

DEVELOPMENT CREDIT BANK LIMITED					
Regd. Office: 601 & 602, 6th Floor, Peninsula Business Park, Tower A, Senapati Bapat Marg, Lower Parel, Mumbai - 400013					
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2013					
(₹ in lakhs)					
Sr. No.	Particulars	For the	For the	For the	For the year
		quarter ended	quarter ended	quarter ended	ended
		31.03.2013	31.12.2012	31.03.2012	31.03.2013
		(Audited)	(Unaudited)	(Audited)	(Audited)
1	Interest Earned (a+b+c+d)	25,320.83	22,940.81	19,331.90	91,610.31
a.	Interest / Discount on advances / bills	19,580.98	18,071.27	14,614.37	71,182.91
b.	Income on investments	5,537.68	4,784.23	4,588.68	19,932.03
c.	Interest on balances with Reserve Bank of India and Other Inter Bank Funds	106.39	57.60	218.89	575.25
d.	Others	256.85	27.51	11.99	120.12
2	Other Income	3,507.74	2,992.02	2,808.01	11,701.92
3	Total Income (1+2)	28,828.57	25,932.83	22,139.91	103,312.23
4	Interest Expended	17,187.98	15,740.71	13,828.80	63,169.46
5	Operating Expenses (i-ii)	7,157.12	6,915.05	6,120.78	27,529.48
i.	Employees cost	3,588.35	3,503.15	3,096.10	13,790.08
ii.	Other Operating Expenses	3,568.77	3,411.90	3,024.68	13,739.40
6	Total Expenditure (4+5) (excluding provisions and contingencies)	24,325.11	22,655.76	19,747.58	90,898.94
7	Operating Profit before Provisions and Contingencies (3-6)	4,503.46	3,177.17	2,392.33	12,813.29
8	Provisions (Other than tax) and Contingencies	899.94	488.24	681.54	2,404.05
9	Exceptional Items	-	-	-	-
10	Profit from Ordinary Activities before tax (7-8-9)	3,414.12	2,688.93	1,730.81	10,209.24
11	Tax expense	3.00	-	3.00	3.00
12	Net Profit from Ordinary Activities after tax (10-11)	3,411.12	2,690.93	1,727.81	10,206.24
13	Extraordinary Items (Net of tax expenses)	-	-	-	-
14	Net Profit for the period (12-13)	3,411.12	2,690.93	1,727.81	10,206.24
15	Paid-up Equity Share Capital (Face value ₹ 10/-)	25,011.18	25,001.53	24,088.55	25,011.18
16	Reserves excluding Revaluation Reserves	-	-	-	68,614.77
17	Analystical Ratios				
i.	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil
ii.	Capital Adequacy Ratio (%) (Basel II)	13.81	13.71	15.41	13.81
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 (₹)	1.38	1.11	0.84	4.19
(ii)	Diluted (₹)	1.35	1.10	0.83	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 (₹)	1.30	1.11	0.84	4.19
(ii)	Diluted (₹)	1.35	1.10	0.83	4.17
iv.	NPA Ratios				
(a)	Amount of Gross non-performing assets	21,488	23,369	24,180	21,488
(b)	Amount of Net non-performing assets	4,813	4,390	3,024	4,813
(c)	% of Gross NPAs to Gross Advances	3.18	3.80	4.40	3.18
(d)	% of Net NPAs	0.73	0.73	0.57	0.57
v.	Return on Assets (%) (Annualized)	1.30	1.14	0.82	1.08
vi.	Public shareholding				
i.	No. of shares	203,911,383	203,815,098	184,485,223	203,911,383
ii.	Percentage of shareholding	81.53	81.52	80.80	81.53
vii.	Promoters and Promoter Group Shareholding				
i.	Pradged / Encumbered				
ii.	No. of shares	Nil	Nil	Nil	Nil
iii.	Percentage of shares (as % of the total shareholding of promoter and promoter group)	N.A.	N.A.	N.A.	N.A.
iv.	Percentage of shares (as % of the total share capital of the company)	N.A.	N.A.	N.A.	N.A.
viii.	Non-encumbered				
i.	No. of shares	46,200,234	46,200,234	46,200,234	46,200,234
ii.	Percentage of shares (as % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00
iii.	Percentage of shares (as % of the total share capital of the company)	18.47	18.48	19.20	18.47

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For B S R & Co. (Registered)



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STATEMENT OF ASSETS AND LIABILITIES OF THE BANK AS ON MARCH 31, 2013				(₹ in lakhs)		
		As at 31.03.2013 (Audited)	As at 31.03.2012 (Audited)			
CAPITAL & LIABILITIES						
Capital		25,011.16	24,068.55			
Employee Stock Options (Grants Outstanding net of deferred cost)		301.89	282.44			
Reserves & Surplus		74,992.86	61,797.66			
Deposits		836,383.85	833,555.56			
Borrowings		152,561.95	112,345.01			
Other liabilities and provisions		38,630.66	35,647.52			
TOTAL CAPITAL & LIABILITIES		1,127,882.59	867,684.73			
ASSETS						
Cash and Balances with Reserve Bank of India		37,876.70	40,750.47			
Balances with Banks and Money at Call and Short notice		80,448.54	4,904.87			
Investments		335,865.66	281,775.68			
Advances		658,608.52	528,442.24			
Fixed Assets		23,944.71	18,464.06			
Other Assets		21,138.24	23,347.38			
TOTAL ASSETS		1,127,882.38	867,684.73			
SEGMENTAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2013				(₹ in lakhs)		
Sr. No.	Business Segment	For the quarter ended 31.03.2013 (Audited)	For the quarter ended 31.12.2012 (Unaudited)	For the quarter ended 31.03.2012 (Audited)	For the year ended 31.03.2013 (Audited)	For the year ended 31.03.2012 (Audited)
1	Segment Revenue					
a	Treasury Operations	13,228.16	11,269.11	11,046.18	47,012.10	42,641.99
b	Corporate	7,962.66	7,425.76	6,355.84	29,686.97	24,039.47
c	Retail	20,075.09	19,263.56	15,943.51	74,294.97	60,438.79
d	Other Banking Operations	110.96	222.43	111.01	621.14	1,110.48
	Total	41,376.86	38,180.86	33,456.54	152,114.18	128,227.73
	Less:- Inter Segment Revenue	12,748.59	12,347.93	11,316.63	48,801.95	48,493.44
	Income from Operations	28,628.27	25,832.93	22,139.91	103,312.23	81,734.29
2	Segment Results					
a	Treasury Operations	1,354.39	795.54	444.76	3,777.37	1,922.67
b	Corporate	664.45	702.76	(9.99)	1,986.52	67.33
c	Retail	1,641.39	1,181.41	1,221.44	4,199.26	2,547.87
d	Other Banking Operations	225.49	182.48	201.90	945.27	1,188.66
e	Unallocable	(504.60)	(171.23)	(130.31)	(702.20)	(218.63)
	Total Profit after Provisions & Tax	3,411.12	2,690.93	1,727.81	10,299.24	5,807.70
3	Capital Employed					
	(Segment Assets - Segment Liabilities)					
a	Treasury Operations	167,656.57	166,578.58	145,228.41	167,656.57	145,228.41
b	Corporate	199,208.72	191,739.71	186,168.56	199,208.72	186,168.56
c	Retail	(280,300.02)	(290,884.15)	(259,661.06)	(280,300.02)	(259,661.06)
d	Other Banking Operations	1.87	2.82	7.02	1.87	7.02
e	Unallocable	13,736.99	9,590.03	14,395.72	13,736.99	14,395.72
	Total Capital Employed	100,306.93	86,899.99	85,136.66	100,305.93	85,136.66

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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:

- The above financial results for the quarter and for the year ended March 31, 2013 were audited by the Statutory Auditors of the Bank. An unqualified report has been issued by them thereon. These 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 April 12, 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 year ended March 31, 2013, the Bank allotted 146,640 shares pursuant to the exercise of stock options by certain employees. The Bank has allotted 96,266 shares during the quarter ended March 31, 2013.
- During the year, the Bank issued 9,300,000 shares on preferential basis at ₹ 43.66 per share amounting to ₹ 4,062.24 lakhs. Net of issue costs, this resulted in an increase of ₹ 830.00 lakhs in Share Capital and ₹ 3,093.32 lakhs in Share Premium Account.

The net proceeds from the above issue of equity capital have been applied to enhance the Bank's Capital Adequacy Ratio.
- The Bank changed the accounting policy to compute profit or loss on sale of investment without utilizing depreciation. Consequently, Other Income and Provision (Other than tax) & contingencies for the year was lower by ₹ 28.13 lakhs. However, there is no impact on overall profit after tax.
- The Bank changed the methodology for calculating premium amount on HTM security from each transaction level on FIFO basis to overall security level on a weighted average cost basis. This Premium is amortized over the remaining maturity period of the security on a straight-line basis. Consequently, profit after tax for the year was higher by ₹ 18.27 lakhs.
- The figures for the quarter ended 31.03.2013 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.

8 Disclosure about investor complaints:

Complaints Pending as on 01.01.2013	Received during the period	Disposed off during the period	Complaints Pending as on 31.03.2013
NIL	3	3	NIL

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

Place : Hyderabad
Date : April 12, 2013

For and on behalf of the Board of Directors

Murugan M. Narayan
MD & CEO



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BY

[Signature]

For B S R & Co. (Registered)

BSR & Co.(Registered)
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IndiaTelephone +91(22) 3989 6000
Fax +91(22) 3090 2511**Independent Auditor's Report****To the Board of Directors of
Development Credit Bank Limited****Report on the Financial Results**

1. We have audited the accompanying annual financial results of Development Credit Bank Limited ('the Bank') for the year ended 31 March 2013, attached herewith, being submitted by the Bank pursuant to the requirement of clause 41 of the Listing Agreement with The BSE Limited ('BSE') and The National Stock Exchange of India Limited ('NSE') (together referred to as the 'Stock Exchanges') 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 audited by us. Attention is drawn to the fact that the figures for the quarter ended 31 March 2013 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures for each of the three quarters have only been reviewed and not been subjected to audit.

Management's Responsibility for the Financial Results

2. These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results of the Bank for each of the three quarters. Management is responsible for the preparation of these financial results that give a true and fair view of the net profit and other financial information in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 along with the recognition and measurement principles laid down in the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India including circulars and guidelines issued by the Reserve Bank of India from time to time and in compliance with Clause 41 of the Listing Agreement.
3. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

4. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements of the Bank for the year ended 31 March 2013. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements.
5. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

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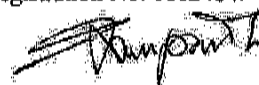
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Independent Auditor's Report
Development Credit Bank Limited**Opinion**

6. In our opinion and to the best of our information and according to the explanations given to us these financial results:
- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - (ii) give a true and fair view of the net profit and other financial information of the Bank for the year ended 31 March 2013.
7. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Bank in terms of clause 35 of the Listing Agreement and found the same to be correct.

For B S R & Co.
Chartered Accountants
Firm's Registration No: 101248W



N Sampath Ganesh
Partner

Membership No: 042554

Mumbai
12 April 2013