

Press Release for Immediate Circulation

Development Credit Bank Ltd. (DCB), announces FY 2011 Audited Results

DCB reported full year Net Profit of Rs. 21.43 Cr. for FY 2011 in comparison full year FY 2010 had Net Loss of Rs.78.45 Cr.

Net Profit for Q4 FY 2011 was Rs. 11.35 Cr. as compared to the Net Loss of Rs. 8.16 Cr. for Q4 FY 2010.

As compared to the position as on March 31, 2010 same period last year, Deposits grew by 17% and reached Rs. 5,610 Cr. while Advances grew by 24% and stood at Rs. 4,271 Cr as on March 31, 2011.

Capital Adequacy was strong at 13.25% under Basel II.

April 13, 2011, Pune: The Board of Directors of Development Credit Bank Ltd. (BSE: 532772; NSE: DCB) took on record the audited results for the fourth quarter (Q4 FY 2011) and for the year ended March 31, 2011 at its meeting in Pune on April 13, 2011.

Mr. Murali M. Natrajan, MD & CEO said, "The progress made so far is the result of careful execution of our new strategy and approach. We are confident of making steady progress in the coming years."

Mr. Nasser Munjee, Chairman DCB stated, "We have been able to deliver modest profits after two difficult years. We will aim for a higher growth rate once we fully stabilize the Bank and further strengthen its foundations."

DCB Highlights:

- (a) DCB reported full year Net Profit of Rs. 21.43 Cr. in FY 2011 as against full year Net Loss of Rs. 78.45 Cr. in FY 2010. Subsequently, Bank's Net Profit for Q4 FY 2011 is Rs. 11.35 Cr. as against Net Loss of Rs. 8.16 Cr. in Q4 FY 2010
- (b) Balance Sheet was at Rs. 7,372 Cr. as on March 31, 2011 as against Rs. 6,137 Cr. as on March 31, 2010, a growth rate of 20%
- (c) Retail Deposits (Retail CASA and Retail Term Deposits) continued to show robust growth. Retail Deposits were at 81.2% of Total Deposits as on March 31, 2011 as against 81.5% as on March 31, 2010
- (d) CASA ratio as on March 31, 2011 stands at 35.2% as against 35.4% as on March 31, 2010
- (e) Net Advances grew to Rs. 4,271 Cr. as on March 31, 2011 from Rs. 3,460 Cr. as on March 31, 2010
- (f) Net Interest Margin for FY 2011 stands at 3.13% as against 2.79% for FY 2010. Q4 FY 2011 NIM remained at 3.15% as against 3.27% for Q4 FY 2010

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(g) Capital Adequacy Ratio (CAR) remained strong at 13.25% as on March 31, 2011 with Tier I at 11.10% and Tier II at 2.15% under Basel II

(h) Provisions for FY 2011 substantially reduced and stood at Rs.65 Cr. as against Rs. 127 Cr. in FY 2010

DCB Audited Results for the year ended March 31, 2011

Rs. Cr.	Q4 FY 11	Q4 FY 10	Q3 FY 11	FY 2010-11	FY 2009-10
Interest Income	148	114	140	536	459
Interest Expense	98	72	91	347	317
Net Interest Income	50	42	49	189	142
Non Interest Income	29	25	26	112	107
Total Income	79	67	75	301	249
Operating Expenses	(57)	(48)	(54)	(215)	(201)
Operating Profit/(Loss)	22	19	21	86	48
Provisions	(11)	(27)	(13)	(65)	(126)
Net Profit After Tax	11	(8)	8	21	(78)

Key Balance Sheet Parameters

Rs. Cr.	March 31, 2011	December 31, 2010	March 31,2010
Total Assets	7,372	6,989	6,137
Deposits	5,610	5,651	4,787
Advances	4,271	3,956	3,460
Investments	2,295	2,177	2,018
Shareholders Equity	621	611	601
Gross NPA Ratio	5.86%	7.07%	8.69%
Net NPA Ratio	0.97%	1.30%	3.11%
Coverage Ratio	87.64%	84.73%	70.04%
CASA Ratio	35.21%	33.10%	35.36%

About DCB

DCB is a modern emerging new generation private sector bank with 80 branches across 10 states and 2 union territories. It is a scheduled commercial bank regulated by the Reserve Bank of India. It is professionally managed and governed. DCB has contemporary technology and infrastructure including state of the art internet banking for personal as well as business banking customers.

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DCB's business segments are Retail, micro-SMEs, large SMEs, mid-Corporate, Microfinance Institutions (MFI), Agriculture, Commodities, Government, Public Sector, Indian Banks, Co-operative Banks and Non Banking Finance Companies (NBFC). DCB has approximately 450,000 customers.

DCB has deep roots in India since its inception in 1930's. Its promoter and promoter group the Aga Khan Fund for Economic Development (AKFED) & Platinum Jubilee Investments Ltd. holds over 23% stake. AKFED is an international development enterprise. It is dedicated to promoting entrepreneurship and building economically sound companies. It has around 150 companies and employs over 30,000 people with a turnover of approximately US\$ 2 Bn. AKFED had co-promoted HDFC in India in the late 70's.

For more details please visit www.dcb.com & <http://www.akdn.org/akfed>

Kindly direct your enquiries to:

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