

DHANLAXMI BANK LIMITED.

Registered & Corporate Office: P. B No.9, Dhanalakshmi Buildings,  
Naickanal, Thrissur - 680 001  
CIN: L65191KL1927PLC000307

**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021**

(Rs in Lakh)

Particulars	Quarter ended			Year ended	
	31-Mar-21	31-Dec-20	31-Mar-20	31-Mar-21	31-Mar-20
	Audited	Unaudited	Audited	Audited	Audited
1. Interest earned (a)+(b)+(c)+(d)	21277	23736	24293	93075	98759
(a) Interest/discount on advances/bills	14628	17069	16972	65852	69426
(b) Income on investments	6122	5728	6499	24123	26924
(c) Interest on balances with Reserve Bank of India and other interbank funds	244	625	412	1757	848
(d) Others	283	314	410	1343	1561
2. Other income	2941	4885	3805	14148	11285
<b>3.Total Income ( 1 + 2)</b>	<b>24218</b>	<b>28621</b>	<b>28098</b>	<b>107223</b>	<b>110044</b>
4. Interest expended	14149	14671	15739	60110	61441
5. Operating expenses (a) + (b)	10479	10728	8380	36604	32406
(a) Employees cost	6556	7027	4928	22537	18462
(b) Other operating expenses	3923	3701	3452	14067	13944
<b>6. Total Expenditure (4+5) (excluding provisions and contingencies)</b>	<b>24628</b>	<b>25399</b>	<b>24119</b>	<b>96714</b>	<b>93847</b>
<b>7. Operating Profit(+)/Loss(-) before provisions and contingencies (3-6)</b>	<b>(410)</b>	<b>3222</b>	<b>3979</b>	<b>10509</b>	<b>16197</b>
8. Provisions (other than tax) and Contingencies	(1482)	2041	5689	6246	11589
9. Exceptional items	-	-	-	-	-
<b>10. Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)</b>	<b>1072</b>	<b>1181</b>	<b>(1710)</b>	<b>4263</b>	<b>4608</b>
11. Tax expense	544	-	(1970)	544	(1970)
<b>12. Net Profit(+)/Loss (-) from Ordinary Activities after tax (10-11)</b>	<b>528</b>	<b>1181</b>	<b>260</b>	<b>3719</b>	<b>6578</b>
13. Extraordinary items (net of tax expense)	-	-	-	-	-
<b>14. Net Profit (+)/Loss (-) for the period (12-13)</b>	<b>528</b>	<b>1181</b>	<b>260</b>	<b>3719</b>	<b>6578</b>
15. Paid-up equity share capital (Face value Rs.10)	25301	25301	25301	25301	25301



16. Reserves excluding Revaluation Reserves( as per balance sheet of previous accounting year)				47243	43475
<b>17. Analytical Ratios</b>					
(i) Percentage of shareholding of Government of India	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio as per Basel III	14.47%	14.16%	14.41%	14.47%	14.41%
(iii) Earnings Per Share(EPS) in Rupees					
-Basic EPS (Before and after Extra ordinary items)	0.21*	0.47*	0.10*	1.47	2.60
-Diluted EPS (Before and after Extra ordinary items)	0.21*	0.47*	0.10*	1.47	2.60
(iv) NPA Ratios					
- Gross NPA	65721	39502	40122	65721	40122
- Net NPA	32292	7240	10094	32292	10094
- % of Gross NPA	9.23%	5.78%	5.90%	9.23%	5.90%
- % of Net NPA	4.76%	1.11%	1.55%	4.76%	1.55%
(v) Return on Assets (average) - (Annualized)	0.29%	0.34%	0.55%	0.29%	0.55%

\*Not Annualized

## SEGMENTWISE RESULTS

### Part A: Business Segments

Particulars	(Rs in Lakh)				
	Quarter ended			Year ended	
	31-Mar-21	31-Dec-20	31-Mar-20	31-Mar-21	31-Mar-20
	Audited	Unaudited	Audited	Audited	Audited
<b>1. Segment Revenue</b>					
(a) Treasury	7196	9427	8522	33517	30464
(b) Retail Banking	17455	8367	11875	47873	45757
(c) Corporate/ Wholesale Banking	(433)	10827	7701	25833	33823
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-	-	-	-	-
<b>Total Revenue</b>	<b>24218</b>	<b>28621</b>	<b>28098</b>	<b>107223</b>	<b>110044</b>
Less: Inter-Segment Revenue	-	-	-	-	-
<b>Income from Operations</b>	<b>24218</b>	<b>28621</b>	<b>28098</b>	<b>107223</b>	<b>110044</b>
<b>2. Segment Results (Net of Provisions)</b>					
(a) Treasury	1600	3575	3180	11045	9226
(b) Retail Banking	(877)	628	1275	1649	7165
(c) Corporate/ Wholesale Banking	(1133)	(981)	(476)	(2185)	(194)
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-	-	-	-	-
<b>Total</b>	<b>(410)</b>	<b>3222</b>	<b>3979</b>	<b>10509</b>	<b>16197</b>
Less :(i) Interest	-	-	-	-	-
(ii) Other Un-allocable Expenditure net-off	(1482)	2041	5689	6246	11589
(iii) Un-allocable income	-	-	-	-	-
<b>Profit (+)/Loss(-) before tax</b>	<b>1072</b>	<b>1181</b>	<b>(1710)</b>	<b>4263</b>	<b>4608</b>
<b>3. Segment Assets</b>					
(a) Treasury	503054	512619	449627	503054	449627
(b) Retail Banking	495925	382740	407303	495925	407303

(c) Corporate/ Wholesale Banking	300605	374861	359025	300605	359025
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	10066	10566	10554	10066	10554
<b>Total</b>	<b>1309650</b>	<b>1280786</b>	<b>1226509</b>	<b>1309650</b>	<b>1226509</b>
<b>4. Segment Liabilities</b>					
(a) Treasury	445560	428401	382624	445560	382624
(b) Retail Banking	484189	387237	404675	484189	404675
(c) Corporate/ Wholesale Banking	293491	379266	356519	293491	356519
(d) Other Banking Operations		-	-		-
(e) Unallocated		-	-		-
<b>Total</b>	<b>1223240</b>	<b>1194904</b>	<b>1143818</b>	<b>1223240</b>	<b>1143818</b>
<b>5. Capital Employed (Segment Assets- Segment Liabilities)</b>					
(a) Treasury	57494	84218	67003	57494	67003
(b) Retail Banking	11736	(4497)	2628	11736	2628
(c) Corporate/ Wholesale Banking	7114	(4405)	2506	7114	2506
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	10066	10566	10554	10066	10554
<b>Total</b>	<b>86410</b>	<b>85882</b>	<b>82691</b>	<b>86410</b>	<b>82691</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 March 31, 2021 is given below;

Particulars	Rs. In Lakh	
	As on 31.03.2021 (Audited)	As on 31.03.2020 (Audited)
<b>Capital and Liabilities</b>		
Capital	25301	25301
Reserve and Surplus	61109	57390
Deposits	1171190	1090407
Borrowings	15000	17750
Other Liabilities and Provisions	37051	35661
<b>Total</b>	<b>1309651</b>	<b>1226509</b>
<b>Assets</b>		
Cash and Balances with Reserve Bank of India	60212	54852
Balances with Banks and Money at call and Short Notice	38285	58082
Investments	443897	368240
Advances	678740	649610
Fixed Assets	22493	21370
Other Assets	66024	74355
<b>Total</b>	<b>1309651</b>	<b>1226509</b>



2. The above audited financial results for the quarter and year ended 31st March 2021 were reviewed by the Audit Committee of the Board and recommended for approval to the Board of Directors and the Board of Directors approved the same at its meeting held on May 29, 2021. These Results have been subjected to "Audit" by the Statutory Central Auditors of the Bank.
3. The working results for the quarter and year ended 31<sup>st</sup> March, 2021 have been arrived at after making provision for tax, 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 31<sup>st</sup> March 2021 as compared to those followed in the preceding financial year ended 31<sup>st</sup> March 2020.
5. 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 Audit/Review by the Statutory Auditors.
6. No Divergence was observed by the RBI for Financial year 2019-20 in respect of bank's asset classification and provisioning under the Extant Prudential Norms on Income Recognition, Asset Classification and Provisioning. Hence the bank has not exceeded the limit specified under RBI Circular DBR.BP.BC.No.63/21.04.018/2016-17 dated April 18, 2017 and DBR.BP.BC.No.32/21.04.018/2018-19 dated April 1, 2019 on 'Divergence in the Asset Classification and Provisioning.'
7. Deferred Tax Asset (DTA) has been determined at Rs. 5132 lakhs as on 31<sup>st</sup> March 2021 as against DTA of Rs. 5676 lakhs as on 31<sup>st</sup> March 2020.
8. On account of uncertainties arising from the COVID-19 pandemic across the world and in India, including the current 'second wave' which has resulted in 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 aspects 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.
9. In accordance with the 'COVID-19 Regulatory Packages' announced by the RBI ('the RBI guidelines'), with regard to providing relief to borrowers' on account of COVID-19 pandemic whose accounts were standard as on February 29, 2020, the Bank, as per the Board approved policy had offered moratorium on repayment of loan installments and/or deferment of interest due between March 1, 2020 and August 31, 2020 including relaxation in certain parameters, to all eligible borrowers, without considering the same as restructuring. In respect of such accounts that were granted moratorium, the asset classification remained standstill during the moratorium period.

The Bank, as a prudent measure, had made the entire 10% provision amounting to Rs.37.88 crore in the quarter ending 31st March 2020 and it is grouped under 'Other liabilities and Provisions' in the Balance sheet of the Bank. During the financial year 2020-21 also, Bank had made a provision of Rs.8.08 crore as per RBI Guidelines. The bank has adjusted the entire provision amount against slippages and other accounts in terms of paragraph 6 of the circular.



10. The disclosures as required under RBI circular DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 is given below

Particulars	Rs. In Lakhs
	31.03.2021
Amount in SMA/overdue categories, where the moratorium /deferment was extended in terms of paragraph 2 and 3 of the circular	45962
Amount where asset classification benefits extended	9831
Provisions made on such accounts till 31 <sup>st</sup> December 2020 in terms of paragraph 5 of the circular	4596
Provisions adjusted during the respective accounting period against slippages and other accounts in terms of paragraph 6 of the circular	4596
Residual provisions	Nil

11. The Honourable Supreme Court of India in a Public Interest Litigation (Gajendra Sharma Vs Union of India & Anr), vide its interim order dated September 03, 2020, has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders.

Based on the interim order, the bank has not classified accounts which were not NPA as at August 31, 2020 as per RBI IRAC norms, as NPA after August 31, 2020 in respect of those accounts where moratorium benefits have been established as per COVID-19 Regulatory Package announced by Reserve Bank of India. As a matter of prudence, Bank has made an adhoc provision of Rs. 3708 lakhs towards those accounts as at 31<sup>st</sup> December 2020. Pursuant to the Supreme Court's final order dated March 23, 2021 and the related RBI notification issued on April 7, 2021, the bank has classified these borrower accounts as per the extant RBI instructions / IRAC norms and reversed the above, except an amount of Rs. 1094 lakhs which is kept as adhoc provision as a prudent measure, in respect of accounts where moratorium benefits have been extended, which are classified as standard accounts as on 31<sup>st</sup> March 2021 (Which includes provision for certain accounts which are treated as standard due to recovery during the interim period from 23<sup>rd</sup> March to 30<sup>th</sup> March after Supreme court vacation order dated 23.03.2021). The adhoc provision is grouped under 'Other liabilities and provisions' in the Balance sheet.

12. In accordance with the scheme announced by the Government of India on October 23, 2020 for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts (March 01, 2020 to August 31, 2020), the Bank had received the requisite claim amounting to Rs. 139.42 Lakhs and credited the accounts of the eligible borrowers.
13. Further, in accordance with the decision of the Honourable Supreme Court on March 23, 2021 in the matter of Small-Scale Industrial Manufacturers Association vs. UOI & Ors instructions, the aforesaid RBI circular dated April 07, 2021 and the methodology for calculation of the amount as notified by the Indian Banks Association (IBA), the Bank created a provision of Rs. 407 Lakhs towards estimated refund/adjustment of compound interest/interest on interest/penal interest charged to the borrowers not covered under the above ex-gratia scheme during the moratorium period i.e. March 1, 2020 to August 31, 2020 and reduced the same from interest income for the year ended on 31<sup>st</sup> March 2021 and grouped the same under 'Other liabilities and provisions' in the Balance sheet.
14. The disclosures as required under RBI Circular DOR. No.BP.BC.62/21.04.048/2020-21 dated April 17,2020 with respect to the number of accounts and the amount involved in those accounts where the Resolution period was extended is given below for the year ended as on March 31, 2021:

No of accounts in which Resolution Period was extended	Nil
Amount Involved	Nil



15. Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 6, 2020 are given below

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	Rs. In Lakhs
Personal Loans	12	149	Nil	Nil	17	
Corporate persons	7	1570	Nil	Nil	80	
Of which MSMEs	7	1570	Nil	Nil	80	
Others	16	2996	Nil	18	226	
<b>Total</b>	<b>35</b>	<b>4715</b>		<b>18</b>	<b>323</b>	

16. 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. 7877 lakhs as NPA and maintained status quo of Standard Asset until further orders. Bank has recognized the interest of Rs. 583 lakhs as income. Lender Banks have filed an appeal against NCLT, Kolkata Bench order and the same is pending.
17. During the year ended March 31, 2021, the aggregate book value of sale and transfer of securities to/from HTM category has exceeded the threshold limit of 5% of the book value of investments held in HTM category at the beginning of the year as specified by RBI. The Bank had sold 37.57% of the book value of the investment under HTM category at beginning of the financial year and booked profit Rs 3396 lakhs. Excess of book value over market value of investment under HTM category as on 31<sup>st</sup> March 2021 is Rs 1307 lakhs. The Bank has not made provision for Rs 1307 lakhs.
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 recoveries from written off accounts.
19. 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
20. Provision coverage ratio (Including Technical Write off) as on 31<sup>st</sup> March 2021 is 74.20 %.
21. 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.
22. 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: 29<sup>th</sup> May 2021



By Order of the Board

*Shivan J K*

(Shivan J K)

Managing Director & CEO

(DIN-09008166)

**Dhanlaxmi Bank Limited**  
Cash Flow statement for the year ended March 31, 2021

Particulars	Rs. In Lakhs	
	Year ended March 31, 2021	Year ended March 31, 2020
<b>Cash flow from operating activities</b>		
Net profit before income tax	3,719	6,578
<b>Adjustments for :</b>		
Depreciation on fixed assets net of reversal of revaluation reserve	1,533	1,332
Depreciation on Investments	1,926	(656)
Amortisation of premia on investments	1,499	1,213
Loan Loss provisions including write off	2,195	5,854
Provision against standard assets	1,151	115
General provision for Advances under Covid 19 Regulatory package	808	3,788
Provision for Deferred Tax Asset	544	(1,970)
Provision for NPA (Investments)	419	-
Provision for restructured assets	11	(7)
Provision for fraud	4	(1)
(Profit)/ Loss on sale of fixed assets	6	1
Provision for unhedged Forex Exposure	3	(0)
<b>Adjustments for :</b>		
(Increase)/ Decrease in Investments	(79,500)	34,873
(Increase)/ Decrease in Advances	(31,336)	(26,528)
Increase / (Decrease) in Borrowings	-	-
Increase/ (Decrease) in Deposits	80,783	30,075
(Increase) / Decrease in Other assets	7,842	(7,532)
Increase/ (Decrease) in Other liabilities and provisions	(577)	8,355
Direct taxes paid (net of refunds)	(56)	(91)
<b>Net cash flow from/ (used in) operating activities</b>	<b>(9,025)</b>	<b>55,397</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(2,679)	(2,565)
Proceeds from sale of fixed assets	17	64
<b>Net cash flow from/ (used in) investing activities</b>	<b>(2,662)</b>	<b>(2,500)</b>
<b>Cash flows from financing activities</b>		
Proceeds / (Repayment) of Upper and Lower Tier II capital instruments net of repayment	(2,750)	(2,290)
<b>Net cash generated from/ (used in) financing activities</b>	<b>(2,750)</b>	<b>(2,290)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(14,437)</b>	<b>50,607</b>
Cash and cash equivalents as at April 1st	1,12,934	62,328
Cash and cash equivalents as at March 31st	98,497	1,12,934



Note:

Components of Cash and Cash Equivalents as at:	31.03.2021	31.03.2020
Cash and Balance with Reserve Bank of India (RBI)	60,212	54,852
Balances with Banks and Money at Call and Short Notice	38,285	58,082
Total	98,497	1,12,934

Thrissur  
29th May 2021



By Order of the Board

Shivan J K

Managing Director & CEO  
(DIN-09008166)