

DCB BANK LIMITED (FORMERLY DEVELOPMENT CREDIT BANK LIMITED)

CIN No.: L99999MH1995PLC089008

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2014

(₹ in lakhs)

Sr. No.	Particulars	For the quarter ended	For the quarter ended	For the quarter ended	For the half year ended	For the half year ended	For the year ended
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Interest Earned (a+b+c+d)	33,487.27	35,219.92	26,881.85	68,707.19	52,955.50	112,825.93
a.	Interest / Discount on advances / bills	26,442.04	25,385.60	20,519.04	51,827.64	40,669.35	86,787.25
b.	Income on Investments	6,375.07	6,561.11	5,792.95	12,936.18	11,466.35	24,530.78
c.	Interest on balances with Reserve Bank of India and Other Inter Bank Funds	108.06	212.03	548.47	320.09	774.72	1,423.53
d.	Others	562.10	3,061.18	21.39	3,623.28	45.08	84.37
2	Other Income	3,695.93	3,449.44	2,726.91	7,145.36	7,237.17	13,866.25
3	Total Income (1+2)	37,183.20	38,669.36	29,608.76	75,852.55	60,192.67	126,692.18
4	Interest Expended	21,720.31	21,322.28	17,755.99	43,042.59	35,517.84	75,986.96
5	Operating Expenses (i+ii)	9,478.06	9,224.42	7,841.15	18,702.48	15,530.51	31,908.73
i.	Employees cost	4,739.82	4,629.61	3,880.22	9,369.43	7,649.87	15,708.19
ii.	Other Operating Expenses	4,738.24	4,594.81	3,960.93	9,333.05	7,880.64	16,200.54
6	Total Expenditure (4+5) (excluding provisions and contingencies)	31,198.37	30,546.70	25,597.14	61,745.07	51,048.35	107,895.69
7	Operating Profit before Provisions and Contingencies (3-6)	5,984.83	8,122.66	4,011.62	14,107.48	9,144.32	18,796.49
8	Provisions (Other than tax) and Contingencies	1,374.69	2,293.12	702.57	3,667.80	1,552.72	3,656.44
9	Exceptional Items	-	-	-	-	-	-
10	Profit from Ordinary Activities before tax (7-8-9)	4,610.14	5,829.54	3,309.05	10,439.68	7,591.60	15,140.05
11	Tax expense	501.00	1,365.28	-	1,866.28	-	4.00
12	Net Profit from Ordinary Activities after tax (10-11)	4,109.14	4,464.26	3,309.05	8,573.40	7,591.60	15,136.05
13	Extraordinary items (Net of tax expenses)	-	-	-	-	-	-
14	Net Profit for the period (12-13)	4,109.14	4,464.26	3,309.05	8,573.40	7,591.60	15,136.05
15	Paid-up Equity Share Capital (Face value ₹ 10/-)	25,077.42	25,047.11	25,020.71	25,077.42	25,020.71	25,032.46
16	Reserves excluding Revaluation Reserves	-	-	-	-	-	84,807.47
17	Analytical Ratios						
i.	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
ii.	Capital Adequacy Ratio (%)						
	Basel II	13.12	13.73	13.95	13.12	13.95	13.84
	Basel III	13.04	13.63	13.81	13.04	13.81	13.71
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 Annualised)	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Annualised)
	(i) Basic (₹)	1.64	1.78	1.32	3.42	3.03	6.05
	(ii) Diluted (₹)	1.61	1.76	1.31	3.36	3.02	5.99
	(b) Basic and diluted EPS after Extraordinary items (net of tax expenses) for the period and for the previous year	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Annualised)
	(i) Basic (₹)	1.64	1.78	1.32	3.42	3.03	6.05
	(ii) Diluted (₹)	1.61	1.76	1.31	3.36	3.02	5.99
iv.	NPA Ratios						
	(a) Amount of Gross non-performing assets	16,882	14,919	23,508	16,882	23,508	13,845
	(b) Amount of Net non-performing assets	9,430	8,045	5,716	9,430	5,716	7,402
	(c) % of Gross NPAs to Gross Advances	1.90	1.78	3.43	1.90	3.43	1.69
	(d) % of Net NPAs to Net Advances	1.07	0.97	0.86	1.07	0.86	0.91
v.	Return on Assets (%) (Annualised)	1.25	1.39	1.19	1.32	1.37	1.31
18	Public shareholding						
i.	No. of shares	204,573,988	204,270,838	204,006,863	204,573,988	204,006,863	204,124,388
ii.	Percentage of shareholding	81.58	81.55	81.54	81.58	81.54	81.54
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)	18.42	18.45	18.46	18.42	18.46	18.46

DCB BANK LIMITED (FORMERLY DEVELOPMENT CREDIT BANK LIMITED)
SUMMARISED BALANCE SHEET

(₹ in lakhs)

	As at 30.09.2014	As at 30.09.2013	As at 31.03.2014
	(Unaudited)	(Unaudited)	(Audited)
Capital & Liabilities			
Capital	25,077.42	25,020.71	25,032.46
Employee Stock Options (Grants Outstanding net of deferred cost)	316.28	299.75	296.49
Reserves & Surplus	98,113.13	82,544.65	90,066.99
Deposits	1,089,992.74	878,805.45	1,032,516.08
Borrowings	68,391.80	84,380.31	86,015.99
Other liabilities and provisions	59,652.06	41,470.45	58,385.71
Total Capital & Liabilities	1,341,543.43	1,112,521.32	1,292,313.72
Assets			
Cash and Balances with Reserve Bank of India	68,457.65	45,040.74	50,506.93
Balances with Banks and Money at Call and Short notice	20,425.98	22,068.28	18,450.24
Investments	333,989.73	331,349.57	363,422.26
Advances	879,308.24	667,650.63	814,018.62
Fixed Assets	22,841.55	23,726.04	23,864.22
Other Assets	16,520.28	22,686.06	22,051.45
Total Assets	1,341,543.43	1,112,521.32	1,292,313.72

SEGMENTAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2014

(₹ in lakhs)

Sr. No.	Business Segment	For the quarter ended 30.09.2014	For the quarter ended 30.06.2014	For the quarter ended 30.09.2013	For the half year ended 30.09.2014	For the half year ended 30.09.2013	For the year ended 31.03.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment Revenue						
a	Treasury Operations	13,553.39	14,349.44	12,577.89	27,902.83	26,851.22	56,910.47
b	Corporate	9,103.54	9,022.61	7,471.86	18,126.15	14,919.16	32,356.17
c	Retail	29,214.89	27,693.03	21,996.98	56,907.92	43,106.48	93,130.81
d	Other Banking Operations	246.70	161.59	190.29	408.29	457.99	737.74
e	Unallocable	546.41	3,043.84	-	3,590.25	-	-
	Total	52,664.93	54,270.51	42,237.02	106,935.44	85,334.85	183,135.19
	Less:- Inter Segment Revenue	15,481.73	15,601.15	12,628.26	31,082.89	25,142.18	56,443.01
	Income from Operations	37,183.20	38,669.36	29,608.76	75,852.55	60,192.67	126,692.18
2	Segment Results						
a	Treasury Operations	284.96	310.13	318.06	595.09	2,221.38	3,640.29
b	Corporate	1,171.71	162.59	1,262.57	1,334.30	1,813.53	4,014.32
c	Retail	2,608.75	2,397.92	1,681.90	5,006.67	3,519.24	7,566.74
d	Other Banking Operations	203.75	116.76	150.79	320.51	377.92	593.93
e	Unallocable	340.97	2,842.14	(104.27)	3,183.11	(340.47)	(675.23)
	Total Profit before Tax	4,610.14	5,829.54	3,309.05	10,439.68	7,591.60	15,140.05
3	Capital Employed (Segment Assets - Segment Liabilities)						
a	Treasury Operations	241,956.79	205,815.83	199,038.40	241,956.79	199,038.40	182,358.40
b	Corporate	237,870.01	257,688.53	189,107.44	237,870.01	189,107.44	269,747.07
c	Retail	(365,406.46)	(353,850.66)	(293,857.81)	(365,406.46)	(293,857.81)	(351,693.34)
d	Other Banking Operations	(228.31)	(121.61)	0.55	(228.31)	0.55	(86.19)
e	Unallocable	9,314.53	10,368.86	13,576.53	9,314.53	13,576.53	15,070.00
	Total Capital Employed	123,506.55	119,900.96	107,865.11	123,506.55	107,865.11	115,395.94

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 and half year ended September 30, 2014 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 by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on November 1, 2014.
- 2 "Interest earned-Others" includes interest on income tax refunds amounting to ₹ 5.46 crores for the quarter ended September 30, 2014 and ₹ 35.89 crores for the half year ended September 30, 2014. The corresponding tax expenses (including ₹ 3.06 crores pertaining to the earlier assessment years) on the same have been included in item "11. Tax expense" for the quarter ended June 30, 2014 and half year ended September 30, 2014.
- 3 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.
- 4 The working results for the half year ended September 30, 2014 have been arrived at after considering the provision for standard assets including requirements for exposures to entities with Unhedged Foreign Currency Exposure, non performing assets (NPAs), depreciation on investments, income tax and other usual and necessary
- 5 "Provision (Other than tax) and Contingencies" also includes a specific provision on standard advances made on a prudential basis where the Bank believes a possible slippage may arise from stress. Such specific provision on standard assets amounts to ₹ 1.76 crores for the quarter ended September 30,2014 and ₹ 12.09 crores for the half year ended September 30, 2014.
- 6 Effective April 1, 2014 the Bank has changed the estimated useful life of a certain group of assets in line with the recommended useful life as per Part C of Schedule II to the Companies Act, 2013. As per para 7 (b) of Notes to Part C, where the remaining useful life of an asset as on the effective date is nil, the carrying amount of the asset should be recognised in the retained earnings. Such carrying amount as on April 1, 2014 for the Bank was ₹ 6.12 crores. The Bank has adjusted this carrying amount from retaining earnings on approval from the Reserve Bank of India ('RBI').
- 7 During the half year ended September 30, 2014, the Bank allotted 449,600 shares pursuant to the exercise of stock options by certain employees. The Bank has allotted 303,150 shares during the quarter ended September 30, 2014.
- 8 In October 2014, the Bank issued 30,432,136 shares through Qualified Institutional Placement ('QIP') at ₹ 82.15 per share amounting to ₹ 250 crores. Net of issue costs, this resulted in an increase of ₹ 30.43 crores in Share Capital and ₹ 214.18 crores in Share Premium Account. The net proceeds from the above issue of equity capital shall be applied to enhance the Bank's Capital Adequacy Ratio, to enable higher level of lending and for other general corporate purposes.
- 9 In terms of RBI circular DBOD.No.BP.BC.2/21.06.201/2013-14 dated July 01, 2013 on Basel III Capital Regulations, banks are required to make certain Pillar 3 disclosures along with the publication of financial results. Accordingly, such Pillar 3 disclosures have been placed on the Bank's website at the following link <http://www.dccb.com/disclosures/baseldisclosure.html>. These Pillar 3 disclosures have not been subjected to "Limited Review" by the Statutory Auditors.
- 10 Disclosure about investor complaints:

Complaints Pending as on 01.07.2014	Received during the period	Disposed off during the period	Complaints Pending as on 30.09.2014
Nil	Nil	Nil	Nil

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

For and on behalf of the Board of Directors

Place : Mumbai
Date : November 1, 2014

Murali M. Natrajan
MD & CEO