



DCB BANK

Resilience and inherent strength

DCB Bank Limited
Annual Report FY 2021-22

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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,
Chairperson
(till August 18, 2021)

Ms. Rupa Devi Singh,
Chairperson
(w.e.f. January 14, 2022
subject to approval of
RBI and thereafter the
Shareholders)

Mr. Murali M. Natrajan,
MD & CEO

Mr. Ashok Barat

Mr. Aryn Jassani

Mr. Iqbal Khan

Mr. Rafiq Soman

Mr. Shabbir Merchant

Mr. Shaffiq Dharamshi

Mr. Somasundaram PR

Mr. Tarun Balram
(w.e.f. January 24, 2022)

Mr. Thiagarajan Kumar
(w.e.f. February 10, 2022)

Senior Management Team

Mr. Venkatesh R.
President and Head – IT, HR,
Operations & Chief Information
Officer (CIO)

Mr. Bharat Sampat
President and Chief Financial Officer

Mr. Praveen Kutty
President and Head – Retail 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. Ajay Mathur
Head – Collections & Commercial
Vehicles

Mr. Ajit Singh
Head Treasury and Financial
Institutions Group

Mr. Bappa Roy
Product Head – Retail Liability and TPD

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

Chief Compliance Officer & 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. Satish Gundewar
Deputy Chief Financial Officer

Mr. Sukesh Bhowal
Head – Mortgages & Gold Loans

Mr. Sumit Manchanda
Head – Credit

Ms. T.P. Anuradha
Chief Internal Auditor

Joint Statutory auditors:

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

M/s Sundaram & Srinivasan,
Chartered Accountants
(ICAI Registration No. 004207S)

Registered office

DCB Bank Limited

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

CHAIRPERSON'S STATEMENT



As FY 2021 was coming to end, the country was once again hit by an unprecedented and severe Covid-19 second wave. The infrastructure facilities of the country were stretched beyond limits. Despite tremendous efforts taken by both the Central and State Governments, unfortunately, a lot of people got infected, and many lost their lives. To curtail the spread of infections, lockdowns and disruptions were inevitable which resulted in the economy and livelihood getting impacted especially for the shops, small businesses and self-employed. The Central Government and the Reserve Bank of India took timely steps to help the borrowers and support the economy. It was indeed a very difficult situation for the country and banks.

As you know, your Bank has been consistently following the strategy

of targeting self-employed / small business owners. Pandemic disruptions and lockdowns affected the self-employed segment much more than the salaried segment. Consequently, the NPAs and restructured loan book increased sharply for the Bank in Q1 FY 2022. Also, new loan demand was limited due to lack of opportunities in the self-employed category. This resulted in stagnation of the loan book for the first few months of FY 2022. During this difficult period, the Bank's focus was on helping customers within the regulatory framework and managing collections and recoveries. Towards the end of Q2 FY 2022, the situation started to improve, and the Bank started re-building its Balance Sheet while continuing to intensely manage NPAs.

Looking at the collections, recoveries, and new business in the last few months of FY 2022, there are clear signs that the economy is recovering from the impact of pandemic and our country's self-employed segment is once again demonstrating resilience.

There are clear signs that the economy is recovering from the impact of pandemic and our country's self-employed segment is once again demonstrating resilience.

I am very happy to share with you that in comparison to the previous year, although effectively we had business opportunities only for three quarters in FY 2022, the Bank achieved Advances growth of 13%, Deposits growth of 17%, CASA ratio of 26.8% and Balance Sheet growth of 13%. Under these unusual and

unanticipated external conditions, the Bank's NPAs and restructured loan book remained within acceptable limits. The Bank has made conservative loan loss provisions and the Provision coverage stood at 67.84% as on March 31, 2022.

Since 2009, the Bank has been targeting the self-employed segment. The Bank's portfolio is largely small ticket secured lending. Although NPAs and restructure increased due to Covid-19, the Bank was able to absorb additional credit loss provisions because of strong Operating Profit.

The Bank's capital position remained strong at Tier I of 15.84% and overall, 18.92%.

As we emerge from effectively dealing with the massive headwinds of Covid-19, the Bank is in a good position to meet its growth ambition in the coming years. I have been part of the Bank's Board since 2015 and I can say that building an institution requires sensible leadership, culture, dedicated team, and strong governance. The process of institution building is gradual, painstaking, demands tremendous energy and patience, take appropriate measured risks within the risk appetite, customer orientation and agility to deal with a dynamic / challenging environment. We are confident we have the ingredients for continuing to build a strong institution.

At the time of writing this, I am delighted to share with you that recently I had the privilege of inaugurating DCB Bank's

400th branch. The milestone branch is located at the bustling historic Azadpur Mandi at Delhi/NCR. This location has a huge potential for the Bank's self-employed / small businesses target market. Over the next few years, we expect the Bank to continue to build its branch network across the chosen geographies.

India has a large resilient diversified economy. It has withstood the onslaught of Covid-19 and I am confident that despite recent geopolitical disturbances, Indian economy will perform well in the coming years giving opportunities for our Bank to continuously increase its customer base and build a robust business.

I am delighted to be given charge as Chairperson of the Bank by the Board of Directors. I am excited to be part of this journey. I am looking forward to working with the Board and the Management Team to guide the Bank in the coming months.

Rupa Devi Singh

Chairperson (subject to approval of Reserve Bank of India and the Shareholders)

May 07, 2022

Corporate Social Responsibility Initiatives



Citizen volunteers participating in tree plantation to create mini urban forest, Coimbatore, Tamil Nadu



Urban micro forest for Mumbai wins a special commendation at the CSR Journal Excellence Awards. Miyawaki plantation was recognised for 10,000 saplings that are home for biodiversity, Maharashtra



Developing nurseries by Irula community for reclamation of waste & degraded land into forest, Viluppuram, Tamil Nadu



Ecosystem restoration through Miyawaki urban forest plantation, Ghazipur, Delhi



India's first nature trail mobile app for information, communication & education on biodiversity, Karnala Bird Sanctuary, Maharashtra



Jal Sanrakshan II, aerial view of water harvesting structure filled with water to support sustainable farming, Aurangabad, Maharashtra



Miyawaki Urban Forest, a home for birds, butterflies and insects, increasing the soil fertility and ground water table at INS Hamla, Mumbai, Maharashtra



Jal Sanrakshan, recharge shaft for groundwater development for sustainable farming at Nidhona village, Aurangabad, Maharashtra



Jal Sanrakshan, village development committee meeting for water usage and farming techniques, Aurangabad, Maharashtra



Development of tree sapling nurseries by the rural community to offset land degradation, improve ground water table & increase carbon sequestration potential, East Singhbhum, Jharkhand



Tree plantation for sustainable livelihood, generating income for marginalized families & protecting the land from natural calamities like cyclones, South 24 Parganas, West Bengal



Tree plantation & biodiversity by community volunteers at Taloja watershed, Kharghar, Maharashtra



Waste management through bio-digesters. Using cattle waste to provide biogas to rural homes. Hence reducing smoke pollution, methane & dependency on firewood, Adilabad, Telangana



Waste management, bio-digesters also produce black fertilizer for farmers. Sustainable farming reduces both, fertilizers & emission of greenhouse gases, Adilabad, Telangana



Water conservation through rainwater recharge wells, Bengaluru, Karnataka



Tree plantation to control soil erosion, enhance urban biodiversity & absorbs rainwater, Kolkata, West Bengal



Young ambassadors of hope, learning and helping in reviving nature by taking part in tree plantation competition, South 24 Parganas, West Bengal



Waterless Urinals that helps in saving the fresh water and which helps in controlling the odor in the restroom, Vishakapatnam, Andhra Pradesh





Black gold...organic
use of synthetic
fertilizers



Urban plantation of indigenous trees with citizen volunteers, Chennai



Trees for sustainable livelihood, to generate income & decrease the dependency of the rural community on forest resources, thus reducing man animal conflict, East Singhbhum, Jharkhand



Water harvesting structures for livelihood improvement by double cropping & cash crops, Ghodabara, Odisha



Beekeeping training program for women self help group for sustainable livelihood, Cuttack, Odisha



Review of plantation done for restoration of forest landscape through Assisted Natural Regeneration, Sanjay Gandhi National Park, Mumbai, Maharashtra



Habitat restoration & tree plantation by DCB Social volunteers, Ambivali Biodiversity Park, Maharashtra

NOTICE TO MEMBERS

NOTICE is hereby given that the Twenty Seventh Annual General Meeting ("the AGM") of the Members of DCB BANK LIMITED ("the Bank") will be held on Wednesday, June 22, 2022 at 2.30 p.m. (IST) via Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following:

Ordinary Business:

1. To receive, consider and adopt the audited Financial Statements of the Bank for the Financial Year ended March 31, 2022 together with the Reports of the Auditors and the Board of Directors thereon.
2. To declare dividend of ₹1.00 per Equity Share of ₹10/- each, for the Financial Year ended March 31, 2022.
3. To appoint a Director in place of Mr. Iqbal Khan (DIN-07870063), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any and the provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the rules, guidelines and circulars issued by the Reserve Bank of India ("RBI"), from time to time and in terms of their confirmation with regard to their eligibility to be appointed as Statutory Auditors pursuant to Section 141 of the Companies Act, 2013 and applicable rules and subject to approval of RBI, Members of the Bank do hereby appoint M/s S R Batliboi & Associates LLP, Chartered Accountants (Registration No.101049W/E300004) together with M/s Sundaram & Srinivasan, Chartered Accountants, (ICAI Registration No. 004207S) for a period of one (1) years as Joint Statutory Central Auditors of the Bank from the conclusion of 27th AGM till the conclusion of 28th AGM, at overall audit fees of ₹ 1.45 Crore (Rupees One Crore Forty Five Lakh Only) plus out of pocket expenses for FY 2022-23, to be allocated by the Bank between M/s S R Batliboi & Associates LLP Chartered Accountants and M/s Sundaram & Srinivasan, Chartered Accountants as may be mutually agreed

between the Bank and the said Joint Statutory Auditors, depending upon their respective scope of work, and additionally out of pocket expenses, outlays and taxes as applicable including certifications, reporting on internal financial controls, of the Bank's accounts at its head office, branches and other offices, for such remuneration and expenses thereafter as may be mutually agreed between the Bank and the said Statutory Auditors and as may be further approved by the Board from time to time, with power to the Board, including relevant Committee(s) thereof, to alter and vary the terms and conditions of appointment, etc., including by reason of necessity on account of conditions as may be stipulated by RBI and / or any other authority, in such manner and to such extent as may be mutually agreed with the Statutory Auditors."

Special Business:

5. **Raising of funds by issue of bonds/'debentures'/ securities on private placement basis**

To consider and if thought fit, to pass the following Resolution as **Special Resolution**

"RESOLVED THAT pursuant to Section 42 and other applicable provisions, if any, of the Companies Act, 2013, as amended, and the rules made there under, Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021. including any amendment, the applicable provisions of the Banking Regulation Act, 1949, as amended, and the rules, circulars and guidelines issued by the Reserve Bank of India ("RBI") from time to time (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force) and all other relevant provisions of applicable law(s), the provisions of the Memorandum and Articles of Association of the Bank and subject to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned statutory authority(ies) including RBI, the approval of the Members of the Bank be and is hereby accorded to the Board of Directors of the Bank (hereinafter referred to as "Board" and which term shall be deemed to include any Committee of the Board or any other persons to whom powers are delegated by the Board as permitted under the Companies Act, 2013) for borrowing/raising of funds in Indian/foreign currency by issue of