

Ref. No.CO:CS:RC:2025-26:100

July 14, 2025

BSE Limited,  
P. J. Towers,  
Dalal Street, Fort,  
Mumbai - 400 001.

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

**Scrip Code:532772**

**NSE Symbol:DCBBANK**

Dear Sirs/Madam,

**Sub: Notice of 30<sup>th</sup> Annual General Meeting of DCB Bank Limited (“the Bank”) and Annual Report for Financial Year 2024-25 (FY 2024-25)**

This is to inform you that the 30<sup>th</sup> Annual General Meeting (30<sup>th</sup> AGM) of the Members of DCB Bank Limited (“the Bank”) will be held on Wednesday, August 06, 2025 at 2.30 p.m. (IST) through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM).

In terms of requirements under Regulation 34(1) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), we are submitting herewith the Annual Report for the FY 2024-25 including Notice of the 30<sup>th</sup> AGM of the Bank, which is being sent through electronic mode to the Members of the Bank.

The Notice of the 30<sup>th</sup> AGM and Annual Report for FY 2024-25 is also made available on the website of the Bank at [https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance)

This is for your information and appropriate dissemination.

Thanking you,

Yours faithfully,  
For DCB Bank Limited

Rubi Chaturvedi  
Company Secretary &  
Compliance Officer

Encl:

- 1) Notice of the 30<sup>th</sup> Annual General Meeting
- 2) Annual Report FY 2024-25

**DCB Bank Limited**

Corporate & Registered Office: 6th Floor, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013  
CIN: L99999MH1995PLC089008 Tel: +91 22 66187000 Fax: +91 22 66589970 Website: [www.dcbbank.com](http://www.dcbbank.com)

## NOTICE to Members

NOTICE is hereby given that the Thirtieth (30<sup>th</sup>) Annual General Meeting (“the AGM”) of the Members of DCB Bank Limited (“the Bank”) will be held on Wednesday, August 06, 2025, at 2.30 p.m. (IST) via Video Conferencing (“VC”) or Other Audio - Visual Means (“OAVM”) to transact the following business:

### Ordinary Business:

1. **To receive, consider and adopt the Audited Financial Statements of the Bank for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon.**
2. **To declare dividend of ₹ 1.35 per Equity Share of ₹ 10/- each, for the Financial Year ended March 31, 2025.**
3. **To appoint a director in place of Mr. Nasser Munjee (DIN:00010180) who retires by rotation and being eligible, offers himself for re-appointment.**
4. **To approve the payment of additional remuneration to the Joint Statutory Auditors of the Bank, for FY 2024-25, and in this regard, to consider, and if thought fit, to pass, the following resolution as Ordinary Resolution:**

**“RESOLVED THAT** pursuant to Section 142 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules thereunder, in addition to the resolution passed by the Members of the Bank on June 12, 2024 for payment of overall audit fees of ₹ 2.05 Crore (Rupees Two Crore and Five Lakh Only) per annum for FY 2024-25, to be allocated by the Bank between M/s. B S R & Co LLP, Chartered Accountants (Registration No. 101248W/W100022) and M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S), 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 up to 5% of audit fees and taxes as applicable, further approval of the Members of the Bank be and is hereby accorded for payment of additional remuneration of ₹ 19.07 lakh (Rupees Nineteen Lakh and Seven Thousand Only) to the

Joint Statutory Auditors of the Bank, towards technical fees and increase in their scope of work emanating from various circulars/ notifications issued by the Reserve Bank of India or other regulatory authorities for FY 2024-25, in addition to out-of-pocket expenses and taxes as applicable.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board (including the Audit Committee of the Board or any other person(s) authorized by the Board or the Audit Committee in this regard), be and is hereby authorized on behalf of the Bank to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Bank to settle all questions, difficulties or doubts that may arise in regard to implementation of the resolution, without being required to seek any further consent or approval of the Members of the Bank.”

5. **To take note of the RBI approval for the appointment of the Joint Statutory Auditors and approve the overall audit fee to the Joint Statutory Auditors of the Bank for FY 2025-26, and in this regard, to consider, and if thought fit, to pass, the following resolution as Ordinary Resolution:**

**“RESOLVED THAT** the approval received from the RBI vide its letter Ref CO.DOS.RPD. No.1574/08.37.005/2025-26 dated May 28, 2025 for the appointment of M/s B S R & Co LLP, Chartered Accountants (FRN101248W/W100022) and M/s Varma & Varma, Chartered Accountants (FRN-004532S) as the Joint Statutory Auditors of the Bank for FY 2025-26, for their third year and second year respectively, be and is hereby noted by the Members of the Bank.

**RESOLVED FURTHER THAT** subject to applicable laws and regulations including the relevant guidelines and circulars of the RBI (as may be amended, restated, modified, replaced from time to time and pursuant to the approval and recommendation of the Board based on the recommendation of the Audit Committee,



M/s. B S R & Co LLP, Chartered Accountants (Registration No. 101248W/W100022), who were already appointed as the Joint Statutory Auditors of the Bank at the 28<sup>th</sup> Annual General Meeting of the Bank held on June 22, 2023 and M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S), who were already appointed as the Joint Statutory Auditors of the Bank at the 29<sup>th</sup> Annual General Meeting of the Bank held on June 12, 2024, be paid overall audit fees of ₹ 2.30 crore (Rupees Two Crores and Thirty Lakhs Only) per annum plus upto 10% thereof as technical charges for FY 2025-26, to be allocated by the Bank between M/s. B S R & Co LLP, Chartered Accountants and M/s. Varma & Varma, 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 on actual basis and taxes as applicable.

**RESOLVED FURTHER THAT** any increase in the scope of work and/or specific assignment on account of regulatory/ statutory requirements/ directions shall be paid additionally as may be agreed between the Joint Statutory Auditors and the Bank.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board (including the Audit Committee of the Board or any other person(s) authorized by the Board or the Audit Committee in this regard), be and is hereby authorized on behalf of the Bank to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Bank to settle all questions, difficulties or doubts that may arise in regard to implementation of the resolution, without being required to seek any further consent or approval of the Members of the Bank.”

### Special Business:

#### 6. Appointment of Secretarial Auditor

To consider and if thought fit, pass, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if

any, of the Companies Act, 2013 (“the Act”), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re- enactment(s) thereof, for the time being in force), Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and any other applicable Regulatory Requirements and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Bank, approval of the Shareholders of the Bank, be and is hereby accorded for appointment of M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretaries, (Firm Registration No. P1991MH040400), Peer Review Certificate No. - 5218/2023 as the Secretarial Auditor of the Bank with effect from April 01, 2025, for a period of five (5) consecutive years (FY 2025-26 to FY2029-30), on such terms and conditions including remuneration as may be approved by the Board on recommendation of the Audit Committee of the Board and to avail any other services, certificates, or reports as may be permissible under applicable laws.

**RESOLVED FURTHER THAT** the Board of Directors of the Bank be and are hereby authorized to fix the annual remuneration plus applicable taxes and out-of-pocket expenses payable to them during their tenure as the Secretarial Auditors of the Bank as recommended by the Audit Committee in consultation with the said Secretarial Auditors.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board (including any Committee of the Board or any other person(s) authorized by the Board in this regard), be and is hereby authorized on behalf of the Bank to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Bank to settle all questions, difficulties or doubts that may arise in regard to implementation of the resolution, without being required to seek any further consent or approval of the Members of the Bank.”

## 7. Raising of funds by issue of bonds/ debentures/ securities on Private Placement basis.

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

**“RESOLVED THAT** pursuant to Section 42 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), as amended from time to time read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other relevant rules made under the Act, read with the relevant circulars/ notifications issued by the Ministry of Corporate Affairs from time to time, Securities and Exchange Board of India (“SEBI”) (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“SEBI ILNCS”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules, regulations, guidelines, directions and circulars issued by the SEBI from time to time, applicable provisions of the Banking Regulation Act, 1949, the Reserve Bank of India Act, 1934, Foreign Exchange Management Act, 1999 (including, any statutory amendment(s) or modification(s) or re- enactment(s) thereof, for the time being in force), the rules, regulations, circulars, notifications, directions and guidelines issued by the Reserve Bank of India (“RBI”) from time to time and all other relevant provisions of applicable laws, 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), 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 Act) for borrowing/ raising of funds, from time to time, in Indian/ foreign currency, by issue of debt securities including but not limited to Unsecured Redeemable Taxable Non-Convertible Subordinated Basel III Compliant Tier II Bonds/ Non-Convertible Debentures

(including bonds forming part of Tier I Capital/ Tier II Capital in accordance with and subject to the terms and conditions specified in the Basel III Capital Regulations prescribed by the RBI), long terms infrastructure bonds or such other bonds as may be permitted by the RBI from time to time in domestic and/ or overseas market, on a private placement basis and/ or for making offers and/ or invitations therefor and/ or issue(s)/ issuances thereof, on a private placement basis, for a period of one year from the date hereof, in one or more tranches and/ or series and under one or more shelf disclosure documents and/ or one or more letters of offer and on such terms and conditions for each series/ tranches including the price, coupon, premium, discount, tenor etc. as deemed fit by the Board, as per the structure and within the limits permitted by the RBI, of an amount up to ₹500 Crore (Rupees Five Hundred Crore) (with green shoe option), over and above the outstanding debt securities issued by the Bank and in aggregate for additional Tier I and Tier II Capital within the overall borrowing limits of the Bank (other than overnight borrowings), as approved by the Members from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Bank or any Committee of the Board or such other persons as may be authorized by the Board or Committee of the Board, be and are hereby authorized to negotiate, modify and finalize the terms and conditions of the debt securities and sign the relevant documents/ agreements in connection with the private placement of the debt securities, including without limitation, the private placement offer letter (along with the application form), information memorandum, disclosure documents, debenture subscription agreement, debenture trust deed and any other documents as may be required, in connection with the offering(s), issuance(s) and/ or allotment(s) on a private placement of debt securities by the Bank and to further delegate the above powers to any Committee of Directors or any Officials of the Bank to act on their behalf as they may deem fit and to do all such other acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.”



## 8. Issue of Equity Shares/ Other Securities Convertible into Equity Shares (“Securities”) through Qualified Institutions Placement (QIP).

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

**“RESOLVED THAT** pursuant to Sections 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made under the Act, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force, the applicable provisions of the Banking Regulation Act, 1949, the Securities and Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulation”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the Foreign Exchange Management Act, 1999 (“FEMA”), Foreign Exchange Management (Non Debt Instruments) Rules, 2019, as amended from time to time and in accordance with applicable rules, regulations, guidelines, circulars, notifications and clarifications issued by Government of India (“GOI”)/ Reserve Bank of India (“RBI”)/ SEBI/ Ministry of Corporate Affairs (MCA)/ Stock Exchanges where the Equity Shares of the DCB Bank Limited (“the Bank”) are listed and/ or any other competent authorities and subject to (a) any other applicable laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force), (b) the enabling provisions of the Bank’s Memorandum and Articles of Association, (c) any approval, consent, permission or sanction of SEBI and/ or RBI and/ or Ministry of Finance (Department of Economic Affairs), as applicable or relevant Ministry approving foreign investment, as applicable and required, approvals, consents, permissions or sanctions of other concerned authorities, within or outside India, and (d) such terms, conditions and modifications as may be prescribed by any of them while granting such approvals, consent permissions or sanctions and

which may be agreed to by the Board of Directors of the Bank (hereinafter referred to as “the Board” which term shall include any Committee constituted by the Board), the consent of the Members of the Bank be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions on firm and/ or competitive basis, such part of issue and for such categories of persons as may be permitted), in one or more tranches, by way of a Qualified Institutions Placement (QIP) under Chapter VI of ICDR Regulations, such number of Equity Shares and/ or any other securities convertible into Equity Shares (“Securities”) to Qualified Institutional Buyers as defined under Chapter VI of ICDR Regulations, whether they be holders of the shares of the Bank or not (collectively called “the Investors”) as may be decided by the Board in their discretion and permitted under the applicable laws and regulations, for cash, for an aggregate amount not exceeding ₹750 Crore (Rupees Seven Hundred Fifty Crore only), inclusive of such premium as may be fixed on the Securities at such time or times, at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions, as may be deemed appropriate by the Board at its absolute discretion considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/ or underwriter(s) and/ or other advisor(s) as the Board may in its absolute discretion deem fit or appropriate in accordance with all applicable laws, rules and regulations for the time being in force in this regard (“the Issue”).

**RESOLVED FURTHER THAT** the Equity Shares to be offered, issued and allotted in pursuance of this Resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Bank and the same shall rank pari passu with the existing Equity Shares of the Bank.

**RESOLVED FURTHER THAT** the Equity Shares to be issued shall be listed with the stock exchanges, where the existing Equity Shares of the Bank are listed.

**RESOLVED FURTHER THAT** the Relevant Date for determination of price of Equity Shares to be issued by way of the proposed issues shall be the



date of the meeting at which the Board decides to open the proposed issue of Equity Shares, or such other date as may be permitted under ICDR Regulations from time to time.

**RESOLVED FURTHER THAT** the pricing shall be determined in compliance with principles and provisions set out in the Regulation 176 of Chapter VI of the ICDR Regulations and the Board may offer a discount of not more than 5% (five percent) on the price calculated for the QIP or such other discount as may be permitted under said ICDR Regulations.

**RESOLVED FURTHER THAT** the allotment of Equity Shares shall be completed within a period of 365 days from the date of this Resolution approving the proposed issue or such other time as may be permitted under ICDR Regulations from time to time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above Resolution, the Board or its appointed delegates/ Committees be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval for the draft as well as the final offer document(s), determining the form, proportion and manner of the issue, including the class of investors to whom the Equity Shares are to be issued and allotted, number of Equity Shares to be allotted, issue price, premium/ discount amount on issue, if any, execution of various transaction documents, fixing record date, listings on one or more Stock Exchanges in India, appointing intermediaries, entering into arrangements for managing, underwriting, marketing, listing and trading, to issue offer documents and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Bank as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the Issue, offer or allotment of Equity Shares and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end

and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to further delegate all or any of the powers in aforesaid matters to the Officials of the Bank, in such manners as the Board may in its absolute discretion deem fit.”

## 9. Increase in Borrowing Powers

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

**“RESOLVED THAT** in supersession of the Resolution passed by the Members of the Bank at the 29<sup>th</sup> AGM held on June 12, 2024 and pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s)/ amendment(s)/ re-enactment(s) thereof for the time being in force) and as per the Articles of Association of the Bank, the approval of the Members of the Bank be and is hereby accorded to the Board of Directors of the Bank (the “Board”, which term shall be deemed to include any Committee which the Board may have constituted or may hereafter constitute or any delegation for exercising the powers conferred on the Board by this Resolution and under Section 179 of the Act) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Bank (apart from deposits accepted in the ordinary course of business, temporary loans repayable on demand or within six months from the date of the loan or temporary loans, if any, obtained from the Bank’s bankers i.e., short term borrowings) and raising such borrowings by issuance of bonds and other debt instruments, including Listed Debt Securities, loans/ credit facilities (fund based and non-fund based) availed by the Bank from any person, or the funds borrowed through external commercial borrowings or through such other instruments or transactions, borrowings (any) from banks/ financial institutions for availing refinance or other inter-bank domestic/ forex borrowings, etc., may exceed the aggregate of the paid-up capital, free reserves and securities premium of the Bank.



**RESOLVED FURTHER THAT** the total outstanding amount so borrowed by the Bank shall not at any time exceed ₹12,000 Crore (Rupees Twelve Thousand Crore) or the aggregate of the paid-up capital, free reserves, and securities premium of the Bank, whichever is higher.

**RESOLVED FURTHER THAT** the Board of Directors of the Bank be and are hereby authorized to execute all such documents, instruments and writings as deemed necessary, file requisite forms or applications with statutory/ regulatory authorities, with the power to settle all questions, difficulties or doubts that may arise, in this regard, as it may in its sole and absolute discretion deem fit and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any Director(s)/ Official(s) of the Bank, to give effect to this Resolution.”

**10. Approval for payment of honorarium to Mr. Farokh N. Subedar (DIN: 00028428), Non-Executive Part Time Chairman and Independent Director of the Bank for the Financial Year 2025-26 which would be in excess of fifty percent of the total annual remuneration payable to all the Non-Executive Directors of the Bank for said Financial Year.**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 17(6)(ca) and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder and the Banking Regulations Act, 1949 (including any amendments, statutory modification(s) and/or re-enactment thereof for the time being in force), the rules, circulars, notifications and guidelines issued by the RBI from time to time, Articles of Association of the Bank and pursuant to the recommendation of Nomination

and Remuneration Committee, approval of the Board of Directors of the Bank and approval of the RBI dated January 31, 2023, the approval of the Members of the Bank be and is hereby accorded for the payment of fixed honorarium of ₹ 24,00,000/- p.a. (Rupees Twenty Four Lakh Only) (in addition to the sitting fees for attending Board and Committee meetings and reimbursement of actual business related expenses and 1 club membership as approved by the Members vide resolution dated June 22, 2023) for the Financial Year 2025-26 and which would be in excess of fifty percent of the total annual remuneration payable to all the Non-Executive Directors of the Bank for said Financial Year to Mr. Farokh N. Subedar (DIN: 00028428), Non-Executive Part Time Chairman of the Bank and that the honorarium shall be payable in such manner as the Board and/ or a Committee thereof, may determine from time to time.

**RESOLVED FURTHER THAT** the Board (or any Committee of the Board), be and is hereby authorized to do all such acts, deeds, matters and things and to execute any agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said appointment as it may in its sole discretion deem fit and to delegate all or any of its powers conferred herein to any Director(s) and/ or Official(s) of the Bank to give effect to this Resolution.”

By Order of the Board of Directors  
**DCB Bank Limited**

Place: Mumbai  
Date: June 16, 2025

**Rubi Chaturvedi**  
Company Secretary

**Registered Office:**

CIN: L99999MH1995PLC089008  
Peninsula Business Park,  
6<sup>th</sup> Floor, 601 & 602, Tower A, Senapati Bapat Marg,  
Lower Parel, Mumbai 400 013.  
Website: [www.dcbbank.com](http://www.dcbbank.com)  
e-mail: [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com)

**NOTES:**

- 1) Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024 read with General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 11/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024 (collectively referred to as "MCA Circulars") in relation to "Clarification on holding of Annual General Meeting (AGM) through Video Conference (VC) or Other Audio Visual Means (OAVM)" and the Securities and Exchange Board of India ("SEBI") vide its Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the 30<sup>th</sup> AGM of the Members of the Bank is being held through VC / OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM only. The registered office of the Bank shall be deemed to be the venue for the AGM.
- 2) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 Members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- 3) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, SEBI Circular dated May 12, 2020, and January 15, 2021, the facility to appoint proxy to attend AGM and cast vote for the Members is not available for this AGM and therefore the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-Voting.
- 4) In line with the MCA Circulars No. 17/2020 dated April 13, 2020 and SEBI Circular dated May 12, 2020, the Notice of the 30<sup>th</sup> AGM along with the Annual Report 2024-25 is being sent through electronic mode to those Members whose e-mail addresses are registered with the Bank/ Depositories. Members may note that the Notice and Annual Report for FY 2024-25 will also be available on the Bank's website [www.dccbbank.com](http://www.dccbbank.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
- 5) An Explanatory Statement required under Section 102(1) of the Companies Act, 2013 in respect of the business at Item Nos. 4 to 10 of the Notice is annexed hereto.
- 6) The relevant details, pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on general meetings issued by the Institute of Company Secretaries of India (ICSI), in respect of Director seeking appointment/ re-appointment in this AGM is annexed.
- 7) The Bank has fixed, Wednesday, July 30, 2025 as the 'Cut-off Date', for the purpose of the 30<sup>th</sup> AGM and reckoning entitlement for voting on the Resolutions contained in this Notice. The remote e-Voting /voting rights of the Members/beneficial





owners shall be reckoned on the Equity Shares held by them as on Wednesday, July 30, 2025 ("the Cut-off Date") only.

- 8) All documents referred to in the accompanying Notice, Explanatory Statement, and the terms and conditions of appointment of Directors shall be provided to Members on requests sent through e-mail to [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com) for inspection by Members of the Bank from the date of circulation of this Notice up to the date of AGM, i.e. Wednesday, August 06, 2025.
- 9) The Register of Directors and Key Managerial Personnel and their Shareholdings, other Statutory Registers prescribed under the Companies Act, 2013 will be available electronically for inspection at the Registered Office of the Bank from the date of circulation of this Notice up to the date of the AGM, i.e. Wednesday, August 06, 2025.
- 10) The Certificate from Secretarial Auditor of the Bank certifying that the ESOP Scheme of the Bank is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available electronically for inspection on the date of the AGM, i.e. Wednesday, August 06, 2025. Members seeking to inspect such documents can send an e-mail to [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com)
- 11) **Dividend Related Information**
  - i. The '**Record Date**' for determining the names of Members eligible for dividend on Equity Shares, if approved at the AGM, is **Friday, July 04, 2025**.
  - ii. Dividend as recommended by the Board of Directors, if approved at the AGM, will be paid on or after Thursday, August 07, 2025, within the stipulated time, by way of electronic mode or through physical dividend warrants (subject to fulfilment of conditions stipulated by SEBI regarding updating KYC details by the Shareholders holding shares in physical mode in their respective folios), to those Members whose names appear on the Register of Members / statements of beneficial position received from NSDL and / or CDSL at the close of business hours on Friday, July 04, 2025.

In case of non-updating of PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend/interest etc. shall be paid only through electronic mode upon furnishing all the aforesaid details in entirety.

Since the data as of July 4, 2025 is being considered for sending AGM Notices as well as payment of dividend subject to approval of Members, any changes in address and/or bank details of Members holding shares in Demat form, after July 04, 2025, may be communicated to the RTA by sending self-attested copy of Client Master List (CML) and PAN through e-mail at [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com) and marking C.C. to [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com) on or before Tuesday, July 22, 2025.

Members holding shares in physical form are requested to send immediately to the R&T Agent / Bank, a communication duly signed by the first holder intimating about the change of address, along with the self-attested copy of their PAN Card(s), unsigned original cancelled cheque leaf of an active bank account as maintained, and copies of the supporting documents evidencing the change in address and other pending KYC details as mentioned above, before Tuesday, July 22, 2025. Communication details of R&T agent are as under:

MUFG Intime India Pvt. Ltd (Formerly known as Link Intime India Pvt. Ltd)  
Unit: DCB Bank Limited  
C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400083. Tel. No.: 810 811 6767;  
Fax No.: 022 4918 6060  
E-mail: [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com)  
Website: [www.in.mpms.mufig.com](http://www.in.mpms.mufig.com)

- iii. In case the Bank is unable to pay dividend by electronic mode to Members holding Shares in demat form due to incorrect/invalid bank account details, the Bank shall despatch dividend warrant to such members.

- iv. Members may note that as per the Income Tax Act, 1961 ("IT Act"), as amended by the Finance Act, 2020, dividends paid or distributed by the Bank shall be taxable in the hands of the Shareholders and the Bank shall be required to deduct tax at source (TDS) at the prescribed rates from the Dividend to be paid to Shareholders, subject to approval of Dividend by the Shareholders in this AGM. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Bank. In order to enable the Bank to determine the appropriate TDS rate as applicable, Members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act;

- a. **For Resident Shareholders,** TDS is required to be deducted at the rate of 10% under Section 194 of the Income Tax Act, 1961 on the amount of Dividend declared and paid by the Bank during FY 2025-26, provided valid PAN is registered by the Members. If the valid PAN is not registered, the TDS is required to be deducted at the rate of 20% under Section 206AA of the Income Tax Act, 1961. However, no tax shall be deducted on the dividends paid to resident individuals if aggregate Dividend distributed or likely to be distributed during the FY 2025-26 does not exceed Rs 10,000 (Rupees Ten Thousand). In cases where the Members provide valid Form 15G/ Form 15H no TDS shall be deducted.

**Instructions regarding TDS for all Shareholders:**

The aforementioned forms for tax exemption can be downloaded from MUFG Intime's website. The URL for the same is: MUFG Intime India Private Limited

On this page select the General tab. All the forms are available in under the head "Form 15G/15H/10F"

The aforementioned documents (duly completed and signed) are required to be uploaded on the URL at: MUFG Intime India Pvt Ltd - Tax Exemption . On this page, the user shall be prompted to select / share the following information to register their request.

1. Select the company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial Year (Dropdown)
5. Form selection
6. Document attachment - 1 (PAN)
7. Document attachment - 2 (Forms)
8. Document attachment - 3 (Any other supporting document)

Please note that the upload of documents (duly completed and signed) on the website of MUFG Intime India Private Ltd. should be done on or before Tuesday, July 22, 2025 in order to enable the Bank to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Bank. No communication on the tax determination / deduction shall be considered after Tuesday, July 22, 2025, 6:00 p.m. (IST).

Shareholders may note that in case the tax on said Dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents, option is available to Shareholders to file the return of income as per the Income Tax Act, 1961 and claim an appropriate refund, if eligible.

All communications / queries in this respect should be addressed to our RTA, MUFG Intime India Private Limited to its e-mail address: - dcbtax@in.mpms.mufg.com



Members are requested to link their Aadhaar Number with PAN as required under Section 139AA(2) of the Income Tax Act, 1961 read with Rule 114AAA of the Income Tax Rules, 1962 mandatorily before Tuesday, July 22, 2025. If any PAN is not linked with Aadhaar, then such PAN shall become an inoperative PAN and TDS could be deducted at higher rates u/s 206AA of the Income Tax Act, 1961.

b. Nil / lower tax shall be deducted on the Dividend payable to following Resident Shareholders on submission of self-declaration as listed below:

- i. Insurance companies: Declaration by shareholder qualifying as Insurer as per Section 2(7A) of the Insurance Act, 1938 along with self-attested copy of PAN Card;
- ii. Mutual Funds: Declaration by Mutual Fund shareholder eligible for exemption u/s 10(23D) of the Income Tax Act, 1961 along with self-attested copies of registration documents and PAN Card;
- iii. Alternative Investment Fund (AIF) established in India: Declaration that the shareholder is eligible for exemption under Section 10(23FBA) of the Act and that they are established as Category I or Category II AIF under the SEBI regulations. Copy of self-attested registration documents and PAN Card should be provided.
- iv. New Pension System Trust: Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN Card.
- v. Other Shareholders: Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN Card.

vi. Shareholders who have provided a valid certificate issued u/s 197 of the Act for lower / Nil Rate of deduction or an exemption certificate issued by the Income Tax Authorities along with Declaration.

vii. For Non-Resident Shareholders, (including Foreign Portfolio Investors) Tax would be withheld in accordance with the provisions of Section 195 and 196D of the Income Tax Act, 1961 at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of Dividend payable.

However, as per Section 90 of the Act, a Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the Country of Tax Residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the Tax Treaty benefits, Non-Resident Shareholders shall have to furnish the following:

- a. Self-attested copy of PAN Card, if any, allotted by the Indian Income Tax Authorities.
- b. Self-attested copy of Tax Residency Certificate ("TRC") obtained from the Tax Authorities of the country of which the shareholder is resident;
- c. Self-attested copy of Form No. 10F furnished on the Income Tax portal or self-declaration (if applicable) in Form No. 10F as per

- the applicable income tax provisions;
- d. Self-Declaration by the non-resident shareholder of meeting Treaty eligibility requirement and satisfying beneficial ownership requirement. (Non-resident having Permanent Establishment in India would need to comply with provisions of Section 206AB of the IT Act);
  - e. In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI Registration Certificate.
  - f. In case of Shareholder being tax resident of Singapore, please furnish the letter issued by the Competent Authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA);
- viii. Please note that the Bank is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on Dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Bank, of the documents submitted by non-Resident shareholder.
- ix. Accordingly, in order to enable the Bank to determine the appropriate TDS/ withholding tax rate applicable, we request the Members to provide these details and documents as mentioned above before July 22, 2025.
- x. The Bank shall arrange to e-mail the soft copy of TDS certificate within the prescribed timeline under the Income Tax provisions at the registered e-mail ID of Members.
- Section 206AB of the Act:
- Rate of TDS @10% under Section 194 of the Act is subject to provisions of Section 206AB of Act (effective from July 01, 2021) which introduces special provisions for TDS in respect of non-filers of Income-Tax Return. As provided in Section 206AB, Tax is required to be deducted at higher of following rates in case of payments to specified persons:
- at twice the rate specified in the relevant provision of the Act; or
  - at twice the rate or rates in force; or
  - at the rate of 5%.
- Where Sections 206AA and 206AB are applicable, i.e., the specified person has not submitted the PAN as well as not filed the return; tax shall be deducted at the higher of the two rates prescribed in these two Sections.
- The term 'specified person' is defined in sub section (3) of Section 206AB who satisfies the following conditions:
- A person who has not filed the Income Tax return for the assessment year relevant to the previous year immediately preceding the Financial Year in which tax is required to be deducted for which the



time limit for furnishing the Income Tax Return under sub section (1) of Section 139 has expired ; and

- The aggregate of TDS and TCS in his case is ₹50,000 (Rupees Fifty Thousand) or more in the said previous year.

The Non-Resident who does not have a permanent establishment is excluded from the scope of 'specified person'.

Members are requested to inform in advance and before July 22, 2025 if they are covered under the definition of 'specified person' as provided in Section 206AB of the IT Act. The Bank reserves the right to recover any demand raised subsequently on the Bank for not informing the Bank or providing wrong information about the applicability of Section 206AB.

#### **Updating of PAN, e-mail address and other details:**

Shareholders holding shares in dematerialized mode, are requested to update their records such as Tax Residential Status, Permanent Account Number (PAN), registered e-mail addresses, mobile numbers and other details with their relevant Depositories through their Depository Participants. Shareholders holding shares in physical mode are requested to furnish details to the Bank's Registrar and Share Transfer Agent (RTA). The Bank is obligated to deduct tax at source (TDS) based on the records available with RTA and no request will be entertained for revision of TDS return.

#### **Updating of Bank Account details:**

Members are also requested to submit / update their bank account details with their Depository Participant in case of holding of shares in the electronic form. In case of shareholding in the physical form, Members are requested to submit a scanned copy of a duly signed covering letter, along with a cancelled cheque

leaf having the Member's Name and Bank Account details and a copy of their PAN Card, duly self-attested. This will facilitate receipt of the Dividend directly into the Member's bank account. In case the cancelled cheque leaf does not bear the Member's Name, please attach a copy of the bank pass-book statement, duly self-attested.

Kindly note that the aforementioned documents are required to be sent at [rnt.helpdesk@in.mpm.com](mailto:rnt.helpdesk@in.mpm.com) OR [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com). No communication on the tax determination / deduction shall be entertained after Tuesday, July 22, 2025.

It may be further noted that in case tax on the said Dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from the Members, there would still be an option available with Members to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Bank for such taxes deducted.

For further information, Members are requested to refer to the e-mail communication sent to them in this regard.

- 12) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Bank will be entitled to vote at the AGM.
- 13) Members holding shares in physical form are requested to address all their correspondence pertaining to change in their name, postal address, e-mail address, mobile number, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc. to the Registrar and Transfer Agents (RTA) viz. MUFG Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083 and Members holding shares in dematerialized form should approach their respective Depository Participants for the same.
- 14) As per the SEBI Circular bearing reference nos. SEBI/HO/MIRSD/MIRSD-PoD- 1 / P/ CIR/ 2023 / 37 dated March 16, 2023, SEBI/HO/MIRSD/POD-1/P/ CIR/2023/181 dated November 17, 2023 and



SEBI directives vide its e-mail to all Registrars and Transfer Agents (“RTAs”) on January 23, 2024 Shareholders holding Shares in physical mode are required to update KYC details in their respective folios. In case of non-updating of the KYC details viz. PAN or choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend etc. shall be paid only through electronic mode upon furnishing all the aforesaid details in entirety. In view of the above, the Shareholders in physical mode are advised to submit the necessary details for updating to the RTA, as soon as possible. Relevant details and forms prescribed by SEBI in this regard are available on the website of the RTA at: <https://web.in.mpms.mufig.com/KYC-downloads.html>

- 15) Since transfer of securities of listed companies in physical mode has been discontinued with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities, shares of the Bank are traded on the stock exchanges compulsorily in demat mode and to eliminate all risks associated with physical shares, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Bank or Bank's RTA viz., MUFG Intime India Private Limited for assistance, if any, in this regard.
- 16) The Members who are holding shares in demat form and have not yet registered their Bank details, e-mail IDs, mobile numbers and other KYC Details are requested to register the same with their Depository Participant at the earliest, to enable the Bank to use the same for making payment of their Dividend, whenever declared, contact them and serving documents to them electronically, hereinafter. Members holding shares in physical mode are requested to provide, if not provided earlier, their e-mail Ids, mobile numbers, Bank Details and other KYC documents including PAN, to the RTA sending an e-mail at [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com) or to the Bank at [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com) or online facility that may be provided and communicated by the RTA separately.
- 17) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Bank on or before Monday, July 28, 2025 through e-mail on [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com). The same will be replied by the Bank suitably.
- 18) Since the AGM will be held through VC/ OAVM, the route map is not annexed to this Notice.
- 19) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Bank, are liable to be transferred to the Investor Education and Protection Fund ('IEPF') along with the underlying Shares. Amount of such Unclaimed Dividend for FY 2018-19 along with the underlying shares would be due for transfer to the IEPF on July 07, 2026. In view of this, Members are requested to claim their dividends from the Bank, within the stipulated timeline.
- 20) Members, whose Dividend has remained unpaid, are requested to contact the RTA viz. MUFG Intime India Private Limited or Share Department of the Bank to claim their unclaimed Dividend.
- 21) In accordance with the relevant MCA Circulars read with Circular dated October 7, 2024 issued by the Securities and Exchange Board of India providing relaxations to the certain provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as “Applicable Circulars”), electronic copies of the Integrated Annual Report for FY 2024-25 and this Notice inter-alia indicating the process and manner of e-Voting along with instructions to attend the AGM through video-conferencing / other audio-visual means are being sent by e-mail to those Members whose e-mail addresses have been made available to the Bank / Depository Participants as on Friday, July 04, 2025. The Members who have not registered their e-mail addresses, kindly register the same by sending an e-mail at [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com)
- 22) Members who have not updated their latest e-mail address in the records of the Bank / their Depository Participant, are requested to update the same before Tuesday, July 22, 2025. The Notice



and documents will be sent by e-mail only to those Members who register their e-mail addresses prior to this date.

### 23) **E-Voting:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the applicable MCA Circulars, the Bank is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Bank has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a Member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by CDSL.

The Bank has appointed Ms. Manisha Maheshwari (FCS 13272 & COP 11031) or failing her Mr. Saurabh Somani (ACS 69826 & COP 26495), Partners of M/s. Bhandari & Associates, Company Secretaries, Mumbai as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Bank has fixed Wednesday, July 30, 2025 as the 'Cut-off Date'. The remote e-Voting /voting rights of the Members/beneficial owners shall be reckoned on the Equity Shares held by them as on the Cut-off Date only.

### **INSTRUCTIONS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

1. The voting period begins on Saturday, August 02, 2025, at 09.00 a.m. (IST) and ends on Tuesday, August 05, 2025 at 5.00 p.m. (IST). During this period Shareholders of the Bank, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, July 30, 2025, may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter. A

person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

2. Any person holding shares in physical mode or a person, who acquires shares and becomes a Member of the Bank after the Notice is sent and holding shares as on the cut-off date, i.e. Wednesday, July 30, 2025, may obtain the login ID and password by sending a request to helpdesk.evoting@cdslindia.com. However, if he/ she is already registered with CDSL for remote e-voting, then he/ she can use his/ her existing user ID and password for casting the vote.
3. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
4. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.
5. Pursuant to Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its Shareholders, in respect of all Shareholders' Resolutions. However, it has been observed that the participation by the public non-institutional Shareholders/retail Shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the Shareholders.

In order to increase the efficiency of the voting process SEBI, vide Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 09, 2020 has mandated to enable e-Voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to

register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

6. (a) Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual Shareholders holding shares in demat Mode.

In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual

Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail Id in their demat accounts in order to access e-Voting facility.

Pursuant to the above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual Shareholders holding securities in Demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi/ Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/ Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; My Easi New (Token) Tab.</li> <li>2) After successful login the Easi/ Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/ Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; My Easi New (Token) Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>



Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <p>After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

Type of Shareholders	Login Method
	4) For OTP based login you can click on <a href="https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp</a> . You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022-4886 7000 and 022-2499 7000

6. (b) Step 2: Access through CDSL e-Voting system in case of Shareholders holding shares in physical mode and non-individual Shareholders in demat mode.

Login method for e-Voting and joining virtual meeting for physical Shareholders and Shareholders other than individual Shareholders holding shares in Demat form.

- The Shareholders should log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com).
- Click on "Shareholders" module.





- Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-Voting of any company, then your existing password is to be used.

- If you are a first-time user follow the steps given below:

**For Physical Shareholders and other than individual Shareholders holding shares in Demat.**

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Shareholders as well as physical Shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the Member id / folio number in the Dividend Bank details field</li> </ul>

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, Shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for Resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Shareholders holding shares in physical form, the details can be used only for e-Voting on the Resolutions contained in this Notice.
10. Click on the Electronic Voting Sequence Number (EVSN) for DCB Bank Limited on which you choose to vote.
11. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
13. After selecting the Resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

16. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

17. There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

**18. Additional Facility for Non-Individual Shareholders and Custodians – For Remote Voting only.**

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual Shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Bank at the e-mail address viz. [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com),

if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING THE MEETING ARE AS UNDER:**

- a. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-Voting.
- b. The link for VC/OAVM to attend meeting will be available where EVSN of DCB Bank Limited (the Bank) will be displayed after successful login as per the instructions mentioned above for e-Voting.
- c. Shareholders who have voted through remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- d. Shareholders are encouraged to join the AGM through laptops for better experience.
- e. Further, Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- f. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- g. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance through e-mail during the period from Wednesday, July 30, 2025 (9.00 a.m. IST) to Saturday, August 02, 2025 (5.00 p.m. IST) mentioning their name, demat account number/folio number, e-mail id, mobile number at [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com).
- h. The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance till Saturday, August 02, 2025 (5.00 p.m. IST) mentioning their name, demat account number/folio number, e-mail id, mobile number at



investorgrievance@dcbbank.com. These queries will be replied to by the Bank suitably by e-mail.

- i. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Bank reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- j. Only those Shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- k. If any Votes are cast by the Shareholders through the e-voting available during the AGM and if the same Shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such Shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the Shareholders attending the meeting.

#### **PROCESS FOR THOSE SHAREHOLDERS WHOSE E-MAIL/MOBILE ADDRESSES ARE NOT REGISTERED WITH THE BANK/DEPOSITORIES:**

1. For Physical Shareholders- Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to Bank's e-mail id investorgrievance@dcbbank.com or RTA e-mail id rnt.helpdesk@in.mpms.mufig.com

2. For Demat Shareholders -Please update your e-mail id & mobile no. with your respective Depository Participant (DP).

3. For Individual Demat Shareholders - Please update your e-mail id & mobile no. with your respective DP which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an e-mail to helpdesk.evoting@cdslindia.com or contact at 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an e-mail to helpdesk.evoting@cdslindia.com or call on 1800 21 09911.

#### **Other Instructions**

The result of the e-voting will be announced within two working days after the conclusion of the meeting on the Bank's website at [www.dcbbank.com](http://www.dcbbank.com), website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) and will be communicated to the Stock Exchanges viz. BSE and NSE. Subject to the receipt of requisite number of votes, the resolutions as set out in this Notice shall be deemed to be passed on the date of the AGM i.e. Wednesday, August 6, 2025.

## **EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS**

**Item 4: To approve the payment of additional remuneration to the Joint Statutory Auditors of the Bank, for FY 2024-25 & Item 5: To take note of the RBI approval for the appointment of the Joint Statutory Auditors and approve the overall audit fee to the Joint Statutory Auditors of the Bank for FY 2025-26**

The Reserve Bank of India vide its Circular No. RBI/2021-22/25 Ref. No. DoS.CO.ARG/ SEC.01/08.91.001/2021-22 dated April 27, 2021, had issued the Guidelines for Appointment of Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) ('RBI Guidelines').

Pursuant to the RBI Guidelines, Members of the Bank at the 28<sup>th</sup> Annual General Meeting held on June 22, 2023 had approved the appointment of M/s. B S R & Co LLP, Chartered Accountants (Registration No. 101248W/W100022) as one of the Joint Statutory Auditors of the Bank for the period commencing from the conclusion of the 28<sup>th</sup> Annual General meeting until the conclusion of the 31<sup>st</sup> Annual General Meeting of the Bank for a continuous period of three (3) years (from FY 2023- 24 to FY 2025-26), subject to the RBI approval on an annual basis and firm satisfying the eligibility norms each year in this regard.

Further, the Members of the Bank at the 29<sup>th</sup> Annual General Meeting held on June 12, 2024 had approved the appointment of M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S) as Joint Statutory Auditors of the Bank, for a period commencing from the conclusion of the 29<sup>th</sup> Annual General Meeting until the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Bank for a continuous period of three (3) years (from FY 2024-25 to FY 2026-27) subject to the RBI approval for each year and firm satisfying the eligibility norms each year in this regard.

The Board of Directors of the Bank, on the recommendation of the Audit Committee of the Board, had approved the re-appointment of M/s B S R & Co LLP, Chartered Accountants (FRN101248W/W100022) and M/s Varma & Varma, Chartered Accountants (FRN-004532S) as the Joint Statutory Auditors of the

Bank for FY 2025-26, for their third year and second year respectively, subject to the approval of the RBI. Further, the RBI vide its letter Ref CO.DOS.RPD.No. 1574/08.37.005/2025-26 dated May 28, 2025 has conveyed their approval (subject to certain conditions mentioned therein) for the reappointment of M/s B S R & Co LLP, Chartered Accountants (FRN101248W/W100022) and M/s Varma & Varma, Chartered Accountants (FRN-004532S) as the Joint Statutory Auditors of the Bank for FY 2025-26, for their third year and second year respectively.

### **Brief Profile of M/s. Varma & Varma, Chartered Accountants**

Varma & Varma, a registered partnership firm of Chartered Accountants established on June 17, 1935. The firm currently has 35 partners, operates from 9 offices in 5 states across the country. The firm has more than 450 staff members, including qualified accountants. The firm is empanelled with the ICAI and various regulators in India. The firm has BFSI sector audit experience of more than 50 years.

### **Brief Profile of B S R & Co. LLP, Chartered Accountants**

B S R & Co. LLP is a member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India.

B S R & Co. LLP is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur, Gandhinagar and Kochi. B S R & Co. LLP has over 2500+ Professional staff, 150+ Partners. B S R & Co. LLP audits various companies listed on stock exchanges in India including companies in the financial service sector.

Pursuant to the aforementioned RBI approval, the Board of Directors recommends the re-appointment of M/s. B S R & Co LLP, Chartered Accountants and M/s. Varma & Varma, Chartered Accountants as the Joint Statutory Auditors of the Bank, for FY 2025-26, for their third year and second year respectively.

The Members of the Bank in the 29<sup>th</sup> Annual General Meeting held on June 12, 2024 had approved overall audit fees of ₹ 2.05 Crore (Rupees Two Crore and Five Lakh only) per annum for FY 2024-25, to be allocated by the Bank between M/s. B S R & Co LLP, Chartered Accountants and M/s. Varma & Varma, Chartered



Accountants as the Joint Statutory Auditors, 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 up to 5% of audit fees and taxes as applicable.

It is now proposed to approve the additional remuneration of ₹ 19.07 lakhs (Rupees Nineteen Lakhs and Seven Thousand Only) to the Joint Statutory Auditors of the Bank, towards technical fees and increase in their scope of work emanating from various circulars/ notifications issued by the Reserve Bank of India or other regulatory authorities for FY 2024-25, in addition to out of pocket expenses and taxes as applicable. The Board of Directors of the Bank in its meeting held on June 16, 2025, on the recommendation of the Audit Committee of the Board, have recommended payment of additional remuneration to M/s. B S R & Co LLP, Chartered Accountants, subject to the approval of the Members of the Bank.

The Board, on recommendation of the Audit Committee, in its meeting held on June 16, 2025 had also approved overall audit fees of Rs 2.30 crore (Rupees Two Crores and Thirty Lakhs Only) per annum plus upto 10% thereof as technical charges for FY 2025-26, to be allocated by the Bank between M/s. B S R & Co LLP, Chartered Accountants and M/s. Varma & Varma, 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 on actual basis and taxes as applicable.

Any increase in the scope of work and/or specific assignment on account of regulatory/ statutory requirements/ directions shall be paid additionally as may be agreed between the Joint Statutory Auditors and the Bank, as may be approved by the Board on the recommendation of the Audit Committee of the Board.

The proposed additional remuneration for FY 2024-25 and the overall audit fees for FY 2025-26 are in accordance with the provisions of the Companies Act, 2013, and the relevant rules and regulations thereunder, particularly Sections 142 of the Companies Act, 2013. The Board has also ensured compliance with the applicable provisions, if any, of the Securities and Exchange Board of India (SEBI).

The Board of Directors requests the Members to approve the additional remuneration for FY 2024-25

and the overall Audit Fees payable to the Joint Statutory Auditors of the Bank for FY 2025-26, as recommended by the Board set out at the agenda Item No. 4 & 5 of the Notice.

None of the Directors or Key Managerial Personnel of the Bank or their relatives are directly or indirectly interested in the resolutions set out at Item Nos. 4 & 5 of the Notice.

**Item no. 6: Appointment of Secretarial Auditor for a term of five (5) consecutive years from FY 2025-26 to FY 2029-30**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("the Act") and the recent amendments to Regulation 24A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") every listed company is required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to its Directors' Report, prepared under Section 134(3) of the Act. As per the amended SEBI Listing Regulations, listed entity must appoint a Peer Reviewed Secretarial Audit firm for a maximum of two terms of five consecutive years, with shareholders' approval to be obtained at Annual General Meeting. The existing Secretarial Auditors meeting the given criteria are also eligible for such appointment effective from April 1, 2025 onward and their previous tenure not to be counted for the period of aforesaid two terms.

Accordingly, after evaluating and considering various factors such as industry experience, competence of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Bank, based on the recommendation of the Audit Committee and subject to approval of the Shareholders of the Bank, at its meeting held on April 25, 2025, has approved the appointment of Secretarial Auditors viz. M/s. S. N. ANANTHASUBRAMANIAN & Co ("SNACO") (Firm Registration No.P1991MH040400), Company Secretaries, as the Secretarial Auditors of the Bank, for a term of five (5) consecutive years from April 1, 2025 to March 31, 2030, at such remuneration, as may be approved by the Board of Directors of the Bank.



The remuneration to SNACO approved for the financial year 2025-26 is ₹ 8,00,000/- (Rupees Eight Lakhs only) excluding taxes and reimbursement of out-of-pocket expenses for carrying out Secretarial Audit and for issue of the Annual Secretarial Compliance Report. The Board of Directors, on the recommendation of the Audit Committee of the Bank, shall approve revisions to the remuneration of SNACO for the remaining part of the tenure.

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with SNACO.

SNACO is a peer reviewed, and a reputed Practicing Company Secretaries firm established in 1991 by Mr. S. N. Ananthasubramanian, a fellow member and former president of the Institute of Company Secretaries of India ("ICSI"). SNACO has a team of experienced and qualified company secretaries led by five partners. Over the years, SNACO has built a diverse client base, serving local, national and international corporates. Its clientele spans companies in the public sector, FMCG sector, insurance firms, market infrastructure institutions, emerging businesses, leading corporates, and not-for-profit organizations. SNACO offers a wide range of services, including secretarial audits, corporate governance consulting, certifications, and regulatory advisory.

SNACO has provided its consent to act as the Secretarial Auditors of the Bank and has confirmed that the proposed appointment, if made, will be in compliance with the provisions of the Act and the SEBI Listing Regulations.

Accordingly, approval of the Members is sought for the appointment of M/s. S. N. ANANTHASUBRAMANIAN & Co as the Secretarial Auditors of the Bank.

The Board of Directors recommends the resolution for approval by the Members, as set out at Item No. 6 of the Notice.

None of the Directors, Key Managerial Personnel (KMP), or their relatives have any financial or other interest in the proposed resolution set out at Item No. 6 of the Notice.

#### **Item No. 7: Raising of funds by issue of bonds/debentures/ securities on Private Placement Basis.**

The Bank has been borrowing funds from time to time to meet the business requirements within the limits approved by the Members by way of issuance of various debt securities, Bonds/ Debentures as permitted by the Reserve Bank of India ("RBI") and in accordance with the provisions of the Companies Act, 2013 ("the Act") and rules made thereunder, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("SEBI ILNCS"), SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (SEBI Listing Regulations) as amended from time to time and other applicable laws/ regulation as may be applicable from time to time.

In terms of Section 42 of the Act read with Companies (Prospectus and Allotment of Securities) Rules, 2014, the Bank is permitted to make private placement of securities subject to the condition that the proposed offer of Securities or invitation to subscribe Securities has been previously approved by the Members of the Bank, by a Special Resolution, for each of the offers or invitations/ subscriptions. In case of offer or invitation for subscription of non-convertible debentures, it shall be sufficient if the Bank passes a Special Resolution only once a year for all the offers or invitation for subscription of such debentures during the period of one (1) year from the date of passing of the Special Resolution.

Considering the above, the Board of Directors of the Bank at their meeting held on April 25, 2025, has proposed to obtain the consent of the Members of the Bank for borrowing/ raising funds in Indian/ Foreign currency, by issue of debt securities including but not limited to Unsecured Redeemable Taxable Non- Convertible Subordinated Basel III Compliant Tier II Bonds/ Non-Convertible Debentures (including bonds forming part of Tier I Capital/Tier II Capital in accordance with and subject to the terms and conditions specified in the Basel III Capital Regulations prescribed by the RBI), long terms infrastructure bonds or such other bonds as may be permitted by the RBI from time to time in domestic and/ or overseas market, on private placement basis and/ or for making offers



and /or invitations therefor and/ or issue(s)/ issuances therefor, on private placement basis, for a period of one year from the date hereof, in one or more tranches and/ or series and under one or more shelf disclosure documents and/ or one or more letters of offer and on such terms and conditions for each series/ tranches including the price, coupon, premium, discount, tenor etc. as deemed fit by the Board or any committee(s) thereof or such other persons as may be authorized by the Board, as per the structure and within the limits permitted by the RBI, of an amount up to ₹500 Crore (Rupees Five Hundred Crore) (with green shoe option) over and above the outstanding debt securities issued by the Bank and in aggregate for additional Tier I and Tier II Capital within the overall borrowing limits of the Bank (other than overnight borrowings), as approved by the Members from time to time. This would form part of the overall borrowing limits under Section 180(1)(c) of the Companies Act, 2013.

The pricing of the debt securities referred to above depends on various factors which may primarily include the rates prevailing for risk free instruments, rates on other competing instruments of similar rating and tenor in the domestic or overseas markets, investor appetite for such instruments and prevailing investor regulations. Further, the debt securities may be issued on such terms and conditions including the price, coupon, at par/ premium/ discount, tenor etc., as may be determined by the Board any committee(s) thereof or such other persons as may be authorized by the Board, depending upon the prevailing market conditions, as permitted under the applicable laws/ regulations.

The proposed Resolution shall be valid for a period of one (1) year from the date of passing of this Resolution and the offer shall be made to such persons as identified ("Eligible Investors") pursuant to the Act, SEBI ILNCS, and other applicable laws/ rules/ regulations as may be applicable to the Bank from time to time.

None of the Directors or Key Managerial Personnel of the Bank and/ or their relatives are concerned or interested, financially or otherwise, in the passing of this Resolution.

Your Board recommends passing the Special Resolution as set out in Item No. 7 of this Notice for approval by the Members of the Bank.

#### **Item No. 8: Issue of Equity Shares/ other securities convertible into Equity Shares ("Securities") through Qualified Institutions Placement (QIP).**

The proposed Resolution relates to the proposed Issue of Equity Shares/ other securities convertible into Equity Shares ("Securities/ Equity Shares") through Qualified Institutional Placement (QIP) as defined in the text of the Special Resolution thereat to Qualified Institutional Buyers as defined under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") for an amount not exceeding ₹ 750 Crore (Rupees Seven Hundred Fifty Crore).

The Bank proposes to grow secured retail assets (e.g. Housing Loans, Gold Loans etc.), micro SME / SME, mid corporate, agriculture and microfinance businesses. The risk-weighted assets of the Bank are expected to rise with an increase in the business level. In this backdrop, the Bank proposes to shore up its Capital base through issue of Equity Shares. Assuming maintenance of conservative ratio of 11.50% Capital Adequacy on incremental assets, the proceeds of the issue of Equity Shares would enable the Bank to add approximately ₹ 6,522 Crore (Rupees Six Thousand Five Hundred Twenty-Two Crore) of Risk Weighted Assets.

The proposed issuance of Equity Shares in terms of the Special Resolution in the Notice will be in conformity with the provisions of all applicable laws/ regulations. The detailed terms and conditions for the issuance of the Equity Shares as and when made will be determined by the Board in consultation with the Merchant Bankers, Lead Managers, Advisors and such other authorities as may require to be considered by the Bank, considering the prevailing market conditions and other relevant factors. The Special Resolution seeks to give the Board powers to issue Equity Shares in one or more tranches at such time or times, at such price or prices, and to such of the Investors as are mentioned therein as the Board in its absolute discretion deems fit.

Since the Special Resolution proposed in the Notice under Item No. 8 may or will result in the issue of Equity Shares of the Bank otherwise than to the Members of the Bank, consent of the Members is being sought pursuant to the provisions of Sections 62(1)(c) and other applicable provisions of the Companies Act, 2013 and

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of the Special Resolutions in the Notice. The Board recommends the Special Resolution as set out in Item No. 8 of the accompanying Notice, for approval of the Members.

The Directors, Key Managerial Personnel of the Bank and their relatives may be deemed to be concerned or interested in the Special Resolution as set out in Item No. 8 to the extent that their respective percentage shareholding in the Bank may be affected in the event of the issue of Equity Shares to the Investors pursuant thereto.

#### **Item No. 9: Increase in Borrowing Powers**

In terms of Section 180(1)(c) of the Companies Act, 2013, borrowings by the Bank (apart from deposits accepted in the ordinary course of business, temporary loans repayable on demand or within six months from the date of the loan or temporary loans, if any, obtained from the Bank's bankers i.e., short term borrowings) and raising such borrowings by issuance of bonds and other debt instruments, including Listed Debt Securities, loans/ credit facilities (fund based and non-fund based) availed by the Bank from any person, or the funds borrowed through external commercial borrowings or through such other instruments or transactions, borrowings (any) from banks/ financial institutions for availing refinance or other inter-bank domestic/ forex borrowings, etc., in excess of aggregate of the paid-up capital, free reserves and securities premium of the Bank, require the approval of the Members by way of Special Resolution.

Under Section 180 of the Act, the aforementioned powers of the Board can be exercised only with the prior consent of the Members of the Bank by a Special Resolution. Such an approval from the Members was last secured at the 29<sup>th</sup> AGM held on June 12, 2024 by which the Borrowing limit was increased to ₹ 8,000 Crore (Rupees Eight Thousand Crore).

Considering the growth in business and operations of the Bank, opportunity to raise attractive borrowings as per the guidelines of the RBI on Issue of Long Term Bonds by Banks for financing including that of Infrastructure and Affordable Housing, Basel III guidelines on limit of additional Tier I and /or Tier II capital to be considered for Capital Fund purpose as well as opportunity to obtain refinance from term lending institutions, your

approval is being sought to increase the borrowing limits as specified in the Resolution.

Your Board recommends the Resolution at Item No.9 of the accompanying Notice for the approval of the Members of the Bank by way of a Special Resolution.

None of the Directors or Key Managerial Personnel of the Bank or their respective relatives are concerned or interested, financially or otherwise, in the passing of the Special Resolution at Item No.9.

#### **Item No. 10: Approval for payment of honorarium to Mr. Farokh N. Subedar (DIN: 00028428), Non-Executive Part Time Chairman and Independent Director of the Bank for the Financial Year 2025-26.**

The Board of Directors of the Bank based on the recommendation of the Nomination and Remuneration Committee (NRC) had approved the appointment of Mr. Farokh N. Subedar (DIN: 00028428) as Independent Director of the Bank for a period of three (3) years from October 15, 2022 to October 14, 2025 (both days inclusive) which was approved by the Members of the Bank through postal ballot dated December 20, 2022.

Further, pursuant to the recommendations of the Board of Directors of the Bank, the Reserve Bank of India vide its letter Ref.DoR.GOV.No.S6961/29.03.002/2022-23 dated January 31, 2023 approved the appointment of Mr. Farokh N. Subedar as Non-Executive Part-Time Chairman of the Bank for 3 (three) years with effect from January 31, 2023 at fixed honorarium ₹24,00,000/- p.a. (Rupees Twenty Four Lakh Only) plus reimbursement of actual business-related expenses and one (1) club membership in addition to the sitting fee for attending Board and Committee meetings. The Members of the Bank in the Annual General Meeting held on June 22, 2023, had approved the payments to Mr. Subedar as approved by the RBI.

In terms of provisions of Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI Listing Regulations"), the Bank is required to obtain approval of Members of the Bank for each financial year, by way of Special Resolution, if annual remuneration payable to a single non-executive director exceeds 50% of the total annual remuneration payable to all the non-executive directors in any Financial Year.



Currently, except for the Chairman, the MD & CEO and the Whole Time Director (Executive Director), no other Directors are paid remuneration. The Chairman, the MD & CEO and the Whole Time Director are paid remuneration as approved by the RBI and other applicable authorities. All Directors except the MD & CEO and the Whole Time Director are entitled to sitting fees for attending various Board and its Committee meetings.

Upon excluding the sitting fees for attending the meetings of the Board and Committees which are not considered as remuneration to directors under section 197 (2) of the Companies Act, 2013, the payment of honorarium to be made to Mr. Farokh N. Subedar would exceed 50% of the total annual remuneration payable to all the non-executive directors during FY 2025-26.

Accordingly, approval of Members is sought by way of Special Resolution to enable the Bank to make payment of honorarium of ₹24,00,000/- p.a. (Rupees Twenty-Four Lakh Only) to Mr. Farokh N. Subedar, Non-Executive Part Time Chairman and Independent Director of the Bank for FY 2025-26.

Mr. Farokh N. Subedar, aged 69 years 8 months, is the Non-Executive Part-time Chairman and Independent Director of the Bank. He holds a Bachelor's degree in Commerce and is a Member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He has been on the boards of several Tata companies and has been closely associated with several Non - Banking Financial Companies and companies in the financial service sector. He superannuated from Tata Sons Limited ("Tata Sons") as the Chief Operating Officer and also functioned as the Chief Financial Officer and Company Secretary of Tata Sons. His association with Tata Group spans over 40 years. He has also been the Past President of the Bombay Chamber of Commerce and Industry and actively involved with NGOs in diverse areas.

He has knowledge and rich experience in the field of Accountancy & Audit, Finance, Law, Risk Management and Business Management.

Mr. Subedar does not hold any Equity Shares in the Bank as on March 31, 2025.

He is an independent director on the board of Cummins India Limited and Climate Finance India Private Limited and Non-Executive Director on the board of Tata Industries Limited and Tata Investment Corporation Limited.

Mr. Subedar is not related to any other Directors and Key Managerial Personnel of the Bank. He has attended all Thirteen (13) Board Meetings of the Bank held during the FY 2024-25.

Your Board, therefore, recommends passing the Special Resolution as set forth in Item No. 10 of this Notice.

Except Mr. Farokh N. Subedar and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the above Resolution.

By Order of the Board of Directors  
DCB Bank Limited

Place: Mumbai  
Date: June 16, 2025

Rubi Chaturvedi  
Company Secretary

#### Registered Office:

CIN: L99999MH1995PLC089008  
Peninsula Business Park,  
6<sup>th</sup> Floor, 601 & 602, Tower A, Senapati Bapat Marg,  
Lower Parel, Mumbai 400 013.  
Website: [www.dccbbank.com](http://www.dccbbank.com)  
e-mail: [investorgrievance@dccbbank.com](mailto:investorgrievance@dccbbank.com)

## Annexure-I

A brief profile of Mr. Nasser Munjee and the information in terms of the Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), has been provided below:

<b>Age</b>	72 years and 6 months
<b>Qualification</b>	He holds a Bachelor's degree and a Master's degree from the London School of Economics, UK.
<b>Brief profile</b>	<p>Mr. Nasser Munjee was with HDFC for over 20 years at various positions including as its Executive Director. He was the Managing Director of Infrastructure Development Finance Co. Ltd. (IDFC) upto March 2004.</p> <p>He was the Chairman of DCB Bank Limited since June 2005 till August 2021 and is also on the Board of various multinational companies and trusts. Mr. Munjee has deep interest in rural development, housing finance, urban issues, infrastructure and humanitarian causes etc. He was a technical advisor on the World Bank's Public Private Partnership Infrastructure and Advisory Fund. Mr. Munjee was adjudged best Independent Director by the Asian Centre for Corporate Governance and Sustainability. He was also awarded the Indian Business Leader of the year 2014 by Horasis in Switzerland.</p>
<b>Nature of Expertise in specific functional areas</b>	Accountancy & Audit, Economics, Finance, Banking, Agriculture and Rural Economy
<b>Date of first appointment on the Board</b>	September 19, 2024
<b>Number of meetings of the Board attended during the year</b>	5
<b>Other Directorships</b>	<ol style="list-style-type: none"> <li>The Indian Hotels Company Limited</li> <li>TMF Holdings Limited (till June 11, 2025)</li> <li>Tata Motors Finance Limited (Till May 08, 2025)</li> <li>TMF Business Services Limited (till June 11, 2025)</li> <li>Indian Institute of Human Settlements</li> <li>Greenko Energy Holdings</li> <li>Aga Khan Rural Support Programme, India</li> <li>Aga Khan Foundation, India</li> <li>Anushkaa Foundation for Eliminating clubfoot</li> <li>MMTC - Pamp India Private Limited</li> <li>Can Care Trust</li> <li>Allied Blenders and Distillers Limited</li> <li>Arka Fincap Limited</li> </ol>





Memberships/ committees of companies	Chairmanships of the Boards of other companies	Sr. No.	Name of the Company	Name of the Committee	Chairmanship/ Membership
		1.	The Indian Hotels Company Limited	Audit Committee	Chairman
				Risk Management Committee	Chairman
				Corporate Social Responsibility and Sustainability (ESG) Committee	Member
		2.	TMF Business Services Limited (till June 11, 2025)	CSR Committee	Chairman
				Nomination and Remuneration Committee	Member
		3.	Tata Motors Finance Limited (Till May 08, 2025)	Stakeholder's Relationship Committee	Chairman
				Corporate Social Responsibility Committee	Chairman
				Nomination and Remuneration Committee	Member
				IT Strategy Committee (ITSC)	Chairman
		4.	TMF Holdings Limited (till June 11, 2025)	Stakeholder's Relationship Committee	Chairman
				Corporate Social Responsibility Committee	Chairman
				Nomination and Remuneration Committee	Member
		5.	Allied Blenders and Distillers Limited	Stakeholder's Relationship Committee	Chairman
				Risk Management Committee	Member
		6.	Arka Fincap Limited	Nomination and Remuneration Committee	Member
				IT Strategy Committee	Member
Listed entities from which the person has resigned in the past three years		1)	Ambuja Cements Limited on 16/09/2022		
Number of shares held in the Bank			4,401 equity shares		
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company			None		

<b>Terms and conditions of appointment or reappointment including remuneration</b>	Mr. Nasser Munjee shall be re-appointed as a Non-Executive Non-Independent Director, liable to retire by rotation. As a Non-Executive Non-Independent Director, Mr. Nasser Munjee will be entitled to sitting fees and reimbursement of expenses for attending the meetings of the Board and Committees.
<b>Justification for appointment and skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	The Board of Directors of the Bank is of the opinion that Mr. Nasser Munjee continued to be a person of integrity and considering his qualifications, extensive knowledge and rich experience in the field of Accountancy & Audit, Economics, Finance, Banking, Agriculture and the Rural Economy, the re-appointment of Mr. Nasser Munjee is in interest of the Bank. His continuous association would be of immense benefit and value to the Bank and, therefore, the Board recommends his re- appointment as a Non-Executive Non-Independent Director, to the Members.

# Consistent, Predictable and Sustainable Growth

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**DCB Bank Limited**  
Annual Report FY 2024-25





## DCB BANK VISION

The Bank's vision is to be the most innovative and responsive neighbourhood bank in India serving entrepreneurs, individuals, and businesses by adapting "best practices" while ensuring strong governance, good working atmosphere for employees and be responsible towards society and environment.

## 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

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# COMPANY INFORMATION

## Board of Directors

**Mr. Farokh N. Subedar**  
Non-Executive Part-time  
Chairman and Independent  
Director

**Mr. Murali M. Natrajan**  
Managing Director & Chief  
Executive Officer  
(till April 28, 2024)

**Mr. Praveen Achuthan Kutty**  
Managing Director & Chief  
Executive Officer  
(w.e.f. April 29, 2024)

**Mr. Krishnan Sridhar Seshadri**  
Whole Time Director  
(w.e.f. June 13, 2024)

**Mr. Aryn Jassani**

**Mr. Balu Srinivasan**  
(w.e.f. March 07, 2025)

**Mr. Iqbal Khan**

**Ms. Lakshmy Chandrasekaran**

**Mr. Nadir Bhalwani**  
(w.e.f. March 07, 2025)

**Mr. Nasser Munjee**  
(w.e.f. September 19, 2024)

**Mr. Rafiq Somani**  
(till March 08, 2025)

**Mr. Shabbir Merchant**  
(till January 24, 2025)

**Mr. Somasundaram PR**

**Mr. Tarun Balram**

**Mr. Thiyagarajan Kumar**

## Senior Management Team

**Mr. Abhijit Bose**  
Chief Credit Officer

**Mr. Ajay Mathur**  
Head - Collections & Commercial Vehicles

**Mr. Ajit Singh**  
Head - Treasury, FIG & Chief Investor  
Relationship Officer

**Ms. Anuradha T P.**  
Chief Internal Auditor

**Ms. Ashu Sawhney**  
Head - Human Resources

**Mr. Damodar Agarwal**  
Head - Strategic Initiatives & Alternate  
Channels

**Mr. Gaurav Mehta**  
Head - Marketing, Public Relations (PR),  
Corporate Communications & CSR

**Mr. Jayaram Vishwanath**  
Head - Corporate Banking, Construction  
Finance and SME

**Mr. Kamala Kant Pandey**  
Head - Acquisition Loans, Deposits & Gold  
Loans

**Mr. Krishna Ramasankaran**  
Head - Credit, Retail, AIB, SME &  
Operations

**Mr. Mahesh Kutty**  
Chief Risk Officer

**Mr. Manoj Joshi**  
Chief Compliance Officer

**Ms. Meghana Rao**  
Chief Operating Officer - Branch, Trade &  
Treasury Operations

**Mr. Murali Mohan Rao Manduva**  
Chief Technology Officer

**Mr. Narendranath Mishra**  
Head - Retail & Agri Loans

**Mr. Pankaj Sood**  
Head - Branch Banking

**Mr. Ravi Kumar Vadlamani**  
Chief Financial Officer

## Company Secretary

**Ms. Rubi Chaturvedi**

## Other Key Officials

**Mr. Bappa Roy**  
Head - Product Deposits, TPD & Gold  
Loans

**Mr. Parthasarathy Karlapati**  
Chief of Internal Vigilance

**Mr. N. C. Kaushal**  
Head - Construction Finance

**Mr. Durga Prasad Rath**  
Business Unit Head - AIB Branch Banking

**Mr. Shankershan Vasisth**  
Head - Corporate Credit & Credit  
Monitoring

**Mr. Vikash Agarwal**  
Head - Marketing Services

## Joint Statutory Auditors

**M/s. B S R & Co LLP**  
Chartered Accountants  
(Registration No. 101248W/W100022)

**M/s. Varma & Varma**  
Chartered Accountants  
(Registration No. 004532S)

## Registered Office

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



# CHAIRMAN'S STATEMENT



My Dear Shareholders,

It is my privilege and pleasure to be again addressing you at this 30<sup>th</sup> Annual General Meeting of DCB Bank Limited.

In my previous year's speech, while referring to the "Change of Guard" theme for Financial Year 2024-25, we welcomed Mr. Praveen Achuthan Kutty as the Managing Director & CEO of the Bank. During the year, we also appointed Mr. Krishnan Sridhar Seshadri as Executive Director. I am delighted that the transition has been seamless, efficient and successful.

During the year, the world witnessed extreme geopolitical events that impacted global economies in multiple ways exacerbated by the uncertainties associated with change in tariffs by United States of America. Despite these challenges, India continues to remain as the fastest growing among major economies in the world.

Your Directors believe Micro, Small and Medium Enterprises ('MSME') sector will continue to play a pivotal role in this rapid growth journey of our Nation, in its March to 2047. The Economic Survey Report 2024-25 of Government of India also noted that MSME sector has emerged as a highly vibrant sector of the Indian economy.

Several years ago, your Bank adopted a strategy of serving this vibrant MSME sector, which it has consistently followed and is thus well placed to leverage the exponential growth in this sector as India marches towards ₹ 5 Trillion economy and beyond. Your Bank is firmly positioned as a key player having pan India presence with diversified distribution across 20 States and 2 Union Territories, serving entrepreneurs, individuals and business with products and services focused on MSME sector.

The Bank's strategy continues to play out well and in Financial Year 2024-25; Advances grew





by 24.7%, Total Deposits by 21.6% and Total Business of your Bank grew by 23%. The declining NPAs remained in control and the Bank was once again able to demonstrate with increased profits. The Bank continues to strengthen its deposit franchise by creating new products, improved distribution, digitisation and service quality. Our intention remains to double the Balance Sheet in 3-4 years while continuing to improve productivity and profitability.

Your Bank comprises of 11,057 proud DCBians as of March 31, 2025.

I am happy to share with you that your Bank's Human Resources practices continue to be recognized by and receive awards from leading industry forums. The stability and deep commitment of the senior management team is testimony thereof. Looking ahead, myself, along with my fellow Directors

overwhelmingly echo the Management Team's conviction that Information Technology will shape the next generation of Banking. In this regard, your Board continues to support the investments in technology to ensure your Bank offers cutting-edge technology solutions and services to its customers.

Your Bank is self-aware of its social responsibilities and therefore takes utmost enthusiasm in delivering the various projects under Corporate Social Responsibility ('CSR') obligations. Each of the CSR projects is carefully identified and executed with a sense of passion and pride. My fellow Directors join me in highlighting that the Bank has been making a meaningful impact in the chosen thrust areas at the locations we undertook the CSR activities.

Lastly, I take this opportunity to emphasize that the Board of Directors and the

Management under the able and inspiring leadership of Mr. Praveen Achuthan Kutty are committed to consistent, sustainable and predictable growth while maintaining the highest standards of compliance and governance.

Thank you dear Shareholders.

**Farokh N. Subedar**

# Message from Managing Director & CEO



Dear Valued Shareholders,

It is with immense pride and gratitude that I address you at our Annual General Meeting for the Financial Year 2024-25. On behalf of the Board of Directors, Management, and our Dedicated Team at DCB Bank, I extend my heartfelt thanks for your continued trust and support. Your belief in our vision fuels our commitment to delivering sustainable value and driving growth in an ever-evolving banking landscape.

The Financial Year 2024-25 has been a testament to DCB Bank's resilience, strategic focus, and customer-centric approach. Despite a dynamic economic environment, we have achieved robust financial performance while strengthening our foundation for future growth.

Let me share some key highlights:

For the full year, your Bank reported a net profit of ₹ 615 crores, reflecting our operational efficiency and prudent risk management. For the first time in history, your Bank crossed a significant milestone and posted a four digits annual operating profit of ₹ 1,037 crores. For the first time in four years, the operating income of the Bank grew at a faster rate than the operating costs.

We continued to enhance our asset quality, with Gross Non-Performing Assets ('GNPA') declining to 2.99% in Q4 Financial Year 2024-25 from 3.23% a year ago. Net NPAs remained stable at 1.12%, reflecting our disciplined underwriting and proactive provisioning. These improvements underscore our commitment to maintaining a healthy balance sheet.

Our advances grew by 24.73% year-on-year, outpacing our five-year CAGR of 15.03%. This growth was driven by our diversified portfolio across retail, SME, and corporate banking, with a focus on secured lending products such as home loans, loans against property, construction finance and priority sector loans.

In recognition of our strong performance, the Board has recommended a dividend of ₹ 1.35 per equity share for Financial Year 2024-25, subject to your approval at this AGM. This reflects our commitment to balancing growth investments with rewarding our Shareholders.



Our success in Financial Year 2024-25 stems from a clear strategy centered on customer-centricity, digital innovation, and operational excellence. We have made significant strides in our information technology and human capital and continue to further strengthen and leverage these for consistent, sustainable and predictable growth.

Strong growth in customer deposits has supported our lending expansion and improved our margins. By optimizing our deposit and product mix, we have enhanced profitability while maintaining a competitive edge in interest rates.

As your Bank enters the next phase of growth, its strategic priorities in information technology include-deeper AI adoption to personalize banking experiences; expanded cloud-native architectures for scalability and innovation; next-gen security tools, including enhanced behavioural biometrics; smart branch and self-service technologies to improve customer engagement across demographics. Your Bank's technology roadmap is crafted not just for the present-but for the digital future of banking in India and support to our retail customers, MSMEs and/ or global travellers seeking seamless digital solutions. We are committed to empowering every customer with secure, intuitive, and agile banking experiences.

We continue to strengthen our risk management framework. Our focus on compliance and governance has been reaffirmed by ratings agencies, with both CRISIL and CARE Ratings assigning AA- (stable) for Tier II bonds and A1+ for certificates of deposit and fixed deposits.

As we move into Financial Year 2025-26, we are optimistic about the opportunities ahead and expect our Deposits and Advances growth to outpace the overall Indian banking industry level growth. Our focus, would be on providing a single window financial solutions to address the surplus needs, the deficit needs, the risk containment needs and trade finance needs of the self employed segment, which forms the core of our franchise. This would provide us with a consistent, sustainable and predictable growth with Return on Equity ranging between 13% to 15% in near to midterm, reflecting our focus on profitability and capital efficiency.

We will continue to invest in digital innovation, expand our footprint, and deepen customer relationships. Our goal is to deliver personalized banking solutions while maintaining a strong balance sheet and adhering to the highest standards of governance.

To our Shareholders, I reiterate our unwavering commitment to creating long-term value. Your support has been instrumental in our journey, and we are dedicated to delivering consistent growth, prudent risk management, and sustainable returns. I also extend my gratitude to our customers, employees, and regulators for their trust and partnership.

As we navigate the opportunities and challenges of the future, I am confident that DCB Bank will continue to thrive as a trusted, innovative, and customer-focused institution. Together, let us build a stronger, more prosperous future.

Thank you for your continued faith in DCB Bank.

**Praveen Achuthan Kutty**

## Corporate Social Responsibility Initiatives



A collaborative workshop held to shape national framework for lake rejuvenation, bringing experts and stakeholders to define sustainable & replicable restoration strategies, Chikkaballapur, Karnataka



10,000 native saplings planted using the Miyawaki method at Palam Vihar, each supported with sticks to promote stable and sustainable growth, Gurugram, Haryana



A step toward ecological regeneration 11,000 trees planted using the Miyawaki technique to promote rapid afforestation and habitat creation in degraded areas, Ahmedabad, Gujarat



Bruhat Bengaluru Mahanagara Palike & local lake rejuvenation groups, identifying issues affecting lakes & prioritized to enable focused, community-driven conservation efforts, Bengaluru, Karnataka



Capacity-building workshop on mangrove restoration conducted at gram panchayat Keruapal to strengthen leadership among women groups and foster community participation, Kendrapara, Odhisha



Constructed a check dam to conserve water, recharge groundwater, and support sustainable agricultural practices in the region, Medak, Telangana





Volunteers lead the way in creating green spaces for generations to come, Kochi, Kerala



Formation of mahagram sabha of 30 community forest management villages, Bastar, Chhattisgarh



Installation of a weather monitoring station at Mayureshwar Wildlife Sanctuary to support climate data collection and conservation efforts, Pune, Maharashtra



Ensuring sapling survival through regular watering, maintenance, and monitoring as part of our commitment to sustainable plantation efforts, Sonbhadra, Uttar Pradesh



Empowering young minds through lake awareness sessions—building a generation that values and protects our precious water bodies, Bengaluru, Karnataka





Installed solar street lights to improve safety and sustainability by harnessing clean, renewable energy in community areas, Kotagiri, Tamil Nadu



Netting for securing crop, reviving the traditional integrated pokkali & shrimp cultivation at Nayarambalam, Vypin Island, Ernakulam, Kerala



Roots of change in strong hands, women ferry fruit tree saplings to their new home, planting resilience, pride, and purpose along the way, Sonbhadra, Uttar Pradesh



On-field crop management workshop conducted to train farmers in best practices for sustainable agriculture, soil health, and yield improvement, Raichur, Karnataka



Prepared planting pits to facilitate effective afforestation, enhancing soil health and sapling establishment, Hisar, Haryana





Preparing Grass saplings for restoring grasslands for biodiversity conservation, sustainable livelihoods & climate Mitigation, Pune, Maharashtra



Reviving rural water bodies, desilted pond now serves as a vital water source for local cattle, enhancing sustainability and livelihoods, Bikaner, Rajasthan



It starts with a shovel and a sapling, volunteers join forces to give back to nature and fight climate change, Kurukshetra, Haryana



Freshwater wells restoration activities undertaken to conserve groundwater, promoting safer and more sustainable community environment, Kotagiri, Tamil Nadu



Reviving bamboo forests in tiriya through community-led protection - Bastar, Chhattisgarh





Sweet returns, supporting responsible beekeeping practices that align with environmental stewardship and income generation, Attagarh, Odisha



Tropical dry evergreen forest, seed germination protocols discussed and learned at Auroville Botanical Garden, Viluppuram, Tamil Nadu



Turning trash into treasure in Kochi! This bench, crafted from upcycled plastic, is more than a seat—it's a symbol of a cleaner, greener future, Kerala



Workshop focused on capacity building & stakeholder convergence to promote community-led rural water security through shared learning & sustainable strategies, Indore, Madhya Pradesh



Nutrient recovery & wastewater recycling an integrated system designed to treat & recycle wastewater while recovering essential nutrients, promoting circular water use, Mhow, Madhya Pradesh





Certificates in hand, impact in heart, honoring the volunteers who stepped up to plant trees and sow the seeds of a sustainable future, Sehore, Madhya Pradesh



Every sapling tells a story of hope, our dedicated volunteers are turning empty spaces into living, breathing ecosystems, Kota, Rajasthan



Tank construction for irrigation intervention for dry land agricultural farmers, Raichur, Karnataka.



Siliserh lake catchment restoration, water for humans, livestock & Sariska's wildlife, Alwar, Rajasthan



Sensitisation program on mangrove conservation conducted at Uttar Vekta Govt. P.P. School to educate students on the ecological & climate benefits of mangroves, Kendrapara, Odisha



When communities come together, forests grow, volunteers lead the way in creating green spaces for generations to come, Nagpur, Maharashtra

## NOTICE to Members

NOTICE is hereby given that the Thirtieth (30<sup>th</sup>) Annual General Meeting ("the AGM") of the Members of DCB Bank Limited ("the Bank") will be held on Wednesday, August 06, 2025, at 2.30 p.m. (IST) via Video Conferencing ("VC") or Other Audio - Visual Means ("OAVM") to transact the following business:

### Ordinary Business:

1. **To receive, consider and adopt the Audited Financial Statements of the Bank for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon.**
2. **To declare dividend of ₹ 1.35 per Equity Share of ₹ 10/- each, for the Financial Year ended March 31, 2025.**
3. **To appoint a director in place of Mr. Nasser Munjee (DIN:00010180) who retires by rotation and being eligible, offers himself for re-appointment.**
4. **To approve the payment of additional remuneration to the Joint Statutory Auditors of the Bank, for FY 2024-25, and in this regard, to consider, and if thought fit, to pass, the following resolution as Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Section 142 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules thereunder, in addition to the resolution passed by the Members of the Bank on June 12, 2024 for payment of overall audit fees of ₹ 2.05 Crore (Rupees Two Crore and Five Lakh Only) per annum for FY 2024-25, to be allocated by the Bank between M/s. B S R & Co LLP, Chartered Accountants (Registration No. 101248W/W100022) and M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S), 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 up to 5% of audit fees and taxes as applicable, further approval of the Members of the Bank be and is hereby accorded for payment of additional remuneration of ₹ 19.07 lakh (Rupees Nineteen Lakh and Seven Thousand Only) to the

Joint Statutory Auditors of the Bank, towards technical fees and increase in their scope of work emanating from various circulars/ notifications issued by the Reserve Bank of India or other regulatory authorities for FY 2024-25, in addition to out-of-pocket expenses and taxes as applicable.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board (including the Audit Committee of the Board or any other person(s) authorized by the Board or the Audit Committee in this regard), be and is hereby authorized on behalf of the Bank to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Bank to settle all questions, difficulties or doubts that may arise in regard to implementation of the resolution, without being required to seek any further consent or approval of the Members of the Bank."

5. **To take note of the RBI approval for the appointment of the Joint Statutory Auditors and approve the overall audit fee to the Joint Statutory Auditors of the Bank for FY 2025-26, and in this regard, to consider, and if thought fit, to pass, the following resolution as Ordinary Resolution:**

**"RESOLVED THAT** the approval received from the RBI vide its letter Ref CO.DOS.RPD. No.1574/08.37.005/2025-26 dated May 28, 2025 for the appointment of M/s B S R & Co LLP, Chartered Accountants (FRN101248W/W100022) and M/s Varma & Varma, Chartered Accountants (FRN-004532S) as the Joint Statutory Auditors of the Bank for FY 2025-26, for their third year and second year respectively, be and is hereby noted by the Members of the Bank.

**RESOLVED FURTHER THAT** subject to applicable laws and regulations including the relevant guidelines and circulars of the RBI (as may be amended, restated, modified, replaced from time to time and pursuant to the approval and recommendation of the Board based on the recommendation of the Audit Committee,



M/s. B S R & Co LLP, Chartered Accountants (Registration No. 101248W/W100022), who were already appointed as the Joint Statutory Auditors of the Bank at the 28<sup>th</sup> Annual General Meeting of the Bank held on June 22, 2023 and M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S), who were already appointed as the Joint Statutory Auditors of the Bank at the 29<sup>th</sup> Annual General Meeting of the Bank held on June 12, 2024, be paid overall audit fees of ₹ 2.30 crore (Rupees Two Crores and Thirty Lakhs Only) per annum plus upto 10% thereof as technical charges for FY 2025-26, to be allocated by the Bank between M/s. B S R & Co LLP, Chartered Accountants and M/s. Varma & Varma, 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 on actual basis and taxes as applicable.

**RESOLVED FURTHER THAT** any increase in the scope of work and/or specific assignment on account of regulatory/ statutory requirements/ directions shall be paid additionally as may be agreed between the Joint Statutory Auditors and the Bank.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board (including the Audit Committee of the Board or any other person(s) authorized by the Board or the Audit Committee in this regard), be and is hereby authorized on behalf of the Bank to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Bank to settle all questions, difficulties or doubts that may arise in regard to implementation of the resolution, without being required to seek any further consent or approval of the Members of the Bank."

### Special Business:

#### 6. Appointment of Secretarial Auditor

To consider and if thought fit, pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if

any, of the Companies Act, 2013 ("the Act"), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re- enactment(s) thereof, for the time being in force), Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and any other applicable Regulatory Requirements and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Bank, approval of the Shareholders of the Bank, be and is hereby accorded for appointment of M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretaries, (Firm Registration No. P1991MH040400), Peer Review Certificate No. - 5218/2023 as the Secretarial Auditor of the Bank with effect from April 01, 2025, for a period of five (5) consecutive years (FY 2025-26 to FY2029-30), on such terms and conditions including remuneration as may be approved by the Board on recommendation of the Audit Committee of the Board and to avail any other services, certificates, or reports as may be permissible under applicable laws.

**RESOLVED FURTHER THAT** the Board of Directors of the Bank be and are hereby authorized to fix the annual remuneration plus applicable taxes and out-of-pocket expenses payable to them during their tenure as the Secretarial Auditors of the Bank as recommended by the Audit Committee in consultation with the said Secretarial Auditors.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board (including any Committee of the Board or any other person(s) authorized by the Board in this regard), be and is hereby authorized on behalf of the Bank to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Bank to settle all questions, difficulties or doubts that may arise in regard to implementation of the resolution, without being required to seek any further consent or approval of the Members of the Bank."



**7. Raising of funds by issue of bonds/ debentures/ securities on Private Placement basis.**

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

**“RESOLVED THAT** pursuant to Section 42 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), as amended from time to time read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other relevant rules made under the Act, read with the relevant circulars/ notifications issued by the Ministry of Corporate Affairs from time to time, Securities and Exchange Board of India (“SEBI”) (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“SEBI ILNCS”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules, regulations, guidelines, directions and circulars issued by the SEBI from time to time, applicable provisions of the Banking Regulation Act, 1949, the Reserve Bank of India Act, 1934, Foreign Exchange Management Act, 1999 (including, any statutory amendment(s) or modification(s) or re- enactment(s) thereof, for the time being in force), the rules, regulations, circulars, notifications, directions and guidelines issued by the Reserve Bank of India (“RBI”) from time to time and all other relevant provisions of applicable laws, 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), 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 Act) for borrowing/ raising of funds, from time to time, in Indian/ foreign currency, by issue of debt securities including but not limited to Unsecured Redeemable Taxable Non-Convertible Subordinated Basel III Compliant Tier II Bonds/ Non-Convertible Debentures

(including bonds forming part of Tier I Capital/ Tier II Capital in accordance with and subject to the terms and conditions specified in the Basel III Capital Regulations prescribed by the RBI), long terms infrastructure bonds or such other bonds as may be permitted by the RBI from time to time in domestic and/ or overseas market, on a private placement basis and/ or for making offers and/ or invitations therefor and/ or issue(s)/ issuances thereof, on a private placement basis, for a period of one year from the date hereof, in one or more tranches and/ or series and under one or more shelf disclosure documents and/ or one or more letters of offer and on such terms and conditions for each series/ tranches including the price, coupon, premium, discount, tenor etc. as deemed fit by the Board, as per the structure and within the limits permitted by the RBI, of an amount up to ₹500 Crore (Rupees Five Hundred Crore) (with green shoe option), over and above the outstanding debt securities issued by the Bank and in aggregate for additional Tier I and Tier II Capital within the overall borrowing limits of the Bank (other than overnight borrowings), as approved by the Members from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Bank or any Committee of the Board or such other persons as may be authorized by the Board or Committee of the Board, be and are hereby authorized to negotiate, modify and finalize the terms and conditions of the debt securities and sign the relevant documents/ agreements in connection with the private placement of the debt securities, including without limitation, the private placement offer letter (along with the application form), information memorandum, disclosure documents, debenture subscription agreement, debenture trust deed and any other documents as may be required, in connection with the offering(s), issuance(s) and/ or allotment(s) on a private placement of debt securities by the Bank and to further delegate the above powers to any Committee of Directors or any Officials of the Bank to act on their behalf as they may deem fit and to do all such other acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.”





## 8. Issue of Equity Shares/ Other Securities Convertible into Equity Shares (“Securities”) through Qualified Institutions Placement (QIP).

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

**“RESOLVED THAT** pursuant to Sections 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made under the Act, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force, the applicable provisions of the Banking Regulation Act, 1949, the Securities and Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulation”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the Foreign Exchange Management Act, 1999 (“FEMA”), Foreign Exchange Management (Non Debt Instruments) Rules, 2019, as amended from time to time and in accordance with applicable rules, regulations, guidelines, circulars, notifications and clarifications issued by Government of India (“GOI”)/ Reserve Bank of India (“RBI”)/ SEBI/ Ministry of Corporate Affairs (MCA)/ Stock Exchanges where the Equity Shares of the DCB Bank Limited (“the Bank”) are listed and/ or any other competent authorities and subject to (a) any other applicable laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force), (b) the enabling provisions of the Bank’s Memorandum and Articles of Association, (c) any approval, consent, permission or sanction of SEBI and/ or RBI and/ or Ministry of Finance (Department of Economic Affairs), as applicable or relevant Ministry approving foreign investment, as applicable and required, approvals, consents, permissions or sanctions of other concerned authorities, within or outside India, and (d) such terms, conditions and modifications as may be prescribed by any of them while granting such approvals, consent permissions or sanctions and

which may be agreed to by the Board of Directors of the Bank (hereinafter referred to as “the Board” which term shall include any Committee constituted by the Board), the consent of the Members of the Bank be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions on firm and/ or competitive basis, such part of issue and for such categories of persons as may be permitted), in one or more tranches, by way of a Qualified Institutions Placement (QIP) under Chapter VI of ICDR Regulations, such number of Equity Shares and/ or any other securities convertible into Equity Shares (“Securities”) to Qualified Institutional Buyers as defined under Chapter VI of ICDR Regulations, whether they be holders of the shares of the Bank or not (collectively called “the Investors”) as may be decided by the Board in their discretion and permitted under the applicable laws and regulations, for cash, for an aggregate amount not exceeding ₹750 Crore (Rupees Seven Hundred Fifty Crore only), inclusive of such premium as may be fixed on the Securities at such time or times, at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions, as may be deemed appropriate by the Board at its absolute discretion considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/ or underwriter(s) and/ or other advisor(s) as the Board may in its absolute discretion deem fit or appropriate in accordance with all applicable laws, rules and regulations for the time being in force in this regard (“the Issue”).

**RESOLVED FURTHER THAT** the Equity Shares to be offered, issued and allotted in pursuance of this Resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Bank and the same shall rank pari passu with the existing Equity Shares of the Bank.

**RESOLVED FURTHER THAT** the Equity Shares to be issued shall be listed with the stock exchanges, where the existing Equity Shares of the Bank are listed.

**RESOLVED FURTHER THAT** the Relevant Date for determination of price of Equity Shares to be issued by way of the proposed issues shall be the

date of the meeting at which the Board decides to open the proposed issue of Equity Shares, or such other date as may be permitted under ICDR Regulations from time to time.

**RESOLVED FURTHER THAT** the pricing shall be determined in compliance with principles and provisions set out in the Regulation 176 of Chapter VI of the ICDR Regulations and the Board may offer a discount of not more than 5% (five percent) on the price calculated for the QIP or such other discount as may be permitted under said ICDR Regulations.

**RESOLVED FURTHER THAT** the allotment of Equity Shares shall be completed within a period of 365 days from the date of this Resolution approving the proposed issue or such other time as may be permitted under ICDR Regulations from time to time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above Resolution, the Board or its appointed delegates/ Committees be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval for the draft as well as the final offer document(s), determining the form, proportion and manner of the issue, including the class of investors to whom the Equity Shares are to be issued and allotted, number of Equity Shares to be allotted, issue price, premium/ discount amount on issue, if any, execution of various transaction documents, fixing record date, listings on one or more Stock Exchanges in India, appointing intermediaries, entering into arrangements for managing, underwriting, marketing, listing and trading, to issue offer documents and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Bank as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the Issue, offer or allotment of Equity Shares and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end

and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to further delegate all or any of the powers in aforesaid matters to the Officials of the Bank, in such manners as the Board may in its absolute discretion deem fit.”

## 9. Increase in Borrowing Powers

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

**“RESOLVED THAT** in supersession of the Resolution passed by the Members of the Bank at the 29<sup>th</sup> AGM held on June 12, 2024 and pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s)/ amendment(s)/ re-enactment(s) thereof for the time being in force) and as per the Articles of Association of the Bank, the approval of the Members of the Bank be and is hereby accorded to the Board of Directors of the Bank (the “Board”, which term shall be deemed to include any Committee which the Board may have constituted or may hereafter constitute or any delegation for exercising the powers conferred on the Board by this Resolution and under Section 179 of the Act) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Bank (apart from deposits accepted in the ordinary course of business, temporary loans repayable on demand or within six months from the date of the loan or temporary loans, if any, obtained from the Bank’s bankers i.e., short term borrowings) and raising such borrowings by issuance of bonds and other debt instruments, including Listed Debt Securities, loans/ credit facilities (fund based and non-fund based) availed by the Bank from any person, or the funds borrowed through external commercial borrowings or through such other instruments or transactions, borrowings (any) from banks/ financial institutions for availing refinance or other inter-bank domestic/ forex borrowings, etc., may exceed the aggregate of the paid-up capital, free reserves and securities premium of the Bank.



**RESOLVED FURTHER THAT** the total outstanding amount so borrowed by the Bank shall not at any time exceed ₹12,000 Crore (Rupees Twelve Thousand Crore) or the aggregate of the paid-up capital, free reserves, and securities premium of the Bank, whichever is higher.

**RESOLVED FURTHER THAT** the Board of Directors of the Bank be and are hereby authorized to execute all such documents, instruments and writings as deemed necessary, file requisite forms or applications with statutory/ regulatory authorities, with the power to settle all questions, difficulties or doubts that may arise, in this regard, as it may in its sole and absolute discretion deem fit and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any Director(s)/ Official(s) of the Bank, to give effect to this Resolution.”

**10. Approval for payment of honorarium to Mr. Farokh N. Subedar (DIN: 00028428), Non-Executive Part Time Chairman and Independent Director of the Bank for the Financial Year 2025-26 which would be in excess of fifty percent of the total annual remuneration payable to all the Non-Executive Directors of the Bank for said Financial Year.**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 17(6)(ca) and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder and the Banking Regulations Act, 1949 (including any amendments, statutory modification(s) and/or re-enactment thereof for the time being in force), the rules, circulars, notifications and guidelines issued by the RBI from time to time, Articles of Association of the Bank and pursuant to the recommendation of Nomination

and Remuneration Committee, approval of the Board of Directors of the Bank and approval of the RBI dated January 31, 2023, the approval of the Members of the Bank be and is hereby accorded for the payment of fixed honorarium of ₹ 24,00,000/- p.a. (Rupees Twenty Four Lakh Only) (in addition to the sitting fees for attending Board and Committee meetings and reimbursement of actual business related expenses and 1 club membership as approved by the Members vide resolution dated June 22, 2023) for the Financial Year 2025-26 and which would be in excess of fifty percent of the total annual remuneration payable to all the Non-Executive Directors of the Bank for said Financial Year to Mr. Farokh N. Subedar (DIN: 00028428), Non-Executive Part Time Chairman of the Bank and that the honorarium shall be payable in such manner as the Board and/ or a Committee thereof, may determine from time to time.

**RESOLVED FURTHER THAT** the Board (or any Committee of the Board), be and is hereby authorized to do all such acts, deeds, matters and things and to execute any agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said appointment as it may in its sole discretion deem fit and to delegate all or any of its powers conferred herein to any Director(s) and/ or Official(s) of the Bank to give effect to this Resolution.”

By Order of the Board of Directors  
**DCB Bank Limited**

Place: Mumbai  
Date: June 16, 2025

**Rubi Chaturvedi**  
Company Secretary

**Registered Office:**

CIN: L99999MH1995PLC089008  
Peninsula Business Park,  
6<sup>th</sup> Floor, 601 & 602, Tower A, Senapati Bapat Marg,  
Lower Parel, Mumbai 400 013.  
Website: [www.dcbbank.com](http://www.dcbbank.com)  
e-mail: [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com)

**NOTES:**

- 1) Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024 read with General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 11/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024 (collectively referred to as "MCA Circulars") in relation to "Clarification on holding of Annual General Meeting (AGM) through Video Conference (VC) or Other Audio Visual Means (OAVM)" and the Securities and Exchange Board of India ("SEBI") vide its Master Circular No. SEBI/HO/ CFD/PoD2/ CIR/P/2023/120 dated July 11, 2023, SEBI Circular No. SEBI/HO/CFD/CFD-PoD- 2/P/CIR/2023/167 dated October 07, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2024/133 dated October 3, 2024 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the 30<sup>th</sup> AGM of the Members of the Bank is being held through VC / OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM only. The registered office of the Bank shall be deemed to be the venue for the AGM.
- 2) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 Members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- 3) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, SEBI Circular dated May 12, 2020, and January 15, 2021, the facility to appoint proxy to attend AGM and cast vote for the Members is not available for this AGM and therefore the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/ OAVM and cast their votes through e-Voting.
- 4) In line with the MCA Circulars No. 17/2020 dated April 13, 2020 and SEBI Circular dated May 12, 2020, the Notice of the 30<sup>th</sup> AGM along with the Annual Report 2024-25 is being sent through electronic mode to those Members whose e-mail addresses are registered with the Bank/ Depositories. Members may note that the Notice and Annual Report for FY 2024-25 will also be available on the Bank's website [www.dccbbank.com](http://www.dccbbank.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
- 5) An Explanatory Statement required under Section 102(1) of the Companies Act, 2013 in respect of the business at Item Nos. 4 to 10 of the Notice is annexed hereto.
- 6) The relevant details, pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on general meetings issued by the Institute of Company Secretaries of India (ICSI), in respect of Director seeking appointment/ re-appointment in this AGM is annexed.
- 7) The Bank has fixed, Wednesday, July 30, 2025 as the 'Cut-off Date', for the purpose of the 30<sup>th</sup> AGM and reckoning entitlement for voting on the Resolutions contained in this Notice. The remote e-Voting /voting rights of the Members/beneficial



owners shall be reckoned on the Equity Shares held by them as on Wednesday, July 30, 2025 ("the Cut-off Date") only.

- 8) All documents referred to in the accompanying Notice, Explanatory Statement, and the terms and conditions of appointment of Directors shall be provided to Members on requests sent through e-mail to [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com) for inspection by Members of the Bank from the date of circulation of this Notice up to the date of AGM, i.e. Wednesday, August 06, 2025.
- 9) The Register of Directors and Key Managerial Personnel and their Shareholdings, other Statutory Registers prescribed under the Companies Act, 2013 will be available electronically for inspection at the Registered Office of the Bank from the date of circulation of this Notice up to the date of the AGM, i.e. Wednesday, August 06, 2025.
- 10) The Certificate from Secretarial Auditor of the Bank certifying that the ESOP Scheme of the Bank is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available electronically for inspection on the date of the AGM, i.e. Wednesday, August 06, 2025. Members seeking to inspect such documents can send an e-mail to [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com)
- 11) **Dividend Related Information**
  - i. The '**Record Date**' for determining the names of Members eligible for dividend on Equity Shares, if approved at the AGM, is **Friday, July 04, 2025**.
  - ii. Dividend as recommended by the Board of Directors, if approved at the AGM, will be paid on or after Thursday, August 07, 2025, within the stipulated time, by way of electronic mode or through physical dividend warrants (subject to fulfilment of conditions stipulated by SEBI regarding updating KYC details by the Shareholders holding shares in physical mode in their respective folios), to those Members whose names appear on the Register of Members / statements of beneficial position received from NSDL and / or CDSL at the close of business hours on Friday, July 04, 2025.

In case of non-updating of PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend/interest etc. shall be paid only through electronic mode upon furnishing all the aforesaid details in entirety.

Since the data as of July 4, 2025 is being considered for sending AGM Notices as well as payment of dividend subject to approval of Members, any changes in address and/or bank details of Members holding shares in Demat form, after July 04, 2025, may be communicated to the RTA by sending self-attested copy of Client Master List (CML) and PAN through e-mail at [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com) and marking C.C. to [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com) on or before Tuesday, July 22, 2025.

Members holding shares in physical form are requested to send immediately to the R&T Agent / Bank, a communication duly signed by the first holder intimating about the change of address, along with the self-attested copy of their PAN Card(s), unsigned original cancelled cheque leaf of an active bank account as maintained, and copies of the supporting documents evidencing the change in address and other pending KYC details as mentioned above, before Tuesday, July 22, 2025. Communication details of R&T agent are as under:

MUFG Intime India Pvt. Ltd (Formerly known as Link Intime India Pvt. Ltd)  
Unit: DCB Bank Limited  
C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400083. Tel. No.: 810 811 6767;  
Fax No.: 022 4918 6060  
E-mail: [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com)  
Website: [www.in.mpms.mufig.com](http://www.in.mpms.mufig.com)

- iii. In case the Bank is unable to pay dividend by electronic mode to Members holding Shares in demat form due to incorrect/invalid bank account details, the Bank shall despatch dividend warrant to such members.



- iv. Members may note that as per the Income Tax Act, 1961 ("IT Act"), as amended by the Finance Act, 2020, dividends paid or distributed by the Bank shall be taxable in the hands of the Shareholders and the Bank shall be required to deduct tax at source (TDS) at the prescribed rates from the Dividend to be paid to Shareholders, subject to approval of Dividend by the Shareholders in this AGM. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Bank. In order to enable the Bank to determine the appropriate TDS rate as applicable, Members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act;

- a. **For Resident Shareholders,** TDS is required to be deducted at the rate of 10% under Section 194 of the Income Tax Act, 1961 on the amount of Dividend declared and paid by the Bank during FY 2025-26, provided valid PAN is registered by the Members. If the valid PAN is not registered, the TDS is required to be deducted at the rate of 20% under Section 206AA of the Income Tax Act, 1961. However, no tax shall be deducted on the dividends paid to resident individuals if aggregate Dividend distributed or likely to be distributed during the FY 2025-26 does not exceed Rs 10,000 (Rupees Ten Thousand). In cases where the Members provide valid Form 15G/ Form 15H no TDS shall be deducted.

**Instructions regarding TDS for all Shareholders:**

The aforementioned forms for tax exemption can be downloaded from MUFG Intime's website. The URL for the same is: MUFG Intime India Private Limited

On this page select the General tab. All the forms are available in under the head "Form 15G/15H/10F"

The aforementioned documents (duly completed and signed) are required to be uploaded on the URL at: MUFG Intime India Pvt Ltd - Tax Exemption . On this page, the user shall be prompted to select / share the following information to register their request.

1. Select the company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial Year (Dropdown)
5. Form selection
6. Document attachment - 1 (PAN)
7. Document attachment - 2 (Forms)
8. Document attachment - 3 (Any other supporting document)

Please note that the upload of documents (duly completed and signed) on the website of MUFG Intime India Private Ltd. should be done on or before Tuesday, July 22, 2025 in order to enable the Bank to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Bank. No communication on the tax determination / deduction shall be considered after Tuesday, July 22, 2025, 6:00 p.m. (IST).

Shareholders may note that in case the tax on said Dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents, option is available to Shareholders to file the return of income as per the Income Tax Act, 1961 and claim an appropriate refund, if eligible.

All communications / queries in this respect should be addressed to our RTA, MUFG Intime India Private Limited to its e-mail address: - dcbtax@in.mpms.mufg.com





Members are requested to link their Aadhaar Number with PAN as required under Section 139AA(2) of the Income Tax Act, 1961 read with Rule 114AAA of the Income Tax Rules, 1962 mandatorily before Tuesday, July 22, 2025. If any PAN is not linked with Aadhaar, then such PAN shall become an inoperative PAN and TDS could be deducted at higher rates u/s 206AA of the Income Tax Act, 1961.

b. Nil / lower tax shall be deducted on the Dividend payable to following Resident Shareholders on submission of self-declaration as listed below:

- i. Insurance companies: Declaration by shareholder qualifying as Insurer as per Section 2(7A) of the Insurance Act, 1938 along with self-attested copy of PAN Card;
- ii. Mutual Funds: Declaration by Mutual Fund shareholder eligible for exemption u/s 10(23D) of the Income Tax Act, 1961 along with self-attested copies of registration documents and PAN Card;
- iii. Alternative Investment Fund (AIF) established in India: Declaration that the shareholder is eligible for exemption under Section 10(23FBA) of the Act and that they are established as Category I or Category II AIF under the SEBI regulations. Copy of self-attested registration documents and PAN Card should be provided.
- iv. New Pension System Trust: Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN Card.
- v. Other Shareholders: Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN Card.

vi. Shareholders who have provided a valid certificate issued u/s 197 of the Act for lower / Nil Rate of deduction or an exemption certificate issued by the Income Tax Authorities along with Declaration.

vii. For Non-Resident Shareholders, (including Foreign Portfolio Investors) Tax would be withheld in accordance with the provisions of Section 195 and 196D of the Income Tax Act, 1961 at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of Dividend payable.

However, as per Section 90 of the Act, a Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the Country of Tax Residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the Tax Treaty benefits, Non-Resident Shareholders shall have to furnish the following:

- a. Self-attested copy of PAN Card, if any, allotted by the Indian Income Tax Authorities.
- b. Self-attested copy of Tax Residency Certificate ("TRC") obtained from the Tax Authorities of the country of which the shareholder is resident;
- c. Self-attested copy of Form No. 10F furnished on the Income Tax portal or self-declaration (if applicable) in Form No. 10F as per

- the applicable income tax provisions;
- d. Self-Declaration by the non-resident shareholder of meeting Treaty eligibility requirement and satisfying beneficial ownership requirement. (Non-resident having Permanent Establishment in India would need to comply with provisions of Section 206AB of the IT Act);
  - e. In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI Registration Certificate.
  - f. In case of Shareholder being tax resident of Singapore, please furnish the letter issued by the Competent Authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA);
- viii. Please note that the Bank is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on Dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Bank, of the documents submitted by non-Resident shareholder.
- ix. Accordingly, in order to enable the Bank to determine the appropriate TDS/ withholding tax rate applicable, we request the Members to provide these details and documents as mentioned above before July 22, 2025.
- x. The Bank shall arrange to e-mail the soft copy of TDS certificate within the prescribed timeline under the Income Tax provisions at the registered e-mail ID of Members.
- Section 206AB of the Act:
- Rate of TDS @10% under Section 194 of the Act is subject to provisions of Section 206AB of Act (effective from July 01, 2021) which introduces special provisions for TDS in respect of non-filers of Income-Tax Return. As provided in Section 206AB, Tax is required to be deducted at higher of following rates in case of payments to specified persons:
- at twice the rate specified in the relevant provision of the Act; or
  - at twice the rate or rates in force; or
  - at the rate of 5%.
- Where Sections 206AA and 206AB are applicable, i.e., the specified person has not submitted the PAN as well as not filed the return; tax shall be deducted at the higher of the two rates prescribed in these two Sections.
- The term 'specified person' is defined in sub section (3) of Section 206AB who satisfies the following conditions:
- A person who has not filed the Income Tax return for the assessment year relevant to the previous year immediately preceding the Financial Year in which tax is required to be deducted for which the



time limit for furnishing the Income Tax Return under sub section (1) of Section 139 has expired ; and

- The aggregate of TDS and TCS in his case is ₹50,000 (Rupees Fifty Thousand) or more in the said previous year.

The Non-Resident who does not have a permanent establishment is excluded from the scope of 'specified person'.

Members are requested to inform in advance and before July 22, 2025 if they are covered under the definition of 'specified person' as provided in Section 206AB of the IT Act. The Bank reserves the right to recover any demand raised subsequently on the Bank for not informing the Bank or providing wrong information about the applicability of Section 206AB.

#### **Updating of PAN, e-mail address and other details:**

Shareholders holding shares in dematerialized mode, are requested to update their records such as Tax Residential Status, Permanent Account Number (PAN), registered e-mail addresses, mobile numbers and other details with their relevant Depositories through their Depository Participants. Shareholders holding shares in physical mode are requested to furnish details to the Bank's Registrar and Share Transfer Agent (RTA). The Bank is obligated to deduct tax at source (TDS) based on the records available with RTA and no request will be entertained for revision of TDS return.

#### **Updating of Bank Account details:**

Members are also requested to submit / update their bank account details with their Depository Participant in case of holding of shares in the electronic form. In case of shareholding in the physical form, Members are requested to submit a scanned copy of a duly signed covering letter, along with a cancelled cheque

leaf having the Member's Name and Bank Account details and a copy of their PAN Card, duly self-attested. This will facilitate receipt of the Dividend directly into the Member's bank account. In case the cancelled cheque leaf does not bear the Member's Name, please attach a copy of the bank pass-book statement, duly self-attested.

Kindly note that the aforementioned documents are required to be sent at [rnt.helpdesk@in.mpm.com](mailto:rnt.helpdesk@in.mpm.com) OR [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com). No communication on the tax determination / deduction shall be entertained after Tuesday, July 22, 2025.

It may be further noted that in case tax on the said Dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from the Members, there would still be an option available with Members to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Bank for such taxes deducted.

For further information, Members are requested to refer to the e-mail communication sent to them in this regard.

- 12) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Bank will be entitled to vote at the AGM.
- 13) Members holding shares in physical form are requested to address all their correspondence pertaining to change in their name, postal address, e-mail address, mobile number, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc. to the Registrar and Transfer Agents (RTA) viz. MUFG Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083 and Members holding shares in dematerialized form should approach their respective Depository Participants for the same.
- 14) As per the SEBI Circular bearing reference nos. SEBI/HO/MIRSD/MIRSD-PoD- 1 / P/ CIR/ 2023 / 37 dated March 16, 2023, SEBI/HO/MIRSD/POD-1/P/ CIR/2023/181 dated November 17, 2023 and

SEBI directives vide its e-mail to all Registrars and Transfer Agents (“RTAs”) on January 23, 2024 Shareholders holding Shares in physical mode are required to update KYC details in their respective folios. In case of non-updating of the KYC details viz. PAN or choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend etc. shall be paid only through electronic mode upon furnishing all the aforesaid details in entirety. In view of the above, the Shareholders in physical mode are advised to submit the necessary details for updating to the RTA, as soon as possible. Relevant details and forms prescribed by SEBI in this regard are available on the website of the RTA at: <https://web.in.mpms.mufig.com/KYC-downloads.html>

- 15) Since transfer of securities of listed companies in physical mode has been discontinued with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities, shares of the Bank are traded on the stock exchanges compulsorily in demat mode and to eliminate all risks associated with physical shares, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Bank or Bank's RTA viz., MUFG Intime India Private Limited for assistance, if any, in this regard.
- 16) The Members who are holding shares in demat form and have not yet registered their Bank details, e-mail IDs, mobile numbers and other KYC Details are requested to register the same with their Depository Participant at the earliest, to enable the Bank to use the same for making payment of their Dividend, whenever declared, contact them and serving documents to them electronically, hereinafter. Members holding shares in physical mode are requested to provide, if not provided earlier, their e-mail Ids, mobile numbers, Bank Details and other KYC documents including PAN, to the RTA sending an e-mail at [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com) or to the Bank at [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com) or online facility that may be provided and communicated by the RTA separately.
- 17) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Bank on or before Monday, July 28, 2025 through e-mail on [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com). The same will be replied by the Bank suitably.
- 18) Since the AGM will be held through VC/ OAVM, the route map is not annexed to this Notice.
- 19) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Bank, are liable to be transferred to the Investor Education and Protection Fund ('IEPF') along with the underlying Shares. Amount of such Unclaimed Dividend for FY 2018-19 along with the underlying shares would be due for transfer to the IEPF on July 07, 2026. In view of this, Members are requested to claim their dividends from the Bank, within the stipulated timeline.
- 20) Members, whose Dividend has remained unpaid, are requested to contact the RTA viz. MUFG Intime India Private Limited or Share Department of the Bank to claim their unclaimed Dividend.
- 21) In accordance with the relevant MCA Circulars read with Circular dated October 7, 2024 issued by the Securities and Exchange Board of India providing relaxations to the certain provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as “Applicable Circulars”), electronic copies of the Integrated Annual Report for FY 2024-25 and this Notice inter-alia indicating the process and manner of e-Voting along with instructions to attend the AGM through video-conferencing / other audio-visual means are being sent by e-mail to those Members whose e-mail addresses have been made available to the Bank / Depository Participants as on Friday, July 04, 2025. The Members who have not registered their e-mail addresses, kindly register the same by sending an e-mail at [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com)
- 22) Members who have not updated their latest e-mail address in the records of the Bank / their Depository Participant, are requested to update the same before Tuesday, July 22, 2025. The Notice



and documents will be sent by e-mail only to those Members who register their e-mail addresses prior to this date.

### 23) **E-Voting:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the applicable MCA Circulars, the Bank is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Bank has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a Member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by CDSL.

The Bank has appointed Ms. Manisha Maheshwari (FCS 13272 & COP 11031) or failing her Mr. Saurabh Somani (ACS 69826 & COP 26495), Partners of M/s. Bhandari & Associates, Company Secretaries, Mumbai as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Bank has fixed Wednesday, July 30, 2025 as the 'Cut-off Date'. The remote e-Voting /voting rights of the Members/beneficial owners shall be reckoned on the Equity Shares held by them as on the Cut-off Date only.

### **INSTRUCTIONS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

1. The voting period begins on Saturday, August 02, 2025, at 09.00 a.m. (IST) and ends on Tuesday, August 05, 2025 at 5.00 p.m. (IST). During this period Shareholders of the Bank, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, July 30, 2025, may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter. A

person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

2. Any person holding shares in physical mode or a person, who acquires shares and becomes a Member of the Bank after the Notice is sent and holding shares as on the cut-off date, i.e. Wednesday, July 30, 2025, may obtain the login ID and password by sending a request to helpdesk.evoting@cdslindia.com. However, if he/ she is already registered with CDSL for remote e-voting, then he/ she can use his/ her existing user ID and password for casting the vote.
3. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
4. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.
5. Pursuant to Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its Shareholders, in respect of all Shareholders' Resolutions. However, it has been observed that the participation by the public non-institutional Shareholders/retail Shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the Shareholders.

In order to increase the efficiency of the voting process SEBI, vide Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 09, 2020 has mandated to enable e-Voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to



register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

6. (a) Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual Shareholders holding shares in demat Mode.

In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual

Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail Id in their demat accounts in order to access e-Voting facility.

Pursuant to the above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual Shareholders holding securities in Demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi/ Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/ Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; My Easi New (Token) Tab.</li> <li>2) After successful login the Easi/ Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/ Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; My Easi New (Token) Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>



Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <p>After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

Type of Shareholders	Login Method
	4) For OTP based login you can click on <a href="https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp</a> . You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022-4886 7000 and 022-2499 7000

6. (b) Step 2: Access through CDSL e-Voting system in case of Shareholders holding shares in physical mode and non-individual Shareholders in demat mode.

Login method for e-Voting and joining virtual meeting for physical Shareholders and Shareholders other than individual Shareholders holding shares in Demat form.

- The Shareholders should log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com).
- Click on "Shareholders" module.



- Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-Voting of any company, then your existing password is to be used.

- If you are a first-time user follow the steps given below:

**For Physical Shareholders and other than individual Shareholders holding shares in Demat.**

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Shareholders as well as physical Shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the Member id / folio number in the Dividend Bank details field</li> </ul>

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, Shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for Resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Shareholders holding shares in physical form, the details can be used only for e-Voting on the Resolutions contained in this Notice.
10. Click on the Electronic Voting Sequence Number (EVSN) for DCB Bank Limited on which you choose to vote.
11. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
13. After selecting the Resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

16. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

17. There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

**18. Additional Facility for Non-Individual Shareholders and Custodians – For Remote Voting only.**

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual Shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Bank at the e-mail address viz. [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com)

[dcbbank.com](http://dcbbank.com), if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING THE MEETING ARE AS UNDER:**

- a. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-Voting.
- b. The link for VC/OAVM to attend meeting will be available where EVSN of DCB Bank Limited (the Bank) will be displayed after successful login as per the instructions mentioned above for e-Voting.
- c. Shareholders who have voted through remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- d. Shareholders are encouraged to join the AGM through laptops for better experience.
- e. Further, Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- f. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- g. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance through e-mail during the period from Wednesday, July 30, 2025 (9.00 a.m. IST) to Saturday, August 02, 2025 (5.00 p.m. IST) mentioning their name, demat account number/folio number, e-mail id, mobile number at [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com).
- h. The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance till Saturday, August 02, 2025 (5.00 p.m. IST) mentioning their name, demat account number/folio number, e-mail id, mobile number at





investorgrievance@dcbbank.com. These queries will be replied to by the Bank suitably by e-mail.

- i. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Bank reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- j. Only those Shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- k. If any Votes are cast by the Shareholders through the e-voting available during the AGM and if the same Shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such Shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the Shareholders attending the meeting.

#### **PROCESS FOR THOSE SHAREHOLDERS WHOSE E-MAIL/MOBILE ADDRESSES ARE NOT REGISTERED WITH THE BANK/DEPOSITORIES:**

1. For Physical Shareholders- Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to Bank's e-mail id investorgrievance@dcbbank.com or RTA e-mail id rnt.helpdesk@in.mpms.mufig.com

2. For Demat Shareholders -Please update your e-mail id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat Shareholders - Please update your e-mail id & mobile no. with your respective DP which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an e-mail to helpdesk.evoting@cdslindia.com or contact at 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an e-mail to helpdesk.evoting@cdslindia.com or call on 1800 21 09911.

#### **Other Instructions**

The result of the e-voting will be announced within two working days after the conclusion of the meeting on the Bank's website at [www.dcbbank.com](http://www.dcbbank.com), website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) and will be communicated to the Stock Exchanges viz. BSE and NSE. Subject to the receipt of requisite number of votes, the resolutions as set out in this Notice shall be deemed to be passed on the date of the AGM i.e. Wednesday, August 6, 2025.

## EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS

**Item 4: To approve the payment of additional remuneration to the Joint Statutory Auditors of the Bank, for FY 2024-25 & Item 5: To take note of the RBI approval for the appointment of the Joint Statutory Auditors and approve the overall audit fee to the Joint Statutory Auditors of the Bank for FY 2025-26**

The Reserve Bank of India vide its Circular No. RBI/2021-22/25 Ref. No. DoS.CO.ARG/ SEC.01/08.91.001/2021-22 dated April 27, 2021, had issued the Guidelines for Appointment of Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) ('RBI Guidelines').

Pursuant to the RBI Guidelines, Members of the Bank at the 28<sup>th</sup> Annual General Meeting held on June 22, 2023 had approved the appointment of M/s. B S R & Co LLP, Chartered Accountants (Registration No. 101248W/W100022) as one of the Joint Statutory Auditors of the Bank for the period commencing from the conclusion of the 28<sup>th</sup> Annual General meeting until the conclusion of the 31<sup>st</sup> Annual General Meeting of the Bank for a continuous period of three (3) years (from FY 2023- 24 to FY 2025-26), subject to the RBI approval on an annual basis and firm satisfying the eligibility norms each year in this regard.

Further, the Members of the Bank at the 29<sup>th</sup> Annual General Meeting held on June 12, 2024 had approved the appointment of M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S) as Joint Statutory Auditors of the Bank, for a period commencing from the conclusion of the 29<sup>th</sup> Annual General Meeting until the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Bank for a continuous period of three (3) years (from FY 2024-25 to FY 2026-27) subject to the RBI approval for each year and firm satisfying the eligibility norms each year in this regard.

The Board of Directors of the Bank, on the recommendation of the Audit Committee of the Board, had approved the re-appointment of M/s B S R & Co LLP, Chartered Accountants (FRN101248W/W100022) and M/s Varma & Varma, Chartered Accountants (FRN-004532S) as the Joint Statutory Auditors of the

Bank for FY 2025-26, for their third year and second year respectively, subject to the approval of the RBI. Further, the RBI vide its letter Ref CO.DOS.RPD.No. 1574/08.37.005/2025-26 dated May 28, 2025 has conveyed their approval (subject to certain conditions mentioned therein) for the reappointment of M/s B S R & Co LLP, Chartered Accountants (FRN101248W/W100022) and M/s Varma & Varma, Chartered Accountants (FRN-004532S) as the Joint Statutory Auditors of the Bank for FY 2025-26, for their third year and second year respectively.

### Brief Profile of M/s. Varma & Varma, Chartered Accountants

Varma & Varma, a registered partnership firm of Chartered Accountants established on June 17, 1935. The firm currently has 35 partners, operates from 9 offices in 5 states across the country. The firm has more than 450 staff members, including qualified accountants. The firm is empanelled with the ICAI and various regulators in India. The firm has BFSI sector audit experience of more than 50 years.

### Brief Profile of B S R & Co. LLP, Chartered Accountants

B S R & Co. LLP is a member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India.

B S R & Co. LLP is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur, Gandhinagar and Kochi. B S R & Co. LLP has over 2500+ Professional staff, 150+ Partners. B S R & Co. LLP audits various companies listed on stock exchanges in India including companies in the financial service sector.

Pursuant to the aforementioned RBI approval, the Board of Directors recommends the re-appointment of M/s. B S R & Co LLP, Chartered Accountants and M/s. Varma & Varma, Chartered Accountants as the Joint Statutory Auditors of the Bank, for FY 2025-26, for their third year and second year respectively.

The Members of the Bank in the 29<sup>th</sup> Annual General Meeting held on June 12, 2024 had approved overall audit fees of ₹ 2.05 Crore (Rupees Two Crore and Five Lakh only) per annum for FY 2024-25, to be allocated by the Bank between M/s. B S R & Co LLP, Chartered Accountants and M/s. Varma & Varma, Chartered



Accountants as the Joint Statutory Auditors, 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 up to 5% of audit fees and taxes as applicable.

It is now proposed to approve the additional remuneration of ₹ 19.07 lakhs (Rupees Nineteen Lakhs and Seven Thousand Only) to the Joint Statutory Auditors of the Bank, towards technical fees and increase in their scope of work emanating from various circulars/ notifications issued by the Reserve Bank of India or other regulatory authorities for FY 2024-25, in addition to out of pocket expenses and taxes as applicable. The Board of Directors of the Bank in its meeting held on June 16, 2025, on the recommendation of the Audit Committee of the Board, have recommended payment of additional remuneration to M/s. B S R & Co LLP, Chartered Accountants, subject to the approval of the Members of the Bank.

The Board, on recommendation of the Audit Committee, in its meeting held on June 16, 2025 had also approved overall audit fees of Rs 2.30 crore (Rupees Two Crores and Thirty Lakhs Only) per annum plus upto 10% thereof as technical charges for FY 2025-26, to be allocated by the Bank between M/s. B S R & Co LLP, Chartered Accountants and M/s. Varma & Varma, 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 on actual basis and taxes as applicable.

Any increase in the scope of work and/or specific assignment on account of regulatory/ statutory requirements/ directions shall be paid additionally as may be agreed between the Joint Statutory Auditors and the Bank, as may be approved by the Board on the recommendation of the Audit Committee of the Board.

The proposed additional remuneration for FY 2024-25 and the overall audit fees for FY 2025-26 are in accordance with the provisions of the Companies Act, 2013, and the relevant rules and regulations thereunder, particularly Sections 142 of the Companies Act, 2013. The Board has also ensured compliance with the applicable provisions, if any, of the Securities and Exchange Board of India (SEBI).

The Board of Directors requests the Members to approve the additional remuneration for FY 2024-25

and the overall Audit Fees payable to the Joint Statutory Auditors of the Bank for FY 2025-26, as recommended by the Board set out at the agenda Item No. 4 & 5 of the Notice.

None of the Directors or Key Managerial Personnel of the Bank or their relatives are directly or indirectly interested in the resolutions set out at Item Nos. 4 & 5 of the Notice.

**Item no. 6: Appointment of Secretarial Auditor for a term of five (5) consecutive years from FY 2025-26 to FY 2029-30**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("the Act") and the recent amendments to Regulation 24A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") every listed company is required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to its Directors' Report, prepared under Section 134(3) of the Act. As per the amended SEBI Listing Regulations, listed entity must appoint a Peer Reviewed Secretarial Audit firm for a maximum of two terms of five consecutive years, with shareholders' approval to be obtained at Annual General Meeting. The existing Secretarial Auditors meeting the given criteria are also eligible for such appointment effective from April 1, 2025 onward and their previous tenure not to be counted for the period of aforesaid two terms.

Accordingly, after evaluating and considering various factors such as industry experience, competence of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Bank, based on the recommendation of the Audit Committee and subject to approval of the Shareholders of the Bank, at its meeting held on April 25, 2025, has approved the appointment of Secretarial Auditors viz. M/s. S. N. ANANTHASUBRAMANIAN & Co ("SNACO") (Firm Registration No.P1991MH040400), Company Secretaries, as the Secretarial Auditors of the Bank, for a term of five (5) consecutive years from April 1, 2025 to March 31, 2030, at such remuneration, as may be approved by the Board of Directors of the Bank.

The remuneration to SNACO approved for the financial year 2025-26 is ₹ 8,00,000/- (Rupees Eight Lakhs only) excluding taxes and reimbursement of out-of-pocket expenses for carrying out Secretarial Audit and for issue of the Annual Secretarial Compliance Report. The Board of Directors, on the recommendation of the Audit Committee of the Bank, shall approve revisions to the remuneration of SNACO for the remaining part of the tenure.

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with SNACO.

SNACO is a peer reviewed, and a reputed Practicing Company Secretaries firm established in 1991 by Mr. S. N. Ananthasubramanian, a fellow member and former president of the Institute of Company Secretaries of India ("ICSI"). SNACO has a team of experienced and qualified company secretaries led by five partners. Over the years, SNACO has built a diverse client base, serving local, national and international corporates. Its clientele spans companies in the public sector, FMCG sector, insurance firms, market infrastructure institutions, emerging businesses, leading corporates, and not-for-profit organizations. SNACO offers a wide range of services, including secretarial audits, corporate governance consulting, certifications, and regulatory advisory.

SNACO has provided its consent to act as the Secretarial Auditors of the Bank and has confirmed that the proposed appointment, if made, will be in compliance with the provisions of the Act and the SEBI Listing Regulations.

Accordingly, approval of the Members is sought for the appointment of M/s. S. N. ANANTHASUBRAMANIAN & Co as the Secretarial Auditors of the Bank.

The Board of Directors recommends the resolution for approval by the Members, as set out at Item No. 6 of the Notice.

None of the Directors, Key Managerial Personnel (KMP), or their relatives have any financial or other interest in the proposed resolution set out at Item No. 6 of the Notice.

#### **Item No. 7: Raising of funds by issue of bonds/debentures/ securities on Private Placement Basis.**

The Bank has been borrowing funds from time to time to meet the business requirements within the limits approved by the Members by way of issuance of various debt securities, Bonds/ Debentures as permitted by the Reserve Bank of India ("RBI") and in accordance with the provisions of the Companies Act, 2013 ("the Act") and rules made thereunder, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("SEBI ILNCS"), SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (SEBI Listing Regulations) as amended from time to time and other applicable laws/ regulation as may be applicable from time to time.

In terms of Section 42 of the Act read with Companies (Prospectus and Allotment of Securities) Rules, 2014, the Bank is permitted to make private placement of securities subject to the condition that the proposed offer of Securities or invitation to subscribe Securities has been previously approved by the Members of the Bank, by a Special Resolution, for each of the offers or invitations/ subscriptions. In case of offer or invitation for subscription of non-convertible debentures, it shall be sufficient if the Bank passes a Special Resolution only once a year for all the offers or invitation for subscription of such debentures during the period of one (1) year from the date of passing of the Special Resolution.

Considering the above, the Board of Directors of the Bank at their meeting held on April 25, 2025, has proposed to obtain the consent of the Members of the Bank for borrowing/ raising funds in Indian/ Foreign currency, by issue of debt securities including but not limited to Unsecured Redeemable Taxable Non- Convertible Subordinated Basel III Compliant Tier II Bonds/ Non-Convertible Debentures (including bonds forming part of Tier I Capital/Tier II Capital in accordance with and subject to the terms and conditions specified in the Basel III Capital Regulations prescribed by the RBI), long terms infrastructure bonds or such other bonds as may be permitted by the RBI from time to time in domestic and/ or overseas market, on private placement basis and/ or for making offers



and /or invitations therefor and/ or issue(s)/ issuances therefor, on private placement basis, for a period of one year from the date hereof, in one or more tranches and/ or series and under one or more shelf disclosure documents and/ or one or more letters of offer and on such terms and conditions for each series/ tranches including the price, coupon, premium, discount, tenor etc. as deemed fit by the Board or any committee(s) thereof or such other persons as may be authorized by the Board, as per the structure and within the limits permitted by the RBI, of an amount up to ₹500 Crore (Rupees Five Hundred Crore) (with green shoe option) over and above the outstanding debt securities issued by the Bank and in aggregate for additional Tier I and Tier II Capital within the overall borrowing limits of the Bank (other than overnight borrowings), as approved by the Members from time to time. This would form part of the overall borrowing limits under Section 180(1)(c) of the Companies Act, 2013.

The pricing of the debt securities referred to above depends on various factors which may primarily include the rates prevailing for risk free instruments, rates on other competing instruments of similar rating and tenor in the domestic or overseas markets, investor appetite for such instruments and prevailing investor regulations. Further, the debt securities may be issued on such terms and conditions including the price, coupon, at par/ premium/ discount, tenor etc., as may be determined by the Board any committee(s) thereof or such other persons as may be authorized by the Board, depending upon the prevailing market conditions, as permitted under the applicable laws/ regulations.

The proposed Resolution shall be valid for a period of one (1) year from the date of passing of this Resolution and the offer shall be made to such persons as identified ("Eligible Investors") pursuant to the Act, SEBI ILNCS, and other applicable laws/ rules/ regulations as may be applicable to the Bank from time to time.

None of the Directors or Key Managerial Personnel of the Bank and/ or their relatives are concerned or interested, financially or otherwise, in the passing of this Resolution.

Your Board recommends passing the Special Resolution as set out in Item No. 7 of this Notice for approval by the Members of the Bank.

#### **Item No. 8: Issue of Equity Shares/ other securities convertible into Equity Shares ("Securities") through Qualified Institutions Placement (QIP).**

The proposed Resolution relates to the proposed Issue of Equity Shares/ other securities convertible into Equity Shares ("Securities/ Equity Shares") through Qualified Institutional Placement (QIP) as defined in the text of the Special Resolution thereat to Qualified Institutional Buyers as defined under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") for an amount not exceeding ₹ 750 Crore (Rupees Seven Hundred Fifty Crore).

The Bank proposes to grow secured retail assets (e.g. Housing Loans, Gold Loans etc.), micro SME / SME, mid corporate, agriculture and microfinance businesses. The risk-weighted assets of the Bank are expected to rise with an increase in the business level. In this backdrop, the Bank proposes to shore up its Capital base through issue of Equity Shares. Assuming maintenance of conservative ratio of 11.50% Capital Adequacy on incremental assets, the proceeds of the issue of Equity Shares would enable the Bank to add approximately ₹ 6,522 Crore (Rupees Six Thousand Five Hundred Twenty-Two Crore) of Risk Weighted Assets.

The proposed issuance of Equity Shares in terms of the Special Resolution in the Notice will be in conformity with the provisions of all applicable laws/ regulations. The detailed terms and conditions for the issuance of the Equity Shares as and when made will be determined by the Board in consultation with the Merchant Bankers, Lead Managers, Advisors and such other authorities as may require to be considered by the Bank, considering the prevailing market conditions and other relevant factors. The Special Resolution seeks to give the Board powers to issue Equity Shares in one or more tranches at such time or times, at such price or prices, and to such of the Investors as are mentioned therein as the Board in its absolute discretion deems fit.

Since the Special Resolution proposed in the Notice under Item No. 8 may or will result in the issue of Equity Shares of the Bank otherwise than to the Members of the Bank, consent of the Members is being sought pursuant to the provisions of Sections 62(1)(c) and other applicable provisions of the Companies Act, 2013 and



SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of the Special Resolutions in the Notice. The Board recommends the Special Resolution as set out in Item No. 8 of the accompanying Notice, for approval of the Members.

The Directors, Key Managerial Personnel of the Bank and their relatives may be deemed to be concerned or interested in the Special Resolution as set out in Item No. 8 to the extent that their respective percentage shareholding in the Bank may be affected in the event of the issue of Equity Shares to the Investors pursuant thereto.

#### **Item No. 9: Increase in Borrowing Powers**

In terms of Section 180(1)(c) of the Companies Act, 2013, borrowings by the Bank (apart from deposits accepted in the ordinary course of business, temporary loans repayable on demand or within six months from the date of the loan or temporary loans, if any, obtained from the Bank's bankers i.e., short term borrowings) and raising such borrowings by issuance of bonds and other debt instruments, including Listed Debt Securities, loans/ credit facilities (fund based and non-fund based) availed by the Bank from any person, or the funds borrowed through external commercial borrowings or through such other instruments or transactions, borrowings (any) from banks/ financial institutions for availing refinance or other inter-bank domestic/ forex borrowings, etc., in excess of aggregate of the paid-up capital, free reserves and securities premium of the Bank, require the approval of the Members by way of Special Resolution.

Under Section 180 of the Act, the aforementioned powers of the Board can be exercised only with the prior consent of the Members of the Bank by a Special Resolution. Such an approval from the Members was last secured at the 29<sup>th</sup> AGM held on June 12, 2024 by which the Borrowing limit was increased to ₹ 8,000 Crore (Rupees Eight Thousand Crore).

Considering the growth in business and operations of the Bank, opportunity to raise attractive borrowings as per the guidelines of the RBI on Issue of Long Term Bonds by Banks for financing including that of Infrastructure and Affordable Housing, Basel III guidelines on limit of additional Tier I and /or Tier II capital to be considered for Capital Fund purpose as well as opportunity to obtain refinance from term lending institutions, your

approval is being sought to increase the borrowing limits as specified in the Resolution.

Your Board recommends the Resolution at Item No.9 of the accompanying Notice for the approval of the Members of the Bank by way of a Special Resolution.

None of the Directors or Key Managerial Personnel of the Bank or their respective relatives are concerned or interested, financially or otherwise, in the passing of the Special Resolution at Item No.9.

#### **Item No. 10: Approval for payment of honorarium to Mr. Farokh N. Subedar (DIN: 00028428), Non-Executive Part Time Chairman and Independent Director of the Bank for the Financial Year 2025-26.**

The Board of Directors of the Bank based on the recommendation of the Nomination and Remuneration Committee (NRC) had approved the appointment of Mr. Farokh N. Subedar (DIN: 00028428) as Independent Director of the Bank for a period of three (3) years from October 15, 2022 to October 14, 2025 (both days inclusive) which was approved by the Members of the Bank through postal ballot dated December 20, 2022.

Further, pursuant to the recommendations of the Board of Directors of the Bank, the Reserve Bank of India vide its letter Ref.DoR.GOV.No.S6961/29.03.002/2022-23 dated January 31, 2023 approved the appointment of Mr. Farokh N. Subedar as Non-Executive Part-Time Chairman of the Bank for 3 (three) years with effect from January 31, 2023 at fixed honorarium ₹24,00,000/- p.a. (Rupees Twenty Four Lakh Only) plus reimbursement of actual business-related expenses and one (1) club membership in addition to the sitting fee for attending Board and Committee meetings. The Members of the Bank in the Annual General Meeting held on June 22, 2023, had approved the payments to Mr. Subedar as approved by the RBI.

In terms of provisions of Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI Listing Regulations"), the Bank is required to obtain approval of Members of the Bank for each financial year, by way of Special Resolution, if annual remuneration payable to a single non-executive director exceeds 50% of the total annual remuneration payable to all the non-executive directors in any Financial Year.



Currently, except for the Chairman, the MD & CEO and the Whole Time Director (Executive Director), no other Directors are paid remuneration. The Chairman, the MD & CEO and the Whole Time Director are paid remuneration as approved by the RBI and other applicable authorities. All Directors except the MD & CEO and the Whole Time Director are entitled to sitting fees for attending various Board and its Committee meetings.

Upon excluding the sitting fees for attending the meetings of the Board and Committees which are not considered as remuneration to directors under section 197 (2) of the Companies Act, 2013, the payment of honorarium to be made to Mr. Farokh N. Subedar would exceed 50% of the total annual remuneration payable to all the non-executive directors during FY 2025-26.

Accordingly, approval of Members is sought by way of Special Resolution to enable the Bank to make payment of honorarium of ₹24,00,000/- p.a. (Rupees Twenty-Four Lakh Only) to Mr. Farokh N. Subedar, Non-Executive Part Time Chairman and Independent Director of the Bank for FY 2025-26.

Mr. Farokh N. Subedar, aged 69 years 8 months, is the Non-Executive Part-time Chairman and Independent Director of the Bank. He holds a Bachelor's degree in Commerce and is a Member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He has been on the boards of several Tata companies and has been closely associated with several Non - Banking Financial Companies and companies in the financial service sector. He superannuated from Tata Sons Limited ("Tata Sons") as the Chief Operating Officer and also functioned as the Chief Financial Officer and Company Secretary of Tata Sons. His association with Tata Group spans over 40 years. He has also been the Past President of the Bombay Chamber of Commerce and Industry and actively involved with NGOs in diverse areas.

He has knowledge and rich experience in the field of Accountancy & Audit, Finance, Law, Risk Management and Business Management.

Mr. Subedar does not hold any Equity Shares in the Bank as on March 31, 2025.

He is an independent director on the board of Cummins India Limited and Climate Finance India Private Limited and Non-Executive Director on the board of Tata Industries Limited and Tata Investment Corporation Limited.

Mr. Subedar is not related to any other Directors and Key Managerial Personnel of the Bank. He has attended all Thirteen (13) Board Meetings of the Bank held during the FY 2024-25.

Your Board, therefore, recommends passing the Special Resolution as set forth in Item No. 10 of this Notice.

Except Mr. Farokh N. Subedar and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the above Resolution.

By Order of the Board of Directors  
DCB Bank Limited

Place: Mumbai  
Date: June 16, 2025

Rubi Chaturvedi  
Company Secretary

#### Registered Office:

CIN: L99999MH1995PLC089008  
Peninsula Business Park,  
6<sup>th</sup> Floor, 601 & 602, Tower A, Senapati Bapat Marg,  
Lower Parel, Mumbai 400 013.  
Website: [www.dccbbank.com](http://www.dccbbank.com)  
e-mail: [investorgrievance@dccbbank.com](mailto:investorgrievance@dccbbank.com)

## Annexure-I

A brief profile of Mr. Nasser Munjee and the information in terms of the Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), has been provided below:

<b>Age</b>	72 years and 6 months
<b>Qualification</b>	He holds a Bachelor's degree and a Master's degree from the London School of Economics, UK.
<b>Brief profile</b>	<p>Mr. Nasser Munjee was with HDFC for over 20 years at various positions including as its Executive Director. He was the Managing Director of Infrastructure Development Finance Co. Ltd. (IDFC) upto March 2004.</p> <p>He was the Chairman of DCB Bank Limited since June 2005 till August 2021 and is also on the Board of various multinational companies and trusts. Mr. Munjee has deep interest in rural development, housing finance, urban issues, infrastructure and humanitarian causes etc. He was a technical advisor on the World Bank's Public Private Partnership Infrastructure and Advisory Fund. Mr. Munjee was adjudged best Independent Director by the Asian Centre for Corporate Governance and Sustainability. He was also awarded the Indian Business Leader of the year 2014 by Horasis in Switzerland.</p>
<b>Nature of Expertise in specific functional areas</b>	Accountancy & Audit, Economics, Finance, Banking, Agriculture and Rural Economy
<b>Date of first appointment on the Board</b>	September 19, 2024
<b>Number of meetings of the Board attended during the year</b>	5
<b>Other Directorships</b>	<ol style="list-style-type: none"> <li>1. The Indian Hotels Company Limited</li> <li>2. TMF Holdings Limited (till June 11, 2025)</li> <li>3. Tata Motors Finance Limited (Till May 08, 2025)</li> <li>4. TMF Business Services Limited (till June 11, 2025)</li> <li>5. Indian Institute of Human Settlements</li> <li>6. Greenko Energy Holdings</li> <li>7. Aga Khan Rural Support Programme, India</li> <li>8. Aga Khan Foundation, India</li> <li>9. Anushkaa Foundation for Eliminating clubfoot</li> <li>10. MMTC - Pamp India Private Limited</li> <li>11. Can Care Trust</li> <li>12. Allied Blenders and Distillers Limited</li> <li>13. Arka Fincap Limited</li> </ol>



Memberships/ committees of companies	Chairmanships of the Boards of other companies	Sr. No.	Name of the Company	Name of the Committee	Chairmanship/ Membership
		1.	The Indian Hotels Company Limited	Audit Committee	Chairman
				Risk Management Committee	Chairman
				Corporate Social Responsibility and Sustainability (ESG) Committee	Member
		2.	TMF Business Services Limited (till June 11, 2025)	CSR Committee	Chairman
				Nomination and Remuneration Committee	Member
		3.	Tata Motors Finance Limited (Till May 08, 2025)	Stakeholder's Relationship Committee	Chairman
				Corporate Social Responsibility Committee	Chairman
				Nomination and Remuneration Committee	Member
				IT Strategy Committee (ITSC)	Chairman
		4.	TMF Holdings Limited (till June 11, 2025)	Stakeholder's Relationship Committee	Chairman
				Corporate Social Responsibility Committee	Chairman
				Nomination and Remuneration Committee	Member
		5.	Allied Blenders and Distillers Limited	Stakeholder's Relationship Committee	Chairman
				Risk Management Committee	Member
		6.	Arka Fincap Limited	Nomination and Remuneration Committee	Member
				IT Strategy Committee	Member
<b>Listed entities from which the person has resigned in the past three years</b>		1)	Ambuja Cements Limited on 16/09/2022		
<b>Number of shares held in the Bank</b>			4,401 equity shares		
<b>Relationship with other Directors, Managers and other Key Managerial Personnel of the Company</b>			None		

<b>Terms and conditions of appointment or reappointment including remuneration</b>	Mr. Nasser Munjee shall be re-appointed as a Non-Executive Non-Independent Director, liable to retire by rotation. As a Non-Executive Non-Independent Director, Mr. Nasser Munjee will be entitled to sitting fees and reimbursement of expenses for attending the meetings of the Board and Committees.
<b>Justification for appointment and skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	The Board of Directors of the Bank is of the opinion that Mr. Nasser Munjee continued to be a person of integrity and considering his qualifications, extensive knowledge and rich experience in the field of Accountancy & Audit, Economics, Finance, Banking, Agriculture and the Rural Economy, the re-appointment of Mr. Nasser Munjee is in interest of the Bank. His continuous association would be of immense benefit and value to the Bank and, therefore, the Board recommends his re- appointment as a Non-Executive Non-Independent Director, to the Members.





# DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the Thirtieth (30<sup>th</sup>) Annual Report of DCB Bank Limited (hereinafter referred to as the Bank/ your Bank/ DCB Bank) together with the audited accounts for the financial year ended March 31, 2025 (FY 2025).

FY 2025 is an important milestone in the journey of the Bank as the Bank completed one financial year after the change in leadership in April 2024. The Directors take pleasure in highlighting that the Bank is steadfast in its growth trajectory in a challenging macro-economic environment in terms of tightening of liquidity and credit quality in certain segments like Micro Finance. Your Directors take pride in presenting that despite such headwinds the Bank managed to grow total deposits by 22% and have maintained credit costs at 0.30% of total average assets.

Your Bank also achieved several milestones during FY 2025 including a key milestone of annual Operating Profit of ₹ 1,000 crores.

As we all know, India continues to be one of the fastest growing economies in the World. As the Country marches towards realizing the aspirations of Viksit Bharat by 2047, your Directors believe Micro, Small and Medium Enterprises (MSME/ SME) sector will play a pivotal role in this growth journey of the Nation. Economic Survey Report 2024-25 of Government of India also noted that Micro, Small and Medium Enterprises (MSME/ SME) sector has emerged as a highly vibrant sector of the Indian economy. Your Bank adopted a strategy of serving this vibrant MSME sector for the last 15 years and is well placed to leverage the exponential growth in this sector as India marches towards ₹ 5 Trillion economy and beyond. Your Bank is firmly positioned as a key player having pan India presence with diversified distribution across 20 States and 2 Union Territories, serving entrepreneurs, individuals and business with products and services focused on MSME/ SME sector.

Your Bank has state-of-the-art technology solutions to serve customers. The core banking systems, technology

infrastructure and storage solutions, information security infrastructure etc., have been upgraded over the last few years to create capabilities and capacity to leverage technology for future growth. Your Bank is actively engaged with several partners in leading the way to embed and use generative artificial intelligence (Gen AI) in banking products and services. Your Bank also opened a technology innovation center in Bengaluru to facilitate and incubate new technology ideas and initiatives and support fintech companies in emerging banking technologies.

Organization culture that fosters mutual trust, confidence, fairness and equal opportunities is a key DNA of your Bank. Your Bank has been consistently winning pole positions in 'Great Place to Work' annual awards in various categories.

## FINANCIAL HIGHLIGHTS

The financial performance for FY 2025 is summarized below:

### A. GROWTH

₹ in Crores (rounded off)	FY 2025	FY 2024	% Change
Total Deposits	60,031	49,353	21.6%
Customer Deposits	52,834	44,487	18.8%
Current and Savings Accounts	14,721	12,842	14.6%
Advances	51,047	40,925	24.7%
Investments	20,150	16,211	24.3%
Total Business (Deposits + Advances)	111,078	90,278	23.0%

Your Bank has demonstrated consistent, predictable and sustainable growth during FY 2025. Advances grew by 24.7%, Total Deposits by 21.6% and total business of your Bank grew by 23%.

**B. PROFITABILITY**

₹ in Crores (rounded off)	FY 2025	FY 2024	% Change
Net Interest Income	2,107	1,928	9.3%
Non-Interest Income	751	474	58.3%
Total Operating Income	2,857	2,402	18.9%
Operating Cost	(1,820)	(1,538)	(18.4%)
Operating Profit	1,037	864	20.0%
Provisions Other than Tax	(208)	(142)	(46.3%)
Net Profit Before Tax	829	722	14.8%
Profit after Tax	615	536	14.8%

In FY 2025, your Bank crossed a significant milestone of 'Operating Profit' of more than one thousand crores and achieved an Operating Profit of ₹ 1,037 crores; a growth of 20% compared to FY 2024. Net Interest Income grew by 9.3% despite several macro-economic factors leading to compressions of margins. Your Bank managed to soften the impact of such margin compression by compensating with growth of 58.3% in non-interest income; a large part of which was contributed by regular repeatable income from Third Party Distribution and banking fees for various services. Some components of non-interest income was also realized due to favorable capital markets and enhanced mark to market yield in government securities. Operating costs and Credit costs are largely range bound and are managed effectively through proactive and timely interventions.

The Net Interest Margin ('NIM') was 3.31% and Cost to Income Ratio is at 63.70%; Return on Assets ('RoA') Ratio was 0.89% with corresponding Return on Equity ('RoE') Ratio at 12.30% in FY 2025.

**C. ASSET QUALITY**

Percentages	FY 2025	FY 2024	Basis points change
Gross NPA	2.99%	3.23%	24
Net NPA	1.12%	1.11%	(1)
Credit Costs (to total average assets)	0.30%	0.25%	(5)

Your Bank has a large proportion of secured granular loans given to customers in MSME/ SME & self-employed segments. Your Bank follows a

conservative approach in credit risk taking and has systematically chosen products that have lesser credit losses. In FY 2025 the credit costs of your Bank is 0.30% of total average assets despite significant headwinds in Micro Finance and unsecured retail lending segments. Your Bank managed to lower the impact of these headwinds due to limited exposures to such segments.

Provisions other than tax have increased to ₹ 208.39 Crores in FY 2025 from ₹ 142.48 Crores in FY 2024. Your Bank has been making accelerated provision for Non-Performing Assets ('NPA') in certain cases. In addition, the Bank has also been making periodic Floating Provision and provision against Standard Assets. For FY 2025, Gross NPAs ratio was 2.99% and Net NPA Ratio at 1.12%. The overall NPA Provision Coverage Ratio as was 74.48%.

Your Bank continues to make significant contribution to Priority Sector Lending (PSL) and has achieved the overall PSL target as required by the Reserve Bank of India (RBI).

**D. CAPITAL**

Percentages	FY 2025	FY 2024	Basis points change
Capital Adequacy Ratio - Tier I	14.30%	14.53%	(23)
Capital Adequacy Ratio - Tier II	2.47%	2.06%	41
Overall Capital Adequacy Ratio	16.77%	16.59%	18

Your Bank is well capitalized at 16.77% as of March 31, 2025. For FY 2025, the Bank grew its advances by 24.7% but consumed only 23 basis points of Tier 1 capital; the risk weighted assets stood at 49.43% of total assets at March 31, 2025 (FY 2024 - 52.09%), demonstrating efficient use of capital.

**CREDIT RATING**

During FY 2025, CRISIL Ratings Limited reaffirmed the Bank's rating for Tier II Bonds (under Basel III) as CRISIL AA-/Stable and reaffirmed its rating of the Bank's Certificates of Deposit Programme and Short-term Fixed Deposit Programme as CRISIL A1+. Also, CARE Ratings Limited assigned the Bank's rating for Tier II Bonds



(under Basel III) as CARE AA- / Stable and rating of the Bank's Certificates of Deposit Programme and Short-term Fixed Deposit Programme as CARE A1+.

## DIVIDEND

Your Board is pleased to recommend an enhanced dividend of ₹ 1.35 per equity share of ₹ 10.00 each in respect of Financial Year ended March 31, 2025 ( ₹ 1.25 per equity share of ₹ 10.00 each for the Financial Year ended March 31, 2024).

## MANAGEMENT DISCUSSION AND ANALYSIS

### VISION

The Bank's vision is to be the most innovative and responsive neighbourhood bank in India serving entrepreneurs, individuals, and businesses by adapting "best practices" while ensuring strong governance, good working atmosphere for employees and be responsible towards society and environment.

### STRATEGY

Your Bank continues to remain steadfast in its strategic direction and pursuit of consistent, sustainable, and predictable growth. Your Bank, focuses on MSME/ SME, Self-employed/ small businesses with tailor-made products creating a diversified, granular and secured portfolio which is resilient and scalable. Products offered are carefully designed and calibrated to ensure an optimum and conservative stance on credit risk. Partnerships and strategic alliances play a key role in launching new products and services and deepening and expansion of existing products and services. Under the new leadership, your Bank has further sharpened the focus on launching and deepening products that enhance continuous customer engagement thus ensuring that all banking needs of MSME/ Self Employed customers are met by your Bank thus becoming primary and sought after banking partners for such customers. Information Technology is integral part of the every product/ service and plays an indelible role in the growth trajectory of your Bank.

### TARGET MARKET

Keeping in view our inherent strengths, branch network and expertise, the Bank's target market is mainly small business owners/ self-employed/ small business segment (traders, shopkeepers, business

owners, Micro, Small & Medium Enterprises ('MSMEs') and (Small and Medium-sized Enterprises ('SMEs')). The MSME/ SME sector is a vibrant and dynamic sector of the Indian economy and plays a very important role in its growth. This segment is resilient and displays entrepreneurial spirit. Small enterprises create millions of jobs and maintain social stability. The MSME sector plays a pivotal role in the economic and social development of the country and as per estimates, contributes around 30% to India's GDP.

## GROWTH JOURNEY

Your Bank has chosen a growth trajectory that aims to double the Balance Sheet size every three to four years in a consistent, predictable and sustained basis. The core of this growth will be continued to be built on secured retail lending products like Mortgages, Gold loans, Construction Finance, Terms Loans and Overdrafts to MSME/ SME and mid-Corporates. Agri and Inclusive Banking is an important segment to achieve priority sector targets through products like Tractors, Kisan Credit Card, Agri Gold loans etc and fuel growth in rural and unbanked India. Your Bank has immensely improved its deposit profile over the years by relying mainly on retail deposits and reducing dependency on bulk deposits; and continues to further strengthen the same through innovative products like DCB Happy Savings Account, DCB WOW Account, tailored products and services for senior citizens etc.

The growth journey for next five years and beyond will be largely influenced and depended on two key pillars of your Bank – Human Resources and Information Technology.

Your Bank comprises of 11,057 proud DCBians as of March 31, 2025 and growing steadily. Every addition to this DCB family is thoughtfully chosen, meticulously trained and most importantly engrained with DCB values to ensure the customers feel the consistency in service and experience.

As your Bank enters the next phase of growth, its strategic priorities in information technology include: Deeper AI adoption to personalize banking experiences; Expanded cloud-native architectures for scalability and innovation; Next-gen security tools, including enhanced behavioural biometrics; Smart branch and self-service technologies to improve customer engagement across demographics.

## HUMAN RESOURCES (HR): POWERING PEOPLE FOR POWERFUL FUTURE

DCBians remain central to your Bank's strategy and success. Throughout FY 2025, we continued to strengthen our HR approach by focusing on four key pillars: Build, Develop, Care, and Engage.

### **BUILD: A Foundation for Growth.**

Your Bank is committed to building a strong talent pipeline and supporting meaningful careers. Employees are empowered and encouraged to shape their career paths with support from coaches and mentors. In terms of 'Employer Branding' your Bank's LinkedIn community grew to 5.28 lakh followers, reinforcing Bank's appeal as an employer of choice. 'Top Recruit Competition' is a well-established program catered to further enhance presence and brand recall amongst future talent. In FY 2025 the 'Top Recruit Competition' engaged 16,000 students across 200+ campuses.

### **DEVELOP: Strengthening Capabilities and Leadership.**

Your Bank invests in continuous learning and leadership development. Over 6.44 lakh hours of training was delivered in FY 2025 across the organization, empowering minds, fuelling ambition. DCB Olympiad witnessed participation of over 1,800 employees in skills assessments, with top performers recognized. During FY 2025 targeted leadership development programs like DCB SPRING for branch leaders; curated programs in partnerships with IIM Shillong and TAPMI to sharpen sales and leadership skills, 47 development certification programs with leading Industry Institutes, robust training in ethics, POSH, AML/KYC, Compliance culture etc., were delivered.

During FY 2025, your Bank embarked on a unique initiative of identifying and grooming the next generation of leaders who will transform and lead the Bank in future under a flagship program called '45 Under 45'. Under this program 45 leaders under the age of 45 years, cutting across various business and functional units of the Bank were handpicked by the management team and are being put through strenuous and tremendously enriching real time projects/ tasks in the Bank which are beyond and outside their current role and span of control. Each project is assigned a sponsor and mentor from within the senior management team. These projects offer unique learning experience to the '45 under 45' emerging leaders and prepare them for the future.

### **CARE: Well-Being at Heart.**

Your Bank prioritizes the physical, emotional, and social well-being of our employees. As part of wellness movement, the Walkathon Challenge rallied 2,400+ employees across India, clocking 12.55 crores steps in 10 days—proof of our unstoppable spirit! Engaged 3,000+ employees across regions in Health Carnivals. All DCBians have access to 'Doctor on Call' App which provides free 24/7 medical consultations, Employee Assistance Program ('EAP') with 1to1Help. During FY 2025, about 4,748 DCBians volunteered in 88+ CSR initiatives—planting 101,935 trees, cleaning lakes, preserving heritage, and supporting communities.

### **ENGAGE: Fostering Connection and Recognition.**

Your Bank creates an inclusive, motivating workplace. Your Bank provides a plethora of tools to all employees for various needs and expectations, namely, the Virtual Chief Listening Officer, AI-driven feedback at every milestone—because listening leads to action; DCB Assist AI chatbot for instant HR support; EVU 2.0: Our cloud-based HR platform—simpler, smarter, and more inclusive.

Your Bank has a strong culture of appreciation and recognition for outstanding performances and fostering camaraderie and bonding. Some of the flagship programs are: DCB Spotlight - recognized 1,100+ regional achievers; 'Movers & Shakers' that celebrates and recognizes 100+ awardees at annual event in presence of the MD & CEO and management team. DCB Allympics to promote sports, laughter, and teamwork was held across 14 locations.

DCBians are also engaged through: YOUnity: Vibrant, employee-led WhatsApp communities—connecting passions and people; High Decibel: quarterly newsletter—spotlighting stories that inspire; Hour HR: Live radio show—where questions meet answers, and ideas spark action; Regional Forums: Frontline feedback and solutions; EORO: Digital feedback with 95% reach - every opinion matters; Internal Branding: Highlighted career mobility, referrals, and success stories to strengthen pride and advocacy.



## INFORMATION TECHNOLOGY

FY 2025 has seen increased dependence and adoption on digital technologies for banking needs.

### Data Infrastructure Designed for Scale

DCB Bank's technology backbone is engineered for scale, agility, and data-driven intelligence. With a heterogeneous technology stack comprising IBM, Dell and HP infrastructure, operating on AIX, RHEL, and Windows OS, the Bank's applications leverage enterprise platforms such as JBoss, WebSphere, and Tomcat to enable seamless and reliable transaction processing.

Cutting-edge storage systems from Hitachi and IBM, enhanced by NVMe technologies, ensure high-speed data access and reliability. The deployment of Cohesity's object storage and tapeless backup architecture modernized the Bank's data protection strategy, enabling rapid recovery and compliance with data localization requirements.

### Resilient, Scalable Network for 'Always-On' Banking

Your Bank has fortified its network infrastructure with over 1,000 active links ensuring high availability across branches, ATMs, data centres and DR sites. The rollout of Software-Defined Wide Area Network (SD-WAN) technology has not only optimized bandwidth usage but also drastically improved branch-level application performance, enabling consistent and responsive customer interactions.

This architecture supports high-volume digital transactions, low-latency payment flows, and seamless functioning of UPI, IMPS, NEFT/ RTGS and real-time reconciliation systems—critical for serving retail customers, mid-corporates, MSMEs, and non-resident customers.

### Digital Banking: Driving Seamless Access & Inclusive Growth

Your Bank's digital offerings, including DCB Mobile Banking App, Internet Banking, and Business Banking solutions, offer customers 24x7 access to banking and investment services. Products like DCB Zippi Fixed Deposit, DCB EazyBee Mutual Fund, and DCB Remit (international transfers) have been designed for simplicity, speed, and safety — contributing to significant growth in digital products in recent years.

The Bank's Online Dispute Resolution ('ODR') platform, launched in partnership with NPST in 2024, integrates automation and to deliver rapid complaint resolution and compliance transparency. These advancements support DCB Bank's strategy to serve digitally aware retail clients with frictionless self-services.

### Cybersecurity at the Core of Customer Trust

Recognizing the rising complexity of digital threats, your Bank has made cybersecurity a cornerstone of its technology strategy. The Bank's ISO 27001 - certified Information Security Management System ('ISMS') is reinforced by a 24x7 Security Operations Center ('SOC'), equipped with AI-enabled monitoring and threat intelligence capabilities. This real-time defence posture ensures system integrity across both cloud and on-premises environments.

DCB Bank's strategic partnership with CyberArk, initiated in 2024, fortifies privileged access across thousands of internal and customer-facing systems. The implementation of behavioural biometrics further elevates security—analysing unique user behaviours such as keystroke dynamics and navigation patterns to enable adaptive authentication. These innovations protect customers without compromising user experience and ensure compliance with evolving mandates by regulator.

In today's hyperconnected world, cybersecurity is not merely a regulatory requirement—it is foundational to customer trust. "Our layered defence strategy, powered by AI, behavioural analytics, and advanced access controls, places DCB Bank among top tier in banking security practices."

Following were some of the key technology initiatives of Bank during FY 2025:

- DCB Bank Website was upgraded with enhanced user experience and better presentation of Banks products & services.
- DCB Bank has further strengthened its compliance by making live Asset Liability Management ('ALM'), AML with customer-wise alerts and Task Central Applications.
- Adoption of ISO 20022 standards for NEFT messages



- Behavioral Biometrics implemented for the Bank's Internet Banking for step up authentication and detecting suspected fraud.
- UPI registration is enabled for international mobile numbers with no additional cost. Additional features in UPI are available to customer like UPI Lite, Autopay, delegation.
- Continuous clearing of cheques is live resulting in reduced settlement risk for participants.
- Strengthening of digital medium is showcased by upgrading of DCB API Platform with integration of more than 180 + API's.
- Launched Payless Secured Credit card for cumulative FD is live for customers.
- Launch of DCB Women's ('WOW') saving account with benefits of low AQB, Insurance cover upto ₹10 Lakhs on Debit Card and cashback benefits on UPI transactions.
- DCB Bank has gone live with Electronic Bank Guarantee Trade Zone eBG, 74 different types of documents are now available in 'DCB My Documents', IMPS enabled for NR customers, Enach is enabled in Gold Loan & Finnone.
- DCB Bank has started issuing Insta Debit card for DCB Niyo customer to enhance user experience.
- Priority processing via Cube ensured faster service to high value customer.
- Finnone loans self service option like SOA, Interest certificate, repayment schedule are available via WhatsApp banking for Existing To Bank customers.
- DCB Bank has automated online outward remittance platform for the resident Indians to transfer money abroad from India.
- Four insurance partners onboarded via Bancaedge application, covering the entire Branch Banking Insurance business.
- Gold Loan Key Fact Sheet ('KFS') is now sent digitally instead of paper printout and Gold Loan Account opening STP helped in reduction of TAT and manual effort leading to gold loan disbursal in less than 30 mins.
- Payout calculation automation for Tractor/ CV/ Auto Dealer/ Mortgage/ Construction Finance is automated by introduction of ezPayout application.
- Enhancements like PAN update, FATCA Declaration, Add Nominee, RTGS, SIM binding were live in Mobile Banking and Form15GH, Add Nominee, NEFT / RTGS 24\*7 in Internet Banking.
- CBDT/ GST portal is now directly integrated with Income Tax department for account validation service.

DCB Bank is looking forward to adopting further entrenching use of emerging technologies like AI/ ML, Blockchain, IoT, Edge Computing, Robotic Process Automation, API Banking, Metaverse, conversational banking, BigData to bring much more needed futuristic customer services, newer business models, operational excellence with automation.

By embracing these technologies, your Bank aims to offer its customers futuristic services and newer business models, while achieving operational excellence with automation. The implementation of these technologies will also enable the bank to automate customer interactions, enhance the security and transparency of financial transactions, offer personalized services based on real-time data, and create new ways of engaging with customers.

Your Bank's technology roadmap is crafted not just for the present—but for the digital future of banking in India and supports to our retail customers, MSME/ SME and/ or global travellers seeking seamless digital solutions. We are committed to empowering every customer with secure, intuitive, and agile banking experiences.

#### **BUSINESS INTELLIGENCE UNIT ('BIU')**

In FY 2025, the BIU evolved into a full stack Analytics Centre of Excellence, embedding data-driven decision-making across the Bank's value chain—from customer acquisition to risk management. Your Bank deployed a modern, scalable architecture comprising an Enterprise Data Lake on GPU-enabled servers, supporting advanced analytics, machine learning, and GenAI use cases. Your Bank's technology stack—including Cloudera, Hadoop, Kafka, SAS Viya, Python, R, and Spark—ingests and harmonizes millions of customer and transaction records monthly, enabling hyper-personalization, next-best-



action recommendations, predictive forecasting, risk analytics, and AI-powered chatbots. This integrated framework has streamlined decision workflows, strengthened customer engagement, and enhanced risk monitoring throughout the Bank. Over the past year, the Bank has introduced predictive attrition and savings propensity models, further sharpening its ability to anticipate customer needs. Looking ahead, the BIU will deepen its GenAI investments—extending AI-driven insights into digital and branch channels - to drive deposit growth, optimize cross-sell strategies, and elevate customer satisfaction across all segments.

## RETAIL BANKING

Retail Banking offers unique products for meeting financial needs of individuals and businesses. The Bank follows a multi-product approach which results in “all products being offered in all branches” subject to customer demand in the branch catchment area. To remain competitive, the Bank is particular about the quality and timeliness of service delivery. The Bank has a wide range of products that cater to the various financial needs of the customers.

## GOVERNMENT BUSINESS (COLLECTION OF DIRECT AND INDIRECT TAXES)

The Bank has integrated with Government of India - Income tax portal [TIN 2.0] and Goods and Service Tax [GST] portal. This enables the taxpayer to make all types of Direct Taxes and GST payments online and at branches. Further, it provides a convenient way for individuals and businesses to pay their tax seamlessly.

## DEPOSITS

Your Bank continues to be amongst the top banks in India in terms of offering attractive interest rates in both Savings Accounts and Fixed Deposits. In FY 2025, the Bank continued to build its granular deposits by offering attractive benefits and interest rates in Savings Accounts and longer tenor Fixed Deposits. In FY 2025, your Bank launched the DCB Special Programme which is a unique offering for Resident Individual customers where their financial aspirations are addressed by exceptional service and bespoke features. Customers get access to a comprehensive suite of benefits and services designed to meet their banking requirements. With an allocated

relationship manager, customers can expect a high level of personalized attention. Your bank also launched an exclusive women's account - DCB WOW. This specially curated account comes with unique privileges and benefits specially tailored for women customers. It is designed to empower women to manage banking in an uncomplicated manner and achieve their financial goals. Both, DCB Special and DCB WoW have received very encouraging responses from customers and prospects.

The Bank's Savings Account and Fixed Deposit book recorded a growth of 19% and 24 % respectively over the FY 2024. The top 20 deposits ratio was at 6.61% at the end of FY 2025 as compared to 6.57% at the start of the year.

## MORTGAGE AND MICRO MORTGAGE LOANS

Mortgage is the prime lending product for the Bank and contributes about 53% of the Bank's Advances book. As part of the Mortgage business, the Bank offers both Home Loan and Business Loans/ Loan Against Property to self-employed and salaried segments in the neighborhood areas of the Bank's branches. The purpose of these loans, inter alia, are property purchase, home improvement, home repairs, business requirements (purchase of plant and machinery, purchase of stocks, purchase of shops, working capital) and personal expenses such as education, marriage or medical. Micro or small ticket Mortgages are most suitable in Tier 2 to Tier 6 locations. Many customers in the rural and semi-urban areas derive income from informal sectors or trades and at times do not have sufficient documents to support their income/ repayment capacity for obtaining loans. The Bank has demonstrated the ability to assess the household income for such customers by adopting a method of in- depth personal discussions with the borrowers and co- borrowers. Apart from creating a robust portfolio, the Bank has been able to achieve financial inclusion goals. Most of these micro loans qualify under the Priority Sector Loan ('PSL') norms of the RBI. A part of the Bank's portfolio qualifies long term refinance from National Housing Bank ('NHB').

The Mortgages business continued to expand very well during FY 2025 with increased sourcing from the targeted segments. The Bank offers housing loans under the Pradhan Mantri Awas Yojana ('PMAY') 2.0 scheme, aiming to provide affordable housing to urban poor and middle-class families.

## CONSTRUCTION FINANCE ('CF')

The construction sector is an important contributor to the growth of the economy. Affordable housing in both rural and urban areas is one of the key thrust areas for the Government of India. The implementation of Real Estate Regulation & Development Act, 2016 in most states, has brought in much needed transparency in this sector, creating favorable conditions for home buying and financing. The Bank's approach is to focus on reputed builders with a strong track record of delivery who are primarily concentrating in the affordable and mid-segment housing segment. At the same time, the strategy is to be cautious and limit exposure per builder/ project. The Bank has established processes to monitor sales, collections, and utilization of funds towards project completion. In FY 2025, the country witnessed many new projects launches resulting in strong buying in the affordable and mid-segment housing units across most of the geographies. The Bank expects sizable opportunity in lending to affordable and mid-segment housing projects. The Bank has construction finance customers spread across Ahmedabad, Baroda, Surat, Bengaluru, Delhi, Hyderabad, Vishakhapatnam, Chandigarh, Pune & Mumbai.

## LOAN AGAINST GOLD

Loan against Gold is offered in most of the Bank branches. Your Bank has focused on improving customer experience and service by continuously investing in process improvements through in-housing of valuation process and significant enhancements of the front-end system used for loan processing. Most of the verification and validation processes have been automated leading to faster turnaround and improved customer experience. The Bank has invested in improving controls to avoid operating errors and fraud losses.

## INSURANCE AND MUTUAL FUNDS DISTRIBUTION

The Bank has corporate agency tie-ups for distribution of life insurance, health insurance and general insurance. The Bank has a distributor license and operates under the ARN #0353. The Bank has various Mutual Fund houses empanelled through which it distributes various mutual fund schemes. This enables the Bank to deepen the customer relationship in addition to the fee income earned from the Mutual Fund houses.

The IRDA IC-38 Specified Person ('SP') is a mandatory certification for employees involved in the sale of insurance products. As on March 31, 2025, the Bank has 3,700 staff PAN India, certified as SP. The NISM-Series-V-A: Mutual Fund Distributors ('MFD') Certification Examination is a mandatory certification for individuals involved in the sale and distribution of mutual fund products in India. As on March 31, 2025, the Bank has 764 staff PAN India, certified for NISM V A.

## TRADITIONAL CUSTOMER BANKING

In FY 2010, with a vision of strengthening neighbourhood banking, the Bank set up a separate vertical to focus on Traditional Customer Banking. The aim was to address the specific needs of the vintage neighbourhood customers and to provide personalised solutions wherever possible. This perhaps is the purest form of neighbourhood banking and is directed towards addressing small credit needs such as education, personal, business and working capital.

## NON-RESIDENT INDIAN (NRI) BUSINESS

The Bank has a dedicated NRI unit. Depending upon the opportunity, the Bank has specialized Relationship Managers in select branches across India. In FY 2025, NRI Savings Account balances grew by 10% and FCNR (B) deposits grew by more than 64%. NRI customers contribute to 7.19% of total deposits.

## BRANCH EXPANSION & ATM

The number of branches, as on March 31, 2025, stood at 464 [251 Retail branches and 213 branches in Agri and Inclusive Banking (AIB)]. Of these, 87 branches are in rural areas (approximately 19%) and 114 branches are in semi-urban areas (approximately 25%). The focus has been on using cost effective eco-friendly material for refurbishing while creating a standard uniform look and feel to provide a unique, positive, and seamless banking experience to customers.

The Bank had 435 ATMs as on March 31, 2025.

## CORPORATE BANKING ('CB')

The Bank's intention is to have a niche presence in Corporate Banking. This business operates across India with regional offices in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata, and Mumbai. The objective is to provide a complete range of commercial



banking solutions including Foreign Exchange, Trade Finance and Cash Management. The Bank has a robust underwriting and credit system to address the inherent risks in Corporate Banking. The emphasis is on building a secured loans portfolio and creating long-term relationships with high quality corporate customers. Corporate Bank during the year maintained a diversified loan book while continuing to build on the short-term products. This unit is also responsible for cross-selling other products of the Bank including raising wholesale deposits thereby being self-reliant and enabling to maintain a healthy mix of retail to wholesale deposits across diverse industries. The momentum is likely to carry on in the coming years with the unit leveraging on existing customers as well as focusing on adding new customers to the Bank.

### MSME & SME

The Bank's core target segment is MSMEs/ SMEs. It is a large and vibrant sector. It is the backbone of our economy. This segment has positive signs of growth and rebound. The Bank strives to be the business partner of MSMEs/ SMEs by offering custom made solutions to meet the credit demand of the segment. The Bank offers a range of products and personalised services including Working Capital, Foreign Exchange, Cash Management, Trade Finance and Internet Banking. Given the inherent advantages associated with this segment the Bank aims to have large portfolio of small ticket secured exposures.

### Trade Receivables Discounting System ('TReDS')

In FY 2021, the Bank commenced participation on Trade Receivables Discounting System ('TReDS'), a unique digital capability that provides assured and faster financing to MSMEs/ SMEs who are providing goods and services to larger companies. TReDS is improving the flow of finance to MSMEs/ SMEs. During FY 2025, the Bank has financed more than 1,700 number of MSMEs through 6,300 Invoices in TReDS platform.

### AGRI AND INCLUSIVE BANKING ('AIB')

AIB unit's primary objective is of achieving financial inclusion, PSL and enhancing the Bank's footprint in the rural and semi urban areas. At the end of March 31, 2025, AIB had 213 branches in 14 states of India. There are many opportunities to offer simple innovative products backed by superior technology in the rural and semi

urban areas of India. Many of the new branches are in Tier 2 to Tier 6 locations. There is a constant endeavor to cater to the underbanked and unbanked population of the country through a wide range of products, for example, zero balance savings account, small recurring deposit account, small loans to match the income and cash flow cycle. AIB also coordinates the entire PSL efforts for the Bank and is primarily responsible for achieving the financial inclusion targets.

### Pradhan Mantri Jan-Dhan Yojana ('PMJDY')

In FY 2025, the Bank actively participated in PMJDY program. The Bank had 54,765 PMJDY accounts as on March 31, 2025. The Bank has enabled Rupay Debit Cards for PMJDY account holders.

### Pradhan Mantri Suraksha Bima Yojana ('PMSBY'), Pradhan Mantri Jeevan Jyoti Bima Yojana ('PMJJBY'), Atal Pension Yojana ('APY')

The Bank successfully reached out to unbanked and economically weaker population through PMSBY, PMJJBY and APY programs that are designed to bring social security. Your Bank had 14,057 customers under PMSBY, 6,243 customers under PMJJBY and 15,131 customers in APY as on March 31, 2025.

### Basic Savings Bank Deposit Account ('BSBDA')

BSBDA has replaced "No frills account". This is a wonderful product for achieving financial inclusion especially for those who have limited transaction needs in the low-income group. The Bank had 14,307 BSBDA accounts as on March 31, 2025.

### Kisan Mitra

"Kisan Mitra" as the name suggests, is a deposit product, which fulfils the requirement and enhances the savings habit in rural areas. It is a product specially designed for farmers. It is a modified Savings Account with zero account opening amount and no maintenance charges.

### Retail Agriculture Loan and Kisan Credit Card ('KCC')

To meet the credit needs of the farmers, the Bank has retail agriculture products like Kisan Credit Card that aims at providing adequate and timely credit support to the farmers for crop cultivation and allied activities. Under the KCC program, the Bank offers Cash Credit/ Overdraft to farmers for purchasing seeds, fertilisers, pesticide for crops cultivation and Term Loan facilities for land levelling, irrigation and purchasing farm equipment.

### Tractor Loans

Tractor Loans are an integral part of the total agricultural equipment sector and is a direct indicator of growth in the agricultural sector. The Bank has steadily built its business across Tier 2 to Tier 6 branches. Tractor loans helps the Bank to partly meet PSL targets for agriculture and small and marginal farmers set by the RBI. The Bank has benefited small and marginal farmers in farm mechanization improving their yield and allied income.

### Microfinance Institutions ('MFIs') and Business Correspondents ('BCs')

The Bank lends to MFIs who in turn lend directly to end borrowers. Over time, the Bank has created a network of MFI relationships across India. In 14+ states of India, the Bank has provided Joint Liability Groups ('JLGs') unsecured loans through Business Correspondent ('BC') partners to promote economic activities. Group loans from the Bank have enabled unprivileged customers to avail small loans from the banking sector instead of high cost borrowing from money lenders. These loans are usually provided to small farmers and weaker sections mainly in rural areas. To support the growth, the Bank has an efficient software system for managing BC Loans. This software helps maintain adequate information about the borrowers under JLGs. It provides a common platform for both, the Bank, and the BCs for seamless processing of loans and has added immense value by reducing the loan disbursement cycle time.

### Educational Institute Loans

The Bank has a lending programme for the education segment. It provides loans to schools and vocational colleges for infrastructure development which helps to impart quality education to students. The Bank provides loans based on the requirement of the institution by conducting inter alia detailed study of the institution, number of students, curriculum, financials, cash flows and promoter reputation. This product helps the Bank to cater the education segment and boost the social infrastructure development of the country. Along with term loan, the Bank provides overdraft facility to educational institutes for their working capital requirements. The Bank also offers specialized Current Accounts along with fees collection solution to educational institutes.

### CO-LENDING PARTNERSHIPS

One of the key strategies of the Bank is to enter alliances with entities whose products and services enables the Bank to improve customer acquisition and retention. Apart from new and enhanced products, the alliances help in speed to market.

Co-Lending is a unique concept enabled by the RBI. The Bank's intention is to partner with Non-Banking Financial Sector Companies 'NBFCs') that may be offering products not currently offered by the Bank or segments not served by the Bank. As at the end of FY 2025, the Bank has active Co-Lending Partners for Fifteen (15) different Product Partnerships. The Bank has a well-diversified Co-Lending product portfolio with multiple products such as Gold Loans, School Finance, Business Loans (Secured & Unsecured), Micro enterprise Loans, Housing Loans etc. Co-Lending continues to be an integral part of Bank's business growth plans.

### ALTERNATE CHANNELS AND DIGITAL BANKING

#### Phone Banking

In FY 2025, the Bank's Customer Care Associates attended approximately 91,000 calls per month and out of which 30,000 calls per month are self-served on Intelligent Interactive Voice Response ('IVR'). The Bank has invested in technology and infrastructure to take customer service to new heights, which has been further enhanced by implementing key projects on customer experience, namely - C-SAT Survey on IVR; Customer First Unit; DCB Niyo Unified Desk with 24X7 services; Dedicated desk for high value segment customers with 24X7 services; DCB Niyo Branch Helpdesk exclusively for branch banking team; Call back option on IVR etc.

The above initiatives helped your Bank to ensure customers reach contact center and access their account much easier than before. Further, the Bank has also implemented a range of new customer-centric policies, designed to ensure that the customers receive the best-in-class service from the Bank. To provide uninterrupted service and load balancing, the Bank has trained its branch staff to take phone banking calls that are routed to the branches using a unique technology solution. This has in some ways redefined call center and customer service in the industry. Keeping its focus to ensure minimum time is spent by customers on the call,





the Bank has invested in a knowledge management tool, to ensure the associates get information in the shortest possible time without making the customer wait.

The Bank has ensured that its Customer Care Associates can interact with the customers in 8 languages (English, Hindi, Gujarati, Kannada, Marathi, Odiya, Tamil and Telugu). Adoption inter alia of new technology, load balancing, multi-skilled officers and regular intervention by the training team has enabled the contact center team to provide timely and quality service to customers.

### **DCB Unified Payment Interface ('UPI') and Bharat Bill Payment System ('BBPS')**

UPI continues to be the dominant channel for digital payments and our UPI platform has shown substantial growth in FY 2025, with a remarkable increase in transaction volume and value, strengthening the Bank's position in the digital payments space. The Bank has successfully processed over 84 million outward transactions during FY 24-25 with 96% success rate, a testament to our robust infrastructure and widespread consumer acceptance.

In line with the Bank's commitment to innovation, the Bank has launched new features such as UPI Autopay for recurring payments and in the process of introducing UPI Global to facilitate seamless cross-border transactions. The Bank has launched the UPI Lite to boost up low value offline retail payments. These enhancements have not only improved user experience but also expanded the "use case" for UPI, driving greater financial inclusion. In another key addition, the Bank has also introduced Aadhar based onboarding in UPI which will further penetrate the inclusion of UPI among our customer base.

Bank also participated in a Global event (GFF) and was one of the member pilot batch of banks along with NPCI during the Launch of UPI Circle. We have also taken a strategic step in UPI by being a sponsor Bank for third party UPI Applications. This initiative will further strengthen the Bank's presence in this dynamic digital payment era.

The BBPS platform has seen unprecedented growth this fiscal year, and the Bank has made about 22,000 billers available on the Bank's channels like Mobile Banking and Internet banking. The number of active billers on the Bank's platform led to a significant uptick in consumer convenience and usage, as more users are now able

to pay a wider array of bills, ranging from utilities to school fees, through a single interface. The Bank has also successfully integrated innovative solutions to the BBPS platform, reminders for bill payments and a unified online dispute redressal mechanism. The Bank has also successfully integrated innovative solutions to the BBPS platform, reminders for bill payments and a unified online dispute redressal mechanism.

### **DCB Debit Cards**

The Bank focuses on constantly improving offerings, features, and security on Debit Cards. It offers a wide range of Debit Card products like Platinum and Classic cards, as well as specialised cards like DCB Travel Smart, which is beneficial for international travellers as it offers competitive foreign exchange mark up, as well as complimentary travel insurance. The Bank's cards also have highly sought after features like contactless payment (Tap and Pay) and e-mandate for ease of recurring payments. From a security and control perspective, the Bank has enabled instant response to customers for failed transactions.

### **DCB Niyo Global Card**

DCB Niyo Global Card is a Debit Card powered by Visa and issued with DCB Niyo Savings Account. This program is segmented especially for customers travelling abroad which provides competitive exchange rates making the product a very compelling proposition. Cardholders are provided with a mobile application that includes security features, allowing them to enable or disable card usage, adjust transaction limits, and block or unblock their card. Customers are on-boarded using a complete end to end digital on-boarding journey with an option of an insta kit.

### **DCB Payless Credit Card**

The DCB Payless Secured Credit Card, backed by Fixed Deposit, launched in January 2025, offers a streamlined and user-friendly solution for financial management. With an efficient and hassle-free application process through the DCB mobile banking app, this secured credit card is available in two variants—Select and Platinum—to cater to diverse customer needs. This card provides a comprehensive suite of features, allowing users to conveniently manage card limits, track transactions, adjust billing cycles, access and download monthly statements, make payments, request limit enhancements, and more- all directly within the app. Designed with

versatility in mind, the Payless Credit Card supports both domestic and international transactions seamlessly.

Adding to its appeal, the DCB Payless Credit Card offers an array of exclusive benefits, including cashback rewards, access to premium lounges, surcharge waivers, and other valuable perks, enhancing the overall customer experience.

## **TREASURY, MONEY MARKET AND FOREIGN EXCHANGE**

### **Treasury**

Treasury actively manages liquidity, compliance with Cash Reserve Ratio ('CRR'), Statutory Liquidity Ratio ('SLR'), trading in fixed income securities & currencies, and participating in Initial Public Offers ('IPOs') (Equity). It also shares the responsibility of interest rate risk management of the Bank. In FY 2025, the Bank strengthened the Treasury function by adding more expertise and improving system functionality. As a result, the Bank expects to have stronger controls and more products in the future. The Bank was proactive in managing fixed income securities as central banks across the globe turned neutral/ dovish from their hawkish stance. Amidst volatility in bonds yield across the world with mixed signals of growth and inflation, Reserve Bank of India turned dovish in Q4 FY 2025 delivering a rate cut. The Bank selectively invested in equity IPOs and booked profits by way of listing gains.

### **Money Market**

Banking sector system liquidity turned from deficit to surplus with RBI pro-actively injected liquidity through both the main and the fine-tuning repo operations along with FX Swaps and Open Market Operations to ease the situation. During the latter end of the FY 2025, tracking February MPC decision, interest rates started inching lower tracking RBI repo rate cut and thrust on liquidity.

### **Foreign Exchange ('FX')**

The Bank's actively participated in the FX market and conducted proprietary trading, market making and managing flows for merchant transactions. INR volatility rose driven by elevated global uncertainty. As on April 11, 2025, India held foreign exchange reserves worth US\$ 677.8 billion, sufficient for about 11 months of imports and 94 per cent of external debt outstanding at end-December 2024. At its current level, India holds the world's fourth largest foreign exchange reserves.

## **COLLECTIONS AND RECOVERIES**

The Bank's collections and recoveries function is entirely managed by an in-house team operating across 489 locations nationwide, combining digital innovation with customer-centric solutions while maintaining strict risk controls. We have implemented a robust technology framework featuring automated payment reminders, self-service options on DCB portal, and seamless digital repayment channels to enhance convenience and efficiency. Our predictive analytics models and behavioral scoring algorithms provide early warning signals, enabling proactive SMA & NPA management through dynamic, risk-based collection strategies. Customer experience remains central to our approach, with personalized repayment counseling, flexible restructuring options, and financial literacy initiatives. Complementing these efforts is our strengthened recovery infrastructure, including a centralized legal unit and optimized workflows for accelerated resolution. Through continuous investments in automation, process re-engineering, and advanced analytics, we have built a scalable, compliant collections ecosystem that balances recovery effectiveness with customer support, ensuring sustainable portfolio health while adapting to evolving market conditions.

## **OPERATIONS: DRIVING EFFICIENCY & CUSTOMER-CENTRIC GROWTH**

The FY 2025 has been a period of remarkable achievement and strategic advancement for the Operations Unit. Faced with unprecedented growth in transaction volumes across all our Operational Units, including the critical 24/7 functions of the Centralised Payments Centre and clearing units, your Bank has successfully met escalating customer demands while significantly enhancing efficiency and maintaining stringent cost controls.

The Bank's strategic emphasis on automation and productivity improvements has been instrumental in enabling the Bank to seamlessly manage substantial volume increases.

Revolutionizing customer onboarding with its enhanced CUBE platform has helped the Bank to process over 200,000 applications in FY 2025. Over 90% of Account Opening Forms ('AOF') submitted via CUBE by branches are now processed and customer accounts opened by



the National Processing Centre within the same day, a dramatic improvement from the previous five-day average. Furthermore, KYC refresh via CUBE's biometric functionality is completed within seconds, significantly enhancing customer convenience. Priority processing was also introduced for high-value customers, ensuring an expedited and exceptional service experience.

The Bank has also strengthened its User Access Management ('UAM') framework with the implementation of 'BAAR IGA', a comprehensive application providing Identity and Access Management, governance, administration, and Single Sign-on capabilities for secure employee and user access to applications.

Our upgraded Delivery Management System now features real-time dashboards and multi-courier pincode mapping, enabling us to digitally send over 80% of customer communications.

A strategic tie-up with MPI ('MCT') has also enhanced our card production capacity, improving turnaround times and optimizing procurement.

24x7 Operational Prowess of the Centralised Payments Centre ('CPC') efficiently handled approximately 263 lakh transactions during the year with a perfect record of zero operational loss. The Bank successfully implemented a new, innovative NEFT/ RTGS technology solution to support increased volumes and 24x7 services.

Additionally, Internet Payment Gateway Reconciliation and auto-posting of refunds and settlements were introduced, alongside upgrades to our CMS collection application and the enabling of auto-posting in core banking for the Debit Card Reconciliation System, including instant email communications to customers. IFSC automation from SFMS to Core Banking System has also been completed, preventing transaction rejections.

Uninterrupted clearing services continued to operate 24x7, processing 59.01 lakh transactions in FY 2025 with an exemplary record of zero operational loss and no customer complaints.

The Central Payment Office significantly upgraded its vendor payment system with enhanced controls and features like PAN and GST validations, improving turnaround time and reducing operational errors. Employee CTC reimbursements are now completely digital, cutting turnaround time by over 90%.

The Bank has significantly streamlined its Bank Guarantee ('BG') process with the live implementation of eBG issuance through the NeSL platform in August 2024. Customers can now submit BG applications via PIB/ BIB, leading to paperless issuance and reducing turnaround time from hours to minutes. Regulatory controls for Legal Entity Identifier ('LEI') checks have also been built into the system for all Trade Finance transactions.

**Gold Loan Optimization:** The Bank's upgraded Gold Loan customer onboarding process focuses on reducing turnaround time and paperwork. Digital sign-off on the Key Fact Statement ('KFS') cum Sanction letter and straight-through processing for customer account opening have reduced processing time by almost 30 minutes per application.

**Treasury Management System Upgrade:** Last year, the Bank has successfully upgraded its Treasury Management system from 'Credence' to 'TCS', ensuring IND AS compliance was made live and TCS FX moved to the new system. Reporting of Foreign Exchange Transactions to the Trade Repository - CCIL was also made live.

The culmination of strategic initiatives over recent years - encompassing the implementation of cutting-edge technology solutions, rigorous quality control enhancements, comprehensive process overhauls, continuous staff training, and the cultivation of a motivated and focused workforce - has collectively empowered our various operations units. These efforts have directly led to faster services for customers, the sustained achievement of zero operational losses, and the seamless management of increased transaction volumes.

Looking ahead, the ongoing commitment to further automation and productivity enhancements, will ensure the Bank's sustained operational excellence and continued leadership in customer service.

## RISK MANAGEMENT

Risk is an integral part of the banking business and the Bank's aim is to maintain portfolio quality by making appropriate risk/ reward trade-offs. The Bank inter alia is exposed to credit, concentration, market, country and counterparty bank exposure, liquidity, operational, fraud and reputation risk. The Board of Directors of the Bank

has oversight of risks assumed by the Bank and has delegated its power to manage risks to Risk Management Committee (RMC) of the Board.

### **Credit Risk**

The Credit Risk unit ensures alignment with the objectives of achieving growth while maintaining portfolio quality by making appropriate risk/ reward trade-offs. The idea is to ensure long-term sustainable performance across business cycles. On-going efforts are made to improve risk assessment and controls. Credit Risk over time has developed capabilities to assess the risks associated with various products and business segments. As far as possible, efforts are made to standardize the entire process pan India while considering geographic nuances. The Bank has implemented a rating model that considers both quantitative and qualitative factors and produces a rating that becomes one of the key inputs to credit decisions. To continuously improve the quality of the portfolio, the Credit Risk unit uses SAS analytics and has created several insightful models that helped in refining the product offering, choosing the target segment of customers, collections, and recoveries. Key processes in credit underwriting were examined and duplication was reduced to improve speed of processing. Periodic portfolio reviews were conducted with the business units that helped improve portfolio quality.

### **Concentration Risk**

Concentration risk is monitored and managed both at the customer level and at the aggregate level. The Bank, inter alia, monitors portfolio concentrations by segment, product, business, ratings, borrower, group, sensitive sectors, unsecured exposures, industry, and geography. The Bank adopts a conservative approach within the regulatory prudential exposure norms.

### **Market Risk**

The Bank has an established process to measure, monitor and manage Interest Rate, Exchange Rate and Equity Risk as part of Market Risk Management. Besides the usual monitoring of Structural Liquidity, Interest Rate Sensitive Gap limits and Absolute Holding limits, the Bank also monitors interest rate risks using Value at Risk limits. Exposures to Foreign Exchange and Capital Markets are monitored within pre-set exposure limits, margin requirements and stop-loss limits.

### **Country Exposure Risk and Counterparty Bank Risk**

The Bank has established specific country exposure limits which is capped at 15% of its Capital Funds. The limit also depends upon rating of individual countries. The Bank mitigates risks using insurance cover available through the Export Credit and Guarantee Corporation ('ECGC'), where appropriate.

The Bank has established framework for setting up of limits for counterparty banks, basis their rating and monitors counterparty bank exposures against the approved limits.

### **Liquidity Risk**

As part of the liquidity management and contingency planning, the Bank assesses potential trends, demands, events and uncertainties that could result in adverse liquidity conditions. The Bank's Asset Liability Management ('ALM') policy defines the gap limits for the structural liquidity and the liquidity profile is analysed on both static and dynamic basis by tracking cash inflow and outflow in the maturity ladder based on the expected occurrence of cash flow. The Bank undertakes behavioural analysis of the non-maturity products, namely CASA, Cash Credit and Overdraft accounts on a periodic basis to ascertain the volatility of balances. The renewal pattern and premature withdrawals of Fixed Deposits and drawdowns of un-availed credit limits are also captured through behavioural studies.

Liquidity Coverage Ratio ('LCR'), a global standard to assess an organisation's ability to meet its payment obligations, is used as a measure to assess Bank's liquidity position. LCR level ensures that the Bank has an adequate stock of unencumbered High-Quality Liquid Assets ('HQLA') that can be converted into cash easily and immediately to meet its liquidity needs under a 30-calendar day liquidity stress scenario. RBI has also mandated a minimum Net Stable Funding Ratio ('NSFR') of 100% with effect from October 01, 2021. NSFR indicates that the Bank maintains a stable funding profile in relation to the composition of its assets and off-balance sheet activities. The Bank maintains LCR and NSFR above 100% on an ongoing basis.

The liquidity profile is estimated on an active basis by considering the growth in Deposits, Advances, and



Investment obligations. The concentration of large deposits is monitored on a periodic basis. Emphasis has been placed on growing Retail Deposits and avoid as far as possible Bulk Deposits. The Bank periodically conducts liquidity stress testing.

### Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or external events. The Bank's Operational Risk Management framework is defined in the Operational Risk Management Policy approved by the Board of Directors. While the policy provides a broad framework, Operational Risk Management Committee ('ORCO') oversees the operational risk management in the Bank. The policy specifies the composition, roles, and responsibilities of the ORCO. The framework comprises identification, assessment, management, and mitigation of risks through advanced tools and analysis.

### Reputational Risk

The Bank pays attention to issues that may create reputational risks. Events that can negatively affect the Bank's reputation are handled cautiously ensuring utmost compliance and in line with the values of the Bank.

### Information/ Cyber Security Risk

The Bank operates in a highly automated environment and makes use of the latest technologies to support the business and functions. The Bank has put in place a robust governance framework, information security practices and a Business Continuity Plan to mitigate IT and cyber security related risks. The Bank ensures that its information and cyber security policies are updated periodically to ensure protection of customers' sensitive information, transaction integrity, availability of banking services and be resilient to emerging cyber security risks. The Bank has a 24x7 Security Operations Centre ('SOC') to monitor security alerts and take timely appropriate actions.

### IMPLEMENTATION OF BASEL III GUIDELINES

In accordance with the RBI guidelines, the Bank has migrated to Basel III Capital Adequacy disclosures with effect from Q1 FY 2014. The Bank continues to review and improve its risk management systems and practices to align with industry best practices. The Bank has

implemented Standardized Approach for Credit Risk, Standardized Duration Approach for Market Risk and Basic Indicator Approach for Operational Risk.

### IND AS IMPLEMENTATION

The Ministry of Corporate Affairs ('MCA'), Government of India notified the Companies (Indian Accounting Standards) Rules, 2015 on February 16, 2015. Further, a Press Release was issued by the MCA on January 18, 2016 outlining the roadmap for implementation of Indian Accounting Standards ('Ind AS') converged with International Financial Reporting Standards ('IFRS') for banks. As per earlier instructions, banks in India were required to comply with the Ind AS for financial statements for accounting periods beginning from April 01, 2018 onwards, with comparatives for the periods ending March 31, 2018 or thereafter. On April 05, 2018, RBI announced deferment of implementation date by one year with Ind AS being applicable to banks for accounting periods beginning April 01, 2019 onwards. On March 22, 2019, RBI further announced deferment of the implementation of Ind AS by banks till further notice.

The Bank has formed a Steering Committee for Ind AS implementation. The Steering Committee is headed by the Chief Financial officer ('CFO') of the Bank and comprises representatives from Finance, Risk, Credit, Information Technology and Treasury. The Committee closely reviews progress of Ind AS implementation in the Bank and provides guidance on critical aspects of the implementation, including, review of possible impacts of the discussion papers issued by the RBI from time to time. In the interim, Bank continues to prepare proforma Ind AS financial statements on half yearly basis and the Bank submits the same to RBI.

### BUSINESS CONTINUITY MANAGEMENT

The Bank has put in place a comprehensive Bank-wide Business Continuity Management ('BCM') plan and procedure to ensure the continuity of critical operations of the Bank in the event of any disaster/ incident affecting business continuity. The Bank's Business Continuity Program is developed considering the criticality of the functions performed and the systems used. Periodic drills and tests are conducted to evaluate the effectiveness of the business continuity arrangements and necessary steps are taken wherever needed.



## PROCESS REVIEW

The Bank strives to continuously improve process controls and customer satisfaction. The Bank has a separate cross functional committee – Management Committee for Approving Processes ('MCAP') which is assisted by a Sub-Committee ('MCAP-SuCo'). All new processes are subjected to review by MCAP. The Committee is tasked with identifying operational and compliance risks in new processes and ensuring that steps are taken to mitigate risks. Also, MCAP regularly reviews and approves existing processes for further improvement. In FY 2025, 77 processes were reviewed and approved by the MCAP.

## INTERNAL AUDIT ('IA')

IA function directly reports to the Audit Committee of the Board ('ACB'), which is a constituent Committee of the Board of the Bank. IA function comprises of Chartered Accountants, Bankers with professional and educational qualifications along with Information Technology professionals to take care of technology audits. The team has a healthy mix of experienced staff having specializations across the Banking domain and freshers. ACB oversees the IA function, monitors performance, and provides regular guidance for improving risk control and compliance across the Bank. During FY 2025, IA adopted different models for various audits and continued to enhance extensive use of data analytics, document verification, testing of design and effectiveness along with walkthrough. The function has also successfully implemented an automation of audit workflow for all types of audits thus helping in better planning and resource utilisation. The IA team makes use of tools like SQL, SAS etc., for analysis in audits and daily exception monitoring. In FY 2025, IA conducted 237 branch audits, 42 process/ business audits, 5 Special Audits, and 38 IT audits. IA team members regularly attend several online and in person training programs conducted by IBA, RBI and other professional Institutes in various domain areas, including audit framework/ methodology, soft skills, risk management and Banking, for continuous enhancement of knowledge and skills.

## VIGILANCE AND FRAUD RISK MONITORING

The Vigilance Unit has strengthened its mechanism for reporting, investigation and timely response to queries received from law enforcement agencies. In collaboration with other departments, the

Vigilance Unit has continued to assess and identify gaps in processes susceptible to fraud risk and has recommended improvements for effective mitigation. Vigilance Unit ensures that the references received under the Whistleblower Mechanism are dealt with in a sensitive and confidential manner, upholding the trust and anonymity. The Fraud Risk Monitoring ('FRM') unit has continued enhancing fraud detection and monitoring capabilities, including fraud prevention. Some of the key initiatives include further enrichment of data points embedded into the monitoring tools, implementation of preventive mode across channels (Debit card, UPI, Internet Banking, Mobile Banking), implementation of monitor mode scenarios based on non-financial transactions like transaction remarks, UPI VPAs, merchants, declined transactions history, incorrect card details, incorrect login password attempts, media/ open Source/ ROC strike of lists monitoring etc. to enhance fraud detection and comply with regulatory guidelines. It has also enhanced the capabilities to identify the risks through their risk assessment methods and investigation like periodical review of transactions on volume and value in accounts where there is static data change like mobile number. The unit has enhanced the capabilities in reviewing and responding to the cybercrime complaints received from various Law Enforcement Agencies and take appropriate action including additional due diligence, name screening and transaction review. The unit identifies learnings from fraud incidents and industry practices to enhance its capability on a continuous basis including training on technical aspects of vigilance. The FRM unit continues to have 24x7 monitoring to enable fraud detection across various channels and transactions.

## COMPLIANCE

The Bank's Compliance function is independent of business and operation functions. The Compliance function has put Board approved policy in place to ensure compliance with applicable regulations. The Compliance function ensures that the Bank's internal procedures and processes are in adherence with the applicable regulatory and statutory provisions, in addition to ensuring timely submission of various returns to regulatory authorities. The Compliance function carries out Compliance Monitoring and Testing on an ongoing basis to assess.



This unit also conducts Compliance Risk Assessment of various units/ functions. The Compliance function is also responsible for AML/ KYC monitoring, for which the Bank has implemented suitable software and analytics for effective monitoring.

## CUSTOMER SERVICE

Delighting its customer in every interaction is the core aim of the Bank. On a regular basis, the customer complaints and satisfaction levels are monitored by the Managing Director & Chief Executive Officer ('MD & CEO') along with the Executive Director ('ED') and other the Senior Management team. The Bank has constituted an independent "Service Excellence" team to analyse customer complaints, identify root cause for service issues, make process improvements and work with the various businesses and functions to continuously enhance service levels. The Bank has an "Integrated Centralised Complaint Management" system and service standards to ensure that the customer queries and complaints addressed in a timely and quality manner.

The Bank continues to make steady progress on the service concept of ESQ. The Bank continues to take numerous process improvement and automation measures. As a result, in comparison to FY 2024, there has been a reduction of complaints. The Bank intends to continue to improve its processes and communications to provide faster resolutions and efficiencies. The Bank continuously works on the six pillars of Service Excellence - Voice of Customer, Service Recovery, Attrition Calling, Process Simplification, Service Culture and Measures and Metrics. To foster a culture of positivity and customer-centricity across units, the Bank has introduced a Customer Experience program to recognize units or employees for their contribution towards delivering customer service. There are parameters including providing first time resolution, turnaround time, reduction of complaints amongst others that are defined to recognize the unit. The Service Excellence team continuously interacts with the frontline staff and key stakeholders to obtain customer feedback. Branch surprise visits and "mystery shopping" activities are undertaken by the Service Excellence team and instant feedback is provided to the branch staff and supervisors. The Bank has constituted three committees at different levels to monitor customer

service - Branch Level Customer Service Committees ('BLSCCs'), Standing Committee on Customer Service ('SCCS'), and Customer Service Committee of the Board ('CSCB'). The Bank, on a regular basis, through various means educates its customers to be vigilant on the rising incidents of cyber-crimes.

## MARKETING & BRAND AWARENESS

In FY 2025, the Bank took numerous initiatives to create brand awareness and improve visibility for the Bank and its products and services. This was helpful in generating quality new business for the Bank. A few instances of the marketing campaigns, events and programs during the year are stated below:

- Nearly 16,000 micro marketing activities to engage with prospects and customers were conducted in the branch neighbourhood across regions by branch banking and business acquisition channel.
- Residential activation programs were organised pan India to engage with the prospects to promote the Bank's products and services. Key event sponsorships were undertaken in association with Golf, Pickleball, Music Festivals and Marathons.
- The Bank's signature customer event "Ek Mulaqat Aur Kuuch Baatein" was organised in Bhopal, Chennai, Goa and Lucknow. Members of the Management Committee ('Manco') and other senior regional leaders interacted with the customers who appreciated the Bank's service, products, and CSR initiatives.
- DCB Bank's new website was launched with complete change in look feel and content. A very customer friendly and easy to use online experience with better presentation of the Bank's products and services.
- Airport passenger area brand promotion was undertaken at Ahmedabad, Bhopal, Bhubaneshwar, Hubli, Jaipur, Kolkata & Lucknow. DCB Fixed Deposit, DCB Savings Account, DCB Remit and DCB Non-Resident Indian communication were prominently displayed at these airports.
- Mobile van activation campaigns were executed in Uttar Pradesh, Bihar, Jharkhand, Haryana and Rajasthan to promote DCB Savings Account, DCB Fixed Deposit and DCB Gold Loan.

- Wall painting campaigns were undertaken in Chhatisgarh, Jharkhand, Gujarat, Haryana and Rajasthan to promote the Bank's products and services in these locations.
- Several outdoor visibility initiatives such as hoardings, bus shelters, poles, auto rickshaw, bus backs, traffic booths, road barricades, no parking boards, society boards, store boards, were done round the year across branch neighbourhood pan India for enhancing Bank's visibility.
- Digital search and display campaigns were done on an ongoing basis on Google and Meta platforms to promote DCB Savings Account, DCB Fixed Deposit, DCB Remit and DCB Gold Loan.
- Active engagement round the year with the customers, prospects, and the employees with informative posts on the DCB Bank social media platforms.
- DCB Savings Account and DCB Fixed Deposit print campaigns were undertaken in local regional publications.
- Customer communication created for DCB Savings Account, DCB Fixed Deposit, DCB Special Program, DCB Special Savings Account, DCB SME Banking, DCB PayLess Card, DCB WOW Savings Account, DCB NR Services, DCB Gold Loan, DCB EazyBee, DCB Remit, DCB School Finance, DCB Construction Finance, DCB Tractor Loan. In addition to product communication, thematic campaigns were undertaken on financial literacy, usage of digital channels and cyber security.
- External and internal brand visibility was created for launch of the new branches pan India along with customised promotional campaigns.
- DCB Bank 2025 calendar with product communication theme was created for the customers and prospects.

#### **CORPORATE SOCIAL RESPONSIBILITY ('CSR') AND ENVIRONMENTAL, SOCIAL & GOVERNANCE ('ESG')**

In FY 2024-25, the Bank continued to demonstrate its unwavering commitment to sustainable development and community well-being through a diverse and

impactful Corporate Social Responsibility ('CSR') program. In partnership with over 22 organisations, the Bank supported over 30 transformative projects across 20 states, addressing critical areas such as environmental conservation, water security, clean energy, sustainable livelihoods, and waste management. These initiatives were strategically aligned with the United Nations Sustainable Development Goals (SDGs), including No Poverty (SDG 1), Good Health and Well-being (SDG 3), Quality Education (SDG 4), Gender Equality (SDG 5), Clean Water and Sanitation (SDG 6), Affordable and Clean Energy (SDG 7), Sustainable Cities and Communities (SDG 11), Responsible Consumption and Production (SDG 12), Climate Action (SDG 13), Life on Land (SDG 15), Partnerships for the Goals (SDG 17).

Notable achievements included the plantation of 1,02,830 native tree saplings to restore degraded tree habitat. This endeavour will contribute to the generation of 12,124 metric tonnes of oxygen and sequester approximately 2,570 metric tonnes of carbon dioxide from the atmosphere. Urban and rural afforestation programs were implemented across more than 60 cities and rural locations, enhancing green cover and promoting biodiversity. The Bank's beekeeping-based livelihood initiatives has trained over 200 beekeepers, deployed 480 bee boxes, and enabled the production of 63 kilograms of honey and 2.5 kilograms of bee-wax, and an additional 75 farmers learned to produce bio-pesticides and fertilizers, contributing to eco-friendly agriculture.

To address clean energy needs and reduce methane emissions, 200 household biogas plants were installed, collectively generating 46,773 metric tonnes of biogas and reducing greenhouse gas emissions by 1,304 metric tonnes. Through lake rejuvenation and water conservation projects, the Bank contributed to the revival of 15.5 million litres of water storage capacity and rejuvenated 121 acres of farmland. Health interventions included cattle health camps that supported 100 farmers and vaccinated 300 cattle, improving livestock well-being and rural incomes. In addition, waste management innovations, such as recycled plastic benches and community composting, were implemented in states like Kerala and West Bengal to promote circular economy practices.

Throughout the year, DCB Bank's CSR efforts engaged a wide base of 4,752 volunteers, including employees, students, and local citizens, strengthening community



ownership and awareness. Projects like urban tree plantations, mangrove restoration, lake catchment conservation, and sustainable farming methods not only restored ecosystems, it used nature based solutions where possible and created positive impact on sustainable livelihood opportunities. The Bank's approach to CSR emphasizes long-term impact, scalability, and community-centric design, with robust monitoring and evaluation frameworks in place. Going forward, your Bank aims to deepen its investments in nature-based solutions, integrated water-energy-livelihood models, and climate resilience to build stronger, more sustainable communities across India.

As the country faces even graver climate change threats to its nature ecosystems, climate change mitigation for both rural and urban communities are essential facets and realities of the day. The Bank's CSR projects as mentioned earlier relate to water security, protect and enhance biodiversity, motivate and spark a positive attitude towards waste management and recycling, encouraging nature-based solutions to take on the challenges faced by farmers, forest dwellers, and residents in urban areas.

DCB Bank's unique projects such as decentralized sewage treatment for a pilot project for MHOW Cantonment in Madhya Pradesh and a similar initiative implemented at a rehabilitation home for individuals dealing with mental illness at Karjat in Maharashtra - utilise grey and brown waste water of toilets to extract nutrients - uses brown waste water of the toilets to extract the nutrients and make the water usable for gardening and horticulture. Over a 12 month duration these two sewage treatment using organic enzymes and hydrology recycle 71 Lakh litres of water. The Bank intends to promote adoption of decentralized sewage treatment to prevent pollution of fresh water wells, streams and groundwater, and rejuvenate depleted groundwater.

Another aspect of the precarious environment being witnessed is the cycle of flash floods and lean periods of water scarcity. The Bank collaborated with communities in Alwar, Rajasthan; Medak, Telangana; Panna region in Madhya Pradesh, to create village ponds, mini check dams, and other micro scale infrastructure interventions, created contextually relevant package of practices and water user groups to sustainably manage waterbodies, springs and village ponds.

The Bank has backed the creation of the Lake Restoration Framework for Bengaluru's lakes. This notable effort is science based, backed with GIS inputs, peer and authority reviewed, ready to use and deploy guide for urban and peri urban lakes for the Bengaluru region landscape. The potential for this framework has been acknowledged by BBMP- the city's municipal corporation. The way forward for this is to adopt it statewide, adapt it for a national level framework for the central government effort and make it available in Indian languages and make it open access via an app.

Grasslands conservation for pastoralist communities, sustainable landscapes, carbon and water sequestration are important areas that impact livelihoods in many States. The Bank's projects on grasslands sustainability for ecosystem services, informing policy and demonstrating through actual on the ground practice were implemented at Kendur and Supe in Pune district of Maharashtra; while a difficult and challenging effort on native grass and shrubs restoration and water harvesting was undertaken at Karni Mata Devi - Deshnoke oran, Bikaner in Rajasthan. These projects are important to gain scientific knowledge as part of the restoration of degraded landscapes that even in the current state of despair - support villages and communities as a source of water, grazing and livelihoods.

The alarming crisis caused by the drop in the water table in cities and villages, rampant pollution caused by landfills, airborne pollution, pollution of water sources from the mountains and to the oceans - puts the future at risk. Your Bank has made sincere effort to work with like-minded individuals and communities in the attempt to overcome challenges envision a better future for all.

## AWARDS AND RECOGNITION

Your Bank continued to be recognized for its progress and initiatives across the various business and functions. The details of various awards/ recognitions received by your Bank during FY 2025 are given below:

- Corporate Social Responsibility ('CSR') ACEF Award - ACEF Asian Business Leaders Awards 2024 under the category of Partnership for Sustainable Development
- The Bank is certified as a Great Place to Work for the 9<sup>th</sup> consecutive year, with a Trust Index Score of

85, reflecting improved employee sentiment across all dimensions.

External Recognitions Reaffirm Our Culture:

Top 10 – India’s Best Workplaces in Health & Wellness 2024

Top 50 – India’s Best Workplaces in BFSI 2024

Ambition Box Employee Choice Award 2024

WOW Workplaces 2024

- The Bank won Gold Award in Transforming Excellence category - Infosys Finacle Innovation Awards 2024 for DCB NIYO Co-Branded Debit Card. The Bank was runner up in 3<sup>rd</sup> IBA CISO Summit for deep algorithms biometric behavior based implementation for Internet Banking.
- The Bank Case Study released on adoption of Identity Security Platform (‘CyberArk’) was carried in various press releases including ET Edge Insights, CXO Today etc.

## PREFERENTIAL ISSUE OF EQUITY SHARES

Aga Khan Fund for Economic Development (‘AKFED’), the Promoter of the Bank, had expressed its interest to invest up to USD 10 million by subscribing to additional Equity Shares of the Bank, in compliance with applicable laws and regulations. The purpose is to further strengthen the Bank’s Capital position and support its growth plans. Further, the Board of Directors of the Bank in its meeting held on December 08, 2023 and Members of the Bank through Postal Ballot on January 09, 2024, had approved the proposal for issuance and allotment of up to 60,58,394 equity shares of face value of ₹ 10/- each to AKFED, at an issue price of ₹ 137/- per equity shares (which includes a premium of ₹ 127/- per equity shares), for a total consideration of up to ₹ 83 crores by way of Preferential Allotment on a Private Placement basis subject to the regulatory approvals including RBI as may be required. AKFED had made an application to the RBI on January 22, 2024, seeking its permission in relation to the proposed acquisition of equity shares of the Bank and the same is under processing. Post receipt of the RBI approval, the Bank will proceed further in this regard.

## DISCLOSURES

### NUMBER OF MEETINGS OF THE BOARD, ATTENDANCE, MEETINGS AND CONSTITUTION OF VARIOUS COMMITTEES

During the Financial Year 2025, Thirteen (13) meetings of the Board were held. The details of Board meetings held during the year, attendance of Directors at the meetings and constitution of various Committees of the Board are included separately in the Corporate Governance Report.

## DIRECTORS

The Bank had Twelve (12) Directors on the Board as on March 31, 2025. Out of the twelve (12) directors, seven (7) are Independent Directors, three (3) Non- Executive Non-Independent Directors and two (2) are Executive Directors. During the year under review, Mr. Praveen Achuthan Kutty was appointed as the Managing Director & CEO of the Bank with effect from April 29, 2024 for a period of three years (3) in place of Mr. Murali M. Natrajan upon completion of his tenure of fifteen (15) years as the Managing Director & CEO of the Bank on April 28, 2024 as per the extant norms of the RBI. The Shareholders of the Bank had approved his appointment as the Managing Director & CEO of the Bank in the 29<sup>th</sup> Annual General Meeting (AGM) held on June 12, 2024.

Mr. Krishnan Sridhar Seshadri was appointed as the Whole Time Director (Executive Director) with effect from June 13, 2024. His appointment was approved by the Shareholders of the Bank on August 29, 2024 through postal ballot.

Mr. Nasser Munjee was appointed as a Non-Executive Non-Independent Director of the Bank, liable to retire by rotation, with effect from September 19, 2024 and his appointment was approved by the Shareholders on December 06, 2024 through postal ballot.

Mr. Amyn Jassani and Mr. Somasundaram PR were re-appointed as Independent Directors of the Bank with effect from January 25, 2025 for the second consecutive term of 3 (three) years. Their re-appointments were approved by the Shareholders on March 10, 2025 through postal ballot.

Mr. Balu Srinivasan was appointed as an Independent Director for a period of three (3) years with effect from





March 07, 2025 and Mr. Nadir Bhalwani was appointed as a Non-Executive Non-Independent Director of the Bank, liable to retire by rotation, with effect from March 07, 2025, and their appointments were approved by the Shareholders on May 19, 2025 through postal ballot.

Further, Mr. Shabbir Merchant and Mr. Rafiq Somani, ceased to be the Directors of the Bank on closure of the business hours on January 24, 2025 and March 08, 2025 respectively, on completing their terms as Independent Directors of the Bank. The Board thanks both Mr. Shabbir Merchant and Mr. Rafiq Somani, for their invaluable contribution to the Bank during their respective tenures as Directors of the Bank.

Mr. Nasser Munjee, who retires by rotation and being eligible, offers himself for re-appointment and is recommended for re-appointment as a Non-Executive Non-Independent Director of the Bank at the ensuing AGM. A brief resume relating to his re-appointment, is furnished in the notice of the 30<sup>th</sup> AGM and Corporate Governance Report, based on the disclosures provided by him.

None of the above-mentioned persons is disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ('the Act').

The Certificate dated June 16, 2025 issued by M/s. S. N. Ananthasubramanian & Co., Practicing Company Secretaries in this regard is attached to and forming part of this report.

In the opinion of the Board of Directors, all the above-mentioned Directors being appointed/ re-appointed, possess the required integrity, expertise and experience.

None of the Directors of the Bank are related to each other per se.

### **SENIOR MANAGEMENT PERSONNEL ('SMP') AND KEY MANAGERIAL PERSONNEL ('KMP')**

As on March 31, 2025, there were twenty (20) Senior Management Personnel ('SMP') of the Bank, as identified and approved by the Board.

Mr. Praveen Achuthan Kutty - Managing Director & CEO, Mr. Krishnan Sridhar Seshadri - Whole Time Director, Mr. Ravi Kumar Vadlamani - Chief Financial Officer and Ms. Rubi Chaturvedi - Company Secretary are Key Managerial Personnel ('KMP') of the Bank, who also forms part of SMP of the Bank.

Mr. Praveen Achuthan Kutty was appointed as the Managing Director & CEO of the Bank with effect from April 29, 2024 for a period of three years (3) in place of Mr. Murali M. Natrajan, who completed his tenure of fifteen (15) years as the Managing Director & CEO of the Bank on April 28, 2024 as per the extant norms of the RBI. By virtue of designation of Mr. Kutty, he is considered as Key Managerial Personnel ('KMP') of the Bank in accordance with the Companies Act, 2013 & Rules made thereunder and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Material Risk Taker ('MRT') in accordance with the Compensation Policy of the Bank & relevant RBI guidelines.

Mr. Krishnan Sridhar Seshadri, by virtue of his appointment as the Whole Time Director (Executive Director) of the Bank, is also considered as KMP of the Bank in accordance with the Companies Act, 2013 & Rules made thereunder and SEBI Listing Regulations and Material Risk Taker ('MRT') in accordance with the Compensation Policy of the Bank & relevant RBI guidelines.

The Board of Directors of the Bank vide its resolution dated July 04, 2024 approved the changes in the SMP of the Bank by adding Mr. Mahesh Raman Kutty - Chief Risk Officer, Mr. Ajay Mathur - Head Collections & Commercial Vehicles, Mr. Damodar Agarwal - Head Strategic Initiatives & Alternate Channels, Mr. Kamala Kant Pandey - Head Acquisitions Loans, Deposits & Gold Loans and Mr. Krishna Ramasankaran - Head Credit- Retail & SME.

### **A STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The performance evaluation of the Board, Committees of the Board and the individual members of the Board (including the Chairman) for Financial Year 2025, was carried out internally pursuant to the framework laid down by the Nomination and Remuneration Committee ('NRC'). A questionnaire for the evaluation of the Board, its Committees and the individual members of the Board (including the Chairman), covering various aspects of the performance of the Board and its Committees, including composition, roles and responsibilities, Board processes, Boardroom culture, adherence to Code of Conduct quality and flow of information, was sent out to

the Directors. The Committees were evaluated inter-alia on parameters such as composition, terms of reference, quality of discussions, contribution to Board decisions etc. The responses received to the questionnaires on evaluation of the Board and its Committees and Non-Independent Directors were then placed before the meeting of the Independent Directors for consideration. The assessment of performance of Non-Independent Directors on personal and professional attributes was also carried out at the meeting of Independent Directors.

The assessment of performance of the Independent Directors on the Board (including Chairman) was subsequently discussed by the Board. In addition to the above parameters, the Board evaluated and was satisfied that the Independent Directors of the Bank fulfill the independence criteria as specified in SEBI Listing Regulations and was independent from the management.

The evaluation brought out the cohesiveness of the Board, a Boardroom culture of trust and cooperation, and Boardroom discussions which are open, transparent and encourage diverse viewpoints. Other areas of strength included effective discharge of Board's roles and responsibilities. The Board would continue to adhere to best corporate governance practices and would dedicate more time in strategy planning, competitive positioning, benchmark and talent management. The appropriate feedback was conveyed to the respective Board members.

The details of familiarization program arranged for Independent Directors have been disclosed on website of the Bank and are available at the following link:

[https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Corporate Governance → Code and Policies)

#### **Declaration by Independent Directors**

The Bank has received necessary declaration from each Independent Director that he/ she meets the criteria of independence laid down in Section 149(6), Regulation 16(1) (b) of the SEBI Listing Regulations and continue to comply with the Code of Conduct laid down under Schedule IV of the Act. In the opinion of the Board, all the Independent Directors are independent of the management.

In terms of Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019 read

with Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 or any other applicable Rules, all the Independent Directors of the Bank are enrolled with the databank of Independent Directors maintained by the Ministry of Corporate Affairs. All Independent Directors of the Bank have passed/ are exempted from undertaking the online proficiency self-assessment test conducted by the IICA.

#### **STATUTORY AUDITORS**

The Reserve Bank of India vide its Circular No. RBI/2021-22/25 Ref. No. DoS.CO.ARG/ SEC.01/08.91.001/2021-22 dated April 27, 2021, had issued the Guidelines for Appointment of Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) ('RBI Guidelines').

Pursuant to the RBI Guidelines, Members of the Bank at the 28<sup>th</sup> AGM held on June 22, 2023 had approved the appointment of M/s. B S R & Co LLP, Chartered Accountants (Registration No. 101248W/W100022) as one of the Joint Statutory Auditors of the Bank for the period commencing from the conclusion of the 28<sup>th</sup> AGM until the conclusion of the 31<sup>st</sup> AGM of the Bank for a continuous period of three (3) years (from FY 2024 to FY 2026) subject to the RBI approval on an annual basis and the firm satisfying the eligibility norms in each year in this regard.

Further, the Members of the Bank at the 29<sup>th</sup> AGM held on June 12, 2024 had approved the appointment of M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S) as Joint Statutory Auditors of the Bank, for a period commencing from the conclusion of the 29<sup>th</sup> AGM until the conclusion of the 32<sup>nd</sup> AGM of the Bank for a continuous period of three (3) years (from FY 2025 to FY 2027) subject to the RBI approval for each year and the firm satisfying the eligibility norms in each year in this regard.

The RBI vide its letter Ref CO.DOS.RPD.No. 1574/08.37.005/2025-26 dated May 28, 2025 has approved the re-appointment of M/s. B S R & Co LLP, Chartered Accountants (Registration No. 101248W/W100022) and M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S) as the Joint Statutory Auditors of the Bank for the FY 2026, being their third year and second year respectively.



There are no qualifications, reservations, adverse remarks or disclaimers made in the 'Statutory Auditors' Report which forms part of this Annual Report.

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Your Bank does not have any subsidiaries, joint ventures or associate companies.

There are no companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year under review.

### MAINTENANCE OF COST RECORDS

Being a Banking company, your Bank is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Act.

### REPORTING OF FRAUDS BY AUDITORS

During the year under review, no instances of fraud committed in the Bank by its officers or employees were reported by the Statutory Auditors and Secretarial Auditor under Section 143(12) of the Act, to the Audit Committee or the Board of Directors of the Bank.

### DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Bank, the work performed by the Internal, Statutory and Secretarial Auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee of the Board, the Board is of the opinion that the Bank's internal financial controls were adequate and effective during the year ended March 31, 2025. Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, based on the above and the representation received from the Operating Management, the Board of Directors, to the best of their knowledge and ability confirms that-

- in the preparation of the annual accounts, the applicable Accounting Standards have been followed and that there is no material departure;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs

of the Bank at the end of the financial year and of the profit or loss of the Bank for the year;

- proper and sufficient care has been taken for maintenance of adequate accounting records as provided in the Companies Act, 2013, for safeguarding the assets of the Bank and for preventing and detecting frauds and other irregularities;
- the annual accounts of the Bank have been prepared on a "going concern" basis;
- the directors had laid down internal financial controls to be followed by the Bank and that such controls are adequate and were operating effectively; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively."

### ANNUAL RETURN

A copy of the Annual Return as of March 31, 2025 pursuant to sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 11(1) of the Companies (Management and Administration) Rules, 2014 and forming part of this Report is placed on the website of the Bank as per provisions of Section 134(3)(a) and is available at the following link:

[https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Financial Reporting & Other Information → Annual Report → Annual Return)

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE BANK

Pursuant to Section 186(11) of the Companies Act, 2013, the provisions of Section 186 of the Companies Act, 2013, except sub-section (1), do not apply to a loan made, guarantee given or security provided by a banking company in the ordinary course of business. The particulars of investments made by the Bank are disclosed in Schedule 8 of the financial statements as per the applicable provisions of the Banking Regulation Act, 1949.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During FY 2025, all the transactions with related parties were in the ordinary course of business and on arm's length basis and there were no 'material' contracts or arrangement or transactions with related parties and thus disclosure in Form no. AOC-2 is not applicable in terms of section 188(1) of the Act.

## **POLICY ON RELATED PARTY TRANSACTIONS OF THE BANK**

The Bank has a policy on Related Party Transactions and the same has been hosted on the Bank's website at the following link:

[https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Corporate Governance → Code and Policies)

## **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)**

In terms of Regulation 34(2)(f) of the SEBI Listing Regulations, the Bank's Business Responsibility and Sustainability Report describing the initiatives taken by the Bank from an environmental, social and governance perspective forms part of this Report and has been hosted on the website of the Bank at the following Link: [https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Financial Reporting & Other Information → Annual Report → BRSR)

## **CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR**

- The Board shall have minimum 6 and maximum 15 Directors, unless otherwise approved. No person of age less than 21 years shall be appointed as a Director on the Board.
- The Bank shall have such person on the Board who complies with the requirements of the Companies Act, 2013, the Banking Regulation Act, 1949 ('BR Act'), Provisions of the SEBI Listing Regulations, the 'Fit & Proper' criteria prescribed by the Reserve Bank of India (RBI), Memorandum of Association and Articles of Association of the Bank and all

other statutory provisions and guidelines as may be applicable from time to time.

- Composition of the Board shall be in compliance with the requirements of Regulation 17(1) of the SEBI Listing Regulations.
- Majority of the Directors as required under the BR Act shall have specialized knowledge/experience in the areas like Agriculture, Banking, Small Scale Industry, Legal, Risk Management, Accountancy, Economy, Accountancy and Audit, Finance etc.
- All Directors shall abide by the Code of Conduct as applicable to them.
- Directors shall not attract any disqualification and shall be persons of sound integrity and honesty, apart from knowledge, experience, etc. in their respective fields

## **POLICY RELATING TO THE REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

- Managing Director & CEO, Whole Time Director, Company Secretary & Compliance Officer and Chief Financial Officer are the Key Managerial Personnel ('KMPs') of the Bank.
- Except for the Chairman, the Managing Director & CEO and Whole Time Director, no other Directors are paid remuneration. The Chairman, the Managing Director & CEO and Whole Time Director are paid remuneration as approved by the RBI and other applicable authorities. All Directors except the Managing Director & CEO and Whole Time Director are entitled to sitting fees for attending various Board and its Committee meetings.
- Upon excluding the sitting fees for attending the meetings of the Board and Committees which are not considered as remuneration to directors under section 197(2) of the Companies Act, 2013, the payment of honorarium to be made to Mr. Farokh N. Subedar would exceed 50% of the total annual remuneration payable to all the non-executive directors during FY 2026. Accordingly, approval of the Members of the Bank is being sought at the ensuing AGM of the Bank by way of Special Resolution to enable the Bank to make payment



of honorarium of ₹ 24,00,000/- p.a. (Rupees Twenty-Four Lakh Only) to Mr. Farokh N. Subedar, Non-Executive Part Time Chairman of the Bank for FY 2026.

- Independent Directors are not entitled for Employee Stock Options.
- Policy for Selection and Appointment/ Reappointment of Non-Executive Directors including Part-Time Chairperson and their Remuneration is available at:

[https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Corporate Governance → Code and Policies)

- Policy For Appointment, Re-appointment and Remuneration for Whole Time Directors including Managing Director & CEO is available at:

[https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Corporate Governance → Code and Policies)

Remuneration of all employees including Senior Management and KMPs are decided as per the Compensation Policy of the Bank. The details are given on website at the following Link: [https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Corporate Governance → Code and Policies)

### PARTICULARS OF EMPLOYEES

The Bank had 11057 employees as on March 31, 2025. 17 employees were employed throughout the year who were in receipt of remuneration at the rate of not less than ₹ 1.02 Crore per annum. The details of top 10 employees and the name of every employee, who were employed throughout or part of the year and were in receipt of remuneration at the rate of not less than ₹ 1.02 Crore per annum in terms of remuneration drawn pursuant to provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are appended separately in an Annexure and forms part of this Report.

The Report and Accounts are being sent to the Shareholders excluding these particulars and any Shareholder interested in obtaining the said details may write to the Company

Secretary at [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com)

### PARTICULARS PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES

- a) The ratio of the remuneration of each Director to the median employee's remuneration for the financial year ended March 31, 2025 and such other details as prescribed are as given below:

Name	Ratio
Mr. Farokh N. Subedar (Part Time Chairman and Independent Director)	5:1
Mr. Murali M. Natrajan (Managing Director & CEO till April 28, 2024)	32:1
Mr. Praveen Achuthan Kutty (Managing Director & CEO w.e.f. April 29, 2024)	49:1
Mr. Krishnan Sridhar Seshadri (Whole Time Director w.e.f. June 13, 2024)	19:1

- b) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Ratio
Mr. Farokh N. Subedar (Part Time Chairman and Independent Director)	0%
Mr. Murali M Natrajan (till April 28, 2024) (Managing Director & CEO)	0%
Mr. Praveen Achuthan Kutty (w.e.f. April 29, 2024) (Managing Director & CEO)	14%
Mr. Krishnan Sridhar Seshadri (w.e.f. June 13, 2024) (Whole Time Director)	17%
Mr. Ravi Kumar Vadlamani (Chief Financial Officer)	8%
Ms. Rubi Chaturvedi (Company Secretary)	25%

- c) The percentage increase in the median remuneration of employees in the financial year: 11.11%
- d) The number of permanent employees on the rolls of Bank: 11012
- e) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year ended March



31, 2025 and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration: Average increase in remuneration is 7.56% for employees other than Managerial Personnel and 11.15% for Managerial Personnel (KMP and Senior Management). There are no exceptional circumstances for increase in the managerial remuneration.

- f) Affirmation that the remuneration is as per the remuneration policy of the Bank: Yes

Note - Mr. Farokh N. Subedar, Non-Executive Part Time Chairman of the Bank is paid honorarium of ₹ 24,00,000/- p.a. (Rupees Twenty-Four Lakh Only) in terms of approval of the Shareholders and the RBI, which is 5:1 to the median employee's remuneration for the financial year ended March 31, 2025.

#### **EMPLOYEE STOCK OPTION PLAN ('ESOP') AND CASH SETTLED STOCK APPRECIATION RIGHTS ('CSAR')**

- i. DCB Bank Limited - Employees Stock Option Plan 2005 ("ESOP Scheme")
- ii. DCB Bank Limited -Cash Settled Stock Appreciation Rights Scheme 2022 ('CSARs Scheme').

The Bank has formulated and adopted the DCB Bank Limited -Employee Stock Option Plan in 2005 approved by Shareholders on December 15, 2006 and amended from time to time in order to:

- provide means to enable the Bank to attract and retain appropriate human talent in the employment of the Bank;
- motivate the employees of the Bank with incentives and reward opportunities;
- achieve sustained growth of the Bank and to create shareholder value by aligning the interests of the employees with the long-term interests of the Bank; and
- create a sense of ownership and participation amongst the employees of the Bank. The Employee Stock Options ('ESOPs') and the Cash Settled Stock Appreciation Rights ('CSARs') granted to the employees of the Bank currently operate under the following Schemes:

- i. DCB Bank Limited - Employees Stock Option Plan 2005 ('ESOP Scheme')
- ii. DCB Bank Limited - Cash Settled Stock Appreciation Rights Scheme 2022 ('CSARs Scheme').

- During the year, the Bank has not granted any ESOPs. However, 8,22,270 CSARs were granted on April 24, 2024 at the exercise price of ₹123.90 per unit of CSAR to the eligible employees of the Bank in accordance with the CSARs Scheme and as approved by the Nomination and Remuneration Committee ('NRC').
- The provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SEBI (SBEB & SE) Regulations, 2021'), do not apply to cash settled SARs Scheme. As the Bank's CSARs Scheme provides only for cash settlement on stock appreciation, the provisions of SEBI (SBEB & SE) Regulations, 2021, are no longer applicable.
- The aforesaid Schemes complied SEBI (SBEB & SE) Regulations, 2021, to the extent applicable. During the year under review, no material changes were made to the Schemes.

The relevant details of the aforesaid Schemes, as required under the SEBI (SBEB & SE) Regulations 2021, are available on the Bank's website viz., URL: [https://www.dccb.com/about-us/investor-relations#corporate\\_governance](https://www.dccb.com/about-us/investor-relations#corporate_governance) (refer section → Corporate Governance → ESOP Disclosures). These details, along with the certificates from the Secretarial Auditor, as required under the SEBI (SBEB & SE) Regulations 2021, stating that the ESOP Scheme and the SARs Scheme have been implemented in accordance with the SEBI (SBEB & SE) Regulations, 2021 and the resolution passed by the members, would be placed and available for inspection by the Members during the AGM.

#### **PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to conservation of energy and technology absorption do not apply to the Bank. However, as mentioned in earlier part of the Report, the Bank has been continuously and extensively using technology in its



operations. Foreign Exchange earnings and outgo are part of the normal banking business of the Bank.

### ESTABLISHMENT OF VIGIL MECHANISM

The Bank has in place a vigil mechanism pursuant to which a Whistle Blower Policy has been in vogue for the last several years. The policy was last reviewed in FY2025. This Policy, inter alia, provides a direct access to a Whistle Blower to the Whistle Blower Committee on its dedicated e-mail [whistleblower@dcbbank.com](mailto:whistleblower@dcbbank.com) and Chairman of the Audit Committee of the Board (ACB) on his dedicated e-mail-ID [cacb@dcbbank.com](mailto:cacb@dcbbank.com). The Whistle Blower Policy covering all employees and Directors is hosted on the Bank's website at: [https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Corporate Governance → Code and Policies)

None of the Bank's personnel have been denied access to the Audit Committee.

### THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Bank has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134 (5)(e) of the Companies Act, 2013. For the year ended March 31, 2025, the Board is of the opinion that the Bank has sound IFC commensurate with the nature and size of its business operations wherein controls are in place and operating effectively and no material weaknesses exist. The Bank has a process in place to continuously monitor the existing controls and identify gaps, if any, and implement new and/ or improved controls wherever the effect of such gaps would have a material effect on the Bank's operation.

### SECRETARIAL AUDITOR

In compliance with Regulation 24A of the SEBI Listing Regulations and Section 204 of the Act, the Board at its meeting held on April 25, 2025, based on recommendation of the Audit Committee, has approved the appointment of M/s. S. N. ANANTHASUBRAMANIAN & Co., Practicing Company Secretaries, a peer reviewed firm (Firm Registration No. P1991MH040400) as Secretarial Auditors of the Bank for a term of five consecutive years commencing

from FY 2025-26 till FY 2029-30, subject to approval of the Members at the ensuing AGM.

The Secretarial Audit Report for the financial year ended March 31, 2025, as required under Section 204 of the Act and Regulation 24A of the SEBI Listing Regulations, is annexed to this Report. The Secretarial Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

In terms of the applicable SEBI Circular, your Bank has submitted the Annual Secretarial Compliance Report for FY 2024-25 to the Stock Exchanges within the prescribed time and the same is available on websites of the Stock Exchanges i.e. BSE Limited ([www.bseindia.com](http://www.bseindia.com)), National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) and on the Bank's website viz., URL: [https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Corporate Governance → Secretarial Compliance Report)

### SECRETARIAL AUDIT REPORT

Pursuant to the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, the Bank has appointed M/s. S. N. ANANTHASUBRAMANIAN & Co., Practicing Company Secretaries (COP No. 1774) as the Secretarial Auditor for FY 2025 and their report is attached separately to this Report.

### COMPLIANCE TO SECRETARIAL STANDARDS

Your Bank is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') related to the Board Meetings (SS-1) and the General Meeting (SS-2) during the FY 2025.

### CHANGE IN THE NATURE OF BUSINESS

During the FY 2025, there has been no change in the nature of business of the Bank.

### DISCLOSURE RELATED TO DETAILS OF DEPOSITS ACCEPTED

Being a banking company, the disclosures required as per Rule 8(5)(v) & (vi) of the Companies (Accounts) Rules, 2014, read with Sections 73 and 74 of the Companies Act, 2013, are not applicable to the Bank.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS**

During the FY 2025, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Bank's operations in future.

## **PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

There is no application or proceeding pending against the Bank under the Insolvency and Bankruptcy Code, 2016 during the FY 2025.

## **ONE-TIME SETTLEMENT**

There was no instance of one-time settlement with any other Bank or financial institution during the FY 2025.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE BANK**

There are no material changes and commitments affecting the financial position of the Bank which has occurred between the end of the financial year of the Bank i.e., March 31, 2025 and the date of the Directors' Report.

## **AUDIT COMMITTEE OF THE BOARD**

The composition, role and functions of the ACB is provided in the Report on Corporate Governance, which forms part of this Annual Report. During FY 2025, the Board has accepted all the recommendations made by the ACB and hence, no further explanation towards this is required to be provided, in this Report.

## **CORPORATE GOVERNANCE**

The Bank has been continuously observing the best corporate governance practices and benchmarks itself against each such practice. A separate section on Corporate Governance and a Certificate from M/s S. N. Ananthasubramanian & Co, Practicing Company

Secretaries, regarding compliance with the conditions of Corporate Governance as stipulated in Schedule V of the SEBI Listing Regulations forms part of this Annual Report.

## **Corporate Social Responsibility:**

### **1. Brief outline of the CSR Policy of the Company**

CSR Activities shall mean all the Corporate Social Responsibility activities/ programs/ initiatives of the Bank, either ongoing or new, dealing with the activities mentioned in CSR thrust areas. The activities shall conform to those specified in Schedule VII to the Act (as amended from time to time) and as recommended by the CSR & ESG Committee and approved by the Board.

Thrust areas or activities ascribed to them are defined in the Policy, as amended by the Board, from time to time.

Projects/ programs to be undertaken are related with CSR thrust areas of the Bank.

Thrust areas shall mean and include any one or more of the following CSR activities:

- a) Conservation of water/ water storage/ water usage/ protecting water bodies
- b) Waste management
- c) Recycling
- d) Promote waste to energy and renewable energy
- e) Support technology incubators attached to academic institutions
- f) Preservation and promotion of archaeological, cultural, artistic, historical heritage and national treasures with focus on protection of water sources, promotion of harvesting of water, propagation of waste management, promoting recycling and adoption of renewable energy
- g) Disaster Relief



## 2. Composition of CSR &amp; ESG Committee:

S. no.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year	Number of meetings held during his/ her membership of the Committee
1	Mr. Nasser Munjee	Non-Executive (Non-Independent) Director, Chairman	4	2*	2
2	Mr. Praveen Achuthan Kutty	Managing Director & CEO	4	2**	2
3	Mr. Krishnan Sridhar Seshadri	Whole Time Director (Executive Director)	4	2**	2
4	Mr. Farokh N. Subedar	Independent Director	4	4	4
5	Mr. Rafiq Somani	Independent Director	4	4***	4
6	Mr. Thiyagarajan Kumar	Independent Director	4	4	4

\*Mr. Nasser Munjee was appointed as a member with effect from October 9, 2024 and further as chairman with effect from October 25, 2024

\*\*Mr. Praveen Achuthan Kutty ceased to be a member on August 1, 2024 and Mr. Krishnan Sridhar Seshadri was appointed as a member with effect from August 1, 2024

\*\*\*Mr. Rafiq Somani ceased to be the member on March 9, 2025

## 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

CSR Policy & CSR projects: <https://www.dcbbank.com/about-us/corporate-social-responsibility#csrpolicy>

Composition of CSR committee: <https://www.dcbbank.com/about-us/board-committees>

## 4. Provide the executive summary along with the web link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: NA

5.
  - a) Average net profit of the company as per sub-section (5) of Section 135: ₹ 578.16 Crores
  - (b) Two percent of average net profit of the company as per sub-section (5) of Section 135: ₹ 11.56 Crores
  - (c) Surplus arising out of the CSR Projects or programs or activities of the previous financial years: ₹ NIL Crores
  - (d) Amount required to be set-off for the Financial Year, if any: NIL
  - (e) Total CSR obligation for the Financial Year [(b)+(c)-(d)]: ₹ 11.56 Crores
6.
  - (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 11.73 Crores
  - (b) Amount spent in Administrative Overheads: ₹ 0.11 Crores
  - (c) Amount spent on Impact Assessment, if applicable: NA
  - (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 11.84 Crores

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in Crores)	Amount Unspent (in ₹)			
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135	
	Amount	Date of transfer	Name of the Fund	Amount
11.84		NIL		NIL

(f) Excess amount for set-off, if any:

S. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	11.56 Crores
(ii)	Total amount spent for the Financial Year	11.84 Crores
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.28 Crore
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.28 Crore

- Details of unspent Corporate Social Responsibility amount for the preceding three Financial Years: NA
- Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA
- Specify the reason(s) if the company has failed to spend two per cent of the average net profit as per subsection (5) of Section 135: NA

Sd/-

**Mr. Praveen Achuthan Kutty**  
Managing Director & CEO

Sd/-

**Mr. Nasser Munjee**  
Chairman - CSR & ESG Committee

## ACKNOWLEDGEMENTS

Your Board wishes to thank the principal Shareholders and Promoters, the Aga Khan Fund for Economic Development S.A. (AKFED) and all the other Shareholders for the confidence and trust they have reposed in the Bank. Your Board also acknowledges with appreciation the Reserve Bank of India (RBI) for its valuable guidance and support to the Bank. Your Board similarly expresses gratitude for the assistance and co-operation extended by SEBI, BSE, NSE, NSDL, CDSL, NPCIL, Central Government and the Governments of various States, Union Territories and the National Capital Region of Delhi where the Bank has its branches.

Your Board acknowledges with appreciation, the invaluable support provided by the Bank's Auditors, lawyers, business partners and investors. Your Board is also thankful for the continued co-operation of various financial institutions and correspondents in India and abroad.

Your Board wishes to sincerely thank all its customers for their patronage. Your Board records with sincere appreciation the valuable contribution made by the employees at all levels and looks forward to their continued commitment to achieve further growth and take up more challenges that the Bank has set for the future.

On behalf of the Board of Directors

Sd/-

**Mr. Farokh N. Subedar**  
Chairman

Place: Mumbai

Date : June 16, 2025





# Corporate Governance

Report on Corporate Governance pursuant to Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations") and forming Part of the Directors' Report for the year ended March 31, 2025.

The Bank has complied with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the SEBI Listing Regulations.

## PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Bank on an ongoing basis continues to believe strongly in adopting and adhering to the best corporate governance practices and benchmarking itself against the industry's best practices. It is the Bank's ongoing endeavor to achieve the highest levels of governance as a part of its responsibility towards the Shareholders and other Stakeholders. Transparency and integrity continue to be the cornerstones for good governance, and the Bank is strongly committed to these principles for enhancing the Stakeholders' value.

## BOARD OF DIRECTORS AND ITS COMPOSITION

The composition of the Board of Directors of the Bank ("Board") is governed by the provisions of the Companies Act, 2013, the Banking Regulation Act, 1949, SEBI Listing Regulations and other applicable laws.

The Board of the Bank, as on March 31, 2025, consists of twelve (12) Directors. Out of the twelve (12) Directors, the Bank has a Non-Executive Part Time Chairman and Independent Director, the Managing Director & Chief Executive Officer ('MD & CEO'), one Whole Time Director ('Executive Director') and three Non-Executive Non-Independent and Six (6) other Independent Directors including a Woman Independent Director on its Board.

Majority (58%) of the total strength of the Board of the Bank consists of Independent Directors, which is over and above the minimum requirement under the SEBI Listing Regulations. The day-to-day management of the Bank is entrusted to the Senior Management team under

the leadership of the MD & CEO who operates under the superintendence, direction and control of the Board. The Board reviews and approves strategy and oversees the actions and performance of the management periodically for enhancing the Stakeholders' value.

In terms of Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other applicable Rules thereunder, all the Independent Directors of the Bank are enrolled with the Databank of Independent Directors maintained by the Ministry of Corporate Affairs. All Independent Directors of the Bank have passed/ are exempted from undertaking the online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs (IICA).

All the Directors of the Bank and their relatives together hold total 494,351 (0.15%) Equity Shares of the Bank i.e. less than 2% of the issued and paid-up equity share capital of the Bank as on March 31, 2025.

The Reserve Bank of India (RBI) vide its letter dated January 16, 2024 had conveyed its approval for appointment of Mr. Praveen Achuthan Kutty as MD & CEO of the Bank with effect from April 29, 2024 for a period of three years (3) in place of Mr. Murali M. Natrajan whose continuous tenure of fifteen (15) years as the Managing Director & CEO of the Bank ended on April 28, 2024 as per extant norms of the RBI. The Board of Directors of the Bank at its meeting held on March 21, 2024, on the recommendation of the Nomination and Remuneration Committee, had approved the appointment of Mr. Praveen Achuthan Kutty as the MD & CEO of the Bank for a period of three (3) years with effect from April 29, 2024 on such remuneration as approved by RBI. The Shareholders of the Bank at the 29<sup>th</sup> Annual General Meeting had also approved the said appointment.

Pursuant to the approval of the RBI vide its letter dated June 03, 2024, the Board of Directors of the Bank at its meeting held on June 12, 2024, on the recommendation of the Nomination and Remuneration Committee, had approved the appointment Mr. Krishnan Sridhar Seshadri as Whole Time Director (Executive Director) of the Bank for a period of two (2) years with effect from June 13,

2024 on such remuneration as approved by RBI. Further, the Shareholders of the Bank approved his appointment through Postal Ballot on August 29, 2024.

Mr. Praveen Achuthan Kutty by virtue of his designation is considered as a Key Managerial Personnel (KMP) of the Bank in accordance with the Companies Act, 2013 & Rules made thereunder and the SEBI Listing Regulations and Material Risk Taker (MRT) in accordance with the Compensation Policy of the Bank & relevant RBI guidelines.

Mr. Krishnan Sridhar Seshadri by virtue of his designation is considered as KMP of the Bank in accordance with the Companies Act, 2013 & Rules made thereunder and the SEBI Listing Regulations and Material Risk Taker (MRT) in accordance with the Compensation Policy of the Bank & relevant RBI guidelines.

Sr.	Name of Director	Designation
1.	Mr. Farokh N. Subedar	Non-Executive Part time Chairman and Independent Director
2.	Mr. Praveen Achuthan Kutty (w.e.f. April 29, 2024)	Managing Director & CEO
3.	Mr. Amyn Asgarali Jassani	Independent Director
4.	Mr. Balu Srinivasan (w.e.f. March 07, 2025)	Independent Director
5.	Mr. Iqbal Ishaq Khan	Non-Independent Director
6.	Ms. Lakshmy Chandrasekaran	Independent Director
7.	Mr. Krishnan Sridhar Seshadri (w.e.f. June 13, 2024)	Whole Time Director (Executive Director)
8.	Mr. Nadir Noorallah Bhalwani (w.e.f. March 07, 2025)	Non-Independent Director
9.	Mr. Nasser Munjee (w.e.f. September 19, 2024)	Non-Independent Director
10.	Mr. Somasundaram PR	Independent Director
11.	Mr. Tarun Balram	Independent Director
12.	Mr. Thiagarajan Kumar	Independent Director

All the Directors on the Board have made necessary disclosures regarding their directorship and committee

positions occupied by them in other companies. None of the directors are related to each other. Further, the Independent Directors fulfill the conditions specified in the Companies Act, 2013 & Rules made thereunder and the SEBI Listing Regulations and are independent of the management.

During the FY 2024-25, Mr. Murali M. Natrajan completed his tenure as the Managing Director & CEO of the Bank at the end of business hours on April 28, 2024, in accordance with the extant norms of Reserve Bank of India. Mr. Nasser Munjee was appointed as a Non-Executive Non-Independent Director of the Bank, liable to retire by rotation, with effect from September 19, 2024 and his appointment was approved by the Shareholders on December 06, 2024 through postal ballot.

Mr. Amyn Jassani and Mr. Somasundaram PR were re-appointed as Independent Directors of the Bank with effect from January 25, 2025 for the second consecutive term of 3 (three) years. Their re-appointments were approved by the Shareholders on March 10, 2025 through postal ballot.

Mr. Shabbir Merchant and Mr. Rafiq Somani, ceased to be the Directors of the Bank on closure of the business hours on January 24, 2025 and March 08, 2025 respectively, on completing their terms as Independent Directors of the Bank. The Board thanks both Mr. Shabbir Merchant and Mr. Rafiq Somani, for their invaluable contribution to the Bank during their respective tenures as directors of the Bank.

Mr. Balu Srinivasan was appointed as an Independent Director for a period of three (3) years with effect from March 07, 2025 and Mr. Nadir Noorallah Bhalwani was appointed as a Non-Executive Non-Independent Director of the Bank, liable to retire by rotation, with effect from March 07, 2025, and their appointments were approved by the Shareholders on May 19, 2025 through postal ballot.

#### Brief Profile of the Board of Directors:

The profiles of the Directors of the Bank as on March 31, 2025 are as under:

**Mr. Farokh N. Subedar**, is the Chairman and Independent Director of the Bank. He holds a Bachelor's degree in Commerce and is a Member of the Institute of Chartered Accountants of India and



the Institute of Company Secretaries of India. He has vast experience in the areas of business management, finance, taxation, law and accounting. He has been on the boards of several Tata companies and has been closely associated with several Non-Banking Financial Companies and companies in the financial service sector.

He superannuated from Tata Sons Limited ('Tata Sons') as the Chief Operating Officer and also functioned as the Chief Financial Officer and Company Secretary of Tata Sons. His association with Tata Group spans over 40 years. He has also been the Past President of the Bombay Chamber of Commerce and Industry and actively involved with NGOs in diverse areas.

He is an independent director on the board of Cummins India Limited and non-executive Director on the board of Tata Industries Limited and Tata Investment Corporation Limited.

Mr. Subedar does not hold any Equity Shares in the Bank as on March 31, 2025.

**Mr. Aryn Jassani** is an Independent Director of the Bank and has over 30 years of experience primarily with the big four accounting firms. He is a Fellow member of the Institute of Chartered Accountants of India and is also a member of the Institute of Company Secretaries of India. Additionally, he has passed examinations for Certified Information System Auditor (CISA) and Social Auditors Certification.

He is a director on the board of Inspirah Speech And Hearing Centre Private Limited.

Mr. Aryn Jassani holds 100 Equity Shares in the Bank as on March 31, 2025.

**Mr. Iqbal Khan**, a Non-Executive Non-Independent Director of the Bank, is a Partner of J. Sagar Associates and their National Corporate Lead. Earlier he was a senior Partner at Shardul Amarchand Mangaldas & Co. and a member of the Private Equity and Mergers & Acquisitions Practice Group. He advises some of the largest sovereign wealth funds, global private equity funds and strategic corporate, and specializes in private equity investments, private and public mergers and acquisitions (both domestic and cross-border), joint ventures and foreign investment laws.

Mr. Iqbal holds a J.D. from the Columbia Law School (as a Harlan Fisk Stone Scholar) and an LLB. from the London School of Economics and Political Science. Mr. Iqbal has also worked at Kirkland & Ellis LLP, New York and at Paul, Weiss, Rifkind, Wharton & Garrison LLP, New York. He is enrolled with the Bar Council of Maharashtra & Goa.

He does not hold directorship in any other company or body corporate.

Mr. Iqbal Khan does not hold any Equity Shares in the Bank as on March 31, 2025.

**Mr. Somasundaram PR**, an Independent Director of the Bank, is a Chartered and Cost Accountant with more than 31 years' experience across various Unilever Group companies in India and abroad, Standard Chartered Bank and others. He has been the Regional CEO-India of the World Gold Council till March 31, 2024.

He is an Independent Director on the board of GlaxoSmithKline Pharmaceuticals Limited.

Mr. Somasundaram PR does not hold any Equity Shares in the Bank as on March 31, 2025.

**Mr. Tarun Balram** is an Independent Director of the Bank. He is a senior banker with almost 30 years of experience with HSBC in the Corporate and Institutional banking domain. He worked in various capacities including Managing Director and Head India - Corporate & Institutional Banking, covering HSBC's Corporate & Financial Sector Clients (local and multi-national). He has also played an active leadership role in championing HSBC India's Diversity & Inclusion agenda as well as been a mentor to several middle-management executives, guiding them through their career journey. He is a Commerce graduate from Delhi University post which, he undertook a double Masters in Business Economics and Business Management, respectively.

He is an independent director on the board of HDFC Securities Limited.

Mr. Tarun Balram does not hold any Equity Shares in the Bank as on March 31, 2025.

**Mr. Thiyagarajan Kumar** is an Independent Director of the Bank. He is a Business Leader with over 37 years of experience with Unilever and the Times Group, in the Finance, Commercial, Governance, Audit/ Assurance functions. He worked in various capacities including

General Manager - Finance, Audit Director with Unilever from October 1986 to September 2008 and was Director, Management Assurance Services of the Times Group between October 2008 till March 2023. He is associated as Member of the Governing Council of Loyola Institute of Business Administration (LIBA), Chennai, Secretary, Loyola Alumni Association, Delhi, and the council member of its parent body at Chennai. He was also past president of the Institute of Internal Auditors, India. He is B. Com, Associate of Institute of Chartered Accountants of India, Associate of Institute of Cost and Works Accountants of India and completed Post Graduate Diploma in Management Accountancy Course, ICAI.

He is a director on the board of Sakthi Kumaran Charitable Foundation.

Mr. Thiagarajan Kumar does not hold any Equity Shares in the Bank as on March 31, 2025.

**Ms. Lakshmy Chandrasekaran** is an Independent Director of the Bank. She is a Chartered Accountant by qualification. She also holds a diploma in Internal Financial Reporting and Information Systems and has over 35 years of experience in the field of Accountancy, Finance, Taxation, and Risk Management.

She is a Senior Partner of M/S. P. CHANDRASEKAR LLP, Chartered Accountants, a leading firm of Chartered Accountants, established in the year 1988 specializing in the field of Auditing, Taxation, Corporate Advisory Services, Management Consulting Services, Due diligence, Valuations, Inspections and Investigations. With over 31 years of experience as an Audit partner for Listed and Unlisted Entities besides NBFCs and Public and Private Sector Banks, for the last many years. Also, in charge of Risk Management, Quality Assurances, Governance of Clients and Financial Consultancy to Medium and Large Business Organizations.

She is also a partner in charge of Due Diligence and Fraud Detection in Corporate Accounting and Finance and technical aspects of Systems Control and Data Managements.

She is a director on the board of Bhat investments Private Ltd.

Ms. Lakshmy Chandrasekaran does not hold any Equity Shares in the Bank as on March 31, 2025.

**Mr. Praveen Achuthan Kutty** is the Managing Director & CEO of the Bank. He brings with him over 34 years of banking experience. In DCB Bank he has held various roles, heading Retail Banking, Agri Banking & SME Banking in the last 17 years. Prior to DCB Bank, he has worked with Citibank India and North America, where he successfully managed multiple consumer banking businesses including Credit Cards, Personal Loans, Home Loans, Branch Banking, Wealth Management and NRI Banking. As Area Director for Bangalore for Consumer Banking, he was instrumental in scaling up the remote banking Suvidha experiment into a highly profitable customer proposition. He holds a B. Com and an MBA degree.

He does not hold directorship in any other company or body corporate.

Mr. Praveen Achuthan Kutty holds 4,04,000 Equity Shares in the Bank as on March 31, 2025.

**Mr. Krishnan Sridhar Seshadri** is the Whole Time Director (Executive Director) of the Bank. He was the Chief Risk Officer of the Bank since May 2017 till June 2024 and has over 40 years of banking experience, covering various aspects of branch banking including the role of branch manager involving origination and management of Loans and Advances, system administration, accounting and financial control, etc. amongst other aspects. Prior to joining DCB Bank as Financial Controller in 2009, he was with ICICI Bank, from almost its inception, and earlier with Syndicate Bank and State Bank of India.

He holds a Master's degree in Commerce (M.Com.) and is a Certified Associate of the Indian Institute of Bankers (CAIIB).

He does not hold directorship in any other company or body corporate.

Mr. Krishnan Sridhar Seshadri holds 85,500 Equity Shares in the Bank as on March 31, 2025.

**Mr. Nasser Munjee** is a Non-Executive Non-Independent Director of the Bank. He served with Housing Development Finance Corporation (HDFC) for over 20 years at various positions including as its Executive Director. He was the Managing Director of Infrastructure Development Finance Co. Ltd. (IDFC) upto March 2004.

He was the Chairman of DCB Bank Limited since June 2005 (till August 2021) and is also on the Board



of various Multinational Companies and Trusts. He has deep interest in rural development, housing finance, urban issues, infrastructure and humanitarian causes. He was a technical advisor on the World Bank's Public Private Partnership Infrastructure and Advisory Fund. He was adjudged best Independent Director by the Asian Centre for Corporate Governance and Sustainability. He was also awarded the Indian Business Leader of the year 2014 by Horasis in Switzerland.

He holds a Bachelor's degree and a Master's degree from The London School of Economics and Political Science, UK.

He is director on the boards of The Indian Hotels Company Limited, TMF Business Services Limited, TMF Holdings Limited, Tata Motors Finance Limited, Allied Blenders and Distillers Limited, Arka Fincap Limited, MMTC- PAMP India Private Limited, Aga Khan Rural Support Programme (India), Indian Institute for Human Settlements, Aga Khan Foundation (India) and Anushka Foundation for Eliminating Clubfoot.

Mr. Nasser Munjee holds 4,401 Equity Shares in the Bank as on March 31, 2025.

**Mr. Nadir Bhalwani** is a Non-Executive Non-Independent Director on the Board of the Bank. He graduated from Mithibai College and an MBA from KJ Somaiya Institute of Management Studies and Research, University of Mumbai. He currently serves as the Chief Information & Technology Officer at CareEdge Ratings. With over 24 years of experience at top institutions, Nadir is a Certified Information Security Auditor (CISA) from ISACA and has completed the Global CIO Certification - Executive Program from the Indian School of Business, Hyderabad. Before joining CareEdge, he was working with Entertainment Network (India) Ltd. as the Head of Information Technology & Business Process Reengineering. Awarded the Top 100 CISO India award

from CISO Platform for three consecutive years starting 2014, Nadir has held leadership positions in Technology at top institutions such as CRISIL (a Standard & Poor company) and IL&FS Investsmart. A prominent speaker at various forums such as Gartner Symposium, IDG, ISACA Annual Conference, he also regularly writes articles and gives his views to the print media and online technology journals.

He is director on the board of Aga Khan Rural Support Programme (AKRSP), India.

Mr. Nadir Bhalwani does not hold any Equity Shares in the Bank as on March 31, 2025.

**Mr. Balu Srinivasan** is an Independent Director on the Board of the Bank. He is an Engineer cum certified Cost Accountant. He has a career spanning over three and half decades, during which he has held significant leadership roles at esteemed organizations such as Ford, TVS, Ashok Leyland, Unilever, and Pfizer. His leadership is defined by his ability to pioneer innovative business solutions with appropriate technology architecture. His unique combination of Engineering expertise and Cost accounting knowledge allows him to strike a balance between innovation and fiscal responsibility and enable perfect use of technology achieve their desired outcomes. He is particularly skilled in integrating cybersecurity best practices, implementing IT security audits, and driving continuous improvement initiatives across organizations. He is well-versed in career development, coaching, and mentoring, and he is adept at bridging the gap between technology strategy and business objectives.

He does not hold directorship in any other company or body corporate.

Mr. Balu Srinivasan does not hold any Equity Shares in the Bank as on March 31, 2025.



**DETAIL OF DIRECTORSHIPS ALONG WITH CATEGORY AND MEMBERSHIPS/ CHAIPERSONSHIPS OF COMMITTEES OF OTHER PUBLIC LIMITED COMPANIES HELD BY THE DIRECTORS OF THE BANK AS ON MARCH 31, 2025**

Name of Director	Directorship in other Listed Public Limited Companies	Directorship in other public Limited Companies	Membership of Committees of other Public Limited Companies <sup>#</sup>	Chairmanship of Committees of other Public Limited Companies <sup>#</sup>
Mr. Farokh N. Subedar	2	1	1	3
Mr. Praveen Achuthan Kutty	NIL	NIL	NIL	NIL
Mr. Krishnan Sridhar Seshadri	NIL	NIL	NIL	NIL
Mr. Iqbal Khan	NIL	NIL	NIL	NIL
Mr. Nasser Munjee	2	4	NIL	4
Mr. Nadir Bhalwani	NIL	NIL	NIL	NIL
Mr. Aryn Jassani	NIL	NIL	NIL	NIL
Mr. Somasundaram PR	1	NIL	NIL	1
Mr. Tarun Balram	NIL	1	NIL	1
Mr. Thiagarajan Kumar	NIL	NIL	NIL	NIL
Ms. Lakshmy Chandrasekaran	NIL	NIL	NIL	NIL
Mr. Balu Srinivasan	NIL	NIL	NIL	NIL

<sup>#</sup>Includes only membership/ chairmanship of Audit Committee and Stakeholders' Relationship Committee of other Indian public limited companies.

**Skills/ Expertise/ Competencies of the Board of Directors**

The Bank has identified the skills/ expertise/ competencies as required to be possessed by the Board of the Bank, to function effectively in the context of businesses and the sectors in which the Bank deals. Based on the confirmation and declarations obtained from the Directors of the Bank, the identified Skills/ Expertise/ Competencies are given below:

Name of Directors	Skill/ Expertise/ Competencies
Mr. Farokh N. Subedar	Accountancy & Audit, Finance, Law, Risk Management, Business Management
Mr. Praveen Achuthan Kutty	Accountancy & Audit, Banking, Finance, Information Technology, Payment & Settlement Systems, Human Resources, Risk Management, Business Management, Product Development & Marketing

Name of Directors	Skill/ Expertise/ Competencies
Mr. Krishnan Sridhar Seshadri	Accountancy & Audit, Agriculture & Rural Economy, Banking, Finance, Small scale industry, Information Technology, Risk Management, Business Management
Mr. Iqbal Khan	Law, Information Technology, Merger & Acquisitions & Strategic Options
Mr. Aryn Jassani	Accountancy & Audit, Economics, Finance, Law, Information Technology, Human Resources, Risk Management
Mr. Somasundaram PR	Accountancy & Audit, Banking, Economics, Finance, Payment & Settlement Systems, Human Resources, Business Management, Product Development & Marketing, Merger & Acquisitions & Strategic Options



Name of Directors	Skill/ Expertise/ Competencies
Mr. Tarun Balram	Banking, Finance, Payment & Settlement Systems, Human Resources, Risk Management, Business Management
Mr. Thiyagarajan Kumar	Accountancy & Audit, Banking, Economics, Finance, Human Resources, Risk Management, Business Management, Merger & Acquisitions & Strategic Options
Ms. Lakshmy Chandrasekaran	Accountancy & Audit, Finance, Risk Management
Mr. Nasser Munjee	Accountancy & Audit, Agriculture & Rural Economy, Banking, Economics, Finance
Mr. Balu Srinivasan	Information Technology, Business Management, Risk Management, Human Resources
Mr. Nadir Bhalwani	Information Technology, Risk Management, Human Resources

### COMPOSITION OF COMMITTEES OF DIRECTORS, TERMS OF REFERENCE AND NUMBER OF MEETINGS DURING THE FY 2024-25

The Board has constituted various Committees of Directors to take informed decisions in the best interest of the Bank. These Committees monitor the activities as per the scope defined in their terms of reference and as per the regulatory guidelines as applicable. The Board's Committees are as follows:

#### AUDIT COMMITTEE OF BOARD (ACB)

The terms of reference of the ACB are in accordance with the provisions of the Companies Act, 2013, terms prescribed by the RBI and the SEBI Listing Regulations and, inter-alia, include the following:

1. Overseeing the Bank's financial reporting process and the disclosure of its financial information to

ensure that the financial statements are correct, sufficient and credible.

2. Recommending to the Board the appointment, reappointment and, if required, the replacement or removal of the Statutory Auditors and fixation of their audit fees and confirm their independence.
3. Approving payment to Statutory Auditors for any other services rendered by them, if authorised by the Board.
4. Reviewing with the management, the quarterly financial statements before submission to the Board for approval and securing the Certificate from the CFO in terms of the requirements under the Listing Regulations.
5. Evaluate internal financial controls and risk management systems.
6. Review with the management, performance of Statutory and Internal Auditors and adequacy of the internal control systems.
7. Any other terms of reference as may be included from time to time in the Listing Regulations.

Mr. Thiyagarajan Kumar, Mr. Aryn Jassani, Mr. Somasundaram PR, Ms. Lakshmy Chandrasekaran and Mr. Nasser Munjee are the members of the ACB. Out of Five (5) members four (4) are Independent Directors (IDs) as against the requirement of 2/3<sup>rd</sup> IDs under the Listing Regulations and one (1) is Non-Independent Director. Mr. Thiyagarajan Kumar chairs the ACB and the Company Secretary of the Bank acts as the Secretary to the ACB. The Committee was last re-constituted on October 09, 2024 by inducting Mr. Nasser Munjee as Member of ACB.

During the year under review, Eleven (11) meetings of the ACB were held on April 18, 2024, April 24, 2024, July 16, 2024, July 24, 2024, August 13, 2024, October 18, 2024, October 24, 2024, January 16, 2025, January 24, 2025, March 10, 2025 and March 27, 2025.

#### CREDIT COMMITTEE OF BOARD (CCB)

The CCB, inter-alia, looks after sanctioning of loans and advances, approving of One Time Settlements (OTS), etc.

Mr. Somasundaram PR, Mr. Tarun Balram and Mr. Farokh N. Subedar are the members of the CCB. Mr. Somasundaram PR chairs the CCB. There was no change in the constitution of the Committee during the year under review.

During the year under review, seventeen (17) meetings of the CCB were held on April 23, 2024, May 30, 2024, June 21, 2024, June 28, 2024, July 22, 2024, July 30, 2024, August 29, 2024, September 13, 2024, September 26, 2024, October 24, 2024, November 27, 2024, December 20, 2024, January 16, 2025, January 29, 2025, February 18, 2025, March 19, 2025 and March 28, 2025.

#### **RISK MANAGEMENT COMMITTEE OF BOARD (RMC)**

RMC, the apex body of the Bank's risk management architecture, is responsible for aligning various risk policies of the Bank with the risk appetite and risk philosophy articulated by the Board. It approves specific risk policies, including the Credit Policy, Investment Policy, Asset Liability Management Policy, Outsourcing Policy, Operational Risk Management Policy, KYC Standards and Anti-Money Laundering measures, etc. The Terms of Reference of the RMC also include Management of the Committees of Executives viz. Operational Risk Management Committee (ORCO), Asset Liability Management Committee (ALCO), Credit Risk Management Committee (CRMC), through the review of their minutes and any issues that require the attention of the RMC, and manage effectively the risk profile of the Bank.

Mr. Aryn Jassani, Mr. Somasundaram PR, Mr. Tarun Balram, Mr. Thiyagarajan Kumar and Mr. Praveen Achuthan Kutty are the members of the RMC. Mr. Aryn Jassani chairs the RMC.

The Committee was last re-constituted on April 29, 2024. Mr. Murali M. Natrajan ceased to be a member of the RMC and Mr. Praveen Achuthan Kutty - Managing Director & CEO was appointed as a member of RMC from that date.

During the year under review, four (4) meetings of the RMC were held on June 12, 2024, August 21, 2024, December 10, 2024 and March 11, 2025.

#### **NOMINATION & REMUNERATION COMMITTEE OF BOARD (NRC)**

The NRC, inter-alia, looks after the due diligence and recommendation for appointment/ re-appointment/

remuneration/ performance evaluation/ succession planning of all directors. The NRC also approves and recommends appointment/ reappointment/ remuneration of Senior Management including Key Managerial Personnel of the Bank.

Mr. Somasundaram PR, Mr. Aryn Jassani and Mr. Iqbal Khan are the members of the NRC. All the members are Independent Directors of the Bank except Mr. Iqbal Khan, who is Non-Executive Director. Mr. Somasundaram PR chairs the NRC.

The Committee was reconstituted on March 04, 2025 and Mr. Farokh N. Subedar ceased to be a member of the NRC from that date.

During the year under review, eight (8) meetings of the NRC were held on April 16, 2024, April 25, 2024, May 14, 2024, June 12, 2024, July 24, 2024, September 18, 2024, November 27, 2024 and January 22, 2025.

#### **STAKEHOLDERS' RELATIONSHIP COMMITTEE OF BOARD (SRC)**

The SRC monitors redressal of grievances of the security holders including complaints related to transfer/ transmission of shares, non-receipt of dividend, non-receipt of annual reports, issue of new/ duplicate certificates interest payment on Bonds, etc. The SRC reviews the measures taken for effective exercise of voting rights by Shareholders, adherence to the service standards adopted and the various measures and initiatives taken by the Bank for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the Shareholders. The SRC also takes note of number of transfers processed, issue of fresh share certificates, top Shareholders, pattern of shareholding, etc.

During FY 2024-25, five (5) complaints were received from the shareholders of the Bank. The Bank had attended to all the complaints and the same were closed to the satisfaction of the shareholders.

Ms. Rubi Chaturvedi, Company Secretary of the Bank is the designated person responsible for handling Investor/ Shareholder Grievances and is the Compliance Officer of the Bank under the SEBI Listing Regulations. She is also the Nodal Officer of the Bank for handling Investor Grievances with respect to Investor Education and Protection Fund ('IEPF').



The SRC consist of Ms. Lakshmy Chandrasekaran, Mr. Aryn Jassani and Mr. Thiyagarajan Kumar. Ms. Lakshmy Chandrasekaran chairs of the SRC. The Committee was reconstituted on March 09, 2025. Mr. Rafiq Somani ceased to be member w.e.f. March 08, 2025 and Mr. Thiyagarajan Kumar was inducted as a member of SRC w.e.f. March 09, 2025.

During the year under review, four (4) meetings of the SRC were held on April 15, 2024, July 15, 2024, October 15, 2024 and January 15, 2025.

#### **FRAUD REPORTING & MONITORING COMMITTEE OF BOARD (SPECIAL COMMITTEE OF THE BOARD FOR MONITORING AND FOLLOW UP OF CASES OF FRAUDS) (FRMC)**

Pursuant to the directives of the RBI to all commercial banks, the Bank has constituted a FRMC for monitoring cases of fraud involving amounts of ₹ 1 Crore (Rupees One Crore Only) and above.

Mr. Farokh N. Subedar, Mr. Aryn Jassani, Mr. Thiyagarajan Kumar, Mr. Krishnan Sridhar Seshadri and Ms. Lakshmy Chandrasekaran are the members of the FRMC. Mr. Farokh N. Subedar chairs the FRMC.

The Board of Directors at its meeting held on March 21, 2024 had renamed the Fraud Reporting and Monitoring Committee as Fraud Reporting and Monitoring Committee (Special Committee of the Board for monitoring and follow up of cases of frauds). During the year Mr. Murali M. Natrajan ceased to be member w.e.f. April 28, 2024 and Mr. Praveen Achuthan Kutty was appointed as a member w.e.f. April 29, 2024. Further, Mr. Praveen Achuthan Kutty ceased to be member w.e.f. August 01, 2024 and Mr. Krishnan Sridhar Seshadri was appointed as a member w.e.f. August 01, 2024. The Committee was last re-constituted on January 24, 2025. Mr. Shabbir Merchant ceased to be a Member of the FRMC from that date.

During the year under review, four (4) meetings of the FRMC were held on April 15, 2024, July 16, 2024, October 16, 2024 and January 15, 2025.

#### **CUSTOMER SERVICE COMMITTEE OF BOARD (CSC)**

The CSC monitors enhancing the quality of customer services and improving the level of customer satisfaction for all categories of clientele at all times. It also oversees the functioning of Standing Committee of Executives on Customer Service.

Mr. Farokh N. Subedar, Mr. Aryn Jassani, Mr. Thiyagarajan Kumar, Mr. Praveen Achuthan Kutty and Mr. Krishnan Sridhar Seshadri are the members of the CSC. Mr. Farokh N. Subedar Chairs the CSC. During the year Mr. Murali M. Natrajan ceased to be a member w.e.f. April 28, 2024 and Mr. Praveen Achuthan Kutty was appointed as a member w.e.f. April 29, 2024. The Committee was last re-constituted on August 01, 2024 and Mr. Krishnan Sridhar Seshadri was appointed as a member for CSC from that date.

During the year under review, five (5) meetings of the CSC were held on April 15, 2024, July 23, 2024, September 11, 2024, October 15, 2024 and January 15, 2025.

#### **INFORMATION TECHNOLOGY STRATEGY COMMITTEE OF BOARD (ITSC)**

ITSC, inter alia, approves IT related strategy, road map for initiatives, budget and investments to support the Bank's growth strategies in accordance with the Business Plan.

The ITSC consist of Mr. Balu Srinivasan, Mr. Nadir Bhalwani, Mr. Iqbal Khan, Mr. Praveen Achuthan Kutty and Mr. Krishnan Sridhar Seshadri as the Members. Mr. Balu Srinivasan chairs the ITSC. During the year Mr. Murali M. Natrajan ceased to be member w.e.f. April 28, 2024 and Mr. Praveen Achuthan Kutty was appointed as a member w.e.f. April 29, 2024. Mr. Murali Manduva (Chief Technology Officer) ceased to be member w.e.f. August 01, 2024 and Mr. Krishnan Sridhar Seshadri (WTD) was appointed as a member w.e.f. August 01, 2024. Mr. Rafiq Somani ceased to be Chairman and Member of ITSC w.e.f. March 08, 2025. The Committee was last re-constituted on March 09, 2025 and Mr. Balu Srinivasan, Independent Director was appointed as Chairman of ITSC and Mr. Nadir Bhalwani, Non-Executive Non-Independent Director was appointed as a member of the ITSC from that date.

During the year under review, four (4) meeting of the ITSC were held on April 16, 2024, July 16, 2024, October 16, 2024 and January 7, 2025.

#### **CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT, SOCIAL & GOVERNANCE COMMITTEE OF THE BOARD (CSR & ESG COMMITTEE)**

The CSR & ESG Committee formulates and recommends to the Board, the CSR Policy of the Bank and also recommends amount of expenditure to be incurred and monitors the CSR activities of the Bank.

Mr. Nasser Munjee, Mr. Farokh N. Subedar, Mr. Thiagarajan Kumar and Mr. Krishnan Sridhar Seshadri are the members of the CSR & ESG Committee. Mr. Nasser Munjee chairs the Committee.

During the year Mr. Murali M. Natrajan ceased to be a member w.e.f. April 28, 2024 and Mr. Praveen Achuthan Kutty was appointed as a member w.e.f. April 29, 2024. On August 01, 2024 Mr. Praveen Achuthan Kutty ceased to be member and Mr. Krishnan Sridhar Seshadri, Whole Time Director was appointed as a member on that date. On October 09, 2024, Mr. Nasser Munjee, Non-Independent Director was appointed as a member. Further, on October 25, 2024, Mr. Farokh N. Subedar stepped down as Chairman of CSR & ESG (however, he continues to be a member of the Committee) and Mr. Nasser Munjee was appointed as Chairman of CSR & ESG from that date. The Committee was last re-constituted on March 08, 2025 and Mr. Rafiq Somani ceased to be a Member of CSR & ESG Committee from that date.

During the year under review, four (4) meetings of the CSR & ESG Committee were held on May 14, 2024, July 15, 2024, October 15, 2024 and January 10, 2025.

#### WILFUL DEFAULTERS REVIEW COMMITTEE OF BOARD (WDRC)

The WDRC reviews the instances wherein the Committee of Executives (Wilful Defaulters-Identifications) has issued orders declaring the borrower as Wilful Defaulters/ Non-Cooperative and issue the final order post review of

the instances as mentioned. WDRF also formulate the SOP for examination and declaration of wilful defaulter. It also directs and overviews the task of carrying out examination of NPAs above ₹ 25 Lakh (Rupees Twenty-Five Lakh Only).

The Members of the Wilful Defaulters-Review Committee are Mr. Praveen Achuthan Kutty (Chairman) and any two Independent Directors of the Bank depending upon their availability, as its members.

During the year, Mr. Murali M. Natrajan ceased to be the Chairman w.e.f. April 28, 2024 and Mr. Praveen Achuthan Kutty was appointed as chairman w.e.f. April 29, 2024.

No meeting of the Committee was held during the year under review.

#### ATTENDANCE OF DIRECTORS AT BOARD MEETINGS, COMMITTEE MEETINGS AND LAST ANNUAL GENERAL MEETING FOR FY 2024-25

During the year ended March 31, 2025, total thirteen (13) Board Meetings were held on April 18, 2024, April 24, 2024, May 15, 2024, June 12, 2024, July 18, 2024, July 24, 2024, September 18, 2024, October 24, 2024, November 27, 2024, January 16, 2025, January 24, 2025, February 6, 2025 and March 16, 2025. Further, one (1) meeting of Independent Directors was also held on March 25, 2025 as per the regulatory requirement and the same was attended by all the Independent Directors.

All Directors then on the Board of the Bank had attended the last Annual General Meeting held on June 12, 2024.

Summary of attendance of directors at the Board/ Committee meetings held during the FY 2024-25 is given below:

Sr. No.	Name of Director	BM	ID Meeting	ACB	CCB	RMC	FRMC	NRC	SRC	CSC	ITSC	CSR	Wilful Defaulter
	No. of Meetings held	13	1	11	17	4	4	8	4	5	4	4	0
1	Farokh N. Subedar <sup>1</sup>	13	1	N.M.	14	N.M.	4	8	N.M.	5	N.M.	4	0
2	Murali M. Natrajan <sup>2</sup>	2	N.R.	N.M.	N.M.	N.M.	1	N.M.	N.M.	1	1	Retired	0
3	Iqbal Khan	12	N.R.	N.M.	N.M.	N.M.	N.M.	7	N.M.	N.M.	3	N.M.	N.M.
4	Lakshmy Chandrasekaran	12	1	10	N.M.	N.M.	4	N.M.	4	N.M.	N.M.	N.M.	0
5	Amyr Jassani	13	1	11	N.M.	4	4	8	4	5	N.M.	N.M.	0
6	Rafiq Somani <sup>3</sup>	5	Retired	N.M.	N.M.	N.M.	N.M.	N.M.	3	N.M.	4	3	0
7	Shabbir Merchant <sup>4</sup>	10	Retired	N.M.	N.M.	N.M.	4	N.M.	N.M.	N.M.	N.M.	N.M.	0
8	Somasundaram P.R.	13	1	11	17	3	N.M.	8	N.M.	N.M.	N.M.	N.M.	0
9	Tarun Balram	13	1	N.M.	16	4	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.	0
10	Thiyagarajan Kumar	13	1	11	N.M.	4	4	N.M.	N.M.	5	N.M.	3	0
11	Praveen Achuthan Kutty <sup>5</sup>	11	N.R.	N.M.	N.M.	4	1	N.M.	N.M.	4	3	2	0
12	Krishnan Sridhar Seshadri <sup>6</sup>	9	N.R.	N.M.	N.M.	N.M.	2	N.M.	N.M.	3	2	2	N.M.





Sr. No.	Name of Director	BM	ID Meeting	ACB	CCB	RMC	FRMC	NRC	SRC	CSC	ITSC	CSR	Wilful Defaulter
13	Nasser Munjee <sup>7</sup>	5	N.R.	6	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.	2	N.M.
14	Nadir Bhalwani <sup>8</sup>	1	N.R.	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.
15	Balu Srinivasan <sup>8</sup>	1	1	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.	N.M.	0

N.M. = Not a member

<sup>1</sup>Mr. Farokh N. Subedar ceased to be Chairman of CSR & ESG w.e.f. October 25, 2024, however continued to be a Member of CSR & ESG Committee. Ceased to be Member of NRC w.e.f. March 04, 2025

<sup>2</sup>Mr. Murali M. Natrajan - retired and ceased to be Member of the Board, FRMC, CSC, ITSC and Chairman of Wilful Defaulter Review Committee w.e.f. April 28, 2024.

<sup>3</sup>Mr. Rafiq Somani retired and ceased to be Member of the Board, CSR & ESG and SRC and Chairman of ITSC w.e.f. March 08, 2025

<sup>4</sup>Mr. Shabbir Merchant retired and ceased to be Member of the Board and FRMC w.e.f. January 24, 2025

<sup>5</sup>Mr. Praveen Achuthan Kutty - appointed as a Member of the Board, RMC, CSR & ESG, FRMC, CSC, ITSC and Chairman of Wilful Defaulter Review Committee w.e.f. April 29, 2024. Ceased to be Member of CSR & ESG and FRMC w.e.f. August 01, 2024.

<sup>6</sup>Mr. Krishnan Sridhar Seshadri - appointed as a Member of the Board w.e.f. June 13, 2024 and Member of FRMC, CSR & ESG, CSC and ITSC w.e.f. August 01, 2024.

<sup>7</sup>Mr. Nasser Munjee appointed as a Member of the Board w.e.f. September 19, 2024 and Member of CSR & ESG and ACB w.e.f. October 09, 2024 and appointed as Chairman of CSR & ESG w.e.f. October 25, 2024.

<sup>8</sup>Mr. Balu Srinivasan appointed as a Member of the Board w.e.f. March 07, 2025 and Chairman of ITSC w.e.f. March 09, 2025 and Mr. Nadir Bhalwani as a Member of the Board w.e.f. March 07, 2025 and Member of ITSC w.e.f. March 09, 2025.

## REMUNERATION OF DIRECTORS

The Directors other than Managing Director & CEO, Whole Time Director and the Chairman of the Bank are not paid any remuneration in any form. All the Non-Executive Directors including the Independent Directors and the Chairman are paid sitting fees as may be approved by the Board from time to time within the regulatory framework and reimbursement of out-of-pocket expenses for attending each meeting of the Board and its various Committees. No stock options are granted to any of the non-executive directors.

Upon excluding the sitting fees for attending the meetings of the Board and Committees which are not considered as remuneration to directors under section 197(2) of the Companies Act, 2013, the payment of honorarium to be made to Mr. Farokh N. Subedar would exceed 50% of the total annual remuneration payable to all the non-executive directors during FY 2025-26. Accordingly, approval of the Members of the Bank is being sought at the ensuing Annual General Meeting

of the Bank by way of Special Resolution to enable the Bank to make payment of honorarium of ₹ 24,00,000/- p.a. (Rupees Twenty-Four Lakh Only) to Mr. Farokh N. Subedar, Non-Executive Part Time Chairman of the Bank for FY 2025-26.

There were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Bank during FY 2024-25 (except banking transactions in the ordinary course of businesses and on arm's length basis) which has potential conflict with the interest of the Bank at large.

### Payments to the Non-Executive Part Time Chairman

Mr. Farokh N. Subedar, Non-Executive Part Time Chairman and Independent Director of the Bank is paid a fixed honorarium of ₹ 24,00,000/- p.a. (Rupees Twenty-Four Lakh Only) plus reimbursement of actual business-related expenses and one (1) club membership, in addition to the sitting fee for attending Board and Committee meetings, as approved by the Reserve Bank of India and Shareholders of the Bank.

### Remuneration to the Managing Director & CEO

The Bank has in place service contract/ agreement with the Managing Director & CEO indicating therein all terms and conditions of his appointment including the notice period.

Mr. Murali M. Natrajan was the Managing Director & CEO of the Bank till April 28, 2024. The details of the remuneration paid to him during FY 2024-25 as approved by the RBI are as follows:

Particulars	Amount (in ₹)
Gross Salary*	1,57,57,552
Perquisite value	2,49,345
Contribution to Provident Fund	2,35,106

\*It includes retinals as well as deferral variable payouts of previous years paid as approved by RBI.

The RBI has also approved variable pay of ₹ 1,50,00,000 for FY 2023-24 paid in accordance with the RBI guidelines and Compensation policy of the Bank.

Mr. Natrajan has exercised 7,65,000 stock options during FY 2024-25.

Mr. Praveen Achuthan Kutty is the MD & CEO of the Bank effective from April 29, 2024. The details of the remuneration paid to him during FY 2024-25 as approved by the RBI are as follows:

Particulars	Amount (in ₹)
Gross Salary	2,32,73,828
Perquisite value	2,51,008
Contribution to Provident Fund	9,32,246

Mr. Praveen Achuthan Kutty has not exercised any stock options during FY 2024-25.

Perquisites (evaluated as per Income Tax Rules wherever applicable and at actual cost to the Bank otherwise) such as furnished accommodation, gas, electricity, water and furnishing, club fees, personal accident insurance, use of car and telephone at residence, medical reimbursement, leave and leave travel concession were provided in accordance with the policy of the Bank in this regard. The above figures exclude perquisite value of ESOPs exercised, if any, during FY 2024-25. No sitting fees were paid to him for attending the meetings of the Board and Committees thereof.

### Remuneration to the Whole Time Director (Executive Director)

Mr. Krishnan Sridhar Seshadri is the Whole Time Director of the Bank effective from June 13, 2024. The details of

the remuneration paid to him during FY 2024-25 are as follows:

Particulars	Amount (in ₹)
Gross Salary	92,96,549
Perquisite value*	-
Contribution to Provident Fund	3,90,117

\*Has not availed any benefit for FY 2024-25

### Sitting fees for attending Board and Board Committees meetings

The details of sitting fees paid to the Non-Executive Directors of the Bank during the FY 2024-25 are as under:

Name of Director	Sitting Fees (in ₹)
Mr. Aymyn Jassani	39,60,000
Mr. Farokh N. Subedar*	35,85,000
Mr. Iqbal Khan	18,30,000
Mr. Rafiq Somani (till March 08, 2025)	12,00,000
Mr. Shabbir Merchant (till January 24, 2025)	12,00,000
Mr. Tarun Balram	27,60,000
Mr. Somasundaram PR	41,85,000
Mr. Thiyagarajan Kumar	32,85,000
Ms. Lakshmy Chandrasekaran	25,20,000
Mr. Nasser Munjee (w.e.f. September 19, 2024)	10,50,000
Mr. Nadir Bhalwani (w.e.f. March 07, 2025)	90,000
Mr. Balu Srinivasan (w.e.f. March 07, 2025)	180,000
<b>Total</b>	<b>2,58,45,000</b>

\*Does not accept sitting fees for attending the CSR & ESG Committee meetings of the Bank.

### DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All the Independent Directors have given the relevant declarations to the Bank as required under sub section (6) of Section 149 of the Companies Act, 2013 and applicable provision of the Listing Regulations.

### FAMILIARIZATION OF INDEPENDENT DIRECTORS

The details of familiarization programs imparted to Independent Directors have been disclosed on website of the Bank at:

[https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Corporate Governance → Familiarisation programme)

**GENERAL BODY MEETINGS HELD DURING THE LAST THREE YEARS**

Date	Venue	Special Resolutions passed
29 <sup>th</sup> AGM June 12, 2024 at 2.30 p.m.	Video Conferencing/ Other Audio Video Visual Means (VC/ OAVM)	i) Increase in borrowing powers. ii) Raising of Funds by issue of bonds/ debentures/ securities on Private Placement basis. iii) Issue of Equity Shares to Qualified Institutional Buyers through Qualified Institutions Placement iv) Approval for payment of remuneration to Mr. Farokh N. Subedar (DIN: 00028428), Non-Executive Part Time Chairman of the Bank for the FY 2024-25 which would be in excess of fifty percent of the total annual remuneration payable to all the Non-Executive Directors of the Bank for said Financial Year.
28 <sup>th</sup> AGM June 22, 2023 at 2.30 p.m.	Video Conferencing/ Other Audio Video Visual Means (VC/ OAVM)	i) Raising of Funds by issue of bonds/ debentures/ securities on Private Placement basis. ii) Issue of Equity Shares to Qualified Institutional Buyers through Qualified Institutions Placement iii) Appointment of Ms. Lakshmy Chandrasekaran (DIN:00240466) as an Independent Director of the Bank iv) Appointment of Mr. Farokh N. Subedar (DIN: 00028428) as Non-Executive Part-Time Chairman of the Bank and to approve payment of remuneration v) Alteration of Article of Association of the Bank
27 <sup>th</sup> AGM June 22, 2022 at 2.30 p.m.	Video Conferencing/ Other Audio Video Visual Means (VC/ OAVM)	i) Raising of Funds by issue of bonds/ debentures/ securities on Private Placement basis. ii) Issue of Equity Shares to Qualified Institutional Buyers through Qualified Institutions Placement

**Postal Ballot:**

Details of resolutions passed through Postal Ballot:

During the FY 2024-25, the Bank had obtained approval of shareholders on three occasions as under:

- i) for appointment of Mr. Krishnan Sridhar Seshadri as Whole Time Director (Executive Director) by way of an Ordinary Resolution passed through a Postal Ballot. Postal Ballot Notice dated July 18, 2024 was sent to total 2,25,641 shareholders of the Bank, who had registered their e-mail IDs as on July 26, 2024, (the Cut-off date), seeking their approval.

The Bank had appointed M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretaries as the scrutinizer for conducting the Postal Ballot process. Accordingly, the postal Ballot was conducted by the scrutinizer and a report was submitted to the Managing Director & CEO and to the Company Secretary.

Out of the 2,25,641 shareholders of the Bank to whom the Notice was sent, 1,286 Members comprising of 14,15,36,985 equity shares representing 45.18% of the issued and paid-up share capital participated in the e-voting process. The breakup of the votes and the voting result were as given in the table below:

**Resolution No. 1: Appointment of Mr. Krishnan Sridhar Seshadri (DIN:10508808)**

Particulars	Number of Valid		Percentage %
	Voters (via e-voting)	Votes (via e-voting)	
Assent	1,217	13,84,50,914	97.8196
Dissent	69	30,86,071	2.1804
<b>Total</b>	<b>1,286</b>	<b>14,15,36,985</b>	<b>100.0000</b>

Accordingly, the Ordinary Resolution as contained in Item No. 1 of the Notice of Postal Ballot dated July 18, 2024 was declared as passed with requisite majority on August 29, 2024.

- ii) for appointment of Mr. Nasser Munjee as a Non-Executive (Non-Independent) Director by way of an Ordinary Resolution passed through a Postal Ballot. Postal Ballot Notice dated October 24, 2024 was sent to total 2,36,634 shareholders of the Bank, who had registered their e-mail IDs as on November 01, 2024, (the Cut-off date), seeking their approval.

The Bank had appointed M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretaries as the scrutinizer for conducting the Postal Ballot process. Accordingly, the postal Ballot was conducted by the scrutinizer and a report was submitted to the Managing Director & CEO and to the Company Secretary.

Out of the 2,36,634 shareholders of the Bank to whom the Notice was sent, 889 Members comprising of 13,94,73,708 equity shares representing 44.48% of the issued and paid-up share capital participated in the e-voting process. The breakup of the votes and the voting result were as given in the table below:

**Resolution No. 1: Appointment of Mr. Nasser Munjee as a Non-Executive (Non-Independent) Director of the Bank**

Particulars	Number of Valid		Percentage %
	Voters (via e-voting)	Votes (via e-voting)	
Assent	801	13,93,35,818	99.9011
Dissent	88	1,37,890	0.0989
<b>Total</b>	<b>889</b>	<b>13,94,73,708</b>	<b>100.0000</b>

Accordingly, the Ordinary Resolution as contained in the Item No. 1 of the Notice of Postal Ballot dated October 24, 2024 was declared as passed with requisite majority on December 06, 2024.

- iii) for re-appointments of Mr. Aryn Asgarali Jassani (DIN: 02945319) and Mr. Somasundaram Palamadairamaswamy (DIN: 00356363) as Independent Directors of the Bank by way of Special Resolutions passed through a Postal Ballot. Postal Ballot Notice dated January 24, 2025 was sent to total 2,25,808 shareholders of the Bank, who had registered their e-mail IDs as on January 31, 2025, (the Cut-off date), seeking their approval.

The Bank had appointed M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretaries as the scrutinizer for conducting the Postal Ballot process. Accordingly, the postal Ballot was conducted by the scrutinizer and a report was submitted to the Managing Director & CEO and to the Company Secretary.

Out of the 2,25,808 shareholders of the Bank to whom the Notice was sent, 750 and 754 Members comprising of 14,89,03,057 and 14,89,03,208 equity shares representing 47.42%, on the resolution pertaining to Mr. Aryn Jassani and Mr. Somasundaram Palamadairamaswamy, respectively, of the issued and paid-up share capital participated in the e-voting process. The breakup of the votes and the voting result were as given in the table below:

**Resolution No. 1: Re-appointment of Mr. Aryn Asgarali Jassani (DIN: 02945319) as an Independent Director of the Bank.**

Particulars	Number of Valid		Percentage %
	Voters (via e-voting)	Votes (via e-voting)	
Assent	677	14,30,40,576	96.0629
Dissent	73	58,62,481	3.9371
<b>Total</b>	<b>750</b>	<b>14,89,03,057</b>	<b>100.0000</b>

**Resolution No. 2: Re-appointment of Mr. Somasundaram Palamadairamaswamy (DIN:00356363) as an Independent Director of the Bank.**

Particulars	Number of Valid		Percentage %
	Voters (via e-voting)	Votes (via e-voting)	
Assent	678	14,63,33,998	98.2746
Dissent	76	25,69,210	1.7254
<b>Total</b>	<b>754</b>	<b>4,89,03,208</b>	<b>100.0000</b>

Accordingly, the Special Resolutions as contained in Item No. 1 & 2 of the Notice of Postal Ballot dated January 24, 2025 were declared as passed with requisite majority on March 10, 2025.

**PROCEDURE FOR POSTAL BALLOT**

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and applicable circulars issued by the Ministry of Corporate Affairs from time to time.

**GENERAL INFORMATION FOR SHAREHOLDERS**

Financial Calendar - For each calendar quarter, the financial results are reviewed and taken on record by the Board within the prescribed timeline. The Audited Annual Accounts as at March 31 every year are approved by the Board, after review thereof by the Audit Committee of the Board.

The Annual General Meeting to consider such annual accounts is held within the prescribed timeline.

**LIST OF ALL CREDIT RATINGS OBTAINED BY THE BANK**

Refer the Directors' Report for all credit ratings obtained by the Bank.

**DETAILS OF UTILISATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32(7A) OF SEBI Listing Regulations**

The Bank has not raised any funds through Preferential Allotment or Qualified Institutions Placement as specified under regulation 32(7A) of the SEBI Listing Regulations, during the financial year ended March 31, 2025.

**SHAREHOLDING PATTERN OF THE BANK AS ON MARCH 31, 2025**

Sr. No.	Category	Total shares	% to Capital
1	Promoter and Promoter Group	4,62,00,234	14.70
2	Foreign Portfolio Investors	3,03,01,697	9.64
3	Non-Resident Indians and Non-Repatriable	61,28,858	1.95
4	Banks/ Mutual Funds/ NBFC Registered with RBI	6,20,43,099	19.74
5	Alternate Investment Funds	2,43,15,226	7.74
6	Insurance Companies	53,58,501	1.70
7	Indian Companies/ LLP	1,56,59,497	4.98
8	Investor Education and Protection Fund (IEPF)	33,52,646	1.07
9	Central Government (Deputy Directors, Directorate of Enforcement, Mumbai)	500	0.00
10	Unclaimed Securities Suspense and Escrow Accounts	3,93,546	0.12
11	Clearing Members	1,837	0.00
12	Trusts	17,137	0.01
13	Other Resident Shareholders	12,05,14,620	38.35
	<b>TOTAL</b>	<b>31,42,87,398</b>	<b>100.00</b>



**SHAREHOLDERS HOLDING 1% AND ABOVE SHARES IN THE BANK (PAN BASED) AS ON MARCH 31, 2025**

Sr. No.	Name	Total Shares	% to Capital
1	Aga Khan Fund for Economic Development SA	4,37,50,052	13.9204
2	HDFC Small Cap Fund (All Scheme)	1,65,78,245	5.2749
3	Tata Mutual Fund - Tata Small Cap Fund (All Scheme)	1,62,14,140	5.1590
4	Franklin India Smaller Companies Fund (All Scheme)	1,42,99,095	4.5497
5	India Advantage Fund S4 I	1,24,73,881	3.9689
6	Oman India Joint Investment Fund II	91,98,202	2.9267
7	Sundaram Mutual Fund A/c Sundaram Financial Services Opportunities Fund (All Scheme)	76,46,013	2.4328
8	Mirae Asset Banking and Financial Services Fund (All Scheme)	41,05,457	1.3063
9	Murali M Natarajan	37,74,800	1.2011
10	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	33,52,646	1.0667
<b>Total</b>		<b>13,13,92,531</b>	<b>41.8065</b>

**DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2025**

Sr. No.	Number Equity Shares Range	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	2,06,141	86.0858	2,43,22,216	7.7388
2	501 to 1000	16,564	6.9172	1,31,16,667	4.1735
3	1001 to 2000	8,754	3.6557	1,29,24,122	4.1122
4	2001 to 3000	2,787	1.1639	71,05,587	2.2608
5	3001 to 4000	1,228	0.5128	43,99,912	1.4000
6	4001 to 5000	967	0.4038	45,33,547	1.4425
7	5001 to 10000	1,592	0.6649	1,16,29,561	3.7003
8	10001 and above	1,427	0.5959	23,62,55,786	75.1719
<b>TOTAL :</b>		<b>2,39,460</b>	<b>100.0000</b>	<b>31,42,87,398</b>	<b>100.0000</b>

Out of the above 2,39,460 folios, 2,33,094 folios comprise 31,24,60,141 shares forming 99.42% of the issued and paid-up share capital, are in dematerialized mode. Another 6,366 folios comprise 18,27,257 shares constituting 0.58% of the issued and paid up share capital, are held in physical mode. Promoters' entire shareholding is in dematerialized mode.

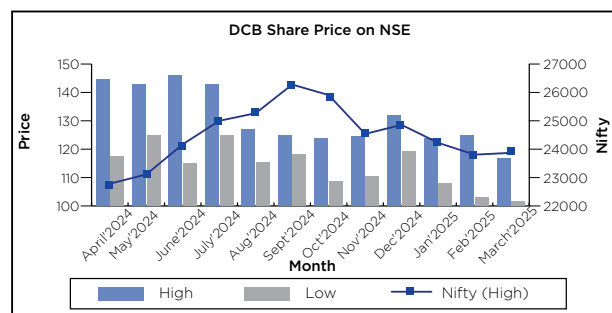
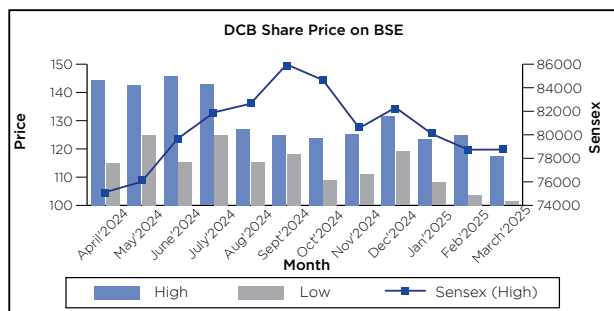
**SHARE PRICE & VOLUME OF SHARES TRADED**

The monthly high and low quotation of shares traded on the BSE Limited (BSE).

Month	High	Low	Sensex (High)
April'2024	144.35	115.05	75,124.28
May'2024	142.75	125.00	76,009.68
June'2024	145.95	115.50	79,671.58
July'2024	142.80	124.90	81,908.43
Aug'2024	127.15	115.35	82,637.03
Sept'2024	124.85	118.10	85,978.25
Oct'2024	123.80	109.00	84,648.40
Nov'2024	125.25	110.90	80,569.73
Dec'2024	131.75	119.10	82,317.74
Jan'2025	123.55	108.10	80,072.99
Feb'2025	124.90	103.55	78,735.41
March'2025	117.60	101.35	78,741.69

The monthly high and low quotation of shares traded on the National Stock Exchange of India Limited (NSE).

Month	High	Low	Nifty (High)
April'2024	144.50	117.30	22,783.35
May'2024	142.75	125.00	23,110.80
June'2024	145.90	115.00	24,174.00
July'2024	142.88	124.90	24,999.75
Aug'2024	127.10	115.31	25,268.35
Sept'2024	124.75	118.05	26,277.35
Oct'2024	123.83	108.69	25,907.60
Nov'2024	124.51	110.43	24,537.60
Dec'2024	131.80	119.20	24,857.75
Jan'2025	123.72	107.90	24,226.70
Feb'2025	124.85	103.15	23,807.30
March'2025	116.80	101.41	23,869.60



## OUTSTANDING WARRANTs/ ADRs/ GDRs/ CONVERTIBLE INSTRUMENTS

The Bank has not issued any warrants/ ADRs/ GDRs/ Convertible Instruments.

## DATE OF THE BOARD MEETING AT WHICH THE FINANCIAL STATEMENTS AND THE QUARTERLY RESULTS WERE APPROVED

Friday, April 25, 2025

## FINANCIAL YEAR

Starting on April 01 and ending on March 31 every year.

## DIVIDEND

Your Board is pleased to recommend an enhanced dividend of ₹ 1.35 per equity share of ₹ 10/- each in respect of financial year ended March 31, 2025 (₹ 1.25 per equity share of ₹ 10.00 each for the Financial Year ended March 31, 2024). Your Bank has a Dividend Distribution Policy as approved by the Board and is hosted on the website of the Bank at the link:

[https://www.dccb.com/about-us/investor-relations#corporate\\_governance](https://www.dccb.com/about-us/investor-relations#corporate_governance) (refer section → Corporate Governance → Code and Policies)

## DATE OF BOOK CLOSURE/RECORD DATE

The Bank has fixed Friday, July 04, 2025 as the Record Date for the entitlement of Dividend, if approved by the Members.

## DIVIDEND PAYMENT DATE

Dividend as recommended by the Board of Directors, if approved at the AGM, shall be paid on or after Thursday, August 07, 2025 to the eligible Shareholders within stipulated timelines.

## DATE, TIME AND VENUE OF THE ANNUAL GENERAL MEETING (AGM)

The Thirtieth Annual General Meeting of the Bank will be held via Video Conferencing (VC) or Other Audio-Visual Means (OAVM) on Wednesday, August 06, 2025 at 02.30 p.m. (IST).

## CUT-OFF DATE FOR ASCERTAINING VOTING RIGHTS

The Bank has fixed Wednesday, July 30, 2025 as the Cut-off Date for the purpose of ascertaining voting rights of the Members at the 30<sup>th</sup> AGM of the Bank.

## RECEIPT OF PROXY FORMS

As there is no requirement of physical presence at the meeting, the requirement of appointment of proxy has been dispensed with. However, members may appoint representatives u/s 112 and 113 of the Companies Act, 2013 for purpose of voting through remote e-voting or for voting and participation in the meeting.

## COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Risk is an integral part of the banking business and the Bank's aim is to maintain portfolio quality by making appropriate risk/ reward trade-offs. Key risks that the Bank is exposed to are credit, concentration, market, country exposure, liquidity, operational and reputation risk. The Board of Directors of the Bank oversight of exercised risks assumed by the Bank and has delegated its power to manage risk to Risk Management Committee (RMC) of the Board. The Bank does not have direct exposure on any commodities. The Bank has exposure to borrowers which are secured against various commodities.

## CODE FOR PREVENTION OF INSIDER TRADING

The Bank has adopted a DCB Bank – Code of Conduct for Prohibition of Insider Trading for the prevention of insider trading in the shares of the Bank as well as in other listed and proposed to be listed companies. The Code, inter-alia, provides restrictions in dealing in securities by Designated Persons of the Bank while in possession of Unpublished Price Sensitive Information.

## DISCLOSURES

1. The Bank has not entered into any materially significant transaction during the year, which could have a potential conflict of interest between the Bank and its promoters, directors, management and/ or their relatives, etc. other than the transactions carried out in the normal course of business.
2. During the last 3 years, there were no penalties or strictures imposed on the Bank by the Stock Exchange(s) and/ or SEBI and/ or any other statutory authorities on matters relating to capital market activities.
3. There are no recommendations of the Committees that are not accepted by the Board of Directors of the Bank.
4. There are no relationships between the Directors of the Bank, inter-se.
5. The Bank hereby affirms that none of the Bank's personnel have been denied access to the ACB.
6. The Bank has a policy on Related Party Transactions and the same has been displayed on the Bank's website at: [https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Corporate Governance → Code and Policies)
7. There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Bank's operations in future.
8. Total fees of ₹ 2.05 Crore was paid on an aggregate basis to the Joint Statutory Auditors during the year for all the services provided by them to the Bank.

Approval of the Members of the Bank is being sought in the ensuing AGM of the Bank, for payment of additional remuneration of ₹ 19.07 lakhs (Rupees

Nineteen Lakhs and Seven Thousand Only) to the Joint Statutory Auditors of the Bank, towards technical fees and increase in their scope of work emanating from various circulars/ notifications issued by the Reserve Bank of India or other regulatory authorities for FY 2024-25, in addition to out of pocket expenses and taxes as applicable.

9. A certificate dated June 16, 2025 from M/s. S. N. Ananthasubramanian & Co., Company Secretaries in Practice has been obtained certifying that none of the Directors on the Board of the Bank have been debarred or disqualified from being appointed or continuing as Directors of the Bank by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority. The same is attached to and forms part of this report.
10. The Bank has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of complaints received and redressed during FY 2024-25 are as under:

a)	number of complaints filed during the financial year:	14
b)	number of complaints disposed of during the financial year:	8
		Out of 14 complaints, 4 were withdrawn during the year.
c)	number of complaints pending as on end of the financial year:	2

The Bank hereby confirms that no case was pending for more than 90 days.

11. A statement by the company with respect to the compliance of the provisions relating to the Maternity Benefit Act 1961:

The Bank has complied with all applicable provisions of the Maternity Benefit Act, 1961 and its subsequent amendments.

Further, the Bank has a Paternity Leave policy which is applicable to all male employees of the Bank.

**PLANT LOCATIONS**

Being a banking company registered under the Banking Regulation Act, 1949, the provisions relating to disclosure of details relating to plant location are not applicable to the Bank. However, as on March 31, 2025, the Bank has 464 branches and 435 ATMs across the country. The locations of the branches are also displayed on the Bank's website.

**COMPLIANCE WITH MANDATORY REQUIREMENTS**

The Bank has complied with the mandatory and most of the non-mandatory requirements under the Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**COMPLIANCE WITH DISCRETIONARY REQUIREMENTS AS STIPULATED UNDER PART E OF SCHEDULE II OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Bank has complied with the discretionary requirements as stated below:

**1. THE BOARD**

An office of the Chairman is maintained at the Bank's expense and reimbursement of expenses incurred by the Chairman in performance of his/her duties is allowed.

**2. MODIFIED OPINION(S) IN AUDIT REPORT**

There are no audit qualifications, reservations, adverse remarks or disclaimers in the Bank's financial statements by the Bank's Statutory Auditors and by the Secretarial Auditors of the Bank in their Secretarial Audit Report for FY 2025. The Bank wishes to continue in the regime of unqualified financial statements as well as Secretarial Audit Report.

**3. SEPARATE POSTS OF CHAIRMAN AND MANAGING DIRECTOR & CEO**

The Bank already has separate posts for the Chairman and the Managing Director & CEO.

**4. REPORTING OF INTERNAL AUDITOR**

The Chief Internal Auditor reports directly to the Audit Committee of the Board.

**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as approved and adopted by the Board of Directors

**LISTING ON STOCK EXCHANGES**

In order to impart liquidity and convenience for trading, the Equity Shares and Tier II Bonds of the Bank are listed at the following Stock Exchanges. The annual fees for FY 2024-25 have been paid to all the Stock Exchanges where the securities are listed.

Sr. No.	Name & Address of the Stock Exchanges	Stock Code	ISIN
1.	Equity Shares on BSE Ltd. (BSE) P. J. Towers, Dalal Street, Fort, Mumbai - 400 001	532772	INE503A01015
2.	Equity Shares on National Stock Exchange of India Ltd. (NSE) Exchange Plaza, 5 <sup>th</sup> Floor, Bandra Kurla Complex, Bandra (East)	DCBBANK	INE503A01015
3.	Tier II Bonds issued on March 28, 2023 have been listed on BSE and NSE under WDM segment	BSE - 974740 NSE - DCB33	INE503A08051
4.	Tier II Bonds issued on November 18, 2024 have been listed on BSE and NSE under WDM segment	BSE - 976178 NSE - DCB34	INE503A08069

**Names of Depositories in India for dematerialisation of Equity Shares and Tier II Bonds:**

National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

The Bank's shares/ bonds are traded compulsorily in dematerialized (Demat) mode. The dematerialized shares/ bonds are transferable through the depository system. Transfer/ transmission of Equity Shares in physical mode are processed by the Registrars and Share Transfer Agents viz. MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) and approved by the Share Transfer Committee of the Bank. MUFG Intime India Private. Ltd. processes

the requests of shareholders within the stipulated time from the date of receipt thereof.

### Transfer of Underlying Equity Shares to the Investor Education and Protection Fund ('IEPF')

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 and the relevant provisions of the IEPF Authority Rules, the equity shares of the Bank, on which the dividend has not been claimed for seven consecutive years, are liable to be transferred by the Bank to the IEPF. Accordingly, the Bank has, transferred 712,495 underlying equity shares, to the IEPF till March 31, 2025. The voting rights on the said 712,495 equity shares, shall remain frozen until the rightful owner claims the shares.

Amount of unclaimed dividend for FY 2017-18 as well as the underlying shares shall be transferred to IEPF in July 2025.

The details of Underlying Shares Transferred, and claims settled out of IEPF till March 31, 2025, are as under:

Description	No. of Folios	No. of Shares
A Total Shares transferred in August 2020, pertaining to the Unpaid Dividend for FY 1995-96 to FY 2003-04 (total 16 dividends including interim dividends)	14,478	712,495
B Shares Transferred in August 2024 pertaining to Unpaid Dividend for FY 2016-17	16,341	26,40,351
Total Shares transferred to IEPF Authority till March 31, 2025	30,819	33,52,846
Less: Claim settled and shares credited to the Shareholders' demat Account	-1	-200
Balance Shares with IEPF Authority as on March 31, 2025	30,818	33,52,646

### Details of Dividend(s)/ Shares transferred to IEPF Account

[https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Attention to Shareholder → Dividend/ Shares transferred to IEPF Account)

### Guidelines to claim Unclaimed Dividends/ Shares

The detailed guidelines for claiming Unclaimed Dividends/ Shares which have been transferred to the

designated account of the IEPF Authority, in accordance with the said Rules, is available on the website of the Bank at: [https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Attention to Shareholder → Dividend/ Shares transferred to IEPF Account)

Details of Shares lying in Unclaimed Securities Suspense Account as on March 31, 2025:

Particulars	Number of Shareholders/ Folios	Shares
Opening Balance as on April 01, 2024	12,525	13.56,867
Add: Transfer during the FY 2024-25	0	0
Less: Claim received and shares transferred*	117	34.095
Less: Shares transferred to Investor Education Protection Fund	9,184	9.39.368
Closing Balance as on March 31, 2025**	3,224	3,83.404

\*Number of shareholders who had approached the Bank for the transfer of shares from the suspense account.

\*\*The voting rights on the aforesaid shares shall remain frozen until the rightful owner claims the shares.

**Guidelines to claim the shares from the Securities Suspense Account** is available on the website of the Bank at: [https://www.dcbbank.com/about-us/investor-relations#corporate\\_governance](https://www.dcbbank.com/about-us/investor-relations#corporate_governance) (refer section → Attention to Shareholder → Unclaimed Securities Suspense Account)

### MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Management Discussion and Analysis Report is included in the Directors' Report and forms a part of Corporate Governance.

### MEANS OF COMMUNICATION TO SHAREHOLDERS

Financial results and all materially important communications are promptly shared with the Stock Exchanges. Bank's results are also published in newspapers pursuant to applicable regulatory provisions and hosted on its website at [www.dcbbank.com](http://www.dcbbank.com). The quarterly and half yearly declaration of financial performance including summary of the significant events is being sent to





every shareholder through e-mail apart from publishing the Bank's quarterly results in a national English daily newspaper (Business Standard), and a local Marathi daily newspaper (Pudhari) having a wide circulation in Mumbai. Also, the same have been hosted on the website of the Bank. The Bank also makes presentations to Institutional Investors and/ or to the analysts and/ or hosts the same on the website of the Bank and/ or makes press releases from time to time. However, in view of various relaxations granted by SEBI on account of Covid-19, the information may be published only on websites of the Bank and Stock Exchanges.

### INVESTOR HELPDESK

Share transfers, dividend payments, if any, and all other investor related activities are attended to and processed at the office of the Bank's Registrars and Transfer Agents (RTAs).

For lodgment of any documents or for any grievances/ complaints, kindly contact the RTAs at the following address:

### REGISTRARS AND TRANSFER AGENTS:

#### MUFG INTIME INDIA PRIVATE LTD.

(formerly known as Link Intime India Private Limited).

CIN: U67190MH1999PTC118368

C-101, 247 Park, L. B. S. Marg,

Vikhroli (West), Mumbai -400083.

Tel No: +912249186000 (Board Line) 810 811 6767

(Investor Helpdesk)

Fax: +91 22 49186060

E-mail id: [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com)

Website: [www.in.mpms.mufg.com](http://www.in.mpms.mufg.com)

Counter Timing: 10 a.m. to 4 p.m. Monday to Friday (except National Holidays)

Shareholders/ Investors can also send their queries through-mail to the Bank at [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com). This designated e-mail has also been displayed on the Bank's website [www.dcbbank.com](http://www.dcbbank.com) under the section 'Investor Relations'.

### SHARE TRANSFER SYSTEM:

As per the SEBI Listing Regulations, as amended from time to time, requests for effecting transfer of securities

shall not be processed unless the securities are held in the dematerialised form with a depository. Further, transmission or transposition of securities held in physical form or dematerialised form shall be effected only in dematerialized form.

SEBI vide its circular dated January 25, 2022, has made it mandatory for listed companies to issue shares only in demat form while processing investor service requests viz., issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

Shareholders holding securities in physical form are requested to take necessary action to dematerialize the holdings

Shareholders should communicate with the Bank's RTA viz. MUFG Intime India Private Ltd, at [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com), quoting their folio number or Depository Participant ID and Client ID number, for any queries relating to their securities.

### SPECIAL WINDOW FOR RE-LODGE MENT OF TRANSFER REQUESTS OF PHYSICAL SHARES

Securities and Exchange Board of India (SEBI), vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/ CIR/2025/97 dated July 02, 2025, has opened a special six-month window, from July 07, 2025 to January 06, 2026, for investors to re-lodge physical share transfer requests. This facility is available for Transfer Deeds lodged prior to April 01, 2019, and which were rejected, returned, or not processed due to deficiencies in documents or the process or otherwise.

Investors of the Bank, who have missed the earlier deadline of March 21, 2021, are advised to take advantage of this opportunity by furnishing the necessary documents to the Bank's Registrar and Transfer Agent ("RTA") viz. MUFG Intime India Pvt. Ltd (Formerly Link Intime India Pvt. Ltd), at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400083.

The RTA may be contacted at Tel. No.: 810 811 6767. Fax No.: 022 4918 6060

E-mail: [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com)

**Details of Debenture Trustee:**

IDBI Trusteeship Services Ltd.  
Universal Insurance Building, Ground Floor,  
Sir P.M. Road, Fort, Mumbai - 400001  
Website: [www.idbitrustee.com](http://www.idbitrustee.com)  
Tel: +91 22 4080 7000  
Fax: +91 22 6631 1776  
E-mail: [itsl@idbitrustee.com](mailto:itsl@idbitrustee.com)

**Name of the Company Secretary and Compliance Officer of the Bank:**

Ms. Rubi Chaturvedi -  
Company Secretary  
Telephone: 022 69759000  
E-mail id: [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com)

**Address of the Registered & Corporate Office of the Bank:****DCB Bank Limited**

601 & 602, Peninsula Business Park,  
Tower A, 6<sup>th</sup> floor,  
Senapati Bapat Marg,  
Lower Parel, Mumbai - 400 013.  
Telephone: 022-69759000

**Date of Incorporation:**

31-05-1995 Registration No.11-89008 of 1995  
CIN: L99999MH1995PLC089008  
Website: [www.dcbbank.com](http://www.dcbbank.com)  
E-mail ID: [investorgrievance@dcbbank.com](mailto:investorgrievance@dcbbank.com)

**Declaration signed by the Managing Director & Chief Executive Officer (MD & CEO) stating that the members of Board of Directors and Senior Management personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management as on March 31, 2025.**

To  
The Members,  
DCB Bank Limited Mumbai

I, Praveen Achuthan Kutty, Managing Director & CEO of the Bank confirm that for the FY 2024-25, all the Directors and Senior Management Personnel of the Bank have affirmed their adherence to the provisions of the Code of Conduct as approved and adopted by the Board of Directors.

Date: April 25, 2025

Sd/-  
**Praveen Achuthan Kutty**  
Managing Director & CEO



# CORPORATE GOVERNANCE CERTIFICATE

**[Pursuant to Regulation 34(3) and Schedule V Para E of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

## 1. Background

We have been approached by DCB Bank Limited (“the Bank”) to examine the compliance with the conditions of Corporate Governance by the Bank, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”), as amended from time to time, for the financial year ended on 31<sup>st</sup> March 2025.

## 2. Management’s Responsibility

The Compliance of conditions of Corporate Governance stipulated in the Listing Regulations is the responsibility of the management of the Bank. The management shall devise adequate systems, internal controls and processes to monitor and ensure compliance of the same.

## 3. Our Responsibility

Our responsibility is limited to conduct an examination of the systems, internal controls and processes adopted by the Bank and implementation thereof to monitor and ensure with the conditions of Corporate Governance and report thereon.

## 4. Methodology

- 4.1. In order to conduct our examination, we were provided with the relevant documents and information including explanations, wherever required.
- 4.2. Our examination was conducted in a manner which provided us with a reasonable basis for evaluating the systems, internal controls and processes adopted by the Bank to monitor and ensure compliance with the conditions of Corporate Governance and to certify thereon.

## 5. Opinion

Based on our examination as aforesaid, the information, explanations and representations provided by the management, we certify that, the Bank has complied with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations, for the Financial Year ended 31<sup>st</sup> March 2025.

## 6. Disclaimer

- 6.1. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Bank.
- 6.2. This report is neither an assurance as to the future viability of the Bank nor the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

For S. N. ANANTHASUBRAMANIAN & Co.

Company Secretaries

ICSI Unique Code: P1991MH040400

Peer Review Cert. No.: 5218/2023

S. N. Viswanathan

Managing Partner

ACS: 61955 | COP No.: 24335

ICSI UDIN: A061955G000602715

16<sup>th</sup> June, 2025 | Thane

**Form No. MR- 3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2025**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,

**DCB Bank Limited**

CIN: L99999MH1995PLC089008

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DCB Bank Limited** (hereinafter called “the Bank”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Bank's books, papers, minute books, forms, returns filed and other records maintained by the Bank and also the information provided by the Bank, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Bank has, during the audit period covering the financial year ended on **31<sup>st</sup> March 2025**, complied with the statutory provisions listed hereunder and also that the Bank has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, returns filed and other records maintained by the Bank for the financial year ended 31<sup>st</sup> March, 2025 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable to the extent of Overseas Direct Investment and External Commercial Borrowings as there were no reportable events during the year under review;**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;



- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – Not Applicable as the Bank is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – Not applicable as the Bank has not delisted / proposes to delist its equity shares from any stock exchange during the financial year under review;
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – Not applicable as the Bank has not bought back / proposes to buy-back any of its securities during the financial year under review;
- h. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (SEBI Listing Regulations).
- j. Securities And Exchange Board of India (Bankers to an Issue) Regulations, 1994
- vi. The Bank has identified and confirmed the following laws as being specifically applicable to the Bank:
  - a. The Banking Regulation Act, 1949 and Rules, Notifications, Circulars and Guidance issued by the Reserve Bank of India from time to time;
  - b. The Reserve Bank of India (RBI) Act, 1934;
  - c. Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002;
  - d. The Payment and Settlement Systems Act, 2007;
  - e. The Negotiable Instruments Act, 1881.
  - f. The Prevention of Money Laundering Act, 2002;
  - g. The Banking Ombudsman Scheme
  - h. The Bankers Book Evidence Act, 1891;
  - i. The Deposit Insurance and Credit Guarantee Corporation Act, 1961;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India - The Bank has generally complied with Secretarial Standards with respect to meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by Institute of Company Secretaries of India.
- (ii) Listing agreements entered into by the Bank with National Stock Exchange of India Limited and BSE Limited;
 

During the period under review the Bank has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the period under review, following the demise of His Highness Karim Aga Khan, the Bank in accordance with the provisions of Section 90 of the Companies Act, 2013 and the Companies (Significant Beneficial Owners) Rules, 2018 issued a notice in Form BEN-4 to Aga Khan Fund for Economic Development (Promoter of the Bank) on 5<sup>th</sup> March, 2025, requesting them to inform the details of the new Significant Beneficial Owner in the Form



BEN-1. The response to the said notice was not received within the stipulated period of 30 days as prescribed under Section 90(6) of the Act. It is noted that the Bank did not initiate proceedings before the Tribunal in this regard as mandated under Section 90(7) of the Act. The Bank has informed that the said declaration in Form BEN-1 was received on 15<sup>th</sup> May, 2025, and subsequently, they have filed the requisite e-Form BEN-2 on 28<sup>th</sup> May, 2025 vide SRN: AB4158152 to record the change in the significant beneficial ownership.

**We further report that:**

- (i) The Board of Directors of the Bank is duly constituted with proper balance of Executive Directors - Non-Executive Directors including Independent Directors and a Woman Director. Changes in the Composition of the Board which took place during the year were carried out in compliance with the provisions of the Act.
- (ii) Adequate notice is given to all Directors of the schedule of the Board/Committee Meetings. Agenda and detailed notes on agenda were sent atleast seven days in advance before the meeting except where consent of Directors was received for circulation of the Notice, Agenda and notes on Agenda less than seven days before the meeting.
- (iii) There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- (iv) All decisions of the Board and Committee meetings were carried with requisite majority.

**We further report that** based on (a) the review of the compliance mechanism established by the Bank (b) Compliance Certificate(s) issued by various officials authorized for the purpose, which were taken on record by the Board of Directors at it's Meeting(s), and (c) communication(s) received from Reserve Bank of India, we are of the opinion that there are adequate systems and processes in place in the Bank which is commensurate with the size and operations of the Bank to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that during the audit period:**

- The Members of the Bank, at their 29<sup>th</sup> Annual General Meeting held on 12<sup>th</sup> June, 2024, have, inter alia, approved the following, by way of Special Resolutions:
  - (i) Raising funds by issue of bonds/ debentures/ securities on private placement basis of an amount up to ₹ 500 Crore (Rupees Five Hundred Crore only), over and above the outstanding debt securities issued by the Bank and in aggregate for additional Tier I and Tier II capital, within the overall borrowing limits of the Bank.
  - (ii) Issue of equity shares/other securities to Qualified Institutional Buyers through Qualified Institutional Placement, for an aggregate amount not exceeding ₹ 500 Crore (Rupees Five Hundred Crore only).
  - (iii) Borrowing any sum or sums of monies, which together with the monies already borrowed by the Bank in excess of the aggregate of the paid-up capital of the Bank and its free reserves, provided that the total outstanding amount so borrowed by the Bank shall not at any time exceed ₹ 8,000 Crore (Rupees Eight Thousand Crore only) or the aggregate of the paid up capital and free reserves, whichever is higher.
- The Bank has issued and allotted 9.20% Non-Convertible, Listed, Rated, Unsecured, Subordinated, Taxable, Fully Paid-Up, Redeemable, Cumulative, Basel III compliant Tier 2 bonds in the nature of debentures (Series I) of face value of ₹ 1,00,000/- (Indian Rupees One Lakh Only) each, on a private placement basis, aggregating up to ₹ 400,00,00,000/- (Rupees Four Hundred Crores only), on 18<sup>th</sup> November, 2024



This Report is to be read with our letter of even date which is annexed as Annexure – A and forms an integral part of this report.

For S. N. ANANTHASUBRAMANIAN & Co.

Company Secretaries

ICSI Unique Code: P1991MH040400

Peer Review Cert. No.: 5218/2023

S. N. Viswanathan

Managing Partner

ACS: 61955 | COP No.: 24335

ICSI UDIN: A061955G000602704

16<sup>th</sup> June, 2025 | Thane

## Annexure – A

To,  
The Members,  
**DCB Bank Limited**  
CIN: L99999MH1995PLC089008  
601 & 602, Peninsula Business Park, Tower A,  
Senapati Bapat Marg, Lower Parel, Mumbai – 400013

Our Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2025, of even date, is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Bank to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Bank with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Bank's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or Records, in relation to Secretarial Audit, maintained by the Bank, are free from misstatement.
6. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc.

### Disclaimer

7. The Secretarial Audit Report is neither an assurance as to the future viability of the Bank nor of the efficacy or effectiveness with which the management has conducted the affairs of the Bank.
8. We have not verified the correctness and appropriateness of financial records and books of accounts of the Bank.

For S. N. ANANTHASUBRAMANIAN & CO.  
Company Secretaries  
ICSI Unique Code: P1991MH040400  
Peer Review No.: 5218/2023

S. N. Viswanathan  
Managing Partner  
ACS: 61955 | COP No.: 24335  
UDIN: A061955G000602704  
16<sup>th</sup> June, 2025 | Thane



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members

### DCB Bank Limited

601 & 602, Peninsula Business Park,  
6<sup>th</sup> floor, Tower A, Senapati Bapat Marg,  
Lower Parel, Mumbai – 400013

We have examined the following documents:

- i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- ii) Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents')

as submitted by the Directors of DCB Bank Limited ('the Company') bearing CIN: L99999MH1995PLC089008 and having its registered office at 601 & 602, Peninsula Business Park, 6<sup>th</sup> floor, Tower A, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, to the Board of Directors of the Company ('the Board') for the Financial Year 2024-25 and Financial Year 2025-26 and relevant registers, records, forms and returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (LODR) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory/ Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the Financial Year ending 31<sup>st</sup> March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
1.	Mr. Murali M. Natarajan	00061194	29/04/2009	28/04/2024
2.	Mr. Iqbal Ishak Khan	07870063	15/07/2017	-
3.	Mr. Somasundaram Palamadai Ramaswamy	00356363	25/01/2020	-
4.	Mr. Amyn Asgarali Jassani	02945319	25/01/2020	-
5.	Mr. Shabbir Sultanali Merchant	07438419	25/01/2020	24/01/2025
6.	Mr. Rafiq Ramzanali Somani	01351871	09/03/2020	08/03/2025
7.	Mr. Tarun Balram	02445298	24/01/2022	-
8.	Mr. Thiyagarajan Kumar	00735914	10/02/2022	-
9.	Mr. Farokh Nariman Subedar	00028428	15/10/2022	-
10.	Ms. Lakshmy Chandrasekaran	00240466	14/04/2023	-

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
11.	Mr. Praveen Achuthan Kutty	10329590	29/04/2024	-
12.	Mr. Krishnan Sridhar Seshadri	10508808	13/06/2024	-
13.	Mr. Nasser Mukhtar Munjee	00010180	19/09/2024	-
14.	Mr. Nadir Noorallah Bhalwani	00555534	07/03/2025	-
15.	Mr. Balu Srinivasan	00397658	07/03/2025	-

This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31<sup>st</sup> March, 2025.

For S. N. ANANTHASUBRAMANIAN & Co.

Company Secretaries

ICSI Unique Code: P1991MH040400

Peer Review Cert. No.: 5218/2023

S. N. Viswanathan

Managing Partner

ACS: 61955 | COP No.: 24335

ICSI UDIN: A061955G000602726

16<sup>th</sup> June, 2025 | Thane





# Independent Auditor's Report

**To the Members of DCB Bank Limited**

**Report on the Audit of the Financial Statements**

## Opinion

We have audited the Financial Statements of DCB Bank Limited (the "Bank"), which comprise the balance sheet as at 31 March 2025, the profit and loss account, the cash flow statement for the year then ended, and notes to the Financial Statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 (the "Act") in the manner so required for banking companies and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Bank as at 31 March 2025, and its profit and its cash flows for the year ended on that date.

## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act, Banking Regulation Act, 1949 and applicable circulars, directions and guidelines issued by the Reserve Bank of India ('RBI') from time to time and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined matters described below to be the key audit matters to be communicated in our report.

## Description of Key audit matter

Key audit matter	How the matter was addressed in our audit
<b>Identification and provisioning on non-performing advances (NPA)</b>	
Total Advances (Net of provisions) as at 31 March 2025: Rs. 51,046.91 crores	
Provision for NPAs as at 31 March 2025: Rs. 982.88 crores	
Refer Schedule 9 and Schedule 18(12.1) to the Financial Statements	
<p><b>Subjective estimate</b></p> <p>The Bank is required to comply with Master Circular “Prudential Norms on Income Recognition and Asset Classification and Provisioning” pertaining to Advances issued by the RBI (“IRAC norms”). IRAC norms prescribe the guidelines for identification and asset classification of non-performing advances (“NPA”) and the minimum provision required for such advances.</p> <p>As required under IRAC norms, the Bank has a Board approved policy for NPA identification and provisioning based on which the Bank recognizes provisions for NPAs at or higher than the minimum rate prescribed under RBI guidelines.</p> <p>The Bank’s accounting policy also requires recognition on a prudent basis, provisions towards exposures that are not NPA as per IRAC norms but where the Bank, based on current environment, has reasons to believe that there is possible deterioration.</p> <p>Since the identification of NPAs and provisioning for advances also involve management judgement and estimation including management estimate of higher provision over IRAC norms, with some manual intervention and its significance to the Financial Statements of the Bank, we have ascertained identification and provisioning of NPAs as a key audit matter.</p>	<p>We performed the following key audit procedures:</p> <p><b>Design and operating effectiveness of controls</b></p> <ul style="list-style-type: none"> <li>Understood Bank’s approach to identification of NPAs and provisioning, systems and controls implemented in this regard and its compliance with IRAC norms.</li> <li>Tested the design, implementation and operating effectiveness of key internal financial controls over monitoring of overdue loans, identification of NPA accounts, collateral valuation, measurement of provision on the basis of IRAC norms as well as application of Bank’s judgment for establishing provisions beyond the minimum prescribed under IRAC norms. Our testing also included assessment of the reliability of information generated from the Bank’s IT systems such as ‘overdue’ reports that were used by the Bank for the aforesaid controls.</li> <li>Tested key information technology-based controls operating in relation to the Bank’s NPA system, including system access, system change management, program development and computer operations.</li> <li>Tested the Bank’s controls for identification of loans with indicators of stress or occurrence of event of default requiring such loans to be considered as NPA or requiring higher provision.</li> </ul> <p><b>Substantive tests</b></p> <ul style="list-style-type: none"> <li>Performed test of details over calculation of NPA provisions for assessing its completeness and accuracy based on relevant data and its compliance with the Bank’s NPA policy as well as IRAC norms.</li> <li>For a sample of performing loans, independently assessed as to whether there was a need to classify such loans as NPA.</li> <li>Tested the appropriateness of Bank’s rationale for establishing additional provisions over and above RBI norms and testing the adequacy of such provisions.</li> </ul>



Key audit matter	How the matter was addressed in our audit
<b>Information technology (IT) system and controls</b>	<ul style="list-style-type: none"> <li>Assessed the appropriateness, accuracy and adequacy of related presentation and disclosures in accordance with the applicable accounting standards and requirements of RBI with respect to NPAs and restructured advances.</li> </ul>
<p>The Bank's key financial accounting and reporting processes are highly dependent on information systems including automated controls, resulting in a risk of gaps in the IT control environment which could result in the financial accounting and reporting records being misstated.</p> <p>Adequate IT general controls and application controls are necessary for obtaining accurate, consistent and reliable information for financial reporting.</p> <p>We have identified 'IT systems and automated controls' as a key audit matter because of high level of automation, significant number of systems being used by Bank and the relative complexity of the IT architecture.</p>	<p>In assessing the controls over the IT systems of the Bank, we involved our technology specialists to obtain an understanding of the IT environment, IT infrastructure and IT systems.</p> <p>We evaluated and tested relevant IT general controls and IT application controls of the in-scope IT systems identified as relevant for our audit of the financial statements and financial reporting process of the Bank.</p> <p>On such in-scope IT systems, we have tested key IT general controls with respect to the following domains:</p> <ul style="list-style-type: none"> <li>Program change management which includes controls designed for movement of program changes to the production environment as per defined procedures and restriction over developers and production personnel from accessing to change applications, the operating system or databases in the production environment.</li> <li>User access management which includes controls for granting access rights, new user creation, removal of user rights, periodic access review, preventive controls designed to enforce segregation of duties, password management and granting of privilege access to authorized personnel.</li> <li>Program development, which includes controls over IT application development or implementation and related infrastructure, which are relied upon for financial reporting.</li> <li>IT operations, which includes controls for job scheduling, monitoring, backup and recovery.</li> </ul> <p>Our audit procedures with regards to aforesaid in-scope IT systems, included the following:</p> <ul style="list-style-type: none"> <li>Tested the effectiveness of key IT general controls during the period covered by the audit.</li> <li>Tested the effectiveness during the period covered by our audit of key IT application controls and other key aspects such as automated calculations, system interface/reconciliation controls and system generated reports.</li> <li>Wherever required, we tested compensating IT controls</li> </ul>

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Bank's Management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Bank's annual report, but does not include the Financial Statements and our Auditor's Report thereon. The Bank's Annual report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Bank's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

**Management's and Board of Directors' responsibilities for the Financial Statements**

The Bank's Management and the Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the state of affairs, profit/loss and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, provisions of Section 29 of the Banking Regulation Act, 1949 and applicable circulars, guidelines and directions issued by the RBI from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Management and Board of Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Bank's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and



appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and the Board of Directors.
- Conclude on the appropriateness of Management and the Board of Directors' use of the going concern basis of accounting in preparation of Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

The Financial Statements of the Bank for the year ended 31 March 2024, were audited by B S R & Co. LLP and Sundaram & Srinivasan, the joint statutory auditors of the Bank, who have expressed an unmodified opinion on those Financial Statements vide their Independent Auditor's Report dated 24 April 2024.

Our opinion is not modified in respect of the above matter.

### Report on Other Legal and Regulatory Requirements

1. In our opinion, the balance sheet and the profit and loss account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 and Section 133 of the Act.
2. As required by sub-section (3) of Section 30 of the Banking Regulation Act, 1949, we report that:



- (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
  - (b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank;
  - (c) during the course of audit, we have visited 28 branches to examine the records maintained at the branches and perform relevant audit procedures. Since the key operations of the Bank are automated with the key applications integrated to the core banking systems, the audit is carried out centrally as all the necessary records and data required for the purposes of our audit are made available therein. Hence, no returns are being called from the branch offices of the Bank; and
  - (d) the profit and loss account for the year ended 31 March 2025 shows a true balance of profits for the period covered by such accounts.
3. (A) As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books;
  - c) Reporting on the accounts of any branch office of the Bank is not applicable due to centralized banking system. Kindly refer our comments in paragraph 2(c) above;
  - d) The balance sheet, the profit and loss account, and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - e) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, to the extent they are not inconsistent with the applicable circulars, guidelines and directions prescribed by the RBI;
  - f) On the basis of the written representations received from the directors as on 1 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act; and
  - g) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Bank has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its Financial Statements - refer schedule 18(16) to the Financial Statements.
  - b) The Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - refer schedule 18(12.1) and schedule 18(17) to the Financial Statements.
  - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank.
  - d) (i) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in schedule 18(13.6) to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other person(s) or entity(ies), including foreign entities



("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ("Ultimate Beneficiaries"); or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the schedule 18(13.6) to the Financial Statements, no funds have been received by the Bank from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Bank shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries"); or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e) The final dividend paid by the Bank during the year, in respect of the same declared for the previous year, is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- f) As stated in schedule 18(13.5) to the Financial Statements, the Board of Directors of the Bank have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- g) Based on our examination which included test checks, the Bank has used accounting softwares for maintaining its books of account which, along with access management tools, have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Bank as per the statutory requirements for record retention.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

The Bank is a banking company as defined under the Banking Regulation Act, 1949. Accordingly, the requirements prescribed under Section 197 of the Act are not applicable.

#### For B S R & Co. LLP

Chartered Accountants

Firm Registration no.: 101248W/W-100022

#### For Varma & Varma

Chartered Accountants

Firm Registration no.: 004532S

#### Ashwin Suvarna

Partner

Membership No.: 109503

UDIN: 25109503BMOQBC3995

Place: Mumbai

Date: 25 April 2025

#### K P Srinivas

Partner

Membership No.: 208520

UDIN: 25208520BMODST9653

Place: Mumbai

Date: 25 April 2025

## **Annexure A** to the Independent Auditor's report on the Financial Statements of DCB Bank Limited for the year ended 31 March 2025

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph (3)(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Opinion**

We have audited the internal financial controls with reference to Financial Statements of DCB Bank Limited (the "Bank") as of 31 March 2025 in conjunction with our audit of the Financial Statements of the Bank for the year ended on that date.

In our opinion, the Bank has, in all material respects, adequate internal financial controls with reference to Financial Statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to Financial Statements criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### **Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Bank's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Financial Statements criteria established by the Bank considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Bank's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls with reference to Financial Statements.

### Meaning of Internal Financial controls with Reference to Financial Statements

The Bank's internal financial controls with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. The Bank's internal financial controls with reference to Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Bank are being made only in accordance with authorisations of management and directors of the Bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Bank's assets that could have a material effect on the Financial Statements.

### Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### For B S R & Co. LLP

Chartered Accountants

Firm Registration no.: 101248W/W-100022

#### For Varma & Varma

Chartered Accountants

Firm Registration no.: 004532S

#### Ashwin Suvarna

Partner

Membership No.: 109503

UDIN: 25109503BMOQBC3995

Place: Mumbai

Date: 25 April 2025

#### K P Srinivas

Partner

Membership No.: 208520

UDIN: 25208520BMODST9653

Place: Mumbai

Date: 25 April 2025

## Balance Sheet as at March 31, 2025

	Schedule	As on March 31, 2025	(₹ in 000's) As on March 31, 2024
<b>CAPITAL &amp; LIABILITIES</b>			
Capital	1	31,42,874	31,28,045
Employee Stock Options (Grants outstanding net of deferred cost)	18 (11.3)	29,779	34,096
Reserves and Surplus	2	5,37,34,148	4,75,50,555
<b>Capital and Reserves</b>		<b>5,69,06,801</b>	<b>5,07,12,696</b>
Deposits	3	60,03,09,531	49,35,30,343
Borrowings	4	9,11,51,786	6,21,94,750
Other Liabilities and Provisions	5	1,97,29,691	2,39,31,880
<b>TOTAL CAPITAL &amp; LIABILITIES</b>		<b>76,80,97,809</b>	<b>63,03,69,669</b>
<b>ASSETS</b>			
Cash and Balances with Reserve Bank of India	6	2,50,74,874	2,86,69,323
Balances with Banks and Money at Call and Short Notice	7	19,11,032	19,89,549
Investments	8	20,14,99,016	16,21,08,481
Advances	9	51,04,69,134	40,92,45,645
Fixed Assets	10	89,83,981	86,48,834
Other Assets	11	2,01,59,772	1,97,07,837
<b>TOTAL ASSETS</b>		<b>76,80,97,809</b>	<b>63,03,69,669</b>
Contingent Liabilities	12	12,42,50,993	9,29,69,912
Bills for Collection		49,25,731	61,17,348
Significant Accounting Policies	17		
Notes to Accounts	18		

The Schedules referred to above form an integral part of the Balance Sheet.

The Balance Sheet has been prepared in conformity with Form 'A' of the Third Schedule to the Banking Regulation Act, 1949.

For and on behalf of the Board of Directors

**Praveen Kutty**  
MD & CEO  
DIN-10329590

**Farokh Subedar**  
Chairman  
DIN-00028428

**Thiyagarajan Kumar**  
Director  
DIN-00735914

**Ravi Kumar**  
Chief Financial Officer

**Rubi Chaturvedi**  
Company Secretary

As per our report of even date.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration Number: 101248W/W-100022

**Ashwin Suvarna**  
Partner  
Membership No.: 109503

Place : Mumbai  
Date : April 25, 2025

**For Varma & Varma**  
Chartered Accountants  
Firm Registration Number: 004532S

**K P Srinivas**  
Partner  
Membership No.: 208520

Place : Mumbai  
Date : April 25, 2025





## Profit and Loss Account for the year ended March 31, 2025

	Schedule	Year Ended March 31, 2025	(₹ in 000's) Year Ended March 31, 2024
<b>I. INCOME</b>			
Interest Earned	13	6,47,05,853	5,36,20,393
Other Income	14	75,05,124	47,42,371
<b>TOTAL INCOME</b>		<b>7,22,10,977</b>	<b>5,83,62,764</b>
<b>II. EXPENDITURE</b>			
Interest Expended	15	4,36,40,176	3,43,41,407
Operating Expenses	16	1,82,00,804	1,53,76,910
Provisions and Contingencies	18 (12.1)	42,16,650	32,84,702
<b>TOTAL EXPENDITURE</b>		<b>6,60,57,630</b>	<b>5,30,03,019</b>
<b>III. PROFIT / (LOSS)</b>			
Net Profit for the Year		61,53,347	53,59,745
Balance in Profit & Loss Account brought forward		1,67,68,201	1,38,48,797
<b>TOTAL PROFIT/(LOSS)</b>		<b>2,29,21,548</b>	<b>1,92,08,542</b>
<b>IV. APPROPRIATIONS</b>			
Transfer to Statutory Reserve		15,38,337	13,39,937
Transfer to Special Reserve		4,35,000	3,56,000
Transfer to Capital Reserve		4,32,774	49,463
Transfer to / (from) Investment Reserve		-	(8,159)
Transfer to Investment Fluctuation Reserve		(4,94,465)	3,82,011
Transfer from Revaluation Reserve		(68,387)	(68,574)
Dividend Paid		3,91,363	3,89,663
Balance carried over to Balance sheet		2,06,86,926	1,67,68,201
<b>TOTAL</b>		<b>2,29,21,548</b>	<b>1,92,08,542</b>
Earnings per share	17 (17)		
(i) Basic (₹)	18 (11.2)	19.63	17.18
(ii) Diluted (₹)	18 (11.2)	19.49	16.99
Face Value per share (₹)		10.00	10.00
Significant Accounting Policies	17		
Notes to Accounts	18		

The Schedules referred to above form an integral part of the Profit and Loss Account.

The Profit and Loss Account has been prepared in conformity with Form 'B' of the Third Schedule to the Banking Regulation Act, 1949.

For and on behalf of the Board of Directors

**Praveen Kutty**

MD & CEO  
DIN-10329590

**Farokh Subedar**

Chairman  
DIN-00028428

**Thiyagarajan Kumar**

Director  
DIN-00735914

**Ravi Kumar**

Chief Financial Officer

**Rubi Chaturvedi**

Company Secretary

As per our report of even date.

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number: 101248W/W-100022

**Ashwin Suvarna**

Partner

Membership No.: 109503

Place : Mumbai

Date : April 25, 2025

**For Varma & Varma**

Chartered Accountants

Firm Registration Number: 004532S

**K P Srinivas**

Partner

Membership No.: 208520

Place : Mumbai

Date : April 25, 2025

## Cash Flow Statement for the year ended March 31, 2025

	Year ended March 31, 2025	(₹ in 000s) Year ended March 31, 2024
<b>Cash Flow from Operating Activities</b>		
<b>Net Profit after tax for the year (Refer Profit and Loss Account)</b>	<b>61,53,347</b>	<b>53,59,745</b>
Add: Provision for income tax (Refer Schedule 18 (12.1))	21,32,737	18,59,850
<b>Net Profit before tax for the year</b>	<b>82,86,084</b>	<b>72,19,595</b>
<b>Adjustments for:</b>		
Provisions for Advances	18,21,850	24,48,387
Provisions for Restructured Advances	(54,031)	(1,03,953)
Provision for Investments	(1,07,621)	(1,101)
Provision for Standard Assets*	1,11,133	(7,75,929)
Provision for Other Assets and Contingencies	(34,369)	114
Depreciation/ Amortisation on Fixed Assets	10,13,982	9,44,428
(Profit)/ loss on Sale of Fixed Assets	(1,843)	(1,545)
Amortisation of Premium/ Accretion of Discount on Investments	6,87,875	7,55,563
ESOPs/ CSARs Compensation	13,139	39,962
<b>Cash Flow from Operating Activities before adjustments</b>	<b>1,17,36,199</b>	<b>1,05,25,521</b>
<b>Adjustments for:</b>		
Increase/ (Decrease) in Deposits	10,67,79,188	8,11,41,268
Increase/ (Decrease) in Other Liabilities & Provisions	(42,96,407)	2,45,776
(Increase)/ Decrease in Investments	(1,30,53,036)	(1,97,90,776)
(Increase)/ Decrease in Advances	(10,29,91,308)	(6,78,09,655)
(Increase)/ Decrease in Other Assets	(5,73,015)	19,33,593
Refund/ (Payment) of direct taxes (Including Tax Deducted at Source)	(20,11,657)	(13,96,521)
<b>Net Cash Flow from/ (used in) Operating activities</b> A	<b>(44,10,036)</b>	<b>48,49,206</b>
<b>Cash Flow from/ (used in) Investing activities</b>		
Purchase of Fixed assets	(13,60,460)	(13,52,429)
Proceeds from sale of Fixed Assets	13,173	23,393
(Purchase)/ Sale of Held to Maturity Securities	(2,65,69,799)	(1,72,47,598)
<b>Net Cash Flow from/ (used in) Investing activities</b> B	<b>(2,79,17,086)</b>	<b>(1,85,76,634)</b>
<b>Cash Flow from/ (used in) Financing Activities</b>		
Proceeds from Issue of Capital (including ESOPs)	88,482	78,172
Issue of Subordinated Debt	40,00,000	-
Repayment of Subordinated Debt	-	-
Proceeds from Borrowings	2,49,02,13,755	61,78,29,744
Repayment of Borrowings	(2,46,52,56,718)	(59,68,16,195)
Dividend Paid	(3,91,363)	(3,89,663)
<b>Net Cash Flow from/ (used in) Financing activities</b> C	<b>2,86,54,156</b>	<b>2,07,02,058</b>



## Cash Flow Statement for the year ended March 31, 2025

		(₹ in 000s)	
		Year ended March 31, 2025	Year ended March 31, 2024
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>A+B+C</b>	<b>(36,72,966)</b>	<b>69,74,630</b>
Cash and cash equivalents at the beginning of the year		3,06,58,872	2,36,84,242
Cash and cash equivalents at the end of the year		2,69,85,906	3,06,58,872
<b>Notes to the cash flow statement</b>			
Cash and cash equivalent includes the following:			
Cash and balances with Reserve Bank of India (Refer Schedule 6)		2,50,74,874	2,86,69,323
Balances with Banks and Money at Call and Short notice (Refer Schedule 7)		19,11,032	19,89,549
<b>Cash and Cash equivalent at the end of the year</b>		<b>2,69,85,906</b>	<b>3,06,58,872</b>

\*Includes provision for standard restructured accounts

For and on behalf of the Board of Directors

**Praveen Kutty**  
MD & CEO  
DIN-10329590

**Farokh Subedar**  
Chairman  
DIN-00028428

**Thiyagarajan Kumar**  
Director  
DIN-00735914

**Ravi Kumar**  
Chief Financial Officer

**Rubi Chaturvedi**  
Company Secretary

As per our report of even date.

### For B S R & Co. LLP

Chartered Accountants  
Firm Registration Number: 101248W/W-100022

### Ashwin Suvarna

Partner  
Membership No.: 109503

Place : Mumbai  
Date : April 25, 2025

### For Varma & Varma

Chartered Accountants  
Firm Registration Number: 004532S

### K P Srinivas

Partner  
Membership No.: 208520

Place : Mumbai  
Date : April 25, 2025

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## SCHEDULE 1 - CAPITAL

	As on March 31, 2025	(₹ in 000's) As on March 31, 2024
<b>Authorised Capital</b>		
500,000,000 (Previous year 500,000,000)	50,00,000	50,00,000
Equity Shares of ₹ 10/- each		
<b>Issued, Subscribed and Paid up Capital*</b>		
31,42,87,398 (as at March 31, 2024: 31,28,04,489)	31,42,874	31,28,045
Equity Shares of ₹ 10/- each		
<b>TOTAL</b>	<b>31,42,874</b>	<b>31,28,045</b>

\*(During the year, 14,82,909 (Previous year: 13,02,756) equity shares have been issued against exercise of options purchased under the Employees' Stock Option Plan).

Refer Note 18 (11.3) (Employees' Stock Option Plan)

## SCHEDULE 2 - RESERVES & SURPLUS

	As on March 31, 2025	(₹ in 000's) As on March 31, 2024
<b>I. Statutory Reserve</b>		
Opening balance	95,45,216	82,05,279
Additions during the year	15,38,337	13,39,937
<b>TOTAL(I)</b>	<b>1,10,83,553</b>	<b>95,45,216</b>
<b>II. Special Reserve under section 36(1)(viii) of the Income Tax Act, 1961</b>		
Opening balance	20,96,188	17,40,188
Additions during the year	4,35,000	3,56,000
Deductions during the year	-	-
<b>TOTAL(II)</b>	<b>25,31,188</b>	<b>20,96,188</b>
<b>III. Capital Reserve</b>		
a) Revaluation Reserve		
Opening balance	29,00,687	29,69,261
Additions during the year	-	-
Deductions during the year (transferred to Balance in Profit & Loss Account)*	(68,387)	(68,574)
<b>TOTAL(a)</b>	<b>28,32,300</b>	<b>29,00,687</b>
b) Other Capital Reserve		
Opening balance	14,80,524	14,31,061
Additions during the year	4,32,774	49,463
Deductions during the year	-	-
<b>TOTAL(b)</b>	<b>19,13,298</b>	<b>14,80,524</b>
<b>TOTAL (a + b ) (III)</b>	<b>47,45,598</b>	<b>43,81,211</b>
<b>IV. Securities Premium</b>		
Opening balance	1,37,65,623	1,37,00,478
Additions during the year	73,653	65,145
Deductions during the year	-	-
<b>TOTAL(IV)</b>	<b>1,38,39,276</b>	<b>1,37,65,623</b>



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## SCHEDULE 2 - RESERVES & SURPLUS

	As on March 31, 2025	(₹ in 000's) As on March 31, 2024
<b>V. Investment Reserve</b>		
Opening balance	-	8,159
Additions during the year	-	-
Deductions during the year	-	(8,159)
<b>TOTAL(V)</b>	<b>-</b>	<b>-</b>
<b>VI. Investment Fluctuation Reserve</b>		
Opening balance	9,94,116	6,12,105
Additions during the year	-	3,82,011
Deductions during the year	(4,94,465)	-
<b>TOTAL(VI)</b>	<b>4,99,651</b>	<b>9,94,116</b>
<b>VII. General Reserve for Investments**</b>		
Opening balance	-	-
Additions during the year	1,86,089	-
Deductions during the year	-	-
<b>TOTAL(VII)</b>	<b>1,86,089</b>	<b>-</b>
<b>VIII. AFS Reserve Other than Equity</b>		
Opening balance	-	-
Additions during the year	1,61,867	-
Deductions during the year	-	-
<b>TOTAL(VIII)</b>	<b>1,61,867</b>	<b>-</b>
<b>IX. Balance in Profit and Loss Account</b>	<b>2,06,86,926</b>	<b>1,67,68,201</b>
<b>TOTAL (I to IX)</b>	<b>5,37,34,148</b>	<b>4,75,50,555</b>

\*Refer Note 18 (11.9) (Revaluation of Fixed Assets)

\*\*Refer Note 18 (3.7)

## SCHEDULE 3 - DEPOSITS

	As on March 31, 2025	(₹ in 000's) As on March 31, 2024
<b>A I. Demand Deposits</b>		
(i) From Banks	73,358	1,27,695
(ii) From Others	2,26,44,031	2,40,01,805
<b>TOTAL(I)</b>	<b>2,27,17,389</b>	<b>2,41,29,500</b>
<b>II. Savings Bank Deposits</b>	<b>12,44,89,022</b>	<b>10,42,94,906</b>
<b>TOTAL(II)</b>	<b>12,44,89,022</b>	<b>10,42,94,906</b>
<b>III. Term Deposits</b>		
(i) From Banks	7,18,92,194	4,85,35,836
(ii) From Others	38,12,10,926	31,65,70,101
<b>TOTAL(III)</b>	<b>45,31,03,120</b>	<b>36,51,05,937</b>
<b>TOTAL (I,II and III)</b>	<b>60,03,09,531</b>	<b>49,35,30,343</b>
<b>B I. Deposits of branches in India</b>	<b>60,03,09,531</b>	<b>49,35,30,343</b>
<b>II. Deposits of branches outside India</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>60,03,09,531</b>	<b>49,35,30,343</b>

Out of total deposits, ₹ 5,216 crore is marked as lien as on March 31, 2025 (₹ 4,774 crore as on March 31, 2024)



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## SCHEDULE 4 - BORROWINGS

	As on March 31, 2025	(₹ in 000's) As on March 31, 2024
<b>I. Borrowings in India</b>		
(i) Reserve Bank of India	1,71,50,000	87,60,000
(ii) Other Banks	7,00,000	2,50,000
(iii) Other Institutions and Agencies	6,50,92,315	4,93,50,700
(iv) Sub-Ordinated Debts	70,00,000	30,00,000
<b>TOTAL (I)</b>	<b>8,99,42,315</b>	<b>6,13,60,700</b>
<b>II. Borrowings outside India</b>	12,09,471	8,34,050
<b>TOTAL (I &amp; II)</b>	<b>9,11,51,786</b>	<b>6,21,94,750</b>
Secured Borrowings included in I & II above	2,76,23,415	87,60,000

## SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS

	As on March 31, 2025	(₹ in 000's) As on March 31, 2024
I. Bills Payable	26,98,150	95,65,577
II. Inter Office Adjustments (Net)	-	-
III. Interest Accrued (Net of TDS recoverable)	78,05,672	61,52,388
IV. Others		
(i) Provision for Standard Assets*	28,64,698	27,55,945
(ii) Other Liabilities (including provisions)**	63,61,171	54,57,970
<b>TOTAL</b>	<b>1,97,29,691</b>	<b>2,39,31,880</b>

\*includes provision for unhedged foreign currency exposure and provision on specific standard assets. Refer Schedule 18 (5.14) (Provisions on Standard Assets)

\*\* includes provision for employee benefits. Refer Schedule 18 (11.1) (Employee Benefits)

## SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA

	As on March 31, 2025	(₹ in 000's) As on March 31, 2024
<b>I. Cash in hand</b>	15,48,626	18,56,784
(including foreign currency notes)		
<b>II. Balances with Reserve Bank of India</b>		
(i) In Current Accounts	2,35,26,248	2,32,12,539
(ii) In Other Accounts	-	36,00,000
<b>TOTAL (II)</b>	<b>2,35,26,248</b>	<b>2,68,12,539</b>
<b>TOTAL (I &amp; II)</b>	<b>2,50,74,874</b>	<b>2,86,69,323</b>



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE

	(₹ in 000's)	
	As on March 31, 2025	As on March 31, 2024
<b>I. In India</b>		
<b>i. Balance with Banks</b>		
(a) In Current Accounts*	1,06,757	94,237
(b) In Other Deposit Accounts	2,421	2,307
*includes funds in transit : ₹ 0.26 crore (Previous Year: Nil)		
<b>TOTAL</b>	<b>1,09,178</b>	<b>96,544</b>
<b>ii. Money at Call and Short Notice</b>		
(a) With Banks	-	-
(b) With Other Institutions	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>
<b>TOTAL (I)</b>	<b>1,09,178</b>	<b>96,544</b>
<b>II. Outside India</b>		
(i) In Current Accounts	7,77,009	6,94,475
(ii) In Other Deposit Accounts	10,24,845	11,98,530
(iii) Money at Call and Short Notice	-	-
<b>TOTAL (II)</b>	<b>18,01,854</b>	<b>18,93,005</b>
<b>TOTAL (I &amp; II)</b>	<b>19,11,032</b>	<b>19,89,549</b>

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## SCHEDULE 8 - INVESTMENTS

	(₹ in 000's)	
	As on March 31, 2025	As on March 31, 2024
<b>I. Investments in India</b>		
Net Investments in:		
(i) Government Securities	15,93,78,942	12,37,92,633
(ii) Other Approved Securities	-	-
(iii) Shares	5,75,639	2,96,301
(iv) Debentures and Bonds	39,67,672	9,97,566
(v) Subsidiaries and/or Joint Ventures	-	-
(vi) Other Investments:		
(a) Certificate of Deposits/ Commercial Paper	-	-
(b) Units of Mutual Funds	37,051	14,144
(c) Pass Through Certificates	3,75,39,712	3,69,34,059
(d) Security Receipts*	-	73,778
<b>TOTAL (I)</b>	<b>20,14,99,016</b>	<b>16,21,08,481</b>
<b>II. Investments outside India in</b>		
(i) Government Securities	-	-
(ii) Subsidiaries and/ or Joint Ventures abroad	-	-
(iii) Other Investments	-	-
<b>TOTAL (II)</b>	<b>-</b>	<b>-</b>
<b>TOTAL (I &amp; II)</b>	<b>20,14,99,016</b>	<b>16,21,08,481</b>
<b>Investments in India</b>		
i. Gross Value	20,17,31,087	16,23,44,660
ii. Provision for Depreciation	(2,32,071)	(2,36,179)
<b>TOTAL</b>	<b>20,14,99,016</b>	<b>16,21,08,481</b>

\*Refer Schedule 18 (5.9 and 5.10) (Details of financial assets (including written off accounts) sold to Securitisation/ Reconstruction Company for Asset Reconstruction and Details of investment in security receipts (SRs))



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## SCHEDULE 9 - ADVANCES

			(₹ in 000's)	
			As on March 31, 2025	As on March 31, 2024
I.	(i)	Bills Purchased and Discounted	33,13,451	26,54,039
	(ii)	Cash credits, Overdrafts and Loans repayable on demand	6,53,92,029	5,30,40,471
	(iii)	Term Loans	44,17,63,654	35,35,51,135
		<b>TOTAL (I)</b>	<b>51,04,69,134</b>	<b>40,92,45,645</b>
II.	(i)	Secured by tangible assets*	48,32,22,311	38,68,67,256
	(ii)	Covered by Bank/ Government Guarantees	-	-
	(iii)	Unsecured	2,72,46,823	2,23,78,389
		*includes Advances against Book Debts		
		<b>TOTAL (II)</b>	<b>51,04,69,134</b>	<b>40,92,45,645</b>
III.	(a)	<b>Advances in India</b>		
	(i)	Priority Sectors	26,41,56,256	21,13,87,080
	(ii)	Public Sector	-	-
	(iii)	Banks	-	-
	(iv)	Others	24,63,12,878	19,78,58,565
		<b>TOTAL</b>	<b>51,04,69,134</b>	<b>40,92,45,645</b>
III.	(b)	<b>Advances outside India</b>	-	-
	(i)	Due from banks	-	-
	(ii)	Due from others	-	-
	(a)	Bills purchased and discounted	-	-
	(b)	Syndicated loans	-	-
	(c)	Others	-	-
		<b>TOTAL (III)</b>	<b>51,04,69,134</b>	<b>40,92,45,645</b>

Advances are net of provisions

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## SCHEDULE 10 - FIXED ASSETS

	As on March 31, 2025	(₹ in 000's) As on March 31, 2024
<b>I. Premises (Gross Block including Revaluation)</b>		
(i) As at 31 March of the preceding year	76,45,607	71,39,604
(ii) Additions during the year	22,523	5,07,813
(iii) Deductions during the year	-	(1,810)
<b>Total</b>	<b>76,68,130</b>	<b>76,45,607</b>
<b>Depreciation to date (including on Revaluation)</b>		
(i) As at 31 March of the preceding year	13,18,830	11,23,097
(ii) Charge for the year	1,97,947	1,97,543
(iii) On deductions during the year	-	(1,810)
<b>Total</b>	<b>15,16,777</b>	<b>13,18,830</b>
<b>Net Block</b>	<b>61,51,353</b>	<b>63,26,777</b>
<b>II. Other Fixed Assets (Gross Block including Furniture &amp; Fixtures)*</b>		
(i) As at 31 March of the preceding year	67,12,366	57,76,547
(ii) Additions during the year	9,11,341	10,42,791
(iii) Deductions during the year	(49,465)	(1,06,972)
<b>Total</b>	<b>75,74,242</b>	<b>67,12,366</b>
<b>Depreciation to date</b>		
(i) As at 31 March of the preceding year	46,28,097	39,66,338
(ii) Charge for the year	8,16,036	7,46,885
(iii) On deductions during the year	(38,136)	(85,126)
<b>Total</b>	<b>54,05,997</b>	<b>46,28,097</b>
<b>Net Block</b>	<b>21,68,245</b>	<b>20,84,269</b>
<b>III. Capital Work In Progress</b>	6,64,383	2,37,788
<b>TOTAL (I+II+III)</b>	<b>89,83,981</b>	<b>86,48,834</b>

\*Refer Schedule 18 (7) (Other Fixed Assets (including furniture and fixtures))

## SCHEDULE 11 - OTHER ASSETS

	As on March 31, 2025	(₹ in 000's) As on March 31, 2024
I. Inter-Office Adjustments (Net)	-	-
II. Interest accrued	89,06,665	71,63,611
III. Tax paid in Advance/ Tax deducted at Source (Net of provision)	3,05,849	4,64,542
IV. Stationery and Stamps	6,416	7,969
V. Non-Banking Assets acquired in satisfaction of claims (Net)	-	-
VI. Deferred Tax Assets (Net)*	13,59,749	13,84,722
VII. Others**	95,81,093	1,06,86,993
<b>TOTAL</b>	<b>2,01,59,772</b>	<b>1,97,07,837</b>

\*Refer Schedule 18 (11.7) (Deferred Tax)

\*\*Includes Priority Sector Shortfall Deposits of ₹ 752.67 crore (previous year ₹ 894.59 crore)





# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## SCHEDULE 12 - CONTINGENT LIABILITIES

	As on March 31, 2025	(₹ in 000's) As on March 31, 2024
I. Claims against the Bank not acknowledged as debts	2,91,743	3,30,194
II. Liability for partly paid investments	-	-
III. Liability on account of outstanding forward exchange and derivative contracts		
(a) Forward Contracts	8,18,67,090	6,71,73,345
(b) Interest Rate Swaps and Currency Swaps	-	-
(c) Foreign Currency Options	-	-
IV. Guarantees given on behalf of constituents		
(a) In India	1,03,89,845	1,41,96,816
(b) Outside India	8,78,039	7,69,006
V. Acceptances, Endorsements and other obligations	22,93,066	9,43,525
VI. Other items for which the Bank is contingently liable*	2,85,31,210	95,57,026
<b>TOTAL</b>	<b>12,42,50,993</b>	<b>9,29,69,912</b>

\*includes

- i) ₹ 1,715 crore of lending under RBI Liquidity Adjustment Facility outstanding as at March 31, 2025 (Previous Year: ₹ 876 crore as on March 31, 2024) as per RBI circular FMRD.DIRD. 10/14.03.002/2015-16.
- ii) ₹ 90.28 crore (Previous year: ₹ 77.38 crore) being amount transferred to DEA Fund Cell, RBI and outstanding, as per RBI circular DBOD.No.DEAF Cell.BC.114/30.01.002/2013-14.
- iii) ₹ 0.50 crore (Previous Year: ₹ 2.32 crore) includes capital commitment towards unpaid commitment towards new premises and undrawn amount of Alternative Investment Fund

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## SCHEDULE 13 - INTEREST EARNED

	Year Ended March 31, 2025	(₹ in 000's) Year Ended March 31, 2024
I. Interest/ Discount on Advances/ Bills	5,09,92,603	4,23,79,641
II. Income on Investments	1,31,03,570	1,04,99,253
III. Interest on Balance with Reserve Bank of India and other Inter Bank Funds	3,18,665	3,21,334
IV. Others	2,91,015	4,20,165
<b>TOTAL</b>	<b>6,47,05,853</b>	<b>5,36,20,393</b>

## SCHEDULE 14 - OTHER INCOME

	Year Ended March 31, 2025	(₹ in 000's) Year Ended March 31, 2024
I. Commission, Exchange and Brokerage	55,52,526	38,83,090
II. Profit/ (Loss) on sale of Investments (Net)	15,08,184	3,26,179
III. Profit/ (Loss) on revaluation of Investments (Net)	1,94,265	20,765
IV. Profit/ (Loss) on sale of Land, Buildings and Other Assets (Net)	1,843	1,545
V. Profit/ (Loss) on Exchange Transactions (Net)	97,080	1,57,061
VI. Income earned by way of Dividends, etc. from Subsidiaries, Companies and/ or Joint Ventures abroad/in India	-	-
VII. Miscellaneous Income	1,51,226	3,53,731
<b>TOTAL</b>	<b>75,05,124</b>	<b>47,42,371</b>

## SCHEDULE 15 - INTEREST EXPENDED

	Year Ended March 31, 2025	(₹ in 000's) Year Ended March 31, 2024
I. Interest on Deposits	3,83,63,070	3,07,15,236
II. Interest on Reserve Bank of India/ Inter-Bank Borrowings	13,35,831	5,06,395
III. Other Interest	39,41,275	31,19,776
<b>TOTAL</b>	<b>4,36,40,176</b>	<b>3,43,41,407</b>



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## SCHEDULE 16 - OPERATING EXPENSES

	Year Ended March 31, 2025	(₹ in 000's) Year Ended March 31, 2024
I. Payments to and Provisions for Employees	92,30,691	79,43,286
II. Rent, Taxes and Lighting	14,78,567	14,37,521
III. Printing and Stationery	1,29,598	1,18,251
IV. Advertisement and Publicity	92,999	71,958
V. Depreciation on Bank's property	10,13,982	9,44,428
VI. Directors' Fees, Allowances and Expenses	27,445	22,350
VII. Auditors' Fees and Expenses	22,467	17,299
VIII. Law Charges	1,97,768	1,95,859
IX. Postages, Telegrams, Telephones, etc.	2,36,394	1,98,885
X. Repairs and Maintenance	6,12,500	4,74,518
XI. Insurance	6,00,842	5,05,691
XII. Other Expenditure*	45,57,551	34,46,864
<b>TOTAL</b>	<b>1,82,00,804</b>	<b>1,53,76,910</b>

\*includes an amount of ₹ 11.84 crore (Previous year: ₹ 9.97 crore) being Corporate Social Responsibility Expenditure as per requirements of Section 135 of the Companies Act, 2013 (Refer Note 18 (13.2) (Corporate Social Responsibility))

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## SCHEDULE 17 – SIGNIFICANT ACCOUNTING POLICIES

### 1. BACKGROUND

DCB Bank Limited ('DCB' or 'the Bank'), incorporated in Mumbai, India is a publicly held banking company engaged in providing banking and financial services and governed by the Banking Regulation Act, 1949 and the Companies Act, 2013.

### 2. BASIS OF PREPARATION

The financial statements have been prepared and presented under the historical cost convention and on the accrual basis of accounting unless otherwise stated, and comply with the Generally Accepted Accounting Principles in India ('GAAP'), statutory requirements prescribed under the Banking Regulation Act, 1949, circulars and guidelines issued by the Reserve Bank of India (the 'RBI') from time to time and the Accounting Standards ('AS') notified under Section 133 of the Companies Act 2013 read with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standard) Rules, 2021 as amended, in so far as they apply to banks and the current practices prevailing within the banking industry in India.

### 3. USE OF ESTIMATES

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Any revisions to the accounting estimates are recognised prospectively in the current and future periods.

### 4. INVESTMENTS

#### 4.1 Classification:

The investment portfolio comprising approved securities (predominantly Government Securities) and other securities (Pass through Certificates, Shares, Debentures and Bonds, etc.) is classified at the time of acquisition in accordance with the RBI guidelines under three categories viz. 'Held to Maturity' ('HTM'), 'Available for Sale' ('AFS') and Fair Value through Profit and Loss ('FVTPL'). 'Held for Trading' ('HFT') is a separate category under FVTPL. For the purposes of disclosure in the Balance Sheet, they are classified under six groups viz. Government Securities, Other Approved Securities, Shares, Debentures and Bonds, Subsidiaries and/or joint ventures and Other Investments.

The Bank follows 'Settlement Date' accounting for recording purchase and sale transactions.

#### 4.2 Basis of Classification:

Investments are classified as HTM, if the securities are acquired with the intention and objective of holding it to maturity, i.e., the financial assets are held with an objective to collect the contractual cash flows; and the contractual terms of the security give rise to cash flows that are solely payments of principal and interest on principal outstanding ('SPPI criterion') on specified dates.

Investments are classified as AFS, if the securities are acquired with an objective of both collecting contractual cashflows and selling securities and the contractual term of the securities meet the SPPI criterion as defined in RBI guidelines.

The securities that do not qualify for inclusion in HTM or AFS shall be classified under FVTPL.



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 4.3 Transfer of Securities between Categories:

The transfer/ shifting of securities between categories of investments is accounted as per the RBI guidelines on Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023.

## 4.4 Initial recognition and Acquisition Cost:

All investments are fair valued on initial recognition. Unless facts and circumstances suggest that the fair value is materially different from the acquisition cost, it shall be presumed that the acquisition cost is the fair value. Cost including brokerage, commission pertaining to investments, paid at the time of acquisition, is charged to the Profit and Loss Account.

Broken period interest is charged to the Profit and Loss Account.

Cost of investments is computed based on the weighted average cost method.

## 4.5 Valuation:

### FVTPL - HFT and Available for Sale (AFS) categories:

Investments classified as FVTPL – HFT and AFS are marked to market daily. These securities are valued scrip-wise and any resultant depreciation or appreciation is aggregated for each category. The net appreciation/ depreciation for each category is recognised in the profit and loss account.

As per RBI guidelines, the net appreciation/depreciation on FVTPL portfolio is passed through profit and loss account while, for AFS, it is recognized in AFS reserves.

Quoted investments are valued based on the closing quotes on the recognised stock exchanges or prices declared by Fixed Income Money Market and Derivatives Association ('FIMMDA')/ Financial Benchmark India Private Limited ('FBIL'), periodically.

The valuation of other unquoted fixed income securities (viz. State government securities, Other approved securities, Bonds and debentures, Pass through Certificates) wherever linked to the YTM rates, is computed with a mark-up (reflecting associated credit and liquidity risk) over the YTM rates for government securities with similar maturity, published by FIMMDA/ FBIL. Unquoted equity shares are valued at the break-up value, if the latest audited Balance Sheet which is not older than 18 months from the reporting date is available or otherwise at ₹ 1 as per the RBI guidelines. Units of mutual funds are valued at the latest repurchase price/ net asset value declared by the mutual fund. Treasury bills, commercial papers and certificate of deposits, being discounted instruments, are valued at carrying cost.

Units of Alternate Investment Fund ('AIF') held under AFS category are marked to market based on the NAV provided by AIF based on the latest audited financial statements. Where an AIF fails to carry out and disclose the valuation of its investments by an independent valuer as per the frequency mandated by SEBI (Alternative Investment Fund) Regulations, 2012, the value of its units shall be treated as ₹ 1. In case AIF is not registered under SEBI (Alternative Investment Fund) Regulations, 2012 and the latest disclosed valuation of its investments by an independent valuer precedes the date of valuation by more than 18 months, the value of its units shall be treated as ₹ 1.

### Held to Maturity:

These investments are carried at their acquisition cost and are not marked to market. Any premium or discount on acquisition is amortized over the remaining maturity period of the security on a straight-line basis. Where there is a decline, other than temporary, in the carrying amounts of HTM investments, the resultant reduction in the carrying amount is charged to the profit and loss statement.

## Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

Non-performing investments are identified and provision is made as per RBI guidelines.

Brokerage, fees, commission and broken period interest incurred at the time of acquisition of securities, including money market instruments, are recognized as expenses.

### 4.6 Security Receipts ('SRs'):

Where sale of stressed asset results in a consideration lower than the value of the stressed assets net of provisions carried there against, the shortfall is debited to Profit & Loss account. Where such sale results in consideration higher than the value of the stressed assets net of provisions carried there against, the excess is netted off against the cost of corresponding SRs by creating a provision to arrive at their Book Value. The excess provision shall be credited to the profit & loss account in the year in which sum of cash received by way of initial consideration and/ or redemption or transfer of Security Receipts ('SRs') issued by ARCs if it exceed the NBV of the loan at the time of transfer.

SRs issued by Asset Reconstruction Companies ('ARC') are valued at Net Asset Value ('NAV') declared by the ARC except in respect of stressed assets which are sold on or after April 01, 2018 and the Bank holds more than 90% of SRs backed by its sold assets, the provision held against the Book Value of these SRs is higher of provision required in terms of NAV declared by the ARC and provisioning applicable to the underlying loans, assuming that the assets sold notionally continued in the books of the Bank.

### 4.7 Disposal of Investments:

Profit/ Loss on sale of investment under the AFS and FVTPL categories is recognised in the Profit and Loss Account except for equity instruments designated under AFS at the time of initial recognition. Any gain or loss on sale of such equity investments shall not be transferred from AFS-Reserve to the Profit and Loss Account. Instead, such gain or loss shall be transferred from AFS-Reserve to the Capital Reserve. The profit on sale of investment in HTM category, net of taxes and transfer to Statutory Reserve, is appropriated to Capital Reserve.

### 4.8 Repo and reverse repo transactions:

Repo and reverse repo transactions are accounted for as secured borrowing and lending transactions respectively. Borrowing cost on repo transactions is treated as interest expense and income on reverse repo transactions is treated as interest income.

### 4.9 Short Sale

In accordance with the RBI guidelines, the Bank undertakes short sale transactions in Central Government dated securities. The short positions are reflected in 'Securities Short Sold ('SSS') A/c', specifically created for this purpose. Such short positions are categorised under HFT category and netted off from investments in the Balance Sheet. These positions are marked-to-market along with the other securities under HFT portfolio and the resultant mark-to-market gains/ losses are accounted for as per the relevant RBI guidelines for valuation of investments discussed earlier.

- 4.10** The Bank makes floating provision at 0.10% per annum on the opening balance of Standard Non SLR investments in the nature of credit substitutes at the beginning of every calendar quarter, proportionately for the quarter. These provisions are not reversed by credit to the Profit and Loss Account without prior approvals of the Board and the RBI under specific circumstances.

## 5. ADVANCES

- 5.1** In pursuance of guidelines issued by the RBI, advances are classified as Standard, Sub-Standard, Doubtful and Loss Assets and are stated net of specific provisions made towards NPAs and floating provisions.





# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

- 5.2** Advances are net of bills rediscounted, Inter-bank participation with risk, provisions for non-performing advances, floating provisions and unrealised interest held in suspense account.
- 5.3** Credit facility/ investment are classified as performing and non-performing asset as per applicable RBI guidelines.
- 5.4** In case of NPAs other than retail EMI loans, recoveries effected are first adjusted towards the principal amount. In case of retail EMI loans, recoveries effected are adjusted towards the EMI and within the EMI first towards the principal amount.
- 5.5** In case of Standard accounts, repayments are appropriated first towards the interest and then towards the principal amount.
- 5.6** Provision for non-performing advances ('NPAs') comprising sub-standard, doubtful and loss assets is made in accordance with the RBI guidelines which prescribe minimum provision levels and encourage banks to make a higher provision based on sound commercial judgement. NPAs are identified basis RBI guidelines. In respect of identified NPAs in Retail portfolio, provision is recognised on the retail loans at account level on the basis of ageing of loans in the non-performing category and in respect of identified NPAs in other cases, provision is recognised account at borrower level. The provisioning done is at or higher than the minimum rate prescribed under the RBI guidelines. Non-performing assets are written-off in accordance with the Bank's policy. Recoveries from bad debts written off are recognised in Profit & Loss account under Provisions and Contingencies.
- 5.7** In case of restructured/ rescheduled assets, provision is made in accordance with the guidelines issued by the RBI as applicable.
- 5.8** In addition to the above, the Bank, on a prudent basis, recognises provisions on advances or exposures which are performing assets as per the IRAC norms, but has reasons to believe on the basis of the extant environment impacting a specific exposure or any specific information, the possible deterioration of a specific advance or a group of advances or exposures or potential exposures. These provisions are recognised as per Board approved policy and are classified as Provision for Specific Standard Assets, included under Provision for Standard Assets and reported under Other Liabilities. These provisions are not reversed to the Profit and Loss Account but are transferred as provision on the same specific advance/ exposure in case the asset slips into non-performing asset, except in case of full repayment of the exposure when such provision will be reversed and recognised in the Profit and Loss Account.
- 5.9** The Bank maintains general provision for Standard Assets, including on credit exposures computed as per the current marked to market values of foreign exchange forward contracts, at levels stipulated by the RBI from time to time. These provisions on Standard Assets are included under Other Liabilities.
- 5.10** The Bank estimates the inherent risk of the unhedged foreign currency exposures of its borrowers as per the regulatory guidelines stipulated by the RBI from time to time and recognises incremental provisions on exposures to such entities as per methodology prescribed. These provisions are included in Provision for Standard Assets and reported under Other Liabilities.
- 5.11** The RBI guidelines further permit banks to create floating provisions on Advances up to levels as per a Board approved policy over and above the regulatory provisions required on standard assets. These floating provisions are netted from Advances. The Bank makes floating provision at 0.05% per annum on the opening balance of Standard Advances at the beginning of every calendar quarter, proportionately for the quarter. These provisions are not reversed by credit to the Profit and Loss Account without prior approvals of the Board and the RBI under specific circumstances.

## Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

**5.12** The Bank enters into transactions for the sale or purchase of Priority Sector Lending Certificates ('PSLCs'). In the case of a sale transaction, the Bank sells the fulfilment of priority sector obligation and in the case of a purchase transaction the Bank buys the fulfilment of priority sector obligation through RBI trading platform. There is no transfer of risks or loan assets. The fee received for the sale of PSLCs is recorded as miscellaneous income and the fee paid for purchase of the PSLCs is recorded as other expenditure in Profit and Loss Account.

### 6. FIXED ASSETS [PROPERTY, PLANT AND EQUIPMENT]

Premises and other fixed assets are stated at historical cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future benefit/ functioning capability from/ of such assets. Profit on sale of immovable properties is transferred to the Capital Reserves after appropriation to Statutory Reserve.

### 7. REVALUATION OF FIXED ASSETS

Portfolio of immovable properties is revalued periodically by an independent valuer to reflect current market valuation. All land and building owned by the Bank and used as branches or offices are grouped under "Office Premises" in the fixed assets category. Appreciation, if any, on revaluation is credited to Revaluation Reserve under Capital Reserves. Additional Depreciation on the revalued asset is charged to the Profit and Loss Account and appropriated from the Revaluation Reserves to Profit and Loss Account i.e. revenue reserves.

### 8. DEPRECIATION & AMORTISATION

Depreciation on fixed assets, including amortisation of software, is charged over the estimated useful life of the fixed assets on a straight-line basis at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013, except as mentioned below. The useful life of an asset is the period over which an asset is expected to be put to use to the Bank.

Sr. No.	Particulars	Estimated useful life specified under Schedule II of the Companies Act, 2013	Estimated useful life as assessed by the Bank
1	Branch renovations	In case:  <b>1. Lease premises</b> Over the contractual lease term or estimated useful of the assets whichever is less  <b>2. Owned premises</b> Estimated useful life of the assets	<b>1. Lease premises</b> 5 years, subject to a maximum of contractual lease term.  <b>2. Owned premises</b> 5 years
2	Electrical Fittings		
	i. Air Conditioners	10 years	9 years
	ii. Other Electrical Fittings	10 years	5 years
3	Furniture and Fixtures	10 years	5 years



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

Sr. No.	Particulars	Estimated useful life specified under Schedule II of the Companies Act, 2013	Estimated useful life as assessed by the Bank
4	Software	Not specified	8 years – Core Software for Bank Operations 5 years – Specified Application Software 3 years – All other software
5	Hardware		
	i. Servers and network infrastructure expenditure	6 years	5 years
	ii. End user devices, such as laptop, desktops	3 years	3 years
6	Cash Safes and Safe Deposit Vault	Not specified	10 years
7	Vehicles	8 years	5 years with 5% residual value

Assets purchased/ sold during the year are depreciated on a pro-rata basis, based on the actual number of days the assets have been put to use. Whenever there is a revision in the estimated useful life of an asset, the unamortized depreciable amount is charged over the revised remaining useful life of the said asset. Assets costing less than ₹ 5,000 individually are fully depreciated in the year of purchase.

## 9. IMPAIRMENT OF ASSETS

The carrying amount of assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over remaining useful life.

## 10. RECOGNITION OF INCOME AND EXPENDITURE

- 10.1** Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Bank and the revenue can be reliably measured.
- 10.2** Penal charges on loans are recognised as income on realisation basis.
- 10.3** Other items of income and expenditure are accounted on accrual basis.
- 10.4** Interest income is recognised in the Profit and Loss Account on accrual basis as per Accounting Standard, except in the case of non-performing assets where it is recognised on receipt basis as per the RBI norms.
- 10.5** Interest income on investments in Pass Through Certificates ('PTC') is recognised at the coupon rate on an accrual basis.
- 10.6** Interest income on loans bought out through the direct assignment route is recognised at the effective interest rate i.e. after amortising premium, if any, on the bought out portfolio as per Guidelines on Securitised Transactions issued by the RBI.
- 10.7** Processing fees on loans are recognised as income on due basis. Processing overheads on loans are expensed at the inception of the loan.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

- 10.8** Overdue rent on safe deposit lockers is accounted for when there is certainty of receipts.
- 10.9** Guarantee commission, annual safe deposit locker rent fees are recognised on a straight-line basis over the period of contract. Letters of credit ('LC') are generally issued for a shorter tenor, typically of 90 days. The commission on such LC is recognised when due.
- 10.10** Dividend income is recognised as income when the right to receive dividend is established.
- 10.11** Fees received for priority sector lending certificates ('PSLC') is recognised on straight-line basis under miscellaneous income.

## 11. FOREIGN CURRENCY TRANSACTIONS

### 11.1 Initial recognition:

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and foreign currency on the date of the transaction.

### 11.2 Conversion:

Foreign currency monetary items are reported using the closing rate notified by Foreign Exchange Dealers' Association of India ('FEDAI') at the Balance Sheet date and the resulting profit or loss is recognised in the Profit and Loss Account, as per the guidelines issued by the RBI.

### 11.3 Exchange differences:

Exchange difference arising on settlement of monetary items is recognised as income or as expense in the year in which it arises. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuations denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

### 11.4 Foreign Exchange Forward Contracts:

Foreign exchange forward contracts not intended for trading that are entered into to establish the amount of reporting currency required or available at the settlement date of transactions, which are outstanding at the Balance Sheet date are effectively valued at the closing spot rate. The premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the life of the contract.

- 11.5** Outstanding forward exchange contracts intended for trading are revalued at the Balance Sheet date at the rates notified by FEDAI and at interpolated rates for contracts of interim maturities. The resultant gain/ loss on revaluation is recognised in the Profit and Loss Account in accordance with the RBI/ FEDAI guidelines
- 11.6** Contingent liabilities denominated in foreign currencies are disclosed in the Balance Sheet at the rates notified by FEDAI as at the Balance Sheet date.
- 11.7** Forward exchange contracts and other derivative contracts which have overdue receivables remaining unpaid over 90 days or more are classified as non-performing assets and provided for as per the extant master circular on Prudential Norms on Income Recognition, Asset Classification and Provisioning issued by the RBI.

## 12. DERIVATIVE TRANSACTIONS

Valuation of Exchange Traded Interest Rate Futures is carried out on the basis of the daily settlement price of each contract provided by the exchange. Changes in the fair value of the Exchange Traded Interest Rate Futures are recognised in the Profit and Loss Account.



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 13. EMPLOYEE BENEFITS

### 13.1 Defined Benefit Plan

Provision in respect of future liability for payment of gratuity is made on the basis of actuarial valuation on projected unit credit method made at the end of the year. The actuarial calculations entail assumptions about demographics, early retirement, salary increases, interest rates etc. Gratuity is funded with the Gratuity Trust duly registered under the provisions of Income tax Act, 1961. Actuarial gains/ losses are recognised immediately in the Profit and Loss Account and are not deferred.

### 13.2 Defined Contribution Scheme

Retirement benefits in the form of provident fund and national pension scheme is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the fund are due. There is no other obligation other than the contribution payable to the fund.

### 13.3 Short Term Employee Benefits

Short term employee benefits comprise salaries and other compensation payable for services which the employee has rendered during the period. These are recognized at the undiscounted amount in the Profit & Loss Account.

## 14. TAXES ON INCOME

**14.1** Tax expense comprises current and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred Income Tax reflects the impact of current year timing differences between the taxable income and the accounting income for the year and reversal of timing differences of earlier years.

**14.2** Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to taxes levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Bank has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

**14.3** At each Balance Sheet date, the Bank re-assesses unrecognised deferred tax assets and recognises deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

## 15. ACCOUNTING FOR PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when there is a present legal or statutory obligation as a result of past events leading to probable outflow of resources, where a reliable estimate can be made of the amount required to settle the obligation.

Contingent Liabilities are recognised only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Bank, or where there is a present obligation arising from a past event which is not recognised as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

Contingent assets are neither recognised nor disclosed in the financial statements.

## **16. EMPLOYEE SHARE BASED PAYMENTS**

Measurement and disclosure of employee share-based employment plans is done in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014/ Guidance Note on Accounting for the Employee Share-based Payments issued by The Institute of Chartered Accountants ('ICAI') of India. The Bank measures compensation cost relating to employee stock options/ cash settled stock appreciation rights using the fair value method. Deferred compensation expense is amortised over the vesting period.

## **17. EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of dilutive potential equity shares.

## **18. SHARE ISSUE EXPENSES**

Share issue expenses are adjusted from Securities Premium Account in terms of Section 52 of the Companies Act, 2013.

## **19. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash in hand and ATMs, balances with the Reserve Bank of India, balances with other banks and money at call and short notice (including effect of changes in exchange rates on cash and cash equivalents in foreign currency).

## **20. LEASES**

Leases where the Lessor effectively retains substantially all risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

## **21. SEGMENT REPORTING**

As per the RBI guidelines on Segment Reporting, the Bank has classified its activity into Treasury Operations, Corporate/ Wholesale Banking, Retail Banking and Other Banking Operations.

**21.1** Treasury Operations 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.

**21.2** Wholesale Banking includes lending, deposit taking and other services offered to corporate customers.

**21.3** Retail Banking includes lending, deposit taking and other services offered to retail customers.

**21.4** Other Banking Operations includes para banking activities like third party product distribution, merchant banking, etc.

## **22. CORPORATE SOCIAL RESPONSIBILITY**

Expenditure towards corporate social responsibility, in accordance with Companies Act, 2013, is recognized in the Profit and Loss Account.





# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## SCHEDULE 18 - NOTES TO ACCOUNTS

### 1 REGULATORY CAPITAL

#### 1.1 Composition of Regulatory Capital

(₹ in crore)

Particulars	As per Basel III framework	
	As at March 31, 2025	As at March 31, 2024
i. Common Equity Tier 1 capital (CET 1)	5,429.16	4,771.58
ii. Additional Tier 1 capital	-	-
iii. Tier 1 Capital (i + ii)	5,429.16	4,771.58
iv. Tier 2 Capital	936.51	675.01
v. Total Capital (Tier 1+Tier 2)	6,365.67	5,446.59
vi. Total Risk Weighted Assets (RWAs)	37,966.04	32,833.64
vii. CET 1 Ratio (%)	14.30%	14.53%
viii. Tier 1 Ratio (%)	14.30%	14.53%
ix. Tier 2 Ratio (%)	2.47%	2.06%
x. Capital to Risk Weighted Assets Ratio (CRAR) (%)	16.77%	16.59%
xi. Leverage Ratio (%)	6.86%	7.28%
xii. Percentage of shareholding of Government of India	-	-
xiii. Amount of paid-up equity capital raised:*		
Share Capital	1.48	1.30
Securities Premium	7.37	6.51
xiv. Amount of non-equity Tier 1 capital raised	-	-
xv. Amount of Tier 2 capital raised (Refer note 2)	400.00	-

\*The Bank has allotted during the year 1,482,909 (Previous year 1,302,756) equity shares consequent to exercise of ESOPs vested. Accordingly, the share capital increased by ₹ 1.48 crore (Previous year: ₹ 1.30 crore) and securities premium increased by ₹ 7.37 crore (Previous year: ₹ 6.51 crore).

#### 1.2 Reserves and Surplus

##### (a) Statutory Reserve

During the year ended March 31, 2025, the Bank has appropriated ₹ 153.83 crore (previous year: ₹ 133.99 crore) out of profits for the year ended March 31, 2025 to the Statutory Reserve in terms of sections 17 of the Banking Regulation Act, 1949 and RBI guidelines.

##### (b) Capital Reserve

During the year ended March 31, 2025, the Bank has appropriated ₹ 43.28 crore (previous year: ₹ 4.95 crore), being the profit from sale or redemption of investments under HTM category and profit on sale of immovable properties, net of taxes and transfer to statutory reserve, from the Profit and Loss Account to the Capital Reserve.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## (c) Special Reserve

During the year ended March 31, 2025, the Bank has appropriated ₹ 43.50 crore (previous year: ₹ 35.60 crore) out of profits for the year ended March 31, 2025 to the Special Reserve as required under Income Tax Act, 1961.

## (d) Investment Fluctuation Reserve

During the year ended March 31, 2025, the Bank has drawn down ₹ 49.44 crore (previous year: appropriated ₹ 38.20 crore) to Investment Fluctuation Reserve in compliance with extant RBI guidelines.

## (e) Investment Reserve

During the previous year ended March 31, 2024, the Bank has utilised ₹ 0.82 crore from the Investment Reserve.

## (f) Revaluation Reserve

During the year ended March 31, 2025, the Bank has transferred ₹ 6.84 crore (previous year: ₹ 6.86 crore) from Revaluation Reserve to Profit and Loss Account.

## (g) Draw down from Reserves

The Bank has drawn down ₹ 49.44 crore from Investment Fluctuation Reserve in terms of RBI guidelines during the financial year 2024-25.

The Bank has drawn down ₹ 0.82 crore from Investment Reserve Account towards depreciation on investment in AFS and HFT categories in terms of RBI guidelines during the financial year 2023-24.

## 2 SUB-ORDINATED DEBT THROUGH PRIVATE PLACEMENT OF BONDS

During the year, the Bank raised ₹ 400.00 crore (previous year: NIL) of subordinated debt. The subordinated debts raised through private placement of bonds are Unsecured Redeemable Non-Convertible Basel III Compliant Subordinated Tier II bonds in the nature of Debenture to augment capital adequacy.

The details of total outstanding subordinated debt are given below:

(₹ in crore)

Deemed Date of Allotment	Coupon Rate (% p.a.)	Tenure (in months)	Equivalent Amount as on March 31, 2025	Equivalent Amount as on March 31, 2024
March 28, 2023	9.35	120	300.00	300.00
November 18, 2024	9.20	120	400.00	-
			700.00	300.00



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 3 INVESTMENTS

### 3.1 Composition of Investment Portfolio as at March 31, 2025

		(₹ in crore)										
		Investments in India						Investments outside India				Total Investments
		Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/ or joint ventures	Others*	Total investments in India	Government securities (including local authorities)	Subsidiaries and/ or joint ventures	Others	Total Investments outside India
<b>Held to Maturity</b>												
Gross		13,920.88	-	-	-	-	3,753.97	17,674.85	-	-	-	17,674.85
Less: Provision for non-performing Investments (NPI)		-	-	-	-	-	-	-	-	-	-	-
Net		13,920.88	-	-	-	-	3,753.97	17,674.85	-	-	-	17,674.85
<b>Available for Sale</b>												
Gross		1,986.45	-	-	396.77	-	-	2,383.22	-	-	-	2,383.22
Less: Provision for depreciation and NPI		-	-	-	-	-	-	-	-	-	-	-
Net		1,986.45	-	-	396.77	-	-	2,383.22	-	-	-	2,383.22
<b>Held for Trading**</b>												
Gross		30.56	-	57.56	-	-	26.92	115.04	-	-	-	115.04
Less: Provision for depreciation and NPI		-	-	-	-	-	23.21	23.21	-	-	-	23.21
Net		30.56	-	57.56	-	-	3.71	91.83	-	-	-	91.83
<b>Total Investments</b>												
Gross		15,937.89	-	57.56	396.77	-	3,780.89	20,173.11	-	-	-	20,173.11
Less: Provision for non-performing investments		-	-	-	-	-	10.63	10.63	-	-	-	10.63
Less: Provision for depreciation		-	-	-	-	-	12.58	12.58	-	-	-	12.58
Net		15,937.89	-	57.56	396.77	-	3,757.68	20,149.90	-	-	-	20,149.90

\*Includes Certificate Of Deposits, Units of Mutual Funds, Pass Through Certificates & Security Receipts

\*\*Includes Investments classified as Fair Value through Profit and Loss (FVTPL)

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## Composition of Investment Portfolio as at March 31, 2024

	Investments in India							Investments outside India			Total Investments
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others*	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India
<b>Held to Maturity</b>											
Gross	11,263.90	-	-	-	-	-	11,263.90	-	-	-	11,263.90
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-
Net	11,263.90	-	-	-	-	-	11,263.90	-	-	-	11,263.90
<b>Available for Sale</b>											
Gross	1,114.56	-	29.63	99.82	-	3,725.60	4,969.61	-	-	-	4,969.61
Less: Provision for depreciation and NPI	0.16	-	-	0.06	-	23.40	23.62	-	-	-	23.62
Net	1,114.40	-	29.63	99.76	-	3,702.20	4,945.99	-	-	-	4,945.99
<b>Held for Trading</b>											
Gross	0.96	-	-	-	-	-	0.96	-	-	-	0.96
Less: Provision for depreciation and NPI	0.00	-	-	-	-	-	0.00	-	-	-	0.00
Net	0.96	-	-	-	-	-	0.96	-	-	-	0.96
<b>Total Investments</b>											
Gross	12,379.42	-	29.63	99.82	-	3,725.60	16,234.47	-	-	-	16,234.47
Less: Provision for non-performing investments	-	-	-	-	-	1.97	1.97	-	-	-	1.97
Less: Provision for depreciation	0.16	-	-	0.06	-	21.43	21.65	-	-	-	21.65
Net	12,379.26	-	29.63	99.76	-	3,702.20	16,210.85	-	-	-	16,210.85

\*Includes Certificate Of Deposits, Units of Mutual Funds, Pass Through Certificates & Security Receipts



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 3.2 Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
(i) Movement of provisions held towards depreciation on investments		
(a) Opening balance	23.62	17.21
(b) Add: Provisions made during the year	6.60	19.85
(c) Less: Write-off/ write-back of excess provisions during the year	7.01	13.44
(d) Closing balance	23.21	23.62
(ii) Movement of Investment Fluctuation Reserve (IFR)		
(a) Opening balance	99.41	61.21
(b) Add: Amount transferred during the year	-	38.20
(c) Less: Drawdown	49.44	-
(d) Closing balance	49.97	99.41
(iii) Closing balance in IFR as a percentage of closing balance of investment in AFS and HFT category*	2.00%	2.00%

\*includes FVTPL portfolio as of March 31, 2025

## 3.3 Sale and Transfers to/ from HTM Category

During the years ended March 31, 2025 and March 31, 2024, the Bank has not sold and transferred securities to or from HTM category exceeding 5% of the book value of investment held in HTM category at the beginning of the year. The 5% threshold referred to above does not include sale of securities to the RBI under liquidity management operations of RBI like Open Market Operations ('OMO') and the Government Securities Acquisition Programme ('GSAP') and sale of securities or transfer to AFS/ HFT consequent to the reduction of ceiling on SLR securities under HTM.

## 3.4 Non-SLR investment portfolio

### (a) Non-performing non-SLR Investments

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
Opening Balance	1.97	-
Additions during the year	9.37	1.97
Reductions during the year	0.71	-
Closing Balance	10.63	1.97
<b>Total provisions held</b>	<b>10.63</b>	<b>1.97</b>

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## (b) Issuer composition of non-SLR investments

Balances as at March 31, 2025

(₹ in crore)

Sr. No.	Issuer	Amount	Extent of Private Placement**	Extent of 'Below Investment Grade' Securities#	Extent of 'Unrated' Securities#	Extent of 'Unlisted' Securities**
1.	PSUs	-	-	-	-	-
2.	FIs	410.24	38.14	-	15.23	38.14
3.	Banks	24.67	-	-	-	-
4.	Private Corporates	27.67	27.67	-	9.24	27.67
5.	Subsidiaries/ Joint Ventures	-	-	-	-	-
6.	Others**	3,772.64	-	-	-	-
7.	Provision held towards Depreciation	(23.21)	-	-	-	-
<b>Total</b>		<b>4,212.01</b>	<b>65.81</b>	<b>-</b>	<b>24.47</b>	<b>65.81</b>

\*excludes investment in pass through certificates and security receipts.

\*\*includes investments in pass through certificates and security receipts.

#Amounts reported under these columns above are not mutually exclusive.

Balances as at March 31, 2024

(₹ in crore)

Sr. No.	Issuer	Amount	Extent of Private Placement**	Extent of 'Below Investment Grade' Securities#	Extent of 'Unrated' Securities#	Extent of 'Unlisted' Securities**
1.	PSUs	-	-	-	-	-
2.	FIs	95.60	20.80	-	10.80	20.80
3.	Banks	25.02	-	-	-	-
4.	Private Corporates	14.78	14.78	-	12.78	14.78
5.	Subsidiaries/ Joint Ventures	-	-	-	-	-
6.	Others**	3,719.65	-	-	-	-
7.	Provision held towards Depreciation	(23.46)	-	-	-	-
<b>Total</b>		<b>3,831.59</b>	<b>35.58</b>	<b>-</b>	<b>23.58</b>	<b>35.58</b>

\*excludes investment in pass through certificates and security receipts.

\*\*includes investments in pass through certificates and security receipts.

#Amounts reported under these columns above are not mutually exclusive.





# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 3.6 Repo Transactions (At Face Value (FV) and Market Value (MV#))

### Financial Year 2024-25

(₹ in crore)

	Minimum outstanding during the year		Maximum outstanding during the year		Daily Average outstanding during the year		Balance as at March 31, 2025	
	FV	MV	FV	MV	FV	MV	FV	MV
<b>Securities Sold under Repo*</b>	50.00	50.35	3,007.02	3,124.31	1,340.86	1,373.62	2,689.55	2,794.19
(i) Government Securities	50.00	50.35	3,007.02	3,124.31	1,340.86	1,373.62	2,689.55	2,794.19
(ii) Corporate debt Securities	-	-	-	-	-	-	-	-
(iii) Any other Securities	-	-	-	-	-	-	-	-
<b>Securities purchased under Reverse Repo*</b>	-	-	592.71	603.86	49.59	50.12	-	-
(i) Government Securities	-	-	592.71	603.86	49.59	50.12	-	-
(ii) Corporate debt Securities	-	-	-	-	-	-	-	-
(iii) Any other Securities	-	-	-	-	-	-	-	-

#represents market value on the date of transaction.

\*including securities sold and purchased under LAF and TREPS.

Note: The above disclosure is applicable for the financial year ending March 31, 2025, hence prior period figures are not applicable.

### Financial Year 2023-24

(₹ in crore)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Balance as at March 31, 2024
<b>Securities Sold under Repo*</b>	-	1,647.97	327.67	876.00
(i) Government Securities	-	1,647.97	327.67	876.00
(ii) Corporate debt Securities	-	-	-	-
(iii) Any other Securities	-	-	-	-
<b>Securities purchased under Reverse Repo*</b>	-	894.30	108.43	-
(i) Government Securities	-	894.30	108.43	-
(ii) Corporate debt Securities	-	-	-	-
(iii) Any other Securities	-	-	-	-

\*including securities sold and purchased under LAF and TREPS.

\*\*amounts reported are based on lending/ borrowing amount.

## Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

### 3.6 Disclosures on Reserve Bank of India (Government Securities Lending) Directions, 2023 circular dated December 27, 2023

The Bank has not lent/ borrowed/ placed securities as collateral/ received securities as collateral under GSL transactions.

### 3.7 With effect from April 01, 2024, the Bank has adopted the revised framework as detailed in the RBI Master Direction on Classification, Valuation and Operation of Investment Portfolio issued on September 12, 2023. Accordingly, as prescribed under the transition provisions of the aforesaid framework, the Bank has credited ₹ 18.61 crore (net of tax) to the general reserve, resulting into increase in the net-worth of the Bank, on account of:

- reversal of the balance in provision for depreciation on Investments as at March 31, 2024; and
- adjustment to the general reserve as on April 01, 2024, being the difference between the carrying value of its investment portfolio as per the revised framework and the previous carrying value as at March 31, 2024, including for adjustment due to amortization of discount on securities classified under the Held to Maturity category.

The details under the revised framework are as under:

(₹ in crore)

Security Type	Previous Category as at March 31, 2024	Category as per revised framework as at March 31, 2024	Previous Carrying Value as at March 31, 2024	Carrying Value as per the revised framework as at March 31, 2024	Difference*
Government Securities	HTM	HTM	11,263.90	11,265.44	1.54
Government Securities	AFS	AFS	1,114.56	1,114.40	(0.16)
Government Securities	HFT	FVTPL-HFT	0.96	0.96	0.00
Shares	AFS	FVTPL	29.63	50.84	21.21
Debentures and Bonds	AFS	AFS	99.82	99.82	0.00
Pass Through Certificates	AFS	HTM	3,693.41	3,693.41	0.00
Security Receipts	AFS	FVTPL	26.24	26.24	0.00
Units of Mutual Funds	AFS	FVTPL	5.95	8.24	2.29
<b>Total</b>			<b>16,234.47</b>	<b>16,259.34</b>	<b>24.87</b>

\*represents gross amount, ₹ 18.61 crore (net of tax)

Further, in compliance with the above-mentioned RBI Master Direction, the valuation gains and losses at the period ended March 31, 2025, in respect of all performing investments held under Available for Sale ('AFS') is aggregated and the net gain/loss has been directly recognised to "AFS Reserve". The securities held in Fair Value through Profit and Loss ('FVTPL') (including Held for Trading) is fair valued at the period ended March 31, 2025 and the revaluation gain/ loss arising on such valuation has been credited/ debited respectively to the Profit and Loss Account. Accordingly, the corresponding previous period figures furnished in the financial statements are not comparable.

### 3.8 As at March 31, 2025, the Bank continues to hold provision of ₹ 4.54 crore (Previous year: ₹ 4.54 crore) in respect of investments in Alternate Investment Funds ('AIF') pursuant to the RBI circular dated December 19, 2023.



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 4 DERIVATIVES

### 4.1 Forward Rate Agreements/ Interest Rate Swaps

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
i. The notional principal of swap agreements	NIL	NIL
ii. Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	NIL	NIL
iii. Collateral required by the bank upon entering into swaps	NIL	NIL
iv. Concentration of credit risk arising from the swaps	NIL	NIL
v. The fair value of the swap book	NIL	NIL

### 4.3 Exchange Traded Interest Rate Derivatives

(₹ in crore)

Sr. No.	Particulars	March 31, 2025	March 31, 2024
i.	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument-wise)	NIL	NIL
ii.	Notional principal amount of exchange traded interest rate derivatives outstanding (instrument-wise)	NIL	NIL
iii.	Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	NIL	NIL
iv.	Mark-to-market value of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	NIL	NIL

### 4.5 Disclosures on risk exposure in derivatives

#### a) Qualitative Disclosures

##### Management of Risk in Derivatives Trading

The Bank's market risk unit plays a key role in setting up of the limits and laying down of the risk assessment and monitoring methods. The policies of the Bank include setting limits upon the PV01 (sensitivity of the portfolio to one basis point change in the interest rate), notional principal value of product specific gaps, maximum tenor, overall outstanding and the setting-up of counter party-wise, tenor-wise limits.

All limits are monitored on a daily basis by the Mid Office. Exposure reports are submitted to the Treasurer as well as the CRO and any limit excesses are brought to the notice of the management immediately for further action.

##### Policies for Hedging Risk

All transactions undertaken by the Bank for trading purposes are classified under the Trading Book. All other transactions are classified as a part of the Banking Book. The Banking Book includes transactions concluded for the purpose of providing structures to customers on a back-to-back basis. It also consists of transactions in the nature of hedges based on identification of supporting trades, with appropriate linkages done for matching amounts and tenor within the approved tolerance limits.

The accounting for all derivative trades is done for the notional amount on the trade date. The valuation of all outstanding trades is done category wise. The valuation for outstanding trades under the Trading portfolio is

## Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

done on a daily basis and the net marked to market ('MTM') is accounted in the Profit and Loss Account. The valuation for outstanding trades under the hedged portfolio is done on a monthly basis and the residual MTM, if any, is accounted in the Profit and Loss Account on a monthly basis.

The MTM position on all outstanding trades of individual corporate customers is reported on a monthly basis to Credit Risk department for exposure monitoring.

### Provisioning

The Bank conforms to the RBI guidelines with regard to provisioning requirements. Overdue receivables representing crystallised positive mark-to-market value of a derivative contract are treated as non-performing assets, if these remain unpaid for 90 days or more. Full provision is made for the entire amount of overdue and future receivables relating to positive marked to market value of non-performing derivative contracts.

### b) Quantitative Disclosures

(₹ in crore)

Sr. No	Particulars	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
		March 31, 2025	March 31, 2025	March 31, 2024	March 31, 2024
1.	Derivatives (notional Principal Amount)				
	(a) For hedging	NIL	NIL	NIL	NIL
	(b) For trading	NIL	NIL	NIL	NIL
2.	Marked to Market position				
	(a) Asset (+)	NIL	NIL	NIL	NIL
	(b) Liability (-)	NIL	NIL	NIL	NIL
3.	Credit Exposure	NIL	NIL	NIL	NIL
4.	Likely impact of one percentage change in Interest Rate (100*PV01)				
	(a) On hedging derivatives	NIL	NIL	NIL	NIL
	(b) On trading derivatives	NIL	NIL	NIL	NIL
5.	Maximum and Minimum of 100*PV01 observed during the year				
	(a) On hedging				
	Maximum	NIL	NIL	NIL	NIL
	Minimum	NIL	NIL	NIL	NIL
	(b) On trading				
	Maximum	NIL	NIL	NIL	NIL
	Minimum	NIL	NIL	NIL	NIL

Notes:

- Foreign exchange forward contracts have not been included in the above disclosure.
- The notional principal amount of forward exchange contracts classified as Hedging and Trading amounted to ₹ 8,186.71 crore (Previous year: ₹ 6,717.33 crore).

### 4.4 Credit Default Swaps

The Bank has not transacted in credit default swaps during the year ended March 31, 2025 (Previous year: NIL).



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 5 ASSET QUALITY

### 5.1 Classification of advances and provisions held as of March 31, 2025

(₹ in crore)

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
<b>Gross Standard Advances and NPAs</b>						
Opening Balance	40,493.14	566.19	779.77	7.51	1,353.47	41,846.61
Add: Additions during the year <sup>1</sup>					1,523.96	
Less: Reductions during the year*					1,323.00	
Closing balance	50,493.10	622.00	926.16	6.27	1,554.43	52,047.53
*Reductions in Gross NPAs due to:					1,323.00	
i) Upgradation					517.29	
ii) Recoveries (excluding recoveries from upgraded accounts) <sup>2, 3</sup>					686.00	
iii) Technical/ Prudential Write-offs					71.16	
iv) Write-offs other than those under (iii) above					48.55	
<b>Provisions (excluding Floating Provisions)</b>						
Opening balance of provisions held	311.32	150.67	586.02	7.51	744.20	1,055.52
Add: Fresh provisions made during the year					451.28	
Less: Excess provision reversed/ Write-off loans					389.21	
Closing balance of provisions held	308.67	149.25	650.75	6.27	806.27	1,114.94
<b>Net NPAs</b>						
Opening Balance		260.58	193.75	0.00	454.33	
Add: Fresh additions during the year <sup>4</sup>					1,051.01	
Less: Reductions during the year					933.79	
Closing Balance		296.14	275.41	0.00	571.55	
<b>Floating Provisions</b>						
Opening Balance						154.94
Add: Additional provisions made during the year						21.67
Less: Amount drawn down during the year						0.00
Closing balance of floating provisions						176.61
<b>Technical write-offs and the recoveries made thereon</b>						
Opening balance of Technical/ Prudential written-off accounts						648.07
Add: Technical/ Prudential write-offs during the year						71.16
Less: Recoveries/ Sacrifice made from previously technical/ prudential written-off accounts during the year <sup>5</sup>						34.28
Closing balance						684.95

1. Includes fresh NPAs during the year.

2. Includes recoveries in upgraded accounts of ₹ 27.21 crore.

3. Includes recoveries of ₹ 28.20 crore from NPAs sold to asset reconstruction company.

4. Includes addition to NPAs net off provisions on such NPAs and additional provision on existing NPAs.

5. Includes ₹ 22.23 crores pertaining to accounts sold to asset reconstruction company.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## Classification of advances and provisions held as of March 31, 2024

(₹ in crore)

	Standard		Non-Performing			Total
	Total Standard Advances	Sub- standard	Doubtful	Loss	Total Non- Performing Advances	
<b>Gross Standard Advances and NPAs</b>						
Opening Balance	34,054.31	488.63	634.21	0.00	1,122.84	35,177.15
Add: Additions during the year <sup>1</sup>					1,488.39	
Less: Reductions during the year*					1,257.76	
Closing balance	40,493.14	566.19	779.77	7.51	1,353.47	41,846.61
*Reductions in Gross NPAs due to:					1,257.76	
i) Upgradation					673.73	
ii) Recoveries (excluding recoveries from upgraded accounts) <sup>2, 3</sup>					472.41	
iii) Technical/ Prudential Write-offs					69.38	
iv) Write-offs other than those under (iii) above					42.24	
<b>Provisions (excluding Floating Provisions)</b>						
Opening balance of provisions held	409.54	175.33	453.71	0.00	629.04	1,038.58
Add: Fresh provisions made during the year					486.56	
Less: Excess provision reversed/ Write-off loans					371.40	
Closing balance of provisions held	311.32	150.67	586.02	7.51	744.20	1,055.52
<b>Net NPAs</b>						
Opening Balance		176.43	180.49	0.00	356.92	
Add: Fresh additions during the year <sup>4</sup>					983.77	
Less: Reductions during the year					886.36	
Closing Balance		260.58	193.75	0.00	454.33	
<b>Floating Provisions</b>						
Opening Balance						136.88
Add: Additional provisions made during the year						18.06
Less: Amount drawn down during the year						0.00
Closing balance of floating provisions						154.94
Technical write-offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts						604.39
Add: Technical/ Prudential write-offs during the year						69.38
Less: Recoveries/ Sacrifice made from previously technical/ prudential written-off accounts during the year						25.70
Closing balance						648.07

1. Includes fresh NPAs during the year.

2. Includes recoveries in upgraded accounts of ₹ 28.23 crore.

3. Includes recoveries of ₹ 3.37 crore from NPAs sold to asset reconstruction company.

4. Includes addition to NPAs net off provisions on such NPAs and additional provision on existing NPAs.





# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## Assets quality Ratios

Particulars	March 31, 2025	March 31, 2024
Gross NPA to Gross Advances (%)	2.99%	3.23%
Net NPA to Net Advances (%)	1.12%	1.11%
Provision Coverage Ratio (%)	74.48%	77.30%

## 5.2 Divergence in the asset classification and provisioning

The divergence observed by RBI for FY 2023-24 in respect of the Bank's asset classification and provisioning under the extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) was within the threshold as per RBI Circular on 'Divergence in the asset classification and provisioning' and accordingly no disclosures are required to be given.

There was no divergence observed by the RBI during FY 2022-23.

## 5.3 Sector-wise Advances and Gross NPAs

### Financial Year 2024-25

(₹ in crore)

Sr. No.	Sector	March 31, 2025		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
<b>A</b>	<b>Priority Sector</b>			
1	Agriculture and allied activities	5,687.01	292.28	5.14%
2	Advances to industries sector eligible as priority sector lending of which:	3,289.52	134.51	4.09%
	Constructions	1,963.71	42.30	2.15%
3	Services of which:	7,411.24	292.75	3.95%
	Retail Trade	3,517.89	89.15	2.53%
	Wholesale Trade	912.40	51.91	5.69%
	NBFC	765.67	0.00	0.00%
	Education Institutions	750.35	2.29	0.31%
4	Personal loans of which:	10,491.55	210.75	2.01%
	Gold Loans	6,140.82	19.82	0.32%
	Housing Loans	4,314.02	190.42	4.41%
	<b>Sub-total (A) (1+2+3+4)</b>	<b>26,879.32</b>	<b>930.29</b>	<b>3.46%</b>
<b>B</b>	<b>Non Priority Sector</b>			
1	Agriculture and allied activities	333.76	4.69	1.41%
2	Industry of which:	880.94	90.05	10.22%
	Constructions	292.44	55.26	18.90%
	Textiles	149.81	5.46	3.64%
	Gems & Jewellery	119.82	0.91	0.76%
3	Services of which:	11,691.08	276.45	2.36%
	Retail Trade	3,942.10	116.94	2.97%
	NBFC	2,472.38	0.00	0.00%
4	Personal loans	12,262.43	252.95	2.06%
	Housing Loans	8,064.69	171.44	2.13%
	Gold Loans	1,301.91	6.30	0.48%
	Loan against Property	1,232.25	21.07	1.71%
	<b>Sub-total (B) (1+2+3+4)</b>	<b>25,168.21</b>	<b>624.14</b>	<b>2.48%</b>
	<b>Total (A+B)</b>	<b>52,047.53</b>	<b>1,554.43</b>	<b>2.99%</b>

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## Financial Year 2023-24

(₹ in crore)

Sr. No.	Sector	March 31, 2024		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
<b>A</b>	<b>Priority Sector</b>			
1	Agriculture and allied activities	5,278.71	214.93	4.07%
2	Advances to industries sector eligible as priority sector lending of which:	2,649.00	134.23	5.07%
	Constructions	1,435.53	27.64	1.93%
	Textiles	304.75	12.29	4.03%
	Infrastructure - Social & Commercial Infra	280.16	23.43	8.36%
3	Services of which:	6,385.86	301.86	4.73%
	Retail Trade	3,182.05	73.95	2.32%
	Wholesale Trade	934.19	48.71	5.21%
	NBFC	712.16	0.00	0.00%
4	Personal loans of which:	7,353.82	168.07	2.29%
	Housing Loans	4,390.83	144.28	3.29%
	Gold Loans	2,932.09	23.34	0.80%
	<b>Sub-total (A) (1+2+3+4)</b>	<b>21,667.39</b>	<b>819.09</b>	<b>3.78%</b>
<b>B</b>	<b>Non Priority Sector</b>			
1	Agriculture and allied activities	168.72	16.98	10.06%
2	Industry of which:	968.96	95.15	9.82%
	Constructions	305.51	40.80	13.36%
	Textiles	146.03	6.68	4.57%
	Gems & Jewellery	97.74	1.23	1.26%
3	Services of which:	10,353.67	263.23	2.54%
	Retail Trade	3,437.08	113.15	3.29%
	NBFC	2,803.52	0.00	0.00%
4	Personal loans	8,687.87	159.02	1.83%
	Housing Loans	6,579.36	112.64	1.71%
	<b>Sub-total (B) (1+2+3+4)</b>	<b>20,179.22</b>	<b>534.38</b>	<b>2.65%</b>
	<b>Total (A+B)</b>	<b>41,846.61</b>	<b>1,353.47</b>	<b>3.23%</b>

Classification into sectors as above has been done based on the Bank's internal norms which have been relied upon by the auditors.



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 5.4 RESTRUCTURED ACCOUNTS

Details of restructured accounts are given in the table below:

	Agriculture and allied activities		Corporates (excluding MSME)		Micro, Small and Medium Enterprises (MSME)		Retail (excluding agriculture and MSME)		Total
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	
Standard									
Number of borrowers	14	18	3	3	1807	2,344	2,472	2,971	5,336
Gross Amount	1.29	1.45	11.96	22.28	417.07	568.48	514.49	647.22	1,239.43
Provision held	0.09	0.11	0.74	2.00	72.66	93.87	53.22	70.24	166.22
Sub-standard									
Number of borrowers	2	-	-	-	223	354	275	841	1,195
Gross Amount	0.12	-	-	-	38.00	74.23	51.78	123.68	197.91
Provision held	0.02	0.00	-	-	9.40	30.54	8.84	28.60	59.14
Doubtful									
Number of borrowers	2	3	-	-	822	897	795	189	1,089
Gross Amount	0.02	1.29	-	-	185.12	200.18	107.42	270.8	228.55
Provision held	0.01	1.27	-	-	148.19	157.16	60.47	19.55	177.98
Total									
Number of borrowers	18	21	3	3	2,852	3,595	3,542	4,001	7,620
Gross Amount	1.43	2.74	11.96	22.28	640.19	842.89	673.69	797.98	1,665.89
Provision held	0.12	1.38	0.74	2.00	230.25	281.57	122.53	118.39	403.34

Classification into sectors as above has been done based on the Bank's internal norms which have been relied upon by auditors.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 5.5 Disclosures on the scheme for MSME sector – restructuring of advances

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
1. Total number of accounts restructured at the end of year*	1,807	2,344
2. Amount outstanding	417.07	568.48

\*represents number of borrowers.

## 5.6 Disclosures on implementation of resolution plan as required under RBI circular dated June 07, 2019 on Prudential Framework for Resolution of Stressed Assets

### Financial Year 2024-25

(₹ in crore)

Particulars	Resolution Plan implemented	Resolution Plan not implemented
No. of borrower where timeline for implementation of resolution plan was before March 31, 2025	-	-
Fund based outstanding as on March 31, 2025	-	-
Additional provision held as per RBI circular of June 07, 2019	-	-

### Financial Year 2023-24

(₹ in crore)

Particulars	Resolution Plan implemented	Resolution Plan not implemented
No. of borrower where timeline for implementation of resolution plan was before March 31, 2024	-	-
Fund based outstanding as on March 31, 2024	-	-
Additional provision held as per RBI circular of June 07, 2019	-	-



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 5.7 Disclosures on Resolution Framework for COVID 19 related Stress as per RBI circular DOR.No.BP.BC.3/21.04.048/2020-21 dated August 06, 2020 (Resolution Framework 1.0) and RBI circular DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 (Resolution Framework 2.0)

### Financial Year 2024-25

Position of accounts restructured under Resolution Framework for COVID 19 related stress as of March 31, 2025

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at September 30, 2024 <sup>1</sup> (A)	Of (A), aggregate debt that slipped into NPA during H2 FY 2024-25	Of (A) amount written off during H2 FY 2024-25	Of (A) amount paid by the borrowers during H2 FY 2024-25	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at March 31, 2025 <sup>1</sup>
Personal Loans	375.25	11.67	-	24.13	339.77
Corporate persons	9.52	-	-	2.49	11.95
Of which, MSMEs	-	-	-	-	-
Others	123.10	4.06	-	9.01	110.15
<b>Total</b>	<b>507.87</b>	<b>15.73</b>	<b>-</b>	<b>35.63</b>	<b>461.87</b>

1. Represents fund based outstanding balance of standard accounts.

Position of accounts restructured under Resolution Framework for COVID 19 related stress as of September 30, 2024

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at March 31, 2024 <sup>1</sup> (A)	Of (A), aggregate debt that slipped into NPA during H1 FY 2024-25	Of (A) amount written off during H1 FY 2024-25	Of (A) amount paid by the borrowers during H1 FY 2024-25	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at September 30, 2024 <sup>1</sup>
Personal Loans	425.41	21.58	-	29.11	375.25
Corporate persons	22.28	-	-	12.80	9.52
Of which, MSMEs	-	-	-	-	-
Others	143.16	5.56	-	14.68	123.10
<b>Total</b>	<b>590.85</b>	<b>27.14</b>	<b>-</b>	<b>56.59</b>	<b>507.87</b>

1. Represents fund based outstanding balance of standard accounts.

## Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

### Financial Year 2023-24

Position of accounts restructured under Resolution Framework for COVID 19 related stress as of March 31, 2024

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at September 30, 2023 <sup>1</sup> (A)	Of (A), aggregate debt that slipped into NPA during H2 FY 2023-24	Of (A) amount written off during H2 FY 2023-24	Of (A) amount paid by the borrowers during H2 FY 2023-24	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at March 31, 2024 <sup>1</sup>
Personal Loans	493.58	35.02	-	34.47	425.41
Corporate persons	25.72	-	-	3.43	22.28
Of which, MSMEs	-	-	-	-	-
Others	168.06	12.83	-	12.57	143.16
<b>Total</b>	<b>687.36</b>	<b>47.85</b>	<b>-</b>	<b>50.47</b>	<b>590.85</b>

1. Represents fund based outstanding balance of standard accounts.

Position of accounts restructured under Resolution Framework for COVID 19 related stress as of September 30, 2023

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at March 31, 2023 <sup>1</sup> (A)	Of (A), aggregate debt that slipped into NPA during H1 FY 2023-24	Of (A) amount written off during H1 FY 2023-24	Of (A) amount paid by the borrowers during H1 FY 2023-24	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at September 30, 2023 <sup>1</sup>
Personal Loans	573.90	68.28	-	41.38	493.58
Corporate persons	29.31	-	-	3.60	25.72
Of which, MSMEs	-	-	-	-	-
Others	167.73	4.79	-	19.22	168.06
<b>Total</b>	<b>770.94</b>	<b>73.07</b>	<b>-</b>	<b>64.20</b>	<b>687.36</b>

1. Represents fund based outstanding balance of standard accounts.





# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 5.8 Number of Frauds reported, amount involved in such frauds, quantum of provisions made during the year and quantum of unamortized provision debited from 'other reserves' as at the end of the year.

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Number of frauds reported during the year	176	146
(b) Amount involved in fraud	5.74	11.00
(c) Amount involved in fraud net of recoveries/ write-offs as at the end of the year	3.41	10.85
(d) Provisions made during the year	2.09	7.53
(e) Quantum of unamortised provision debited from 'other reserves' at the end of the year	NIL	NIL

## 5.9 Details of financial assets (including written off accounts) sold to Securitisation/ Reconstruction Company for Asset Reconstruction

The Bank has sold certain assets to an asset reconstruction company ('ARC') in terms of the guidelines issued by the RBI. The details of the assets sold are given in the table below:

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
(i) No. of accounts	389	4
(ii) Aggregate value (net of provisions) of accounts sold to SC/ RC	9.44	0.00
(iii) Aggregate consideration	28.20	3.37
(iv) Additional consideration realised in respect of accounts transferred in earlier years	NIL	2.62
(v) Aggregate gain/ (loss) over net book value	18.76	3.37

As per the extant RBI guidelines, the Bank has reversed the excess provision on financial assets (including written off accounts) sold to ARC to profit and loss account under provisions and contingencies.

## 5.10 Details of investment in security receipts ('SRs')

Details of investment in security receipts as at March 31, 2025 are set out below:

(₹ in crore)

Particulars	SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years	SRs issued more than 8 years ago
(i) Book value of SRs backed by NPAs sold by the bank as underlying	8.04	-	10.63
<b>Provision held against (i)</b>	8.04	-	10.63
(ii) Book value of SRs backed by NPAs sold by other banks/ financial institutions/ non-banking financial companies as underlying	-	-	-
<b>Provision held against (ii)</b>	-	-	-
<b>Total (i + ii)</b>	<b>8.04</b>	<b>-</b>	<b>10.63</b>

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

Details of investment in security receipts as at March 31, 2024 are set out below:

(₹ in crore)

Particulars	SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years	SRs issued more than 8 years ago
(i) Book value of SRs backed by NPAs sold by the bank as underlying	8.04	16.23	1.97
<b>Provision held against (i)</b>	0.66	16.23	1.97
(ii) Book value of SRs backed by NPAs sold by other banks/ financial institutions/ non-banking financial companies as underlying	-	-	-
<b>Provision held against (ii)</b>	-	-	-
<b>Total (i + ii)</b>	<b>8.04</b>	<b>16.23</b>	<b>1.97</b>

## 5.11 Details of loans transferred/ acquired under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021

### Financial Year 2024-25

(i) Details of non-performing assets (NPAs) transferred are given below:

(₹ in crore)

Particulars	To Asset Reconstruction Companies (ARCs)	To Permitted Transferees	To Other Transferees
a) Number of accounts*	316	-	-
b) Aggregate principal outstanding of loans transferred	76.46	-	-
c) Weighted average residual tenor of the loans transferred (in years)	6.85	-	-
d) Net Book value of loans transferred (at the time of transfer)**	9.44	-	-
e) Aggregate consideration	28.20	-	-
f) Additional consideration realized in respect of accounts transferred in earlier years	NA	-	-

\*represents number of borrowers

\*\*net of provisions

(ii) The Bank has not transferred any Special Mention Account (SMA') and loan not in default.

(iii) Details of loans not in default acquired through assignment are given below:

(₹ in crore)

Particulars	March 31, 2025
a) Aggregate amount of loans acquired <sup>1</sup>	3,034.23
b) Weighted average residual maturity (in years)	6.23
c) Weighted average holding period by originator (in years)	1.24
d) Retention of beneficial economic interest by the originator	10%
e) Tangible security coverage (for secured loans) <sup>2</sup>	100%

1. Includes deals amounting to ₹ 1,062.42 crore which are disbursed for unsecured business loans and personal loans.

2. Tangible security of loans acquired during the year is more than 100% however the same is restricted to 100% coverage for the purpose of this disclosure.

The loans acquired are not rated as these are to non-corporate borrowers.



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## (iv) The Bank has not acquired any stressed loans.

### Financial Year 2023-24

(i) Details of non-performing assets ('NPAs') transferred are given below:

(₹ in crore)

Particulars	To Asset Reconstruction Companies ('ARCs')	To Permitted Transferees	To Other Transferees
a) Number of accounts*	1	1	-
b) Aggregate principal outstanding of loans transferred	29.87	8.72	-
c) Weighted average residual tenor of the loans transferred (in years)	NA	8.74	-
d) Net Book value of loans transferred (at the time of transfer)**	0.00	2.82	-
e) Aggregate consideration***	3.37	10.04	-
f) Additional consideration realized in respect of accounts transferred in earlier years	NA	NA	-

\* represents number of borrowers

\*\*net of provisions

\*\*\*Inclusive of interest amount

(ii) The Bank has not transferred any Special Mention Account ('SMA').

(iii) Details of Loans not in default transferred are given below:

(₹ in crore)

Particulars	Assignment
a) Aggregate amounts of loans transferred	55.13
b) Weighted average residual maturity (in years)	1.15
c) Weighted average holding period (in years)	0.76
d) Retention of beneficial economic interest	NIL
e) Tangible security coverage	-
f) Rating wise distribution of loans transferred by value*	NA

\*The Loans transferred are not rated as these are non-corporate borrowers

(iv) Details of loans not in default acquired through assignment are given below:

(₹ in crore)

Particulars	Acquired	Repurchased*
a) Aggregate amount of loans acquired <sup>1</sup>	1,478.49	4.38
b) Weighted average residual maturity (in years)	5.97	9.83
c) Weighted average holding period by originator (in years)	1.08	11.48
d) Retention of beneficial economic interest by the originator	10% to 15%	0%
e) Tangible security coverage (for secured loans) <sup>2</sup>	100%	100%

\*Loans repurchased under buy back arrangement.

1. Includes deals amounting to ₹ 735.22 crore which are disbursed for unsecured business loans and personal loans.

2. Tangible security of loans acquired during the year is more than 100% however the same is restricted to 100% coverage for the purpose of this disclosure.

The loans acquired are not rated as these are to non-corporate borrowers.

## Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

(v) Details of stressed loans acquired are given below:

(₹ in crore)

Particulars	From Scheduled Commercial Bank <sup>#</sup>
a) Aggregate principal outstanding of loans acquired	0.43
b) Aggregate consideration paid	0.43
c) Weighted average residual tenor of loans acquired	14.75

<sup>#</sup>Loans repurchased under a buy back arrangement.

### 5.12 a) Details of non-performing financial assets purchased from other banks

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
1. (a) No. of accounts purchased during the year	NIL	4
(b) Aggregate outstanding	NIL	0.43
2. (a) Of these, number of accounts restructured during the year	NIL	NIL
(b) Aggregate outstanding	NIL	NIL

\*Loans repurchased under buy back arrangement for financial year 2023-24

### b) Details of non-performing financial assets sold to other banks

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
1. No. of accounts sold during the year	NIL	NIL
2. Aggregate outstanding	NIL	NIL
3. Aggregate consideration received	NIL	NIL

### 5.13 Disclosures relating to securitization

During the years ended March 31, 2025 and March 31, 2024, there were no standard assets securitised-out by the Bank.

### 5.14 Provisions on Standard Assets

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
Provision for Standard Assets*	275.52	259.91
Provision for Unhedged Foreign Currency Exposure of borrowers	2.75	2.75
Provision for Specific Standard Assets	8.20	12.93
<b>Total (Refer Schedule 5-IV(i) – Other Liabilities and Provisions)</b>	<b>286.47</b>	<b>275.59</b>

\*includes provision for standard restructured assets of ₹ 91.73 crore (previous year: ₹ 118.98 crore).



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 6 BUSINESS RATIOS

Particulars	March 31, 2025	March 31, 2024
Interest Income as a percentage to Working Funds (%) <sup>1</sup>	9.39	9.34
Non-Interest Income as a percentage to Working Funds (%) <sup>1</sup>	1.09	0.83
Cost of deposits (%)	7.15	6.86
Net Interest Margin (%) <sup>2</sup>	3.31	3.65
Operating Profit as a percentage to Working Funds (%) <sup>1, 3</sup>	1.50	1.51
Return on Assets (%) <sup>4</sup>	0.89	0.93
Business per employee (₹ in crore) <sup>5, 6</sup>	8.97	8.37
Profit after tax per employee (₹ in crore) <sup>6</sup>	0.05	0.05

- Working funds have been considered as the average of total monthly assets as reported to the Reserve Bank of India in Form X under Section 27 of the Banking Regulation Act, 1949 during the financial year.
- Ratio of Net Interest Income to average earning assets.
- For the purpose of this ratio, Operating Profit is profit for the year before provisions and contingencies.
- Assets have been considered as the average of total monthly assets as reported to the Reserve Bank of India in Form X under Section 27 of the Banking Regulation Act, 1949.
- For the purpose of this ratio, business has been recorded as deposits (excluding interbank deposits) plus net advances outstanding as at the year end.
- For the purpose of this ratio, employees have been considered as the average of the total employees at the end of each month of the year.

## 7 OTHER FIXED ASSETS (including furniture and fixtures)

The movement in fixed assets capitalized as software is given below:

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
<b>Cost</b>		
As at March 31 of the preceding year	198.32	172.78
Additions during the year	41.79	25.54
Deductions during the year	-	-
<b>Total (a)</b>	<b>240.11</b>	<b>198.32</b>
<b>Depreciation</b>		
As at March 31 of the preceding year	134.89	114.68
Charge for the year	23.00	20.21
On deductions during the year	-	-
<b>Total (b)</b>	<b>157.89</b>	<b>134.89</b>
<b>Net value as at March 31 of the current year (a-b)</b>	<b>82.22</b>	<b>63.43</b>

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 8 ASSET LIABILITY MANAGEMENT

### 8.1 Maturity pattern of certain items of assets and liabilities as at March 31, 2025

(₹ in crore)

Maturity Buckets	Loans and Advances	Investments <sup>#</sup>	Deposits	Borrowings	Foreign Currency Assets <sup>@</sup>	Foreign Currency Liabilities
Day 1	1,778.90	6,133.67	577.23	-	184.82	18.29
2 to 7 days	220.50	-	604.96	2,897.73	95.68	172.07
8 to 14 days	106.33	8.04	489.03	45.91	3.13	4.24
15 to 30 days	321.88	1,105.75	847.75	25.50	942.66	937.80
31 days to 2 months	798.99	687.94	2,986.36	59.81	77.14	142.49
Over 2 months & upto 3 months	663.12	735.48	3,037.17	255.08	13.50	27.43
Over 3 months & upto 6 months	1,780.14	1,331.30	4,781.20	1,162.59	1,806.00	1,849.84
Over 6 months & upto 1 year	7,047.43	3,635.37	17,193.86	2,021.08	3,923.91	4,263.79
Over 1 year & upto 3 years	13,960.62	3,692.42	13,557.83	1,847.92	89.80	466.27
Over 3 years & upto 5 years	5,284.93	2,579.29	15,177.23	799.56	-	78.67
Over 5 years	19,084.07	240.64	778.33	-	6.54	-
<b>Total</b>	<b>51,046.91</b>	<b>20,149.90</b>	<b>60,030.95</b>	<b>9,115.18</b>	<b>7,143.18</b>	<b>7,960.89</b>

<sup>@</sup>excludes foreign currency bills discounted as they are booked in Indian Rupees.

<sup>#</sup>The amounts placed in repo, SDF and LAF lending for overnight placement of surplus liquidity do not form part of the investments numbers mentioned above.

### Maturity pattern of certain items of assets and liabilities as at March 31, 2024

(₹ in crore)

Maturity Buckets	Loans and Advances	Investments <sup>#</sup>	Deposits	Borrowings	Foreign Currency Assets <sup>@</sup>	Foreign Currency Liabilities
Day 1	104.54	4,327.76	549.11	-	80.95	11.20
2 to 7 days	510.82	99.76	700.90	901.00	119.86	6.58
8 to 14 days	398.18	-	335.45	45.91	4.17	2.60
15 to 30 days	953.99	184.67	673.08	36.50	9.25	7.58
31 days to 2 months	990.41	1,662.03	1,838.15	19.08	2.09	23.40
Over 2 months & upto 3 months	882.26	-	1,356.62	142.41	10.03	8.53
Over 3 months & upto 6 months	2,486.86	-	3,954.93	723.10	20.35	60.75
Over 6 months & upto 1 year	2,854.19	3,278.85	11,870.90	1,216.59	-	98.56
Over 1 year & upto 3 years	12,075.70	6,176.90	22,958.86	2,469.02	-	362.88
Over 3 years & upto 5 years	4,072.13	324.68	4,328.78	660.87	-	1.00
Over 5 years	15,595.48	156.20	786.25	5.00	8.13	-
<b>Total</b>	<b>40,924.56</b>	<b>16,210.85</b>	<b>49,353.03</b>	<b>6,219.48</b>	<b>254.83</b>	<b>583.08</b>

<sup>@</sup>excludes foreign currency bills discounted as they are booked in Indian Rupees.

<sup>#</sup>The amounts placed in repo, SDF and LAF lending for overnight placement of surplus liquidity do not form part of the investments numbers mentioned above.

Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI, which has been relied upon by the auditors.





# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 8.2 Liquidity Coverage Ratio ('LCR')

### (A) Quantitative Disclosures

#### Financial Year 2024-25

(₹ in crore)

	Q1 FY 2024-25		Q2 FY 2024-25		Q3 FY 2024-25		Q4 FY 2024-25	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
<b>High Quality Liquid Assets</b>								
1 Total High Quality Liquid Assets (HQLA)		12,137.6		12,532.3		12,518.8		13,593.4
<b>Cash Outflows</b>								
2 Retail deposits and deposits from small business customers, of which:								
(i) Stable Deposits	31,631.4	2,746.7	32,807.1	2,852.6	34,091.9	2,967.7	35,062.8	3,055.1
(ii) Less Stable Deposits	8,329.8	416.5	8,562.1	428.1	8,829.3	441.5	9,024.4	451.2
3 Unsecured wholesale funding, of which:	23,301.6	2,330.2	24,245.0	2,424.5	25,262.7	2,526.3	26,038.3	2,603.8
(i) Operational deposits (all counterparties)	9,217.3	6,689.4	10,247.4	7,399.9	10,226.8	7,268.4	10,617.5	7,405.3
(ii) Non-operational deposits (all counterparties)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iii) Unsecured debt	4,213.1	1,685.3	4,745.7	1,898.3	4,930.7	1,972.3	5,353.7	2,141.5
4 Secured wholesale funding	5,004.1	5,004.1	5,501.6	5,501.6	5,296.1	5,296.1	5,263.8	5,263.8
5 Additional requirements, of which		0.0		0.0		0.0		0.0
(i) Outflows related to derivative exposures and other collateral requirements	6,173.7	2,973.3	5,143.2	1,740.6	5,881.8	2,297.8	7,554.9	3,831.1
(ii) Outflows related to loss of funding on debt products	2,609.7	2,609.7	1,439.1	1,439.1	1,948.9	1,948.9	3,481.7	3,481.7
(iii) Credit and liquidity facilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6 Other contractual funding obligations	3,563.9	3,076.6	3,704.0	3,015.5	3,932.8	3,489.9	4,073.2	3,494.4
7 Other contingent funding obligations	1,089.4	1,089.4	930.4	930.4	861.8	861.8	1,177.1	1,177.1
8 Total Cash Outflows	2,200.9	77.1	2,388.5	86.4	2,906.1	113.2	2,956.9	119.4
		<b>13,519.8</b>		<b>13,009.9</b>		<b>13,509.0</b>		<b>15,588.0</b>
<b>Cash Inflows</b>								
9 Secured lending (e.g. reverse repos)	0.4	0.0	2.0	0.0	4.8	0.0	0.0	0.0
10 Inflows from fully performing exposures	1,394.0	1,025.3	1,384.2	1,029.3	1,372.8	1,000.7	1,598.3	1,237.3
11 Other cash inflows	3,011.4	2,730.7	1,749.9	1,514.0	2,249.0	2,019.3	3,783.0	3,556.7
12 Total Cash Inflows	<b>4,405.9</b>	<b>3,756.0</b>	<b>3,136.0</b>	<b>2,543.2</b>	<b>3,626.6</b>	<b>3,020.0</b>	<b>5,381.3</b>	<b>4,794.0</b>
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
<b>TOTAL HQLA</b>		<b>12,137.6</b>		<b>12,532.3</b>		<b>12,518.8</b>		<b>13,593.4</b>
<b>Total Net Cash Outflows</b>		<b>9,763.8</b>		<b>10,466.7</b>		<b>10,489.0</b>		<b>10,793.9</b>
<b>Liquidity Coverage Ratio (%)</b>		<b>124.31%</b>		<b>119.74%</b>		<b>119.35%</b>		<b>125.94%</b>

In computing the above information, certain estimates/assumptions have been made by the Bank's management which have been relied upon by the auditors.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## Financial Year 2023-24

(₹ in crore)

	Q1 FY 2023-24			Q2 FY 2023-24			Q3 FY 2023-24			Q4 FY 2023-24		
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	
High Quality Liquid Assets												
1		10,640.35			10,785.81			11,510.87			11,372.14	
Cash Outflows												
2	27,084.30	2,333.46	28,373.49	2,451.97	2,545.80	29,395.94	30,504.38	2,646.41				
(i)	7,499.44	374.97	7,707.75	385.39	393.80	7,875.95	8,080.62	404.03				
(ii)	19,584.86	1,958.49	20,665.74	2,066.58	2,152.00	21,519.99	22,423.76	2,242.38				
3	8,346.98	6,099.64	8,648.77	6,380.00	6,431.29	8,892.27	8,979.40	6,541.12				
(i)	-	-	-	-	-	-	-	-				
(ii)	3,745.56	1,498.22	3,781.29	1,512.52	1,640.65	4,101.63	4,063.81	1,625.53				
(iii)	4,601.42	4,601.42	4,867.48	4,867.48	4,790.64	4,790.64	4,915.59	4,915.59				
4		0.00		0.00	0.00			0.00			0.00	
5	5,891.57	1,542.83	5,486.11	1,531.37	1,068.47	4,374.28	4,962.49	1,734.06				
(i)	1,089.19	1,089.19	1,121.37	1,121.37	694.32	694.32	1,379.03	1,379.03				
(ii)												
(iii)												
6	728.74	728.74	858.51	858.51	844.70	844.70	804.34	804.55				
7	1,636.50	53.08	1,666.67	53.89	54.97	1,687.47	2,473.68	91.96				
8		10,757.75		11,275.74	10,945.23			11,818.10				
Cash Inflows												
9	82.38	0.00	7.53	0.00	0.00	0.00	8.02	0.00				
10	1,181.86	839.62	1,116.60	824.28	1,098.26	1,427.49	1,300.92	928.50				
11	1,393.43	1,161.04	1,577.29	1,270.07	820.78	1,106.76	1,709.18	1,464.44				
12	2,657.67	2,000.66	2,701.42	2,094.35	1,919.04	2,534.25	3,018.12	2,392.94				
Total HQLA												
Total Net Cash Outflows												
Liquidity Coverage Ratio (%)												

In computing the above information, certain estimates/assumptions have been made by the Bank's management which have been relied upon by the auditors.



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## (B) Qualitative Disclosures

The Bank maintains Liquidity Coverage Ratio ('LCR') which is a ratio of High-Quality Liquid Assets ('HQLA') to Expected Net Cash Outflow over the next 30 calendar days, as per the RBI guidelines. Banks, in India, are required to meet the minimum required level of 100% LCR.

The LCR is being computed and monitored on daily simple average basis. The objective of the LCR is to ensure that the Bank maintains an adequate level of unencumbered HQLAs that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario specified by supervisors. Further at a minimum, the stock of liquid assets should enable the Bank to survive until day 30 of the stress scenario, by which time it is assumed that appropriate corrective actions can be taken.

The numerator, High Quality Liquid Assets comprises mainly of excess SLR securities, cash, excess CRR balances, Marginal Standing Facility ('MSF') to the extent of 2 per cent with effect from January 01, 2022 of Net Demand and Time Liabilities ('NDTL') as guided by the RBI Circular and Facility to Avail Liquidity for Liquidity Coverage Ratio ('FALLCR') up to 15 per cent of NDTL till April 17, 2022 and 16 per cent of NDTL thereafter, as guided by the RBI Circular dated April 18, 2022. The denominator i.e. cash outflow over next 30 days comprises mainly of the deposit maturities and other cash outflows net of cash inflows in next 30 day period. As a part of its strategy to manage the liquidity requirements, the Bank has been consistently investing in SLR securities of about 2% to 5% of its NDTL, over and above the regulatory SLR requirement.

HQLA of the Bank comprises of mainly Level-1 assets as per the RBI guidelines i.e. government securities apart from cash, Standing Deposit Facility ('SDF') and excess CRR.

The major source of funding for the Bank is deposits from customers. The Bank does not rely on interbank borrowings. However, long term refinance from SIDBI, NABARD and NHB is availed against eligible loan assets. Further, the Bank has committed lines of credit from select public and private sector banks and also have foreign currency borrowings from private sector bank.

The Bank does not have any derivative exposure other than the forward contracts entered by the Bank which does not affect LCR of the Bank significantly.

Apart from computing the LCR in the domestic currency, the Bank is also required to compute LCR in the currency in which aggregate liabilities denominated in that currency amount to 5 per cent or more of the Bank's total liabilities. To comply with the said requirement, the Bank computes the LCR in USD as the dollar denominated liabilities are more than 5% of the Bank's total liabilities.

The liquidity management of the Bank is centralized at Treasury. Treasury Front Office shall, depending upon the expected outflows and inflows for the day, decide to borrow or lend to maintain optimal liquidity. Treasury Back Office monitors the expected inflows and outflows by way of maintaining a register which records the expected outflows and inflows that are informed in advance by the branches as well as by Treasury Front Office before making any investment. For this purpose, branches are required to inform the Treasury Back Office in advance of any expected large flows above ₹ 5 crore. Also, Treasury Back Office takes into account the deposits that are scheduled to mature in order to arrive at the expected cash outflows for that particular day. As a part of effective liquidity management, the Bank always maintains excess SLR securities which can be pledged to meet the shortfall in intraday liquidity, if any.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 8.3 Net Stable Funding Ratio (NSFR)

### (A) Quantitative Disclosures

#### Financial Year 2024-25

(₹ in crore)

		Net Stable Funding Ratio (NSFR)									
		As on June 30, 2024				Weighted value	As on September 30, 2024				Weighted value
		Unweighted value by residual maturity					Unweighted value by residual maturity				
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Item											
1	Capital: (2+3)	5,160.15	-	-	300.00	5,460.15	5,172.63	-	-	300.00	5,472.63
2	Regulatory capital	5,160.15	-	-	300.00	5,460.15	5,172.63	-	-	300.00	5,472.63
3	Other capital instruments	-	-	-	-	-	-	-	-	-	-
4	Retail deposits and deposits from small business customers: (5+6)	11,812.03	4,465.91	4,553.50	12,012.67	31,041.78	12,568.20	4,657.92	4,090.78	13,081.54	32,555.81
5	Stable deposits	3,766.73	891.12	958.62	2,732.84	8,068.48	3,990.49	903.57	887.11	2,897.10	8,389.21
6	Less stable deposits	8,045.30	3,574.79	3,594.88	9,279.83	22,973.30	8,577.71	3,754.35	3,203.67	10,184.44	24,166.60
7	Wholesale funding: (8+9)	1,368.47	9,694.84	7,669.51	5,171.74	11,123.56	1,456.55	12,206.87	7,843.89	5,163.02	11,439.26
8	Operational deposits	-	-	-	-	-	-	-	-	-	-
9	Other wholesale funding	1,368.47	9,694.84	7,669.51	5,171.74	11,123.56	1,456.55	12,206.87	7,843.89	5,163.02	11,439.26
10	Other liabilities: (11+12)	316.15	1,436.49	9,925.34	295.19	220.56	471.06	1,426.37	6,319.36	307.32	231.49
11	NSFR derivative liabilities				5.24					3.07	
12	All other liabilities and equity not included in the above categories	316.15	1,436.49	9,920.10	295.19	220.56	471.06	1,426.37	6,316.29	307.32	231.49
13	Total ASF (1+4+7+10)					47,846.05					49,699.19
RSF Item											
14	Total NSFR high-quality liquid assets (HQLA)					633.08					693.57
15	Deposits held at other financial institutions for operational purposes	167.08	-	-	-	83.54	373.50	-	-	-	186.75
16	Performing loans and securities: (17+18+19+21+23)	-	3,674.11	3,374.81	37,813.75	33,878.93	-	4,290.08	3,970.23	39,112.66	35,576.23
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-	-	-	-	-	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		299.36	22.90	5.27	61.63		51.95	18.90	7.10	24.34
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:		3,374.75	3,351.91	28,279.92	27,301.75		4,238.13	3,951.33	29,039.66	28,645.87
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	497.53	323.39	-	-	-	662.92	430.90
21	Performing residential mortgages, of which:	-	-	-	7,918.64	5,147.11	-	-	-	8,249.94	5,362.46
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	7,918.64	5,147.11	-	-	-	8,249.94	5,362.46
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities				1,609.92	1,368.44				1,815.96	1,543.56
24	Other assets: (sum of rows 25 to 29)	-	152.11	9,494.96	4,305.95	4,435.36	-	151.86	6,060.92	4,518.60	4,647.77
25	Physical traded commodities, including gold	-	-	-	-	-	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-		151.28		128.59	-		151.28		128.59
27	NSFR derivative assets	-		0.00		-	-		0.00		-
28	NSFR derivative liabilities before deduction of variation margin posted	-		0.83		0.83	-		0.58		0.58
29	All other assets not included in the above categories	-	9,494.96		4,305.94	4,305.94	-	6,060.92		4,518.60	4,518.60
30	Off-balance sheet items				5,486.41	241.10				6,691.64	301.29
31	Total RSF (14+15+16+24+30)					39,272.01					41,405.61
32	Net Stable Funding Ratio (%)					121.83%					120.03%



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

(₹ in crore)

		Net Stable Funding Ratio (NSFR)									
		As on December 31, 2024					As on March 31, 2025				
		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Item											
1	Capital: (2+3)	5,060.94	-	-	700.00	5,760.94	6,365.67	105.54	31.88	1,236.85	7,065.67
2	Regulatory capital	5,060.94	-	-	700.00	5,760.94	6,365.67	-	-	1,236.85	7,065.67
3	Other capital instruments	-	-	-	-	-	-	105.54	31.88	-	-
4	Retail deposits and deposits from small business customers: (5+6)	12,857.05	4,884.23	5,061.58	12,842.82	33,641.94	13,279.39	4,220.02	8,144.93	12,057.63	34,536.19
5	Stable deposits	3,535.65	974.71	1,020.46	2,789.20	8,043.48	4,429.34	807.21	1,421.98	3,032.41	8,423.74
6	Less stable deposits	9,321.40	3,909.52	4,041.12	10,053.62	25,598.46	8,850.05	3,412.81	6,722.95	9,025.22	26,112.45
7	Wholesale funding: (8+9)	1,416.08	12,877.44	8,767.21	4,661.21	11,351.65	1,478.70	12,638.21	10,263.18	5,349.07	12,191.65
8	Operational deposits	-	-	-	-	-	-	-	-	-	-
9	Other wholesale funding	1,416.08	12,877.44	8,767.21	4,661.21	11,351.65	1,478.70	12,638.21	10,263.18	5,349.07	12,191.65
10	Other liabilities: (11+12)	854.49	1,102.79	7,933.97	255.22	236.61	296.47	835.67	8,266.42	291.95	146.92
11	NSFR derivative liabilities				-					-	
12	All other liabilities and equity not included in the above categories	854.49	1,102.79	7,933.97	255.22	236.61	296.47	835.67	8,266.42	291.95	146.92
13	Total ASF (1+4+7+10)					50,991.14					53,940.43
RSF Item											
14	Total NSFR high-quality liquid assets (HQLA)					714.00					784.57
15	Deposits held at other financial institutions for operational purposes	89.16	-	-	-	44.58	88.62	-	-	-	44.31
16	Performing loans and securities: (17+18+19+21+23)	-	3,894.30	5,490.53	40,853.54	37,323.03	-	3,590.82	6,938.74	43,610.38	40,337.23
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-	-	-	-	-	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		326.72	-	-	49.01		102.56	0.01	2.29	17.68
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:		3,567.58	5,490.53	30,267.38	30,110.87		3,488.26	6,938.73	32,422.50	32,668.55
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	727.26	472.72	-	-	-	520.39	338.26
21	Performing residential mortgages, of which:	-	-	-	9,175.41	5,964.01	-	-	-	9,283.74	6,034.43
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	9,175.41	5,964.01	-	-	-	9,283.74	6,034.43
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities				1,410.75	1,199.14				1,901.85	1,616.57
24	Other assets: (sum of rows 25 to 29)	-	36.79	7,707.31	4,288.27	4,320.43	-	30.87	8,229.25	4,385.62	4,413.09
25	Physical traded commodities, including gold	-	-	-	-	-	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-		30.83		26.20	-		22.64		19.24
27	NSFR derivative assets	-		4.33		4.33	-		6.37		6.37
28	NSFR derivative liabilities before deduction of variation margin posted	-		1.63		1.63	-		1.86		1.86
29	All other assets not included in the above categories		-	7,707.31	4,288.27	4,288.27		-	8,229.25	4,385.62	4,385.62
30	Off-balance sheet items				7,229.87	330.26				7,516.07	348.68
31	Total RSF (14+15+16+24+30)					42,732.30					45,927.88
32	Net Stable Funding Ratio (%)					119.33%					117.45%

In computing the above information, certain estimates/ assumptions have been made by the Bank's management which have been relied upon by the auditors.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## Financial Year 2023-24

(₹ in crore)

		Net Stable Funding Ratio (NSFR)									
		As on June 30, 2023				Weighted value	As on September 30, 2023				Weighted value
		Unweighted value by residual maturity					Unweighted value by residual maturity				
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Item											
1	Capital: (2+3)	4,672.48	-	-	300.00	4,972.48	4,683.21	-	-	300.00	4,983.21
2	Regulatory capital	4,672.48	-	-	300.00	4,972.48	4,683.21	-	-	300.00	4,983.21
3	Other capital instruments	-	-	-	-	-	-	-	-	-	-
4	Retail deposits and deposits from small business customers: (5+6)	9,893.53	3,184.48	3,121.05	12,272.24	27,090.97	10,101.04	3,504.77	3,525.35	12,401.16	28,067.91
5	Stable deposits	3,433.40	658.19	699.93	2,814.73	7,366.67	3,468.41	735.65	769.95	2,827.78	7,553.09
6	Less stable deposits	6,460.13	2,526.29	2,421.12	9,457.51	19,724.30	6,632.63	2,769.12	2,755.40	9,573.38	20,514.82
7	Wholesale funding: (8+9)	1,179.76	7,110.68	5,189.40	5,487.57	9,944.09	1,194.85	8,349.32	5,624.42	5,685.20	10,330.49
8	Operational deposits	-	-	-	-	-	-	-	-	-	-
9	Other wholesale funding	1,179.76	7,110.68	5,189.40	5,487.57	9,944.09	1,194.85	8,349.32	5,624.42	5,685.20	10,330.49
10	Other liabilities: (11+12)	352.17	1,782.32	2,651.14	271.60	199.20	450.46	1,456.01	4,185.30	299.02	226.42
11	NSFR derivative liabilities		1.03					0.20			
12	All other liabilities and equity not included in the above categories	352.17	1,782.32	2,650.11	271.60	199.20	450.46	1,456.01	4,185.10	299.02	226.42
13	Total ASF (1+4+7+10)					42,206.74					43,608.03
RSF Item											
14	Total NSFR high-quality liquid assets (HQLA)					526.29					564.30
15	Deposits held at other financial institutions for operational purposes	279.75	-	-	-	139.88	51.50	-	-	-	25.75
16	Performing loans and securities: (17+18+19+21+23)	-	2,674.93	3,526.84	30,575.77	27,434.46	-	3,236.47	3,211.23	32,669.67	29,272.72
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-	-	-	-	-	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		321.00	114.28	792.58	897.87		192.39	84.62	866.93	938.10
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:		2,353.93	3,412.56	21,581.74	20,983.32		3,044.08	3,126.61	22,818.47	22,227.04
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	1,222.03	794.32	-	-	-	1,270.03	825.52
21	Performing residential mortgages, of which:	-	-	-	7,089.79	4,608.36	-	-	-	7,645.25	4,969.41
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	7,089.79	4,608.36	-	-	-	7,645.25	4,969.41
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	1,111.66	944.91	-	-	-	1,339.02	1,138.17
24	Other assets: (sum of rows 25 to 29)	-	138.52	2,545.73	4,821.88	4,939.75	-	138.11	4,033.58	4,620.28	4,737.76
25	Physical traded commodities, including gold	-	-	-	-	-	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-		137.68		117.03	-		137.53		116.90
27	NSFR derivative assets	-		-		-			-		-
28	NSFR derivative liabilities before deduction of variation margin posted	-		0.84		0.84	-		0.58		0.58
29	All other assets not included in the above categories	-	-	2,545.73	4,821.88	4,821.88	-	-	4,033.58	4,620.28	4,620.28
30	Off-balance sheet items	-	-	-	5,878.79	264.84	-	-	-	6,029.65	272.16
31	Total RSF (14+15+16+24+30)	-	-	-	-	33,305.22	-	-	-	-	34,872.69
32	Net Stable Funding Ratio (%)	126.73%					125.05%				





# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

(₹ in crore)

		Net Stable Funding Ratio (NSFR)									
		As on December 31, 2023				Weighted value	As on March 31, 2024				Weighted value
		Unweighted value by residual maturity					Unweighted value by residual maturity				
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Item											
1	Capital: (2+3)	4,630.17	-	-	300.00	4,930.17	5,146.59	-	-	300.00	5,446.59
2	Regulatory capital	4,630.17	-	-	300.00	4,930.17	5,146.59	-	-	300.00	5,446.59
3	Other capital instruments	-	-	-	-	-	-	-	-	-	-
4	Retail deposits and deposits from small business customers: (5+6)	10,916.23	3,476.56	4,245.93	12,073.21	29,102.28	11,376.44	3,806.54	4,266.31	12,241.77	30,013.12
5	Stable deposits	3,483.77	718.20	882.48	2,784.42	7,614.65	3,670.38	785.56	884.04	2,826.24	7,899.22
6	Less stable deposits	7,432.46	2,758.36	3,363.45	9,288.79	21,487.63	7,706.06	3,020.98	3,382.27	9,415.53	22,113.90
7	Wholesale funding: (8+9)	1,428.43	8,145.07	6,429.92	5,476.63	10,354.29	1,476.28	8,681.57	7,373.47	6,050.14	11,384.55
8	Operational deposits	-	-	-	-	-	-	-	-	-	-
9	Other wholesale funding	1,428.43	8,145.07	6,429.92	5,476.63	10,354.29	1,476.28	8,681.57	7,373.47	6,050.14	11,384.55
10	Other liabilities: (11+12)	580.83	1,630.41	3,406.91	286.19	213.98	222.91	1,574.32	7,009.71	300.64	226.66
11	NSFR derivative liabilities		4.92				3.93				
12	All other liabilities and equity not included in the above categories	580.83	1,630.41	3,401.99	286.19	213.98	222.91	1,574.32	7,005.78	300.64	226.66
13	Total ASF (1+4+7+10)					44,600.72					47,070.92
RSF Item											
14	Total NSFR high-quality liquid assets (HQLA)					593.98					612.26
15	Deposits held at other financial institutions for operational purposes	46.38	-	-	-	23.19	79.10	-	-	-	39.55
16	Performing loans and securities: (17+18+19+21+23)	-	4,148.90	3,505.92	33,591.78	30,666.29	-	3,722.35	3,499.29	36,174.70	32,817.63
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-	-	-	-	-	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	449.29	111.32	1,323.82	1,446.87	-	300.99	172.38	1,668.78	1,800.12
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	3,699.61	3,394.60	23,392.69	23,183.08	-	3,421.36	3,326.91	25,046.73	24,565.03
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	1,239.03	805.37	-	-	-	494.10	321.16
21	Performing residential mortgages, of which:	-	-	-	7,538.19	4,899.83	-	-	-	7,939.14	5,160.44
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	7,538.19	4,899.83	-	-	-	7,939.14	5,160.44
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	1,337.08	1,136.51	-	-	-	1,520.05	1,292.04
24	Other assets: (sum of rows 25 to 29)	-	138.11	3,188.47	4,401.06	4,518.54	-	138.24	6,777.33	4,317.67	4,435.28
25	Physical traded commodities, including gold	-	-	-	-	-	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-		137.53		116.90	-		137.53		116.90
27	NSFR derivative assets	-		0.00		-	-		0.00		-
28	NSFR derivative liabilities before deduction of variation margin posted	-		0.58		0.58	-		0.71		0.71
29	All other assets not included in the above categories	-	-	3,188.47	4,401.06	4,401.06	-	-	6,777.33	4,317.67	4,317.67
30	Off-balance sheet items	-	-	-	6,053.85	272.29	-	-	-	5,827.51	259.56
31	Total RSF (14+15+16+24+30)					36,074.29					38,164.28
32	Net Stable Funding Ratio (%)					123.64%					123.34%

In computing the above information, certain estimates/ assumptions have been made by the Bank's management which have been relied upon by the auditors.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## (B) Qualitative Disclosures

Pursuant to the RBI guidelines on NSFR dated May 17, 2018, the Bank has adopted and complied with the Basel III standards pertaining to NSFR from October 01, 2021. NSFR aims to improve the resilience of banks by promoting long-term funding stability. It mandates banks to maintain a stable funding profile vis-à-vis the composition of their assets and off-balance sheet activities. It reduces the probability of erosion of a bank's liquidity position due to disruptions to its regular sources of funding. The NSFR guidelines of RBI stipulate the applicable Required Stable Funding ('RSF') factor for each category of asset and Available Stable Funding ('ASF') factor for each type of funding source. NSFR represents the ratio of the bank's ASF to RSF. The breakdown of the bank's ASF and RSF amounts after applying the respective ASF or RSF factors are provided in the "weighted amount" column of the NSFR disclosure format.

The Available Stable Funding ('ASF') is primarily driven by the total regulatory capital as per Basle III Capital Adequacy guidelines stipulated by RBI and deposits from retail customers, small business customers and non-financial corporate customers. Under the Required Stable Funding ('RSF'), the primary drivers are unencumbered performing loans with residual maturities of one year or more, excluding loans to financial institutions.

## 9 CONCENTRATION OF DEPOSITS, ADVANCES, EXPOSURES AND NPAs

### 9.1 Concentration of Deposits

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
Total deposits of twenty largest depositors	3,969.36	3,241.50
Percentage of deposits of twenty largest depositors to total deposits of the Bank	6.61%	6.57%

### 9.2 Concentration of Advances

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
Total advances to twenty largest borrowers	1,943.24	1,978.92
Percentage of Advances to twenty largest borrowers to total advances of the bank	3.49%	4.33%

Note: Advances reported above include both funded and non-funded loan exposure with limits or outstanding whichever is higher, for other than fully drawn term loans and NPAs. In case of fully drawn term loans and NPAs, the outstanding amount has been considered for this purpose. The Advances figure above also includes non-inter bank credit exposure on derivatives including forward exchange contracts.

### 9.3 Concentration of Exposures

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
Total Exposures to twenty largest borrowers/ customers	2,719.90	2,573.90
Percentage of Exposures to twenty largest borrowers/ Customers to Total Exposures of the bank on borrowers/ Customers	4.55%	5.19%

Note: Exposures reported above include both funded and non-funded exposures [including advances and investments (other than SLR Investments)] with limits or outstanding whichever is higher, for other than fully drawn term loans and NPAs. In case of fully drawn term loan and NPAs, the outstanding amount has been considered for this purpose. The exposure figure above also includes non-inter bank credit exposure on derivatives including forward exchange contracts.



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 9.4 Concentration of NPAs

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
Total Exposure to top twenty NPA accounts	225.16	244.47
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	14.49%	18.06%

Notes:

1. NPAs are taken on gross basis.
2. Fund based exposures identified as NPAs.

## 9.5 Off-Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms) as on March 31, 2025 and March 31, 2024

Name of the SPV sponsored	
Domestic	Overseas
NIL	NIL

## 10 EXPOSURES

### 10.1 Exposure to the Real Estate Sector

(₹ in crore)

Category	March 31, 2025	March 31, 2024
<b>a) Direct Exposure</b>		
(i) Residential Mortgages(*)	12,628.26	11,241.85
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:		
(*) Includes Individual housing loans eligible for inclusion in priority sector advances - ₹ 4,353.78 crore (Previous year: ₹ 4,451.23 crore)		
(ii) Commercial Real Estate	3,398.03	2,777.83
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.)		
(iii) Investments in Mortgage Backed Securities ('MBS') and other securitized exposures:		
(a) Residential	58.34	89.65
(b) Commercial Real Estate	-	-
<b>b) Indirect Exposure</b>		
Fund based and non-fund based exposures on National Housing Bank ('NHB') and Housing Finance Companies ('HFCs')	613.33	667.32
<b>Total Exposure to the Real Estate Sector</b>	<b>16,697.96</b>	<b>14,776.65</b>

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 10.2 Exposure to the Capital Market

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
i. Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	40.14	35.63
ii. Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii. Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	0.20	0.98
iv. Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/ convertible debentures/ units of equity oriented mutual funds does not fully cover the advances;	0.66	-
v. Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	114.50	222.75
vi. Loans sanctioned to corporates against the security of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii. Bridge loans to companies against expected equity flows/ issues;	-	-
viii. Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
ix. Financing to stockbrokers for margin trading;	-	-
x. All exposures to Venture Capital Funds (both registered and unregistered)	-	-
<b>Total Exposure to the Capital Market</b>	<b>155.50</b>	<b>259.36</b>

## 10.3 Risk category-wise country exposure

(₹ in crore)

Risk Category	Exposure (net) as at March 31, 2025	Provision held as at March 31, 2025	Exposure (net) as at March 31, 2024	Provision held as at March 31, 2024
Insignificant	190.78	-	242.83	-
Low	2.81	-	1.19	-
Moderate Low	-	-	0.71	-
Moderate	-	-	0.26	-
Moderate High	0.01	-	0.37	-
High	-	-	-	-
Very High	-	-	-	-
<b>Total</b>	<b>193.60</b>	<b>-</b>	<b>245.36</b>	<b>-</b>



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 10.4 Details of Large Exposures Framework limits exceeded by the Bank

As per regulatory guidelines, with effect from April 01, 2019 in case of single counterparty, the sum of all the exposure values of a bank to a single counterparty must not be higher than 20 percent of the bank's available eligible capital base at all times. In exceptional cases, Board of bank may allow an additional 5 percent exposure of the bank's available eligible capital base. In case of group of connected counterparties, the sum of all the exposure values of a bank to a group of connected counterparties must not be higher than 25 percent of the bank's available eligible capital base at all times.

The eligible capital base for this purpose is the effective amount of Tier 1 capital fulfilling the criteria defined in Master Circular on Basel III – Capital Regulation/ Master Direction on 'Basel III Capital Regulations' as per the last audited balance sheet.

During the years ended March 31, 2025 and March 31, 2024, the Bank has not exceeded the prudential exposure limits as laid down by the RBI guidelines under Large Exposure Framework.

## 10.5 Intra Group Exposure

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
Total amount of intra-group exposure	NIL	NIL
Total amount of top-20 intra-group exposure	NIL	NIL
Percentage of intra group exposure to total exposure of the Bank on borrower/ customer	NIL	NIL
Details of breach of limit on intra group exposure and regulatory action thereon, if any	NIL	NIL

## 10.6 Unsecured Advances

Details of advances included in Schedule 9 where intangibles like rights, licenses, authority, etc. are charged to the Bank as collateral:

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
Total unsecured gross advances of the Bank	2,918.71	2,391.19
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	NIL	NIL
Estimated value of such intangible securities	NIL	NIL

## 10.7 Factoring Business

The outstanding receivables acquired by the Bank under factoring business were ₹ 328.61 crore as at March 31, 2025 (Previous year: ₹ 251.03 crore).

## 10.8 Unhedged Foreign Currency Exposure(UFCE)

In accordance with the RBI guidelines on banks' exposures to entities with Unhedged Foreign Currency Exposure ('UFCE'), the Bank has put in place a mechanism to seek information from its borrowers and to evaluate the currency induced credit risk. In the case of listed entities, the Bank obtains information relating to unhedged positions based on the latest available audited/ reviewed financial statements; whilst in the case of unlisted/ private companies, the Bank obtains the aforesaid information based on the latest available audited financial statements (not exceeding a financial year) so as to estimate the extent of likely loss and to provide for incremental capital or to recognize incremental provision in accordance with the aforesaid guidelines. Further,

## Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

as per the above-mentioned guidelines, the Bank obtains audited and certified UFCE information from the statutory auditors of the borrowers on an annual basis. In the case of smaller entities i.e. entities with exposure to banking industry of less than ₹ 50 crore and as identified by the Bank as having any foreign exchange exposure, the Bank recognizes an incremental provision at 10 basis points on all such exposures.

The incremental provisions and capital held by the Bank towards this risk, included in the Bank's financials are as under:

(₹ in crore)		
Particulars	March 31, 2025	March 31, 2024
Provisioning Requirement for UFCE	2.75	2.75
Risk weight on account of UFCE	13.30	8.53
Capital Requirement at 9%	1.20	0.77

### 11 COMPLIANCE WITH ACCOUNTING STANDARDS, READ WITH THE RBI GUIDELINES

#### 11.1 Employee Benefits (Accounting Standard 15)

The contribution to Employees' Provident Fund included under "Payments to and Provisions for Employees" in Schedule 16 amounted to ₹ 28.77 crore for the year ended March 31, 2025 (Previous year ₹ 24.35 crore).

During the year, the Bank has contributed ₹ 1.56 crore (previous year ₹ 1.26 crore) to the National Pension Scheme for employees who had opted for the scheme.

The Bank has a gratuity trust approved by Income Tax Department namely "DCB Bank Limited Staff Gratuity Fund". Every employee who has completed 5 years or more of service gets gratuity on separation at half month's last drawn salary for each completed year of service, subject to a cap of ₹ 20.00 lakhs for employees who joined after April 01, 2006 and without any such limit for other employees.

Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity benefits is given below:

(₹ in crore)		
Particulars	March 31, 2025	March 31, 2024
<b>Balance Sheet - Details of provision for Gratuity</b>		
Defined benefit obligation	39.91	33.59
Fair value of plan Assets	37.57	33.10
Net Assets/ (Liabilities)	(2.34)	(0.49)
<b>Amounts in Balance Sheet</b>		
Assets (included in Schedule 11 - Other Assets)	-	-
Liabilities (included in Schedule 5 - Other Liabilities and Provisions)	2.34	0.49
<b>Change in Defined Benefit Obligations</b>		
Obligations at the beginning of the year	33.59	30.61
Interest Cost	2.27	2.05
Current Service Cost	4.47	3.68
Past Service Cost	-	-
Benefits paid	(3.54)	(4.90)
Actuarial (gain)/ loss on Obligation	3.12	2.15
Present value of obligation at the end of the year	39.91	33.59





# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

(₹ in crore)		
Particulars	March 31, 2025	March 31, 2024
<b>Change in the Fair value of Plan Assets</b>		
Fair value of plan assets at the beginning of the year	33.10	29.34
Expected Return on plan assets	2.42	2.19
Contributions	5.00	6.25
Benefits paid	(3.54)	(4.90)
Actuarial gain/ (Loss) on plan assets	0.59	0.22
Fair value of plan assets at the end of the year	37.57	33.10
<b>Cost for the year</b>		
Current service cost	4.47	3.68
Interest cost	2.27	2.05
Expected return on plan assets	(2.42)	(2.19)
Net Actuarial (gain)/ loss recognised in the year	2.53	1.94
Past service cost	-	-
Expense recognised in "Payments to and Provision for Employees" [Refer Schedule-16 (I)]	6.85	5.48
Actual return on plan assets	3.01	2.41
<b>Experience Adjustments</b>		
On obligation	2.53	2.03
On plan assets	0.59	0.22
Assumptions		
Discount rate	6.53% p.a.	7.14% p.a.
Expected return on plan assets	7.14% p.a.	7.30% p.a.
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Future salary increases	5.00% p.a.	5.00% p.a.

## Experience adjustments

(₹ in crore)					
Particulars	March 31, 2025	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Plan assets	37.57	33.10	29.34	27.71	26.17
Defined benefit obligation	39.91	33.59	30.61	28.26	27.07
Surplus/ (Deficit)	(2.34)	(0.49)	(1.27)	(0.55)	(0.90)
Experience adjustment gain/ (loss) on plan assets	0.59	0.22	(0.19)	(0.53)	0.89
Experience adjustment (gain)/ loss on plan liabilities	2.53	2.03	3.28	1.10	0.15

All the plan assets are invested by the gratuity trust namely "DCB Bank Limited Staff Gratuity Fund" in Government securities (CY about 53%, PY about 54%), high rated corporate bonds (CY about 38%, PY about 34%), units of mutual funds/ insurance companies (CY about 5%, PY about 5%) and others (CY about 4%, PY about 7%) set up as dedicated funds for management of gratuity funds.

## Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

Estimated rate of return on plan assets is based on the Bank's expectation of the average long-term rate of return expected on investments of the Fund during the estimated term of the obligations.

The contribution expected to be paid to the plan during the annual period beginning after the Balance Sheet date is ₹ 4.64 crore (Previous year: ₹ 2.24 crore).

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

In computing the above information, certain estimates have been made by the Bank's management which have been relied upon by the auditors.

### 11.2 Earnings Per Share ('EPS')

The Bank reports basic and diluted earnings per equity share in accordance with AS-20, "Earnings per Share". The dilutive impact is due to stock options granted to employees by the Bank.

The computation of earnings per share is given below:

Particulars	March 31, 2025	March 31, 2024
Basic		
Net Profit (₹ in crore)	615.33	535.97
Weighted average number of equity shares outstanding	313,516,853	311,997,376
Basic Earnings per share (₹)	19.63	17.18
Diluted		
Net Profit (₹ in crore)	615.33	535.97
Weighted average number of equity shares outstanding	315,731,528	315,418,986
Diluted Earnings per share (₹)	19.49	16.99
Face value per share (₹)	10.00	10.00

Dilution of equity is on account of 2,214,675 (Previous year 3,421,610) stock options.

### 11.3 Employees' Stock Option Plan

The Shareholders of the Bank had approved an ESOP plan Phase I in November 2005, enabling the Board and/ or the Nomination Committee to grant such number of equity shares and/ or equity linked instruments, including options of the Bank not exceeding 4% of the Issued Capital or 60,00,000 Equity Shares of the Bank. The Shareholders, at the Annual General Meeting held on September 11, 2006 had approved an additional 3% of the Issued Capital, aggregating the total Equity Share Capital reserved for all ESOPs to 7% of the Issued Capital from time to time. As the shares of the Bank were subsequently listed, confirmation of shareholders was obtained at the Extraordinary General Meeting held on December 15, 2006 in line with the guidelines of the Securities & Exchange Board of India. Pursuant thereto, during the year the Nomination and Remuneration Committee of the Board did not grant any options.



## Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

Under the Employees' Stock Options Plan, options vest in a graded manner over a 5-year period from the date of grant, the details of which are set out below:

End of the Year	For Sub Plan 1			For Sub Plan 2	
	Till August 16, 2010	From August 17, 2010 to December 31, 2020	From January 01, 2021	Till December 31, 2020	From January 01, 2021
1 <sup>st</sup>	-	-	33.33%	-	33.33%
2 <sup>nd</sup>	-	30%	33.33%	30%	33.33%
3 <sup>rd</sup>	40%	30%	33.34%	30%	33.34%
4 <sup>th</sup>	30%	20%	-	20%	-
5 <sup>th</sup>	30%	20%	-	20%	-

### Method used for accounting for ESOP

RBI, vide its clarification dated August 30, 2021 on Guidelines on Compensation of Whole Time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function Staff, advised Banks that the fair value of share-linked instruments on the date of grant should be recognised as an expense for all instruments granted after the accounting period ending March 31, 2021. Accordingly, the Bank has valued its stock options granted after March 31, 2021 using the fair value method under its Employee' Stock Options Plan. The fair value of the stock options is estimated on the date of grant using Black-Scholes model and is recognised as employee cost over the vesting period.

Activity in options outstanding under Employees Stock Option Plan

Particulars	March 31, 2025		March 31, 2024	
	Number of options	Weighted Average Exercise Price	Number of options	Weighted Average Exercise Price
Options outstanding at the beginning of the year	6,423,409	69.84	7,920,484	68.10
Granted during the year	-	-	-	-
Exercised during the year	1,482,909	55.05	1,302,756	57.22
Forfeited/ Lapsed during the year	50,750	84.43	194,319	83.77
Options outstanding at the end of the year*	4,889,750	74.17	6,423,409	69.84
Options exercisable	4,666,450	74.34	5,732,441	69.12

\*Includes 135,000 (Previous year: 47,800) employee stock options exercised, pending for allotment.

The weighted average share price in respect of options exercised and allotted during the year ended March 31, 2025 is ₹ 123.18 (Previous year ₹ 128.17).

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for the year ended March 31, 2025

Summary of stock options outstanding as on March 31, 2025 is given below:

Range of exercise price (Rupees per share)	Number of shares arising out of options	Weighted average exercise price (₹)	Weighted average remaining contractual life (Number of years)
₹ 25.00 - ₹ 109.00	4,404,750	69.17	5.02
₹ 110.00 - ₹ 200.00	485,000	119.55	0.95

There were 1,482,909 stock options exercised during the year ended March 31, 2025.

Summary of stock options outstanding as on March 31, 2024 is given below:

Range of exercise price (Rupees per share)	Number of shares arising out of options	Weighted average exercise price (₹)	Weighted average remaining contractual life (Number of years)
₹ 25.00 - ₹ 109.00	5,928,409	65.58	4.87
₹ 110.00 - ₹ 200.00	495,000	120.81	4.57

There were 1,302,756 stock options exercised during the year ended March 31, 2024.

## Fair value Methodology

The fair value of options used to compute proforma net income and earnings per equity share have been estimated using the binomial option-pricing model for options granted upto March 31, 2021. The Bank estimated the volatility based on the historical share prices.

The fair value of the stock options granted after March 31, 2021 is estimated on the date of grant using Black-Scholes model and is recognised as employee cost over the vesting period. Accordingly, the Bank has recognised ₹ 0.25 crore during the financial year 2024-25 (Previous year ₹ 0.70 crore).

There were no options granted during the years ended March 31, 2025 and March 31, 2024.

## Impact of Fair Value Method on Net Profit and EPS

Had the compensation cost for the Bank's stock option plans on outstanding ESOPs granted upto March 31, 2021 been determined based on the fair value approach, the Bank's net profit and earnings per share would have been as per the proforma amounts indicated below:

(₹ in crore)

Particular	March 31, 2025	March 31, 2024
Net Profit (as reported)	615.33	535.97
Add: Stock based compensation expense accounted	(0.00)	(0.00)
	615.33	535.97
Less: Stock based compensation expense determined under fair value based method (proforma)	0.11	0.27
Net Profit (proforma)	615.22	535.70

Particular	March 31, 2025	March 31, 2024
Basic earnings per share (as reported)	19.63	17.18
Basic earnings per share (proforma)	19.62	17.17
Diluted earnings per share (as reported)	19.49	16.99
Diluted earnings per share (proforma)	19.49	16.98



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 11.4 Cash Settled Stock Appreciation Rights (CSARs)

The Bank has adopted CSAR as an instrument under the aegis of the compensation policy. This is in addition to the ESOP Plan of the Bank. Both the instruments are considered under non-cash components for variable pay in the Bank. The Board had vide its resolution dated September 17, 2022 approved the Plan envisaging Grant of not exceeding 10,000,000 CSARs to Employees in one or more tranches, from time to time, with each such CSAR conferring a right upon the CSAR Grantee to receive Appreciation as per terms of the Plan and grants made under the Plan.

The maximum number of CSARs that may be granted to an eligible Employee and in aggregate under the Plan shall vary depending upon the designation, role, criticality and the appraisal process. However, the maximum number of CSARs granted per employee shall not exceed 3,000,000 CSARs at any time under the Plan.

CSAR granted under the Plan would vest subject to minimum Vesting Period of 1 year but not later than the maximum Vesting Period of 4 years from the Grant Date of such CSARs. Subject to the minimum and maximum Vesting Periods stated above and provisions of acceptance of the grant, the Committee shall prescribe the Vesting schedule of CSARs granted under the Plan. Vesting shall be no faster than on a pro rata basis (i.e. vesting shall not be front loaded). Additionally, vesting shall not take place more frequently than on a yearly basis.

Particulars	CSAR Plan 2022 ('The Plan')
Date of Board Approval	September 17, 2022
Total number of units approved under the Plan	10,000,000
Vesting Requirements	CSARs shall vest any time after expiry of 1 year from the date of grant as may be determined in the grant letter
CSAR Grant Series	CSARGRANT2022-1 CSARGRANT2022-2 CSARGRANT2022-3
SAR price or pricing formula	Appreciation shall be computed by multiplying the total number of vested CSAR with appreciation per CSAR as per the grant series subject to cap on appreciation.
Maximum term of SAR granted	Period upto 4.5 years from the grant date
Method of Settlement (cash or equity)	Cash
Method used to account for SAR – Intrinsic or Fair	Fair value based on Black Scholes

The Board has approved a CSAR grant of 822,270 units on April 24, 2024 (Previous year: 929,668 units on June 02, 2023).

### Method used for accounting for CSARs

The Bank has valued its CSARs units using the fair value method under its CSAR Plan. The fair value of the CSARs units is estimated on the date of grant using Black-Scholes model and is recognised as employee cost over the vesting period with a recognition of corresponding liability. This liability is remeasured at each balance sheet date up to and including the vesting date with changes in fair value recognised in the profit and loss account in 'Payments to and Provision for Employees'.

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for the year ended March 31, 2025

### Activity in units outstanding under CSARs

Particulars	March 31, 2025	March 31, 2024
Units outstanding at the beginning of the year	1,714,097	1,170,786
Units Granted during the year	822,270	929,668
Units Exercised during the year	386,357	386,357
Units Forfeited/ Lapsed during the year	-	-
Units outstanding at the end of the year	2,150,010	1,714,097

### Fair value Methodology

There were 822,270 units (Previous year: 929,668 units) granted during the year ended March 31, 2025. The Bank has recognised ₹ 1.06 crore (Previous year ₹ 3.30 crore) during the financial year 2024-25.

The various assumptions considered in the pricing model for CSARs units granted during the year ended March 31, 2025 and March 31, 2024 were:

Particulars	March 31, 2025	March 31, 2024
Dividend Yield	1.01%	0.84%
Expected Volatility	36.05% to 40.76%	37.29% to 43.22%
Risk Free Interest Rate	7.04% to 7.09%	6.73% to 6.78%
Expected life of units	2.50 to 4.50 years	2.50 to 4.50 years

The weighted average fair value of CSARs units granted during the year ended March 31, 2025 was ₹ 42.20 (Previous year ₹ 42.73).

In computing the above information, certain estimates/assumptions have been made by the Bank's management which have been relied upon by the auditors.





# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 11.5 Segment Information

### Part A: Business Segments

										(₹ in crore)
Business Segments	Treasury Operations		Corporate / Wholesale Banking		Retail Banking		Other Banking Operations		Total	
Particulars	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Revenue	1,895.98	1,440.78	533.34	508.00	5,799.30	4,790.17	161.39	106.84	8,390.01	6,845.79
Unallocated Revenue									0.27	4.48
<b>Total Revenue<sup>1</sup></b>									<b>8,390.28</b>	<b>6,850.27</b>
Result	219.92	98.12	19.00	34.71	459.50	501.58	155.72	103.65	854.14	738.06
Unallocated Result									(25.53)	(16.10)
<b>Total</b>									<b>828.61</b>	<b>721.96</b>
Unallocated expenses									-	-
Operating profit									1,037.00	864.44
Income taxes									(213.28)	(185.99)
Extraordinary profit / loss	-	-	-	-	-	-	-	-	-	-
<b>Net profit</b>									<b>615.33</b>	<b>535.97</b>
Other Information										
Segment assets	23,839.37	20,257.33	4,459.07	4,863.67	47,956.72	37,463.82	-	-	76,255.16	62,584.82
Unallocated assets									554.62	452.15
<b>Total assets</b>									<b>76,809.78</b>	<b>63,036.97</b>
Segment liabilities	17,254.07	11,141.93	5,624.56	4,401.44	48,238.62	42,421.26	1.85	1.07	71,119.10	57,965.70
Unallocated liabilities <sup>2</sup>									5,690.68	5,071.27
<b>Total liabilities</b>									<b>76,809.78</b>	<b>63,036.97</b>
Capital Expenditure	1.43	3.82	0.26	1.05	82.54	98.53	-	-	84.23	103.40
Unallocable									9.16	51.66
<b>Total Capital Expenditure</b>									<b>93.39</b>	<b>155.06</b>
Depreciation	1.51	1.43	0.93	0.87	96.05	89.60	-	-	98.49	91.90
Unallocable									2.91	2.54
<b>Total Depreciation</b>									<b>101.40</b>	<b>94.44</b>
Non Cash Expenses <sup>3</sup>	12.27	7.88	(0.24)	24.65	187.25	113.64	-	-	199.28	146.17
Unallocable									21.67	18.06
<b>Total Non Cash Expenses</b>									<b>220.96</b>	<b>164.23</b>

1. Revenue i.e. Total Revenue includes inter-segment revenue of ₹ 1,169.18 crore in FY 2024-25 (Previous year ₹ 1,013.99 crore). Inter-segment revenue represents the transfer price received from and paid to the treasury unit respectively. Excluding this, the revenue for the Bank is ₹ 7,221.10 crore in FY 2024-25 (Previous year: ₹ 5,836.28 crore).

2. Includes Capital and Reserves.

3. Excluding depreciation and provision for taxes.

4. Income, expense, assets and liabilities have been either specifically identified with individual segment or allocated to segments on a systematic basis or classified as unallocated.

5. Inter-segment transactions have been generally based on transfer pricing measures as determined by the Management.

6. The RBI vide its circular dated April 07, 2022 on establishment of Digital Banking Units (DBUs), has prescribed reporting of Digital Banking Segment as a sub-segment of Retail Banking Segment. The Bank does not have any DBUs, hence no Digital Banking Segment disclosures have been made.

### Part B: Geographic Segments

The Bank does not have overseas branches and the operations are entirely domestic. Therefore, no separate reporting is done based on geographic segments.

# Schedules and Notes to the Financial Statements

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## 11.6 Related Party Transactions

Related Parties in terms of AS-18 on “Related Party Disclosures” are disclosed below:

### Financial Year 2024-25

#### a) Promoter

Aga Khan Fund for Economic Development ('AKFED')

#### b) Key Management Personnel ('KMP')

Name of Key Management Personnel	Relative of the Key Management Personnel	Description of Relationships
Mr. Murali M. Natrajan: Managing Director & CEO (till April 28, 2024)	Ms. Sujata Murali	Spouse
	Mr. Vidur Murali	Son
	Mr. Varun Murali	Son
	Mr. Prasad Mamundi Natarajan	Brother
	Ms. Prabha Shankar	Sister
	Ms. Hema Ranganathan	Sister
Mr. Praveen Achuthan Kutty: Managing Director & CEO (w.e.f. April 29, 2024)	Ms. Shyamala Praveen	Spouse
	Mr. A P Achuthan Kutty	Father
	Ms. Namrata Praveen	Daughter
	Ms. Nitya Praveen	Daughter
Mr. Krishnan Sridhar Seshadri: Whole-time Director (Executive Director) (w.e.f. June 13, 2024)	Ms. S Pankajalakshmi	Spouse
	Mr. Kishore Seshadri	Son
	Ms. Kalyani Seshadri	Daughter
	Ms. Rajam Krishnan	Sister
	Ms. K. Lakshmy	Sister
	Ms. Sundaravalli Revathi	Sister
	Ms. K.Vedavalli	Sister

The details of transactions of the Bank are as under:

(₹ in crore)

Items/ Related Party	Parent (as per ownership or control)	Subsidiaries	Associates/ Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel	Total
Dividend paid	-	-	-	0.06	-	0.06
Dividend received	-	-	-	-	-	-
Interest paid	-	-	-	0.88	0.17	1.05
Interest received	-	-	-	-	-	-
Remuneration Paid*	-	-	-	5.04	-	5.04
Advance repaid	-	-	-	-	-	-
Sale/ Purchase of foreign exchange currency to/ from related party	-	-	-	0.00	-	0.00

In accordance with RBI guidelines, details pertaining to the related party transactions have not been provided where there is only one related in each of the above categories.



## Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

Details of transactions of the Bank with KMP and relatives of KMP are for the period during which the KMP are related parties of the Bank.

\*Remuneration paid excludes the perquisite value of employee stock options exercised and other perquisites are considered as per Income Tax Act.

The balances payable to/ receivable from the related parties of the Bank are as under:

(₹ in crore)

Items/ Related Party	Parent (as per ownership or control)	Subsi diaries	Associates/ Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits	-	-	-	11.66	2.42	14.08
Placement of Deposits	-	-	-	-	-	-
Advances	-	-	-	-	-	-
Investments	-	-	-	-	-	-

In accordance with RBI guidelines, details pertaining to the related party transactions have not been provided where there is only one related in each of the above categories.

Details of transactions of the Bank with KMP and relatives of KMP are for the period during which the KMP are related parties of the Bank.

The maximum balances payable to/ receivable from the related parties of the Bank are as under:

(₹ in crore)

Items/ Related Party	Parent (as per ownership or control)	Subsi diaries	Associates/ Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits	-	-	-	23.32	4.72	28.04
Placement of Deposits	-	-	-	-	-	-
Advances	-	-	-	-	-	-
Investments	-	-	-	-	-	-

In accordance with RBI guidelines, details pertaining to the related party transactions have not been provided where there is only one related in each of the above categories.

Details of transactions of the Bank with KMP and relatives of KMP are for the period during which the KMP are related parties of the Bank.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## Financial Year 2023-24

### Key Management Personnel

Name of Key Management Personnel	Relative of the Key Management Personnel	Description of Relationships
Mr. Murali M. Natrajan: Managing Director & CEO	Mrs. Sujata Murali	Spouse
	Mr. Vidur Murali	Son
	Mr. Varun Murali	Son
	Mr. Prasad Mamundi Natarajan	Brother
	Ms. Prabha Shankar	Sister
	Ms. Hema Ranganathan	Sister

The details of managerial remuneration of the Key Management Personnel of the Bank are as under:

(₹ in crore)

Particulars	March 31, 2024
Mr. Murali M. Natrajan:	
Managerial Remuneration	5.25

Managerial Remuneration excludes the perquisite value of employee stock options exercised and other perquisites are considered as per Income Tax Act.

## 11.7 Deferred Tax

The composition of Deferred Tax Assets ('DTA') and Deferred Tax Liabilities ('DTL') is as under:

(₹ in crore)

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
<b>A.</b>	<b>DTA :</b>		
(i)	Provision for Loan Losses (minus deduction u/s 36(1)(viiia) of the Income Tax Act, 1961)	218.37	208.59
(ii)	Others	0.59	0.12
	Total DTA [A]	218.96	208.71
<b>B.</b>	<b>DTL :</b>		
(i)	Depreciation	19.29	17.48
(ii)	Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	63.70	52.76
(iii)	Others	-	-
	Total DTL [B]	82.99	70.24
<b>C.</b>	<b>NET DTA [A - B]</b>	<b>135.97</b>	<b>138.47</b>

## 11.8 Assets Taken Under Operating Leases

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
Minimum Lease Rent payable		
Payable not later than 1 year	81.80	72.83
Payable later than 1 year but not later than 5 years	341.50	277.51
Payable later than 5 years	487.86	518.09
<b>Total</b>	<b>911.16</b>	<b>868.43</b>
The total of lease payments recognised in the Profit and Loss Account for the year	87.75	83.97



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

The lease rents are paid by the Bank for premises leased for its business operations. The above contingent rents have been determined based on terms of individual lease agreements over the lease period. The terms of renewal/ purchase options and escalation clauses are those normally prevalent in similar agreements. There are no undue restrictions or onerous clauses in the agreements.

## 11.9 Revaluation of Fixed Assets

The Bank revalued its owned premises as at December 31, 2022 which resulted in a revaluation gain of ₹ 78.10 crore which has been credited to Revaluation Reserve as at that date. The Bank computes depreciation on such revalued premises over its estimated remaining useful life.

During the financial year 2024-25 an amount of ₹ 6.84 crore (Previous year: ₹ 6.86 crore) has been charged to the Profit and Loss Account and this amount has been transferred from Revaluation Reserve to "Balance in Profit and Loss Account".

## 11.10 Contingent Liabilities

Description of Contingent Liabilities:

Sr. No.	Contingent Liability(*)	Brief Description
1.	Claim against the Bank not acknowledged as Debts	An amount of ₹ 29.17 crore (Previous year: ₹ 33.02 crore) is outstanding as at March 31, 2025, as claims against the Bank not acknowledged as Debts, including ₹ 19.50 crore (Previous year: ₹ 19.50 crore) being in the nature of a contingent liability on account of proceedings pending with Income Tax authorities. The Bank is a party to various taxation matters in respect of which appeals are pending and various legal proceedings in the normal course of business. The Bank has reviewed and classified these items as possible obligations based on legal opinion/ judicial precedents/ assessment and does not expect the outcome of these proceedings to have a materially adverse effect on the Bank's Financial Statements. (Also refer note 15 on pending litigation cases)
2.	Liability on account of outstanding forward exchange and derivative contracts	An amount of ₹ 8,186.71 crore (Previous year: ₹ 6,717.33 crore) is outstanding as at March 31, 2025. The Bank enters into foreign exchange contracts, currency options/ swaps and interest rate futures on its own account and for customers. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. These forward contracts are subject to revaluation on a daily basis and Mark to Market impact is recognised in the Financial Statements. Interest rate futures are standardized, exchange-traded contracts that represent a pledge to undertake a certain interest rate transaction at a specified price, on a specified future date. The amount in contingent liability represents notional principal amount of various financial instruments which the bank undertakes in its normal course of business.  With respect to transactions entered by customers, the Bank generally takes off-setting positions in the inter-bank markets which results into higher number of outstanding contracts. The same also leads to representation of large gross notional principal of the portfolio, while the actual credit/ market risk is much smaller.

## Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

Sr. No.	Contingent Liability(*)	Brief Description
3.	Guarantees given on behalf of constituents, Acceptances, Endorsements and Others	An amount of ₹ 1,356.09 crore (Previous year: ₹ 1,590.93 crore) is outstanding as at March 31, 2025. As part of its commercial banking activity, the Bank issues documentary credit and guarantees on behalf of its customers and bills drawn by the Bank's customers that are accepted or endorsed by the Bank. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfil its financial or performance obligations.
4.	Other items for which the Bank is contingently liable	An amount of ₹ 2,853.12 crore (Previous year: ₹ 955.70 crore) is outstanding as at March 31, 2025. These include: <ul style="list-style-type: none"> <li>a) Securities purchased and sold under Repo and Reverse Repo transactions done by the Bank and includes also remaining to be settled on the date of financial statements</li> <li>b) Liability in respect of capital commitments relating to fixed assets and undrawn commitments in respect of investments</li> <li>c) Credit enhancements relating to the sale of mortgage loan</li> <li>d) Amount transferred to RBI under Depositor Education and Awareness Fund (DEA Fund)</li> <li>e) Securities bought/sold and remaining to be settled on the date of financial statements.</li> </ul>

\*Also refer Schedule – 12.

### 12 Additional Disclosures

#### 12.1 Details of “Provisions & Contingencies” debited to the Profit and Loss Account

(₹ in 000's)

Particulars	March 31, 2025	March 31, 2024
Provision for Income Tax		
- Current	2,107,764	1,644,689
- Deferred (Refer note 11.7)	24,973	215,161
Provision/write-off towards non-performing assets	1,479,418	1,910,156
Floating Provision	216,749	180,580
Provision for Standard Assets*	111,133	(775,929)
Sacrifice in One Time Settlement	278,369	194,220
Provision towards non-performing investments	86,644	19,664
Provision for Other Assets and Contingencies	(34,369)	114
Provisions for Restructured Advances	(54,031)	(103,953)
<b>Total</b>	<b>4,216,650</b>	<b>3,284,702</b>

\*includes provision for unhedged foreign currency exposure and provision for specific standard assets.





# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 12.2 Depositor Education and Awareness Fund (DEA Fund)

In accordance with the guidelines issued by the RBI, the Bank transfers the amount to the credit of any account which has not been operated upon for a period of ten years or any deposit or any amount remaining unclaimed for more than ten years to the DEA Fund.

Details of amounts transferred to DEA Fund are set out below:

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
Opening balance of amounts transferred to DEA Fund	77.38	70.38
Add : Amounts transferred to DEA Fund during the year	14.85	8.74
Less : Amounts reimbursed by DEA Fund towards claims	1.95	1.74
<b>Closing balance of amounts transferred to DEA Fund*</b>	<b>90.28</b>	<b>77.38</b>

\*closing balance of the amount transferred to DEA Fund, as disclosed above, are also included under 'Schedule 12 - Contingent Liabilities - Other items for which the Bank is contingently liable'.

## 12.3 Customer Complaints\*

### a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman

Sr. No.	Particulars	March 31, 2025	March 31, 2024
<b>Complaints received by the bank from its customers</b>			
1.	Number of complaints pending at beginning of the year	743	443
2.	Number of complaints received during the year	24,727	23,684
3.	Number of complaints disposed during the year	25,089	23,384
3.1	Of which, number of complaints rejected by the bank	1,940	1,558
4.	Number of complaints pending at the end of the year	381	743
<b>Maintainable complaints received by the bank from Office of Ombudsman</b>			
5.	Number of maintainable complaints received by the bank from Office of Ombudsman	661	583
5.1	Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	642	583
5.2	Of 5, number of complaints resolved through conciliation/ mediation/ advisories issued by Office of Ombudsman	18	23
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	1	0
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

\*As compiled by the Management and relied upon by the auditors.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## b) Top grounds of complaints received by bank from customers\*

### Financial Year 2024-25

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
<b>ATM/Debit Cards</b>	274	9,738	68%	101	0
(a) Transactions on POS/ Online					
(b) Cash not Dispensed at other ATMs					
(c) Others					
<b>Loans and Advances</b>	316	8,435	(16%)	176	18
(a) EMI/ Payment Disputes					
(b) Disbursal amount not received					
(c) Others					
<b>Internet/ Mobile/ Electronic Banking</b>	89	2,986	(9%)	41	2
(a) Unauthorized Transactions					
(b) Payment gateway transaction disputes					
(c) Others					
<b>Account opening/ difficulty in operation of accounts</b>	19	1,441	(11%)	27	1
(a) Deliverables					
(b) Instruction updates					
(c) Others					
<b>Para-banking</b>	8	555	(36%)	6	2
(a) Policy documents not received (Loans related)					
(b) Policy Cancellation (Health/ Life Insurance)					
(c) Others					
<b>Mis-selling</b>	16	275	(36%)	7	0
(a) Information related wrt Mortgage loan					
(b) Information related wrt General/ Health Insurance					
(c) Others					
<b>Others</b>	21	1,297	(23%)	23	0
(a) SMS/ Email alerts sent but not received					
(b) Charges related disputes					
<b>Total</b>	<b>743</b>	<b>24,727</b>	<b>4%</b>	<b>381</b>	<b>23</b>



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## Financial Year 2023-24

<b>Grounds of complaints, (i.e. complaints relating to)</b>	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
<b>Loans and Advances</b>	210	10,007	(9%)	316	17
(a) Rate of Interest/ EMI/ Payment Disputes					
(b) Document not received					
(c) Others					
<b>ATM/Debit Cards</b>	87	5,786	(14%)	274	35
(a) Card not working					
(b) Cash not dispensed at other ATMs					
(c) Others					
<b>Internet/ Mobile/ Electronic Banking</b>	42	3,276	(22%)	89	4
(a) Payment gateway transaction disputes					
(b) Internet Banking login/ password issues					
(c) Others					
<b>Account opening/ difficulty in operation of accounts</b>	33	1,628	(61%)	19	3
(a) Transactions submitted at branches					
(b) Instruction updates					
(c) Others					
<b>Para-banking</b>	30	864	(13%)	8	2
(a) Policy documents not received (Loans related)					
(b) Policy Cancellation (Health/ Life Insurance)					
(c) Others					
<b>Mis-selling</b>	19	431	19%	16	0
(a) Information related wrt gold loan					
(b) Information related wrt Mortgage Loan					
(c) Others					
<b>Others</b>	22	1,692	(27%)	21	1
(a) SMS/ Email alerts sent but not received					
(b) Charges related disputes					
<b>Total</b>	<b>443</b>	<b>23,684</b>	<b>(21%)</b>	<b>743</b>	<b>62</b>

## Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

The Bank has an “Integrated Complaints Management System” in which complaints are logged and addressed. Complaints are reviewed on a regular basis to ensure timely response to customers.

The Bank conducts a root cause analysis on complaints and has taken measures to reduce complaints across categories such as loans & advances, internet/ mobile banking, difficulty in operation of accounts, para-banking and mis-selling. ATM/ Debit cards increased due to an increase in usage of cards overseas and on online platforms.

The Bank has developed systems in order to make customer interface services automated/ system driven. The Bank shall continue to improve processes in order to bring in faster resolutions and efficiency.

\*As compiled by the Management and relied upon by the auditors.

### 12.4 Letters of Comfort (LoC)/ Letters of Undertaking (‘LoU’)

The Bank has stopped issuing any fresh LoU in line with the RBI guidelines dated March 13, 2018 in this regard. Outstanding LoU as on March 31, 2025 was ₹ NIL (Previous year: ₹ NIL).

### 12.5 Small and Micro Industries

Under the Micro, Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments. The above is based on the information available with the Bank which has been relied upon by the auditors.

### 12.6 Priority Sector Lending Certificates (‘PSLCs’) (Category-wise) sold and purchased during the year

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>PSLC purchased during the year</b>		
(i) PSLC – Agriculture	-	-
(ii) PSLC – SF/ MF	75.00	-
(iii) PSLC – Micro Enterprises	-	-
(iv) PSLC – General	-	-
<b>Total</b>	<b>75.00</b>	<b>-</b>
<b>PSLC sold during the year</b>		
(i) PSLC – Agriculture	-	-
(ii) PSLC – SF/ MF	-	-
(iii) PSLC – Micro Enterprises	3,836.00	2,425.00
(iv) PSLC – General	-	1,000.00
<b>Total</b>	<b>3,836.00</b>	<b>3,425.00</b>

### 12.7 Income from Bancassurance Business

(₹ in crore)

Sr. No.	Nature of Income	March 31, 2025	March 31, 2024
1.	For selling life insurance policies	131.70	68.66
2.	For selling non-life insurance policies	39.11	40.50
3.	For selling mutual fund products	0.91	0.83
	<b>Total</b>	<b>171.72</b>	<b>109.99</b>



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 12.8 Income from Marketing and distribution

The Bank has received fees of ₹ NIL (Previous year: ₹ 18.96 crores) with respect to marketing and distribution function (excluding bancassurance business) during the financial year 2024-25.

## 12.9 Implementation of IFRS converged Indian Accounting Standards (Ind AS)

The Ministry of Corporate Affairs ('MCA'), Government of India notified the Companies (Indian Accounting Standards) Rules, 2015 on February 16, 2015. Further, a Press Release was issued by the MCA on January 18, 2016 outlining the roadmap for implementation of Indian Accounting Standards ('Ind AS') converged with International Financial Reporting Standards ('IFRS') for banks. As per earlier instructions, banks in India were required to comply with the Ind AS for financial statements for accounting periods beginning from April 01, 2018 onwards, with comparatives for the periods ending March 31, 2018 or thereafter. On April 05, 2018, RBI announced deferment of implementation date by one year with Ind AS being applicable to banks for accounting periods beginning April 01, 2019 onwards. On March 22, 2019, RBI further announced deferment of the implementation of Ind AS by banks till further notice.

The Bank has formed Steering Committee for Ind AS implementation. The Steering Committee is headed by the Chief Financial officer ('CFO') comprises representatives from Finance, Risk, Credit, Information Technology and Treasury. The Committee closely reviews progress of Ind AS implementation in the Bank and provides guidance on critical aspects of the implementation, including, review of possible impacts of the discussion papers issued by the RBI from time to time. In the interim, bank continues to prepare proforma Ind AS financial statements on half yearly basis and the bank submits the same to RBI.

## 12.10 Payment of DICGC Insurance Premium

(₹ in crore)

Sr. No.	Particulars	March 31, 2025	March 31, 2024
1.	Payment of DICGC Insurance Premium	56.60*	47.49*
2.	Arrears in payment of DICGC premium	NIL	NIL

\*Excluding Goods and Service Tax

## 13 OTHER MATTERS

### 13.1 Disclosure of penalties imposed by RBI

During the year ended March 31, 2025, RBI had imposed penalty of ₹ 0.003 crore on the Bank, for violation of the RBI guidelines on "Monitoring of Availability of Cash in ATMs," on account of "Cash Out", at Banks ATM throughout the FY 2024-25.

During the year ended March 31, 2024, RBI had imposed penalty of ₹ 0.003 crore on the Bank, for violation of the RBI guidelines on "Monitoring of Availability of Cash in ATMs," on account of "Cash Out", at Banks ATM throughout the FY 2023-24.

During the year ended March 31, 2024, RBI had imposed a penalty of ₹ 0.002 crore on the Bank due to the failure in Customer Service (failure in providing exchange facility for the soiled notes & mutilated notes).

During the year ended March 31, 2024, RBI had imposed penalty of ₹ 0.636 crore on the Bank, for failing to reset interest rates in MCLR-linked loans and benchmarking retail and MSME advances to MCLR instead of EBLR.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## 13.2 Corporate Social Responsibility ('CSR')

The Bank was required to spend ₹ 11.56 crore (Previous year: ₹ 9.77 crore) during the financial year 2024-25 towards Corporate Social Responsibility (CSR), in accordance with Companies Act, 2013.

The Bank has spent an amount of ₹ 11.84 crore (Previous year: ₹ 9.97 crore) in respect of CSR activities across the country.

None of the CSR expenditure incurred by the Bank is to entities controlled by related parties identified by the Bank as per Accounting Standard 18, Related Party Disclosures.

The details of amount spent during FY 2024-25 towards CSR are as under:

(₹ in crore)

Particulars	In cash	Yet to be paid in cash (i.e. provision)	Total
1) Construction/ acquisition of any assets	-	-	-
2) For purposes other than (1) above:	11.84	-	11.84

The details of amount spent during FY 2023-24 towards CSR are as under:

(₹ in crore)

Particulars	In cash	Yet to be paid in cash (i.e. provision)	Total
1) Construction/ acquisition of any assets	-	-	-
2) For purposes other than (1) above:	9.97	-	9.97

## 13.3 Remuneration

### a) Qualitative disclosures

#### Nomination and Remuneration Committee ('NRC')

The Nomination and Remuneration Committee of the Board consists of Independent Directors with one member from the Risk Management Committee of the Board.

The main mandate of the Nomination & Remuneration Committee of the Board are:

- Deciding the size and composition of the Board and appointment of persons for the same.
- Recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Evaluation of every director's performance and making recommendations for remuneration for Non-Executive Directors, Senior Management and the Key Managerial Personnel ('KMP') of the Bank.
- Approving the ESOP and creation, subscription and allotment of shares to the eligible employees under this approved ESOP.
- Review appointments, promotions, demotions, terminations and review performance appraisals of CEO, KMP and Senior Management of the Bank.
- Review and approve succession plans Board, KMP and Senior Management.
- To evaluate/approve/review key Human Resource ('HR') Policies of the Bank and Rewards Approach annually as applicable. HR policies to include all such policies which have any applicable impact from a regulatory and statutory perspective, such as compensation policy, whistle blower policy, job rotation policy, matters related to retirement age beyond 60 years, fixed pay bands and sanctioned strength for the Bank, and any other matter referred by the Board or recommended by the People Forum.





# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

## Design and Structure/ Objectives of Compensation Policy

The Bank has put in place a Board approved Compensation Policy. The Bank's objective is to maintain a Compensation Policy that the Bank is able to attract, retain talent and motivate talent to perform at high standards. It facilitates a performance culture in the Bank. The compensation will be risk aligned taking into account, the long term performance of the Bank. The Compensation Policy is aligned with the statutory and regulatory guidelines.

This Policy is applicable to all employees of the Bank including;

- Whole Time Directors ('WTDs')
- Managing Director & Chief Executive Officer ('MD & CEO')
- Material Risk Takers ('MRTs'): Material Risk Takers as defined as those employees whose actions have a material impact on the risk exposure of the Bank.
- Risk, Compliance and Control employees
- Other categories of employees: All employees in support and other management functions including front line employees.

Compensation structure consisting of:

- i) fixed pay including perquisites, contributions towards superannuation/ retiral benefits,
- ii) variable pay in cash and equity linked instruments including ESOP/ CSARs.

## Risk adjustments in remuneration

In general, the review of Risk Management framework shall be an integral part of the annual performance review applicable to all employees. The methodologies for adjusting remuneration to risk and performance will be consistent with the general risk management and corporate governance framework of the Bank. A wide variety of measures of credit, market, liquidity and other risks shall be taken into consideration in implementation of risk adjustment, such that no risks over the accepted risk appetite of the Bank are being taken against the interest of the Bank.

## Performance linked variable compensation

The Bank aims to align pay structure across levels in the annual rewards exercise (Compensation Revision) carried out keeping the following considerations, namely performance of the bank, individual and business unit, alignment of risks with the remuneration, encouraging rewards based on the long term contributions to the bank, cost/ income ratio of the bank, capital adequacy ratio, employee turnover on account of increased demand of talent in the industry and other related factors.

Malus/ Clawback clause is an integral part of the compensation Policy and is applicable as a risk adjustment/ alignment measure, wherein Malus permits the Bank to prevent vesting in full or in part of the amount of a deferred remuneration for an employee. Clawback is an agreement between the employee and the Bank in which the employee agrees to return previously paid or vested remuneration to the Bank. Conditions for Malus/ Bank have been specified in the Bank's Compensation Policy.

In alignment to the RBI Guidelines applicable from April 01, 2020, the Bank has a policy on deferral and vesting of variable pay for applicable categories of employees as follows:

**Deferral of Variable Pay:** A minimum of 60% of the total variable pay shall be under deferral arrangements. At least 50% of the cash bonus shall be deferred. However, in cases where the cash component of variable pay is under ₹ 25 lakhs, deferral would not be required.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

**Period of Deferral Arrangement:** This would be applied to both the cash and equity linked components of the variable pay. The deferral period shall be for a minimum period of three years.

**Vesting:** The vesting shall be no faster than on pro-rata basis. Vesting shall not take place more frequently than on a yearly basis to ensure a proper assessment of risks before the application of any adjustments.

**Limit on Variable pay:** At least 50% of the total compensation shall be variable. Variable pay shall be limited to a maximum of 300% of the fixed pay. Where the variable pay is up to 200% of the fixed pay, a minimum of 50% of the variable pay shall be via equity linked instruments; and in case the variable pay is above 200%, a minimum of 67% of the variable pay shall be via equity linked instruments. In an event that an employee is barred by statute/regulation from grant of equity linked instruments, their variable pay shall be capped at 150% of the fixed pay.

## b) Quantitative disclosures

		(₹ in crore)	
Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Number of meetings held by the Nomination and Remuneration Committee during the financial year	8	9
(b)	Remuneration paid to the members of the Nomination and Remuneration Committee	0.23	0.20
(c)	Number of employees having received a variable remuneration award during the financial year (as per compensation policy)	10*	8*
(d)	Number and total amount of sign-on awards made during the financial year	NIL	NIL
(e)	Details of guaranteed bonus, if any, paid as joining/ sign on bonus	NIL	NIL
(f)	Details of severance pay, in addition to accrued benefits, if any	NIL	NIL
(g)	Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms	Cash 4.46 Share linked instruments 7.40** (fair value of 1,864,967 units)	Cash 3.61 Share linked instruments 5.54** (fair value of 1,541,156 units)
(h)	Total amount of deferred remuneration paid out in the financial year	Cash 1.78 Share linked instruments 1.25 (appreciation value of 364,574 units)	Cash 1.21 Share linked instruments 0.78 (appreciation value of 364,574 units)
(i)	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred#	Fixed 12.72# Variable 8.16* -Deferred Cash 2.63 Share linked instruments 2.91** -Non Deferred 2.63 CSAR grant of 688,385 units	Fixed 15.94# Variable 6.84* -Deferred Cash 1.71 Share linked instruments 3.42** -Non Deferred 1.71 CSAR grant of 800,954 units



# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

		(₹ in crore)	
Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(j)	Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/ or implicit adjustment	14.34	12.06
(k)	Total amount of reductions during the financial year due to ex-post explicit adjustments	NIL	NIL
(l)	Total amount of reductions during the financial year due to ex-post implicit adjustment	NIL	NIL
(m)	Number of MRTs identified	8#	8#
(n)	Number of cases where malus has been exercised	NIL	NIL
(o)	Number of cases where clawback has been exercised	NIL	NIL
(p)	Number of cases where both malus and clawback have been exercised	NIL	NIL
(q)	The mean pay for the bank as a whole (excluding sub-staff)	0.072	0.065
(r)	The deviation of the pay of each of its MDs from the mean pay.	2.81	5.19
(s)	The deviation of the pay of each of its WTDs from the mean pay.	1.28	NIL

\*Pertains to FY 2023-24 paid in FY 2024-25 (Previous year: pertains to FY 2022-23 paid in FY 2023-24)

\*\* Fair value computed using Black-Scholes options pricing model as on the grant date.

#One MRT retired on April 28, 2024 (Previous year: One MRT separated on February 07, 2024 accordingly remuneration is considered). Fixed remuneration Includes Fixed CTC and Perquisites.

RBI has approved variable pay of ₹ 15,000,000 for Ex-Managing Director & CEO for FY 2023-24 paid in accordance to RBI guidelines and Compensation policy of the Bank.

## 13.4 Disclosure on remuneration to Non-Executive Directors

Remuneration (including sitting fees, fixed remunerations and honorarium) paid to Non-Executive Directors during the year is ₹ 2.82 crore (Previous year: ₹ 2.23 crore).

## 13.5 Proposed Dividend

The Board of Directors have recommended a dividend of ₹ 1.35 per share (13.5%) for the year ended March 31, 2025 subject to approval of the shareholders in the ensuing Annual General Meeting.

Dividend paid during the year, represents dividend (₹ 1.25 per equity share) for the year ended March 31, 2024 paid pursuant to approval of shareholders at Annual General Meeting held on June 12, 2024.

## 13.6 Disclosure under Rule 11(e) of the Companies (Audit & Auditors) Rules, 2014

The Bank, as part of its normal business, grants loans and advances (including loans against third party deposits or other margins/ security), makes investment, provides guarantees (including against margin/ guarantees received from third parties/ banks) to and accepts deposits and borrowings from its customers, other entities and persons. These transactions are part of Bank's normal banking finance business, which is conducted ensuring adherence to regulatory requirements.

# Schedules and Notes to the Financial Statements

for the year ended March 31, 2025

Other than the transactions described above

- (a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in other persons or entities identified by or on behalf of the Bank ('Ultimate Beneficiaries') or provide any guarantee, security or like on behalf of the Ultimate Beneficiaries.
  - (b) The Bank has not received any funds from any person(s) or entity(ies) ('Funding Party') with the understanding, whether recorded in writing or otherwise, that the Bank shall, whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 14** The Bank pays loan servicing fees to Business Correspondents ('BC') for services rendered towards sourcing and servicing of loans and other related activities, which is netted off from "Interest/ Discount on Advances/Bills" in Schedule 13. Such fees was amounted to ₹ 86.80 crore for financial year 2024-25 (Previous year: ₹ 76.75 crore).
- 15** Net overnight open position outstanding as on March 31, 2025 was ₹ 26.53 crore (Previous year: ₹ 5.37 crore).
- 16** The Bank's pending litigations comprise of claims against the Bank by the clients and proceedings pending with Income Tax authorities. The Bank has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Management believes that the possibility of an outflow of resources embodying economic benefits in these cases is possible but not probable and hence no provision is required in these cases. However, a contingent liability has been disclosed with respect to these cases. Refer note 11.10 for details on contingent liabilities.
- 17** The Bank has a process whereby periodically all long-term contracts (including derivative contracts) are assessed for material foreseeable losses. The Bank reviews and ensures that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long-term contracts (including derivative contracts) has been made in the books of account.
- 18** These are the notes appended to and forming part of the financial statements for the year ended March 31, 2025.

For and on behalf of the Board of Directors

**Praveen Kutty**  
MD & CEO  
DIN-10329590

**Farokh Subedar**  
Chairman  
DIN-00028428

**Thiyagarajan Kumar**  
Director  
DIN-00735914

**Ravi Kumar**  
Chief Financial Officer

**Rubi Chaturvedi**  
Company Secretary

As per our report of even date.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration Number: 101248W/W-100022

**For Varma & Varma**  
Chartered Accountants  
Firm Registration Number: 004532S

**Ashwin Suvarna**  
Partner  
Membership No.: 109503

**K P Srinivas**  
Partner  
Membership No.: 208520

Place : Mumbai  
Date : April 25, 2025

Place : Mumbai  
Date : April 25, 2025



# PILLAR III DISCLOSURES UNDER THE NEW CAPITAL ADEQUACY FRAMEWORK (BASEL III)

## 1. SCOPE OF APPLICATION

DCB Bank Ltd. ('the Bank') is a scheduled commercial bank which was incorporated on May 31, 1995. The Bank has no subsidiaries.

As on March 31, 2025, the Bank does not have investment in any insurance entity.

## 2. CAPITAL STRUCTURE

Capital funds are classified into Tier-I and Tier-II capital under the capital adequacy framework.

### Tier-I Capitals

The Bank's Tier I capital will consist of Common Equity Tier I and Additional Tier I capital. Common Equity Tier 1 ('CET1') capital must be at least 5.5% of risk-weighted assets ('RWAs') i.e. for credit risk + market risk + operational risk on an ongoing basis and Additional Tier I capital can be a maximum of 1.5%, thus making total Tier I capital to be at least 7%.

In addition to the minimum Common Equity Tier 1 capital of 5.5% of RWAs, banks are also required to maintain a capital conservation buffer ('CCB') of 2.5% of RWAs in the form of Common Equity Tier 1 capital.

Tier-I capital includes paid-up equity capital, securities premium, statutory reserves, capital reserves, special reserve, revaluation reserve, other disclosed free reserves and balance in Profit and Loss account. Profits in current financial year may be included in Tier I based on fulfilment of certain conditions regarding incremental provisions for non-performing assets.

### Equity Capital

The Bank has authorised share capital of ₹ 5 billion comprising 500,000,000 equity shares of ₹ 10/- each. As on March 31, 2025 the Bank has issued subscribed and paid-up capital of ₹ 3.14 billion, constituting 314,287,398 shares of ₹ 10/- each. The provisions of the Companies Act, 2013 and other applicable laws and regulations govern the rights and obligations of the equity share capital of the Bank.

### Tier-II Capital

The Bank's Tier II capital includes investment reserve, investment fluctuation reserve, general provision for standard assets and subordinated debt instruments (lower Tier II bonds) eligible for inclusion in Tier II capital.

### Subordinated Debt (Lower Tier II bonds)

As on March 31, 2025 the Bank had an outstanding subordinated debt (Unsecured Redeemable Non-Convertible Bonds) aggregating ₹ 7,000 million, the details of which are stated below:

(₹ in million)

Deemed Date of Allotment	Coupon Rate (% p.a.)	Tenure (in months)	Equivalent Amount as on March 31, 2024
28 March 2023	9.35%	120	3,000.0
18 November 2024	9.20%	120	4,000.0
			7,000.0

### Composition of Capital – Tier I and Tier II

(₹ in million)

Particulars	As on March 31, 2025
<b>1. Tier I capital</b>	
1.1 Paid-up share capital	3,142.9
1.2 Reserves	51,282.2
1.3 Gross Tier I capital (1.1 + 1.2)	54,425.1
1.4 Deductions	133.5
<b>1.5 Total Tier I capital (1.3 - 1.4)</b>	<b>54,291.6</b>
<b>2. Tier II capital</b>	
2.1 Subordinated Debt (Lower Tier II bonds)	7,000.0
2.2 General Provisions	2,365.1
2.3 Gross Tier II capital (2.1 + 2.2)	9,365.1
2.4 Deductions	-
<b>2.5 Total Tier II capital (2.3 - 2.4)</b>	<b>9,365.1</b>
<b>3. Debt capital instruments eligible for inclusion in Upper Tier II capital</b>	
3.1 Total amount outstanding	-

Particulars	(₹ in million)
	As on March 31, 2025
3.2 Of which amount raised during the current year	-
3.3 Amount eligible to be reckoned as capital funds	-
<b>4. Subordinated debt eligible for inclusion in Lower Tier II capital</b>	
4.1 Total amount outstanding	7,000.0
4.2 Of which amount raised during the current year	4,000.0
4.3 Amount eligible to be reckoned as capital funds	7,000.0
<b>5. Other deductions from capital</b>	
5.1 Other deductions from capital	-
<b>6. Total eligible capital</b>	
<b>6.1 Total eligible capital (1.5 + 2.5)</b>	<b>63,656.7</b>

### 3. CAPITAL ADEQUACY

The Bank has a process for assessing its overall capital adequacy in relation to the Bank's risk profile and a strategy for maintaining its capital levels. The process ensures that the Bank has adequate capital to support all the material risks and an appropriate capital cushion. The Bank identifies, assesses and manages comprehensively all risks that it is exposed to through robust risk management framework, control mechanism and an elaborate process for capital calculation and planning.

The Bank has formalised and implemented a comprehensive Internal Capital Adequacy Assessment Process ('ICAAP'). The Bank's ICAAP covers the capital management policy of the Bank and also sets the process for assessment of the adequacy of capital to support current and future projections/ risks.

The Bank has a structured process for the identification and evaluation of all risks that the Bank faces, which may have an adverse material impact on its financial position. The Bank considers

the following risks as material risks it is exposed to in the normal course of its business and therefore, factors these while assessing / planning capital:

- Credit Risk
- Concentration Risk
- Market Risk
- Operational Risk
- Interest Rate Risk in the Banking Book
- Liquidity Risk
- Strategy Risk
- Reputational Risk
- Residual Risk
- Economy risk

The Bank has also implemented a Board approved Stress Testing policy. Stress Testing involves the use of various techniques to assess the Bank's potential vulnerability to extreme but plausible ('stressed') business conditions. Typically, this relates, among other things, to the impact on the Bank's profitability and capital adequacy. Stress Tests are conducted on a quarterly basis on the Bank's on and off-balance sheet exposures to test the impact of Credit, Liquidity risk and Interest Rate Risk in the Banking book ('IRRBB'). The stress test results are put up to the Risk Management Committee ('RMC') of the Board on a quarterly basis, for their review and guidance. The Bank periodically assesses and refines its stress tests in an effort to ensure that the stress scenarios capture material risks as well as reflect possible extreme market moves that could arise as a result of market conditions. The stress tests are used in conjunction with the Bank's business plans for the purpose of capital planning in the ICAAP. The Bank has also implemented a Board approved separate Stress Testing Policy / Model for its Securitised portfolio.

In line with the RBI guidelines for implementing the New Capital Adequacy Framework under Basel III, the Bank has successfully migrated to the framework from April 1, 2013. In accordance with the RBI's requirement, the Bank has continued to adopt Standardised Approach ('SA') for Credit Risk and Basic Indicator Approach ('BIA') for Operational Risk to compute capital as on April 01, 2024. Besides this, the Bank continues to apply the Standardised Duration Approach ('SDA') for computing capital requirement for Market Risk. RBI has prescribed banks to maintain a minimum CRAR of 9% with regard to credit risk, market





risk and operational risk on an ongoing basis. The Capital to Risk weighted Assets Ratio ('CRAR') as per Basel III guidelines works to 16.77% as on March 31, 2025 (as against minimum regulatory requirement of 11.50%). The Tier I CRAR stands at 14.30% as against RBI's prescription of 9.50%. The Bank has followed the RBI guidelines in force, to arrive at the eligible capital, risk weighted assets and CRAR.

Capital requirements for Credit Risk, Market Risk and Operational Risk:

(₹ in million)

Particulars	As on March 31, 2024
1. Capital requirement for Credit Risk	30,408.0
• Portfolio subject to Standardised Approach	29,356.8
• Securitization Exposures	1,051.2
2. Capital requirement for Market Risk	199.1
• Standardised Duration Approach	
o Interest Rate Risk	80.3
o Foreign Exchange Risk (Including gold)	118.8
o Equity Risk	0.0
3. Capital requirement for Operational Risk	3,144.4
• Basic Indicator Approach	3,144.4
<b>Total capital requirements (1 + 2 + 3)</b>	<b>33,751.5</b>
Total capital	63,656.7
CRAR %	16.77 %
Tier-I CRAR %	14.30 %

#### 4. RISK MANAGEMENT FRAMEWORK

The Bank is exposed to various types of risk such as Credit, Market, Operation, Liquidity, Interest Rate, Reputation, Legal and Strategic risk. The Bank has separate and independent Risk Management Department in place which oversees all types of risks in an integrated fashion.

The objective of risk management is to have optimum balance between risk and return. It entails the identification, measurement and management of risks across the various businesses of the Bank. Risk is managed through framework defined in policies approved by the Board of Directors and supported by an independent risk management function which monitors and takes corrective action so that the Bank operates within its risk appetite. The risk management function attempts to anticipate vulnerabilities through quantitative or qualitative examination of the embedded risks in various activities. The Bank continues to focus on refining and improving its risk measurement systems. In addition to ensuring compliance with regulatory requirements, the Bank has developed robust internal systems for assessing capital requirements keeping in view the business objectives.

The Board of Directors ('BOD') approves the strategies and policies for Risk Management, based on recommendations of the Risk Management Committee ('RMC') of Board set up to focus upon risk management issues. The RMC reviews various aspects of risk arising from the businesses undertaken by the Bank. Operating level risk committees comprising of senior management viz. Asset Liability Management Committee ('ALCO'), the Operational Risk Management Committee ('ORCO') and the Credit Risk Management Committee ('CRMC') oversee specific risk areas. These committees in turn provide inputs for review by the Risk Management Committee ('RMC') of Board.

##### 4.1 Risk Management Committee ('RMC') of the Board:

The Risk Management Committee ('RMC') of the Board is the primary tier to oversee implementation of Board approved strategies and policies, recommend setting up of tolerance limits wherever required, monitor implementation of strategies and policies, as well as adherence to prescribed tolerance limits, etc. The RMC oversees the functioning of Executive Level Committees for risk management. For this purpose, the minutes of the meetings of the Executive Level Committees

are placed before RMC regularly. Matters relating to Credit risk are routed through the Credit Committee of Board ('CCB') which also approves individual credit exposure in excess of executive delegated lending authority.

#### 4.2 Executive Level Committees:

At Executive Management level, the organisational responsibilities for implementing and monitoring Board approved strategies and policies and adhering to prescribed tolerance limits etc. are as under:

Sr. No.	Executive Level Committee	Focus Area	Chairman
1	Asset Liability Management Committee (ALCO)	All aspects of Market Risk management and ALM, monitoring & control	Managing Director & Chief Executive Officer (MD & CEO)
2	Credit Risk Management Committee (CRMC)	All aspects of Credit Risk management, monitoring & control	Managing Director & Chief Executive Officer (MD & CEO)
3	Operational Risk Management Committee (ORCO)	All aspects of Operational Risk management, monitoring & control	Executive Director

All the Executive Level Committees meet at least once in a month. ALCO however meets more frequently depending upon market conditions.

Note: Information Security is a part of Operational Risk - IT and reports to the Executive Director.

### 5. CREDIT RISK

- 5 (a)** Credit risk is defined as the possibility of losses associated with diminution in the credit quality of borrowers or counterparties. In a bank's portfolio, losses stem from outright default due to inability or unwillingness of a customer or counterparty to meet commitments in relation to lending, trading, settlement and other financial transactions.

The Bank adopts the definition of 'past due' and 'impaired credits' (for accounting

purposes) as defined by Reserve Bank of India under Income Recognition, Asset Classification and Provisioning ('IRAC') norms (vide RBI Master Circular dated April 2, 2024).

#### 5. a. i Credit Risk Management:

Credit Risk Management Committee ('CRMC') headed by MD & CEO is the top-level functional committee for managing credit risk. The Committee is responsible for implementation of Credit Risk Management policy approved by the Bank's Board. The Committee considers and takes decision necessary to manage and control credit risk within the overall quantitative prudential limits approved by the Bank's Board. The Committee is entrusted with the responsibilities to formulate standards for presentation of credit proposals, financial covenant, rating standards and benchmarks. The Committee also oversees compliance with Pillar 2 requirements under Basel III such as ICAAP and Stress Test.

The Bank has implemented RAM rating model of CARE which is being used to assess the credit rating of all business loans exceeding ₹ 10 million. The rating serves as a single point indicator of the diverse counterparty risk for taking credit decision. The rating migration is monitored on regular interval.

The Bank has a well-developed credit monitoring system to monitor the health of the loan accounts and to detect the delinquencies at the initial stage. A separate department independent of the business units is monitoring the transactions in all the Corporate, Agri and Inclusive Banking ('AIB'), SME and MSME exposures with credit limits exceeding ₹ 10 million with a view to detect any early warning signals.

The Bank adopts an integrated approach to credit risk management,



which encompasses:

- Establishment and articulation of corporate priorities
- Institution and inculcation of an appropriate credit culture
- Determination of specific credit risk strategy and profile
- Implementation of appropriate credit risk controls
- Monitoring the effectiveness of credit risk controls.

Though the Bank has implemented the Standardized approach for regulatory capital measurement for credit risk, the necessary steps for implementing Internal Rating Based Approach have been initiated.

#### 5. a. ii **Credit Strategy and Risk Profile:**

The Bank adopts a credit risk strategy and risk appetite, which is in line with its risk-taking ability to ensure conservation and growth of shareholder funds, with a proper balance between risk and reward. Financial resources are allocated to best optimise the risk reward ratio.

There is a clearly articulated definition of acceptable credit risk, based upon:

- Identification of target markets/ segments
- Establishing of characteristics of desirable customers within the target market
- Assessing whether adequate resources are available to support the business
- Ensuring that all economic and regulatory requirements are complied with
- Ensuring that the portfolio is consistent with the Bank's strategy and objectives especially in relation to risk concentration,

maturity profile and liquidity management.

#### 5. a. iii **Credit Risk Controls:**

Credit risk controls focus on identification, measuring, monitoring and managing the assumed risks and include:

- A documented credit policy and credit risk management policy
- Approval process with delegated authorities
- Asset quality and risk rating system and its verification
- Effective loan disbursement mechanism to minimise the legal risk
- Effective loan administration to ensure past-due management and bad loan detection
- A loan review mechanism
- Portfolio management tools to manage portfolio risks

#### **Management of credit risk is at three levels:**

- Strategic or Portfolio level, so as to ensure that no single event can have a significant adverse impact
- Established credit policy to have a minimum standard for assuming risk
- Reliance on the competence of trained staff to make sound credit decisions.

There is a clear separation in functional responsibilities between:

- Origination and sales
- Credit assessment and approvals
- Post- sanction loan administration and

- Credit Risk Management.

The Bank relies upon formal and conventional risk assessment, viz.:

- The ability and willingness of borrowers to repay
- Dependence primarily on cash flows for repayment with security taken to provide a secondary source of repayment
- Quality of data and analysis thereof forms the basis of assessment and not external reputation or unsubstantiated beliefs
- Rational assessment of probability of default and assessment of 'Worst Case Scenario'
- Transparency and communication of all relevant facts (negative as well as positive) necessary for making an informed credit decision
- Documentation of all assessment, rationale and decisions.

Know Your Customers 'KYC' forms the bedrock of initiating and sustaining any relationship.

The Bank's selection of personnel and systems of rewarding performance is aligned to meet the Bank's stated key priorities. There is a commitment to training and upgrading of staff skills. Strong 'ownership' of exposures is encouraged, through rewards as well as strong accountability.

#### 5 (b) Total gross credit risk exposure as on March 31, 2025:

(₹ million)

Category	Exposure
Fund based <sup>1</sup>	5,44,435.6
Non fund based <sup>2</sup>	11,651.6
<b>Total</b>	<b>5,56,087.2</b>

Note:

1. Fund based credit exposure excludes Cash in hand, Balance with RBI, SLR investments, deposits placed NABARD, SIDBI & NHB, Fixed and Other assets.
2. Non-fund based exposure includes outstanding Letter of Credit, Acceptances and Bank Guarantee exposures.

Exposures reported above include limits or outstanding whichever is higher, for other than term loans and NPAs. In case of terms loans and NPAs, the outstanding amount has been considered for this purpose.

#### 5 (c) Geographical distribution of exposures as on March 31, 2025:

(₹ in million)

Category	Domestic	Overseas
Fund based	5,44,435.6	-
Non fund based	11,651.6	-
<b>Total</b>	<b>5,56,087.2</b>	<b>-</b>

#### 5 (d) Industry type distribution of exposures as on March 31, 2025:

(₹ in million)

Industry	Fund Based	Non Fund Based	Total	%
<b>Retail Loans</b>	<b>2,39,373.6</b>	<b>84.8</b>	<b>2,39,458.4</b>	<b>43.06%</b>
Housing Loans	1,27,699.1	-	1,27,699.1	22.96%
Auto Loans	0.1	-	0.1	0.00%
Personal Loan	99.4	-	99.4	0.02%
Other Loans (Gold Loans, Loans against deposits & Shares etc.)	1,09,229.9	84.8	1,09,314.7	19.66%
Staff Loans	2,345.1	-	2,345.1	0.42%
<b>Trade</b>	<b>92,442.1</b>	<b>584.2</b>	<b>93,026.3</b>	<b>16.73%</b>
Trade - Retail	75,952.2	47.5	75,999.8	13.67%
Trade - Wholesale	16,489.9	536.7	17,026.5	3.06%
<b>Miscellaneous Services</b>	<b>53,602.4</b>	<b>362.6</b>	<b>53,965.1</b>	<b>9.70%</b>
of which Retail Business Loans	28,967.0	-	28,967.0	5.21%
<b>Agriculture</b>	<b>49,104.2</b>	<b>108.5</b>	<b>49,212.8</b>	<b>8.85%</b>
<b>NBFC</b>	<b>36,871.8</b>	<b>21.2</b>	<b>36,892.9</b>	<b>6.63%</b>
NBFC - HFC	6,115.8	17.5	6,133.3	1.10%
NBFC - Investment and Credit Company (AFC)	5,926.6	-	5,926.6	1.07%
NBFC - Others	24,829.4	3.7	24,833.0	4.47%
<b>Construction incl. Residential Housing</b>	<b>31,534.4</b>	<b>2,447.8</b>	<b>33,982.2</b>	<b>6.11%</b>
Residential Constructions	27,265.1	125.5	27,390.6	4.93%
Construction Contractors	2,855.4	795.8	3,651.2	0.66%
Construction Others	1,413.8	1,526.6	2,940.4	0.53%



(₹ in million)

Industry	Fund Based	Non Fund Based	Total	%
<b>Logistics</b>	<b>10,001.6</b>	<b>536.9</b>	<b>10,538.5</b>	<b>1.90%</b>
Logistics - Transport Operators (includes CV loans)	9,509.5	27.3	9,536.8	1.71%
Logistics - Others	492.0	509.6	1,001.7	0.18%
Infrastructure (Including Energy, Telecommunications, Water & Sanitation and Social & Commercial Infra)	6,138.4	715.8	6,854.1	1.23%
Textiles	5,111.2	62.3	5,173.5	0.93%
Basic Metal & Metal Products	2,100.9	1,613.8	3,714.7	0.67%
All Engineering	2,670.4	906.2	3,576.6	0.64%
Gems & Jewellery	2,406.9	697.5	3,104.4	0.56%
Real Estate Activities incl. Lease Rent Discounting	2,800.5	-	2,800.5	0.50%
Food Processing	1,287.1	389.6	1,676.7	0.30%
Travels & Tourism	1,466.0	133.8	1,599.9	0.29%
Chemical & Chemical Products	929.1	24.6	953.7	0.17%
Wood & Wood Products	916.0	-	916.0	0.16%
Paper & Paper Products	580.2	275.1	855.3	0.15%

(₹ in million)

Industry	Fund Based	Non Fund Based	Total	%
Capital Market (including Brokers)	1.0	645.0	646.0	0.12%
Cement & Cement Products	616.8	0.5	617.3	0.11%
IT & related	495.4	114.2	609.6	0.11%
Other Manufacturing	513.1	88.2	601.4	0.11%
Rubber, Plastic & their Products	485.3	21.2	506.6	0.09%
Renting of equipments	466.3	4.7	471.1	0.08%
Petroleum, Coal Products & Nuclear fuels	82.1	347.5	429.6	0.08%
Mining & Quarrying	253.2	13.8	267.0	0.05%
Finance (Others)	17.4	212.7	230.1	0.04%
Vehicles, Vehicle Parts & Transport Equipments	130.9	3.1	134.0	0.02%
Leather & Leather Products	113.8	-	113.8	0.02%
Beverages (Excl. Tea & Coffee) and Tobacco	43.6	-	43.6	0.01%
Glass & Glassware	32.6	-	32.6	0.01%
Residual	1,847.4	1,235.7	3,083.1	0.55%
<b>Grand Total</b>	<b>5,44,435.6</b>	<b>11,651.6</b>	<b>5,56,087.2</b>	<b>100.00%</b>

## 5 (e) Residual contractual maturity breakdown of assets as on March 31, 2025

(₹ in million)

Assets	Next Day	2-7 Days	8-14 Days	15-30 days	31days to 2 months	2 months -3 months	3 Months -6 Months	6 Months -1 Year	1-3 Years	3-5 Years	Above 5 Years	TOTAL
Cash	1,548.6	-	-	-	-	-	-	-	-	-	-	1,548.6
Balance with RBI	1,817.6	-	-	1,995.5	1,059.8	1,163.2	1,630.9	5,724.6	4,631.1	5,155.8	347.8	23,526.3
Balances with Other	1,801.9	-	-	-	-	-	-	-	109.2	-	-	1,911.1
Banks												
Investments	61,336.8	-	80.4	11,057.5	6,879.4	7,354.8	13,313.0	36,353.7	36,924.2	25,792.9	2,406.4	2,01,499.1
Advances	17,789.0	2,205.0	1,063.3	3,218.8	7,989.9	6,631.2	17,801.4	70,474.3	1,39,606.2	52,849.3	1,90,840.7	5,10,469.1
Fixed Assets	-	-	-	-	-	-	-	-	-	-	8,984.0	8,984.0
Other Assets	353.1	315.5	565.0	1,036.6	6,171.4	759.2	1,534.8	2,035.4	4,768.1	1,545.4	1,075.3	20,159.8
<b>Total</b>	<b>84,647.00</b>	<b>2,520.50</b>	<b>1,708.70</b>	<b>17,308.40</b>	<b>22,100.50</b>	<b>15,908.40</b>	<b>34,280.10</b>	<b>1,14,588.00</b>	<b>1,86,038.80</b>	<b>85,343.40</b>	<b>2,03,654.20</b>	<b>7,68,098.00</b>

**5 (f) Advances and Provisions:**

(₹ in million)

Particulars	As on March 31, 2025
<b>(a) Amount of NPAs (Gross)</b>	<b>15,544.3</b>
i. Substandard	6,219.9
ii. Doubtful 1	3,725.7
iii. Doubtful 2	3,925.2
iv. Doubtful 3	1,610.8
v. Loss	62.7
<b>(b) Net NPAs</b>	<b>5,715.5</b>
<b>(c) NPA Ratios</b>	
i. Gross NPAs to gross advances (%)	2.99 %
ii. Net NPAs to Net Advances (%)	1.12 %
<b>(d) Movement of NPAs (Gross)</b>	
i. Opening balance (as on March 31, 2024)	13,534.7
ii. Additions during the year	15,239.6
iii. Reductions during the year	13,230.0
iv. Closing balance	15,544.3
<b>(e) Movement of provisions for NPAs (excluding provision on Standard Assets)</b>	
i. Opening balance (as on March 31, 2024)	8,991.4
ii. Provision made during the year	4,729.6
iii. Write-off/ write-back of excess provisions	3,892.2
iv. Closing balance	9,828.8
<b>(f) Amount of Non-Performing Investments</b>	<b>106.3</b>
<b>(g) Amount of provisions held for non-performing investments</b>	<b>106.3</b>

(₹ in million)

Particulars	As on March 31, 2025
<b>(h) Movement of depreciation on investments</b>	
i. Opening balance (as on March 31, 2024)	236.2
ii. Add: Provision made during the year	66.0
iii. Less: Write-off/ write-back of excess provision during the year (including depreciation utilised on the sale of securities)	70.1
iv. Closing balance	232.1

**6. CREDIT RISK: Disclosures for portfolio subject to the Standardised Approach**

**6 (a)** The Bank has used the ratings of the following domestic external credit rating agencies (arranged in alphabetical order) for the purposes of risk weighting their claims for capital adequacy purposes:

- Acuite Ratings & Research Ltd
- CARE Ratings Limited
- CRISIL Limited
- ICRA Limited
- India Ratings and Research Private Limited (India Ratings) and
- Infomerics Valuation and Rating Private Limited

International credit rating agencies (arranged in alphabetical order) for the purposes of risk weighting their claims for capital adequacy purposes where specified:

- Fitch;
- Moody's; and
- Standard & Poor's





## 6 (b) A description of the process used to transfer public issuer ratings onto comparable assets in the banking book:

- Bank has used short term ratings for assets with maturity upto one year and long-term ratings for assets maturing after one year as accorded by the approved external credit rating agencies.
- Bank has not cherry-picked ratings. Bank has not used one rating of a CRA (Credit Rating Agency) for one exposure and another CRA's rating for another exposure on the same counterparty unless only one rating is available for a given exposure.
- Notwithstanding the repayable on demand condition, cash credit exposures have been subjected to Long-term rating.
- If an issuer has a long term external credit rating that warrants RW (Risk Weight) of 150%, all unrated exposures on the same issuer whether long or short is assigned the same 150% RW unless mitigated by recognised Credit Risk Mitigation ('CRM') techniques.
- Bank has used only solicited rating from the recognised CRAs. In case the issuer has multiple ratings from CRAs, the Bank has a policy of choosing (if there are two or more ratings) lower rating.
- Where RW associated with the rating by a CRA for a specific investment instrument is lower than one corresponding to unrated exposure, but the Bank's exposure is not in that instrument but some other debt, the RW for the rated exposure has been applied to Bank's unrated exposure provided the latter ranks pari-passu or senior to the specific rated exposure and the maturity of Bank's claim is not later than the rated exposure.

- If either the issuer or a single issue has been rated warranting RW equal or higher than unrated claim, a claim on the same issuer which is unrated but ranks pari-passu or subordinate to the rated exposure has been assigned the same RW as applicable to the rated exposure.
- No recognition of CRM technique has been taken into account in respect of a rated exposure if that has already been factored by the CRA while carrying out the rating.

For exposure amounts after risk mitigation subject to the standardised approach, amount of a Bank's outstanding (rated and unrated) in the following three major risk buckets as well as those that are deducted as on March 31, 2025 are as follows:

(₹ in million)

Particulars	Fund based	Non fund based
Below 100% risk weight	4,32,517.1	7,094.9
100% risk weight	1,01,616.0	2,865.4
More than 100% risk weight	10,302.6	1,691.2
<b>Total</b>	<b>5,44,435.6</b>	<b>11,651.6</b>

## 7. CREDIT RISK MITIGATION: Disclosures for Standardised Approach

- 7 (a) The Bank has adopted Credit Risk Mitigation ("CRM") Techniques and Collateral Management ("CM") guidelines issued by RBI under Master circular – Prudential guidelines on capital Adequacy and Market Discipline – New Capital Adequacy Framework ('NCAF') (vide RBI Master Circular dated July 01, 2015).

Bank has utilised credit risk mitigation in the case of Bank's own deposits, Kisan Vikas Patra, LIC policies, National Saving Certificate and gold, wherever the collateral is identifiable, marketable and enforceable and complies with RBI requirements. Sovereign exposures and Sovereign guaranteed exposures are risk weighted as per RBI directives.

The general principles applicable for use of credit risk mitigation techniques are as under:

- i. No transaction in which Credit Risk Mitigation ('CRM') techniques are used has been assigned higher capital requirement than as otherwise identical transaction where such techniques are not used.
- ii. The Bank has taken care to see that effects of CRM are not double counted. To ensure this no additional supervisory recognition of CRM for regulatory capital purposes are made available on claims for which an issue-specific rating is used that already reflects that CRM.
- iii. Principal-only ratings will not be allowed within the CRM framework. The rating should cover principal and interest.

The Bank has, therefore, put in place robust procedures and processes to control these risks, including strategy, consideration of the underlying credit, valuation, policies and procedures systems, control of roll-off risks, and management of concentration risk arising from the use of CRM techniques and its interaction with the Bank's overall credit risk profile.

## 7 (b) Eligible Financial Collateral:

The following collateral instruments are eligible for recognition in the comprehensive approach: -

- i. Cash (as well as certificates of deposit or comparable instruments, including fixed deposit receipts, issued by the lending bank) on deposit with the bank which is incurring the counterparty exposure.
- ii. Gold: Gold would include both bullion and jewellery. However, the value of the collateralized jewellery should be arrived at after notionally converting these to 99.99 purity.
- iii. Securities issued by Central and State Governments

- iv. Kisan Vikas Patra and National Savings Certificates provided no lock-in period is operational and if they can be encashed within the holding period.
- v. Life insurance policies with a declared surrender value of an insurance company which is regulated by an insurance sector regulator.
- vi. Debt securities rated by a chosen Credit Rating Agency in respect of which banks should be sufficiently confident about the market liquidity where these are either:
  - a) Attracting 100 per cent or lesser risk weight i.e., rated at least BBB(-) when issued by public sector entities and other entities (including banks and Primary Dealers); or
  - b) Attracting 100 per cent or lesser risk weight i.e., rated at least CARE A3/ CRISIL A3/ India Ratings and Research Private Limited (India Ratings) A3/ ICRA A3/ Acuite A3 for short-term debt instruments.
- vii. Debt Securities not rated by a chosen Credit Rating Agency in respect of which banks should be sufficiently confident about the market liquidity where these are:
  - a) issued by a bank; and
  - b) listed on a recognized exchange; and
  - c) classified as senior debt; and
  - d) all rated issues of the same seniority by the issuing bank are rated at least BBB(-) or CARE A3/ CRISIL A3/ India Ratings and Research Private Limited (India Ratings) A3/ ICRA A3/ Acuite A3 by a chosen Credit Rating Agency; and
  - e) the bank holding the securities as collateral has no information



to suggest that the issue justifies a rating below BBB(-) or CARE A3/ CRISIL A3/ India Ratings and Research Private Limited (India Ratings) A3/ICRA A3/Acuite A3 (as applicable) and;

- f) Banks should be sufficiently confident about the market liquidity of the security.
- viii. Units of Mutual Funds regulated by the securities regulator of the jurisdiction of the bank's operation mutual funds where:
- a price for the units is publicly quoted daily i.e., where the daily NAV is available in public domain; and
  - Mutual fund is limited to investing in the instruments listed in this paragraph.
- ix. Re-securitisations, irrespective of any credit ratings, are not eligible financial collateral.

(₹ in million)

Particular	As on March 31, 2025
Total exposure covered by eligible financial collateral after application of applicable haircuts	1,04,878.1
Total exposure covered by guarantees/credit derivatives	-

## 8. SECURITIZATION EXPOSURES

As per RBI guidelines on Securitization exposure, Investments by banks in securitized assets, representing loans to various categories of priority sector, except 'others' category, are eligible for classification under respective categories of priority sector lending ('PSL') depending on the underlying assets.

In the Financial Year 2024-25, the Bank has made investments in securitized assets by way of Pass

Through Certificates, aggregating to ₹ 36,654.4 million, the outstanding of this as on March 31, 2025 was ₹ 27,322.8 million.

The following table sets forth the details of investments in Pass Through Certificates carried out by the Bank and their position as on March 31, 2025.

(₹ in million)

Financial Year	Original Investment	Outstanding at March 31, 2025
2020-21	1,547.2	436.0
2021-22	2,978.1	629.9
2022-23	23,507.4	7,562.4
2023-24	39,129.2	28,286.5
2024-25	36,654.4	27,322.8
<b>Total</b>	<b>1,03,816.3</b>	<b>64,237.6</b>

## 9. MARKET RISK IN TRADING BOOK

Market risk refers to the uncertainty of future earnings resulting from changes in interest rates, foreign exchange rates, market prices and volatilities. The Bank assumes market risk in its lending and deposit taking businesses and in its investment activities, including position taking and trading. The market risk is managed in accordance with the investment policies, which are approved by the Board. These policies ensure that operations in securities, foreign exchange and derivatives are conducted in accordance with sound and acceptable business practices and are as per the extant regulatory guidelines, laws governing transactions in financial securities and the financial environment. Market Risk in Trading Book is assessed as per the Standardised Duration approach. The capital charge for FVTPL - Held for Trading ('HFT') is computed as per Reserve Bank of India prudential guidelines.

### Market risk management objectives:

The objectives of market risk management are as follows:

- Management of liquidity
- Management of interest rate risk and exchange rate risk.

- Proper classification and valuation of investment portfolio
- Adequate and proper reporting of investments and derivative products
- Compliance with regulatory requirements

#### Structure and organisation of the market risk management function:

The Board, through Risk Management Committee, approves the policies with regard to identification, measurement and control of market risks (Interest Rate Risk and Foreign Exchange Risk) and Liquidity Risk. Market Risk Department is an independent function. The Market Risk Department exercises independent control over the process of market risk management and recommends changes in processes and methodologies for measuring Market Risk.

#### Strategies and processes:

To comply with the regulatory guidelines and to have independent control groups there is clear functional separation of:

- Trading (Front office)
- Monitoring and control (Middle office) and
- Settlements (Back office)

#### The strategy/ guidelines for controlling market risk include:

- Direct involvement of experienced line management
- Stringent controls and limits
- Strict segregation of front, middle and back office duties
- Comprehensive periodical reporting of positions
- Regular independent reviews of all controls and limits
- Rigorous testing and auditing of all pricing, trading and risk management

The scope and nature of risk reporting and measurement systems:

Reporting: The Bank periodically reports on the various investments and their related risk measures to the senior management and the committees of the Board. The Bank also periodically reports to its regulator in compliance with regulatory requirements.

Measurement: The Bank has devised various risk metrics for measuring market risk. These are reported to Asset Liability Management Committee by Market Risk Management Department. Some of the risk metrics adopted by the Bank for monitoring its risks are Value-at-Risk, Earnings at Risk, Modified Duration, Stop Loss limits amongst others.

#### Capital requirements for market risk

(₹ in million)

Particulars	As on March 31, 2025
• Interest Rate Risk	80.3
• Foreign Exchange Risk (Including gold)	118.8
• Equity Risk	0.0
<b>Capital requirement for Market Risk</b>	<b>199.1</b>

## 10. OPERATIONAL RISK

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk includes legal risk but excludes strategic and reputation risks.

The Bank has put in place a Board approved Operational Risk Management Policy which outlines overall framework for management of Operational Risk. The Bank has identified Key Operational Risk Indicators ('KORIs') across various units, which are measured, monitored regularly and reported to Operational Risk Management Committee ('ORCO') on monthly basis. The Bank has a robust system of reporting Operational Risk events across various units through identified Operational Risk Officers, who are given adequate training to identify and report such events as and when they occur. The Bank has a very effective system of recording and



reporting operational losses booked. The Bank also collects qualitative data on self-assessment of operational risk faced by various units through Risk Control Self-Assessment ('RCSA') exercise.

The Bank has implemented Periodic Risk Identification and Controls Evaluation ('PRICE') system with a view to develop policy framework for identification and documented plan to mitigate various risks in the Bank. The PRICE system is expected to provide a robust overview of various risks being identified proactively that remain unmitigated. The PRICE system is pivotal in continuous assessment of our risk and control environment and prioritise our remedial efforts based on risk/impact.

The Bank manages Operational Risk by way of adopting best practices in processes as well as products. All the new and existing process are subjected to rigorous review by Management Committee for Approval of Process ('MCAP'), which comprises of senior management personnel with diversified experience in banking. Utmost importance is given on communication and understanding of processes at transactional level and compliance to same are monitored through effective internal audits.

The Bank understands the criticality of business continuity in the event of any undesirable/unforeseen incident and has put in place an exhaustive Business Continuity Plan ('BCP') in place which is subject to periodic drills. The Bank has robust Information Technology set up with Disaster Recovery ('DR') site for critical functions and backups. Further there is a strict adherence to Information Security Policy across the Bank.

As per the mandate from RBI, the Bank is following the Basic Indicator Approach ('BIA') for assessment of Operational Risk Capital. The Bank has taken quantitative and qualitative steps in view of moving towards advanced approaches as prescribed by RBI.

Capital requirement for operational risk as per Basic Indicator Approach ('BIA') as on March 31, 2025 is ₹ 3,144.4 million.

## 11. INTEREST RATE RISK IN BANKING BOOK

### Interest Rate Risk in the Banking Book ('IRRBB'):

Interest rate risk is the potential change in Net Interest Income ('NII') or Economic Value of Equity (Balance Sheet impact), caused by unexpected changes in market interest rates. Since NII or Net Interest Margin ('NIM') of Bank is dependent on the movements of interest rates, any mismatches or gaps in the cash-flows on re-pricing dates exposes Bank's NII or NIM to interest rate risk. Interest Rate Risk in Banking Book results from an unavoidable position or gap arising from Bank's normal day to day business by holding assets and liabilities in different maturities and different re-pricing dates.

### Risk management framework and monitoring:

The Board of the Bank, through Risk Management Committee of Board ('RMC'), has overall responsibility for management of risks and it sets limits and policies for management of liquidity risk, market risk including foreign exchange, interest rate and equity risk. The Asset Liability Management Committee ('ALCO'), a strategic decision making body constituted by Board, headed by Managing Director and comprising of senior executives of the Bank is responsible for deciding the mix and maturity profile of the assets and liabilities, recommendation of risk policies, setting up of prudential limits to manage the risks and ensuring compliance with the limits set by the Board. The ALM policy of the Bank includes the prudential limits on interest rate risk, liquidity risk, foreign exchange risk and equity risk.

Market Risk Management Department is responsible for monitoring the limits laid down in the ALM Policy through various reports. These reports are prepared at regular intervals and exceptions/deviations are reported to the ALCO/ RMC, as may be required by the ALM policy.

### Risk measurement and reporting framework:

As a part of its regular activities, ALCO manages the impact of the interest rate risk in banking book, through various limits, reports and tools such as interest rate sensitive gaps, Earnings at risk analysis, duration gap analysis, stress testing, etc. detailed as follows:

**Interest rate sensitivity gap:**

The interest rate gap risk, at any given date, is the risk arising from the mismatches in the assets and liabilities over the different time intervals. These mismatches or gaps are arrived at after matching rate sensitive assets and rate sensitive liabilities in the particular time bucket taking into account all assets and liabilities (including off Balance Sheet exposure). The rate sensitive assets and liabilities are grouped in the buckets as per the residual maturity or re-pricing date, whichever is earlier and is reported on monthly basis. The gap indicates whether net interest income is positively or negatively impacted by a change in interest rates and the magnitude of the gap approximates the change in net interest income for any given interest rate shift. Limits are fixed on individual gaps.

**Earnings at Risk Analysis ('EaR'):**

The gaps in the report indicates whether the Bank is in a position to benefit from rising interest rates by having a positive gap (RSA > RSL) or whether it is in a position to benefit from declining interest rates by a negative gap (RSL > RSA). The Bank monitors the Earnings at Risk on NII for 1% change in interest rates on the open periodic gaps.

**Stress testing:**

The Bank measures the impact on NIM/ EaR after taking into account various possible movement in interest rates across tenor and impact on the earnings is calculated for each of these scenarios. These reports are prepared on a quarterly basis for measurement of interest rate risk.

**Duration gap analysis:**

Movement in the interest rates also have a long-term impact on the market value of equity of the Bank, as the economic value of the Bank's assets, liabilities and off-Balance Sheet positions get affected. Duration is a measure of interest rate sensitivity of assets, liabilities and also equity. It may be defined as the percentage change in the market value of an asset or liability (or equity) for a given change in interest rates. Thus, Duration Gap Analysis measures by how much the market value of equity of a firm would change for the possible change in the interest rates.

The following tables show the impact on NII and economic value of equity for a given change in the interest rates. The impact is calculated assuming parallel shifts in the yield curve across all time buckets.

**i) Impact on NII:**

(₹ in million)

Currency	Changes in interest rates (in bps)			
	(100)	(50)	50	100
INR	(780.2)	(390.1)	390.1	780.2
USD	13.9	6.9	(6.9)	(13.9)
JPY	0.0	0.0	0.0	0.0
GBP	0.3	0.1	(0.1)	(0.3)
EUR	0.0	0.0	(0.0)	(0.0)
<b>Total</b>	<b>(766.0)</b>	<b>(383.0)</b>	<b>383.0</b>	<b>766.0</b>

**ii) Impact on economic value of equity:**

(₹ in million)

Currency	Changes in interest rates (in bps)			
	(100)	(50)	50	100
<b>INR</b>	<b>3,909.6</b>	<b>1,954.8</b>	<b>(1,954.8)</b>	<b>(3,909.6)</b>

\*No major exposure in foreign currencies

## 12. GENERAL DISCLOSURES FOR EXPOSURES RELATED TO COUNTERPARTY CREDIT RISK

**Counterparty exposure**

Counterparty credit risk in case of derivative contracts arises from the forward contracts. The subsequent credit risk exposures depend on the value of underlying market factors (e.g., interest rates and foreign exchange rates), which can be volatile and uncertain in nature. The Bank does not enter into derivative transactions other than forward transactions and interest rate futures.

**Credit limits**

The credit limit for counterparty bank is fixed based on their financial performance as per the latest audited financials. Various financial parameters such as NPA ratios, liquidity ratios, etc are taken into consideration while assigning the limit. Credit exposure is monitored daily to ensure it does not exceed the approved credit limit. These credit limits are set on the notional exposure basis.





### Credit exposures on forward contracts

The Bank enters into forward contracts in the normal course of business for positioning and arbitrage purposes, as well as for our own risk management needs, including mitigation of interest rate and foreign currency risk. Derivative exposures are calculated according to the current exposure method.

### Credit exposure as on March 31, 2025

(₹ in million)

	Notional Amount	Gross positive fair value of contracts	Potential future exposure	Total credit exposure
<b>Forward contracts</b>	79,325.1	424.3	1,746.2	2,170.5

**DF-11 Composition of Capital**

			(₹ in million)
Common Equity Tier 1 capital: instruments and reserves			Ref No.
1	Directly issued qualifying common share capital plus related stock surplus (securities premium)	16,982.14	A=a1+a2
2	Retained earnings	20,262.64	B=b1-b2
3	Accumulated other comprehensive income (and other reserves)	17,180.31	C=c1+c2+c3+c4-c5+c6+c7+c8
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	
6	Common Equity Tier 1 capital before regulatory adjustments	<b>54,425.09</b>	
Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	30.50	
8	Goodwill (net of related tax liability)	-	
9	Intangibles (net of related tax liability)	-	
10	Deferred tax assets	-	
11	Cash-flow hedge reserve	-	
12	Shortfall of provisions to expected losses	-	
13	Securitisation gain on sale	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	
15	Defined-benefit pension fund net assets	-	
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)	-	
17	Reciprocal cross-holdings in common equity	-	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-	
20	Mortgage servicing rights (amount above 10% threshold)	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	
22	Amount exceeding the 15% threshold	-	
23	of which: significant investments in the common stock of financial entities	-	
24	of which: mortgage servicing rights	-	
25	of which: deferred tax assets arising from temporary differences	-	
26	National specific regulatory adjustments (26a+26b+26c+26d)	-	
26a	of which: Investments in the equity capital of unconsolidated insurance subsidiaries	-	



(₹ in million)

26b	of which: Investments in the equity capital of unconsolidated non-financial subsidiaries	-	
26c	of which: Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	-	
26d	of which: Unamortised pension funds expenditures	-	
26e	of which: Net unrealised gains arising on fair valuation of Level 3 financial instruments recognised in the Profit and Loss Account or in the AFS Reserve	102.99	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28	<b>Total regulatory adjustments to Common equity Tier 1</b>	<b>133.49</b>	
29	<b>Common Equity Tier 1 capital (CET1)</b>	<b>54,291.60</b>	
<b>Additional Tier 1 capital: instruments</b>			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (securities premium) (31+32)	-	
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	-	
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	-	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	-	
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-	
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	<b>Additional Tier 1 capital before regulatory adjustments</b>	<b>-</b>	
<b>Additional Tier 1 capital: regulatory adjustments</b>			
37	Investments in own Additional Tier 1 instruments	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
41	National specific regulatory adjustments (41a+41b)	-	
41a	of which: Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	-	
41b	of which: Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
43	<b>Total regulatory adjustments to Additional Tier 1 capital</b>	<b>-</b>	
44	<b>Additional Tier 1 capital (AT1)</b>	<b>-</b>	
45	<b>Tier 1 capital (T1 = CET1 + AT1) (29 + 44)</b>	<b>54,291.60</b>	

(₹ in million)

Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	7,000.00	d
47	Directly issued capital instruments subject to phase out from Tier 2	-	
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-	
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Provisions	2,365.06	E=e1+e2
51	<b>Tier 2 capital before regulatory adjustments</b>	<b>9,365.06</b>	
Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	-	
53	Reciprocal cross-holdings in Tier 2 instruments	-	
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-	
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
56	National specific regulatory adjustments (56a+56b)	-	
56a	of which: Investments in the Tier 2 capital of unconsolidated insurance subsidiaries	-	
56b	of which: Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	-	
57	<b>Total regulatory adjustments to Tier 2 capital</b>	<b>-</b>	
58	<b>Tier 2 capital (T2)</b>	<b>9,365.06</b>	
59	<b>Total capital (TC = T1 + T2) (45 + 58)</b>	<b>63,656.66</b>	
60	<b>Total risk weighted assets (60a + 60b + 60c)</b>	<b>3,79,660.40</b>	
60a	of which: total credit risk weighted assets	3,37,866.30	
60b	of which: total market risk weighted assets	2,489.10	
60c	of which: total operational risk weighted assets	39,305.00	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	14.30%	
62	Tier 1 (as a percentage of risk weighted assets)	14.30%	
63	Total capital (as a percentage of risk weighted assets)	16.77%	
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation plus countercyclical buffer requirements plus higher of G-SIB buffer requirement and D-SIB buffer requirement, expressed as a percentage of risk weighted assets)	8.00%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: bank specific countercyclical buffer requirement	-	
67	of which: higher of G-SIB and D-SIB buffer requirement	-	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	7.30%	



(₹ in million)

National minima (if different from Basel III)		
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.50%
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.00%
71	National total capital minimum ratio (if different from Basel III minimum)	9.00%
Amounts below the thresholds for deduction (before risk weighting)		
72	Non-significant investments in the capital of other financial entities	-
73	Significant investments in the common stock of financial entities	-
74	Mortgage servicing rights (net of related tax liability)	-
75	Deferred tax assets arising from temporary differences (net of related tax liability)	-
Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	2,365.06
77	Cap on inclusion of provisions in Tier 2 under standardised approach	2,365.06
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-

## Notes to Template

(₹ in million)

Row No. of the template	Particular	
10	Deferred tax assets associated with accumulated losses	-
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	-
	Total as indicated in row 10	-
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	-
	of which: Increase in Common Equity Tier 1 capital	-
	of which: Increase in Additional Tier 1 capital	-
	of which: Increase in Tier 2 capital	-
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then:	-
	(i) Increase in Common Equity Tier 1 capital	-
	(ii) Increase in risk weighted assets	-
50	Eligible Provisions included in Tier 2 capital	2,365.06
	Eligible Revaluation Reserves included in Tier 2 capital	-
	Total of row 50	2,365.06

**Table DF-12: Composition of Capital- Reconciliation Requirements**
**Step 1**

(₹ in million)

	Balance sheet as in financial statements As on Mar. 31, 2025	Balance sheet under regulatory scope of consolidation As on Mar. 31, 2025
<b>A Capital &amp; Liabilities</b>		
i Paid-up Capital	3,142.87	
Reserves & Surplus	53,734.15	
Minority Interest	-	
Employee Stock Options Outstanding	29.78	
Total Capital	<b>56,906.80</b>	
ii Deposits	<b>6,00,309.53</b>	
of which: Deposits from banks	71,965.55	
of which: Customer deposits	5,28,343.98	
of which: Other deposits	-	
iii Borrowings	91,151.79	
of which: From RBI	17,150.00	
of which: From banks	700.00	
of which: From other institutions & agencies	65,092.32	
of which: Others Borrowings from outside India	1,209.47	
of which: Capital instruments	7,000.00	
iv Other liabilities & provisions	19,729.69	
<b>Total</b>	<b>7,68,097.81</b>	
<b>B Assets</b>		
i Cash and balances with Reserve Bank of India	25,074.87	
Balance with banks and money at call and short notice	1,911.03	
ii Investments:	2,01,499.02	
of which: Government securities	1,59,378.94	
of which: Other approved securities	-	
of which: Shares	575.64	
of which: Debentures & Bonds	3,967.67	
of which: Subsidiaries/ Joint Ventures/ Associates	-	
of which: Others (Commercial Papers, Mutual Funds, Certificate of Deposits, PTCs, SRs etc.)	37,576.77	
iii Loans and advances	5,10,469.13	
of which: Loans and advances to banks	0.00	
of which: Loans and advances to customers	5,10,469.13	
iv Fixed assets	8,983.98	
v Other assets	20,159.78	
of which: Goodwill and intangible assets	-	
of which: Deferred tax assets (Net)	1,359.75	
vi Goodwill on consolidation	-	
vii Debit balance in Profit & Loss account	-	
<b>Total Assets</b>	<b>7,68,097.81</b>	





## Step 2

		(₹ in million)	
	Balance sheet as in financial statements As on Mar. 31, 2025	Balance sheet under regulatory scope of consolidation As on Mar. 31, 2025	Ref No.
<b>A Capital &amp; Liabilities</b>			
<b>i Paid-up Capital</b>	3,142.87		a1
Reserves & Surplus	53,734.15		
of which:			
Securities Premium	13,839.27		a2
Balance in Profit & Loss account	20,686.93		b1
of which:			
Unallocated Surplus	14,533.58		
Current period profits not reckoned for Capital Adequacy	424.29		b2
Statutory Reserve	11,083.55		c1
Capital Reserve	1,913.30		c2
Special Reserve	2,531.19		c3
Revaluation Reserve	2,832.30		c4
of which			
Not reckoned for Capital Adequacy purposes	1,557.77		c5
General Reserve for Investments	186.09		c6
AFS Reserve	161.87		c7
Investment Fluctuation Reserve	499.65		e1
Employee Stock Options Outstanding	29.78		c8
Minority Interest	-		
<b>Total Capital</b>	<b>56,906.80</b>		
<b>ii Deposits</b>	6,00,309.53		
of which: Deposits from banks	71,965.55		
of which: Customer deposits	5,28,343.98		
of which: Other deposits	-		
<b>iii Borrowings</b>	91,151.79		
of which: From RBI	17,150.00		
of which: From banks	700.00		
of which: From other institutions & agencies	65,092.32		
of which: Others Borrowings from outside India	1,209.47		
of which: Capital instruments	7,000.00		d
<b>iv Other liabilities &amp; provisions</b>	19,729.69		
of which: Provision for Standard Assets	1,865.41		e2
of which: DTLs related to goodwill	-		
of which: DTLs related to intangible assets	-		
<b>Total</b>	<b>7,68,097.81</b>		
<b>B Assets</b>			
<b>i Cash and balances with Reserve Bank of India</b>	<b>25,074.87</b>		
Balance with banks and money at call and short notice	1,911.03		

(₹ in million)

	Balance sheet as in financial statements As on Mar. 31, 2025	Balance sheet under regulatory scope of consolidation As on Mar. 31, 2025	Ref No.
<b>ii Investments</b>	<b>2,01,499.02</b>		
of which: Government securities	1,59,378.94		
of which: Other approved securities	-		
of which: Shares	575.64		
of which: Debentures & Bonds	3,967.67		
of which: Subsidiaries/ Joint Ventures/ Associates	-		
of which: Others (Commercial Papers, Mutual Funds, Certificate of Deposits, PTC, SRs etc.)	37,576.77		
<b>iii Loans and advances</b>	<b>5,10,469.13</b>		
of which: Loans and advances to banks	0.00		
of which: Loans and advances to customers	5,10,469.13		
<b>iv Fixed assets</b>	<b>8,983.98</b>		
<b>v Other assets</b>	<b>20,159.78</b>		
of which: Goodwill and intangible assets	-		
Out of which:			
Goodwill	-		
Other intangibles (excluding MSRs)	-		
Deferred tax assets (Net)	1,359.75		
<b>vi Goodwill on consolidation</b>	<b>-</b>		
<b>vii Debit balance in Profit &amp; Loss account</b>	<b>-</b>		
<b>Total Assets</b>	<b>7,68,097.81</b>		

**Step 3**

(₹ in million)

**Common Equity Tier 1 capital: instruments and reserves**

	Component of regulatory capital reported by bank	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation from step 2
1 Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	16,982.14	A=a1+a2
2 Retained earnings	20,262.64	B=b1-b2
3 Accumulated other comprehensive income (and other reserves)	17,180.31	C=c1+c2+c3+c4-c5+c6+c7+c8
4 Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-	
5 Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	
<b>6 Common Equity Tier 1 capital before regulatory adjustments</b>	<b>54,425.09</b>	
7 Prudential valuation adjustments	30.50	
8 Goodwill (net of related tax liability)	-	



### Main Features of Regulatory Capital Instruments

Sr. No.	Particulars	Equity Shares	Sub-Ordinated Debt	Sub-Ordinated Debt
1	Issuer	DCB BANK LIMITED	DCB BANK LIMITED	DCB BANK LIMITED
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE503A01015	INE503A08051	INE503A08069
3	Governing law(s) of the instrument	Indian Law	Indian Law	Indian Law
	Regulatory treatment			
4	Transitional Basel III rules	Common Equity Tier 1	Tier 2	Tier 2
5	Post-transitional Basel III rules	Common Equity Tier 1	Tier 2	Tier 2
6	Eligible at solo/ group/ group & solo	Solo	Solo	Solo
7	Instrument type	Common Shares	Tier 2 Debt Instruments	Tier 2 Debt Instruments
8	Amount recognised in regulatory capital (₹ in million, as of most recent reporting date)	₹ 3,143 Million	₹ 3,000 Million	₹ 4,000 Million
9	Par value of instrument	₹ 10 per share	₹ 3,000 Million and each debenture of ₹ 10 Million	₹ 4,000 Million and each debenture of ₹ 0.1 Million
10	Accounting classification	Shareholder's Equity	Liability	Liability
11	Original date of issuance	Various*	28.03.2023	18.11.2024
12	Perpetual or dated	Perpetual	Dated	Dated
13	Original maturity date	No Maturity	28.03.2033	18.11.2034
14	Issuer call subject to prior supervisory approval	No	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	NA	Call option exercisable only if the instrument has run for five years; First call date is 28.03.2028; Call option can be exercised only with the prior approval of RBI. These Bonds are redeemable at Par.	Call option exercisable only if the instrument has run for five years; First call date is 18.11.2029; Call option can be exercised only with the prior approval of RBI. These Bonds are redeemable at Par.
16	Subsequent call dates, if applicable	NA	Any coupon payment date after 28.03.2028, with the prior approval of RBI.	Any coupon payment date after 18.11.2029, with the prior approval of RBI.
	<b>Coupons/ dividends</b>			
17	Fixed or floating dividend/ coupon	NA	Fixed	Fixed
18	Coupon rate and any related index	NA	9.35% per annum	9.20% per annum
19	Existence of a dividend stopper	NA	No	No

Sr. No.	Particulars	Equity Shares	Sub-Ordinated Debt	Sub-Ordinated Debt
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Partially discretionary	Partially discretionary
21	Existence of step up or other incentive to redeem	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	NA	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA
30	Write-down feature	No	Yes	Yes
31	If write-down, write-down trigger(s)	NA	PONV Trigger	PONV Trigger
32	If write-down, full or partial	NA	Fully or Partially	Fully or Partially
33	If write-down, permanent or temporary	NA	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	NA	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	NA	<p>The Claims of debenture holder (s) shall be:</p> <p>(i) Senior to the claims of investors in instruments eligible for inclusion in Tier 1 Capital of the Bank and</p> <p>(ii) Subordinate to the claims of all depositors and general creditors of the Bank</p>	<p>The Claims of debenture holder (s) shall be:</p> <p>(i) Senior to the claims of investors in instruments eligible for inclusion in Tier 1 Capital of the Bank and</p> <p>(ii) Subordinate to the claims of all depositors and general creditors of the Bank</p>
36	Non-compliant transitioned features	No	No	No
37	If yes, specify non-compliant features	NA	NA	NA

\*Date of allotment of equity shares are available on the Bank's website at following link:

<https://www.dcbbank.com/api/dcb/assets/2025-04/DCB-Capital-Structure-of-the-Bank-as-on-31st-March-2025.pdf>

**Table DF 17 - Summary comparison of accounting assets vs. leverage ratio exposure measure****Leverage Ratio:**

The leverage ratio is calibrated to act as a credible supplementary measure to the risk-based capital requirements.

The Basel III leverage ratio is defined as the capital measure (the numerator) divided by the exposure measure (the denominator), with this ratio expressed as a percentage.

$$\text{Leverage Ratio} = \frac{\text{Capital Measure (Tier 1 Capital)}}{\text{Exposure Measure}}$$

**Summary comparison of accounting assets vs. leverage ratio exposure measure**

		(₹ in Million)
Item		
1	Total consolidated assets as per published financial statements	7,68,097.81
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	2,170.47
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	-
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	20,706.69
7	Other adjustments	
<b>8</b>	<b>Leverage ratio exposure</b>	<b>7,90,974.97</b>

**DF-18 Leverage ratio**

		(₹ in Million)
Leverage ratio common disclosure template		
Item		Leverage ratio framework
<b>On-balance sheet exposures</b>		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	7,68,097.81
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	7,68,097.81
<b>Derivative exposures</b>		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	424.31
5	Add-on amounts for PFE associated with all derivatives transactions	1,746.16
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-

Leverage ratio common disclosure template		Leverage ratio framework
	Item	
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	
11	Total derivative exposures (sum of lines 4 to 10)	2,170.47
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	0.00
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14	CCR exposure for SFT assets	-
15	Agent transaction exposures	-
16	Total securities financing transaction exposures (sum of lines 12 to 15)	0.00
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	50,776.44
18	(Adjustments for conversion to credit equivalent amounts)	30,069.75
19	Off-balance sheet items (sum of lines 17 and 18)	20,706.69
Capital and total exposures		
20	Tier 1 capital	54,291.61
21	Total exposures (sum of lines 3, 11, 16 and 19)	7,90,974.97
Leverage ratio		
22	Basel III leverage ratio (per cent)	6.86%

**Notes**

**SFT** : Securities Financing Transactions

**PFE** : Potential Future Exposure

**CCP** : Central Counterparty

**CCR** : Counterparty Credit Risk

**Leverage Ratio for 4 quarters are as under-**

Particulars	(₹ in million)			
	As on June 30, 2024	As on September 30, 2024	As on December 31, 2024	As on March 31, 2025
Tier 1 Capital	47,915.9	48,017.5	47,884.5	54,291.6
Exposure measure	6,71,465.1	7,15,432.6	7,41,210.4	7,90,975.0
Leverage ratio	7.14%	6.71%	6.46%	6.86%

[illegible]



## Note

# DCB BANK

## DCB Special Program

- Savings Account with cashback benefit upto **₹16,500 p.a.\*** on UPI debit and credit transactions
- Free DCB Platinum Debit Card
- Waiver of upto 50% on locker fee<sup>#</sup> and loan processing fee



**DCB Customer Care:** Call 022 68997777 ▪ 040 68157777  
Email [customercare@dcbbank.com](mailto:customercare@dcbbank.com) Web [www.dcbbank.com](http://www.dcbbank.com)

Terms & conditions apply. \*Cashback is subject to maintenance of average account balance in a quarter along with maximum eligible UPI transactions per month. <sup>#</sup>Lockers are subject to availability.



DCB Bank Limited

**DCB BANK**

## **DCB WOW Savings Account**

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Terms and conditions apply. \*Cashback is subject to maintenance of average account balance in a quarter along with maximum eligible UPI transactions per month.



DCB Bank Limited



# DCB BANK

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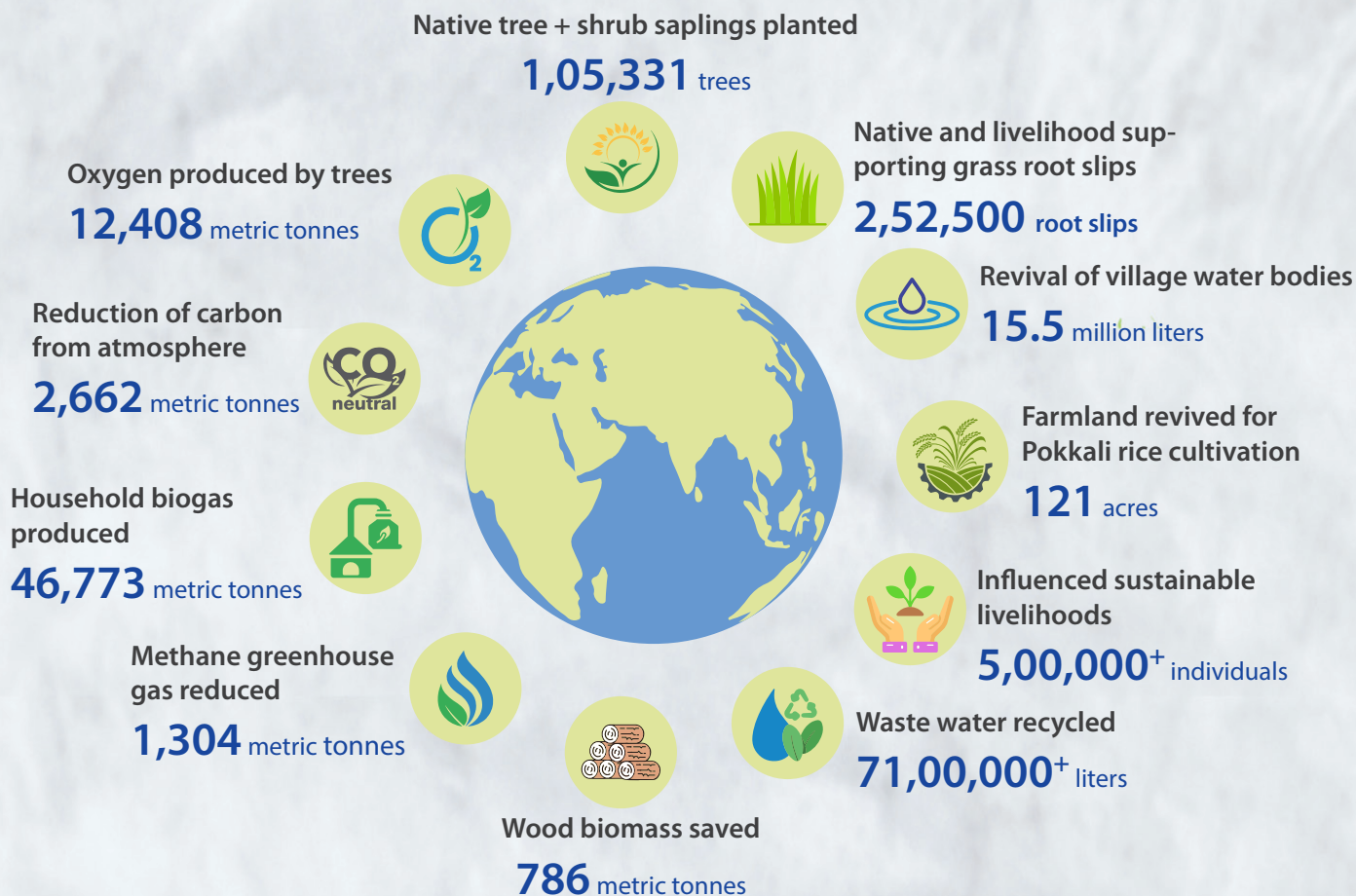
Terms & conditions apply. \*Cashback is subject to maintenance of average account balance in a quarter along with maximum eligible UPI transactions per month.



DCB Bank Limited

# Sustainable impact by DCB Bank

## Corporate Social Responsibility FY 2024-25



### DCB Bank Limited

Printing and Stationery Department, 2nd Floor, A-1/E, Rashmi Park,  
Sheetal Nagar, Telephone Exchange, Mira Road (E), Thane - 401107