

# Doha Bank aims to double its lending

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HAVING sought permission to set up a wholly-owned subsidiary in India, Doha Bank expects to almost double its lending to Indian entities to \$5 billion in the next three years. The bank's focus area in India will be corporate and commercial lending, with emphasis on small and medium enterprises (SMEs).

One of the largest commercial banks in Qatar, with presence or partnerships across the Gulf region, Doha Bank currently has \$2.6 billion exposure to Indian entities across geographies. Once the bank expands its presence in India, it hopes to grow the exposure to \$5 billion in the next three years.

The recent bilateral trade agreements between India and GCC countries like UAE, Qatar and Saudi Arabia will also help the bank achieve the target.

"Once we get the approval from the RBI, we can open our own branches in India and launch full-fledged operations. Presently, we have three branches,

two of which are acquired from HSBC Oman in Mumbai and Kochi. We plan to open 12 more branches after receiving the approval," said R Seetharaman, CEO of Doha Bank.

Doha Bank mainly will don the role of a facilitator for Indian corporate entities that want to extend their operations in the Gulf.

"Corporate finance is something we want to support. A lot of Indian companies need a gateway to realise the opportunities in the Gulf region. We support them in terms of incorporation of services, business, investment partnership, lending etc. So we become the single window for Indian entities," he added.

According to the official, the recent bilateral agreements between India and some of the Gulf countries will boost the business activities of Indian firms in the Gulf. He sees a lot of opportunities for Indian small and medium enterprises in the Gulf, in areas including healthcare, tourism, aviation and defence.

At the company-level, 75 per cent of the bank's SME lending is for Indian

entities. The bank also enjoys 87 per cent sovereign guarantee from the Qatar government for SME lending. In India, about 70 per cent of the bank's current business is in the corporate sector, the rest being the retail.

"Corporate lending will further grow. Retail will take some time because our brand equity is limited. In corporate side, we have an edge over others as our cost of funds is lower, at least two per cent compared to Indian banks. Our model is confined to synergising with Gulf opportunities. Predominantly, we work with institutions that are already there. Now, the opportunities are going to become much bigger," he said.

In the retail segment, apart from banking, the bank integrates wealth management, insurance, stocks and mutual funds with financial service providers. In one year of operations in the country, the bank has garnered over 10,000 accounts and has offered lending to over 50 companies.