

SH: 40 / 2021-22

July 28, 2021

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: Unaudited Financial Results for the quarter ended June 30, 2021**

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Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the unaudited financial results for the quarter ended June 30, 2021, 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 July 28, 2021.

The Board approved the results at ~~12.30~~ 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.

Tel : +91-44-2826 3918 / 3490

Mobile : +91-098401 88734

Fax : +91-44-2827 6519

e-mail : audit@pbv.co.in

Limited Review Report on unaudited financial results of Dhanlaxmi Bank Limited for the quarter ended 30<sup>th</sup> June 2021, 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 ended 30<sup>th</sup> June 2021 ("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 30<sup>th</sup> June 2021, 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 5<sup>th</sup> 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 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 various uncertain factors including related developments/actions taken to mitigate the same and other regulatory measures.

Our opinion is not modified in respect of this matter

Place: Chennai  
Date: 28-07-2021

For P.B.Vijayaraghavan & Co.,  
Chartered Accountants  
FRN:0047215

P.B.Santhanakrishnan  
Partner

M.No.020309

UDIN: 21020309AAAAIL7732



**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021**

(Rs in Lakh)

Particulars	Quarter ended			Year ended
	30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
	Unaudited	Audited	Unaudited	Audited
<b>1. Interest earned (a)+(b)+(c)+(d)</b>	21810	21277	23665	93075
(a) Interest/discount on advances/bills	15507	14628	16725	65852
(b) Income on investments	5650	6122	6173	24123
(c) Interest on balances with Reserve Bank of India and other interbank funds	396	244	420	1757
(d) Others	257	283	347	1343
<b>2. Other income</b>	2092	2941	4197	14148
<b>3.Total Income ( 1 + 2)</b>	<b>23902</b>	<b>24218</b>	<b>27862</b>	<b>107223</b>
<b>4. Interest expended</b>	13860	14149	15759	60110
<b>5. Operating expenses (a) + (b)</b>	9153	10479	7792	36604
(a) Employees cost	5475	6556	4534	22537
(b) Other operating expenses	3678	3923	3258	14067
<b>6. Total Expenditure (4+5) (excluding provisions and contingencies)</b>	<b>23013</b>	<b>24628</b>	<b>23551</b>	<b>96714</b>
<b>7. Operating Profit(+)/Loss(-) before provisions and contingencies (3-6)</b>	889	(410)	4311	10509
<b>8. Provisions (other than tax) and Contingencies</b>	210	(1482)	3702	6246
<b>9. Exceptional items</b>	-	-	-	-
<b>10. Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)</b>	679	1072	609	4263
<b>11. Tax expense</b>	-	544	-	544
<b>12. Net Profit(+)/Loss (-) from Ordinary Activities after tax (10-11)</b>	679	528	609	3719
<b>13. Extraordinary items (net of tax expense)</b>	-	-	-	-
<b>14. Net Profit (+)/Loss (-) for the period (12-13)</b>	679	528	609	3719
<b>15. Paid-up equity share capital (Face value Rs.10)</b>	25301	25301	25301	25301
<b>16. Reserves excluding Revaluation Reserves( as per balance sheet of previous accounting year)</b>	-	-	-	47243
<b>17. Analytical Ratios</b>				
(i) Percentage of share holding of Government of India	Nil	Nil	Nil	Nil

(ii) Capital Adequacy Ratio as per Basel III	14.57%	14.47%	13.94%	14.47%
(iii) Earnings Per Share(EPS) in Rupees				
-Basic EPS (Before and after Extra ordinary items)	0.27*	0.21*	0.24*	1.47
-Diluted EPS (Before and after Extra ordinary items)	0.27*	0.21*	0.24*	1.47
(iv) NPA Ratios				
- Gross NPA	64153	65721	46445	65721
- Net NPA	30086	32292	14004	32292
- % of Gross NPA	9.27%	9.23%	6.89%	9.23%
- % of Net NPA	4.58%	4.76%	2.18%	4.76%
(v) Return on Assets (average) - (Annualized)	0.21%	0.29%	0.20%	0.29%

\*Not Annualized

## SEGMENTWISE RESULTS

### Part A: Business Segments

(Rs in Lakh)

Particulars	Quarter ended			Year ended
	30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
	Unaudited	Audited	Unaudited	Audited
<b>1. Segment Revenue</b>				
(a) Treasury	6902	7196	9775	33517
(b) Retail Banking	10736	17455	9951	47873
(c) Corporate/ Wholesale Banking	6264	(433)	8136	25833
(d) Other Banking Operations	-	-	-	-
(e) Unallocated	-	-	-	-
<b>Total Revenue</b>	<b>23902</b>	<b>24218</b>	<b>27862</b>	<b>107223</b>
Less: Inter-Segment Revenue	-	-	-	-
<b>Income from Operations</b>		<b>24218</b>	<b>27862</b>	<b>107223</b>
<b>2. Segment Results(Net of Provisions)</b>				
(a) Treasury	1564	1600	4121	11045
(b) Retail Banking	(40)	(877)	459	1649
(c) Corporate/ Wholesale Banking	(635)	(1133)	(269)	(2185)
(d) Other Banking Operations	-	-	-	-
(e) Unallocated	-	-	-	-
<b>Total</b>	<b>889</b>	<b>(410)</b>	<b>4311</b>	<b>10509</b>
Less :(i) Interest	-	-	-	-
(ii) Other Un-allocable Expenditure net-off	210	(1482)	3702	6246
(iii) Un-allocable income	-	-	-	-
<b>Profit (+)/Loss(-) before tax</b>	<b>679</b>	<b>1072</b>	<b>609</b>	<b>4263</b>
<b>3. Segment Assets</b>				
(a) Treasury	505196	503054	483574	503054
(b) Retail Banking	473414	495925	397636	495925
(c) Corporate/ Wholesale Banking	303056	300605	352055	300605
(d) Other Banking Operations	-	-	-	-
(e) Unallocated	10091	10066	10554	10066
<b>Total</b>	<b>1291757</b>	<b>1309650</b>	<b>1243819</b>	<b>1309650</b>
<b>4. Segment Liabilities</b>				
(a) Treasury	455968	445560	407300	445560
(b) Retail Banking	456483	484189	399507	484189
(c) Corporate/ Wholesale Banking	292218	293491	353711	293491

(d) Other Banking Operations	-	-	-	-
(e) Unallocated	-	-	-	-
<b>Total</b>	<b>1204669</b>	<b>1223240</b>	<b>1160518</b>	<b>1223240</b>
<b>5. Capital Employed (Segment Assets-Segment Liabilities)</b>				
(a) Treasury	49228	57494	76274	57494
(b) Retail Banking	16931	11736	(1871)	11736
(c) Corporate/ Wholesale Banking	10838	7114	(1656)	7114
(d) Other Banking Operations	-	-	-	-
(e) Unallocated	10091	10066	10553	10066
<b>Total</b>	<b>87088</b>	<b>86410</b>	<b>83300</b>	<b>86410</b>

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

- The above unaudited financial results for the quarter ended 30<sup>th</sup> June 2021 were reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on July 28, 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.
- The working results for the quarter ended 30<sup>th</sup> June, 2021 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, exposures to entities with unhedged 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.
- 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 31<sup>st</sup> March 2021.
- 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.
- On account of continuing uncertainties arising from the COVID-19 pandemic across the world and in India, including the current 'second wave' and consequent imposition of renewed restrictions in various parts of the country, the extent to which the same will impact the Bank's operations and financial position will depend on various factors including actions taken to mitigate its impact and other regulatory measures. Despite these conditions, there is not likely to be any significant impact in the liquidity position of the Bank.
- The Deferred Tax Asset ('DTA') of Rs. 5132 lakhs has been retained on a conservative approach.
- Number of borrower accounts where modifications were sanctioned and implemented in terms of Clause 22 of Circular No. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dt.05.05.2021 'Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses' is Nil.



8. Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circulars RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 August 6, 2020, RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 05th May, 2021 and RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated 05th May, 2021 are given below.

						Rs. In Lakhs
Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan	
Personal Loans	47	2185	Nil	Nil	220	
Corporate persons	3	3596	Nil	Nil	359	
Others	16	447	Nil	Nil	42	
Of which, MSMEs	1	15	Nil	Nil	2	
<b>Total</b>	<b>66</b>	<b>6228</b>	<b>Nil</b>	<b>Nil</b>	<b>621</b>	

9. As per the NCLT, Kolkata Bench order dated 21<sup>st</sup> October 2020, the Bank has not classified one borrower account with an exposure of Rs. 7289 lakhs as NPA and maintained status quo of Standard Asset until further orders. Bank has reversed the interest income of Rs.583 lakhs recognized during the period from 01/09/2020 to 31/03/2021 and has not booked any interest income during the current quarter. Lender Banks have filed an appeal against NCLT, Kolkata Bench order and the same is pending. As a prudent measure, the Bank has made an adhoc provision of Rs.1093 Lakhs during the quarter ended 30<sup>th</sup> June 2021 and it is grouped under 'Other liabilities and Provisions' in the Balance Sheet of the Bank.
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. 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. Provision coverage ratio (Including Technical Write off) as on 30<sup>th</sup> June 2021 is 75.66 %.
13. Figures for the quarter ended 31<sup>st</sup> March 2021 are the balancing figures between the audited figures in respect of the full financial year ended 31<sup>st</sup> March 2021 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.
14. 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: 28<sup>th</sup> July 2021



By Order of the Board

*Shivan J K*

(Shivan J K)

Managing Director & CEO

(DIN-09008166)