DCB BANK

READY TO *Take Off*



DCB BANK LIMITED

Integrated Annual Report FY 2025-26





PG. 26

MD & CEO'S Message



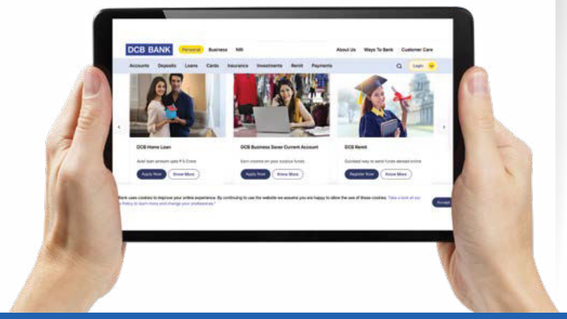
PG. 28

Strategy in Action

Investor Information

CIN	: L99999MH1995PLC089008
BSE Code	: 532772
NSE Symbol	: DCBBANK
Dividend Declared	: ₹ 1.45 per equity share for FY 2025-26
AGM Date	: Friday, July 03, 2026 at 02.30 p.m. (IST)
AGM Mode	Video Conferencing/ Other Audio Video Visual Means (VC/ OAVM)

Scan this QR Code to access the Investor Relations page



Disclaimer

This document contains statements about expected future events and financials of DCB Bank ('The Bank'), which are 'forward-looking'. By their nature, forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, Actual future results and events may differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Integrated Annual Report.

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Ready to Take Off

Progress in banking is the accumulation of disciplined decisions, made consistently over time. Over the past several years, DCB Bank has made those decisions.

We secured our loan book against real assets and diversified it across thousands of small borrowers. We brought costs under control and sustained that discipline. We invested in technology not as an end in itself, but as a means to serve more customers with greater speed, accuracy and efficiency. We remained focused on our core segment, the self-employed, small business owners and farmers.

These actions are now reflected in our performance. Credit costs have declined to multi-quarter lows. Productivity has improved even as headcount rationalized. Capital has been conserved and operating leverage is strengthening steadily.

We are now transitioning from a lender to a full-service Bank, deepening customer relationships, expanding wallet share and building fee-based income streams alongside lending. Our MSME and agri businesses are scaling, our digital infrastructure is robust, and our teams are delivering higher productivity than ever before.

India's self-employed segment remains large, underserved and structurally resilient. This segment does not just require access to credit, but a banking partner that understands its needs and supports its growth aspirations.

DCB Bank is building that franchise grounded in discipline, powered by technology, and aligned with long-term value creation.

Engines are fully powered up.
We are ready to take-off.

PERFORMANCE HIGHLIGHTS FY 2025-26

₹88,069 Crore
Total Assets
14.66% YoY

₹60,022 Crore
Net Loan Portfolio
17.58% YoY

₹72,583 Crore
Total Deposits
20.91% YoY

₹732 Crore
Profit After Tax (PAT)
18.89% YoY

16.55%
Capital Adequacy Ratio

0.89%
Net NPA

480
Total Branches

ABOUT THE REPORT

Welcome to Our Integrated Annual Report FY 2025-26



This marks the first edition of DCB Bank's Integrated Annual Report, in the 31st year of the Bank. In this document, we provide stakeholders with a comprehensive evaluation of our ability to harness our expertise and experience to generate enduring value.

Scope of reporting

Reporting Period, Scope and Boundary

This report covers the period between April 1, 2025 to March 31, 2026. The Report covers the Bank's primary activities across all operating geographies, operations, business segments and key support functions. It provides key information relating to our strategy and business model, operating context, material risks, stakeholder interests, performance and governance.

Our Approach to Reporting

The Report provides details of both financial and non-financial performance, strategic priorities, opportunities, risks and outcomes attributable to or associated with our key stakeholders, which have a significant impact on stakeholders value.

Framework, Guidelines and Standards

This Report has been prepared in accordance with the following principles and guidelines

- <IR> framework of the IFRS Foundation
- The Banking Regulation Act, 1949
- Regulations, circulars and guidelines issued by the Reserve Bank of India (RBI)
- Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Rules, 2021
- The Companies Act, 2013 (and the rules made thereunder)
- Accounting Standards issued by Institute of Chartered Accountants of India
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Secretarial Standards issued by the Institute of Company Secretaries of India

Responsibility Statement

The Bank's Management acknowledges this Integrated Report presents a balanced and transparent account of Your Bank's value-creation story.

Transparency and Enhanced Disclosures

The Bank has a comprehensive reporting approach, demonstrating our dedication to providing stakeholders with a transparent and holistic view of our performance and progress.

Integrated Thinking at DCB Bank

Integrated thinking shapes our strategic direction, governance and future opportunities, ensuring we consistently create value for all stakeholders.

Our Capitals

Financial Capital

The Bank's shareholders' equity, funding from investors, depositors and lenders and retained earnings are used to drive business and day-to-day operations.

Pg 32

Service Capital

The Bank's extensive branch network, digital assets and best-in-class IT infrastructure provides a solid platform to conduct business and create value.

Pg 36

Intellectual Capital

The Bank's differentiated product offerings, deep domain expertise, digital ecosystem across products and services, communication capabilities, applications, data analytics and cybersecurity.

Pg 42

Human Capital

The Bank's professional team with their diverse skills, range of experience and motivation to develop, improve and innovate processes, products and services through meritocracy, teamwork, leadership and collaboration.

Pg 48

Social & Relationship Capital

The Bank's key stakeholders and how it engages with them, reflects its ability to share values and improve individual and collective well-being.

Pg 52

Natural Capital

The Bank's resource consumption pattern and the impact of its operations and business activities on natural resources, i.e., steps taken to ensure effective usage of energy, water and waste management.

Pg 62

Enabled by

Strategy

Our strategy translates our capital strengths into unique customer experiences, prudent growth, operational excellence and sustainable financial performance.

Pg 28



With a Consistent Eye on

Environment

- Climate Risk
- Sustainable Operations
- Water Conservation
- Resource Efficiency
- Our Product Offerings

Social

- Diversity and Inclusion
- Corporate Social Responsibility
- Employee Health and Well-being
- Stakeholder Engagement
- Financial and Digital Inclusion
- Employee Training and Education

Governance

- Product Innovation
- Economic Performance of the Bank
- Cybersecurity
- Data Privacy
- Compliance
- Brand and Reputation Management
- Ethical Business Practices
- Customer Satisfaction

WHO WE ARE

A New Generation **Private Sector Bank**

DCB Bank is a new-generation private sector bank focused on serving small businesses, self-employed professionals, and individuals across India. The Bank offers comprehensive banking solutions to the self-employed and small business segments, comprising of business loans against property, working capital loans, overdraft facilities, gold loans, agri loans, Kisan Credit Cards, housing loans, and secured credit cards, coupled with personalized service of a neighbourhood bank and the capabilities of a modern digital institution.

DCB Bank's neighbourhood banking model is anchored in a phygital approach that combines local branch presence with targeted digital engagement. The Bank leverages pin code-level outreach, digital discovery platforms, and vernacular content to remain accessible and relevant to self-employed and small business customers, including younger, digitally native segments.

A Relationship-led Approach

Under DCB Bank's relationship-led banking model, third-party products and payment solutions are not viewed merely as fee-income generators, but as enablers of deeper customer engagement. For neighbourhood business customers, offerings such as payment solutions, QR codes, insurance, and investment products help integrate the Bank into their day-to-day financial ecosystem, strengthening long-term relationships. This philosophy shapes the Bank's product selection approach. Rather than focusing solely on fee potential, product recommendations are guided by customer relevance, ease of use, business needs, and long-term value creation.

In an environment where concerns around misselling persist, DCB Bank remains committed to protecting customer trust and financial well-being. The Bank emphasizes product suitability by carefully assessing customer requirements, risk appetite, and lifecycle needs before recommending any solution.

Vision for the Future

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 toward society and the environment.

We Delight **Customers** with

Empathy
Understanding the unique, often undocumented financial struggles of self-employed customers

Speed
Delivering fast solutions

Quality
Ensuring high standards of governance and service excellence



Business Segments **We Serve**

- Retail
- Micro-SMEs
- SMEs
- Mid-Corporate
- Microfinance Institutions (MFI)
- Agriculture
- Commodities
- Government
- Public Sector
- Indian Banks
- Cooperative Banks
- Non-Banking Finance Companies (NBFC)

We Serve Our **Customers** through

480 Branches

88 Rural Branches

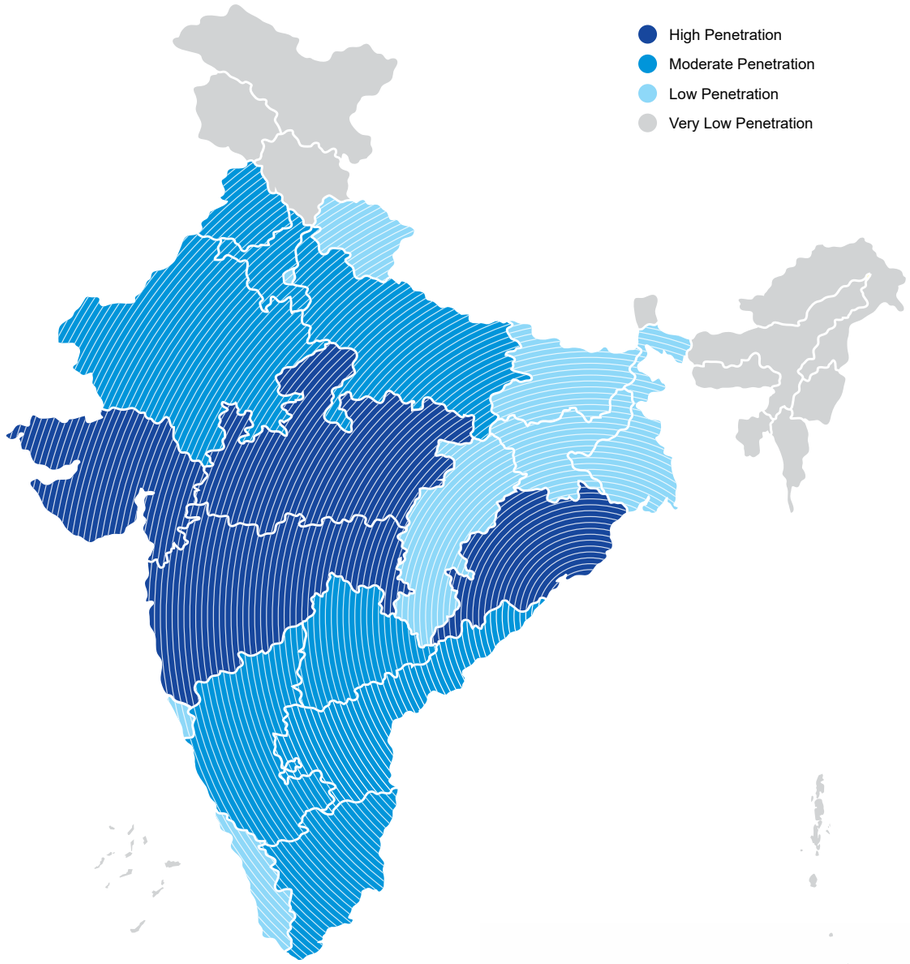
140 Urban Branches

120 Semi-Urban Branches

132 Metropolitan Branches

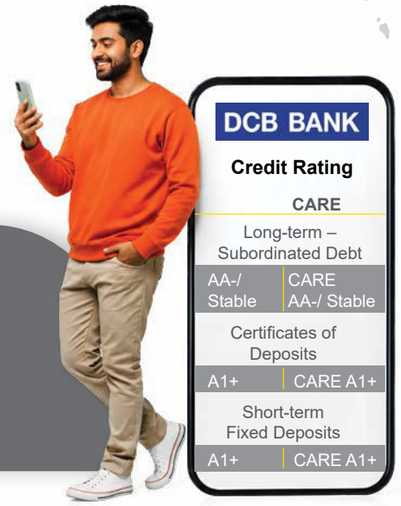
445 Total ATMs

PAN India Presence



Disclaimer: *This map is a generalised illustration for ease of understanding and is not intended for reference. The depiction of political boundaries and geographical names may not reflect actual positions. The Bank and its directors, officers or employees accept no responsibility for any use, misuse or interpretation of the information, and make no representation regarding its accuracy or completeness.*

The Bank's presence is strongest in Maharashtra, Gujarat, Andhra Pradesh, Telangana, Karnataka, Tamil Nadu, and Kerala, states with large populations of traders, small manufacturers, and self-employed professionals. At the same time, the Agri & Inclusive Banking vertical has taken the Bank deep into rural Odisha, Madhya Pradesh, Chhattisgarh, and Bihar, where it serves farming communities that have historically had limited access to formal credit.



Key Milestones on our Journey



1995
Universal banking licence issued by RBI

2006
DCB offered shares to the public through an IPO; Listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE")

2009
Bank pivoted as a Retail Bank, focused on secured, small-ticket, retail lending

2014
Name changed from Development Credit Bank to DCB Bank Limited, signaling a universal banking identity

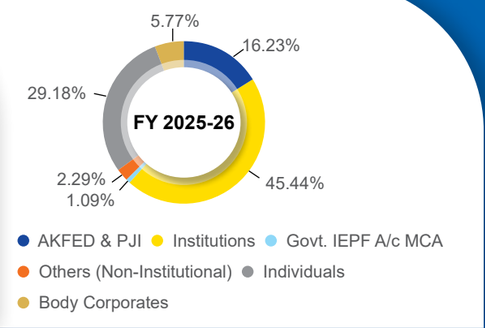
Up to 2019
Doubled the branch network, building geographic reach across Tier 2 to Tier 6 markets, doubling size 3 to 4 years

2021
Navigated pandemic with no capital raise and no large NPAs; secured, granular book proved its resilience through the cycle

2024
Praveen Achuthan Kutty appointed as the Managing Director & CEO, an insider with 16 years of experience at DCB Bank, leading retail, SME, and agri banking

2025-26
Advances crossed ₹60,000 Crore; highest-ever quarterly PAT of ₹206 Crore; 480 branches and 445 ATMs; full-year PAT of ₹732 Crore - Highest in DCB Bank's history

- Promoted by Aga Khan Fund for Economic Development (AKFED) & Platinum Jubilee Investments Limited (holds 16.23% as of March 31, 2026)
- Institutions (including FII + FPI) 45.44% (non-promoter institutional shareholding above 1% is 30.65%) as of March 31, 2026



WHAT WE DO

Securing A Life of Possibilities

DCB Bank serves individuals, self-employed professionals, and small businesses across India, through three integrated business pillars: Loans, Deposits, and Third Party Distribution. Each pillar is purpose-built for our core customers, designed to deliver the right product at the right time, backed by people who understand the segment deeply.

LOANS



The Secured **Growth Engine**

DCB Bank's lending business is built on a simple premise: granular, secured loans to India's self-employed and MSME segment, a market that has historically been underserved. The Bank operates dedicated verticals for mortgages, allowing each vertical to develop deep domain expertise and serve customers with the focused attention of a specialized lender.

The mortgage book, at approximately 49% of the total loan portfolio, remains the largest segment. Within mortgages, management has deliberately shifted the mix in favour of Business Loans over Home Loans. Business loans now account for more than 60% of incremental sourcing. This shift improves yields, reduces portfolio risk, and improves customer longevity.

Product Suite

Mortgages

Home Loans and Loans Against Property (LAP)





MSMEs & SMEs

Working Capital, Term Loans, and Business Growth Credit

Agri & Inclusive Banking

KCC (Kisan Credit Card), Tractor Loans, and Micro-lending





Gold Loans

Instant liquidity through our One Hour Gold Loan promise

Growth Drivers

- Strong demand for secured loans among self-employed and MSME customers
- Active shift higher portion of organically sourced business, improving economics and loan longevity across the mortgage book
- Portfolio reorientation: LAP-over-HL skew improving yields and reducing NPA risk
- Construction finance and Agri and inclusive banking emerging as high-growth verticals, adding diversification to the loan book
- Co-lending partnerships providing scalable distribution while being actively managed to a 15% portfolio cap
- Improved credit quality creating headroom for growth: Net NPA at 0.89% and slippage ratio at 2.28% in Q4FY 2025-26

Risks

- Credit risk in the self-employed segment, where income documentation is thin and cash flows can be volatile
- Competitive intensity increasing, particularly in business loans, with multiple lenders targeting the same MSME segment
- Regulatory changes including ECL provisioning norms, which the Bank is preparing for in parallel and expects to manage comfortably given the secured, granular nature of the book
- RBI repo rate changes affecting yield on floating-rate advances, with a lag

Opportunities

- India's large underpenetrated MSME credit market, with genuine borrower demand evidenced by rising logins across all regions
- Large base of self employed customers having only a single product across assets & liabilities- Ripe for cross sell
- ULI (Unified Lending Interface): If land records are digitised nationally, could be transformative for property-backed lending at scale
- Mid-SME segment (₹3-15 Crore ticket) being built out across 10 locations; early results are positive, meaningful contribution expected in 3-4 quarters

Future Roadmap

- Continue growing the overall loan book at 18-20% per annum in line with stated guidance
- Expand the mid-SME segment (₹3-15 Crore ticket) to 10 locations and build team depth
- Transition from single product lender to a full fledged banker for the self employed market
- Develop trade finance volume as a complement to lending relationships with self-employed customers
- Target to maintain Net NPA of 1% or below, building on current momentum in recoveries and upgrades
- Steady investments in new branches

Key Achievements

- **Asset Quality:** Maintained historically low credit costs of 0.40% for FY 2025-26
- **ESG:** Significant portion of the portfolio directed toward Priority Sector Lending (PSL) and Green Agri-financing

Key Metric (₹ in Crore)	FY 2024-25	FY 2025-26	YoY Change
Total Customer Advances	51,047	60,022	+17.6% YoY
Mortgage Portfolio	26,432	29,262	+10.7% YoY
MSME/ SME Book	2,592	2,242	-13.5% YoY
Construction Finance	2,162	2,345	+8.5% YoY
Co-lending Book (% of total)	13.1%	13.8%	Within <15% target
Co-lending Book	6,696	8,366	+24.9% YoY
Gold Loans - Total	2,644	4,144	+56.7% YoY
Corporate Banking	3,200	4,740	+48.1% YoY
Kisan Credit Card - KCC	1,908	2,239	+17.4% YoY
Tractor Finance	1,587	1,953	+23.1% YoY
Gross NPA (%)	2.99%	2.45%	↓ 54 bps - 7-year low
Net NPA (%)	1.12%	0.89%	↓ 23 bps - 7-year low
Credit Cost (%)	0.30%	0.40%	Below 0.45% target
Slippage Ratio (%)	3.75%	3.37%	↓ 38 bps - Improving quality

DEPOSITS: CASA & TERM DEPOSITS

Building a **Granular Fortress**

The deposits business is the foundation of DCB Bank's funding model. Total deposits stood at ₹72,583 Crore as of March 31, 2026, a 20.9% increase over the prior year. The Bank raises deposits through its branch network, digital channels, and through partnerships.

Current and Savings Accounts (CASA) provide low-cost funding and signal the depth of customer relationships. The Bank has been actively working to increase CASA, particularly current accounts, recognizing that

CA growth is closely tied to fee income and SME wallet share. The top 20 depositors, as a share of total deposits, have reduced to 6.55%, reflecting the improved granularity of the deposit book.

Product Suite

CASA

Savings and Current accounts with personalized relationship management



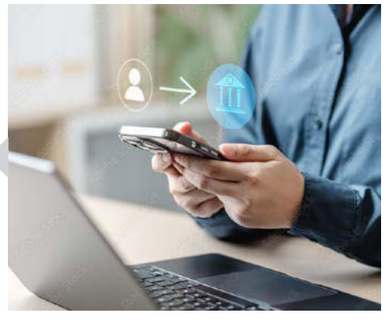
Retail Term Deposits

High-yield, granular FDs and RDs for individual savers



Corporate & NRI Deposits

Targeted wealth preservation for institutions and the diaspora



Growth Drivers

- Ongoing repricing of long-duration term deposits, providing clear visibility of lower cost of deposits in the short term
- Reduction in market borrowings, reducing overall cost of funds and improving NIM
- Branch banking team further strengthening to relationship-based deposit acquisition
- The gap between DCB's peak retail deposit rate and the composite peak rate of the six largest Indian banks has narrowed to 60-70 basis points, indicating improving competitive positioning
- Fintech partnership: 5 Lakh+ customers, primarily salaried and HNI, providing a new segment with savings and deposit cross-selling potential
- Focused to increase current account growth, a strategic priority given its impact on CASA, trade finance, and SME wallet share

Risks

- Customers are price-sensitive and multiple banks are competing for the same MSME and retail depositor base
- Savings rate floor limits further SA rate reduction, unless additional RBI repo cuts occur
- CASA ratio is under pressure as term deposits remain preferred by rate-sensitive customers in the current environment
- While the retail-to-bulk ratio is stable, any deterioration could raise funding costs

Opportunities

- Current account under-penetration: CA growth would simultaneously reduce cost of funds, increase the income fee, and deepen SME relationships
- Niyo customer base of 5 Lakh+ represents a largely untapped deposit cross-sell opportunity
- Continued term deposit repricing cycle through FY 2026-27 provides NIM tailwind without requiring new deposit rate cuts
- Increased digitization of deposit onboarding can reduce branch costs per account and accelerate CASA growth

Future Roadmap

- Continuing CASA deepening, with particular focus on current accounts as a multi-impact lever (cost of funds, fee income, trade finance, SME relationships)
- Leverage Niyo partnership to convert forex/ prepaid card users into full savings and deposit customers
- Extend branch network beyond 500 branches, increasing retail deposit catchment
- Transition from being a single product lender to a full fledged banker for the customers we serve

Key Achievements

- **Granularity:** Top 20 depositors now represent only 6.55% of total deposits, ensuring a highly stable base

Key Metric (₹ in Crore)	FY 2024-25	FY 2025-26	YoY Change
Total Deposits	60,031	72,583	+20.91% YoY
Total CASA	14,721	16,247	+10.37% YoY
CASA Ratio (%)	24.52%	22.38%	↓ 2.14%
Current Account Balance	2,272	2,550	+12.27% YoY
Savings Account Balance	12,449	13,697	+10.02% YoY
Term Deposits	45,310	56,336	+24.33% YoY
Cost of Deposits (%)	7.15%	6.94%	↓ 21 bps
Cost of Funds (%)	7.23%	7.00%	↓ 23 bps
Top 20 Depositor Concentration (%)	6.61%	6.55%	Improved
Market Borrowings	9,115	6,086	↓ 33.23%
Number of Branches	464	480	+16 branches

THIRD PARTY DISTRIBUTION



Managing the Entire Financial Life of Our Customers

The third party and payments business encompass all non-interest income generated from distributing financial products on behalf of partners (insurance, mutual funds), facilitating trade, processing foreign exchange transactions, and providing payment infrastructure to customers. DCB Bank's fee income is predominantly liability-linked, driven by the depth of its deposit and savings relationships.

Third-party distribution, primarily insurance, is the largest fee contributor. The Bank distributes life, general, and health insurance products through its branch and digital channels. Trade finance has been identified as a strategic priority. DCB's core customer, the self-employed trader and small business owner, has a natural trade finance need (letter of credit, bank guarantees, bill discounting).

DCB Remit, the Bank's foreign remittance platform, contributes to FX income. Payment infrastructure, ATM transactions, processing fees, and digital payments rounds out the fee book.

Product Suite

Insurance

- Life Insurance
- Endowment Plan
- Retirement and Annuity Plan
- Child Plan
- Term Insurance Plan
- General Insurance
- Health Insurance
- Personal Accident Insurance
- Home Insurance
- Vehicle Insurance
- Social Security Schemes
- Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)
- Pradhan Mantri Suraksha Bima Yojana (PMSBY)

Investment

- DCB EazyBee - Mutual Funds Online
- DCB Smart Trade
- Sovereign Gold Bonds
- IPO/ Rights Issue
- Atal Pension Yojana

Payments

- Business Internet Banking
- Bharat Bill Payment System
- Bharat QR Payment Collection Solution
- UPI Facility
- Direct Tax Payments
- Indirect Tax - GST Payments

Payments as a Strategic Tool for **Current Account Growth**

Payment suites such as GST (Indirect Tax) and CBDT (Direct Tax) payments are strategic tools to acquire, build, and deepen a strong current account franchise. For businessmen and SMEs, GST and CBDT payments are recurring and essential activities. When these customers experience seamless, fast, and reliable payment solutions through DCB Bank, they naturally begin routing regular business transactions through the Bank, leading to higher balances and deeper relationships.

Growth Drivers

- **Seasonal strength**

  Q4 is traditionally the strongest quarter for both third-party distribution fee income and loan processing fees

- **Deepening customer relationships**

  The Bank's shift from product-selling to relationship banking creates more touchpoints for fee product cross-sell (insurance, trade finance, FX)

- **Fintech partnership**

  5 Lakh+ salaried/ HNI customers provide a natural audience for insurance and investment product distribution

- **Trade finance build-out**

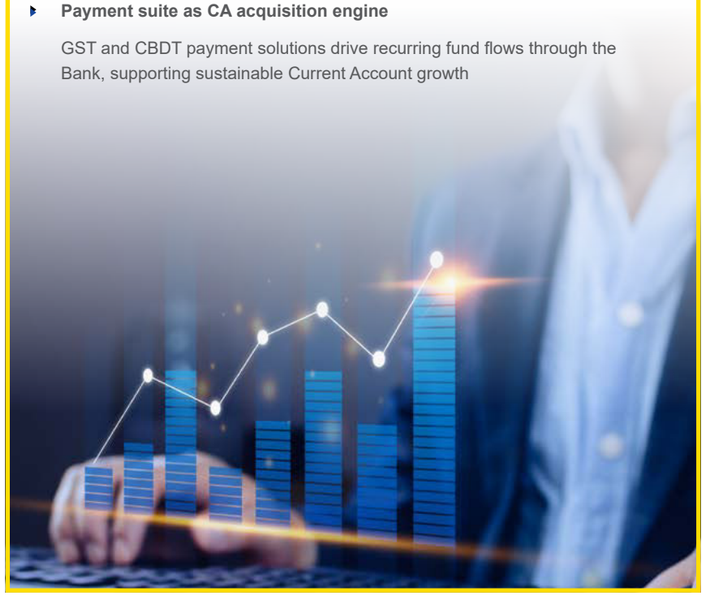
  Structured effort to capture the trade finance wallet of existing MSME customers who currently bank their trade flows elsewhere

- **Digital remittance growth**

  DCB Remit benefiting from India's growing diaspora remittance inflows

- **Payment suite as CA acquisition engine**

  GST and CBDT payment solutions drive recurring fund flows through the Bank, supporting sustainable Current Account growth



Risks

- Regulatory risk: Potential reduction in insurance distribution commissions is the most significant near-term risk to fee income; management is actively diversifying into trade finance and other streams
- Competition in third-party distribution from bancassurance-heavy larger banks and fintech aggregators
- Trade finance build-out is a long-cycle initiative, early progress is slow and meaningful scale is 2-2.5 years away
- FX income linked to currency volatility and global trade flows, which may vary quarter to quarter

Opportunities

- India's growing MSME sector and trade activity provide a large addressable trade finance opportunity for a bank embedded in the self-employed segment
- Cross-sell from DCB's term loan base: Existing 4-6-year relationships with MSME customers offer an 'upgrade' opportunity to OD, current accounts, insurance, and trade finance
- Fee income as a percentage of average assets at 1.1%: Management target of a sustained 1% provides a clear floor and upside potential
- Growth in digital payments and UPI infrastructure reducing the cost of transaction processing while increasing fee volume
- Payments-led current account deepening: Embedding the Bank into daily business compliance workflows (GST, CBDT) provides a durable, low-cost pathway to growing the CA book

Future Roadmap

The Bank's 'big bet' is becoming the preferred financial solution provider for the neighborhood it operates in, integrating its customers' financial requirements across surplus needs, deficit needs, risk protection needs and trade finance needs.

- Build trade finance into a meaningful third and fourth string in the fee book over the next 2-2.5 years
- Develop current account relationships to unlock trade finance wallet from existing MSME term loan customers
- Cross-sell insurance, mutual funds, and investment products
- Increase FX income through expanded NRI services and DCB Remit volumes
- Continue building digital payment capabilities to capture the growing digital transaction economy and embed the Bank into the neighborhood's financial infrastructure

Key Achievements

- **Record Fee Income:** Strong double-digit growth in third-party distribution fees, reflecting the Bank's deepening customer relationships and expanding product penetration
- **Safety Net Penetration:** The Bank is a responsible institution aligned with the government's mission to provide financial inclusion and extend the benefits of social schemes to as many customers as possible. These schemes serve as the foundation of the Bank's 'safety net' offering for mass-market customers
- **DCB EazyBee Mutual Funds:** The Bank actively promotes paperless processes and digital adoption. DCB EazyBee, the Bank's state-of-the-art mutual funds platform, offers a completely digital investment journey for customers. Over 95% of all mutual fund transactions are now conducted digitally, eliminating paper-based processes and significantly enhancing customer experience

Key Metric (₹ in Crore)	FY 2024-25	FY 2025-26	YoY Change
Core Fee Income	555	671	+20.9%
Fee Income/ Avg. Assets (%)	1.09%	1.06%	Above 1% target
Profit on Sale of Investments	151	163	+8.15%
Profit/ (Loss) on Exchange Transactions	10 Cr	−3 Cr	↓ (treasury subdued)
Total Non-Interest (Other) Income	750.51	855.14	+13.94%

VALUE CREATION MODEL

Value Creation for Our Stakeholders

CAPITALS ENGAGED

Financial Capital

- Shareholders' fund: ₹ 6,535 Crore
- Deposits: ₹ 72,583 Crore
- Net advances: ₹ 60,022 Crore
- Total investments: ₹ 20,378 Crore
- CASA ratio: 22.38%
- CRAR: 16.55%

Service Capital

- Branches: 480
- No. of ATMs: 445

Human Capital

- Employees: 11,374
- Women employees: 14.77%
- Average training hours: 38 per person/year

Intellectual Capital

- Digital initiatives and systems
- Brand reputation
- Innovation in newer business models
- Automation of processes
- DCB Bank app
- Digital marketing campaigns & platforms
- Paperless & contactless digital KYC

Social & Relationship Capital

- CSR expenditure: ₹ 14.74 Crore
- Expenditure towards aspirational districts: 11.69%

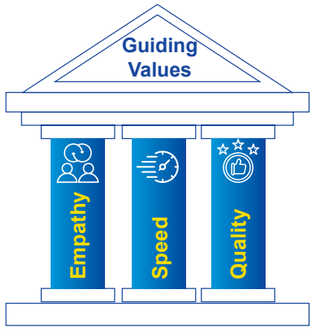
Natural Capital

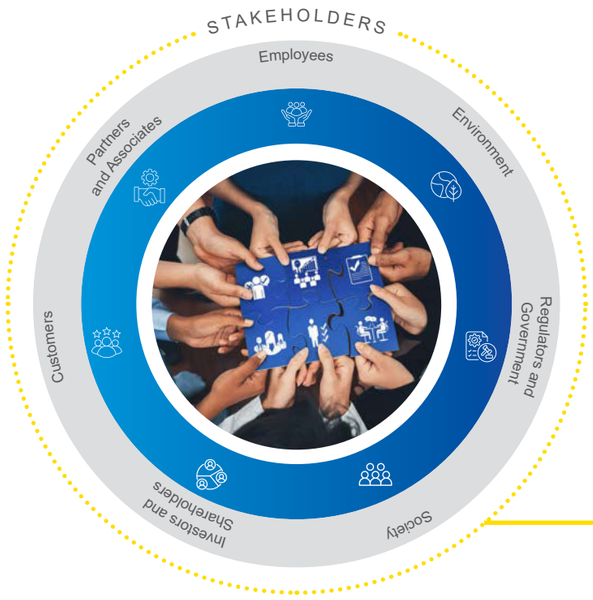
- Energy consumed: 41,064.51 GJ
- Water consumed: 1,54,588.50 KL
- Paperless office and smart e-approval system
- Sensor-based water faucets
- Energy efficiency and renewable adoption

OUR KEY RELATIONSHIPS AND VALUE ENABLERS

VISION

The Bank's vision is to be the most innovative and responsive neighborhood 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.





ENABLERS

Unified Cross-Sell Engine

Centralized intelligence layer driving next-best product recommendations across all customer touchpoints

Product Literacy Uplift for RMs

Comprehensive training program building confidence and capability for in-depth conversations with customers across products

Digital-First Activation Flows

Seamless journeys that minimize friction

Analytics-led Funnels

Intelligent routing based on credit profiles to optimize lending conversion rates

Wallet-Linked RM Scorecard

Performance metrics aligned to customer wallet in addition to the new acquisition volume

Governance - Tone at the Top

Intensive and continuous drive to ensure ownership and velocity

OUTPUTS

- Revenue: ₹ 3,312 Crore
- ROE: 12.77%
- ROA: 0.91%
- PAT: ₹ 732 Crore

- Present in 20 states and 2 union territories
- Branches added during FY 2025-26: 16

- Robust fund management capabilities
- Great Place to Work for the 10th consecutive year
- Trust Index Score: 86%

- Digital transactions as % of total transactions: 96%
- UPI transactions: 122 Million
- Mobile banking financial transactions: 14.2 Million

- CSR beneficiaries: 2,15,500
- Aspirational districts impacted: 3

- Scope 1 emissions: 2,245.21 $MTCO_2e$
- Scope 2 emissions: 8,056.29 $MTCO_2e$

OPERATING ENVIRONMENT

The World We Bank In

India's banking sector is undergoing a structural transformation shaped by rapid digitization, evolving customer expectations, expanding financial inclusion, continued formalization of the economy, and increasing competition from fintech and digital-first platforms that are redefining how banks engage with customers, deliver services, and build long-term value.

Despite global uncertainties, liquidity pressures, and margin challenges, the Indian economy remained resilient during the year, supported by steady GDP growth, moderating inflation, and sustained credit demand across retail, MSME, and rural segments. At the heart of this momentum remains India's entrepreneurial ecosystem comprising traders, self-employed professionals, small businesses, and farmers reinforcing the need for banking models that combine digital capability with trust, accessibility, and relationship-led engagement.



MSME Credit Gap in India

India's 7.47 crore+ MSMEs contribute significantly to economic activity, accounting for 31.1% of GDP, ~35.4% of manufacturing output, and employment for over 32.82 crore people. While formalization has accelerated, with more than 7.9 crore enterprises registered under the Udyam and Udyam Assist platforms as of March 2026, improving access to credit and liquidity remains a key priority. Policy initiatives such as the expansion of TReDS, enhanced credit guarantee coverage, the ₹10,000 crore SME Growth Fund, and increased allocation to the SRI Fund are aimed at strengthening financing access and supporting the long-term growth of the MSME ecosystem.

Expanding Credit-Deposit Divergence

India's banking sector continued to record strong balance sheet growth during FY 2025-26, with deposits increasing 13.5% and credit growth accelerating to 15.9% year-on-year, supported by robust demand across industry and services segments. As credit expansion outpaced deposit mobilization, banks increasingly relied on higher-cost funding sources such as bulk deposits and certificates of deposit, placing pressure on Net Interest Margins (NIMs) and reinforcing the need for disciplined liquidity and funding management.

Strengthening Asset Quality

India's banking sector has witnessed a significant improvement in asset quality, with the Gross NPA (GNPA) ratio declining from 14.98% in CY 2018 to nearly 2.2% by early 2026. The recovery has been supported by regulatory reforms, stronger provisioning standards, disciplined underwriting practices, and systemic clean-up measures such as the RBI's Asset Quality Review and the establishment of NARCL. Together, these initiatives have strengthened balance sheet resilience and improved transparency across the banking system.

Banking as a Service

Banking as a Service (BaaS) is reshaping the financial ecosystem by enabling banks, fintechs, and NBFCs to deliver integrated financial solutions through digital platforms. Leveraging their regulatory strength, infrastructure, and customer trust, banks are expanding distribution reach and creating new revenue opportunities. The model is also driving the growth of segment-focused offerings, including specialized SME credit solutions and digital financial tools for gig-economy workers, positioning BaaS as a key enabler of India's next phase of digital banking growth.

Hyper-Personalized Digital Lending

Digital lending in India continues to expand rapidly, supported by real-time data analytics and alternate credit assessment models. Growth in short-tenure, small-ticket loans has widened access to formal credit, particularly among younger borrowers and customers beyond metropolitan markets. At the same time, the regulatory framework governing digital lending has evolved significantly to strengthen transparency and customer protection. Measures such as mandatory Key Facts Statements (KFS), direct bank-to-customer fund flows, and fintech self-regulatory mechanisms are helping build greater accountability and trust within the ecosystem.

Branch of the Future

Physical branches are evolving beyond transaction-focused outlets into relationship and advisory centers. As customers increasingly expect seamless omnichannel experiences, banks are repositioning branches to combine personalized service with digital convenience. Backed by extensive urban and rural networks, future-ready branches are expected to strengthen customer engagement, support financial literacy, and deepen trust-led relationships within local communities.

Growing Adoption of Generative AI

Indian banks are increasingly deploying Generative AI to strengthen customer engagement, improve operational efficiency, and enhance risk management capabilities. Applications such as multilingual virtual assistants, AI-led underwriting models, and real-time fraud monitoring are helping institutions deliver faster and more responsive services across diverse customer segments. Internally, GenAI tools are also enabling employees to resolve queries more efficiently, generate insights, and personalize customer interactions at scale.

Embedded Finance and Expanding Financial Inclusion

Financial services are becoming increasingly embedded within everyday digital ecosystems, reducing the distinction between banking and non-banking platforms. Consumers can now access credit, insurance, payments, and savings solutions directly through retail, mobility, travel, and logistics applications. Supported by the expansion of Digital Banking Units (DBUs) and broader digital public infrastructure such as UPI and the e-Rupee, embedded finance is accelerating formal financial adoption across underserved and rural markets, while encouraging a gradual shift toward digitally enabled financial behavior.

Climate Change and Sustainability

Climate-related disruptions are increasingly influencing global economic and business priorities, placing greater responsibility on financial institutions to integrate ESG and climate considerations into their decision-making frameworks. Recognizing the growing implications of climate risk, the RBI has emphasized the need for banks to strengthen their approach toward both physical risks, such as extreme weather events affecting agricultural output and repayment capacity, and transition risks arising from the shift toward a low-carbon economy. As a result, climate resilience, sustainable financing, and responsible risk assessment are becoming increasingly important components of the banking sector's long-term strategy.

BOARD OF DIRECTORS

Guiding Strategic Growth

M M M



Mr. Tarun Balram

Independent Director

M M M



Mr. Nadir Bhalwani

Non-Executive (Non-Independent) Director

C M M M



Mr. Thiyagarajan Kumar

Independent Director

M M M C



Mr. Praveen Achuthan Kutty

Managing Director & CEO

M M M M



Mr. Krishnan Sridhar Seshadri

Whole-Time Director (Executive Director)

M M C C



Mr. Nasser Munjee

Non-Executive (Non-Independent) Director

M M C



Ms. Neeta Sudhir Rege

Independent Director

C M M



Mr. Suhail Nathani

Independent Director

M M M M



Mr. Pushan Mahapatra

Independent Director

M C M M M M



Mr. Amyn Jassani

Independent Director

M C C



Mr. Somasundaram P. R.

Independent Director

M C M



Mr. Balu Srinivasan

Independent Director

- C: C: Chairman/Chairperson of the Committee
- M: M: Member of the Committee
- AC: Audit Committee
- CC: Credit Committee
- RMC: Risk Management Committee
- NRC: Nomination & Remuneration Committee
- SRC: Stakeholders Relationship Committee
- FRMC: Fraud Reporting & Monitoring Committee
- CSC: Customer Service Committee
- ITSC: Information Technology Strategy Committee
- CSR & ESG: Corporate Social Responsibility & Environmental, Social and Governance (ESG) Committee
- WDRC: Willful Defaulters Review Committee

LEADERSHIP TEAM

Driving the Course



Mr. Praveen Achuthan Kutty

Managing Director & CEO



Mr. Krishnan Sridhar Seshadri

Whole-Time Director (Executive Director)



Mr. Ravi Kumar

Chief Financial Officer



Ms. Rubi Chaturvedi

Company Secretary



Mr. Manoj Joshi

Chief Compliance Officer



Mr. Abhijit Bose

Chief Credit Officer



Mr. Ajit Kumar Singh

Head Treasury, FIG & Chief Investor Relationship Officer



Mr. Narendranath Mishra

Head Retail & Agri Loans



Mr. Jayaram Vishwanath

Head Corporate Banking, Construction Finance & SME



Mr. Pankaj Sood

Head Branch Banking



Mr. Mahesh Raman Kutty

Chief Risk Officer



Ms. Meghana Rao

Chief Operating Officer – Branch, Trade & Treasury Operations



Mr. Ajay Mathur

Head Collections & Commercial Vehicles



Mr. Damodar Agarwal

Head Strategic Initiatives & Alternate Channels



Mr. Krishna Ramasankaran

Chief Internal Auditor



Ms. Ashu Sawhney

Head Human Resources



Mr. Murali Manduva

Chief Technology Officer



Mr. Gaurav Mehta

Head Marketing, PR, Corporate Communications & CSR



Mr. Kamala Kant Pandey

Head Gold Loans & Trade Finance

MD & CEO'S MESSAGE

Driven by Purpose, Focused on Growth



Mr. Praveen Achuthan Kutty
(Managing Director & CEO)

> We will be focusing on being the full financial solution provider of choice, for self-employed customers in every location that we operate.

Dear Shareholders,

The financial year 2025-26 has been a deeply satisfying year. A year when our growth continued robustly, customer satisfaction rose steadily, portfolio quality improved significantly, technological adoption reached new heights and last but not least, the Bank registered record profits for the year.

These outcomes would not have been possible but for your continued trust in our vision for the Bank and your steadfast belief in our execution ability. On behalf of the Board of Directors, Management and our entire team of DCBians, I extend my heartfelt gratitude to each one of you.

The team and I had made 'Consistent, Predictable & Sustainable Growth' as the key theme in the FY 2024-25. The performance of the Bank quarter after quarter in the Financial Year 2025-26 has demonstrated the early outcomes of this path that we have chosen. My team and I will continue to tread this path to deliver sustainable value over the long term.

India's economy expanded during the year, supported by easing inflation, accommodative monetary policy, and sustained government capital expenditure. A cumulative 100 basis-point cut impact during the year in the repo rate, tested the banking sector's ability to balance growth with margins. For a bank anchored in deposits and mortgage lending, this rate cycle was a proving ground. We emerged stronger—with expanding margins, improving cost discipline, and asset quality at multi year best levels.

In FY 2025-26, the balance sheet grew beyond ₹ 88,000 Crore, reflecting steady, granular growth driven by a consistent focus on quality. Advances grew 17.58% during the year to reach ₹ 60,022 Crore, and Deposits grew 20.91% to become ₹ 72,583 Crore.

Strategic product mix changes including prioritization of Business Loan over Home Loan and a heightened focus on Cost of Deposits has resulted in the Net Interest Income increasing by 17% YoY, while the highest ever Core Fee Income ensured that our YoY fee growth was at 14%. The combined impact of which our total revenue growth YoY was 16%.

Contrast that with the operating expenses growth YoY of 11%. Our cost to income ratio improved to 60.87%, a 283 basis points year on year improvement, underscoring productivity gains and operating leverage. This was after having accounted for increased employee cost on account of implementation of the New Labour Codes.

The net impact of both is seen in a 25% increase in the Operating Profit for this Financial Year.

On portfolio quality, during the year, we have shifted our priority from reducing NPA to reducing delinquency. There is a sharp focus on 1 day past due and not only on 90 days past due. This as well as steadily improving asset ticket sizes have helped improve the portfolio quality.

I am proud to say that the GNPA and NNPA at 2.45% and 0.89% are the lowest in the last seven years. Provision Coverage Ratio, in the meantime, has improved to 78.42%.

The combined effect of all the above is reflected in the highest ever PAT of ₹ 732 Crore, and a ROE of 12.77% for the full year, which is the highest the Bank has achieved ever since it became a full tax-paying entity.

A promoter capital infusion of ₹ 83 Crore reinforced capital strength. As of March 31, 2026, the Capital Adequacy ratio stood at 16.55%, providing adequate headroom to fund growth while preserving balance sheet resilience.

In cognizance of the Bank's performance, the Board has recommended a dividend of ₹ 1.45 per equity share for the FY 2025-26, subject to your approval at this AGM.

The Bank's core strategy continues to focus on self-employed customers, on secured advances and granular loans and deposits. It will grow its branch network in a measured manner, focusing on a cluster-based branch footprint approach.

Technology has been one of the key factors in improving productivity. Paperless journeys, instant fulfillment for customers, built-in validations and increased self-service options have increased convenience, reduced turnaround time and eliminated errors and rework resulting in reduction of both complaints and costs. Gen AI-based solutions have been implemented in both voice and chatbot customer interactions. Gen AI is being used to reduce false positives in the deduplication, AML and mule identification, improving effectiveness while reducing costs.

FY 2025-26 marked DCB Bank's first participation in the Global Fintech Festival in Mumbai, where we launched 13 products and showcased multiple fintech partnerships. Internally, DCB Tech Pulse 2025 highlighted over 30 initiatives across onboarding, digital servicing, automation, and analytics. Our Technology Innovation Centre in Bengaluru continues to work on AI-driven personalization, cloud-native solutions, and simplified customer journeys—building long term scalability and control.

Improving customer experience remains a core priority. Customer complaints declined 20% year on year, reflecting process simplification, sharper resolution standards, and a focus on empathy, speed, and quality. Employee attrition reduced from 55% to 43%, a meaningful improvement, though still more needs to be done. As of March 31, 2026, the Bank had 11,374 employees across 480 branches.

Going forward, we expect to double the book in three to four years. We expect granularity of portfolio, continued focus on secured loans and geographical expansion that do not create regional concentration.

What will change is that we will be focusing on being the full financial solution provider of choice, for self-employed customers in every location that we operate. We would provide sustainable solutions for meeting the surplus needs, the deficit needs, the risk protection needs and trade finance needs of our customers as and when they arise. In other words, we intend to make the transition from 'A Lender to a Banker'.

At DCB Bank, Corporate Social Responsibility is driven by the belief that sustainable development is most effective when communities are empowered to lead change. Through strategic partnerships and community participation, our CSR initiatives during FY 2025-26 focused on climate resilience, water security, biodiversity conservation, sustainable livelihoods, ecological restoration, and women's empowerment, contributing meaningfully to the United Nations Sustainable Development Goals (SDGs).

DCB Bank continued to strengthen its ESG framework during FY 2025-26 through responsible banking practices, sustainable finance, environmental stewardship, strong governance, and inclusive community development initiatives.

The Bank's ESG roadmap follows a phased approach with near, medium and long-term actions, creating a clear pathway for implementation and measurable progress. As DCB Bank moves ahead, it remains committed to advancing a future where growth and responsibility progress together.

To our shareholders and regulators, your trust is our most valuable capital. To our customers, your financial security guides our purpose. And to our employees, your productivity and service define our success. Thank you all for the unwavering trust.

DCB Bank is ready for its next phase of growth. It is ready to take off…..

Warm regards,

Praveen Achuthan Kutty

STRATEGIC PRIORITIES

Strategy in Action



DCB Bank's strategy rests on seven priorities that have guided key decisions. Capital, people, and technology are allocated with one principle in mind: consistency, predictability, and sustainability.

S1

Target Self-employed, MSME/ SME and Retail Segments

India's self-employed population accounts for 56.2% of the workforce, yet remains underserved by large banks and overcharged by informal lenders. DCB Bank is purpose-built to bridge this gap.

Our operating model is anchored around three specialized verticals—Personal & Business Banking, MSME/ SME Banking, and Agri & Inclusive Banking—ensuring customers engage with banking professionals who understand their cash flows, collateral, and credit requirements.

PROGRESS

₹60,022 Crore
Advances led by secured, granular segments
↑ +17.6% YoY

48.8% of book
₹29,262 Crore Mortgages remain largest, most diversified segment

13.8% of book
₹8,366 Crore Co-lending contained below committed 15% ceiling

0.40% of book
FY 2025-26 Credit cost well within 45-55 bps business model range

VISION FOR 2026-27

- Expand the mid-SME vertical (₹3-15 Crore ticket) to 10 locations with dedicated credit and relationship teams.
- Continue building the mortgage book with focus on organic sourcing with high portfolio quality
- Grow 18-20% total advances per annum

S2

Create a Diversified, Secured and Granular Portfolio

Ensure credit at DCB Bank is secured by collateral and is diversified across customers, products, and geographies, creating a resilient portfolio with stable credit costs across cycles.

Our lending portfolio includes retail mortgages, MSME/ SME loans, educational institution finance, tractor finance, Kisan Credit Cards, gold loans, construction finance, and TReDS. Funding is anchored by retail deposits and supported by refinance from SIDBI, NABARD, and NHB. Select co-lending partnerships with fintechs and NBFCs extend our reach while preserving underwriting discipline.

VISION FOR 2026-27

- Maintain mortgages at ~50% of the book with an increasing share of business loans over home loans
- build the Current Account volume to enhance OD/CC penetration
- Grow co-lending at the Bank's overall growth rate; maintain concentration below 15% of the book
- Transition from a single product lender to a full fledged banker to self employed customers
- Grow CASA, with particular focus on current accounts, as a strategic funding lever

S3

Calliberated Growth of Corporate and Limit Unsecured Exposures

The Bank pursue a well calliberated approach for Corporate Lending. We consciously limit exposure to large corporates, unsecured retail lending, and concentration risks. This discipline is reinforced through robust credit policies, RM scorecards, and continuous portfolio monitoring. As of March 2026, corporate loans accounted for 7.9% of total advances, with minimal unsecured retail exposure. This approach has consistently supported stable and predictable credit costs across cycles.

PROGRESS

0.89% NNPA
2.45% GNPA, both at seven-year lows as of March 2026

2.28% Fresh slippage ratio
Down from 3.09% in Q4 FY 2024-25 - sharpest improvement in five years

78.42%
Provision Coverage Ratio
+394 bps YoY strengthened significantly

VISION FOR 2026-27

- Maintain the corporate book at or below 10% of advances
- Sustain Net NPA below 1%
- Strengthen early warning systems and portfolio monitoring analytics

S4

Target Tier 2 to Tier 6 Locations

Our branch network is concentrated in Tier 2–6 towns, where self-employed customers are underserved and relationship-led banking creates a sustainable advantage.

As of March 2026, 208 branches—44% of the network—were located in rural and semi-urban markets. Our Agri & Inclusive Banking vertical further strengthens our reach across these geographies.

PROGRESS

480 Branches

11,374 Employees

VISION FOR 2026-27

- Over 500 branches by end of FY 2026-27, with new openings predominantly in Tier 2–4 markets
- Expand Agri & Inclusive Banking in Odisha, Chhattisgarh, Madhya Pradesh, and Bihar
- Monitoring the Unified Lending Interface rollout, digital land records could enable property-backed lending in new geographies without a full branch build-out

S5

Invest Continuously in the Digital Agenda

Our digital agenda spans four dimensions:

- Customer-facing channels
- Frontline enablement for relationship managers
- Back-office automation, and
- Analytics for credit decisions and cross-sell

PROGRESS

30 Minutes
Gold loan onboarding time, fully digitized end-to-end

162,000
applications processed through CUBE platform

Over **90%**
of account opening forms are processed same day

VISION FOR 2026-27

- Expand digital onboarding across savings, fixed deposits, and loan products to reduce turnaround time
- Build analytics-led cross-sell capability to deepen wallet share across the existing customer base
- Participate in Unified Lending Interface pilots to enable digital property-backed lending
- Continue AI investment in loan origination, collections, and portfolio monitoring

S6

Generate Steady Granular Fee Income

Fee income is the third pillar of DCB Bank's revenue model, complementing net interest income and cost discipline. In FY 2025–26, fee income stood at approximately 1.06% of average assets, in line with the Bank's long-term target.

The portfolio is led by bancassurance and liability-linked services, supplemented by trade finance, foreign exchange, cash management, and ATM fees. Expanding trade finance and current account relationships is further strengthening fee income opportunities within the MSME segment.

PROGRESS

₹671 Crore
+20.9% YoY Core fee income, highest ever in the Bank's history

₹855 Crore
+14.0% YoY Total other income; fee/ avg assets at 1.06%

VISION FOR 2026-27

- Build trade finance into a meaningful fee stream, serving MSME customers' surplus, deficit, and trade needs
- Develop the current account franchise to unlock cash management, foreign exchange, and trade finance fee income
- Cross-sell bancassurance and mutual funds to existing customer base
- Sustain fee income at 1% of average assets as total income grows
- Diversify the fee book beyond bancassurance to build additional revenue streams

ESG APPROACH & ROADMAP

Embedding Responsibility across the Business

Sustainability at DCB Bank is entering a new phase, built on stronger foundations and clearer priorities. The Bank is moving from identifying key ESG priorities to embedding them in everyday business decisions, creating lasting value for customers, employees, communities and the environment.

DCB Bank's Sustainability Approach

ENGAGE

The Bank actively engages with employees, customers, investors, regulators and communities through surveys, consultations, meetings and ongoing dialogue to understand evolving expectations, emerging risks and new opportunities.

PRIORITISE

Insights gathered through stakeholder engagement are complemented by industry frameworks, peer benchmarking and internal assessments to identify the ESG issues most relevant to the Bank and its stakeholders. This process has resulted in the identification of 16 material topics spanning environmental, social and governance dimensions.

GOVERN

The CSR and ESG Committee of the Board, supported by the ESG Internal Committee and cross-functional teams, provides strategic oversight and accountability for the Bank's sustainability agenda. This governance structure helps integrate ESG considerations into decision-making across the organization.

ACT

The Bank translates priorities into action through focused initiatives across climate risk management, sustainable finance, employee well-being, customer experience, community development, data privacy, risk management and ethical business practices, creating sustainable value for stakeholders.

ESG Governance

Effective governance is fundamental to embedding sustainability into strategy and strengthening long-term resilience. Oversight runs across three connected tiers.

Board Oversight

The CSR and ESG Committee of the Board, guides sustainability priorities, reviews climate and ESG-related risks, and oversees ESG policies and progress as part of the Bank's long-term direction.

Management Oversight

The Management team translates priorities into business action plans, monitor progress, review material risks and opportunities, and recommend ESG matters to the Board committee.

Functional Ownership

ESG responsibilities are distributed across functions so that delivery is owned where the impact sits:

- Administration and Operations: resource-efficiency initiatives
- Business: sustainable finance initiatives
- CSR: community development programs
- Human Resources: employee well-being, DEI and capability development
- Information Security: privacy and data protection
- Risk: ESG and climate-risk integration

Policy Framework

Policies cover all nine NGRBC principles, are 100% Board-approved, translated into procedures and reviewed annually.

Areas of Focus

Environmental

The Bank focuses on managing climate-related risks, improving resource efficiency across its operations and expanding sustainable finance initiatives that support the transition to a more sustainable economy.

Social

The Bank seeks to create positive outcomes for its stakeholders by enhancing customer experience, promoting employee well-being and development, advancing diversity and inclusion, and contributing to community development.

Governance

The Bank strengthens long-term resilience through robust governance practices, ethical conduct, data privacy and information security, effective risk management, and a commitment to transparency and accountability.

The Outcome

- **16 Material Topics** guiding the sustainability agenda
- **9 NGRBC Principles** covered through Board-approved policies

Together, these elements create a sustainability framework that is stakeholder-informed, materiality-led and governance-driven, enabling DCB Bank to strengthen resilience, build trust and create sustainable long-term value.

For more insights on the sustainability approach, stakeholder engagement and materiality assessment, please refer to the BRSR of the Bank Pg 145 →

FINANCIAL CAPITAL

A Strong Financial Foundation

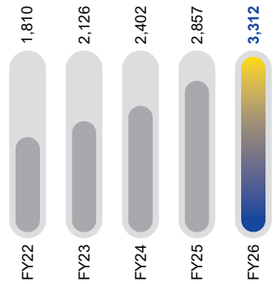


DCB Bank delivered a strong FY 2025-26, with growth across advances, deposits, and profitability. Net Interest Income expanded steadily, while asset quality improved significantly, reflecting disciplined underwriting and proactive portfolio management. Capital adequacy remained healthy, providing a firm foundation for sustained growth. These results affirm the Bank's relationship-led, granular lending strategy and its deepening presence across the neighborhood banking franchise it serves.

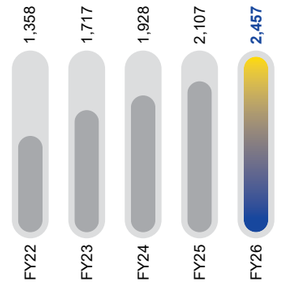
Financial Performance

Profit and Loss Metrics

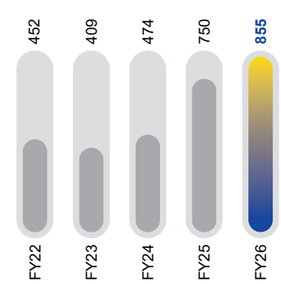
Total Income
(₹ in Crore)



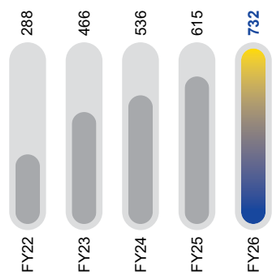
Net Interest Income
(₹ in Crore)



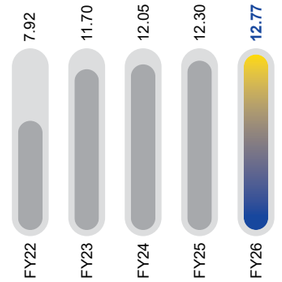
Other Income
(₹ in Crore)



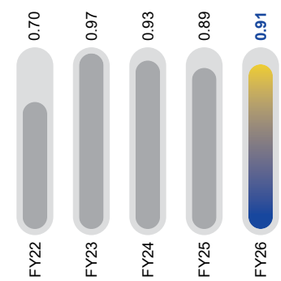
PAT
(₹ in crore)



ROE
(%)

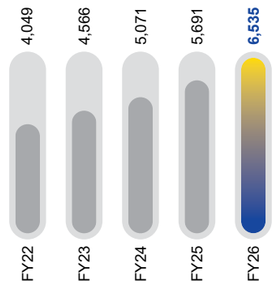


ROA
(%)

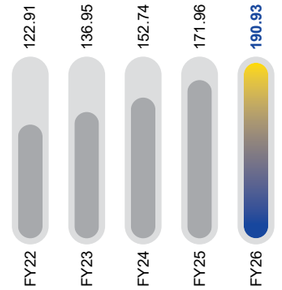


Growth Metrics

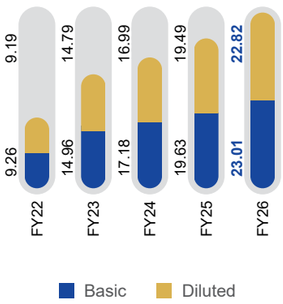
Shareholder's Fund
(₹ in Crore)



Book Value per Share
(in ₹)

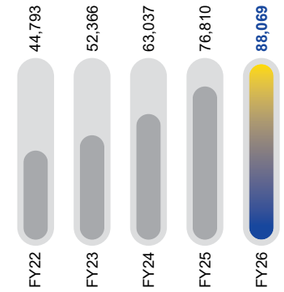


Earnings per Share
(in ₹)

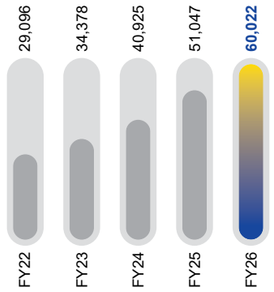


Balance Sheet Metrics

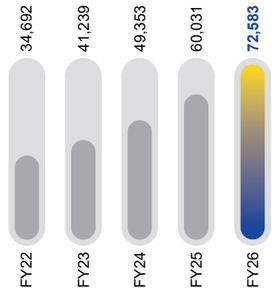
Total Balance Sheet Size
(₹ in Crore)



Net Advances
(₹ in Crore)

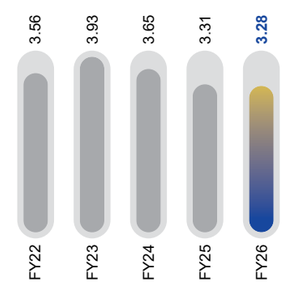


Deposits
(₹ in Crore)

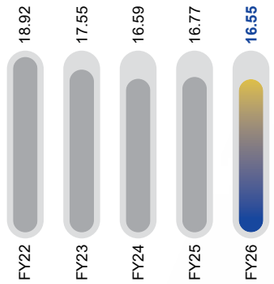


Key Ratio

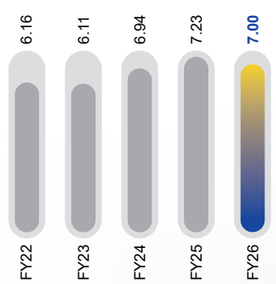
Net Interest Margin
(%)



Capital Adequacy Ratio
(%)

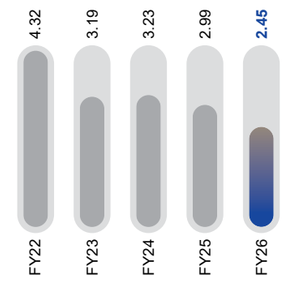


Average Cost of Funds
(%)

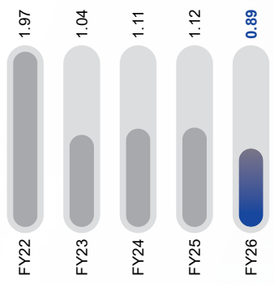


Asset Quality

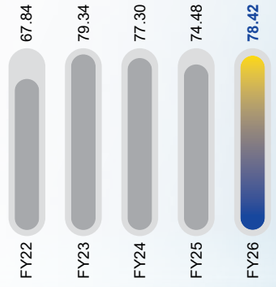
Gross NPA
(%)



Net NPA
(%)



Provision Coverage Ratio
(%)



Economic Value Creation

Direct Economic Value Generated (DEVG) — **(₹ in Crore)**

Category	FY 2023-24	FY 2024-25	FY 2025-26
Interest Income	5,362	6,471	7,405
Other Income	474	750	855
Total DEVG	**5,836**	**7,221**	**8,260**

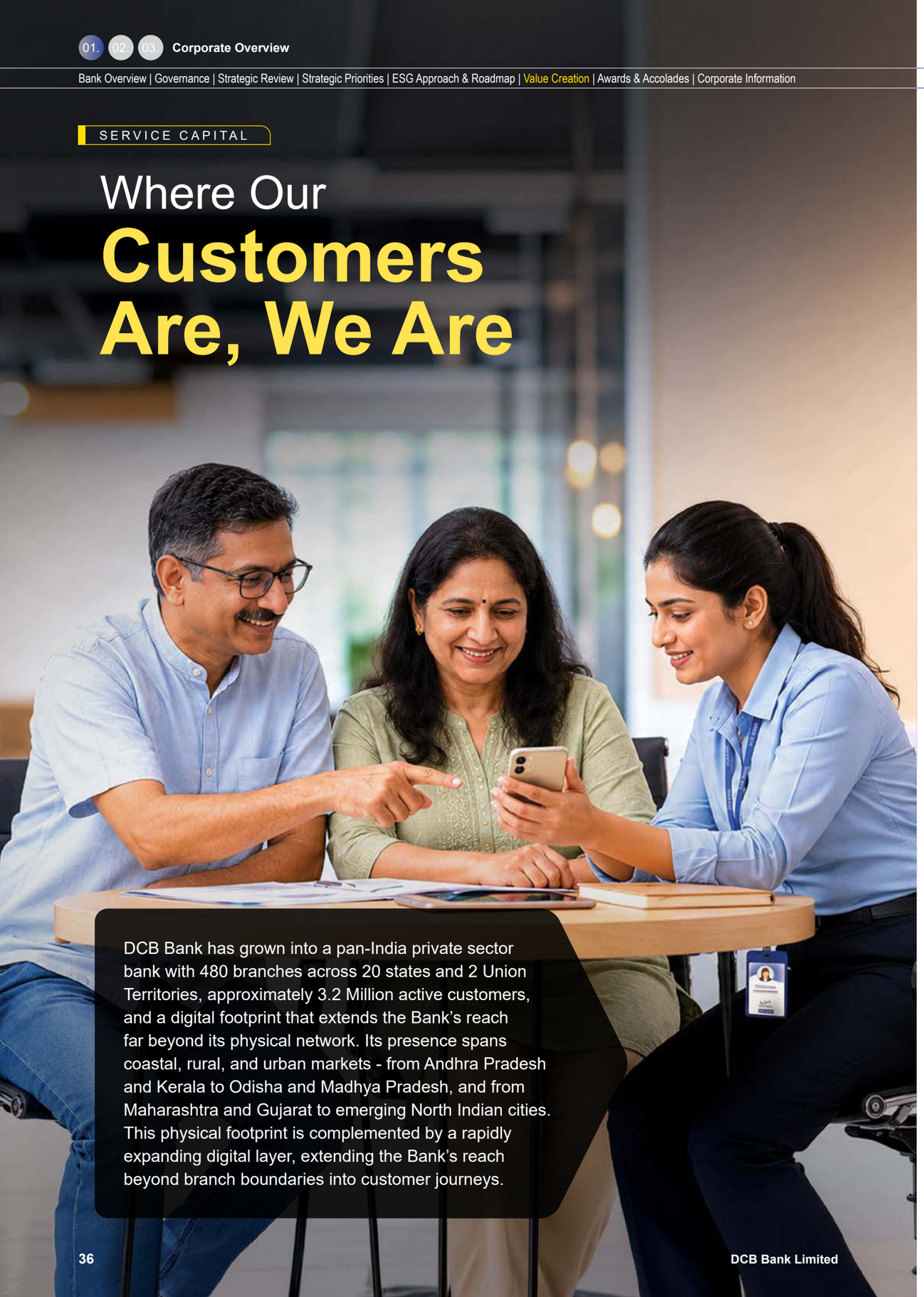
Economic Value Retained (EVR) — **(₹ in Crore)**

Category	FY 2023-24	FY 2024-25	FY 2025-26
Net Profit	535.97	615.33	731.56
Less: Dividend Paid to Shareholders	38.97	39.14	42.46
Total EVR	**497.00**	**576.19**	**689.10**



SERVICE CAPITAL

Where Our Customers Are, We Are



DCB Bank has grown into a pan-India private sector bank with 480 branches across 20 states and 2 Union Territories, approximately 3.2 Million active customers, and a digital footprint that extends the Bank's reach far beyond its physical network. Its presence spans coastal, rural, and urban markets - from Andhra Pradesh and Kerala to Odisha and Madhya Pradesh, and from Maharashtra and Gujarat to emerging North Indian cities. This physical footprint is complemented by a rapidly expanding digital layer, extending the Bank's reach beyond branch boundaries into customer journeys.

Total Touchpoints

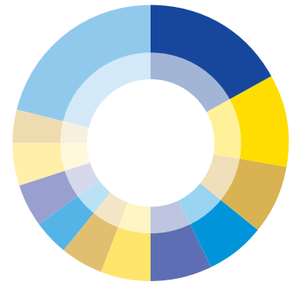
925
Touchpoints

480
Branches

445
ATMs

Digital Channels
Mobile Banking, Internet Banking, WhatsApp Banking

State-wise Branches (%)



Maharashtra	17%	Andhra Pradesh	5%
Odisha	11%	Delhi	4%
Telangana	8%	Uttar Pradesh	5%
Gujarat	7%	Rajasthan	5%
Madhya Pradesh	7%	Haryana	4%
Karnataka	6%	Others	21%

From Physical Network to Distribution Ecosystem

DCB Bank has re-architected its service delivery model from a branch-led structure to a digitally orchestrated, platform-based ecosystem. Investments in onboarding systems, API frameworks, and paperless servicing have increased acquisition throughput, reduced cost-to-serve, and enabled distribution beyond physical infrastructure.

The Bank now operates through a hybrid distribution model:

1. Physical network for relationship-led banking
2. Digital channels for scale and efficiency
3. Partner ecosystems for embedded distribution

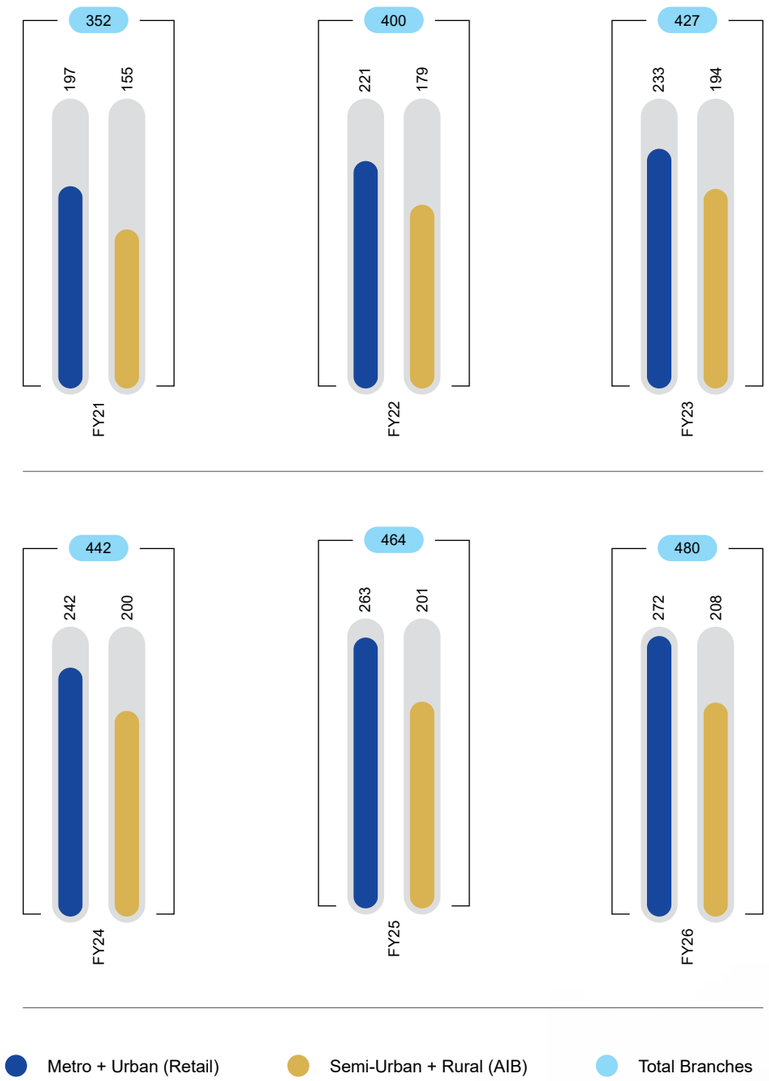
Through API-led integration and Banking-as-a-Service capabilities, DCB Bank now operates simultaneously as a direct retail bank, and a banking infrastructure provider within partner ecosystems. This allows the Bank to scale customer acquisition and servicing without proportional expansion in physical infrastructure.

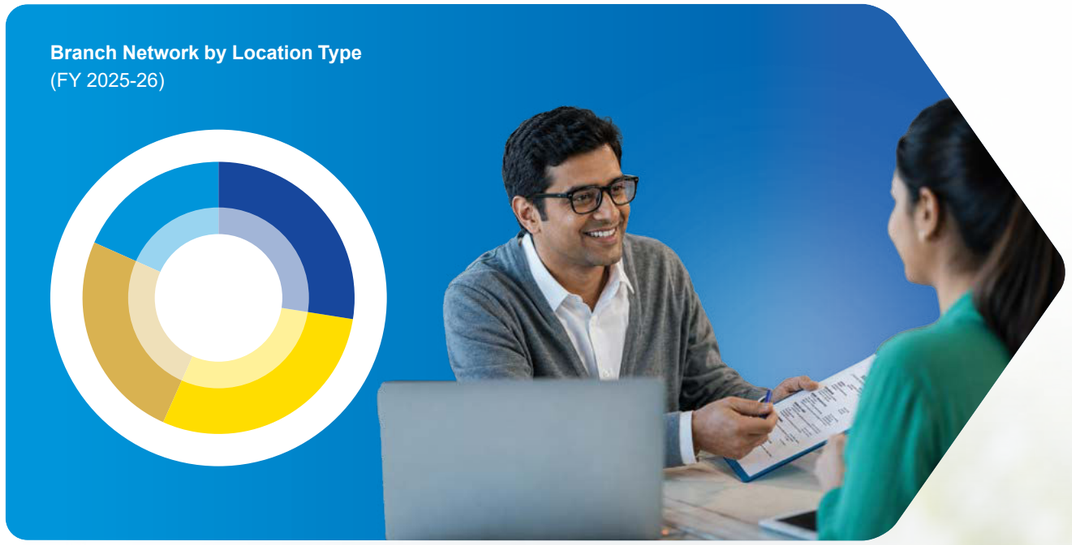
Branch Network: Disciplined Expansion over Five Years

DCB Bank's branch network is the backbone of its relationship banking model. Branches are structured across two segments: Retail Banking (urban and semi-urban markets serving retail, MSME, and business banking customers) and Agri & Inclusive Banking (AIB), serving rural and underbanked segments.

Outcome

Steady expansion aligned to customer density and business opportunity, supporting granular deposit mobilization and credit growth.





			No. of Branches
Metropolitan	|	27%	| 132
Urban	|	29%	| 140
Semi-Urban	|	25%	| 120
Rural	|	19%	| 88

480
Total No. of Branches

ATM Network

As of March 31, 2026, DCB Bank operated 445 ATMs across its network.



Digitized Operations and Cost Efficiency

Core processes have been re-engineered for straight-through, paperless execution, reducing friction across the operating model. The outcomes are lower processing cost, faster cycle times, and improved auditability.

- Electronic Bank Guarantee (eBG) issuance via NeSL has reduced turnaround time from hours to minutes
- Vendor Communication System (VCS) digitizes the field investigation lifecycle end-to-end
- Digital document management eliminates physical handling, manual reconciliation, and rework
- Gold loan onboarding time reduced to 30 minutes through fully digitized, paperless processing via the Gradatim platform
- DCB Lens, the Bank's gateway to the RBI's Unified Lending Interface (ULI), integrates land records and credit history data for faster, paperless loan appraisals, and reduces documentation requirements significantly

Through CUBE (account opening) and Gradatim (gold loan) digital platforms, DCB Bank eliminated approximately 6 million pages of paper in FY 2025-26 alone.

DCB Bank operates solar energy installations across 8 branch and office locations. In FY 2025- 26, these installations generated 59,925 kWh of solar energy.



Servicing Migration to Digital Channels

Routine servicing has shifted decisively away from branches to self-service digital channels. WhatsApp Banking enables end-to-end TD/ RD booking; Simplified IMPS allows mobile-number-based transfers without beneficiary setup. The Bank maintained near-perfect digital channel availability through FY 2025-26.

Channel	Uptime (incl. scheduled maintenance)	Uptime (excl. maintenance)
DCB Mobile Banking	99.95%	99.99%
DCB Internet Banking	99.98%	100.00%

Balancing Capital Allocation: Capex vs. Opex

DCB Bank applies a disciplined approach to technology capital allocation, retaining Capex only where it builds a sustainable competitive advantage (core banking, data, analytics, AI) and variabilizing the rest.

1

Cloud with FinOps Discipline

Reserved instances, auto-scaling, tagging-based chargeback, and quarterly IT Steering Committee cloud cost review prevents Opex inflation during workload migration. Compliant with RBI Master Direction on Outsourcing of IT Services (2025) and the DPDP Act, 2023.

2

Variabilizing the IT Cost Base

Shifting from perpetual licenses to subscription, from owned infrastructure to hybrid cloud, and from in-house BAU to managed services for non-differentiating layers.

3

Capex Retained Selectively

Only where technology builds a durable competitive advantage, core banking, proprietary data platforms, analytics infrastructure, and AI capabilities.

Inclusive Banking: Taking Banking to the Unbanked

DCB Bank's Agri & Inclusive Banking (AIB) model extends formal financial services to rural and underserved segments, supporting financial inclusion and livelihood growth. As of March 31, 2026, the AIB book stood at ₹14,087 Crore, growing 19.4% year-on-year, and accounted for 23.5% of the Bank's total advances portfolio.

Kisan Credit Card (KCC)

₹2,239 Crore (up 17.4% YoY); providing revolving credit to farmers for agricultural inputs

Tractor Finance

₹1,953 Crore (up 23.1% YoY); enabling mechanized farming and rural livelihood enhancement

Micro Finance Institutions (MFI)

₹1,132 Crore; serving small and marginal farmers through business correspondents

Gold Loan

₹4,144 Crore (up 56.7% YoY); fast, secure access to liquidity for rural households

INTELLECTUAL CAPITAL

Bringing Innovation and Security to Banking Experience



Every system DCB Bank builds, every process it automates, and every platform it deploys achieves one of three things: makes it faster and easier for a customer to bank with us, for our people to serve them, and it reduces the cost of doing both. Over the past year, the Bank has moved from fragmented digital initiatives to a cohesive, execution-led technology stack where data, platforms, and analytics directly drive growth, risk management, and efficiency.

This vision is operationalized through two interlocking frameworks.

ENGROS

(Engineering growth with Next-Gen Resilient and Orchestrated Systems) is DCB's digital strategy, accelerating key digital projects with needle-movement impact on business growth, customer engagement, risk management, and process automation.

AACT+DE

(Automation, APIs, Cloud Adoption, Technology Innovation + Data Ethics) is the governing IT strategy framework, with data ethics embedded as an explicit principle alongside technical enablement.

Since April 2024, technology investment has been identified as a core institutional pillar for sustainable growth, alongside talent development.

11
Mobile app language availability

230+
API sandbox services

190+
Live dashboards

Foundation: The DCB Technology Innovation Centre

The Bank's institutional engine for technology development sits at HSR Layout, Bengaluru. The DCB Technology Innovation Centre brings together bankers, technology specialists, transaction experts, information security professionals, and process optimization and user experience practitioners under one roof, translating ideas into deployable solutions.

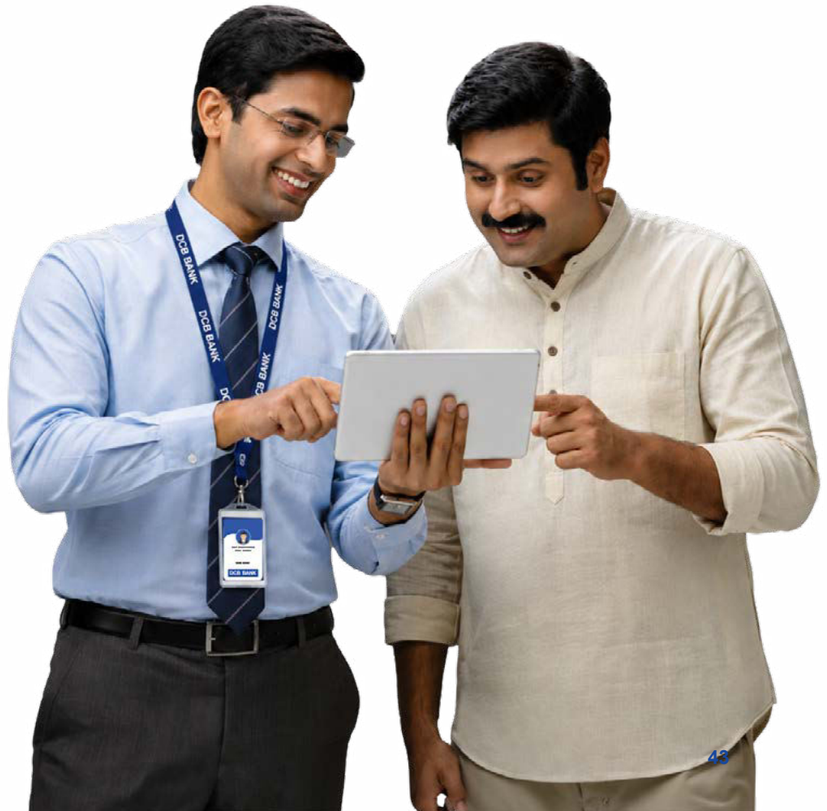
The Centre's work is organized around four priorities:

- **Building AI-driven and cloud-native banking platforms**
- **Engaging fintechs, startups, and technology leaders through strategic partnerships**
- **Developing hyper-personalized, secure digital banking journeys**
- **Redesigning back-office processes to reduce cost, paper, and turnaround time at scale**

Its outputs are concrete and verifiable. The Connected Banking Platform (CBP), one of the Centre's flagship achievements, enables fintech and corporate partners to integrate DCB's banking services through APIs, SDKs, and Socket connections, making DCB a plug-and-play banking infrastructure partner. Deployments enabled through the Centre include the DCB-Niyo Fixed Deposit feature, the lien-backed Secured Credit Card linked to savings accounts, the Finmon application for office account transaction monitoring, and the One-Time Settlement process.

The API sandbox, with 230+ services, is the commercial mechanism through which the Centre's fintech collaboration objective is realized, providing technology companies with a structured, tested environment to build on DCB's infrastructure.

The Bank has also run the DCB Innovation Carnival hackathon across six cities - Gurgaon, Ahmedabad, Mumbai, Bengaluru, Pune, and Hyderabad, in partnership with Accel India and DevX, mentoring 250+ startups with potential seed funding.



Platform Architecture: Built for Speed, Scale, and Partnership

DCB's technology infrastructure is modular and API-enabled, designed to support direct customer channels, relationship manager workflows, and embedded fintech integrations simultaneously.

Digital Onboarding Transformed at the Core

DCB Zippi, the Bank's first straight-through paperless Fixed Deposit account opening product.

The mobile banking application is live on Android and iOS in 11 regional languages, making it among the most linguistically accessible banking apps in India. DCB Remit enables outward international remittances digitally.

The Niyo partnership brings forex cards and digital savings to a large and growing customer base. A co-branded RuPay credit card launched with ZET in October 2025 extends secured credit access to MSME customers.

Electronic Bank Guarantee (eBG), live through the NeSL platform, eliminated physical stamping, signing, and courier processes for eBG issuance - reducing turnaround time from hours to minutes, creating a tamper-proof digital repository accessible to all three parties.

The Vendor Communication System (VCS) digitized the entire Field Investigation lifecycle, eliminating paper movement and manual tracking to enable faster credit decisions.

Next-Generation Customer Capabilities

In FY 2025-26, DCB introduced several new capabilities that make everyday banking faster, safer, and more accessible.

Multi-Signatory UPI enables businesses and joint account holders to initiate and authorize transactions through multiple signatories, each with their own UPI PIN, across multiple bank accounts within a single UPI app, bringing corporate-grade payment controls to small businesses and institutional customers.

Simplified IMPS allows instant transfers of up to ₹5 Lakh using only the recipient's mobile number and bank name, with real-time beneficiary name validation, removing the friction of pre-adding beneficiaries while maintaining security. Customers can complete transfers independently through mobile banking, PIB, and BIB, reducing branch walk-ins, manual support effort, and dependency on staff for beneficiary setup.

Term Deposit and Recurring Deposit booking via WhatsApp enables customers to open deposits directly through a channel they already use daily, with no branch visit or contact call required. This has measurably reduced branch walk-ins and freed staff for higher-value interactions.

Secured Credit Card against Savings Account provides a seamless card issuance journey backed by a lien on the customer's savings account, helping self-employed individuals and first-time credit users build credit history through regular payments.

Niyo Automation for Outward Remittance allows DCB customers to send money directly from their DCB account to overseas beneficiary accounts through the Niyo platform, a fully digital, low-friction cross-border transfer process.



Data, AI, and the Intelligence Layer

DCB's Enterprise Data Lake, deployed on GPU-enabled servers, is the analytical foundation for real-time decision-making across the Bank's value chain - from customer acquisition and cross-sell to risk monitoring and compliance. The platform runs an integrated stack comprising Cloudera, Hadoop, Kafka, SAS Viya, Python, R, and Spark, ingesting and harmonizing millions of customers and transaction records monthly.

The Business Intelligence Unit (BIU), which has evolved from an analytics team into a full-stack Analytics Centre of Excellence, has embedded data-driven decision-making into risk management, customer segmentation, predictive attrition modelling, and savings propensity scoring. Over 80% of customer communications are now data-driven, delivered through an upgraded Delivery Management System. The Bank's 190+ live dashboards provide real-time operational visibility across risk, compliance, customer behavior, and payments functions, reducing manual reporting cycles and enabling same-day management intervention on operational exceptions.

The Unified Cross-Sell Engine centralizes customer intelligence from Data Lake to generate next-best-product recommendations across branch, digital, and relationship manager touchpoints. With many DCB customers currently holding only one product, the cross-sell engine represents one of the most significant near-term revenue opportunities embedded in the Bank's digital architecture. The BIU integrates SAS Viya's campaign management capabilities with real-time transactional data through the Kafka pipeline, enabling personalized outreach across SMS, email, WhatsApp, and in-app channels.

At DCB Bank, Agentic AI represents a transformative opportunity to augment business operations through intelligent digital agents capable of autonomously executing tasks, orchestrating workflows, and supporting decision-making across customer service, operations, risk, and compliance functions. By leveraging Agentic AI, we plan to enhance operational efficiency, improve customer engagement, and accelerate innovation while maintaining a human-in-the-loop approach for critical decisions.

To ensure responsible adoption, DCB Bank is strengthening its AI Governance framework to ensure that AI solutions are secure, transparent, explainable, and compliant with regulatory expectations. The framework establishes clear accountability, model risk controls, data governance standards, ethical guardrails, and continuous monitoring mechanisms, ensuring that AI-driven innovation is aligned with the Bank's risk appetite and customer trust.

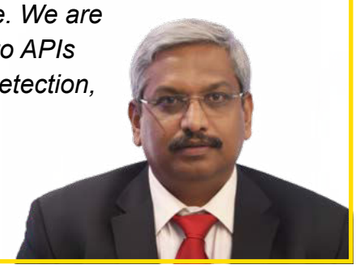
DCB Bank leverages Ring.ai as an AI-powered conversational platform to enhance customer engagement across cross-selling and upselling. The platform enables intelligent, automated customer interactions through voice-based conversations, helping the Bank scale outreach efforts while delivering consistent and personalized customer experiences. With robust multilingual capabilities, Ring.ai supports customer interactions in multiple regional and national languages, enabling the Bank to engage customers in their preferred language and improve response rates. The solution helps drive product awareness, lead conversion etc through contextual conversations, and seamless integration with existing banking systems, thereby improving operational efficiency and customer satisfaction.

AI is being deployed across distinct lending initiatives:

- **An MoU with Northern Arc Capital for the nPOS co-lending platform - cloud-based, API-enabled, covering origination to collection reconciliation with automated bureau-based decisioning, was signed in January 2025.**
- **The AI Conversational Analytics platform, launched in partnership with GreyLabs AI at GFF 2025, adds voice AI and speech analytics to the lending conversion funnel.**

APIs at DCB Bank are no longer just about serving data. They are about serving intelligence. We are embedding AI and ML into APIs for deduplication, fraud detection, and predictive analytics.

Murali Manduva
Chief Technology Officer



Toward a Secure Digital Future

As digital transactions grow in volume and complexity, protecting customer data and system integrity is a non-negotiable operating standard. In FY 2025-26, DCB strengthened its fraud detection and reporting infrastructure across two fronts.

Customers can now report suspicious or fraudulent transactions directly through the Mobile app, initiating immediate financial protection and the recovery process through a secure, documented channel, reducing dependence on branch or contact center intervention.

DCB also integrated its internal fraud management system directly with the Indian Cybercrime Coordination Centre (I4C) portal through a secure API. The integration automates fraud reporting end-to-end, eliminates manual data entry, ensures encrypted data exchange, and generates audit trails for regulatory compliance, making DCB's fraud reporting faster, more accurate, and fully traceable.

Building Brand through Technology: GFF and Tech Pulse

DCB's technology identity is shaped as much through external positioning as internal execution.

Global Fintech Fest 2025

At Global Fintech Fest 2025, where DCB was a Gold Partner, the Bank showcased its partnership-led growth model to India's fintech ecosystem. The Bank's fintech collaborations with Niyo, ZET, Credilio, Upswing, and Spense reinforced its position as a plug-and-play banking infrastructure partner, reaching both metropolitan and tier-2/ 3 customers through partner digital networks.

Key Launches at GFF 2025

DCB Novio Credit Card (with Credilio):

A UPI-powered RuPay secured card backed by Fixed Deposit targeting India's next 300 million new-to-credit consumers

DCB ZET Credit Card:

100% of new-to-credit users in the beta cohort reached a 700+ CIBIL score within 30-45 days.

AI Conversational Analytics Platform (with GreyLabs AI):

Voice AI and speech analytics for BFSI lending conversion

Digitally savvy and digital-native customers and non-metro locations are both go-to segments for DCB Bank. We have built a robust technology backbone that enables seamless collaboration with fintech.

Damodar Agarwal
Head of Strategic Alliance & Alternate Channels





Tech Pulse 2025

Tech Pulse 2025 brought together directors, senior management, and technology teams for an immersive internal showcase of over 30 digital solutions across four strategic themes: Launchpad (onboarding platforms), Bank MYWay (digital servicing), Smart & Secure (cybersecurity and automation), and Data Analytics & AI.

Unlike conventional slide presentations, teams demonstrated complete problem-to-outcome journeys, from problem identification through data analysis to outcome achievement, creating direct dialogue between technology professionals and board-level leadership.

Key Launches at Tech Pulse 2025

Customer and RM Enablement:

DCB RM Copilot, Audio Bot, DCB Assist, Kiosk

Decisioning and Risk Intelligence:

Application Scorecard, TransAnalyst, EWS

Data Platforms and Governance:

OneView, Data Lake, LENS - RBIH ULI

Digital Partnerships and Payments:

NIYO, DCB Secure Credit Card, UPI Circle, CBDT & GST integrations

Feedback from leadership directly influenced product prioritization and scaling decisions, reinforcing that at DCB, technology strategy is not a function separate from business strategy; it is the business strategy.



Looking Ahead

- Expand digital onboarding across savings, fixed deposits, and loan products to reduce turnaround time and branch dependency.
- Participate in Unified Lending Interface (ULI) pilots - if land records go digital nationally, property-backed loan sanctions that currently take days could be completed in hours.
- Build GST and Account Aggregator-linked underwriting into standard credit origination workflows.
- Scale AI across collections, fraud detection, and cross-selling analytics, with deeper GenAI integration into both digital and branch channels.

HUMAN CAPITAL

Empowering People, Enabling Progress

People sit at the center of everything DCB Bank does. The Bank invests in capability, inclusion and well-being to build a workforce that is agile, responsible and aligned with its long-term priorities.

11,374 Total employees

38 Avg. training hours per employee

100% Health & accident cover

BUSINESS PER EMPLOYEE

Particulars	March 31, 2026	March 31, 2025	March 31, 2024	March 31, 2023	March 31, 2022
Business per employee (₹ in Crore)	10.98	8.97	8.37	7.80	8.61

APPROACH AND VISION



DCB Bank places its workforce of over 11,300 employees at the centre of its customer-centric strategy. The Bank's people philosophy is anchored in empathy and quality, enabling employees to meet complex financial-inclusion needs while upholding strong governance and service standards.

Practices span the full employee lifecycle, from inclusive hiring to recognition and career progression.

Talent Acquisition

The Bank adopts a structured, need-based hiring approach aligned with business priorities and growth plans. Talent is sourced through multiple channels, including referrals, job portals, campus recruitment and placement partners, with a focus on domain expertise, customer orientation and adaptability.

Through its flagship campus connect program, The Top Recruit (TTR), the Bank engages with over 200 institutions to attract emerging talent, particularly for management trainee and technology roles. Internal Job Postings (IJPs) support career growth and mobility across the organization.

Learning and Development

Employees averaged about 38 training hours during the year, with 93.57% receiving skill-upgradation training, delivered through classroom, on-the-job, virtual and digital formats. Across the year, 4,884 training and awareness programs reached 93.25% of employees, while 52.5% were trained on health and safety. The Bank's Learning Management System, LUMOS, provides accessible, self-paced learning and deploys mandatory compliance modules across a distributed workforce.

LEADERSHIP PIPELINE

Signature programs such as RISE, ASPIRE, Elite and Sopana prepare employees for future roles and strengthen managerial capability

Diversity, Equity and Inclusion

DCB Bank believes that a diverse and inclusive workforce is fundamental to building a resilient and customer-centric organization. The Bank's workforce reflects diverse regions, languages and communities across India, while its people practices are guided by principles of equal opportunity, meritocracy and mutual respect. These principles are embedded across the employee lifecycle – from hiring and onboarding to development and career progression.

To strengthen inclusion and support women employees, the Bank undertakes several targeted initiatives:

1. **TreasurHER,** a platform for women employees to share experiences, learn from peers and build professional networks.
2. **YOUnity Wings for Women**, which promotes mentoring, leadership interactions and peer engagement.
3. Focused EAP sessions and manager sensitization programs covering workplace inclusion, unconscious bias and support for working mothers.
4. A gender-neutral POSH framework supported by awareness programs, confidential reporting channels and an active Internal Committee.

Equal Opportunity and Access

The Bank's Equal Opportunity and HIV Workplace Policy reinforces its commitment to assessing employees and candidates solely on merit, capability and job requirements, irrespective of gender, caste, ethnicity, disability or socio-economic background. These principles are further supported through the Code of Conduct, HR policies and employee grievance mechanisms, helping foster a workplace built on fairness, dignity and respect.



Employee Well-being

Employee well-being remains a key focus area, supported through comprehensive health, insurance and employee-support programs designed to address physical, emotional and financial well-being.

Key benefits available to employees include:

- Group health insurance coverage, including the option to cover in-laws.
- Group Personal Accident Insurance.
- Group Term Life Insurance.
- Maternity and paternity benefits.
- Employee Assistance Program (EAP) offering confidential counseling and psychological support.
- Preventive healthcare initiatives and periodic medical camps.



Workplace Safety

As a service-sector organization, DCB Bank focuses on maintaining safe, healthy and productive workplaces across its branch and office network. Workplace safety is supported through ergonomic-awareness initiatives, preventive health measures and employee support systems.

The Bank also promotes psychological safety through its POSH framework, grievance-redressal channels and employee-support programs, ensuring that employees can work in a respectful and secure environment.

A Culture of Wellness

The Bank continues to encourage healthy lifestyles and holistic well-being through a range of engagement and wellness initiatives. During the year, employees participated in:

- Walkathons and fitness challenges
- Health carnivals and preventive-care programs
- Expert-led wellness and awareness sessions
- Women-focused well-being programs under the EAP

Employee engagement is further strengthened through **YOUnity**, the Bank's well-being and engagement platform comprising employee resource groups that foster connection, inclusion and shared interests across the organization.

Engagement and Recognition

The Bank actively seeks employee feedback and encourages open communication through multiple formal and informal channels. HR business partners, regional HR teams and business leaders engage regularly with employees to understand concerns and improve workplace experience.

Key engagement mechanisms include:

- Employee engagement and feedback surveys.
- One-on-one HR interactions.
- Supervisory feedback surveys.
- Town halls and leadership communications.
- The **Each One Reach One (EORO)** initiative, which facilitates structured employee connect and feedback conversations.

Performance and Rewards

The Bank follows a structured performance management framework that aligns individual goals with business priorities. Annual goal setting, periodic reviews and performance evaluations help employees understand expectations and chart their development journey.

Employee contributions are recognized through a range of reward and recognition programs, including:

- **Spotlight** – Regional-level recognition program
- **Movers and Shakers** – National-level performance awards
- **Roll of Honor** – Bank-wide recognition platform
- Departmental recognition and achievement celebrations

Career growth is further supported through Internal Job Postings (IJPs), leadership-development programs and cross-functional opportunities.



SOCIAL & RELATIONSHIP CAPITAL

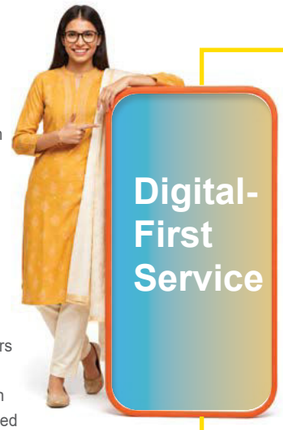
Nurturing Trust, Empowering Communities

DCB Bank builds enduring customer relationships and advances meaningful impact through thoughtfully designed, community-centric initiatives, anchored in empathy, transparency and shared value.

Relationship with Customers

DCB Bank serves individuals, self- employed professionals and small businesses across India through a model built on specialization: every customer deals with people who understand their segment, whether a home loan borrower, an MSME entrepreneur, a farmer or an educational institution.

In FY 2025-26, DCB served over 32 Lakh (3.2 Million-plus) active customers across 480 branches in 22 states and union territories (20 states and 2 union territories). Customer satisfaction stayed strong across the lifecycle, with the mobile banking platform emerging as the most positively rated touchpoint.



Digital-First Service

Same-Day Digital Onboarding: the CUBE platform processed over 162,000 account-opening applications, with more than 90% of branch-submitted forms cleared the same day.

API Monetization and Automation: scalable API frameworks and automation that improve efficiency and support fintech partnerships.

Fraud Prevention and Cybersecurity: AI-driven threat detection, behavioral analytics and real-time fraud monitoring across digital channels.

Secure Digital Infrastructure: a security and privacy by design approach, with zero customer data-breach incidents reported during the year.

Trust and Data Security

Trust is fundamental to DCB Bank's relationship with its customers. As banking becomes increasingly digital, the Bank continues to strengthen its cybersecurity, data privacy and fraud-prevention capabilities to safeguard customer information and ensure secure banking experiences across channels.

The Bank's security architecture is guided by a privacy-by-design approach and aligned with both the NIST Cybersecurity Framework and the Reserve Bank of India's cyber security guidelines. This is supported by an Enterprise Data Privacy Policy, robust governance mechanisms and ongoing efforts to align with the requirements of the Digital Personal Data Protection (DPDP) Act.

To address evolving cyber risks, the Bank deploys advanced security controls, including:

1. AI-powered behavioral analytics for fraud detection and risk monitoring
2. Zero Trust security principles across critical systems
3. Continuous vulnerability assessments and security testing
4. Ongoing cyber-security awareness and resilience initiatives

These measures help secure customer interactions across the Bank's digital ecosystem while supporting safe, seamless and reliable banking experiences.



Cyber Security at a Glance

Zero
Customer data breaches

122 Million
UPI transactions secured

NIST + RBI
Cyber security frameworks adopted

The Bank remains committed to continuously enhancing its cyber resilience and data- protection capabilities as digital adoption grows and the threat landscape evolves.

Outreach, Education and Inclusive Banking

DCB Bank's outreach efforts are guided by a simple objective: to remain visible, accessible and relevant to the communities it serves. Through a combination of regional marketing, digital engagement, financial literacy initiatives and inclusive service delivery, the Bank seeks to build trust, strengthen customer relationships and expand awareness of responsible banking practices.

On the Ground

The Bank strengthened its regional presence through targeted, localized outreach across key markets. Regional media engagement in states such as Kerala, Madhya Pradesh and Uttar Pradesh helped make the Bank's messaging more accessible to diverse customer segments. Complementing this were wall paintings in regional languages, outdoor branding across branch catchments and mobile van campaigns in Maharashtra, Telangana, Odisha and Madhya Pradesh.

Community engagement remained a key pillar of brand-building efforts. During the year, the Bank conducted more than **16,000 micro-marketing activities**, including health camps, loan melas, festival activations and customer-connect programs. Curated interactions such as **Ek Mulaqat Aur Kuch Baatein** further strengthened customer relationships and community trust.







In the Feed

The Bank continued to expand its digital footprint through targeted campaigns and thought-leadership initiatives. Long-format leadership conversations on cybercrime awareness, fraud prevention and investment safety helped educate customers while reinforcing trust in the Bank's expertise.

Digital campaigns across Google and Meta platforms supported awareness and customer acquisition for products including savings accounts, fixed deposits, gold loans, remittances and business loans.

Media Reach

The Bank's outreach efforts generated significant visibility across media channels during the year.

663
Total media mentions

372
Print

274
Online

17
Broadcast







Financial Literacy and Customer Education

Promoting informed and secure banking remains an important part of the Bank's customer engagement approach. In line with Reserve Bank of India's guidance, the Bank conducted targeted awareness programs in regional languages covering safe banking practices, fraud prevention, customer rights and grievance-redress mechanisms.

These programs were tailored to the needs of different customer groups and delivered through a structured annual outreach framework.

Help rebuild lives of people who had a bad bureau score.

Help the youngsters understand the credit discipline.

35
Customer awareness campaigns conducted

Voice of the Customer

Customer feedback shapes how the Bank designs products and evolves experiences. Concerns are captured across assisted and digital channels and managed through a centralized Integrated Complaints Management System (ICMS), and reviewed periodically to identify recurring themes. Complaints fell to 19,839 during the year from 24,725 a year earlier, a 19.76% reduction. A dedicated brand perception study covering both customers and non-customers further informed the Bank's competitive positioning and engagement approach.



Corporate Social Responsibility

DCB Bank's CSR vision is rooted in building an environmentally sustainable and socially responsible future by contributing meaningfully to society. At its core, the Bank believes in the value of giving back to society and integrating business growth with social responsibility.

The Bank follows a community-centric, sustainability-driven approach anchored by six interconnected pillars:

Environmental Sustainability & Climate Action

Focusing on nature-based, regenerative restoration (water, waste, biodiversity, and renewable energy).

Sustainable Livelihoods

Moving beyond aid to build self-reliance, income creation, and economic resilience for vulnerable rural communities.

Community Participation & Ownership

Ensuring active local involvement to create context-specific solutions and long-term asset maintenance.

Strategic Partnerships

Collaborating with credible NGOs and grassroots experts for scalable impact.

Employee Volunteering & Engagement

Building a culture of responsibility through active participation of DCBians.

Strong Governance & Impact Measurement

Maintaining structured oversight via the CSR & ESG Committee, focusing on measurable outcomes over outputs.

FY 2025-26 Snapshot

1,85,258
Native trees, mangroves + shrub saplings planted

2,15,500 individuals
Influenced sustainable livelihoods

₹ 14.74 Crore
CSR spend

17 States

34 Districts
Geographic reach



Tree Plantation and Urban Afforestation

Urban Afforestation (Miyawaki), Gurugram, Haryana

Transforming an urban land parcel in Palam Vihar into a dense, self-sustaining native forest using the Miyawaki method. This project mitigates urban heat (creating a 2–3°C microclimate reduction), improves soil quality through biomass enrichment, and supports rapid localized biodiversity growth within a 1.25-acre area.



15,000
Native saplings planted

5,058 sq. m
Area transformed into green cover

49
Native species planted

Urban Afforestation (Miyawaki), Satna, Madhya Pradesh

A dense, multi-layered urban forest developed at the District Collectorate Office to enhance air quality, restore ecological balance, and serve as a replicable model for climate-responsive urban infrastructure.



3,000
Native saplings planted

2,844 sq. m
Area transformed into green cover

55
Native species planted

Forest & Mangrove Restoration (Trees for Tigers®), Seoni (MP) & Sundarbans (WB)

A dual-landscape afforestation initiative restoring degraded forest corridors near the Pench tiger landscape in Seoni and regenerating critical coastal mangrove ecosystems in the Sundarbans. This project strengthens wildlife habitat connectivity and provides natural barriers against coastal cyclones.



45,000
Total trees planted (8,000 forest, 37,000 mangroves)

412
Individuals provided direct employment

9,00,000+ kg
Potential CO_2 sequestration over time

Aravalli Hill Ecological Restoration (Sakhigiri Van), Barsana, Uttar Pradesh

Landscape-level ecological restoration of a degraded semi-arid hill ecosystem. Interventions focus on removing invasive species, planting multi-layered native flora, and restoring an Open Natural Ecosystem (ONE) that supports local wildlife and cultural heritage.



75 acres
Project area

77
Bird species recorded in baseline studies

93%
Local community support for restoration efforts

Integrated Mangrove Restoration & Aquaculture, Kendrapara, Odisha

Restoring coastal ecosystems, while building climate-resilient livelihoods for vulnerable mangrove-dependent communities. The initiative integrated community-led mangrove plantation, pond renovation for fish farming, nutri-gardens, and backyard poultry.



16,255
Mangrove saplings planted

5
Community ponds renovated with 25,000 fingerlings

4 quintals
Fish productivity per pond/year

600
Households supported with nutri-gardens

Sustainable Livelihood and Women Empowerment

Sustainable Livelihoods through Eco-based Enterprise, Cuttack, Odisha

Promoting beekeeping as a climate-resilient, women-led livelihood model across 18 villages. The project trains women in entrepreneurship, enhances local pollination biodiversity, and connects SHGs with government subsidies to scale green micro-enterprises.

103
Active women beekeepers

208
Active bee colonies

200 kg
Honey harvested, generating ₹ 99,300 income



Mangrove Ecosystem Restoration, Krishna District, Andhra Pradesh

Restoring degraded mangroves along the vulnerable coastal belt to protect local communities from sea-level rise and salinity ingress, while establishing sustainable nurseries and climate-resilient community livelihoods.



30 hectares
Land prepared for restoration

36,000 m
Canal digging completed

15,000
Mangrove seeds collected and nursery established

Mangrove Ecosystem Restoration, Navsari, Gujarat

Restoring degraded coastal land into a healthy mangrove ecosystem using the scientific fishbone canal technique to improve tidal water flow, supporting marine habitats and community protection at Machhiwad Village.



14,445
Native mangrove saplings planted

2.9 hectares
Project area restored

100%
Plantation activity completed within timeline

Lake Rejuvenation (Reviving Blue), Agumbe, Karnataka

A science-based restoration of a degraded freshwater ecosystem in the Central Western Ghats. The project utilized bathymetric assessments to plan desiltation, bund strengthening, and ecological zoning to secure water for thousands of dependents.



11 Million
Lake storage capacity assessed

8,600+ cubic m
Desiltation volume estimated

3,000+
Individuals dependent on restored groundwater

Siliserh Lake Catchment Restoration, Alwar, Rajasthan

Restoring traditional water harvesting systems and Oran-Devbani (sacred groves) within the Sariska Tiger Reserve landscape. This project ensures sustainable water availability for humans, livestock, and native wildlife.



5
Water bodies constructed & restored

5,000
People benefited

15,000+
Livestock supported alongside local wildlife

Agriculture And Irrigation

Protective Irrigation and Climate-Resilient Agriculture, Koppal & Raichur, Karnataka

Strengthening smallholder farmer resilience in dryland regions through the Envision–Enable–Evidence framework. The project facilitated multi-cropping, water-sharing systems, seed treatments, and established Bio-Resource Centres led by women entrepreneurs.



480
Farmers trained in sustainable agriculture

283 acres
Irrigated via community water-sharing (doubling cropping intensity)

579 acres
Brought under sustainable practices

Crop Residue Management, Fatehgarh Sahib, Punjab

A sustainable agriculture initiative combating stubble burning in Punjab by introducing mechanized solutions (Super Seeders) and educating farmers on in-situ residue management to improve soil health and combat air pollution.



1,375
Farmers adopted Super Seeder-based sowing

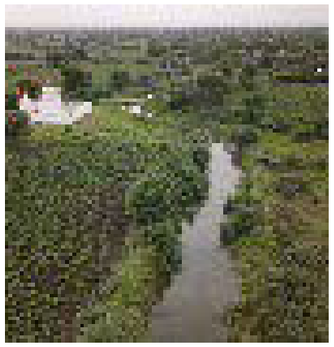
2,176 acres
Brought under sustainable crop residue management

10
Super Seeder machines deployed to agri-entrepreneurs

Water Conservation And Management

Watershed Development, Jalna, Maharashtra

An integrated strategy focusing on water conservation in drought-prone Dhakephal village. Interventions included repairing natural bunds, constructing farm ponds, and desilting nalas to enhance water security, groundwater recharge, and agricultural resilience.



1,03,00,000 L
Total water storage capacity created

3
Farm ponds constructed for marginalized farmers

15
Vermicompost beds established

Recycled Wastewater (DEWATS) Initiative, Jhajjar, Haryana

Piloting a decentralized, nature-based wastewater treatment system in rural Haryana to address groundwater depletion. The system features IoT-enabled monitoring and allows rural farming communities to safely reuse treated wastewater for agriculture.



73 KLD
Capacity of the DEWATS constructed

1
Existing village pond rejuvenated

15 member
Water Management Committee formed

Waste Management AND Urban Action

Waste Innovation Centre for Circular Economy, Darjeeling, West Bengal

Establishing a decentralized waste management ecosystem in ecologically sensitive hills. Overcoming geographical challenges, the project developed a Material Recovery Facility (MRF), trained Swachhata Praharis, and established a paper upcycling unit.



750+
Upcycled paper products (certificates/diaries) produced

20,000+
Households integrated into waste collection

15,000+ kg
Waste diverted from dumping and burning

Urban Afforestation and Waste Clean-up, Multi-City Initiative

A decentralized environmental action project across 80 Indian cities, combining large-scale native tree plantation with high-impact clean-up drives in public spaces, heavily driven by volunteer participation.



80
Cities covered (30 plantation, 50 clean-up)

2,724+
Individuals mobilized for environmental action

6,000
Saplings planted

Biodiversity Conservation

Butterfly Express – Pollinator Gardens, Navi Mumbai, Maharashtra

Transforming concrete-dominated police station premises into biodiverse, pollinator-friendly ecosystems. The initiative supports pollinator conservation, reduces ambient noise, and improves the mental well-being of police personnel.



10
Butterfly gardens across Police Stations

3,299
Butterfly-friendly plants introduced

122.22%
Increase in butterfly species (from 18 to 40)

237
Educational signages installed

Human-Wildlife Conflict Mitigation, Kotagiri, Nilgiris, Tamil Nadu

Addressing the root causes of man-animal conflict through safe infrastructure, sanitation, and awareness. Interventions ensured secure access to resources and reduced accidental wildlife encounters for local communities.



30
Solar streetlights installed across 15 villages

13
Open wells secured

30
Sanitary incinerators installed

4,000+
Individuals protected in high-conflict zones

DCBIANS IN ACTION

Our philosophy of engaging employees ('DCBians') in CSR is rooted in the belief that true impact goes beyond financial contributions; it comes from active human involvement. Employee volunteering fosters empathy, grounds projects in real community needs, and builds shared accountability.

In FY 2025-26, our people showed up to drive change across the country:

3,855
Volunteers

7,710
Volunteering hours contributed

NATURAL CAPITAL

Sustaining Growth, **Responsibly**

As a service-led institution, DCB Bank's environmental footprint primarily arises from its branch network, office infrastructure, employee mobility and resource consumption. The Bank seeks to minimize this impact through operational efficiency, digital transformation and responsible resource management, while progressively embedding sustainability into its financing and value-chain practices. Material topics such as Climate Change, Energy and GHG Management, and Waste and Water Management continue to shape the Bank's environmental priorities.

Environmental Strategy

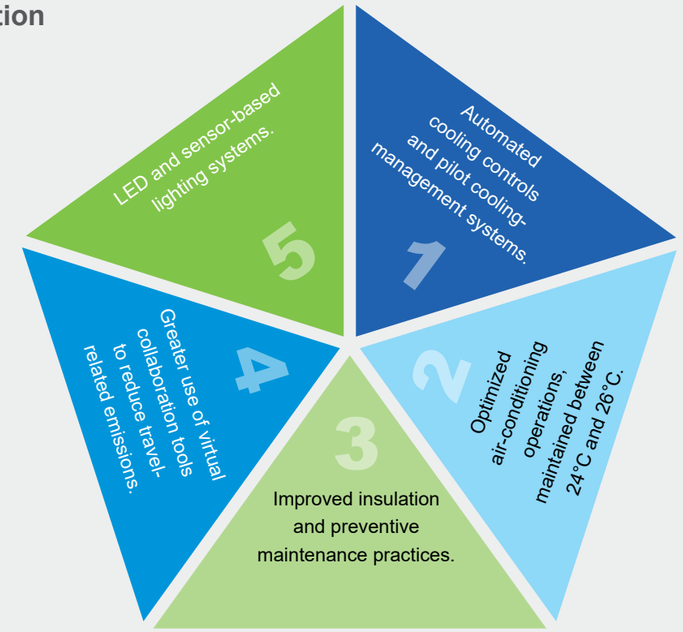
The Bank's environmental approach focuses on:

- Reducing operational emissions across branches and offices.
- Improving efficiency in energy and water consumption.
- Accelerating digital adoption to reduce dependence on physical resources.
- Integrating sustainability considerations into financing and procurement practices.

Energy and Climate Action

During FY 2025-26, DCB Bank significantly reduced its environmental footprint through focused efficiency initiatives and operational improvements. Total energy consumption declined by 35.41% year- on-year, while emission intensity reduced by 30.17%, reflecting the impact of conservation measures implemented across the Bank's network. Combined Scope 1 and Scope 2 emissions declined to approximately 10,302 $MTCO_2e$, despite continued business growth.

Energy-efficiency initiatives implemented across locations included:





Renewables and Green Infrastructure

The Bank continues to strengthen its renewable-energy and green-building footprint through rooftop solar installations at select locations and financing support for renewable-energy projects.

A key milestone during the year was the achievement of LEED certification for the Andheri office, recognizing performance in energy efficiency, water conservation and sustainable infrastructure management. In parallel, plantation initiatives supported the planting of over 1,85,258 trees, contributing to biodiversity enhancement and long-term carbon sequestration.



Water and Resource Stewardship

Responsible resource management remains central to the Bank's environmental strategy. While operational expansion led to higher overall water withdrawal, water-use efficiency improved during the year, with water intensity reducing to **18.72 KL per ₹ Crore of turnover** from **19.29 KL** in the previous year.

Conservation efforts include:

- Sensor-based taps and regulated fixtures.
- Water-efficient flushing systems and waterless urinals.
- Rainwater harvesting infrastructure at Peninsula Business Park.
- Measures to reduce dependence on conventional water sources.



Circular Resource Management

DCB Bank promotes responsible consumption and waste management through recycling, reuse and process digitization initiatives.

During the year:

- **21.93 MT** of e-waste was responsibly recycled through authorized recyclers
- **58.84 MT** of battery waste was safely managed
- Paper waste reduced to **73.81 MT,** supported by continued digitization and automation of business processes

The Bank also promotes circularity through the use of recycled-content stationery, eco-friendly housekeeping materials and modular ceiling tiles manufactured from recycled waste. Waste-segregation pilots were expanded across branches in Madhya Pradesh, while employee-focused recycling initiatives encouraged responsible disposal of personal electronic devices.



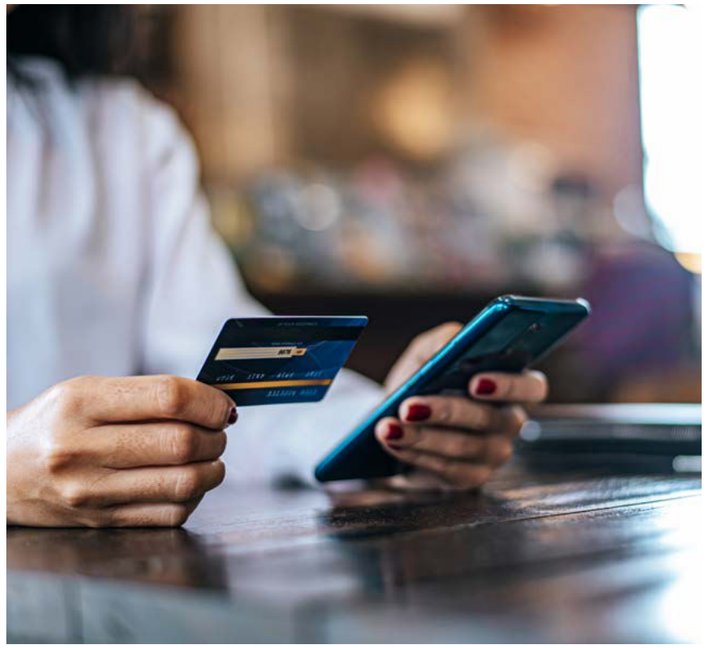
Digital Transformation as an Environmental Enabler

Digitalization continues to be one of the Bank's most effective levers for reducing environmental impact while enhancing customer convenience. The Bank is advancing a sustainable phygital model that combines physical presence with increasingly digital customer journeys.

During FY 2025-26:

- 96% of transactions were conducted digitally
- More than 122 Million UPI transactions were processed
- Full compliance with shareholding dematerialization requirements was achieved

By reducing paper-intensive processes and automating key workflows, digital transformation is helping lower resource consumption while improving operational efficiency.



Awards and Accolades

Work that Speaks. **Recognition that Follows.**

This year, DCB Bank was recognized across technology, people, CSR, and workplace culture by institutions that assess performance independently and rigorously. Each recognition reflects a specific commitment the Bank has sustained over time.

Technology and Innovation

1

Co-lending Model received Process Innovation (Gold) and AI-Behavioral Biometrics Authentication in Modern Technology Led Innovation (Platinum)

At the Infosys Finacle Innovation Awards 2025

2

Best Technology Talent - Special Mention

At the IBA Retail Banking, 19th Annual Technology Conference

Corporate Social Responsibility

1

GOLD

Won Gold in the Best CSR Partnerships for Sustainable Development, Indigenous Beekeeping in Odisha, Madhya Pradesh, and Gujarat

At the 13th ACEF Asian Business Leadership Award



People and Workplace

1

Awarded Most Preferred Workplace 2025-26

At the Most Preferred Workplace Awards 2025-26

2

India's Best Workplaces in Banks 2025

At the Great Place to Work® India

3

Certified Great Place to Work for the 10th consecutive year

At the Great Place to Work® India

4

Recognized as India's Best Workplaces in BFSI 2025 - Top 50

At the Great Place to Work® India

5

Recognized as India's Best Workplaces in Health and Wellness 2026 - Top 50

At the Great Place to Work® India

Talent and Leadership Development

1

Excellence in Talent Management and Succession Planning - 45 Under 45 Emerging Leaders Program

At the CHRO Vault Awards

2

Won Silver at the Emerging Leader Development Excellence, 45 Under 45 Initiative

At the People Matters LLC Awards 2025

3

Recognized as Buddies of Wellness: Comprehensive Employee Well-being including EAP, YOUnity Group, Employee Sentiment Monitoring, Health Carnival, and Walkathon

At the ProStar Awards 2025

4

Leaders' Award for Building a Business-Aligned Learning Ecosystem

At the SmartNext/ SmartWinnr 2026

5

Won Most Effective Recruitment Strategy of the Year

At the Synnex Awards

Corporate Information

Board of Directors

Mr. Praveen Achuthan Kutty
Managing Director & CEO

Mr. Krishnan Sridhar Seshadri
Whole Time Director
(Executive Director)

Mr. Nasser Munjee
Non-Executive
(Non-Independent) Director

Mr. Amyn Jassani
Independent Director

Mr. Somasundaram PR
Independent Director

Mr. Balu Srinivasan
Independent Director

Mr. Tarun Balram
Independent Director

Mr. Nadir Bhalwani
Non-Executive
(Non-Independent) Director

Mr. Thiyagarajan Kumar
Independent Director

Ms. Neeta Sudhir Rege
Independent Director

Mr. Suhail Nathani
Independent Director

Mr. Pushan Mahapatra
Independent Director

Chief Financial Officer

Mr. Ravi Kumar

Company Secretary

Ms. Rubi Chaturvedi

Senior Management Team

Mr. Manoj Joshi
Chief Compliance Officer

Mr. Abhijit Bose
Chief Credit Officer

Mr. Mahesh Raman Kutty
Chief Risk Officer

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

Mr. Jayaram Vishwanath
Head Corporate Banking, Construction Finance & SME

Mr. Pankaj Sood
Head Branch Banking

Mr. Narendranath Mishra
Head Retail & Agri Loans

Mr. Krishna Ramasankaran
Chief Internal Auditor

Ms. Ashu Sawhney
Head Human Resources

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

Mr. Murali Manduva
Chief Technology Officer

Mr. Ajay Mathur
Head Collections & Commercial Vehicles

Mr. Gaurav Mehta
Head Marketing, PR, Corporate Communications & CSR

Mr. Damodar Agarwal
Head Strategic Initiatives & Alternate Channels

Mr. Kamala Kant Pandey
Head Gold Loans & Trade Finance

Other Key Officials

Mr. Bappa Roy
Chief Data Protection Officer

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
Deputy Chief Compliance Officer

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

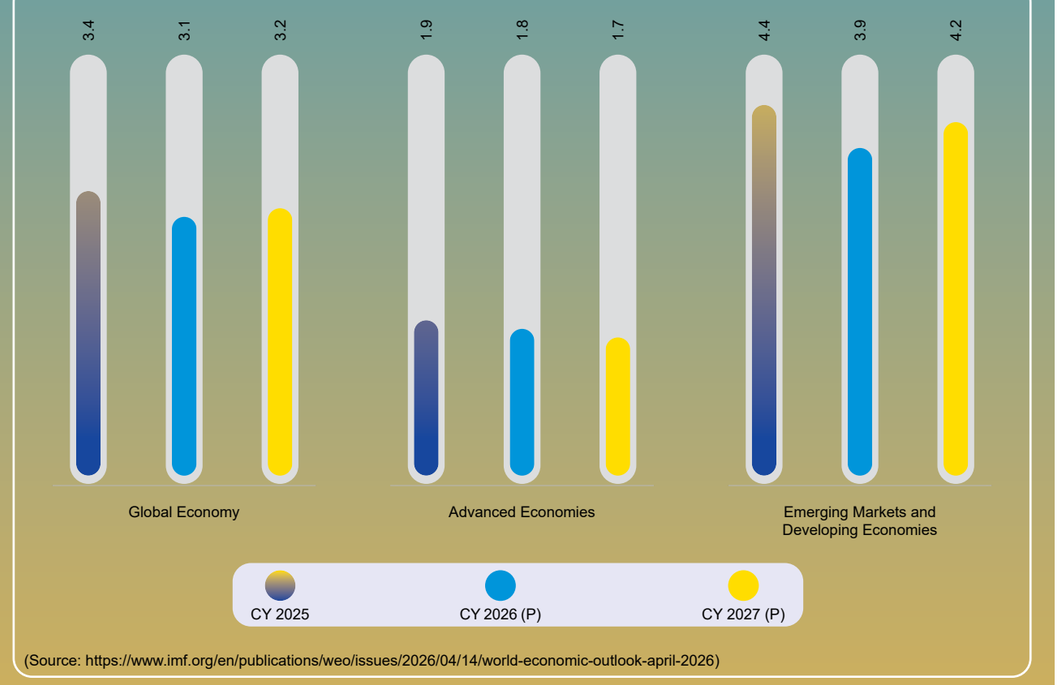
DCB Bank Limited
601 & 602, Peninsula Business Park, 6th Floor, Tower A, Senapati Bapat Marg, Lower Parel, Mumbai - 400013

Management Discussion & Analysis

Global Economy

The global economy entered FY 2025-26 in a state of cautious optimism. Growth held up across most major economies, but the gains were distributed unevenly, and the risks multiplied. The International Monetary Fund, in its April 2026 World Economic Outlook, projected global growth at 3.1% for CY 2026, revised down from prior forecasts, reflecting the cumulative drag from trade policy uncertainty, geopolitical conflict, and the lingering effects of the global monetary tightening cycle. Behind these headline numbers is a more complex picture: advanced economies decelerating, emerging markets absorbing external pressure, and commodity markets responding sharply to geopolitical developments.

GDP Growth Projections (in %)



(Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026)

P: Projected

The most consequential development of the year was the escalation of the West Asia conflict beginning in late February 2026. Its impact operated through three channels simultaneously. First, energy: Brent crude prices rose sharply as Strait of Hormuz traffic was disrupted, pushing up fuel costs for importing economies and adding inflationary pressure that central banks had only recently brought under control. Second, freight: international shipping costs increased materially as insurance premiums on key routes spiked and route diversions lengthened transit times. Third, supply chains: sectors dependent on petrochemical inputs and Gulf-routed components, including textiles, auto parts, and chemicals, experienced tightened availability. For India, which sources over 85% of its crude requirements from imports, the timing was particularly unwelcome, arriving just as domestic inflation had cooled to comfortable levels.

The United States economy grew at a pace well above its peers, sustained by a resilient labor market and continued technology investment, though momentum moderated through the second half of CY 2025 as the lagged effects of higher-for-longer monetary policy worked through the system. The Federal Reserve began a cautious easing cycle in late CY 2025, cutting rates by a cumulative 75 basis points, but held rates stable in early CY 2026 as energy-driven inflation reignited. The Euro Area muddled through, constrained by weak industrial output in Germany and persistent demand softness. China, managing a deflationary domestic environment, maintained 4.6% growth largely through export-led expansion, even as trade tensions with the US and the European Union escalated over tariff disputes. Emerging markets, as a group, proved more durable than in prior cycles of dollar strength, supported by stronger fiscal positions, higher commodity revenues for exporters, and improved external buffers.

Trade policy added a second layer of friction. The United States' renewed tariff agenda, directed at both adversaries and allies, introduced uncertainty into global supply chain planning. Businesses delayed capital expenditure decisions in the face of unclear trade costs, and global merchandise trade growth slowed materially in CY 2025, below the pre-pandemic decadal average.



Outlook

Global growth is expected at 3.1% in CY 2026, with the IMF explicitly noting the balance of risks is tilted to the downside. A prolonged West Asia conflict that keeps energy prices elevated would compress growth in oil-importing economies while limiting central bank room to ease. Trade fragmentation remains structural. For India-focused banks, the relevant watch points are crude oil trajectory, rupee direction, and NRI remittance flows from the Gulf, each of which feeds directly into credit demand, deposit costs, and portfolio performance.

[Source: IMF WEO April 2026 | RBI MPC Statement, June 2026 | https://www.newsonair.gov.in/rbi-to-announce-its-first-bi-monthly-monetary-policy-statement-for-financial-year-2026-27-today/]



Indian Economy

India closed FY 2025-26 as the fastest-growing major economy in the world, with real GDP estimated at 6.5% for the year as per the IMF's April 2026 projections, against a global average of 3.1%. That performance was achieved against a backdrop of a weakening rupee, elevated imported inflation from energy prices, and a global trade environment that penalized open economies. The story was not one of insulation from global headwinds but of structural strength that absorbed them.



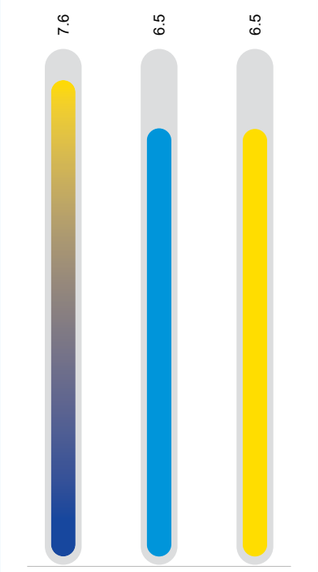
The growth composition was broadly balanced. Agriculture expanded aided by favorable monsoon conditions through the kharif season and strong rabi sowing. The sector's contribution underpinned rural incomes, moderated food inflation in the first half of the year, and supported credit performance in agricultural lending portfolios. Manufacturing and construction were the primary contributors to industrial growth. The Index of Industrial Production for March 2026 recorded 4.1% growth, with capital goods up 14.6% year-on-year - a strong indicator of sustained investment activity. Infrastructure and construction goods output grew 6.7%, consistent with continued government spending on roads, railways, and urban infrastructure. Services, India's largest sector and the anchor of urban employment and credit demand, maintained its growth trajectory through the year.

Monetary policy navigated a delicate balance. The Reserve Bank of India delivered a cumulative 100 basis points of rate cuts through FY 2025-26, bringing the repo rate down from 6.25% to 5.25%. At its April 2026 meeting, the Monetary Policy Committee voted unanimously to hold rates unchanged, reflecting the domestic growth momentum being intact while the West Asia conflict introduced inflationary risks through energy prices. CPI inflation for FY 2025-26 settled at approximately 4.2%, within the RBI's tolerance band, but the forward projection for FY 2026-27 was revised to 4.6%. The system liquidity environment improved materially during the year as the RBI deployed open market operations, FX swaps, and variable rate repo auctions to ease the structural deficit that had persisted through much of FY 2024-25.

The rupee came under sustained pressure throughout the year. The USD$/₹ rate moved from approximately ₹84 at the start of FY 2025-26 to above ₹93 by March 2026, reflecting dollar strength, portfolio outflows, and elevated import costs from energy. The RBI intervened to smooth excessive volatility without defending a specific level, consistent with its stated policy of market-determined exchange rates. For banks with significant NRI deposit franchises, currency movement created both a liability repricing dynamic and an opportunity to attract remittance flows from the Gulf and North American diaspora.

The Union Budget for FY 2026-27 continued the direction of prior budgets: fiscal consolidation alongside infrastructure acceleration. Capital expenditure allocation remained elevated, and MSME-oriented credit schemes were expanded. The revision in MSME classification thresholds that took effect on April 1, 2025, more than doubled the investment and turnover ceilings, bringing a larger universe of borrowers within the formal credit system and expanding the addressable market for banks focused on this segment.

India's GDP Growth Projections



P: Projected

Source: MOSPI Second Advance Estimates, PIB Press Release: https://pib.gov.in/PressReleasePage.aspx?PRID=2219912

[Source: MoSPI Second Advance Estimates | PIB | RBI MPC Statement, June 2026 | https://www.newsonair.gov.in | IIP March 2026, PIB | https://www.pib.gov.in/PressReleasePage.aspx?PRID=2256241]

MSME SECTOR UPDATE

- Udyam registrations crossed 7.3 Crores as of December 2025
- MSME classification thresholds revised upward by 2.5x (investment) and 2x (turnover) effective April 1, 2025
- Credit Guarantee Scheme coverage ceiling rose to 10 Crores
- Sector contributes approximately 31% to India's GDP and 45% to merchandise exports
- 58 Million working enterprises; 244 Million employed; 96% sole proprietorships

Outlook

The IMF projects India's real GDP growth at 6.5% for FY 2026-27, moderating from 7.6% in FY 2025-26 amid higher energy costs and tighter global financial conditions rather than any structural weakening. The RBI's June 2026 MPC meeting reinforced a cautious policy stance, holding the repo rate at 5.25% for a third consecutive meeting and maintaining a neutral outlook. The central bank revised its FY 2026-27 GDP growth forecast to 6.6% and raised its inflation projection to 5.1%, citing elevated energy prices, currency pressures and broader geopolitical uncertainties as key risks. With inflation management and exchange-rate stability taking precedence, the likelihood of further rate cuts this fiscal year has diminished materially. For MSME-focused lenders, however, expanded classification thresholds and ongoing formalization continue to present a durable structural growth opportunity, largely independent of the cyclical rate environment.

[Source: RBI MPC Statement, June 2026 | MoSPI | PIB]

Global Banking

The global banking industry recorded its strongest financial performance in over a decade in CY 2025. A higher-for-longer interest rate environment through the first half of the year expanded Net Interest Margins across major economies. Return on equity for large banks exceeded 12% in the United States and 10% in Europe for the first time in the post-Global Financial Crisis period. McKinsey's Global Banking Annual Review noted that global bank revenues reached approximately USD 7.1 Trillion in CY 2025, with the industry returning close to its cost of capital across most geographies for the first time since 2010.

However, return on tangible equity declined from 12.4% in CY 2024 to 11.8% in CY 2025, and banking continues to carry the lowest price-to-book and price-to-earnings ratios of any industry, suggesting investors remain unconvinced by the long-term growth story despite record near-term results.

Those tailwinds are fading. Central banks in the US, Europe, and the United Kingdom began cutting rates in late CY 2025, and the compression of asset yields is now outrunning the repricing of deposit bases. Non-bank financial intermediaries, spanning private credit funds, fintech lenders, and insurance-linked credit vehicles, continued to gain share in wholesale and consumer lending. Technology expenses are escalating; AI infrastructure, core banking modernization, and cybersecurity investments are no longer optional. Banks that deferred these investments during the high-margin years now face a more difficult rebuild in a compressed-margin environment.

Customer behavior is shifting in ways that carry lasting revenue implications. Fintechs now account for 17% of combined banking and fintech revenues and are growing at 22% annually against 5% for banks. Neobanks are delivering ROEs of 30-35% on lean operating models, well above most incumbents, and have broken through the traditional growth-profitability frontier that banks long considered fixed. Agentic AI is accelerating this shift: by enabling real-time balance comparison, automated account switching, and personalized financial optimization, it is eroding the deposit and lending stickiness that has underpinned bank profitability for decades.

Digital-native customers are more willing to fragment their banking relationships across providers, eroding the cross-sell economics that traditional banks have long depended on. In Asia, super-app ecosystems have embedded financial services into daily commerce at a scale that traditional bank branches cannot match. For banks whose competitive advantage rests on relationship depth in the MSME and self-employed segment, these shifts make customer engagement technology an existential rather than aspirational investment.

[Source: McKinsey Global Banking Annual Review 2026 (Preview) | EY Global Banking Outlook 2025] |
https://www.mckinsey.com/industries/financial-services/our-insights/global-banking-annual-review | EY Global Banking Outlook 2025 | https://www.ey.com/content/dam/ey-unified-site/ey-com/en-cn/insights/financial-services/documents/ey-global-banking-outlook-2025-en.pdf]

Outlook

The global banking industry in CY 2026 is navigating a post-peak NIM transition. Banks that built balance sheet strength and provisioning buffers during the high-rate years are better positioned to absorb margin compression without sacrificing capital ratios. The structural challenge is longer-cycle: sustaining profitability as non-bank competitors, digital platforms, and AI-native financial services providers reduce friction in markets where traditional banks have earned relationship premiums. Institutions with secured, granular, and relationship-anchored portfolios in under-served segments, such as MSME banking in emerging markets, face a more durable competitive position.

The strategic imperative, however, is no longer patience. AI adoption is crossing age groups at unprecedented speed, eliminating the grace period that banks historically relied upon to ease into technological change. Banks that respond with precision and speed, shifting from static customer segmentation to dynamic engagement, and from balance-sheet-led profitability to fee-based and beyond-banking revenue, will be best placed to defend and deepen their customer relationships in this environment.

[Source: McKinsey Global Banking Annual Review | EY Global Banking Outlook 2025

Indian Banking

India's banking sector entered FY 2025-26 from a position of structural strength. The Gross NPA ratio for the system fell to a multi-decade low of approximately 2.1% as of September 2025, a reversal from the 11.2% peak of FY 2017-18 achieved through the Insolvency and Bankruptcy Code's resolution framework, the RBI's Asset Quality Review, and years of sustained provisioning. Recoveries from stressed assets under the IBC exceeded ₹4.11 Trillion cumulatively as of CY 2025.



SECTOR ASSET QUALITY

- System GNPA at ~2.1% as of September 2025, a multi-decade low
- IBC recoveries exceeded 4.11 Trillion cumulatively
- Credit costs normalized to sub-0.7% for the system
- Capital Adequacy Ratio for PSBs is stable at 16.1% as of January 2026

[Source: RBI | Brickwork Ratings, January 2026 |
https://www.brickworkratings.com/Research/BrickworkRatings_BankingSector_India_January2026.pdf]

Credit and Deposit Growth

Credit growth ran to 14.5% year-on-year as of the fortnight ended February 28, 2026, up from 11% in the corresponding period of the prior year. Total bank credit stood at ₹207.5 Lakh Crores. Deposit growth, at 13.0% over the same period, lagged credit expansion, keeping the credit-to-deposit ratio elevated at 82.4%, near multi-year highs. This gap between credit and deposit growth was the central structural tension in the banking system through FY 2025-26. Banks competed aggressively for retail term deposits, and the cost of deposits rose through the first three quarters of the year before easing modestly in Q4 as the RBI's rate cuts began to transmit.

Net Interest Margins

Net Interest Margins came under pressure across the system. The RBI's 100 basis points of rate cuts compressed asset yields faster than liabilities could be repriced downward, particularly for banks with short-duration, floating-rate loan books. The direction of margin compression was sector-wide, but the magnitude differed sharply by bank: institutions with higher proportions of fixed-rate, long-tenure loans and a sticky term deposit base that was only slowly maturing and repricing at lower rates held a structural advantage through this period. The revised Liquidity Coverage Ratio norms, effective April 1, 2026, imposed an incremental 2.5% run-off buffer on digital deposits, added a new layer of liquidity management complexity.

Competitive Landscape

The competitive landscape evolved in ways that carried longer-term implications. Non-bank financial intermediaries, spanning private credit funds, fintech lenders, and insurance-linked credit products, continued to expand their share in segments where regulatory arbitrage, speed, or product design gave them an edge. Digital-first lending platforms grew their unsecured retail portfolios, though the sector-wide stress in microfinance and unsecured credit in FY 2024-25 had introduced discipline into underwriting

standards. For banks with secured, granular lending models, the flight to quality in credit markets following the unsecured stress cycle worked in their favor.

Regulatory Developments

The Banking Laws (Amendment) Act 2025 introduced governance reforms that standardized reporting practices and strengthened depositor protection. Pradhan Mantri Jan Dhan Yojana accounts crossed ₹54 Crores by CY 2025, expanding the formal banking universe. Digital payment infrastructure continued its growth: UPI processed over 18 Billion transactions per month by early CY 2026, with merchant acceptance deepening into Tier 3 and Tier 4 towns. For small business-focused banks, this infrastructure expansion translated into higher current account activation potential and fee income opportunity.

[Source: RBI Bulletin April 2026 | Economic Times BFSI |
https://bfsi.economictimes.indiatimes.com/articles/indias-bank-credit-surges-14-5-yoy-cd-ratio-stays-elevated-at-82-4/129622261 |
Times of India |
https://timesofindia.indiatimes.com/business/india-business/credit-deposit-ratio-of-banks-touches-a-record-83/articleshow/129857126.cms]

Outlook

Credit growth in the Indian banking system is expected to moderate to 11-12% in FY 2026-27, reflecting higher funding costs, base effects, and cautious demand in select segments. Deposit competition is likely to remain intense as elevated credit-deposit ratios and revised LCR norms increase funding requirements, placing further pressure on NIMs before repricing dynamics stabilize.

Asset quality is expected to remain healthy, with system GNPA levels projected to stay below 3%. MSME lending, supported by expanded classification thresholds and ongoing formalisation, is likely to remain a key growth driver, particularly for banks with secured, relationship-led franchises.

Risks remain. Elevated energy prices and currency pressures could sustain inflation, limit monetary policy flexibility, and weigh on credit demand in import-dependent sectors. At the same time, AI is reshaping competitive dynamics across banking. Institutions that deploy it effectively can improve efficiency, risk management, and customer engagement, while those that lag risk losing ground to digital-first competitors. For MSME-focused lenders, the opportunity lies in using technology to strengthen, not replace the relationship-led model that remains their core differentiator.

[Source: Brickwork Ratings January 2026 | Economic Times | RBI MPC Statement, June 2026]
https://economictimes.com/industry/banking/finance/banking/psu-banks-profit-set-to-cross-rs-2-lakh-crore-in-fy26-says-dfs-secretary-nagaraju/articleshow/128064402.cms | RBI MPC April 2026]



Company Overview

DCB Bank is a new generation private sector bank with a pan India presence, promoted by the Aga Khan Fund for Economic Development (AKFED) and its affiliate Platinum Jubilee Investments Limited, which collectively hold 16.23% of the Bank's equity. AKFED is an international development agency dedicated to promoting entrepreneurship and building economically sound enterprises across developing nations, operating through more than 70 project companies employing over 60,000 people globally. This heritage of purpose-driven institution building shapes the Bank's approach to banking in India.

The Bank operates 480 branches across the majority of India's states and Union Territories, with 11,374 employees as of March 31, 2026. Its lending focus is retail mortgages, MSME and SME lending, educational institution finance, agri and inclusive banking, gold loans, construction finance, and co-lending partnerships. The portfolio is secure and granular by design.

Vision

The Bank's vision is to be the most innovative and responsive neighborhood 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.

Philosophy

DCB Bank is built around a single customer archetype: the self-employed Indian. A small business owner in Tier 2 or Tier 3 India, a sole proprietor running a trade from a local market, a first-generation entrepreneur whose income is real but informal, this is the customer the Bank was designed to serve, and the customer around whom every strategic decision is made. India has 58 Million working MSME enterprises employing 244 Million people, with 96% being sole proprietors. They are the country's most productive economic participants and, for decades, their most underserved banking customers. DCB Bank exists to close that gap.

The Bank's philosophy rests on three convictions.

The first is that secured, granular lending to this segment, when done with disciplined underwriting and genuine relationship depth, generates better long-term credit outcomes than volume-led, intermediary-dependent sourcing.

The second is that a bank earns the right to grow by demonstrating consistency: consistent credit quality, consistent cost discipline, consistent capital efficiency.

The third is that the full opportunity of serving a self-employed customer extends far beyond a single loan. A customer whose business loan is secured with the Bank should also hold their operating current account, transact their trade finance, insure their assets, and manage their surplus and deficit needs with the Bank.

The transition from product-seller to relationship bank, a single-source, all-financial-solutions provider, is the operating philosophy that governs the Bank's internal priorities.

Presence

DCB Bank continued to strengthen its physical distribution network across urban, semi-urban, and rural markets. The Bank also focused on refurbishing branches using cost-effective and eco-friendly materials while maintaining a consistent look, feel, and customer experience across locations.

Branch Network Snapshot

480
Total branches

88
Rural branches

120
Semi-urban branches

132
Metropolitan branches

140
Urban branches

445
Total ATMs

Growth Journey

DCB Bank has adopted a calibrated growth trajectory, with the objective of doubling its balance sheet every three to four years in a consistent and sustainable manner. Growth will continue to be anchored in secured retail lending products, including mortgages, gold loans, construction finance, term loans, and overdrafts for MSME/SME and mid-corporate customers. Agri and Inclusive Banking remains an important segment in achieving priority sector targets through products such as tractor finance, Kisan Credit Cards, and agri gold loans, while also supporting growth across rural and underbanked markets.

Over the years, DCB Bank has significantly strengthened its deposit franchise by focusing on retail deposits and reducing dependence on bulk deposits. The Bank continues to deepen this franchise through differentiated offerings such as the DCB Happy Savings Account, DCB WOW Account, and customized products and services for senior citizens.

The next phase of growth over the coming years will be driven by two key pillars: Human Resources and Information Technology.

Human Resources

DCB Bank's people strategy is built around four pillars – Build, Develop, Engage, and Care, reflecting its focus on creating a capable, performance-driven, and values-led institution. During the year, the Bank continued to strengthen productivity, deepen leadership capability, invest in employee well-being, and build long-term talent pipelines aligned with its growth ambitions.

Human Resources Snapshot

11,374 employees
Total workforce

Over 6 Lakhs followers
LinkedIn community

16,000+ students across 200+ institutions
Campus outreach

4.84 Lakhs+ hours
Learning hours delivered

38 hours
Average learning hours per employee

3,800+ employees
Employee participation in CSR initiatives

185,000+
Saplings, mangroves, and grasses planted

DCB Bank was certified as a **Great Place to Work** for the 10th consecutive year and was recognized among **India's Best Workplaces in BFSI 2025** and **India's Best Workplace in Banks 2025.**

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Information Technology

Technology remains central to DCB Bank's strategy to scale operations, improve customer experience, strengthen risk controls, and drive productivity across the organization. During FY 2025-26, the Bank continued to invest in scalable infrastructure, digital banking capabilities, cybersecurity, data intelligence, and automation to support sustainable long-term growth.

Information Technology Snapshot

1,100+
Active network links

96%
Digital transactions as % of total transactions

122 Million
UPI transactions

14.2 Million
Mobile banking financial transactions

Data Infrastructure Designed for Scale

DCB Bank's technology backbone is built for scalability, agility, and data-driven intelligence. The Bank employs a heterogeneous technology stack including IBM Power Servers, Dell and HP infrastructure, running on AIX, RHEL, and Windows operating systems. Its databases include Oracle, MS SQL, and MySQL. Enterprise Service Bus (ESB) and middleware platforms like JBoss, WebSphere, and Tomcat facilitate seamless transaction processing. Cutting-edge storage systems from Hitachi, IBM, HPE, and NetApp, enhanced by NVMe technologies, ensure fast and reliable data access. The Bank modernized its data protection strategy using Cohesity's object storage and tapeless backup architecture, improving recovery speed, compliance with data localization laws, and ransomware protection.

Resilient, Scalable Network for Always-On Banking

The Bank has strengthened its network infrastructure with over 1,100 active links to maintain high availability across branches, ATMs, data centers, and disaster recovery sites. The deployment of Software-Defined Wide Area Network (SD-WAN) technology optimizes bandwidth and enhances branch-level application performance, ensuring consistent customer interactions. Additionally, internet-facing applications benefit from DNS and DDoS security measures. This network architecture supports high-volume digital transactions and low-latency payment flows essential for retail customers, mid-corporates, MSMEs, and non-resident clients through systems like UPI, IMPS, NEFT/RTGS, and real-time reconciliation.

Digital Banking: Driving Seamless Access and Inclusive Growth

DCB Bank offers various digital platforms such as the DCB Mobile Banking App, Internet Banking, and Business Banking Portal, providing customers 24/7 access to banking and investment services. Products like DCB Zippi Fixed Deposit, DCB EazyBee Mutual Fund, and DCB Remit emphasize simplicity, speed, and safety, contributing to significant growth in digital adoption.

Data, AI and Automation

The Business Intelligence Unit continued to strengthen data-led decision-making through the Bank's Enterprise Data Lake and AI-enabled analytics capabilities. Predictive models for attrition, cross-sell propensity, customer profiling, campaign response, and early NPA warning were further expanded during the year. The Bank also integrated real-time engagement capabilities across SMS, email, WhatsApp, and in-app channels to improve personalization and customer outreach. During FY 2025-26, DCB Bank made significant progress in embedding Artificial Intelligence and advanced analytics across its core business functions. The Bank enhanced its Enterprise Data Lake, creating a unified, governed data foundation that enables real-time analytical access across verticals. Building on this infrastructure, the Bank deployed AI-driven early warning systems integrated with bureau trigger feeds to strengthen proactive credit monitoring, advanced its fraud and financial crime detection capabilities through machine learning models targeting mule account identification and transaction anomaly detection, and enhanced its customer intelligence through behavioural scoring frameworks.

In the year ahead, the Bank will extend this capability into customer-facing and operational workflows — bringing intelligent automation to complex, multi-step processes that today rely on manual intervention, and placing analytical insight directly into the hands of frontline teams to improve acquisition, engagement, and retention outcomes. The Bank is also investing in agentic AI capabilities that can reason, retrieve, and act across structured and unstructured information — with appropriate human oversight built in. These efforts are underpinned by a deliberate governance framework and a commitment to building AI that is not only performant but trustworthy, auditable, and aligned with the Bank's obligations to its customers, regulators, and stakeholders.



Cybersecurity at the Core of Customer Trust

DCB Bank prioritizes cybersecurity as a fundamental element of its technology strategy. The Bank maintains an ISO 27001-certified Information Security Management System (ISMS) supported by a 24x7 Security Operations Center (SOC) equipped with AI-enabled monitoring and threat intelligence. This real-time defense ensures system integrity across cloud and on-premises environments. A strategic partnership with Arcon strengthens privileged access management across thousands of systems, using CyberArk AIM for automatic rotation of application and database passwords. In today's hyperconnected world, cybersecurity is not merely a regulatory requirement—it is foundational to customer trust. "Our layered defence strategy, augmented with AI-enabled security capabilities, behavioural analytics, and advanced access controls, raises the security level within the Bank to new heights."

DCB Innovation Centre: Driving Technological Advancement

The DCB Innovation Centre has played a pivotal role in accelerating the Bank's progress in technology-driven initiatives. Through the Centre's efforts, several key achievements have been realized, each contributing substantially to operational efficiency and enhanced customer experience.

One of the Centre's major achievements was the development and implementation of the Connected Banking Platform. This platform has enabled seamless integration of banking services, making it easier for customers and partners to access the Bank's offerings. In addition, the Centre introduced DCB NIYO, an innovative product specifically designed to enhance the customer experience through improved accessibility and convenience. The Innovation Centre also launched the Secured Credit Card, a lien-backed credit card linked to savings accounts, which provides customers with a secure and accessible credit solution. This initiative reflects the Bank's commitment to responsible lending and financial inclusion. Additionally, the Centre established the Finmon application, which serves as an effective tool for robust monitoring of office account transactions. The application ensures operational transparency and greater control over account activities.

Furthermore, the Centre streamlined the One Time Settlement process, resulting in improved efficiency and enhanced convenience for customers. Collectively, these initiatives demonstrate the Centre's ongoing commitment to technological advancement and customer-centric innovation within the Bank.

Recognition

DCB Bank's dedication to innovation has been recognized at the Infosys Innovation Awards 2025. The Bank was honored with the Gold Award in the Process Innovation Category for its Co-lending Model Solution, highlighting the Bank's achievements in improving operational processes through innovative solutions.

Additionally, the Bank received the Platinum Award for its AI–Behavioral Biometrics-based Authentication solution. This recognition underscores DCB Bank's excellence in adopting modern, technology-led innovations to strengthen security and enhance customer trust.

These accolades serve as a testament to DCB Bank's ongoing commitment to innovation, operational excellence, and the adoption of cutting-edge technology.

Technology Highlights

Initiative	**Business Intelligence Unit (BIU)**
Strategic Relevance	The BIU strengthened DCB Bank's AI and analytics capabilities through its Enterprise Data Lake and real-time decisioning infrastructure. During the year, the Bank expanded predictive models across customer engagement, cross-sell, attrition, fraud monitoring, AML surveillance, and early warning systems. Genie, the Bank's AI-enabled intelligence layer, delivered next-best-action recommendations across digital, branch, and relationship banking channels.

Initiative	**Tech Pulse 2025**
Strategic Relevance	Internal technology showcase featuring 30+ digital products, automation tools, and AI-led solutions developed across the Bank.

Initiative	**Global Fintech Festival 2025**
Strategic Relevance	DCB Bank's first participation at the event, where the Bank showcased 13 digital products and multiple fintech partnerships.

Initiative	**Connected Banking Platform**
Strategic Relevance	Partnership with Spense Reliable Fintech Solutions Pvt Ltd enabled faster integration of partner-led banking solutions and improved scalability of embedded banking services.

Initiative	**DCB Lens**
Strategic Relevance	RBI-backed initiative integrating land records and credit data to streamline loan appraisal and improve turnaround times.

Initiative	**AI Conversational Analytics**
Strategic Relevance	Implemented with GreyLabs AI to strengthen customer interaction analysis, voice intelligence, and service quality monitoring.

Initiative	**Pro-Vakil Automation Tool**
Strategic Relevance	Centralized platform for litigation, compliance, contract, and collections management to improve operational efficiency and oversight.

Initiative	**Fraud Reporting Integration**
Strategic Relevance	API integration with I4C strengthened encrypted fraud reporting and response capabilities.

Initiative	**BASE Platform**
Strategic Relevance	Bharat Aadhaar Seeding Enabler allows customers to digitally view and manage Aadhaar mapping status without branch visits.

Initiative	**NRI Customer Convenience**
Strategic Relevance	OTP delivery through email enabled for NRI customers frequently traveling internationally.

Initiative	**Behavioral Biometrics**
Strategic Relevance	AI-enabled behavioral authentication deployed on internet banking channels to strengthen fraud prevention and transaction security.

Initiative	**Modernized Data Protection**
Strategic Relevance	Adoption of Cohesity object storage and tapeless backup architecture enhanced recovery speed, compliance, and ransomware resilience.

Initiative	**Privileged Access Security**
Strategic Relevance	CyberArk and Arcon-based privileged access management strengthened control over critical systems and sensitive infrastructure access.

Initiative	**Enterprise Data Lake**
Strategic Relevance	GPU-enabled analytics infrastructure expanded predictive modeling capabilities across customer engagement, risk, and collections.

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Brand and Customer Engagement

DCB Bank's marketing approach in FY 2025-26 combined hyper-local engagement, digital outreach, and targeted brand-building initiatives to strengthen customer acquisition, deepen engagement, and improve brand visibility across markets.

Branch banking teams conducted localised engagement programs, activations, and customer interactions across branch catchments throughout the year. Initiatives such as Ek Shaam Aap ke Naam, Rubaroo, Senior Citizen Talks, were organized to engage with the prospects and customers. Key event sponsorships were undertaken, associated with sports, music, festivals, plays, marathons, and fairs, among others, to create brand visibility and awareness. Nearly 16,000 plus micro marketing activities and engagement programs were conducted across regions by branch banking and business acquisition channel.

The Bank's signature customer engagement program 'Ek Mulaqat Aur Kuch Baatein' was organised in Goa, Dehradun, Mumbai, Hyderabad and Jaipur. This strengthened relationships with customers and prospects across regions.

FY 2025-26 also marked DCB Bank's first participation at the Global Fintech Fest, strengthening its positioning as a technology-focused bank through the showcase of digital banking capabilities, partnerships, and customer-centric innovations.

It was a great branding platform for the Bank enabling it to connect and network with partners, customers and prospects.

The Bank also expanded visibility through hyphenate outdoor media campaigns, wall paintings, mobile van activations, digital screensand store boards, among others over the year for brand awareness.

DCB Bank branding was highly visible at Ahmedabad, Kolkata, Lucknow & Jaipur airports. Mobile van activation campaigns were executed across branch locations in Maharashtra, Telangana, Odisha and Madhya Pradesh. This was a planned promotional exercise to reach out and engage with prospects in the branch neighborhood. Wall painting campaigns were undertaken in Haryana, Punjab, Rajasthan, Gujarat, Uttar Pradesh and Madhya Pradesh to promote Bank's products and services across branch locations.

Digital search and performance campaigns were done across Google and Meta platforms to promote Bank's products including savings accounts, fixed deposits, remittance, gold loan and business loan.

The Bank continued to strengthen customer communication through social media engagement, website content, product campaigns, and cybersecurity awareness initiatives. Increased focus on digital content and customer education also contributed to improved organic engagement across platforms.

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Product Business Review

Retail Banking

DCB Bank's Retail Banking business offers a diversified range of products and services designed to meet the financial needs of individuals and businesses. The Bank follows a multi-product approach across branches, aligned with customer requirements in respective branch catchments. The business continues to focus on customer-centric offerings, timely service delivery, and technology-enabled banking experiences.

Government Business (Collection of Direct and Indirect Taxes)

DCB Bank is integrated with the Government of India Income Tax portal (TIN 2.0) and the Goods and Services Tax (GST) portal. This enables individuals and businesses to make direct tax and GST payments seamlessly through both digital channels and branches.

Deposits

DCB Bank continued to deliver strong deposit growth across Current, Savings, and Term Deposits during FY 2025-26, with the overall deposit book growing by 20.91% over FY 2024-25. The Bank also maintained a granular deposit profile, with the top 20 deposits ratio at 6.55% as of March 31, 2026.

During the year, the Bank continued to strengthen retail deposit mobilization through competitive savings and fixed deposit offerings. It also launched the DCB Legends Account, a specialized proposition for senior citizens offering personalized services, curated benefits, tele-counselling support, and special offers on medicines and healthcare services.

Mortgage and Micro Mortgage Loans

Mortgage remains DCB Bank's primary lending product, contributing approximately 49% of the advance book. The Bank offers Home Loans, Business Loans, and Loan Against Property products to self-employed and salaried customers across its branch network. These loans support property purchase, home improvement, business expansion, working capital needs, and personal requirements such as education, marriage, and medical expenses.

Micro and small-ticket mortgages are particularly suited to Tier 2 to Tier 6 markets. In rural and semi-urban areas, many customers operate in informal sectors and may not possess adequate income documentation. In such cases, the Bank assesses household income through detailed interactions with borrowers and co-borrowers. This approach has helped the Bank build a robust portfolio while advancing financial inclusion objectives. Most such loans qualify under RBI Priority Sector Lending (PSL) norms, while a portion also qualifies for refinance support from the National Housing Bank (NHB).

The Mortgage business continued to grow during FY 2025-26, supported by higher sourcing from targeted customer segments. The Bank also offers housing loans under the Pradhan Mantri Awas Yojana (PMAY) 2.0 scheme for affordable housing.

Construction Finance (CF)

The construction sector continues to remain an important contributor to economic growth, with affordable housing remaining a key focus area for the Government of India. The implementation of the Real Estate Regulation & Development Act, 2016 has further improved sector transparency and financing conditions.

DCB Bank focuses on reputed developers with strong execution track records, primarily in affordable and mid-segment housing projects. The Bank follows a cautious approach through calibrated exposure limits and continuous monitoring of sales, collections, and fund utilization.

During FY 2025-26, the sector witnessed launches across affordable, mid-segment, premium, and luxury housing categories. The Bank, however, continues to see opportunities primarily in affordable and mid-segment housing across geographies.

The Bank also monitors external conditions, input costs, and sales momentum, while leveraging agencies such as CRISIL, Colliers, and Prop Equity for project due diligence. The Construction Finance portfolio is spread across Ahmedabad, Baroda, Surat, Bengaluru, Delhi, Hyderabad, Chennai, Visakhapatnam, Pune, and Mumbai.

Loan Against Gold

Loan Against Gold is offered across most DCB Bank branches. The Bank continued to strengthen customer experience through process improvements, including in-house valuation capabilities, front-end system enhancements, and automation of verification and validation processes, resulting in faster turnaround times and improved service delivery.

Insurance and Mutual Funds Distribution

DCB Bank holds corporate agency tie-ups (License No. CA0089) for distribution of life, health, and general insurance products. The Bank also holds a distributor license (ARN #0353) for distribution of mutual fund schemes through empaneled mutual fund houses. These offerings support customer engagement while contributing to fee-based income.

To support these activities, employees involved in product distribution are required to obtain relevant regulatory certifications. As of March 31, 2026, the Bank had 4,088 employees certified under IRDA IC-38 Specified Person (SP) norms and 777 employees certified under NISM-Series-V-A for mutual fund distribution.

Traditional Customer Banking

DCB Bank established a dedicated Traditional Customer Banking vertical in FY 2009–10 to strengthen neighborhood banking relationships and address the needs of vintage customers through personalized banking solutions. The business focuses primarily on meeting small-ticket credit requirements including education, personal, business, and working capital loans.

Non-Resident Indian (NRI) Business

The Bank operates a dedicated NRI business vertical, supported by specialized Relationship Managers at select branches and a dedicated service contact center for NRI customers. During FY 2025–26, NRI Savings Account balances grew by 25%, while FCNR (B) deposits increased by over 51%. NRI customers contributed 7.24% of the Bank's total deposits as of March 31, 2026.

Corporate Banking (CB)

DCB Bank continues to maintain a niche presence in Corporate Banking, supported by regional offices in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata, and Mumbai. The business offers a comprehensive suite of solutions across working capital management, term lending, foreign exchange, trade finance, deposits, WCDL, NCDs, and cash management.

The Bank maintains a strong underwriting and credit framework with segment-specific risk assessment capabilities to manage inherent corporate banking risks. During FY 2025-26, the Bank added 62 customers in the CB segment, supported by relationship-led sourcing and the broader economic environment. The focus remains on building a secured loan portfolio and deepening long-term relationships with high-quality corporate customers.

The Corporate Banking unit continued to maintain a diversified loan book while strengthening short-term and customer-centric offerings. It also actively drives cross-selling of products, including wholesale deposits, supporting a balanced mix of retail and wholesale deposits across industries. Going forward, the Bank expects to sustain momentum through deeper engagement with existing customers alongside selective new customer acquisition.

MSME and 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 personalized 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 a large portfolio of small ticket secured exposures. During the year the Bank has put in a structure to address the Mid-Market SME segment to address the requirements of Emerging Corporates.

Trade Receivables Discounting System (TReDS)

DCB Bank commenced participation on the Trade Receivables Discounting System (TReDS) platform in FY 2020-21 to facilitate faster and assured financing for MSMEs and SMEs supplying goods and services to larger corporates. During FY 2025-26, the Bank financed 2,041 MSMEs through 6,852 invoices on the TReDS platform, supporting improved liquidity and cash flow efficiency for small businesses.

Trade Finance

Trade Finance is a critical fee function for the Bank. It is one of the few products that fully involves customers in all aspects of banking, be it transactional Current account , trade products like Letter of Credit/ Bank Guarantee/Remittance/ Pre-Post shipment financing/ export- import payment or aiding non-resident customers to remit money to their loved ones and vice versa. Trade finance is cornerstone of our offerings for retail, wholesale, MSME banking. The Bank is increasing its focus on automation and digitization of Export/Import documentation to reduce processing time for our trade customers. Our EBG platform (electronic Bank guarantee) helps in the creation of Bank Guarantee in matter of hours. DCB Bank offers letter of credit, bank guarantee, pre-shipment/post-shipment finance, trade remittances, DCB Remit platform for LRS remittances, all types of inward remittances, invoice discounting through TReDS platform, domestic bill discounting, foreign bill discounting (LC/non-LC), EEFC (exchange earner foreign currency), DDA (diamond dollar account), RFC (D) (resident foreign currency - domestic accounts) and buyers credit.

Agri and Inclusive Banking (AIB)

The Agri and Inclusive Banking (AIB) unit focuses on driving financial inclusion, strengthening Priority Sector Lending (PSL), and expanding the Bank's presence across rural and semi-urban markets. As of March 31, 2026, the unit operated 219 branches across 14 states, with a significant presence in Tier 2 to Tier 6 centers.

AIB continues to serve low-income, underbanked, and unbanked populations through affordable and need-based products including zero-balance savings accounts, recurring deposits, small-ticket loans, agricultural finance, and microfinance solutions. The unit also plays a central role in coordinating the Bank's PSL initiatives and supporting regulatory inclusion targets.

Initiative / Scheme	Description and FY 2025-26 Highlights
Pradhan Mantri Jan-Dhan Yojana (PMJDY)	National financial inclusion programme providing access to basic banking services, insurance, pension, and credit facilities. The Bank had 85,560 PMJDY accounts, with RuPay Debit Cards enabled for account holders.
Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)	Government-backed life insurance scheme offering affordable annual life cover. The Bank enrolled 18,226 customers under the scheme.
Pradhan Mantri Suraksha Bima Yojana (PMSBY)	Affordable accident insurance scheme providing coverage against accidental death and disability. The Bank enrolled 46,869 customers during the year.
Atal Pension Yojana (APY)	Pension scheme targeted at workers in the unorganized sector, providing guaranteed post-retirement income. The Bank had 27,498 customers under APY.
Basic Savings Bank Deposit Account (BSBDA)	Zero-balance savings account designed to promote banking access for low-income customers. The Bank had 97,881 BSBDA accounts as of March 31, 2026.
Kisan Mitra	Modified savings account designed for farmers with zero account opening amount and no maintenance charges.
Retail Agriculture Loans & Kisan Credit Card (KCC)	Credit facilities supporting crop cultivation, irrigation, land development, farm equipment purchases, and allied agricultural activities.
Tractor Loans	Financing solutions supporting farm mechanization and agricultural productivity across rural and semi-urban markets.
Microfinance Institutions (MFIs) & Business Correspondents (BCs)	Joint Liability Group (JLG) lending through BC partners across 14+ states to support income-generating activities for underserved communities.
BC Loan Technology Platform	Technology-enabled platform supporting borrower management, seamless processing, and faster disbursal turnaround for BC loans.
Educational Institute Loans	Financing solutions for schools and vocational institutes supporting infrastructure creation and working capital requirements.

Co-Lending Partnerships

Co-lending remains an important component of DCB Bank's growth strategy, enabling the Bank to expand customer reach, accelerate speed-to-market, and strengthen product capabilities through partnerships with NBFCs. These alliances support customer acquisition and retention while providing access to segments and products beyond the Bank's traditional offerings.

Enabled under the RBI's co-lending framework, the Bank maintained active partnerships across 16 product categories as of March 31, 2026. The portfolio remains well diversified across Gold Loans, School Finance, secured and unsecured Business Loans, Micro Enterprise Loans, Housing Loans, and other retail lending segments. Co-lending continues to play a strategic role in the Bank's long-term growth plans.

Alternate Channels and Digital Banking

DCB Bank continued to strengthen its digital banking ecosystem across customer servicing, payments, cards, and digital onboarding during FY 2025-26.

Platform / Initiative	FY 2025-26 Highlights
Phone Banking & Customer Service	Customer Care Associates handled ~88,000 calls per month, including ~30,000 self-serviced through Intelligent IVR. Overall call volumes declined 17% due to process automation and improved digital servicing.
Digital Service Support	Dedicated Mobility Desk resolved 6,400 digital channel queries from branches and internal teams. A specialized outbound team supported faster amendments and service resolutions.
Omni-Channel Servicing	Teams were multi-skilled across voice, email, and chat channels, enabling 24x7 servicing for Niyo customers, including a dedicated international customer queue.
Digital Communications	The Bank processed 12.20 Crores SMS communications during the year and introduced Rich Communication Services (RCS), supporting multimedia messaging formats. AI Voice Bot capabilities were also onboarded for lead generation and service support.
UPI Platform	Processed over 122 Million outward transactions during FY 2025-26 with 96% success rate. Key launches included UPI Autopay, UPI Multi-Signatory, Aadhaar-based onboarding, and corporate UPI capabilities.
UPI Ecosystem Expansion	Participated in Global Fintech Fest and became a pilot bank for UPI Circle alongside NPCI. The Bank also became a sponsor Bank for third-party UPI applications.
Bharat Bill Payment System (BBPS)	Enabled access to ~22,000 billers across digital channels with integrated bill reminders and online dispute resolution capabilities.
Debit Cards	Expanded premium portfolio through DCB WOW Debit Card for women and DCB LEGEND Debit Card for senior citizens, alongside features such as contactless payments, tokenization, and e-mandates.
DCB Niyo Global	Continued to strengthen its travel-focused debit card proposition with digital onboarding, instant kit issuance, security controls, and competitive forex rates.

DCB DEBIT CARDS

The Bank focuses on constantly improving offerings, features, and security for Debit Cards, offering a wide range of products like Platinum and Classic cards on leading networks like Visa and RuPay. To further expand its premium and lifestyle portfolio, the Bank introduced the DCB WOW Debit Card tailored for women with a higher daily ATM withdrawal and spending limits. Additionally, the Bank launched the DCB LEGEND Debit Card designed to offer senior citizens elevated transaction capacity and exclusive healthcare perks. Alongside these new launches, the Bank's debit cards continue to offer highly desirable features. These features include contactless payment (Tap and Pay), token creation through Mobile Banking and Personal Internet Banking platforms, and e-mandates for effortless recurring payments.

DCB Niyo Global Cards

The DCB Niyo Global Card is a debit card powered by Visa and issued in conjunction with DCB Niyo Savings Account. This program is segmented especially for customers traveling abroad and offers 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. In addition, customers are onboarded through a complete end-to-end digital onboarding journey with an option for an insta kit.

The Bank has further strengthened its customer onboarding and financial inclusion initiatives through the engagement of Business Correspondent (BC) partners to assist customers for DCB Niyo savings account opening. These BCs facilitated seamless Aadhaar-based biometric KYC using bank-issued devices, ensuring secure, paperless, and regulatory-compliant account opening. As a result, this collaborative model significantly enhanced the Bank's outreach, improved the overall customer experience through doorstep service, and supported efficient scaling up of operations.

DCB CREDIT CARDS

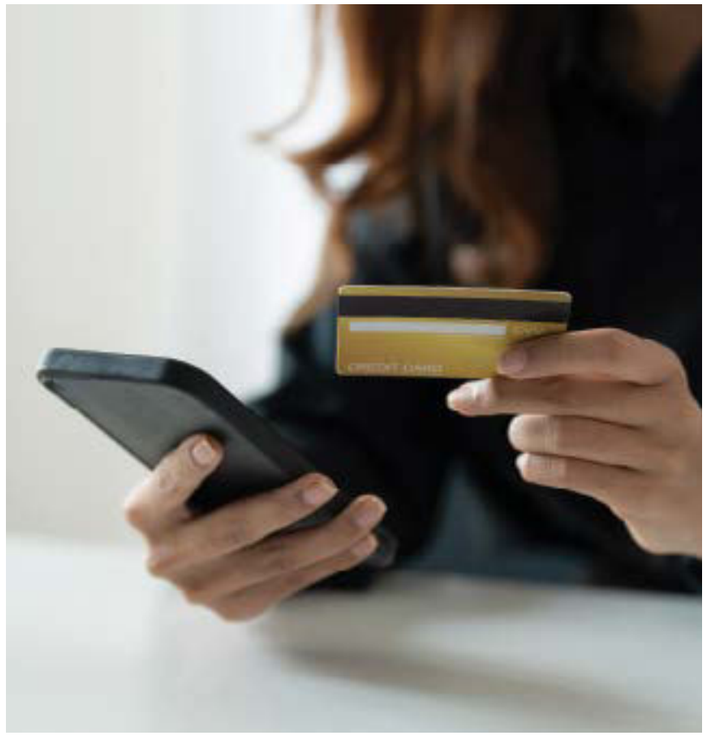
Organic Cards

The DCB Payless Secured Credit Card, backed by a fixed deposit, 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. The 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 for versatility, 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. Furthermore, aligning with digital banking advancements, the Bank integrated UPI-on-Credit-Card functionality. This enables customers to execute seamless scan-and-pay transactions at merchant locations using their preferred UPI applications, thereby expanding our transactional footprint and deepening customer stickiness.

Co Brand Credit Cards

Building on the momentum of Organic Cards, DCB Bank has successfully introduced three co-branded secured credit cards during FY 2025-26, viz.



DCB Niyo Credit Card:

The DCB Niyo Secured Credit Card represents a strategic advancement in accessible financial solutions, providing customers with instant, zero-documentation credit lines. The product is uniquely backed by a seamless, fully reversible lien on the customer's existing DCB Savings Account rather than a traditional long-term fixed deposit. This innovative collateral mechanism ensures that user funds remain secure, fully liquid, and continuously interest-bearing, while establishing a credit limit of the earmarked amount. The Bank has designed the card for modern consumers and frequent travelers. The card features global Visa network acceptance, provides zero-markup foreign currency transactions, robust engagement and sustainable credit-building opportunities within the digital banking ecosystem.

DCB Novio Credit Card:

The DCB Novio Credit Card is a feature-rich RuPay Select credit card secured against fixed deposits. It is engineered to drive low-risk credit penetration and does not require income proof or credit history, thereby ensuring approval with a credit limit on the underlying asset. While cardholders build their credit profiles and execute seamless, reward-earning transactions via platforms like Novio App, their deposits continue to yield attractive interest rates. The product delivers a strong consumer value proposition by combining competitive deposit returns with lifestyle incentives, including monthly merchant discounts, which in turn foster deeper customer engagement and support stable low-cost deposit retention.

DCB Zet Credit Card:

DCB ZET Credit Card is a strategic, lifetime-free RuPay credit card backed by a Fixed Deposit (FD) designed to drive financial inclusion and cater to credit beginners. It operates with a low entry barrier, no income proof, requiring no prior credit history. As a result, this product enables users to seamlessly build or rebuild their credit profiles while continuing to earn attractive interest on their underlying savings. By leveraging the RuPay network, the card facilitates instant UPI payments across major platforms. Users also enjoy full digital control over transaction locks, limit management, and bill payments functionalities alongside curated rewards and discounts across popular brands. This portfolio expansion strengthens your Bank's retail ecosystem, drives engagement, and delivers a high-utility, value-driven financial solution to a broader customer demographic.

FIXED DEPOSIT PARTNERSHIPS

DCB Bank partnered with Upswing Financial Technologies to distribute fixed deposits through third-party digital ecosystems. The partnership enables paperless onboarding across fintech platforms, expanding customer reach, strengthening retail deposit mobilization, and diversifying the Bank's funding base.

TREASURY, MONEY MARKET AND FOREIGN EXCHANGE

Treasury

Treasury continued to actively manage liquidity, compliance with Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR), trading in fixed income securities and currencies, and selective participation in primary equity market opportunities. Treasury also shared responsibility for the Bank's interest rate and market risk management.

During FY 2025-26, the Bank further strengthened its Treasury capabilities through enhancement in domain expertise, risk monitoring framework and technology infrastructure, enabling better execution, stronger controls and improved product delivery.

The Bank actively managed its fixed income portfolio amid changing yield curve dynamics. Following cumulative policy easing during calendar year 2025, the Reserve Bank of India maintained the policy repo rate at 5.25% in April 2026 with a neutral stance, while monitoring inflation and global geopolitical developments. The Bank selectively optimized duration positioning, trading opportunities and capital deployment across investment portfolios.

Money Market

During FY 2025-26, banking system liquidity transitioned from intermittent deficit conditions in the first half to durable surplus conditions in the latter part of the year, supported by proactive liquidity measures by the RBI through repo operations, foreign exchange interventions, open market operations and subsequently variable rate reverse repo (VRRR) auctions to absorb excess liquidity.

Short-term money market rates softened during the year in line with cumulative policy easing and improving systemic liquidity. However in Q4 FY 2026 money market rates went up largely on account of increased issuance activity. The Bank actively managed short-term funding, deployment and balance sheet liquidity by leveraging market opportunities while maintaining prudent liquidity buffers and regulatory compliance.

Foreign Exchange (FX)

The Bank actively participated in the foreign exchange market through proprietary trading, market making and facilitating merchant and interbank flows.

FY 2025-26 witnessed elevated volatility in global currency markets driven by geopolitical developments, crude oil price movements, capital flow dynamics and changing interest rate expectations across major economies, which also impacted the Indian Rupee. The Bank maintained disciplined risk management while capitalizing on market opportunities across spot, forward and swap markets.

As of April 2026, India's foreign exchange reserves remained robust at around USD 700 Billion, providing a strong external buffer against global uncertainties. The Bank continued to support clients and optimize treasury performance while operating within prudent risk limits.

Collections and Recoveries

The Bank's collections and recoveries function is managed through an in-house team operating across 480 locations nationwide. During FY 2025–26, the Bank strengthened its collections framework through automated payment reminders, digital repayment channels, self-service capabilities, and predictive analytics-led early warning systems for proactive SMA and NPA management.

The Bank also emphasized customer-centric resolution through personalized repayment counselling, restructuring support, and financial literacy initiatives. In parallel, centralized legal infrastructure, workflow optimization, and process automation enhanced recovery efficiency, scalability, and compliance standards.

OPERATIONS: Transformation in Motion - Building a Real-Time Banking Ecosystem

In FY 2025-26, the Operations Unit achieved a landmark year of scale, precision, and strategic advancement. Amidst unprecedented transaction volumes across all business units—including the critical 24/7 functions of the Centralized Payments Centre (CPC) and Clearing units—the Bank successfully balanced escalating customer demands with enhanced efficiency and stringent cost controls.

Our focus remains anchored in a technology-first approach, leveraging automation and process re-engineering to reduce friction and elevate the customer experience. Our centralized units demonstrated world-class execution and reliability.

Digital Transformation & Customer Onboarding: The revolution of our customer onboarding journey was driven by the enhanced CUBE platform, which processed over 1,62,000 applications this fiscal year. Over 90% of account opening forms are now processed the same day, a significant improvement from the customer service perspective. Biometric-enabled KYC refreshes are now completed within seconds. Priority processing was introduced for high-value segments to ensure an expedited, premium service experience.

Through the enhancement of the Delivery Management System (DMS) and the integration of digital channels (Bitly/DMS), the unit produced 1.35 Million digital units alongside 9 Lakh+ physical prints. This digital shift has significantly reduced the Bank's cost to serve for customer communication.

A new initiative called "Two-time Return Freeze" was initiative during the year, which helped to reduce the 'Return to Origin' of customer deliverables. This helped the Bank to reduce deliverables-related customer complaints by about 60% in the year.

Card operational capacity was expanded through multi-city Manipal Payment and Identity Solutions Limited outsourcing, workflow re-engineering enabled same-day turnaround time for kits and pins in most of the cases.

Operational Prowess & 24/7 Payments: Centralized Payments Centre (CPC), efficiently handled approximately 346 Lakh transactions (including NEFT, RTGS, IMPS, and CMS settlements) with a perfect record of zero operational loss.

Clearing Unit processed 71 Lakh transactions with zero loss. A key milestone was the successful implementation of the RBI's Continuous Clearing under the Cheque Truncation System (CTS), enabling same-day or near real-time settlement instead of traditional batch-based processing.

A new NEFT/RTGS technology solution now supports 95% of inward STP transactions via a name-match module, while LEI validations have been automated for remittances above 50 Crores to ensure seamless regulatory compliance.

To safeguard our growing digital ecosystem, the Bank strengthened its User Access Management (UAM) framework by implementing 'BAAR IGA'. This comprehensive solution provides robust Identity and Access Management, governance, and Single Sign-on capabilities, ensuring secure and seamless access for all employees. UAM team has implemented 100% end-to-end access review of all user IDs of the applications handled by UAM during the year.

Gold Loan team has further streamlined the onboarding and STP, further reducing customer wait time with the use of IT-enabled process.

Strategic Independence in Trade Finance – A major highlight of the year was the Bank's focus on eliminating vendor dependency and maximizing revenue retention through in-house innovation. The Bank successfully migrated Vostro payment processing from an outsourced vendor model to an in-house developed platform, 'V-Remit.' Featuring automated SWIFT message processing and Straight-Through Processing (STP) for RTGS/NEFT, the platform processed over 7,520 transactions. This initiative has allowed the Bank to retain fully the income generated from Vostro processing.

In a complex technical achievement, the Bank transitioned from legacy SWIFT MT messages to the richer ISO 20022 XML format, as per the guidelines. The migration was completed without any disruption to payment operations, processing over 5,000 transactions.

The transformation witnessed in FY 2025-26 is not merely a reflection of upgraded systems, but a fundamental shift in our operational philosophy. Moving forward, our strategic mandate is to transition from reactive efficiency to predictive excellence. We are committed to a roadmap of hyper-automation, where the integration of intelligent workflows and STP eliminates friction and ensures a seamless, frictionless experience for every customer.

Service Excellence and Customer Experience

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

The Bank continues to make steady progress on the service concept of ESQ and take numerous process improvement and automation measures. As a result, the total number of complaints received during the FY 2025-26 declined by 19.8% to 19,839 from 24,725 complaints received during the FY 2024-25. The most performance is observed in terms of pendency of complaints beyond the timeline of 30 days prescribed by RBI. There were no complaints pending for more than 30 days. 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. During Q4 FY 2025-26, the Bank aimed to transform a service recovery touchpoint into a relationship building opportunity by proactively reaching out to customers to resolve gaps in instructions – turning friction into trust. This aimed at becoming a foundation for deeper engagement and long-term loyalty. Apart from leading to repeat purchases. It has been observed that the Customer Satisfaction levels for customer grievances and amendment requests have improved considerably in Q4 FY 2025-26. For amendments, the customer satisfaction levels were 86% up to Q3 FY 2025-26 and improved to 94% in Q4 FY 2025-26. Likewise, for grievances, it has improved from 67% (upto Q3 FY 2025-26) to 97% in Q4 FY 2025-26.

DCB Bank Limited offers select banking services at the doorstep address registered in the Bank's record for senior citizens and disabled customers. Additionally, the Bank has arrangements in place to provide these select customers preference in queues to access the service counter at branches. The details are available as part of the Policy on Doorstep Banking on the Bank's website.

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 (BLCSCs), 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.

Voice of Customer and Service Ethos: Elevating Service through Empathy, Speed and Quality

DCB Bank's service philosophy is anchored in the conviction that an exceptional customer experience is built from the inside out. Moving beyond traditional, lagging customer surveys, the Bank utilizes its ESQ (Empathy, Speed and Quality) framework to systematically listen to the Voice of Customer (VoC) and act upon it in real time.

In FY 2025-26, this responsiveness shifted our culture from reactive problem-solving to proactive value creation. By embedding the Voice of Customer directly into our daily performance standards, the Bank ensures that the high-quality service remains a sustainable competitive advantage.

Corporate Social Responsibility

In FY 2025-26, DCB Bank continued to strengthen its CSR initiatives across environmental sustainability, water conservation, biodiversity restoration, climate resilience, sustainable livelihoods, and circular economy practices through partnerships with more than 20 implementation agencies across India.

Operations Snapshot

20+
CSR partners

17
States covered

3,855
Employee volunteers

1,85,285
Native tree saplings planted

45,000
Mangrove saplings planted

2,70,000
Native grass root slips

Key initiatives during the year included afforestation, mangrove restoration, watershed development, lake rejuvenation, sustainable agriculture, beekeeping-led livelihood programs, waste management, and biodiversity conservation projects across Maharashtra, Rajasthan, Odisha, Karnataka, Gujarat, Telangana, Tamil Nadu, Kerala, Andhra Pradesh, and West Bengal.

The Bank continued to support ecological restoration and climate resilience through native plantation drives, urban greening interventions, grassland restoration, and coastal ecosystem conservation projects. Water security initiatives such as watershed development, river revival, wastewater recycling, and stepwell restoration also remained key focus areas during the year.

Sustainable livelihood programs supported rural and tribal communities through environmentally responsible income-generation initiatives including beekeeping, dryland farming, and water-efficient agriculture practices.

Employee participation remained strong during the year, with volunteering initiatives spanning tree plantations, clean-up drives, awareness campaigns, and environmental conservation activities across locations. All CSR initiatives continued to align with key United Nations Sustainable Development Goals (SDGs), reinforcing the Bank's focus on long-term environmental sustainability and community impact.

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Sustainable and Responsible Banking

DCB Bank continued to strengthen its ESG framework during FY 2025-26 through responsible banking practices, sustainable finance, environmental stewardship, strong governance, and inclusive community development initiatives. ESG oversight is guided through Board-level and executive-level governance structures, supported by defined policies, monitoring frameworks, and implementation roadmaps.

During the year, the Bank identified 16 material ESG topics spanning Climate Change, Customer Satisfaction, Corporate Governance & Ethics, Energy & GHG Management, Community Development, Financial Performance, Waste & Water Management, Employee Engagement, Training and Development,Brand and Reputation Management, Sustainable Finance, Employee Wellbeing & Safety, Sustainable Supply Chain, Human Rights, Privacy & Data Security, Diversity, Equity & Inclusion and Risk Management.

Key ESG Focus Areas	Initiatives
Sustainable finance	Lending support for renewable energy, electric mobility, microfinance, solar projects, and women-focused financing
Climate risk management	Climate risk provision under ICAAP equivalent to 1% of previous year's net profit
Green infrastructure	Green-certified Andheri Hub Town Office and rooftop solar installations at select premises
Resource efficiency	Sensor-based lighting, digitization initiatives, e-waste recycling, water conservation measures
Employee engagement	Sustainability awareness programs, CSR participation, paper reduction initiatives
Community development	Tree plantation, beekeeping, water conservation, women's education, and livelihood programs

The Bank continued to integrate sustainability considerations into lending and risk management frameworks, including sustainable finance integration within the Master Credit Policy and maintenance of a negative list of industries for funding.

Environmental initiatives during the year focused on reducing operational footprint through green infrastructure, responsible waste management, digitization, renewable energy adoption, and resource conservation measures. Initiatives included rooftop solar installations, sensor-based lighting, e-waste recycling through authorized recyclers, eco-friendly housekeeping practices, water-efficient infrastructure, and tree plantation drives across locations.

The Bank also strengthened stakeholder engagement through investor interactions, perception studies, participation in industry forums such as Global Fintech Fest, and continuous employee awareness programs focused on sustainable and responsible behavior.

DCB Bank remains committed to embedding ESG principles across its operations, governance framework, and decision-making processes to support long-term sustainable value creation for stakeholders.

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Risk Management

Risk management at DCB Bank is the function that makes growth sustainable rather than speculative.

The Bank's exposure to credit, concentration, market, country, liquidity, operational, fraud, and reputational risk is governed by a Board-level Risk Management Committee, with operational oversight through dedicated units for each risk category.

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. Ongoing 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 Intelligence 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 are capped at 15% of its capital funds. The limit also depends on the 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 a framework for setting up of limits for counterparty banks, basis their ratings 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 1, 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 avoiding, 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 cybersecurity-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 Center (SOC) to monitor security alerts and take timely appropriate actions.

External Risks

DCB Bank recognises that its operating environment is shaped not only by domestic economic conditions but also by a range of external macro-level risks, including geopolitical developments and climate-related events. During FY 2025-26, the Bank closely monitored evolving geopolitical tensions in key global corridors, particularly their transmission effects on energy prices, supply chain disruptions, and cross-border trade flows, which in turn influence credit quality in sectors such as logistics and agriculture. The Bank started considering Climate Risk as one of the risk drivers under ICAAP. The Bank's Risk Management framework incorporates scenario-based stress testing to evaluate the impact of such external shocks on capital adequacy, asset quality, and liquidity. These assessments are periodically presented to the Risk Management Committee of the Board to ensure that the Bank's strategic and operational decisions remain resilient against external uncertainties.

Compliance Risk

DCB Bank follows a risk-based compliance monitoring approach, wherein all business functions and products are subject to periodic compliance reviews aligned with the regulatory calendar. During the year, the compliance function actively monitored implementation of key regulatory changes, including updated RBI guidelines on investment classification, the Digital Personal Data Protection (DPDP) Act, 2023 requirements, and revised norms on customer due diligence. A compliance culture is promoted across the organisation through structured training programmes, policy circulars, and escalation mechanisms.

Business Conduct Risk

DCB Bank is committed to maintaining the high standards of ethical conduct, fair dealing, and customer-centricity in all its business activities. Business conduct risk — encompassing mis-selling, conflict of interest, unfair treatment of customers, and violations of the Bank's Code of Ethics — is managed through a comprehensive framework of policies, controls, and governance mechanisms. The Bank's Code of Ethics and Business Conduct sets clear expectations for all employees and is reinforced through periodic training. The Whistle Blower Policy provides a confidential and protected channel for employees, vendors, and other stakeholders to report concerns relating to improper or unethical conduct, without fear of retaliation.

Stress Testing:

DCB Bank's credit risk management framework is anchored on a forward-looking assessment of portfolio quality, stress testing serves as a key tool to evaluate resilience under adverse macroeconomic conditions. Stress tests are conducted periodically across the Bank's major credit portfolios — including mortgages, MSME, agriculture, and commercial vehicle loans — using internally developed scenarios that reflect plausible deteriorations in borrower repayment capacity, collateral values, and sectoral cash flows. The results of these stress tests inform the Bank's provisioning adequacy assessment, credit concentration limits, and capital planning under the Internal Capital Adequacy Assessment Process (ICAAP). The findings are presented to the Credit Risk Management Committee (CRMC) and the Risk Management Committee of the Board, enabling proactive corrective action and ensuring that the Bank maintains adequate capital buffers against potential credit losses.

Business Continuity Planning and Cyber Drills

DCB Bank has established a comprehensive Bank-wide Business Continuity Planning Policy to ensure continuity of critical operations during disruptions or disaster events. The framework is designed based on the criticality of functions and systems across the Bank. Periodic drills and testing are conducted to assess effectiveness and strengthen continuity preparedness wherever required. The Bank significantly enhanced its cyber resilience capabilities through structured Cyber Drill exercises simulating a range of threat scenarios, including ransomware attacks, data exfiltration attempts, and Distributed Denial-of-Service (DDoS) events. These drills, conducted in coordination with internal IT and Information Security teams, tested the Bank's detection, containment, and recovery capabilities against a defined Recovery Time Objective (RTO) and Recovery Point Objective (RPO). The outcomes of each drill are reviewed by senior management and findings are used to strengthen playbooks, patch identified vulnerabilities, and improve cross-functional coordination. The Bank's 24x7 Security Operations Centre (SOC) continues to provide real-time threat monitoring and incident response support, ensuring that digital and operational resilience remain core pillars of the Business continuity programme.

Financial Performance

DCB Bank closed FY 2025-26 having delivered what the management had spent three years promising: consistent, predictable, and repeatable financial outcomes. The Bank posted its highest-ever annual Profit After Tax of ₹732 Crores, up 18.89% year-on-year, with Q4 FY 2025-26 contributing ₹206 Crores, marking the third successive quarter of a record quarterly result. Advances grew 17.58% year-on-year to ₹60,022 Crores. Deposits grew 20.91% year-on-year to ₹72,583 Crores. The balance sheet crossed ₹88,069 Crores. These outcomes were not inflated by one-time recoveries or accounting choices; they reflected an underlying improvement in the quality and composition of the franchise.

The Bank's strategic intent is to double the balance sheet every three to four years through consistent, sustainable growth in secured retail lending, with the MSME and self-employed segment at the center of the franchise.

Metric	FY 2024-25	FY 2025-26	YoY Change
Profit After Tax (₹ Crores)	615	732	+18.89%
Net Interest Income (₹ Crores)	2,107	2,457	+16.61%
Other Income (₹ Crores)	750	855	+13.94%
Operating Profit (₹ Crores)	1,037	1,296	+24.95%
Advances (₹ Crores)	51,047	60,022	+17.58%
Deposits (₹ Crores)	60,031	72,583	+20.91%
Balance Sheet Size (₹ Crores)	76,810	88,069	+14.66%
CASA (₹ Crores)	14,721	16,247	+10.37%
Core Fee Income - Full Year (₹ Crores)	555	671	+20.92%
Gross NPA Ratio	2.99%	2.45%	−54 bps
Net NPA Ratio	1.12%	0.89%	−23 bps
Provision Coverage Ratio	74.48%	78.42%	+394 bps
Return on Assets	0.89%	0.91%	+2 bps
Return on Equity	12.30%	12.77%	+47 bps
Net Interest Margin (Q4)	3.29%	3.39%	+10 bps
Cost of Funds (Q4)	7.34%	6.89%	−45 bps
Cost to Income Ratio	63.70%	60.87%	−283 bps
Capital Adequacy Ratio	16.77%	16.55%	−22 bps
Tier I Capital	14.30%	14.26%	−4 bps
Book Value Per Share (₹)	171.96	190.93	+11.03%
Earnings Per Share (₹)	19.63	23.01	+17.23%
Branches (Nos.)	464	480	+16
Employees (Nos.)	11,057	11,374	+317

Quarterly PAT Trend

Profit After Tax (₹ Crores)

Quarter	FY 2023-24	FY 2024-25	FY 2025-26
Q1	126.93	131.36	157.26
Q2	126.79	155.47	183.91
Q3	126.58	151.44	184.74
Q4	155.68	177.07	205.65
Full Year	535.97	615.33	731.56

NIM expanded sequentially through FY 2025-26, from 3.20% in Q1 to 3.39% in Q4, the highest in five years, even as 100 basis points of repo rate cuts compressed asset yields. This structural resilience reflects the Bank's term deposit franchise: with an average deposit duration of 14-15 months, the benefit of rate cuts on the liability side continues to accrue through FY 2026-27. Cost of funds declined from 7.34% in Q4 FY 2024-25 to 6.89% in Q4 FY 2025-26, a reduction of 45 basis points year-on-year.

The cost-to-income ratio improved from 63.70% in FY 2024-25 to 60.87% in FY 2025-26, a 283-basis points improvement achieved while growing the balance sheet at above-industry rates. Net Interest Income grew 17%, Non-Interest Income grew 14%, and Operating Expenses grew 11% (including the one-time ₹26.87 Crores labor code charge in Q3), and Operating Profit grew 24.95% year-on-year. The operating profit-to-provisions ratio (margin of safety) stood at 4.96x in Q4 FY 2025-26, above the Bank's stated business model floor of 3-4x.

IMPLEMENTATION OF BASEL III GUIDELINES

In accordance with RBI guidelines, the Bank migrated to Basel III Capital Adequacy disclosures with effect from Q1 FY 2013–14. The Bank continues to strengthen its risk management systems and practices in line with points best practices. It has implemented the Standardized Approach for Credit Risk, Standardized Duration Approach for Market Risk, and Basic Indicator Approach for Operational Risk.

PROCESS REVIEW

DCB Bank continues to strengthen process controls and customer experience through continuous process reviews. The Bank has constituted a cross-functional Management Committee for Approving Processes (MCAP), supported by MCAP-SuCo, to review all new and existing processes. The Committee evaluates operational and compliance risks and ensures appropriate mitigation measures are implemented. During FY 2025-26, MCAP reviewed and approved 92 processes.

IND AS IMPLEMENTATION

The Ministry of Corporate Affairs (MCA), Government of India, notified the Companies (Indian Accounting Standards) Rules, 2015 on February 16, 2015. Subsequently, the MCA outlined the roadmap for implementation of Indian Accounting Standards (Ind AS), converged with International Financial Reporting Standards (IFRS), for banks.

While Ind AS implementation for banks was initially scheduled from April 1, 2018, RBI subsequently deferred the implementation, and on March 22, 2019, announced further deferment until further notice.

The Bank has constituted a Steering Committee, headed by the Chief Financial Officer (CFO), to oversee Ind AS implementation. The Committee comprises representatives from Finance, Risk, Credit, Information Technology, and Treasury, and reviews implementation progress and regulatory developments on an ongoing basis. Meanwhile, the Bank continues to prepare pro forma Ind AS financial statements on a half-yearly basis and submits them to RBI. On April 27, 2026, the Reserve Bank of India issued directions introducing a staging framework for asset classification under the Expected Credit Loss (ECL) approach, while retaining the extant norms for classification of non-performing assets (NPAs), adoption of a forward-looking approach under the ECL framework and adoption of Effective Interest Rate (EIR) method. These directions are called the Reserve Bank of India (Commercial Banks – Asset Classification, Provisioning and Income Recognition) Directions, 2026 which shall come into force with effect from April 1, 2027.

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.

The team comprises Chartered Accountants, experienced bankers with expertise in specific banking functionalities, and information technology professionals with specialized knowledge across banking and technology domains.

ACB oversees the IA function, monitors performance, and provides regular guidance for improving risk control and compliance across the Bank.

During FY 2025-26, IA further strengthened the use of data analytics, automation, walkthroughs, and design effectiveness testing across audits. The function has also successfully implemented automation of audit workflow for all types of audits i.e. periodic audit, concurrent audit and continuous monitoring thus helping in better planning of audits and resource utilization.

The IA team makes use of tools like SQL, and SAS, among others, for data analysis in audits and daily exception monitoring. During the year, all the branches were subject to continuous monitoring and review through CAMS audit application.

Concurrent Audit and Continuous Monitoring Framework

The Bank has established a comprehensive Concurrent Audit Framework to provide independent and ongoing assurance over key business processes and risk areas. The framework covers critical functions like Treasury & Trade Finance Operations, Retail and Wholesale Banking Operations, Centralised Processing Centers such as the Credit Operations, National Processing Centre for account opening, Centralized Reconciliation Units, Branch audits and other identified risk-sensitive areas duly covering the scope as per regulatory instructions.

Concurrent audits are conducted by empanelled Chartered Accountant firms and dedicated in-house audit personnel in accordance with applicable regulatory requirements, internal policies, and established control standards. The framework is designed to facilitate timely identification of control gaps, operational risks, and compliance issues, thereby strengthening the Bank's preventive and detective control environment.

Further, the Bank's continuous monitoring mechanisms support proactive risk management through ongoing surveillance of key processes, transactions, and exception reports. Significant observations and emerging risk themes are periodically escalated to Senior Management and the relevant governance committees for oversight, review, and corrective action.

Internal Audit Snapshot

336
Branch audits

18
Special audits

51
Process / business audits

40
IT audits

COMPLIANCE

DCB Bank's Compliance function operates independently of business and operations functions and is governed through a Board-approved compliance framework. The function oversees adherence to regulatory guidelines to ensure timely identification and mitigation of Regulatory Risk. A well-defined compliance framework is in place for timely and continuous feedback from the business and support functions of the Bank, thereby ensuring a continuous monitoring of adherence to extant regulatory guidelines. In addition, the Compliance function undertakes compliance testing of the products and policies on an ongoing basis to check for adherence to the regulatory guidelines, enhance compliance monitoring and promoting compliance culture within the Bank.

The Compliance unit also oversees AML/KYC monitoring through dedicated systems, software, and analytics-driven surveillance mechanisms.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Bank's objectives, projections, estimates, and expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The Bank does not undertake to update any forward-looking statement.

Director's Report

Dear Shareholders,

Your Directors are pleased to present the 31st Annual Report of DCB Bank Limited (also referred to as 'DCB Bank,' 'The Bank,' or 'Your Bank') together with the audited accounts for the financial year ended March 31, 2026.

Despite a challenging macro-economic environment marked by tightening of liquidity and credit quality pressures in certain segments such as microfinance, the Bank remained on a steady growth trajectory. During the year, total deposits grew by 20.9%, while credit costs were maintained at 0.40% of total average assets. The year also marked several important milestones for your Bank, including the achievement of an annual operating profit of ₹1,296 Crores.

Your Bank is equipped with state-of-the-art technology solutions to enhance customer service. Over the last few years, it has upgraded its core banking systems, technology infrastructure, storage solutions, and information security infrastructure, among others. These investments have strengthened capabilities and capacity to leverage technology for future growth.

The Bank is also actively engaged with several partners in leading the way to integrate generative artificial intelligence (Gen AI) into banking products and services. In addition, it has established a technology innovation center in Bengaluru to facilitate and incubate new technology ideas and initiatives and support fintech companies in emerging banking technologies.

A culture built on mutual trust, confidence, fairness and equal opportunities remains central to your Bank's DNA. The Bank has been consistently winning pole positions in 'Great Place to Work' annual awards in various categories.

FINANCIAL HIGHLIGHTS AND STATE OF THE BANK'S AFFAIRS

The financial performance for FY 2025-26 is summarized below:

A. Growth

₹ in Crores (Rounded off)	FY 2025-26	FY 2024-25	% Change
Total Deposits	72,583	60,031	20.9%
Advances	60,022	51,047	17.6%
Investments	20,378	20,150	1.1%
Total Business (Deposits + Advances)	1,32,605	1,11,078	19.4%

During FY 2025–26, your Bank demonstrated consistent and sustainable growth, with advances increasing by 17.6%, total deposits by 20.9% and total business by 19.4%.

B. Profitability

₹ in Crores (Rounded off)	FY 2025-26	FY 2024-25	% Change
Interest Income	7,405	6,471	14.4%
Interest Expense	(4,948)	(4,364)	(13.4%)
Net Interest Income	2,457	2,107	16.6%
Non-interest Income	855	750	13.9%
Total Operating Income	3,312	2,857	15.9%
Operating Cost	(2,016)	(1,820)	(10.8%)
Operating Profit	1,296	1,037	25.0%
Provisions other than Tax	(319)	(208)	(53.0%)
Net Profit Before Tax	977	829	17.9%
Profit After Tax	732	615	18.9%

Your Bank achieved an Operating Profit of ₹1,296 Crores during the year, recording a growth of 25% compared to FY 2024-25. Net Interest Income also grew by 16.6%, despite several macro-economic factors leading to margin compression. Your Bank managed to soften the impact of such margin compression by achieving a growth of 13.9% in Non-Interest Income, driven largely by third-party distribution income and regular banking service fees. Some components of non-interest income were also derived from favorable capital market and enhanced yield in government securities. Meanwhile, Operating Costs and Credit Costs remained largely range-bound and were managed effectively through proactive and timely interventions.

For FY 2025–26, the Net Interest Margin (NIM) stood at 3.28%, while Cost to Income Ratio was 60.87%. The Return on Assets (RoA) ratio was 0.91%, with a corresponding Return on Equity (RoE) Ratio of 12.77%.

C. Asset Quality

Percentage	FY 2025-26	FY 2024-25	Basis Points Change
Gross NPA	2.45%	2.99%	54
Net NPA	0.89%	1.12%	23
Credit Costs (to total average assets)	0.40%	0.30%	(10)

Your Bank maintains a large proportion of secured granular loans across MSME and self-employed customer segments. The Bank follows a conservative approach in credit risk-taking and has systematically prioritized products with lower credit losses. In FY 2025-26, the Bank reported credit costs of 0.40% of total average assets despite significant headwinds in microfinance and unsecured retail lending segments. Your Bank managed to lower the impact of these headwinds owing to its limited exposures to such segments.

Provisions Other Than Tax increased to ₹318.78 Crores in FY 2025-26 from ₹208.39 Crores in FY 2024-25. The Bank continues to follow conservative provisioning for Non-Performing Assets (NPA), while also maintaining periodic floating provision and provision against standard assets. For FY 2025-26, the Gross NPAs ratio stood at 2.45%, while the Net NPA Ratio was 0.89%. The overall Provision Coverage Ratio stood at 78.42%.

D. Capital

Percentage	FY 2025-26	FY 2024-25	Basis Points Change
Capital Adequacy Ratio – Tier I	14.26%	14.30%	(4)
Capital Adequacy Ratio –Tier II	2.29%	2.47%	(18)
Overall Capital Adequacy Ratio	16.55%	16.77%	(22)

Your Bank remained well capitalized, with a capital adequacy ratio of 16.55% as of March 31, 2026. Pursuant to the approval accorded by the RBI to Aga Khan Fund for Economic Development S.A (AKFED), the promoters of the Bank for acquisition of 60,58,394 equity shares of the Bank, the Board of Directors of the Bank approved the allotment of 60,58,394 equity shares of face value of ₹ 10/- each, on a preferential basis, to AKFED on October 10, 2025 at an issue price of ₹ 137/- per equity share (including a premium of ₹ 127/- per equity Share), for a total consideration of ₹ 82,99,99,978 in accordance with applicable laws and regulations. For FY 2025-26, the Bank grew its advances by 17.6% while only consuming 4 basis points of Tier 1 capital. Risk-weighted assets stood at 49.09% of total assets on March 31, 2026, compared to 49.43% in FY 2024-25, demonstrating efficient use of capital.

CREDIT RATING

During FY 2025-26, CRISIL Ratings Limited reaffirmed the Bank's Tier II Bonds rating as CRISIL AA-/Stable and the Certificates of Deposit Program and Short-term Fixed Deposit Program ratings as CRISIL A1+. CARE Ratings Limited also reaffirmed the Bank's Tier II Bonds rating as CARE AA- / Stable and its Certificates of Deposit Program and Short-term Fixed Deposit Program as CARE A1+.

DIVIDEND

Your Board is pleased to recommend an enhanced dividend of ₹1.45 per equity share of ₹10.00 each for the financial year ended March 31, 2026, compared with ₹1.35 per equity share of ₹10.00 each for the previous financial year.

PREFERENTIAL ISSUE OF EQUITY SHARES

Aga Khan Fund for Economic Development (AKFED), the Promoter of the Bank, had expressed its intention to invest up to USD 10 Million through subscription to additional equity shares of the Bank, in compliance with applicable laws and regulations. The proposed investment was aimed at strengthening the Bank's capital position and supporting its growth plans.

Accordingly, the Board of Directors, at its meeting held on December 08, 2023, and the Members of the Bank through Postal Ballot on January 09, 2024, approved the issuance and allotment of up to 60,58,394 equity shares of face value ₹10 each to AKFED at an issue price of ₹137 per equity share, including a premium of ₹127 per equity share, aggregating up to ₹83 Crores, through preferential allotment on a private placement basis, subject to regulatory approvals including RBI approval.

AKFED submitted an application to RBI on January 22, 2024, seeking approval for the proposed acquisition. The RBI, vide its letter dated September 29, 2025, accorded approval for acquisition of 60,58,394 equity shares of the Bank by AKFED.

Subsequently, the Board of Directors, at its meeting held on October 10, 2025, approved the allotment of 60,58,394 equity shares of face value ₹10 each to AKFED at an issue price of ₹137 per equity share, aggregating to ₹82,99,99,978, in accordance with applicable laws and regulations. All regulatory compliances were completed within the stipulated timelines.

The preferential allotment was undertaken in accordance with the provisions of the SEBI ICDR Regulations and other applicable regulatory requirements. Pursuant to Regulation 32 of the SEBI Listing Regulations read with applicable SEBI Circulars, the Bank confirms that the proceeds from the preferential issue were fully utilized and there was no deviation or variation from the objects approved by the Members.

DISCLOSURES

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

During the Financial Year 2025-26, 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 fourteen (14) Directors on the Board as on March 31, 2026. which inlcudes Nine (9) Independent Directors, three (3) Non-Executive (Non-Independent) Directors and two (2) Executive Directors. During the year under review, Mr. Iqbal Khan ceased to be a Non-Executive (Non-Independent) Director of the Bank with effect from the close of business hours on July 14, 2025, upon completion of his tenure of eight (8) years as per the extant regulatory norms. Further, Mr. Farokh N. Subedar ceased to be the Part Time Non-Executive Chairperson and Independent Director of the Bank with effect from close of business hours on October 14, 2025, upon completion of his term as an Independent Director.

Further Ms. Lakshmy Chandrasekaran ceased to be an Independent Director of the Bank with effect from close of business hours on April 13, 2026, upon completion of her tenure as an Independent Director.

During the FY 2025-26, the Bank has appointed Ms. Neeta Sudhir Rege and Mr. Suhail Nathani as Non-Executive (Independent) Directors of the Bank, with effect from February 18, 2026 for a period of three (3) years. Further, Mr. Shaffiq Dharamshi was appointed as a Non-Executive (Non-Independent) Director of the Bank, liable to retire by rotation, with effect from February 18, 2026. The Shareholders of the Bank on May 07, 2026 by way of postal ballot have approved the said appointments.

The Board of Directors of the Bank had also appointed Mr. Pushan Mahapatra as a Non-Executive (Independent) Director of the Bank for a period of three (3) years with effect from March 10, 2026 and his appointment was approved by the Shareholders on May 07, 2026 through postal ballot. The Board of Directors of the Bank had also recommended the candidature of Mr. Pushan Mahapatra for the position of the Part Time Non-Executive Chairperson of the Bank and accordingly the Bank had made an application to the RBI for its approval in this regard.

Further, Mr. Shaffiq Dharamshi, on May 08, 2026 has resigned from the position of Non-Executive (Non-Independent Director) of the Bank with effect from close of business hours on May 08, 2026, due to his other professional and time commitments.

The Board of Directors of the Bank at its meeting held on February 17, 2026, has approved the re-appointment of Mr. Krishnan Sridhar Seshadri as the Whole Time Director (Executive Director) of the Bank for a period of One (1) year with effect from June 13, 2026 to June 12, 2027 (both days inclusive), subject to the approval of the RBI and subsequent Shareholders' approval. Pursuant to the application made by the Bank in this regard, the RBI vide its letter no. CO.DOR.HGG.NO.S1681/29-03-001/2026-2027 dated May 25, 2026, has conveyed its approval for the said reappointment. The proposal in this regard is also recommended to the Shareholders of the Bank for their approval at the ensuing AGM. A brief resume relating to his re-appointment, are furnished in the notice of the 31st AGM.

Mr. Nadir Bhalwani, 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, are furnished in the notice of the 31st AGM and Corporate Governance Report, based on the disclosures provided by him.

All the Directors of the Bank have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations and that they are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and rules made thereunder.

All the above mentioned Directors being appointed/ reappointed posses the required integrity, skills, expertise, and experience. In the opinion of the Board,

the Independent Directors fulfill the criteria of independence as prescribed under the applicable laws and possess requisite integrity, qualifications, proficiency, experience, expertise and are independent of the Management.

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

The Certificate dated June 05, 2026 issued by M/s. S. N Ananthasubramanian & Co., Practicing Company Secretaries in this regard is attached to and forming part of this report.

SENIOR MANAGEMENT PERSONNEL (SMP) AND KEY MANAGERIAL PERSONNEL (KMP)

As on March 31, 2026, there were nineteen (19) 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 - 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 (Managing Director & CEO) and Mr. Krishnan Sridhar Seshadri (Whole Time Director) by virtue of their respective designations are also Material Risk Taker ('MRT') in accordance with the Compensation Policy of the Bank & relevant RBI guidelines.

During the year under review, Ms. Anuradha T.P. had tendered her resignation from the services of the Bank to pursue a full-time professional education course outside India and ceased to be the Chief Internal Auditor (CIA) and Senior Management Personnel of the Bank with effect from close of business hours on September 16, 2025.

Further, Mr. Krishna Ramasankaran was appointed as the CIA of the Bank with effect from opening of the business hours on September 17, 2025, for a period of three (3) years. He also forms part of SMP of the Bank.

List of Senior Management Personnel (SMP) of the Bank as of March 31, 2026

Particular	Designation
Mr. Abhijit Bose	Chief Credit Officer
Mr. Ajay Mathur	Head Collections & Commercial Vehicles
Mr. Ajit Singh	Head Treasury, FIG & Chief Investor Relationship Officer
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 Gold Loans & Trade Finance
Mr. Krishna Ramasankaran	Chief Internal Auditor
Mr. Krishnan Sridhar Seshadri	Whole Time Director
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. Praveen Achuthan Kutty	Managing Director & CEO
Mr. Ravi Kumar	Chief Financial Officer
Ms. Rubi Chaturvedi	Company Secretary

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 Chairperson) for FY 2025-26, 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 Chairperson), 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 and Ethics, quality and flow of information, as well as measurement of performance in the areas of strength as identified in the previous board evaluation, 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 Chairperson) 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.

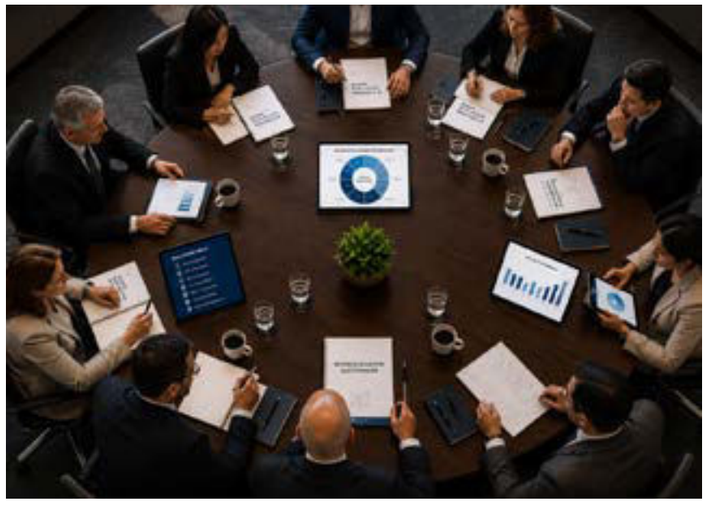
The details of familiarisation program arranged for Independent Directors have been disclosed on website of the Bank and are available at the following link:

www.dcb.bank.in/about-us/investor-relations (Website → About Us → Investor relations → Corporate Governance → Familiarisation Programme)

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. Based on the declaration of independence provided by all the Independent Directors of the Bank, the Board is of the opinion that all the Independent Directors fulfill the conditions of independence and are qualified to be classified as Independent Directors under the Companies Act, 2013 and SEBI Listing Regulations and that they 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

Pursuant to the relevant Reserve Bank of India guidelines/directions/ circular with respect to the Appointment of Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) Members of the Bank at the 28th 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 28th AGM until the conclusion of the 31st AGM 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 the firm satisfying the eligibility norms in each year in this regard.

Further, the Members of the Bank at the 29th 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 29th AGM until the conclusion of the 32nd AGM 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 the firm satisfying the eligibility norms in each year in this regard.

M/s. B S R & Co LLP, Chartered Accountants (Registration No. 101248W/ W100022), who were appointed as Joint Statutory Auditors of the Bank at the 28th AGM held on June 22, 2023 for three years, will be completing their term as a Joint Statutory Auditors after conclusion of the 31st Annual General Meeting of the Bank. Further, M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S), will be continuing as Joint Statutory Auditors, for their 3rd financial year, i.e. for FY 2026-27, who were appointed as Joint Statutory Auditors of the Bank, at the 29th AGM of the Bank held on June 12, 2024. As the term of M/s. B S R & Co LLP, Chartered Accountants was till the FY 2025-26, the Board of Directors of the Bank vide its Resolution dated April 13, 2026 had recommended M/s Deloitte Haskins & Sells, Chartered Accountants (FRN:117365W), as the first preferred firm to the RBI for appointment as Joint Statutory Auditors of the Bank, for a period commencing from the conclusion of this 31st Annual General Meeting until the conclusion of the 34th Annual General Meeting of the Bank for a continuous period of three (3) years (from FY 2026-27 to FY 2028-29) subject to the RBI approval for each year and firm satisfying the eligibility norms each year in this regard. Also, the Board of Directors of the Bank had recommended for approval of the RBI, the reappointment of M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S) for their third and final year for FY 2026-27.

The RBI has vide, its letter Ref CO.DOS.RPD.No. S915/08.37.005/2026-27 dated May 07, 2026 has approved the reappointment of M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S) and appointment of M/s Deloitte Haskins & Sells, Chartered Accountants (FRN:117365W), as the Joint Statutory Auditors of the Bank for the FY 2026-27, being their third year and first year respectively.

During FY 2025-26, total fees of ₹2.48 Crores was paid on an aggregate basis to the Joint Statutory Auditors for all the services provided by them to the Bank. The same was approved by the Shareholders of the Bank in its thirtieth (30th) Annual General Meeting held on August 06, 2025.

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 FY 2025-26.

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 FY 2025-26, 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, 2026. Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, based on the above and the representation received from the Management, the Board of Directors, to the best of their knowledge and ability confirms that-

a. in the preparation of the annual accounts, the applicable Accounting Standards have been followed and that there is no material departure;

b. 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;

c. 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;

d. the annual accounts of the Bank have been prepared on a "going concern" basis;

e. 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

f. 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, 2026 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 Section134(3)(a) of the Companies Act, 2013 and is available at the following link: www.dcb.bank.in/about-us/investor-relations (Website → About Us → Investor relations → Financial Reporting & Other Information → Annual reports → Annual Return)

PARTICULARSOF 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 2025-26, 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: www.dcb.bank.in/about-us/investor-relations (Website → About Us → Investor relations → 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: www.dcb.bank.in/about-us/investor-relations (Website → About Us → Investor relations → Financial Reporting & Other Information → Annual reports → 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) and other applicable Directions/ Guidelines issued by the 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 BR Act shall have specialised knowledge/ experience in the areas like Agriculture, Banking, Small Scale Industry, Legal, Risk Management, 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 Directors, Company Secretary & Compliance Officer and Chief Financial Officer shall be the Key Managerial Personnel (KMPs) of the Bank.
- Except for the Chairperson, the Managing Director & CEO and Whole Time Director, no other Directors are paid remuneration. The Chairperson, 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 Board and Committee meetings as may be approved by the Board from time to time within the regulatory framework and reimbursement of expenses for attending meetings of the Board and its Committees or any other reimbursement of actual business-related expenses.
- Independent Directors are not entitled for Employee Stock Options.
- Policy for Appointment/ Reappointment of Non-Executive Directors including Part-Time Chairperson and their Remuneration is available at: www.dcb.bank.in/about-us/investor-relations (Website → About Us → Investor relations → Corporate Governance → Code and Policies)
- Policy For Appointment, Re-appointment and Remuneration for Whole Time Directors including Managing Director & CEO is available at: www.dcb.bank.in/about-us/investor-relations (Website → About Us → Investor relations → Corporate Governance → Code and Policies)
- Remuneration of all employees including Senior Management and KMPs is decided as per the Compensation Policy of the Bank. The details are given on website at the following Link: www.dcb.bank.in/about-us/investor-relations (Website → About Us → Investor relations → Corporate Governance → Code and Policies)

PARTICULARS OF EMPLOYEES

The Bank had 11374 employees as on March 31, 2026. 17 employees were employed throughout the year who were in receipt of remuneration at the rate of not less than ₹1.02 Crores 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 Crores 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 Members excluding these particulars and any Member interested in obtaining the said details may write to the Company Secretary at investorgrievance@dcb.bank.in.

PARTICULARS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

a) The ratio of the remuneration of each Director to the median employee's remuneration for the financial year ended March 31, 2026 and such other details as prescribed are as given below:

2:1

Mr. Farokh N. Subedar (Part Time Chairperson and Independent Director)*

61:1

Mr. Praveen Achuthan Kutty (Managing Director & CEO)

29:1

Mr. Krishnan Sridhar Seshadri (Whole Time Director)

*Honorarium paid till July 2025 since he had waived off his honorarium for a period from August 01, 2025 till October 14, 2025.

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:

Mr. Farokh N. Subedar (Part Time Chairperson and Independent Director till October 14, 2025)	0%
Mr. Praveen Achuthan Kutty (Managing Director& CEO)	10%
Mr. Krishnan Sridhar Seshadri (Whole -Time Director)	10%
Mr. Ravi Kumar (Chief Financial Officer)	8%
Ms. Rubi Chaturvedi (Company Secretary)	15%

c) The percentage increase in the median remuneration of employees in the FY 2025-26: 2.8%

d) The number of permanent employees on the rolls of Bank: 11337

e) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year ended March 31, 2026 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 6.64% for employees other than Managerial Personnel and 10.12% 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

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 FY 2025-26, the Bank has granted 12,58,000 ESOPs at an exercise price of ₹127.03 per unit. In addition, CSARs were granted on April 26, 2025 at the exercise price of ₹127.03 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 with the SEBI (SBEB&SE) Regulations, 2021, to the extent applicable. During the FY 2025-26, no material changes were made to the Schemes. The Bank has changed its vesting schedule at 0%, 50%, 50% across 3 consecutive years based on approval of grant terms by NRC in line with the ESOP Plan of the Bank.
- 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: www.dcb.bank.in/about-us/investor-relations (Website → About Us → Investor relations → 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 has 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 Bank has undertaken various initiatives for the conservation of energy and have taken efforts to contribute to low carbon economy. Details of the same are available in the Business Responsibility and Sustainability Report of the Bank which is part of the Annual Report of the Bank. The Bank has been continuously and extensively using technology in its operations. Refer to Management Discussion and Analysis forming part of this Annual Report. 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 FY 2025-26. This Policy, inter alia, provides a direct access to a Whistle Blower to the Chief of Internal Vigilance (CIV) on his dedicated e-mail whistleblower@dcb.bank.in and Chairman of the Audit Committee of the Board (ACB) on his dedicated e-mail-ID cacb@dcb.bank.in. The Whistle Blower Policy covering all employees and Directors is hosted on the Bank's website www.dcb.bank.in/about-us/investor-relations (Website → About Us → Investor relations → 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 WITH REFERENCE TO FINANCIAL STATEMENTS

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, 2026, 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. The same was approved by the Members of the Bank at their 30th AGM of the Bank held on August 06, 2025.

The Secretarial Audit Report for the financial year ended March 31, 2026, 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 2025-26 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), National Stock Exchange of India Limited (www.nseindia.com) and on the Bank's website viz., URL: www.dcb.bank.in/about-us/investor-relations (Website → About Us → Investor relations → 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 1774) as the Secretarial Auditor for FY 2025-26 and their report is attached separately to this Report.

COMPLIANCE TO SECRETARIAL STANDARDS

The 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 2025-26.

CHANGE IN THE NATURE OF BUSINESS'

During the financial year 2025-26, 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 2025-26, 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 2025-26.

ONE-TIME SETTLEMENT

There was no instance of one-time settlement with any other Bank or financial institution during the FY 2025-26.

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, 2026 and the date of the Directors' Report.

AUDIT COMMITTEE OF THE BOARD (ACB)

The composition, role and functions of the ACB are provided in the Report on Corporate Governance, which forms part of this Annual Report. During FY 2025-26, 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 Report.

Corporate Social Responsibility (CSR):

1. Brief outline of the CSR Policy of the Bank

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 (Corporate Social Responsibility & Environmental, Social and Governance) 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 renewal 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 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	4	4
2	Mr. Krishnan Sridhar Seshadri	Whole Time Director (Executive Director)	4	4	4
3	Mr. Farokh N. Subedar	Independent Director	4	3*	3*
4	Mr. Thiyagarajan Kumar	Independent Director	4	4	4

*Mr. Farokh N. Subedar ceased to be a member with effect from close of business hours on October 14, 2025 on account of cessation his directorship from the Board of the Bank. Further, Mr. Nadir Bhalwani was inducted as a member of CSR & ESG Committee with effect from April 14, 2026.

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 Bank.

www.dcb.bank.in/about-us/corporate-social-responsibility

www.dcb.bank.in/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 Bank as per sub-section (5) of Section 135: **₹717.63 Crores**

b) Two percent of average net profit of the Bank as per sub-section (5) of Section 135: **₹14.35 Crores**

c) Surplus arising out of the CSR Projects or programs or activities of the previous financial years: **NIL**

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)]: **₹14.35 Crores**

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹14.61 Crores**

b) Amount spent in Administrative Overheads: **₹0.13 Crores**

c) Amount spent on Impact Assessment, if applicable: **NA**

d) Total amount spent for the Financial Year [(a)+(b)+ (c)]: **₹14.74 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	Date of transfer
14.74	NIL		NIL		

f) Excess amount for set-off, if any:

Particular	Amount (₹ in Crores)
(i) Two percent of average net profit of the Bank as per Section 135(5)	14.35
(ii) Total amount spent for the Financial Year	14.74
(iii) Excess amount spent for the Financial Year [(ii)-(i)]	0.39
(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)]	0.39

7. Details of unspent Corporate Social Responsibility amount for the preceding three Financial Years: **NA**
8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NA**
9. 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/-
Praveen Achuthan Kutty
Managing Director & CEO

Sd/-
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, past Board members, 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 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/-
Praveen Achuthan Kutty
Managing Director & CEO

Sd/-
Pushan Mahapatra
Independent Director

Place: Mumbai
Date: June 05, 2026



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, 2026.

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, SEBI Listing Regulations, the Banking Regulation Act, 1949 and various directions/ guidelines/notifications issued by the Reserve Bank of India ("RBI") from time to time and other applicable laws/regulations.

The Board of the Bank, as on March 31, 2026, consists of fourteen (14) Directors which includes the Managing Director & CEO, one Whole Time Director (Executive Director), three (3) Non-Executive (Non-Independent) Directors and Nine (9) were Independent Directors, of whom two are Woman Independent Directors.

Majority (64%) 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 with the Senior Management Team under the leadership of the Managing Director & 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 Stakeholder 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 ("MCA"). 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").

The Directors of the Bank and their relatives together hold total 5,50,251 (0.17%) 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, 2026.

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 *interse* related to each other. Further, in the opinion of the Board, 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.

Each of the Directors of the Bank have confirmed that he/she is not debarred from holding the office of director by virtue of any order by SEBI or any other authority. The Directors have ascertained that neither they nor any other company on which they serve as Directors have been identified as a wilful defaulter. Each of the Directors of the Bank have confirmed that he/she satisfies the fit and proper criteria as prescribed under the applicable regulations and none of the Directors are related to each other.

During the FY 2025-26, Mr. Iqbal Khan ceased to be a Non-Executive (Non-Independent) Director of the Bank with effect from the close of business hours on July 14, 2025, upon completion of his tenure of eight (8) years as per the extant regulatory norms. Further, Mr. Farokh N. Subedar ceased to be the Part Time Non-Executive Chairperson and Independent Director of the Bank with effect from close of business hours on October 14, 2025, upon completion of his term as an Independent Director. Further Ms. Lakshmy Chandrasekaran ceased to be a Independent Director of the Bank with effect from close of business hour on April 13, 2026, upon completion of her tenure as an Independent Director.

During FY 2025-26, the Bank has appointed Ms. Neeta Sudhir Rege and Mr. Suhail Nathani as Non-Executive (Independent) Directors of the Bank, with effect from February 18, 2026 for a period of three (3) years. Further, Mr. Shaffiq Dharamshi was appointed as a Non-Executive (Non-Independent) Director of the Bank, liable to retire by rotation, with effect from February 18, 2026. The Shareholders of the Bank on May 07, 2026 by way of postal ballot have approved the said appointments.

The Board of Directors of the Bank has appointed Mr. Pushan Mahapatra as a Non-Executive (Independent) Director of the Bank for a period of three (3) years with effect from March 10, 2026 and his appointment was approved by the Shareholders on May 07, 2026 through postal ballot. The Board of Directors of the Bank had also recommended the candidature of Mr. Pushan Mahapatra for the position of the Part Time Non-Executive Chairperson of the Bank and accordingly the Bank had made an application to the RBI for its approval in this regard.

The Board of Directors of the Bank at its meeting held on February 17, 2026, has approved the re-appointment of Mr. Krishnan Sridhar Seshadri as the Whole Time Director (Executive Director) of the Bank for a period of One (1) year with effect from June 13, 2026 to June 12, 2027 (both days inclusive), subject to the approval of the RBI and subsequent Shareholders' approval. Pursuant to the application made by the Bank in this regard, the RBI vide its letter no. CO.DOR.HGG.NO.S1681/29-03-001/2026-2027 dated May 25, 2026, has conveyed its approval for the said reappointment.

The proposal in this regard is also recommended to the Shareholders of the Bank for their approval at the ensuing AGM. A brief resume relating to his re-appointment, are furnished in the notice of the 31st AGM. It is to be noted that pursuant to the approval of the Shareholders and the RBI, Mr. Krishnan Sridhar Seshadri will be liable to retire by rotation.

Further, Mr. Shaffiq Dharamshi, on May 08, 2026 has resigned from the position of Non-Executive (Non Independent) Director of the Bank with effect from close of business hours on May 08, 2026, due to his other professional and time commitments.

Mr. Nadir Bhalwani, Non-Executive (Non-Independent) Director of the Bank is liable to retire by rotation and being eligible, has offered himself for re-appointment. A brief resume relating to his re-appointment, are furnished in the notice of the 31st AGM and Corporate Governance Report, based on the disclosures provided by him.

Current Composition of Board of Directors of the Bank as on June 05, 2026:

Mr. Amyn Asgarali Jassani
Independent Director

Mr. Balu Srinivasan
Independent Director

Mr. Krishnan Sridhar Seshadri
Whole-Time Director (Executive Director)

Mr. Nadir Noorallah Bhalwani
Non-Independent Director

Mr. Nasser Munjee
Non-Independent Director

Ms. Neeta Sudhir Rege
Independent Director

Mr. Praveen Achuthan Kutty
Managing Director & CEO

Mr. Pushan Mahapatra
Independent Director

Mr. Somasundaram PR
Independent Director

Mr. Suhail Nathani
Independent Director

Mr. Tarun Balram
Independent Director

Mr. Thiyagarajan Kumar
Independent Director



Brief Profile of the Board of Directors:

The profiles of the Directors of the Bank are as under:

Mr. Amyn Jassani
DIN: 02945319
Independent Director

Mr. Amyn Jassani, aged 57 years, 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 ("ICAI") and also a member of the Institute of Company Secretaries of India ("ICSI"). 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 and Peninsula Land Limited.

He holds 100 Equity Shares in the Bank as on March 31, 2026.

Mr. Balu Srinivasan
DIN: 00397658
Independent Director

Mr. Balu Srinivasan, aged 67 years, is an Engineer cum certified Cost Accountant. He has a remarkable 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.

He does not hold any Equity Shares in the Bank as on March 31, 2026.

Mr. Krishnan Sridhar Seshadri
DIN: 10508808
Whole Time Director (Executive Director)

Mr. Krishnan Sridhar Seshadri, aged 64 years, was the Chief Risk Officer of the Bank since May 2017 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, having joined it 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 113,000 Equity Shares in the Bank as on March 31, 2026.

Mr. Nadir Bhalwani
DIN: 00555534
Non-Executive (Non Independent) Director

Mr. Nadir Bhalwani, aged 49 years, is a graduate from Mithibai College and an Master of Business Administration from KJ Somaiya Institute of Management Studies and Research, University of Mumbai. He currently serves as the Chief Information & Technology Officer at CARE Ratings Limited. With over 24 years of experience at top institutions, he is a Certified Information Security Auditor ("CISA") from Information Systems Audit and Control Association ("ISACA") and has completed the Global CIO Certification–Executive Program from the Indian School of Business, Hyderabad. Before joining Care Ratings Limited, he was working with Entertainment Network (India) Limited 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, he has held leadership positions in Technology at top institutions such as CRISIL and IL&FS Investsmart. A prominent speaker at various forums such as Gartner Symposium, International Data Group ("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.

He does not hold any Equity Shares in the Bank as on March 31, 2026.

Mr. Nasser Munjee
DIN: 00010180
Non-Executive (Non Independent) Director

Mr. Nasser Munjee, aged 73 years, served 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.

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, United Kingdom.

He is director on the boards of the Indian Hotels Company 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), Anushka Foundation for Eliminating Clubfoot, Greenko Energy Holdings and CanCare Trust.

He holds 4,401 Equity Shares in the Bank as on March 31, 2026.

Ms. Neeta Sudhir Rege
DIN: 11328588
Independent Director

Ms. Neeta Sudhir Rege, aged 62 years, is a senior banker with 38 years of rich and varied experience across Compliance, Financial Crime Compliance, Conduct and Consumer Banking. She has worked in various capacities in Standard Chartered Bank India, including as Chief Compliance Officer for several years till her retirement. She is a Commerce graduate from Mumbai University and has done Masters in Management Studies from Jamnalal Bajaj Institute of Management Studies, Mumbai University.

She does not hold directorship in any other company or body corporate.

She does not hold any Equity Shares in the Bank as on March 31, 2026.

Mr. Praveen Achuthan Kutty
DIN: 10329590
Managing Director & CEO

Mr. Praveen Achuthan Kutty, aged 59 years, 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 he has been with the Bank. 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. Prior to joining the Bank, he was the Area Director for Citibank's NRI Business, based in New York. Mr. Kutty holds a B. Com and an MBA degree.

He does not hold directorship in any other company or body corporate.

He holds 4,32,000 Equity Shares in the Bank as on March 31, 2026.

Mr. Pushan Mahapatra
DIN: 07307428
Independent Director

Mr. Pushan Mahapatra, aged 65 years, is a career banker with an experience of over 40 years, of which, 35 years was with SBI group. Successfully managed senior leadership positions across Retail & Corporate Banking, Technology, Compliance & Audit. He was posted at SBI's Hong Kong Branch for over 4 years as Vice President (Systems & Internal Audit). Headed SBI General Insurance Co. Ltd. as the MD & CEO for nearly 5 years and is credited with scaling the performance of the Company and making it one of the leading Private sector General Insurance players in India. Currently, after superannuation, with Zurich Insurance Group and serving as a Non-Executive Director with their JV Zurich Kotak General Insurance Co. (India) Ltd since June 2024. He also serves as an Independent Director on the Board of Angel One Trustee Limited.

He does not hold any Equity Shares in the Bank as on March 31, 2026.

Mr. Somasundaram PR
DIN: 00356363
Independent Director

Mr. Somasundaram PR, aged 65 years, 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 2024.

He is Independent Director on the board of GlaxoSmithKline Pharmaceuticals Limited and Public Interest (Independent) Director on the board of India International Bullion Exchange IFSC Limited.

Mr. Somasundaram PR does not hold any Equity Shares in the Bank as on March 31, 2026.

Mr. Suhail Nathani
DIN: 01089938
Independent Director

Mr. Suhail Nathani, aged 61 years, is the Co-Founder and Managing Partner of Economic Laws Practice (ELP), with over three decades of international experience in M&A, Competition, Trade, Regulatory and International Law. He has advised regulatory authorities, multinational corporations, and leading Indian businesses on complex commercial and cross-border matters. He has represented India at the WTO and served as counsel to the Competition Commission of India (CCI) and the Securities and Exchange Board of India (SEBI).

Mr. Suhail also has considerable governance experience and serves as an Independent Director on the board of listed companies in diverse sectors.

He also has a long history of giving back to society and serves on various 'Not for Profit' boards such as the Aga Khan Agency for the Habitat (Chairman); Somaiya Vidyavihar University; Maulana Azad Education Trust; Salaam Bombay Foundation; and the Progressive Electoral Trust (an electoral trust established by Tata Sons).

He holds an M.A. in Law from Cambridge University and an LL.M from Duke University and is admitted to practice in India and New York.

He presently holds directorship in Piramal Finance Limited, Trust Asset Management Private Limited, East Pipes Integrated Company for Industry (Saudi Arabia), Aga Khan Agency for Habitat India, Salaam Bombay Foundation and Progressive Electoral Trust.

He does not hold any Equity Shares in the Bank as on March 31, 2026.

Mr. Tarun Balram
DIN: 02445298
Independent Director

Mr. Tarun Balram, aged 61 years, 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. Mr. Tarun Balram 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.

He does not hold any Equity Shares in the Bank as on March 31, 2026.

Mr. Thiyagarajan Kumar
DIN: 00735914
Independent Director

Mr. Thiyagarajan Kumar, aged 63 years, is a business leader with over 37 years of experience with Unilever & Times Group, across 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 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.

He does not hold any Equity Shares in the Bank as on March 31, 2026.

DETAIL OF DIRECTORSHIPS ALONG WITH CATEGORY AND MEMBERSHIPS/CHAIRMANSHIP OF COMMITTEES OF OTHER PUBLIC LIMITED COMPANIES HELD BY THE DIRECTORS OF THE BANK

Name of Director	Directorship in other Listed Public Limited Companies	Directorship in other public Limited Companies	Membership of Committees of other Public Limited Companies#	Chairmanship of Committees of other Public Limited Companies#
Mr. Praveen Achuthan Kutty	NIL	NIL	NIL	NIL
Mr. Krishnan Sridhar Seshadri	NIL	NIL	NIL	NIL
Mr. Amyn Asgarali Jassani	1	NIL	NIL	1
Mr. Balu Srinivasan	NIL	NIL	NIL	NIL
Mr. Nadir Noorallah Bhalwani	NIL	NIL	NIL	NIL
Mr. Nasser Munjee	3	NIL	NIL	2
Ms. Neeta Rege	NIL	NIL	NIL	NIL
Mr. Pushan Mahapatra	NIL	2	NIL	NIL
Mr. Somasundaram PR	1	1	NIL	2
Mr. Suhail Nathani	1	NIL	2	0
Mr. Tarun Balram	NIL	1	NIL	1
Mr. Thiyagarajan Kumar	NIL	NIL	NIL	NIL

#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 (refer table below) 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:

Skills/ expertise/ knowledge identified

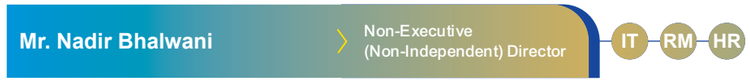
AA	Accountancy & Audit	**LA**	Law	**RM**	Risk Management
AG	Agriculture and Rural Economy	**SI**	Small-scale industry	**BM**	Business Management
BA	Banking	**IT**	Information Technology	**PD**	Product Development and Marketing
EC	Economics	**PS**	Payment & Settlement Systems	**MA**	Mergers & Acquisitions
FI	Finance	**HR**	Human Resource	**CS**	Customer Service













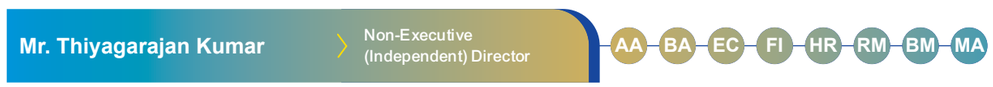












Composition of committees of directors, terms of reference and number of meetings during FY 2025-26

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 the composition and functioning of these Board committees is in compliance with the applicable provisions of the Companies Act, 2013, SEBI Listing Regulations and applicable guidelines issued by RBI from time to time.

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 authorized by the Board.
4. Reviewing with the management, the quarterly financial statements before submission to the Board for approval
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.

Presently Mr. Thiyagarajan Kumar, Mr. Amyn Jassani, Mr. Somasundaram PR, Ms. Neeta Rege and Mr. Nasser Munjee are the members of the ACB. Out of Five (5) members four (4) are Independent Directors (IDs) and one (1) Non-Executive (Non- Independent) Director. All the members of the Audit Committee are financially literate and have accounting or related financial management expertise.

Mr. Thiyagarajan Kumar chairs the ACB and the Company Secretary of the Bank acts as the Secretary to the ACB. Ms. Neeta Rege was inducted as a member of the ACB with effect from April 14, 2026. Ms. Lakshmy Chandrasekaran has ceased to be member with effect from close of business hours on April 13, 2026 on account of cessation of her Directorship from the Board of the Bank.

During the year under review, seven (7) meetings of the ACB were held on April 24, 2025, July 30, 2025, August 21, 2025, October 16, 2025, December 15, 2025, January 22, 2026 and March 18, 2026. All the meetings were held during the year with requisite quorum.

The National Financial Reporting Authority (NFRA), vide Circular dated January 07, 2026, has issued guidance to strengthen structured, timely and documented two-way communication between Statutory Auditors and Those Charged with Governance (TCWG), including the Board of Directors and the Audit Committee, in accordance with the Companies Act, 2013 (CA, 2013) and Standards on Auditing (SA 260 – Revised and SA 265).

Accordingly, in compliance with the aforementioned circular the Bank has identified "Audit Committee of the Board plus the Managing Director & CEO of the Bank" as the TCWG and appropriate framework in this regard has been formulated.

CREDIT COMMITTEE OF BOARD (CCB)

The CCB, inter-alia, looks after sanctioning of loans and advances, approving of One Time Settlements (OTS), etc.

Presently Mr. Somasundaram PR, Mr. Tarun Balram, Mr. Pushan Mahapatra and Ms. Neeta Rege are the Members of the CCB.

Mr. Somasundaram PR chairs the CCB. Mr. Farokh N. Subedar ceased to be a Member of CCB with effect from close of business hours on October 14, 2025 on account of cessation of his directorship from the Board of the Bank. During the year, the Committee was re-constituted on December 16, 2025 wherein Ms. Lakshmy Chandrasekaran was inducted as a member of CCB from that date. Further, Ms. Neeta Rege and Mr. Pushan Mahapatra were inducted as members of CCB with effect from April 14, 2026. Ms. Lakshmy Chandrasekaran ceased to be a member of CCB with effect from close of business hours on April 13, 2026 on account of cessation of her directorship from the Board of the Bank.

During the year under review, sixteen (16) meetings of the CCB were held on April 23, 2025, May 23, 2025, June 17, 2025, June 27, 2025, July 30, 2025, August 30, 2025, September 24, 2025, October 30, 2025, November 26, 2025, December 17, 2025, December 30, 2025, January 30, 2026, February 16, 2026, February 27, 2026, March 17, 2026 and March 28, 2026. All the meetings were held during the year with requisite quorum.

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 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.

Presently Mr. Amyn Jassani, Mr. Balu Srinivasan, Mr. Tarun Balram, Mr. Thiyagarajan Kumar and Mr. Praveen Achuthan Kutty are the members of the RMC.

Mr. Amyn Jassani chairs the RMC. Mr. Balu Srinivasan was inducted as a member of RMC and Mr. Somasundaram PR ceased to be member of RMC with effect from April 14, 2026.

During the year under review, six (6) meetings of the RMC were held on April 24, 2025, June 24, 2025, September 24, 2025, September 29, 2025, December 16, 2025 and March 27, 2026. All the meetings were held during the year with requisite quorum.

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.

Presently, Mr. Somasundaram PR, Mr. Amyn Jassani and Mr. Nasser Munjee are the members of the NRC. Mr. Somasundaram PR chairs the NRC. Out of three (3) members two (2) are Independent Directors (IDs) and one is Non-Executive (Non-Independent) Director. Mr. Iqbal Khan ceased to be a member of the NRC with effect from July 09, 2025 and Mr. Nasser Munjee was inducted as a member of the NRC with effect from that date.

During the year under review, eight (8) meetings of the NRC were held on April 28, 2025, June 16, 2025, July 24, 2025, October 14, 2025, January 30, 2026, February 17, 2026, March 09, 2026 and March 18, 2026. All the meetings were held during the year with requisite quorum.

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, compliance with respect to major shareholders/ applicants and continuous monitoring of shareholding, etc.

During the year, Six (06) 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").

Presently, the SRC consist of Ms. Neeta Rege, Mr. Amyn Jassani, Mr. Nadir Bhalwani and Mr. Pushan Mahapatra.

Ms. Neeta Rege was inducted as a Member & Chairperson of SRC with effect from April 14, 2026 and Mr. Thiyagarajan was ceased to be member with effect from that date. Further, Mr. Nadir Bhalwani and Mr. Pushan Mahapatra were inducted as a members of the SRC with effect from April 14, 2026.

Ms. Lakshmy Chandrasekaran ceased to be a member and Chairperson of SRC with effect from close of business hours on April 13, 2026 on account of cessation of her directorship from the Board of the Bank.

During the year under review, four (4) meetings of the SRC were held on April 21, 2025, July 21, 2025, October 15, 2025 and January 19, 2026. All the meetings were held during the year with requisite quorum.

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 an FRMC for monitoring cases of all frauds cases including cyber and digital frauds or irregular transactions.

Presently, Mr. Suhail Nathani, Mr. Amyn Jassani, Mr. Thiyagarajan Kumar, Mr. Krishnan Sridhar

Seshadri and Mr. Balu Srinivasan are the members of the FRMC.
Mr. Suhail Nathani was inducted as a member and Chairman of the FRMC and Mr. Balu Srinivasan was inducted as a member of the FRMC with effect from April 14, 2026.
Mr. Farokh N. Subedar and Ms. Lakshmy Chandrasekaran ceased to be members of the FRMC with effect from close of business hours on October 14, 2025 and April 13, 2026 respectively on account of cessation of their directorship from the Board of the Bank.

During the year under review, four (4) meetings of the FRMC were held on April 22, 2025, July 21, 2025, October 15, 2025 and January 19, 2026. All the meetings were held during the year with requisite quorum.

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 on Customer Service.

Presently Mr. Nasser Munjee, Mr. Amyn Jassani, Mr. Suhail Nathani, Mr. Pushan Mahapatra, Mr. Praveen Achuthan Kutty and Mr. Krishnan Sridhar Seshadri are the members of the CSC. Mr. Nasser Munjee Chairs the CSC. During the year, Mr. Farokh N. Subedar ceased to be a member and the Chairman of the CSC with effect from close of business hours on October 14, 2025 upon cessation of his directorship from the Board of the Bank.
Mr. Nasser Munjee inducted as Member and the Chairman of the CSC with effect from October 18, 2025. Further, Mr. Suhail Nathani and Mr. Pushan Mahapatra were inducted as members for CSC with effect from April 14, 2026 and Mr. Thiyagarajan Kumar ceased to be a member with effect from that date.

During the year under review, four (4) meetings of the CSC were held on April 22, 2025, July 22, 2025, October 16, 2025 and January 22, 2026. All the meetings were held during the year with requisite quorum.

INFORMATION TECHNOLOGY STRATEGY COMMITTEE OF BOARD (ITSC)

ITSC, inter alia, approves overall Bank's IT strategy, road map for IT/digital initiatives, budget and investments to support the Bank's growth strategies in accordance with the Business strategy.

The ITSC consist of Mr. Balu Srinivasan, Mr. Nadir Bhalwani, Mr. Pushan Mahapatra, Mr. Praveen Achuthan Kutty and Mr. Krishnan Sridhar Seshadri as its members. Mr. Balu Srinivasan chairs the ITSC. During the year, Mr. Iqbal Khan ceased to be a member of the ITSC with effect from close of business hours on July 09, 2025. Further, Mr. Pushan Mahapatra was inducted as a member for ITSC with effect from April 14, 2026.

During the year under review, four (4) meeting of the ITSC were held on April 21, 2025, July 21, 2025, October 15, 2025 and January 19, 2026. All the meetings were held during the year with requisite quorum.

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 annual action plan for the CSR projects and initiatives. It also monitors the CSR activities/initiatives undertaken of the Bank. It also reviews the ESG related matters of the Bank which includes Bank's ESG performance & prioritization of material topics.

Presently, Mr. Nasser Munjee, Mr. Nadir Bhalwani, Mr. Thiyagarajan Kumar and Mr. Krishnan Sridhar Seshadri are the members of the CSR & ESG Committee. Mr. Nasser Munjee chairs the CSR & ESG Committee.

During the year, Mr. Farokh N. Subedar ceased to be a member with effect from close of business hours on October 14, 2025 on account of cessation his directorship from the Board of the Bank. Further, Mr. Nadir Bhalwani was inducted as a member of CSR & ESG Committee with effect from April 14, 2026.

During the year under review, four (4) meetings of the CSR & ESG Committee were held on May 16, 2025, July 22, 2025, October 10, 2025 and March 12, 2026. All the meetings were held during the year with requisite quorum

WILFUL DEFAULTERS REVIEW COMMITTEE OF BOARD (WDRC)

The WDRC reviews the instances recommended by the Wilful Defaulters Identification Committee for classification of the borrower as Wilful Defaulters and issue the final order post review of the instances as mentioned. WDRC also formulate the SOP for examination and classification of Wilful defaulter. It also directs and overviews the task of carrying out examination of NPAs above ₹25 Lakhs.

Presently, Mr. Praveen Achuthan Kutty, Mr. Tarun Balram and Mr. Suhail Nathani are the members of the WDRC. Mr. Praveen Achuthan Kutty chairs the Committee.

Mr. Tarun Balram and Mr. Somasundaram PR were inducted as members of WDRC with effect from October 18, 2025.

Further, Mr. Suhail Nathani was inducted as a member of the WDRC with effect from April 14, 2026 and Mr. Somasundaram PR was ceased to be a member with effect from that date.

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 2025-26

During FY 2025-26, total thirteen (13) Board Meetings were held on April 25, 2025, April 29, 2025, June 16, 2025, July 31, 2025, August 06, 2025, September 11, 2025, October 17, 2025, January 08, 2026, January 09, 2026, January 23, 2026, February 17, 2026, March 09, 2026 and March 18, 2026. Further, two (2) meetings of Independent Directors were also held on November 10, 2025 and March 17, 2026 and the same was attended by all the Independent Directors of the Bank.

All Directors then on the Board of the Bank had attended the last Annual General Meeting held on August 06, 2025.

Summary of attendance of directors at the Board/ Committee meetings held during the FY 2025-26 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**	**2**	**7**	**16**	**6**	**4**	**8**	**4**	**4**	**4**	**4**	**0**
1	Farokh N. Subedar[1]	6	--	--	6	--	1	--	--	2	--	3	--
2	Iqbal Khan[2]	2	--	--	--	--	--	2	--	--	0	--	--
3	Lakshmy Chandrasekaran[3]	12	2	7	6	--	3	--	4	--	--	--	--
4	Amyn Jassani	13	2	7	--	5	4	8	4	4	--	--	--
5	Somasundaram PR	11	2	6	14	5	--	8	--	--	--	--	0
6	Tarun Balram	13	2	--	16	6	--	--	--	--	--	--	0
7	Thiyagarajan Kumar	13	2	7	--	6	4	--	4	4	--	4	--
8	Praveen Achuthan Kutty	13	--	--	--	6	--	--	--	4	4	0	0
9	Krishnan Sridhar Seshadri	13	--	--	--	--	4	--	--	4	4	4	--
10	Nasser Munjee[4]	12	--	7	--	--	--	6	--	1	--	4	--
11	Nadir Bhalwani	13	--	--	--	--	--	--	--	--	4	--	--
12	Balu Srinivasan	13	2	--	--	--	--	--	--	--	4	--	--
13	Neeta Sudhir Rege[5]	2	1	--	--	--	--	--	--	--	--	--	--
14	Suhail Nathani[5]	2	1	--	--	--	--	--	--	--	--	--	--
15	Shaffiq Dharamshi[6]	0	--	--	--	--	--	--	--	--	--	--	--
16	Pushan Mahapatra[7]	1	1	--	--	--	--	--	--	--	--	--	--

-- = Not a member as of March 31, 2026 -- = Not Required

*All the meeting were held during the year with requisite quorum.

1. Mr. Farokh Subedar ceased to be a Non-Executive Part Time Chairman of the Bank and subsequently member of CSR & ESG, CCB, CSC and FRMC Committees of Board with effect from close of business hours on October 14, 2025.
2. Mr. Iqbal Khan ceased to be a Non-Independent Director of the Bank and member of ITSC of Board with effect from close of business hours on July 14, 2025. Further, he ceased to be a member of the NRC with effect from July 09, 2025.
3. Ms. Lakshmy Chandrasekaran inducted as a member of the Credit Committee of Board with effect from December 16, 2025. Further, She ceased to be a member of CCB, ACB, SRC, FRMC with effect from close of business hours on April 13, 2026 on account of cessation of her Directorship from the Board of the Bank
4. Mr. Nasser Munjee was appointed as member of the NRC with effect from July 09, 2025 and further, Chairman of the CSC with effect from October 18, 2025.
5. Ms. Neeta Sudhir Rege and Mr. Suhail Nathani were appointed as Non-Executive (Independent) directors of the Bank with effect from February 18, 2026.
6. Mr. Shaffiq Dharamshi appointed as Non-Executive (Non-Independent director) of the Bank with effect from February 18, 2026. Further, Mr. Dharamshi, on May 08, 2026 has tendered his resignation from the position of Non-Executive (Non Independent) Director of DCB Bank Limited ("the Bank") with effect from close of business hours on May 08, 2026, due to his other professional and time commitments.
7. Mr. Pushan Mahapatra was appointed as Non-Executive (Independent) Director of the Bank with effect from March 10, 2026.

Details and criteria for remuneration of of Directors

The Directors other than Managing Director & CEO, Whole Time Director (Executive 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 for attending Board and Committee meetings as may be approved by the Board from time to time within the regulatory framework and reimbursement of expenses for attending meetings of the Board and its Committees or any other reimbursement of actual business-related expenses. No stock options are granted to any of the non-executive directors.

There were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Bank during FY 2025-26 (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 Chairperson

The Chairperson is paid honorarium as approved by the RBI and other applicable authorities. Accordingly, Mr. Farokh N. Subedar, Non-Executive Part Time Chairperson and Independent Director of the Bank was paid a fixed honorarium of ₹8 Lakhs till July 2025 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.
Mr. Subedar had waived his honorarium from August 01, 2025 till October 14, 2025. He ceased to be a Non-Executive Part Time Chairperson and Independent Director of the Bank with effect from close of business hours on October 14, 2025.

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.

The RBI has approved the Fixed Pay of ₹3.14 Crores for FY 2025-26 and Variable Pay of ₹1.38 Crores for FY 2024-25 (period effective April 29, 2024) for Mr. Praveen Achuthan Kutty as the Managing Director & CEO of the Bank. The same has been paid in accordance with the RBI guidelines and Compensation policy of the Bank.

The details of the remuneration paid to him during FY 2025-26 as approved by the RBI are as follows:

Particulars	Amount (in ₹)
Basic	94,20,000
Allowances and Perquisite value*	1,85,55,642
Contribution to Provident Fund	11,30,400

*Includes the perquisites paid at actuals for FY 2025-26

Mr. Praveen Achuthan Kutty has exercised 28,000 stock options during FY 2025-26. Mr. Praveen Achuthan Kutty has been paid deferral portion of variable pay for FY 2021-22, FY 2022-23, FY 2023-24 and FY 2024-25 of ₹1.44 crores in FY2025-26.

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 2025-26. No sitting fees were paid to him for attending the meetings of the Board and Committees thereof.

Remuneration to the Whole Time (Executive Director)

The details of the remuneration paid to Mr. Krishnan Sridhar Seshadri during FY 2025-26 are as follows:

The RBI has approved the Fixed Pay of ₹1.49 Crores for FY 2025-26 and Variable Pay of ₹86 Lakhs for FY 2024-25 (period effective June 13, 2024) for Mr. Krishnan Sridhar Seshadri as the Whole Time Director (Executive Director) of the Bank. The same has been paid in accordance with the RBI guidelines and Compensation policy of the Bank.

Particulars	Amount (in ₹)
Basic	44,70,000
Allowances and Perquisite value*	81,21,621
Contribution to Provident Fund	5,36,400

*includes the perquisites paid at actuals for FY 2025-26

Mr. Krishnan Sridhar Seshadri has exercised 27,500 stock options during FY 2025-26. Mr. Krishnan Sridhar Seshadri has been paid deferral portion of variable pay for FY 2021-2022, FY 2022-2023, FY 2023-2024 and FY 2024-2025 of ₹ 55.5 Lakhs in FY 2025-26.

Perquisites (evaluated as per Income Tax Rules wherever applicable and at actual cost to the Bank otherwise) such as club fees, personal accident insurance, 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 2025-26. No sitting fees were paid to him for attending the meetings of the Board and Committees thereof.

Sitting fees for attending Board and Board Committees meetings

The details of sitting fees paid to the Non-Executive Directors of the Bank during FY 2025-26 are as under:

Name of Director	Sitting Fees (in ₹)
Mr. Amyn Jassani	37,50,000
Mr. Farokh N. Subedar[1] (till October 14, 2025)	12,15,000
Mr. Iqbal Khan (till July 14, 2025)	3,30,000
Mr. Tarun Balram	30,00,000
Mr. Somasundaram PR	36,45,000
Mr. Thiyagarajan Kumar	35,25,000
Ms. Lakshmy Chandrasekaran	27,60,000
Mr. Nasser Munjee	24,30,000
Mr. Nadir Bhalwani	14,70,000
Mr. Balu Srinivasan	16,50,000
Mr. Suhail Nathani (w.e.f. February 18, 2026)	2,70,000
Ms. Neeta Sudhir Rege (w.e.f. February 18, 2026)	2,70,000
Mr. Pushan Mahapatra (w.e.f. March 10, 2026)	1,80,000
Mr. Shaffiq Dharamshi (w.e.f. February 18, 2026)[2]	0
Total	**2,44,95,000**

[1]Did not accept sitting fees for attending the CSR & ESG Committee meetings of the Bank.

[2]Does not accept any sitting fees for attending Board/Committee meetings.

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 SEBI Listing Regulations.
In the opinion of the Board, the Independent Directors of the Bank fulfill the conditions specified in the Companies Act, 2013 & Rules made thereunder and the SEBI Listing Regulations and are independent of the Management.

Familiarization of Independent Directors

The Bank conducts familiarisation programmes for its Directors on a periodic basis to ensure they are kept abreast of the business and regulatory environment, as well as the overall operations of the Bank. The details of familiarization programs imparted to Independent Directors have been disclosed on website of the Bank at:

www.dcb.bank.in/about-us/investor-relations (Website → About Us → Investor relations → Corporate Governance → Code and Policies)



GENERAL BODY MEETINGS HELD DURING THE LAST THREE YEARS

Date	Venue	Special Resolutions passed
30th AGM August 06, 2025 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/Other Securities Convertible into Equity Shares ("Securities") through Qualified Institutions Placement ("QIP"). iii) Increase in Borrowing Powers iv) 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 FY 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.
29th AGM June 12, 2024 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/other securities convertible into Equity Shares ("Securities") through Qualified Institutions Placement ("QIP"). iii) Increase in Borrowing Powers 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.
28th 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/other securities convertible into Equity Shares ("Securities") through Qualified Institutions Placement ("QIP") (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



Postal Ballot:

The postal ballot was carried out in accordance with Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and applicable SEBI Listing Regulations,

Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force, guidelines/ circulars prescribed by the Ministry of Corporate Affairs (the "MCA"), Government of India and any other applicable laws and regulations.

Prior communication was sent to Members to record their assent/ dissent on the Resolutions and all the Resolutions were passed with the requisite majority. The results of the voting conducted through postal ballots and scrutinizer's report thereto are hosted on the website of the Bank.

Details of resolutions passed through Postal Ballot:

During FY 2025-26, the Bank had obtained approval of Members of the Bank on one occasion as under:

i) for appointment of Mr. Balu Srinivasan (DIN: 00397658)as a Non-Executive (Independent) Director of the Bank by way of Special Resolution passed through a Postal Ballot. Postal Ballot Notice dated April 04, 2025 was sent to total 2,22,417 shareholders of the Bank, who had registered their e-mail IDs as on April 11, 2025, (the Cut-off date), seeking their approval.

The Bank had appointed Ms. Aparna Gadgil (ACS 14713 & COP 8430) and failing her Mr. S N Viswanathan (ACS 61955 & COP 24335) of M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretaries as the scrutinizer for scrutinizing the Postal Ballot process in a free and transparent manner.

Accordingly, the Scrutinizer submitted a Report on the Postal Ballot to the Company Secretary as authorized by the Chairperson/ Board.

710 members comprising of 13,78,70,690 equity shares representing 43.87% 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. 01: Mr. Balu Srinivasan (DIN: 00397658) as a Non-Executive (Non-Independent) Director of the Bank

ASSENT

684
Voters (via e-voting)

13,78,40,595
Votes (via e-voting)

99.98
Percentage (%)

DISSENT

26
Voters (via e-voting)

30,095
Votes (via e-voting)

0.02
Percentage (%)

TOTAL

710
Voters (via e-voting)

13,78,70,690
Votes (via e-voting)

100.00
Percentage (%)

Accordingly, the Special Resolution as contained in Item No.1 of the Notice of Postal Ballot dated April 04, 2025 was declared as passed with requisite majority on May 19, 2025.

ii) for appointment of Mr. Nadir Noorallah Bhalwani (DIN: 00555534) as a Non-Executive (Non-Independent) Director of the Bank by way of Ordinary Resolution passed through a Postal Ballot. Postal Ballot Notice dated April 04, 2025 was sent to total 2,22,417 shareholders of the Bank, who had registered their e-mail IDs as on April 11, 2025, (the Cut-off date), seeking their approval.

The Bank had appointed Ms. Aparna Gadgil (ACS 14713 & COP 8430) and failing her Mr. S N Viswanathan (ACS 61955 & COP 24335) of M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretaries as the scrutinizer for scrutinizing the Postal Ballot process in a free and transparent manner.

Accordingly, the Scrutinizer submitted a Report on the Postal Ballot to the Company Secretary as authorized by the Chairperson/ Board.

705 members comprising of 13,78,69,384 equity shares representing 43.87% 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. 02: Mr. Nadir Noorallah Bhalwani (DIN: 00555534) as a Non-Executive (Non-Independent) Director of the Bank

ASSENT

650
Voters (via e-voting)

13,77,06,838
Votes (via e-voting)

99.88
Percentage (%)

DISSENT

55

Voters (via e-voting)

162,546

Votes (via e-voting)

0.12

Percentage (%)

TOTAL

705

Voters (via e-voting)

13,78,69,384

Votes (via e-voting)

100.00

Percentage (%)

Accordingly, the Ordinary Resolution as contained in Item No.2 of the Notice of Postal Ballot dated April 04, 2025 was declared as passed with requisite majority on May 19, 2025.

The Bank may consider passing resolutions including special resolutions through Postal Ballot as and when required.

Management Discussions and Analysis Report

The Management Discussion and Analysis Report is included in the Directors' Report and forms a part of Corporate Governance

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.

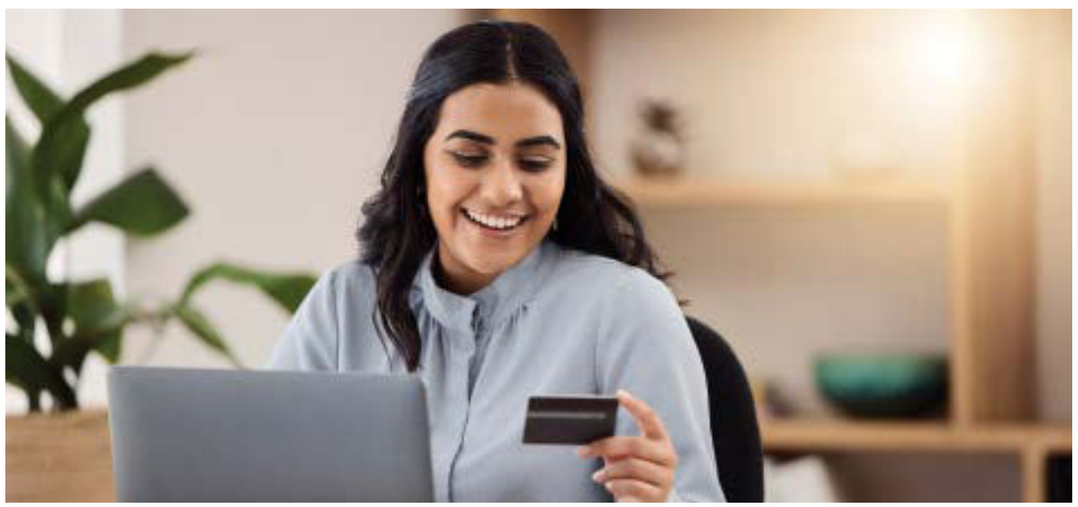
List of all Credit Ratings obtained by The Bank

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 Board of Directors of the Bank on October 10, 2025 has approved the allotment of 60,58,394 Equity Shares of face value of ₹10 each on a preferential basis to the Promoters of the Bank viz. Aga Khan Fund for Economic Development S.A. ("AFKED") for cash consideration, at an issue price of ₹137 per Equity shares (including premium of ₹127 per Equity Share), for a total consideration of ₹82,99,99,978 in accordance with the applicable laws.

Pursuant to the provisions of Regulation 32 of the SEBI Listing Regulations read with applicable SEBI Circular, it is hereby confirmed that proceeds under aforesaid Preferential Issue have been fully utilized and there is no deviation or variation in the use of proceeds of the aforementioned Preferential Issue from the objects stated and approved by members.



SHAREHOLDING PATTERN OF THE BANK AS ON MARCH 31, 2026

Sr. No.	Category	Total Equity Shares	% to Capital
1	Promoter and Promoter Group	5,22,58,628	16.23
2	Foreign Portfolio Investors	4,06,80,465	12.64
3	Non-Resident Indians and Non-Repatriable	63,40,455	1.97
4	Banks/Mutual Funds/NBFC Registered with RBI	7,79,03,149	24.20
5	Alternate Investment Funds ("AIF")	2,15,22,921	6.69
6	Insurance Companies	61,54,196	1.91
7	Limited Liability Partnership ("LLP")	1,85,74,747	5.77
8	Investor Education and Protection Fund ("IEPF")	35,12,090	1.09
9	Central Government (Deputy Directors, Directorate of Enforcement, Mumbai)	500	0.00
10	Unclaimed Securities Suspense and Escrow Accounts	3,47,439	0.11
11	Clearing Members	1,18,708	0.04
12	Trusts	14,566	0.00
13	Other Resident Shareholders	9,44,73,913	29.35
	TOTAL	**32,19,01,777**	**100**

SHAREHOLDERS HOLDING 1% AND ABOVE SHARES IN THE BANK (PAN BASED) AS ON MARCH 31, 2026

Sr. No.	Name	Total Equity Shares	% to Capital
1	Aga Khan Fund For Economic Development S.A.	4,98,08,446	15.47
2	Tata Mutual Fund (All Scheme)	1,62,14,140	5.04
3	Bandhan Small Cap Fund (All Scheme)	1,42,01,865	4.41
4	Franklin Templetom Asset Management (India) Pvt. Ltd. (All Scheme)	1,28,74,095	4.00
5	Sundaram Mutual Fund A/c Sundaram Financial Services Opportunities Fund (All Scheme)	1,09,77,435	3.41
6	Oman India Joint Investment Fund II	91,98,202	2.86
7	Mahindra Manulife Small Cap Fund (All Scheme)	71,07,117	2.21
8	ICICI Venture Funds Management Company Limited (India Advantage Fund S4 I)	62,36,940	1.94
9	Mirae Asset Banking and Financial Services Fund (All Scheme)	60,15,560	1.87
10	Motilal Oswal Small Cap Fund (All Scheme)	56,84,140	1.77
11	Murali M Natarajan	37,31,857	1.16
12	Investor Eeducation and Protection Fund Authority Ministry of Corporate Affairs	35,12,090	1.09
13	Indiafirst Life Insurance Co Ltd.	33,54,306	1.04
14	Societe Generale - ODI	32,76,922	1.02
	Total	**15,21,93,115**	**47.29**

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2026

Sr. No.	Category	Number of Shareholders	% of Total Shareholders	Equity Shares	% of Total Share Capital
1	1 to 500	1,60,027	86.18	1,68,67,713	5.24
2	501 to 1000	12,015	6.47	94,44,361	2.93
3	1001 to 2000	7,325	3.94	1,05,65,043	3.28
4	2001 to 3000	2,200	1.19	55,28,019	1.72
5	3001 to 4000	973	0.52	34,62,059	1.08
6	4001 to 5000	687	0.37	31,95,459	0.99
7	5001 to 10000	1,209	0.65	87,78,935	2.73
8	10001 and above	1,261	0.68	26,40,60,188	82.03
	TOTAL	**1,85,697**	**100.00**	**32,19,01,777**	**100.00**

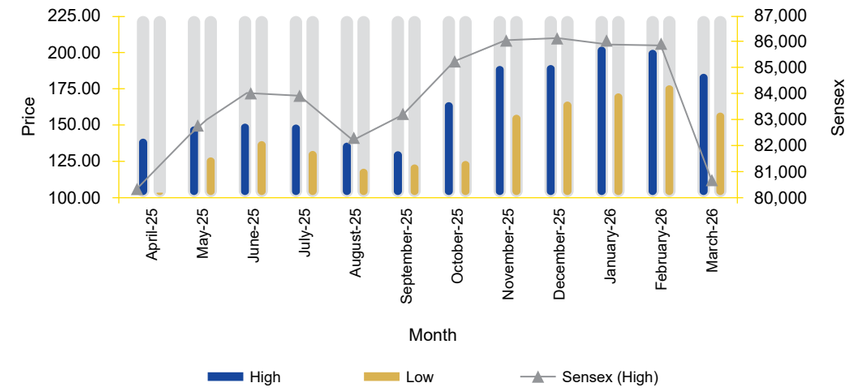
Out of the above 1,85,697 total number of shareholders (folios) as of March 31, 2026, 1,79,992 folios comprise 32,02,72,634 Equity Shares forming 99.49% of the issued and paid - up share capital, are in dematerialized mode. Another 5,705 folios comprise 16,29,143 Equity Shares constituting 0.51% of the issued and paid-up share capital, are held in physical mode. The entire shareholding of the Promoters of the Bank 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 2025	140.10	102.00	80,661.31
May 2025	147.90	127.05	82,718.14
June 2025	150.70	138.10	84,099.53
July 2025	149.75	131.50	83,935.01
August 2025	137.60	119.40	82,231.17
September 2025	131.25	122.30	83,141.21
October 2025	164.45	125.05	85,290.06
November 2025	189.30	156.70	86,055.86
December 2025	190.30	165.60	86,159.02
January 2026	203.55	171.40	85,883.50
February 2026	202.25	176.70	85,871.73
March 2026	184.50	157.90	80,632.55

DCB Share Price on BSE

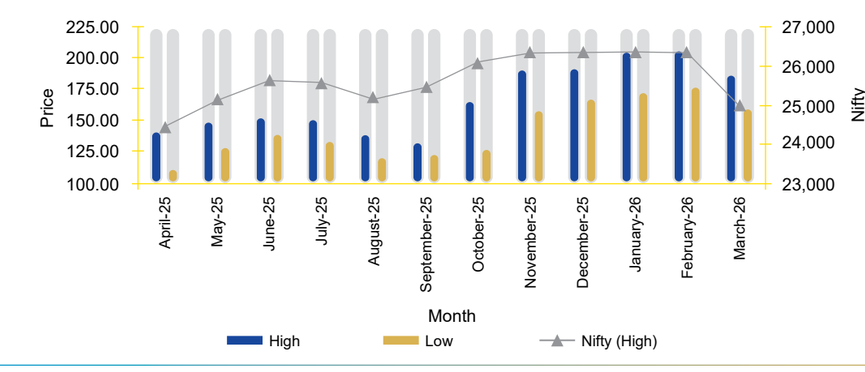


SHARE PRICE & VOLUME OF SHARES TRADED

The monthly high and low quotation of shares traded on the National Stock Exchange of India Limited ("NSE").

Month	High	Low	Sensex (High)
April 2025	140.25	110.10	24,457.65
May 2025	148.00	128.00	25,116.25
June 2025	150.79	138.20	25,669.35
July 2025	149.89	131.80	25,608.10
August 2025	137.85	119.51	25,153.65
September 2025	131.28	122.31	25,448.55
October 2025	164.50	125.73	26,104.20
November 2025	189.15	156.55	26,310.45
December 2025	190.50	165.82	26,325.80
January 2026	203.70	171.04	26,373.20
February 2026	202.21	175.34	26,341.20
March 2026	184.79	157.95	24,989.35

DCB Share Price on NSE



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 24, 2026

FINANCIAL YEAR

Starting on April 01 and ending on March 31 every year.

DIVIDEND

Your Board is pleased to recommend an enhanced dividend of ₹1.45 per equity share of ₹10 each in respect of financial year ended March 31, 2026 (₹1.35 per equity share of ₹10 each for the Financial Year ended March 31, 2025). Your Bank has a Dividend Distribution Policy as approved by the Board and is hosted on the website of the Bank at the link: www.dcb.bank.in/about-us/investor-relations (Website → About Us → Investor relations → Corporate Governance → Code and Policies)

DATE OF BOOK CLOSURE/ RECORD DATE

The Bank has fixed Friday, June 12, 2026 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 Saturday, July 04, 2026 to the eligible Shareholders within stipulated timelines.

DATE, TIME AND VENUE OF THE ANNUAL GENERAL MEETING ("AGM")

The Thirty-First Annual General Meeting ("31st AGM") of the Bank will be held via Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") on Friday, July 03, 2026 at 02.30 p.m. (IST).

CUT-OFF DATE FOR ASCERTAINING VOTING RIGHTS

The Bank has fixed Friday, June 26, 2026 as the Cut-off Date for the purpose of ascertaining voting rights of the Members at the 31st 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 under section 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.

BRANCHES

The Bank has 480 branches and 445 ATM centers (both onsite and offsite) as at March 31, 2026.

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 ("UPSI").

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 three (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 except as mentioned below:

   A fine of ₹15,000/-, plus applicable taxes, was levied by BSE and NSE, each with respect to delay in submission of the half-yearly disclosure of the statement of related party transactions for the half-year ended September 30, 2025. The same has been paid by the Bank.

   Refer page no. 182 to 185 of the report for details on other penalties.
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 Audit Committee. Refer the Directors' Report for further details on vigil mechanism.
6. The Bank has a policy on Related Party Transactions and the same has been displayed on the Bank's website at: www.dcb.bank.in/about-us/investor-relations (Website → About Us → Investor relations → 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 ₹2.48 Crores was paid on an aggregate basis to the Joint Statutory Auditors during the year for all the services provided by them to the Bank. The same was approved by the Shareholders of the Bank in its thirtieth (30th) Annual General Meeting held on August 06, 2025.
9. A certificate dated June 05, 2026 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 2025-26 are as under:

07
Number of complaints filed during the financial year:

07
Number of complaints disposed of during the financial year:

NIL
Number of complaints pending as on end of the financial year:

The Bank hereby confirms that no case was pending for more than ninety (90) days.

11. **A statement by the Bank with respect to the compliance of the provisions relating to the Maternity Benefit Act, 1961**

    The Bank has complied with all the 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, 2026, the Bank has 480 branches and 445 ATMs across the country. The locations of the branches are also displayed on the Bank's website at: www.dcb.bank.in/ways-to-bank/branch-locator

480
Branches

445
ATMs

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 Regulations.

COMPLIANCE WITH DISCRETIONARY REQUIREMENTS AS STIPULATED UNDER PART E OF SCHEDULE II OF THE SEBI LISTING REGULATIONS

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. Mr. Farokh N. Subedar was the Part Time Non-Executive Chairperson and Independent Director of the Bank till October 14, 2025.
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 2025-26. 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 2025-26 have been paid to all the Stock Exchanges where the securities are listed.

Sr. No.	Type of Securities	Name of Stock Exchanges	Stock Codes	Address of Stock Exchanges	ISIN
1.	Equity	BSE Limited	532772	Phiroze Jeejeeboy Tower Dalal Street Mumbai 400 001	INE503A01015
2.	Equity	National Stock Exchange of India Limited	DCBBANK	Exchange Plaza, C-1, Block G Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	INE503A01015
3.	Tier II Bonds	BSE Limited (Bonds listed on BSE and NSE under WDM segment)	BSE-974740 NSE-DCB33	Phiroze Jeejeeboy Tower Dalal Street Mumbai 400 001	INE503A08051
4.	Tier II Bonds	BSE Limited (Bonds listed on BSE and NSE under WDM segment)	BSE-976178 NSE-DCB34	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	INE503A08069

The equity shares of the Bank have not been suspended from trading on the said stock exchanges or by any regulatory or statutory authority.

Names of Depositories in India for dematerialization 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 Registrar to an Issue and Share Transfer Agents viz. MUFG Intime India Private Limited (formerly Link Intime India Private Limited) and approved by the Share Transfer Committee of the Bank. MUFG Intime India Private Limited 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 had transferred 35,25,575 underlying Equity Shares to the IEPF till March 31, 2026. Out of these, the Bank has settled claims pertaining to total 13,485 shares leaving 35,12,090 shares pending with IEPF. The voting rights on the said 35,12,090 equity shares, shall remain frozen until the rightful owner claims the shares.

Amount of unclaimed dividend for FY 2018-19 as well as the underlying shares shall be transferred to IEPF in July 2026.

The details of Underlying Shares Transferred, and claims settled out of them till March 31, 2026, are as under:

Description		No. of Folios	No. of Shares
A	Total Equity Shares transferred in August 20, 2020, pertaining to the Unpaid Dividend for FY 1995-96 to FY 2003-04 (total 16 dividends including interim dividends)	14,478	7,12,495
Add:	Equity Shares Transferred in August 28, 2024 pertaining to Unpaid Dividend for FY 2016-17	16,341	26,40,351
Less:	Claim settled and Equity Shares credited to the Shareholders' demat account (during FY 2025)	(1)	(200)
B	**Total Equity Shares transferred to IEPF Authority till March 31, 2025**	**30,818**	**33,52,646**
Add:	Equity Shares Transferred in August 21, 2025 pertaining to Unpaid Dividend for FY 2017-18	1,030	1,72,729
Less:	Claim settled and Equity Shares credited to the Shareholders' demat account (during FY 2026)	(41)	(13,285)
C	**Balance Total Equity Shares with IEPF Authority as on March 31, 2026**	**31,807**	**35,12,090**

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: www.dcb.bank.in/about-us/investor-relations

(Website → About us → Investor relations → Attention to Shareholder → Dividend/Shares transferred to IEPF Account)

The details of Shares lying in Unclaimed Securities Suspense Account as on March 31, 2026:

Particulars	Number of Shareholders/Folios	Equity Shares
Opening Balance as on April 01, 2025	3,224	3,83,404
Add: Transfer during FY 2025-26	Nil	Nil
Less: Claim received and shares transferred[1]	35	6.819
Less: Shares transferred to Investor Education Protection Fund (unclaimed dividend FY 2017-18)	341	35,858
Balance Equity Shares as of March 31, 2026[2]	**2,848**	**3,40,727**

[1]Number of shareholders who had approached the Bank for the transfer of shares from the suspense account.

[2]The voting rights on the aforesaid shares shall remain frozen until the rightful owner claims the shares.

Guidelines to claim the shares from the Unclaimed Securities Suspense Account is available on the website of the Bank at: www.dcb.bank.in/about-us/investor-relations (Website → About us → Investor relations → Attention to Shareholder → Unclaimed Securities Suspense Account)

Special Window for Transfer and Dematerialization of Physical Shares

The Securities and Exchange Board of India (SEBI), vide its Circular No. HO/38/13/11(2)2026-MIRSDPOD/I/3750/2026 dated January 30, 2026, pursuant to which a Special Window has been opened for a period of one year, from February 05, 2026 to February 04, 2027 to facilitate transfer and dematerialization of physical securities which were sold/purchased prior to April 01, 2019. The said Special Window shall also be available for such transfer requests which were submitted before April 01, 2019 and were rejected/returned/ not attended due to deficiency in the documents/process/or otherwise.

Further, the securities so transferred shall be mandatorily credited to the transferee only in demat mode and shall be under lock-in for a period of one year from the date of registration of transfer. Such securities shall not be transferred/lien-marked/pledged during the said lock-in period.

All enquiries regarding Special Window for Transfer and Dematerialization of Physical Shares are processed and routed through the Bank's Registrar to an Issue and Share Transfer Agent ("RTA") viz. MUFG Intime India Private Limited (formerly Link Intime India Private Limited) at C-101, Embassy 247, L.B.S. Marg, Vikhroli West, Mumbai – 400083. The RTA may be contacted at Tel: 810 811 6767. Fax No.: 022 4918 6060 E-mail: investor.helpdesk@in.mpms.mufg.com.

Note-Shareholders holding shares in physical form are advised to dematerialize their holdings at the earliest to avail the benefits of the depository system.

Second 100 Days Campaign – "Saksham Niveshak" for KYC and related updations and shareholder engagement to prevent transfer of Unpaid/Unclaimed Dividends to Investor Education and Protection Fund ("IEPF")

Investor Education & Protection Fund ("IEPF") Authority had previously undertaken a first campaign, from July 28, 2025 to November 06, 2025, to facilitate shareholders for claiming their unpaid/unclaimed dividends, if any, as well as updation of their KYC and related details.

IEPF Authority vide its email dated March 27, 2026, has relaunched the abovementioned initiative from April 01, 2026 with an expanded scope, aimed at further facilitating the direct payment of unclaimed or unpaid dividends to the rightful Shareholders, and at strengthening Shareholder engagement.

The Second 100 Days Campaign- "Saksham Niveshak" has been initiated focusing on Shareholders whose dividends remain unpaid/ unclaimed, with an emphasis on KYC updation (PAN, Nomination, address, contact details, bank account, and specimen signature, etc.) and related compliance measures and thereby preventing the transfer of their unpaid/unclaimed dividends and shares to IEPF Authority.

The Second 100 Days Campaign is active from April 01, 2026 to July 09, 2026, to those Shareholders of the Bank who has not claimed/encashed their dividends so far from FY 2018-19 to FY 2024-25.

The Bank endeavors to encourage that all Shareholders shall receive their rightful entitlements and to claim the unpaid/unclaimed dividend amount within the time as mentioned above in the intimation.

The relevant details in this regard has also been uploaded on the website of the Bank at: www.dcb.bank.in/about-us/investor-relations (Website → About us → Investor relations → Attention to Shareholder → Second 100 Days Campaign)

FOR SHAREHOLDERS HOLDING SHARES IN ELECTRONIC FORM:

Shareholders holding shares in dematerialized form are requested to contact their respective DP to

update their KYC details and contact the Bank's RTA to claim unpaid/ unclaimed dividend:

1. A duly signed request letter along with the latest updated Client Master List ("CML") report of demat account, duly authenticated by Depository Participant ("DP").
2. Unsigned original cancelled Cheque of the bank account linked to demat account.

FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE:

All the shareholders holding shares in physical mode are requested to download the KYC updation forms from the websites of the RTA at https://web.in.mpms.mufg.com → Resources→ Downloads →KYC →Formats for KYC and submit the duly filled and signed Form ISR-1 along with KYC documents to RTA at:

MUFG Intime India Private Limited (formerly Link Intime India Private Limited)

Address: C-101, Embassy 247, L.B.S. Marg, Vikhroli (West),

Mumbai 400083, Maharashtra, India,

Tel: +91 810 811 6767

Fax: +91 22 4918 6060

Website: www.in.mpms.mufg.com

Email: investor.helpdesk@in.mpms.mufg.com

Important Note:

Please note that as per applicable provisions, if dividend amount(s) remain unpaid/unclaimed for a period of seven consecutive years, the dividend amounts along with underlying shares (if any) are liable to be transferred to the IEPF Authority. We urge all shareholders to take prompt action during this campaign period to safeguard their entitlements and ensure compliance with statutory requirements. All enquiries and claims regarding Unpaid/Unclaimed Dividend amount(s) are processed and routed through our RTA. For any clarification, you can write at investor.helpdesk@in.mpms.mufg.com or investorgrievance@dcb.bank.in

MEANS OF COMMUNICATION TO SHAREHOLDERS

- Financial Results, Statutory Notices, Press Releases, Transcripts and Presentations made, if any, to the institutional investors/analysts after the declaration of the quarterly, half-yearly and annual results are submitted to the Stock Exchanges.
- Quarterly, half-yearly and annual financial results are published in leading national English (Business Standard) and regional Marathi newspapers (Pudhari)
- Bank also issues press releases from time to time communicating various updates.
- Bank voluntarily sends financial results through email to Customers/Shareholders whose email address is registered with the Bank/Depositories on quarterly basis.
- KYC Reminder Letters including unpaid dividend details are sent to the Shareholders to register their PAN, KYC and Nomination details, Dematerialisation of shares, updating the Bank details and for claiming the unclaimed dividends and/ or shares lying in unclaimed securities suspense account.

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 Registrar to an Issue and Share Transfer Agents. For lodgment of any documents or for any grievances/ complaints, kindly contact the RTAs at the following address:

Registrar to an Issue and Share Transfer Agent of the Bank:

MUFG Intime India Private Limited (formerly Link Intime India Private Limited)

CIN: U67190MH1999PTC118368

Address: C-101, Embassy 247, L. B. S. Marg,Vikhroli (West), Mumbai –400083.

Tel: 810 811 6767 (Investor Helpdesk)
Fax: +91 22 49186060

E-mail id: investor.helpdesk@in.mpms.mufg.com
Website: 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@dcb.bank.in. This designated e-mail id has also been displayed on the Bank's website www.dcb.bank.in under the section 'Investor Relations'.

Share Transfer System:

In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended from time to time, request received for transfer of shares under special window of lodgment open upto February 04, 2027, transmission, transposition of securities and change in name shall be effected only in dematerialized form.

SEBI effective from April 02, 2026, has dispensed with the requirement of Letter of Confirmation ("LOC") and enabled direct credit of verified securities to investors' demat accounts.

Apart from the relevant mandated documents, the following additional documents are required to be submitted by the Shareholders/ Claimants for processing of requests:

1. Form ISR-4
2. Demat Conversion Request Form ("DCRF") - NSDL or Demat Request Form ("DRF") - CDSL, as provided by the Depositories
3. Latest Client Master List ("CML") of the demat account in the same order of names, not older than two months and duly attested by the Depository Participant ("DP") where the demat account is held.
4. Signature of Beneficiary owner(s) of the demat account required to be attested by the DP on DCRF/DRF as applicable and CML.

Dematerialization of shares:

SEBI has mandated the listed companies to process service requests* for issue of securities in dematerialized form only, subject to folio being KYC compliant. Accordingly, Members are requested to submit duly filled and signed Form ISR-4. The Form is available on website of Bank at Investor FAQs and RTA at MUFG Intime.

With effect from April 02, 2026, SEBI has dispensed with the requirement of issuance of a Letter of Confirmation (LOC) by the Bank/ RTA while processing service request. Accordingly, securities will be credited directly to the shareholder's demat account upon submission of valid demat account details along with the latest Client Master List. Please refer SEBI Master Circular No. HO/38/13/ (4)2026-MIRSDPOD/I/4298/2026 dated February 06, 2026

**Note: 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/folio, Change in Name, transmission and transposition.*

As on March 31, 2026, total 99.49% of the Bank's paid-up capital was held in dematerialised mode. (ISIN INE503A01015)

Particulars of number of shares held in dematerialised and physical mode are as under:

Perticulars	Number of Equity Shares	% of paid-up capital
Held in dematerialised mode in NSDL	21,63,18,290	67.20
Held in dematerialised mode in CDSL	10,39,54,344	32.29
Held in Physical mode	16,29,143	0.51
TOTAL	32,19,01,777	100.00

Request for transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same, to eliminate all risks associated with physical shares and to avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Bank/RTA viz. MUFG Intime India Private Limited (formerly Link Intime India Private Limited) at investor.helpdesk@in.mpms.mufg.com, for assistance in this regard. [for detail please refer Regulation 40(1) of the SEBI Listing Regulations]

Simplification of procedure for Issuance of Duplicate Share Certificate:

SEBI has simplified the process and reduced the documentation requirements for issuance of duplicate share certificate. Duplicate Shares will be issued only in dematerialized form. Please refer SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026

Required documents for Issuance of Duplicate Share Certificate

Sr. No.	Market Value of the shares as on date of execution of documents	Type of Required Documents
1	Value up to ₹10,000/-	Undertaking on plain paper (no notarisation required)
2	Value above ₹10,000/- and up to ₹10 lakh	(Affidavitcum-Indemnity bond on a non-judicial stamp paper of appropriate value)
3	Value above ₹10 lakh	(a. Affidavit-cum-Indemnity bond on a non-judicial stamp paper of appropriate value, b.FIR/Police Complaint & c. Advertisement)

In addition to the aforesaid documents, please refer website of RTA for the requirement of other relevant documents

Consolidation of Share Certificates:

Members holding more than one physical folios in identical order of names are requested to submit Form ISR-4 along with requisite KYC documents and share certificates to the Bank/RTA for consolidation of holdings in one folio. The consolidated shares will be issued in dematerialized form only.

Details of Debenture Trustee of the Bank:

IDBI Trusteeship Services Ltd.

Address: Universal Insurance Building,

Ground Floor, Sir P.M. Road, Fort, Mumbai - 400001

Website: www.idbitrustee.com

Tel: +91 22 4080 7000

Fax: +91 22 6631 1776

E-mail: itsl@idbitrustee.com

Details of Compliance Officer of the Bank:

Ms. Rubi Chaturvedi - Company Secretary

Telephone: 022 69759000

E-mail id: investorgrievance@dcb.bank.in

Address of the Registered & Corporate Office of the Bank:

DCB Bank Limited

601 & 602, Peninsula Business Park,
Tower A, 6th floor, Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013.

Tel: 022-69759000

Date of Incorporation: May 31, 1995

CIN: L99999MH1995PLC089008

Website: www.dcb.bank.in

E-mail ID: investorgrievance@dcb.bank.in

Declaration signed by the Managing Director & Chief Executive Officer ("Managing Director & 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, 2026.

To

The Members,

DCB Bank Limited
Mumbai

I, Praveen Achuthan Kutty, Managing Director & CEO of the Bank confirm that for the FY 2025-26, 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.

Sd/-
Praveen Achuthan Kutty
Managing Director & CEO

Date: April 24, 2026

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 **31st March, 2026**.

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 **31st March, 2026**.

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
FCS: 13685 | COP No.: 24335
ICSI UDIN: F013685H000583221
05th June, 2026 | Thane

Form No. MR- 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

[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 and 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 secretarial audit, we hereby report that in our opinion, the Bank has, during the audit period covering the financial year ended on **31st March 2026**, 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 and returns filed and other records maintained by the Bank for the financial year ended 31st March, 2026 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, 2025 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) The 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 Negotiable Instruments Act, 1881.

(b) The Reserve Bank of India (RBI) Act, 1934;

(c) The Banking Regulation Act, 1949 and Rules, Notifications, Circulars, Guidance and Directions issued by the Reserve Bank of India from time to time;

(d) Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002;

(e) The Payment and Settlement Systems Act, 2007;

(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:

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 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 Board of Directors at their Meeting(s), and (c) communication(s) received from Reserve Bank of India, we are of the opinion that the Bank has adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the review period no major action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. above have taken place, except for the below:

a) The Members have at their 30th Annual General Meeting held on 06th August, 2025 approved the following by way of Special Resolution(s):

(i) raising of funds by issue of bonds / debentures / securities in domestic / foreign markets on Private Placement basis, of an amount up to Rs. 500 Crore (Rupees Five Hundred Crore only) over and above issuance of Unsecured Redeemable Non-Convertible Sub-ordinated Basel III compliant Tier II Bonds 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.

(ii) Issue of equity shares or other securities convertible into equity shares to Qualified Institutional Buyers through Qualified Institutional Placement, for an amount not exceeding Rs.750 Crore (Rupees Seven Hundred Fifty Crore only), in aggregate in one or more tranches.

(iii) Borrowings not to exceed the aggregate of the paid-up capital and free reserves or Rs.12,000 Crore (Rupees Twelve Thousand Crore) whichever is higher.

b) The Bank has allotted 60,58,394 Equity Shares of face value of Rs.10 each on a preferential basis to the Promoters of the Bank viz. Aga Khan Fund for Economic Development S.A. ("AFKED") for cash consideration, at an issue price of Rs. 137 per Equity shares (including premium of Rs. 127 per Equity Share), for a total consideration of Rs. 82,99,99,978 in accordance with the applicable laws.

c) Amended the Articles of Association of the Bank to amend the article 140B pertaining to Special position of Whole time Director, pursuant to the recommendation of the Board of Directors of the Bank in its meeting held on 17th October, 2025, and the approval of RBI vide, its letter dated 16th March, 2026. As on the date of the report, the said amendment has been approved by the Shareholders by way of special resolution passed via Postal ballot on 07th May, 2026.

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
FCS: 13685 | COP No.: 24335
ICSI UDIN: F013685H000583201
05th June, 2026 | 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 31st March, 2026, 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
FCS: 13685 | COP No.: 24335
UDIN: F013685H000583201
05th June, 2026 | 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,
6th 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, 6th floor, Tower A, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, to the Board of Directors of the Company ('the Board') for the Financial Year 2025-26 and Financial Year 2026-27 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), 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 ended 31st March, 2026 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. Iqbal Ishak Khan	07870063	15/07/2017	14/07/2025
2.	Mr. Somasundaram Palamadai Ramaswamy	00356363	25/01/2020	–
3.	Mr. Amyn Asgarali Jassani	02945319	25/01/2020	–
4.	Mr. Tarun Balram	02445298	24/01/2022	–
5.	Mr. Thiyagarajan Kumar	00735914	10/02/2022	–
6.	Mr. Farokh Nariman Subedar	00028428	15/10/2022	14/10/2025
7.	Ms. Lakshmy Chandrasekaran	00240466	14/04/2023	13/04/2026
8.	Mr. Praveen Achuthan Kutty	10329590	29/04/2024	–
9.	Mr. Krishnan Sridhar Seshadri	10508808	13/06/2024	–
10.	Mr. Nasser Mukhtar Munjee	00010180	19/09/2024	–
11.	Mr. Nadir Noorallah Bhalwani	00555534	07/03/2025	–

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
12.	Mr. Balu Srinivasan	00397658	07/03/2025	–
13.	Mr. Shaffiq Dharamshi	06925633	18/02/2026	08/05/2026
14.	Ms. Neeta Sudhir Rege	11328588	18/02/2026	
15.	Mr. Suhail Nathani	01089938	18/02/2026	
16.	Mr. Pushan Mahapatra	07307428	10/03/2026	

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 31st March, 2026.

For S. N. ANANTHASUBRAMANIAN & Co.
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023

S. N. Viswanathan
Managing Partner
FCS: 13685 | COP No.: 24335
ICSI UDIN: F013685H000583232
05th June, 2026 | Thane

DCB BANK

Business Responsibility & Sustainability Report

FY 2025-26



Sustainability at DCB Bank

At DCB Bank, sustainability is entering a new phase of evolution, built on stronger foundations, clearer priorities and a shared ambition for the future. The Bank has initiated this long journey and is progressing from identifying key Environmental, Social, and Governance ("ESG") priorities to embedding sustainability more deeply into business practices and decision-making.

As the Bank continues to grow, it recognizes that long-term success extends beyond financial performance and requires creating lasting value for customers, employees, communities and the environment. Through its Business Responsibility and Sustainability Report ("BRSR"), DCB Bank outlines its approach towards integrating responsible and sustainable business practices across its operations.

To shape its sustainability agenda, the Bank undertook a structured materiality assessment involving stakeholder engagement, industry benchmarking and an evaluation of sector-specific ESG priorities. This helped identify the most relevant focus areas for the business and its stakeholders.

These priorities now serve as the Bank's key areas of focus:



Environmental Thrust Areas

- Climate Risk, Energy and Emissions Management
- Waste and Water Stewardship
- Sustainable Finance Initiatives



Social Thrust Areas

- Employee Well-being, Engagement and Capability Development
- Diversity, Inclusion and Human Rights
- Customer Experience and Community Development



Governance Thrust Areas

- Data Privacy, Security and Risk Management
- Corporate Governance, Ethics and Reputation Management
- Financial Transparency and Sustainable Performance

Ready for the Next Altitude

With these priorities as guiding principles, DCB Bank is progressively strengthening its sustainability framework through:

- Enhancing ESG governance and oversight
- Integrating climate and ESG risks into business processes
- Expanding sustainable finance opportunities
- Strengthening employee wellbeing and inclusive workplace practices
- Advancing customer-centric responsible banking initiatives
- Enhancing ESG reporting and transparency

The Bank's ESG roadmap follows a phased approach with near, medium and long-term actions, creating a clear pathway for implementation and measurable progress. As DCB Bank moves ahead, it remains committed to advancing a future where growth and responsibility progress together.

Business Responsibility Overview

Aligned with Securities and Exchange Board of India ("SEBI") guidelines and the National Guidelines on Responsible Business Conduct ("NGRBC"), DCB Bank's BRSR provides an integrated view of its financial and non-financial performance. The BRSR highlights the Bank's approach, initiatives and performance across the principles prescribed under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015, reflecting its commitment to responsible business practices across key ESG dimensions.

Section A

General Disclosures 148

Section B

Management and Process Disclosures 174

Section C

Principle-wise Performance Disclosures 180

Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.	180
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe.	188
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains.	190
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders.	202
Principle 5	Businesses should respect and promote human rights.	206
Principle 6	Businesses should respect and make efforts to protect and restore the environment.	212
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	220
Principle 8	Businesses should promote inclusive growth and equitable development.	222
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner.	232

Section A — B — C

General Disclosures

DCB Bank is a new-generation private sector and Scheduled Commercial Bank regulated by the Reserve Bank of India ('RBI'), combining relationship-led banking with technology-enabled solutions to deliver customer-centric financial services. With a legacy dating back to the 1930s, the Bank serves diverse segments including Retail, Micro, Small, and Medium Enterprises ("MSME"), Corporate, Agriculture, Government and Institutional Clients through a strong digital and physical presence, while continuing to strengthen its neighborhood banking approach.

Professionally managed and guided by a long-term growth vision, the Bank is supported by strong institutional ownership, including the Aga Khan Fund for Economic Development ('AKFED'), reinforcing its focus on innovation, trust and responsible growth.

Impact on Capitals

- Financial Capital
- Human Capital
- Social and Relationship Capital
- Intellectual Capital

Stakeholders

- Customers
- Employees
- Investors and Shareholders
- Regulators
- Communities
- Business Partners and Vendors

Key Highlights

- 480 branches across India as on March 31, 2026
- 3.2+ million active customers served across segments
- Presence across 20 states and 2 union territories

SDGs Impacted



I. DETAILS OF THE LISTED ENTITY:

S. No.	Particular	Details
1	Corporate Identity Number (CIN) of the Listed Entity	L99999MH1995PLC089008
2	Name of the Listed Entity	DCB Bank Limited
3	Year of incorporation	1995
4	Registered office address	6th floor, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
5	Corporate address	
6	Email	investorgrievance@dcb.bank.in
7	Telephone	+91 22 69759133
8	Website	www.dcb.bank.in
9	Financial year for which reporting is being done	April 01, 2025 to March 31, 2026 *(FY 2025-26)*
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	₹ 3,21,90,17,770.00
12	Name and contact details (telephone, Email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Rubi Chaturvedi, Company Secretary and Compliance Officer Telephone Number: +91 22 69759004 Email: investorgrievance@dcb.bank.in
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report have been made on a standalone basis. *(The Bank does not have any subsidiary, associates or joint venture company)*
14	Name of assurance provider	Assurance is not mandatory for FY 2025-26
15	Type of assurance obtained	Not Applicable

II. PRODUCTS/ SERVICES

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Banking	Scheduled Commercial Bank	100%

17. Products/ Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/ Services	NIC Code	% of total Turnover contributed
1.	Banking Activity by Commercial Banks	64191 (Scheduled Commercial Bank)	100%

DCB Bank's Contribution to UN SDGs

At DCB Bank, products and services are designed to enable financial inclusion, support entrepreneurship, enhance digital access and strengthen economic resilience. Through customer-centric banking, insurance, investments and digital payment solutions, the Bank contributes toward sustainable development outcomes while empowering individuals, communities and businesses.

ACCOUNTS

DCB Bank's account portfolio is designed to strengthen financial inclusion, encourage savings behavior and provide tailored banking solutions that enhance accessibility and customer convenience.

Savings Accounts

DCB Happy Savings Account
Encourages savings behavior and rewards digital transaction adoption.

DCB Elite Savings Account
Supports financial well-being through premium banking and wealth management access.

DCB Niyo Savings Account
Promotes digital-first banking and seamless financial access.

DCB SmartCash Savings Account
Enables efficient financial management and digital banking participation.

DCB Privilege Savings Account
Provides enhanced banking services and personalized financial convenience.

DCB Classic Savings Account
Promotes formal financial participation and access to banking services.

DCB Basic Savings Bank Deposit Account
Supports financial inclusion through accessible and low-barrier banking access.

Capital Gains Scheme Account
Supports planned financial management and long-term capital deployment.

Current Accounts

DCB Business Saver Account
Supports businesses through efficient cash management and optimized fund utilization.

DCB Elite Current Account
Enables business growth through enhanced transaction efficiency and banking solutions.

DCB Classic Current Account
Facilitates efficient day-to-day business banking operations.

DCB RERA Current Account
Facilitates transparent and compliant fund management for real estate projects through a dedicated RERA-compliant banking solution.

Special Programs

DCB Special Savings Account
Promotes greater financial engagement through differentiated banking benefits.

DCB WOW Savings Account
Supports women-focused banking solutions and advances financial empowerment.

DCB Legends Savings Account
Provides tailored banking solutions designed for senior citizens.

DCB Special Current Account
Supports MSMEs through enhanced banking and transaction capabilities.

DEPOSITS

DCB Bank's deposit products encourage disciplined savings and long-term financial resilience while addressing diverse customer needs across demographic segments.

Fixed Deposits

DCB Fixed Deposit
Promotes long-term savings and financial security through stable investment avenues.

DCB Senior Citizen Fixed Deposit
Supports financial well-being and income stability for senior citizens.

DCB Tax Saver Fixed Deposit
Encourages disciplined savings while enabling tax-efficient financial planning.

DCB Resident Foreign Currency Deposit
Provides flexible deposit solutions and strengthens global financial connectivity.

Recurring Deposits

DCB Pragati Recurring Deposit
Encourages disciplined savings behaviour and long-term financial planning.

NRI PRODUCTS

DCB Bank's NRI offerings support global customers through seamless banking, deposits and remittance services that strengthen financial connectivity.

NRI Deposits

DCB NRE Fixed Deposit
Encourages long-term savings and financial security for global customers.

DCB NRO Fixed Deposit
Supports structured savings and financial planning for NRI customers.

DCB NRO Tax Saver Fixed Deposit
Promotes tax-efficient investments and financial planning.

DCB FCNR (B) Deposit
Provides foreign currency deposit solutions and enhances international financial flexibility.

DCB Resident Foreign Currency Deposit
Provides flexible deposit solutions and strengthens global financial connectivity.

DCB NRE and NRO Recurring Deposit
Encourages disciplined savings habits and long-term wealth creation.

Remittances

DCB REMIT
Enables secure and efficient remittance services while improving financial connectivity.

NRI Savings Accounts

DCB NRO Elite Savings Account
Supports seamless banking access and financial management for overseas Indians.

DCB NRO Classic Savings Account
Provides accessible banking solutions tailored to global customers.

DCB NRE Elite Savings Account
Strengthens cross-border financial connectivity and banking access.

DCB NRE Classic Savings Account
Enhances international banking participation and financial accessibility.

LOANS
DCB Bank's lending solutions support individuals, entrepreneurs and businesses by expanding access to credit and enabling economic development opportunities.

DCB Gold Loan
Improves access to formal credit and emergency financing.

DCB Home Loan
Promotes access to housing and household well-being.

DCB Educational Loan
Enables access to quality education and skill development.

DCB Car Loan
Supports mobility and economic participation.

DCB Business Loan
Supports entrepreneurship and business expansion.

DCB Commercial Vehicle Loan
Strengthens enterprise growth and transportation accessibility.

DCB Construction Finance
Supports infrastructure development and economic growth.

DCB Commercial Banking
Strengthens enterprise financing and business ecosystems.

DCB Educational Institute Finance
Supports development of educational infrastructure.

AGRI LOANS
DCB Bank's agricultural lending solutions support inclusive rural development by providing timely access to finance and fostering sustainable agricultural growth.

Joint Liability Group Loan
Collateral-free group lending, often women-led; widens financial inclusion.

Dairy Loan
Funds dairy assets; boosts nutrition and steady farm income.

Micro Enterprise Loan (MFI)
Microfinance credit to under-banked entrepreneurs.

Micro Enterprise Loan (Non-MFI)
Direct capital for small business growth and jobs.

Kisan Credit Card (KCC)
Flexible crop-input finance; curbs distress borrowing.

Tractor & Farm Equipment Loan
Funds mechanization; raises yields and productivity.

CARDS
DCB Bank's card portfolio enables secure payments and promotes greater adoption of digital financial ecosystems.

Debit Cards

DCB RuPay Platinum Debit Card
Enables secure digital transactions and cashless participation.

DCB Visa Platinum Debit Card
Provides convenient access to digital banking infrastructure.

DCB RuPay Platinum Debit Card (Basic)
Supports secure and accessible everyday transactions.

DCB Visa Classic Debit Card
Enhances customer convenience through digital payment access.

Travel Cards

DCB Niyo Card
Supports seamless global transactions and enables digital-first customer experiences.

DCB TravelSmart Card
Facilitates secure and convenient travel-related financial transactions.

Credit Cards

DCB PayLess Platinum Card
Promotes digitally enabled and paperless customer experiences.

DCB PayLess Select Card
Encourages responsible and convenient digital spending behavior.

DCB Niyo Credit Card
Supports digital banking adoption and seamless financial access.

DCB ZET Credit Card
Expands access to modern digital financial solutions and payment ecosystems.

DCB Novio Credit Card
Enhances participation in digital financial ecosystems through innovative payment solutions.

INSURANCE

DCB Bank's insurance offerings strengthen financial resilience by enabling protection against health, life and asset-related risks while supporting long-term financial security.

Life Insurance

Endowment Plan
Supports long-term financial protection and future security planning.

Retirement and Annuity Plan
Strengthens retirement preparedness and long-term financial resilience.

Child Plan
Supports future education and financial security planning for children.

Term Insurance Plan
Provides financial protection and strengthens household resilience.

General Insurance

Health Insurance
Strengthens financial resilience against healthcare-related uncertainties.

Personal Accident Insurance
Provides protection against unforeseen risks and financial disruptions.

Vehicle Insurance
Supports safer mobility and protection against financial risks.

Home Insurance
Protects household assets and supports long-term financial security.





Social Security Schemes

Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)
Expands affordable life insurance access and strengthens social protection coverage.

Pradhan Mantri Suraksha Bima Yojana (PMSBY)
Provides affordable accident insurance coverage and enhances financial resilience.

DCB Trade Finance

DCB Bank's trade finance solutions support businesses by facilitating domestic and international trade, strengthening supply chains and enabling economic growth opportunities.

International Trade Finance Service
Connects firms to global markets via trade instruments.

Domestic Trade Finance Service
Strengthens local supply chains and SME working capital.

INVESTMENTS

DCB Bank's investment solutions enable customers to build long-term financial resilience through diversified wealth creation and market participation opportunities.

DCB EazyBee – Mutual Funds Online

Provides accessible investment opportunities and supports long-term wealth creation.

Sovereign Gold Bonds

Promotes diversified and secure investment opportunities.

IPO / Rights Issue

Supports broader participation in capital markets and wealth creation opportunities.

Atal Pension Yojana

Strengthens financial security and supports retirement planning.

PAYMENTS

DCB Bank's payment solutions enhance accessibility, efficiency and convenience by enabling secure digital transactions and strengthening financial ecosystems.

Business Internet Banking

Enables businesses to manage transactions efficiently through digital banking platforms.

Personal Internet Banking

Strengthens digital banking accessibility and customer convenience.

Mobile Banking

Promotes seamless and accessible banking through digital channels.

Bharat Bill Payment System

Supports integrated and convenient digital payment infrastructure.

Bharat QR Payment Collection Solution

Strengthens digital payment ecosystems and promotes cashless transactions.

DCB Bank UPI Facility

Enables fast and accessible digital transactions for individuals and businesses.

Direct Tax Payments

Facilitates efficient digital tax compliance and transparent financial systems.

Indirect Tax – GST Payments

Supports simplified digital compliance and institutional efficiency.

CMS

DCB Bank's cash management solutions support businesses through efficient transaction management, collections and payment capabilities that enhance operational effectiveness.

Payments

Bulk Payments

Enables efficient high-volume transactions and strengthens business efficiency.

Direct Tax Payments

Supports efficient and transparent digital tax processes.

Indirect Tax – GST Payments

Enables seamless tax compliance and improves financial efficiency.

Collections

Cheque Collections

Facilitates streamlined collection processes and improved business efficiency.

National Automated Clearing House (NACH)

Supports automated payment systems and strengthens digital financial infrastructure.

OTHER SERVICES

DCB Bank's customer service offerings enhance accessibility, convenience and inclusion through solutions tailored to diverse customer needs.

Locker Facility

Provides secure asset storage and financial safeguarding services.

Doorstep Banking for Senior Citizens and Specially-Abled Customers

Improves accessibility and promotes equitable access to banking services.



III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Branch	Number of offices	Total
National	480	01 Corporate Office + 21 offices without a direct customer interface + 2 Non-Administrative Independent Office	504
International	--	--	--

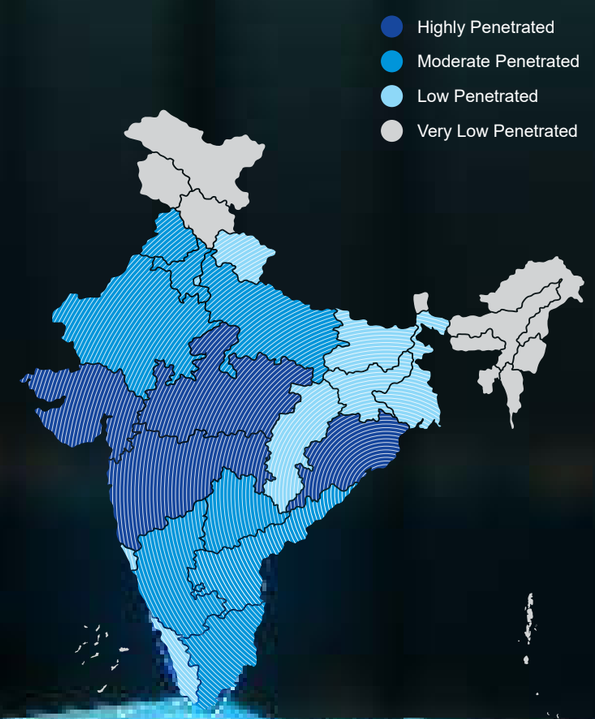
19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	22 (20 States and 2 Union Territories)
International (No. of Countries)	NIL

b. What is the contribution of exports as a percentage of the total turnover of the entity?

As the Bank operates in the domestic banking sector, it does not have export earnings.



c. A brief on types of customers:

The Bank serves a diverse customer base comprising business owners, self-employed professionals and Micro, Small and Medium Enterprises ("MSMEs") across manufacturing and services sectors. With a strong focus on the self-employed segment, the Bank caters to a broad and evolving spectrum of businesses and professions. A significant share of the Bank's deposits and advances is sourced from this segment, reflecting its deep understanding of entrepreneurial banking needs.

Its customer base includes:

- **Traders and Dealers:** Commodity, gold and vegetable traders, commission agents, FMCG dealers, agri-input dealers, auto dealers and scrap dealers
- **Retail and Consumer Businesses:** Retailers, grocery stores, garment shops, hardware stores and stationery suppliers
- **Food and Hospitality:** Restaurant owners, caterers, bakers, hotels and tour operators
- **Professionals and Service Providers:** Consultants, doctors, software designers, interior decorators and electrical engineers
- **Lifestyle and Personal Care:** Salons, beauty parlors and fashion tailors
- **Manufacturing and Industrial Enterprises:** Mills, fabricators, plastic manufacturers, furniture makers and brick makers
- **Education, Healthcare and Others:** Pharmacies, coaching centers, transporters, ticketing agents and logistics providers

The Bank's customer universe continues to expand alongside the evolving landscape of self-employed and MSME businesses.

Disclaimer: This map is a generalised illustration for ease of understanding and is not intended for reference. The depiction of political boundaries and geographical names may not reflect actual positions. The Bank and its Directors, officers or employees accept no responsibility for any use, misuse or interpretation of the information, and make no representation regarding its accuracy or completeness.

IV. EMPLOYEES

DCB Bank believes that a diverse workforce and inclusive culture contribute significantly to Bank's resilience, innovation and stronger customer relationships. With employees representing diverse geographies, languages and communities across India, the Bank strives to foster a workplace where individuals feel respected, supported and empowered to contribute meaningfully.

The Bank's approach to Diversity, Equity and Inclusion ("DEI") is integrated across the employee lifecycle, from hiring and onboarding to career progression and workplace engagement. The Bank continues to focus on strengthening representation across employee groups, with particular emphasis on increasing women representation across levels and geographies, including branch and field roles, while creating a safe, respectful and supportive work environment.

20. Details as at the end of the Financial Year:

a. Employees and workers (including differently abled):

Sr. no.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees					
1.	Permanent (D)	11,337	9,688	85.45%	1,649	14.55%
2.	Other than Permanent (E)	114	72	63.16%	42	36.84%
3.	**Total employees (D + E)**	**11,451**	**9,760**	**85.23%**	**1,691**	**14.77%**
	Workers*					
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	**Total workers (F + G)**					

**Note: As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.*

b. Differently abled Employees and workers:

Sr. no.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Differently Abled Employees					
1.	Permanent (D)	7	7	100.00%	0	0.00%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	**Total employees (D + E)**	**7**	**7**	**100.00%**	**0**	**0.00%**
	Differently Abled Workers*					
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	**Total workers (F + G)**					

**Note: As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.*

21. Participation/ Inclusion/ Representation of women

Sr. no.	Particulars	Total (A)	No. and percentage of Females	
			No. (B)	% (B/A)
1.	Board of Directors	14	2	14.29%
2.	Key Management Personnel	4	1	25.00%

22. Turnover rate for permanent employees and workers

Sr. no.	Particulars	FY 2025-26			FY 2024-25			FY 2023-24		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
1.	Permanent Employees[1]	42.50%	37.67%	41.79%	57.72%	53.41%	57.07%	50.43%	42.23%	49.26%
2.	Permanent Workers[2]	Not Applicable								

Note 1: Employee turnover rates have been computed based on total exits across the permanent workforce during the reporting period and restated for the previous 2 financial years, covering all categories of employee separations. The reported figures therefore represent overall attrition levels and should not be interpreted as regrettable attrition, which is tracked separately for talent retention and workforce planning purposes.

Note 2: As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.

The Bank continues to monitor workforce movement through multiple parameters to gain a comprehensive understanding of employee retention trends and talent dynamics. The disclosed turnover rate is based on total employee exits, thereby providing a holistic view of workforce movement across the Bank.

During FY 2025-26, the Bank witnessed a notable improvement in workforce stability, with overall turnover for permanent employees reducing to 41.79%, compared to 57.07% in FY 2024–25. In parallel, the Bank also tracks regrettable attrition as an internal measure of critical talent retention. Regrettable attrition remained significantly lower at 27.80% in FY 2025–26, indicating that a considerable proportion of employee separations comprised non-regrettable exits. The overall trend reflects the Bank's continued focus on employee engagement, talent retention and creating a more stable and resilient workforce.

DCB Bank recognizes that retaining talent requires creating meaningful employee experiences and enabling long-term growth opportunities. While compensation and career advancement remain important, the Bank believes employee retention is equally influenced by learning opportunities, workplace culture, recognition and employee well-being.

The Bank continues to invest in initiatives that strengthen employee engagement and create an environment where employees can build fulfilling careers while contributing to organizational success.

Key retention-focused initiatives include:

- Internal Job Postings (IJPs) that encourage cross-functional movement and internal career progression opportunities;
- Leadership and capability-building programs including the Bank's signature program like RISE, ASPIRE, Elite and Sopana designed to strengthen future role readiness;
- Digital learning access through the LUMOS platform to support continuous learning and self-paced development;
- Recognition initiatives such as Spotlight, Movers and Shakers and Roll of Honour to celebrate employee contributions and performance;
- Employee well-being support through Health Coverage, Counselling Support and Employee Assistance Programs;
- Structured employee listening channels including surveys, HR interactions and feedback mechanisms to strengthen trust and responsiveness; and
- Each One Reach One ("EORO") fosters continuous employee dialogue, feedback, engagement, and growth.

By investing in people and creating opportunities for long-term growth, DCB Bank seeks to build a workplace where employees choose to stay, grow and contribute over time.

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. Names of holding/ subsidiary/ associate companies/ joint ventures

The Bank does not have a holding, subsidiary, associate or joint venture as on March 31, 2026.

VI. CSR DETAILS

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (FY 2024-25): ₹ 72,21,09,76,973.99

(iii) Net worth (FY 2024-25) ₹ 52,71,47,51,868.56

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Sr. No.	Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No/ NA)	(If Yes, then provide weblink for grievance redress policy)	FY 2025-26			FY 2024-25		
				Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
1.	Communities	Yes	Policies which are required by the law is available on the website of the Bank and the policies which are internal to the Bank are available on the intranet of the Bank*	--	--	--	--	--	--
2.	Investors (other than shareholders)	Yes		--	--	--	--	--	--
3.	Shareholders	Yes		6	--	--	5	--	--
4.	Employees and workers	Yes		200	--	--	163	--	--
5.	Customers	Yes		19,839	598	--	24,725	364	--
6.	Value Chain Partners	Yes		10	1	--	158	--	--

*Note:

- www.dcb.bank.in/customer-corner
  (Website → Customer Corner → Policies & Circulars → Policy on Customer Grievance Redressal Mechanism)
- The Bank has appointed a Registrar and Share Transfer Agent (RTA) to look into the grievances/ complaints of the shareholders. In addition to it, the Bank has designated email ID 'investorgrievance@dcb.bank.in', where the shareholders can send their grievances/ complaints (Website → About Us → Investor Relations → Attention to Shareholder → Shareholder's Helpdesk)
- Employee grievance redress policy is part of the internal HR Policy



26. Overview of the entity's material responsible business conduct issues

The materiality assessment exercise was undertaken to identify and prioritize sustainability topics that may influence business performance, stakeholder trust and future growth. It supports alignment of sustainability priorities with business strategy while helping the Bank strengthen disclosures, prioritize resources, identify emerging risks and opportunities, incorporate stakeholder expectations and build long-term transparency and confidence.

Materiality Assessment Approach

DCB Bank adopted a structured and multi-stage process to identify and prioritize material topics, incorporating industry frameworks, stakeholder perspectives and sector benchmarking.

The process included:

Stakeholder Participation

To ensure broad representation, the assessment was rolled out across internal stakeholder groups and leadership levels. Approximately 700 employees were invited, of which 493 participated. Respondents represented multiple leadership levels including Director, President, Executive Vice President, Senior Vice President, Vice President and Associate Vice President.

Responses were evaluated using a weighted methodology, with higher weightage assigned to senior leadership to ensure strategic alignment and balanced representation.

Stakeholder Identification

Relevant stakeholder groups were identified for participation in the assessment process.

Review of Standards and Frameworks

Sector-specific frameworks and standards, including SASB and MSCI, were reviewed to identify sustainability topics relevant to the banking sector.

Stakeholder Consultation

A survey based on shortlisted ESG topics was designed and shared with stakeholders to understand their priorities and perspectives.

Diagnostic Assessment

Peer assessments and stakeholder inputs were evaluated and assigned weightages to support prioritization.

Scoring and Evaluation

Survey responses were assessed using a weighted scoring methodology and reviewed in consultation with internal teams.

Finalization of Material Topics

Based on assessment outcomes, a final set of priority material topics was identified and validated.

Opportunity **Risk**

Sr. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Environment					
1	Climate Risk		The Bank recognizes climate change as a key risk that may impact its operations, assets, and lending portfolio, particularly in sectors such as agriculture, real estate, and energy. Rising global temperatures, extreme weather events, and shifting environmental regulations can result in: **A) Physical Risks:** Damage to Bank's physical infrastructure, branches, and data centers due to increased frequency and severity of natural disasters. **B) Transition Risks:** Changes in environmental regulations, technological advancements, and shifting market preferences toward a low carbon economy can impact the Bank's lending portfolio.	To address these risks, the Bank plans to undertake assessment of climate-related exposure across its lending portfolio and geographical presence with support from external experts. ESG and climate-related risks are being integrated into the Internal Capital Adequacy Assessment Process ("ICAAP") framework through stress testing and scenario analysis. Further, the Bank is taking initiatives such as obtaining green certification for offices, incorporating sustainable finance products under the Master Credit Policy, and maintaining a negative list of industries for funding. The Bank also supports green financing through lending to NBFCs engaged in electric vehicles, renewable energy, and microfinance activities. Further the Bank has made a provision of ₹ 6.15 crores (1% of its PY NP) for FY 2025-26 (PY 5.36 crores) toward climate change risk under Bank's ICAAP model and policy.	Negative implications
2	Sustainable Finance		Increasing focus on sustainability, ESG considerations, financial inclusion and evolving customer expectations presents opportunities for banks to support inclusive and sustainable economic growth. Financing opportunities across sectors aligned with sustainability objectives may contribute to portfolio diversification and long-term business growth.	Not Applicable	Positive implications

Sr. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Energy and GHG Management		By proactively managing energy consumption and reducing GHG emissions, businesses can not only mitigate environmental risks but also align with sustainability goals, improve brand reputation, and meet regulatory requirements.	The Bank has undertaken a range of initiatives to reduce energy consumption and manage greenhouse gas (GHG) emissions across its operations, including engaging vendors that adopt sustainable practices and environmentally responsible resources. Key initiatives implemented during the year include obtaining green certification for the Andheri Hub Town office, installing sensor-based lighting in all new branches, regional offices and the Corporate Office, and reducing paper consumption through initiatives such as My Documents, BoardPAC, and the digitization of various processes under Project M309. The Bank has also installed rooftop solar systems at select owned premises and organized paper bag making activities at the Corporate Office to promote waste reduction and environmental awareness. In addition, the Bank plants a tree for every new employee joining the Bank, encourages sustainable mobility through the use of public transport and employee carpooling, and conducts awareness programs and sustainability campaigns to promote responsible energy use and environmentally conscious behavior throughout the Bank. Consider rewriting to: Campaigns are also conducted to further encourage responsible energy use and environmentally conscious behavior.	Negative implications
4	Waste and Water Management		Efficient waste and water management can reduce operational costs, enhance resource efficiency, and mitigate risks associated with environmental impacts. Banks are increasingly expected to adhere to environmental regulations, including those related to waste and water.	The Bank has already introduced measures like using eco-friendly house-keeping products and responsible procedures to dispose UPS batteries through E-waste recyclers, installed waterless urinals in large offices, employees' voluntary participation for making paper bags at corporate office.	Negative implications
Social					
5	Customer Satisfaction		Bank has a comprehensive and structured grievance redressal framework to ensure timely and effective resolution of customer complaints and feedback. This mechanism is designed to uphold customer satisfaction, foster trust, and maintain service excellence. Bank actively monitors and enhances customer satisfaction through structured feedback mechanisms and surveys conducted across multiple channels. These initiatives are designed to capture customer sentiment and drive continuous improvement. It strives to identify customer needs and innovate products and services accordingly.	Not Applicable	Positive implications

Sr. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	**Employee Engagement, Training and Development**		During FY 2025-26, the Bank made significant progress across its four cultural pillars: Build, Develop, Engage and Care, with initiatives focused on strengthening capabilities, deepening employee engagement and promoting holistic well-being. The Bank was certified as a Great Place to Work for the 10th consecutive year, achieving its highest-ever Trust Index Score of 86%, with improvements across all dimensions. The Bank also received several prestigious recognitions, including Top 50 – India's Best Workplaces in Health & Wellness 2026, Top 50 – India's Best Workplaces in BFSI 2025, India's Best Workplaces in Banking 2025, Most Preferred Workplace – BFSI 2025-26, Synnex Award for Best Recruitment Strategy, Leaders' Award for Learning and Development Practices, ProStar Awards 2025 – Buddies of Wellness, and People Matters L&D Award 2025 for Emerging Leader Development Excellence. The Bank continued to strengthen employee connect and capability-building through various initiatives, including estate planning and retirement awareness programs, the S-PEAK employee survey, and 'DCB Audio Bridge with the MD & CEO,' which provided a platform for open dialogue and feedback. During the year, 94% of eligible employees completed at least one training intervention, while over 99% of new employees successfully completed induction and mandatory training programs within prescribed timelines. Collectively, employees logged more than 4.84 Lakh learning hours, averaging 38 hours per employee, reflecting the Bank's strong commitment to continuous learning and professional development.	Not Applicable	Positive implications
7	**Diversity, Equity & Inclusion**		Bank upholds a strong commitment to diversity and inclusion. It is an equal opportunity employer, fostering a culture that values differences in age, gender, ethnicity, region, appearance thinking styles and religion ensuring everyone can grow in alignment with the Bank's values and goals. By ensuring equitable opportunities for all employees, Banks can boost morale and productivity. An inclusive work environment further helps in retaining talent and reducing turnover. DEI initiatives also aid in mitigating risks of discrimination. Employees are annually reviewed based on their performances.	Not Applicable	Positive implications

Sr. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Employee Well-being and Safety		Building an innovative work environment to foster employee well-being, enhance relationships and sustain long-term productivity by providing work-life balance, better career progression, healthy and safe working environment and aim towards becoming an appealing employer. To promote employee well-being, the Bank organizes preventive wellness programs, campaigns, and webinars in collaboration with hospitals and other organizations. During the year, the Bank was awarded with: • Top 50 – India's Best Workplaces in Health & Wellness 2026 • Top 50 – India's Best Workplaces in BFSI 2025 • ProStar Awards 2025 – Buddies of Wellness Employee well-being this year was addressed across physical, emotional, and community dimensions reinforcing the Bank's commitment to holistic care.	Not Applicable	Positive implications
9	Human Rights		Promoting human rights by ensuring equal opportunities, preventing discrimination, and eliminating child and forced labor is both a moral obligation and a legal requirement. Adhering to labor laws is crucial, as non-compliance can lead to significant financial penalties and legal consequences including imprisonment. Prioritizing employee well-being is an essential element of upholding human rights, helping to cultivate a workplace rooted in dignity, respect and support for all individuals.	The Bank places a strong emphasis on upholding human rights by promoting equal opportunities, eliminating discrimination and strictly prohibiting child and forced labor. These values are embedded into the Bank's operations through well-defined policies, ongoing staff training and rigorous compliance monitoring. By cultivating a culture of respect and responsibility, the Bank seeks to protect the rights of all stakeholders while minimizing potential legal and financial risk. The Bank's commitment to human rights is reflected in its internal governance and operational practices.	Negative implications
10	Community Development		The CSR initiatives of the Bank are primarily focused on Skills Development, Women Entrepreneurship, and Rural Support Programs, to have a profound positive impact on the target communities. The Bank through its CSR initiatives endeavors to make meaningful contribution by empowering socially, economically, financially, and physically excluded, disadvantaged and challenged communities, thereby helping them to become self-reliant and achieve sustainable and inclusive development. CSR helps the Bank to contribute to community development, engage employees, build a positive image of institution, and comply with regulations. By investing in community development, the Bank can enhance reputation, support business growth, and meet stakeholder expectations. The Bank's various CSR initiatives such as bee keeping, tree sampling, protection of water reservoirs, women's education, help the protection of community.	Not Applicable	Positive implications

Sr. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Sustainable Supply Chain		The Bank recognizes that supply chain disruptions arising from environmental events, resource scarcity, supplier non-compliance, or evolving regulatory expectations may impact operational continuity and increase costs. Increasing stakeholder expectations around environmental stewardship and responsible sourcing may also expose the Bank to operational and reputational risks if sustainable practices are not adequately embedded across the value chain.	The Bank aims to strengthen supply chain resilience by integrating environmental and social considerations into procurement and sourcing processes. It promotes responsible sourcing, efficient resource utilization, waste reduction, adoption of eco-friendly materials, and engagement with suppliers to encourage responsible business practices. The Bank also recognizes the importance of diversifying sourcing strategies to minimize disruptions and improve operational resilience.	Negative implications
			Sustainable supply chain management presents opportunities to enhance operational efficiency, optimize resource use, and strengthen stakeholder trust. Integrating sustainable practices across the value chain can support reduced environmental impact, improved supplier relationships, and alignment with growing stakeholder expectations around responsible business conduct.	Not Applicable	Positive implications

Governance

12	Corporate Governance and Ethics		Governance-related lapses can negatively impact the Bank's long-term aspirations and visions, potentially causing stakeholder distrust, regulatory and compliance risks. Weak governance or ethical lapses may erode stakeholder trust and invite regulatory scrutiny.	The Bank has established a robust governance framework supported by Board-approved policies covering key stakeholders, regulatory compliance, customer protection, insider trading prevention, and data privacy. The Board comprises a diverse mix of Independent and Women Directors with varied skills, expertise, and experience.	Negative implications
			Strong governance framework enhances transparency, accountability, and customer confidence. Proactive compliance improves governance, business ethics, transparency, and ESG position, making customers prefer banks that protect personal data privacy.	Not Applicable	Positive implications
13.	Privacy and Data Security		Data privacy and security are fundamental to maintaining customer trust. In today's digital world, protecting customer data is critical to the Bank's customer-centric approach. Data breaches can severely impact customers, reputation, and business. Therefore, it is essential to constantly evaluate and improve IT security measures to reduce cyber threats and protect customer information. The Bank considers data privacy and cybersecurity critical for maintaining customer trust and ensuring regulatory compliance. Increasing digital adoption and evolving cyber threats may expose the Bank to risks relating to data breaches, financial losses, and reputational impact.	To strengthen cybersecurity resilience, the Bank has implemented robust information security frameworks aligned with industry standards and regulatory requirements, including ISO 27001 and PCI DSS standards. The Bank has also appointed a Chief Data Protection Officer to oversee compliance with applicable data protection regulations (DPDP Act, 2023) The Bank continues to strengthen preventive and monitoring controls such as data leakage prevention mechanisms, access controls, encryption, cloud security measures, and third-party risk management practices. The Risk Management Committee and Information Technology Strategy Committee of the Board regularly review cybersecurity and data protection measures to ensure effective risk mitigation. The Bank ensures that customers' data is treated sensitively and sensibly across the entire value chain of its business and data used for various assessment processes follow the required regulatory guidelines. The Risk Management Framework is constantly strengthened based on emerging risks, business strategies, industry best practices and regulatory requirements. Risk Management Committee of the Board ensures that the Bank has suitable systems, policies and processes in place to identify, measure, manage and mitigate the risks.	Negative implications

Sr. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
14.	Risk Management		The Bank operates in a high-risk environment that involves handling of data and funds. To maintain compliance, minimize the risk of fraud, and ensure long-term business sustainability, it is crucial for the Bank to consistently enhance and reinforce its risk management and control systems.	The Bank adopts a comprehensive risk mitigation strategy. Through regular internal reviews, reinforced governance standards, adoption of advanced technologies, promotion of ethical conduct among employees, the Bank emphasizes proactive risk reduction, and operational security. The Bank has a Risk Management Committee of the Board ensuring timely identification, mitigation, and adaptation to emerging risks.	Negative implications
15.	Financial Performance		The Bank believes that sustainable financial growth and inclusive banking contribute positively towards economic development while strengthening long-term stakeholder value. Bank's improved profitability, growth in advances and deposits, and reduction in NPAs support investor confidence and business resilience. Increased financial and digital inclusion has enabled the Bank to expand its customer base, diversify products and services, and enhance operational efficiency.	Not Applicable	Positive implications
16.	Brand and Reputation Management		Brand and reputation are important intangible assets that influence customer trust, stakeholder confidence, and long-term business growth. Any adverse incident, customer grievance, or compliance lapse may impact the Bank's reputation and brand image. Consequently, it is imperative to identify risks associated with brand and reputation, as these elements have a direct effect on customer perception, trust, and loyalty.	The Bank continuously undertakes initiatives to strengthen stakeholder engagement and brand perception through market studies, customer and investor perception surveys, organizing investor meets, and participated in Global Financial Fest and other industry events. The Board of the Bank regularly reviews branding and marketing strategies and provides guidance for improvement through structured action plans. The Bank also maintains appropriate governance and oversight mechanisms to minimize complaints and mitigate reputational risks while strengthening its presence across all regions.	Negative implications



A Section B C

Management and Process Disclosures

DCB Bank recognizes that effective governance is fundamental to embedding sustainability into business strategy and strengthening long-term resilience. The Bank's ESG governance approach is designed to create accountability, enable oversight and ensure that sustainability priorities are integrated into business operations and decision-making processes. As the Bank advances its ESG journey, governance structures are being strengthened to support implementation, monitoring and continuous improvement.

Board Oversight

The Board provides strategic guidance on sustainability priorities and oversees the integration of ESG considerations into the Bank's long-term vision and business direction. Governance mechanisms are designed to ensure periodic review of sustainability-related risks, initiatives and progress.

Key areas of Board oversight include:

- Review of ESG priorities and performance
- Oversight of climate and sustainability-related risks
- Periodic review of ESG initiatives and policies
- Strengthening Board awareness through ESG training and familiarization programs
- Monitoring emerging ESG and regulatory developments

Management Oversight

Implementation of sustainability priorities is supported through executive ownership and cross-functional coordination. The Bank is strengthening management-level oversight mechanisms to ensure effective execution and integration of ESG initiatives across functions.

Key responsibilities include:

- Translating ESG priorities into business action plans
- Monitoring implementation and progress of initiatives
- Driving cross-functional collaboration
- Reviewing material ESG risks and opportunities
- Supporting policy implementation and target tracking

Functional Ownership

The Bank follows a collaborative implementation approach, with ESG responsibilities distributed across key functions. Individual teams support implementation of material topics and contribute to sustainability performance through department-specific initiatives.

Key functions involved include:

- **Administration and Operations** – resource efficiency initiatives
- **Business** – sustainable finance initiatives
- **CSR** – community development programs;
- **Human Resources** – employee well-being, DEI and capability development
- **Information Security** – privacy and data protection
- **Risk** – ESG and climate risk integration

Through this governance framework, DCB Bank seeks to strengthen ESG integration, enhance accountability and create a structured pathway for sustainable value creation across the organization.

Impact on Capitals

- Financial Capital
- Human Capital
- Intellectual Capital
- Social and Relationship Capital

Stakeholders

- Customers
- Employees
- Investors and Shareholders
- Regulators
- Board and Leadership
- Communities

Key Highlights

- Policies aligned to all 9 NGRBC Principles
- 100% Board-approved policy framework
- Dedicated CSR and ESG Committee of the Board for sustainability oversight
- Cross-functional ESG Internal Committee (EIC) established
- Quarterly review mechanism for ESG policy performance

SDGs Impacted



Sr. no.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Weblink of the Policies, if available				www.dcb.bank.in*					

*Note: Policies which are required by the law is available on the website of the Bank and the policies which are internal to the Bank are available on the intranet of the Bank

Key Policies Mapped as per Principle

P1 Ethics / Governance

- Code of Conduct for Board
- Vigilance Policy
- Whistleblower Policy
- Compliance Policy
- KYC/ AML/ CFT Policy
- Code of Conduct for Prohibition of Insider Trading
- Policy for Determination of Materiality
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)
- Dividend Distribution Policy
- Board Diversity Policy
- Board Evaluation Policy
- Board Succession Policy

P2 Sustainable Goods and Services

- ESG Policy

P3 Employee Well-being

- Compensation Policy
- Job Rotation Policy
- Mandatory Leave Policy
- Vigilance Policy
- Whistleblower Policy
- Board Diversity Policy

P4 Stakeholder Engagements

- ESG Policy
- Policy on Related Party Transactions
- ERM Policy
- CSR policy
- Vigilance Policy
- Whistleblower Policy

P5 Human Rights

- Code of Conduct of the Bank
- Whistleblower Policy
- Vigilance Policy
- Customer Rights Policy
- POSH Policy

P6 Environment

- ESG Policy
- ERM Policy

P7 Responsible Policy Advocacy

- Marketing Policy

P8 Inclusive Growth

- CSR Policy
- Financial Inclusion Framework
- PSL Policy

P9 Consumer Value

- Customer Rights Policy
- Grievance Redressal Policy
- Customer Compensation Policy
- Customer Protection Policy for Electronic Banking Transactions

Sr. no.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
2.	Whether the entity has translated the policy into procedures. (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/ No)	No								
4.	Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Policies have been formulated and implemented in accordance with NGRBC, requirements of the Companies Act, 2013 and SEBI regulations								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	No specific commitments, goals or targets with defined timelines have been set								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not Applicable								
Governance, leadership and oversight										
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	No								

Sr. no.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Implementation and oversight of the Business Responsibility Policies and the decision-making on sustainability related issues is the responsibility of the CSR and ESG Committee of the Board of Directors, which comprises the following members as on March 31, 2026: 1. Mr. Nasser Munjee (Chairman and Non-Executive Director), 2. Mr. Thiyagarajan Kumar (Member and Non-Executive (Non Independent) Director, and 3. Mr. Sridhar Seshadri (Member and Whole-Time Director) In addition to the Board committee, the Bank has an ESG Internal Committee ("EIC") with members comprising senior officials of the Bank. The charter of the EIC has various points including 'to identify and recommend to the CSR and ESG Committee for its approval, the ESG-related matters for the Bank'. The EIC has a meeting every quarter and assesses relevant practices, initiatives and measures that support ESG for the Bank and are intended to create long-term, sustainable benefits for stakeholders.								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.									

10. Details of Review of NGRBCs by the Bank:

Sr. No.	Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Performance against above policies and follow up action*	Board of Directors and its Committees are responsible for the review of the policies									Annually								
2.	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Bank complies with relevant statutory requirements aligned with its principles, proactively rectifying any instances of non-compliance									Annually								

*Note: Policies wherever stated have been approved by the Board/ Committee of the Board/ Senior management of the Bank or as required by extant regulations

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

All policies are reviewed and vetted by the Compliance Unit prior to their submission to the Board or relevant Committee, ensuring alignment with established processes and compliance requirements. Additionally, the Internal Audit team conducts periodic reviews at a frequency approved by the Board's Audit Committee.

P1	No – Internal Audit (Vigilance Policy, Compliance Policy, FRM Policy, KYC/ AML/ CFT Policy)
P2	No – Internal Audit (ERM Policy, ICAAP, BCP Policy)
P3	No – Not carried out by external agency
P4	No – Not carried out by external agency
P5	No – Not carried out by external agency
P6	No – Not carried out by external agency
P7	No – Not carried out by external agency
P8	No – Not carried out by external agency
P9	No – Not carried out by external agency

12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/ No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/ No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/ No)									
It is planned to be done in the next financial year (Yes/ No)									
Any other reason (please specify)									



A — B — Section C

Principle Wise Performance Disclosure

Principle 1

1 — 2 — 3 — 4 — 5 — 6 — 7 — 8 — 9

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

DCB Bank believes that trust forms the foundation of sustainable banking. As a regulated financial institution, the Bank follows strong governance systems, ethical business conduct and transparent decision-making practices to create long-term value for stakeholders. The governance framework is designed to uphold accountability across operations while ensuring compliance with applicable laws, regulations and internal policies.

The Bank's governance structure is guided by the Board of Directors and supported by Board-level committees overseeing risk, audit, ethics, customer service, and sustainability-related matters. Policies relating to code of conduct, anti-corruption, whistleblower mechanisms, insider trading and compliance reinforce a culture of integrity and responsible business behavior.

Through strong governance systems and transparent disclosures, DCB Bank seeks to maintain stakeholder confidence while strengthening institutional resilience.

Impact on Capitals

- Financial Capital
- Intellectual Capital
- Social and Relationship Capital

Stakeholders

- Investors and Shareholders
- Regulators
- Employees
- Customers
- Business Partners

Key Highlights

- 13 Board meetings conducted during FY 2025-26
- 100% employees covered under Code of Conduct framework
- No confirmed incidents of corruption/ non-compliance resulting in material penalties

SDGs Impacted



ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Sr. no.	Segment	Total No. of Training / Awareness Programs	Topics / Principles Covered	Impact	% Coverage
1	Board of Directors	10	Cybersecurity, Directors' Certification, Corporate Governance, Climate Change and Sustainable Finance, ICA-NFRA Directors' Certification Program for Audit Committee Members, KYC/ AML, Risk Governance and Leadership	Enhanced Board oversight capabilities, strengthened understanding of emerging risks, governance requirements and regulatory developments, and improved preparedness for strategic decision-making.	64.28%
2	Key Managerial Personnel ("KMPs")	24	International Sanctions Compliance, Cyber Security, Cyber Frauds and Risk Management Strategies, Digital Transformation and Innovation, Digital Personal Data Protection Act and Data Governance, Legal Framework and Industry Practices, Future-Proof Forensics, Media Interaction, Climate Change and Sustainable Finance Strategy, Leadership and Innovation, TaskC Application and Equity Compensation	Strengthened leadership effectiveness, regulatory awareness, digital capabilities and preparedness to manage evolving business, compliance and operational risks.	100.00%
3	Employees (other than Directors and KMPs)	4,884	Onboarding and Induction Programs; Aml/ Kyc; Selling Skills; Product Trainings; Governance, Compliance and Risk Management; Leadership Development; Cross-Functional Banking Programs; Role-Readiness Initiatives such as Rise, Aspire, Budding Sm Aib, Elite and Sopana; Mandatory Trainings on Bcp, Posh, Cybersecurity and Risk Management; Specialized Programs on Diversity & Inclusion, Cloud Security, Project Management And Behavioral Competencies	Supported continuous capability building, strengthened compliance and risk awareness, enhanced functional and leadership competencies, and improved employee readiness for evolving business and role requirements.	93.25%
4	Workers*	NA			

*Note: As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.

2. Details of fines/ penalties/punishment / award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

Sr. no.	Particulars	NGRBC Principle	Name of Regulatory / Enforcement Agency / Judicial Institution	Amount (In ₹)	Brief of the Case	Has an Appeal been preferred? (Yes/No)
			Monetary			
1	Penalty / Fine	P9	Consumer Court, Satara	1,44,400	The complainant, a partnership firm, availed CC facilities from the Bank. Upon closure, the Bank charged foreclosure charges of ₹94,400 at 4% as per sanction terms. Consumer forum directed refund of ₹94,400 and ₹50,000 towards compensation for mental agony.	Yes
2	Penalty / Fine	P9	District Consumer Disputes Redressal Commission, Boudh	86,600	The complainant availed a gold OD facility of ₹74,600 against pledge of gold ornaments. Due to default, the Bank proceeded with auction sale of pledged ornaments. The consumer forum directed return of pledged gold or compensation at relevant market rate.	Yes
3	Penalty / Fine	P9	District Consumer Disputes Redressal Commission, Bhopal	54,362	The complainant filed a consumer complaint against Walmart India Private Limited and DCB Bank for failure to refund a disputed amount. The complainant made a double payment for a purchase (cash + bank debit), the bank debit did not register due to a technical glitch but the amount was debited. Walmart refunded the amount via chargeback to DCB Bank, but the Bank did not credit it to the complainant's account. The commission decided against the Bank.	Yes
4	Penalty / Fine	P9	District Consumer Disputes Redressal Commission, Mohali	2,00,000	A consumer complaint filed against DCB Bank for deficiency in service due to misplacement of a title deed kept as collateral security with the Bank against a loan. The case was decided against the Bank, and the Bank was directed to pay compensation to the customer.	No
5	Penalty / Fine	P9	District Consumer Disputes Redressal Commission, Ferozepur	11,000	A consumer complaint filed against the Bank alleging deficiency in service for failure to sanction a loan. The case was decided against the Bank, wherein the Bank was directed to sanction the loan without processing fees along with compensation.	Yes
6	Penalty / Fine	P9	National Consumer Disputes Redressal Commission, Delhi	2,86,406.17	A consumer complaint filed against the Bank for unilaterally changing interest rate from fixed to floating, after takeover of loan from another financial institution, without customer consent, and refusal to issue NDC and return of original title deeds. The Bank was directed to refund the installment paid by the complainant along with issuance of NDC and release of original title deed.	No
7	Penalty / Fine	P9	District Consumer Disputes Redressal Commission, Kalahandi	1,90,000	A customer filed a consumer complaint regarding repudiation of an insurance claim by Royal Sundaram General Insurance. The Bank acted as corporate agent for the issuance of the insurance policy. The commission held the Bank liable for deficiency in service for not forwarding the complainant's application to the insurance provider for reconsideration. Royal Sundaram General Insurance has filed an appeal against the order, and the Bank is participating in the same.	No
8	Penalty / Fine	P9	District Consumer Disputes Redressal Commission, Sehore	1,15,583.34	A customer availed a KCC Loan Facility from the Bank. The customer alleged that the Bank wrongly registered crop details on the PMFBY portal, due to which the insurance claim was rejected by the insurance company. The commission passed an order directing the Bank to pay compensation.	No
9	Penalty / Fine	P9	Banking Ombudsman, Bhubaneswar	31,00,000	A complaint was filed before the Banking Ombudsman (BO), Bhubaneswar, regarding misappropriation of funds belonging to the customer, which were handed over to an officer of the Bank towards repayment of a cash credit facility. The BO passed an award directing the Bank to reverse the amount to the customer's loan account along with payment of compensation.	No
10	Penalty / Fine	P1	NSE and BSE	30,000	NSE and BSE issued notices (dated December 16, 2025) for delay in filing of XBRL on disclosure of financial results and Related Party Transactions under Regulation 23(9) of SEBI Listing Regulations.	No

Sr. no.	Particulars	NGRBC Principle	Name of Regulatory / Enforcement Agency / Judicial Institution	Amount (In ₹)	Brief of the Case	Has an Appeal been preferred? (Yes/No)
			Monetary			
11	Penalty / Fine	P1	Joint Commissioner of GST and Central Excise (Appeals-I), Tamil Nadu	40,000	The adjudicating authority (Tamil Nadu) passed an order for FY 2018-19 demanding excess availed ITC of ₹ 8,11,069 on account of GSTR-3B and GSTR-2A mismatch. On appeal, the Appellate Authority partly ruled in the Bank's favor, deleting demand of ₹ 7,73,825 and confirming demand of ₹ 77,244 (comprising tax and penalty). Penalty portion: ₹40,000.	No
12	Penalty / Fine	P1	Joint Commissioner of Commercial Tax (Appeals-1), Bengaluru, Karnataka	30,382	The Bank filed an appeal against an order raising a demand of ₹ 2,21,336 for excess ITC availed in FY 2020-21. The Appellate Authority confirmed the demand. Considering the materiality of the amount and cost of litigation, the Bank discharged the said amount.	No
13	Penalty / Fine	P1	Deputy Commissioner of Commercial Tax (Audit), Karnataka	40,000	During audit, the adjudicating officer passed an order alleging the Bank claimed excess ITC of ₹ 1,41,897. Considering the materiality of the amount and cost of litigation, the Bank discharged the said amount.	No
14	Penalty / Fine	P1	State Tax Officer, Gujarat	2,67,958	GST audit for Gujarat for FY 2021-22 observed that the Bank had short-discharged GST liability and availed excess/ineligible ITC on certain transactions amounting to ₹ 24,79,568. The Bank disagrees with the order and has filed an appeal before the First Appellate Authority, which is pending adjudication.	Yes
15	Penalty / Fine	P1	Assistant Commissioner of State Tax, Gujarat	1,244	Upon scrutiny of returns for Gujarat, it was ascertained that the Bank had availed ITC from GST registration cancelled vendors. The Bank filed a response against the allegation, which was not accepted, and demand of ₹ 1,244 (including interest and penalty) was confirmed. Considering the materiality and cost of litigation, the Bank discharged the said amount.	No
16	Penalty / Fine	P1	Reserve Bank of India	29,60,000	Penalty levied on the Bank for non-compliance with certain directions issued by RBI on loans extended against pledge of gold ornaments and jewelry for non-agricultural end uses.	No
17	Monetary Penalty / Fine	P1	Reserve Bank of India	10,000	Penalty levied on DCB Bank Mehsana Branch for exchange of mutilated notes during an RBI incognito visit dated November 13, 2025.	No

Sr. no.	Particulars	NGRBC Principle	Name of Regulatory / Enforcement Agency / Judicial Institution	Amount (In ₹)	Brief of the Case	Has an Appeal been preferred? (Yes/No)
			Monetary			
	Settlement		Not Applicable			
	Compounding fee		Not Applicable			
			Non-monetary			
	Imprisonment		Not Applicable			
	Punishment		Not Applicable			

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

1. Case Details The complainant filed a consumer complaint against Walmart India Private Limited and DCB Bank Limited, being aggrieved by failure on the of the parties to refund the disputed amount in bank account of the complainant held with DCB Bank, despite cash payment made by him on cash counter at Walmart. The commission decided the case against the Bank. Bank has now filed an appeal before the State Commission.	**Name of the regulatory/ enforcement agencies/ judicial institutions** State Consumer Disputes Redressal Commission, Madhya Pradesh

2. Case Details Consumer complaint filed against the bank alleging deficiency in service for failure to sanction a loan to the customer. The case was decided against the Bank wherein the bank has filed appeal before State Consumer Dispute Redressal Commission, Punjab at Chandigarh challenging the order.	**Name of the regulatory/ enforcement agencies/ judicial institutions** State Consumer Dispute Redressal Commission, Punjab at Chandigarh

3. Case Details The audit for the state of Gujarat was undertaken for the FY 2021-22. During the course of audit, it was observed that the Bank had short-discharged GST liability and availed excess/ ineligible ITC on certain transactions amounting to ₹ 24,79,568/-. The Bank does not agree with the said order and has filed an appeal before First Appellate Authority which is pending for adjudication.	**Name of the regulatory/ enforcement agencies/ judicial institutions** First Appellate Authority, Gujarat

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a weblink to the policy

The Bank upholds a strong culture of ethics and integrity through a well-defined Anti-Corruption and Anti-Bribery framework embedded within its Code of Conduct Policy. The policy outlines the standards, principles and practices expected across all business operations and interactions, providing guidance to prevent and mitigate risks related to corruption and bribery. It reinforces the Bank's zero-tolerance stance towards any form of unethical conduct and requires employees to consistently uphold the highest standards of professionalism, transparency and accountability.

Web-link: www.dcb.bank.in/about-us/investor-relations
(Website → About Us → Investor Relations → Corporate Governance → Code and Policies)

5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

No disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption against any of the Directors/ KMPs/ employees.

Particular	FY 2025-26	FY 2024-25
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers*	Nil	Nil

**Note: As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.*

During the reporting period, no disciplinary action was taken by any law enforcement agency against Directors, KMPs or employees on charges related to bribery or corruption, reflecting the effectiveness of the Bank's governance and compliance measures.

The Bank promotes a culture of ethics, integrity and accountability through a robust governance framework anchored by its Code of Ethics and Business Conduct, Vigil Mechanism and a zero-tolerance approach towards fraud, corruption and unethical practices. Applicable to Directors, KMPs and employees, the framework is supported by structured oversight and reporting mechanisms that reinforce ethical conduct and a strong culture of compliance across the Bank.

Key measures undertaken by the Bank include:

- **Zero-tolerance approach:** The Bank maintains a strict stance against fraud, bribery, corruption and unethical practices, reinforcing adherence to the highest standards of integrity
- **Dedicated vigilance mechanisms:** A dedicated Vigilance function proactively addresses complaints and escalations while ensuring fair investigation, prompt action and confidentiality
- **Whistleblower and reporting channels:** Multiple channels are available for employees and stakeholders to report concerns confidentially and without fear of retaliation
- **Board-level oversight:** The Audit Committee of the Board oversees internal audit and risk control mechanisms, strengthening governance and compliance practices across the Bank
- **Conflict of interest controls:** Policies and governance checks are in place to identify and mitigate potential conflicts of interest involving Directors and KMPs

6. Details of complaints with regard to conflict of interest:

No complaint has been received with regard to conflict of interest against any of the Directors/ KMPs.

Particular	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	--	Nil	--
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	--	Nil	--

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Since there were no cases of corruption or conflicts of interest resulting in fines, penalties, or actions by regulators, law enforcement agencies or judicial institutions during the reporting period, no corrective actions were required or undertaken.

8. Number of days of accounts payables [(Accounts payable *365)/ Cost of goods/ services procured] in the following format:

Particular	FY 2025-26	FY 2024-25
Number of days of accounts payables	The Bank currently does not estimate the mentioned parameter.	

9. Open-ness of business:

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Particulars	Metrics		FY 2025-26	FY 2024-25
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	NA	Nil
	b.	Number of trading houses where purchases are made from	NA	Nil
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	NA	Nil
Concentration of Sales	a.	Sales to dealers/ distributors as % of total sales	NA	Nil
	b.	Number of dealers/ distributors to whom sales are made	NA	Nil
	c.	Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	NA	Nil
Share of RPTs in (%)	a.	Purchases (Purchases with related parties/ Total Purchases)	Nil	Nil
	b.	Sales (Sales to related parties/ Total Sales)	Nil	Nil
	c.	Loans & advances (Loans & advances given to related parties/ Total loans & advances)	0.01	0.01
	d.	Investments (Investments in related parties/ Total Investments made)	Nil	Nil

LEADERSHIP INDICATORS

1. Awareness programs conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programs held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programs
Currently, the Bank does not conduct sessions with value chain partners on this criterion		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.

Yes, the Board of Directors and Senior Management of the Bank follow a dedicated Code of Conduct that includes provisions related to conflicts of interest. The Code provides guidance on identifying and disclosing potential conflicts and outlines expected standards of conduct to support transparency and responsible decision-making. It helps ensure that individuals act in accordance with the Bank's governance and ethical expectations.

A — B — **Section C**

1 — **2** — 3 — 4 — 5 — 6 — 7 — 8 — 9

Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe

As a customer-centric institution, DCB Bank seeks to design and deliver banking products and services that are safe, responsible and responsive to evolving customer needs. The Bank continues to strengthen digital infrastructure and product innovation while integrating sustainability considerations into operational and financing practices.

Through technology-enabled banking solutions, paperless processes and customer-focused offerings, the Bank aims to create accessible and secure financial experiences. Product development and service delivery are supported by strong risk assessment processes and data security mechanisms to ensure customer protection and trust.

The Bank also continues to identify opportunities to improve operational efficiency and resource optimization across its value chain.

Impact on Capitals

- Financial Capital
- Intellectual Capital
- Natural Capital
- Social and Relationship Capital

Stakeholders

- Customers
- Employees
- Vendors
- Regulators

Key Highlights

- 96% transactions conducted through digital channels
- 122 Million UPI transactions processed during FY 2025-26

SDGs Impacted



ESSENTIAL INDICATORS

1. **Percentage of Research and Development ("R&D") and capital expenditure ("capex") investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Sr. no.	Particulars	FY 2025-26	FY 2024-25	Details of improvements in environmental social impacts
1	R&D	As a Scheduled Commercial Bank, the Bank's operations are primarily service-oriented and do not require significant R&D or capital expenditure in environmental or social impact technologies. The Bank continues to focus on digital platforms and responsible business activities. Therefore, specific data relating to environmental and social impact improvements attributable to R&D and Capex and capital expenditure initiatives is currently not tracked separately.		
2	Capex			

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/ No)**

   No. As a banking institution, the Bank's operations are primarily service-oriented and do not involve significant sourcing of raw materials or manufacturing inputs. Accordingly, a formal sustainable sourcing framework has not been established at this stage. However, the Bank continues to encourage responsible procurement practices, wherever relevant.

   b. **If yes, what percentage of inputs were sourced sustainably?**

   Not Applicable.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   Not applicable as the Bank does not manufacture or sell any physical product.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/ No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Not applicable as the Bank do not manufacture or sell any physical product.

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective/ Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   No.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.**

   Not Applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   Not Applicable

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:**

   Not Applicable. The Bank's operations do not involve manufacturing activities or sale of products with packaging requiring end-of-life reclamation tracking. However, waste streams such as e-waste and other operational waste, where generated, are managed in accordance with applicable waste management practices and regulatory requirements.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   Not Applicable.

A — B — Section C

Principle 3

1 — 2 — 3 — 4 — 5 — 6 — 7 — 8 — 9

Businesses should respect and promote the well-being of all employees, including those in their value chains

DCB Bank seeks to provide employees with a comprehensive benefits framework that supports their financial security and overall well-being while helping create a positive employee experience. The Bank's benefits approach is designed to address diverse employee needs and provide support across different stages of professional and personal life.

Impact on Capitals

- Human Capital
- Intellectual Capital
- Social and Relationship Capital

Stakeholders

- Employees
- Contract Workforce
- Leadership Teams

Key Highlights

- 100% permanent employees covered under health and accident insurance benefits
- 90%+ employees received skill upgradation trainings
- 34 average learning hours per employee
- Zero complaints on workplace safety

SDGs Impacted



ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Key employee benefits include:

- Group health insurance coverage for employees and eligible family members
- Provision for inclusion of in-laws under medical coverage benefits
- Group Personal Accident Insurance coverage for all employees, providing protection in the event of accidental injury, disability or loss of life
- Employee Assistance Program (EAP) providing access to confidential counselling and support services
- Access to wellness and preventive healthcare initiatives across locations

The Bank periodically reviews employee support mechanisms to strengthen accessibility and relevance across its workforce.

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	9,688	9,688	100.00%	9,688	100.00%	--	--	9,688	100.00%	0.00	0.00%
Female	1,649	1,649	100.00%	1,649	100.00%	1,649	100.00%	--	--	0.00	0.00%
Total	**11,337**	**11,337**	**100.00%**	**11,337**	**100.00%**	**1,649**	**100.00%**	**9,688**	**100.00%**	**0.00**	**0.00%**
Other than Permanent Employees											
Male	72	33	45.83%	33	45.83%	--	--	0.00	0.00%	0.00	0.00%
Female	42	4	9.52%	4	9.52%	0.00	0.00%	--	--	0.00	0.00%
Total	**114**	**37**	**32.46%**	**37**	**32.46%**	**0.00**	**0.00%**	**0.00**	**0.00%**	**0.00**	**0.00%**

Note: Other than permanent employees include contractual employees, interns and fixed term employees who are not covered as part of the medical benefits of the Bank.

b. Details of measures for the well-being of workers

Not Applicable

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format.

Particulars	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the Bank	0.99%	0.53%

Note: During FY 2025-26, the Bank revised the scope and boundary adopted for calculating employee well-being-related expenditure to provide a more comprehensive representation of investments made towards employee welfare and benefits. Accordingly, the previous year's figures have also been restated in line with the revised methodology to enable meaningful year-on-year comparison and ensure consistency in disclosures. The revised approach covers expenditure incurred across key employee well-being components, including maternity benefits, paternity benefits, provident fund contributions, gratuity and mediclaim-related expenses.

2. Details of retirement benefits, for current financial year and previous financial year

Employees are covered under retirement and long-term benefit programs including:

Provident Fund	Gratuity	Applicable Statutory Benefits

The Bank ensures timely deduction and deposit of applicable contributions with relevant authorities in accordance with regulatory requirements.

Sr. no.	Benefit	FY 2025-26			FY 2024-25		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers*	Deducted and deposited with the authority (Y/ N/ NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers*	Deducted and deposited with the authority (Y/ N/ NA)
1.	PF	99.01%	0.00%	Y	99.60%	NA	Y
2.	Gratuity	99.33%	0.00%	Y	99.60%	NA	Y
3.	ESI	0.00%	0.00%	Nil	0%	NA	Nil
4.	Others	0.00%	0.00%	NA	NA	NA	NA

**Note: As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.*

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Head Office premises are equipped with ramps to facilitate accessibility for differently abled employees and customers. Further, to enhance accessibility across the Bank's network, 173 branches are wheelchair accessible. At 273 locations, the provision of ramps is currently not feasible due to site-specific constraints, while work is underway at 34 locations to install ramps and improve accessibility infrastructure.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

The Bank has in place an Equal Opportunity and HIV Workplace Policy as part of its HR Policy Manual, which is accessible to all employees through the Human Resource Management System (HRMS). The policy reflects the Bank's overarching commitment to assessing individuals solely on merit and their ability to perform the job. Factors such as gender, socio-economic background, caste, physical disability, ethnicity, and other personal characteristics are not considered in employment-related decisions. The principles of equal opportunity are reinforced through the Code of Conduct and embedded within hiring and promotion practices.

The Bank continues to strengthen an inclusive workplace culture through initiatives that promote diversity, accessibility, and equitable employee experiences. Key interventions include:

- Inclusive hiring and career progression: Recruitment and advancement decisions are based on capability, performance, and business requirements, while Internal Job Postings (IJPs) provide employees with equitable growth opportunities
- Diversity and inclusion initiatives: Platforms such as TreasurHER and YOUnity Wings for Women facilitate mentoring, networking, and peer engagement across employee groups
- Awareness and sensitization: The Bank conducts regular awareness programs on POSH, ethics, workplace conduct, and inclusion to foster a respectful work environment
- Employee well-being support: Focused Employee Assistance Program (EAP) interventions and manager sensitization sessions address inclusion, unconscious bias, and employee well-being
- Accessibility initiatives: The Head Office premises are equipped with ramps to support differently abled employees and customers. Further, 173 branches are wheelchair accessible and the Bank continues to strengthen accessibility infrastructure across its network

Through these efforts, the Bank remains focused on building a workplace that promotes inclusion, equal access, and opportunities for all employees.

5. Return to work and retention rates of permanent employees and workers that took parental leave.

DCB Bank recognizes that major life events often require employees to balance personal responsibilities alongside professional commitments. The Bank therefore aims to create a supportive environment through policies and practices that enable employees to navigate important life stages with greater flexibility and support.

Key measures include:

- Maternity-related benefits and leave provisions aligned with applicable statutory requirements
- Flexible work arrangements where operationally feasible to support employees during transition periods
- Women-focused outreach and support initiatives through employee engagement platforms
- Counselling and employee support resources available through EAP programs for personal and family-related needs

The Bank believes that supportive workplace practices help employees manage responsibilities beyond work while remaining connected to their professional aspirations.

Benefit	Permanent employees		Permanent workers*	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100.00	82.43%	Not Applicable	
Female	100.00	84.72%		
Total	100.00	82.88%		

Note:

- *Return rate = Employees who were due to rejoin between April 2025 and March 2026 and rejoined the Bank/ Employees who were due to rejoin between April 2025 and March 2026*
- *Retention rate = Employees who rejoined between April 2024 and March 2025 and continued with the Bank for a minimum period of 12 months/Employees who rejoined between April 2024 and March 2025*

**As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.*

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Sr. no.	Particular	Yes/ No (If yes, then give details of the mechanism in brief)
1.	Permanent workers	Not Applicable
2.	Other than permanent workers*	Not Applicable
3.	Permanent employees	Yes
4.	Other than permanent employees	Yes

**Note: As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.*



The Bank has a grievance redressal policy in place to provide employees with accessible, fair, and confidential channels to raise concerns and seek resolution. In addition, the Bank has established multiple listening channels to ensure employees have several avenues through which they can share feedback and voice grievances. These include one-on-one HR interactions, feedback received through digital channels, grievance redressal mechanisms, supervisory feedback surveys, and employee engagement initiatives.

The grievance redressal framework is further supported through:

- HR support mechanisms: HR Business Partners and Regional HR teams regularly engage with employees and facilitate issue resolution
- Confidential reporting channels: Dedicated channels under the POSH and Whistleblower frameworks enable employees to raise concerns securely and confidentially
- Protection against retaliation: The Bank's Code of Conduct includes anti-retaliation and confidentiality provisions to safeguard complainants and maintain procedural fairness
- Continuous listening approach: Structured employee interactions and feedback mechanisms support timely identification and resolution of concerns

The Bank remains committed to fostering an open and transparent work environment where employees are encouraged to speak up without fear and concerns are addressed in a timely manner

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Gender	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees						
Male	9,688	00	00%	9,385	00	00%
Female	1,649	00	00%	1,627	00	00%
Total	**11,337**	**00**	**00%**	**11,012**	**00**	**00%**
Total Permanent Workers*						
Male	Not Applicable					
Female						
Total						

*Note: *As a baking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.*



8. Details of training given to employees and workers:

DCB Bank follows a structured approach towards employee capability development, with learning interventions designed to strengthen technical expertise, behavioral competencies, leadership skills, compliance awareness, and employee well-being. Training programs are aligned with business priorities and evolving industry requirements to ensure employees remain effective in their current roles and prepared for future responsibilities. During FY 2025-26, employees underwent an average of approximately 38 training hours per employee, delivered through classroom sessions, on-the-job learning, virtual instructor-led programs, and digital learning platforms.

The Bank leverages its Learning Management System, LUMOS to provide employees with accessible and self-paced learning opportunities across locations. The platform enables deployment of mandatory compliance modules, digital assessments, and knowledge reinforcement activities, ensuring equitable access to learning across its geographically distributed workforce.

The Bank's training interventions during the year covered the following areas:

Skill Development and Functional Capability Building

The Bank focused on strengthening employee skills across functional, technical, and leadership domains through targeted interventions, including:

Product and process training

Programs on Finacle, mortgage and micro-mortgage products, general and life insurance products, gold loans, SME Flexi, trade finance, NR account processes, and banking products.

Credit and banking capability programs

Training on credit monitoring and recovery, co-lending and loan partnering, foreign trade and foreign exchange business, and cross-functional banking knowledge.

Leadership and managerial development

Leadership programs for managerial cadres and signature development initiatives including RISE, ASPIRE, Budding SM AIB, Elite, and Sopana, aimed at preparing employees for future roles and enhancing managerial capabilities.

Behavioral competency development

Programs focused on result orientation, decision-making, process orientation, CREW, and WIZCOM to strengthen interpersonal and workplace effectiveness skills.

Digital and emerging skills

Training on digital transformation, design thinking, advanced Excel, online cloud security, PMP certification, and technology-enabled banking practices.

Induction and role readiness

Structured onboarding programs for new employees covering the Bank's culture, policies, systems, and operating practices.

Health, Safety and Workplace Well-being Training

The Bank continued to undertake awareness and training interventions to strengthen employee safety, health, and psychological well-being across offices and branches. Training and awareness programs covered:

Cybersecurity and risk management programs

Aimed at strengthening awareness of digital risks and safe workplace practices.

Business continuity planning programs

Designed to improve preparedness and response capabilities.

POSH awareness and sensitization programs

Implemented across employee groups to reinforce workplace dignity, psychological safety, and respectful conduct. Structured ethics and POSH calls were conducted across branches and field locations.

Diversity and inclusion programs

Focused on creating awareness around inclusive behaviors and fostering a respectful workplace environment.

Women-focused Employee Assistance Program (EAP) sessions

Addressing workplace challenges, emotional well-being, work-life balance, and sensitization of managers on supporting women employees.

Health and wellness awareness initiatives

Including expert talks, preventive care programs, health awareness sessions, and wellness interventions aimed at promoting physical and mental well-being.

Through these initiatives, the Bank continues to strengthen a learning ecosystem that not only enhances professional capabilities but also supports employee well-being, safety awareness, and a healthy workplace culture.

Gender	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees										
Male	9,688	5,089	52.53%	9,102	93.95%	9,424	4,153	44.07%	8,957	95.04%
Female	1,649	867	52.58%	1,506	91.33%	1,633	638	39.07%	1,553	95.10%
Total	**11,337**	**5,956**	**52.54%**	**10,608**	**93.57%**	**11,057**	**4,791**	**43.33%**	**10,510**	**95.05%**
Workers*										
Male	Not Applicable									
Female										
Total										

*Note: *As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.*

9. Details of performance and career development reviews of employees and workers:

DCB Bank follows a structured performance management framework aimed at aligning individual goals with business priorities while supporting employee growth and development. The process enables employees to receive regular feedback, understand performance expectations and identify opportunities for capability enhancement and career progression.

The performance review process includes goal setting, periodic discussions and annual evaluations, allowing employees and managers to review progress and development needs. Performance assessments consider both business outcomes and behavioral competencies.

Career development is supported through various initiatives, including:

- Internal Job Postings (IJPs) to encourage career mobility
- Leadership development programs such as RISE, ASPIRE, Elite and Sopana
- Learning and capability-building interventions
- Cross-functional development opportunities

Performance outcomes also support recognition, rewards and progression opportunities across the Bank.

Gender	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Employees[1]						
Male	9,688	7599	78.44%	9,424	7,757	82.31%
Female	1,649	1311	79.50%	1,633	1,401	85.79%
Total	**11,337**	**8910**	**78.59%**	**11,057**	**9,158**	**82.83%**
Workers[2]						
Male	Not Applicable					
Female						
Total						

Note: [1]*All employees joined on or before September 30th of the respective year are considered eligible for performance reviews. Accordingly, annual performance and career development reviews of all eligible employees have been done as per the review cycle which extends into April of the next year.*

Note: [2]*As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.*

10. Health and safety management system

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?

Yes.

While the nature of its operations does not involve high-risk industrial activities, the Bank remains committed to providing employees with a safe and healthy workplace environment and continues to implement measures that support employee health, workplace safety, and overall well-being.

The Bank's occupational health and safety framework covers:

- Offices and branch locations across the Bank's operational network
- Employee wellness initiatives and awareness programs
- Healthcare and insurance support mechanisms
- Preventive health interventions and well-being initiatives
- Workplace safety and ergonomic measures

The Bank's approach focuses on preventive measures, workplace awareness, and employee support mechanisms to create a secure and healthy work environment.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Bank undertakes periodic reviews and assessments to identify potential risks and areas requiring improvement. These include:

- Periodic workplace safety assessments and infrastructure reviews
- Annual electrical audits for branches that are four years old and above
- Fire safety inspections across operational premises
- Review of workplace conditions and employee comfort measures
- Inputs gathered through employee feedback channels, workplace interactions, and internal reviews

Based on observations from these assessments, appropriate preventive and corrective actions are implemented to address identified risks and strengthen workplace safety standards. In addition, the Bank maintains fire and burglary insurance coverage for operational premises and ensures the availability of emergency exits, safety signage, and evacuation arrangements, wherever feasible, to support the safety of employees and customers.

The Bank continues to periodically review workplace practices and adopt measures to proactively minimize operational risks and enhance employee well-being across locations.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Not Applicable

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. DCB Bank provides employees with access to healthcare and wellness support mechanisms aimed at supporting overall employee well-being beyond workplace-related health requirements.

Employee support measures include:

- Group health insurance coverage
- Personal accident insurance
- Employee Assistance Program (EAP)
- Counselling support services
- Preventive healthcare initiatives
- Medical camps and wellness programs

These initiatives are intended to support employees and their families while promoting preventive care and employee well-being.

The Bank undertakes various measures to ensure a safe, secure, and healthy working environment across all operational premises. These measures include quarterly health and safety assessments, preventive maintenance of electrical and fire alarm systems, installation of fire detection and firefighting equipment, emergency evacuation drills and workplace hygiene initiatives across all branches. The Bank further ensures compliance with applicable statutory requirements and internal safety policies as a part of its overall operational governance framework. Regular postmasters are sent to the employees regarding safety and security of the employees and premises.

11. Details of safety related incidents, in the following format:

Sr. no.	Safety Incident/Number	Category[1]	FY 2025-26	FY 2024-25
1.	Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	Nil	Nil
		Workers[2]	Not Applicable	
2.	Total recordable work-related injuries	Employees	Nil	Nil
		Workers[2]	Not Applicable	
3.	No. of fatalities	Employees	Nil	Nil
		Workers[2]	Not Applicable	
4.	High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
		Workers[2]	Not Applicable	

Note: [1]Including in the contract workforce

Note: [2]As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

The Bank recognizes that employee well-being extends beyond physical safety and encompasses preventive healthcare, emotional wellness, and psychological well-being. Accordingly, it continues to implement measures aimed at strengthening workplace safety standards and promoting employee well-being across locations.

Measures undertaken during the year included:

Health and wellness support

- Group health insurance coverage and Group Personal Accident Insurance for employees
- Employee Assistance Program (EAP) and counselling support services
- Preventive healthcare initiatives and periodic medical camps
- Wellness awareness sessions and expert interactions on health and well-being

Workplace safety and preventive measures

- Quarterly health and safety assessments across operational premises
- Preventive maintenance of electrical systems and fire alarm infrastructure
- Installation and upkeep of fire detection and firefighting equipment
- Emergency evacuation drills and workplace safety preparedness measures
- Workplace hygiene initiatives across branches and offices
- Ergonomic awareness initiatives to improve workplace comfort and employee well-being

Awareness and employee engagement initiatives

a) Walkathons, fitness initiatives, and employee wellness campaigns promoting healthy lifestyles

b) POSH awareness programs and workplace dignity initiatives to strengthen psychological safety

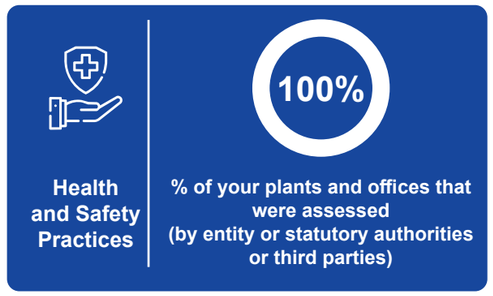
c) Regular safety and security communications shared with employees to reinforce awareness and preparedness

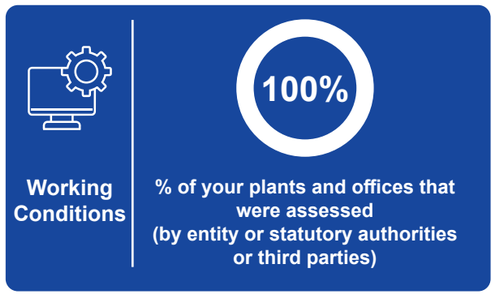
The Bank further ensures compliance with applicable statutory requirements and internal safety policies as part of its overall operational governance framework and periodically reviews workplace practices to enhance employee safety and well-being.

13. Number of Complaints on the following made by employees and workers:

Sr. no.	Particulars	FY 2025-26			FY 2024-25		
		Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
1.	Working Conditions	6	NA	--	9	2	--
2.	Health and safety	0	NA	--	0	NA	--

14. Assessments for the year:





Ensuring the safety of our esteemed employees and customers remains a key priority for the Bank. During FY 2025-26, the Bank operated through an extensive network of 504 locations, comprising the Corporate Office, branches, offices, and contact centre locations. In any such incident the Bank manages the situation effectively through the prompt activation of the Business Continuity Plan (BCP), resulting in uninterrupted operations, zero operational losses, and no injuries or casualties.

The Bank continues to maintain a robust fire safety infrastructure across all locations, including Fire Alarm Systems, Water Sprinkler Systems at large offices, Fire Extinguishers, and other integrated safety mechanisms. Regular inspections, preventive maintenance, and timely replacement of firefighting equipment ensure readiness to respond to emergencies.

The Bank's integrated Electronic Surveillance System provides continuous monitoring through sensors, cameras, access control devices, and automated alerts for fire, smoke, intrusion, and other emergency situations.

Emergency evacuation drills help strengthen employee awareness, preparedness, and response capabilities. These proactive measures reflect the Bank's unwavering commitment to creating a safe and secure workplace and ensuring business resilience across its network.

"Safety is not just a compliance requirement, it's a shared responsibility and an integral part of our organizational culture."

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety.

DCB Bank periodically reviews employee feedback and workplace observations to identify areas requiring corrective action and improvement.

Concerns identified through assessments, employee interactions and workplace feedback channels are reviewed and addressed through relevant functional teams. The Bank follows a preventive approach and undertakes corrective measures wherever required to strengthen workplace conditions and employee experience.

No significant workplace safety risks requiring material corrective interventions were identified during the reporting period.



LEADERSHIP INDICATORS

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Yes/ No) (B) Workers (Yes/ No).**

   a. **Employees:**

   Yes. The Bank provides financial protection measures to support employees and their families during unforeseen circumstances. Employees are covered under Group Term Life Insurance, which provides a lump-sum benefit to the employee's nominated beneficiary in the event of death. In addition, the Group Personal Accident Insurance Policy provides 24-hour coverage and offers financial compensation in case of accidental injury, death, or permanent total disability.

   Further, through its Benevolent Policy, employees may voluntarily contribute one day's basic pay to create a support fund for the nominee of a deceased employee, providing additional financial assistance to families during challenging times.

   b. **Workers:**

   Not Applicable

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   Not Applicable

3. **Provide the number of employees/ workers having suffered high consequence work-related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Sr. no.	Particular	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family	
		FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
1.	Employees	Nil	Nil	Nil	Nil
2.	Workers*	Not Applicable	Not Applicable	Not Applicable	Not Applicable

**As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.*

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   No. While the Bank does not currently have a formal transition assistance program to facilitate retirement or employment separation, it undertakes initiatives to support employee awareness and long-term preparedness. The Bank periodically conducts educational sessions on post-retirement planning topics, including legal awareness sessions on Will preparation and guidance on financial planning through awareness sessions on schemes such as the National Pension System (NPS).

5. **Details on assessment of value chain partners:**

Sr. no.	Particulars	% of value chain partners (by value of business done with such partners) that were assessed
1.	Health and safety practices	Nil
2.	Working Conditions	Not Applicable

6. **Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Not Applicable

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Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders

DCB Bank recognizes that sustainable value creation depends on maintaining strong and meaningful relationships with stakeholders. The Bank engages with customers, employees, investors, communities, regulators and business partners through formal and informal channels to understand expectations and address emerging priorities.

Stakeholder feedback helps guide strategic decisions, product development, service enhancements and sustainability priorities. The Bank continues to strengthen engagement practices through surveys, interactions and grievance redressal channels.

Through proactive dialogue and responsiveness, DCB Bank aims to strengthen trust and long-term stakeholder relationships.

Impact on Capitals

- Social and Relationship Capital
- Financial Capital
- Human Capital

Stakeholders

- Customers
- Investors
- Employees
- Communities
- Regulators

Key Highlights

- 5 key stakeholder groups identified
- 19.76% reduction in customer complaints
- 16,000+ micro-marketing activities and engagement programs

SDGs Impacted



ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

The Bank follows a structured and comprehensive approach to stakeholder identification and engagement to ensure effective stakeholder management and long-term value creation. Stakeholders are systematically identified and assessed based on their relevance, influence, and impact on the Bank's strategic objectives and operations. This process enables the Bank to understand evolving expectations and foster sustainable, transparent, and mutually beneficial relationships.

Key elements of the Bank's stakeholder identification approach include:

- **Stakeholder categorization:** Stakeholders are grouped into key categories such as customers, investors, employees, regulators, communities, and other relevant stakeholders
- **Assessment of influence and engagement:** Each stakeholder group is evaluated based on its level of engagement, significance, and influence on the Bank's operations and strategic priorities
- **Periodic review process:** Regular assessments are undertaken to identify emerging stakeholders and evolving stakeholder expectations as the Bank's business and operating environment changes
- **Responsive stakeholder management:** Insights gathered through this process support effective engagement strategies and enable the Bank to address stakeholder concerns in a timely and meaningful manner

Through this approach, the Bank aims to strengthen stakeholder trust and build enduring relationships that support sustainable business growth.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Postmaster Emails, Notice Boards, Website, Employee Survey Feedback, Employee Newsletter (High Decibel), Annual Performance Review, Meetings, Trainings, Employee Resource Groups (YOUnity on WhatsApp)	Ongoing	Improvement in Working Condition, Enhancing Employee Performance, Employee Satisfaction, Community Groups, Listening Channels
Customers	Yes – Customers in the segment of customers like JLG & SHG	Customer Meetings, Customer Feedback, Website, Mobile Apps	Ongoing	Customer Satisfaction, Creating Customer Awareness, Financial Literacy, Cybersecurity Awareness
Investors and Shareholders	No	Annual General Meeting, Investor meets, Investor Grievance redressal mechanism	Ongoing	Business Strategy and Performance
Government and regulatory authorities	No	Compliance Reports	Ongoing	Compliance with the Law of the Land
NGOs and local community	Yes	Corporate Social Responsibility engagements, Meeting with community representative	Ongoing	Welfare of the Community



Building Connections through the 'Neighborhood Bank' Philosophy

The Bank believes meaningful stakeholder engagement is central to strengthening relationships and creating long-term value. Guided by its 'Neighborhood Bank' philosophy, the Bank adopts a customer-centric approach to engage with customers, communities, investors, employees, business partners, and the broader ecosystem through both physical and digital channels.

- **Hyperlocal Engagement: Strengthening Community Connect**

  The Bank continued to deepen its neighborhood presence through branch-led and community-focused initiatives. During the year, over 16,000 micro-marketing and engagement activities were conducted across branch locations, including health camps, customer meets, branch anniversaries, loan melas, festive celebrations, and awareness programs. Signature initiatives such as Ek Mulaqat Aur Kuch Baatein and customer forums created opportunities for direct engagement between leadership and customers, enabling meaningful dialogue and feedback.

- **Digital-First Engagement for a New Generation**

  To connect with digitally native audiences, the Bank strengthened its presence through social media, location-based campaigns, WhatsApp communications, influencer collaborations, and regional content strategies. Enhanced website content and digital storytelling initiatives improved discoverability and customer engagement, while also supporting stronger brand visibility across key markets.

  - **Global Fintech Fest: Expanding Ecosystem Engagement**

    The Bank's participation at the Global Fintech Fest (GFF) marked a significant milestone in strengthening its engagement with customers, fintech partners, industry participants, and the broader financial ecosystem. Through showcasing technology-driven banking solutions and launching digital offerings, the event provided a platform to build visibility, foster partnerships, and reinforce the Bank's positioning as a forward-looking and innovation-led institution.

  - **DCB Tech Pulse: Showcasing Innovation and Collaboration**

    Through DCB Tech Pulse, the Bank created an internal platform that brought together teams across technology, analytics, and business functions. The event showcased innovations and digital capabilities that support improved customer experience and operational excellence. It also reinforced stakeholder confidence by demonstrating the Bank's commitment to technology-driven transformation and customer-centric innovation.

- **Listening, Learning and Responding**

  Stakeholder feedback remains integral to the Bank's approach. Customer perception studies, investor and analyst meetings, engagement forums, and direct leadership interactions provide valuable insights into stakeholder expectations. These interactions help the Bank continuously refine products, services, and engagement strategies while fostering transparency, trust, and long-term relationships.

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Bank engages with stakeholders on a range of economic, environmental, and social matters through various formal and informal consultation mechanisms. Feedback and insights received through these interactions are communicated to Senior Management for review and consideration. Key stakeholder concerns, material issues, and emerging trends are subsequently escalated to the Board and relevant Board-level Committees for discussion, deliberation, and strategic guidance. This process enables the Bank to incorporate stakeholder perspectives into decision-making and strengthen its overall governance framework.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes. The Bank remains committed to actively engaging with both internal and external stakeholders, including employees, customers, suppliers, business partners, and communities. Through regular interactions and feedback mechanisms, the Bank seeks to understand stakeholder expectations and integrate relevant insights into its business practices. These engagements support the identification and management of environmental and social priorities and contribute to the Bank's ongoing efforts towards sustainable and inclusive growth. Inputs received from stakeholders are also helping shape the Bank's evolving ESG journey, including the development of a comprehensive ESG roadmap.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Bank actively undertakes initiatives aimed at supporting vulnerable and underserved communities through its CSR programs and financial inclusion initiatives. Its interventions focus on promoting equitable access to opportunities and contributing to sustainable socio-economic development. Through initiatives in areas such as livelihood enhancement, education, skill development, women empowerment, and community welfare, the Bank seeks to create meaningful and inclusive impact for disadvantaged sections of society.

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Principle 5

Businesses should respect and promote human rights

DCB Bank recognizes that respect for human rights is fundamental to maintaining an ethical, inclusive and responsible workplace. The Bank is committed to conducting its operations in a manner that upholds dignity, fairness and equal opportunity while fostering a culture of mutual respect and accountability.

Human rights principles are embedded across the Bank's Human Resource practices, Code of Conduct and workplace policies. These principles guide interactions across the employee lifecycle and support the Bank's commitment to creating a safe and respectful environment for employees and stakeholders. The Bank seeks to promote a workplace culture where individuals feel empowered to raise concerns without fear of discrimination or retaliation.

Impact on Capitals

- Human Capital
- Social & Relationship Capital

Stakeholders

- Employees
- Customers
- Communities
- Suppliers

Key Highlights

- 100% employees covered under anti-harassment and equal opportunity policies
- Zero incidents of child labor and forced labor reported

SDGs Impacted

4 QUALITY EDUCATION · 5 GENDER EQUALITY · 8 DECENT WORK AND ECONOMIC GROWTH · 10 REDUCED INEQUALITIES · 16 PEACE, JUSTICE AND STRONG INSTITUTIONS · 17 PARTNERSHIPS FOR THE GOALS

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Accordingly, the Bank conducts periodic awareness initiatives and employee programs covering topics related to workplace ethics, equal opportunity, respectful conduct and prevention of discrimination and harassment. These initiatives are intended to strengthen understanding of employee rights and reinforce behavioral expectations across the Bank.

The Bank also conducts structured awareness programs on the Prevention of Sexual Harassment ("POSH") framework and workplace conduct requirements across employee groups. These initiatives are complemented by grievance mechanisms, dedicated reporting channels and Internal Committee processes that support confidential reporting and fair resolution of concerns.

Through continued awareness efforts and employee sensitization initiatives, DCB Bank seeks to strengthen a culture of inclusion, accountability and respect across the Bank.

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (C/D)
Employees						
Permanent	11,337	10,583	93.35%	11,012	10,510	95.44%
Other than permanent	114	25	21.93%	45	45	100.00%
Total employees	**11,451**	**10,608**	**92.64%**	**11,057**	**10,555**	**95.46%**
Workers*						
Permanent	Not Applicable					
Other than permanent						
Total workers						

**As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.*

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent employees										
Male	9,688	80	0.83%	9,609	99.18%	9,385	12	0.13%	9,372	99.86%
Female	1,649	57	3.46%	1,591	96.48%	1,627	07	0.43%	1,621	99.63%
Total	**11,337**	**137**	**1.21%**	**11,200**	**98.79%**	**11,012**	**19**	**0.17%**	**10,993**	**99.83%**
Other than permanent employees[1]										
Male	72	--	0.00%	33	45.83%	39	--	--	39	100.00%
Female	42	--	0.00%	4	09.52%	06	--	--	06	100.00%
Total	**114**	**--**	**0.00%**	**37**	**32.46%**	**45**	**--**	**--**	**45**	**100.00%**
Permanent workers[2]										
Male	Not Applicable									
Female										
Total										
Other than permanent workers[2]										
Male	Not Applicable									
Female										
Total										

Note: 1 Interns are excluded from this disclosure as they receive a stipend and are therefore not included in the minimum wage categories.

Note: 2 As a banking company operating in the service sector, DCB Bank does not engage any "workers" as defined under the BRSR framework. All personnel are classified as employees.

3. Details of remuneration/ salary/ wages

a. Median remuneration/ wages

Sr. no.	Category	Male		Female	
		Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
1.	Board of Directors	12	20,40,000.00	2	15,15,000.00
2.	Key Managerial Personnel	3	1,53,10,400.00	1	63,61,300.00
3.	Employees other than the Board of Directors and Key Managerial Personnel	9,718	5,18,500.00	1,652	5,00,000.00
4.	Workers	Not Applicable			

Note: Median remuneration for the Board of Directors has been calculated based on remuneration paid during the financial year and includes Directors who joined or ceased to hold office during the year. Accordingly, remuneration has been considered only for the period of their association with the Bank during the reporting period.

b. Gross wages paid to females as a % of total wages paid by the entity, in the following format:

Sr. no.	Particulars	FY 2025-26	FY 2024-25
1.	Gross wages paid to females as a % of total wages	13.70%	13.99%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The Bank has established a comprehensive framework of policies and mechanisms to enable employees and stakeholders to raise concerns in a fair, transparent, and structured manner. The overarching Code of Conduct outlines the standards of ethical behavior and expected conduct for employees across the Bank.

In addition, through its Whistleblower Policy, the Bank encourages employees to report genuine concerns relating to ethical values, integrity, legal and regulatory compliance, or violations of the Bank's Code of Conduct without fear of retaliation, discrimination, harassment, or victimization. The policy clearly defines the investigation process, roles and responsibilities of investigating officers, and the composition of the review committee to ensure impartial handling of concerns.

The Bank also has a Grievance Redressal Policy aimed at promoting a positive and harmonious work environment by providing employees with a structured mechanism to address workplace grievances. The policy outlines the scope of grievances covered and establishes a fair and transparent process for their timely resolution.

Further, the Policy on Disciplinary Action provides a structured framework for addressing instances of misconduct or fraud. The policy enables employees and stakeholders to understand the disciplinary process and outlines the roles, responsibilities, and authority of the Disciplinary Action Committee, which reviews such matters and oversees the investigation and resolution process.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

DCB Bank has established mechanisms that enable employees to report workplace concerns through secure and structured channels. The Bank seeks to create an environment where concerns can be raised and addressed in a fair, timely and confidential manner.

Available mechanisms include:

- Grievance redressal channels
- Whistleblower mechanism
- HR Business Partner interactions
- Dedicated reporting channels
- Employee feedback mechanisms

The Bank reviews concerns through defined processes and undertakes appropriate action wherever required.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	7	Nil	Nil	14	2	2 complaints received in the end of February 2025
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labor	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labor/ Involuntary Labor	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

DCB Bank has implemented a gender-neutral Prevention of Sexual Harassment ("POSH") framework supported through dedicated reporting channels and Internal Committee processes.

POSH awareness programs are conducted periodically to strengthen understanding of expected workplace conduct and reinforce awareness around reporting mechanisms. The Bank also maintains confidentiality and fair process principles while addressing concerns raised under the framework.

Sr. no.	Particulars	FY 2025-26	FY 2024-25
1.	Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH")	7	14
2.	Complaints on POSH as a % of female employees/ workers	0.43%	0.84%
3.	Complaints on POSH upheld	5	10

Note: *The percentage of POSH complaints as a proportion of female employees/workers has been calculated based on the average number of female employees/workers as on April 1, 2025 and March 31, 2026.*

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Bank has established a robust framework to protect individuals raising concerns and ensure a safe, fair, and confidential reporting environment. The Code of Conduct, serving as the overarching policy framework, incorporates anti-retaliation provisions to safeguard complainants and individuals participating in investigation processes from any form of direct or indirect discrimination, victimization, or adverse treatment.

Additional safeguards relating to confidentiality and protection are embedded across key policies including the Whistleblower Policy, POSH Policy, and Disciplinary Action Policy, reinforcing the Bank's commitment to protecting the identity and interests of complainants and all parties involved in inquiry processes. Dedicated reporting channels, including confidential email mechanisms under the Whistleblower and POSH frameworks, enable employees to raise concerns securely through restricted and controlled communication channels.

Further, the Bank regularly conducts awareness and sensitization initiatives through audio bridges, branch visits, and interactions led by senior leadership and HR teams to strengthen employee understanding of these mechanisms and foster a culture of openness, trust, and ethical conduct.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No

10. Assessments for the year:

Sr. no.	Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
1.	Child Labor	Nil
2.	Forced Labor/ Involuntary Labor	Nil
3.	Sexual Harassment	Nil
4.	Discrimination at workplace	Nil
5.	Wages	Nil
6.	Others	Nil

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

During the reporting period, no material modifications or new business processes were introduced as a result of addressing human rights-related grievances or complaints. The Bank continues to maintain established mechanisms and policies to address concerns in a fair and timely manner.

2. Details of the scope and coverage of any Human rights due diligence conducted.

The Bank has not undertaken a formal human rights due diligence assessment during the reporting period. However, it follows a zero-tolerance approach towards human rights violations and remains committed to upholding human rights principles across its operations. The Bank adheres to applicable laws, regulatory requirements, and government guidelines through a comprehensive framework of policies, standards, and internal controls designed to promote ethical conduct and responsible business practices.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. The Bank endeavors to ensure that its offices and operational premises are accessible to differently abled persons in accordance with applicable provisions of the Rights of Persons with Disabilities Act, 2016. Accessibility measures, wherever feasible, include ramps, elevators, accessible entry and exit points, designated facilities, and other infrastructure arrangements to facilitate convenient and safe access for differently abled visitors and employees. The Bank continues to review and strengthen accessibility measures as part of its commitment towards inclusion and equitable access.

4. Details on assessment of value chain partners:

Sr. no.	Particulars	% of value chain partners (by value of business done with such partners) that were assessed
1.	Child Labor	Currently, the Bank does not assess partners on these specific criteria
2.	Forced Labor/ Involuntary Labor	
3.	Sexual Harassment	
4.	Discrimination at workplace	
5.	Wages	
6.	Others	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable



A — B — Section C

1 — 2 — 3 — 4 — 5 — 6 — 7 — 8 — 9

Principle 6

Businesses should respect and make efforts to protect and restore the environment

DCB Bank recognizes environmental stewardship as an important element of responsible business conduct. While the Bank's direct environmental footprint is largely associated with branch operations, office infrastructure and employee activities, it continues to adopt measures that support responsible resource consumption and operational efficiency.

The Bank's approach focuses on improving energy efficiency, promoting responsible waste management practices, reducing emissions and strengthening awareness around environmental responsibility. Through technology-enabled interventions and infrastructure initiatives, DCB Bank seeks to progressively reduce environmental impacts while integrating sustainability considerations into operational practices.

Environmental priorities identified through the Bank's materiality assessment which include Waste and Water Management, Climate Change and Energy & GHG Management, which continue to guide environmental initiatives and long-term sustainability planning.

Green Infrastructure and Sustainable Facilities

DCB Bank continues to incorporate sustainability considerations into infrastructure planning and workplace design. During the year, the Bank strengthened efforts to improve environmental performance through green building initiatives.

A key milestone in this journey was the LEED certification of the Andheri office facility, reflecting the incorporation of resource-efficient practices and sustainable design considerations. The certification recognizes efforts around energy efficiency, water conservation and environmentally responsible infrastructure management.

Impact on Capitals

- Natural Capital
- Financial Capital
- Intellectual Capital
- Social and Relationship Capital

Stakeholders

- Customers
- Employees
- Regulators
- Investors and Shareholders
- Communities

Key Highlights

- 35.41% reduction in total energy consumption
- 30.17% Scope 1 + Scope 2 emission intensity reduction year-on-year

SDGs Impacted



ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

To enhance energy efficiency and drive responsible resource consumption across its operations, the Bank continued implementing targeted measures focused on optimizing energy use and improving operational efficiency. Key initiatives undertaken include:

- Deployment of sensor-based lighting systems across branches and office premises
- Corporate office AC operations scheduled between 9:30 a.m. and 7:00 p.m., after which systems automatically switch off
- Pilot implementation of Cooling Management Systems at selected branches to optimize cooling efficiency
- Installation of rooftop solar systems at select locations to encourage renewable energy use

Parameter	FY 2025-26	FY 2024-25
From renewable sources (in Gigajoule (GJ))		
Total electricity consumption (A)	215.73 GJ	283.07 GJ
Total fuel consumption (B)	--	--
Energy consumption through other sources (C)	--	--
Total energy consumed from renewable sources (A + B + C)	**215.73 GJ**	**283.07 GJ**
From non-renewable sources (in Gigajoule (GJ))		
Total electricity consumption (D)	40,848.78 GJ	63,296.83 GJ
Total fuel consumption (E)	48.19 GJ	--
Energy consumption through other sources (F)	--	--
Total energy consumed from non-renewable sources **(D + E + F)**	40,896.9 GJ	63,296.83 GJ
Total energy consumed (A + B + C + D + E + F)	**41,112.70 GJ**	**63,579.90 GJ**
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations) (GJ per ₹ in Crores)	4.98	8.80
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (GJ per USD in Crores)	101.24	181.91
Energy intensity in terms of physical output (Total energy consumed / Permanent Employee) (GJ per Employee)	3.63	5.77
Energy intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable

Note: Emission intensity metrics were derived based on revenue from operations and adjusted for Purchasing Power Parity (PPP) using IMF reference data for reporting purposes

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/ No) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/ No)

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Water conservation efforts at DCB Bank are guided by a focus on efficiency and responsible consumption. While water use is primarily associated with office and branch operations, the Bank continues to introduce infrastructure interventions that help reduce avoidable consumption and improve resource management.

To strengthen water efficiency across facilities, the Bank has adopted sensor-enabled systems and water-saving technologies that support optimized usage and reduce wastage.

Initiatives undertaken include:

- Installation of sensor-based taps and regulated water fixtures to optimize water usage
- Deployment of sensor-operated pipeline systems to improve water flow management
- Installation of waterless urinals at select locations to reduce potable water consumption
- Use of water-efficient flushing systems across facilities and new branches

Rainwater Harvesting

Further strengthening its approach to water stewardship, the Bank also participates in Rainwater Harvesting ("RWH") system at Peninsula Business Park, one of its operational facilities, as part of its broader focus on responsible water management. The system has been designed to capture and channel rainwater runoff through suitable filtration and recharge mechanisms, enabling groundwater replenishment and reducing reliance on conventional water sources. The initiative supports conservation of water resources, reduction in stormwater runoff and enhancement of long-term water security.

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kiloliters)		
(i) Surface water		--
(ii) Ground water		--
(iii) Third party water	1,54,588.50 KL	1,39,307.00 KL
(iv) Seawater/ desalinated water		--
(v) Others		--
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	1,54,588.50 KL	1,39,307.00 KL
Total volume of water consumption (in kiloliters)	1,54,588.50 KL	1,39,307.00 KL
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (KL per ₹ in Crores)	18.72	19.29
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (KL per USD in Crores)	380.69	398.56
Water intensity in terms of physical output (Total water consumption / Permanent Employee) (KL per Employee)	13.63	12.65
Water intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable

Note: Water consumption figures have been estimated based on an assumption-led methodology considering an average consumption of 45 litres per person per day, in line with the guidelines of the Central Ground Water Authority (CGWA). As water was sourced entirely through third-party procurement, total water withdrawal and consumption have been considered equivalent for reporting purposes. Water intensity metrics were derived based on revenue from operations and adjusted for Purchasing Power Parity (PPP) using IMF reference data for reporting purposes.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/ No) If yes, name of the external agency.

No

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	Wastewater discharge quantity is not being tracked. All the water discharge is managed by the property owners, where offices are based. Owing to the nature of the Bank's business, it do not have any industrial effluent.	
No treatment		
With treatment – please specify level of treatment		
(ii) To Groundwater		
No treatment		
With treatment – please specify level of treatment		
(iii) To Seawater		
No treatment		
With treatment – please specify level of treatment		
(iv) Sent to third parties		
No treatment		
With treatment – please specify level of treatment		
(v) Others		
No treatment		
With treatment – please specify level of treatment		
Total water discharged (in kiloliters)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/ No) If yes, name of the external agency.

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

At present, the Bank has not implemented a dedicated Zero Liquid Discharge (ZLD) mechanism.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Currently, stack emission testing is not undertaken at DCB Bank, as the majority of diesel generators (DGs) utilized by the Bank are rented through third-party service providers or operate as part of common facilities managed by building owners/landlords.

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	--	--	--
SOx	--	--	--
Particulate matter (PM)	--	--	--
Persistent organic pollutants (POP)	--	--	--
Volatile organic compounds (VOC)	--	--	--
Hazardous air pollutants (HAP)	--	--	--
Others	--	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/ No) If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tons of CO_2 equivalent (MTCO2e)	2,245.21	140.71
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tons of CO_2 equivalent (MTCO2e)	8,056.29	12,782.44
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations) (MTCO2e per ₹ in Crores)	Metric tons of CO_2 equivalent (MTCO2e)/ ₹ in Crores	1.25	1.79
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) ($MTCO_2e$ per USD in Crores)	Metric tons of CO_2 equivalent (MTCO2e)/ USD in Crores	25.37	36.97
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tons of CO_2 equivalent (MTCO2e)/ Permanent Employee	0.91	1.17
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	--	Not Applicable	Not Applicable

Note: GHG emissions were calculated in line with the GHG Protocol Corporate Accounting and Reporting Standard, using emission factors from DEFRA and IPCC guidelines, wherever applicable. Emission intensity metrics were derived based on revenue from operations and adjusted for Purchasing Power Parity (PPP) using IMF reference data for reporting purposes.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/ No) If yes, name of the external agency.

No

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, the Bank has undertaken several initiatives aimed at reducing greenhouse gas (GHG) emissions and improving environmental performance across its operations. Key initiatives include:

- **Use of recycled materials:** The Bank promotes the use of products manufactured from recycled content wherever feasible. Examples include stationery paper sourced from recycled materials and modular ceiling tiles made from recycled waste
- **Environment-friendly cooling systems:** The Bank uses air-conditioning systems with green refrigerants to minimize ozone depletion and reduce environmental impact
- **Renewable energy adoption:** The Bank has initiated the installation of rooftop solar panels at branches and offices, wherever feasible and where ownership rights for rooftop spaces are available
- **Water conservation initiatives:** Waterless urinals have been installed at larger offices to reduce water consumption through elimination of flushing requirements
- **Energy-efficient infrastructure:** The Bank deploys energy-efficient equipment and systems such as inverter and VRF-based air-conditioning systems, LED signages and lighting solutions, and energy-efficient UPS systems to reduce overall power consumption
- **Smart energy management practices:** Measures such as master power switches and occupancy-based sensors are implemented to minimize unnecessary energy usage during non-working hours and reduce energy wastage arising from human oversight
- **Use of green-certified products:** The Bank encourages the use of green-certified plumbing and sanitary products designed to improve resource efficiency and lower water consumption
- **Digitalization initiatives:** During the year, the Bank continued the digitalization of multiple operational processes and activities, significantly reducing paper usage and supporting resource conservation efforts

These initiatives reflect the Bank's ongoing efforts towards improving operational efficiency and reducing its environmental footprint.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tons)		
Plastic waste (A)	--	--
E-waste (B)	21.93	0.1
Bio-medical waste (C)	--	--
Construction and demolition waste (D)	--	--
Battery waste (E)	58.84	35.94
Radioactive waste (F)	--	--
Other Hazardous waste (G)	--	--
Other Non-hazardous waste generated (H)	73.81	76.71
Total (A + B + C + D + E + F + G + H)	**154.58**	**112.75**
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations) (Waste intensity per ₹ in Crores)	0.01872	0.01561
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/ Revenue from operations adjusted for PPP) (Waste intensity per USD in Crores)	0.38067	0.31353
Waste intensity in terms of physical output (Total waste generated/ Permanent Employee) (Waste intensity per Permanent Employee)	0.014	0.016
Waste intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste:		
(i) Recycled	21.93	35.94
(ii) Re-used	--	--
(iii) Other recovery operations	--	--
Total	21.93	35.94
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste:		
(i) Incineration	--	--
(ii) Landfilling	--	--
(iii) Other disposal operations	--	--
Total	**--**	**--**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/ No) If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Bank to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Bank continues to strengthen its waste management systems through responsible waste handling, improved segregation practices and environmentally sound disposal mechanisms. Waste management efforts focus on minimizing environmental impact, enhancing recovery of recyclable materials and ensuring safe disposal of electronic waste through authorized recyclers.

Key initiatives include:

- Implementation of waste segregation practices at selected locations to improve waste handling and recycling efficiency
- Pilot waste segregation initiatives across branches in Madhya Pradesh
- Awareness-building programs to encourage responsible waste disposal practices among employees
- Secure collection and disposal of electronic waste through authorized recycling partners

As a service-sector entity, the Bank has limited generation of hazardous and toxic waste in its operations. Nevertheless, it adopts preventive measures to reduce environmental impacts associated with operational activities. The Bank has transitioned to eco-friendly housekeeping and sanitation products across branches and offices, replacing conventional detergent-, acid- and bleach-based cleaning products. This helps reduce the environmental impact of wastewater discharge and minimizes potential risks to sewer systems and the surrounding environment.

Employee E-Waste Disposal Initiative

Recognizing the growing importance of electronic waste management, the Bank partnered with ReGreen Recycling Private Limited to launch an Employee E-waste Disposal Initiative. The program facilitates the safe collection and recycling of electronic waste while promoting responsible disposal behavior among employees.

The initiative enables employees to dispose of both official and personal electronic waste, including:

- Mobile phones and chargers
- Laptops and accessories
- Batteries
- Small electronic devices and household e-waste

By extending the program beyond office-generated waste, the Bank seeks to enhance employee awareness and encourage responsible e-waste management practices both within and outside the workplace. The initiative supports environmentally sound recycling practices and contributes to reducing the risks associated with improper disposal of electronic waste.

11. If the entity has operations/ offices in/ around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, please specify details in the following format:

DCB Bank does not have offices in ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Bank is compliant with all applicable environmental laws / regulations / guidelines in India.

LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

The Bank currently does not track this metric as its operations are not water-intensive in nature. Water consumption across the Bank's offices and branches is largely associated with domestic and employee usage, primarily for human consumption purposes, resulting in limited operational dependence on water-intensive processes.

2. Please provide details of total Scope 3 emissions and its intensity, in the following format:

Sr. no.	Parameter	Unit	FY 2025-26	FY 2024-25
1.	**Total Scope 3 emissions** (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tons of CO_2 equivalent	13,080.85*	10,744.18*
2.	**Total Scope 3 emissions per rupee of turnover** ($MTCO_2e$ per ₹ in Crores)	Metric tons of CO_2 equivalent	1.58	1.48
3.	**Total Scope 3 emission intensity (optional)** – the relevant metric may be selected by the entity	--		--

**The data provided for scope 3 emissions included Employee Commute and Business Travel. The employee commute has been calculated from a sample size of 22.68% data for FY 2024-25 and 76.01% data for FY 2025-26 and has been further calculated for the total strength of the employees.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/ No) If yes, name of the external agency.

No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

The Bank has undertaken several initiatives to enhance resource efficiency and minimize environmental impacts arising from its operations. These efforts focus on optimizing energy consumption, reducing waste generation, and promoting sustainable practices across the Bank. Key initiatives include the adoption of LED lighting systems and optimization of air-conditioning operations through measures such as maintaining temperature settings between 24-26°C, periodic cleaning of filters, and sealing insulation gaps to minimize energy losses and improve efficiency.

The Bank has also accelerated the digitalization of processes and workflows to reduce paper consumption and encourage efficient use of resources. In addition, virtual meeting platforms and digital collaboration tools are promoted to reduce travel-related emissions and support more sustainable business practices.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Bank has established a Business Continuity Plan (BCP) and Disaster Recovery (DR) framework to ensure operational resilience and continuity of critical business functions during unforeseen disruptions or emergency situations. The framework is designed to minimize operational impact and enable timely recovery of key processes and systems. Further, all critical customer service applications and systems undergo periodic testing and validation to assess their robustness, resilience, and effectiveness, ensuring preparedness and continuity of services under adverse conditions.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Currently, the Bank does not assess partners on these specific criteria.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Currently, the Bank does not assess partners on these specific criteria.

8. How many Green Credits have been generated or procured:

a)	**By the listed entity:**	Nil
b)	**By the top ten (in terms of value of purchases and sales, respectively) value chain partners:**	Nil

A — B — Section C

Principle 7

1 — 2 — 3 — 4 — 5 — 6 — 7 — 8 — 9

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

As a regulated banking institution, DCB Bank engages with industry associations and regulatory bodies in a responsible and transparent manner. Such engagements enable the Bank to contribute to discussions around sector development and evolving regulatory frameworks.

The Bank's interactions are guided by principles of transparency, ethical conduct and compliance. Participation in industry forums supports knowledge sharing and alignment with broader sector priorities.

DCB Bank remains committed to ensuring that all engagements uphold institutional values and regulatory expectations.

Impact on Capitals

- Intellectual Capital
- Social and Relationship Capital
- Financial Capital

Stakeholders

- Regulators
- Industry Associations
- Investors

Key Highlights

- 3 industry associations and memberships maintained
- 100% public policy engagements aligned with regulatory requirements
- Zero incidents of non-compliance in public policy engagement activities

SDGs Impacted



ESSENTIAL INDICATORS

1. a) **Number of affiliations with trade and industry chambers/ associations:**

   03 (Three)

   b) **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:**

Sr. no.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1.	Indian Banks' Association	National
2.	Bombay Chamber of Commerce & Industry	State
3.	Foreign Exchange Dealers Association of India	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

   Not Applicable

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity:**

   The Bank does not directly advocate for or against specific public policies. However, through its active participation in trade and industry associations, the Bank remains informed about emerging industry developments, regulatory changes, and sectoral trends. Such engagements also provide opportunities to contribute to broader industry discussions and promote collaboration within the business ecosystem while supporting informed decision-making and knowledge sharing.



A — B — **Section C**

1 — 2 — 3 — 4 — 5 — 6 — 7 — **8** — 9

Principle 8

Businesses should promote inclusive growth and equitable development

Access to financial services can play an important role in promoting inclusive growth and strengthening communities. Keeping this in mind, the Bank supports financial inclusion through products and services aimed at underserved and emerging customer segments.

Community investments through CSR initiatives, rural outreach programs and livelihood interventions further contribute toward social development outcomes. The Bank continues to focus on expanding access while addressing local development priorities.

By strengthening financial accessibility and community engagement, DCB Bank seeks to contribute to equitable and inclusive progress.

Connecting Communities. Creating Shared Futures.

DCB Bank believes that building a sustainable future requires meaningful partnerships with communities. Guided by the belief of giving back to society, the Bank's Corporate Social Responsibility initiatives focus on creating long-term social and environmental value through collaborative and community-driven interventions.

Our approach extends beyond financial contributions. We work with communities, implementation partners and DCBians to create solutions that are locally relevant, environmentally responsible and capable of sustaining impact over time. By integrating environmental restoration with livelihood creation and community ownership, we seek to build resilient ecosystems and stronger communities.

CSR Philosophy

The Bank's CSR philosophy is anchored in creating sustainable and inclusive impact. The Bank believes meaningful progress can be achieved when communities become active participants in change rather than recipients of support.

Projects are designed around long-term outcomes and built upon three principles:

Community-led

Creating local ownership and enabling communities to participate in planning, implementation and stewardship.

Environment-focused

Strengthening climate resilience through restoration of ecosystems and conservation of natural resources.

Impact-driven

Creating measurable social outcomes through structured implementation and partnerships.

Impact on Capitals

- Social and Relationship Capital
- Human Capital
- Financial Capital

Stakeholders

- Communities
- Customers
- Government Institutions NGOs

Key Highlights

- ₹ 14.74 Crores CSR expenditure during FY 2025-26
- 11.69% CSR expenditure toward aspirational districts
- 2,15,500 beneficiaries reached through CSR programs
- 55.05% input material sourced from MSMEs/small producers

SDGs Impacted





ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

   No projects have been undertaken which require Social Impact Assessments (SIA).

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

   No projects have been undertaken which require Rehabilitation and Resettlement (R&R).

3. **Describe the mechanisms to receive and redress grievances of the community.**

   DCB Bank recognizes the importance of timely, transparent and accessible grievance resolution as an integral part of its community engagement approach. Feedback and concerns from beneficiaries and local stakeholders are addressed through structured project-level engagement mechanisms facilitated by implementation partners.

   The Bank adopts a community-centric grievance redressal framework to ensure accountability and timely resolution of concerns across its CSR initiatives. Key mechanisms include:

Community meetings and consultations

Regular village meetings, stakeholder consultations and community interactions are conducted to encourage beneficiaries to share feedback, concerns and suggestions directly with implementation teams.

Village-level committees and community institutions

Platforms such as Village Development Committees (VDCs), Water User Associations (WUAs), Self-Help Groups (SHGs), Mangrove Management Committees and Water Management Committees serve as initial channels for grievance reporting and community coordination.

Project coordinators and field teams

Dedicated field staff maintain ongoing engagement with communities and support the documentation, escalation and resolution of grievances in coordination with implementation partners and relevant authorities.

Feedback channels

Suggestion boxes, grievance registers and project-level feedback mechanisms are maintained at community centers or partner locations to facilitate confidential reporting, wherever required.

Escalation and resolution processes

Grievances received are recorded, reviewed and categorized based on their nature and urgency. Issues requiring additional intervention are escalated to implementation partner leadership and the CSR team for timely action and closure.

Monitoring and review

Field visits, progress reviews and impact assessments are undertaken to monitor recurring concerns and support continuous improvement in project implementation.

Inclusive access

Efforts are made to ensure that women, vulnerable groups and marginalized communities have equitable access to grievance mechanisms through local-language communication and participatory engagement approaches.

Awareness and transparency

Beneficiaries are informed of grievance channels and reporting processes during trainings and awareness programs to improve accessibility and build trust.

The implementation and effectiveness of project interventions are periodically reviewed under the oversight of the CSR and ESG Committee to strengthen accountability and stakeholder responsiveness.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

   The Bank follows a procurement approach focused on quality, competitiveness and responsible sourcing practices. Wherever feasible, preference is given to local sourcing and engagement with competitive suppliers and Original Equipment Manufacturers (OEMs) to support efficient procurement and service delivery. The Bank also provides necessary guidance and hands-on support to suppliers and partners, where required, to ensure quality standards and operational alignment are maintained.

Sr. no.	Particulars	FY 2025-26	FY 2024-25
1.	Directly sourced from MSMEs/ small producers	55.05%	53.76%
2.	Directly from within India	100%	100%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Sr. no.	Location	FY 2025-26	FY 2024-25
1.	Rural	07.27%	07.27%
2.	Semi-urban	08.47%	08.69%
3.	Urban	21.13%	19.75%
4.	Metropolitan	61.13%	64.29%

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sr. no.	State	Aspirational District	Amount spent (in ₹)
1	Chhattisgarh	Bastar	₹ 59,80,000.00
4	Karnataka	Raichur and Koppal	₹ 57,49,800.00
3	Madhya Pradesh	Damoh	₹ 55,00,261.00
Total			**₹ 1,72,30,061.00**

3. a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No):** No

   b) **From which marginalized /vulnerable groups do you procure?:** Not Applicable

   c) **What percentage of total procurement (by value) does it constitute?:** Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. no.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes /No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

Sr. no.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Restoring grassland for biodiversity conservation, sustainable livelihoods and climate change mitigation, Pune Maharshtra	1,036	100%
2	Restoring Rangelands: A landscape approach in Deshnoke Oran of Bikaner, Rajasthan	1,270	100%
3	Enabling community forest management, Bastar, Chhattisgarh	7,292	100%
4	Integrated Development of Communities through Watershed Development in Jalna District, Maharashtra	1,320	100%
5	Restoration of Degraded Mangroves along the Vulnerable Coast at Krishna District, Andhra Pradesh	102	100%
6	Biodiversity and Eco-Livelihood – Tree Plantation and Beekeeping Support in Cuttack, Odisha	1,608	100%
7	Sustainable Livelihoods and Women Empowerment through Eco-based Enterprise in Cuttack, Odisha	118	100%
8	Biodiversity Conservation and Eco-Livelihood Development in Kendrapara, Odisha	600	100%
9	Urban Afforestation and Biodiversity Restoration in Gurugram, Haryana	15,000	100%
10	Mangrove Ecosystem Restoration and Coastal Protection in Navsari, Gujarat	14,445	100%
11	Urban Afforestation through Miyawaki Plantation and Biodiversity Restoration in Satna, Madhya Pradesh	3,000	100%
12	Landscape-Level Ecological Restoration and Biodiversity Conservation of Aravalli Hill Ecosystem (Sakhigiri Van), Mathura, Uttar Pradesh	143	100%
13	Urban Biodiversity Enhancement through Butterfly Gardens and Pollinator Conservation, Navi Mumbai, Maharashtra	1,348	100%
14	Climate-Resilient Agriculture and Water Resource Management for Dryland Farmers, Raichur and Koppal, Karnataka	480	100%
15	Sustainable Lake Rejuvenation and Water Security Initiative (Reviving Blue – Agumbe Lake Restoration), Shivamogga, Karnataka	3,200	100%
16	Human–Wildlife Conflict Mitigation through Infrastructure and Sanitation Development, Kotagiri, Nilgiris, Tamil Nadu	4,000	100%
17	Sustainable Water Conservation and Catchment Restoration – Siliserh Lake, Alwar, Rajasthan	5,000	100%
18	Forest and Mangrove Restoration for Biodiversity Conservation – Trees for Tigers®, Seoni and Sundarbans	3,060	100%
19	Recycled Wastewater for Sustainable Water Management – DEWATS Initiative, Jhajjar, Haryana	15	100%
20	Crop Residue Management for Sustainable Agriculture – Preventing Farm Fires, Fatehgarh Sahib, Punjab	1,375	100%
21	Waste Innovation Centre for Circular Economy – Darjeeling, West Bengal	20,500	100%
22	Urban Afforestation and Waste Clean-Up Initiative – Multi-City Environmental Action (India)	2,724	100%
23	Reviving blue: A sustainable lake rejuvenation initiative, Shivamogga, Karnataka	1,550	100%
24	Infrastructure and sanitation development to reduce human-wildlife conflict, Nilgiri,Tamil Nadu	27,478	100%
25	Siliserh lake catchment restoration: Water for human, livestock and Sariska's wildlife, Alwar, Rajasthan	9,700	100%
26	Pachegaon river revival project, Beed, Maharashtra	1,136	100%
27	Green canopy (Mumbai, Bengaluru and Pune)	30,000	100%
28	Green canopy phase 2 (tree plantation in 30 cities)	8,000	100%
29	Green canopy Calicut	10,000	100%
30	Green Canopy (Delhi, Karnataka, Maharashtra)	25,000	100%
31	Green Kochi - tree plantation, upcycled plastic park benches and waste collection bins for Fort Kochi	15,000	100%
	TOTAL	**2,15,500**	**100%**



CSR IMPACT STORIES

Focus Area:
Water Conservation

Reviving Agumbe Lake for Ecological Resilience

Location: **Shivamogga District, Karnataka**

Implementation Partner **Kalinga Foundation**

Located in the ecologically significant Western Ghats landscape, Agumbe Lake has experienced degradation due to sedimentation and reduced water-holding capacity. DCB Bank initiated the Reviving Blue program to restore the lake ecosystem and strengthen its role in groundwater recharge and biodiversity conservation.

The project follows a science-led restoration approach involving technical assessments, hydrological studies and ecological planning. Alongside restoration design, community engagement and environmental awareness activities were undertaken to build long-term stewardship and support sustainable implementation.



Impact Snapshot

Technical Assessments
- Storage capacity assessed: ~11 Million liters
- Desiltation volume identified: 8,600+ cubic meters
- Bund strengthening planned: ~95 meters

Community Engagement
- 120-150 community members engaged
- 50-60 students participated in environmental awareness programs

Focus Area:
Biodiversity, Ecosystem Restoration and Afforestation

Creating Urban Biodiversity through Butterfly Gardens

Location: **Navi Mumbai, Maharashtra**

Implementation Partner **iNaturewatch Foundation**

Urban environments frequently provide limited habitats for pollinators and biodiversity. DCB Bank supported the development of butterfly gardens across police stations to create ecological spaces that contribute to biodiversity while supporting employee well-being.

The intervention created pollinator-friendly habitats and integrated educational and awareness elements to encourage environmental stewardship.



Impact Snapshot

Ecological Impact
- 3,299 plants introduced
- 79.23% survival rate
- Butterfly diversity increased by 122%
- Species increased from 18 to 40

Community & Well-being
- 99.3% staff reported positive impact
- ~14% reduction in local noise pollution recorded

Engagement
- 433 volunteers engaged
- 221 DCB employee volunteers participated
- 237 QR-enabled educational signages installed

Focus Area:
Sustainable Livelihoods and Women Empowerment

Enabling Women through Eco-based Enterprises

Location: **Cuttack District, Odisha**

Implementation Partner **Concern India Foundation (with Gram Utthan)**

Women in vulnerable communities often face barriers to accessing stable livelihoods, markets and enterprise opportunities. To strengthen economic resilience and promote sustainable income generation, DCB Bank supported women-led eco-based enterprises built around beekeeping and biodiversity-linked livelihoods.

The initiative focused on strengthening entrepreneurial capabilities through training, market exposure and institutional support systems. Community resource persons and local support structures were established to enhance business continuity, encourage participation and enable long-term livelihood sustainability.



Impact Snapshot

Enterprise Development
- 103 beekeepers supported
- 208 active bee colonies managed
- 6 SHGs managing 50 bee boxes

Income Generation
- 200 kg honey harvested
- ₹99,300 income generated for 71 women beneficiaries

Market Linkages
- Participation in 3 regional fairs
- 26 women applied for government support schemes

Focus Area:
Waste Management

Advancing Circular Economy Solutions through Waste Innovation

Location: **Darjeeling District, West Bengal**

Implementation Partner **Tieedi Permaculture Foundation**

Waste management in hilly regions often presents unique challenges due to difficult terrain and limited disposal infrastructure. To address these challenges and promote circular economy principles, DCB Bank supported a decentralized waste innovation initiative focused on waste recovery and livelihood generation.

The intervention established systems for waste segregation, material recovery and upcycling while integrating renewable energy and sustainable infrastructure solutions. By creating value from waste, the program aims to strengthen environmental outcomes and support community-based livelihoods.



Impact Snapshot

Scale
- Connected 20,000+ households to decentralized systems
- Diverted 15,000+ kg waste from open dumping and burning

Upcycling
- Produced 750+ recycled certificates
- Produced 30+ diaries for institutional buyers

Green Infrastructure
- 5 kW solar energy system installed
- Rainwater harvesting systems established

Hero Story

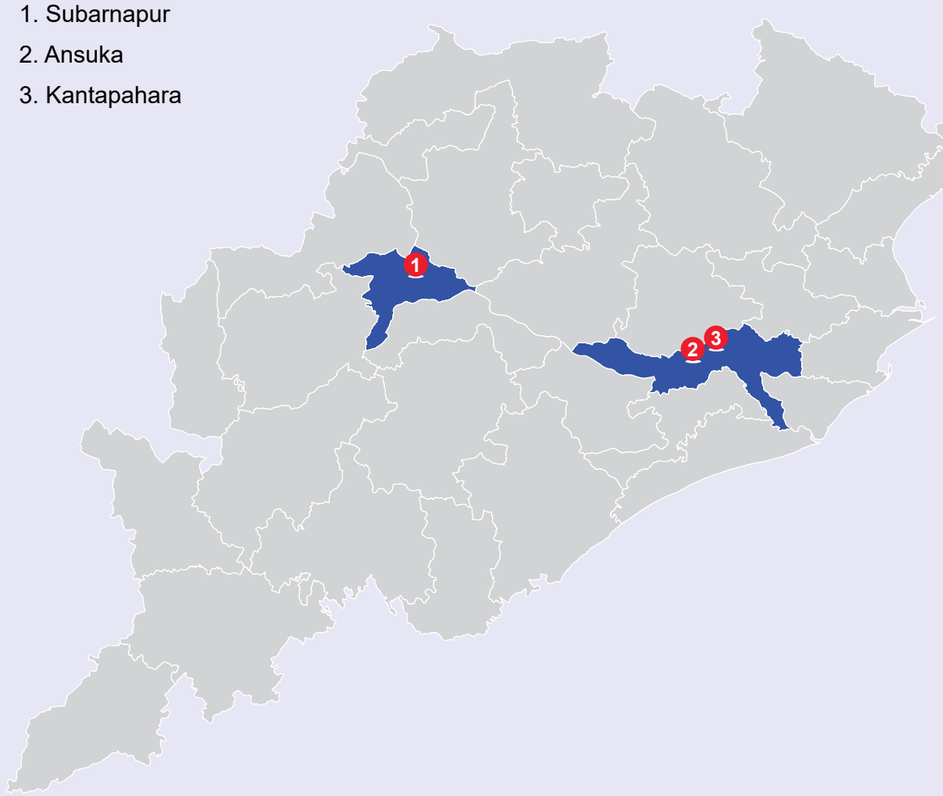
Board Visit to Odisha: Experiencing Impact on the Ground

Members of DCB Bank's Board of Directors and senior management visited Subarnapur, Ansupa and Kantapahara in Odisha's Banki Block to gain firsthand insights into the impact of CSR initiatives implemented in partnership with Concern India Foundation. The visit provided an opportunity to interact directly with farmers, women Self-Help Groups (SHGs), community leaders and government representatives, and witness how integrated interventions are strengthening climate resilience, water security and sustainable livelihoods.

SDGs Impacted:



1. Subarnapur
2. Ansuka
3. Kantapahara



Disclaimer: This map is a generalised illustration for ease of understanding and is not intended for reference. The depiction of political boundaries and geographical names may not reflect actual positions. The Bank and its Directors, officers or employees accept no responsibility for any use, misuse or interpretation of the information, and make no representation regarding its accuracy or completeness.

Highlights from the Board Visit

Subarnapur: Water Stewardship in Action

- Visited the community-managed Water Harvesting Structure (WHS)
- Interacted with beneficiary farmers to understand the impact of improved water availability on agricultural productivity
- Learned how water conservation interventions have enabled farmers to move beyond a single crop cycle and strengthen climate resilience
- Participated in a sapling plantation activity, reinforcing the importance of environmental stewardship and biodiversity enhancement

Ansupa: Women-Led Livelihoods through Beekeeping

- Attended a presentation on the beekeeping project by SHG members
- Engaged with women beekeepers, local farmers and government officials from the Horticulture, Agriculture and Forest Departments
- Witnessed a live demonstration of bee-box management, colony care and honey harvesting techniques
- Viewed an exhibition of honey and value-added products such as beeswax products, soaps, lip balms and baked goods prepared by the SHGs
- Recognized the role of women entrepreneurs who have evolved into skilled beekeepers and community trainers through sustained capacity-building efforts

One of the most encouraging observations during the interaction was the project's ripple effect on environmental sustainability. To support healthy bee populations, participating households have undertaken plantation of native tree species and developed kitchen gardens that provide a rich source of bee forage. Community members also shared how awareness around pollinator protection has encouraged a reduction in pesticide use, contributing to healthier ecosystems, improved pollination and enhanced agricultural outcomes.

Kantapahara: Community Ownership and Sustainable Resource Management

- Visited the Water Harvesting Structure and interacted with beneficiary farmers
- Reviewed community-led mechanisms for maintenance and governance of water assets
- Visited village ponds supporting pisciculture activities that generate additional income for the community
- Observed how water user committees are ensuring long-term sustainability through collective decision-making and maintenance funds
- Supporting future livelihood opportunities
- Handed over 10 bee boxes to a new women's SHG to help expand participation in the beekeeping program
- Interacted with aspiring beneficiaries who are expected to build sustainable income streams through honey production and allied products

Interactions with beneficiaries highlighted how the initiatives are creating multiple benefits from improved water security and climate resilience to women's economic empowerment, biodiversity enhancement and sustainable income generation. The visit reaffirmed the value of community ownership in driving lasting impact and reflected DCB Bank's commitment to supporting inclusive and sustainable rural development.

A — B — Section C

Principle 9

1 — 2 — 3 — 4 — 5 — 6 — 7 — 8 — 9

Businesses should engage with and provide value to their consumers in a responsible manner

At DCB Bank, customer relationships are built on a simple belief, banking works best when it remains close to customers, responsive to their needs and grounded in trust. Serving an active customer base of over 3.2 Million customers, the Bank continues to evolve its neighborhood banking philosophy by combining relationship-led service with technology-enabled convenience.

As the Bank progresses toward becoming a digital-first institution, customer feedback, behavioral insights and service interactions increasingly shape how products, experiences and delivery models evolve. Whether through branches, digital channels or alternate touchpoints, the Bank remains focused on delivering responsible banking experiences that create value and build long-term relationships.

By combining physical proximity with technology-led convenience, DCB Bank seeks to create experiences that are secure, transparent and intuitive. Customer feedback, service interactions and emerging behavioral insights collectively shape how the Bank designs products, strengthens service delivery and evolves customer experiences.

Impact on Capitals

- Social and Relationship Capital
- Intellectual Capital

Stakeholders

- Customers

Key Highlights

- 16,000+ neighborhood engagement initiatives
- 2 Lakhs+ monthly organic website traffic
- 2.31% to 3.2% increase in social media engagement
- 35 customer awareness campaigns conducted
- Zero customer data breach incidents

SDGs Impacted



Building Relationships, One Community at a Time

DCB Bank continued to deepen customer relationships through hyperlocal engagement and personalized interactions. During FY2025-26, the Bank conducted over 16,000+ micro-marketing and customer engagement initiatives across branch neighborhoods, creating opportunities to connect beyond conventional banking interactions.

These initiatives included:

Health check-up camps	Doctor's Day celebrations	Drawing competitions	Loan melas
Branch anniversary programs	Festival celebrations	Community events	Movie screenings

Programs such as Ek Shaam Aap ke Naam, Rubaroo and senior citizen engagement forums further strengthened customer relationships through community-led interactions and shared experiences.

The Bank also continued its flagship initiative, Ek Mulaqat Aur Kuch Baatein, across Goa, Dehradun, Mumbai, Hyderabad and Jaipur, bringing customers and senior leadership together to discuss business updates, customer expectations and service experiences.

These initiatives reflected DCB Bank's belief that stronger relationships are built through meaningful conversations and personal engagement.

Bringing Banking Closer to Communities, Working Like a True Neighbour

Regional marketing initiatives continued to strengthen engagement across MSME, Agri and Gold Loan customer segments.

Mobile van activation campaigns across Maharashtra, Telangana, Odisha and Madhya Pradesh brought DCB Savings Accounts, Fixed Deposits and Gold Loans directly into local catchment areas through regional-language branding and outreach. Wall paintings across Haryana, Punjab, Rajasthan, Gujarat, Uttar Pradesh and Madhya Pradesh further strengthened local visibility and familiarity.

Additional initiatives including pole boards, auto-rickshaw branding, traffic booths, digital displays and society boards created multiple local touchpoints and enhanced customer recall.

Where Bank Engages in Digital Conversations

As customer engagement increasingly shifted toward digital channels, DCB Bank extended its community-first approach into online spaces.

Hyperlocal social media campaigns targeted at branch-level pin codes leveraged platforms such as Facebook and Instagram through platform-specific content and storytelling formats. Influencer-led campaigns, including DCB Remit and regional-language initiatives, further expanded the Bank's digital footprint among newer customer segments.

WhatsApp and Google Rich Communication Services (RCS) strengthened direct and personalized communication, while all branches and ATMs were mapped through Google My Business to enable easier customer discovery through 'near me' searches.

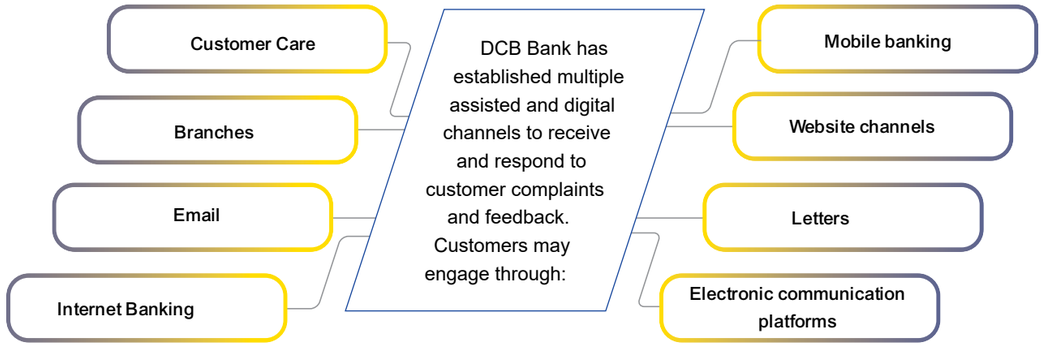
Journey of Building a Digital-First Enterprise

DCB Bank's digital transformation journey is guided through its newly created IT Philosophy 'ENGROS' (Engineering Growth with Next-Gen Resilient and Orchestrated System) and the AACT+DE (Automation, APIs, Cloud Adoption, Technology Innovation + Data Ethics) framework.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

DCB Bank has established multiple assisted and digital channels to receive and respond to customer complaints and feedback. Customers may engage through:



To ensure consistency and responsiveness, all customer concerns are managed through a centralized Integrated Complaints Management System (ICMS) that enables complaint registration, monitoring and closure through a structured workflow.

Complaints are periodically reviewed to identify recurring themes, friction points and opportunities to strengthen customer experiences.

Customer Feedback Journey



Customer Listening Snapshot

- 71.5% grievances resolved within the prescribed 15-day period
- 96% Customer Satisfaction Score
- 19,839 complaints received during FY 2025-26 as compared to 24,725 in FY 2024-25

Case Study

Listening Beyond Transaction

During FY2025-26, DCB Bank undertook a Brand Perception study involving both customers and non-customers of the Bank to better understand its brand awareness, customer preferences and evolving expectations. The study provided insights into competitive positioning, strengths and opportunity areas, helping the Bank identify customer priorities and refine communication and engagement approaches. The exercise reinforced the Bank's belief that customer feedback extends beyond complaint resolution and serves as an important input for long-term decision-making.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about

Sr. no.	Particulars	As a percentage of total turnover
1.	Environmental and social parameters relevant to the product	As a banking institution, DCB Bank's products and services do not carry environmental or disposal-related labels in the conventional product context.
2.	Safe and responsible usage	
3.	Recycling and/ or safe disposal	

3. Number of consumer complaints in respect of the following:

Sr. no.	Particulars	FY 2025-26			FY 2024-25		
		Received during the year	Pending resolution at the end of the year	Remarks	Received during the year	Pending resolution at the end of the year	Remarks
1.	Data privacy	--	--	--	--	--	--
2.	Advertising	--	--	--	--	--	--
3.	Cybersecurity	2,014	59	--	1,844	74	--
4.	Delivery of essential services	2,194	81	--	1,442	199	--
5.	Restrictive Trade Practices	-	-	--	-	-	--
6.	Unfair Trade Practices	119	7	--	275	9	--
7.	Other	15,512	451	--	21,164	82	--
	Total	19,839	598		24,725	364	

A Closer Look at Service Expectations

The Bank recognizes that customer expectations continue evolving alongside digital adoption.

Alternate channels increasingly support customer servicing requirements and enable routine requests to be completed more conveniently.

During FY 2025-26, alternate channels supported approximately 63% of routine customer service requests, including address updates and Form 15G/H related requests.

4. Details of instances of product recalls on account of safety issues:

Sr. no.	Particulars	Number	Reason for recall
1.	Voluntary recalls	Not applicable. Product recall provisions do not apply to banking and financial services.	
2.	Forced recalls		

5. Does the entity have a framework/ policy on cybersecurity and risks related to data privacy? (Yes/ No) If available, provide a web-link of the policy

Yes. DCB Bank has established a Board-approved Information Security and Cyber Security Framework together with an Enterprise Data Privacy Policy.

The framework is aligned with regulatory expectations and leading standards including:

- ISO 27001
- NIST Cyber Security Framework
- RBI Cyber Security Framework
- Digital Personal Data Protection Act, 2023

The Bank also maintains ISO 27001:2022 and PCI DSS v4.0.1 certifications.

Beyond regulatory compliance, the Bank increasingly views cybersecurity as a trust enabler and a key component of customer experience.

Case Study: Building Trust Through Secure Digital Infrastructure

The Bank follows security and privacy by-design philosophy.

Advanced capabilities include:

- AI-powered behavioral analytics assessing typing cadence and navigation patterns
- Real-time fraud risk analysis
- Zero Trust security principles
- Continuous vulnerability assessments

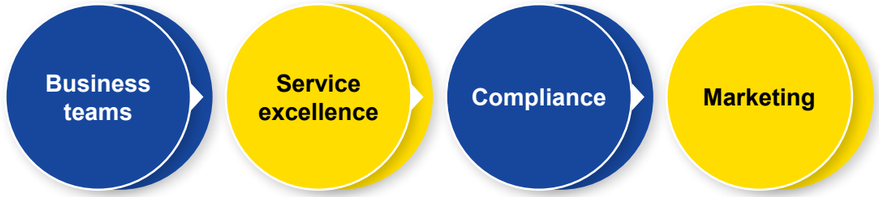
These capabilities support customer journeys while strengthening protection across more than 120 Million UPI transactions.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/ services.

To ensure responsible customer communication, DCB Bank follows a 3C approach:

- Clear
- Correct
- Comprehensive

All customer-facing communication undergoes review through a structured approval process involving:



To strengthen website governance, content ownership has been assigned across business functions with designated SPOCs responsible for periodic reviews and content validation.

In cybersecurity and privacy areas, the Bank has commenced implementation initiatives aligned with DPDP requirements, including:

- Data Privacy Impact Assessments
- Consent management framework
- AI-driven behavioral monitoring
- Continuous vulnerability monitoring
- Phishing simulations
- Fraud monitoring mechanisms

From Communication to Confidence

Customer communication extends beyond product promotion. During the year, DCB Bank also strengthened awareness campaigns across fraud prevention, cybersecurity and safe banking practices to help customers navigate an increasingly digital environment.

ZERO Data breach incidents | **ZERO** Personally Identifiable Information (PII) impact cases

7. Provide the following information relating to data breaches:

a. **Number of instances of data breaches:** Nil

b. **Percentage of data breaches involving personally identifiable information of customers:** Not Applicable

c. **Impact, if any, of the data breaches:** Not Applicable

LEADERSHIP INDICATORS

1. Channels/ platforms where information on products and services of the entity can be accessed (provide web link, if available).

DCB Bank engages customers across both physical and digital channels.

Digital Channels

- DCB Bank's website: www.dcb.bank.in
- DCB Bank's Social Media Platforms:
  - www.linkedin.com/company/dcb-bank-limited
  - www.facebook.com/DCBBank/
  - www.instagram.com/dcb_bank/
  - x.com/DCBBank
  - youtube.com/@dcbbank7012

Physical Channels

- Branch displays
- Product collaterals
- Customer outreach initiatives
- DCB Bank Customer Care: +91 22 68997777, +91 40 68157777

Case Study

Making Banking More Discoverable

As customer journeys increasingly begin online, DCB Bank strengthened its focus on content-led discoverability through blogs and informational pages designed around frequently searched customer topics.

During the year, the Bank added over 50 blogs, contributing to 2 Lakhs+ monthly organic website visits and strengthening visibility across digital search journeys.

Growing Engagement Across Channels

Metric	FY 2025-26	FY 2024-25
Social Media Engagement Rate	3.20%	2.31%

The increase reflected growing resonance of digital-first content, community-led storytelling and customer-focused communication.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.

As banking ecosystems become increasingly digital, DCB Bank continues to strengthen awareness initiatives designed to support informed customer decisions and safer interactions.

During FY 2025-26, the Bank adopted a structured and demographic-led approach to customer education with emphasis on:

- Safe banking practices
- Fraud prevention
- Customer rights
- Grievance redress awareness
- Responsible product usage

The Bank conducted 35 customer awareness campaigns supported through:

- SMS campaigns
- Email communication
- Regional-language outreach
- Website banners
- Digital awareness initiatives

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Customers are informed regarding planned disruptions and service interruptions through:

- SMS alerts
- Email communication
- Website notifications
- Mobile application alerts
- Branch communication where required

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/ No).

Yes. During FY 2025-26, the Bank conducted customer surveys and feedback exercises to assess satisfaction levels and better understand customer expectations across products, services and channels. The assessment covered key areas such as:

- Brand awareness
- Customer preferences and expectations
- Competitive positioning
- Strengths and areas for improvement

Feedback was collected through calls, Emails and SMS-based surveys. During the year, the Bank reached out to over 8 Lakh customers, with an approximate response rate of 7%. Feedback received is analyzed through structured root cause assessments and categorized into themes including:

- People
- Process
- Product
- Technology

Insights generated from these surveys are used to identify gaps in customer journeys and implement corrective and preventive measures to continuously enhance customer experience and service delivery.

Concluding Statement

As DCB Bank continues to grow, it remains committed to creating long-term value through responsible banking practices that balance financial performance with environmental stewardship, social responsibility and strong governance. The Bank recognizes that sustainable growth is built on trust, resilience and meaningful stakeholder relationships. Guided by its purpose and values, DCB Bank is progressively embedding sustainability into its business strategy, risk management frameworks and day-to-day operations to strengthen its ability to create lasting value for all stakeholders.

Key areas of focus going forward include:

- Strengthening ESG governance and oversight across the organization
- Integrating climate and sustainability considerations into business and risk management processes
- Expanding sustainable finance and financial inclusion initiatives to support equitable economic growth
- Enhancing employee well-being, capability development, diversity and inclusion
- Delivering responsible, customer-centric banking experiences through innovation and digital enablement
- Advancing transparency, accountability and stakeholder engagement through robust disclosures and reporting

As the operating environment continues to evolve, DCB Bank remains focused on building a resilient, future-ready institution that contributes positively to customers, employees, communities, investors and the broader economy. By continuously strengthening its sustainability framework and embracing emerging opportunities responsibly, the Bank aims to support India's development aspirations while ensuring that growth and responsibility progress together.



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 2026, and the profit and loss account and 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 2026, 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 and the Rules thereunder, 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
Identification and provisioning on non-performing advances (NPA) Total Advances (Net of provisions) as at 31 March 2026: Rs. 60,021.76 crores Provision for NPAs as at 31 March 2026: Rs. 758.96 crores *Refer Schedule 9 and Schedule 18(12.1) to the financial statements*	
Subjective estimate The Bank is required to comply with "RBI (Commercial Banks – Income Recognition, Asset Classification and Provisioning) Directions, 2025" ('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. As required under IRAC norms, the Bank has a Board approved policy for NPA identification and provisioning based on which the Bank recognises provisions for NPAs at or higher than the minimum rate prescribed under RBI guidelines.	We performed the following key audit procedures: **Design and operating effectiveness of controls** • Understood Bank's policy and procedures relating to identification of NPAs and provisioning, systems and controls implemented in this regard and its compliance with IRAC norms. • 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.

Independent Auditor's Report (Contd.)

Key audit matter	How the matter was addressed in our audit
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 circumstances and information, has reasons to believe that there is possible deterioration. Since the identification of NPAs and provisioning for advances also involves, to some extent, 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.	• Tested key information technology-based controls operating in relation to the Bank's NPA system, including system access, system change management and computer operations. • 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. **Substantive tests** • 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. • For a sample of performing loans, independently assessed as to whether there was a need to classify such loans as NPA. • Tested the appropriateness of Bank's rationale for establishing additional provisions over and above RBI norms and testing the adequacy of such provisions. • 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. • Referred to RBI Inspection report to assess impact of observations, if any, relating to asset classification and related provisions. • Tested remediated controls and/or performed alternative audit procedures, where necessary.
Information technology (IT) system and controls 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.	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. 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. On such in-scope IT systems, we have tested key IT general controls with respect to the following domains: • 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.

Key audit matter	How the matter was addressed in our audit
Adequate IT general controls and application controls are necessary for obtaining accurate, consistent and reliable information for financial reporting. We have identified 'IT systems and automated controls' as a key audit matter because of the high level of automation, quantum of systems being used by the Bank and the relative complexity of the IT architecture.	• 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. • IT operations, which includes controls for job scheduling, monitoring, backup and recovery. Our audit procedures with regards to aforesaid in-scope IT systems, included the following: • Tested the effectiveness of key IT general controls during the period covered by the audit. • 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. • Wherever required, we tested compensating controls.

Information Other than the Financial Statements and Auditor's Report Thereon

The Bank's Management and 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 the 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 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 necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Bank's Management and 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, directions and guidelines 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, Banking Regulation Act, 1949 and applicable circulars, directions and guidelines issued by the RBI, 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, Bank's 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 is 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 the Management and 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 period 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.

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 26 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

Independent Auditor's Report (Contd.)

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 2026 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 31 March 2026, 1 April 2026 and 13 April 2026 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2026 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 2026 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.

Independent Auditor's Report (Contd.)

(iii) Based on the audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, 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 software 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 software. 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

Ashwin Suvarna
Partner
Membership No.: 109503
UDIN: 26109503LAWHKS3333

Place: Mumbai
Date: 24 April 2026

For Varma & Varma
Chartered Accountants
Firm Registration no.: 004532S

K P Srinivas
Partner
Membership No.: 208520
UDIN: 26208520EMJZAO4689

Place: Mumbai
Date: 24 April 2026

Annexure A to the Independent Auditor's Report on the financial statements of DCB Bank Limited for the year ended 31 March 2026

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 2026 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 2026, 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.

Annexure A to the Independent Auditor's Report on the financial statements of DCB Bank Limited for the year ended 31 March 2026 (Contd.)

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

Ashwin Suvarna
Partner
Membership No.: 109503
UDIN: 26109503LAWHKS3333

Place: Mumbai
Date: 24 April 2026

For Varma & Varma
Chartered Accountants
Firm Registration no.: 004532S

K P Srinivas
Partner
Membership No.: 208520
UDIN: 26208520EMJZAO4689

Place: Mumbai
Date: 24 April 2026

Balance Sheet

As at March 31, 2026

(₹ in 000's)

	Schedule	As on March 31, 2026	As on March 31, 2025
CAPITAL & LIABILITIES			
Capital	1	32,19,018	31,42,874
Employee Stock Options			
(Grants outstanding net of deferred cost)	18 (11.3)	49,327	29,779
Reserves and Surplus	2	6,20,81,553	5,37,34,148
Capital and Reserves		**6,53,49,898**	**5,69,06,801**
Deposits	3	72,58,32,586	60,03,09,531
Borrowings	4	6,08,64,475	9,11,51,786
Other Liabilities and Provisions	5	2,86,47,716	1,97,29,691
TOTAL CAPITAL & LIABILITIES		**88,06,94,675**	**76,80,97,809**
ASSETS			
Cash and Balances with Reserve Bank of India	6	3,21,22,742	2,50,74,874
Balances with Banks and Money at Call and Short Notice	7	1,00,81,614	19,11,032
Investments	8	20,37,79,980	20,14,99,016
Advances	9	60,02,17,560	51,04,69,134
Fixed Assets	10	98,92,562	89,83,981
Other Assets	11	2,46,00,217	2,01,59,772
TOTAL ASSETS		**88,06,94,675**	**76,80,97,809**
Contingent Liabilities	12	20,86,67,301	12,42,50,993
Bills for Collection		51,13,330	49,25,731
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	Pushan Mahapatra	Thiyagarajan Kumar	Ravi Kumar	Rubi Chaturvedi
MD & CEO	Director	Director	Chief Financial Officer	Company Secretary
DIN-10329590	DIN-07307428	DIN-00735914		

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 24, 2026

For Varma & Varma
Chartered Accountants
Firm Registration Number: 004532S

K P Srinivas
Partner
Membership No.: 208520

Place: Mumbai
Date: April 24, 2026

Profit and Loss Account

For the year ended March 31, 2026

(₹ in 000's)

	Schedule	Year ended March 31, 2026	Year ended March 31, 2025
I. INCOME			
Interest Earned	13	7,40,44,664	6,47,05,853
Other Income	14	85,51,404	75,05,124
TOTAL INCOME		**8,25,96,068**	**7,22,10,977**
II. EXPENDITURE			
Interest Expended	15	4,94,79,325	4,36,40,176
Operating Expenses	16	2,01,59,250	1,82,00,804
Provisions and Contingencies	18 (12.1)	56,41,916	42,16,650
TOTAL EXPENDITURE		**7,52,80,491**	**6,60,57,630**
III. PROFIT/(LOSS)			
Net Profit for the Year		73,15,577	61,53,347
Balance in Profit & Loss Account brought forward		2,06,86,926	1,67,68,201
TOTAL PROFIT/(LOSS)		**2,80,02,503**	**2,29,21,548**
IV. APPROPRIATIONS			
Transfer to Statutory Reserve		18,28,894	15,38,337
Transfer to Special Reserve		5,92,000	4,35,000
Transfer to Capital Reserve		6,13,108	4,32,774
Transfer to/(from) Investment Reserve		-	-
Transfer to Investment Fluctuation Reserve		1,58,149	(4,94,465)
Transfer from Revaluation Reserve		(75,364)	(68,387)
Dividend Paid		4,24,552	3,91,363
Balance carried over to Balance sheet		2,44,61,164	2,06,86,926
TOTAL		**2,80,02,503**	**2,29,21,548**
Earnings per share	17 (17)		
(i) Basic (₹)	18 (11.2)	23.01	19.63
(ii) Diluted (₹)	18 (11.2)	22.82	19.49
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	Pushan Mahapatra	Thiyagarajan Kumar	Ravi Kumar	Rubi Chaturvedi
MD & CEO	Director	Director	Chief Financial Officer	Company Secretary
DIN-10329590	DIN-07307428	DIN-00735914		

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 24, 2026

For Varma & Varma
Chartered Accountants
Firm Registration Number: 004532S

K P Srinivas
Partner
Membership No.: 208520

Place: Mumbai
Date: April 24, 2026

Cash Flow Statement

For the year ended March 31, 2026

(₹ in 000s)

		Year ended March 31, 2026	Year ended March 31, 2025
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit after tax for the year (Refer Profit and Loss Account)		**73,15,577**	**61,53,347**
Add: Provision for income tax (Refer Schedule 18 (12.1))		24,54,084	21,32,737
Net Profit before tax for the year		**97,69,661**	**82,86,084**
Adjustments for:			
Provisions for Advances		30,92,085	18,21,850
Provisions for Restructured Advances		(55,427)	(54,031)
Provision for Investments		(55,193)	(1,07,621)
Provision for Standard Assets*		1,61,054	1,11,133
Provision for Other Assets and Contingencies		1,701	(34,369)
Depreciation/Amortisation on Fixed Assets		10,64,200	10,13,982
(Profit)/loss on Sale of Fixed Assets		(3,266)	(1,843)
Amortisation of Premium/Accretion of Discount on Investments		6,89,886	6,87,875
ESOPs/CSARs Compensation		1,05,232	13,139
Cash Flow from Operating Activities before adjustments		**1,47,69,933**	**1,17,36,199**
Adjustments for:			
Increase/(Decrease) in Deposits		12,55,23,056	10,67,79,188
Increase/(Decrease) in Other Liabilities & Provisions		86,69,586	(42,96,407)
(Increase)/Decrease in Investments		1,71,15,985	(1,30,53,036)
(Increase)/Decrease in Advances		(9,27,85,083)	(10,29,91,308)
(Increase)/Decrease in Other Assets		(45,01,129)	(5,73,015)
Refund/(Payment) of direct taxes (Including Tax Deducted at Source)		(23,93,400)	(20,11,657)
Net Cash Flow from/(used in) Operating activities	**A**	**6,63,98,948**	**(44,10,036)**
CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES			
Purchase of Fixed assets		(9,04,276)	(13,60,460)
Proceeds from sale of Fixed Assets		16,980	13,173
(Purchase)/Sale of Held to Maturity Securities		(2,05,20,115)	(2,65,69,799)
Net Cash Flow from/(used in) Investing activities	**B**	**(2,14,07,411)**	**(2,79,17,086)**
CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES			
Proceeds from Issue of Capital (including ESOPs)		9,38,777	88,482
Issue of Subordinated Debt		-	40,00,000
Repayment of Subordinated Debt		-	-
Proceeds from Borrowings		2,01,72,39,475	2,49,02,13,755
Repayment of Borrowings		(2,04,75,26,787)	(2,46,52,56,718)
Dividend Paid		(4,24,552)	(3,91,363)
Net Cash Flow from/(used in) Financing activities	**C**	**(2,97,73,087)**	**2,86,54,156**
Net Increase/(Decrease) in Cash and Cash Equivalents	**A+B+C**	**1,52,18,450**	**(36,72,966)**

Cash Flow Statement

For the year ended March 31, 2026 (Contd.)

(₹ in 000s)

		Year ended March 31, 2026	Year ended March 31, 2025
Cash and cash equivalents at the beginning of the year		2,69,85,906	3,06,58,872
Cash and cash equivalents at the end of the year		4,22,04,356	2,69,85,906
Notes to the cash flow statement			
Cash and cash equivalent includes the following:			
Cash and balances with Reserve Bank of India (Refer Schedule 6)		3,21,22,742	2,50,74,874
Balances with Banks and Money at Call and Short notice (Refer Schedule 7)		1,00,81,614	19,11,032
Cash and Cash equivalent at the end of the year		**4,22,04,356**	**2,69,85,906**

**Includes provision for standard restructured accounts*

For and on behalf of the Board of Directors

Praveen Kutty	**Pushan Mahapatra**	**Thiyagarajan Kumar**	**Ravi Kumar**	**Rubi Chaturvedi**
MD & CEO	Director	Director	Chief Financial Officer	Company Secretary
DIN-10329590	DIN-07307428	DIN-00735914		

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 24, 2026

For Varma & Varma
Chartered Accountants
Firm Registration Number: 004532S

K P Srinivas
Partner
Membership No.: 208520

Place: Mumbai
Date: April 24, 2026

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026

SCHEDULE 1 CAPITAL

(₹ in 000s)

	As on March 31, 2026	As on March 31, 2025
Authorised Capital		
500,000,000 (Previous year 500,000,000)	50,00,000	50,00,000
Equity Shares of ₹ 10/- each		
Issued, Subscribed and Paid up Capital*		
32,19,01,777 (as at March 31, 2025: 31,42,87,398)	32,19,018	31,42,874
Equity Shares of ₹ 10/- each		
TOTAL	**32,19,018**	**31,42,874**

**During the year, the Bank has issued 15,55,985 (Previous year: 14,82,909) equity shares against exercise of options under the Employees' Stock Option Plan by the Bank's employees- Refer Note 18 (11.3) (Employees' Stock Option Plan)*

60,58,394 (Previous year: Nil) equity shares to the Promoter, on a preferential basis, pursuant to the approval obtained from the Shareholders of the Bank and the approval granted by the RBI - Refer Note 18 (1.1) Regulatory Capital.

SCHEDULE 2 RESERVES & SURPLUS

(₹ in 000s)

	As on March 31, 2026	As on March 31, 2025
I. Statutory Reserve		
Opening balance	1,10,83,553	95,45,216
Additions during the year	18,28,894	15,38,337
TOTAL(I)	**1,29,12,447**	**1,10,83,553**
II. Special Reserve under section 36(1)(viii) of the Income Tax Act, 1961		
Opening balance	25,31,188	20,96,188
Additions during the year	5,92,000	4,35,000
Deductions during the year	-	-
TOTAL(II)	**31,23,188**	**25,31,188**
III. Capital Reserve		
a) Revaluation Reserve		
Opening balance	28,32,300	29,00,687
Additions during the year	10,82,220	-
Deductions during the year (transferred to		
Balance in Profit & Loss Account)*	(75,364)	(68,387)
TOTAL(a)	**38,39,156**	**28,32,300**
b) Other Capital Reserve		
Opening balance	19,13,298	14,80,524
Additions during the year	6,13,108	4,32,774
Deductions during the year	-	-
TOTAL(b)	**25,26,406**	**19,13,298**
TOTAL (a + b) (III)	**63,65,562**	**47,45,598**
IV. Securities Premium		
Opening balance	1,38,39,276	1,37,65,623
Additions during the year	8,62,633	73,653
Deductions during the year	-	-
TOTAL(IV)	**1,47,01,909**	**1,38,39,276**

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

(₹ in 000s)

	As on March 31, 2026	As on March 31, 2025
V. Investment Reserve		
Opening balance	-	-
Additions during the year	-	-
Deductions during the year	-	-
TOTAL(V)	-	-
VI. Investment Fluctuation Reserve		
Opening balance	4,99,651	9,94,116
Additions during the year	1,58,149	-
Deductions during the year	-	(4,94,465)
TOTAL(VI)	**6,57,800**	**4,99,651**
VII. General Reserve for Investments**		
Opening balance	1,86,089	-
Additions during the year	-	1,86,089
Deductions during the year	-	-
TOTAL(VII)	**1,86,089**	**1,86,089**
VIII. AFS Reserve Other than Equity		
Opening balance	1,61,867	-
Additions during the year	-	1,61,867
Deductions during the year	(4,88,473)	
TOTAL(VIII)	**(3,26,606)**	**1,61,867**
IX. Balance in Profit and Loss Account	2,44,61,164	2,06,86,926
TOTAL (I to IX)	**6,20,81,553**	**5,37,34,148**

**Refer Note 18 (11.9) (Revaluation of Fixed Assets)*

***Refer Note 18 (3.10)*

SCHEDULE 3 DEPOSITS

(₹ in 000s)

			As on March 31, 2026	As on March 31, 2025
A	**I.**	**Demand Deposits**		
		(i) From Banks	66,732	73,358
		(ii) From Others	2,54,38,081	2,26,44,031
TOTAL(I)			**2,55,04,813**	**2,27,17,389**
	II.	**Savings Bank Deposits**	13,69,67,260	12,44,89,022
TOTAL(II)			**13,69,67,260**	**12,44,89,022**
	III.	**Term Deposits**		
		(i) From Banks	11,98,73,350	7,18,92,194
		(ii) From Others	44,34,87,163	38,12,10,926
TOTAL(III)			**56,33,60,513**	**45,31,03,120**
TOTAL (I,II and III)			**72,58,32,586**	**60,03,09,531**
B	**I.**	**Deposits of branches in India**	72,58,32,586	60,03,09,531
	II.	**Deposits of branches outside India**	-	-
TOTAL			**72,58,32,586**	**60,03,09,531**

Out of total deposits, ₹ 5,040 Crore is marked as lien as on March 31, 2026 (₹ 5,216 Crore as on March 31, 2025)

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

SCHEDULE 4 BORROWINGS

(₹ in 000s)

	As on March 31, 2026	As on March 31, 2025
I. Borrowings in India		
(i) Reserve Bank of India	50,00,000	1,71,50,000
(ii) Other Banks	-	7,00,000
(iii) Other Institutions and Agencies	4,27,00,200	6,50,92,315
(iv) Sub-Ordinated Debts	70,00,000	70,00,000
TOTAL (I)	**5,47,00,200**	**8,99,42,315**
II. Borrowings outside India	61,64,275	12,09,471
TOTAL (I & II)	**6,08,64,475**	**9,11,51,786**
Secured Borrowings included in I & II above	50,00,000	2,76,23,415

SCHEDULE 5 OTHER LIABILITIES AND PROVISIONS

(₹ in 000s)

	As on March 31, 2026	As on March 31, 2025
I. Bills Payable	66,28,290	26,98,150
II. Inter Office Adjustments (Net)	-	-
III. Interest Accrued (Net of TDS recoverable)	89,81,003	78,05,672
IV. Others		
(i) Provision for Standard Assets*	30,25,678	28,64,698
(ii) Other Liabilities (including provisions)**	1,00,12,745	63,61,171
TOTAL	**2,86,47,716**	**1,97,29,691**

**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

(₹ in 000s)

	As on March 31, 2026	As on March 31, 2025
I. Cash in hand	13,30,273	15,48,626
(including foreign currency notes)		
II. Balances with Reserve Bank of India		
(i) In Current Accounts	1,90,92,469	2,35,26,248
(ii) In Other Accounts	1,17,00,000	-
TOTAL (II)	**3,07,92,469**	**2,35,26,248**
TOTAL (I & II)	**3,21,22,742**	**2,50,74,874**

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

SCHEDULE 7 BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE

(₹ in 000s)

	As on March 31, 2026	As on March 31, 2025
I. In India		
i. Balance with Banks		
(a) In Current Accounts*	2,27,970	1,06,757
(b) In Other Deposit Accounts	2,541	2,421
* includes funds in transit: ₹ 0.26 Crore		
(Previous Year: ₹ 0.26 Crore)		
TOTAL	**2,30,511**	**1,09,178**
ii. Money at Call and Short Notice		
(a) With Banks	-	-
(b) With Other Institutions	-	-
TOTAL	**-**	**-**
TOTAL (I)	**2,30,511**	**1,09,178**
II. Outside India		
(i) In Current Accounts	18,29,959	7,77,009
(ii) In Other Deposit Accounts	80,21,144	10,24,845
(iii) Money at Call and Short Notice	-	-
TOTAL (II)	**98,51,103**	**18,01,854**
TOTAL (I & II)	**1,00,81,614**	**19,11,032**

SCHEDULE 8 INVESTMENTS

(₹ in 000s)

	As on March 31, 2026	As on March 31, 2025
I. Investments in India		
Net Investments in:-		
(i) Government Securities	16,83,20,265	15,93,78,942
(ii) Other Approved Securities	-	-
(iii) Shares	6,23,938	5,75,639
(iv) Debentures and Bonds	82,80,324	39,67,672
(v) Subsidiaries and/or Joint Ventures	-	-
(vi) Other Investments:		
(a) Ceritificate of Deposits/Commercial Paper	-	-
(b) Units of Mutual Funds	63,392	37,051
(c) Pass Through Certificates	2,64,92,061	3,75,39,712
(d) Security Receipts*	-	-
TOTAL (I)	**20,37,79,980**	**20,14,99,016**
II. Investments outside India in		
(i) Government Securities	-	-
(ii) Subsidiaries and/or Joint Ventures abroad	-	-
(iii) Other Investments	-	-
TOTAL (II)	**-**	**-**
TOTAL (I & II)	**20,37,79,980**	**20,14,99,016**
Investments in India		
i. Gross Value	20,39,66,651	20,17,31,087
ii. Provision for Depreciation	(1,86,671)	(2,32,071)
TOTAL	**20,37,79,980**	**20,14,99,016**

**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, 2026 (Contd.)

SCHEDULE 9 ADVANCES

(₹ in 000s)

			As on March 31, 2026	As on March 31, 2025
I.	(i)	Bills Purchased and Discounted	33,57,653	33,13,451
	(ii)	Cash credits, Overdrafts and Loans repayable on demand	9,51,63,978	6,78,46,167
	(iii)	Term Loans	50,16,95,929	43,93,09,516
TOTAL (I)			**60,02,17,560**	**51,04,69,134**
II.	(i)	Secured by tangible assets*	57,15,39,758	48,32,22,311
	(ii)	Covered by Bank/Government Guarantees	-	-
	(iii)	Unsecured	2,86,77,802	2,72,46,823
		*includes Advances against Book Debts		
TOTAL (II)			**60,02,17,560**	**51,04,69,134**
III	**(a)**	**Advances in India**		
		(i) Priority Sectors	29,50,51,363	26,41,56,256
		(ii) Public Sector	-	-
		(iii) Banks	-	-
		(iv) Others	30,51,66,197	24,63,12,878
TOTAL			**60,02,17,560**	**51,04,69,134**
III	**(b)**	**Advances outside India**	**-**	**-**
		(i) Due from banks	-	-
		(ii) Due from others	-	-
		(a) Bills purchased and discounted	-	-
		(b) Syndicated loans	-	-
		(c) Others	-	-
TOTAL (III)			**60,02,17,560**	**51,04,69,134**

Advances are net of provisions

SCHEDULE 10 FIXED ASSETS

(₹ in 000s)

		As on March 31, 2026	As on March 31, 2025
I.	**Premises (Gross Block including Revaluation)**		
	(i) As at March 31 of the preceding year	76,68,130	76,45,607
	(ii) Additions during the year	15,16,823	22,523
	(iii) Deductions during the year	(12,46,824)	-
	Total	**79,38,129**	**76,68,130**
	Depreciation to date (including on Revaluation)		
	(i) As at March 31 of the preceding year	15,16,777	13,18,830
	(ii) Charge for the year	2,06,491	1,97,947
	(iii) On deductions during the year	(12,46,824)	-
	Total	**4,76,444**	**15,16,777**
	Net Block	**74,61,685**	**61,51,353**

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

(₹ in 000s)

		As on March 31, 2026	As on March 31, 2025
II.	**Other Fixed Assets (Gross Block including Furniture & Fixtures)***		
	(i) As at March 31 of the preceding year	75,74,242	67,12,366
	(ii) Additions during the year	7,27,426	9,11,341
	(iii) Deductions during the year	(48,928)	(49,465)
	Total	**82,52,740**	**75,74,242**
	Depreciation to date		
	(i) As at March 31 of the preceding year	54,05,997	46,28,097
	(ii) Charge for the year	8,57,710	8,16,036
	(iii) On deductions during the year	(35,214)	(38,136)
	Total	**62,28,493**	**54,05,997**
	Net Block	**20,24,247**	**21,68,245**
III.	**Capital Work In Progress**	**4,06,630**	**6,64,383**
TOTAL (I+II+III)		**98,92,562**	**89,83,981**

**Refer Schedule 18 (7) (Other Fixed Assets (including furniture and fixtures))*

SCHEDULE 11 OTHER ASSETS

(₹ in 000s)

		As on March 31, 2026	As on March 31, 2025
I.	Inter-Office Adjustments (Net)	-	-
II.	Interest accrued	92,80,980	89,06,665
III.	Tax paid in Advance/Tax deducted at Source (Net of provision)	3,45,348	3,05,849
IV.	Stationery and Stamps	6,949	6,416
V.	Non-Banking Assets acquired insatisfaction of claims (Net)	-	-
VI.	Deferred Tax Assets (Net)*	13,82,160	13,59,749
VII.	Others**	1,35,84,780	95,81,093
TOTAL		**2,46,00,217**	**2,01,59,772**

** Refer Schedule 18 (11.7) (Deferred Tax)*

***Includes Priority Sector Shortfall Deposits of ₹ 435.84 Crore (previous year ₹ 752.67 Crore)*

SCHEDULE 12 CONTINGENT LIABILITIES

(₹ in 000s)

		As on March 31, 2026	As on March 31, 2025
I.	Claims against the Bank not acknowledged as debts	2,89,632	2,91,743
II.	Liability for partly paid investments	-	-
III.	Liability on account of outstanding forward exchange and derivative contracts		
	(a) Forward Contracts	18,86,45,469	8,18,67,090
	(b) Interest Rate Swaps and Currency Swaps	-	-
	(c) Foreign Currency Options	-	-
IV.	Guarantees given on behalf of constituents		
	(a) In India	1,02,55,043	1,03,89,845
	(b) Outside India	11,59,502	8,78,039

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

(₹ in 000s)

	As on March 31, 2026	As on March 31, 2025
V. Acceptances, Endorsements and other obligations	20,80,868	22,93,066
VI. Other items for which the Bank is contingently liable*	62,36,787	2,85,31,210
TOTAL	**20,86,67,301**	**12,42,50,993**

*includes

i) ₹ 500 Crore of lending under RBI Liquidity Adjustment Facility outstanding as at March 31, 2026 (Previous Year: ₹ 1,715 Crore as on March 31, 2025) as per RBI circular FMRD.DIRD. 10/14.03.002/2015-16.

ii) ₹ 99.71 Crore (Previous year: ₹ 90.28 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) ₹ Nil (Previous Year: ₹ 0.50 Crore) includes capital commitment towards unpaid commitment towards new premises and undrawn amount of Alternative Investment Fund.

SCHEDULE 13 INTEREST EARNED

(₹ in 000s)

	Year Ended March 31, 2026	Year Ended March 31, 2025
I. Interest/Discount on Advances/Bills	5,89,00,278	5,09,92,603
II. Income on Investments	1,43,97,972	1,31,03,570
III. Interest on Balance with Reserve Bank of India and other Inter Bank Funds	4,73,923	3,18,665
IV. Others	2,72,491	2,91,015
TOTAL	**7,40,44,664**	**6,47,05,853**

SCHEDULE 14 OTHER INCOME

(₹ in 000s)

	Year Ended March 31, 2026	Year Ended March 31, 2025
I. Commission, Exchange and Brokerage	67,14,222	55,52,526
II. Profit/(Loss) on sale of Investments (Net)	16,31,105	15,08,184
III. Profit/(Loss) on revaluation of Investments (Net)	55,193	1,94,265
IV. Profit/(Loss) on sale of Land, Buildings and Other Assets (Net)	3,266	1,843
V. Profit/(Loss) on Exchange Transactions (Net)	(33,274)	97,080
VI. Income earned by way of Dividends, etc. from Subsidiaries, Companies and/or Joint Ventures abroad/in India	-	-
VII. Miscellaneous Income	1,80,892	1,51,226
TOTAL	**85,51,404**	**75,05,124**

SCHEDULE 15 INTEREST EXPENDED

(₹ in 000s)

	Year Ended March 31, 2026	Year Ended March 31, 2025
I. Interest on Deposits	4,44,11,030	3,83,63,070
II. Interest on Reserve Bank of India/Inter-Bank Borrowings	15,36,366	13,35,831
III. Other Interest	35,31,929	39,41,275
TOTAL	**4,94,79,325**	**4,36,40,176**

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

SCHEDULE 16 OPERATING EXPENSES

(₹ in 000s)

	Year Ended March 31, 2026	Year Ended March 31, 2025
I. Payments to and Provisions for Employees	1,02,59,377	92,30,691
II. Rent, Taxes and Lighting	13,93,767	14,78,567
III. Printing and Stationery	1,18,656	1,29,598
IV. Advertisement and Publicity	73,812	92,999
V. Depreciation on Bank's property	10,64,200	10,13,982
VI. Directors' Fees, Allowances and Expenses	28,002	27,445
VII. Auditors' Fees and Expenses	29,317	22,467
VIII. Law Charges	1,81,745	1,97,768
IX. Postages,Telegrams,Telephones, etc.	2,39,126	2,36,394
X. Repairs and Maintenance	7,94,292	6,12,500
XI. Insurance	6,99,649	6,00,842
XII. Other Expenditure*#	52,77,307	45,57,551
TOTAL	**2,01,59,250**	**1,82,00,804**

*includes an amount of ₹ 14.74 Crore (Previous year: ₹ 11.84 Crore) being Corporate Social Resposibility Expenditure as per requirenments of Section 135 of the Companies Act, 2013

(Refer Note 18 (13.2) (Corporate Social Responsibility))

#Visa expense incurred on behalf of vendor amounting to ₹ 99.52 Crore, exceeded 1% of total income during FY 2025-26.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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 though 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.

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.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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 recognised 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.

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 recognised as expenses.

4.6 Security Receipts (SR):

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

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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 categorized 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.

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 EMI loans, recoveries effected are first adjusted towards the principal amount. In case of 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 judgment. 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.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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, recognizes 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 recognizes 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.

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 fulfillment of priority sector obligation and in the case of a purchase transaction the Bank buys the fulfillment 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 capitalized 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 & AMORTIZATION

Depreciation on fixed assets, including amortization 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.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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: **1. Lease premises** Over the contractual lease term or estimated useful of the assets whichever is less **2. Owned premises** Estimated useful life of the assets	**1. Lease premises** 5 years, subject to a maximum of contractual lease term. **2. Owned premises** 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
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 realization 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.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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 amortizing 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.

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 amortized 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, 2026 (Contd.)

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 recognised 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 recognizes 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.

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 amortized over the vesting period.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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 mobilization 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 recognised in the Profit and Loss Account.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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, 2026	As at March 31, 2025
i.	Common Equity Tier 1 capital (CET 1)	6,164.48	5,429.16
ii.	Additional Tier 1 capital	-	-
iii.	Tier 1 Capital (i + ii)	6,164.48	5,429.16
iv.	Tier 2 Capital	988.57	936.51
v.	Total Capital (Tier 1+Tier 2)	7,153.05	6,365.67
vi.	Total Risk Weighted Assets (RWAs)	43,231.50	37,966.04
vii.	CET 1 Ratio (%)	14.26%	14.30%
viii.	Tier 1 Ratio (%)	14.26%	14.30%
ix.	Tier 2 Ratio (%)	2.29%	2.47%
x.	Capital to Risk Weighted Assets Ratio (CRAR) (%)	16.55%	16.77%
xi.	Leverage Ratio (%)	6.78%	6.86%
xii.	Percentage of shareholding of Government of India	-	-
xiii.	Amount of paid-up equity capital raised[1,2]		
	Share Capital:	7.61	1.48
	Securities Premium:	86.26	7.37
xiv.	Amount of non-equity Tier 1 capital raised	-	-
xv.	Amount of Tier 2 capital raised	-	400.00

1. *Pursuant to the approval from the Shareholders of the Bank and the approval granted on September 29, 2025 by the Reserve Bank of India to Aga Khan Fund for Economic Development S.A (AKFED), the promoter, to acquire 60,58,394 equity shares of the Bank, the Board of Directors approved the allotment of 60,58,394 equity shares of face value of ₹ 10/- each, on a preferential basis, to AKFED on October 10, 2025 at an issue price of ₹ 137/- per equity share (including a premium of ₹ 127/- per equity share), for a total consideration of ₹ 83.00 Crore. The preferential allotment was undertaken in accordance with the provisions of the SEBI ICDR regulations and other applicable rules/regulations/guidelines, prescribed by any regulatory or statutory authorities.*
2. *The Bank has allotted during the year 1,555,985 (Previous year 1,482,909) equity shares consequent to exercise of ESOPs vested. Accordingly, the share capital increased by ₹ 1.56 Crore (Previous year: ₹ 1.48 Crore) and securities premium increased by ₹ 9.32 Crore (Previous year: ₹ 7.37 Crore).*

1.2 Reserves and Surplus

(a) Statutory Reserve

During the year ended March 31, 2026, the Bank has appropriated ₹ 182.89 Crore (previous year: ₹ 153.83 Crore) out of profits for the year ended March 31, 2026 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, 2026, the Bank has appropriated ₹ 61.31 Crore (previous year: ₹ 43.28 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.

(c) Special Reserve

During the year ended March 31, 2026, the Bank has appropriated ₹ 59.20 Crore (previous year: ₹ 43.50 Crore) out of profits for the year ended March 31, 2026 to the Special Reserve as required under Income Tax Act, 1961.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

(d) Investment Fluctuation Reserve

During the year ended March 31, 2026, the Bank has appropriated ₹ 15.81 Crore (previous year: drawn down ₹ 49.44 Crore) to Investment Fluctuation Reserve in compliance with extant RBI guidelines.

(e) Revaluation Reserve

During the year ended March 31, 2026, the Bank has transferred ₹ 7.54 Crore (previous year: ₹ 6.84 Crore) from Revaluation Reserve to Profit and Loss Account. The Bank revalued its owned premises during the year, which resulted in a revaluation gain of ₹ 108.22 Crore which has been credited to Revaluation Reserve.

(f) Draw down from Reserves

The Bank has not undertaken any draw down of reserves during the financial year 2025-26.

The Bank has drawn down ₹ 49.44 Crore from Investment Fluctuation Reserve in terms of RBI guidelines during the financial year 2024-25.

2 SUB-ORDINATED DEBT THROUGH PRIVATE PLACEMENT OF BONDS

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, 2026	Equivalent Amount as on March 31, 2025
March 28, 2023	9.35	120	300.00	300.00
November 18, 2024	9.20	120	400.00	400.00
			700.00	700.00

3 INVESTMENTS

3.1 Composition of Investment Portfolio

(₹ in Crore)

	FY 2025-26							FY 2024-25						
	HTM		AFS	FVTPL		Subsidiaries, Associates and/ or joint ventures		HTM		AFS	FVTPL		Subsidiaries, Associates and/or joint ventures	
	At cost	Fair Value		HFT	non-HFT	At cost	Fair Value	At cost	Fair Value		HFT	non- HFT	At cost	Fair Value
I. Investments in India														
(i) Government Securities	15,972.89	15,505.64	823.53	35.61	-			13,920.88	14,118.18	1,986.45	30.56	-		
(ii) Other Approved Securities	-	-	-	-	-			-	-	-	-	-		
(iii) Shares	-	-	-	-	62.39			-	-	-	-	57.56		
(iv) Debentures and Bonds	-	-	828.03	-	-			-	-	396.77	-	-		
(v) Subsidiaries, Associates and/or joint ventures						-	-						-	-
(vi) Others*	2,649.21	2,659.69	-	-	25.01			3,753.97	3,806.52	-	-	26.92		
Total	18,622.10	18,165.33	1,651.56	35.61	87.40	-	-	17,674.85	17,924.70	2,383.22	30.56	84.48	-	-
Less: Provision for impairment/NPI	-	-	-	-	18.67			-	-	-	-	23.21		
Net	**18,622.10**	**18,165.33**	**1,651.56**	**35.61**	**68.73**	**-**	**-**	**17,674.85**	**17,924.70**	**2,383.22**	**30.56**	**61.27**	**-**	**-**
II. Investments outside India														
(i) Government securities (including local authorities)	-	-	-	-	-			-	-	-	-	-		
(ii) Subsidiaries, Associates and/or joint ventures						-	-						-	-
(vi) Others*	-	-	-	-	-			-	-	-	-	-		
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for impairment/NPI	-	-	-	-	-			-	-	-	-	-		
Net	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total investments (I + II)	**18,622.10**	**18,165.33**	**1,651.56**	**35.61**	**68.73**	**-**	**-**	**17,674.85**	**17,924.70**	**2,383.22**	**30.56**	**61.27**	**-**	**-**

*Includes Units of Alternative Investments Funds (AIFs), Pass Through Certificates & Security Receipts

3.2 Fair Value Hierarchy of Investment Portfolio measured at Fair value on Balance sheet

(₹ in Crore)

	FY 2025-26								FY 2024-25							
	AFS				FVTPL				AFS				FVTPL			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
I. Investments in India																
(i) Government Securities	823.53	-	-	823.53	35.61	-	-	35.61	1,986.45	-	-	1,986.45	30.56	-	-	30.56
(ii) Other Approved Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Shares	-	-	-	-	-	-	62.39	62.39	-	-	-	-	-	-	57.56	57.56
(iv) Debentures and Bonds	50.00	778.04	-	828.03	-	-	-	-	-	396.77	-	396.77	-	-	-	-
(v) Subsidiaries, Associates and/ or joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others*	-	-	-	-	-	-	6.34	6.34	-	-	-	-	-	-	3.71	3.71
Total	**873.52**	**778.04**	**-**	**1,651.56**	**35.61**		**68.73**	**104.34**	**1,986.45**	**396.77**	**-**	**2,383.22**	**30.56**		**61.27**	**91.83**
II. Investments outside India																
(i) Government securities (including local authorities)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Subsidiaries, Associates and/ or joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total investments (I + II)	**873.52**	**778.04**	**-**	**1,651.56**	**35.61**		**68.73**	**104.34**	**1,986.45**	**396.77**	**-**	**2,383.22**	**30.56**		**61.27**	**91.83**

*Includes Units of Alternative Investment Funds (AIFs)

The Bank has classified the financial instruments under Level 1, Level 2 and Level 3 as per guidance provided in RBI Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions) dated April 01, 2025.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

3.3 Net gains/ (losses) on Level 3 financial instruments recognised in AFS- Reserve and Profit and Loss Account

(₹ in Crore)

Particulars	March 31, 2026	March 31, 2025
(i) Recognised in AFS- Reserve	-	-
(ii) Recognised in Profit and Loss Account	3.62	6.24

Note: Excludes Level 3 assets where the valuation of the asset is the price declared by FBIL/FIMMDA for that asset

3.4 Movement of Provisions for Non- Performing Investments (NPI) and Investment Fluctuation Reserve

(₹ in Crore)

Particulars	March 31, 2026	March 31, 2025
(i) Movement of provisions held towards NPI		
(a) Opening balance	10.63	1.97
(b) Add: Provisions made during the year	-	9.37
(c) Less: Write-off/ write-back of excess provisions during the year	-	0.71
(d) Closing balance	10.63	10.63
(ii) Movement of Investment Fluctuation Reserve (IFR)		
(a) Opening balance	49.97	99.41
(b) Add: Amount transferred during the year	15.81	-
(c) Less: Drawdown	-	49.44
(d) Closing balance	65.78	49.97
(iii) Closing balance in IFR as a percentage of closing balance of investment in AFS and FVTPL (including HFT) category	3.75%	2.00%*

**calculated basis as a percentage of closing balance of investment in AFS and HFT category*

3.5 Details of sales made out of HTM

During the years ended March 31, 2026 and March 31, 2025, 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.

(₹ in Crore)

Particulars	March 31, 2026	March 31, 2025
1. Opening carrying value of securities in HTM	17,674.85	14,958.84
2. Carrying value of all HTM securities sold during the year	5,836.37	3,544.47
3. Less: Carrying values of securities sold under situations exempted from regulatory limits*	4,964.81	2,804.80
4. Carrying value of securities sold (4= 2-3)	871.56	739.67
5. Securities sold as a percentage of opening carrying value of securities in HTM (5= 4/1)	4.93%	4.94%
6. Amount transferred to Capital Reserve in respect of HTM securities which were sold at a gain	61.12	43.12

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

3.6 Non-SLR investment portfolio

(a) Non-performing non-SLR Investments

(₹ in Crore)

Particulars	March 31, 2026	March 31, 2025
Opening Balance	10.63	1.97
Additions during the year	-	9.37
Reductions during the year	-	0.71
Closing Balance	10.63	10.63
Total provisions held	**10.63**	**10.63**

(b) Issuer composition of non-SLR investments

Balances as at March 31, 2026

(₹ 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##	836.97	34.24	-	12.06	34.24
3.	Banks	-	-	-	-	-
4.	Private Corporates	59.76	34.47	-	9.64	34.47
5.	Subsidiaries/ Joint Ventures	-	-	-	-	-
6.	Others**	2,667.91	-	-	-	-
7.	Provision held towards NPI/ Depreciation	(18.67)	-	-	-	-
	Total	**3,545.97**	**68.71**	**-**	**21.70**	**68.71**

**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.

##Includes NBFCs and Alternate Investment Funds (AIFs).

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)	-	-	-	-
	Total	**4,212.01**	**65.81**	**-**	**24.47**	**65.81**

**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.

##Includes NBFCs and Alternate Investment Funds (AIFs).

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

3.7 Repo Transactions (At Face Value (FV) and Market Value (MV))#

Financial Year 2025-26

(₹ in Crore)

	Minimum outstanding during the year		Maximum outstanding during the year		Daily Average outstanding during the year		Balance as at March 31, 2026	
	FV	MV	FV	MV	FV	MV	FV	MV
Securities Sold under Repo*	-	-	3,102.43	3,199.23	894.42	914.36	481.57	510.00
(i) Government Securities	-	-	3,102.43	3,199.23	894.42	914.36	481.57	510.00
(ii) Corporate debt Securities	-	-	-	-	-	-	-	-
(iii) Any other Securities	-	-	-	-	-	-	-	-
Securities purchased under Reverse Repo*	-	-	2,927.21	2,051.63	192.80	176.74	-	-
(i) Government Securities	-	-	2,927.21	2,051.63	192.80	176.74	-	-
(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.*

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
Securities Sold under Repo *	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	-	-	-	-	-	-	-	-
Securities purchased under Reverse Repo *	-	-	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	-	-	-	-	-	-	-	-

**including securities sold and purchased under LAF and TREPS.*

***amounts reported are based on lending/borrowing amount.*

3.8 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.

3.9 Reclassification between categories of investments

During the period under review, the Bank has not carried out any reclassification between categories of investments.

3.10 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:

a. reversal of the balance in provision for depreciation on Investments as at March 31, 2024; and

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

b. 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:

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
Total			**16,234.47**	**16,259.34**	**24.87**

**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.

3.11 As at March 31, 2026, the Bank holds NIL provision (Previous year: ₹ 4.54 Crore) in respect of investments in Alternate Investment Funds (AIF).

4 DERIVATIVES

4.1 Details of derivative portfolio

(₹ in Crore)

Sr. No	Particulars	March 31, 2026			March 31, 2025		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1.	**Interest Rate Derivatives**						
	MTM- Assets	-	-	-	-	-	-
	MTM- Liabilities	-	-	-	-	-	-
	Net Gain/ Loss recognised in Profit and Loss Account	-	-	-	-	-	-
2.	**Exchange Rate Derivatives**						
	MTM- Assets	-	-	-	-	-	-
	MTM- Liabilities	-	-	-	-	-	-
	Net Gain/ Loss recognised in Profit and Loss Account	-	-	-	-	-	-
3.	**Credit Risk Derivatives**						
	MTM- Assets	-	-	-	-	-	-
	MTM- Liabilities	-	-	-	-	-	-
	Net Gain/ Loss recognised in Profit and Loss Account	-	-	-	-	-	-

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For the year ended March 31, 2026 (Contd.)

(₹ in Crore)

Sr. No	Particulars	March 31, 2026			March 31, 2025		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
4.	**Other Derivatives (please specify)***						
	MTM- Assets	-	295.08	-	-	42.44	-
	MTM- Liabilities	-	301.87	-	-	36.67	-
	Net Gain/ (Loss) recognised in Profit and Loss Account**	-	(6.79)	-	-	5.77	-

**Other Derivatives include forward contracts (foreign exchange spot, forward and swap contracts)*

***Net gain/loss hereunder reflects MTM gain/loss on other derivatives.*

4.2 Forward Rate Agreements/Interest Rate Swaps

(₹ in Crore)

Particulars		March 31, 2026	March 31, 2025
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, 2026	March 31, 2025
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

4.4 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 to 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.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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 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 crystallized 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, 2026	March 31, 2026	March 31, 2025	March 31, 2025
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:

1 Foreign exchange forward contracts have not been included in the above disclosure.

2 The notional principal amount of forward exchange contracts classified as Hedging and Trading amounted to ₹ 18,864.55 Crore (Previous year: ₹ 8,186.71 Crore).

4.5 Credit Default Swaps

The Bank has not transacted in credit default swaps during the year ended March 31, 2026 (Previous year: NIL).

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

5 ASSET QUALITY

5.1 Classification of advances and provisions held as of March 31, 2026

(₹ in Crore)

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	50,493.10	622.00	926.16	6.27	1,554.43	52,047.53
Add: Additions during the year[1]					1,708.97	
Less: Reductions during the year*					1,767.67	
Closing balance	59,501.93	631.14	861.51	3.08	1,495.73	60,997.66
*Reductions in Gross NPAs due to:					1,767.67	
i) Upgradation					627.59	
ii) Recoveries (excluding recoveries from upgraded accounts)[2,3]					804.49	
iii) Technical/ Prudential Write-offs					318.59	
iv) Write-offs other than those under (iii) above					17.00	
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	308.67	149.25	650.75	6.27	806.27	1,114.94
Add: Fresh provisions made during the year					594.50	
Less: Excess provision reversed/ Write-off loans					641.80	
Closing balance of provisions held	314.68	190.54	565.35	3.08	758.97	1,073.65
Net NPAs						
Opening Balance		296.14	275.41	0.00	571.55	
Add: Fresh additions during the year[4]					1,088.29	
Less: Reductions during the year					1,125.87	
Closing Balance		237.81	296.16	0.00	533.97	
Floating Provisions						
Opening Balance						176.61
Add: Additional provisions made during the year						26.18
Less: Amount drawn down during the year						0.00
Closing balance of floating provisions						202.79
Technical write-offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts						684.95
Add: Technical/ Prudential write-offs during the year						318.59
Less: Recoveries/Sacrifice made from previously technical/ prudential written-off accounts during the year						24.64
Closing balance						978.90

1. Includes fresh NPAs during the year.
2. Includes recoveries in upgraded accounts of ₹ 35.51 Crore.
3. Includes recoveries of ₹ 5.99 Crore from NPA sold to asset reconstruction company.
4. Includes addition to NPA 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, 2026 (Contd.)

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	
Gross Standard Advances and NPAs						
Opening Balance	40,493.14	566.19	779.77	7.51	1,353.47	41,846.61
Add: Additions during the year[1]					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)[2,3]					686.00	
iii) Technical/ Prudential Write-offs					71.16	
iv) Write-offs other than those under (iii) above					48.55	
Provisions (excluding Floating Provisions)						
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
Net NPAs						
Opening Balance		260.58	193.75	0.00	454.33	
Add: Fresh additions during the year[4]					1,051.01	
Less: Reductions during the year					933.79	
Closing Balance		296.14	275.41	0.00	571.55	
Floating Provisions						
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
Technical write-offs and the recoveries made thereon						
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[5]						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, 2026 (Contd.)

Assets quality Ratios

Particulars	March 31, 2026	March 31, 2025
Gross NPA to Gross Advances (%)	2.45%	2.99%
Net NPA to Net Advances (%)	0.89%	1.12%
Provision Coverage Ratio (%)	78.42%	74.48%

5.2 Divergence in the asset classification and provisioning

There was no divergence observed by RBI for FY 2024-25.

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.

5.3 Sector-wise Advances and Gross NPAs

Financial Year 2025-26

(₹ in Crore)

Sr. No.	Sector	March 31, 2026		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
A	**Priority Sector**			
1	Agriculture and allied activities	7,244.73	351.32	4.85%
2	Advances to industries sector eligible as priority sector lending of which-	3,455.87	116.38	3.37%
	Constructions	2,118.93	34.68	1.64%
	Infrastructure	358.23	7.92	2.21%
3	Services of which-	8,425.70	206.95	2.46%
	Retail Trade	3,814.12	96.30	2.52%
	Education Institutions	1,176.17	1.94	0.16%
	NBFC	1,068.96	0.00	0.00%
	Wholesale Trade	875.66	48.12	5.50%
4	Personal loans of which-	11,365.80	200.01	1.76%
	Gold Loans	7,111.11	12.92	0.18%
	Housing Loans	4,222.43	186.79	4.42%
	Sub-total (A) (1+2+3+4)	**30,492.10**	**874.66**	**2.87%**
B	**Non Priority Sector**			
1	Agriculture and allied activities	180.88	5.72	3.16%
2	Industry of which-	1,070.33	82.80	7.74%
	Constructions	360.00	53.65	14.90%
	Textiles	194.91	3.06	1.57%
	Gems & Jewelry	145.24	0.26	0.18%
3	Services of which-	13,804.40	248.41	1.80%
	Retail Trade	4,430.99	103.25	2.33%
	NBFC	4,031.05	3.64	0.09%
4	Personal loans	15,449.95	284.14	1.84%
	Housing Loans	8,823.52	200.65	2.27%
	Gold Loans	3,712.99	8.13	0.22%
	Sub-total (B) (1+2+3+4)	**30,505.56**	**621.07**	**2.04%**
	Total (A+B)	**60,997.66**	**1,495.73**	**2.45%**

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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
A	**Priority Sector**			
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%
	Sub-total (A) (1+2+3+4)	**26,879.32**	**930.29**	**3.46%**
B	**Non Priority Sector**			
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 & Jewelry	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%
	Sub-total (B) (1+2+3+4)	**25,168.21**	**624.14**	**2.48%**
	Total (A+B)	**52,047.53**	**1,554.43**	**2.99%**

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, 2026 (Contd.)

5.4 Restructured Accounts

Details of restructured accounts are given in the table below:

(₹ in Crore)

		Agriculture and allied activities		Corporates (excluding MSME)		Micro, Small and Medium Enterprises (MSME)		Retail (excluding agriculture and MSME)		Total	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Standard	Number of borrowers	12	14	3	3	1,433	1,807	2,139	2,472	3,587	4,296
	Gross Amount	1.18	1.29	16.92	11.96	331.41	417.07	429.45	514.49	778.96	944.81
	Provision held	0.08	0.09	0.99	0.74	57.47	72.66	45.22	53.22	103.76	126.71
Sub-standard	Number of borrowers	-	2	-	-	97	223	118	275	215	500
	Gross Amount	-	0.12	-	-	17.72	38.00	16.00	51.78	33.72	89.90
	Provision held	-	0.02	-	-	4.71	9.40	2.55	8.84	7.26	18.26
Doubtful	Number of borrowers	3	2	-	-	241	822	483	795	727	1,619
	Gross Amount	0.14	0.02	-	-	86.08	185.12	89.88	107.42	176.10	292.56
	Provision held	0.06	0.01	-	-	58.44	148.19	50.76	60.47	109.26	208.67
Total	Number of borrowers	15	18	3	3	1,771	2,852	2,740	3,542	4,529	6,415
	Gross Amount	1.32	1.43	16.92	11.96	435.21	640.19	535.33	673.69	988.78	1,327.27
	Provision held	0.14	0.12	0.99	0.74	120.62	230.25	98.53	122.53	220.28	353.64

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, 2026 (Contd.)

5.5 Disclosures on the scheme for MSME sector – restructuring of advances

(₹ in Crore)

Particulars	March 31, 2026	March 31, 2025
1. Total number of accounts restructured at the end of year*	1,433	1,807
2. Amount outstanding	331.41	417.07

**represents number of borrowers.*

5.6 Disclosures on implementation of resolution plan as required under RBI circular on Prudential Framework for Resolution of Stressed Assets

Financial Year 2025-26

(₹ in Crore)

Particulars	Resolution Plan implemented	Resolution Plan not implemented
No. of borrower where timeline for implementation of resolution plan was before March 31, 2026	-	-
Fund based outstanding as on March 31, 2026	-	-
Additional provision held as per RBI circular	-	-

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	-	-

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 2025-26

Position of accounts restructured under Resolution Framework for COVID 19 related stress as of March 31, 2026

(₹ in Crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at September 30, 2025[1] (A)	Of (A), aggregate debt that slipped into NPA during H2 FY 2025-26	Of (A) amount written off during H2 FY 2025-26	Of (A) amount paid by the borrowers during H2 FY 2025-26	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at March 31, 2026[1]
Personal Loans	310.41	2.58	-	23.59	284.31
Corporate persons	11.87	-	-	0.01	14.41
Of which, MSMEs	-	-	-	-	-
Others	96.79	0.66	-	10.85	85.32
Total	**419.07**	**3.24**	**-**	**34.45**	**384.04**

1. Represents fund based outstanding balance of standard accounts.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

Position of accounts restructured under Resolution Framework for COVID 19 related stress as of September 30, 2025

(₹ in Crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at March 31, 2025[1] (A)	Of (A), aggregate debt that slipped into NPA during H1 FY 2025-26	Of (A) amount written off during H1 FY 2025-26	Of (A) amount paid by the borrowers during H1 FY 2025-26	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at September 30, 2025[1]
Personal Loans	339.77	9.49	-	20.05	310.41
Corporate persons	11.95	-	-	0.08	11.87
Of which, MSMEs	-	-	-	-	-
Others	110.15	1.54	-	11.87	96.79
Total	**461.87**	**11.03**	**-**	**32.00**	**419.07**

1. Represents fund based outstanding balance of standard accounts.

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[1] (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[1]
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
Total	**507.87**	**15.73**	**-**	**35.63**	**461.87**

1. Represents fund based outstanding balance of standard accounts.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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[1] (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[1]
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
Total	**590.85**	**27.14**	**-**	**56.59**	**507.87**

1. Represents fund based outstanding balance of standard accounts.

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, 2026	As at March 31, 2025
(a)	Number of frauds reported during the year	65	176
(b)	Amount involved in fraud	1.74	5.74
(c)	Amount involved in fraud net of recoveries/ write-offs as at the end of the year	1.44	3.41
(d)	Provisions made during the year	1.44	2.09
(e)	Quantum of unamortized 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, 2026	March 31, 2025
(i)	No. of accounts	479	389
(ii)	Aggregate value (net of provisions) of accounts sold to SC/RC	12.23	9.44
(iii)	Aggregate consideration	5.99	28.20
(iv)	Additional consideration realised in respect of accounts transferred in earlier years	NIL	NIL
(v)	Aggregate gain/(loss) over net book value	(6.24)	18.76

As per the extant RBI guidelines, the Bank has charged/reversed the shortfall/excess provision on financial assets (including written off accounts) sold to ARC to profit and loss account under provisions and contingencies.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

5.10 Details of investment in security receipts (SRs)

Details of investment in security receipts as at March 31, 2026 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
Provision held against (i)	8.04	-	10.63
(ii) Book value of SRs backed by NPAs sold by other banks/financial institutions/non-banking financial companies as underlying	-	-	-
Provision held against (ii)	-	-	-
Total (i + ii)	**8.04**	**-**	**10.63**

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
Provision held against (i)	8.04	-	10.63
(ii) Book value of SRs backed by NPAs sold by other banks/financial institutions/non-banking financial companies as underlying	-	-	-
Provision held against (ii)	-	-	-
Total (i + ii)	**8.04**	**-**	**10.63**

5.11 Details of loans transferred/acquired under the RBI Master Direction on Transfer of Loan Exposures dated November 28, 2025

Financial Year 2025-26

(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*	478	-	-
b) Aggregate principal outstanding of loans transferred	14.98	-	-
c) Weighted average residual tenor of the loans transferred (in years)	4.73	-	-
d) Net Book value of loans transferred (at the time of transfer)**	12.23	-	-
e) Aggregate consideration	5.99	-	-
f) Additional consideration realised in respect of accounts transferred in earlier years	NA	-	-

** represents number of borrowers*

***net of provisions*

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

(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, 2026
a) Aggregate amount of loans acquired[1]	1,668.04
b) Weighted average residual maturity (in years)	2.85
c) Weighted average holding period by originator (in years)	0.79
d) Retention of beneficial economic interest by the originator	10%
e) Tangible security coverage (for secured loans)[2]	100%

1.Includes deals amounting to ₹ 665.45 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.

(iv) The Bank has not acquired any stressed loans.

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
g) Number of accounts*	316	-	-
h) Aggregate principal outstanding of loans transferred	76.46	-	-
i) Weighted average residual tenor of the loans transferred (in years)	6.85	-	-
j) Net Book value of loans transferred (at the time of transfer)**	9.44	-	-
k) Aggregate consideration	28.20	-	-
l) Additional consideration realised 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[1]	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)[2]	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.

(iv) The Bank has not acquired any stressed loans.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

5.12 a) Details of non-performing financial assets purchased from other banks

(₹ in Crore)

Particulars			March 31, 2026	March 31, 2025
1.	(a)	No. of accounts purchased during the year	NIL	NIL
	(b)	Aggregate outstanding	NIL	NIL
2.	(a)	Of these, number of accounts restructured during the year	NIL	NIL
	(b)	Aggregate outstanding	NIL	NIL

b) Details of non-performing financial assets sold to other banks

(₹ in Crore)

Particulars	March 31, 2026	March 31, 2025
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 Securitisation

During the years ended March 31, 2026 and March 31, 2025, there were no standard assets securitised-out by the Bank.

5.14 Provisions on Standard Assets

(₹ in Crore)

Particulars	March 31, 2026	March 31, 2025
Provision for Standard Assets*	295.63	275.52
Provision for Unhedged Foreign Currency Exposure of borrowers	2.75	2.75
Provision for Specific Standard Assets	4.19	8.20
Total (Refer Schedule 5-IV(i) – Other Liabilities and Provisions)	302.57	286.47

**includes provision for standard restructured assets of ₹ 75.59 Crore (previous year: ₹ 91.73 Crore).*

5.15 Disclosure on Co-Lending Arrangements (CLA)

Details of Co-Lending Arrangements as per Reserve Bank of India (Commercial Banks- Transfer and Distribution of Credit Risk) Directions, 2025 are given below:

(₹ in Crore)

Particulars		March 31, 2026
1.	Quantum of CLAs - Number of CLA Partners (No.) - Number of outstanding cases (No.) - Amount of Gross outstanding	 13 7,09,415 8,389.82
2.	Weighted average rate of interest (%)	10.35%
3.	Fees charged during the year Fees paid during the year	0.60 12.94
4.	Broad Sectors in which CLA was made	Home Loan, Gold Loan, LAP, Educational Institution Loan, Business Loans- Secured/ Unsecured, MSME Business Loan- Unsecured
5.	Performance of loans under CLA - Standard Loans - Non- performing Loans	 8,345.99 43.83
6.	Details related to default loss guarantee, if any	NA

Note: The above disclosure is applicable from the financial year ending March 31, 2026, hence prior period figures are not applicable.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

5.16 Disclosure related to Project Finance

Financial Year 2025-26

Position of project finance are given below:

(₹ in Crore)

Sr. No.	Particulars	December 31, 2025		March 31, 2026	
		Number of accounts	Total outstanding	Number of accounts	Total outstanding
1	Projects under implementation accounts at the beginning of the quarter	263	1,663.42	278	1,717.13
2	Projects under implementation accounts sanctioned during the quarter	17	30.62	35	112.61
3	Projects under implementation accounts where DCCO has been achieved during the quarter	2	11.98	42#	35.16
4	Projects under implementation accounts at the end of the quarter. (1+2-3)	278	1,717.13*	271	1,863.88*
5	Out of '4' – accounts in respect of which resolution process involving extension in original/extended DCCO, as the case may be, has been invoked	4	19.62	5	21.36
5.1	Out of '5' – accounts in respect of which Resolution plan has been implemented.	4	19.62	5	21.36
5.2	Out of '5' – accounts in respect of which Resolution plan is under implementation.	-	-	-	-
5.3	Out of '5' – accounts in respect of which Resolution plan has failed.	-	-	-	-
6	Out of '5', accounts in respect of which resolution process involving extension in original/extended DCCO, as the case may be, has been invoked due to change in scope and size of the project.	-	-	-	-
7	Out of '5', account in respect of which cost overrun associated with extension in original/ extended DCCO, as the case may be, was funded	-	-	-	-
7.1	Out of '7', accounts where SBCF was sanctioned during financial closure and renewed continuously	-	-	-	-
7.2	Out of '7', accounts where SBCF was not pre sanctioned or renewed continuously	-	-	-	-
8	Out of '4' – accounts in respect of which resolution process not involving extension in original/extended DCCO, as the case may be, has been invoked.	-	-	-	-
8.1	Out of '8' – accounts in respect of which Resolution plan has been implemented.	-	-	-	-
8.2	Out of '8' – accounts in respect of which Resolution plan is under implementation.	-	-	-	-
8.3	Out of '8' – accounts in respect of which Resolution plan has failed.	-	-	-	-

** Includes net change of ₹ 35.07 Crore and ₹ 69.30 Crore during Q3 FY 2025-26 and Q4 FY 2025-26 respectively in projects under implementation existing at the beginning of the quarters.*

#Includes 32 projects closed during the quarter.

Note: The above disclosure is applicable for the financial year ending March 31, 2026 beginning from October 01, 2025, hence prior period figures are not applicable.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

6 BUSINESS RATIOS

Particulars	March 31, 2026	March 31, 2025
Interest Income as a percentage to Working Funds (%)[1]	9.19	9.39
Non-Interest Income as a percentage to Working Funds (%)[1]	1.06	1.09
Cost of deposits (%)	6.94	7.15
Net Interest Margin (%)[2]	3.28	3.31
Operating Profit as a percentage to Working Funds (%)[1,3]	1.61	1.50
Return on Assets (%)[4]	0.91	0.89
Business per employee (₹ in Crore)[5, 6]	10.98	8.97
Profit after tax per employee (₹ in Crore)[6]	0.07	0.05

1. *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.*
2. *Ratio of Net Interest Income to average earning assets.*
3. *For the purpose of this ratio, Operating Profit is profit for the year before provisions and contingencies.*
4. *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.*
5. *For the purpose of this ratio, business has been recorded as deposits (excluding interbank deposits) plus net advances outstanding as at the year end.*
6. *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, 2026	March 31, 2025
Cost		
As at March 31 of the preceding year	240.11	198.32
Additions during the year	16.23	41.79
Deductions during the year	-	-
Total (a)	**256.34**	**240.11**
Depreciation		
As at March 31 of the preceding year	157.89	134.89
Charge for the year	24.00	23.00
On deductions during the year	-	-
Total (b)	**181.89**	**157.89**
Net value as at March 31 of the current year (a-b)	**74.45**	**82.22**

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

8 ASSET LIABILITY MANAGEMENT

8.1 Maturity pattern of certain items of assets and liabilities as at March 31, 2026

(₹ in Crore)

Maturity Buckets	Loans and Advances	Investments#	Deposits	Borrowings	Foreign Currency Assets@	Foreign Currency Liabilities
Day 1	1,604.85	4,440.98	756.31	-	274.00	18.29
2 to 7 days	240.26	-	829.63	474.18	711.33	514.11
8 to 14 days	102.95	12.12	1,204.42	541.66	0.08	5.52
15 to 30 days	460.50	1,815.04	1,978.09	560.00	0.19	31.63
31 days to 2 months	958.10	1,020.45	4,213.74	-	0.01	34.82
Over 2 months & upto 3 months	3,752.53	1,067.02	3,411.63	45.83	-	38.75
Over 3 months & upto 6 months	2,695.40	2,175.07	6,875.53	602.03	-	217.14
Over 6 months & upto 1 year	8,746.86	3,497.97	24,330.72	676.07	-	694.49
Over 1 year & upto 3 years	16,651.12	3,421.47	11,641.80	2,470.96	35.85	568.36
Over 3 years & upto 5 years	5,444.72	2,449.85	16,432.39	715.72	-	-
Over 5 years	19,364.47	478.03	909.00	-	9.25	-
Total	**60,021.76**	**20,378.00**	**72,583.26**	**6,086.45**	**1,030.71**	**2,123.11**

@excludes foreign currency bills discounted as they are booked in Indian Rupees.

#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, 2025

(₹ in Crore)

Maturity Buckets	Loans and Advances	Investments#	Deposits	Borrowings	Foreign Currency Assets@	Foreign Currency Liabilities
Day 1	1,778.90	6,133.67	577.23	-	180.21	13.64
2 to 7 days	220.50	-	604.96	2,897.73	0.16	76.53
8 to 14 days	106.33	8.04	489.03	45.91	0.19	1.27
15 to 30 days	321.88	1,105.75	847.75	25.50	(2.61)	2.27
31 days to 2 months	798.99	687.94	2,986.36	59.81	3.21	70.36
Over 2 months & upto 3 months	663.12	735.48	3,037.17	255.08	(9.83)	4.98
Over 3 months & upto 6 months	1,780.14	1,331.30	4,781.20	1,162.59	(8.66)	33.80
Over 6 months & upto 1 year	7,047.43	3,635.37	17,193.86	2,021.08	10.15	348.92
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	-
Total	**51,046.91**	**20,149.90**	**60,030.95**	**9,115.18**	**269.16**	**1,096.71**

@excludes foreign currency bills discounted as they are booked in Indian Rupees.

#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.

8.2 Liquidity Coverage Ratio (LCR)

(A) Quantitative Disclosures

Financial Year 2025-26

(₹ in Crore)

		Q1 FY 2025-26		Q2 FY 2025-26		Q3 FY 2025-26		Q4 FY 2025-26	
		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)
1	Total High Quality Liquid Assets (HQLA)		14,424.39		15,189.43		16,241.74		16,046.58
Cash Outflows									
2	Retail deposits and deposits from small business customers, of which:	35,700.34	3,137.11	36,677.83	3,225.96	37,944.31	3,346.51	37,847.55	3,339.02
(i)	Stable Deposits	8,658.56	432.93	8,836.53	441.83	8,958.44	447.92	8,914.71	445.74
(ii)	Less Stable Deposits	27,041.77	2,704.18	27,841.30	2,784.13	28,985.86	2,898.59	28,932.84	2,893.28
3	Unsecured wholesale funding, of which:	11,282.95	7,881.78	12,313.31	8,719.65	12,574.28	8,656.37	13,664.72	9,587.12
(i)	Operational deposits (all counterparties)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii)	Non-operational deposits (all counterparties)	5,668.61	2,267.45	5,989.44	2,395.78	6,529.85	2,611.94	6,796.00	2,718.40
(iii)	Unsecured debt	5,614.33	5,614.33	6,323.87	6,323.87	6,044.43	6,044.43	6,868.72	6,868.72
4	Secured wholesale funding		0.00		0.00		0.00		0.00
5	Additional requirements, of which	7,481.73	3,705.70	6,676.99	2,698.12	14,948.11	10,939.02	9,589.88	5,430.26
(i)	Outflows related to derivative exposures and other collateral requirements	3,364.51	3,364.51	2,331.12	2,331.12	10,581.71	10,581.71	5,079.86	5,079.86
(ii)	Outflows related to loss of funding on debt products	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii)	Credit and liquidity facilities	4,117.23	341.19	4,345.86	366.99	4,366.40	357.31	4,510.02	350.39
6	Other contractual funding obligations	1,202.33	1,202.33	1,407.51	1,407.51	1,663.24	1,663.24	1,473.29	1,473.29
7	Other contingent funding obligations	2,792.22	114.14	2,144.69	80.88	1,683.75	69.67	1,896.03	94.80
8	**Total Cash Outflows**		**16,041.05**		**16,132.11**		**24,674.81**		**19,924.49**
Cash Inflows									
9	Secured lending (e.g. reverse repos)	0.52	0.00	5.38	0.00	10.79	0.00	26.34	0.00
10	Inflows from fully performing exposures	1,469.69	1,115.13	1,625.10	1,272.90	1,940.54	1,550.49	1,879.28	1,511.64
11	Other cash inflows	3,751.71	3,510.49	2,786.85	2,532.48	11,068.56	10,734.99	5,724.39	5,323.19
12	**Total Cash Inflows**	**5,221.91**	**4,625.61**	**4,417.33**	**3,805.37**	**13,019.89**	**12,285.49**	**7,630.00**	**6,834.83**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
	TOTAL HQLA		**14,424.39**		**15,189.43**		**16,241.74**		**16,046.58**
	Total Net Cash Outflows		**11,415.44**		**12,326.74**		**12,389.33**		**13,089.66**
	Liquidity Coverage Ratio (%)		**126.36%**		**123.22%**		**131.09%**		**122.59%**

In computing the above information, certain estimates/assumptions have been made by the Bank's management which have been relied upon by the auditors.

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)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)		12,137.6		12,532.3		12,518.8		13,593.4
Cash Outflows									
2	Retail deposits and deposits from small business customers, of which:	31,631.4	2,746.7	32,807.1	2,852.6	34,091.9	2,967.7	35,062.8	3,055.1
(i)	Stable Deposits	8,329.8	416.5	8,562.1	428.1	8,829.3	441.5	9,024.4	451.2
(ii)	Less Stable Deposits	23,301.6	2,330.2	24,245.0	2,424.5	25,262.7	2,526.3	26,038.3	2,603.8
3	Unsecured wholesale funding, of which:	9,217.3	6,689.4	10,247.4	7,399.9	10,226.8	7,268.4	10,617.5	7,405.3
(i)	Operational deposits (all counterparties)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii)	Non-operational deposits (all counterparties)	4,213.1	1,685.3	4,745.7	1,898.3	4,930.7	1,972.3	5,353.7	2,141.5
(iii)	Unsecured debt	5,004.1	5,004.1	5,501.6	5,501.6	5,296.1	5,296.1	5,263.8	5,263.8
4	Secured wholesale funding		0.0		0.0		0.0		0.0
5	Additional requirements, of which	6,173.7	2,917.3	5,143.2	1,740.6	5,881.8	2,297.8	7,554.9	3,831.1
(i)	Outflows related to derivative exposures and other collateral requirements	2,609.7	2,609.7	1,439.1	1,439.1	1,948.9	1,948.9	3,481.7	3,481.7
(ii)	Outflows related to loss of funding on debt products	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iii)	Credit and liquidity facilities	3,563.9	307.6	3,704.0	301.5	3,932.8	348.9	4,073.2	349.4
6	Other contractual funding obligations	1,089.4	1,089.4	930.4	930.4	861.8	861.8	1,177.1	1,177.1
7	Other contingent funding obligations	2,200.9	77.1	2,388.5	86.4	2,906.1	113.2	2,956.9	119.4
8	**Total Cash Outflows**		**13,519.8**		**13,009.9**		**13,509.0**		**15,588.0**
Cash Inflows									
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**	**4,405.9**	**3,756.0**	**3,136.0**	**2,543.2**	**3,626.6**	**3,020.0**	**5,381.3**	**4,794.0**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
	TOTAL HQLA		**12,137.6**		**12,532.3**		**12,518.8**		**13,593.4**
	Total Net Cash Outflows		**9,763.8**		**10,466.7**		**10,489.0**		**10,793.9**
	Liquidity Coverage Ratio (%)		**124.31%**		**119.74%**		**119.35%**		**125.94%**

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, 2026 (Contd.)

(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% 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% of NDTL till April 17, 2022 and 16% 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% 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, 2026 (Contd.)

8.3 Net Stable Funding Ratio (NSFR)

(A) Quantitative Disclosures

Financial Year 2025-26

(₹ in Crore)

		Net Stable Funding Ratio (NSFR)									
		As on June 30, 2025					As on September 30, 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)	6,360.88	109.20	32.99	1,279.72	7,060.88	6,354.99	146.30	0.15	1,318.06	7,054.99
2	Regulatory capital	6,360.88	-	-	1,279.72	7,060.88	6,354.99	-	-	1,318.06	7,054.99
3	Other capital instruments	-	109.20	32.99	-	-	-	146.30	0.15	-	-
4	Retail deposits and deposits from small business customers: (5+6)	12,948.06	5,185.48	9,144.25	11,333.76	35,342.33	13,172.36	8,441.67	10,058.35	8,331.81	35,933.63
5	Stable deposits	4,369.87	913.28	1,644.18	2,790.28	8,483.44	4,536.98	1,430.34	1,787.62	2,559.19	8,682.34
6	Less stable deposits	8,578.19	4,272.20	7,500.07	8,543.48	26,858.89	8,635.38	7,011.33	8,270.73	5,772.62	27,251.29
7	Wholesale funding: (8+9)	1,557.85	12,711.80	11,095.11	5,121.11	13,078.60	2,034.29	14,236.67	9,965.78	3,954.45	11,780.11
8	Operational deposits	-	-	-	-	-	-	-	-	-	-
9	Other wholesale funding	1,557.85	12,711.80	11,095.11	5,121.11	13,078.60	2,034.29	14,236.67	9,965.78	3,954.45	11,780.11
10	Other liabilities: (11+12)	(116.82)	1,209.55	29,342.07	286.41	162.22	21.52	906.57	30,350.39	286.54	-
11	NSFR derivative liabilities				-					-	
12	All other liabilities and equity not included in the above categories	(116.82)	1,209.55	29,342.07	286.41	162.22	21.52	906.57	30,350.39	286.54	-
13	**Total ASF (1+4+7+10)**					**55,644.03**					**54,768.73**
	RSF Item										
14	Total NSFR high-quality liquid assets (HQLA)					773.61					821.03
15	Deposits held at other financial institutions for operational purposes	75.61	-	-	-	37.81	113.75	-	-	-	56.87
16	Performing loans and securities: (17+18+19+21+23)	-	4,402.63	6,425.68	44,047.72	41,567.36	-	3,806.08	7,000.24	44,851.98	42,370.38
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		627.07	2.44	1.10	96.38		103.39	3.20	0.88	17.99
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:		3,775.56	6,423.24	32,842.82	32,800.49		3,702.69	6,997.04	33,690.80	33,747.23
20	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*	-	-	-	1,076.50	699.72	-	-	-	1,199.09	779.41
21	Performing residential mortgages, of which:	-	-	-	9,363.61	7,106.33	-	-	-	9,556.73	7,242.13
22	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*	-	-	-	9,363.61	7,106.33	-	-	-	9,556.73	7,242.13
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities				1,840.19	1,564.16				1,603.57	1,363.03
24	Other assets: (sum of rows 25 to 29)	-	29.15	30,209.33	4,636.43	4,663.17	-	29.05	29,636.92	4,391.27	4,416.91
25	Physical traded commodities, including gold	-	-	-	-	-	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-		22.64		19.24	-		22.74		19.33
27	NSFR derivative assets	-		4.47		4.47	-		1.63		1.63
28	NSFR derivative liabilities before deduction of variation margin posted	-		2.04		2.04	-		2.04		4.68
29	All other assets not included in the above categories		-	30,209.33	4,636.43	4,637.42		-	29,636.92	4,391.27	4,391.27
30	Off-balance sheet items				4,991.01	225.88				5,748.52	262.57
31	**Total RSF (14+15+16+24+30)**					**47,267.83**					**47,927.76**
32	**Net Stable Funding Ratio (%)**					**117.72%**					**114.27%**

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

(₹ in Crore)

		Net Stable Funding Ratio (NSFR)									
		As on December 31, 2025					As on March 31, 2026				
		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)	6,463.65	-	-	700.00	7,163.65	7,199.72	-	-	700.00	7,853.05
2	Regulatory capital	6,463.65	-	-	-	6,463.65	7,199.72	-	-	-	7,153.05
3	Other capital instruments	-	-	-	700.00	700.00	-	-	-	700.00	700.00
4	Retail deposits and deposits from small business customers: (5+6)	13,774.27	9,274.88	8,108.87	8,277.72	36,700.66	14,392.93	10,315.84	4,502.75	10,708.53	37,382.21
5	Stable deposits	4,701.78	1,565.51	1,347.31	1,453.70	8,687.58	5,013.23	1,878.73	774.46	2,012.41	9,295.51
6	Less stable deposits	9,072.48	7,709.37	6,761.55	6,824.02	28,013.09	9,379.69	8,437.12	3,728.29	8,696.12	28,086.70
7	Wholesale funding: (8+9)	1,653.24	17,490.25	10,865.27	3,080.97	12,516.53	1,854.28	16,959.03	14,265.10	4,971.25	15,759.00
8	Operational deposits	-	-	-	-	-	-	-	-	-	-
9	Other wholesale funding	1,653.24	17,490.25	10,865.27	3,080.97	12,516.53	1,854.28	16,959.03	14,265.10	4,971.25	15,759.00
10	Other liabilities: (11+12)	391.14	1,399.53	8,732.54	140.46	-	404.73	2,058.01	10,362.54	101.75	-
11	NSFR derivative liabilities				7.82					6.80	
12	All other liabilities and equity not included in the above categories	391.14	1,399.53	8,732.54	140.46	-	404.73	2,058.01	10,362.54	101.75	-
13	**Total ASF (1+4+7+10)**					**56,380.84**					**60,994.27**
	RSF Item										
14	Total NSFR high-quality liquid assets (HQLA)					801.58					828.53
15	Deposits held at other financial institutions for operational purposes	99.95	-	-	-	49.97	206.01	-	-	-	103.00
16	Performing loans and securities: (17+18+19+21+23)	-	12,289.46	11,236.51	35,828.14	39,811.91	-	11,250.68	12,812.92	38,450.17	42,570.06
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	-	1,500.24	566.63	1,671.86	2,180.21	-	2,228.25	770.54	1,786.05	2,505.55
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:	-	10,789.22	10,669.88	21,424.88	29,057.71	-	9,022.43	12,042.38	26,331.87	33,009.75
20	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*	-	-	-	33.58	21.83	-	-	-	37.78	24.56
21	Performing residential mortgages, of which:	-	-	-	11,238.47	7,305.01	-	-	-	8,638.29	5,614.89
22	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*	-	-	-	11,238.47	7,305.01	-	-	-	8,638.29	5,614.89
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	1,492.93	1,268.99	-	-	-	1,693.96	1,439.87
24	Other assets: (sum of rows 25 to 29)	-	35.34	8,626.87	4,394.51	3,959.16	-	48.00	9,115.00	5,110.50	4,471.77
25	Physical traded commodities, including gold	-	-	-	-	-	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-		22.84		19.41	-		32.91		27.97
27	NSFR derivative assets	-		7.82		7.82	-		0.00		-
28	NSFR derivative liabilities before deduction of variation margin posted	-		4.68		4.68	-		15.09		15.09
29	All other assets not included in the above categories		-	8,626.87	4,394.51	3,927.24	-	-	9,115.00	5,110.50	4,428.70
30	Off-balance sheet items			-	6,343.01	292.13	-	-	-	6,175.88	281.80
31	**Total RSF (14+15+16+24+30)**					**44,914.75**					**48,255.17**
32	**Net Stable Funding Ratio (%)**					**125.53%**					**126.40%**

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, 2026 (Contd.)

Financial Year 2024-25

(₹ in Crore)

		Net Stable Funding Ratio (NSFR)									
		As on June 30, 2024					As on September 30, 2024				
		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)	5,160.15	-	-	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, 2026 (Contd.)

(₹ 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, 2026 (Contd.)

(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 Basel 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, 2026	March 31, 2025
Total deposits of twenty largest depositors	4,754.15	3,969.36
Percentage of deposits of twenty largest depositors to total deposits of the Bank	6.55%	6.61%

9.2 Concentration of Advances

(₹ in Crore)

Particulars	March 31, 2026	March 31, 2025
Total advances to twenty largest borrowers	2,616.98	1,943.24
Percentage of Advances to twenty largest borrowers to total advances of the Bank	4.07%	3.49%

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, 2026	March 31, 2025
Total Exposures to twenty largest borrowers/customers	3,131.70	2,719.90
Percentage of Exposures to twenty largest borrowers/Customers to Total Exposures of the Bank on borrowers/Customers	4.62%	4.55%

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, 2026 (Contd.)

9.4 Concentration of NPAs

(₹ in Crore)

Particulars	March 31, 2026	March 31, 2025
Total Exposure to top twenty NPA accounts	193.13	225.16
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	12.91%	14.49%

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, 2026 and March 31, 2025

Name of the SPV sponsored	
Domestic	**Overseas**
NIL	NIL

10 EXPOSURES

10.1 Exposure to the Real Estate Sector

(₹ in Crore)

Category	March 31, 2026	March 31, 2025
a) Direct Exposure		
(i) Residential Mortgages(*)	13,299.42	12,628.26
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 – ₹ 4,374.77 Crore (Previous year: ₹ 4,353.78 Crore)		
(ii) Commercial Real Estate	3,630.31	3,398.03
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 securitised exposures –		
(a) Residential	28.97	58.34
(b) Commercial Real Estate	-	-
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	599.80	613.33
Total Exposure to the Real Estate Sector	**17,558.50**	**16,697.96**

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

10.2 Exposure to the Capital Market

(₹ in Crore)

Particulars	March 31, 2026	March 31, 2025
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;	45.56	40.14
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	0.20
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;	100.00	0.66
v. Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	114.50
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)	-	-
Total Exposure to the Capital Market	**145.76**	**155.50**

10.3 Risk category-wise country exposure

(₹ in Crore)

Risk Category	Exposure (net) as at March 31, 2026	Provision held as at March 31, 2026	Exposure (net) as at March 31, 2025	Provision held as at March 31, 2025
Insignificant	325.64	-	190.78	-
Low	53.36	-	2.81	-
Moderate Low	0.04	-	-	-
Moderate	0.58	-	-	-
Moderate High	0.36	-	0.01	-
High	-	-	-	-
Very High	-	-	-	-
Total	**379.98**	**-**	**193.60**	**-**

10.4 Details of Large Exposures Framework limits exceeded by the Bank

As per regulatory guidelines, with effect from April 1, 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.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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, 2026 and March 31, 2025, 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, 2026	March 31, 2025
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, 2026	March 31, 2025
Total unsecured gross advances of the Bank	3,061.78	2,918.71
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 ₹ 314.72 Crore as at March 31, 2026 (Previous year: ₹ 332.59 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 recognise incremental provision in accordance with the aforesaid guidelines. Further, 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 recognises 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, 2026	March 31, 2025
Provisioning Requirement for UFCE	2.75	2.75
Risk weight on account of UFCE	15.52	13.30
Capital Requirement at 9%	1.40	1.20

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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 ₹ 30.20 Crore for the year ended March 31, 2026 (Previous year ₹ 28.77 Crore).

During the year, the Bank has contributed ₹ 2.11 Crore (previous year ₹ 1.56 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 1, 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, 2026	March 31, 2025
Balance Sheet – Details of provision for Gratuity		
Defined benefit obligation	70.61	39.91
Fair value of plan Assets	68.55	37.57
Net Assets/(Liabilities)	(2.06)	(2.34)
Amounts in Balance Sheet		
Assets (included in Schedule 11 – Other Assets)	-	-
Liabilities (included in Schedule 5 – Other Liabilities and Provisions)	2.06	2.34
Change in Defined Benefit Obligations		
Obligations at the beginning of the year	39.91	33.59
Interest Cost	2.48	2.27
Current Service Cost	7.04	4.47
Past Service Cost - vested*	22.77	-
Past Service Cost - unvested*	4.07	-
Benefits paid	(3.78)	(3.54)
Actuarial (gain)/loss on Obligation	(1.88)	3.12
Present value of obligation at the end of the year	70.61	39.91
Change in the Fair value of Plan Assets		
Fair value of plan assets at the beginning of the year	37.57	33.10
Expected Return on plan assets	3.38	2.42
Contributions	32.39	5.00
Benefits paid	(3.78)	(3.54)
Actuarial gain/(Loss) on plan assets	(1.01)	0.59
Fair value of plan assets at the end of the year	68.55	37.57
Cost for the year		
Current service cost	7.04	4.47
Interest cost	2.48	2.27
Expected return on plan assets	(3.38)	(2.42)
Net Actuarial (gain)/loss recognised in the year	(0.87)	2.53

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

(₹ in Crore)

Particulars	March 31, 2026	March 31, 2025
Past service cost	23.16	-
Expense recognised in "Payments to and Provision for Employees" [Refer Schedule-16 (I)]	28.43	6.85
Actual return on plan assets	2.38	3.01
Experience Adjustments		
On obligation	6.71	2.53
On plan assets	(1.01)	0.59
Assumptions		
Discount rate	6.68% p.a.	6.53% p.a.
Expected return on plan assets	6.53% p.a.	7.14% 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.
Attrition rate (p.a.)	Service period 0 to 4.5 years - 50%, more than 4.5 years – 11%	30%

**Due to revision in the definition of wages as per new Labour code.*

Experience adjustments

(₹ in Crore)

Particulars	March 31, 2026	March 31, 2025	March 31, 2024	March 31, 2023	March 31, 2022
Plan assets	68.55	37.57	33.10	29.34	27.71
Defined benefit obligation	70.61	39.91	33.59	30.61	28.26
Surplus/(Deficit)	(2.06)	(2.34)	(0.49)	(1.27)	(0.55)
Experience adjustment gain/ (loss) on plan assets	(1.01)	0.59	0.22	(0.19)	(0.53)
Experience adjustment (gain) / loss on plan liabilities	6.71	2.53	2.03	3.28	1.10

All the plan assets are invested by the gratuity trust namely "DCB Bank Limited Staff Gratuity Fund" in Government securities (CY about 50%, PY about 53%), high rated corporate bonds (CY about 41%, PY about 38%), units of mutual funds/ insurance companies (CY about 5%, PY about 5%) and others (CY about 4%, PY about 4%) set up as dedicated funds for management of gratuity funds.

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 ₹ 4.73 Crore (Previous year: ₹ 4.64 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.

On November 21, 2025, the Government of India notified four labour codes the Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020, and The Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes', consolidating 29 existing labour laws. Accordingly, the Bank has recognised an estimated incremental impact of ₹ 26.87 Crore under 'Employees' cost' in the Profit and Loss

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

Account during the financial year 2025-26. The Bank continues to monitor the finalization of Central and State Rules and clarifications from the Government on the New Labour Codes and would provide appropriate accounting effect on the basis of such developments, as needed.

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, 2026	March 31, 2025
Basic		
Net Profit (₹ in Crore)	731.56	615.33
Weighted average number of equity shares outstanding	317,961,492	313,516,853
Basic Earnings per share (₹)	23.01	19.63
Diluted		
Net Profit (₹ in Crore)	731.56	615.33
Weighted average number of equity shares outstanding	320,538,024	315,731,528
Diluted Earnings per share (₹)	22.82	19.49
Face value per share (₹)	10.00	10.00

Dilution of equity is on account of 2,576,532 (Previous year 2,214,675) 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 granted the following options.

Date	Price	Sub Plan 1	Sub Plan 2
April 26, 2025	127.03	713,000	545,000

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		
	From August 17, 2010 to December 31, 2020	From January 01, 2021 to April 24, 2025	From April 25, 2025	Till December 31, 2020	From January 01, 2021 to April 24, 2025	From April 25, 2025
1st	-	33.33%	-	-	33.33%	-
2nd	30%	33.33%	50%	30%	33.33%	50%
3rd	30%	33.34%	50%	30%	33.34%	50%
4th	20%	-	-	20%	-	-
5th	20%	-	-	20%	-	-

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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, 2026		March 31, 2025	
	Number of options	Weighted Average Exercise Price	Number of options	Weighted Average Exercise Price
Options outstanding at the beginning of the year	4,889,750	74.17	6,423,409	69.84
Granted during the year	1,258,000	127.03	-	-
Exercised during the year	1,555,985	68.33	1,482,909	55.05
Forfeited/Lapsed during the year	35,700	75.04	50,750	84.43
Options outstanding at the end of the year*	4,556,065	90.75	4,889,750	74.17
Options exercisable	3,298,065	76.91	4,666,450	74.34

**Includes 16,000 (Previous year: 135,000) 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, 2026 is ₹ 145.60 (Previous year ₹ 123.18).

Summary of stock options outstanding as on March 31, 2026 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	3,263,065	75.82	5.15
₹ 110.00 – ₹ 200.00	1,293,000	128.43	11.40

There were 1,555,985 stock options exercised during the year ended March 31, 2026.

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.

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 ₹ 2.20 Crore during the financial year 2025-26 (Previous year ₹ 0.25 Crore).

The various assumptions considered in the pricing model for ESOPs granted during the year ended March 31, 2026 were:

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

Particulars	March 31, 2026
Dividend Yield	1.06%
Expected Volatility	35.59% to 39.69%
Risk Free Interest Rate	6.09% to 6.15%
Expected life of options	4.84 to 5.84 years

There were no options granted during the year ended March 31, 2025.

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)

Particulars	March 31, 2026	March 31, 2025
Net Profit (as reported)	731.56	615.33
Add: Stock based compensation expense accounted	(0.00)	(0.00)
	731.56	615.33
Less: Stock based compensation expense determined under fair value based method (proforma)	0.01	0.11
Net Profit (proforma)	731.55	615.22

Particulars	March 31, 2026	March 31, 2025
Basic earnings per share (as reported)	23.01	19.63
Basic earnings per share (proforma)	23.01	19.62
Diluted earnings per share (as reported)	22.82	19.49
Diluted earnings per share (proforma)	22.82	19.49

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

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

Particulars	CSAR Plan 2022 ('The Plan')
CSAR Grant Series	CSARGRANT2022-1 CSARGRANT2022-2 CSARGRANT2022-3 CSARGRANT2022-4
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 1,283,176 units on April 26, 2025 (Previous year: 822,270 units on April 24, 2024).

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'.

Activity in units outstanding under CSARs

Particulars	March 31, 2026	March 31, 2025
Units outstanding at the beginning of the year	2,150,010	1,714,097
Granted during the year	1,283,176	822,270
Exercised during the year	1,011,656	386,357
Forfeited/Lapsed during the year	-	-
Units outstanding at the end of the year	2,421,530	2,150,010

Fair value Methodology

There were 1,283,176 units (Previous year: 822,270 units) granted during the year ended March 31, 2026. The Bank has recognised ₹ 8.32 Crore (Previous year ₹ 1.06 Crore) during the financial year 2025-26.

The various assumptions considered in the pricing model for CSARs units granted during the year ended March 31, 2026 and March 31, 2025 were:

Particulars	March 31, 2026	March 31, 2025
Dividend Yield	1.06%	1.01%
Expected Volatility	32.94% to 35.03%	36.05% to 40.76%
Risk Free Interest Rate	5.95% to 6.06%	7.04% to 7.09%
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, 2026 was ₹ 38.67 (Previous year ₹ 42.20).

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, 2026 (Contd.)

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 2025-26**	**FY 2024-25**	**FY 2025-26**	**FY 2024-25**	**FY 2025-26**	**FY 2024-25**	**FY 2025-26**	**FY 2024-25**	**FY 2025-26**	**FY 2024-25**
Revenue	2,025.18	1,895.98	541.33	533.34	6,758.11	5,799.30	206.37	161.39	9,530.99	8,390.01
Unallocated Revenue									4.47	0.27
Total Revenue[1]									**9,535.46**	**8,390.28**
Result	222.77	219.92	67.77	19.00	514.44	459.50	198.72	155.72	1,003.70	854.14
Unallocated Result									(26.73)	(25.53)
Total									**976.97**	**828.61**
Unallocated expenses									-	-
Operating profit									1,295.75	1,037.00
Income taxes									(245.41)	(213.28)
Extraordinary profit/ loss	-	-	-	-	-	-	-	-	-	-
Net profit									**731.56**	**615.33**
Other Information										
Segment assets	25,625.18	23,839.37	6,300.13	4,459.07	55,597.12	47,956.72	-	-	87,522.43	76,255.16
Unallocated assets									547.04	554.62
Total assets									**88,069.47**	**76,809.78**
Segment liabilities	20,129.99	17,254.07	5,850.47	5,624.56	55,550.34	48,238.62	3.68	1.85	81,534.48	71,119.10
Unallocated liabilities[2]									6,534.99	5,690.68
Total liabilities									**88,069.47**	**76,809.78**
Capital Expenditure	0.12	1.43	0.41	0.26	105.07	82.54	-	-	105.60	84.23
Unallocable									10.61	9.16
Total Capital Expenditure									**116.21**	**93.39**
Depreciation	1.46	1.51	0.80	0.93	100.79	96.05	-	-	103.05	98.49
Unallocable									3.37	2.91
Total Depreciation									**106.42**	**101.40**
Non Cash Expenses[3]	3.28	12.27	5.12	(0.24)	309.25	187.25	-	-	317.65	199.28
Unallocable									26.18	21.67
Total Non Cash Expenses									**343.83**	**220.96**

1. Revenue i.e. Total Revenue includes inter segment revenue of ₹ 1,275.86 Crore in FY 2025-26 (Previous year ₹ 1,169.18 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 ₹ 8,259.60 Crore in FY 2025-26 (Previous year: ₹ 7,221.10 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 (Commercial Banks-Branch Authorization) directions dated November 28, 2025 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.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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.

11.6 Related Party Transactions

Related Parties in terms of AS-18 on "Related Party Disclosures" are disclosed below:

Financial Year 2025-26

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. Praveen Achuthan Kutty: Managing Director & CEO	Mrs. Shyamala Praveen	Spouse
	Mr. A P Achuthan Kutty	Father
	Ms. Namrata Praveen	Daughter
	Mr. Matthew James Smith	Daughter's Husband
	Ms. Nitya Praveen	Daughter
Mr. Krishnan Sridhar Seshadri: Whole–time Director (Executive Director)	Ms. S Pankajalakshmi	Spouse
	Mr. Kishore Seshadri	Son
	Ms. Kalyani Seshadri	Daughter
	Mr. Shrinivas Achari	Daughter's Husband
	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	-	-	-	0.07	-	0.07
Dividend received	-	-	-	-	-	-
Interest paid	-	-	-	1.00	0.19	1.19
Interest received	-	-	-	-	-	-
Remuneration Paid*	-	-	-	6.21	-	6.21
Advance repaid	-	-	-	-	-	-
Sale/ Purchase of foreign exchange currency to/ from related party	-	-	-	-	-	-

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.

*Remuneration paid excludes the perquisite value of employee stock options exercised and other perquisites are considered as per Income Tax Act.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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)	Subsidiaries	Associates/ Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits	-	-	-	13.41	2.95	16.36
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)	Subsidiaries	Associates/ Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits	-	-	-	15.63	5.05	20.68
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.

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)	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
Mr. Praveen Achuthan Kutty: Managing Director & CEO (w.e.f. April 29, 2024)	Mrs. Shyamala Praveen	Spouse
	Mr. A P Achuthan Kutty	Father
	Ms. Namrata Praveen	Daughter
	Ms. Nitya Praveen	Daughter

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

Name of Key Management Personnel	Relative of the Key Management Personnel	Description of Relationships
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)	Subsi diaries	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.

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.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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.

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, 2026	As at March 31, 2025
A.	**DTA:**		
(i)	Provision for Loan Losses (minus deduction u/s 36(1)(viia) of the Income Tax Act, 1961)	236.64	218.37
(ii)	Others	(0.40)	0.59
	Total DTA [A]	**236.24**	**218.96**
B.	**DTL:**		
(i)	Depreciation	19.41	19.29
(ii)	Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	78.61	63.70
(iii)	Others	-	-
	Total DTL [B]	**98.02**	**82.99**
C.	**NET DTA [A – B]**	**138.22**	**135.97**

11.8 Assets Taken Under Operating Leases

(₹ in Crore)

Particulars	March 31, 2026	March 31, 2025
Minimum Lease Rent payable		
Payable not later than 1 year	93.81	81.80
Payable later than 1 year but not later than 5 years	392.79	341.50
Payable later than 5 years	296.40	487.86
Total	**783.00**	**911.16**
The total of lease payments recognised in the Profit and Loss Account for the year	73.17	87.75

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.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

11.9 Revaluation of Fixed Assets

The Bank revalued its owned premises as at December 31, 2025 which resulted in a revaluation gain of ₹ 108.22 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 2025-26 an amount of ₹ 7.54 Crore (Previous year: ₹ 6.84 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 ₹ 28.96 Crore (Previous year: ₹ 29.17 Crore) is outstanding as at March 31, 2026, 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 16 on pending litigation cases)
2.	Liability on account of outstanding forward exchange and derivative contracts	An amount of ₹ 18,864.55 Crore (Previous year: ₹ 8,186.71 Crore) is outstanding as at March 31, 2026. 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 standardised, 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.
3.	Guarantees given on behalf of constituents, Acceptances, Endorsements and Others	An amount of ₹ 1,349.54 Crore (Previous year: ₹ 1,356.09 Crore) is outstanding as at March 31, 2026. 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 fulfill its financial or performance obligations.
4.	Other items for which the Bank is contingently liable	An amount of ₹ 623.68 Crore (Previous year: ₹ 2,853.12 Crore) is outstanding as at March 31, 2026. These include: 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 b) Liability in respect of capital commitments relating to fixed assets and undrawn commitments in respect of investments c) Credit enhancements relating to the sale of mortgage loan d) Amount transferred to RBI under Depositor Education and Awareness Fund (DEA Fund) e) Securities bought/sold and remaining to be settled on the date of financial statements.

**Also refer Schedule – 12.*

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

12 Additional Disclosures

12.1 Details of "Provisions & Contingencies" debited to the Profit and Loss Account

(₹ in 000's)

Particulars	March 31, 2026	March 31, 2025
Provision for Income Tax		
- Current	2,476,495	2,107,764
- Deferred (Refer note 11.7)	(22,411)	24,973
Provision/write-off towards non-performing assets	2,579,842	1,479,418
Floating Provision	261,802	216,749
Provision for Standard Assets*	161,054	111,133
Sacrifice in One Time Settlement	238,860	278,369
Provision towards non-performing investments	-	86,644
Provision for Other Assets and Contingencies	1,701	(34,369)
Provisions for Restructured Advances	(55,427)	(54,031)
Total	**5,641,916**	**4,216,650**

* includes provision for unhedged foreign currency exposure and provision for specific standard assets.

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, 2026	March 31, 2025
Opening balance of amounts transferred to DEA Fund	90.28	77.38
Add: Amounts transferred to DEA Fund during the year	10.51	14.85
Less: Amounts reimbursed by DEA Fund towards claims	1.08	1.95
Closing balance of amounts transferred to DEA Fund*	99.71	90.28

**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, 2026	March 31, 2025
	Complaints received by the Bank from its customers		
1.	Number of complaints pending at beginning of the year	364	725
2.	Number of complaints received during the year	19,839	24,725
3.	Number of complaints disposed during the year	19,605	25,086
3.1	Of which, number of complaints rejected by the Bank	2,182	1,940
4.	Number of complaints pending at the end of the year	598	364
	Maintainable complaints received by the Bank from Office of Ombudsman		
5.	Number of maintainable complaints received by the Bank from Office of Ombudsman	566	661
5.1	Of 5, number of complaints resolved in favor of the Bank by Office of Ombudsman	503	642

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

Sr. No		Particulars	March 31, 2026	March 31, 2025
	5.2	Of 5, number of complaints resolved through conciliation/ mediation/advisories issued by Office of Ombudsman	223	18
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Bank	0	1
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.

b) Top grounds of complaints received by bank from customers+

Financial Year 2025-26

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
Loans and Advances	159	7,612	-10%	248	-
ATM/Debit Cards	101	5,501	- 44%	120	-
Internet/Mobile/Electronic Banking	41	2,498	-16%	60	-
Account opening/difficulty in operation of accounts	27	2,187	52%	81	-
Para-banking	6	336	-39%	13	-
Mis-selling	7	110	-60%	6	-
Others	23	1,595	23%	70	-
Total	**364**	**19,839**	**-20%**	**598**	**-**

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
ATM/Debit Cards	274	9,738	68%	101	-
Loans and Advances	300	8,433	-16%	159	3
Internet/Mobile/Electronic Banking	89	2,986	-9%	41	2
Account opening/difficulty in operation of accounts	19	1,441	-11%	27	1
Para-banking	6	555	-36%	6	-
Mis-selling	16	275	-36%	7	-
Others	21	1,297	-23%	23	-
Total	**725**	**24,725**	**4%**	**364**	**6**

The complaints which are under judicial consideration (sub-judice) are excluded from reporting under Customer complaints. Prior period figures have been accordingly updated.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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, ATM/Debit cards, internet/mobile banking, difficulty in operation of accounts, para-banking and mis-selling.

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, 2026 was ₹ NIL (Previous year: ₹ NIL).

12.5 Small and Micro Industries

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. The details are mentioned as below:

(₹ in Crore)

Particulars	March 31, 2026		March 31, 2025	
	Principal	Interest	Principal	Interest
1. The Principal amount and the interest due thereon remaining unpaid to any supplier	-	-	-	-
2. The amount of interest paid by the buyer in terms of Section 16, along with the amount of the payment made to the supplier beyond the due date	**8.51**	-	9.97	-
3. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under MSMED Act, 2006	-	-	-	-
4. The amount of interest accrued and remaining unpaid	-	-	-	-
5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowed as a deductible expenditure under Section 23	-	-	-	-

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, 2026	As at March 31, 2025
PSLC purchased during the year		
(i) PSLC – Agriculture	-	-
(ii) PSLC – SF/MF	**100.00**	75.00
(iii) PSLC – Micro Enterprises	-	-
(iv) PSLC – General	-	-
Total	**100.00**	**75.00**

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
PSLC sold during the year		
(i) PSLC – Agriculture	-	-
(ii) PSLC – SF/MF	-	-
(iii) PSLC – Micro Enterprises	-	3,836.00
(iv) PSLC – General	-	-
Total	**-**	**3,836.00**

12.7 Income from Bancassurance Business

(₹ in Crore)

Sr. No.	Nature of Income	March 31, 2026	March 31, 2025
1.	For selling life insurance policies	**173.30**	131.70
2.	For selling non-life insurance policies	**31.83**	39.11
3.	For selling mutual fund products	**1.24**	0.91
	Total	**206.37**	171.72

12.8 Income from Marketing and distribution

The Bank has received fees of ₹ NIL (Previous year: ₹ NIL) with respect to marketing and distribution function (excluding bancassurance business) during the financial year 2025-26.

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 1, 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.

During FY 2023-24, Reserve Bank of India (RBI) issued a Master Direction on Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023, which became effective from April 01, 2024. The revised Master direction brings the classification and accounting of investments closer to Ind AS. The Bank has implemented the required changes as per the Master direction. Further, the RBI has also issued the Reserve Bank of India (Scheduled Commercial Banks - Asset Classification, Provisioning and Income Recognition) Directions, 2025 for comments. These directions aim to align with the requirements of ECL. The Bank is currently in the process of evaluating the impact of the draft directions.

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.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

12.10 Payment of DICGC Insurance Premium

(₹ in Crore)

Sr. No.	Nature of Income	March 31, 2026	March 31, 2025
1.	Payment of DICGC Insurance Premium	**66.60***	56.60*
2.	Arrears in payment of DICGC premium	**NIL**	NIL

*Excluding Goods and Service Tax

12.11 Green Deposits

The Bank has not yet offered green deposits to its customers.

13 OTHER MATTERS

13.1 Disclosure of penalties imposed by RBI

During the year ended March 31, 2026, RBI vide it's letter dated February 13, 2026 levied a penalty of ₹ 0.296 Crore on the Bank, for non-compliance with certain directions issued by RBI on loans extended against pledge of gold ornaments and jewellery for non-agricultural end uses. The penalty was paid by the Bank on February 13, 2026.

During the year ended March 31, 2026, RBI had imposed a penalty of ₹ 0.001 Crore on DCB Bank, Mehsana Branch, for exchange of mutilated notes during RBI incognito dated November 13, 2025 and penalty levied on December 30, 2025.

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.

13.2 Corporate Social Responsibility (CSR)

The Bank was required to spend ₹ 14.35 Crore (Previous year: ₹ 11.56 Crore) during the FY 2025-26 towards Corporate Social Responsibility (CSR), in accordance with Companies Act, 2013.

The Bank has spent an amount of ₹ 14.74 Crore (Previous year: ₹ 11.84 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 2025-26 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:	14.74	-	14.74

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

13.3 Remuneration

a) Qualitative disclosures

Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee (NRC) of the Board comprises Independent Directors, including one member of the Risk Management Committee of the Board. The Committee functions in accordance with applicable statutory and regulatory requirements.

Roles and Responsibilities of the NRC

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

The principal mandate of the Nomination and Remuneration Committee includes:

- Determining the size, structure and composition of the Board and recommending appointment of suitable persons.
- Recommending to the Board a policy relating to remuneration of Directors, Key Managerial Personnel (KMP) and other employees.
- Evaluating the performance of every Director and recommending remuneration for Non-Executive Directors, Senior Management and KMP of the Bank.
- Approving Employee Stock Option Plans (ESOPs) and overseeing the creation, subscription and allotment of shares to eligible employees under the approved ESOP.
- Reviewing appointments, promotions, demotions, terminations and performance appraisals of the Chief Executive Officer (CEO), KMP and Senior Management.
- Reviewing and approving succession planning for the Board, KMP and Senior Management.
- Evaluating, approving and reviewing key Human Resource (HR) policies and the Rewards Approach on an annual basis, as applicable. These include policies with regulatory or statutory implications such as the Compensation Policy, Whistle Blower Policy, Job Rotation Policy, retirement age matters beyond 60 years, fixed pay bands, sanctioned strength of the Bank and any other matter referred by the Board or recommended by the People Forum.

Design and Structure /Objectives of Compensation Policy

The Bank has implemented a Board-approved Compensation Policy with the objective of attracting, retaining and motivating highquality talent while fostering a strong performance-driven culture. The Compensation Policy ensures alignment between employee remuneration, long-term performance of the Bank and prudent risk-taking.

The Policy is risk-aligned and structured to support sustainable growth, while complying with all applicable statutory and regulatory guidelines.

Applicability of the Compensation Policy

The Compensation Policy applies to all employees of the Bank, including:

- Whole-Time Directors (WTDs)
- Managing Director & Chief Executive Officer (MD & CEO)
- Material Risk Takers (MRTs), defined as employees whose actions may have a material impact on the Bank's risk exposure
- Employees in Risk, Compliance and Control functions
- All other employees, including those in support, management and frontline roles

Compensation Structure

Compensation under the Policy comprises the following components:

1. **Fixed Pay,** including salary, perquisites and contributions towards superannuation and retiral benefits
2. **Variable Pay,** payable in cash and/or equity-linked instruments, including ESOPs and Cash-Settled Appreciation Rights (CSARs)

Risk Adjustment 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 aligns compensation across employee levels through an annual rewards exercise (Compensation Revision), taking into consideration:

- Overall performance of the Bank

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

- Individual and business unit performance
- Alignment of risk outcomes with remuneration
- Emphasis on long-term value creation
- Cost-to-income ratio
- Capital adequacy
- Industry talent demand and employee attrition trends
- Other relevant internal and external factors

Forms of Variable Pay

Variable Pay is paid through cash bonuses, equity-linked instruments, or a combination of both, depending on the role, responsibility level and risk profile of the employee.

Performance bonuses and equity-linked instruments are typically offered to relevant employees in middle and senior management. These forms of variable pay and calibrated payout schedules are used to reflect the time horizon of risks, including appropriate deferral mechanisms in line with the Compensation Policy.

Malus and Clawback Provisions

The Compensation Policy includes Malus and Clawback provisions as risk adjustment mechanisms:

- **Malus** enables the Bank to reduce or cancel deferred remuneration prior to vesting, in whole or in part.
- **Clawback** allows the Bank to recover remuneration that has already been paid or vested under specified circumstances.

The conditions triggering Malus and Clawback are defined in the Compensation Policy and are applied to ensure accountability and alignment with prudent risk management.

Deferral, Vesting and Limits on Variable Pay

In accordance with RBI Guidelines effective from April 01, 2020, the Bank follows the deferral and vesting framework outlined below for applicable categories of employees:

Deferral of Variable Pay

- A minimum of **60% of total variable pay** is subject to deferral.
- At least **50% of the cash bonus** is deferred.
- Deferral does not apply where the cash component of variable pay is below ₹ **25 Lakhs.**

Deferral Period

- Deferral applies to both cash and equity-linked components.
- The minimum deferral period is **three years.**

Vesting

- Vesting occurs on a **pro-rata basis,** not more frequently than annually.
- This ensures adequate assessment of risks prior to vesting and application of any necessary adjustments.

Limits on Variable Pay

- Variable pay constitutes at least **50% of total compensation.**
- Variable pay is capped at **300% of fixed pay.**
- Where variable pay is up to **200% of fixed pay,** at least 50% must be in equity-linked instruments.
- Where variable pay exceeds **200% of fixed pay,** at least 67% must be in equity-linked instruments.

For employees barred by statute or regulation from receiving equity-linked instruments, variable pay is capped at **150% of fixed pay.**

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

b) Quantitative disclosures

(₹ in Crore)

Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025
(a)	Number of meetings held by the Nomination and Remuneration Committee during the financial year	**8**	8
(b)	Remuneration paid to the members of the Nomination and Remuneration Committee	**0.18**	0.23
(c)	Number of employees having received a variable remuneration award during the financial year (as per compensation policy)	**8***	10*
(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 4.24** **Share linked instruments 13.41****	Cash 4.46 Share linked instruments 7.40**
(h)	Total amount of deferred remuneration paid out in the financial year	**Cash 2.24** **Share linked instruments (appreciation value of 957,597 units) 3.21**	Cash 1.78 Share linked instruments (appreciation value of 364,574 units) 1.25
(i)	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred#	**Fixed 13.46#** **Variable 8.42*** **-Deferred** **Cash 1.72** **Share linked instruments 4.98**** **-Non Deferred 1.72** **CSAR grant of 755,632 units** **ESOP grant of 433,000 units**	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
(j)	Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustment	**17.65**	14.34
(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)	**0.077**	0.072
(r)	The deviation of the pay of each of its MDs from the mean pay.	**4.28**	2.81
(s)	The deviation of the pay of each of its WTDs from the mean pay.	**1.78**	1.28

loc* Pertains to FY 2024-25 paid in FY 2025-26 (Previous year: pertains to FY 2023-24 paid in FY 2024-25)

** Fair value computed using Black-Scholes options pricing model as on the grant date.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

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 ₹ 2.53 Crore (Previous year: ₹ 2.82 Crore).

13.5 Proposed Dividend

The Board of Directors have recommended a dividend of ₹ 1.45 per share (14.50%) for the year ended March 31, 2026 subject to approval of the shareholders in the ensuing Annual General Meeting.

Dividend paid during the year, represents dividend (₹ 1.35 per equity share) for the year ended March 31, 2025 paid pursuant to approval of shareholders at Annual General Meeting held on August 06, 2025.

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.

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 ₹ 47.64 Crore for financial year 2025-26 (Previous year: ₹ 86.80 Crore).

15 Net overnight open position outstanding as on March 31, 2026 was ₹ 69.50 Crore (Previous year: ₹ 26.53 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.

Schedules and Notes to the Financial Statements

For the year ended March 31, 2026 (Contd.)

18 These are the notes appended to and forming part of the financial statements for the year ended March 31, 2026.

For and on behalf of the Board of Directors

Praveen Kutty	**Pushan Mahapatra**	**Thiyagarajan Kumar**	**Ravi Kumar**	**Rubi Chaturvedi**
MD & CEO	Director	Director	Chief Financial Officer	Company Secretary
DIN-10329590	DIN-07307428	DIN-00735914		

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 24, 2026

For Varma & Varma
Chartered Accountants
Firm Registration Number: 004532S

K P Srinivas
Partner
Membership No.: 208520

Place: Mumbai
Date: April 24, 2026

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III)

1. SCOPE OF APPLICATION

DCB Bank Ltd. is a scheduled commercial bank which was incorporated on May 31, 1995. The Bank has no subsidiaries.

As on March 31, 2026, 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 fulfillment of certain conditions regarding incremental provisions for non-performing assets.

Equity Capital

The Bank has authorized share capital of ₹ 5 Billion comprising 500,000,000 equity shares of ₹ 10/- each. As on March 31, 2026 the Bank has issued subscribed and paid-up capital of ₹ 3.22 Billion, constituting 32,19,01,777 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, 2026 the Bank had an outstanding subordinated debt (Unsecured Redeemable Non-Convertible Bonds) aggregating ₹ 700 Crores, the details of which are stated below:

(₹ Crores)

Deemed Date of Allotment	Coupon Rate (% p.a.)	Tenure (in months)	Equivalent Amount as on March 31, 2026
March 28, 2023	9.35%	120	300.00
November 18, 2024	9.20%	120	400.00
			700.00

Composition of Capital – Tier I and Tier II

(₹ Crores)

Particulars		As on March 31, 2026
1.	**Tier I capital**	
1.1	Paid-up share capital	321.90
1.2	Reserves	5,889.48
1.3	Gross Tier I capital (1.1 + 1.2)	6,211.38
1.4	Deductions	46.90
1.5	**Total Tier I capital (1.3 - 1.4)**	**6,164.48**
2.	**Tier II capital**	
2.1	Subordinated Debt (Lower Tier II bonds)	700.00
2.2	General Provisions	288.57
2.3	Gross Tier II capital (2.1 + 2.2)	988.57
2.4	Deductions	-
2.5	**Total Tier II capital (2.3 - 2.4)**	**988.57**
3.	**Debt capital instruments eligible for inclusion in Upper Tier II capital**	
3.1	Total amount outstanding	-
3.2	Of which amount raised during the current year	-
3.3	Amount eligible to be reckoned as capital funds	-
4.	**Subordinated debt eligible for inclusion in Lower Tier II capital**	
4.1	Total amount outstanding	700.00
4.2	Of which amount raised during the current year	-
4.3	Amount eligible to be reckoned as capital funds	700.00

(₹ Crores)

Particulars		As on March 31, 2026
5.	**Other deductions from capital**	
5.1	Other deductions from capital	-
6.	**Total eligible capital**	
6.1	**Total eligible capital (1.5 + 2.5)**	**7,153.05**

3. CAPITAL ADEQUACY

The Capital to Risk weighted Assets Ratio (CRAR) as per Basel III guidelines works to 16.55% as on March 31, 2026 (as against minimum regulatory requirement of 11.50%). The Tier I CRAR stands at 14.26% 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:

(₹ Crores)

Particulars		As on March 31, 2026
1.	**Capital requirement for Credit Risk**	**3,451.96**
•	Portfolio subject to Standardized Approach	3,367.63
•	Securitization Exposures	84.33
2.	**Capital requirement for Market Risk**	**25.33**
•	Standardized Duration Approach	
	o Interest Rate Risk	13.45
	o Foreign Exchange Risk (Including gold)	11.88
	o Equity Risk	-
3.	**Capital requirement for Operational Risk**	**364.77**
•	Basic Indicator Approach	364.77
Total capital requirements (1 + 2 + 3)		**3,842.06**
Total capital		**7,153.05**
CRAR %		**16.55%**
Tier-I CRAR %		**14.26%**

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 the 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).

4.1 Risk Management Committee (RMC) of the Board:

The Risk Management Committee 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.

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

4.2 Executive Level Committees:

At Executive Management level, the organizational 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*

**Note: Information Security is a part of Operational Risk – IT and reports to the Executive Director.*

All the Executive Level Committees meet at least once in a month. ALCO however meets more frequently depending upon market conditions.

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 November 28, 2025), updated time to time.

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 Internal rating model of CARE Ratings Limited which is being used to assess the credit rating of all business loans exceeding ₹ 1 Crores. 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 ₹ 3 Crores 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 optimize 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 minimize 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.

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

5. (b) Total gross credit risk exposure as on March 31, 2026:

(₹ Crores)

Category	Exposure
Fund based[1]	63,023.63
Non-fund based[2]	1,214.67
Total	**64,238.30**

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, 2026:

(₹ Crores)

Category	Domestic	Overseas
Fund based	63,023.63	-
Non fund based	1,214.67	-
Total	**64,238.30**	**-**

5. (d) Industry type distribution of exposures as on March 31, 2026:

(₹ Crores)

Industry	Fund Based	Non Fund Based	Total	%
Retail Loans	**28,630.11**	**12.31**	**28,642.41**	**44.59%**
Gold Loans	13,213.48	-	13,213.48	20.57%
Housing Loans	13,406.13	0.42	13,406.55	20.87%
Auto Loans	0.05	-	0.05	0.00%
Personal Loan	0.83	-	0.83	0.00%
Other Loans (Loans against deposits & Shares etc.)	1,776.23	11.89	1,788.11	2.78%
Staff Loans	233.39	-	233.39	0.36%
Trade	**10,010.98**	**75.78**	**10,086.76**	**15.70%**
Trade-Retail	8,404.07	2.47	8,406.53	13.09%
Trade-Wholesale	1,606.91	73.31	1,680.22	2.62%
Miscellaneous Services	**6,583.74**	**23.37**	**6,607.11**	**10.29%**
of which Retail Business Loans	3,269.22	-	3,269.22	5.09%
Agriculture	**5,402.65**	**30.76**	**5,433.40**	**8.46%**
NBFC	**5,122.83**	**-**	**5,122.83**	**7.97%**
NBFC-HFC	471.56	-	471.56	0.73%
NBFC-Investment and Credit Company (AFC)	593.79	-	593.79	0.92%
NBFC-Others	4,057.48	-	4,057.48	6.32%
Construction incl. Residential Housing	**3,454.91**	**241.79**	**3,696.70**	**5.75%**
Residential Constructions	2,964.17	26.86	2,991.03	4.66%
Construction Contractors	342.95	68.12	411.07	0.64%
Construction Others	147.79	146.80	294.59	0.46%
Infrastructure (Including Energy, Telecommunications, Water & Sanitation and Social & Commercial Infra)	**657.40**	**39.65**	**697.05**	**1.09%**
Logistics	**641.44**	**19.44**	**660.88**	**1.03%**
Logistics-Transport Operators (includes CV loans)	587.60	3.67	591.27	0.92%

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

(₹ Crores)

Industry	Fund Based	Non Fund Based	Total	%
Logistics-Others	53.84	15.77	69.61	0.11%
Textiles	545.74	8.00	553.75	0.86%
Basic Metal & Metal Products	209.20	188.64	397.84	0.62%
Gems & Jewelery	308.89	84.25	393.14	0.61%
All Engineering	223.96	90.76	314.72	0.49%
Real Estate Activities incl. Lease Rent Discounting	236.70	-	236.70	0.37%
Finance (Others)	101.15	143.25	244.41	0.38%
Travels & Tourism	161.76	25.38	187.14	0.29%
Chemical & Chemical Products	104.86	4.86	109.72	0.17%
Wood & Wood Products	103.59	-	103.59	0.16%
Food Processing	77.34	14.69	92.03	0.14%
Rubber, Plastic & their Products	61.80	4.48	66.27	0.10%
IT & related	40.76	11.83	52.59	0.08%
Petroleum, Coal Products & Nuclear fuels	15.88	34.76	50.64	0.08%
Paper & Paper Products	25.55	18.47	44.01	0.07%
Other Manufacturing	31.94	4.68	36.61	0.06%
Mining & Quarrying	28.94	1.52	30.47	0.05%
Cement & Cement Products	18.82	0.91	19.74	0.03%
Renting of equipments	17.48	0.47	17.95	0.03%
Vehicles, Vehicle Parts & Transport Equipments	14.46	1.55	16.01	0.02%
Leather & Leather Products	11.29	-	11.29	0.02%
Beverages (Excl. Tea & Coffee) and Tobacco	3.40	-	3.40	0.01%
Glass & Glassware	0.90	-	0.90	0.00%
Capital Market (including Brokers)	-	-	-	0.00%
Residual	175.16	133.08	308.24	0.48%
Grand Total	**63,023.63**	**1,214.67**	**64,238.30**	**100.00%**

5. (e) Residual contractual maturity breakdown of assets as on March 31, 2026:

(₹ Crores)

Assets	Next Day	2-7 Days	8-14 Days	15-30 Days	31 Days 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	1,303.03	-	-	-	-	-	-	-	-	-	-	**1,303.03**
Balance with RBI	79.12	-	-	213.45	130.04	133.86	268.74	435.33	311.26	337.59	21.29	**1,930.68**
Balances with Other Banks	273.85	711.26	-	-	-	-	-	-	23.05	-	-	**1,008.16**
Investments	4,440.98	-	12.12	1,815.04	1,020.45	1,067.02	2,175.08	3,497.98	3,421.47	2,449.85	478.01	**20,378.00**
Advances (Excl NPA provn)	1,604.85	240.26	102.95	460.50	958.10	3,752.53	2,695.40	8,746.86	16,651.12	5,444.72	19,364.47	**60,021.76**
Fixed Assets	-	-	-	-	-	-	-	-	-	-	989.26	**989.26**
Other Assets (net)	427.20	25.34	23.53	134.17	691.88	346.69	139.17	82.90	414.31	88.48	86.34	**2,460.01**
Total	**8,129.03**	**976.86**	**138.60**	**2,623.16**	**2,800.47**	**5,300.10**	**5,278.39**	**12,763.07**	**20,821.21**	**8,320.64**	**20,939.37**	**88,090.90**

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

5. (f) Advances and Provisions:

(₹ Crores)

Particulars		As on March 31, 2026
(a)	**Amount of NPAs (Gross)**	**1,495.73**
i.	Substandard	631.14
ii.	Doubtful 1	346.75
iii.	Doubtful 2	415.01
iv.	Doubtful 3	99.75
v.	Loss	3.08
(b)	**Net NPAs**	**533.97**
(c)	**NPA Ratios**	
i.	Gross NPAs to gross advances (%)	2.45%
ii.	Net NPAs to Net Advances (%)	0.89%
(d)	**Movement of NPAs (Gross)**	
i.	Opening balance (as on March 31, 2025)	1,554.43
ii.	Additions during the year	1,708.96
iii.	Reductions during the year	1,767.67
iv.	Closing balance	1,495.73
(e)	**Movement of provisions for NPAs (excluding provision on Standard Assets)**	
i.	Opening balance (as on March 31, 2025)	982.88
ii.	Provision made during the year	620.67
iii.	Write-off/write-back of excess provisions	641.80
iv.	Closing balance	961.75
(f)	**Amount of Non-Performing Investments**	**10.63**
(g)	**Amount of provisions held for non-performing investments**	**10.63**
(h)	**Movement of depreciation on investments**	
i.	Opening balance (as on March 31, 2025)	23.21
ii.	Add: Provision made during the year	-
iii.	Less: Write-off/write-back of excess provision during the year (including depreciation utilised on the sale of securities)	4.54
iv.	Closing balance	18.67

6. CREDIT RISK: DISCLOSURES FOR PORTFOLIO SUBJECT TO THE STANDARDIZED 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:

a. Acuite Ratings & Research Ltd
b. CARE Ratings Limited
c. CRISIL Limited
d. ICRA Limited
e. India Ratings and Research Private Limited (India Ratings) and
f. Infomerics Valuation and Rating Private Limited
g. Brickwork Ratings India Private Limited

International credit rating agencies (arranged in alphabetical order) for the purposes of risk weighting their claims for capital adequacy purposes where specified:

a. CareEdge Global IFSC Limited (for all non-resident corporate exposure)
b. Fitch;
c. Moody's; and
d. 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 recognized Credit Risk Mitigation (CRM) techniques.

- Bank has used only solicited rating from the recognized 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 standardized 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, 2026 are as follows:

(₹ Crores)

Particulars	Fund based	Non fund based
Below 100% risk weight	37,418.57	765.30
100% risk weight	10,678.94	353.40
More than 100% risk weight	14,926.12	95.97
Total	**63,023.63**	**1,214.67**

7. CREDIT RISK MITIGATION: DISCLOSURES FOR STANDARDIZED APPROACH

7. (a) The Bank has adopted Credit Risk Mitigation (CRM) Techniques and Collateral Management (CM) guidelines in line with RBI Master Direction on Prudential Norms on Capital Adequacy dated November 28, 2025 updated from time to time.

Bank has utilized 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 jewelry. However, the value of the collateralized jewelry 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% 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% 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) a price for the units is publicly quoted daily i.e., where the daily NAV is available in public domain; and

b) Mutual fund is limited to investing in the instruments listed in this paragraph.

ix. Re-securitizations, irrespective of any credit ratings, are not eligible financial collateral.

(₹ Crores)

Particular	As on March 31, 2026
Total exposure covered by eligible financial collateral after application of applicable haircuts	14,845.19
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 2025-26, the Bank has made investments in securitized assets by way of Pass Through Certificates, aggregating to ₹ 2,185.25 Crores, the outstanding of this as on March 31, 2026 was ₹ 1,541.46 Crores.

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, 2026.

(₹ Crores)

Financial Year	Original Investment	Outstanding at March 31, 2026
2020-21	1,410.26	-
2021-22	1,159.51	13.09
2022-23	2,567.18	35.98
2023-24	3,912.93	243.3
2024-25	3,665.44	815.37
2025-26	2,185.25	1,541.46
Total	**14,900.57**	**2,649.20**

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 Standardized Duration approach. The capital charge for Held for Trading (HFT) portfolios 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 organization 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

(₹ Crores)

Particular	As on March 31, 2026
• Interest Rate Risk	13.45
• Foreign Exchange Risk (Including gold)	11.88
• Equity Risk	0.00
Capital requirement for Market Risk	**25.33**

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.

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

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 un-mitigated. The PRICE system is pivotal in continuous assessment of our risk and control environment and prioritize 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.

The Bank has put in place a Board approved Third Party Risk Management policy to identify, assess, monitor and review of risks arisen from Bank's Third Party Service Providers. The framework covers the risk management across the lifecycle of a third-party agreement, from onboarding, regular service delivery and to potential exit of the service provider. The Bank ensures regular inspections, risk assessment and audit to outsourcing vendors are carried out to identify any potential risk involved for taking suitable measures at the earliest.

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, 2026 is ₹ 364.77 Crores.

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 (RMC) of the Board, 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:

(₹ Crores)

Currency	Changes in interest rates (in bps)			
	(100)	(50)	50	100
INR	(68.37)	(34.19)	34.19	68.37
USD	0.01	-	-	(0.01)
JPY	-	-	-	-
GBP	-	-	-	-
EUR	-	-	-	-
Total	**(68.37)**	**(34.18)**	**34.18**	**68.37**

ii) Impact on economic value of equity:

(₹ Crores)

Currency	Changes in interest rates (in bps)			
	(100)	(50)	50	100
INR	(336.94)	(168.47)	168.47	336.94

**No major exposure in foreign currencies*

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

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, 2026

(₹ Crores)

	Notional Amount	Gross positive fair value of contracts	Potential future exposure	Total credit exposure
Forward contracts	19,008.39	417.92	209.10	627.02

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

DF-11 Composition of Capital

(₹ Crores)

Common Equity Tier 1 capital: instruments and reserves			**Ref No.**
1	Directly issued qualifying common share capital plus related stock surplus (securities premium)	1,792.09	A=a1+a2
2	Retained earnings	2,399.44	B=b1-b2
3	Accumulated other comprehensive income (and other reserves)	1,847.09	C=c1+c2+c3 +c4+c5+c6
3a	Revaluation Reserves	172.76	D=d1-d2
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**	**6,211.38**	
Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	-	
8	Goodwill (net of related tax liability)	-	
9	Intangibles (net of related tax liability)	32.67	e
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+26e+26f+26g)	14.23	
26a	of which: Investments in the equity capital of unconsolidated insurance subsidiaries	-	
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: Unrealised profits arising because of transfer of loans	-	
26e	of which: deductions applicable on account of SRs guaranteed by the Government of India	-	

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

(₹ Crores)

26f	of which: Intra-group exposures beyond permissible limits	-	
26g	of which: net unrealised gains arising on fair valuation of Level 3 financial insturments (including derivatives)	14.23	
26h	of which: contribution in the form of subordinated units of an AIF scheme		
26i	of which: full amount of the Default Loss Guarantee (DLG), if the Bank is the DLG provider		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28	**Total regulatory adjustments to Common equity Tier 1**	**46.90**	
29	**Common Equity Tier 1 capital (CET1)**	**6,164.48**	
Additional Tier 1 capital: instruments			
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	**Additional Tier 1 capital before regulatory adjustments**	**-**	
Additional Tier 1 capital: regulatory adjustments			
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	**Total regulatory adjustments to Additional Tier 1 capital**	**-**	
44	**Additional Tier 1 capital (AT1)**	**-**	
45	**Tier 1 capital (T1 = CET1 + AT1) (29 + 44)**	**6,164.48**	
Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	700.00	f
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	288.57	G=g1+g2
51	**Tier 2 capital before regulatory adjustments**	**988.57**	

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

(₹ Crores)

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	**Total regulatory adjustments to Tier 2 capital**	**-**	
58	**Tier 2 capital (T2)**	**988.57**	
59	**Total capital (TC = T1 + T2) (45 + 58)**	**7,153.05**	
60	**Total risk weighted assets (60a + 60b + 60c)**	**43,231.50**	
60a	*of which: total credit risk weighted assets*	38,355.16	
60b	*of which: total market risk weighted assets*	316.67	
60c	*of which: total operational risk weighted assets*	4,559.67	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	14.26%	
62	Tier 1 (as a percentage of risk weighted assets)	14.26%	
63	Total capital (as a percentage of risk weighted assets)	16.55%	
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)	7.26%	
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)	288.57	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	288.57	
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	-	

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

Notes to the Template

Row No. of the template	Particular	(₹ in Crores)
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	288.57
	Eligible Revaluation Reserves included in Tier 2 capital	-
	Total of row 50	288.57

Table DF-12: Composition of Capital- Reconciliation Requirements

Step 1

(₹ in Crores)

		Balance sheet as in financial statements As on March 31, 2026	Balance sheet under regulatory scope of consolidation As on March 31, 2026
A	**Capital & Liabilities**		
i	Paid-up Capital	321.90	
	Reserves & Surplus	6,208.16	
	Minority Interest	-	
	Employee Stock Options Outstanding	4.93	
	Total Capital	**6,534.99**	
ii	Deposits	**72,583.26**	
	of which: Deposits from banks	11,994.01	
	of which: Customer deposits	60,589.25	
	of which: Other deposits (pl. specify)	-	
iii	Borrowings	**6,086.45**	
	of which: From the Reserve Bank	500.00	
	of which: From banks	0.00	
	of which: From other institutions & agencies	4,270.02	
	of which: Borrowings from outside India	616.43	
	of which: Capital instruments	700.00	
iv	Other liabilities & provisions	**2,864.77**	
	Total	**88,069.47**	

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

(₹ in Crores)

		Balance sheet as in financial statements As on March 31, 2026	Balance sheet under regulatory scope of consolidation As on March 31, 2026
B	**Assets**		
i	Cash and balances with Reserve Bank of India	**3,212.27**	
	Balance with banks and money at call and short notice	**1,008.16**	
ii	Investments:	**20,378.00**	
	of which: Government securities	16,832.03	
	of which: Other approved securities	-	
	of which: Shares	62.39	
	of which: Debentures & Bonds	828.03	
	of which: Subsidiaries/Joint Ventures/Associates	-	
	of which: Others (Commercial Papers, Mutual Funds, Certificate of Deposits, PTCs, SRs etc.)	2,655.55	
iii	Loans and advances	**60,021.76**	
	of which: Loans and advances to banks	0.00	
	of which: Loans and advances to customers	60,021.76	
iv	Fixed assets	**989.26**	
	of which: intangible assets	32.67	
v	Other assets	2,460.02	
	of which: Goodwill and intangible assets	-	
	of which: Deferred tax assets (Net)	138.22	
vi	Goodwill on consolidation	-	
vii	Debit balance in Profit & Loss account	-	
	Total Assets	**88,069.47**	

Step 2

(₹ in Crores)

		Balance sheet as in financial statements As on March 31, 2026	Balance sheet under regulatory scope of consolidation As on March 31, 2026	Ref No.
A	**Capital & Liabilities**			
i	**Paid-up Capital**	**321.90**		
	of which: Amount eligible for CET1	321.90		a1
	of which: Amount eligible for AT1	-		
	Reserves & Surplus	6,208.16		
	of which:			
	Securities Premium	1,470.19		a2
	Balance in Profit & Loss account	2,446.12		b1
	of which:			
	Unallocated Surplus	1,714.56		
	Current period profits not reckoned for Capital Adequacy	46.68		b2
	Statutory Reserve	1,291.25		c1
	Capital Reserve	252.64		c2
	Special Reserve	312.32		c3

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

(₹ in Crores)

		Balance sheet as in financial statements As on March 31, 2026	Balance sheet under regulatory scope of consolidation As on March 31, 2026	Ref No.
	Revaluation Reserve	383.91		d1
	of which			
	Not reckoned for Capital Adequacy purposes	211.15		d2
	General Reserve for Investments	18.61		c4
	AFS Reserve	-32.66		c5
	Investment Fluctuation Reserve	65.78		g1
	Employee Stock Options Outstanding	4.93		c6
	Minority Interest	-		
	Total Capital	**6,534.99**		
ii	**Deposits**	**72,583.26**		
	of which: Deposits from banks	11,994.01		
	of which: Customer deposits	60,589.25		
	of which: Other deposits (pl. specify)	-		
iii	**Borrowings**	**6,086.45**		
	of which: From the Reserve Bank	500.00		
	of which: From banks	0.00		
	of which: From other institutions & agencies	4,270.02		
	of which: Borrowings from outside India	616.43		
	of which: Capital instruments	700.00		f
iv	**Other liabilities & provisions**	**2,864.77**		
	of which: Provision for Standard Assets	222.79		g2
	of which: DTLs related to goodwill	-		
	of which: DTLs related to intangible assets	-		
	Total	**88,069.47**		

B	**Assets**			
i	**Cash and balances with Reserve Bank of India**	**3,212.27**		
	Balance with banks and money at call and short notice	1,008.16		
ii	**Investments**	**20,378.00**		
	of which: Government securities	16,832.03		
	of which: Other approved securities	-		
	of which: Shares	62.39		
	of which: Debentures & Bonds	828.03		
	of which: Subsidiaries/Joint Ventures/Associates	-		
	of which: Others (Commercial Papers, Mutual Funds, Certificate of Deposits, PTC, SRs etc.)	2,655.55		
iii	**Loans and advances**	**60,021.76**		
	of which: Loans and advances to banks	0.00		
	of which: Loans and advances to customers	60,021.76		

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

(₹ in Crores)

		Balance sheet as in financial statements As on March 31, 2026	Balance sheet under regulatory scope of consolidation As on March 31, 2026	Ref No.
iv	**Fixed assets**	**989.26**		
	of which: intangible assets	32.67		e
v	**Other assets**	**2,460.02**		
	of which: Goodwill and intangible assets Out of which:	-		
	Goodwill	-		
	Other intangibles (excluding MSRs)	-		
	Deferred tax assets (Net)	138.22		
vi	**Goodwill on consolidation**	**-**		
vii	**Debit balance in Profit & Loss account**	**-**		
	Total Assets	**88,069.47**		

Step 3

(₹ in Crores)

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	1,792.09	A=a1+a2
2	Retained earnings	2,399.44	B=b1-b2
3	Accumulated other comprehensive income (and other reserves)	1,847.09	C=c1+c2+c3+c4+c5+c6
3a	Revaluation Reserves	172.76	D=d1-d2
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**	**6,211.38**	
7	Prudential valuation adjustments	0.00	
8	Goodwill (net of related tax liability)	-	

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

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 Crores, as of most recent reporting date)	₹ 321.90 Crores	₹ 300 Crores	₹ 400 Crores
9	Par value of instrument	₹ 10 per share	₹ 300 Crores and each debenture of ₹ 1 Crores	₹ 400 Crores and each debenture of ₹ 0.01 Crores
10	Accounting classification	Shareholder's Equity	Liability	Liability
11	Original date of issuance	Various*	March 28, 2023	November 18, 2024
12	Perpetual or dated	Perpetual	Dated	Dated
13	Original maturity date	No Maturity	March 28, 2033	November 18, 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 March 28, 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 November 18, 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 March 28, 2028, with the prior approval of RBI.	Any coupon payment date after November 18, 2029, with the prior approval of RBI.
	Coupons/dividends			
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
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

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

Sr. No.	Particulars	Equity Shares	Sub-Ordinated Debt	Sub-Ordinated Debt
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	The Claims of debenture holder (s) shall be: (i) Senior to the claims of investors in instruments eligible for inclusion in Tier 1 Capital of the Bank and (ii) Subordinate to the claims of all depositors and general creditors of the Bank	The Claims of debenture holder (s) shall be: (i) Senior to the claims of investors in instruments eligible for inclusion in Tier 1 Capital of the Bank and (ii) Subordinate to the claims of all depositors and general creditors of the Bank
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.dcb.bank.in/api/dcb/assets/2026-04/DCB-Capital-Structure-of-the-Bank-as-on-31st-March-2026.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.

$$\text{Leverage Ratio} = \frac{\text{Capital Measure (Tier 1 Capital)}}{\text{Exposure Measure}}$$

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

Summary comparison of accounting assets vs. leverage ratio exposure measure

(₹ in Crores)

	Item	
1	Total consolidated assets as per published financial statements	88,069.47
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	627.02
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)	2,285.69
7	Other adjustments	
8	**Leverage ratio exposure**	**90,982.18**

DF-18 Leverage ratio

(₹ in Crores)

Leverage ratio common disclosure template		
	Item	**Leverage ratio framework**
	On-balance sheet exposures	
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	88,069.47
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)	88,069.47
	Derivative exposures	
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	417.92
5	Add-on amounts for PFE associated with all derivatives transactions	209.10
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	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	**Total derivative exposures (sum of lines 4 to 10)**	627.02
	Securities financing transaction exposures	
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-
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)**	-

Pillar III Disclosures under the New Capital Adequacy Framework (Basel III) (Contd.)

(₹ in Crores)

	Leverage ratio common disclosure template	
	Item	**Leverage ratio framework**
	Other off-balance sheet exposures	
17	Off-balance sheet exposure at gross notional amount	4,876.74
18	(Adjustments for conversion to credit equivalent amounts)	2,591.05
19	**Off-balance sheet items (sum of lines 17 and 18)**	2,285.69
	Capital and total exposures	
20	Tier 1 capital	6,164.48
21	**Total exposures (sum of lines 3, 11, 16 and 19)**	90,982.18
	Leverage ratio	
22	**Basel III leverage ratio (%)**	6.78%

Notes

SFT : Securities Financing Transactions

PFE : Potential Future Exposure

CCP : Central Counterparty

CCR : Counterparty Credit Risk

Leverage Ratio for 4 quarters are as under-

(₹ in Crores)

Particulars	**As on June 30, 2025**	**As on September 30, 2025**	**As on December 31, 2025**	**As on March 31, 2026**
Tier 1 Capital	5,421.4	5,408.7	5,488.9	6,164.5
Exposure measure	80,040.5	81,713.5	84,694.5	90,982.2
Leverage ratio	**6.77%**	**6.62%**	**6.48%**	6.78%

NOTICE to Members

NOTICE is hereby given that the Thirty First (31st) Annual General Meeting ("the AGM") of the Members of DCB Bank Limited ("the Bank") will be held on Friday, July 03, 2026, at 02.30 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, 2026, together with the Reports of the Board of Directors and Auditors thereon.**
2. **To declare dividend of ₹ 1.45 per Equity Share of ₹ 10/- each, for the Financial Year ended March 31, 2026.**
3. **To appoint a director in place of Mr. Nadir Bhalwani (DIN: 00555534) who retires by rotation and being eligible, offers himself for re-appointment.**
4. **To appoint Joint Statutory Auditors of the Bank and to fix their overall audit fees and in this regard, to consider, and if thought fit, to pass, the following resolution as Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the rules made thereunder and Section 30 and other applicable provisions, if any, of the Banking Regulation Act, 1949, relevant rules, circulars and guidelines issued by the Reserve Bank of India ("RBI") from time to time and such other regulatory authorities, as may be applicable (including any statutory amendment(s), modification(s), variations(s) or re-enactment(s) thereof for the time being in force) and approval granted by RBI vide letter no. Ref CO.DOS.RPD. No. S915/08.37.005/2026-27 dated May 07, 2026, M/s Deloitte Haskins & Sells, Chartered Accountants (FRN:117365W), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Joint Statutory Auditors of the Bank in terms of Section 141 of the Companies Act, 2013 and applicable rules thereunder and the relevant guidelines/ directions issued by the RBI, be and are hereby appointed as one of the Joint Statutory Auditors of the Bank for the period commencing from the conclusion of this 31st Annual General meeting until the conclusion of the 34th Annual General Meeting of the Bank for a continuous period of three (3) years (from FY 2026-27 to FY 2028-29) subject to the approval of RBI on an annual basis and the firm satisfying the eligibility norms each year in this regard, for the purpose of audit including certifications, reporting on internal financial controls of the Bank's account at its head office, branches and other offices, with power to the Board, including relevant Committee(s) thereof, to alter and vary the terms and conditions of appointment, remuneration, reimbursement of expenses etc., including by reason of necessity on account of conditions as may be stipulated by the RBI and/ or any other authority, in such manner and to such extent as may be mutually agreed between the Bank and the Joint Statutory Auditors and as may be further approved by the Board from time to time.

RESOLVED FURTHER THAT subject to applicable laws and regulations including the relevant guidelines and circulars issued by the RBI (as may be amended, restated, modified, replaced from time to time), M/s Deloitte Haskins & Sells, Chartered Accountants (FRN:117365W) and M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S), who were already appointed as one of the Joint Statutory Auditors of the Bank at the 29th Annual General Meeting of the Bank held on June 12, 2024, shall act as the Joint Statutory Auditors of the Bank for the remainder of the term of M/s. Varma & Varma, Chartered Accountants, at overall audit fees not exceeding an aggregate remuneration of ₹3 crore p.a. including necessary certifications as may be required, for FY 2026-27, to be allocated by the Bank between M/s. Varma & Varma, Chartered Accountants and M/s Deloitte Haskins & Sells, 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 and taxes as applicable and that M/s Deloitte Haskins & Sells, Chartered Accountants shall thereafter act as Joint Statutory Auditors of the Bank with such other new Joint Statutory Auditor(s) who will be appointed by the Bank subject to prior permission of the RBI and approval of the Members of the Bank from FY 2027-28 onwards.

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) authorised by the Board or the Audit Committee in this regard), be and is hereby authorised on behalf of the Bank to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or

NOTICE (Contd.)

desirable for such purpose and with power on behalf of the Bank to settle all questions, difficulties or doubts that may arise in this regard for implementation of the Resolution including but not limited to determination of roles and responsibilities/ scope of work of the respective Joint Statutory Auditors, negotiating, finalizing, amending, signing, delivering and executing the terms of appointment including any contracts or documents in this regard, without being required to seek any further consent or approval of the Members of the Bank."

SPECIAL BUSINESS:

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

To consider and if thought fit, to pass the following 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 Additional Tier I and/or Tier II Bonds (including bonds forming part of Additional Tier I Capital and/or Tier II Capital in accordance with and subject to the terms and conditions specified in the relevant directions/ guidelines issued by the RBI on Prudential Norms on Capital Adequacy, Basel III Capital Regulations, as amended from time to time and other circulars prescribed by 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 Crores (Rupees Five Hundred Crores) (with green shoe option), over and above the outstanding debt securities issued by the Bank and in aggregate for Additional Tier I and/or 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), general information memorandum, key information memorandum, disclosure documents, debenture subscription agreement, as applicable, 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."

NOTICE (Contd.)

6. 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, Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, and other applicable provisions, if any (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force) (the "Act"), the applicable provisions of the Banking Regulation Act, 1949, all other applicable laws, rules and regulations, the Foreign Exchange Management Act, 1999, including any amendments, statutory modification(s) and/ or re-enactment thereof, Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, including any amendments, statutory modification(s) and/ or re-enactment thereof, regulations for qualified institutions placement contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") read with the Listing Agreement entered into by the Bank with BSE Limited and National Stock Exchange of India Limited (together the "Stock Exchanges") on which the equity shares having face value of ₹ 10/- each of the Bank ("Equity Shares") are listed, and such other statutes, clarifications, rules, regulations, circulars, notifications, guidelines, if any, as may be applicable, as amended from time to time issued by the Government of India ("Government of India"), the Ministry of Corporate Affairs ("MCA"), the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI") and any other appropriate authority under any other applicable laws and subject to all other approval(s), consent(s), permission(s) and / or sanction(s) as may be required from various regulatory and statutory authorities, including the Government of India, the RBI, SEBI, MCA and the Stock Exchanges (hereinafter referred to as "Appropriate 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 ₹ 1,500 Crores (Rupees One Thousand Five Hundred Crores), 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.

NOTICE (Contd.)

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 or applicable laws from time to time.

RESOLVED FURTHER THAT the issue of Securities made by way of a QIP shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the ICDR Regulations (the "QIP Floor Price") or at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the QIP Floor Price.

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 or applicable laws 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 of the Bank be and is hereby authorized to further delegate all or any of the powers in aforesaid matters to any Committee or the Officials of the Bank, in such manners as the Board may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board of the Bank be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto."

7. Re-appointment of Mr. Krishnan Sridhar Seshadri (DIN:10508808) as Whole-time Director (Executive Director) of the Bank for a period of one (1) year, w.e.f. June 13, 2026 on the terms and conditions relating to the said re-appointment, including remuneration, as approved by the RBI.

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

"RESOLVED THAT pursuant to the provisions of Section 152, 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), read with the relevant Rules made thereunder, Section 35B and other applicable provisions of the Banking Regulation Act, 1949 and the rules, guidelines, circulars and notifications issued by the Reserve Bank of India (the "RBI"), from time to time, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations") and any other applicable laws/ regulations [including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereto, for the time being in force], the provisions of the Articles of Association of DCB Bank Limited (the "Bank") and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Bank (hereinafter referred to as the "Board", which term shall be deemed to include any committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution), and pursuant to the approval received from the RBI vide its letter No. CO.DOR.HGG.NO.S1681/29-03-001/2026-2027 dated May 25, 2026 and subject to further or such other approvals, as may be necessary from concerned authorities or bodies and subject to the conditions as may be prescribed by any of them while granting such approvals and in respect of whom the Bank has received a notice in writing under Section 160 of the

Act from a member proposing his candidature for the office of a Director, the re-appointment of Mr. Krishnan Sridhar Seshadri (DIN:10508808) as Whole-time Director (Executive Director) of the Bank for a period of one (1) year, with effect from June 13, 2026 up to June 12, 2027 (both days inclusive) be and is hereby approved, upon the terms and conditions including remuneration as mentioned in the explanatory statement, which are specifically hereby approved and sanctioned, with further authority to the Board (on recommendation by the Nomination and Remuneration Committee of the Board) and subject to the approval of the RBI to alter and vary the terms and conditions of the said re-appointment, remuneration and/ or agreement including increments and revisions and/ or any other components of the remuneration, as may be necessary from time to time during the tenure of Mr. Krishnan Sridhar Seshadri, including in view of any approvals and conditions as may be given/ stipulated by the RBI or any other statutory authority, (including authority, from time to time to determine the amount of salary as also the type and amount of perquisites and other benefits payable to Mr. Krishnan Sridhar Seshadri), in such manner as may be decided by the Board.

RESOLVED FURTHER THAT Mr. Krishnan Sridhar Seshadri shall be liable to retire by rotation in terms of the relevant provisions of the Act and the Articles of Association of the Bank.

RESOLVED FURTHER THAT the Board of Directors of the Bank, be and is hereby authorised to fix the actual amount of remuneration (including perquisites), payable or to be provided to Mr. Krishnan Sridhar Seshadri and vary or increase the same from time to time, to the extent the Board may consider appropriate and as may be permitted or authorised by the RBI, on an application made by the Bank.

RESOLVED FURTHER THAT any modification/ revision approved by the RBI while granting approval for the remuneration of Mr. Krishnan Sridhar Seshadri, including remuneration approved annually/ or otherwise by RBI during his tenure as the Whole Time Director, shall be considered as final remuneration to be paid to Mr. Krishnan Sridhar Seshadri.

RESOLVED FURTHER THAT the Board of Directors of the Bank be and are hereby authorized to execute all such agreements, 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."

8. To approve an increase in the number of employee stock options to be granted under the DCB Bank Limited - Employee Stock Option Plan 2005 and other related and ancillary modifications thereto in line with the Applicable Laws

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

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder ("**Act**") and the applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, read with all the circulars and notifications issued in this regard ("**SBEB Regulations**"); the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), Foreign Exchange Management Act, 1999, guidelines issued by the Reserve Bank of India and any other applicable circulars, notifications, guidelines or directions issued by the Reserve Bank of India ("**RBI Guidelines**") in this regard, as amended from time to time, in each case, including any statutory modifications or amendments or re-enactments thereof for the time being in force, and such other applicable laws, rules, regulations, circulars and guidelines of any statutory/regulatory authority(ies), (collectively referred herein as "**Applicable Laws**"), the relevant provisions of the Memorandum and Articles of Association of DCB Bank Limited (the "**Bank**"), the recommendations of the Nomination and Remuneration Committee ("**NRC**"), which has been designated to be the 'Compensation Committee' in terms of and for the purposes of the SBEB Regulations and the approval of the Board of Directors of the Bank ("**Board**") in its meeting held on June 05, 2026; and subject to such other approvals, permissions and sanctions as may be required from the appropriate authorities or bodies and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and which may be agreed upon by the Board (which term shall be deemed to include any committee thereof), consent of the Members of the

NOTICE (Contd.)

Bank be and is hereby accorded to amend the existing DCB Bank Limited - Employee Stock Option Plan 2005 ("**ESOP Plan**") to introduce a new sub-plan ("**Sub-plan III**") in addition to the existing Sub-plan I and Sub-plan II, for eligible employees of the Bank across all levels with an additional pool of 96,61,603 (Ninety Six Lakhs Sixty One Thousand Six Hundred and Three) equity shares, thereby increasing the maximum number of stock options that can be granted under the ESOP Plan from 2,25,43,740 (Two Crore Twenty Five Lakhs Forty Three Thousand Seven Hundred and Forty) equity shares, representing 7% of the issued and paid-up share capital of the Bank as of May 31, 2026, prior to the proposed amendment, to 3,22,05,343 (Three Crore Twenty Two Lakhs Five Thousand Three Hundred and Forty Three) equity shares, representing 10% of the issued and paid-up share capital of the Bank as of May 31, 2026 and carry out other related and ancillary amendments/ modifications in the ESOP Plan in light of the Applicable Laws, as specifically set out in the Explanatory Statement annexed to this Notice, which forms an integral part of this resolution.

RESOLVED FURTHER THAT the ESOP Plan shall be implemented through direct route, for extending the benefits to the eligible employees of the Bank by the way of fresh issuance and allotment of Shares.

RESOLVED FURTHER THAT the Board/ NRC be and is hereby authorised to issue and allot such number of equity shares as may be required upon exercise of stock options from time to time in pursuance of the ESOP Plan and that the equity shares so issued and allotted subject to the provisions of Memorandum of Association and Articles of Association of the Bank shall rank pari-passu in all respects with the existing fully paid up equity shares of the Bank including dividend, if any, during year of allotment of shares pursuant to exercise of stock options vested in the eligible employees.

RESOLVED FURTHER THAT the Board/ NRC, subject to compliance with the SBEB Regulations and other applicable laws, rules and regulations, be and are hereby authorised at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP Plan and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/ or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP Plan and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board or the officer(s) authorised by it in this regard be and are hereby authorised to, make necessary filings with the SEBI, Stock Exchanges, Registrar of Companies, and other regulatory authorities; finalise, execute and sign all requisite document(s), instrument(s) and agreements(s) as may be necessary in connection with the ESOP Plan; appoint intermediaries, advisors, consultants or representatives as may be required for effective implementation of ESOP Plan; take steps for listing of the equity shares allotted from time to time; carry out modifications or amendments to the terms of the ESOP Plan, to the extent permissible under the Applicable Laws, without requiring any further consent or approval of the member(s) of the Bank; and to do all such acts, matters, deeds and things as may be necessary, expedient, incidental or desirable for giving effect to the above and with the authority to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage of the ESOP Plan."

By Order of the Board of Directors
DCB Bank Limited

Rubi Chaturvedi
Company Secretary
Membership No: (ACS 21562)

Place: Mumbai
Date: June 05, 2026

Registered Office:
CIN: L99999MH1995PLC089008
Peninsula Business Park,
6th Floor, 601 & 602, Tower A, Senapati Bapat Marg,
Lower Parel, Mumbai 400 013.
Website: www.dcb.bank.in
e-mail: investorgrievance@dcb.bank.in

NOTICE (Contd.)

NOTES:

1) Pursuant to the relevant Circulars issued by Ministry of Corporate Affairs ("MCA") from time to time (the latest circular dated September 22, 2025) ("AGM Circulars"), the Thirty First Annual General Meeting ("AGM") of the Bank is being held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") without the physical presence of the Members. Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the proxy form, attendance slip and route map are not annexed to this Notice. The registered office of the Bank shall be deemed to be the venue of 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 31st AGM along with the Annual Report FY 2025-26 is being sent through electronic mode to those Members whose e-mail addresses are registered with the Bank/ Depositories. Additionally, the Bank will also send a letter to shareholders providing the web-link for accessing the Integrated Annual Report to those Members who have not registered their email address with the Bank or RTA or Depositories. [Regulation 36(1) of the SEBI Listing Regulations].Members may note that the Notice and Annual Report for FY 2025-26 will also be available on the Bank's website www.dcb.bank.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and 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.
5) An Explanatory Statement required under Section 102(1) of the Companies Act, 2013 in respect of the business at Item Nos. 4 to 8 of the Notice is annexed hereto.
6) The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard 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, Friday, June 26, 2026 as the 'Cut-off Date', for the purpose of the 31st 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 Friday, June 26, 2026 ("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@dcb.bank.in for inspection by Members of the Bank from the date of circulation of this Notice up to the date of AGM, i.e. Friday, July 03, 2026.
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. Friday, July 03, 2026.
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 as amended from time to time will be available electronically for inspection on the date of the AGM, i.e. Friday, July 03, 2026. Members seeking to inspect such documents can send an e-mail to investorgrievance@dcb.bank.in.

NOTICE (Contd.)

11) **Dividend Related Information**

i. The Board of Directors at its meeting held on April 24, 2026 has recommended dividend of ₹ 1.45 per equity share. The Bank has fixed Friday, **June 12, 2026**, as the **Record Date** for determining entitlement of Members to dividend for the financial year ended March 31, 2026.

If the dividend is declared at the AGM, payment of such dividend subject to deduction of tax at source will be made on or after Saturday, July 04, 2026, as under:

a. For Shares held in dematerialized form:

To all Beneficial Owners in respect of shares held in dematerialized form as per the data made available by the Depositories, as of close of business hours on Friday, June 12, 2026.

b. For Shares held in physical form:

To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Bank as of the close of business hours on Friday, June 12, 2026.

Mandatory Electronic Payment of Dividend:

With effect from November 19, 2025, dividends shall be processed only in electronic mode, and **payment through dividend warrants or cheques has been discontinued.**

Payment shall be made subject to:

- Folio being KYC compliant, i.e., PAN, contact details including Mobile No., bank account details and specimen signatures are registered with the Bank/RTA (for shareholders holding shares in physical form) In view of the above, the shareholders holding shares in physical mode are advised to submit the necessary details for updating to the RTA before June 12, 2026. Relevant details and KYC forms prescribed by SEBI in this regard are available on the website of the RTA at: https://web.in.mpms.mufg.com/KYC-downloads.html also refer the communication details of RTA given below:

  MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)

  Unit: DCB Bank Limited

  C-101, Embassy 247, L.B.S. Marg, Vikhroli West, Mumbai – 400083. Tel. No.: 810 811 6767;
  Fax No.: 022 4918 6060
  E-mail: investor.helpdesk@in.mpms.mufg.com
  Website: www.in.mpms.mufg.com

- Updating of bank details with DPs on before June 12, 2026 (for shareholders holding shares in dematerialized form)

  [SEBI Master Circular no. SEBI/HO/38/13/(4)2026-MIRSDPOD/ I/4298/2026 dated February 06, 2026 read with SEBI Listing Regulations]

Tax Deducted at Source ("TDS") on Dividend:

ii. Members may note that as per the Income Tax Act, 2025 ("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 393(1) Table Sl. No. 7 of the Income Tax Act, 2025 on the amount of Dividend declared and paid by the Bank during FY 2026-27, 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 397(2) of the Income Tax Act, 2025. However, no tax shall be deducted on the dividends paid to resident individuals if aggregate Dividend distributed or likely to be distributed during FY 2026-27 does not exceed Rs 10,000 (Rupees Ten Thousand). In cases where the Members provide valid Form 121 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: https://web.in.mpms.mufg.com/client-downloads.html

NOTICE (Contd.)

On this page select the General tab. All the forms are available in under the head "Form 41 or Form 121" To avail exemption of TDS for FY 2026, Member are requested to submit the tax exemption documents electronically on or before Friday, June 12, 2026, through their Depositories (CDSL or NSDL) for all demat holdings linked to their PAN, without requiring a separate submission to the Bank/RTA.

Alternatively, Members (holding shares in physical mode as well as demat mode) may submit the tax exemption documents (please submit the latest Forms to avail exemption of TDS. The erstwhile Forms shall not be accepted for this purpose). by uploading on https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html. 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. Exemption Form selection (Form-121 / Form-41 /Others)
6. Document attachment – 1 (KYC Documents - PAN)
7. Document attachment – 2 (Forms - Form-121 / Form-41 /Others)
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 Limited. should be done on or before Friday, June 12, 2026 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 Friday, June 12, 2026, 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 262 of the Income Tax Act, 2025 read with Rule 162 of the Income Tax Rules, 2026 mandatorily before Friday, June 12, 2026. 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 262 of the Act.

b. Nil / lower tax shall be deducted on the Dividend payable to following resident non individual 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 Schedule VII (Table: Sl. No. 20 or 21) of the Income Tax Act, 2025 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 Schedule V Table Sl. No. 1 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 395 of the Act for lower / Nil Rate of deduction or an exemption certificate issued by the Income Tax Authorities along with Declaration.

NOTICE (Contd.)

vii. For Non-Resident Shareholders, (including Foreign Portfolio Investors) Tax would be withheld in accordance with the provisions of Section 393(2) [Table Sl. No. 17] of the Income Tax Act, 2025 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 159 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. 41 furnished on the Income Tax portal or self-declaration (if applicable) in Form No. 41 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.;

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 shareholders.

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 June 12, 2026.

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.

Kindly note that the aforementioned documents are required to be sent at dcbtax@in.mpms.mufg.com OR investorgrievance@dcb.bank.in. No communication on the tax determination / deduction shall be entertained after June 12, 2026.

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 dated May 26, 2026 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, Embassy 247, 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) Since transfer of securities of listed companies in physical mode has been discontinued with effect from, April 1, 2019, dividend to the security holders holding shares in physical mode shall be paid only through electronic mode. However, 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.

15) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile no., PAN, mandates, choice of nominations, power of attorney, bank details viz. name of the bank and branch details, bank account, MICR code, IFSC etc., in the following manner:

a. **For shares held in dematerialized form:** to their DPs (Before Friday, June 12, 2026)

b. **For shares held in physical form: to the Bank** (investorgrievance@dcb.bank.in)**/RTA (**investor.helpdesk@in.mpms.mufg.com**) in prescribed Form ISR-1 and other forms.** (Before Friday, June 12, 2026)

[SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/ CIR/2023/169 dated October 12, 2023 read with SEBI Master Circular No. HO/38/13/(4)2026-MIRSDPOD/I/4298/2026 dated February 06, 2026]

16) 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 June 30, 2026 through e-mail on investorgrievance@dcb.bank.in. The same will be replied by the Bank suitably.

17) Since the AGM will be held through VC / OAVM, the route map is not annexed to this Notice.

18) **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.**

19) 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.

20) In accordance with the relevant MCA Circulars read with Circular dated October 07, 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 2025-26 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, May 29, 2026. The Members who have not registered their e-mail addresses, kindly register the same by sending an e-mail at investor.helpdesk@in.mpms.mufg.com

21) 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 June 12, 2026.

22) **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

NOTICE (Contd.)

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 Friday, June 26, 2026 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:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Sr. no	Particular	Details
1	Cut-off date to determine entitlement for e-voting	Friday, June 26, 2026
2	Electronic Voting Sequence Number (EVSN)	260605010
3	E-voting start date and time	Tuesday, June 30, 2026 from 9:00 a.m. (IST)
4	E-voting end date and time	Thursday, July 02, 2026 till 5:00 p.m. (IST). The e-Voting module shall be disabled by CDSL for voting thereafter.

1. A person who is not a member as on the cutoff 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. Friday, June 26, 2026, 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 09, 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.

NOTICE (Contd.)

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**	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 cdsl website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 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 & 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. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 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 www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & 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.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	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: https://eservices.nsdl.com 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 & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ 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. 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 & voting during the meeting

NOTICE (Contd.)

Type of shareholders	Login Method
	4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. 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 (DP)**	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 helpdesk.evoting@cdslindia.com or contact at toll free no. 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 evoting@nsdl.com or call at: 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.
- 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 and voted on an earlier e-Voting of any company, then your existing password is to be used.

NOTICE (Contd.)

- 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) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested send an email to the Bank (investorgrievance@dcb.bank.in) /RTA (investor.helpdesk@in.mpms.mufg.com) to obtain sequence number.
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. • 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.

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 and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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 mandatory 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 email address viz; investorgrievance@dcb.bank.in,if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

NOTICE (Contd.)

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 June 25, 2026 (9.00 a.m. IST) to June 30, 2026 (5.00 p.m. IST) mentioning their name, demat account number/folio number, e-mail id, mobile number at investorgrievance@dcb.bank.in.

h. The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance till June 30, 2026 (5.00 p.m. IST) mentioning their name, demat account number/folio number, e-mail id, mobile number at investorgrievance@dcb.bank.in. 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@dcb.bank.in or RTA e-mail id investor.helpdesk@in.mpms.mufg.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 email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Asst. Vice President, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 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.dcb.bank.in, website of CDSL at www.evotingindia.com and will be communicated to the Stock Exchanges viz. BSE and NSE.

NOTICE (Contd.)

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

Item 4: Appointment of Joint Statutory Auditors of the Bank and to fix their overall audit fees

The Reserve Bank of India ("RBI") has on April 27, 2021, 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"). In terms of the RBI Guidelines, the Joint Statutory Auditors have to be appointed for a maximum term of three (3) years and, given that the Bank's asset size is more than the stipulated threshold in this regard, the Bank needs to appoint a minimum of two Joint Statutory Auditors.

M/s. B S R & Co LLP, Chartered Accountants (Registration No. 101248W/ W100022), who were appointed as Joint Statutory Auditors of the Bank at the 28th AGM held on June 22, 2023 for a period of three years, will be completing their terms as a Joint Statutory Auditors after completion of 31st Annual General Meeting of the Bank. Further, M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S), who were appointed as Joint Statutory Auditors of the Bank at the 29th AGM of the Bank held on June 12, 2024, will be continuing as Joint Statutory Auditors for their third and final year, i.e. for FY 2026-27. M/s. Varma & Varma, Chartered Accountants, would need to act as Joint Statutory Auditor of the Bank, with such other Joint Statutory Auditor(s) as the Bank may appoint, subject to the approval of RBI and the Members of the Bank.

As per the RBI guidelines, the Bank is required to obtain prior approval of the RBI for appointment/ re-appointment of Statutory Auditors on an annual basis. Accordingly, the Board of Directors of the Bank vide its Resolution dated April 13, 2026 had recommended M/s Deloitte Haskins & Sells, Chartered Accountants (FRN:117365W), as the first preferred firm to the RBI for appointment as Joint Statutory Auditors of the Bank, for a period commencing from the conclusion of this 31st Annual General Meeting until the conclusion of the 34th Annual General Meeting of the Bank for a continuous period of three (3) years (from FY 2026-27 to FY 2028-29) subject to the RBI approval for each year and firm satisfying the eligibility norms each year in this regard. Also, the Board of Directors of the Bank had recommended for approval of the RBI, the reappointment of M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S) for their third and final year for FY 2026-27.

The RBI has vide, its letter Ref CO.DOS.RPD.No. S915/08.37.005/2026-27 dated May 07, 2026 has approved the reappointment of M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S) and appointment of M/s Deloitte Haskins & Sells, Chartered Accountants (FRN:117365W), as the Joint Statutory Auditors of the Bank for the FY 2026-27, being their third year and first 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 500 trained 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 M/s Deloitte Haskins & Sells, Chartered Accountants

Deloitte Haskins & Sells ("DHS") is registered with the Institute of Chartered Accountants of India ("ICAI") with Registration No. 117365W and is a part of Deloitte Haskins & Sells & Affiliates being the Network of Firms registered with the ICAI. The registered office of DHS is at 19th Floor, Shapath – V, S G Highway, Ahmedabad – 380 015, India. The firm was formed in 1997 and has been engaged in statutory audits of financial statements of banks (including private and foreign banks in India) and other financial institutions for number of years. The Firm holds a valid peer review certificate issued by the Institute of Chartered Accountants of India. Deloitte Haskins & Sells & its network firm has 3400+ professional staffs, 103 partners and executive directors.

Accordingly, the approval of Members of the Bank is required pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules made thereunder and pursuant to Section 30 of the Banking Regulation Act, 1949 and guidelines issued by the RBI including any amendments, modifications, variations or re-enactments thereof, for appointment of M/s Deloitte Haskins & Sells, Chartered Accountants (FRN:117365W), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Joint Statutory Auditors of the Bank in terms of Section 141 of the Companies Act, 2013 and applicable Rules and the relevant guidelines issued by RBI, as the Joint Statutory Auditors of the Bank, for the period commencing from the conclusion of this 31st Annual General Meeting until the conclusion of the 34th Annual General Meeting of the Bank for a continuous period of three (3) years (from FY 2026-27 to FY 2028-29) subject to the RBI approval on an annual basis and firm satisfying the

eligibility norms each year in this regard, for the purpose of audit including certifications, reporting on internal financial controls of the Bank's account at its head office, branches and other offices with power to the Board, including relevant Committee(s) thereof, to alter and vary the terms and conditions of appointment, remuneration, reimbursement of expenses etc., including by reason of necessity on account of conditions as may be stipulated by the RBI and/ or any other authority, in such manner and to such extent as may be mutually agreed between the Bank and the Joint Statutory Auditors and as may be further approved by the Board from time to time.

Further, subject to applicable law and regulations including the relevant guidelines and circulars of the RBI (as may be amended, restated, modified, replaced from time to time), M/s. Varma & Varma, Chartered Accountants (Registration No. 004532S), the existing continuing Statutory Auditors of the Bank and M/s Deloitte Haskins & Sells, Chartered Accountants (FRN:117365W), shall act as Joint Statutory Auditors of the Bank for the remainder of the term of M/s. Varma & Varma, Chartered Accountants, and that M/s Deloitte Haskins & Sells, Chartered Accountants (FRN:117365W) shall thereafter act as Joint Statutory Auditors of the Bank with such new Joint Statutory Auditor(s) who will be appointed by the Bank subject to approval of the RBI and approval of the Members of the Bank from FY 2027-28 onwards.

M/s. Varma & Varma, Chartered Accountants and M/s Deloitte Haskins & Sells, Chartered Accountants as Joint Statutory Auditors of the Bank shall be paid overall audit fees of not exceeding an aggregate remuneration of ₹3 crore p.a. including necessary certifications as may be required, for FY 2026-27, to be allocated by the Bank between M/s. Varma & Varma, Chartered Accountants and M/s Deloitte Haskins & Sells, 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 and taxes as applicable and that M/s Deloitte Haskins & Sells, Chartered Accountants shall thereafter act as Joint Statutory Auditors of the Bank with such other new Joint Statutory Auditor(s) who will be appointed by the Bank subject to prior permission of the RBI and approval of the Members of the Bank from FY 2027-28 onwards.

The Board of Directors recommends the appointment of M/s Deloitte Haskins & Sells, Chartered Accountants (FRN:117365W) as the Joint Statutory Auditors of the Bank, based on a review of their profile, experience and specialization in audit of banking and financial service sector, for the period commencing from the conclusion of this 31st Annual General meeting until the conclusion of 34th Annual General Meeting of the Bank for a continuous period of three (3) years (from FY 2026-27 to FY 2028-29) subject to the RBI approval on an annual basis and firm satisfying the eligibility norms each year in this regard. Further, in terms of the RBI guidelines, the Board of Directors recommends the re-appointment of M/s. Varma & Varma, Chartered Accountants as the Joint Statutory Auditors of the Bank for their third and final year for FY 2026-27.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the passing of the Resolutions in item no. 4. Your Board recommends passing of an Ordinary Resolution in Item no.4 of the accompanying Notice.

Item 5: 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 24, 2026, 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 Crores (Rupees Five Hundred Crores) (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. 5 of this Notice for approval by the Members of the Bank.

Item 6: Issue of Equity Shares/ other securities convertible into Equity Shares ("Securities") through Qualified Institutions Placement (QIP).

The Board of Directors of the Bank in its meeting held on April 24, 2026 has approved an enabling resolution proposing for raising of funds up to ₹ 1,500 crores (Rupees One Thousand Five Hundred Crores) by way of issue of Equity Shares/ other securities convertible into Equity Shares through Qualified Institutions Placement, as may be required by the Bank from time to time, subject to approval of the Shareholders of the Bank and any other regulatory approvals, as may be required under the applicable laws / regulations.

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 ₹ 13,043 Crores (Rupees Thirteen Thousand Forty Three Crores) of Risk Weighted Assets.

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 in accordance with the applicable provisions of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") or any such other acts, rules and regulations and subject to such regulatory / statutory approvals, as may be applicable, for an amount not exceeding ₹ 1,500 Crores (Rupees One Thousand Five Hundred Crores).

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.

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The pricing of the Equity Shares shall be determined in accordance with the relevant provisions of the ICDR Regulations, the Companies Act, 2013 and any other applicable laws or at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the QIP Floor Price.

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.

Further, the Bank is yet to identify the investor(s) and decide the quantum of Equity Shares to be issued to them at this point of time. Hence, the details of the proposed allottees, percentage of their post – QIP shareholding and the shareholding pattern of the Bank are not provided. The proposal, therefore, seeks to confer upon the Board, the absolute discretion and adequate flexibility to determine the terms of the QIP, including but not limited to the identification of the proposed investors in the QIP and quantum of Equity Shares to be issued and allotted to each such investor, in accordance with the provisions of the ICDR Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Companies Act, 2013, the Foreign Exchange Management Act, 1999 and the regulations made thereunder and any such other applicable law/ regulations.

Since the Special Resolution proposed in the Notice under Item No. 6 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 the Companies Act, 2013 and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or such other applicable laws/ regulations, in terms of the Special Resolutions in the Notice to enable the Board to decide on the issuance of Equity Shares, to the extent and in the manner stated in the Special Resolution, as set out in item no. 6 of this Notice, without the need for any fresh approval from the Members of the Bank in this regard. If approved by Members of the Bank, allotment of Equity Shares pursuant to the QIP shall be completed within 365 days from the date of passing of this Special Resolution approving the proposed issue or such other time as may be permitted under ICDR Regulations or other applicable law/ regulations from time to time.

The Board recommends the Special Resolution as set out in Item No. 6 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. 6 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 7: Re-appointment of Mr. Krishnan Sridhar Seshadri (DIN:10508808) as Whole-time Director (Executive Director) of the Bank for a period of one (1) year, w.e.f. June 13, 2026 on the terms and conditions relating to the said re-appointment, including remuneration, as approved by the RBI.

Pursuant to the RBI approval dated June 03, 2024, the Board of Directors of Bank, at its meeting held on June 12, 2024, on the recommendation of the Nomination and Remuneration Committee of the Board, appointed Mr. Krishnan Sridhar Seshadri as a Whole-time Director (Executive Director), for a period of two (2) years effective from June 13, 2024 till June 12, 2026 (both days inclusive) and the terms and conditions relating to the said appointment, including remuneration payable to Mr. Seshadri. The Members of the Bank, vide resolution passed through Postal Ballot on August 29, 2024, had approved the appointment of Mr. Krishnan Sridhar Seshadri as a Whole-time Director (Executive Director), for a period of two (2) years effective from June 13, 2024 till June 12, 2026 (both days inclusive) along with his remuneration.

Mr. Krishnan Sridhar Seshadri's played a pivotal role in managing core functions and his leadership as the Bank's first Whole Time Director (Executive Director). His support to the Managing Director & CEO has been instrumental in driving the Balance Sheet growth and profitability. Furthermore, his banking experience ensured a seamless leadership transition and strengthened the Bank's overall assurance functions.

Considering the contribution made by Mr. Krishnan Sridhar Seshadri to the growth and progress of the Bank over the years and based on the evaluation of his performance and skills, experience and the knowledge, the Board of Directors of the Bank on the recommendation of the Nomination and Remuneration Committee of the Board, at its meeting held on February 17, 2026, had approved the reappointment of Mr. Krishnan Sridhar Seshadri as the Whole Time Director (Executive Director) of the Bank for a period of One (1) year with effect from June 13, 2026 to June 12, 2027 (both days inclusive) on such terms & remuneration as may be approved by the RBI, subject to the subsequent Shareholders' approval. Consequently, an application was made to RBI seeking its approval for the reappointment of Mr. Krishnan Sridhar Seshdari as Whole Time Director (Executive Director) of the Bank.

Pursuant to the said application, the RBI vide letter No. CO.DOR.HGG.NO.S1681/29-03-001/2026-2027 dated May 25, 2026, conveyed its approval for the reappointment of Mr. Krishnan Sridhar Seshadri as the Whole Time Director (Executive Director) of the Bank, for a period of One (1) year commencing from June 13, 2026 upto June 12, 2027 (both days inclusive).

Mr. Krishnan Sridhar Seshadri meets the fit and proper criteria as prescribed by the RBI and is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Bank. In the opinion of the Board, he fulfils the conditions for the said reappointment as prescribed under the relevant provisions of the Act and the relevant Rules made thereunder, the SEBI Listing Regulations, the Banking Regulation Act, 1949 and other Directions/ Circular/ Guidelines issued by the RBI from time to time. He possess the requisite qualifications, skills, experience and expertise in specific functional areas, which are beneficial to the Bank. He has furnished to the Bank his consent to act as the Whole Time Director and affirmed that he is not de-barred from holding office of Director by virtue of any order of the Securities and Exchange Board of India or any other such authority.

Based on the aforesaid approval of the Board (on the recommendation of the Nomination and Remuneration Committee) and the RBI approval, it is recommended to the Members of the Bank for their approval for the reappointment of Mr. Krishnan Sridhar Seshadri as the Whole Time Director of the Bank for a period of One (1) year commencing from June 13, 2026 upto June 12, 2027 (both days inclusive) on the terms and conditions, including remuneration as mentioned below.

The Bank has also received a notice under Section 160 of the Act from a member proposing the candidature of his appointment as a Whole Time Director (Executive Director) of the Bank.

Pursuant to the relevant provisions of the Articles of Association of the Bank, Mr. Krishnan Sridhar Seshadri shall be liable to retire by rotation in terms of the provisions of Section 152 of the Act, during his tenure.

The RBI vide its letter dated October 06, 2025 had approved the Fixed Pay of ₹ 1.49 Crores payable to Mr. Seshadri as Whole Time Director (Executive Director) of the Bank for FY 2025-26 and variable pay of 0.86 Crores for FY 2024-25.

Remuneration details are provided below-

(A) For a period up to March 31, 2027 (considering current RBI approved remuneration)

(1) Fixed Pay (including perquisites) (as approved by the RBI):

Sr. No.	Particulars of Remuneration	Amount Per Annum (in ₹)
1	Salary (Basic)	44,70,000
2	Retiral/Superannuation benefits	7,51,407
	(a) Provident Fund (As per Bank's rules) (12% of Salary (Basic))	5,36,400
	(b) Gratuity (As per Payment of Gratuity Act)	2,15,007
3	Leave Fare Concession/ Allowance	3,72,500
4	Other fixed allowances, if any (please specify)	
	(a) Consolidated Benefit Allowance	53,37,265
	(b) Statutory Bonus	
	(c) Education Allowance	
5	Perquisites:	
(i)	House Rent Allowance (in case no residential accommodation is provided by the Bank) or Residence (fully furnished accommodation to be provided by Bank)	22,35,000
(ii)	Conveyance Allowance	
(iii)	Use of Bank's car for: (a) For official purposes (One Car. Running and maintenance on Bank account)	9,50,000
(iv)	Driver(s)' salary (Reimbursement of salary, bonus, uniform, etc to one driver restricted in aggregate to ₹ 3 Lakhs p.a.)	3,00,000

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Sr. No.	Particulars of Remuneration	Amount Per Annum (in ₹)
(v)	Membership of Club (One Club - Cost of admission and contribution) Annexure 1 - Annual Cost of Subscription	4,20,000
(vi)	Any other perquisites (please specify) - Meal Allowance	30,000
(vii)	Insurance & Medical Benefits	
	- Medical Insurance Premium	18,275
	- Group Term Life & Critical Insurance	14,160
	- Group Personal Accident insurance	1,393
	Total Fixed including Perquisites	**1,49,00,000**

Annexure 1 - for perquisites without monetary ceiling	
Membership of Club – Annual Cost of Subscription	

(2) Variable component of Remuneration:

Mr. Krishnan Sridhar Seshadri will also be eligible for performance based Variable Pay (inclusive of cash and share-linked instruments) as may be determined by the NRC and Board of Directors and approved by the RBI as per the Compensation Policy of the Bank and in line with the applicable RBI Directions/ Guidelines as amended from time to time. The Variable Pay shall be subject to performance review by the Nomination and Remuneration Committee of the Board based on the criteria of evaluation as may be fixed by the NRC/ Board from time to time and as approved by Board and Reserve Bank of India.

Variable Pay for FY 2024-25 as approved by the RBI (considering current RBI approved remuneration):

Particulars	Proposed (in ₹)
For FY/ Performance Period	
PART-B:	
Variable Pay:	86,00,000
1. Cash component	43,00,000
• Upfront payment (with %)	21,50,000
• Deferred payment (with %)	21,50,000
Total cash component	**43,00,000**
Vesting period (in years)	3 years
Deferral arrangement	
(i) First Year	33%
(ii) Second Year	33%
(iii) Third Year	34%
(iv)	
2. Non-cash Components	43,00,000
(Share-linked instruments):	
(i) ESOP/ESOS/ CSAR	35% of variable compensation
(a) Number of share/ share-linked instruments	ESOPS – 60,000 units
(b) Monetary value	₹ 30,79,800
(c) Deferral (with %)	100%
(d) Vesting schedule details	0, 50%, 50% across 3 consecutive years
(ii) CSARs (Any other share-linked instruments)	
(a) Number of share/ share-linked instruments	CSAR – 31,554 units
(b) Monetary value	₹ 12,20,200
(c) Deferral (with %)	100%
(d) Vesting schedule details	33%, 33% and 34% across three consecutive years

NOTICE (Contd.)

Particulars	Proposed (in ₹)
(iii) Any other non-cash component (please specify) and mention its monetary value, deferral, vesting schedule, etc.	NA
Total monetary value of non-cash component(s)	43,00,000
Total monetary value of Variable Pay (Cash and non-cash components)	86,00,000
% of Cash Component in Total Variable Pay	50% of variable pay
% of Non-cash component in Total Variable Pay	50% of variable pay
% of Variable Pay to Fixed Pay and	
% of Variable Pay in Total Compensation (for the same FY/Performance Period)	58% of fixed pay for FY 2025-26 37% of total compensation considering fixed pay for FY 2025-26 and variable pay for FY 2024-25
Total Compensation **(Fixed Pay + Variable Pay)**	**2,35,00,000** (Fixed pay of **1,49,00,000** for FY 2025-26 + Actual Variable pay for FY 2024-25 of **86,00,000**)

(B) For the period of FY 2026-27 and period after March 31, 2027 and subject to the approval of the RBI as may be required:

Mr. Krishnan Sridhar Seshadri shall be entitled to:

(i) annual or other increments and/ or revisions during his tenure as the Whole Time Director of the Bank, to the aforesaid Fixed Pay remuneration mentioned in (A) above; and

(ii) the components of the Variable Pay (which will have an upper ceiling of such percentage of the Fixed Pay as prescribed by the RBI Directions/ Guidelines, as amended from time to time), as per the policies of the Bank and as may be approved by Nomination and Remuneration Committee and the Board of Directors of the Bank and subject to the approval of the RBI or other relevant authority. It may be noted that in terms of the RBI Compensation Guidelines, currently the total Variable Pay shall be limited to a maximum of 300% of the Fixed Pay. Further the Variable Pay, as per the RBI Compensation Guidelines shall be inclusive of Cash as well as any Share-linked instruments. The reference performance period in a given year shall be from April 01 to March 31 every year.

In case of absence or inadequacy of profits in any Financial Year, the Fixed Pay and perquisites (subject to annual review from time to time) as approved by the Nomination and Remuneration Committee, the Board of Directors and the Reserve Bank of India shall be the minimum remuneration payable to Mr. Krishnan Sridhar Seshadri.

The approval of the Members of the Bank is accordingly being sought for Mr. Krishnan Sridhar Seshadri's reappointment, his remuneration and for the further authority to the Board (on recommendation by the Nomination and Remuneration Committee of the Board), to alter and vary the terms and conditions of the said reappointment, remuneration and/ or agreement including increments and revisions and / or any other components of the remuneration, as may be necessary from time to time during the entire tenure, including in view of any approvals and conditions as may be given / stipulated by the RBI or any other statutory authority, (including authority, from time to time to determine the amount of salary as also the type and amount of perquisites and other benefits payable to Mr. Seshadri), in such manner as may be decided by the Board.

Approval of the Members of the Bank is also being sought for the payment of remuneration up to June 12, 2027 to Mr. Krishnan Sridhar Seshadri as the Whole Time Director (Executive Director) of the Bank, as may be recommended by Nomination and Remuneration Committee and approved by the Board which shall be subject to approval of the RBI.

Details of Mr. Krishnan Sridhar Seshadri pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), are given in Annexure -2 to this Notice.

None of the Bank's Directors, Key Managerial Personnel, and their relatives, other than Mr. Krishnan Sridhar Seshadri and his relatives are concerned or interested financial or otherwise in the passing of this resolution under item no. 7.

Your Board recommend the passing of the Ordinary Resolution set out in Item No. 7 of the accompanying Notice.

NOTICE (Contd.)

Item 8: To approve an increase in the number of employee stock options to be granted under the DCB Bank Limited - Employee Stock Option Plan 2005 and other related and ancillary modifications thereto in line with the Applicable Laws

Introduction:

DCB Bank Limited ("**the Bank**") has formulated and adopted the DCB Bank Limited – Employee Stock Option Plan in 2005 ("**ESOP Plan**") approved by the shareholders of the Bank ("**Shareholders**") on December 15, 2006 and amended from time to time in order to:

- to motivate the employees who are in active employment of the Bank
- to attract and retain the best available talent and ensure the commitment of the employees to Bank's growth; and
- foster the long-term commitment of these employees
- To meet any regulatory requirements from time to time

The Board of Directors of the Bank ("Board"), on the recommendation of the Nomination and Remuneration Committee of the Board ("Committee"), at its meeting held on June 5, 2026, has approved the amendments to the ESOP Plan.

Presently, under the ESOP Plan, stock options ("Options") can be granted to eligible employees of the Bank in two distinct sub-plans, as per the limits set out below:

a. **Sub-plan I** - Under this sub-plan, the Bank may grant Options to employees at or above the level of Executive Vice-presidents ("EVP") and the maximum pool under this sub-plan is up to 4% of the issued and paid-up share capital of the Bank ("Sub-plan I").

b. **Sub-plan II** - Under this sub-plan, the Bank may grant Options to employees below the level of EVP and the maximum pool under this plan is up to 3% of the issued and paid-up share capital of the Bank ("Sub-plan II").

As of May 31, 2026, the Bank's issued and paid-up share capital is ₹ 3,22,05,34,270 (Indian Rupees Three Hundred Twenty Two Crore Five Lakhs Thirty Four Thousand Two Hundred and Seventy) and consists of 32,20,53,427 (Thirty Two Crore Twenty Lakhs Fifty Three Thousand Four Hundred and Twenty Seven) equity shares of the Bank having face value of ₹ 10 (Indian Rupees Ten) each ("**Equity Shares**"). At present, Sub-plan I and Sub-plan II, collectively make up for 7% of the issued and paid-up share capital i.e., ₹ 22,54,37,400 (Indian Rupees Twenty Two Crore Fifty Four Lakhs Thirty Seven Thousand and Four Hundred) convertible into 2,25,43,740 (Two Crore Twenty-Five Lakhs Forty-Three Thousand Seven Hundred and Forty) Equity Shares. Out of this existing ESOP pool, the Bank has already granted options worth 2,20,36,135 (Two Crore Twenty Lakhs Thirty-Six Thousand One Hundred and Thirty-Five) Equity Shares. Accordingly, as of May 31, 2026, a total of 5,07,605 (Five Lakhs Seven Thousand Six Hundred and Five) Options remain available for future grants under the existing Sub-plans I and II under the ESOP Plan.

The Bank now proposes to expand its ESOP pool from the current 7% to an aggregate of 10% of its issued and paid-up share capital (as of May 31, 2026) by introducing a Sub-plan III (defined below). The proposed Sub-plan III would enable the Bank to grant 96,61,603 (ninety six lakh sixty one thousand six hundred and three) additional Options amounting to 3% of the issued and paid-up share capital which is ₹ 9,66,16,030 (Indian Rupees Nine Crore Sixty Six Lakhs Sixteen Thousand and Thirty) ("**Sub-plan III**"). The aggregate ESOP pool of 10% of the issued and paid-up share capital would amount to 3,22,05,343 (Three Crores Twenty-Two Lakhs Five Thousand Three Hundred and Forty-Three) Options worth ₹ 32,20,53,430 (Indian Rupees Thirty Two Crore Twenty Lakhs Fifty Three Thousand Four Hundred and Thirty).

The proposal for introduction of Sub-plan III under existing ESOP Plan is based on the following considerations:

1. Talent Retention and Motivation:
   1.1. As the Bank scales operations and targets higher growth, retaining and motivating employees and high-potential talent and those in leadership roles become critical.
   1.2. The aforesaid proposal supports a stronger alignment between employee performance and long-term shareholder value creation as the existing ESOP pool under the ESOP Plan is not adequate to meet evolving talent retention and reward needs.
2. Flexibility for Multi-Year Grant Programs: ESOP Plan with the additional pool of Options under Sub-plan III offers flexibility for granting Options spanning across multiple years, thereby reducing the need for frequent approvals and ensuring continuity across grant cycles.
3. Alignment with Shareholders' Interests:
   3.1. Options are granted at or above market price and vest over time, incentivizing long-term performance as opposed to short-term gains.
   3.2. Honing a mindset of ownership and accountability among key employees is directly linked to increase in value for the Shareholders.
4. Regulatory Requirement: The additional pool (as a part of Sub-plan III) meets regulatory requirements of non- cash components to certain group of employees.

NOTICE (Contd.)

The salient amendments to the ESOP Plan are given below:

Existing provision	Proposed Amendment
"Applicable Laws" means any applicable statute, law, regulation, ordinance, rule, judgement, rule of law, order, decree, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or regulatory authority in India, to the extent applicable to stock options, including, but not limited to, the Income Tax Act, 1961, the Companies Act, 2013, the Securities and Exchange Board of India Act (SEBI) 1992, SEBI SBEB Regulations, the Banking Regulations Act, 1949 and the rules/ guidelines/ notifications issued there under."	"Applicable Laws" means all the applicable laws, rules, regulations, guidelines or bye-laws relating to or governing share based employee benefits and other stock incentive scheme/ plans, including, without limitation, the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules thereunder, Securities and Exchange Board of India Act, 1992 ("SEBI"), the SEBI SBEB Regulations, the (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations 2003, the relevant directions/ guidelines/ notifications issued by the Reserve Bank of India from time to time, Income Tax Act, 2025 and all the relevant tax, securities, exchange control or corporate laws, rules, regulations, guidelines or bye- laws of India or any relevant jurisdiction, or of any stock exchange on which the Equity Shares of the Bank are listed or quoted and includes, any amendment, modification, alteration or re-enactment made to such laws, rules, regulations, guidelines or bye-laws."
-	"Sub-Plan(s)" means Sub-plan I, Sub-plan II, and Sub-plan III as set out in the Plan and shall mean to include any other sub-plan formulated by the Nomination and Remuneration Committee/ the Board and approved by the Shareholders pursuant to this Plan."
"6. Administration 6.3 Subject to the Applicable Laws, apart from the specific duties delegated by the Board to the Nomination and Remuneration Committee, the Nomination and Remuneration Committee shall, inter alia, have the following powers and authority: • to frame a series of Sub-plans from time to time under the Plan; • to select the Employees or a class of Employees who may from time to time be eligible to participate in an Offer; • to determine the quantum of Options to be granted under this Plan per Employee and in the aggregate; • to lay down the conditions under which the Vested Options may lapse in case of termination of employment of the Participant for misconduct, fraud, gross negligence, misfeasance and/or breach of trust; • to determine the number of Shares to which an Option shall relate;	"7. Administration 7.2 Subject to Applicable Laws, the NRC, in addition to the duties otherwise delegated to it, is also designated to be the 'Compensation Committee' in terms of and for the purposes of the SEBI SBEB Regulations, and authorized to determine all the terms governing this Plan and undertake, in relation to the Plan, in its sole and absolute discretion including any variation or modification thereof but not limited to the following:- 7.2.1. to propose, recommend, formulate and implement a series of Sub-Plans, in aggregate, from time to time under the Plan; 7.2.2. identification of the Employees amongst the different categories of Employees to whom the Options are to be Granted; 7.2.3. criteria and eligibility for determination of the eligible Employee to whom the Options are to be Granted; 7.2.4. to determine the quantum of Options to be Granted under this Plan per Employee and in the aggregate, subject to the limits approved under the Plan, the relevant Sub-Plan and Applicable Laws; 7.2.5. to determine the time when Options are to be Granted to eligible Employees;

NOTICE (Contd.)

Existing provision	Proposed Amendment
• to determine the Exercise Period within which the Participant should Exercise the Option and that the Option shall lapse on failure to Exercise the Option within the Exercise Period; • to determine the specified time period within which the Participant shall Exercise the Vested Options in the event of his termination or resignation; • to determine the right of a Participant to Exercise all the Options Vested in him at one time or at various points of time within the Exercise Period. • to lay down the method for satisfaction of any tax obligation arising in connection with the Options or such Shares; • to provide for the Grant, Vesting and Exercise of Options in case of Employees who are on long leave or whose services have been seconded to any other company or who have joined any other Subsidiary or other company at the instance of the Bank; • to determine the Exercise Price; • to approve forms or agreements for use under this Plan; • to construe and interpret the terms of the Plan; • to modify or vary any terms and conditions of any Offer or to change or amend the Plan within the framework approved by the Board and /or the Shareholders, and if any, as per Applicable Laws. • in the event of Exercise of Option(s) resulting in fractional Share, to round off to the nearest whole number, and adjust the Exercise Price for the same. • to defer the Exercise of Option till such time as it is prohibited by the Applicable Laws or regulations or SEBI Guidelines and in such an event, the Bank shall not be liable to pay any compensation or similar payment to the Participant for any loss suffered due to such refusal. • to cancel Exercise of all or any of the Options Granted under the Plan if so required under any Applicable law for the time being in force including any order of a court of competent jurisdiction. In the event of any such cancellation, no compensation shall be payable by the Bank for such cancelled Options;	7.2.6. to determine the number of tranches in which the Options are to be Granted and number of Options to be Granted in each tranche; 7.2.7. to determine the Exercise Price payable by the Grantee in pursuance of the Plan; 7.2.8. the criteria for determining the number of Options to be granted to the eligible Employees from time to time; 7.2.9. the terms and conditions subject to which the Options granted would vest in the Employee 7.2.10. the date and period of vesting of the Options granted; 7.2.11. the grounds for cancellation of Options and conditions under which Options vested in Employees may lapse; 7.2.12. to determine the Exercise Period within which the Grantee should Exercise the Option and that the Option shall lapse on failure to Exercise the Option within the Exercise Period; 7.2.13. the maximum Vesting Period within which the Employee shall exercise the vested Options in the event of retirement of Grantee 7.2.14. to lay down terms and conditions based on which Vested Options may be permitted to be Exercised in case of resignation by Grantee 7.2.15. to determine the specified time period within which the Grantee shall Exercise the Vested Options in the event of his termination (other than resignation) or resignation; 7.2.16. to lay down the terms and conditions under which the Vested Options may lapse, continue or retained by Grantee, in case of termination of employment (other than resignation), misconduct, misdemeanor or abandonment of service, fraud, gross negligence, malfeasance and/or breach of trust; 7.2.17. to determine the right of a Grantees' to Exercise all the Options Vested to them at one time or at various points of time within the Exercise Period. 7.2.18. to lay down the terms and conditions based on which Options vested in Grantee may lapse, in case of voluntary surrender of Options by the Grantee;

NOTICE (Contd.)

Existing provision	Proposed Amendment
• the Grant, Vest and Exercise of Options in case of Employees who are on long leave; • the procedure for cashless exercise of Options • in the event of a corporate action (i.e., a stock-split, rights issue, bonus issue, etc.), the Board/ Nomination and Remuneration Committee shall have the authority to do all such acts, at its discretion, as it may deem necessary for the protection of the Participants' interests. In this regard following shall be taken into consideration: - the number and the price of Option shall be adjusted in a manner such that total value of the Option remains the same after the corporate action; and - the Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Participant. 6.4 DECISIONS BINDING: The Nomination and Remuneration Committee's interpretations and decisions with respect to the Plan are final and binding in all respects. If the members of the Nomination and Remuneration Committee are evenly divided on any issue, the same shall be referred to the Board, whose decision shall be final and binding in all respects. The Board may further provide that the Nomination and Remuneration Committee shall exercise certain powers only after consultation with the Board and in such case, the said powers shall be exercised accordingly."	7.2.19. to determine treatment of Options that are Unvested upon termination (other than retirement and resignation of a Grantee); 7.2.20. to determine the procedure and terms for the Grant, Vesting and Exercise of Options in case of eligible Employees who are on long leave or sabbatical, by whatever name called, or whose services have been seconded to any other company; 7.2.21. As may be deemed fit, the cancelled/ lapsed Options shall be available to the NRC for Grant to such other Employees 7.2.22. approval of forms, writings and/or agreements for use in pursuance of the Plan 7.2.23. to construe and interpret the terms of the Plan as well as settle all questions, difficulties or doubts that may arise in relation to the Plan, in its sole and absolute discretion, and give such directions as may be deemed necessary; 7.2.24. giving instructions and/or directions as may be necessary to give effect to any modifications, alteration, amendment, suspension, withdrawal or termination of the Options or the Plan, as a whole. 7.2.25. to frame appropriate procedures to modify or vary any terms and conditions of any Offer or to change or amend the Plan within the framework approved by the Board and /or the Shareholders, if any, as per Applicable Laws. 7.2.26. repricing the Options granted under the Scheme which are not exercised (whether or not they have been vested), if the Plan is rendered unattractive due to fall in the price of the shares in the stock market. Ensuring that such repricing is not detrimental to the interests of the employees and approval of the shareholders by a special resolution has been obtained for such repricing. 7.2.27. formulating and administering suitable policies and procedures as may be required for the implementation of the Plan, including authorizing officials of the Bank to act and undertake such actions as required in terms of the Applicable Law (including Part B of Schedule I of the SEBI SBEB Regulations)

NOTICE (Contd.)

Existing provision	Proposed Amendment
	7.2.28. to defer the Exercise of Option till such time as it is prohibited by the Applicable Laws or regulations and in such an event, the Bank shall not be liable to pay any compensation or similar payment to the Grantee for any loss suffered due to such refusal; 7.2.29. to cancel Exercise of all or any of the Options Granted under the Plan if so required under any Applicable law for the time being in force including any order of a court of competent jurisdiction. In the event of any such cancellation, no compensation shall be payable by the Bank for such cancelled Options; 7.2.30. the procedure of making a fair and reasonable adjustment to the entitlement including adjustment to the number of options and to the exercise price in case of corporate action such as rights issues, stock-split, consolidation bonus issues, merger, sale of division, buy backs and others, as it may be deemed necessary for the protection of the Grantees' interests. In this regard following shall be taken into consideration: (a) the number and the price of Option shall be adjusted in a manner such that total value to the Grantee of the options remains the same after the corporate action (b) the Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Grantee who is granted such Options. 7.2.31. the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in the event of any change in the constitution of the Bank or any re-structuring of the Bank including but not limited to merger, de-merger, amalgamation, reverse merger, or subsidiarisation (hereinafter collectively referred to as "Restructuring") 7.3 The NRC's interpretations and decisions with respect to the Plan are final and binding in all respects on all the Employees of the Bank. Subject to Applicable Laws, the NRC shall have the discretion and the authority from time to time to vary any of the terms of the ESOP Plan. The terms prescribed by the NRC or subsequent amendments thereto shall be final and binding on all the Employees."

NOTICE (Contd.)

Existing provision	Proposed Amendment
"7. Stock Subject to the Plan 1. The maximum number of shares that may be awarded under the Plan shall be 7% (seven percent) of the issued equity share capital of the Bank from time to time." 2. If any outstanding option under the Plan for any reason expires or is terminated without having been exercised in full,the unexercised portion of such option shall again become available for grant pursuant to the Plan.	"8. Quantum Of Options Subject to the Plan/ Sub-Plans Under The ESOP Plan 8.1 The total number of Options available for Grant to the Eligible Employees that may be awarded under the Plan shall not exceed 3,22,05,343 (Three Crore Twenty Two Lakhs Five Thousand Three Hundred and Forty Three) Options, representing approximately 10% (ten per cent) of the issued and paid-up equity share capital of the Bank as on May 31, 2026. No single Employee shall be entitled to receive a cumulative Grant of Options equal to or exceeding 1% of the Issued Capital of the Bank at the time of Grant of Options, during any one year. The above limits shall stand suitably adjusted in the event of any corporate action, in accordance with Clause 15 and Applicable Laws. 8.2 In case the Options are not Exercised, lapsed, forfeited, expired, cancelled, surrendered or becomes un-exercisable due to any reason, or otherwise fail to vest for any reason, such Shares shall automatically be added back to the Options Pool and shall become available for future Grants under the Plan and may be re-granted by the NRC in accordance with the terms of this Plan, subject to overall cap set out above and as per Applicable Law. 8.3 The following Sub-Plans are formulated under this Plan along with the applicable conditions: Total number of Options available for Grant to the Eligible Employees (Clause 8.1)- 3,22,05,343 Options

Particulars	Sub-Plan I	Sub-Plan II	Sub-Plan III
Maximum number of Options available	1,28,82,137 Options (40% of total number of Options under the Plan)	96,61,603 Options (30% of total number of Options under the Plan)	96,61,603 Options (30% of total number of Options under the Plan)
Eligible Employees	Employees of the Bank in the grade of Executive Vice-President or similar designation of the Bank and above including, without limitation, Directors of the Bank as defined in clause 5.1.5. of the Plan.	All Employees of the Bank in the grade below Executive Vice-President or similar designation, of the Bank including, without limitation, Directors of the Bank as defined in clause 5.1.5. of the Plan.	All Employees of the Bank as defined in clause 5.1.5. of the Plan.

NOTICE (Contd.)

<table>
<tr><th>Existing provision</th><th>Proposed Amendment</th></tr>
<tr><td></td><td>
<table>
<tr><th>Particulars</th><th>Sub-Plan I</th><th>Sub-Plan II</th><th>Sub-Plan III</th></tr>
<tr><td>Other Terms</td><td colspan="3">All other terms of each Sub- plans shall be governed by the ESOP Plan of the Bank in accordance with the Applicable Laws.

This amended ESOP Plan of the Bank shall be effective prospectively i.e. date of approval of the shareholders for amendment/ modification in the Plan. All the historical Grants/ existing Grants made under the Plan shall continue to be governed by the terms applicable at the time of respective Grants; and the amended Plan sets out the framework only for future Grants.</td></tr>
</table>
</td></tr>
<tr><td>“8. Appraisal Process

8.1 As soon as may be possible after the Plan comes into effect and at such times thereafter, as deemed fit by the Nomination and Remuneration Committee, the Nomination and Remuneration Committee shall, based on the various criteria and recommendations of the management of the Bank decide on the Employees who are eligible for Options under the Plan and the terms and conditions thereof. The Board of Directors/Nomination and Remuneration Committee acting under the authority delegated by the Board may in its absolute discretion vary or modify such criteria and /or the terms and conditions of the Offer for any Employee or class of Employees.”</td><td>“9. Appraisal Process/ Criteria for Grant of Options

9.1 In order to attract and retain employees, the Nomination and Remuneration Committee shall determine the eligibility of Employees for participation in the Plan and the terms of grant of Options in line with the objectives of the Plan and the Bank’s compensation policy. For this purpose, following parameters / factors may be considered:

9.1.1. Grade / designation and role of the Employee;

9.1.2. Individual performance rating or performance evaluation;

9.1.3. Regulatory Requirements;

9.1.4. Nature of role;

9.1.5. Succession planning considerations.

9.2 The Options shall be granted by the NRC to such Employees by issue of Grant Letter.

9.3 The Board of Directors/ Nomination and Remuneration Committee acting under the authority delegated by the Board may in its absolute discretion vary or modify such criteria and /or the terms and conditions of the Offer for any Employee or class of Employees.”</td></tr>
</table>

NOTICE (Contd.)

<table>
<tr><th>Existing provision</th><th>Proposed Amendment</th></tr>
<tr><td>“10. Vesting of Options

10.1 The Board/Nomination and Remuneration Committee may specify, at the time of grant, a Vesting schedule of any Option (provided however no such vesting schedule will allow exercise of options before the first anniversary of the date upon which grant it was granted).

If no Vesting schedule is specified, no Option may be exercised before the first anniversary of the date upon which it was granted, nor may it be exercised as to more than one-fourth of the number of Shares covered thereby, before the second anniversary of such date, nor as to more than one-half of the number of Shares covered thereby, before the third anniversary of such date, nor as to more than three-fourths of the number of Shares covered thereby, before the fourth anniversary of such date. Any Options granted pursuant to the Plan till December 31, 2020 shall become vested and exercisable in full upon the retirement of the employee because of age or permanent disability or upon the death of the employee.

All the unvested options (granted on or after January I, 2021) should continue to vest after retirement as per the vesting schedule as outlined in relevant Offer. Options shall be permitted to be exercised not later than 6 months (six months) / 180 days from the respective vesting date(s).

10.2 For Normal Vesting: Notwithstanding anything to the contrary in this Plan, the Board or Nomination and Remuneration Committee acting under authority delegated by the Board shall be entitled to make the grant/vesting of any or all of the Options awarded to an Employee conditional upon the fulfilment of such performance criteria whether of the Employee and/or any team or group of which he is a part and/or of the Bank, as determined by the Nomination and Remuneration Committee acting under authority delegated by the Board or determine a Vesting Schedule other than that specified hereinabove for any Employee or class of Employees.</td><td>“11. Vesting of Options and Vesting Schedule

11.1 Subject to Clause 12 below, the NRC shall determine the Vesting Period for the Options, provided that the Options granted to Employees pursuant to the Plan shall vest within a maximum period of 5 (five) years from the Grant Date and there shall be a minimum period of 1 (one) year between the Grant Date and Vesting of the Options. Notwithstanding anything contained hereinabove, in case of death or Permanent Disability of a Grantee, the minimum vesting period of 1 (one) year shall not apply.

11.2 The Options Granted to any Grantee shall vest as per the Vesting Schedules as mentioned below:
<table>
<tr><td>Alternative I</td><td>- 33% of Options would vest at the end of first year from the date of Grant
- 33% of Options would vest at the end of second year from the date of Grant
- 34% of Options would vest at the end of third year from the date of Grant</td></tr>
<tr><td>Alternative II</td><td>- 0% of Options would vest at the end of first year from the date of Grant
- 50% of Options would vest at the end of second year from the date of Grant
- 50% of Options would vest at the end of third year from the date of Grant</td></tr>
</table>
Notwithstanding above, the NRC shall at its sole discretion revise/ modify the Vesting Schedule as it may deem necessary, at the time of Grant in the relevant Grant Letter.”</td></tr>
</table>

NOTICE (Contd.)

<table>
<tr><th>Existing provision</th><th>Proposed Amendment</th></tr>
<tr><td>Provided that in case where Options are granted by the Bank under the Plan in lieu of any employee stock options held by a person under a similar plan in another company (“Transferor Company”) which has merged or amalgamated with the Bank, the period during which such Employee Stock Options granted by the Transferor Company were held by him/ her shall be adjusted against the minimum Vesting Period required under this Sub-clause.”</td><td></td></tr>
<tr><td>“21. Termination of Service
21.1 Termination due to resignation: In case the service of the Participant with the Bank is terminated due to his resignation (otherwise than on superannuation) from the Bank, his Vested Options shall be permitted to be exercised within 9 months (nine months)/ 270 days from the date of such termination or before the expiry of the exercise period provided under the Offer, whichever is earlier. All the unvested Options on the date of resignation shall lapse and revert to the Bank.
(a) Termination due to retirement: In case the service of the Participant with the Bank is terminated due to retirement, all the vested Options shall be permitted to be exercised within 18 months (eighteen months) / 540 days from the date of such retirement or before the expiry of the exercise period provided under the relevant Offer, whichever is earlier. All the unvested Options on the date of termination due to retirement shall vest immediately on the date of such termination. Such Options shall be exercised in the same manner as vested Options. This clause is applicable for Options granted on or before December 31, 2020.</td><td>“12. Effect of Death, Permanent Disablement, Retirement, Resignation, Termination of the Employment, Disciplinary Proceedings etc. on the Vesting of Options”
<table>
<tr><th>S. no</th><th>Events</th><th>Vested Options</th><th>Unvested Options</th></tr>
<tr><td>1.</td><td>Termination due to resignation</td><td>All the Vested Options shall be permitted to be Exercised within 270 days from the date of such termination or before the expiry of the Exercise Period provided under the Grant Letter, whichever is earlier.</td><td>All the Unvested Options on the date of resignation shall lapse and revert to the aggregate Pool of the Bank.</td></tr>
<tr><td>2.</td><td>Termination due to retirement or superannuation</td><td>All the Vested Options shall be permitted to be Exercised within 540 days from the date of such retirement or before the expiry of the Exercise Period provided under the relevant Grant Letter, whichever is earlier.</td><td>All the Unvested Options on the date of retirement shall continue to vest after retirement as per the Vesting Schedule as outlined in relevant Grant Letter. Options shall be permitted to be Exercised not later than 180 days from the respective Vesting Date(s).</td></tr>
</table></td></tr>
</table>

NOTICE (Contd.)

<table>
<tr><th>Existing provision</th><th>Proposed Amendment</th></tr>
<tr><td>(b) Termination due to retirement: In case the service of the Participant with the Bank is terminated due to retirement, all the vested Options shall be permitted to be exercised within 18 months (eighteen months) / 540 days from the date of such retirement or before the expiry of the exercise period provided under the relevant Offer, whichever is earlier. All the unvested options should continue to vest after retirement as per the vesting schedule as outlined in relevant Offer. Options shall be permitted to be exercised not later than 6 months (six months)/ 180 days from the respective vesting date(s). This clause is applicable for Options granted on or after January 1, 2021.
21.2 Termination due to permanent disability or death
(a) Termination due to Permanent Disability of the Grantee: In the event, a Participant while in employment of the Bank, suffers a permanent disability and his employment is terminated pursuant such permanent disability, all the Vested Options shall be permitted to be Exercised within 18 months (eighteen months) / 540 days from the date of such permanent disability or before the expiry of the Exercise Period provided under the relevant Offer, whichever is earlier.
In any event i.e. whether or not the services of the Employee are terminated pursuant to a permanent disability, all Options Granted to such Employee as on the date of permanent disability, shall Vest in him on that day.</td><td>
<table>
<tr><th>S. no</th><th>Events</th><th>Vested Options</th><th>Unvested Options</th></tr>
<tr><td>3.</td><td>Termination due to misconduct, misdemeanor or abandonment of service, fraud, gross negligence, malfeasance and/ or breach of trust</td><td>a) All Vested but Unexercised Options on the date of termination shall lapse, and the Grantee shall not be entitled to Exercise any Options thereafter.
b) Where any allegation of misconduct is under investigation or disciplinary proceedings are pending against a Grantee, the NRC may, pending conclusion of such investigation or proceedings, defer or suspend the Exercise of any Vested Options by such Grantee.
c) Upon completion of such investigation or disciplinary proceedings as mentioned above
(i) if no misconduct is established, the Grantee shall be permitted to Exercise the Vested Options in accordance with the terms of this Plan and the relevant Grant Letter; and</td><td>a) All the Unvested Options on the date of termination shall forthwith lapse.
b) Where any allegation of misconduct is under investigation or disciplinary proceedings are pending against a Grantee, the NRC may, pending conclusion of such investigation or proceedings, decide the treatment of Unvested Options.
c) Upon completion of such investigation or disciplinary proceedings as mentioned above:
(i) if no misconduct is established, the Unvested Options shall be Vested as per the Vesting Schedule in accordance with the terms of this Plan and relevant Grant Letter.</td></tr>
</table></td></tr>
</table>

NOTICE (Contd.)

NOTICE (Contd.)

Existing provision	Proposed Amendment			
(b) Death of the Grantee (including retired employees): In the event of death of a Participant while in employment of the Bank/ Retiree, all the Vested Options may be Exercised by his Nominee as appearing in the records of the Bank or, in the absence of such Nominee, by the legal heirs, within 18 months (eighteen months) / 540 days from the date of the Participant's death/ Retiree's death or before the expiry of the Exercise Period provided under the relevant Offer, whichever is earlier. All the Options Granted to him till such date shall Vest immediately on the date of death of the participant/retiree in the legal heirs or Nominees of the deceased Employee/ Retiree. Such Options shall be exercised by the legal heirs or Nominees in the same manner as Vested Options.	**S. no**	**Events**	**Vested Options**	**Unvested Options**
			(ii) if misconduct is established and the employment of the Grantee is terminated on that basis, the provisions of point (a) above shall apply.	(ii) if misconduct is established and the employment of the Grantee is terminated on that basis, the provisions of point a) above shall apply.
	4.	Death	All the Vested Options may be Exercised by his Nominee as appearing in the records of the Bank or, in the absence of such Nominee, by the legal heirs, within 540 days from the date of the Grantee's death or before the expiry of the Exercise Period provided under the relevant Grant Letter, whichever is earlier.	All the Unvested Options Granted till date of death shall vest immediately on that date. Such Options may be Exercised by his Nominee as appearing in the records of the Bank or, in the absence of such Nominee, by the legal heirs, within 540 days from the date of the Grantee's death or before the expiry of the Exercise Period provided under the relevant Grant Letter, whichever is earlier.
21.3 Termination due to Misconduct etc:				
(a) In case, the service of the Participant with the Bank is terminated on account of his material misconduct, sexual harassment, negligence, professional misconduct or moral turpitude or any misconduct defined by the Bank from time to time, all the Vested Options shall lapse of investigation/ pending disciplinary inquiry, the management of the Bank at its discretion, may defer/disallow exercise of the vested options, if any, of the concerned employees, till such time as the inquiry is complete and action communicated."				

Existing provision	Proposed Amendment			
	S. no	**Events**	**Vested Options**	**Unvested Options**
	5.	Permanent Disability/ incapacity while in employment of the Bank	All the Vested Options shall be permitted to be Exercised within 540 days from the date of Permanent disablement/ incapacitation or before the expiry of the Exercise Period provided under the relevant Grant Letter, whichever is earlier.	All Unvested Options Granted to such Grantee as on the date of Permanent disablement/ incapacitation, shall immediately vest to them on that date and shall be permitted to be Exercised within 540 days from the date of Permanent disablement/ incapacitation or before the expiry of the Exercise Period provided under the relevant Grant Letter, whichever is earlier.
	6.	Voluntary surrender	All Vested Options on the date of surrender shall lapse, and the Grantee shall not be entitled to Exercise any Options thereafter.	All the Unvested Options on the date of surrender shall forthwith lapse.
-	"17. Options Funding Exercise 17.1 Notwithstanding anything contained in Clause 13 and subject to the Applicable Laws, in case any Grantee is desirous of Exercising Options vested in them, the Bank may empanel stock broker(s) to fund the payment of the Exercise Price, the amount necessary to meet their tax obligations and other related expenses pursuant to Exercise of Options Granted, and such amount shall be either adjusted against the sale proceeds of some or all the Shares. 17.2 To enable the Grantee to avail of the procedure set out in Clause 17.1 above, the NRC shall be entitled to frame such procedures and guidelines in this regard from time to time as may be required. The same shall be subject to the Applicable Laws, if any."			

NOTICE (Contd.)

Existing provision	Proposed Amendment
11. EXERCISE OF OPTIONS	13. EXERCISE OF OPTIONS
11.1 The Exercise Period of the Options shall be as specified in the relevant Offer.	13.1 Save and except as mentioned in clause 12 above, Grantees may Exercise all the Vested Options in one or more tranche, by making of an application to the Bank through electronic mode and any other mode identified by the Bank for issue of Shares against the Options vested in pursuance of this Plan, accompanied by the Exercise Price for the Shares and applicable tax amount payable thereon. Grantees are entitled to Exercise the Options within the Exercise Period as per this Plan i.e. period not exceeding a period of five (5) years from the date of the respective Vesting of the Options.
11.2 Subject to the provisions of the relevant Offer, on exercise of the Options, the Nomination and Remuneration Committee shall request the allotment and/ or transfer of the Shares due to the Participant.	13.2 In case of Grantee who intends to go on long leave, they may request the Bank to subscribe for the Shares on their behalf by providing necessary approval from their Functional Head. The Grantee shall make an application cum authority letter in this regard to the Bank. The Shares will be issued and allotted in the name of such Grantee.
11.3 Except as otherwise provided, payment of the Exercise Price for the Shares to be acquired pursuant to the Options shall be made either by: Cheque/ pay order payable at the registered office of the Bank, such other manner as may be approved by the Board from time to time to the extent permitted by the applicable law.	13.3 The mode and manner of the Exercise of the Options shall be communicated separately to a Grantee. On Exercise of the Options, the Grantee shall forthwith pay to the Bank the Exercise Price along with the Applicable Tax or any other amount which the Bank has an option to recover from such Grantee under this Plan. The Bank shall be entitled to recover the Exercise Price and the Applicable Taxes by debiting the salary/saving/other account of the Grantee maintained with the Bank. The Grantee shall issue necessary authorisations to the Bank in this regard. In case the Grantee does not have an account with the Bank then the Bank shall accept the Exercise Price and the Applicable Taxes by such other means acceptable to the NRC / Bank.
11.4 The Shares allotted upon the exercise of an Option will rank pari passu in all respects with the then existing issued Shares in the capital of the Bank.	13.4 It is hereby clarified that the Options can be exercised only after they are vested and the allotment in respect thereof shall be made accordingly within reasonable time after due process within Applicable Laws. Further, the process of listing and trading approvals from the stock exchanges shall be completed in accordance with the provisions of the Applicable Laws.
	13.5 The Bank shall allot 1 (one) Share of the Bank against each Options Exercised by the Grantee. The Shares allotted upon the Exercise of an Option will rank pari passu in all respects with the existing Shares of the Bank.
	13.6 No amount shall be payable by the Grantee at the time of the Grant. Hence no amount is required to be forfeited even if a Grantee does not Exercise the Options within the Exercise Period and accordingly no adjustment is required to be made.

NOTICE (Contd.)

Existing provision	Proposed Amendment
10.3 Acceleration of Vesting: Acceleration of Vesting may be permitted by Board/Nomination and Remuneration Committee on recommendation from the managing committee of the Bank after duly considering the following conditions: • Seniority - The Participant must have worked for at least 10 (ten) years before leaving • Performance of the Participant (The Participant must be rated amongst the highest two ratings during their tenure with the Bank). • Participant must not join another bank in India for a period of 1 (one) year after leaving the Bank. Subject to terms of Change of Control Protection applicable to Participants under the relevant Sub Plan.	15.2 In case of any corporate action/ restructuring (including change on control), accelerated vesting may be permitted, as may be deemed fit/ reasonable by the NRC and terms of such adjustments may not be detrimental to the interests of the Grantees.

Disclosure/ main features and other details of the Plan as per Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB Regulations"), are as under:

a. Brief description of the scheme and proposal:

The ESOP Plan was approved by the Shareholders at an extraordinary general meeting on December 15, 2006. Under the ESOP Plan, options can be granted to the eligible employees in two distinct sub-plans, as per the limits as set out below:

i. **Sub-plan I** - Under this sub-plan, the Bank may grant Options to employees at or above the level of EVP and the maximum pool under this sub-plan is up to 4% of the issued and paid-up share capital of the Bank.

ii. **Sub-plan II** - Under this sub-plan, the Bank may grant Options to employees below the level of EVP and the maximum pool under this plan is up to 3% of the issued and paid-up share capital of the Bank.

The Bank has utilized over 97% of the total ESOP pool, and over the last few years has been constrained in granting stock options to deserving employees, due to limited availability under the existing ESOP Plan.

Options available for grant by the Bank under the existing ESOP Plan are as follows:

Particulars	Shares
(A) Issued and paid-up shares of the Bank as on May 31, 2026	32,20,53,427
(B) 7% of the total the issued and paid-up share capital- under existing Sub-plans I and II	2,25,43,740
(C) Net Options granted till May 31, 2026	2,20,36,135
(D) Maximum options available for grant by the Bank under existing Sub- plans I and II	5,07,605

NOTICE (Contd.)

With the introduction of the proposed Sub-plan III, the revised number of Options available for grant by the Bank under the amended ESOP Plan will be as follows:

Particulars		Shares
(A)	Issued and paid-up shares of the Bank as on May 31, 2026	32,20,53,427
(B)	10% of the total issued and paid- up shares - with introduction of new Sub-plan III along with the existing Sub- plans I & II	3,22,05,343
(C)	Under Sub-plan I - employees at or above the level of EVP (40% of total number of Options under the Plan)	1,28,82,137
(D)	Under Sub-plan II - employees below the level of EVP (30% of total number of Options under the Plan)	96,61,603
(E)	Additional Options proposed under Sub-plan III -for employees of the Bank across all levels (30% of total number of Options under the Plan)	96,61,603

b. The total number of options to be offered and granted:

The total number of Options granted under ESOP Plan shall not exceed 3,22,05,343 (Three Crores Twenty-Two Lakhs Five Thousand Three Hundred and Forty-Three) Options representing 10% of the Issued Capital and Paid-Up Capital of the Bank as of May 31, 2026 Equity Shares of the Bank.

c. Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s):

For the purposes of ESOP Plan, an "Employee/ Eligible Employee" means:

- An employee in active employment as designated by the Bank, working in India or outside India; or
- A director of the Bank, whether a whole-time director or not, including a non-executive director who is not a Promoter or member of the Promoter group, but excluding an Independent Director;

but excludes:

- Any such director who either by himself or through his Relatives or through any body corporate, directly or indirectly holds more than 10% (ten per cent.) of the outstanding Shares of the Bank; and
- an employee who is a Promoter and a person belonging to the Promoter group.

d. Requirements of vesting and period of vesting:

Vesting of Options will commence after a minimum period of 1 (one) year from the date of grant of Option and may extend up to 5 (five) years from the date of grant of Option. The vesting may occur in tranches, subject to the terms and conditions of vesting, as may be stipulated by the Board/ Committee, in its absolute discretion as per the ESOP Plan.

e. Maximum period (subject to Regulation 18(1) and 24(1) of SBEB Regulations, as the case may be) within which the options shall be vested:

The Options granted to Employees pursuant to the ESOP Plan shall vest within a maximum period of 5 (five) years from the Grant Date and there shall be a minimum period of 1 (one) year between the Grant Date and Vesting of the Options.

f. Exercise price or pricing formula:

The exercise price of the Option shall be the market price, being the latest available closing price immediately preceding the date of the meeting of the NRC in which the Options are granted, on such stock exchange where the highest trading volume of the stock has been recorded, along with any applicable taxes payable by the Employee thereon.

g. Exercise period/ offer period and process of exercise/ acceptance of offer:

For Sub-plan I, Sub-plan II and Sub-plan III, exercise period will commence from the date of vesting i.e., earliest date on which the option granted to an Employee ("Grantee") can be exercised by such Grantee, and will extend to 5 (five) years from such date. In the event the Grantee resigns or retires during the exercise period all Options exercisable pursuant to vesting shall be exercised by such Grantee not later than 270 days and 540 days respectively from the date of such resignation or retirement as applicable.

The options will be exercisable by the eligible Employees by a written application to the Bank to exercise the options, in such manner and on execution of such documents, as may be prescribed by the Board/ Committee from time to time. The options will lapse if not exercised within the specified exercise period.

h. The appraisal process for determining the eligibility of employees for the scheme(s):

The appraisal process for determining the eligibility of an employee will be specified by the Board/ Committee. In order to attract and retain employees, the Board/ Committee shall determine the eligibility of Employees for participation in the Plan and the terms of grant of Options in line with the objectives of the Plan and the Bank's compensation policy. For this purpose, following parameters / factors may be considered or any such other criteria that may be determined by the Board/ Committee at its sole discretion:

- Grade / designation and role of the Employee;
- Individual performance rating or performance evaluation;
- Regulatory Requirements;
- Nature of role;
- Succession planning considerations

i. Maximum number of options to be offered and issued per employee and in aggregate, if any:

The number of shares that may be awarded under the ESOP Plan shall not exceed 3,22,05,343 (Three Crores Twenty-Two Lakhs Five Thousand Three Hundred and Forty-Three) Options representing 10% of the Issued Capital and Paid-Up Capital of the Bank as of May 31, 2026. No single employee shall be entitled to receive a cumulative grant of Options convertible into such number of Equity Shares exceeding 1% of the total issued capital of the Bank, during any one year.

In case the Options are not Exercised, lapsed, forfeited, expired, cancelled, surrendered or becomes un-exercisable due to any reason, or otherwise fail to vest for any reason, such Shares shall automatically be added back to the Options Pool and shall become available for future Grants under the Plan and may be re-granted by the NRC in accordance with the terms of this Plan, subject to overall cap set out above and as per Applicable Law.

j. Maximum quantum of benefits to be provided per employee under a Plan(s):

No single employee shall be entitled to receive a cumulative grant of Options convertible into such number of Equity Shares exceeding 1% of the total issued capital of the Bank, during any one year.

k. Whether the plan(s) is to be implemented and administered directly by the Bank or through a trust:

The ESOP Plan is to be implemented and administered directly by the Bank.

l. Whether the plan(s) involves new issue of shares by the Bank or secondary acquisition by the trust or both:

The ESOP Plan involves only new issue of shares by the Bank.

m. The amount of loan to be provided for implementation of the plan(s) by the Bank to the trust, its tenure, utilization, repayment terms, etc.:

Not applicable, as the ESOP Plan is proposed to be implemented directly by the Bank.

n. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the plan(s):

Not applicable, as the ESOP Plan involves only primary issue of Equity Shares by the Bank.

o. Statement to the effect that the Bank shall conform to the accounting policies specified in Regulation 15 of SBEB Regulations:

The Bank shall comply with the disclosures and accounting policies prescribed in SBEB Regulations and any other authorities as applicable, from time to time.

p. The method which the Bank shall use to value its options:

The Bank shall adopt the fair value method or any other method as per the applicable Standards prescribed by the ICAI or any other appropriate/

NOTICE (Contd.)

applicable regulatory authorities from time to time including any 'Guidance Note on Accounting for employee share based Payments' issued in that regard from time to time including the disclosure requirements as applicable.

q. Statement with regard to Disclosure in Director's Report:

In case the Bank opts for expensing of options using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' Report and the impact of this difference on profits and on earnings per share (EPS) of the Bank shall also be disclosed in the Directors' report.

r. Period of lock-in:

The Equity Shares issued upon exercise of vested Options shall be freely transferable and shall not be subject to any lock-in period restriction after such exercise, unless required by Applicable Laws.

s. Terms & conditions for buyback, if any, of specified securities covered under these regulations:

The Board in consultation with the Committee will determine the procedure for buy-back of Options granted under the ESOP Plan, if to be undertaken at any time by the Bank, and the applicable terms and conditions in accordance with the Applicable Laws. Nonetheless, in case of any corporate actions (including buy back of options), the following shall be taken into consideration:

(a) the number and the price of Option shall be adjusted in a manner such that total value to the Grantee of the Option remains the same after the corporate action; and

(b) the Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Grantee who is granted such Options.

Approval of the Shareholders by way of Special Resolution is being sought pursuant to the provisions of Regulations 6 and 7 of the SBEB Regulations and Section 62(1)(b) and Section 67(3)(b) of the Act and the rules made thereunder, for amending and consequently implementing the ESOP Plan. Accordingly, Special Resolution as set out at Item No. 8 of this Notice is proposed for approval by the Shareholders. Therefore, the Board recommends passing the resolution as set out in Item No. 8 as a Special Resolution.

None of the Directors/ Key Managerial Personnel or their relatives are interested in or concerned, financially or otherwise with the above resolutions as set out in Item No. 8 of this Notice, except to the extent of their shareholding in the Bank or to the extent of grant of Options that may be granted to them under the ESOP Plan.

[The amended draft of the ESOP Plan will be available for inspection, without any fee, to the Shareholders from the date of circulation of this Notice up to the closure of the voting period. Shareholders seeking to inspect the draft ESOP Plan can send an e-mail to investorgrievance@dcb.bank.in requesting for the same.]

By Order of the Board of Directors
DCB Bank Limited

Place: Mumbai
Date: June 05, 2026

Rubi Chaturvedi
Company Secretary
Membership No: (ACS 21562)

Registered Office:
CIN: L99999MH1995PLC089008
Peninsula Business Park,
6th Floor, 601 & 602, Tower A, Senapati Bapat Marg,
Lower Parel, Mumbai 400 013.
Website: www.dcb.bank.in
e-mail: investorgrievance@dcb.bank.in

Annexure-I

A brief profile of Mr. Nadir Bhalwani 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:

Date of birth and Age	August 15, 1976 Age- 49 years
Qualification	• Master of Management Studies • Bachelor of Commerce (Financial Accounting & Auditing)
DIN	00555534
Brief profile	Nadir Bhalwani is a graduate from Mithibai College and an MBA from KJ Somaiya Institute of Management Studies and Research, University of Mumbai, Nadir Bhalwani currently serves as the Chief Information & Technology Officer at CARE Ratings Limited. 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 CARE Ratings Limited, 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 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.
Nature of Expertise in specific functional areas	Information Technology, Human Resources and Risk Management
Date of first appointment on the Board	March 07, 2025
Number of meetings of the Board attended during the year	FY 2025-26- 13 FY 2026-27 (till date of this Notice)- 3
Other Directorships	Aga Khan Rural Support Programme (India)- Non-Executive Director
Memberships/ Chairmanships of committees of the Boards of other companies	None
Listed entities from which the person has resigned in the past three years	None
Number of shares held in the Bank	Nil
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	None
Terms and conditions of appointment or reappointment including remuneration	Mr. Nadir Bhalwani shall be re-appointed as a Non-Executive Non-Independent Director, liable to retire by rotation. As a Non-Executive Non-Independent Director, Mr. Nadir Bhalwani will be entitled to sitting fees and reimbursement of expenses for attending the meetings of the Board and Committees.
Remuneration last drawn	₹ 14,70,000 by way of sitting fees for FY 2025-26 was paid to him. ₹ 4,95,000 by way of sitting fees during FY 2026-27 (till the date of this Notice) was paid to him
Justification for appointment and skills and capabilities required for the role and the manner in which the proposed person meets such requirements	The Board of Directors of the Bank is of the opinion that Mr. Nadir Bhalwani continued to be a person of integrity and considering his qualifications, extensive knowledge and rich experience in the field of Information Technology, Human Resources and Risk Management, the re-appointment of Mr. Nadir Bhalwani 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.

Annexure-2

A brief profile of Mr. Krishnan Sridhar Seshadri 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:

Date of Birth and Age	April 22, 1962 Age- 64 years
Qualification	Master's degree in Commerce (M.Com.) and Certified Associate of the Indian Institute of Bankers (CAIIB)
DIN	10508808
Brief profile	Mr. Krishnan Sridhar Seshadri was the Chief Risk Officer of the Bank since May 2017 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, having joined it from almost its inception, and earlier with Syndicate Bank and State Bank of India. Mr. Seshadri 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.
Nature of Expertise in specific functional areas	Accountancy & Audit, Agriculture & Rural Economy, Banking, Finance, Small Scale Industry, Information Technology, Risk Management, Business Management and Customer Service.
Date of first appointment on the Board	June 13, 2024
Number of meetings of the Board attended during the year	FY 2025-26- 13 FY 2026-27 (till the date of this Notice)- 3
Other Directorships	None
Memberships/ Chairmanships of committees of the Boards of other companies	None
Listed entities from which the person has resigned in the past three years	None
Number of shares held in the Bank	1,13,000 equity shares (0.0351%)
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	None
Terms and conditions of appointment or reappointment including remuneration	Re-appointment as the Whole-time Director (Executive Director) of the Bank for a period of one (1) years effective June 13, 2026, liable to retire by rotation. Remuneration shall be as determined by the Nomination and Remuneration Committee, the Board and as approved by the RBI, from time to time. (basis the authority provided by the shareholders). Current proposed remuneration (as approved by the RBI) given in the explanatory statement of item no. 7 of this Notice.

Annexure 2 (Contd.)

Remuneration last drawn	The details of remuneration paid to Mr. Krishnan Sridhar Seshadri for FY 2025-26 is as follows:

Description	**Remuneration (in ₹)**
Annual Fixed Pay effective April 01, 2025	1,49,00,000
Variable Pay for FY 2024-25	86,00,000
Total	**2,35,00,000**

Note: *The RBI vide its letter dated October 06, 2025 had approved the Fixed Pay of ₹ 1.49 Crores payable to Mr. Seshadri as Whole Time Director (Executive Director) of the Bank for FY 2025-26 and variable pay of 0.86 Crores for FY 2024-25.*

For the period of FY 2026-27 and period after March 31, 2027 and subject to the approval of the RBI as may be required, Mr. Krishnan Sridhar Seshadri shall be entitled to an annual or other increments and/ or revisions during his tenure as the Whole Time Director of the Bank, to the aforesaid remuneration.

Notes

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Sustainable Impact by DCB Bank
Corporate Social Responsibility FY 2025-26



1,85,258 trees
Native tree + shrub saplings planted

21,860 MT
Oxygen produced by trees

4,076 MT
Reduction of carbon from atmosphere

2,70,000 root slips
Native and livelihood supporting grass root slips planted

2,15,500 individuals
Influenced sustainable livelihoods

4,34,66,739 L
Wastewater recycled

81.30 Acres
Land Restored through Mangrove plantation

1.95 Acres
Land Restored through Urban Afforestation / Miyawaki Forests

75 Acres
Land Restored through Ecological Restoration (Aravalli Ecosystem)

2,755 Acres
Land Restored through Sustainable Agriculture

2.15 Acres
Lake Ecosystem Restoration

16 Acres
Coastal Ecosystem Restoration

DCB BANK

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