

SH: 73 / 2023-24

July 31, 2023

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: Unaudited Financial Results for the quarter ended June 30, 2023

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the unaudited financial results for the quarter ended June 30, 2023, along with the limited review report on the same. The results/report were approved and taken on record by the Board of Directors at its meeting held on July 31, 2023.

The Board commenced its meeting at 1.15 PM and approved the results at 2.15 PM

Please take the same on record.

Thanking you,

Yours faithfully,



Venkatesh. H
Company Secretary & Secretary to the Board



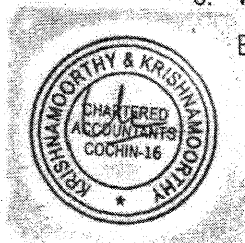
Independent Auditors' Limited Review Report on Unaudited Financial Results of Dhanlaxmi Bank Limited for the quarter ended June 30, 2023 pursuant to Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended).

To the Board of Directors of Dhanlaxmi Bank Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Dhanlaxmi Bank Limited ("the Bank") for the quarter ended June 30, 2023 ("the Statement") attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, as amended ("the Regulations") except for the disclosures relating to Pillar 3 disclosure under Basel III Capital Regulations as at June 30, 2023, including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid Statement and have not been reviewed by us. This Statement is the responsibility of the Bank's Management and has been approved by the Board of Directors.
2. This statement, which is the responsibility of the Bank's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" ("AS 25"), as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the

BRANCHES AT

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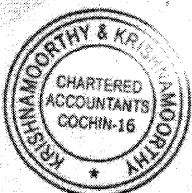


Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statements is free of material misstatement. A review is limited primarily to inquiries of the bank's personnel and analytical and other review procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Our review primarily is conducted on the basis of review of the books of account and records of the Bank. We have also relied on the information and explanations furnished to us by the Bank and the returns as considered necessary by us for the review.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Emphasis of Matter Paragraph

6. We draw attention to note no. 8 of the statement regarding amortization of additional liability on account of revision in family pension amounting to Rs. 1429 Lakhs. As stated therein, the bank has charged an amount of Rs. 71 Lakhs to the profit and loss account for the quarter ended June 30, 2023 and the balance unamortized expenditure of Rs. 786 Lakhs has been carried forward which will be charged to the profit and loss account in future quarters.



KRISHNAMOORTHY & KRISHNAMOORTHY
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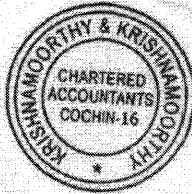
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We draw attention to note no. 9 of the statement regarding allocation of provision for frauds over a period of four quarters with respect to an advance identified as fraud account during the quarter ended September 30, 2022. As stated therein, in the quarter ended June 30, 2023, the Bank has reversed Rs. 1078.97 lakhs which was charged against revenue reserves under reserves and surplus as on 31.03.2023 and has debited a sum of Rs. 787.86 lakhs (net of recoveries of Rs. 291.11 lakhs) being the remaining provision required towards account identified as fraud, to the Profit & Loss Account.

Our conclusion is not modified in respect of these matters.

For Krishnamoorthy & Krishnamoorthy
Chartered Accountants

Firm Registration No.001488S



R. Venugopal

Partner

Membership No: 202632

UDIN: 23202632BGTCUD3234

Place: Kochi

Date: July 31, 2023

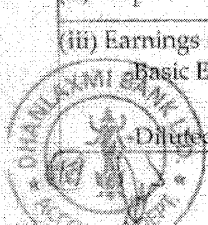
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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

(Rs in Lakh)

Particulars	Quarter ended			Year ended
	30-Jun-23	31-Mar-23	30-Jun-22	31-Mar-23
	Unaudited	Audited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	28914	27410	25837	107123
(a) Interest/discount on advances/bills	23235	21221	19704	82542
(b) Income on investments	5436	5829	5908	23510
(c) Interest on balances with Reserve Bank of India and other interbank funds	63	127	29	252
(d) Others	180	233	196	819
2. Other income	5226	3739	(2155)	7452
3. Total Income (1 + 2)	34140	31149	23682	114575
4. Interest expended	17051	15895	14107	59548
5. Operating expenses (a) + (b)	11295	11398	10077	42707
(a) Employees cost	6461	6406	6014	24725
(b) Other operating expenses	4834	4992	4063	17982
6. Total Expenditure (4+5) (excluding provisions and contingencies)	28346	27293	24184	102255
7. Operating Profit(+)/Loss(-) before provisions and contingencies (3-6)	5794	3856	(502)	12320
8. Provisions (other than tax) and Contingencies	2764	1814	2141	9159
9. Exceptional items	-	-	-	-
10. Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	3030	2042	(2643)	3161
11. Tax expense	200	(1775)	-	(1775)
12. Net Profit(+)/Loss (-) from Ordinary Activities after tax (10-11)	2830	3817	(2643)	4936
13. Extraordinary items (net of tax expense)	-	-	-	-
14. Net Profit (+)/Loss (-) for the period (12-13)	2830	3817	(2643)	4936
15. Paid-up equity share capital (Face value Rs.10)	25301	25301	25301	25301
16. Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)				54803
17. Analytical Ratios				
(i) Percentage of shareholding of Government of India	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio as per Basel III	12.57%	12.32%	12.19%	12.32%
(iii) Earnings Per Share				
Basic EPS (Before and after Extraordinary items)	1.12*	1.51*	(1.04)*	1.95
Diluted EPS (Before and after Extraordinary items)	1.12*	1.51*	(1.04)*	1.95



(iv) NPA Ratios				
- Gross NPA	52338	51114	55382	51114
- Net NPA	10518	10920	22603	10920
- % of Gross NPA	5.21	5.19%	6.35%	5.19%
- % of Net NPA	1.09	1.16%	2.69%	1.16%
(v) Return on Assets (average) – (Annualized)	0.76	0.34%	(0.76%)	0.34%
(vi) Net Worth	74160	69883	65089	69883
(vii) Debt Equity Ratio (in times) **	0.20	0.21	0.23	0.21
(viii) Total Debts to Total Assets***	1.51%	3.25%	3.21%	3.25%
(ix) Operating Margin	16.97%	12.38%	(2.12%)	10.75%
(x) Net Profit Margin	8.29%	12.25%	(11.16%)	4.31%

*Not Annualized

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

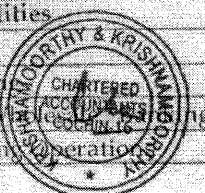
***Total debts represent total borrowings of the bank.

SEGMENTWISE RESULTS

Part A: Business Segments

(Rs in Lakh)

Particulars	Quarter ended			Year ended
	30-Jun-23	31-Mar-23	30-Jun-22	31-Mar-23
	Unaudited	Audited	Unaudited	Audited
1. Segment Revenue				
(a) Treasury	6378	5841	1624	19795
(b) Retail Banking	16862	15300	12930	57228
(c) Corporate/ Wholesale Banking	10900	10008	9128	37552
(d) Other Banking Operations	-	-	-	-
(e) Unallocated	-	-	-	-
Total Revenue	34140	31149	23682	114575
Less: Inter-Segment Revenue	-	-	-	-
Income from Operations	34140	31149	23682	114575
2. Segment Results(Net of Provisions)				
(a) Treasury	1611	1831	(2899)	1880
(b) Retail Banking	3012	1828	1877	8403
(c) Corporate/ Wholesale Banking	1171	197	520	2037
(d) Other Banking Operations	-	-	-	-
(e) Unallocated	-	-	-	-
Total	5794	3856	(502)	12320
Less : (i) Interest	-	-	-	-
(ii) Other Un-allocable Expenditure net-off	2764	1814	2141	9159
(iii) Un-allocable income	-	-	-	-
Profit (+)/Loss(-) before tax	3030	2042	(2643)	3161
3. Segment Assets				
(a) Treasury	393833	426144	438871	426144
(b) Retail Banking	637659	622326	544185	622326
(c) Corporate/ Wholesale Banking	447908	452689	423771	452689
(d) Other Banking Operations	-	-	-	-
(e) Unallocated	11837	12054	10095	12054
Total	1491237	1513213	1416922	1513213
4. Segment Liabilities				
(a) Treasury	361415	402377	423830	402377
(b) Retail Banking	604900	587422	509204	587422
(c) Corporate/ Wholesale Banking	424898	427299	396531	427299
(d) Other Banking Operations	-	-	-	-



(e) Unallocated	-	-	-	-
Total	1391213	1417098	1329565	1417098
5. Capital Employed (Segment Assets-Segment Liabilities)				
(a) Treasury	32418	23767	15041	23767
(b) Retail Banking	32759	34904	34981	34904
(c) Corporate/ Wholesale Banking	23010	25390	27240	25390
(d) Other Banking Operations	-	-	-	-
(e) Unallocated	11837	12054	10095	12054
Total	100024	96115	87357	96115

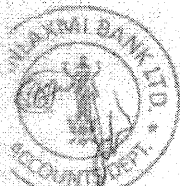
For the above segment reporting, the reportable segments are identified as Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in Compliance with the revised RBI Guidelines.

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 30th June 2023 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.

The business operations of the Bank are substantially concentrated in India and for the purpose of segment Reporting as per Accounting Standard -17, the bank is considered to operate only in domestic segment.

Notes

1. The above unaudited financial results for the quarter ended 30th June 2023 were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on July 31, 2023. These Results have been subjected to limited review by the Statutory Central Auditors of the Bank, M/s Krishnamoorthy & Krishnamoorthy, Chartered Accountants and an unqualified review report has been issued.
2. 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 31st March 2023.
3. The financial results have been arrived at after considering provision for standard assets (including requirements for exposures to entities with unhedged foreign currency exposures), provision for non-performing assets (NPAs), provision for non-performing investments and other usual and necessary provisions.
4. 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.
5. As per extant RBI guidelines, banks are required to make Pillar 3 disclosures including leverage ratio, liquidity coverage ratio and Net Stable Funding Ratio (NSFR) under the Basel III framework. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: <https://www.dhanbank.com/pillar-iii-disclosure/>. These disclosures have not been subjected to audit or review by the Statutory Central Auditors of the Bank.
6. The Deferred Tax Asset ('DTA') has been determined at Rs. 6712 lakhs as on 30th June 2023 as against DTA of Rs. 6912 lakhs as on 31st March 2023.
7. The loans transferred/ acquired during the quarter ended June 30, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 is Nil.



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. 71 Lakhs has been written off during the quarter ended June 30, 2023 in respect of the said estimated additional liability and the balance amounting to Rs.786 Lakhs has been carried forward as unamortized expenditure.
9. As permitted by Reserve Bank of India (RBI) vide Circular DBR. No.BP.BC.92/21.04.048/2015-16 dated April 18, 2016, the Bank had exercised the option to make provisions towards Non- Performing Advances identified as fraud account during the quarter ended September 30, 2022 over a period of four quarters. Accordingly, in the quarter ended June 30, 2023, the Bank has reversed Rs. 1078.97 lakhs which was charged against revenue reserves under reserves and surplus as on 31.03.2023 and has debited a sum of Rs. 787.86 lakhs (net of recoveries of Rs. 291.11 lakhs) being the remaining provision required towards the account identified as fraud, to the Profit & Loss Account. There is no unamortized provision as at June 30, 2023.
10. 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.
11. Provision coverage ratio (Including Technical Write off) as on 30th June 2023 is 90.79 %.
12. Figures for the quarter ended 31st March 2023 are the balancing figures between the audited figures in respect of the financial year ended 31st March 2023 and the published year to date figures up to December 31, 2023, which was subjected to limited review.
13. 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: 31st July 2023

