

DHANLAXMI BANK LIMITED.

Registered Office: P. B No.9, Dhanalakshmi Buildings, Naickanal, Thrissur – 680 001
Corporate Office: Dhanlaxmi Bank Limited, Punkunnam, Thrissur – 680 002, Ph:0487-7107100
CIN: L65191KL1927PLC000307

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

(Rs in Lakh)

Particulars	Quarter ended			Year ended	
	31-Mar-23	31-Dec-22	31-Mar-22	31-Mar-23	31-Mar-22
	Audited	Unaudited	Audited	Audited	Audited
1. Interest earned (a)+(b)+(c)+(d)	27410	27626	23491	107123	91664
(a) Interest/discount on advances/bills	21221	21481	16977	82542	65012
(b) Income on investments	5829	5901	6177	23510	24563
(c) Interest on balances with Reserve Bank of India and other interbank funds	127	63	111	252	1143
(d) Others	233	181	226	819	946
2. Other income	3739	3592	6867	7452	16912
3.Total Income (1 + 2)	31149	31218	30358	114575	108576
4. Interest expended	15895	14940	13849	59548	55432
5. Operating expenses (a) + (b)	11398	10847	10147	42707	39714
(a) Employees cost	6406	6222	5714	24725	23461
(b) Other operating expenses	4992	4625	4433	17982	16253
6. Total Expenditure (4+5) (excluding provisions and contingencies)	27293	25787	23996	102255	95146
7. Operating Profit (+)/Loss (-) before provisions and contingencies (3-6)	3856	5431	6362	12320	13430
8. Provisions (other than tax) and Contingencies	1814	3258	3901	9159	9721
9. Exceptional items	-	-	-	-	-
10. Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	2042	2173	2461	3161	3709
11. Tax expense	(1775)	-	119	(1775)	119
12. Net Profit (+)/Loss (-) from Ordinary Activities after tax (10-11)	3817	2173	2342	4936	3590
13. Extraordinary items (net of tax expense)	-	-	-	-	-
14. Net Profit (+)/Loss (-) for the period (12-13)	3817	2173	2342	4936	3590
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)				54803	50892
17. Analytical Ratios					
(i) Percentage of shareholding of Government of India	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio as per Basel III	12.32%	12.52%	12.98%	12.32%	12.98%
(iii) Earnings Per Share(EPS) in Rupees					
-Basic EPS (Before and after Extra ordinary items)	1.51*	0.86*	0.93*	1.95	1.42
-Diluted EPS (Before and after Extra ordinary items)	1.51*	0.86*	0.93*	1.95	1.42
(iv) NPA Ratios					
- Gross NPA	51114	53911	53354	51114	53354
- Net NPA	10920	16108	23216	10920	23216
- % of Gross NPA	5.19	5.83%	6.32%	5.19	6.32%
- % of Net NPA	1.16	1.82%	2.85%	1.16	2.85%
(v) Return on Assets (average) – (Annualized)	0.34%	0.10%	0.27%	0.34%	0.27%
(vi) Net Worth	69883	68886	67663	69883	67663
(vii) Debt Equity Ratio (in times)**	0.21	0.22	0.22	0.21	0.22
(viii) Total Debts to Total Assets***	3.25%	3.15%	1.09%	3.25%	1.09%
(ix) Operating Margin	12.38%	6.96%	7.71%	10.75%	12.37%
(x) Net Profit Margin	12.25%	6.96%	7.71%	4.31%	3.31%

*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

Particulars	(Rs in Lakh)				
	Quarter ended			Year ended	
	31-Mar-23	31-Dec-22	31-Mar-22	31-Mar-23	31-Mar-22
	Audited	Unaudited	Audited	Audited	Audited
1. Segment Revenue					
(a) Treasury	5841	6586	10219	19795	33892
(b) Retail Banking	15300	15300	10387	57228	41768
(c) Corporate/ Wholesale Banking	10008	9332	9752	37552	32916
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-	-	-	-	-
Total Revenue	31149	31218	30358	114575	108576
Less: Inter-Segment Revenue	-	-	-	-	-
Income from Operations	31149	31218	30358	114575	108576
2. Segment Results (Net of Provisions)					
(a) Treasury	1831	2086	8270	1880	16393
(b) Retail Banking	1828	2675	(377)	8403	568



(c) Corporate/ Wholesale Banking	197	670	(1531)	2037	(3531)
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-	-	-	-	-
Total	3856	5431	6362	12320	13430
Less :(i) Interest	-	-	-	-	-
(ii) Other Un-allocable Expenditure net-off	1814	3258	3901	9159	9721
(iii) Un-allocable income	-	-	-	-	-
Profit (+)/Loss(-) before tax	2042	2173	2461	3161	3709
3. Segment Assets					
(a) Treasury	426144	437936	429136	426144	429136
(b) Retail Banking	622326	585387	498973	622326	498973
(c) Corporate/ Wholesale Banking	452689	425644	441423	452689	441423
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	12054	10180	10044	12054	10044
Total	1513213	1459147	1379576	1513213	1379576
4. Segment Liabilities					
(a) Treasury	402377	410484	393058	402377	393058
(b) Retail Banking	587422	554418	475691	587422	475691
(c) Corporate/ Wholesale Banking	427299	403126	420826	427299	420826
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-	-	-	-	-
Total	1417098	1368028	1289575	1417098	1289575
5. Capital Employed (Segment Assets- Segment Liabilities)					
(a) Treasury	23767	27452	36078	23767	36078
(b) Retail Banking	34904	30969	23282	34904	23282
(c) Corporate/ Wholesale Banking	25390	22518	20597	25390	20597
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	12054	10180	10044	12054	10044
Total	96115	91119	90001	96115	90001

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.

For the purpose of the disclosure under Accounting Standard 17 - Segment Reporting, issued by the Institute of Chartered Accountants of India (ICAI), 'Digital Banking' has been identified as a sub segment under the existing 'Retail Banking' segment. Bank has not set up separate 'Digital Banking Unit' (DBU) as on 31st December 2022 as per RBI circular No. RBI/2022-23/19 DOR AUT.REC.12/22.01.001/2022-23 dated April 7 2022 and existing digital banking products are forming part of 'Retail Banking' segment only.

Part B: Geographical segments

The Bank has only the domestic geographic segment.



Notes

1. Statement of Assets and Liabilities as on March 31, 2023 is given below;

Rs. In lakh

Particulars	As on 31.03.2023 (Audited)	As on 31.03.2022 (Audited)
Capital and Liabilities		
Capital	25301	25301
Reserve and Surplus	70814	64699
Deposits	1335165	1240289
Borrowings	49238	15000
Other Liabilities and Provisions	32695	34287
Total	1513213	1379576
Assets		
Cash and Balances with Reserve Bank of India	83634	70840
Balances with Banks and Money at call and Short Notice	1029	2744
Investments	388864	404406
Advances	945152	814198
Fixed Assets	25757	22100
Other Assets	68777	65288
Total	1513213	1379576

- The above audited financial results for the quarter and year ended 31st March 2023 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 22, 2023. These Results have been subjected to Audit by the Statutory Central Auditors of the Bank.
- The Bank has consistently applied its significant accounting policies in the preparation of its financial results for the quarter/year ended March 31, 2023, as compared to those followed for the year ended March 31, 2022.
- The financial results for the quarter and year ended 31st March, 2023 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, Non-Performing Investments and Depreciation on Investments as per the guidelines and prudential norms issued by the Reserve Bank of India.
- The Capital Adequacy Ratio is computed on the basis of RBI guidelines applicable on the relevant reporting dates and the ratio for the corresponding previous period is not adjusted to consider the impact of subsequent changes if any, in the guidelines.
- In accordance with RBI Circular DBR.No.BP.BC.1/21.06.201/2015-16 on Basel III Capital Regulations dated July 01, 2015, as amended and RBI Circular DBR.No.BP.BC.80/21.06.201/2014-15 dated March 31, 2015 - 'Prudential Guidelines on Capital Adequacy and Liquidity Standards - Amendments' and RBI Circular DBR.BP.BC.No.106/21.04.098/2017-18 dated May 17, 2018 - 'Basel III Framework on Liquidity Standards – Net Stable Funding Ratio (NSFR) – Final Guidelines', Banks are required to make Pillar 3 disclosure requirements including Leverage Ratio and liquidity coverage ratio under Basel III framework. The Bank has made these disclosures which are available in its website at the following link:
<https://www.dhanbank.com/pillar-iii-disclosure/>. These disclosures have not been subjected to Audit/Review by the Statutory Auditors.
- Deferred Tax Asset (DTA) has been determined at Rs. 6912 lakhs as on 31st March 2023 as against DTA of Rs. 5013 lakhs as on 31st March 2022.



8. Reserve Bank of India vide letter dated October 4, 2021 has permitted all member banks of Indian Banks' Association covered under the 11th 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. 72 Lakhs/ Rs. 286 Lakhs has been written off during the quarter/financial year ended March 31, 2023 in respect of the said estimated additional liability and the balance amounting to Rs.858 Lakhs has been carried forward as unamortized expenditure.
9. RBI Circular DBR. No.BP.BC.92/21.04.048/2015-16 dated April 18, 2016 grants banks an option to spread the provisioning for frauds, over a period of four quarters. Bank had exercised this option in respect one account with outstanding balance of Rs. 5,939.70 lakhs declared as fraud during Q2 of this financial year, against which provision of Rs. 1,484.93 Lakhs was held as on the date of declaring the account as fraud. Bank has charged an amount of Rs. 3,341.08 Lakhs to the profit and loss account during the year being 75% of the provision required to be made over and above provision already held as on the date of fraud. Bank recovered Rs. 34.72 lakhs in the account subsequently. Remaining unprovided amount of Rs. 1078.97 lakh has now been charged against reserves and surplus and will be charged to the profit and loss account by reversing the charge in reserves and surplus in the next quarter.
10. The loans transferred/ acquired during the financial year ended March 31, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 is Nil.
11. 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.

(Rs. In Lakhs)

Type of Borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of previous half year 30.09.2022*	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 year 31.03.2023*
Personal Loans	2309	155	-	240	2107
Others	8834	22	-	963	7682
Corporate Persons (all are MSME loans)	4176	-	-	565	4091
Total under RFCS	15319	177	-	1768	13880

*Excludes other facilities to the borrowers which have not been restructured.

12. 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 March 31, 2023 (Rs. In lakhs)	1436

13. 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), profit/loss on revaluation of investments and recoveries from written off accounts.



14. Provision coverage ratio (Including Technical Write off) as on 31st March 2023 is 90.61 %.
15. Figures of the last quarter 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.
16. The figures for the previous period have been re-grouped/re-arranged wherever necessary to conform to the current period's classification.

By Order of the Board



(Shivan J K)

Managing Director & CEO

(DIN-09008166)

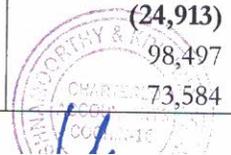
Place: Thrissur

Date: 22nd May 2023



Dhanlaxmi Bank Limited
Cash Flow Statement for the year ended March 31, 2023

Particulars	Rs. In Lakhs	
	Year ended	Year ended
	31.03.2023	31.03.2022
	Audited	Audited
Cash flow from operating activities		
Net profit before tax	3,161	3,709
Adjustments for:		
Depreciation on fixed assets net of reversal of revaluation reserve	2,111	2,002
Depreciation on Investments	4,008	(6,735)
Amortization of premia on investments	2,036	1,841
Amortization of Deferred Employee Benefits	286	286
Loan Loss provisions including write off	9,457	4,989
Provision against standard assets	484	(1,386)
Provision for NPA (Investments)	(350)	5,746
Provision for restructured assets	(617)	2,980
Provision for fraud	116	(1)
(Profit)/ Loss on sale of fixed assets	(77)	(22)
Provision for unhedged Forex Exposure	(4)	12
Adjustments for:		
(Increase)/ Decrease in Investments (excluding Held to Maturity Investments)	16,975	75,848
(Increase)/ Decrease in Advances	(1,40,872)	(1,43,427)
Increase / (Decrease) in Borrowings	34,238	-
Increase/ (Decrease) in Deposits	94,876	69,099
(Increase) / Decrease in Other assets	(2,013)	430
Increase/ (Decrease) in other liabilities and provisions	(2,188)	(1,388)
Direct taxes paid (net of refunds)	13	(99)
Net cash flow from/ (used in) operating activities	21,640	13,884
Cash flows from investing activities		
Purchase of fixed assets	(3,519)	(1,615)
Proceeds from sale of fixed assets	85	28
(Increase)/ Decrease in Held to Maturity Investments	(7,127)	(37,210)
Net cash flow from/ (used in) investing activities	(10,561)	(38,797)
Cash flows from financing activities	-	-
Net increase/ (decrease) in cash and cash equivalents	11,079	(24,913)
Cash and cash equivalents at the beginning of the year	73,584	98,497
Cash and cash equivalents as at the end of the year	84,663	73,584



Note:

Components of Cash and Cash Equivalents as at:	31.03.2023	31.03.2022
Cash and Balance with Reserve Bank of India (RBI)	83,634	70,840
Balances with Banks and Money at Call and Short Notice	1,029	2,744
Total	84,663	73,584

Place: Thrissur

Date: 22nd May 2023

By Order of the Board



(Shivan J K)

Managing Director & CEO

(DIN-09008166)

