

Doha Bank eyes India expansion

CEO outlines plan for subsidiary that will be fully owned

Mahmoud Kassem

The chief executive of Doha Bank, Qatar's fourth largest lender by the size of its assets, said he was bullish about growth in India and was planning to grow the bank there once it gets a licence to be a fully owned subsidiary, giving it greater ability to expand.

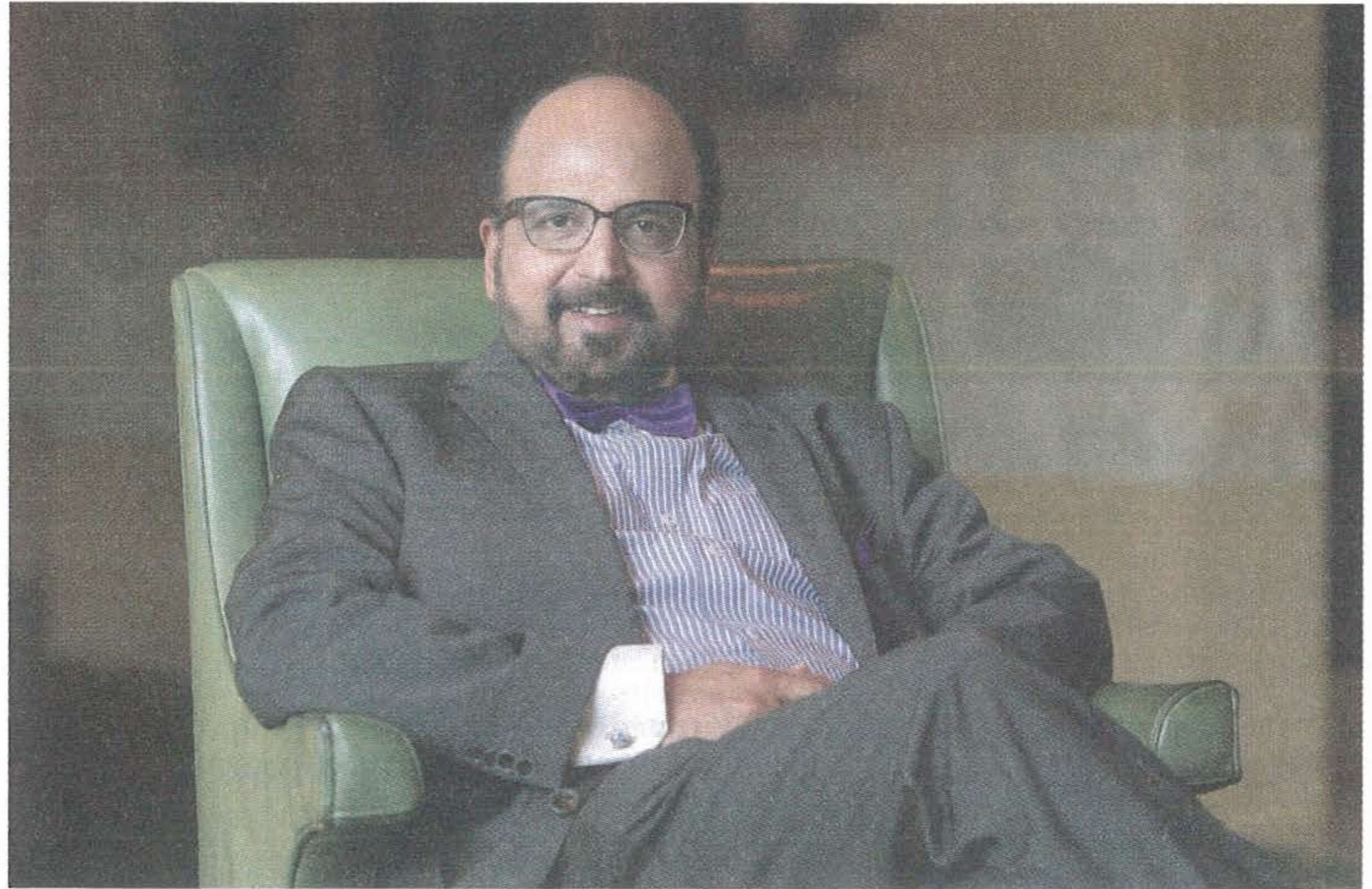
The lender is also hedging its bets in India, a net energy importer, at a time when the economies of the Arabian Gulf are being dragged lower by floundering oil prices.

"We have long-term plans in India," said R Seetharaman, the bank's chief executive.

"The idea is to have a full-scale footprint in India. We have plans to convert into a full-scale subsidiary and that will happen in a few years' time."

The bank has one existing branch in Mumbai and two others that it bought from HSBC Oman in Mumbai and Cochin that are being integrated.

Mr Seetharaman said he was primarily targeting business between India and the Arabian Gulf, to give it an edge in a competitive market. Even though Doha Bank inaugurated its branch in India last year af-



R Seetharaman says his bank is pushing to create a subsidiary in India. Pawan Singh / The National

ter waiting eight years to get a licence, it has been banking Indian businesses around the world for much longer. About 22 per cent of its total loan book is made up of loans to India related corporations.

"You have to target growth markets while there is still margin," Mr Seetharaman said. "That's what we do. We don't just compete with Indian banks. I do synergistic lending."

Doha Bank is not the only bank in the region to have cottoned

on to India's growth potential.

The country has been feted by international investors over the past two years after the election of the reform-minded Narendra Modi to the office of prime minister and dwindling oil prices which have given a boost to government finances. The country is expected to grow by about 7.5 per cent this year, outpacing its neighbouring competitor China.

Regional banks have been among the largest investors in India. National Bank of Abu

Dhabi, the emirate's biggest bank by assets, bought the offshore Indian corporate loan portfolio of the Edinburgh lender Royal Bank of Scotland (RBS) for US\$900 million in November. And the chief executive of Emirates NBD, Dubai's biggest bank, said earlier this year that he would like to expand into India and upgrade the bank's representative office into a fully licensed operation.

✉ mkassem@thenational.ae