

95 YEARS

**BANKING ON
RELATIONSHIPS
SINCE 1927.**

**GROWTH
INSPIRES
MORE
GROWTH**

**ANNUAL REPORT
2021-2022**

DhanlaxmiBank 
established 1927

Banking on Relationships forever

www.dhanbank.com

Over 532 customer touch points including
249 branches, 264 ATMs and 19 BCs



Branch Presence
.....
Metro Branches-58
.....
Urban Branches-65
.....
Semi-Urban Branches-107
.....
Rural Branches-19
.....
ATM/CDM Presence
Onsite-221 Offsite-43

DhanlaxmiBank 
established 1927

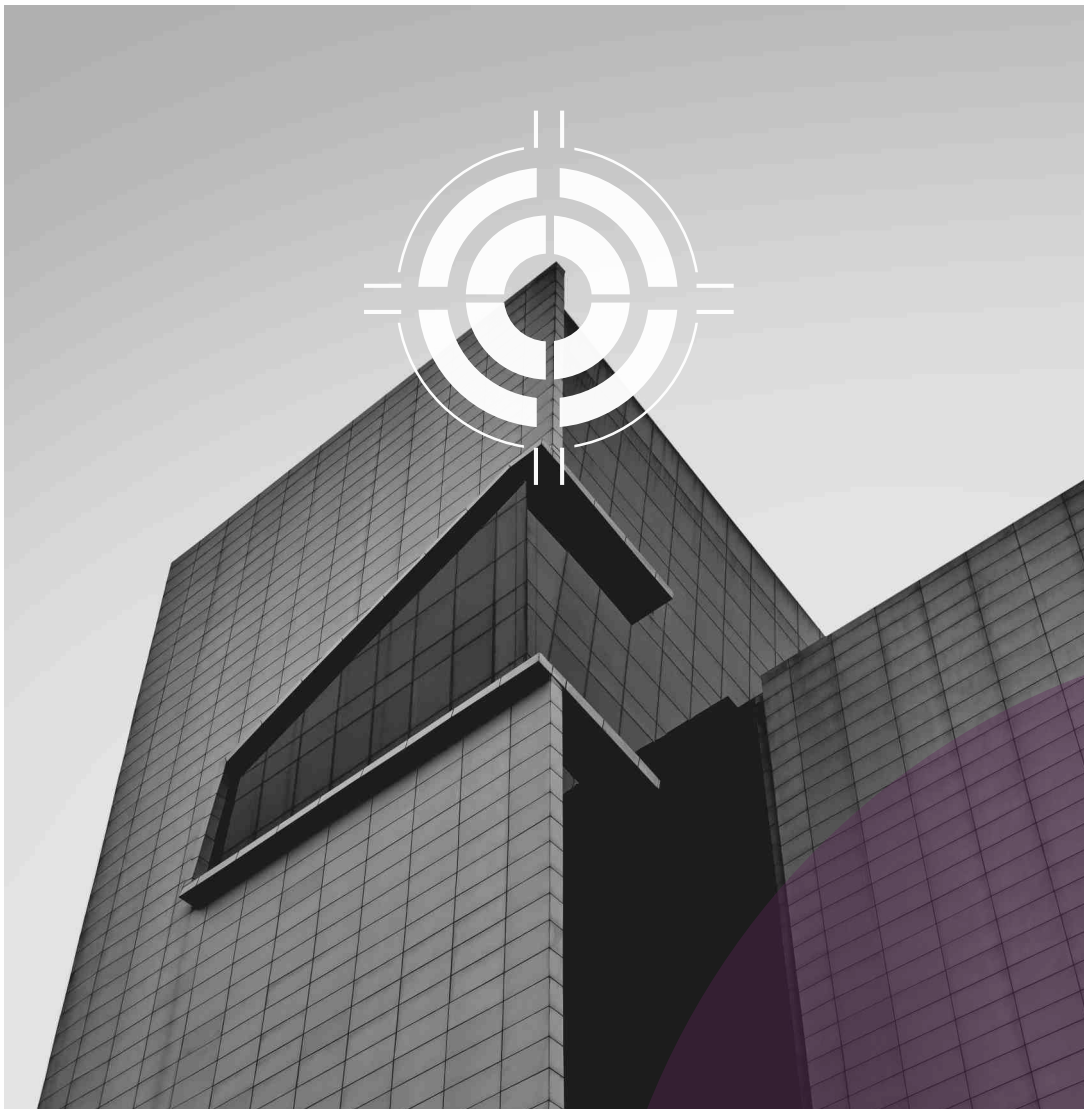
Banking on Relationships forever

VISION

Banking on Relationships forever

MISSION

To Become a Strong and Innovative Bank with Integrity and Social Responsibility to Maximise Customer Satisfaction as well as that of the Employees, Shareholders and the Society.



DhanlaxmiBank 
established 1927

Banking on Relationships forever

BOARD OF DIRECTORS



Shivan J K
Managing Director & CEO



Gopinathan C K
Director



G Rajagopalan Nair
Independent Director



D K Kashyap
RBI Additional Director



Jayakumar Yarasi
RBI Additional Director



Sreesankar Radhakrishnan
Additional Director
(Independent Category)



K N Madhusoodanan
Additional Director
(Independent Category)



Dr. Nirmala Padmanabhan
Additional Director
(Independent Category)



Sridhar Kalyanasundaram
Additional Director
(Independent Category)

C O R P O R A T E I N F O R M A T I O N

Registered Office

Dhanlaxmi Bank Limited, P.B. No.9,
Dhanalakshmi Buildings,
Naickanal, Thrissur-68001

Corporate Office

Dhanlaxmi Bank Limited,
Punkunnam, Thrissur-68002

Kindly refer the website for other offices

Chief Financial Officer (In -Charge)

Kavitha T A

Company Secretary & Secretary to the Board

Venkatesh H

Secretarial Auditors

M/s. V Suresh Associates,
Practising Company Secretaries, First Floor,
No.28, Ganapathy Colony
Illrd Street, Teynampet, Chennai-600018

Statutory Auditors

Krishnamoorthy & Krishnamoorthy,
Chartered Accountants,
Palam Road, Cochin.

Legal Advisors

M/s. Menon & Pai, Ernakulam
M/s. B S Krishnan Associates, Ernakulam,
M/s. C K Karunakaran & Associates, Ernakulam

Stock Exchanges

National Stock Exchange of India Limited (NSE)
BSE Limited (Formerly known as
Bombay Stock Exchange Limited)

Registrar & Transfer Agents

M/s. Kfin technologies limited
(Previously known as M/s. Karvy Fintech Private Limited)
"Selenium Tower B", Plot No.31 & 32, Financial District
Nanakramguda, Serilingampally,
Hyderabad - 500 032

SENIOR MANAGEMENT

GENERAL MANAGER

Chandran L

DEPUTY GENERAL MANAGERS

John Varughese	Rajan Sleeba
Surendran A V	Santoy John
Binoy B S	Satheesan V
Sreekumar M P	Sunny George
Suresh M Nair	Gurumurthy R K

ASSISTANT GENERAL MANAGERS

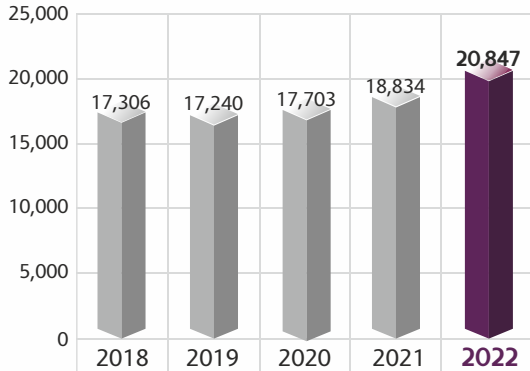
Rajesh P	Sunil Kumar A
Ramakrishnan S	Satyanarayana K
Kavitha T A	Abhilash R
Bijukumar P H	Sijo Joseph
Anup Nair	Abhiram Unni M
Arun Somanathan Nair	Raghunath R
Ranjith P	

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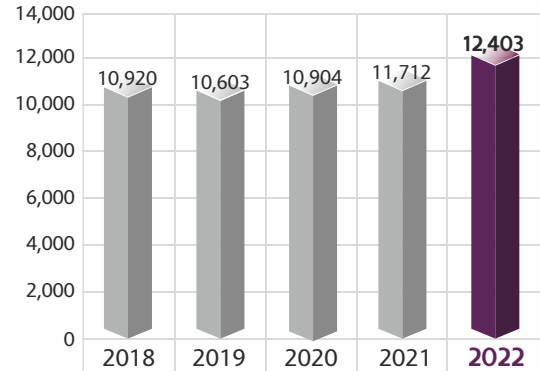
Banking on Relationships forever

PERFORMANCE DASHBOARD

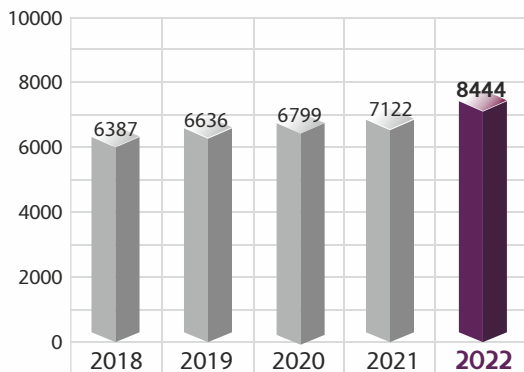
TOTAL BUSINESS (Value in Cr.)



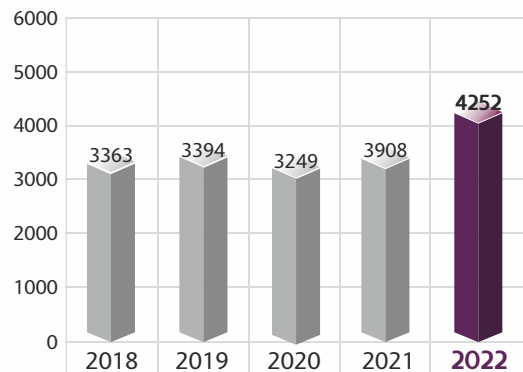
TOTAL DEPOSIT (Value in Cr.)



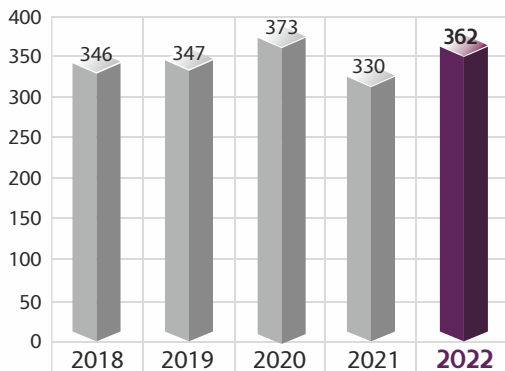
GROSS ADVANCE (Value in Cr.)



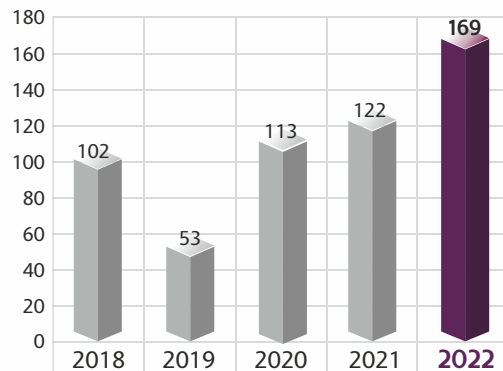
CASA (Value in Cr.)



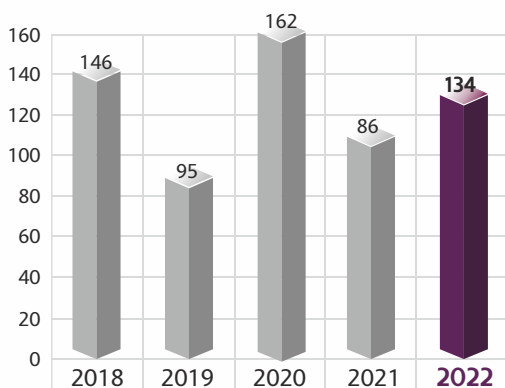
NET INTEREST INCOME (Value in Cr.)



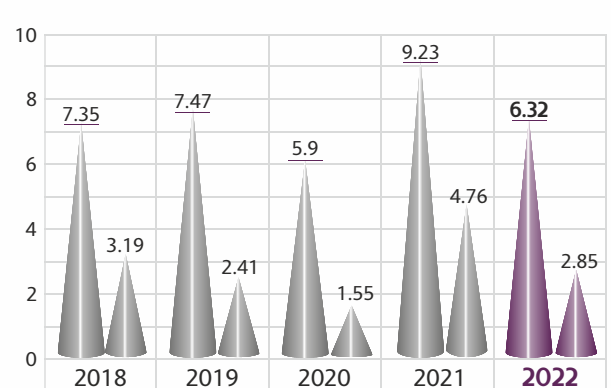
NON INTEREST INCOME (Value in Cr.)



OPERATING PROFIT (Value in Cr.)



GROSS NPA% & NET NPA%



MD & CEO'S MESSAGE

Dear Shareholders,

As the world was slowly recovering from the after effects of the pandemic, the spectre of unbridled inflation caused by geopolitical tensions has taken the centre stage. This has forced Central banks all over the world to take unprecedented monetary policy measures resulting in increasing interest rates across the globe. We are thus in uncharted territory. However, our Bank has demonstrated extraordinary tenacity to bolster its strong relationships with its customers, which has helped the Bank to ride the wave and deliver a commendable performance in FY 22.

It wouldn't have been possible without the unparalleled professionalism and unwavering dedication of our employees. I thank Team DLB for striving to uphold the Bank's motto – 'Banking on Relationships forever.' And I reassure you that the Bank is committed to the well-being of all our stakeholders.

The Bank was able to offer seamless banking services to the customers by adapting to digital mode and month on month our digital coverage is increasing. We are a 95-year old financial institution that perfectly blends tradition with technology. The recent investments we made in upgrading the technological infrastructure including the Bank's Core Banking and Data Centres are testimony to our keen eye for innovation.

The Bank has posted an Annual Operating Profit of Rs. 134.30 Cr. and Net Profit of Rs. 35.90 Cr. in FY 22. The total business of the Bank increased to Rs. 20847 Cr., registering a growth of 10.69%. CASA to Total Deposits ratio improved to 34.28%, Gross Advances reached Rs. 8444 Cr., Annual Net Interest Income improved by 9.91% and CD Ratio improved to 68.08%, as on 31st March 2022.

Our thrust will be on maintaining a well-balanced loan book in the fiscal 2022-23 and we will continue our focus on Retail Advances including gold loans, CASA growth, non-interest income opportunities and NPA recovery. We look forward to an uptick in the total business albeit the headwinds. After all, good relationships make great success stories and we have been banking on relationships since 1927.

I can assure you that the Bank will accelerate growth by harnessing technology. I thank the regulatory authorities and agencies for their continued direction. I thank our shareholders and customers for continuing to repose faith in the institution and I assure them that our principal focus during the financial year and beyond would be increasing value for investors. I also thank the Board of Directors for guiding and mentoring us at every step.

Yours Sincerely

Shivan J K



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Directors' Report

Dear Shareholders,

It gives the Board pleasure to place before you the highlights of your Bank's performance during the financial year 2021-22. Details of the achievements and initiatives taken by the Bank are provided in the 95th Annual Report of the Bank along with the Audited Balance Sheet as at March 31, 2022 and the Profit and Loss Account for the year ended on that date.

Performance Highlights

Bank's performance Highlights for the financial year ended March 31, 2022 are as follows

	Rs. in Crore	
	March 31, 2022	March 31, 2021
Total Business	20846.47	18834.16
Deposits	12402.89	11711.90
Advance(Gross)	8443.58	7122.26
Total Income	1085.76	1052.97
Total Expenditure	951.46	967.14
Operating Profit	134.30	85.83
Net Profit	35.90	37.19
Cost to Income Ratio%	74.73	81.01
Gross NPA%	6.32	9.23
Net NPA%	2.85	4.76
Provision Coverage Ratio%	80.64	74.20
CRAR%	12.98	14.47
Return on Assets%	0.27	0.29
Book Value Per Share (in Rs.)	35.57	34.15

Figures for the previous period have been re-grouped and re-classified in adherence to RBI Master Direction on Financial Statements – Presentation and Disclosure dated 30.08.2021, wherever necessary to conform to current year's classification.

Bank's Geographical Spread & Expansion Programme

- Bank had 245 branches as on 31st March, 2022 spread across 14 States and 1 Union Territory (Chandigarh).
- Out of 245 branches, 19 branches were in rural

population, 106 in Semi Urban, 62 in Urban and 58 in Metropolitan Category.

- Bank has 258 ATMs and 17 Business Correspondents as on March 31, 2022
- Bank opened a new Regional Office at Hyderabad w.e.f. March 16, 2022.
- Bank received in-principle approval from Reserve Bank of India for opening of 20 new branches in Kerala, Tamil Nadu, Karnataka, Pondicherry, Andhra Pradesh and Telangana states. Bank opened Mananthavady Branch in Wayanad Kerala on September 05, 2022, Thanjavur branch in Tamil Nadu on September 16, 2022, Tirunelveli Branch in Tamil Nadu on October 17, 2022 and Karimnagar branch in Telangana on November 28, 2022.

Total Business

Total Business of the Bank as on 31.03.2022 stood at Rs.20846.47 Crore as against Rs.18834.16 Crore as on 31.03.2021.

Deposits

Deposits recorded a growth of 5.90 % to reach Rs.12402.89 Crore as on 31st March 2022 against Rs. 11711.90 Crore as on 31st March 2021. Bank's CASA deposits grew by 8.80% during the year and reached Rs.4252.34 Crore as on 31st March.2022 which was Rs.3908.42 Crore as on 31st March.2021. CASA to Total deposits as on 31st March.2022 improved to 34.29%.

Gross Advances

Bank's Gross advance stood at Rs.8443.58 Crore as on 31.3.2022 against Rs.7122.26 Crore as on 31.03.2021, registering growth of 18.55%.CD Ratio improved from 60.81% to 68.08% on Y-o-Y basis.

Profitability

Annual Net Interest Income increased from Rs.329.65 Crore as on 31st March 2021 to Rs. 362.32 Crore, as on 31st March 2022 registering growth of 9.91%. Non-Interest income increased from Rs. 122.22 Crore as on 31st March 2021 to Rs. 169.12 Crore as on 31st March 2022, registering a growth of 38.37%. NIM improved from 2.82% to 3.00% on Y-o-Y basis. Total Income increased by Rs.32.79 Crore with growth of 3.11% on Y-o-Y basis. Cost to Income Ratio reduced from 81.01% to 74.73% on Y-o-Y basis.

Operating profit during the year was Rs.134.30 Crore as against Rs.85.83 Crore during the previous year. The Bank declared a net Profit of Rs.35.90 Crore during the year under report and for the previous year, the Bank had declared a net profit of Rs.37.19 Crore.

Capital and Reserves

Bank's Paid up capital and reserves was Rs.900 Crore as on 31.03.2022. The capital adequacy ratio as per Basel III was 12.98% with Core CRAR of 10.31%.

Dividend

The Board has not recommended any dividend in the financial year 2021 - 2022.

Non - Performing Assets

Gross NPA and Net NPA percentage stood at 6.32% and 2.85% respectively as on 31.03.2022 against 9.23% and 4.76% as on 31.03.2021.

The provision coverage ratio (PCR) as on 31.3.2022 was 80.64% which was 74.20% in the previous year.

Vision & Mission

Our Vision: "Banking on Relationships forever".

Our Mission: To Become a Strong and Innovative Bank with Integrity and Social Responsibility to Maximize Customer Satisfaction as well as that of the Employees, Shareholders and the Society.

Customer Service

The Bank accords high importance to the quality of customer service rendered across its branches / offices. It instated a series of measures during the year through deployment of technology and significantly enhancing service quality. A well-defined and full-fledged Customer Grievance Redressal Mechanism has been put in place in the Bank.

The Customer Service Committees comprising of Bank personnel as well as our constituents monitor the implementation of customer service measures periodically. Customer Service Committee of the Board has been formed at the apex level and committees at branches for monitoring service quality and bringing about improvements in this area on an ongoing basis. The Bank has a 24 x 7 Phone Banking Call Centre at Chennai to cater to customer needs across the country.

During the financial year 2021-22, the Bank received 14,005 complaints as against a total of 15,178 complaints received in the previous financial year. As on 31-03-2022 the number of complaints pending was 113 and the same was also closed within TAT.

The following important products and services / initiatives were introduced during the year for the benefit of the customers:

- Bank entered into agreement with SBI General Insurance Company Limited for distribution of general insurance products.
- Bank introduced online Trading facility through arrangement with SMC Global Securities Limited.
- Bank introduced Rupay Platinum Debit Cards for Domestic Customers.
- Bank introduced "Dhan Namaste" Credit Card with Contactless payment facility.
- Bank introduced Business Debit Cards for Business entities and HUF.
- Bank introduced Dhanam Treasury Bill Linked Prime Loan facility to match the lending rates with market.
- Bank introduced "Dhanam Paddy Receipt Sheet Loan" in tie up with "SUPPLYCO".
- Bank re-introduced the Govt of Kerala Bill Discounting Scheme for clearing the bills of contractors of work departments through digital platform.
- Bank entered into agreement with NORKA ROOTS for funding to returned NRIs for starting of businesses.
- Bank entered into agreement with NREDCAP, state Nodal Agency, for funding to Electric Two Wheelers to Government Employees in the State of Andhra Pradesh.
- Bank increased the number of B category branches from 17 to 35 for improving the Forex business.
- Bank made arrangement with BSE for providing BSEiBBS platform for bidding in IPO, NCD & Right issues.
- RBI empanelled the Bank as agency Bank for Government Agency Business.
- Bank signed MOU with Central Board of Direct Taxes and Central Board of Indirect Taxes for collection of Direct, Indirect Taxes and Customs Duty.

Investor Education and Protection Fund

The Bank transferred the entire pending unclaimed dividend amount to the Investor Education and Protection Fund (IEPF) during the financial year 2018-19. There was no amount of dividend pending to be transferred to the fund in the financial year 2021-22.

In terms of Section 124 (6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, it may be noted that if the dividends have been unpaid or unclaimed for seven consecutive years or more the underlying shares shall be transferred to the IEPF Demat Account maintained with