

DHANLAXMI BANK LIMITED.

CIN: L65191KL1927PLC000307

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

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

(Rs in Lakhs)

Particulars	Quarter ended			Year ended	
	31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
	#Audited	Unaudited	#Audited	Audited	Audited
1. Interest earned (a)+(b)+(c)+(d)	29312	29336	31518	120427	128359
(a) Interest/discount on advances/bills	20223	19577	21620	83428	89385
(b) Income on investments	8189	8656	9078	32760	33015
(c) Interest on balances with Reserve Bank of India and other interbank funds	417	174	650	2212	3366
(d) Others	483	929	170	2027	2593
2. Other income	3086	1536	2187	7673	8495
3.Total Income (1 + 2)	32398	30872	33705	128100	136854
4. Interest expended	21113	22502	23801	89960	98475
5. Operating expenses (a) + (b)	11795	9328	11476	37812	36721
(a) Employees cost	6350	5505	7303	21315	21147
(b) Other operating expenses	5445	3823	4173	16497	15574
6. Total Expenditure (4+5) (excluding provisions and contingencies)	32908	31830	35277	127772	135196
7. Operating Profit(+)/Loss(-) before provisions and contingencies (3-6)	(510)	(958)	(1572)	328	1658
8. Provisions (other than tax) and Contingencies	2087	4601	25089	10710	26706
9. Exceptional items	9234	-	-	9234	(901)
10. Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	(11831)	(5559)	(26661)	(19616)	(24147)
11. Tax expense	1329	-	-	1329	-
12. Net Profit(+)/Loss (-) from Ordinary Activities after tax (10-11)	(13160)	(5559)	(26661)	(20945)	(24147)
13. Extraordinary items (net of tax expense)	-	-	-	-	-
14. Net Profit (+)/Loss (-) for the period (12-13)	(13160)	(5559)	(26661)	(20945)	(24147)
15. Paid-up equity share capital (Face value Rs.10)	17744	17744	17744	17744	17744
16. Reserves excluding Revaluation Reserves	-	-	-	23797	44742

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	7.51%	9.06%	9.59%	7.51%	9.59%
(iii) Earnings Per Share(EPS) in Rupees					
-Basic EPS (Before and after Extra ordinary items)	(7.42)*	(3.13)*	(15.03)*	(11.80)	(13.61)
-Diluted EPS (Before and after Extra ordinary items)	(7.42)*	(3.13)*	(15.03)*	(11.80)	(13.61)
(iv) NPA Ratios					
- Gross NPA	45892	68851	55829	45892	55829
- Net NPA	19319	30811	25263	19319	25263
- % of Gross NPA	6.36%	9.69%	7.00%	6.36%	7.00%
- % of Net NPA	2.78%	4.58%	3.29%	2.78%	3.29%
(v) Return on Assets (average) – (Annualized)	(1.61)%	(1.68)%	(7.91)%	(1.61)%	(1.77)%

*Not Annualized

Refer Note 5

Notes

1. Statement of Assets and Liabilities as on March 31, 2016 is given below:

(Rs. in Lakhs)

Particulars	March 31, 2016 (Audited)	March 31, 2015 (Audited)
CAPITAL AND LIABILITIES		
Capital	17744	17744
Reserves and Surplus	33051	54641
Deposits	1135376	1238168
Borrowings	25185	94135
Other Liabilities and Provisions	34942	30503
Total	1246298	1435191
ASSETS		
Cash and Balances with Reserve Bank of India	57948	66933
Balances with Banks and Money at Call and Short Notice	25365	62079
Investments	379224	449665
Advances	695268	766981
Fixed Assets	17892	20280
Other Assets	70601	69253
Total	1246298	1435191

- The above audited financial results for the quarter and year ended 31st March 2016, were reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on May 30, 2016. 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, 2016 have been arrived at after making provision for income tax, if any, and other usual and necessary provisions. Provisions for Non-Performing Assets, Standard Assets, Non-Performing Investments and Depreciation on Investments are made 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 2016, as compared to those followed in the preceding financial year ended 31st March, 2015.
5. The figures for the quarter ended 31st March, 2016 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 year to date figures up to the end of the third quarter of the relevant financial year.
6. In accordance with RBI Circular DBR.BP.BC.No.31/21.04.018/15-16 dated 16-07-2015, the Bank has classified deposits placed with NABARD/SIDBI/NHIB for meeting shortfall in Priority Sector Lending under 'Other Assets' which was hitherto included under "Investments" and "Income on such deposits" included under "Interest earned others"(hitherto included under is Income on Investments). Figures for the previous periods have also been regrouped to conform to the current period's classification. This change in classification has no impact on the financial results of the Bank for the quarter and year ended 31st March, 2016 or previous periods.
7. The provision for the liability towards Pension/ DA increase due to Retired/VRS opted employees in the years 2000 to 2010 amounting to Rs.89.56 crore has been created in the accounts based on the liability ascertained as per present annuity rates and included under exceptional items. Exceptional items also include liability towards prior period Provision for the benefits due towards Sick Leave to employees for Rs. 2.25 crores and prior period Depreciation on fixed assets for Rs. 0.53 crores.
8. Income Tax paid during earlier years to the extent of Rs.13.29 crores was written off based on the review by the management of the present status of the appeals before various appellate authorities .
9. 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 Audit.
10. During the year ended 31st March, 2016, the Bank assigned certain Non performing financial assets for a total value of Rs. 28.84 crores to Asset Reconstruction Companies. In terms of RBI Master Circular DBR.No.BP.BC.2/21.04.048/2015-16 on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated July 1, 2015, the shortfall in the recovery of Net Book Value of these financial assets amounting to Rs. 12.54 crores will be written off over a period of two years.

Accordingly, the Bank has charged to the profit and loss account an amount of Rs. 1.57 crores for the quarter/year ended 31st March, 2016 and the balance of Rs. 10.97 crores will be amortized over the next seven quarters.
11. The Management reviewed the recoverability of the possible tax benefits against the timing differences and accordingly decided to retain the Deferred Tax Asset of Rs. 37.06 crores in the financial statement for the year ended 31st March, 2016.
12. Provision Coverage Ratio as on 31-03-2016 is 75.67%.
13. Details of investor complaints for the quarter ended 31st March, 2016:
Beginning - Nil; Received - 76; Disposed off - 76; Closing - Nil
14. The figures for the previous quarter/year have been regrouped wherever necessary to conform to the current period's classification.

SEGMENT REPORTING FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

Part A: Business Segments

(Rs in Lakhs)

Particulars	Quarter ended			Year ended	
	31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
	#(Audited)	(Unaudited)	#(Audited)	(Audited)	(Audited)
1. Segment Revenue					
(a) Treasury	13927	985	9768	33583	40456
(b) Retail Banking	8575	12438	13670	45394	54041
(c) Corporate/ Wholesale Banking	9896	17456	10067	49123	41751
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-	(7)	200	-	606
Total Revenue	32398	30872	33705	128100	136854
Less: Inter-Segment Revenue	-	-	-	-	-
Income from Operations	32398	30872	33705	128100	136854
2. Segment Results(Net of Provisions)					
(a) Treasury	(487)	(1699)	116	(789)	1725
(b) Retail Banking	919	2067	(1047)	3322	(310)
(c) Corporate/ Wholesale Banking	(1220)	(1319)	(841)	(2483)	(363)
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	-	(7)	200	-	606
Total	(788)	(958)	(1572)	50	1658
Less : (i) Interest	-	-	-	-	-
(ii) Other Unallocable Expenditure net-off	11043	4601	25089	19666	25805
(iii) Unallocable income	-	-	-	-	-
Profit (+)/Loss(-) before tax	(11831)	(5559)	(26661)	(19616)	(24147)
3. Capital Employed					
(a) Treasury	3503	38983	12540	3503	12540
(b) Retail Banking	11108	5425	29382	11108	29382
(c) Corporate/ Wholesale Banking	29473	12069	22421	29473	22421
(d) Other Banking Operations	-	-	-	-	-
(e) Unallocated	6711	8078	8043	6711	8043
Total	50795	64555	72386	50795	72386

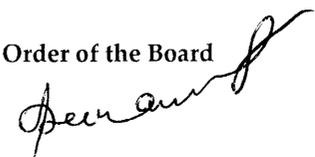
Refer Note 5

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.

By Order of the Board



(G. Sreeram)

Managing Director & CEO

Place: Thrissur

Date: 30th May, 2016