



SH: 25 / 2019-20

May 08, 2019

The General Manager, Department of Corporate Services, <b>BSE Limited</b> I Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street Fort, Mumbai – 400 001	The Manager, Listing Department, <b>National Stock Exchange of India Limited</b> 'Exchange Plaza', Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051
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Dear Sir,

**Sub: Audited Financial Results for the quarter/year ended March 31, 2019**

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Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the audited financial results for the quarter and financial year ended March 31, 2019, along with the Auditor's Report on the same. The results/report was taken on record by the Board of Directors at its meeting held on May 08, 2019.

The Board of Directors of the Bank has not recommended any dividend for the financial year 2018-19.

Kindly take the same on record.

Thanking you,

Yours faithfully,

Venkatesh. H  
Company Secretary & Secretary to the Board



ACT:19-20/11

May 08, 2019

<p>Mr. Khushro A. Bulsara Senior General Manager Listing Compliance &amp; Legal Regulatory BSE Limited Corporate Relations Department P.J. Towers, Dalal Street Mumbai- 400 001</p> <p><b>BSE Scrip Code: 532180</b></p>	<p>Mr. Avinash Kharkar AVP- Listing Department National Stock Exchange of India Limited Exchange Plaza, Plt No.C/1, G Block Bandra- Kurla Complex Bandra (E), Mumbai- 400 051</p> <p><b>NSE Symbol: DHANBANK</b></p>
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Dear Sir,

**Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Ref: SEBI Circular No.CIR/CFD/CMD/56/2016 dated May 27, 2016**

Pursuant to Regulation 33(3)(d) of SEBI SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, we hereby declare that the Statutory Auditors of Dhanlaxmi Bank Limited, M/s Sridhar & Co (Firm Registration No. 003978S), have submitted their report with unmodified opinion on the Audited Financial Results of the Bank for the financial year ended March 31, 2019, as approved by the Board at its meeting held on May 08, 2019.

We request you to kindly take this in your record.

Thanking you,

Yours faithfully,

**For Dhanlaxmi Bank Limited**

(Ramesh A.J.)

Chief Financial Officer



**Independent Auditors' Report on the Financial Results of Dhanlaxmi Bank Limited pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To the Board of Directors of The Dhanlaxmi Bank Limited

1. We have audited the accompanying annual financial results of The Dhanlaxmi Bank Limited ('the Bank') for the year ended 31<sup>st</sup> March 2019 (the 'Financial Results'), attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). The disclosures relating to "Pillar 3 under Basel III Capital Regulations" and those relating to "Leverage Ratio", "Liquidity Coverage Ratio" under Capital Adequacy and Liquidity Standards issued by Reserve Bank of India ('RBI') as have been disclosed on the Bank's website and in respect of which a link has been provided in the financial results and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31<sup>st</sup> March 2019 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter have only been reviewed and not subjected to audit.
2. These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results up to the end of the third quarter which are the responsibility of the Bank's Management and approved by the Board of Directors in their meeting held on 8<sup>th</sup> May, 2019. Our responsibility is to express an opinion on these Financial Results based on our audit of the annual financial statements, which have been prepared in accordance with the recognition and measurement principles prescribed under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder, provisions of Section 133 of the Companies Act 2013 read with the relevant rules issued there under, provisions of Section 29 of the Banking Regulation Act, 1949, circulars, guidelines and directions issued by RBI from time to time and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant



estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, these financial results:
- i. have been presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
  - ii. give a true and fair view of the net profit and other financial information for the year ended 31<sup>st</sup> March 2019.

Place : Thrissur  
Date : 8<sup>th</sup> May, 2019



**For Sridhar & Co**  
Chartered Accountants  
Firm Registration Number: 003978S.

**I. Jayasindhu**  
Partner  
Membership Number: 205660

DHANLAXMI BANK LIMITED.

Registered & Corporate Office: P. B No.9, Dhanalakshmi Buildings,

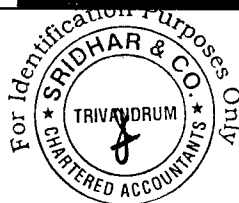
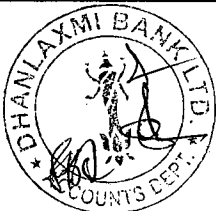
Naickanal, Thrissur – 680 001

CIN: L65191KL1927PLC000307

**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2019**

(Rs in Lakh)

Particulars	Quarter ended			Year ended	
	31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
	Audited#	Unaudited	Audited#	Audited	Audited
1. Interest earned (a)+(b)+(c)+(d)	24184	24508	24644	97149	101332
(a) Interest/discount on advances/bills	15947	16299	16377	63403	69222
(b) Income on investments	7477	7504	7589	30883	29243
(c) Interest on balances with Reserve Bank of India and other interbank funds	373	305	228	1164	1061
(d) Others	387	401	450	1699	1806
2. Other income	2713	2707	2970	5273	10247
<b>3.Total Income ( 1 + 2)</b>	<b>26897</b>	<b>27216</b>	<b>27614</b>	<b>102422</b>	<b>111579</b>
4. Interest expended	15485	15387	16072	62472	66752
5. Operating expenses (a) + (b)	7024	8122	5246	30458	30209
(a) Employees cost	3295	4332	2356	16143	16358
(b) Other operating expenses	3729	3790	2890	14315	13851
<b>6. Total Expenditure (4+5) (excluding provisions and contingencies)</b>	<b>22509</b>	<b>23509</b>	<b>21318</b>	<b>92930</b>	<b>96961</b>
<b>7. Operating Profit(+)/Loss(-) before provisions and contingencies (3-6)</b>	<b>4388</b>	<b>3707</b>	<b>6296</b>	<b>9493</b>	<b>14618</b>
8. Provisions (other than tax) and Contingencies	1627	2017	8012	8326	17105
9. Exceptional items	-	-	-	-	-
<b>10. Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)</b>	<b>2761</b>	<b>1690</b>	<b>(1716)</b>	<b>1167</b>	<b>(2487)</b>
11. Tax expense	-	-	-	-	-
<b>12. Net Profit(+)/Loss (-) from Ordinary Activities after tax (10-11)</b>	<b>2761</b>	<b>1690</b>	<b>(1716)</b>	<b>1167</b>	<b>(2487)</b>
13. Extraordinary items (net of tax expense)	-	-	-	-	-
<b>14. Net Profit (+)/Loss (-) for the period (12-13)</b>	<b>2761</b>	<b>1690</b>	<b>(1716)</b>	<b>1167</b>	<b>(2487)</b>
15. Paid-up equity share capital (Face value Rs.10)	25301	25301	25301	25301	25301
16. Reserves excluding Revaluation Reserves( as per balance sheet of previous accounting year)	-	-	-	36844	35623



<b>17. Analytical Ratios</b>					
(i) Percentage of share holding of Government of India	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio as per Basel III	13.90%	13.52%	13.87%	13.90%	13.87%
(iii) Earnings Per Share(EPS) in Rupees					
-Basic EPS (Before and after Extra ordinary items)	1.09*	0.67*	(0.68)*	0.46	(0.98)
-Diluted EPS (Before and after Extra ordinary items)	1.09*	0.67*	(0.68)*	0.46	(0.98)
(iv) NPA Ratios					
- Gross NPA	49584	50795	46930	49584	46930
- Net NPA	15171	17358	19465	15171	19465
- % of Gross NPA	7.47%	8.11%	7.35%	7.47%	7.35%
- % of Net NPA	2.41%	2.93%	3.19%	2.41%	3.19%
(v) Return on Assets (average) – (Annualized)	0.10%	(0.18%)	(0.20%)	0.10%	(0.20%)

\*Not Annualized

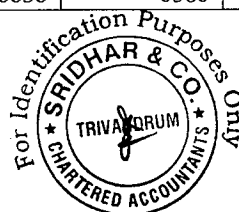
#Refer note 15

## SEGMENTWISE RESULTS

### Part A: Business Segments

(Rs in Lakh)

Particulars	Quarter ended			Year ended	
	31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
	Audited#	Unaudited	Audited#	Audited	Audited
<b>1. Segment Revenue</b>					
(a) Treasury	8099	7891	7990	28842	31916
(b) Retail Banking	11046	7391	10622	39041	36426
(c) Corporate/ Wholesale Banking	7752	11935	9002	34539	43237
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-	-	-	-	-
<b>Total Revenue</b>	<b>26897</b>	<b>27217</b>	<b>27614</b>	<b>102422</b>	<b>111579</b>
Less: Inter-Segment Revenue					
<b>Income from Operations</b>	<b>26897</b>	<b>27217</b>	<b>27614</b>	<b>102422</b>	<b>111579</b>
<b>2. Segment Results(Net of Provisions)</b>					
(a) Treasury	3528	2110	1856	5854	4949
(b) Retail Banking	986	1567	2681	4112	6742
(c) Corporate/ Wholesale Banking	(125)	30	1758	(473)	2927
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-	-	-	-	-
<b>Total</b>	<b>4389</b>	<b>3707</b>	<b>6295</b>	<b>9493</b>	<b>14618</b>
Less :(i) Interest	-	-	-	-	-
(ii) Other Un-allocable Expenditure net-off	1627	2017	8011	8326	17105
(iii) Un-allocable income	-	-	-	-	-
<b>Profit (+)/Loss(-) before tax</b>	<b>2762</b>	<b>1690</b>	<b>(1716)</b>	<b>1167</b>	<b>(2487)</b>
<b>3. Segment Assets</b>					
(a) Treasury	431489	473784	492598	431489	492598
(b) Retail Banking	369510	339630	309365	369510	309365
(c) Corporate/ Wholesale Banking	370398	370596	420098	370398	420098
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	8492	6636	6586	8492	6586



<b>Total</b>	<b>1179889</b>	<b>1190646</b>	<b>1228647</b>	<b>1179889</b>	<b>1228647</b>
<b>4. Segment Liabilities</b>					
(a) Treasury	401433	433275	459972	401433	459972
(b) Retail Banking	350750	327098	294210	350750	294210
(c) Corporate/ Wholesale Banking	351593	356921	399518	351593	399518
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-	-	-	-	-
<b>Total</b>	<b>1103776</b>	<b>1117294</b>	<b>1153700</b>	<b>1103776</b>	<b>1153700</b>
<b>5. Capital Employed (Segment Assets- Segment Liabilities)</b>					
(a) Treasury	30056	40509	32626	30056	32626
(b) Retail Banking	18760	12532	15155	18760	15155
(c) Corporate/ Wholesale Banking	18805	13675	20580	18805	20580
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	8492	6636	6586	8492	6586
<b>Total</b>	<b>76113</b>	<b>73352</b>	<b>74947</b>	<b>76113</b>	<b>74947</b>

#Refer Note 15

Business Segments have been identified and reported taking into account the target customer profile the nature of products and services the differing risks and returns the organization structure the internal business reporting system and the guidelines prescribed by Reserve Bank of India.

#### Part B: Geographical segments

The Bank has only the domestic geographic segment.

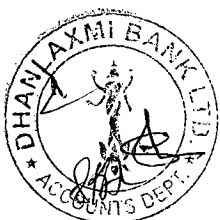
#### Notes

1. Statement of Assets and Liabilities as on March 31, 2019 is given below;

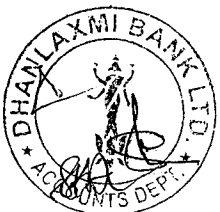
Rs. In Lakh

Particulars	As on 31.03.2019 (Audited)	As on 31.03.2018 (Audited)
<b>Capital and Liabilities</b>		
Capital	25301	25301
Reserve and Surplus	50812	49645
Deposits	1060332	1091967
Borrowings	20040	39217
Other Liabilities and Provisions	23404	22516
<b>Total</b>	<b>1179889</b>	<b>1228646</b>
<b>Assets</b>		
Cash and Balances with Reserve Bank of India	55744	60285
Balances with Banks and Money at call and Short Notice	6584	26876
Investments	403670	436460
Advances	628928	611049
Fixed Assets	20202	20376
Other Assets	64760	73600
<b>Total</b>	<b>1179889</b>	<b>1228646</b>

2. The above audited financial results for the quarter and year ended 31st March 2019 were reviewed by the Audit Committee of the Board and recommended for approval to the Board of Directors and the Board of Directors approved the same at its meeting held on May 08, 2019. These Results have been subjected to "Audit" by the Statutory Central Auditors of the Bank.



3. The working results for the quarter and year ended 31<sup>st</sup> March, 2019 have been arrived at after making provision for tax, if any, and other usual and necessary provisions, provisions for Non-Performing Assets, Standard Assets, restructured advances, exposures to entities with un-hedged foreign currency exposure, additional provision for stressed sectors, Non-Performing Investments and Depreciation on Investments as per the guidelines and prudential norms issued by the Reserve Bank of India.
4. There has been no change in the accounting policies followed during the quarter and year ended 31<sup>st</sup> March 2019 as compared to those followed in the preceding financial year ended 31<sup>st</sup> March 2018.
5. In terms of RBI circular no. FMRD.DIRD.10/14.03.002/2015-16 dated 19th May, 2016, repo and reverse repo transactions with RBI under LAF/MSF are accounted for as borrowing and lending respectively as against the earlier practice of including the same under Investments. Previous period figures have been regrouped and reclassified to conform to current period's classification. The aforesaid change has no impact on the profit /(loss) of the bank for the period presented.
6. In accordance with RBI circular DBR No BP.BC.1/21.06.201/2015-16 dated 1<sup>st</sup> July 2015 banks are required to make quarterly Pillar 3 disclosures under Basel III Capital Regulations. The Bank has made these disclosures which are available in its website at the following link: [http://www.dhanbank.com/investor\\_relations/inv\\_basel.aspx](http://www.dhanbank.com/investor_relations/inv_basel.aspx). These disclosures have not been subjected to Review by the Statutory Auditors.
7. The divergence observed by the RBI for the financial year 2017-18 in respect of the Bank's asset classification and provisioning under the extant prudential norms on income recognition, asset classification and provisioning does not exceed the limits specified under RBI Circular DBR.BP.BC.No.63/21.04.018/2016-177 dated April 18, 2017 and DBR.BP.BC.No.32/21.04.018/2018-19 dated April 1, 2019 on "Divergence in the asset classification and provisioning".
8. Ministry of Labour and Employment, Government of India on March 29, 2018 has enhanced the gratuity ceiling to an employee under Payment of Gratuity Act, 1972 to Rs.20 Lakh from earlier limit of Rs.10 Lakh. This change has resulted in an incremental gratuity liability amounting to Rs. 761 Lakh. As per the RBI circular DBR. BP.BC.9730/21.04.018/2017-18 dated April 27, 2018, the Bank has an option to spread the impact of change in gratuity ceiling over four quarters beginning with the quarter ended March 31, 2018. The Bank has not availed this option and the full incremental liability of Rs.761 lakh has been charged to the profit and loss account for the quarter and year ended March 31, 2018
9. RBI Circular DBR. No.BP.BC.102/21.04.048/2017-18 dated April 02, 2018 grants banks an option to spread the provisioning for mark to market losses on investments held in AFS and HFT for the quarters ended December 31, 2017 and March 31, 2018. The circular states that the provisioning for each of these quarters may be spread equally over up to four quarters, commencing with the quarter in which the loss was incurred. The Bank has not availed this option and recognized the entire mark to market loss on investments of Rs.1981 lakh in the respective quarters in the previous year.
10. In respect of a Gems and Jewellery borrower, where fraud was declared by some banks, the Bank has declared it as fraud and fully provided for the entire funded exposure of Rs.5000 lakh in the quarter ended 31.03.2018.
11. The existing Deferred Tax Assets (DTA) of Rs.3706 lakh was reviewed and a conservative view has been taken to retain the same.
12. Other Income includes fees earned from services to customers commission from non-fund based banking activities earnings from foreign exchange transactions selling of third party products profit /loss on sale of investments (Net) and recoveries from written off accounts.





13. Investor complaints – Pending at the beginning of the quarter – Nil  
Received during the quarter – 1  
Disposed during the quarter – 1  
Unresolved at the end of quarter – Nil
14. Provision coverage ratio as on 31-03-2019 is 84.72 %.
15. Figures for the last quarter in each of the years are the balancing figures between the audited figures in respect of full financial year and the published year to date figures up to the end of the third quarter of the respective financial year which was subjected to limited review.
16. The figures for the previous period have been re-grouped/re-arranged wherever necessary to conform to the current period's classification.

Place: Thrissur  
Date: 08<sup>th</sup> May 2019

**By Order of the Board**

*T. Latha*  
(T. Latha)

**Managing Director & CEO**  
(DIN: 07491803)

