

DCB BANK

DCB Bank Ltd. Annual Report FY 2020-21

**DCB Bank reaches
out to customers
from 352 branches
across India.**



103

Metro
Branches

89

Urban Branches

92

Semi Urban
Branches

68

Rural Branches

BEING A SEARCH LIGHT IN DARK TIMES

India is feeling the huge second wave impact of Covid-19 pandemic which engulfed the world in early part of year 2020. Covid-19 has devastated the lives of millions of people in India and across the globe. The second wave in India is continuing to cause misery and incalculable loss in terms of lives, family distress and economy.

India handled the first wave of the pandemic very well, however the second wave is severe and harsh. It has pushed the health infrastructure beyond its limits. Several emergency measures are now being taken to address the current situation. We sincerely hope for things to start improving in the coming days.

Every crisis presents an opportunity and creates a possibility for enlightenment. We need to scan our search light and look for possible creative solutions. Search lights are about focus and concentration; not about diffusion and divergence.

At DCB Bank, our people at all levels have acted as search lights; focused attention on new ways of doing business, keeping our doors open to our customers and ensuring that even by working from home all services could be delivered without interruption. The resilience, energy, creativity and tenacity of all DCBIans in this time of crisis has been exceptional. It came from the heart more than just duty.

The year ahead is going to be challenging at best but we are determined to find new solutions using all means at our disposal (technology being an important one) to ensure that our services are delivered efficaciously.

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DCB Bank Vision



Our vision is to be the most innovative and responsive neighbourhood Bank in India serving entrepreneurs, individuals and businesses.

DCB Bank Values

Treat Everyone with Dignity – **Respect** | Do What is Right – **Ethical** | Be Open & Transparent – **Fair Sense of Urgency, Passion & Energy – Dynamic** | Go the Extra Mile, Find Solutions – **Stretch** Improve Continuously – **Excellence** | Play as a Team, To Win – **Teamwork** | Support the Society – **Contribute**

COMPANY INFORMATION

Board of Directors

Mr. Nasser Munjee

Chairman

Mr. Murali M. Natrajan

MD & CEO

Mr. Ashok Barat

Mr. Amyn Jassani

Mr. Iqbal Khan

Mr. Jamal Pradhan

(Till January 14, 2021)

Mr. C. Narasimhan

(Till October 11, 2020)

Ms. Rupa Devi Singh

Mr. Rafiq Somani

Mr. Shabbir Merchant

Mr. Shaffiq Dharamshi

Mr. Somasundaram PR

Mr. S. Sridhar

(Till October 11, 2020)

Senior Management Team

Mr. Venkatesh R.

President and Head-Operations,
Technology & Human Resources

Mr. Bharat Sampat

President and Chief Financial
Officer

Mr. Praveen Kutty

President and Head – Retail &
Small and Medium Enterprises
(SME) Banking

Mr. Sridhar Seshadri

President and Chief Risk Officer

Mr. Abhijit Bose

President and Chief Credit Officer

Mr. J.K. Vishwanath

President and Head-Corporate and
SME Banking

Company Secretary

Ms. Rubi Chaturvedi

Functional Management Heads

Mr. Aditya Prasad

Chief Compliance Officer
(Till June 6, 2021)

Mr. Ajay Mathur

Head-Collections & Commercial
Vehicles

Mr. Ajit Singh

Head Treasury And Financial
Institutions Group

Mr. Damodar Agarwal

Head-Strategic Initiatives and
Alternate Channels

Mr. Gaurav Mehta

Head-Marketing, Public Relations
(PR) & Corporate Communications
& Investor Relations

Mr. K. K. Pandey

Head-Channel Sales & Emerging
Markets

Mr. Krishna Ramasankaran

Head -Credit, Retail & Small &
Medium Enterprises (SME)

Mr. Manoj Joshi

Compliance Officer (w.e.f. June 6,
2021) & Chief of Internal Vigilance

Ms. Meghana Rao

Head-Branch Operations

Mr. Murali Mohan Rao Manduva

Chief Technology Officer

Mr. Narendranath Mishra

Head-Agri & Inclusive Banking

Mr. N. C. Kaushal

Business Head – Digital Banking

Mr. Pankaj Sood

Head-Branch Banking-Retail

Mr. Ravi Kumar Vadlamani

Head-Operations & Key Projects

Mr. Sukesh Bhowal

Head-Mortgages & Gold Loans

Ms. T.P. Anuradha

Chief Internal Auditor

Statutory auditors

S. R. Batliboi & Associates, LLP,
Chartered Accountants
(Registration No.101049W/
E300004)

Registered office

DCB Bank Limited

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

CHAIRMAN'S STATEMENT

I began my Statement in 2019 with the following words: *"We are living in a dynamic and unpredictable world. There are complex set of variables that are constantly changing making it very difficult to visualize stability or predict the future with any level of accuracy"*. The events of year 2020 and 2021 have amply demonstrated what I meant. Little did we know that the entire globe would be blighted by a pandemic so virulent that in the short term, there was not much that could be done even by an advanced modern society. Fortunately,

with the creation of a vaccine, and a better understanding of the mutations that are taking place, we can foresee an end to this pandemic in the not-too-distant future.

Beginning the current financial year in a lockdown was extremely challenging. At DCB Bank, we had to re-invent the process of execution of our services and operations through "Working From Home" with IT support. We had to provide laptops very quickly to key staff to enable them to work from remote locations. Banking is an essential service therefore branches had a responsibility to remain open. However, strong Covid-19 protocols had to be implemented to ensure safety of staff and customers. Our call centres and back office operations had to be reconfigured to ensure customer service. Our senior management team worked full time to ensure that guidance and support was speedily delivered and that operations

could move forward without interruption. I am glad to report that all of this was accomplished in record time and the entire credit goes to our staff who worked tirelessly to ensure the smoothest transition to a new work environment.

Proactively, the Bank also called thousands of customers to enquire whether we could be of any service, in these troubled times, with respect to their banking needs. A centralized task force was created to monitor the Covid-19 impact on our staff and their families and to ensure that they received whatever assistance that they required. So far, more than 1,000 staff have been infected and unfortunately, in the last year or so, 6 staff members have lost their lives. I, on behalf of the entire Board, would like to convey our deep condolences to their families for this irreplaceable loss.

Unprecedented conditions require a response of equal

I am happy to report that the operations of the Bank were maintained with ratios remaining healthy albeit our having to carry much higher provisions given the economic uncertainties that our customers face for their businesses.

measure. The Bank has used this period to further intensify its online training of all staff who were at home, move forward on its data analytic capabilities, intensify its risk assessment matrix and mitigation actions, its compliance framework, and its ability to respond to regulators, and most importantly to upgrade its IT systems.

I am happy to report that the operations of the Bank were maintained with ratios remaining healthy albeit our having to carry much higher provisions given the economic uncertainties that our customers face for their businesses.

Notwithstanding external challenges, the Bank continued to make steady progress in FY 2021. Balance Sheet grew to ₹39,602 crore with Deposits at ₹29,704 crore and Advances at ₹25,959 crore. Operating Profit grew by 19.3% to ₹898.48 crore; Profit after Tax, however, was weighed down by increase in provisions

to meet stress on asset quality due to Covid-19 pandemic. Profit after Tax for the year was ₹335.79 crore against ₹337.94 crore in the previous year.

As we look forward, the Bank is determined to grow at a healthy pace through a wider branch network that can offer full services in new regions. Our basic strategy remains unchanged. We will continue to have a largely secured portfolio in our chosen field of concentration – Mortgages, MSME, SME, Gold Loans and Agri / Inclusive Banking. We will continue to be granular on both sides of our balance sheet. Corporate lending has shown modest growth and will continue to do so until the economic environment improves, and real economic growth begins to be noticed.

The past year has been one that has challenged every aspect of our functioning. It has taught us many lessons. The world will not be the same again. The Board

and its Committees and the process of governance has worked extremely well with more frequent meetings and full attendance. The business model of the Bank has been adapted to create a new operational paradigm. The future possibilities for productivity, efficiency and digital analytics have been enhanced which will be rolled out more fully in the year ahead. What this means is that the future could be very different from the past. It has implications for working from home, more streamlined back office operations and call centres, intelligent processes developed through data analytics and new approaches for customer service delivery. New digital products through the internet are likely to enhance the service delivery platform and offer us an opportunity to create unexpected customer delight. We have been working with fintech companies for over three years and we hope to see new products emerge as a

consequence of these partnerships.

DCB Bank has matured during this crisis and demonstrated its ability to respond to unprecedented circumstances. The strong culture of the organization built up over many years explains the dedication and creativity of its people. An institution is defined by its culture which is principle centered with an extremely high degree of integrity in its operations. People have always been encouraged to feel that they do not just work for the institution – they are an integral part of building the institution. In the years ahead it is my fervent hope that this culture thrives and DCB Bank is admired for what it does and how it does it by the external world that it serves.

Nasser Munjee

Chairman

May 05, 2021

Corporate Social Responsibility Initiatives



Essential food items packed for Covid-19 Disaster Relief project at Rajaji Tiger Reserve, Uttarakhand.



Vulnerable population around the tiger reserve received timely sustenance during Covid-19 pandemic lockdown in remote locations.



Covid-19 Disaster Relief project at Haridwar Forest Division, Uttarakhand.



Food distribution at Chilla Range Boundary.



Communities at the fringe of the forest areas were impacted with no transport and dwindling supplies.



Food supply was given to most vulnerable sections of the society.



Emergency ration distribution during Covid-19 pandemic lockdown at Diamond Harbour & FALTA, West Bengal



The Bank supported relief material mobilisation and distribution in the Haridwar & Dehra Dun area in Uttarakhand.



Essential supplies distributed at Chillawalli Range, Uttarakhand



DCB Bank worked to assist those agencies cooking fresh nutritious meals for families and migrant workers in dire situation during the first lockdown in Mumbai.



Meals were distributed in South Mumbai localities and up to Govandi, in the suburb of Mumbai.



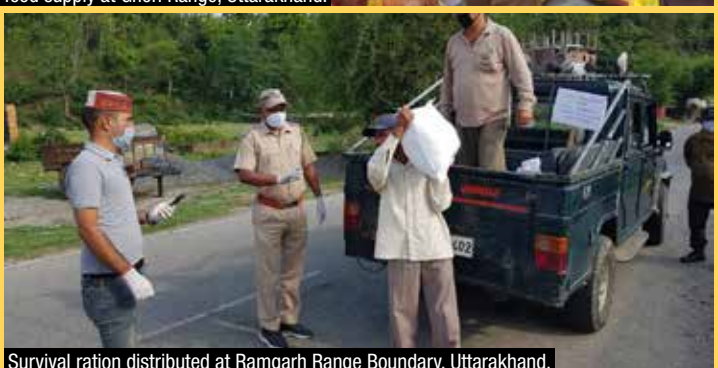
Essential supplies distributed at Rawasan Range Boundary, Uttarakhand



Emergency food supply at Ghori Range, Uttarakhand.



Survival ration and personal hygiene items helped the vulnerable communities fend off hunger in the first wave for Covid-19.



Survival ration distributed at Ramgarh Range Boundary, Uttarakhand.



Restoration and revival of watershed at Taloja hills, Navi Mumbai, Maharashtra.



Community volunteers at the watershed project. Using the bounty of monsoon to plant indigenous trees adapted to the landscape at Taloja hills, Navi Mumbai, Maharashtra.



Team getting ready with local tree saplings for plantation. Trees & shrubs are used to slow down the erosion of soil and help absorb water, Taloja hills, Navi Mumbai, Maharashtra.



Farmers and beneficiaries participate in a skill and knowledge session conducted by a master trainer for bee keeping, Madhya Pradesh.



DCB Social, employee volunteers from Surat region conducted a beach & shoreline cleanup at Daman beach.

