



SH: 49/2018-19

May 23, 2018

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: Audited Financial Results for the quarter/year ended March 31, 2018

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the audited financial results for the quarter and financial year ended March 31, 2018, along with the Auditor's Report on the same. The results/report was taken on record by the Board of Directors at its meeting held on May 23, 2018.

The Board of Directors of the Bank has not recommended any dividend for the financial year 2017-18.

The Board meeting concluded at 2.30 P.M.

Kindly take the same on record.

Thanking you,

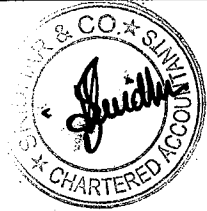
Yours faithfully,

Santosh Kumar Barik
Company Secretary

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018

(Rs in Lakh)

Particulars	Quarter ended			Year ended	
	31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
	Audited#	Unaudited	Audited#	Audited	Audited
1. Interest earned (a)+(b)+(c)+(d)	24644	24842	26785	101332	108905
(a) Interest/discount on advances/bills	16377	16828	18602	69222	76949
(b) Income on investments	7589	7317	6824	29243	27702
(c) Interest on balances with Reserve Bank of India and other interbank funds	228	252	907	1061	2407
(d) Others	450	445	452	1806	1847
2. Other income	2970	2169	2849	10247	11102
3. Total Income (1 + 2)	27614	27011	29634	111579	120007
4. Interest expended	16072	16469	18332	66752	75745
5. Operating expenses (a) + (b)	5246	7875	7456	30209	34855
(a) Employees cost	2356	4403	3360	16358	19490
(b) Other operating expenses	2890	3472	4096	13851	15365
6. Total Expenditure (4+5) (excluding provisions and contingencies)	21318	24344	25788	96961	110600
7. Operating Profit(+)/Loss(-) before provisions and contingencies (3-6)	6296	2667	3846	14618	9407
8. Provisions (other than tax) and Contingencies	8012	4841	2965	17105	8169
9. Exceptional items	-	-	-	-	-
10. Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	(1716)	(2174)	881	(2487)	1238
11. Tax expense	-	-	-	-	-
12. Net Profit(+)/Loss (-) from Ordinary Activities after tax (10-11)	(1716)	(2174)	881	(2487)	1238
13. Extraordinary items (net of tax expense)	-	-	-	-	-
14. Net Profit (+)/Loss (-) for the period (12-13)	(1716)	(2174)	881	(2487)	1238
15. Paid-up equity share capital (Face value Rs.10)	25301	25301	20985	25301	20985
16. Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)				35623	30386
17. Analytical Ratios					



(i) Percentage of share holding of Government of India	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio as per Basel III	13.87%	11.15%	10.26%	13.87%	10.26%
(iii) Earnings Per Share(EPS) in Rupees					
-Basic EPS (Before and after Extra ordinary items)	(0.68)*	(0.86)*	0.42*	(0.98)	0.59
-Diluted EPS (Before and after Extra ordinary items)	(0.68)*	(0.86)*	0.42*	(0.98)	0.59
(iv) NPA Ratios					
- Gross NPA	46930	44614	31560	46930	31560
- Net NPA	19465	25346	16648	19465	16648
- % of Gross NPA	7.35%	6.96%	4.78%	7.35%	4.78%
- % of Net NPA	3.19%	4.08%	2.58%	3.19%	2.58%
(v) Return on Assets (average) – (Annualized)	(0.20%)	(0.08%)	0.06%	(0.20%)	0.10%

*Not Annualized

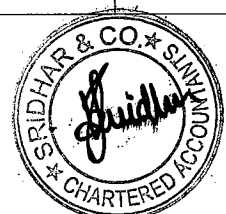
Refer Note 18

SEGMENTWISE RESULTS

Part A: Business Segments

(Rs in Lakh)

Particulars	Quarter ended			Year ended	
	31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
	Audited#	Unaudited	Audited#	Audited	Audited
1. Segment Revenue					
(a) Treasury	7990	7635	8132	31916	34036
(b) Retail Banking	10622	6973	8165	36426	39067
(c) Corporate/ Wholesale Banking	9002	12403	13337	43237	46904
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-	-	-	-	-
Total Revenue	27614	27011	29634	111579	120007
Less: Inter-Segment Revenue	-	-	-	-	-
Income from Operations	27614	27011	29634	111579	120007
2. Segment Results(Net of Provisions)					
(a) Treasury	1856	220	2484	4949	5930
(b) Retail Banking	2681	1742	1338	6742	3793
(c) Corporate/ Wholesale Banking	1758	705	24	2927	(316)
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-	-	-	-	-
Total	6295	2667	3846	14618	9407
Less :(i) Interest	-	-	-	-	-
(ii) Other Un-allocable Expenditure net-off	8011	4841	2965	17105	8169
(iii) Un-allocable income	-	-	-	-	-
Profit (+)/Loss(-) before tax	(1716)	(2174)	881	(2487)	1238
3. Segment Assets					
(a) Treasury	492598	498080	465899	492598	465899
(b) Retail Banking	309365	292217	325365	309365	325365
(c) Corporate/ Wholesale Banking	420098	444403	435545	420098	435545
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	6586	6548	6503	6586	6503
Total	1228647	1241248	1233312	1228647	1233312
4. Segment Liabilities					



(a) Treasury	459972	478671	434642	459972	434642
(b) Retail Banking	294210	272102	313526	294210	313526
(c) Corporate/ Wholesale Banking	399518	413812	419696	399518	419696
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-	-	-	-	-
Total	1153700	1164585	1167864	1153700	1167864
5. Capital Employed (Segment Assets-Segment Liabilities)					
(a) Treasury	32626	19409	31257	32626	31257
(b) Retail Banking	15155	20115	11839	15155	11839
(c) Corporate/ Wholesale Banking	20580	30591	15849	20580	15849
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	6586	6548	6503	6586	6503
Total	74947	76663	65448	74947	65448

#Refer Note 18

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.

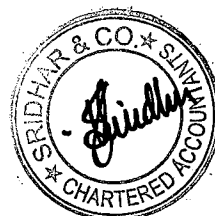
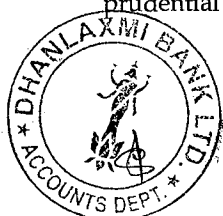
Notes

1. Statement of Assets and Liabilities as on March 31, 2018 is given below;

Rs. In Lakh

Particulars	As on 31.03.2018 (Audited)	As on 31.03.2017 (Audited)
Capital and Liabilities		
Capital	25301	20985
Reserve and Surplus	49645	44463
Deposits	1091967	1129368
Borrowings	39217	14520
Other Liabilities and Provisions	22516	23976
Total	1228646	1233312
Assets		
Cash and Balances with Reserve Bank of India	60285	57497
Balances with Banks and Money at call and Short Notice	26876	23260
Investments	436460	419415
Advances	611049	644635
Fixed Assets	20376	21427
Other Assets	73600	67078
Total	1228646	1233312

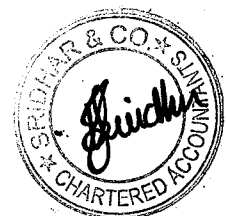
- The above audited financial results for the quarter and year ended 31st March 2018 were reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on May 23, 2018. These Results have been subjected to "Audit" by the Statutory Central Auditors of the Bank.
- The working results for the quarter and year ended 31st March, 2018 have been arrived at after making provision for tax, if any, and other usual and necessary provisions, 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 as per the guidelines and prudential norms issued by the Reserve Bank of India.



4. There has been no change in the accounting policies followed during the quarter and year ended 31st March 2018 as compared to those followed in the preceding financial year ended 31st March 2017.
5. 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.
6. 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.
7. During the quarter ended 31st March, 2018, the Bank had raised Rs.15000 lakh of Basel III compliant Tier-II Bond
8. During the year ended March 31, 2018(in the quarter ended June 30,2017), the Bank has raised capital of Rs.11999 lakh by issuing equity shares at Rs. 27.80 per share (including premium of Rs.17.74 per share) on preferential allotment basis.
9. Divergence in Asset Classification and Provisioning for NPAs
 - i. The Bank classifies performing and non-performing advances (NPAs) as per RBI's Prudential Norms on Income Recognition, Asset Classification and Provisioning.
 - ii. Based on application of RBI's prudential norms as stated above, the Bank classified and made the prescribed provisioning against the NPAs as at the end of March 31, 2017.
 - iii. As part of RBI's Risk Based Supervision (RBS) exercise for FY 2016-17 concluded in October, 2017, the RBI has pointed out certain divergence in the Bank's asset classification and provisioning as on March 31, 2017. In conformity with the RBI circular DBR.BP.BC.NO.63/21.04.018/2016-17 issued on April 18,2017 and SEBI Circular issued on July 18, 2017, the below table outline divergences in asset classification and provisioning;

Sr.	Particulars	Rs. in Lakh
1	Gross NPA as on March 31, 2017 as reported by the Bank	31560
2	Gross NPA as on March 31, 2017 as assessed by RBI	34000
3	Divergence in Gross NPA (2-1)	2440
4	Net NPA as on March 31, 2017 as reported by the Bank	16648
5	Net NPA as on March 31, 2017 as assessed by RBI	18568
6	Divergence in Net NPAs (5-4)	1920
7	Provision for NPA as on March 31, 2017 as reported by the Bank	14879
8	Provision for NPA as on March 31, 2017 as assessed by RBI	15399
9	Divergence in provisioning (8-7)	520
10	Reported Net Profit after Tax (PAT) for the year ended March 31, 2017	1238
11	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2017 after taking into account the divergence in provisioning	718

Note: The Bank has duly considered the impact of the above divergences in the financial statements/results for the year ended March 31, 2018.



10. Ministry of Labour and Employment, Government, Government of India on March 29, 2018 has enhanced the gratuity ceiling to an employee under Payment of Gratuity Act, 1972 to Rs.20 Lakh from earlier limit of Rs.10 Lakh. This change has resulted in an incremental gratuity liability amounting to Rs. 761 Lakh. As per the RBI circular DBR. BP.BC.9730/21.04.018/2017-18 dated April 27, 2018, the Bank has an option to spread the impact of change in gratuity ceiling over four quarters beginning with the quarter ended March 31, 2018. The Bank has not availed this option and the full incremental liability of Rs.761 lakh has been charged to the profit and loss account for the quarter and year ended March 31, 2018
11. RBI Circular DBR. No.BP.BC.102/21.04.048/2017-18 dated April 02, 2018 grants banks an option to spread the provisioning for mark to market losses on investments held in AFS and HFT for the quarters ended December 31, 2017 and March 31, 2018. The circular states that the provisioning for each of these quarters may be spread equally over up to four quarters, commencing with the quarter in which the loss was incurred. The Bank has not availed this option and recognized the entire mark to market loss on investments of Rs.1981 lakh in the respective quarters.
12. In respect of a Gems and Jewellery borrower, where fraud was declared by some banks, the Bank has declared it as fraud and fully provided for the entire funded exposure of Rs.5000 lakh.
13. The Bank has reviewed the pattern of consumption of fixed assets in accordance with the accounting standard 10 (AS-10)- "Property, Plant and Equipment" as amended by Companies Accounting Standard (Amendment) Rules, 2016 and has changed the method of charging depreciation of premises from Written Down Value (WDV) method to Straight Line Method (SLM). The benefit on profit and loss account of change in accounting estimate, disclosed as per Accounting Standard -5 (AS-5) during the financial year 2017-18 is Rs.595 lakh.
14. The existing Deferred Tax Assets (DTA) of Rs.3706 lakh was reviewed and a conservative view has been taken to retain the same.
15. 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.
16. 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
17. Provision coverage ratio as on 31-03-2018 is 80.02 %.
18. Figures for the last quarter in each of the years are the balancing figures between the audited figures in respect of full financial year 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.
19. The figures for the previous period have been re-grouped/re-arranged wherever necessary to conform to the current period's classification.

Place: Thrissur

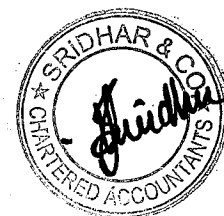
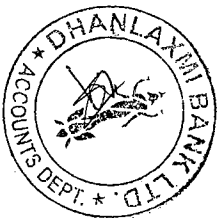
Date: 23rd May 2018

By Order of the Board

G. Sreeram
(G. Sreeram)

Managing Director & CEO

(DIN: 05143385)

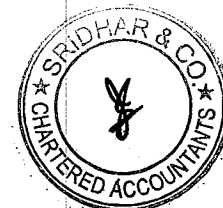




Independent Auditors' Report on the Financial Results of Dhanlaxmi Bank Limited pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

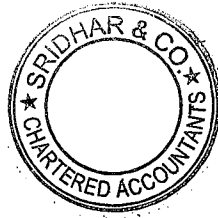
To the Board of Directors of The Dhanlaxmi Bank Limited

1. We have audited the accompanying annual financial results of The Dhanlaxmi Bank Limited ('the Bank') for the year ended 31st March 2018 (the 'Financial Results'), attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). The disclosures relating to "Pillar 3 under Basel III Capital Regulations" and those relating to "Leverage Ratio", "Liquidity Coverage Ratio" under Capital Adequacy and Liquidity Standards issued by Reserve Bank of India ('RBI') as have been disclosed on the Bank's website and in respect of which a link has been provided in the financial results and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31st March 2018 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter have only been reviewed and not subjected to audit.
2. These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results up to the end of the third quarter which are the responsibility of the Bank's Management and approved by the Board of Directors in their meeting held on 23rd May 2018. Our responsibility is to express an opinion on these Financial Results based on our audit of the annual financial statements, which have been prepared in accordance with the recognition and measurement principles prescribed under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder, provisions of Section 133 of the Companies Act 2013 read with the relevant rules issued there under, provisions of Section 29 of the Banking Regulation Act, 1949, circulars, guidelines and directions issued by RBI from time to time and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts disclosed as financial



results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, these financial results:
 - i. have been presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - ii. give a true and fair view of the net loss and other financial information for the year ended 31st March 2018.
5. The financial results incorporate the relevant returns of 17 branches and Treasury branch audited by us and audited returns in respect of 252 branches audited by other branch auditors. The branches audited by us cover 44.91% of the advance portfolio of the bank and 52.06% of non performing advances of the bank.



Place : Thrissur
Date : 23rd May 2018

For Sridhar & Co
Chartered Accountants
Firm Registration Number: 003978S.

I. Jayasindhu
Partner
Membership Number: 205660

ACT:18-19/18

May 23, 2018

DhanlaxmiBank
established 1927



Mr. Khushro A. Bulsara Senior General Manager Listing Compliance & Legal Regulatory BSE Limited Corporate Relations Department P.J. Towers, Dalal Street Mumbai- 400 001 BSE Scrip Code: 532180	Mr. Avinash Kharkar AVP- Listing Department National Stock Exchange of India Limited Exchange Plaza, Plt No.C/1, G Block Bandra- Kurla Complex Bandra (E), Mumbai- 400 051 NSE Symbol: DHANBANK
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Dear Sir,

Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: SEBI Circular No.CIR/CFD/CMD/56/2016 dated May 27, 2016

Pursuant to Regulation 33(3)(d) of SEBI SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, we hereby declare that the Statutory Auditors of Dhanlaxmi Bank Limited, M/s Sridhar & Co (Firm Registration No. 003978S), have submitted their report with unmodified opinion on the Audited Financial Results of the Bank for the financial year ended March 31, 2018, as approved by the Board at its meeting held on May 23, 2018.

We request you to kindly take this in your record.

Thanking you,
Yours faithfully,

For Dhanlaxmi Bank Limited

(Bhasi K.V.)
Chief Financial Officer

