# DCB BANK

Ref. No.CO:CS:RC:2019-20:018 April 18, 2019

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: Audited Financial Results for the Quarter and the Year ended March 31, 2019**

**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. Financial Results (Audited) for the quarter and the year ended March 31, 2019, duly considered by the Audit Committee of the Board, which were approved by the Board of Directors in today's meeting which concluded at 1.40 p.m.; and
2. Statutory Auditors M/s. Deloitte, Haskins & Sells, Chartered Accountants (Registration No. 117365W) report in respect of the above.

We are also pleased to inform that the Board of Directors in the said Board Meeting have recommended a dividend of Rs.1.00 per equity share of Rs.10/- each (i.e. 10%), out of the net profit of the Bank for the year ended March 31, 2019.

M/s. Deloitte, Haskins & Sells, Chartered Accountants and the Statutory Auditors of the Bank, have issued an unqualified/unmodified report on the Financial Results of the Bank for the year ended March 31, 2019 which has been submitted to the Exchange along with the Financial Results.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,

For DCB Bank Limited

Rubi Chaturvedi
Company Secretary &
Compliance Officer

DCB BANK LIMITED CS Dept. CO MUMBAI

Encl: As above

**Deloitte**
**Haskins & Sells**

Chartered Accountants
19th Floor, Shapath - V
S G Highway
Ahmedabad - 380 015
Gujarat, India

Tel: +91 79 6682 7300
Fax: +91 79 6682 7400

**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF DCB BANK LIMITED**

1. We have audited the accompanying Statement of Financial Results of DCB Bank Limited (the "Bank") for the year ended 31 March, 2019 ("the Statement"), being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except for the matters in Note 8 of the Statement.

2. This Statement, which is the responsibility of the Bank's Management and approved by the Board of Directors, has been compiled from the related financial statements for the year ended 31 March, 2019, which are prepared in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, in so far as applicable to banks, other accounting principles generally accepted in India and the guidelines issued by the Reserve Bank of India. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

   We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.



**Deloitte**
**Haskins & Sells**

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

   (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

   (ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Bank as at and for the year ended 31 March, 2019.

5. The Statement includes the results for the quarter ended 31 March, 2019 being the balancing figure between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year, which were subject to limited review by us.

**For Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 117365W)

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

Kalpesh J. Mehta
(Partner)
(Membership No. 48791)

Mumbai, 18 April, 2019

DCB BANK

**DCB BANK LIMITED**
**CIN No.: L99999MH1995PLC089008**
**Regd. Office: 601 & 602, 6th Floor,Tower A, Peninsula Business Park,Senapati Bapat Marg, Lower Parel, Mumbai - 400013**
**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2019**

(₹ in crore)

| Sr. No. | Particulars | Quarter Ended | | | Year Ended | |
|---|---|---|---|---|---|---|
| | | 31.03.2019 (Audited) Refer Note 9 | 31.12.2018 (Unaudited) | 31.03.2018 (Audited) Refer Note 9 | 31.03.2019 (Audited) | 31.03.2018 (Audited) |
| 1 | **Interest Earned (a+b+c+d)** | **827.10** | **777.30** | **649.19** | **3,041.49** | **2,412.99** |
| a. | Interest / Discount on advances / bills | 661.31 | 628.35 | 524.86 | 2,447.86 | 1,940.27 |
| b. | Income on Investments | 147.83 | 134.72 | 106.93 | 535.43 | 420.79 |
| c. | Interest on balances with Reserve Bank of India and Other Inter Bank Funds | 10.34 | 7.00 | 8.80 | 30.67 | 18.03 |
| d. | Others | 7.62 | 7.23 | 8.60 | 27.53 | 33.90 |
| 2 | Other Income (Refer note 4) | 99.36 | 94.48 | 84.86 | 350.16 | 310.27 |
| 3 | **Total Income (1+2)** | **926.46** | **871.78** | **734.05** | **3,391.65** | **2,723.26** |
| 4 | Interest Expended | 526.23 | 483.69 | 385.49 | 1,892.20 | 1,417.56 |
| 5 | Operating Expenses (i+ii+iii) | 214.95 | 214.31 | 206.98 | 852.85 | 780.73 |
| i. | Employees cost | 104.87 | 110.29 | 101.66 | 433.99 | 381.23 |
| ii. | Rent, Taxes and Lighting | 20.41 | 21.04 | 20.45 | 84.50 | 81.02 |
| iii. | Other Operating Expenses | 89.67 | 82.98 | 84.87 | 334.36 | 318.48 |
| 6 | **Total Expenditure (4+5) (excluding provisions and contingencies)** | **741.18** | **698.00** | **592.47** | **2,745.05** | **2,198.29** |
| 7 | **Operating Profit before Provisions and Contingencies (3-6)** | **185.28** | **173.78** | **141.58** | **646.60** | **524.97** |
| 8 | Provisions (Other than tax) and Contingencies | 34.78 | 40.14 | 38.81 | 140.06 | 138.80 |
| 9 | Exceptional Items | - | - | - | - | - |
| 10 | **Profit from Ordinary Activities before tax (7-8-9)** | **150.50** | **133.64** | **102.77** | **506.54** | **386.17** |
| 11 | Tax expense | 54.17 | 47.54 | 38.56 | 181.17 | 140.83 |
| 12 | **Net Profit from Ordinary Activities after tax (10-11)** | **96.33** | **86.10** | **64.21** | **325.37** | **245.34** |
| 13 | Extraordinary Items (Net of tax expenses) | - | - | - | - | - |
| 14 | **Net Profit for the period (12-13)** | **96.33** | **86.10** | **64.21** | **325.37** | **245.34** |
| 15 | Paid-up Equity Share Capital (Face value ₹ 10/-) | 309.55 | 309.30 | 308.08 | 309.55 | 308.08 |
| 16 | Reserves excluding Revaluation Reserves | | | | 2,560.52 | 2,247.90 |
| 17 | **Analytical Ratios** | | | | | |
| i. | Percentage of shares held by Government of India | Nil | Nil | Nil | Nil | Nil |
| ii. | Capital Adequacy Ratio (%) - Basel III | 16.81 | 15.45 | 16.47 | 16.81 | 16.47 |
| 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) | (Not Annualised) | (Not Annualised) | (Annualised) | (Annualised) |
| | (i) Basic (₹) | 3.11 | 2.78 | 2.08 | 10.53 | 8.02 |
| | (ii) Diluted (₹) | 3.06 | 2.74 | 2.04 | 10.36 | 7.85 |
| | (b) Basic and diluted EPS after Extraordinary items (Net of tax expenses) for the period and for the previous year | (Not Annualised) | (Not Annualised) | (Not Annualised) | (Annualised) | (Annualised) |
| | (i) Basic (₹) | 3.11 | 2.78 | 2.08 | 10.53 | 8.02 |
| | (ii) Diluted (₹) | 3.06 | 2.74 | 2.04 | 10.36 | 7.85 |
| iv. | Non Performing Assets ('NPAs') Ratios | | | | | |
| | (a) Amount of Gross NPAs | 439.48 | 445.12 | 369.03 | 439.48 | 369.03 |
| | (b) Amount of Net NPAs | 153.77 | 163.44 | 146.72 | 153.77 | 146.72 |
| | (c) % of Gross NPAs to Gross Advances | 1.84 | 1.92 | 1.79 | 1.84 | 1.79 |
| | (d) % of Net NPAs to Net Advances | 0.65 | 0.71 | 0.72 | 0.65 | 0.72 |
| v. | Return on Assets (%) (Annualised) | 1.10 | 1.03 | 0.91 | 0.99 | 0.94 |

**DCB BANK LIMITED**
**SUMMARISED BALANCE SHEET**

(₹ in crore)

| | As at 31.03.2019 (Audited) | As at 31.03.2018 (Audited) |
|---|---|---|
| **Capital & Liabilities** | | |
| Capital | 309.55 | 308.08 |
| Employee Stock Options (Grants Outstanding, net of deferred cost) | 1.16 | 1.41 |
| Reserves & Surplus | 2,804.90 | 2,498.34 |
| **Capital and Reserves** | **3,115.61** | **2,807.83** |
| Deposits | 28,435.11 | 24,006.86 |
| Borrowings | 2,723.20 | 1,926.71 |
| Other Liabilities and Provisions | 1,517.91 | 1,480.69 |
| **Total Capital & Liabilities** | **35,791.83** | **30,222.09** |
| **Assets** | | |
| Cash and Balances with Reserve Bank of India | 1,317.22 | 1,136.39 |
| Balances with Banks and Money at Call and Short notice | 1,476.16 | 1,235.59 |
| Investments | 7,844.09 | 6,218.96 |
| Advances | 23,568.00 | 20,336.69 |
| Fixed Assets | 525.98 | 494.02 |
| Other Assets | 1,060.38 | 800.44 |
| **Total Assets** | **35,791.83** | **30,222.09** |

DCB BANK LIMITED * CORPORATE OFFICE *

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

DCB BANK

**SEGMENTAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2019**

(₹ in crore)

| Sr. No. | Business Segment | Quarter Ended | | | Year Ended | |
|---|---|---|---|---|---|---|
| | | 31.03.2019 (Audited) Refer Note 9 | 31.12.2018 (Unaudited) | 31.03.2018 (Audited) Refer Note 9 | 31.03.2019 (Audited) | 31.03.2018 (Audited) |
| 1 | **Segment Revenue** | | | | | |
| a | Treasury Operations | 236.89 | 227.09 | 193.10 | 902.06 | 739.81 |
| b | Corporate / Wholesale Banking | 130.22 | 125.42 | 107.37 | 491.47 | 386.06 |
| c | Retail Banking | 740.94 | 705.20 | 598.12 | 2,736.60 | 2,179.53 |
| d | Other Banking Operations | 10.58 | 7.81 | 8.26 | 35.18 | 30.32 |
| e | Unallocable | (0.08) | (0.13) | 2.58 | (0.27) | 9.46 |
| | **Total** | **1,118.55** | **1,065.39** | **909.43** | **4,165.04** | **3,345.18** |
| | **Less:- Inter Segment Revenue** | **192.09** | **193.61** | **175.38** | **773.39** | **621.92** |
| | **Income from Operations** | **926.46** | **871.78** | **734.05** | **3,391.65** | **2,723.26** |
| 2 | **Segment Results** | | | | | |
| a | Treasury Operations | 14.99 | 17.95 | 3.95 | 53.34 | 57.96 |
| b | Corporate / Wholesale Banking | 19.56 | 14.02 | 10.51 | 65.82 | 52.37 |
| c | Retail Banking | 111.57 | 99.96 | 82.95 | 376.10 | 257.18 |
| d | Other Banking Operations | 10.25 | 7.56 | 7.82 | 33.98 | 28.27 |
| e | Unallocable | (5.87) | (5.85) | (2.46) | (22.70) | (9.61) |
| | **Total Profit before Tax** | **150.50** | **133.64** | **102.77** | **506.54** | **386.17** |
| 3 | **Segment Assets** | | | | | |
| a | Treasury Operations | 11,179.80 | 10,422.81 | 8,956.38 | 11,179.80 | 8,956.38 |
| b | Corporate / Wholesale Banking | 3,938.66 | 4,238.31 | 4,330.39 | 3,938.66 | 4,330.39 |
| c | Retail Banking | 20,447.38 | 19,492.90 | 16,749.02 | 20,447.38 | 16,749.02 |
| d | Other Banking Operations | 0.06 | 0.07 | 0.12 | 0.06 | 0.12 |
| e | Unallocable | 225.93 | 227.69 | 186.18 | 225.93 | 186.18 |
| | **Total Segment Assets** | **35,791.83** | **34,381.78** | **30,222.09** | **35,791.83** | **30,222.09** |
| 4 | **Segment Liabilities** | | | | | |
| a | Treasury Operations | 7,523.96 | 7,654.55 | 7,252.93 | 7,523.96 | 7,252.93 |
| b | Corporate / Wholesale Banking | 3,012.37 | 2,360.68 | 1,716.79 | 3,012.37 | 1,716.79 |
| c | Retail Banking | 22,133.01 | 21,342.52 | 18,437.51 | 22,133.01 | 18,437.51 |
| d | Other Banking Operations | 1.06 | 1.01 | 1.21 | 1.06 | 1.21 |
| e | Unallocable | 5.82 | 5.94 | 5.82 | 5.82 | 5.82 |
| | **Total Segment Liabilites** | **32,676.22** | **31,364.70** | **27,414.26** | **32,676.22** | **27,414.26** |
| 5 | **Capital Employed** (Segment Assets - Segment Liabilities) | | | | | |
| a | Treasury Operations | 3,655.84 | 2,768.26 | 1,703.45 | 3,655.84 | 1,703.45 |
| b | Corporate / Wholesale Banking | 926.29 | 1,877.63 | 2,613.60 | 926.29 | 2,613.60 |
| c | Retail Banking | (1,685.63) | (1,849.62) | (1,688.49) | (1,685.63) | (1,688.49) |
| d | Other Banking Operations | (1.00) | (0.94) | (1.09) | (1.00) | (1.09) |
| e | Unallocable | 220.11 | 221.75 | 180.36 | 220.11 | 180.36 |
| | **Total Capital Employed** | **3,115.61** | **3,017.08** | **2,807.83** | **3,115.61** | **2,807.83** |

**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.

DCB BANK LIMITED CORPORATE OFFICE

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

DCB BANK

**Notes:**

1. The above audited financial results for the quarter and year ended March 31, 2019 have been reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on April 18, 2019. An unqualified report has been issued by the statutory auditors for the year ended March 31, 2019.
2. The Board of Directors have recommended a dividend of ₹ 1.00 per share @ 10% for the year ended March 31, 2019 (previous year : ₹ 0.75 per share @ 7.5%) subject to approval of the members in the ensuing Annual General Meeting.
3. The financial results for the quarter and year ended March 31, 2019 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.
4. "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.
5. During the quarter and year ended March 31, 2019, the Bank allotted 246,190 and 1,462,015 equity shares respectively (183,390 and 950,530 equity shares in the quarter and year ended March 31, 2018 respectively) pursuant to the exercise of stock options by employees.
6. In line with requirements of Accounting Standard 10 - Property, Plant and Equipment, the Bank had reviewed the useful life of its fixed assets due to which depreciation charge for the quarter and the year ended March 31, 2019 is lower by ₹ 4.57 crore and ₹ 13.71 crore respectively.
7. Reserve Bank of India vide its letter dated February 25, 2019 had imposed monetary penalty of ₹ 2 crore in terms of Section 47A (1) (c) read with Section 46 (4) (i) of the Banking Regulation Act, 1949 on the Bank for delay in adherence to its directives on "Timebound implementation and strengthening of SWIFT-related operational controls" contained in the RBI circular dated February 20, 2018. The operating expenses for the quarter and year ended March 31,2019 are higher to that extent.
8. 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.
9. The figures for the quarter ended March 31, 2019 and March 31, 2018 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the respective financial year, subjected to Limited Review.
10. 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
MD & CEO

Place : Mumbai
Date : April 18, 2019

DCB BANK LIMITED ★ CORPORATE OFFICE ★

DELOITTE HASKINS & SELLS ★ CHARTERED ACCOUNTANTS