

DCB BANK

Ref. No.CO:CS:HVB:2013-14:145

October 15, 2013

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

Dear Sirs,

**Re: Unaudited Financial Results (Limited Reviewed) for the
2nd Quarter and Half Year ended September 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 2nd quarter and half year ended on September 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 October 15, 2013 for the quarter ended September 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

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DEVELOPMENT CREDIT BANK LIMITED

Regd. Office: 601 & 602, 8th Floor, Peninsula Business Park, Tower A, Senapati Bapat Marg, Lower Parel, Mumbai - 400013

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED SEPTEMBER 30, 2013

(₹ in lakhs)

Sr. No.	Particulars	For the quarter ended 30.09.2013	For the quarter ended 30.06.2013	For the quarter ended 30.09.2012	For the half year ended 30.09.2013	For the half year ended 30.09.2012	For the year ended 31.03.2013
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Interest Earned (a+b+c+d)	26,881.85	26,073.64	21,994.79	52,955.50	43,348.88	91,610.31
a.	Interest / Discount on advances / bills	20,519.04	20,150.31	17,085.53	40,669.38	33,590.58	71,182.91
b.	Income on Investments	5,792.95	5,673.40	4,755.25	11,486.35	9,310.12	19,632.03
c.	Interest on balances with Reserve Bank of India and Other Inter Bank Funds	548.47	225.24	114.69	774.72	421.02	675.25
d.	Others	21.39	23.69	39.32	48.08	67.05	120.12
2	Other Income	2,726.91	4,510.26	2,751.50	7,237.17	5,502.16	11,701.92
3	Total Income (1+2)	29,608.76	30,583.90	24,746.29	60,192.67	48,851.04	103,312.23
4	Interest Expended	17,755.99	17,781.85	15,299.48	35,517.84	30,260.77	63,169.46
5	Operating Expenses (i+ii)	7,841.15	7,689.35	6,798.84	15,530.51	13,457.30	27,529.48
i.	Employees cost	3,680.22	3,769.65	3,406.39	7,649.87	6,696.57	13,790.08
ii.	Other Operating Expenses	3,960.93	3,919.70	3,392.45	7,880.64	6,758.73	13,739.40
6	Total Expenditure (4+5) (excluding provisions and contingencies)	25,597.14	25,451.20	22,098.32	51,048.35	43,718.07	90,698.94
7	Operating Profit before Provisions and Contingencies (3-6)	4,011.62	5,132.70	2,647.97	9,144.32	5,132.97	12,613.29
8	Provisions (Other than tax) and Contingencies	702.57	950.15	436.87	1,552.72	1,028.77	2,404.05
9	Exceptional Items	-	-	-	-	-	-
10	Profit from Ordinary Activities before tax (7-8-9)	3,309.05	4,282.55	2,213.10	7,591.60	4,104.20	10,209.24
11	Tax expense	-	-	-	-	-	3.00
12	Net Profit from Ordinary Activities after tax (10-11)	3,309.05	4,282.55	2,213.10	7,591.60	4,104.20	10,206.24
13	Extraordinary items (Net of tax expenses)	-	-	-	-	-	-
14	Net Profit for the period (12-13)	3,309.05	4,282.55	2,213.10	7,591.60	4,104.20	10,206.24
15	Paid-up Equity Share Capital (Face value ₹ 10/-)	25,020.71	25,014.21	24,067.18	25,020.71	24,067.18	25,011.18
16	Reserves excluding Revaluation Reserves	-	-	-	-	-	68,614.77
17	Analysical Ratios						
i.	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
ii.	Capital Adequacy Ratio (%)						
	Basel II	13.95	13.89	13.97	13.95	13.97	13.61
	Basel III	13.81	13.75	N.A.	13.81	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)	(Not Annualized)	(Not Annualized)	(Annualized)
	(i) Basic (₹)	1.32	1.71	0.92	3.03	1.71	4.19
	(ii) Diluted (₹)	1.31	1.70	0.91	3.02	1.70	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)	(Not Annualized)	(Not Annualized)	(Annualized)
	(i) Basic (₹)	1.32	1.71	0.92	3.03	1.71	4.19
	(ii) Diluted (₹)	1.31	1.70	0.91	3.02	1.70	4.17
iv.	NPA Ratios						
	(a) Amount of Gross non-performing assets	23,508	22,637	22,596	23,508	22,596	21,498
	(b) Amount of Net non-performing assets	5,716	5,431	3,840	5,716	3,840	4,913
	(c) % of Gross NPAs to Gross Advances	3.43	3.41	3.85	3.43	3.86	3.18
	(d) % of Net NPAs to Net Advances	0.86	0.84	0.69	0.85	0.68	0.75
v.	Return on Assets (%) (Annualized)	1.19	1.55	0.96	1.37	0.91	1.08
18	Public shareholding						
i.	No. of shares	204,006,863	203,941,963	194,471,598	204,006,863	194,471,598	203,911,363
ii.	Percentage of shareholding	81.54	81.53	80.80	81.54	80.80	81.53
19	Promoters and Promoter Group Shareholding						
i.	Pledged / 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)	18.46	18.47	19.20	18.46	19.20	18.47

SIGNED FOR IDENTIFICATION
BY

For B S R & Co. (Registered)



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DEVELOPMENT CREDIT BANK LIMITED
SUMMARISED BALANCE SHEET

(₹ in lakhs)			
	As at 30.09.2013 (Unaudited)	As at 30.09.2012 (Unaudited)	As at 31.03.2013 (Audited)
Capital & Liabilities			
Capital			
Employee Stock Options (Grants Outstanding net of deferred cost)	25,020.71	24,067.18	25,011.16
Reserves & Surplus	299.75	294.08	301.89
Deposits	82,544.85	65,835.62	74,982.88
Borrowings	878,805.45	713,697.52	836,383.85
Other liabilities and provisions	84,380.31	89,009.67	152,561.95
	41,470.45	37,823.56	38,630.68
Total Capital & Liabilities	1,112,521.32	829,827.63	1,127,882.39
Assets			
Cash and Balances with Reserve Bank of India	45,040.74	45,118.82	37,876.70
Balances with Banks and Money at Call and Short notice	22,068.28	8,224.79	50,448.54
Investments	331,349.57	263,115.22	335,865.68
Advances	667,650.63	567,104.05	659,606.52
Fixed Assets	23,728.04	23,761.57	23,844.71
Other Assets	22,686.06	22,503.18	21,138.24
Total Assets	1,112,521.32	829,827.63	1,127,882.39

SEGMENTAL RESULTS FOR THE QUARTER & HALF YEAR ENDED SEPTEMBER 30, 2013

(₹ in lakhs)							
Sr. No.	Business Segment	For the quarter ended 30.09.2013 (Unaudited)	For the quarter ended 30.06.2013 (Unaudited)	For the quarter ended 30.09.2012 (Unaudited)	For the half year ended 30.09.2013 (Unaudited)	For the half year ended 30.09.2012 (Unaudited)	For the year ended 31.03.2013 (Audited)
1	Segment Revenue						
a	Treasury Operations	12,577.89	14,273.33	11,020.79	25,851.22	22,514.83	47,012.10
b	Corporate	7,471.86	7,447.30	7,217.17	14,919.16	14,497.36	29,885.97
c	Retail	21,998.98	21,109.50	18,178.67	43,108.48	34,956.62	74,294.97
d	Other Banking Operations	180.29	267.69	317.19	467.99	587.76	921.14
	Total	42,237.02	43,097.82	36,733.82	85,334.85	72,558.57	162,114.18
	Less:- Inter Segment Revenue	12,628.26	12,513.92	11,987.53	25,142.18	23,705.53	48,801.95
	Income from Operations	29,608.76	30,583.90	24,746.29	60,192.67	48,851.04	103,312.23
2	Segment Results						
a	Treasury Operations	318.06	1,903.32	782.38	2,221.38	1,627.44	3,777.37
b	Corporate	1,262.57	550.96	204.66	1,813.53	589.52	1,986.52
c	Retail	1,681.80	1,837.34	945.54	3,519.24	1,376.69	4,199.28
d	Other Banking Operations	150.79	227.13	283.23	377.92	537.32	945.27
e	Unallocable	(104.27)	(236.20)	(2.71)	(340.47)	(36.76)	(699.20)
	Total Profit before Tax	3,309.05	4,282.55	2,213.10	7,591.60	4,104.20	10,209.24
3	Capital Employed						
	(Segment Assets - Segment Liabilities)						
a	Treasury Operations	199,038.40	171,136.95	175,510.23	199,038.40	175,510.23	167,656.57
b	Corporate	189,107.44	191,347.92	179,571.97	189,107.44	179,571.97	199,208.72
c	Retail	(283,857.81)	(271,803.81)	(274,305.06)	(293,857.81)	(274,305.06)	(280,300.02)
d	Other Banking Operations	0.56	1.11	4.22	0.55	4.22	1.67
e	Unallocable	13,576.53	13,893.44	9,415.52	13,576.53	9,415.52	13,738.99
	Total Capital Employed	107,865.11	104,565.61	90,196.88	107,865.11	90,196.88	100,305.93

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For B S R & Co. (Registered)



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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:

- 1 The above financial results for the quarter ended September 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 October 15, 2013.
- 2 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.
- 3 During the half year ended September 30, 2013, the Bank allotted 95,500 shares pursuant to the exercise of stock options by certain employees. The Bank has allotted 65,000 shares during the quarter ended September 30, 2013.
- 4 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.

In terms of RBI circular on Basel III - Capital Regulations, the banks are required to make first set of half yearly disclosures relating to the composition of capital with effect from September 30, 2013. Accordingly, Pillar 3 disclosures have been placed on the Bank's website at the following link <http://www.dcbbank.com/disclosures/basel3disclosure.html>

- 5 Disclosure about investor complaints:

Complaints Pending as on 01.07.2013	Received during the period	Disposed off during the period	Complaints Pending as on 30.09.2013
Nil	2	1	1

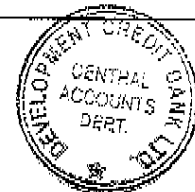
- 6 There are no significant changes in the accounting policies during the period.
- 7 Previous period / year figures have been regrouped / reclassified wherever necessary to conform to the presentation of the current period / year classification.

Place : Mumbai

Date : October 15, 2013

For and on behalf of the Board of Directors

Murali M. Natrajan
MD & CEO



SIGNED FOR IDENTIFICATION
BY

For B S R & Co. (Registered)

BSR & Co.(Registered)
Chartered AccountantsLodha Excelus
1st Floor, Apollo Mills Compound
N. M. Joshi Marg
Mahalakshmi
Mumbai - 400 011
IndiaTelephone +91(22) 3989 6000
Fax +91(22) 3090 2511**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 September 2013 and six month period ended on that date, except for the disclosures regarding 'Public Shareholding', 'Promoters and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. Further, disclosures relating to 'Pillar 3 under Basel III Capital Regulations' as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid Statement 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 15 October 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: 101248WN Sampath Ganesh
Partner

Membership No: 042554

Mumbai
15 October 2013

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