

Ref. No.CO:CS:RC:2021-22:103

August 07, 2021

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 023.

National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Dear Sirs,

**Re: Unaudited Financial Results (Limited Reviewed) for the
Quarter ended June 30, 2021**

BSE Scrip Code No.: 532772 **NSE SYMBOL: DCBBANK**

Pursuant to the disclosure requirements under Regulation 30 read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we are sending herewith the following:

1. Unaudited Financial Results for the 1st quarter ended June 30, 2021, duly considered by the Audit Committee of the Board, which were approved by the Board of Directors in today's meeting which concluded at 06.05 p.m.; and
2. Limited Review Report dated August 07, 2021 for the quarter ended June 30, 2021 by the Statutory Auditors M/s. S. R. Batliboi & Associates LLP, Chartered Accountants (Registration No.101049W/E300004).

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,

For DCB Bank Limited



Rubi Chaturvedi
Company Secretary &
Compliance Officer

Encl: As above



DCB Bank Limited

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of DCB Bank Limited pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
DCB Bank Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of DCB Bank Limited (the "Bank") for the quarter ended 30 June 2021 (the "Statement") attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). The disclosures relating to "Pillar 3 under Basel III Capital Regulations", "Leverage Ratio" and "Liquidity Coverage Ratio" as have been disclosed on the Bank's website, in respect of which a link has been provided in the aforesaid Statement have not been reviewed by us.
2. This Statement, which is the responsibility of the Bank's Management and approved by the Bank's 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) prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder, the relevant guidelines and directions issued by Reserve Bank of India (the "RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standards specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder, the RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, 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 relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other matters.

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S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

5. We draw attention to note 5 of the accompanying financial results, which describes the extent to which the Covid-19 pandemic will impact the Bank's financial metrics including credit quality and provisions which are dependent on uncertain future developments. Our conclusion is not modified in respect of this matter.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

Sarvesh Warty.

per Sarvesh Warty

Partner

Membership No.: 121411

UDIN: 21121411AAAAKT6361

Place: Mumbai

Date: 07 August 2021

DCB BANK LIMITED

CIN No.: L99999MH1995PLC089008

Regd. Office: 601 & 602, 6th Floor, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

(₹ in crore)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		(Unaudited)	(Audited) (Refer Note 10)	(Unaudited)	(Audited)
1	Interest Earned (a+b+c+d)	845.50	837.28	873.13	3,458.21
a.	Interest / Discount on advances / bills	675.33	671.46	699.74	2,785.54
b.	Income on Investments	148.96	147.15	146.44	583.16
c.	Interest on balances with Reserve Bank of India and Other Inter Bank Funds	12.09	9.81	17.90	53.73
d.	Others	9.12	8.86	9.05	35.78
2	Other Income (Refer note 3)	120.17	133.88	77.57	458.50
3	Total Income (1+2)	965.67	971.16	950.70	3,916.71
4	Interest Expended	536.80	526.07	566.40	2,171.60
5	Operating Expenses (i+ii+iii)	227.68	239.89	193.16	846.63
i.	Employees cost	122.74	111.15	108.68	433.50
ii.	Rent, Taxes and Lighting	24.27	21.08	19.40	84.87
iii.	Other Operating Expenses	80.67	107.66	65.08	328.26
6	Total Expenditure (4+5)	764.48	765.96	759.56	3,018.23
7	Operating Profit before Provisions and Contingencies (3-6)	201.19	205.20	191.14	898.48
8	Provisions (Other than tax) and Contingencies	155.54	101.18	83.69	445.68
9	Exceptional Items	-	-	-	-
10	Profit from Ordinary Activities before tax (7-8-9)	45.65	104.02	107.45	452.80
11	Tax expense	11.89	26.11	28.07	117.01
12	Net Profit from Ordinary Activities after tax (10-11)	33.76	77.91	79.38	335.79
13	Extraordinary Items (Net of tax expenses)	-	-	-	-
14	Net Profit for the period (12-13)	33.76	77.91	79.38	335.79
15	Paid-up Equity Share Capital (Face value ₹ 10/-)	310.59	310.54	310.42	310.54
16	Reserves excluding Revaluation Reserves				3,215.74
17	Analytical Ratios				
i.	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil
ii.	Capital Adequacy Ratio (%) - Basel III	19.64	19.67	17.91	19.67
iii.	Earnings Per Share (EPS)				
	(a) Basic and diluted EPS before Extraordinary items (Net of tax expenses) for the period and for the previous year (Not annualised for quarters)				
	(i) Basic (₹)	1.09	2.51	2.56	10.82
	(ii) Diluted (₹)	1.08	2.48	2.53	10.70
	(b) Basic and diluted EPS after Extraordinary items (Net of tax expenses) for the period and for the previous year (Not annualised for quarters)				
	(i) Basic (₹)	1.09	2.51	2.56	10.82
	(ii) Diluted (₹)	1.08	2.48	2.53	10.70
iv.	Non Performing Assets ('NPAs') Ratios				
	(a) Amount of Gross NPAs	1,268.75	1,083.44	621.79	1,083.44
	(b) Amount of Net NPAs	719.04	594.15	248.53	594.15
	(c) % of Gross NPAs to Gross Advances	4.87	4.09	2.44	4.09
	(d) % of Net NPAs to Net Advances	2.82	2.29	0.99	2.29
v.	Return on Assets (%) (Annualised)	0.34	0.80	0.82	0.87



SEGMENTAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

(₹ in crore)

Sr. No.	Business Segment	Quarter Ended			Year Ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		(Unaudited)	(Audited) (Refer Note 10)	(Unaudited)	(Audited)
1	Segment Revenue				
a	Treasury Operations	269.54	221.48	247.17	997.94
b	Corporate / Wholesale Banking	89.56	94.83	101.09	393.14
c	Retail Banking	738.87	799.55	746.67	3,114.10
d	Other Banking Operations	9.50	11.72	4.98	32.19
e	Unallocable	(0.23)	(0.04)	0.07	(0.13)
	Total	1,107.24	1,127.54	1,099.98	4,537.24
	Less:- Inter Segment Revenue	141.57	156.38	149.28	620.53
	Income from Operations	965.67	971.16	950.70	3,916.71
2	Segment Results				
a	Treasury Operations	71.63	17.66	51.30	190.94
b	Corporate / Wholesale Banking	14.53	9.64	3.70	(5.54)
c	Retail Banking	(45.97)	70.02	51.22	254.52
d	Other Banking Operations	8.99	11.25	4.70	30.52
e	Unallocable	(3.53)	(4.55)	(3.47)	(17.64)
	Total Profit before Tax	45.65	104.02	107.45	452.80
3	Segment Assets				
a	Treasury Operations	13,656.35	12,509.94	12,049.55	12,509.94
b	Corporate / Wholesale Banking	3,396.04	3,441.93	3,608.48	3,441.93
c	Retail Banking	22,903.15	23,327.50	22,239.65	23,327.50
d	Other Banking Operations	-	-	0.01	-
e	Unallocable	352.91	322.76	257.88	322.76
	Total Segment Assets	40,308.45	39,602.13	38,155.57	39,602.13
4	Segment Liabilities				
a	Treasury Operations	7,114.57	7,102.06	7,426.82	7,102.06
b	Corporate / Wholesale Banking	2,806.14	2,508.18	2,455.76	2,508.18
c	Retail Banking	26,593.30	26,231.28	24,769.23	26,231.28
d	Other Banking Operations	0.65	0.73	0.90	0.73
e	Unallocable	1.14	1.29	1.29	1.29
	Total Segment Liabilities	36,515.80	35,843.54	34,654.00	35,843.54
5	Capital Employed (Segment Assets - Segment Liabilities)				
a	Treasury Operations	6,541.78	5,407.88	4,622.73	5,407.88
b	Corporate / Wholesale Banking	589.90	933.75	1,152.72	933.75
c	Retail Banking	(3,690.15)	(2,903.78)	(2,529.58)	(2,903.78)
d	Other Banking Operations	(0.65)	(0.73)	(0.89)	(0.73)
e	Unallocable	351.77	321.47	256.59	321.47
	Total Capital Employed	3,792.65	3,758.59	3,501.57	3,758.59

Treasury: Includes all financial markets activities undertaken on behalf of the Bank's customers, proprietary trading, maintenance of reserve requirements and resource mobilisation from other banks and financial institutions.

Corporate / Wholesale Banking: Includes lending, deposit taking and other services offered to corporate customers.

Retail Banking: Includes lending, deposit taking and other services offered to retail customers.

Other Banking Operations: Includes para banking activities like third party product distribution, merchant banking, etc.



Notes:

1. The above financial results for the quarter ended June 30, 2021 have been reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on August 7, 2021. An unqualified report has been issued by the statutory auditors for the quarter ended June 30, 2021.
2. The financial results for the quarter ended June 30, 2021 have been arrived at after considering the provision for standard assets including requirements for exposures to entities with Unhedged Foreign Currency Exposure, Non-Performing Assets (NPAs), depreciation on investments, income tax and other necessary provisions.
3. "Other Income" includes income from non-fund based activities such as brokerage and commission, fees, earnings in foreign exchange transactions, profit / loss on sale of investments (net) and income from sale of Priority Sector Lending Certificates.
4. During the quarter ended June 30, 2021, the Bank allotted 53,350 shares respectively pursuant to the exercise of stock options by certain employees.
5. The impact of ongoing Covid-19 pandemic, particularly the recent "second wave", on the Bank's operations and financial metrics including credit quality and provisions, is highly uncertain and will depend on the further spread of Covid-19, effectiveness of current and future steps taken by the government and the RBI to mitigate the economic impact, steps taken by the Bank and the time it takes for the economic activities to return to pre-pandemic levels.

Under the circumstances, during the quarter ended June 30, 2021, on a prudent basis the Bank holds a contingency provision of Rs.107.53 crore towards further likely impact of Covid-19 on standard restructured and stressed assets. As on June 30, 2021, in addition to this contingency provision mentioned above, the Bank also holds Floating Provision amounting to Rs. 111.97 crore, besides provisions for Standard Assets and specific Non-Performing Assets.

6. On August 6, 2020, the RBI issued guidelines on 'Resolution Framework for Covid-19-related Stress' which enable lenders to implement a resolution plan in respect of eligible corporate exposures without change in ownership, and personal loans, while classifying such exposures as Standard, subject to specified conditions. Details of resolution plan implemented under the Resolution Framework for Covid-19-related Stress as per RBI circular dated August 6, 2020 are given below.

(₹ in crore except number of accounts)

Type of Borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) Exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution
Personal Loans	2,147	397.07	0.00	0.00	39.71
Corporate Persons*	2	62.86	0.00	0.00	6.29
Of which, MSME's	1	25.75	0.00	0.00	2.58
Others	0	0.00	0.00	0.00	0.00
Total	2,149	459.93	0.00	0.00	46.00

* The above table does not include restructuring done under the Resolution Framework- 2.0 for COVID-19 announced on May 05, 2021.



There were no borrower accounts, where resolution plans had been implemented under RBI circular dated August 6, 2020 and now modified under Resolution Framework 2.0 announced by RBI on May 05, 2021.

7. During the quarter ended June 30, 2021, the Bank has sold to an asset reconstruction company, certain non-performing loans amounting to net book value of Rs. 43.99 crore for consideration of Rs 38.77 crore. Consequent shortfall over net book value of Rs 5.22 crore has been recognized as credit loss.
8. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential Assent in September 2020. The Code has been published in the Gazette of India, however, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Bank will assess the impact of the Code and record any related impact in the period it becomes effective.
9. In terms of RBI circulars DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 on Basel III Capital Regulations and DBR.No.BP.BC.80 /21.06.201/2014-15 dated March 31, 2015 on Prudential Guidelines on Capital Adequacy and Liquidity Standards - Amendments, banks are required to make certain Pillar 3, Leverage Ratio, and Liquidity Coverage Ratio disclosures along with the publication of financial results. Accordingly, such disclosures have been placed on the Bank's website at the following link <http://www.dcbbank.com/cms/showpage/page/disclosures>. These disclosures have not been reviewed / audited by the Statutory Auditors.
10. The figures for the quarter ended March 31, 2021 are balancing figures between audited figures in respect of the full financial year upto March 31, 2021 and the published year to date figures upto December, 31 2020.
11. Figures for the previous period / year have been regrouped / reclassified wherever necessary to conform to the classification of the current period/year.

For and on behalf of the Board of Directors



Murali M. Natrajan
Managing Director & CEO

Place : Mumbai
Date : August 7, 2021

