

SH: 118 / 2020-21

February 09, 2021

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

Sub: Compliance of Reg.33 of SEBI (LODR) Regulations, 2015

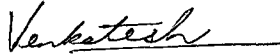
Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the unaudited financial results for the quarter/nine months ended December 31, 2020 along with the Limited Review Report on the same. The results/report were approved and taken on record by the Board of Directors at its meeting held on February 09, 2021.

The Board approved the results at 4.30 P.M

Please take the same on record.

Thanking you,

Yours faithfully,



Venkatesh H
Company Secretary & Secretary to the Board



P.B. Vijayaraghavan & Co.,
Chartered Accountants

Head Office

14, (Old No. 27) Cathedral Garden Road,
Nungambakkam, Chennai - 600 034.

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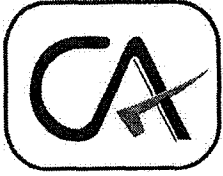
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Limited Review Report on unaudited financial results of Dhanlaxmi Bank Limited for the quarter and nine months ended 31st December 2020, pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

**To The Board of Directors of
Dhanlaxmi Bank Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Dhanlaxmi Bank Limited ("the Bank") for the quarter and nine months ended 31st December, 2020 ("the Statement") attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended except for the disclosures relating to Pillar 3 disclosure under Basel III Capital Regulations as at 31st December 2020, including Leverage Ratio and Liquidity Coverage Ratio as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid Statement, which have not been reviewed by us.
2. The statement, which is the responsibility of the Bank's Management and has been approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard - 25 'Interim Financial Reporting' (AS-25), prescribed under section 133 of the Companies Act, 2013, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (the 'RBI') from time to time (the 'RBI Guidelines'), SEBI circular CIR/CFD/FAC/62/2016 dated 5th July, 2016(hereinafter referred to as the 'SEBI Circular') and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" Issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Bank personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.





P.B. Vijayaraghavan & Co.,
Chartered Accountants

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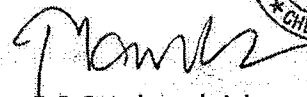
4. Our review primarily is conducted on the basis of review of the books of account and records of the Bank. We have also relied on the information and explanations furnished to us by the Bank and the returns as considered necessary by us for the review.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards, the RBI Guidelines, the SEBI Circular and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.
6. We draw attention to Note No.5 and Note No.6 of the accompanying statements regarding the impact of COVID-19 pandemic. As stated therein the extent to which the COVID-19 pandemic will impact the Bank's future results will depend on related developments, which remain highly uncertain in view of the pending final decision by the Honourable Supreme Court and impact of the relief measures announced by the Government and Reserve Bank of India.

Our opinion is not modified in respect of this matter

Place: Chennai
Date: 9th February 2021

For P.B.Vijayaraghavan & Co.,
Chartered Accountants
FRN:004721S

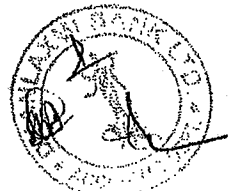



P.B.Santhanakrishnan
Partner
M.No.020309
UDIN: 21020309AAAABS4958

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

(Rs in Lakh)

Particulars	Quarter ended			Nine Months ended		Year ended
	31-Dec-20	30-Sep-20	31-Dec-2019	31-Dec-20	31-Dec-19	31-Mar-20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	23736	24397	25088	71798	74465	98759
(a) Interest/discount on advances/bills	17069	17430	17911	51224	52454	69426
(b) Income on investments	5728	6100	6612	18001	20425	26924
(c) Interest on balances with Reserve Bank of India and other interbank funds	625	468	192	1513	436	848
(d) Others	314	399	373	1060	1150	1561
2. Other income	4885	2125	3497	11207	7480	11285
3. Total Income (1 + 2)	28621	26522	28585	83005	81945	110044
4. Interest expended	14671	15531	15398	45961	45702	61441
5. Operating expenses (a) + (b)	10728	7605	8624	26125	24025	32406
(a) Employees cost	7027	4420	5013	15981	13534	18462
(b) Other operating expenses	3701	3185	3611	10144	10491	13944
6. Total Expenditure (4+5) (excluding provisions and contingencies)	25399	23136	24022	72086	69727	93847
7. Operating Profit(+)/Loss(-) before provisions and contingencies (3-6)	3222	3386	4563	10919	12218	16197
8. Provisions (other than tax) and Contingencies	2041	1985	2435	7728	5900	11589



9. Exceptional items	-	-	-	-	-	-
10. Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	1181	1401	2128	3191	6318	4608
11. Tax expense	-	-	-	-	-	(1970)
12. Net Profit(+)/Loss (-) from Ordinary Activities after tax (10-11)	1181	1401	2128	3191	6318	6578
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
14. Net Profit (+)/Loss (-) for the period (12-13)	1181	1401	2128	3191	6318	6578
15. Paid-up equity share capital (Face value Rs.10)	25301	25301	25301	25301	25301	25301
16. Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)						43475
17. Analytical Ratios						
(i) Percentage of shareholding of Government of India	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio as per Basel III	14.16%	13.72%	13.55%	14.16%	13.55%	14.41%
(iii) Earnings Per Share(EPS) in Rupees						
-Basic EPS (Before and after Extra ordinary items)	0.47*	0.55*	0.84*	1.26*	2.50*	2.60
-Diluted EPS (Before and after Extra ordinary items)	0.47*	0.55*	0.84*	1.26*	2.50*	2.60
(iv) NPA Ratios						
- Gross NPA	39502	44872	49047	39502	49047	40122
- Net NPA	7240	11145	10521	7240	10521	10094
- % of Gross NPA	5.78%	6.36%	7.13%	5.78%	7.13%	5.90%
- % of Net NPA	1.11%	1.66%	1.62%	1.11%	1.62%	1.55%
(v) Return on Assets (average) – (Annualized)	0.34%	0.32%	0.71%	0.34%	0.71%	0.55%

*Not Annualized



SEGMENTWISE RESULTS
Part A: Business Segments

(Rs in Lakh)

Particulars	Quarter ended			Nine Months ended		Year ended
	31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
(a) Treasury	9427	7119	7162	26321	21942	30464
(b) Retail Banking	8367	12100	12114	30418	33882	45757
(c) Corporate/ Wholesale Banking	10827	7303	9309	26266	26121	33823
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
Total Revenue	28621	26522	28585	83005	81945	110044
Less: Inter-Segment Revenue	-	-	-	-	-	-
Income from Operations	28621	26522	28585	83005	81945	110044
2. Segment Results(Net of Provisions)						
(a) Treasury	3575	1749	2134	9445	6046	9226
(b) Retail Banking	628	1439	2586	2526	5890	7165
(c) Corporate/ Wholesale Banking	(981)	198	(157)	(1052)	282	(194)
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
Total	3222	3386	4563	10919	12218	16197
Less :(i) Interest	-	-	-	-	-	-
(ii) Other Un-allocable Expenditure net-off	2041	1985	2435	7728	5900	11589
(iii) Un-allocable income	-	-	-	-	-	-
Profit (+)/Loss(-) before tax	1181	1401	2128	3191	6318	4608
3. Segment Assets						
(a) Treasury	512619	477680	429202	512619	429202	449627
(b) Retail Banking	382740	442514	399868	382740	399868	407303
(c) Corporate/ Wholesale Banking	374861	340558	369109	374861	369109	359025
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	10566	10566	8556	10566	8556	10554
Total	1280786	1271318	1206735	1280786	1206735	1226509



4. Segment Liabilities						
(a) Treasury	428401	409437	381678	428401	381678	382624
(b) Retail Banking	387237	439184	386166	387237	386166	404675
(c) Corporate/ Wholesale Banking	379266	337995	356461	379266	356461	356519
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
Total	1194904	1186616	1124305	1194904	1124305	1143818
5. Capital Employed (Segment Assets- Segment Liabilities)						
(a) Treasury	84218	68243	47524	84218	47524	67003
(b) Retail Banking	(4497)	3330	13702	(4497)	13702	2628
(c) Corporate/ Wholesale Banking	(4405)	2563	12648	(4405)	12648	2506
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	10566	10566	8556	10566	8556	10554
Total	85882	84702	82430	85882	82430	82691

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 The above unaudited financial results for the quarter ended 31st December 2020 were reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on 9th February 2021. These Results have been subjected to "Limited Review" by the Statutory Auditors of the Bank and an unqualified report has been issued by them.
- 2 The working results for the quarter ended 31st December 2020 have been arrived at after making provision for tax, if any, and other usual and necessary provisions on current estimates and will be revised based on the year end financials.

Provisions for Non-Performing Assets, Standard Assets, Restructured advances, Advances under COVID-19 Regulatory Package, Exposures to entities with un-hedged foreign currency exposure, Additional provision for stressed sectors, Non-Performing Investments and Depreciation on Investments are arrived as per the guidelines and prudential norms issued by the Reserve Bank of India.



- 3 The Bank has followed the same significant accounting policies in the preparation of quarterly financial results as those followed in the annual financial statements for the year ended 31st March 2020.
- 4 In accordance with RBI circular DBR No BP.BC.1/21.06.201/2015-16 dated 1st 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_base1.aspx. These disclosures have not been subjected to Review by the Statutory Auditors.

5. The spread of COVID-19 across the globe has resulted in decline in economic activity and increase in volatility in financial markets. The extent to which the COVID-19 pandemic will impact the Bank's future results will depend on related developments, which remain highly uncertain. Despite these conditions, there is not likely to be any significant impact on the liquidity position of the bank

As per the Board approved policy, the Bank had offered moratorium on repayment of loan installments and/or deferment of interest due between March 1, 2020 to August 31, 2020 in accordance with the COVID -19 Regulatory Package announced by RBI on March 27, 2020, April 17, 2020, and May 23, 2020 in order to provide relief to borrowers on account of COVID-19 pandemic whose accounts were standard as on February 29, 2020 without considering the same as restructuring.

In accordance with the RBI guidelines, the Bank is required to make provision of not less than 10% of the total outstanding of such accounts. Accordingly, the Bank had provided Rs. 4,596.24 lakhs at 10% towards the same in prior quarters.

6. The Honourable Supreme Court of India in a Public Interest Litigation (Gajendra Sharma Vs Union of India & Anr), vide its interim order dated September 03, 2020, has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders.

Based on the interim order, the bank has not classified accounts which were not NPA as at August 31, 2020 as per RBI IRAC norms, as NPA after August 31, 2020 in respect of those accounts where moratorium benefits have been established as per COVID-19 Regulatory Package announced by Reserve Bank of India. As a matter of prudence, Bank has made an adhoc provision of Rs. 3708 lakhs towards those accounts and the same has been shown under 'Other liabilities and provisions'. Interest on such accounts has been recognized as income.

7. The Bank has implemented the salary revision, pursuant to the Joint note dated November 11, 2020 entered into between IBA and Workmen Unions and Officer's Association with effect from 1st November 2017. The amount of Rs.2490 lakhs, required over and above the provisions already held in this regard has been charged to the 'Operating Expenses' during the quarter ended 31st December 2020.
8. Deferred Tax Assets (DTA) amount of Rs.5676.31 lakhs has been retained on a conservative approach.



9. 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.
10. Investor complaints – Pending at the beginning of the quarter – Nil
Received during the quarter – Nil
Disposed during the quarter – Nil
Unresolved at the end of quarter -Nil
11. Provision Coverage Ratio (including technical write off) as on 31-12-2020 is 92.68 %.
12. Figures for the quarter ended 30th September/31st December in each of the years are the balancing figures between the figures in respect of half year/Nine months period and the published figures up to the end of the first quarter/2nd quarter of the respective financial year which was subjected to limited review.
13. The figures for the previous period's/year have been re-grouped/re-arranged wherever necessary to conform to the current period's classification.

Place: Thrissur

Date: 9th February 2021

By Order of the Board



(Shivan J K)

Managing Director & CEO

(DIN-09008166)

