

SH: 137/ 2019-20

October 31, 2019

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
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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/half year ended September 30, 2019 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 October 31, 2019.

The Board approved the results at 11:30 AM

Please take the same on record.

Thanking you,

Yours faithfully,



Venkatesh H
Company Secretary & Secretary to the Board

DhanlaxmiBank

DHANLAXMI BANK LIMITED.

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

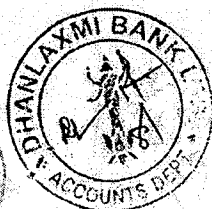
Naickanal, Thrissur – 680 001

CIN: L65191KL1927PLC000307

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

(Rs in Lakh)

Particulars	Quarter ended			Half year ended		Year ended
	30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	25334	24043	24464	49377	48456	97149
(a) Interest/discount on advances/bills	18016	16528	15605	34544	31157	63403
(b) Income on investments	6769	7044	8174	13813	15902	30883
(c) Interest on balances with Reserve Bank of India and other interbank funds	157	87	243	244	487	1164
(d) Others	392	384	443	776	910	1699
2. Other income	2351	1632	(1792)	3983	(147)	5273
3. Total Income (1 + 2)	27685	25675	22673	53360	48309	102422
4. Interest expended	15269	15034	15721	30303	31599	62472
5. Operating expenses (a) + (b)	7671	7730	7555	15401	15312	30458
(a) Employees cost	4232	4289	4229	8521	8515	16143
(b) Other operating expenses	3439	3441	3327	6880	6797	14315
6. Total Expenditure (4+5) (excluding provisions and contingencies)	22940	22764	23277	45704	46911	92930
7. Operating Profit(+)/Loss(-) before provisions and contingencies (3-6)	4745	2911	(604)	7656	1398	9493
8. Provisions (other than tax) and Contingencies	2538	927	(1819)	3465	4682	8326
9. Exceptional items	-	-	-	-	-	-



10. Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	2207	1984	1215	4191	(3284)	1167
11. Tax expense	-	-	-	-	-	-
12. Net Profit(+)/Loss (-) from Ordinary Activities after tax (10-11)	2207	1984	1215	4191	(3284)	1167
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
14. Net Profit (+)/Loss (-) for the period (12-13)	2207	1984	1215	4191	(3284)	1167
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)						36844
17. Analytical Ratios						
(i) Percentage of share holding of Government of India	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio as per Basel III	13.77%	13.85%	14.16%	13.77%	14.16%	13.75%
(iii) Earnings Per Share(EPS) in Rupees						
-Basic EPS (Before and after Extra ordinary items)	0.87*	0.78*	0.48*	1.66*	(1.30)*	0.46
-Diluted EPS (Before and after Extra ordinary items)	0.87*	0.78	0.48*	1.66*	(1.30)*	0.46
(iv) NPA Ratios						
- Gross NPA	47608	49648	48874	47608	48874	49584
- Net NPA	10534	14520	17354	10534	17354	15171
- % of Gross NPA	7.06%	7.61%	7.81%	7.06%	7.81%	7.47%
- % of Net NPA	1.65%	2.35%	2.92%	1.65%	2.92%	2.41%
(v) Return on Assets (average) - (Annualized)	0.71%	0.68%	(0.55%)	0.71%	(0.55%)	0.10%

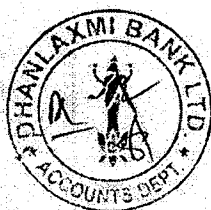
*Not Annualized



SEGMENTWISE RESULTS
Part A: Business Segments

(Rs in Lakh)

Particulars	Quarter ended			Half year ended		Year ended
	30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
(a) Treasury	7495	7285	4795	14780	12852	28842
(b) Retail Banking	11592	10175	11701	21767	20604	39041
(c) Corporate/ Wholesale Banking	8598	8215	6177	16813	14853	34539
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
Total Revenue	27685	25675	22673	53360	48309	102422
Less: Inter-Segment Revenue	-	-	-	-	-	-
Income from Operations	27685	25675	22673	53360	48309	102422
2. Segment Results (Net of Provisions)						
(a) Treasury	2230	1683	(1057)	3913	216	5854
(b) Retail Banking	2053	1251	723	3304	1560	4112
(c) Corporate/ Wholesale Banking	462	(23)	(271)	439	(378)	(473)
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
Total	4745	2911	(604)	7656	1398	9493
Less: (i) Interest	-	-	-	-	-	-
(ii) Other Un-allocable Expenditure net-off	2538	927	(1819)	3465	4682	8326
(iii) Un-allocable income	-	-	-	-	-	-
Profit (+)/Loss(-) before tax	2207	1984	1215	4191	(3284)	1167
3. Segment Assets						
(a) Treasury	425293	435279	480460	425293	480460	431489
(b) Retail Banking	401815	378075	394546	401815	394546	369510
(c) Corporate/ Wholesale Banking	356327	348992	315537	356327	315537	370398
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	8519	8494	6612	8519	6612	8492
Total	1191954	1170840	1197155	1191954	1197155	1179889



4. Segment Liabilities						
(a) Treasury	389455	399157	443910	389455	443910	401433
(b) Retail Banking	382763	360665	378710	382763	378710	350750
(c) Corporate/ Wholesale Banking	339431	332921	302872	339431	302872	351593
(d) Other Banking Operations		-	-		-	-
(e) Unallocated		-	-		-	-
Total	1111649	1092743	1125492	1111649	1125492	1103776
5. Capital Employed (Segment Assets- Segment Liabilities)						
(a) Treasury	35838	36122	36550	35838	36550	30056
(b) Retail Banking	19052	17410	15836	19052	15836	18760
(c) Corporate/ Wholesale Banking	16896	16071	12665	16896	12665	18805
(d) Other Banking Operations		-	-		-	-
(e) Unallocated	8519	8494	6612	8519	6612	8492
Total	80305	78097	71663	80305	71663	76113

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

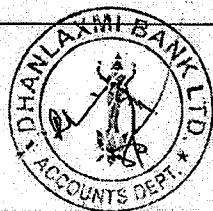
The Bank has only the domestic geographic segment.

Notes

1. Statement of Assets and Liabilities as on 30th September 2019:

(Rs. In Lakh)

Particulars	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Audited
Capital and Liabilities			
Capital	25301	25301	25301
Reserves and Surplus	55003	46361	50812
Deposits	1068485	1081678	1060332
Borrowings	18250	20140	20040
Other Liabilities and Provisions	24914	23674	23404
Total	1191953	1197154	1179889
Assets			
Cash and Balances with Reserve Bank of India	61673	60800	55744
Balances with Bank and Money at Call and Short Notice	15731	19783	6584
Investments	388792	432146	403670
Advances	636844	594057	628928
Fixed Assets	20931	20063	20202
Other Assets	67982	70305	64761
Total	1191953	1197154	1179889



2. Summarised statement of Cash Flows for the half year ended 30th September:

	(Rs. in lakh)	
	30.09.2019	30.09.2018
	Unaudited	Unaudited
Cash flows from operating activities	18179	3084
Cash flows from/(used in) investing activities	(1312.00)	(282.00)
Cash flows from/(used in) financing activities	(1790.00)	(9380.00)
Net increase/(decrease) in cash and cash equivalents	15077	(6578.00)
Cash and cash equivalents as at beginning of the period/year	62328	87161
Cash and cash equivalents as at the end of the period/year	77405	80583

- 3 The above unaudited financial results for the quarter ended 30th September 2019 were reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on October 31, 2019. These Results have been subjected to "Limited Review" by the Statutory Auditors of the Bank and an unqualified report has been issued by them.
- 4 The working results for the quarter ended 30th September, 2019 have been arrived at after making usual and necessary provisions on current estimates and will be revised based on year end financials. 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 are arrived as per the guidelines and prudential norms issued by the Reserve Bank of India.
- 5 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 2019.
- 6 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.
- 7 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.
- 8 RBI Circular DBR. No.BP.BC.92/21.04.048/2015-16 dated April 18, 2016 grants banks an option to spread the provisioning for frauds, over a period of four quarters, provided there is no delay in reporting. Bank had exercised this option in respect of an advance with outstanding balance of Rs.34.94 crores declared as fraud during the quarter ended 30th June 2019, against which provision of Rs.12.74 crores was held as at the beginning of the year. During the nine quarter bank provided Rs.5.55 crores, being 1/4th of the additional provision required to be made over and above NPA provisions held. During this quarter, Bank has made full provision for the balance of Rs.16.65 crores.



- 9 The existing Deferred Tax Assets (DTA) amount of Rs.37.06 crores was reviewed and it has been decided to retain the same based on current estimates.
- 10 In Accordance with the Taxation Law (Amendment) Ordinance, 2019 promulgated on September 20, 2019, a decision is yet to be taken on whether to opt for a lower tax rate or to continue with the existing rate in view of the carry forward losses and consequential impact will be considered later.
- 11 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.
- 12 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
- 13 Provision Coverage Ratio as on 30-09-2019 is 89.16 %.
- 14 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.
- 15 The figures for the previous period's/year have been re-grouped/re-arranged wherever necessary to conform to the current period's classification. The figure for the quarter/ half-year ended September 30, 2018, year ended March 31, 2019 and quarter ended June 30, 2019 were reviewed/audited by the previous statutory auditor.

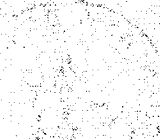
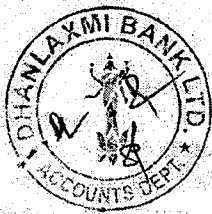
Place: Thiruvananthapuram
Date: 31st October, 2019.

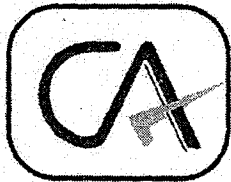
By Order of the Board



(T. Latha)

Managing Director & CEO
(DIN: 07491803)





P.B. Vijayaraghavan & Co.,

Chartered Accountants

Head Office:

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Nungambakkam, Chennai - 6000 034.**

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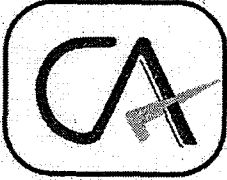
Limited Review Report on unaudited financial results of The Dhanlaxmi Bank Limited for quarter ended 30th September 2019, pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

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 ended 30th September, 2019 ('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, except for the disclosures relating to Pillar 3 disclosure under Basel III Capital Regulations as at 30th September 2019, 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. This statement is the responsibility of the Bank's Management and has been approved by the Board of Directors. The Statement 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 (RBI) from time to time, SEBI circular CIR/CFD/CMD1/44/2019 dated 29th March, 2019 and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements 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's 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 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 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. Without qualifying our conclusion, we draw our attention to Note no 9 of the statement regarding retention of Deferred Tax Asset amounting to Rs. 37.06 crores.
7. The review of unaudited quarterly/half yearly financial results ended 30th September 2018, audit of financial results for the year ended 31st March 2019 and unaudited quarterly financial year ended 30th June 2019 included in the Statement was carried out and reported by previous auditor who has expressed unmodified conclusion vide review report dated 02nd November 2018, unmodified opinion vide audit report dated 8th May 2019 and review report dated 17th July 2019 respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.
8. The figures related to cash flow statement for the comparative period ended 30th September 2018 is neither audited nor reviewed.

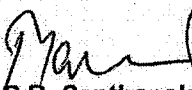
Place: Thiruvananthapuram

Date: 31st October, 2019

P. B. Vijayaraghavan & Co.,

Chartered Accountants

FRN: 004721S


P.B. Santhanakrishnan

Partner

M. No. 020309

UDIN: 19020309AAAED5101

