

October 03, 2023

DCB Bank Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short-term fixed deposit programme	-	-	[ICRA]A1+; Withdrawn
Total	0.0	0.0	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the short-term rating assigned to the fixed deposit programme of DCB Bank Limited, which was placed on notice of withdrawal for a period of six months at the request of the bank and in accordance with ICRA's policy on the withdrawal of credit ratings. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The key rating drivers and their description, liquidity position, rating sensitivities, and key financial indicators have not been captured as the related instrument has been withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA's Rating Methodology for Banks and Financial institutions ICRA's Policy on Withdrawal of Credit Ratings
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the rating, ICRA has considered the standalone financials of DCB Bank

About the company

Incorporated in 1995, DCB Bank was formed through the merger of Ismailia Co-operative Bank Limited and Masalawala Cooperative Bank. The Aga Khan Fund for Economic Development (AKFED) and Group companies are the largest shareholders in the bank with a combined stake of 14.82% as on June 30, 2023. DCB Bank had a network of 436 branches and 409 ATMs as on June 30, 2023.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

S No	Name of Instrument	Type	Current Rating (FY2024)		Chronology of Rating History for the Past 3 Years				
			Rated Amount	Amount Outstanding	Date & Rating in FY2024	Date & Rating in FY2023		Date & Rating in FY2022	Date & Rating FY2021
			(Rs. crore)	(Rs. crore)	Oct 03, 2023	Mar 30, 2023	Feb 21, 2023	Feb 21, 2022	Feb 26, 2021
1	Short-term fixed deposits	ST	-	-	[ICRA]A1+; Withdrawn	[ICRA]A1+; Put on notice of withdrawal for six months	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
2	Basel III Tier II bonds programme	LT	-	-	-	-	[ICRA]A+ (Positive); Withdrawn	[ICRA]A+ (Stable)	[ICRA]A+(hyb) (Stable)
3	Basel III Tier II bonds programme	LT	-	-	-	[ICRA]A+ (Positive); Withdrawn	[ICRA]A+ (Positive)	[ICRA]A+ (Stable)	[ICRA]A+(hyb) (Stable)

LT – Long term; ST – Short term

In compliance with the circular issued by the Securities and Exchange Board of India (SEBI) on July 16, 2021 for standardising the rating scales used by credit rating agencies, ICRA has discontinued its practice of affixing the (hyb) suffix alongside the rating symbols for hybrid instruments

Complexity level of the rated instrument

Instrument	Complexity Indicator
Short-term fixed deposit programme	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Short-term fixed deposits	NA	NA	NA	NA	[ICRA]A1+; Withdrawn

Source: DCB Bank

Annexure II: Not applicable

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Branches



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