

SH: 87/ 2020-21

November 3, 2020

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

The Manager,
Listing Department,
National Stock Exchange of India Limited
'Exchange Plaza', Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051

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/half year ended September 30, 2020 along with the Limited Review Report on the same. The results/report was taken on record by the Board of Directors at its meeting held on November 3, 2020

The Board approved the results at 05.30 PM

Please take the same on record.

Thanking you,

Yours faithfully,

Sd/-
Venkatesh H
Company Secretary & Secretary to the Board

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020

(Rs in Lakh)

Particulars	Quarter ended			Half year ended		Year ended
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	24397	23665	25334	48062	49377	98759
(a) Interest/discount on advances/bills	17430	16725	18016	34155	34544	69426
(b) Income on investments	6100	6173	6769	12273	13813	26924
(c) Interest on balances with Reserve Bank of India and other interbank funds	468	420	157	888	244	848
(d) Others	399	347	392	746	776	1561
2. Other income	2125	4197	2351	6322	3983	11285
3.Total Income (1 + 2)	26522	27862	27685	54384	53360	110044
4. Interest expended	15531	15759	15269	31290	30303	61441
5. Operating expenses (a) + (b)	7605	7792	7671	15397	15401	32406
(a) Employees cost	4420	4534	4232	8954	8521	18462
(b) Other operating expenses	3185	3258	3439	6443	6880	13944
6. Total Expenditure (4+5) (excluding provisions and contingencies)	23136	23551	22940	46687	45704	93847
7. Operating Profit(+)/Loss(-) before provisions and contingencies (3- 6)	3386	4311	4745	7697	7656	16197
8. Provisions (other than tax) and Contingencies	1985	3702	2538	5687	3465	11589
9. Exceptional items	-	-	-	-	-	-



10. Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	1401	609	2207	2010	4191	4608
11. Tax expense	-	-	-	-	-	(1970)
12. Net Profit(+)/Loss (-) from Ordinary Activities after tax (10-11)	1401	609	2207	2010	4191	6578
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
14. Net Profit (+)/Loss (-) for the period (12-13)	1401	609	2207	2010	4191	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	13.72%	13.94%	13.77%	13.72%	13.77%	14.41%
(iii) Earnings Per Share(EPS) in Rupees						
-Basic EPS (Before and after Extra ordinary items)	0.55*	0.24*	0.87*	0.79*	1.66*	2.60
-Diluted EPS (Before and after Extra ordinary items)	0.55*	0.24*	0.87*	0.79*	1.66*	2.60
(iv) NPA Ratios						
- Gross NPA	44872	46445	47608	44872	47608	40122
- Net NPA	11145	14004	10534	11145	10534	10094
- % of Gross NPA	6.36%	6.89%	7.06%	6.36%	7.06%	5.90%
- % of Net NPA	1.66%	2.18%	1.65%	1.66%	1.65%	1.55%
(v) Return on Assets (average) - (Annualized)	0.32%	0.20%	0.71%	0.32%	0.71%	0.55%

*Not Annualized

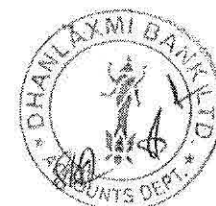


SEGMENTWISE RESULTS

Part A: Business Segments

(Rs in Lakh)

Particulars	Quarter ended			Half year ended		Year ended
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
(a) Treasury	7119	9775	7495	16894	14780	30464
(b) Retail Banking	12100	9951	11592	22051	21767	45757
(c) Corporate/ Wholesale Banking	7303	8136	8598	15439	16813	33823
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
Total Revenue	26522	27862	27685	54384	53360	110044
Less: Inter-Segment Revenue	--	-	-	-	-	-
Income from Operations	26522	27862	27685	54384	53360	110044
2. Segment Results(Net of Provisions)						
(a) Treasury	1749	4121	2230	5870	3913	9226
(b) Retail Banking	1439	459	2053	1898	3304	7165
(c) Corporate/ Wholesale Banking	198	(269)	462	(71)	439	(194)
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
Total	3386	4311	4745	7697	7656	16197
Less :(i) Interest	-	-	-	-	-	-
(ii) Other Un-allocable Expenditure net-off	1985	3702	2538	5687	3465	11589
(iii) Un-allocable income	-	-	-	-	-	-
Profit (+)/Loss(-) before tax	1401	609	2207	2010	4191	4608
3. Segment Assets						
(a) Treasury	477680	483574	425293	477680	425293	449627
(b) Retail Banking	442514	397636	401815	442514	401815	407303
(c) Corporate/ Wholesale Banking	340558	352055	356327	340558	356327	359025
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	10566	10554	8519	10566	8519	10554
Total	1271318	1243819	1191954	1271318	1191954	1226509



4. Segment Liabilities						
(a) Treasury	409437	407300	389455	409437	389455	382624
(b) Retail Banking	439184	399507	382763	439184	382763	404675
(c) Corporate/ Wholesale Banking	337995	353711	339431	337995	339431	356519
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
Total	1186616	1160518	1111649	1186616	1111649	1143818
5. Capital Employed (Segment Assets- Segment Liabilities)						
(a) Treasury	68243	76274	35838	68243	35838	67003
(b) Retail Banking	3330	(1871)	19052	3330	19052	2628
(c) Corporate/ Wholesale Banking	2563	(1656)	16896	2563	16896	2506
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	10566	10553	8519	10566	8519	10554
Total	84702	83300	80305	84702	80305	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. Statement of Assets and Liabilities as on 30th September 2020:

(Rs. In Lakh)

Particulars	30.09.2020	30.09.2019	31.03.2020
	Unaudited	Unaudited	Audited
Capital and Liabilities			
Capital	25301	25301	25301
Reserves and Surplus	59400	55003	57390
Deposits	1143575	1068485	1090407
Borrowings	15000	18250	17750
Other Liabilities and Provisions	28042	24914	35661
Total	1271318	1191953	1226509
Assets			
Cash and Balances with Reserve Bank of India	51645	61673	54852
Balances with Bank and Money at Call and Short Notice	56197	15731	58082
Investments	399016	388792	368240
Advances	672029	636844	649610
Fixed Assets	20992	20931	21370
Other Assets	71439	67982	74355
Total	1271318	1191953	1226509



2. The above unaudited financial results for the quarter ended 30th September 2020 were reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on November 3, 2020. These Results have been subjected to "Limited Review" by the Statutory Auditors of the Bank and an unqualified report has been issued by them.
3. The working results for the quarter/ half year ended 30th September 2020 have been arrived at after making provision for tax, if any, adhoc provision for arrears of salary pending settlement 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.

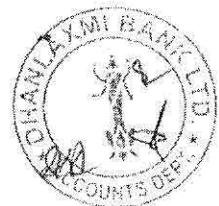
4. The Bank has followed the same significant accounting policies in the preparation of quarterly financial results as those followed in the annual financial statements for the year ended 31st March 2020.
5. In accordance with RBI circular DBR No BP.BC.1/21.06.201/2015-16 dated 1st July 2015 banks are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

6. 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. 3,788.06 lakhs on such loans, for the quarter ended March 2020, and Rs. 797.08 lakhs for the quarter ended 30th June 2020 where moratorium is extended. Similarly, during the current quarter, bank has made an additional provision of Rs. 11.10 lakhs against the likely impact of COVID -19 pandemic aggregating to Rs. 4,596.24 lakhs and is grouped under other liabilities and provisions in the Balance sheet of the bank.



7. 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 prudent measure bank has created adequate provisions in respect of these advances as provision for standard assets.

8. Department of Financial Services, Ministry of Finance, Govt of India vide notification No. F.No.2/12/2020-BOA.I dated 23rd October 2020 has advised all banks that, in view of the unprecedented and extreme COVID - 19 situation, the central Government has approved "scheme for grant of exgratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts (01.03.2020 to 31.08.2020)". Benefits under the scheme would be routed through lending institutions.

The aforesaid exercise of crediting the amount as stated in the detailed guidelines as per the above notification in the respective accounts of eligible borrowers is in progress.

9. The disclosures as required under RBI circular DOR.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 is given below;

Particulars	Rs. In Lakhs	
	As on 31.03.20	As on 30.09.20
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended	37880.62	42302.78
Respective amount where asset classification benefits is extended	7135.45	9695.38
Provisions made during the Q4 FY2020 and Q1 FY 2021 (10% provision)	3788.06	808.18
Provisions adjusted during the respective accounting periods against slippages and the residual provisions	Nil	Nil

10. The disclosures as required under RBI Circular DOR. No.BP.BC.62/21.04.048/2020-21 dated April 17,2020 with respect to the number of accounts and the amount involved in those accounts where the Resolution period was extended is given below for the half year ended as on September 30, 2020:

No of accounts in which Resolution Period was extended	Nil
Amount Involved	Nil

11. The Bank has made an adhoc provision of Rs. 400.00 lakhs for the quarter ended 30th September 2020 towards the salary revision due from 1st November 2017, under 'Provisions and contingencies'.

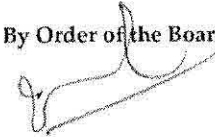
12. Deferred Tax Assets (DTA) amount of Rs.5676.31 lakhs has been retained on a conservative approach.



13. 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.
14. 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
15. Provision Coverage Ratio (including technical write off) as on 30-09-2020 is 89.32 %.
16. Figures for the quarter ended 30th September in each of the years are the balancing figures between the figures in respect of half year and the published figures up to the end of the first quarter of the respective financial year which was subjected to limited review.
17. The figures for the previous period's/year have been re-grouped/re-arranged wherever necessary to conform to the current period's classification.

Thrissur
3rd November, 2020

By Order of the Board



P K Vijayakumar
Director & Member of COD
(DIN: 07757158)



Dhanlaxmi Bank Limited
Cash Flow statement for the half year ended September 30,2020

Particulars	Rs. In Lakhs	
	Half Year ended September 30, 2020	Half Year ended September 30, 2019
Cash flow from operating activities		
Net profit before income tax	2,010	4,191
Adjustments for :		
Depreciation on fixed assets net of reversal of revaluation reserve	773	582
Depreciation on Investments	1,301	(812)
amortization of premia on investments	749	573
Loan Loss provisions including write off	3,457	2,686
Provision against standard assets	166	145
General provision for Advances under Covid 19 Regulatory package	808	-
Provision for Deferred Tax Asset	-	-
Provision for restructured assets	(37)	(23)
Provision for fraud	(2)	0.30
(Profit)/ Loss on sale of fixed assets	11	1
Provision for unhedged Forex Exposure	3	3
Adjustments for :		
(Increase)/ Decrease in Investments	(32,825)	15,117
(Increase)/ Decrease in Advances	(25,839)	(10,578)
Increase / (Decrease) in Borrowings	-	-
Increase/ (Decrease) in Deposits	53,168	8,153
(Increase) / Decrease in Other assets	2,928	(3,194)
Increase/ (Decrease) in Other liabilities and provisions	(8,595)	1,362
Direct taxes paid (net of refunds)	(12)	(27)
Net cash flow from/ (used in) operating activities	(1,936)	18,179



Cash flows from investing activities		
Purchase of fixed assets	(408)	(1,320)
Proceeds from sale of fixed assets	2	8
Net cash flow from/ (used in) investing activities	(406)	(1,312)
Cash flows from financing activities		
Proceeds / (Repayment) of Upper and Lower Tier II capital instruments net of repayment	(2,750)	(1,790)
Net cash generated from/ (used in) financing activities	(2,750)	(1,790)
Net increase/ (decrease) in cash and cash equivalents	(5,092)	15,077
Cash and cash equivalents as at April 1st	1,12,934	62,328
Cash and cash equivalents as at September 30th	1,07,842	77,405

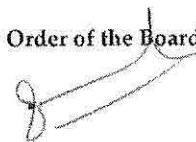
Note:

Components of Cash and Cash Equivalents as at:	30.09.2020	30.09.2019
Cash and Balance with Reserve Bank of India (RBI)	51,645	61,673
Balances with Banks and Money at Call and Short Notice	56,197	15,731
Total	1,07,842	77,405

Thrissur

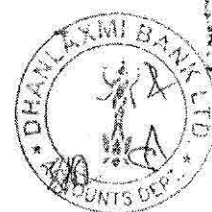
3rd November, 2020

By Order of the Board



P K Vijayakumar

Director & Member of COD
(DIN: 07757158)





P.B. Vijayaraghavan & Co.,
Chartered Accountants

Head Office

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Limited Review Report on unaudited financial results of The Dhanlaxmi Bank Limited for the quarter/half year ended 30th September 2020, pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

To The Board of Directors of The Dhanlaxmi Bank Limited.

1. We have reviewed the accompanying statement of unaudited financial results of The Dhanlaxmi Bank Limited ("the Bank") for the quarter / half year ended 30th September, 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 30th September 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.6 and Note No.7 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: 03rd November 2020

For P.B.Vijayaraghavan & Co.,

Chartered Accountants

FRN:004721S



P. B. Santhanakrishnan

P.B.Santhanakrishnan

Partner

M.No.020309

UDIN: 20020309AAAAHV3864