

SH: 248 / 2023-24

February 02, 2024

<p>The General Manager, Department of Corporate Services, <b>BSE Limited</b> I Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street Fort, Mumbai – 400 001</p>	<p>The Manager, Listing Department, <b>National Stock Exchange of India Limited</b> 'Exchange Plaza', Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051</p>
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Dear Sir,

**Sub: Unaudited Financial Results for the quarter / nine months ended December 31, 2023**

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Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the unaudited financial results for the quarter / nine months ended December 31, 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 February 02, 2024.

The Board Meeting commenced at 01.45 and approved the results at 02.15 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 and nine months ended December 31, 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**

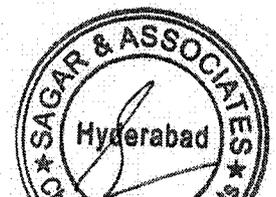
1. We have reviewed the accompanying Statement of Unaudited Financial Results of Dhanlaxmi Bank Limited ('the Bank') for the quarter and nine months ended December 31, 2023 ("the Statement") attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 and 52 of the SEBI (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 December 31, 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.
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 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. 7 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 amortized an amount of Rs.714 lakhs up to nine months ended of December 31, 2023 of FY 2024 and the balance unamortized expenditure of Rs. 143 Lakhs has been carried forward which will be charged to the profit and loss account in future quarters.
7. We draw attention to note no. 11 of the statement regarding treatment of application software as intangible asset and deducting for the computation of networth till 30.09.2023. However, for the quarter ended 31.12.2023 the bank has changed the approach and treated the application software as fixed assets and consequently not deducted for the computation of networth for the quarter ended 31.12.2023. The consequential positive impact on Capital to Risk Weighted Assets Ratio has been recorded for the quarter ended 31.12.2023.

Our conclusion is not modified in respect of these matters.

For Krishnamoorthy & Krishnamoorthy

Chartered Accountants

Firm Registration No.001488S

R. Venugopal

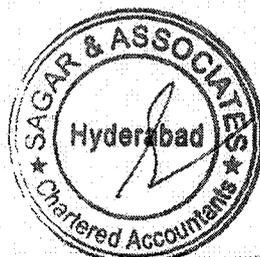
Partner

Membership No: 202632

UDIN: 24202632BKAGZL9104

Place: Thrissur

Date: February 02, 2024



For Sagar & Associates

Chartered Accountants

Firm Registration No. 003510S

B. Srinivas Rao

Partner

Membership No: 202352

UDIN: 24202352BKBEGA1460

Place: Thrissur

Date: February 02, 2024

DHANLAXMI BANK LIMITED.

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023

(Rs in Lakh)

Particulars	Quarter ended			Nine Months ended		Year ended
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	30772	30390	27626	90076	79713	107123
(a) Interest/discount on advances/bills	24906	23862	21481	72003	61321	82542
(b) Income on investments	5492	5264	5901	16192	17681	23510
(c) Interest on balances with Reserve Bank of India and other interbank funds	171	210	63	444	125	252
(d) Others	203	1054	181	1437	586	819
2. Other income	3570	2353	3592	11149	3713	7452
<b>3. Total Income (1 + 2)</b>	<b>34342</b>	<b>32743</b>	<b>31218</b>	<b>101225</b>	<b>83426</b>	<b>114575</b>
4. Interest expended	19372	18294	14940	54717	43653	59548
5. Operating expenses (a) + (b)	12739	12089	10847	36123	31309	42707
(a) Employee's cost	7323	7099	6222	20883	18319	24725
(b) Other operating expenses	5416	4990	4625	15240	12990	17982
<b>6. Total Expenditure (4+5) (excluding provisions and contingencies)</b>	<b>32111</b>	<b>30383</b>	<b>25787</b>	<b>90840</b>	<b>74962</b>	<b>102255</b>
<b>7. Operating Profit (+)/ Loss(-) before provisions and contingencies (3-6)</b>	<b>2231</b>	<b>2360</b>	<b>5431</b>	<b>10385</b>	<b>8464</b>	<b>12320</b>
8. Provisions (other than tax) and Contingencies	1926	(282)	3258	4408	7345	9159
9. Exceptional items	-	-	-	-	-	-
<b>10. Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)</b>	<b>305</b>	<b>2642</b>	<b>2173</b>	<b>5977</b>	<b>1119</b>	<b>3161</b>
11. Tax expense	-	326	-	526	-	(1775)
<b>12. Net Profit (+)/Loss (-) from Ordinary Activities after tax (10-11)</b>	<b>305</b>	<b>2316</b>	<b>2173</b>	<b>5451</b>	<b>1119</b>	<b>4936</b>

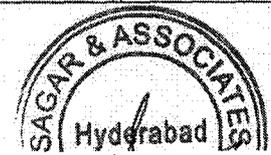
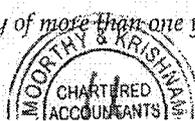


Particulars	Quarter ended			Nine Months ended		Year ended
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
<b>14. Net Profit (+)/Loss (-) for the period (12-13)</b>	<b>305</b>	<b>2316</b>	<b>2173</b>	<b>5451</b>	<b>1119</b>	<b>4936</b>
15. Paid-up equity share capital (Face value of Rs.10/ each)	25301	25301	25301	25301	25301	25301
16. Reserves excluding Revaluation Reserves						54803
<b>17. Analytical Ratios and other disclosures</b>						
(i) Percentage of shareholding of Government of India	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio as per Basel III	12.37%	12.23%	12.52%	12.37%	12.52%	12.32%
(iii) Earnings Per Share (EPS) in Rupees						
-Basic EPS (Before and after Extra ordinary items)	0.12*	0.92*	0.86*	2.15*	0.44*	1.95
-Diluted EPS (Before and after Extra ordinary items)	0.12*	0.92*	0.86*	2.15*	0.44*	1.95
(iv) NPA Ratios						
(a) Gross NPA	49565	55259	53911	49565	53911	51114
(b) Net NPA	12625	12734	16108	12625	16108	10920
(c) % of Gross NPA	4.81%	5.36	5.83%	4.81%	5.83%	5.19
(d) % of Net NPA	1.27%	1.29	1.82%	1.27%	1.82%	1.16
(v) Return on Assets (average) – (Annualized)	0.08%	0.61%	0.10%	0.48%	0.10%	0.34%
(vi) Net worth	79881	79563	71360	79881	71360	72282
(vii) Debt Equity Ratio (in times)**	0.19	0.19	0.21	0.19	0.21	0.21
(viii) Total Debts to Total Assets***	0.95%	1.08%	3.15%	0.95%	3.15%	3.25%
(ix) Operating Margin	6.50%	7.21%	17.40%	10.26%	10.15%	10.75%
(x) Net Profit Margin	0.89%	7.08%	6.96%	5.39%	1.34%	4.31%

\*Not Annualized

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

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

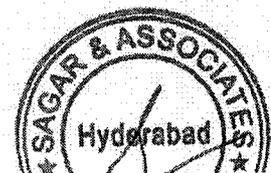


## SEGMENTWISE RESULTS

### Part A: Business Segments

(Rs in Lakh)

Particulars	Quarter ended			Nine Months ended		Year ended
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Segment Revenue</b>						
(a) Treasury	6365	5340	6586	18083	13954	19795
(b) Retail Banking	18551	17524	15300	52937	41928	57228
(c) Corporate/ Wholesale Banking	9426	9879	9332	30205	27544	37552
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
<b>Total Revenue</b>	<b>34342</b>	<b>32743</b>	<b>31218</b>	<b>101225</b>	<b>83426</b>	<b>114575</b>
Less: Inter-Segment Revenue	-	-	-	-	-	-
<b>Income from Operations</b>	<b>34342</b>	<b>32743</b>	<b>31218</b>	<b>101225</b>	<b>83426</b>	<b>114575</b>
<b>2. Segment Results (Net of Provisions)</b>						
(a) Treasury	675	545	2086	2831	49	1880
(b) Retail Banking	1700	1663	2675	6375	6575	8403
(c) Corporate/ Wholesale Banking	(144)	152	670	1179	1840	2037
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
<b>Total</b>	<b>2231</b>	<b>2360</b>	<b>5431</b>	<b>10385</b>	<b>8464</b>	<b>12320</b>
Less : (i) Interest	-	-	-	-	-	-
(ii) Other Un-allocable Expenditure net-off	1926	(282)	3258	4408	7345	9159
(iii) Un-allocable income	-	-	-	-	-	-
<b>Profit (+)/Loss (-) before tax</b>	<b>305</b>	<b>2642</b>	<b>2173</b>	<b>5977</b>	<b>1119</b>	<b>3161</b>
<b>3. Segment Assets</b>						
(a) Treasury	450434	395107	437936	450434	437936	426144
(b) Retail Banking	690895	678095	585387	690895	585387	622326
(c) Corporate/ Wholesale Banking	430688	444021	425644	430688	425644	452689
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	12180	12107	10180	12180	10180	12054
<b>Total</b>	<b>1584197</b>	<b>1529330</b>	<b>1459147</b>	<b>1584197</b>	<b>1459147</b>	<b>1513213</b>



Particulars	Quarter ended			Nine Months ended		Year ended
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>4. Segment Liabilities</b>						
(a) Treasury	396112	367989	410484	396112	410484	402377
(b) Retail Banking	668630	639954	554418	668630	554418	587422
(c) Corporate/ Wholesale Banking	416809	419047	403126	416809	403126	427299
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	-	-	-	-	-	-
<b>Total</b>	<b>1481551</b>	<b>1426990</b>	<b>1368028</b>	<b>1481551</b>	<b>1368028</b>	<b>1417098</b>
<b>5. Capital Employed (Segment Assets- Segment Liabilities)</b>						
(a) Treasury	54322	27118	27452	54322	27452	23767
(b) Retail Banking	22265	38141	30969	22265	30969	34904
(c) Corporate/ Wholesale Banking	13879	24974	22518	13879	22518	25390
(d) Other Banking Operations	-	-	-	-	-	-
(e) Unallocated	12180	12107	10180	12180	10180	12054
<b>Total</b>	<b>102646</b>	<b>102340</b>	<b>91119</b>	<b>102646</b>	<b>91119</b>	<b>96115</b>

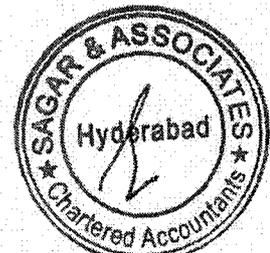
For the above segment reporting, the reportable segments are identified as Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in Compliance with the revised RBI Guidelines.

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 30<sup>th</sup> September 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.

#### Part B: Geographical segments

The Bank has only the domestic geographic segment.



## Notes

1. Statement of Assets and Liabilities is given below

(Rs. In Lakh)

Particulars	31.12.2023	31.12.2022	31.03.2023
	Unaudited	Unaudited	Audited
<b>Capital and Liabilities</b>			
Capital	25301	25301	25301
Reserves and Surplus	77344	65818	70814
Deposits	1433994	1293870	1335165
Borrowings	15000	46026	49238
Other Liabilities and Provisions	32558	28133	32695
<b>Total</b>	<b>1584197</b>	<b>1459148</b>	<b>1513213</b>
<b>Assets</b>			
Cash and Balances with Reserve Bank of India	94050	84508	83634
Balances with Bank and Money at Call and Short Notice	26418	5683	1029
Investments	374733	393617	388864
Advances	994458	886636	945152
Fixed Assets	27085	22687	25757
Other Assets	* 67453	66017	68777
<b>Total</b>	<b>1584197</b>	<b>1459148</b>	<b>1513213</b>

- The above unaudited financial results for the quarter and nine months ended December 31, 2023, were reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on February 2, 2024. These Results have been subjected to "Limited Review" by the Joint Statutory Central Auditors of the Bank, M/s Krishnamoorthy & Krishnamoorthy, Chartered Accountants and M/s Sagar & Associates, Chartered Accountants and an unqualified review report has been issued by them.
- The Bank has followed the same significant accounting policies in the preparation of interim financial results as those followed in the annual financial statements for the year ended 31<sup>st</sup> March 2023.
- 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, provision for non-performing investments and other usual and necessary provisions.
- As per extant RBI guidelines, banks are required to make Pillar 3 disclosures including leverage ratio, liquidity coverage ratio and Net Stable Funding Ratio 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 Joint Statutory Central Auditors of the Bank.
- The loans transferred/ acquired during the quarter ended December 31, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 is Nil.
- 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 had recognized the entire additional liability estimated at Rs. 1429 Lakhs and

LAXMI BANK

AGRA ASSOCIATES

AGRA ASSOCIATES

opted to amortize the same over a period of five years beginning with the financial year ended March 31, 2022. However, the Bank had amortized an amount of Rs.714 lakhs up to the nine months ended of December 31, 2023 of FY 2024 and an amount of Rs.143 lakhs only has been carried forward as unamortized expenditure in respect of the said additional liability. Total amount amortized until the quarter ended 31.12.2023 is Rs. 1286 lakhs.

9. The Bank has made an adhoc provision of Rs. 1715 lakhs up to the nine months ended December 31, 2023 towards the New Bipartite Wage Settlement, which will be effective from November 1, 2022, to employees under IBA stream under the head 'Provisions and Contingencies'.
10. Reserve Bank of India by an Order dated January 8, 2024 has imposed a monetary penalty of Rs. 120.47 lakhs for noncompliance with certain directions issued by RBI on 'Loans and Advances - Statutory and Other Restrictions', 'RBI Know Your Customer (KYC) Directions 2016' and 'RBI (Interest rate on Deposits) Directions 2016'. The same has been accounted as per Accounting Standard 4- 'Contingencies and Events Occurring after the Balance Sheet date' and is reflected on the financials of December 31, 2023.
11. Bank had been computing Net worth considering application Software as an intangible asset. However, bank has changed its approach with respect to the treatment of application software for the computation of net worth. Consequently, Bank has not deducted application Software from Net worth from the quarter ended Dec 31, 2023. Comparative figures are also restated accordingly. The consequential positive impact on Capital to Risk Weighted Assets Ratio has been carried out for the quarter ended Dec 31, 2023.
12. 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, recoveries from written off accounts etc.
13. Provision coverage ratio (including Technical Write off) as on December 31, 2023 is 88.64 %.
14. 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: February 2, 2024

By Order of the Board



(Shivan J K)  
Managing Director & CEO  
(DIN-09008166)

