

Ref. No.CO:CS:HVB:2013-14:090

July 16, 2013

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

Dear Sirs,

**Sub: Unaudited Financial Results (Limited Reviewed) for the
Quarter ended June 30, 2013**

Ref: NSE symbol: DCB

As required under Clause 41 of the Listing Agreement, we enclose herewith the following:

1. Unaudited Financial Results (Limited Reviewed) of the Bank, for the quarter ended June 30, 2013, duly considered 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 July 16, 2013 for the quarter ended June 30, 2013 by the Statutory Auditors M/s. B S R & Co.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,

For Development Credit Bank Limited



H. V. Barve
Company Secretary &
Compliance Officer.

Encl: As above

DEVELOPMENT CREDIT BANK LIMITED

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2013

(₹ in lakhs)

Sr. No.	Particulars	For the quarter ended 30.06.2013	For the quarter ended 31.03.2013	For the quarter ended 30.06.2012	For the year ended 31.03.2013
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Interest Earned (a+b+c+d)	26,073.64	25,320.53	21,354.09	91,610.31
a.	Interest / Discount on advances / bills	20,150.31	19,560.96	16,465.15	71,182.91
b.	Income on Investments	5,673.40	5,537.69	4,554.87	19,632.03
c.	Interest on balances with Reserve Bank of India and Other Inter Bank Funds	226.24	196.33	306.33	675.25
d.	Others	23.69	25.55	27.74	120.12
2	Other Income	4,510.26	3,307.74	2,750.66	11,701.92
3	Total Income (1+2)	30,583.90	28,628.27	24,104.75	103,312.23
4	Interest Expended	17,761.85	17,167.99	14,961.29	63,169.46
5	Operating Expenses (i+ii)	7,689.35	7,157.12	6,660.46	27,529.48
i.	Employees cost	3,769.65	3,588.35	3,292.18	13,790.08
ii.	Other Operating Expenses	3,919.70	3,568.77	3,368.28	13,739.40
6	Total Expenditure (4+5) (excluding provisions and contingencies)	25,451.20	24,325.11	21,621.75	90,698.94
7	Operating Profit before Provisions and Contingencies (3-6)	5,132.70	4,303.16	2,483.00	12,613.29
8	Provisions (Other than tax) and Contingencies	850.15	889.04	591.90	2,404.05
9	Exceptional Items	-	-	-	-
10	Profit from Ordinary Activities before tax (7-8-9)	4,282.55	3,414.12	1,891.10	10,209.24
11	Tax expense	-	3.00	-	3.00
12	Net Profit from Ordinary Activities after tax (10-11)	4,282.55	3,411.12	1,891.10	10,206.24
13	Extraordinary items (Net of tax expenses)	-	-	-	-
14	Net Profit for the period (12-13)	4,282.55	3,411.12	1,891.10	10,206.24
15	Paid-up Equity Share Capital (Face value ₹ 10/-)	25,014.21	25,011.16	24,067.18	25,011.16
16	Reserves excluding Revaluation Reserves				69,614.77
17	Analytical Ratios				
i.	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil
ii.	Capital Adequacy Ratio (%)				
	Basel II	13.89	13.61	14.49	13.61
	Basel III	13.75	N.A.	N.A.	N.A.
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 Annualized)	(Not Annualized)	(Not Annualized)	(Annualized)
	(i) Basic (₹)	1.71	1.36	0.79	4.19
	(ii) Diluted (₹)	1.70	1.35	0.78	4.17
	(b) Basic and diluted EPS after Extraordinary items (net of tax expenses) for the period and for the previous year	(Not Annualized)	(Not Annualized)	(Not Annualized)	(Annualized)
	(i) Basic (₹)	1.71	1.36	0.79	4.19
	(ii) Diluted (₹)	1.70	1.35	0.78	4.17
iv.	NPA Ratios				
	(a) Amount of Gross non-performing assets	22,637	21,498	23,617	21,498
	(b) Amount of Net non-performing assets	5,431	4,913	4,092	4,913
	(c) % of Gross NPAs to Gross Advances	3.41	3.18	4.18	3.18
	(d) % of Net NPAs to Net Advances	0.84	0.75	0.75	0.75
v.	Return on Assets (%) (Annualized)	1.55	1.30	0.85	1.06
18	Public shareholding				
i.	No. of shares	203,941,863	203,911,363	194,471,598	203,911,363
ii.	Percentage of shareholding	81.53	81.53	80.80	81.53
19	Promoters and Promoter Group Shareholding				
i.	Pledged / Encumbered				
	No. of shares	Nil	Nil	Nil	Nil
	Percentage of shares (as % of the total shareholding of promoter and promoter group)	N.A.	N.A.	N.A.	N.A.
	Percentage of shares (as % of the total share capital of the company)	N.A.	N.A.	N.A.	N.A.
ii.	Non-encumbered				
	No. of shares	46,200,234	46,200,234	46,200,234	46,200,234
	Percentage of shares (as % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00
	Percentage of shares (as % of the total share capital of the company)	18.47	18.47	19.20	18.47

 SIGNED FOR IDENTIFICATION
BY

For B S R & Co. (Registered)



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SEGMENTAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2013

(₹ in lakhs)

Sr. No.	Business Segment	For the quarter ended 30.06.2013	For the quarter ended 31.03.2013	For the quarter ended 30.06.2012	For the year ended 31.03.2013
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Segment Revenue				
a	Treasury Operations	14,273.33	13,228.16	11,494.04	47,012.10
b	Corporate	7,447.30	7,962.65	7,280.39	29,885.97
c	Retail	21,109.50	20,075.09	16,777.65	74,294.97
d	Other Banking Operations	267.69	110.96	270.57	921.14
	Total	43,097.82	41,376.86	35,822.65	152,114.18
	Less:- Inter Segment Revenue	12,513.92	12,748.59	11,717.90	48,801.95
	Income from Operations	30,583.90	28,628.27	24,104.75	103,312.23
2	Segment Results				
a	Treasury Operations	1,903.32	1,354.39	845.06	3,777.37
b	Corporate	550.96	694.45	384.66	1,986.52
c	Retail	1,837.34	1,641.39	430.94	4,199.28
d	Other Banking Operations	227.13	225.49	254.09	945.27
e	Unallocable	(236.20)	(501.60)	(23.65)	(699.20)
	Total Profit before Tax	4,282.55	3,414.12	1,891.10	10,209.24
3	Capital Employed				
	(Segment Assets - Segment Liabilities)				
a	Treasury Operations	171,136.95	167,656.57	173,853.89	167,656.57
b	Corporate	191,347.92	199,208.72	177,541.49	199,208.72
c	Retail	(271,803.81)	(280,300.02)	(272,647.60)	(280,300.02)
d	Other Banking Operations	1.11	1.67	5.62	1.67
e	Unallocable	13,883.44	13,738.99	9,255.64	13,738.99
	Total Capital Employed	104,565.61	100,305.93	88,009.04	100,305.93

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 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:

- The above financial results for the quarter ended June 30, 2013 were subject to "Limited Review" by the Statutory Auditors of the Bank. An unqualified report has been issued by them thereon. These results have been reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on July 16, 2013.
- Other Income includes income from non-fund based activities such as brokerage and commission, fees, earnings in foreign exchange and derivative transactions, profit (net) on sale / revaluation of investments.
- During the quarter ended June 30, 2013, the Bank allotted 30,500 shares pursuant to the exercise of stock options by certain employees.
- In terms of RBI circular DBOD.No.BP.BC.88/21.06.201/2012-13 dated March 28, 2013 banks have been advised to disclose capital ratios computed under Basel III Capital Regulations from the quarter ended June 30, 2013. Accordingly, corresponding details for previous year/ period are not applicable.
- The figures for the quarter ended March 31, 2013 are the balancing figures between audited figures in respect of the full financial year upto March 31, 2013 and the unaudited published year-to-date figures upto December 31, 2012, being the date of the end of the third quarter of the financial year.
- RBI vide its letter dated July 12, 2013 had directed the Bank to pay a penalty of ₹ 100 lakhs. The penalty had been imposed in terms of Section 47A (1) (c) read with Section 46 (4) (i) of the Banking Regulation Act, 1949 for violation of its instructions on Know Your Customer /Anti Money Laundering. The penalty amount payable has been included in the financials for the quarter ended June 30, 2013 and the operating expenses are higher to that extent.
- Disclosure about investor complaints:

Complaints Pending as on 01.04.2013	Received during the period	Disposed off during the period	Complaints Pending as on 30.06.2013
Nil	1	1	Nil

- Previous period / year figures have been regrouped / reclassified wherever necessary to conform to the presentation of the current period / year classification.

Place : Mumbai
Date : July 16, 2013

For and on behalf of the Board of Directors

Murali M. Natrajan
MD & CEO



**SIGNED FOR IDENTIFICATION
BY**

[Signature]

For B S R & Co. (Registered)

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Review Report**To the Board of Directors
Development Credit Bank Limited**

1. We have reviewed the accompanying Unaudited Financial Results ('the Statement') of Development Credit Bank Limited ('the Bank') for the quarter ended 30 June 2013, except for the disclosures regarding 'Public Shareholding' and 'Promoters and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Bank's management and has been approved by the Board of Directors of the Bank in their meeting held on 16 July 2013. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 conducted as mentioned in paragraphs 2 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms prescribed by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For **BSR & Co.**

Chartered Accountants

Firm's Registration No: 101248W

**N Sampath Ganesh**

Partner

Membership No: 042554

Mumbai
16 July 2013

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