

DHANLAXMI BANK LIMITED.  
Registered & Corporate Office: P. B No.9, Dhanalakshmi Buildings,  
Naickanal, Thrissur – 680 001

**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2014**

(Rs. in Lakhs)

Particulars	For the Quarter ended			For the year ended	
	March 31, 2014	Dec 31, 2013	March 31, 2013	March 31, 2014	March 31, 2013
	(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)
1. Interest earned (a)+(b)+(c)+(d)	32903	31244	32563	129195	130800
(a) Interest/discount on advances/bills	23438	22847	23137	93685	97151
(b) Income on investments	8275	7522	8692	32456	32510
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	1190	875	370	3054	772
(d) Others	-	0	364	-	367
2. Other income	1899	1508	4362	7343	11430
<b>3. Total Income ( 1 + 2)</b>	<b>34802</b>	<b>32752</b>	<b>36925</b>	<b>136538</b>	<b>142230</b>
4. Interest expended	25134	25591	25635	101182	103158
5. Operating expenses (a) +(b)	11204	7922	7727	34749	33932
(a) Employees cost	5844	4224	4041	18922	18676
(b) Other operating expenses	5360	3698	3686	15827	15256
<b>6. Total Expenditure (4+5) (excluding provisions and contingencies)</b>	<b>36338</b>	<b>33513</b>	<b>33362</b>	<b>135931</b>	<b>137090</b>
<b>7. Operating Profit(+)/Loss(-) before provisions and contingencies (3-6)</b>	<b>-1536</b>	<b>-761</b>	<b>3563</b>	<b>607</b>	<b>5140</b>
8. Provisions (other than tax) and contingencies	11885	11176	3288	25789	7466
9. Exceptional items	-	-	-	-	-
<b>10. Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)</b>	<b>-13421</b>	<b>-11937</b>	<b>275</b>	<b>-25182</b>	<b>-2326</b>
11. Tax expense	5	-	-2591	9	2588
<b>12. Net Profit (+)/Loss (-) from Ordinary Activities after tax (10-11)</b>	<b>-13426</b>	<b>-11937</b>	<b>2866</b>	<b>-25191</b>	<b>262</b>
13. Extraordinary items	-	-	-	-	-
<b>14. Net Profit (+)/Loss (-) for the period (12-13)</b>	<b>-13426</b>	<b>-11937</b>	<b>2866</b>	<b>-25191</b>	<b>262</b>
15. Paid-up equity share capital (Face value Rs.10 each)	12593	10836	8514	12593	8514
16. Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	62928
<b>17. Analytical Ratios</b>					
(a) Percentage of share holding of Government of India	Nil	Nil	Nil	Nil	Nil
(b) Capital Adequacy Ratio					
Basel II	10.00%	11.21%	11.06%	10.00%	11.06%
Basel III	8.67%	9.78%	N.A.	8.67%	N.A.
(c) Earnings Per Share (EPS) (in Rupees)					
EPS for the quarter/year (before and after extraordinary items)					
- Basic	-	-	3.37	-	0.31
- Diluted	-	-	3.37	-	0.31
(d) NPA Ratios					
- Gross NPA	48582	54632	38027	48582	38027
- Net NPA	30188	35022	26102	30188	26102
- % of Gross NPA	5.98%	7.05%	4.82%	5.98%	4.82%

- % of Net NPA	3.80%	4.64%	3.36%	3.80%	3.36%
(e) Return on Assets (average) – (Annualised)	-3.92%	-3.52%	0.02%	-1.86%	0.02%
<b>18. Public Shareholding</b>					
- Number of shares	125934619	108359619	85136319	125934619	85136319
- Percentage of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%
<b>19. Promoters and promoter group shareholding</b>					
(a) Pledged/Encumbered					
- Number of shares					
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
- Percentage of shares (as a % of the total share capital)					
(b) Non-encumbered					
- Number of Shares					
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
- Percentage of shares (as a % of the total share capital)					

\*Not annualised

### Notes

#### 1. Statement of Assets and Liabilities as on March 31, 2014

Particulars	(Rs. in Lakhs)	
	March 31, 2014 (Audited)	March 31, 2013 (Audited)
<b>CAPITAL AND LIABILITIES</b>		
Capital	12593	8514
Share Application Money Pending Allotment		3540
Reserves and Surplus	61039	64546
Deposits	1213321	1120213
Borrowings	133558	159209
Other Liabilities and Provisions	48248	26937
<b>Total</b>	<b>1468759</b>	<b>1382959</b>
<b>ASSETS</b>		
Cash and Balances with Reserve Bank of India	63016	50980
Balances with Banks and Money at call and short notice	104518	42733
Investments	448230	450949
Advances	793596	777706
Fixed Assets	21235	13576
Other Assets	38164	47015
<b>Total</b>	<b>1468759</b>	<b>1382959</b>

- The above audited financial results have been taken on record by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on May 23, 2014. The information presented above is extracted from the audited financial statements as stated.
- There has been no change in the accounting policies adopted during the Quarter/year ended as at 31 March 2014 as compared to those followed in the preceding financial year 2012-13.
- The working results for the year ended March 31, 2014 have been arrived at after making provisions for Non-Performing Assets, Standard Assets, Non-Performing Investments and Depreciation on Investments are made as per the guidelines issued by the Reserve Bank of India.
- Tax expenses/provisions includes, provision for Current year taxes if any, and deferred tax Asset/Liability calculated as per Accounting Standard 22 issued by ICAI.

6. The figures for the quarter ended March 31, 2014 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figure between audited figures in respect of the full financial year and the year to date figures up to the end of the third quarter of the relevant financial year.
7. The unamortized transitional liability consequent to the reopening of the pension option and enhancement of the gratuity limit, following the amendments to the Payment of Gratuity Act, 1972 was ` 1020.70 Lakhs as on March 31, 2013. Out of the above, the amount charged to the Profit and Loss Account for the period ended 31<sup>st</sup> March 2014 is ` 510.80 lakhs ( ` 127.50 lakhs for the quarter ended 31.03.2014) and the balance amount of ` 509.90 Lakhs yet to be written off is carried forwarded to be amortized in future as permitted by RBI.
8. Pending settlement of wage revision w.e.f. 1<sup>st</sup> November 2012, an adhoc provision of Rs. 1202 lakhs is made during the current year.
9. The Bank has sold impaired assets worth Rs.10286 lakhs to an asset reconstruction company and adjusted in accounts in terms of the guidelines of RBI in this regard during the current quarter.
10. The Board issued and allotted 1,74,75,000 equity shares for an aggregate amount of Rs. 6722 lakhs by way of qualified identified institutional placement during the current quarter.
11. The strategic investment made in Destimoney Securities Private Limited, a securities trading company, in February 2011, for ` 1224.49 Lakhs has been written down to its fair value of ` 361.80 Lakhs based on the last audited financials of the company as on March 31, 2013.
12. In terms of RBI circular DBOD No. BP. 95/ 21.04.048/ 2013-14 dated February 7, 2014 Banks were permitted to utilise up to 33% countercyclical provision buffer/ floating provision held by them as on 31.03.2013 for making specific provisions for non-performing assets, as per the policy approved by their Board of Directors. Accordingly, the Bank has utilised an amount of Rs. 875 lakhs for making specific provisions for non-performing assets.
13. In terms of RBI circular DBOD. No. BP.BC.88/21.06.201/2012-13 dated 28.03.2013, Banks have been advised to disclose capital under Basel III Capital Regulations from the quarter ended 30<sup>th</sup> June 2013. Accordingly, corresponding details for previous period/ year are not applicable.
14. In accordance with RBI circular DBOD No BO.BC.2/21.06.201/2013-14 dated 1<sup>st</sup> July 2013, banks are required to make half yearly Pillar 3 disclosures under Basel III Capital Regulations with effect from 30<sup>th</sup> September, 2013. 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 limited review by the statutory auditors of the Bank.
15. In terms of RBI circular DBOD.BP.BC.No.41/21.04.141/2013-14 dated August 23, 2013 on "Investment portfolio of banks –Classification, Valuation and Provisioning", the Bank has opted to amortise the depreciation on the Available for Sale (AFS) and Held for Trading (HFT) portfolios on each of the valuation dates in the current financial year ie 2013-14 in equal installments. The Bank had amortised such depreciation during the quarters ended September and December 2013. During the quarter and year ended 31<sup>st</sup> March 2014, depreciation in respect of AFS and HFT portfolio has been recognised in full.
16. The Bank had hitherto not been creating Deferred Tax Liability (DTL) on the Special Reserve created under section 36 (1) (viii) of the Income Tax Act, 1961 in accordance with the requirements of Accounting Standard (AS) 22, Accounting for Taxes on Income. However, during the year, the Bank pursuant to RBI circular no. DBOD. No. BP.BC.77/21.04.018/ 2013-14 dated 20.12.2013, has created DTL of Rs.203.45 lakhs on such Special reserve for the period up to 31.03.2013, not fully charged to the Profit and Loss account and has adjusted the same directly from the Reserves. Had this amount been charged to the Profit and Loss account in accordance with the Generally Accepted Accounting Principles in India, the amount of profit for the year would have been lower by such amount.
17. Details of investor complaints for the year ended March 31, 2014:  
Beginning - Nil; Received - Nil; Disposed off - Nil; Closing - Nil.
18. The figures for the previous periods/year have been regrouped wherever necessary to conform to the current period's classification.

# Audited Segment-wise Revenue, Results and Capital Employed

## Part A: Business Segments

(Rs. in Lakhs)

Particulars	For the quarter ended			For the year ended	
	March 31, 2014	Dec 31, 2013	March 31, 2013	March 31, 2014	March 31, 2013
	(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)
<b>1. Segment Revenue</b>					
(a) Treasury	9580	8621	11099	37035	37754
(b) Retail Banking	12246	15938	11290	55459	62370
(c) Corporate/Wholesale Banking	12975	8192	14153	44032	41700
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	1	1	383	12	406
<b>Total</b>	<b>34802</b>	<b>32752</b>	<b>36925</b>	<b>136538</b>	<b>142230</b>
Less: Inter - Segment Revenue	-	-	-	-	-
<b>Income from Operations</b>	<b>34802</b>	<b>32752</b>	<b>36925</b>	<b>136538</b>	<b>142230</b>
<b>2. Segment Results (Profit (+)/Loss (-) before tax and after interest from each segment)</b>					
(a) Treasury	454	-601	1727	490	1498
(b) Retail Banking	-1160	-5	596	89	2260
(c) Corporate/Wholesale Banking	-820	-148	862	48	1223
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-10	-7	378	-20	159
<b>Total</b>	<b>-1536</b>	<b>-761</b>	<b>3563</b>	<b>607</b>	<b>5140</b>
Less : (i) Interest	-	-	-	-	-
(ii) Other Unallocable expenditure net-off	11885	11176	3288	25789	7469
(iii) Unallocable income	-	-	-	-	-
<b>Profit Before Tax</b>	<b>-13421</b>	<b>-11937</b>	<b>275</b>	<b>-25182</b>	<b>-2329</b>
<b>3. Capital Employed</b>					
(a) Treasury	10434	40154	-41798	10434	-41798
(b) Retail Banking	29628	14537	63865	29628	63865
(c) Corporate/Wholesale Banking	23535	10458	43004	23535	43004
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	10035	101,55	11529	10035	11529
<b>Total</b>	<b>73632</b>	<b>75304</b>	<b>76600</b>	<b>73632</b>	<b>76600</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.

Kochi,  
May 23, 2014

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By order of the Board



P.G. JAYAKUMAR  
(Managing Director & CEO)