

DCB BANK

| DCB BANK LIMITED | | | | | | |
|---|---|----------------------------|------------------|----------------------------|-----------------|-----------------|
| CIN No.: L99999MH1995PLC089008 | | | | | | |
| Regd. Office: 601 & 602, 6th Floor, Peninsula Business Park, Tower A, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 | | | | | | |
| AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018 | | | | | | |
| (₹ in crore) | | | | | | |
| Sr. No. | Particulars | Quarter ended | | | Year Ended | |
| | | 31.03.2018 | 31.12.2017 | 31.03.2017 | 31.03.2018 | 31.03.2017 |
| | | (Audited) Refer Note 10 | (Unaudited) | (Audited) Refer Note 10 | (Audited) | (Audited) |
| 1 | Interest Earned (a+b+c+d) | 649.19 | 610.78 | 549.05 | 2,412.99 | 2,076.15 |
| a. | Interest / Discount on advances / bills | 524.86 | 495.85 | 431.84 | 1,940.27 | 1,647.95 |
| b. | Income on Investments | 106.93 | 105.30 | 110.06 | 420.79 | 393.52 |
| c. | Interest on balances with Reserve Bank of India and Other Inter Bank Funds | 8.80 | 3.63 | 1.14 | 18.03 | 5.78 |
| d. | Others (Refer Note 3) | 8.60 | 6.00 | 6.01 | 33.90 | 28.90 |
| 2 | Other Income (Refer Note 5) | 84.86 | 74.94 | 63.31 | 310.27 | 248.84 |
| 3 | Total Income (1+2) | 734.05 | 685.72 | 612.36 | 2,723.26 | 2,324.99 |
| 4 | Interest Expended | 385.49 | 360.32 | 328.79 | 1,417.56 | 1,279.06 |
| 5 | Operating Expenses (i+ii+iii) | 206.98 | 202.86 | 168.23 | 780.73 | 627.72 |
| i. | Employees cost | 101.66 | 97.01 | 81.52 | 381.23 | 308.02 |
| ii. | Rent, Taxes and Lighting | 20.45 | 19.81 | 17.72 | 81.02 | 65.83 |
| iii. | Other Operating Expenses | 84.87 | 86.04 | 68.99 | 318.48 | 253.87 |
| 6 | Total Expenditure (4+5) | 592.47 | 563.18 | 497.02 | 2,198.29 | 1,906.78 |
| 7 | Operating Profit before Provisions and Contingencies (3-6) | 141.58 | 122.54 | 115.34 | 524.97 | 418.21 |
| 8 | Provisions (Other than tax) and Contingencies | 38.81 | 34.25 | 33.93 | 138.80 | 111.49 |
| 9 | Exceptional Items | - | - | - | - | - |
| 10 | Profit from Ordinary Activities before tax (7-8-9) | 102.77 | 88.29 | 81.41 | 386.17 | 306.72 |
| 11 | Tax expense | 38.56 | 31.28 | 28.55 | 140.83 | 107.04 |
| 12 | Net Profit from Ordinary Activities after tax (10-11) | 64.21 | 57.01 | 52.86 | 245.34 | 199.68 |
| 13 | Extraordinary Items (Net of tax expenses) | - | - | - | - | - |
| 14 | Net Profit for the period (12-13) | 64.21 | 57.01 | 52.86 | 245.34 | 199.68 |
| 15 | Paid-up Equity Share Capital (Face value ₹ 10/-) | 308.08 | 307.90 | 285.36 | 308.08 | 285.36 |
| 16 | Reserves excluding Revaluation Reserves | - | - | - | 2,247.90 | 1,661.43 |
| 17 | Analytical Ratios | | | | | |
| i. | Percentage of shares held by Government of India | Nil | Nil | Nil | Nil | Nil |
| ii. | Capital Adequacy Ratio (%) - Basel III | 16.47 | 15.77 | 13.76 | 16.47 | 13.76 |
| iii. | Earnings Per Share (EPS) | | | | | |
| | (a) Basic and diluted EPS before Extraordinary items (Net of tax expenses) for the period and for the previous year | (Not Annualised) | (Not Annualised) | (Not Annualised) | (Annualised) | (Annualised) |
| | (i) Basic (₹) | 2.08 | 1.85 | 1.85 | 8.02 | 7.01 |
| | (ii) Diluted (₹) | 2.04 | 1.81 | 1.82 | 7.85 | 6.87 |
| | (b) Basic and diluted EPS after Extraordinary items (Net of tax expenses) for the period and for the previous year | (Not Annualised) | (Not Annualised) | (Not Annualised) | (Annualised) | (Annualised) |
| | (i) Basic (₹) | 2.08 | 1.85 | 1.85 | 8.02 | 7.01 |
| | (ii) Diluted (₹) | 2.04 | 1.81 | 1.82 | 7.85 | 6.87 |
| iv. | NPA Ratios | | | | | |
| | (a) Amount of Gross non-performing assets | 369.03 | 354.46 | 254.20 | 369.03 | 254.20 |
| | (b) Amount of Net non-performing assets | 146.72 | 161.47 | 124.41 | 146.72 | 124.41 |
| | (c) % of Gross NPAs to Gross Advances | 1.79 | 1.89 | 1.59 | 1.79 | 1.59 |
| | (d) % of Net NPAs to Net Advances | 0.72 | 0.87 | 0.79 | 0.72 | 0.79 |
| v. | Return on Assets (%) (Annualised) | 0.91 | 0.86 | 0.90 | 0.94 | 0.93 |

| DCB BANK LIMITED | | |
|---|---------------------|---------------------|
| SUMMARISED BALANCE SHEET | | |
| (₹ in crore) | | |
| | As at 31.03.2018 | As at 31.03.2017 |
| | (Audited) | (Audited) |
| Capital & Liabilities | | |
| Capital | 308.08 | 285.36 |
| Employee Stock Options (Grants Outstanding, net of deferred cost) | 1.41 | 1.58 |
| Reserves & Surplus | 2,498.34 | 1,917.94 |
| Capital and Reserves | 2,807.83 | 2,204.88 |
| Deposits | 24,006.86 | 19,289.21 |
| Borrowings | 1,926.71 | 1,275.81 |
| Other Liabilities and Provisions | 1,480.69 | 1,276.48 |
| Total Capital & Liabilities | 30,222.09 | 24,046.38 |
| Assets | | |
| Cash and Balances with Reserve Bank of India | 1,136.39 | 858.30 |
| Balances with Banks and Money at Call and Short notice | 1,235.59 | 334.16 |
| Investments | 6,218.96 | 5,817.94 |
| Advances | 20,336.69 | 15,817.63 |
| Fixed Assets | 494.02 | 488.57 |
| Other Assets | 800.44 | 729.78 |
| Total Assets | 30,222.09 | 24,046.38 |

| SEGMENTAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018 | | | | | | |
|---|---|----------------------------|------------------|----------------------------|------------------|------------------|
| Sr. No. | Business Segment | Quarter ended | | | Year Ended | |
| | | 31.03.2018 | 31.12.2017 | 31.03.2017 | 31.03.2018 | 31.03.2017 |
| | | (Audited) Refer Note 10 | (Unaudited) | (Audited) Refer Note 10 | (Audited) | (Audited) |
| 1 | Segment Revenue | | | | | |
| a | Treasury Operations | 193.10 | 191.27 | 165.43 | 739.81 | 650.00 |
| b | Corporate / Wholesale Banking | 107.37 | 98.31 | 90.39 | 386.06 | 362.00 |
| c | Retail Banking | 598.12 | 558.69 | 508.39 | 2,179.53 | 1,883.71 |
| d | Other Banking Operations | 8.26 | 7.49 | 6.31 | 30.32 | 19.58 |
| e | Unallocable | 2.58 | (0.04) | 0.09 | 9.46 | 4.83 |
| | Total | 909.43 | 855.72 | 770.61 | 3,345.18 | 2,920.12 |
| | Less:- Inter Segment Revenue | 175.38 | 170.00 | 158.25 | 621.92 | 595.13 |
| | Income from Operations | 734.05 | 685.72 | 612.36 | 2,723.26 | 2,324.99 |
| 2 | Segment Results | | | | | |
| a | Treasury Operations | 3.95 | 13.39 | 6.38 | 57.96 | 56.88 |
| b | Corporate / Wholesale Banking | 10.51 | 11.71 | 2.46 | 52.37 | 36.91 |
| c | Retail Banking | 82.95 | 60.96 | 70.98 | 257.18 | 207.25 |
| d | Other Banking Operations | 7.82 | 7.02 | 5.79 | 28.27 | 17.24 |
| e | Unallocable | (2.46) | (4.79) | (4.20) | (9.61) | (11.56) |
| | Total Profit before Tax | 102.77 | 88.29 | 81.41 | 386.17 | 306.72 |
| 3 | Segment Assets | | | | | |
| a | Treasury Operations | 8,956.38 | 7,570.14 | 7,384.00 | 8,956.38 | 7,384.00 |
| b | Corporate / Wholesale Banking | 4,330.39 | 3,954.57 | 3,479.48 | 4,330.39 | 3,479.48 |
| c | Retail Banking | 16,749.02 | 15,411.73 | 13,016.42 | 16,749.02 | 13,016.42 |
| d | Other Banking Operations | 0.12 | 0.04 | 0.13 | 0.12 | 0.13 |
| e | Unallocable | 186.18 | 214.82 | 166.35 | 186.18 | 166.35 |
| | Total Segment Assets | 30,222.09 | 27,151.30 | 24,046.38 | 30,222.09 | 24,046.38 |
| 4 | Segment Liabilities | | | | | |
| a | Treasury Operations | 7,252.93 | 6,246.52 | 4,804.97 | 7,252.93 | 4,804.97 |
| b | Corporate / Wholesale Banking | 1,716.79 | 1,150.92 | 1,088.51 | 1,716.79 | 1,088.51 |
| c | Retail Banking | 18,437.51 | 17,002.73 | 15,939.95 | 18,437.51 | 15,939.95 |
| d | Other Banking Operations | 1.21 | 0.65 | 1.21 | 1.21 | 1.21 |
| e | Unallocable | 5.82 | 7.89 | 6.86 | 5.82 | 6.86 |
| | Total Segment Liabilities | 27,414.26 | 24,408.71 | 21,841.50 | 27,414.26 | 21,841.50 |
| 5 | Capital Employed (Segment Assets - Segment Liabilities) | | | | | |
| a | Treasury Operations | 1,703.45 | 1,323.62 | 2,579.03 | 1,703.45 | 2,579.03 |
| b | Corporate / Wholesale Banking | 2,613.60 | 2,803.65 | 2,390.97 | 2,613.60 | 2,390.97 |
| c | Retail Banking | (1,688.49) | (1,591.00) | (2,923.53) | (1,688.49) | (2,923.53) |
| d | Other Banking Operations | (1.09) | (0.61) | (1.08) | (1.09) | (1.08) |
| e | Unallocable | 180.36 | 206.93 | 159.49 | 180.36 | 159.49 |
| | Total Capital Employed | 2,807.83 | 2,742.59 | 2,204.88 | 2,807.83 | 2,204.88 |

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

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

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

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

Notes:

- 1 The above audited financial results for the quarter and year ended March 31, 2018 have been reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on April 14, 2018. An unqualified report has been issued by the statutory auditors for the year ended March 31, 2018.
- 2 The Board of Directors have recommended a dividend of ₹ 0.75 per share @ 7.5% for the year ended March 31, 2018 (previous year : ₹ 0.50 per share @ 5%) subject to approval of the members in the ensuing Annual General Meeting.
- 3 "Interest earned-Others" includes interest on income tax refunds of ₹ 2.62 crore and ₹ 9.83 crore for the quarter and year ended March 31, 2018 respectively (₹ 0.09 crore and ₹ 4.83 crore for the quarter and year ended March 31, 2017 respectively).
- 4 The financial results for the quarter and year ended March 31, 2018 have been arrived at after considering the provision for standard assets including requirements for exposures to entities with Unhedged Foreign Currency Exposure, Non Performing Assets (NPAs), depreciation on Investments, Income tax and other necessary provisions.
- 5 "Other Income" includes income from non-fund based activities such as brokerage and commission, fees, earnings in foreign exchange transactions, profit / loss on sale of investments (net) and income from sale of Priority Sector Lending certificates.
- 6 During the quarter and year ended March 31, 2018, the Bank has raised ₹ 150 crore and ₹ 450 crore respectively of Tier 2 Capital through an issue of Basel III subordinate compliant bonds (₹ 150 crore for the year ended March 31, 2017).
- 7 During the previous years, the Bank had sold certain non-performing assets to an asset reconstruction company and opted to write off loss on such sale over a period of two years. In respect of such sale, the Bank did not have any charge to the Profit and Loss Account for the quarter ended March 31, 2018 and ₹ 5.21 crore charge for the year ended March 31, 2018 (₹ 1.74 crore to the Profit and Loss Account for the quarter ended March 31, 2017 and ₹ 12.76 crore for the year ended March 31, 2017) and unamortised balance carried forward as at March 31, 2018 is Nil (₹ 5.21 crore as at March 31, 2017).
- 8 During the quarter and year ended March 31, 2018, the Bank allotted 183,390 and 950,530 equity shares respectively (320,250 and 928,280 equity shares in the quarter and year ended March 31, 2017 respectively) pursuant to the exercise of stock options by employees.
- 9 In terms of RBI circulars DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 on Basel III Capital Regulations and DBR.No.BP.BC.80 /21.06.201/2014-15 dated March 31, 2015 on Prudential Guidelines on Capital Adequacy and Liquidity Standards - Amendments, banks are required to make certain Pillar 3, Leverage Ratio, and Liquidity Coverage Ratio disclosures along with the publication of financial results. Accordingly, such disclosures have been placed on the Bank's website at the following link <http://www.dccb.com/cms/showpage/page/disclosures>. These disclosures have not been reviewed by the Statutory Auditors.
- 10 The figures for the quarter ended March 31, 2018 and March 31, 2017 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the respective financial year.
- 11 Figures for the previous period / year have been regrouped / reclassified wherever necessary to conform to the classification of the current period / year.

For and on behalf of the Board of Directors

Place : Bengaluru
Date : April 14, 2018

Murali M. Natrajan
MD & CEO