

# 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, 2021

(Rs in Lakh)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.21	30.06.21	30.09.20	30.09.21	30.09.20	31.03.21
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned						
(a)+(b)+(c)+(d)	22901	21810	24397	44711	48062	93075
(a) Interest/discount on advances/bills	16183	15507	17430	31690	34155	65852
(b) Income on investments	6061	5650	6100	11711	12273	24123
(c) Interest on balances with Reserve Bank of India and other interbank funds	417	396	468	813	888	1757
(d) Others	240	257	399	497	746	1343
2. Other income	3758	2808	569	6566	4845	11962
3. Total Income ( 1 + 2)	26659	24618	24966	51277	52907	105037
4. Interest expended	13835	13860	15531	27695	31290	60110
5. Operating expenses (a) + (b)	10218	9153	7605	19371	15397	36604
(a) Employees cost	6265	5475	4420	11740	8954	22537
(b) Other operating expenses	3953	3678	3185	7631	6443	14067
6. Total Expenditure (4+5) (excluding provisions and contingencies)	24053	23013	23136	47066	46687	96714
7. Operating Profit(+)/Loss(-) before provisions and contingencies (3-6)	2606	1605	1830	4211	6220	8323
8. Provisions (other than tax) and Contingencies	2240	926	429	3166	4210	4060
9. Exceptional items	-	-	-	-	-	-



10. Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	366	679	1401	1045	2010	4263
11. Tax expense		-	-	-	-	544
12. Net Profit(+)/Loss (-) from Ordinary Activities after tax (10-11)	366	679	1401	1045	2010	3719
13. Extraordinary items (net of tax expense)		-	-	-	-	
14. Net Profit (+)/Loss (-) for the period (12-13)	366	679	1401	1045	2010	3719
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)						47243
<b>17. Analytical Ratios</b>						
(i) Percentage of shareholding of Government of India	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio as per Basel III	13.64%	14.57%	13.72%	13.64%	13.72%	14.47%
(iii) Earnings Per Share(EPS) in Rupees						
-Basic EPS (Before and after Extra ordinary items)	0.14*	0.27*	0.55*	0.41*	0.79*	1.47
-Diluted EPS (Before and after Extra ordinary items)	0.14*	0.27*	0.55*	0.41*	0.79*	1.47
(iv) NPA Ratios						
- Gross NPA	60415	64153	44872	60415	44872	65721
- Net NPA	32955	30086	11145	32955	11145	32292
- % of Gross NPA	8.67%	9.27%	6.36%	8.67%	6.36%	9.23%
- % of Net NPA	4.92%	4.58%	1.66%	4.92%	1.66%	4.76%
(v) Return on Assets (average) - (Annualized)	0.16%*	0.21%*	0.32%*	0.16%*	0.32%*	0.29%
(vi) Net worth	64742	65505	63712	64742	63712	65014
(vii) Debt Equity Ratio(in times)**	0.23	0.23	0.24	0.23	0.24	0.23
(viii) Total Debts to Total Assets***	1.13%	1.16%	1.18%	1.13%	1.18%	1.15%

\*Not Annualized

\*\* Debt represents borrowings with residual maturity of more than one year.

\*\*\*Total debts represent total borrowings of the bank.



## SEGMENTWISE RESULTS

### Part A: Business Segments

(Rs in Lakh)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.21	30.06.21	30.09.20	30.09.21	30.09.20	31.03.21
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Segment Revenue</b>						
(a) Treasury	8383	7623	5738	16006	15593	31591
(b) Retail Banking	10946	10641	11988	21587	21858	47163
(c) Corporate/ Wholesale Banking	7330	6354	7240	13684	15456	26283
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
<b>Total Revenue</b>	<b>26659</b>	<b>24618</b>	<b>24966</b>	<b>51277</b>	<b>52907</b>	<b>105037</b>
Less: Inter-Segment Revenue	-	-	-	-	-	-
<b>Income from Operations</b>	<b>26659</b>	<b>24618</b>	<b>24966</b>	<b>51277</b>	<b>52907</b>	<b>105037</b>
<b>2. Segment Results(Net of Provisions)</b>						
(a) Treasury	2969	2285	369	5254	4569	9119
(b) Retail Banking	228	(135)	1328	93	1705	939
(c) Corporate/ Wholesale Banking	(591)	(545)	133	(1136)	(54)	(1735)
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
<b>Total</b>	<b>2606</b>	<b>1605</b>	<b>1830</b>	<b>4211</b>	<b>6220</b>	<b>8323</b>
Less : (i) Interest	-	-	-	-	-	-
(ii) Other Un- allocable Expenditure net-off	2240	926	429	3166	4210	4060
(iii) Un-allocable income	-	-	-	-	-	-
<b>Profit (+)/Loss(-) before tax</b>	<b>366</b>	<b>679</b>	<b>1401</b>	<b>1045</b>	<b>2010</b>	<b>4263</b>
<b>3. Segment Assets</b>						
(a) Treasury	529414	505196	477680	529414	477680	503054
(b) Retail Banking	463846	473414	442514	463846	442514	495925
(c) Corporate/ Wholesale Banking	319810	303056	340558	319810	340558	300605
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	10119	10091	10566	10119	10566	10066
<b>Total</b>	<b>1323189</b>	<b>1291757</b>	<b>1271318</b>	<b>1323189</b>	<b>1271318</b>	<b>1309650</b>

<b>4. Segment Liabilities</b>						
(a) Treasury	464045	455968	409437	464045	409437	445560
(b) Retail Banking	456763	456483	439184	456763	439184	484189
(c) Corporate/ Wholesale Banking	314927	292218	337995	314927	337995	293491
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
<b>Total</b>	<b>1235735</b>	<b>1204669</b>	<b>1186616</b>	<b>1235735</b>	<b>1186616</b>	<b>1223240</b>
<b>5. Capital Employed (Segment Assets- Segment Liabilities)</b>						
(a) Treasury	65369	49228	68243	65369	68243	57494
(b) Retail Banking	7083	16931	3330	7083	3330	11736
(c) Corporate/ Wholesale Banking	4883	10838	2563	4883	2563	7114
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	10119	10091	10566	10119	10566	10066
<b>Total</b>	<b>87454</b>	<b>87088</b>	<b>84702</b>	<b>87454</b>	<b>84702</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**

**1. Statement of Assets and Liabilities as on September 30, 2021.**

(Rs. In Lakh)

Particulars	30.09.2021	30.09.2020	31.03.2021
	Unaudited	Unaudited	Audited
<b>Capital and Liabilities</b>			
Capital	25301	25301	25301
Reserves and Surplus	62153	59400	61109
Deposits	1191796	1143575	1171190
Borrowings	15000	15000	15000
Other Liabilities and Provisions	28939	28042	37051
<b>Total</b>	<b>1323189</b>	<b>1271318</b>	<b>1309651</b>
<b>Assets</b>			
Cash and Balances with Reserve Bank of India	59585	51645	60212
Balances with Bank and Money at Call and Short Notice	48726	56197	38285
Investments	459377	399016	443897
Advances	669594	672029	678740
Fixed Assets	22323	20992	22493
Other Assets	63584	71439	66024
<b>Total</b>	<b>1323189</b>	<b>1271318</b>	<b>1309651</b>

2. The above unaudited financial results for the quarter ended September 30, 2021, were reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on November 5, 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.
3. The working results for the quarter/ half year ended September 30, 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 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 March 31, 2021.
5. In accordance with RBI circular DBR No BP.BC.1/21.06.201/2015-16 dated July 1, 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.
6. On account of continuing uncertainties arising from the COVID-19 pandemic across the world and in India, 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
7. The Deferred Tax Asset ('DTA') of Rs. 5132 lakhs has been retained on a conservative approach.
8. The Honourable Supreme Court of India, vide an interim order dated September 3, 2020, had directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders, which has been complied with by the Bank. The said interim order stood vacated on March 23, 2021 and the Bank continued with the asset classification of borrower accounts as per the extant RBI instructions / IRAC norms. In view of this, the results for the half-year ended September 2021 may not be comparable with the corresponding half year of FY 2020-2021.
9. An adhoc provision of Rs. 197 lakhs has been made during the quarter ended September 30, 2021, towards certain stressed advances and the same is grouped under 'Other liabilities and provisions' in the Balance sheet.
10. Reappointment of M/s P B Vijayaraghavan & Co, Chartered Accountants, Chennai as Statutory Central Auditors of the bank for the FY 2021-22 has not been approved by the shareholders of the bank in the Annual General Meeting (AGM) held on September 29, 2021. However, as per section 139 (10) of the Companies Act, 2013, where at any AGM, no auditor is appointed or reappointed, the existing auditors shall continue to be the auditor of the Company.



11. Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 August 6, 2020 (Resolution framework 1.0) are given below.

Format - A

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	10	127	Nil	Nil	14
Corporate persons	8	5481	Nil	Nil	991
Of which, MSMEs	7	1532	Nil	Nil	78
Others	16	3028	Nil	Nil	229
<b>Total</b>	<b>34</b>	<b>8636</b>	<b>Nil</b>	<b>Nil</b>	<b>1234</b>

Details of resolution plan implemented under Resolution framework for Covid -19 related stress as per RBI Circular dated August 6, 2020 (Resolution framework 1.0) and as per RBI circular dated May 5, 2021 (Resolution Framework 2.0) "Covid-19 related Stress of Individuals and small business" are given below.

Format - B

Rs. In Lakhs

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)*	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year 30.09.21
Personal Loans	149	20	Nil	22	1835
Corporate persons	5101	Nil	Nil	55	8411
Of which, MSMEs	1570	Nil	Nil	55	1532
Others	2996	Nil	Nil	23	7098
<b>Total</b>	<b>8246</b>	<b>20</b>	<b>Nil</b>	<b>100</b>	<b>17344</b>

\*Includes restructuring implemented during the quarter ended June 2021 under Resolution Framework 1.0.

12. Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021- Resolution Framework – 2.0: Resolution of Covid-19 related stress of individuals is given below.

Rs. In lakhs

Sl. No	Description	Individual Borrowers		Small businesses
		Personal Loans	Business Loans	
(A)	Number of requests received for invoking resolution process under Part A	388	58	169
(B)	Number of accounts where resolution plan has been implemented under this window	168	58	57
(C)	Exposure to accounts mentioned at (B) before implementation of the plan	1731	2448	4553
(D)	Of (C), aggregate amount of debt that was converted into other securities	Nil	Nil	Nil
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Nil	Nil	Nil
(F)	Increase in provisions on account of the implementation of the resolution plan	173	237	438

13. 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. May 5, 2021, 'Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses' are as follows;

No. of Accounts	4
Aggregate Exposure as on September 30, 2021	Rs. 1468 lakhs

14. Reserve Bank of India vide letter dated October 4, 2021 has permitted all member banks of Indian Banks' Association covered under the 11<sup>th</sup> Bipartite Settlement to amortize the additional liability on account of revision in family pension over a period not exceeding five years, beginning with the Financial Year ended March 31, 2022. The bank has recognized the entire additional liability estimated at Rs. 1429 Lakhs and opted to amortize the same over a period of five years beginning with the financial year ended March 31, 2022. Accordingly, an amount of Rs. 143 Lakhs has been written off during the quarter ended September 30, 2021 in respect of the said estimated additional liability and the balance amounting to Rs.1286 Lakhs has been carried forward as unamortized expenditure. Consequently, if the entire additional liability above had been written off during the current quarter, the net profit for the quarter and half year ended September 30, 2021 would have been lower by a sum of Rs.1286 Lakhs respectively.
15. During the quarter ended September 30, 2021, NPA for which provision had already been made amounting to Rs.7786 Lakhs has been technically written off.
16. During the quarter ended September 30, 2021, Reserve Bank of India has levied a penalty of Rs.27.50 lakhs on the bank.
17. 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



18. 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 profit/loss on revaluation of investments.
19. Provision coverage ratio (Including Technical Write off) as on September 30, 2021 is 74.18 %.
20. Figures for the quarter ended 30<sup>th</sup> 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.
21. The figures for the previous period have been re-grouped/re-arranged pursuant to the requirement of RBI Master Direction on Financial Statements - Presentation and Disclosures issued on August 30, 2021, and wherever considered necessary. Accordingly, 'Recoveries from written off accounts' hitherto included as part of 'Other income' has been reclassified as a credit to 'Provisions and contingencies' and 'Provision for depreciation on investments' hitherto classified as a part of 'Provisions and contingencies' has been reclassified as part of 'Other income' and there is no change in the net profit for the period.

By Order of the Board



(Shivan J K)

Managing Director & CEO  
(DIN-09008166)

Place: Thrissur

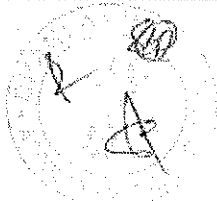
Date: November 5, 2021





**Dhanlaxmi Bank Limited**  
Cash Flow statement for the half year ended September 30, 2021

Particulars	Rs. In Lakhs	
	Half year ended September 30, 2021	Half year ended September 30, 2020
<b>Cash flow from operating activities</b>		
Net profit before income tax	1,045	2,010
<b>Adjustments for :</b>		
Depreciation on fixed assets net of reversal of revaluation reserve	998	773
Depreciation on Investments	(1,827)	1,301
Amortization of premia on investments	870	749
Loan Loss provisions including write off	1,839	3,457
Provision against standard assets	(1,208)	166
General provision for Advances under Covid 19 Regulatory Package	-	808
Provision for Deferred Tax Asset	-	-
Provision for NPA (Investments)	1,224	-
Provision for restructured assets	1,309	(37)
Provision for fraud	-	(2)
(Profit)/ Loss on sale of fixed assets	(8)	12
Provision for unhedged Forex Exposure	5	3
<b>Adjustments for :</b>		
(Increase)/ Decrease in Investments	(15,748)	(32,825)
(Increase)/ Decrease in Advances	5,998	(25,839)
Increase / (Decrease) in Borrowings	-	-
Increase/ (Decrease) in Deposits	20,605	53,168
(Increase) / Decrease in Other assets	2,494	2,928
Increase/ (Decrease) in Other liabilities and provisions	(6,908)	(8,595)
Direct taxes paid (net of refunds)	(54)	(12)
<b>Net cash flow from/ (used in) operating activities</b>	<b>10,634</b>	<b>(1,936)</b>



<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(830)	(409)
Proceeds from sale of fixed assets	10	2
<b>Net cash flow from/ (used in) investing activities</b>	<b>(820)</b>	<b>(406)</b>
<b>Cash flows from financing activities</b>		
Proceeds / (Repayment) of Upper and Lower Tier II capital instruments net of repayment	-	(2,750)
<b>Net cash generated from/ (used in) financing activities</b>	<b>-</b>	<b>(2,750)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>9,814</b>	<b>(5,092)</b>
Cash and cash equivalents as at April 1st	98,497	1,12,934
Cash and cash equivalents as at September 30th	1,08,311	1,07,842

**Note:**

<b>Components of Cash and Cash Equivalents as at:</b>	<b>30.09.2021</b>	<b>30.09.2020</b>
Cash and Balance with Reserve Bank of India (RBI)	59,585	51,645
Balances with Banks and Money at Call and Short Notice	48,726	56,198
<b>Total</b>	<b>1,08,311</b>	<b>1,07,842</b>

Place: Thrissur

Date: November 5, 2021

By Order of the Board



(Shivan J K)

Managing Director & CEO

(DIN-09008166)

