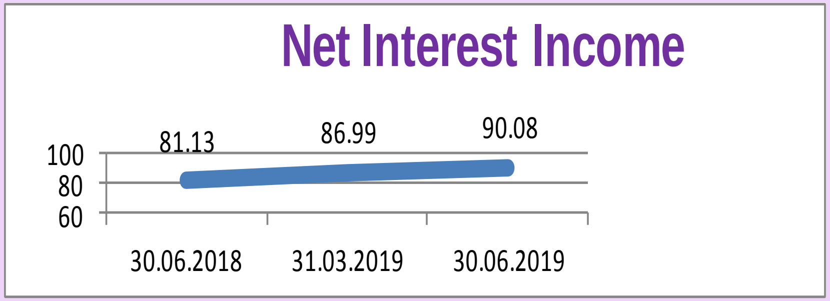
Business Result

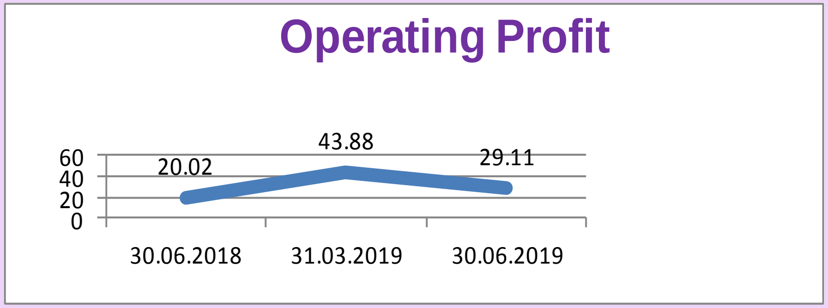
(` in Crore)

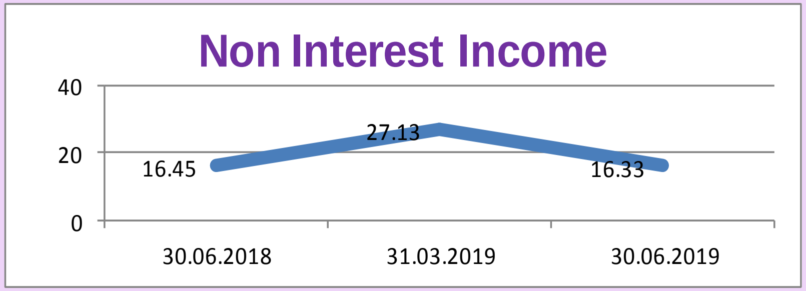
Particulars	30-06-2018 (Reviewed)	31-03-2019 (Audited)	30-06-2019 (Reviewed)
TOTAL INCOME	256.36	1024.22	256.75
TOTAL EXPENSE	236.34	929.29	227.64
NET INTEREST INCOME	81.13	346.78	90.08
OPERATING PROFIT	**20.02**	**94.93**	**29.11**
PROVISIONS & CONTINGENCIES	65.01	83.26	9.27
NET PROFIT	**(44.99)**	**11.67**	**19.84**
CRAR	13.07	13.75	13.85

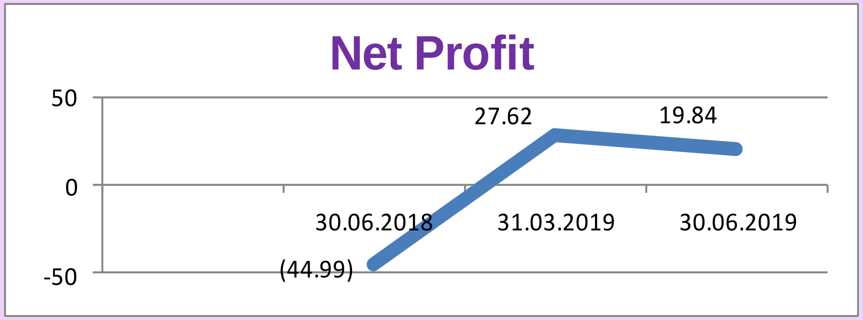
Business Result for the Quarter Ended

(` in Crore)







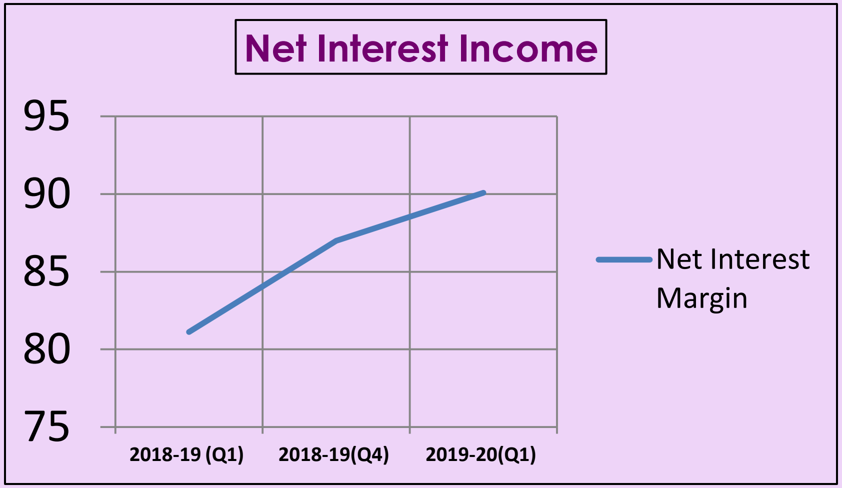


Income and Margins

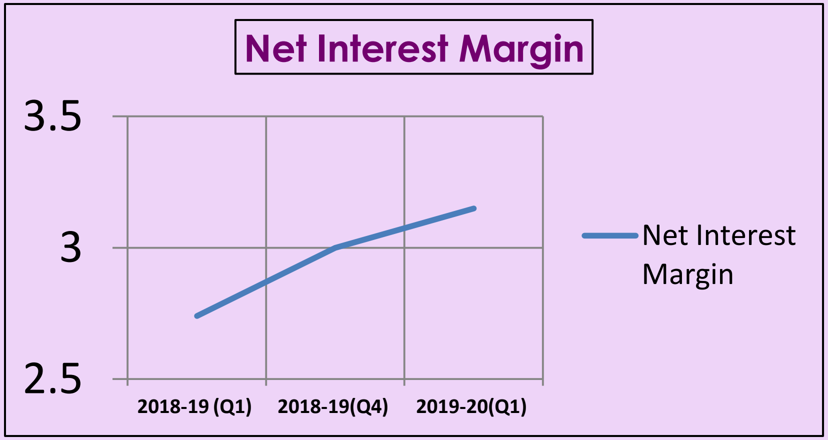
Income and Margins

(in crore)

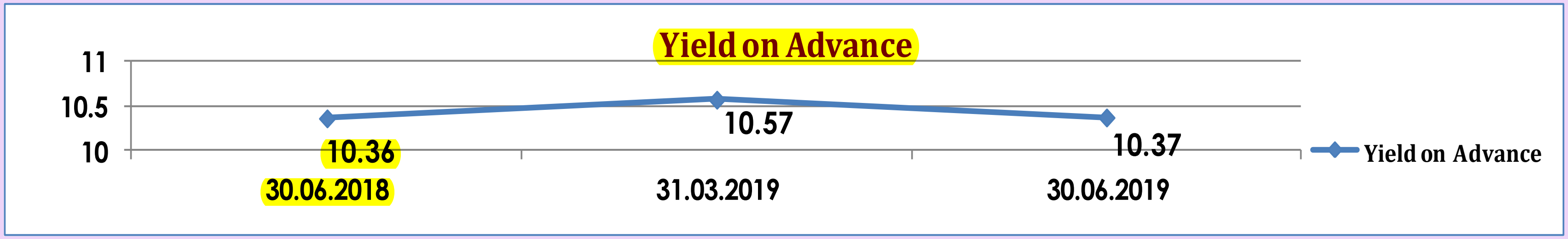
Net Interest Income for the Quarter Ended	
2018 -19(Q1)	81.13
2018-19(Q4)	86.99
2019-20(Q1)	90.08

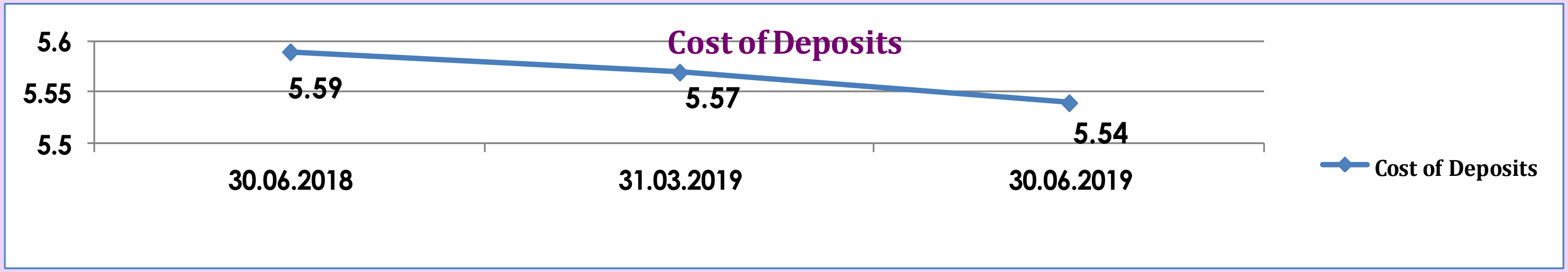


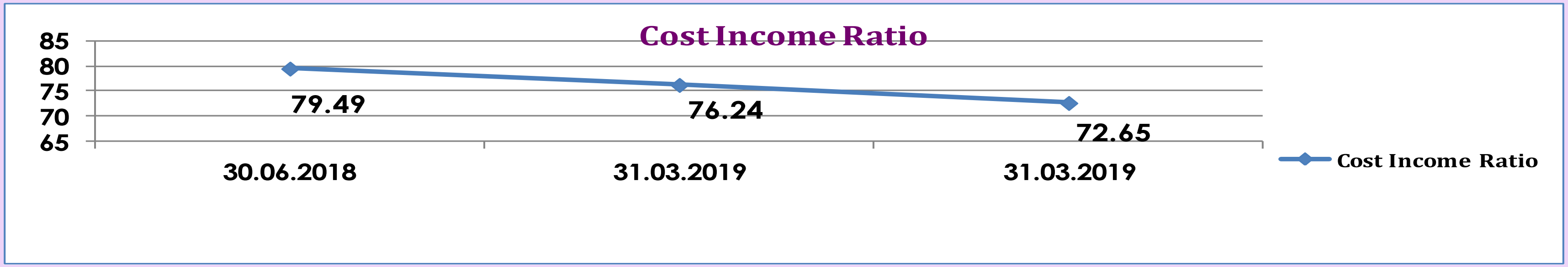
Net Interest Margin (%)	
2018-19 (Q1)	2.74
2018-19(Q4)	3.00
2019-20(Q1)	3.15



Income and Margins

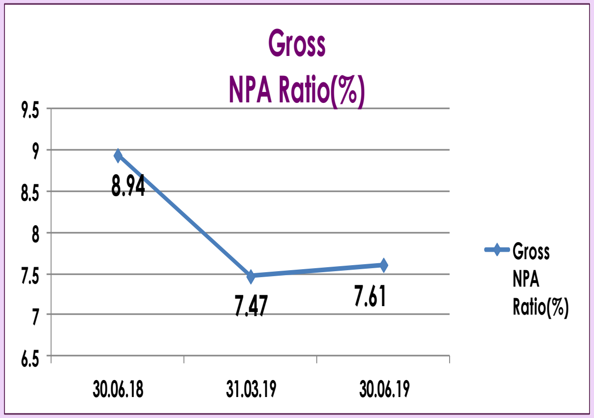


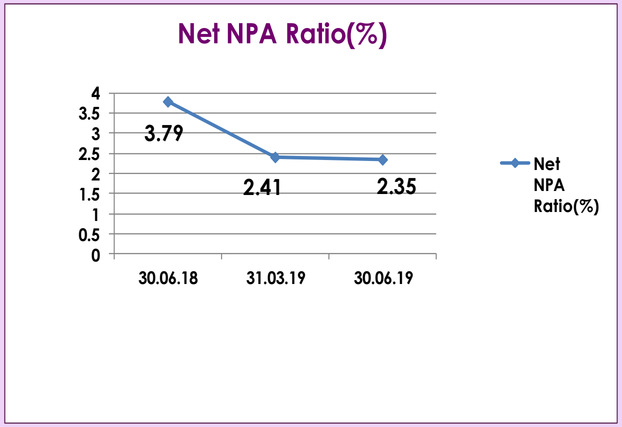


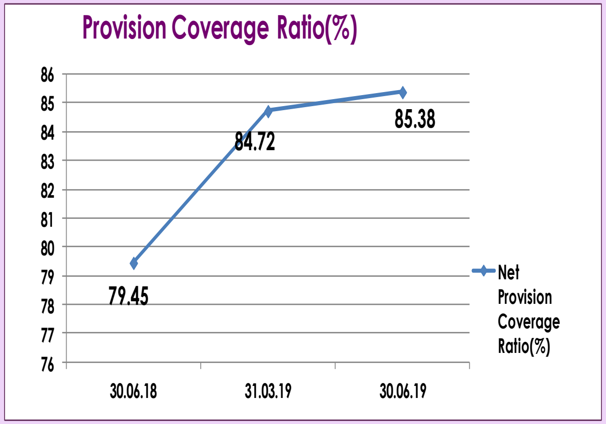


Asset Quality

Particulars	30-06-2018 (Reviewed)	31-03-2019 (Audited)	30-06-2019 (Reviewed)
Gross NPA ratio (%)	8.94	7.47	7.61
Net NPA ratio (%)	3.79	2.41	2.35
Provision Coverage ratio(%)	79.45	84.72	85.38







Summary of Financials – Balance Sheet

Particulars	30-06-2018 (Reviewed)	31-03-2019 (Audited)	30-06-2019 (Reviewed)
CAPITAL AND LIABILITIES			
Capital	253	253	253
Reserves and Surplus	451	508	528
Deposits	10914	10603	10503
Borrowings	211	200	186
Other Liabilities and Provisions	218	235	238
TOTAL	**12047**	**11799**	**11708**
ASSETS			
Cash and Balances with Reserve Bank of India	644	557	546
Balances with Banks and Money at call and short notice	182	66	121
Investments	4661	4037	4013
Advances	5618	6289	6166
Fixed Assets	202	202	202
Other Assets **	740	648	661
TOTAL	**12047**	**11799**	**11708**
*Out of Which RIDF/RHF/MSME Deposits ** *	379	327	323
Contingent Liabilities	758	686	706
Bills for collection	363	316	312

Way Forward

Profitability Approach

Liability Strategy	• Systematic Growth in Deposits • Increasing CASA • Increasing Retail / Low cost Deposits
Asset Strategy	• Quality Advance Portfolio • Increasing Retail Advances • Lending based on Collaterals • Better Pricing
Cost Rationalization	• Relocating high Cost Premises & low hit ATMs • Renegotiating with vendors for cost reduction • Other Cost Rationalization Measures
Focus on Non Interest Income	• Focus on recovery efforts by recourse to enabling provisions in law including IBC,RR,OTS etc • Continued focus on Cross Selling • Focus on Insurance and Mutual Fund Products • Increased focus on Non Fund based facilities • Uniform Processing fee structure
Other Initiatives	• Leveraging of Technology Products • Transformation Projects • Effective use of data mining tools • Improved Visibility Measures

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