

Ref. No.CO:CS:HVB:2016-17:147

January 14, 2017

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 023.

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

Dear Sirs,

**Re: Unaudited Financial Results (Limited Reviewed) for the
3rd Quarter and Nine Months ended December 31, 2016**

BSE Scrip Code No.: 532772 NSE SYMBOL: DCBBANK

Pursuant to the disclosure requirements under Regulation 30 read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we enclose herewith the following:

1. Unaudited Financial Results (Limited Reviewed) of the Bank, for the 3rd quarter and nine months ended December 31, 2016, duly considered and recommended by the Audit Committee of the Board and which were approved by the Board of Directors in today's meeting.
2. Limited Review Report dated January 14, 2017 for the quarter and nine months ended December 31, 2016 by the Statutory Auditors M/s. Deloitte, Haskins & Sells, Chartered Accountants (Registration No. 117365W).

Kindly take the same on your record.

Thanking you,

Yours faithfully,

For DCB Bank Limited


H. V. Barve
Company Secretary &
Compliance Officer

Encl: As above



DCB Bank Limited

DCB BANK LIMITED

CIN No.: L99999MH1995PLC089008

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(₹ in crore)

Sr. No.	Particulars	Quarter ended			Nine Months ended		Year ended 31.03.2016
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
1	Interest Earned (a+b+c+d)	550.20	506.27	429.85	1,527.09	1,250.35	1,698.46
a.	Interest / Discount on advances / bills	426.54	404.46	347.40	1,216.11	991.73	1,354.11
b.	Income on Investments	111.70	94.16	74.99	283.47	229.76	307.77
c.	Interest on balances with Reserve Bank of India and Other Inter Bank Funds	1.22	1.68	0.67	4.63	2.53	3.77
d.	Others (Refer Note 3)	10.74	5.97	6.79	22.88	26.33	32.81
2	Other Income (Refer Note 4)	64.11	61.62	47.20	185.86	159.01	220.46
3	Total Income (1+2)	614.31	567.89	477.05	1,712.95	1,409.36	1,918.92
4	Interest Expended	340.72	315.95	269.39	950.27	799.55	1,078.96
5	Operating Expenses (i+ii+iii)	164.34	151.06	123.40	459.82	357.79	490.93
i.	Employees cost	79.00	74.84	61.99	226.51	179.44	245.09
ii.	Rent, Taxes and Lighting	17.36	15.89	13.41	48.10	37.82	51.24
iii.	Other Operating Expenses	67.98	60.33	48.00	185.21	140.53	194.60
6	Total Expenditure (4+5)	505.06	467.01	392.79	1,410.09	1,157.34	1,569.89
7	Operating Profit before Provisions and Contingencies (3-6)	109.25	100.88	84.26	302.86	252.02	349.03
8	Provisions (Other than tax) and Contingencies	30.53	26.48	20.96	77.56	60.66	87.91
9	Exceptional Items	-	-	-	-	-	-
10	Profit from Ordinary Activities before tax (7-8-9)	78.72	74.40	63.30	225.30	191.36	261.12
11	Tax expense	27.42	25.91	22.10	78.49	66.37	66.60
12	Net Profit from Ordinary Activities after tax (10-11)	51.30	48.49	41.20	146.81	124.99	194.52
13	Extraordinary Items (Net of tax expenses)	-	-	-	-	-	-
14	Net Profit for the period (12-13)	51.30	48.49	41.20	146.81	124.99	194.52
15	Paid-up Equity Share Capital (Face value ₹ 10/-)	285.04	284.73	283.89	285.04	283.89	284.44
16	Reserves excluding Revaluation Reserves						1,455.98
17	Analytical Ratios						
i.	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
ii.	Capital Adequacy Ratio (%) - Basel III	13.33	11.90	13.04	13.33	13.04	14.11
iii.	Earnings Per Share (EPS)						
	(a) Basic and diluted EPS before Extraordinary items (Net of tax expenses) for the period and for the previous year	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Annual)
	(i) Basic (₹)	1.80	1.71	1.45	5.16	4.42	6.86
	(ii) Diluted (₹)	1.77	1.68	1.43	5.07	4.33	6.77
	(b) Basic and diluted EPS after Extraordinary items (Net of tax expenses) for the period and for the previous year	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Annual)
	(i) Basic (₹)	1.80	1.71	1.45	5.16	4.42	6.86
	(ii) Diluted (₹)	1.77	1.68	1.43	5.07	4.33	6.77
iv.	NPA Ratios						
	(a) Amount of Gross non-performing assets	227.93	255.40	234.88	227.93	234.88	197.38
	(b) Amount of Net non-performing assets	108.04	120.92	130.99	108.04	130.99	97.46
	(c) % of Gross NPAs to Gross Advances	1.55	1.75	1.98	1.55	1.98	1.51
	(d) % of Net NPAs to Net Advances	0.74	0.84	1.12	0.74	1.12	0.75
v.	Return on Assets (%) (Annualised)	0.90	0.94	0.96	0.94	1.00	1.14



SEGMENTAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(₹ in crore)

Sr. No.	Business Segment	Quarter ended			Nine Months ended		Year ended 31.03.2016
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
1	Segment Revenue						
a	Treasury Operations	176.25	160.93	155.37	484.57	502.93	655.92
b	Corporate / Wholesale Banking	91.51	93.32	86.62	271.61	274.59	362.19
c	Retail Banking	486.28	457.36	399.90	1,375.65	1,137.87	1,563.92
d	Other Banking Operations	5.79	4.10	2.31	13.26	7.78	10.94
e	Unallocable	4.53	-	-	4.74	5.20	5.20
	Total	764.36	715.71	644.20	2,149.83	1,928.37	2,598.17
	Less:- Inter Segment Revenue	150.05	147.82	167.15	436.88	519.01	679.25
	Income from Operations	614.31	567.89	477.05	1,712.95	1,409.36	1,918.92
2	Segment Results						
a	Treasury Operations	17.26	16.21	7.49	50.50	52.05	54.63
b	Corporate / Wholesale Banking	11.10	13.29	7.08	34.45	26.99	39.78
c	Retail Banking	44.79	45.39	50.60	136.25	111.41	166.90
d	Other Banking Operations	5.29	3.48	1.56	11.45	5.43	7.89
e	Unallocable	0.28	(3.97)	(3.43)	(7.35)	(4.52)	(8.08)
	Total Profit before Tax	78.72	74.40	63.30	225.30	191.36	261.12
3	Segment Assets						
a	Treasury Operations	7,698.04	6,827.03	5,288.62	7,698.04	5,288.62	5,547.39
b	Corporate / Wholesale Banking	3,373.22	3,396.34	3,095.74	3,373.22	3,095.74	3,171.12
c	Retail Banking	12,021.22	11,558.72	9,130.32	12,021.22	9,130.32	10,273.24
d	Other Banking Operations	0.17	0.20	0.30	0.17	0.30	0.27
e	Unallocable	192.40	166.04	106.64	192.40	106.64	126.50
	Total Segment Assets	23,285.05	21,948.33	17,621.62	23,285.05	17,621.62	19,118.52
4	Segment Liabilities						
a	Treasury Operations	4,544.61	4,609.71	2,989.69	4,544.61	2,989.69	3,397.86
b	Corporate / Wholesale Banking	986.22	1,174.68	806.58	986.22	806.58	1,037.68
c	Retail Banking	15,594.78	14,266.20	12,097.90	15,594.78	12,097.90	12,884.44
d	Other Banking Operations	2.20	2.44	1.74	2.20	1.74	1.18
e	Unallocable	6.44	6.03	4.77	6.44	4.77	5.19
	Total Segment Liabilities	21,134.25	20,059.06	15,900.68	21,134.25	15,900.68	17,326.35
5	Capital Employed (Segment Assets - Segment Liabilities)						
a	Treasury Operations	3,153.43	2,217.32	2,298.93	3,153.43	2,298.93	2,149.53
b	Corporate / Wholesale Banking	2,387.00	2,221.66	2,289.16	2,387.00	2,289.16	2,133.45
c	Retail Banking	(3,573.55)	(2,707.48)	(2,967.58)	(3,573.55)	(2,967.58)	(2,611.20)
d	Other Banking Operations	(2.03)	(2.24)	(1.44)	(2.03)	(1.44)	(0.92)
e	Unallocable	185.95	160.01	101.87	185.95	101.87	121.31
	Total Capital Employed	2,150.80	1,889.27	1,720.94	2,150.80	1,720.94	1,792.17

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

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

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

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



Notes:

- 1 The above unaudited financial results for the quarter and nine months ended December 31, 2016 have been reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on January 14, 2017. These results were subjected to "Limited Review" by the Statutory Auditors of the Bank. An unqualified report has been issued by them thereon. The figures for the periods ended December 31, 2015 and March 31, 2016 were reviewed / audited by the previous statutory auditors.
- 2 Results for the quarter and nine months ended December 31, 2016 have been arrived after considering the provision for standard assets including requirements for exposures to entities with Unhedged Foreign Currency Exposure, Non Performing Assets (NPAs), depreciation on Investments, Income tax and other necessary provisions.
- 3 "Interest earned-Others" includes interest on income tax refunds amounting to ₹4.53 crore for the quarter ended December 31, 2016 and ₹4.74 crore for the nine months ended December 31, 2016 (₹ 5.20 crore for the nine months ended December 31, 2015).
- 4 "Other Income" includes income from non-fund based activities such as brokerage and commission, fees, earnings in foreign exchange transactions, profit / loss on sale of investments (net).
- 5 During the quarter ended December 31, 2016, the Bank has raised ₹150 crore of Basel III compliant Tier II Capital.
- 6 During the previous years, the Bank had sold certain non-performing assets to an asset reconstruction company and opted to write off loss on such sale over a period of two years. In respect of such sale, the Bank has charged ₹ 3.68 crore to the Profit and Loss Account for the quarter ended December 31, 2016 and ₹ 11.02 crore for the nine months ended December 31, 2016 (₹ 1.94 crore to the Profit and Loss Account for the quarter ended December 31, 2015 and ₹ 5.82 crore for the nine months ended December 31, 2015) and unamortised balance carried forward as at December 31, 2016 is ₹ 6.94 crore (₹ 7.76 crore as at December 31, 2015).
- 7 During the quarter ended December 31, 2016, the Bank has allotted 309,575 equity shares pursuant to the exercise of stock options by certain employees. The Bank allotted 6,08,030 equity shares during the nine months ended December 31, 2016.
- 8 During the quarter and nine months ended December 31, 2016 the Bank has revalued its properties, pursuant to which revaluation reserve has increased to ₹258.91 crore. In accordance with RBI circular DBR.No.BP.BC.83/21.06.201/2015-16 on Basel III capital regulation dated March 1, 2016, revaluation reserve has been considered in Core Equity Tier- I capital at a discount of 55%.
- 9 In terms of RBI circulars DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 on Basel III Capital Regulations and DBR.No.BP.BC.80 /21.06.201/2014-15 dated March 31, 2015 on Prudential Guidelines on Capital Adequacy and Liquidity Standards - Amendments, banks are required to make certain Pillar 3, Leverage Ratio, and Liquidity Coverage Ratio disclosures along with the publication of financial results. Accordingly, such disclosures have been placed on the Bank's website at the following link <http://www.dcbbank.com/disclosures/baseldisclosure.html>. These disclosures have not been audited / reviewed by the Statutory Auditors.
- 10 Previous period / year figures have been regrouped / reclassified wherever necessary to conform to the presentation of the current period / year classification.

For and on behalf of the Board of Directors

Place : Mumbai
Date : January 14, 2017


Murali M. Natrajan
MD & CEO



INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF DCB BANK LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **DCB BANK LIMITED** (the "Bank") for the Quarter and Nine Months ended December 31, 2016 ("the Statement"), being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except for the matters set out in paragraph 4 below. This Statement, which is the responsibility of the Bank's Management and approved by the Bank's Board of Directors, has been prepared in accordance with the accounting principles generally accepted in India along with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder in so far as they apply to banks and circulars and guidelines issued by the Reserve Bank of India (RBI) from time to time. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Bank's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review of the results for the quarter and nine months ended December 31, 2016 conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standard, along with the other accounting principles generally accepted in India, in so far as they apply to banks, and circulars and guidelines issued by the RBI from time to time, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that the financial results for the quarter and nine months ended December 31, 2016 contain any material misstatement or have not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters.



**Deloitte
Haskins & Sells**

4. The "Pillar 3 disclosures, the leverage ratio and the liquidity coverage ratio under Basel III Capital Regulation" as set out in Note 9 of the accompanying Statement have not been subjected to our review.

For DELOITTE HASKINS & SELLS

Chartered Accountants

(Firm's Registration No. 117365W)



Kalpesh J. Mehta

Partner

(Membership No. 48791)

MUMBAI, 14 January, 2017