

Development Credit Bank Limited
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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 & HALF YEAR ENDED SEPTEMBER 30, 2012

(₹ in lakhs)

Sr. No.	Particulars	For the quarter ended 30.09.2012	For the quarter ended 30.06.2012	For the quarter ended 30.09.2011	For the half year ended 30.09.2012	For the half year ended 30.09.2011	For the year ended 31.03.2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Interest Earned (a+b+c+d)	21,884.79	21,364.09	17,862.48	43,348.88	34,016.82	71,696.91
a.	Interest / Discount on advances / bills	17,085.63	16,465.15	13,292.63	33,550.68	25,570.60	53,620.15
b.	Income on Investments	4,755.25	4,554.87	4,365.37	8,310.12	6,102.93	17,247.99
c.	Interest on balances with Reserve Bank of India and Other Inter Bank Funds	114.69	306.93	178.71	421.02	327.62	723.70
d.	Others	39.32	27.74	15.77	67.08	15.77	104.68
2	Other Income	2,751.60	2,750.66	2,313.02	5,502.18	4,557.46	10,037.34
3	Total Income (1+2)	24,746.29	24,104.75	20,165.50	48,851.04	38,574.28	81,734.29
4	Interest Expended	15,289.48	14,981.29	11,942.73	30,260.77	22,919.70	48,926.83
5	Operating Expenses (i+ii)	6,796.84	6,660.46	6,136.19	13,457.30	12,016.63	24,425.77
i.	Employee cost	3,405.99	3,292.18	3,153.54	6,698.57	6,194.88	12,430.83
ii.	Other Operating Expenses	3,390.45	3,368.28	2,982.65	6,758.73	5,821.85	11,994.44
6	Total Expenditure (4+5) (excluding provisions and contingencies)	22,086.32	21,641.75	18,078.92	43,718.07	34,936.33	73,352.10
7	Operating Profit before Provisions and Contingencies (3-6)	2,659.97	2,463.00	2,086.58	5,132.97	3,738.95	8,382.19
8	Provisions (Other than tax) and Contingencies	438.87	591.90	753.88	1,028.77	1,523.15	2,871.48
9	Exceptional Items	-	-	-	-	-	-
10	Profit / (Loss) from Ordinary Activities before tax (7-8-9)	2,213.10	1,891.10	1,332.70	4,104.20	2,215.80	5,510.70
11	Tax expense	-	-	-	-	-	3.00
12	Net Profit / (Loss) from Ordinary Activities after tax (10-11)	2,213.10	1,891.10	1,332.70	4,104.20	2,215.80	5,507.70
13	Extraordinary Items (Net of tax expenses)	-	-	-	-	-	-
14	Net Profit / (Loss) for the period (12-13)	2,213.10	1,891.10	1,332.70	4,104.20	2,215.80	5,507.70
15	Paid-up Equity Share Capital (Face value ₹ 10/-)	24,067.18	24,067.18	20,022.75	24,067.18	20,022.75	24,066.56
16	Reserves excluding Revaluation Reserves	-	-	-	-	-	56,290.97
17	Analytical Ratios						
i.	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
ii.	Capital Adequacy Ratio (%) (Basel II)	13.97	14.49	13.10	13.97	13.10	15.41
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)	(Not Annualized)	(Not Annualized)	(Annualized)
(i)	Basic (₹)	0.92	0.78	0.67	1.71	1.11	2.73
(ii)	Diluted (₹)	0.91	0.78	0.66	1.70	1.09	2.71
(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)	(Not Annualized)	(Not Annualized)	(Annualized)
(i)	Basic (₹)	0.92	0.78	0.67	1.71	1.11	2.73
(ii)	Diluted (₹)	0.91	0.78	0.66	1.70	1.09	2.71
iv.	NPA Ratios						
(a)	Amount of Gross non-performing assets	22,598	23,517	26,053	22,598	26,053	24,160
(b)	Amount of Net non-performing assets	3,840	4,092	4,206	3,840	4,206	3,024
(c)	% of Gross NPAs to Gross Advances	3.86	4.18	5.75	3.86	5.75	4.40
(d)	% of Net NPAs	0.68	0.75	0.97	0.68	0.97	0.57
v.	Return on Assets (%) (Annualized)	0.98	0.85	0.68	0.91	0.57	0.68
18	Public shareholding						
i.	No. of shares	194,471,598	194,471,598	154,027,240	194,471,598	154,027,240	194,466,223
ii.	Percentage of shareholding	80.80	80.80	76.93	80.80	76.93	80.80
19	Promoters and Promoter Group Shareholding						
i.	Hedged / Encumbered						
	No. of shares	Nil	Nil	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.	N.A.	N.A.
	Percentage of shares (as % of the total share capital of the company)	N.A.	N.A.	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	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	100.00	100.00
	Percentage of shares (as % of the total share capital of the company)	19.20	19.20	23.07	19.20	23.07	19.20



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DEVELOPMENT CREDIT BANK LIMITED
SUMMARISED BALANCE SHEET

	As at 30.09.2012 (Unaudited)	As at 30.09.2011 (Unaudited)	As at 31.03.2012 (Audited)
CAPITAL & LIABILITIES			
Capital	24,087	20,028	24,067
Employee Stock Options (Grants Outstanding net of deferred cost)	294	291	292
Reserves & Surplus	65,838	44,030	61,786
Deposits	713,687	626,148	633,556
Borrowings	88,010	84,637	117,345
Other liabilities and provisions	37,924	33,757	35,047
TOTAL CAPITAL & LIABILITIES	929,826	808,886	867,893
ASSETS			
Cash and Balances with Reserve Bank of India	45,110	45,554	40,751
Balances with Banks and Money at Call and Short notice	8,226	14,393	4,005
Investments	283,116	270,664	251,776
Advances	567,104	431,485	529,442
Fixed Assets	23,762	16,508	18,464
Other Assets	22,503	24,402	23,347
TOTAL ASSETS	929,826	808,886	867,893

SEGMENTAL RESULTS FOR THE QUARTER & HALF YEAR ENDED SEPTEMBER 30, 2012

Sr. No.	Business Segment	For the quarter ended 30.08.2012 (Unaudited)	For the quarter ended 30.08.2012 (Unaudited)	For the quarter ended 30.08.2011 (Unaudited)	For the half year ended 30.09.2012 (Unaudited)	For the half year ended 30.09.2011 (Unaudited)	For the year ended 31.03.2012 (Audited)
1	Segment Revenue						
a	Treasury Operations	11,021	11,494	10,760	22,515	20,602	42,542
b	Corporate	7,217	7,280	5,394	14,497	12,174	24,036
c	Retail	18,179	18,778	15,472	34,957	28,817	60,439
d	Other Banking Operations	317	271	424	588	586	1,110
	Total	36,734	38,823	32,050	72,557	62,268	128,227
	Less:- Inter Segment Revenue	11,988	11,718	11,884	23,706	23,594	46,493
	Income from Operations	24,746	24,105	20,166	48,851	38,674	81,734
2	Segment Results						
a	Treasury Operations	782	645	490	1,527	781	1,023
b	Corporate	205	365	(227)	590	(76)	67
c	Retail	948	431	687	1,377	936	2,548
d	Other Banking Operations	293	254	392	537	666	1,189
e	Unallocable	(3)	(24)	(7)	(27)	(151)	(219)
	Total Profit after Provisions & Tax	2,213	1,891	1,333	4,104	2,216	4,608
3	Capital Employed (Segment Assets - Segment Liabilities)						
a	Treasury Operations	175,540	173,854	188,146	175,510	168,140	145,226
b	Corporate	179,572	177,541	125,078	179,572	125,078	186,169
c	Retail	(274,305)	(272,648)	(261,178)	(274,305)	(261,179)	(259,661)
d	Other Banking Operations	4	6	10	4	10	7
e	Unallocable	9,415	9,206	12,289	9,416	12,289	14,396
	Total	90,197	88,009	64,344	90,197	64,344	66,137

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 and for the half year ended September 30, 2012 were subjected to "Limited Review" by the Statutory Auditors of the Bank. An unqualified report has been issued by them thereon. Those results have been reviewed and approved by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on October 12, 2012.
- 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 half year ended September 30, 2012, the Bank allotted 6,375 shares pursuant to the exercise of stock options by certain employees. The bank has not allotted any shares during the quarter ended September 30, 2012.
- Disclosure about investor complaints:

Complaints Pending as on 01.07.2012	Received during the period	Disposed off during the period	Complaints Pending as on 30.09.2012
Nil	6	5	1

- There are no significant changes in the accounting policies during the period.
- Previous period/year figures have been regrouped / reclassified wherever necessary to conform to the presentation of the current period/year classification.

SIGNED FOR IDENTIFICATION
BY

Murali M. Narayan
MD & CEO

Place : Mumbai
Date : October 12, 2012.



BSR & Co.
(Registered)
Chartered Accountants

Lodha Excelus
1st Floor, Apollo Mills Compound
N. M. Joshi Marg
Mahalakshmi
Mumbai - 400 011
India

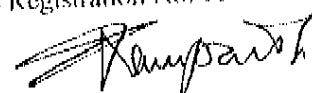
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Review Report

To the Board of Directors Development Credit Bank Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results ('the Statement') of Development Credit Bank Limited ('the Bank') for the quarter ended 30 September 2012 and six month period ended on that date, except for the disclosures regarding 'Public Shareholding' and 'Promoter 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 12 October 2012. 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 financial statements are 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. In the conduct of our review we have relied on the reports, explanations and information collated by the corporate office of the Bank from its various branches.
4. Based on our review conducted as mentioned in paragraphs 2 and 3 above, nothing has come to our notice that causes us to believe that the accompanying Statement of Unaudited Financial Results 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
12 October 2012