

DCB BANK

Ref. No.CO:CS:HVB:2012-13:220

January 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
3rd Quarter and Nine Months ended on December 31, 2012**

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 3rd quarter and nine months ended on December 31, 2012, 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 January 15, 2013 for the quarter ended December 31, 2012 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

BSR & Co.
(Registered)
Chartered Accountants

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

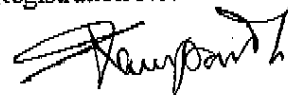
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Review Report

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 31 December 2012 and nine 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 15 January 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. 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 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
15 January 2013

DEVELOPMENT CREDIT BANK LIMITED

Regd. Office: 601 & 602, 5th Floor, Peninsula Business Park, Tower A, Senapati Bapat Marg, Lower Parel, Mumbai - 400013

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED DECEMBER 31, 2012

Sr. No.	Particulars	For the	For the	For the	For the nine	For the nine	(₹ in lakhs)
		quarter ended 31.12.2012	quarter ended 30.09.2012	quarter ended 31.12.2011	months ended 31.12.2012	months ended 31.12.2011	For the year ended 31.03.2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Interest Earned (a+b+c+d)	22,940.91	21,994.79	18,348.18	66,289.78	52,365.01	71,696.91
a.	Interest / Discount on advances / bills	18,071.27	17,085.53	13,535.18	51,821.94	39,105.78	53,820.15
b.	Income on Investments	4,784.23	4,755.25	4,558.40	14,094.35	12,661.33	17,247.99
c.	Interest on balances with Reserve Bank of India and Other Inter Bank Funds	57.90	114.69	177.39	478.92	504.91	723.79
d.	Others	27.51	39.32	77.22	94.57	92.99	104.88
2	Other Income	2,892.02	2,751.50	2,571.92	8,394.19	7,229.37	10,037.38
3	Total Income (1+2)	25,832.93	24,746.29	20,920.11	74,683.97	59,594.38	81,734.29
4	Interest Expended	15,740.71	15,299.48	12,381.32	48,001.47	35,900.03	48,928.83
5	Operating Expenses (i+ii)	6,915.05	6,796.84	6,287.88	20,372.38	18,304.51	24,425.27
i.	Employees cost	3,503.15	3,406.39	3,168.05	10,201.72	9,362.73	12,458.83
ii.	Other Operating Expenses	3,411.90	3,390.45	3,119.83	10,170.66	8,941.78	11,966.44
6	Total Expenditure (4+5) (excluding provisions and contingencies)	22,655.76	22,096.32	18,669.20	68,373.83	53,604.54	73,352.10
7	Operating Profit before Provisions and Contingencies (3-6)	3,177.17	2,649.97	2,250.91	8,310.14	5,989.84	8,382.19
8	Provisions (Other than tax) and Contingencies	488.24	438.87	688.81	1,515.01	2,209.95	2,671.49
9	Exceptional Items	-	-	-	-	-	-
10	Profit / (Loss) from Ordinary Activities before tax (7-8-9)	2,690.93	2,211.10	1,564.10	6,795.13	3,779.89	5,510.70
11	Tax expense	-	-	-	-	-	3.00
12	Net Profit / (Loss) from Ordinary Activities after tax (10-11)	2,690.93	2,211.10	1,564.10	6,795.13	3,779.89	5,507.70
13	Extraordinary Items (Net of tax expenses)	-	-	-	-	-	-
14	Net Profit / (Loss) for the period (12-13)	2,690.93	2,211.10	1,564.10	6,795.13	3,779.89	5,507.70
15	Paid-up Equity Share Capital (Face value ₹ 10/-)	25,001.53	24,067.18	20,030.66	25,001.53	20,030.66	24,068.55
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)	13.71	13.97	13.00	13.71	13.00	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 (₹)	1.11	0.92	0.78	2.82	1.89	2.73
	(ii) Diluted (₹)	1.10	0.91	0.78	2.80	1.87	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 (₹)	1.11	0.92	0.78	2.82	1.89	2.73
	(ii) Diluted (₹)	1.10	0.91	0.78	2.80	1.87	2.71
iv.	NPA Ratios						
	(a) Amount of Gross non-performing assets	23,389	22,596	25,543	23,389	25,543	24,180
	(b) Amount of Net non-performing assets	4,350	3,840	4,427	4,350	4,427	3,024
	(c) % of Gross NPAs to Gross Advances	3.80	3.86	5.67	3.80	5.67	4.40
	(d) % of Net NPAs	0.73	0.68	1.03	0.73	1.03	0.57
v.	Return on Assets (%) (Annualized)	1.14	0.96	0.77	0.99	0.84	0.68
18	Public shareholding						
i.	No. of shares	203,815,098	194,471,588	154,106,330	203,815,098	154,106,330	194,465,223
ii.	Percentage of shareholding	81.52	80.80	78.94	81.52	78.94	80.80
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)	18.48	19.20	23.06	18.48	23.06	19.20



SEGMENTAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED DECEMBER 31, 2012						
₹ in lakhs						
Sr. No.	Business Segment	For the quarter ended 31.12.2012	For the quarter ended 30.09.2012	For the quarter ended 31.12.2011	For the nine months ended 31.12.2012	For the nine months ended 31.12.2011
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Segment Revenue					
a	Treasury Operations	11,289.11	11,020.79	10,904.10	33,783.94	31,596.48
b	Corporate	7,425.76	7,217.17	5,504.90	21,923.32	17,579.64
c	Retail	19,263.56	18,179.67	15,679.62	54,219.88	44,495.89
d	Other Banking Operations	222.43	317.19	414.03	810.19	999.38
	Total	38,180.86	36,733.82	32,502.65	110,737.33	94,771.19
	Less:- Inter Segment Revenue	12,347.93	11,987.53	11,582.64	36,053.36	35,176.81
	Income from Operations	25,832.93	24,746.29	20,920.11	74,683.97	59,594.38
2	Segment Results					
a	Treasury Operations	795.54	782.39	697.41	2,422.98	1,477.91
b	Corporate	702.75	204.66	152.60	1,292.07	77.11
c	Retail	1,181.41	945.54	331.67	2,557.89	1,326.23
d	Other Banking Operations	182.46	283.23	384.38	719.78	1,051.78
e	Unallocable	(171.23)	(2.71)	(1.96)	(187.58)	(153.14)
	Total Profit after Provisions & Tax	2,690.93	2,213.10	1,564.10	6,795.13	3,779.89
3	Capital Employed					
	(Segment Assets - Segment Liabilities)					
a	Treasury Operations	186,578.58	175,510.23	192,909.67	188,578.58	192,909.67
b	Corporate	191,739.71	179,571.97	130,288.11	191,739.71	130,288.11
c	Retail	(290,984.15)	(274,305.06)	(272,173.57)	(290,984.15)	(272,173.57)
d	Other Banking Operations	2.82	4.22	7.72	2.82	7.72
e	Unallocable	9,560.03	9,415.52	14,878.76	9,560.03	14,878.76
	Total Capital Employed	86,896.88	90,196.88	65,908.69	86,896.88	86,136.64

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 nine months ended December 31, 2012 were subjected to "Limited Review" 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 January 15, 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 nine months ended December 31, 2012, the Bank allotted 49,875 shares pursuant to the exercise of stock options by certain employees. The Bank has allotted 43,500 shares during the quarter ended December 31, 2012.
- During the quarter, the Bank issued 9,300,000 shares on preferential basis at Rs.43.68 per share amounting to Rs. 4,062.24 lakhs. Net of issue costs, this resulted in an increase of Rs.930.00 lakhs in Share Capital and Rs.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, to enable higher level of lending and for other general corporate purposes.

- Disclosure about investor complaints:

Complaints Pending as on 01.10.2012	Received during the period	Disposed off during the period	Complaints Pending as on 31.12.2012
1	6	7	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 : January 15, 2013

SIGNED FOR IDENTIFICATION

Murali M. Natrajan
MD & CEO

For B S R & Co. (Registered)

