

Investor Presentation – Q1 FY 2012

July 2011

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DCB BANK

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Financial numbers are rounded off to nearest whole number

DCB Bank – Overview

Business Strategy & Financials

Annexure

<p>DCB Bank – at a glance</p>	<ul style="list-style-type: none"> • Development Credit Bank Ltd (DCB Bank) http://www.dccb.com is a modern emerging new generation private sector bank. Present since 1930s, DCB is the only co-operative bank in India to have been converted into a private sector commercial bank in 1995 • Distribution network of 82 branches across 28 cities and 138 ATMs (as on June 30, 2011)
<p>Comprehensive product range & scalable infrastructure</p>	<ul style="list-style-type: none"> • Business model focused on achieving a balance between Retail Mortgages, Micro SME(MSME), SME, Agri/Microfinance and mid-Corporate • Comprehensive range of banking products across all businesses • Modern systems and infrastructure to support growth- Finacle, FinnOne, CMS, Internet and Mobile banking
<p>Traditional loyal customer base</p>	<ul style="list-style-type: none"> • Traditional sticky customer base helped by presence of branch network in select areas of Maharashtra, Gujarat & AP • Provides DCB Bank access to low cost deposits
<p>Continued focus on building low cost franchise</p>	<ul style="list-style-type: none"> • Continued focus on building a low cost deposit franchise with strong capital position • CASA of 33.31% and CRAR of 12.92% under Basel II (as on June 30, 2011)
<p>Steady improvement in credit ratings</p>	<ul style="list-style-type: none"> • Rating agencies have upgraded the rating guidelines for DCB Bank • Crisil rating (Long term): BBB + / Stable, Crisil rating (Short term): P1 and Fitch rating: BBB / Stable
<p>Robust Promoter background</p>	<ul style="list-style-type: none"> • DCB's promoter, Aga Khan Fund for Economic Development (AKFED) http://www.akdn.org/akfed is present in 16 countries employing over 30,000 people • Promoter group holds 23.08% stake in DCB (as on June 30, 2011)
<p>Pedigreed board and experienced Management team</p>	<ul style="list-style-type: none"> • Nasser Munjee, Chairman: Ex- Executive Director – HDFC, instrumental in setting up IDFC & sits on the boards of many large Indian companies • Murali M. Natrajan, MD & CEO: worked in Standard Chartered Bank (Global Head – SME Banking), Citibank, American Express; strong Retail Banking & SME experience in India & abroad

Key Milestones

DCB BANK

In Existence Since 1930s

1981

- Amalgamation of Masalawala Co-operative Bank and Ismailia Co-operative Bank into Development Co-operative Bank Ltd.

1984

- Multi-State Co-operative Bank

1988

- Acquired "Scheduled" status from Reserve Bank of India

1995

- Conversion to Development Credit Bank Ltd.
- Secured Foreign Exchange License & became an Authorized Dealer

2004

- Classified as a "New Generation Private Sector Bank" by the RBI

2006

- IPO

Tier I Capital Raising

2005

- Private Equity Investment by AKFED (Principal Promoter) of INR 1.38 bn in March 2005

2006

- Private Equity investment of INR 519.9 mn by HDFC and Khattar Holdings and others in February 2006

2006

- Raised INR 1.86 bn through IPO, issue oversubscribed 35 times

2007

- Preferential Allotment of INR 2.8 bn in Aug 2007 to Al Bateen, TATA Capital, DCB Investments (SVG Capital) and others

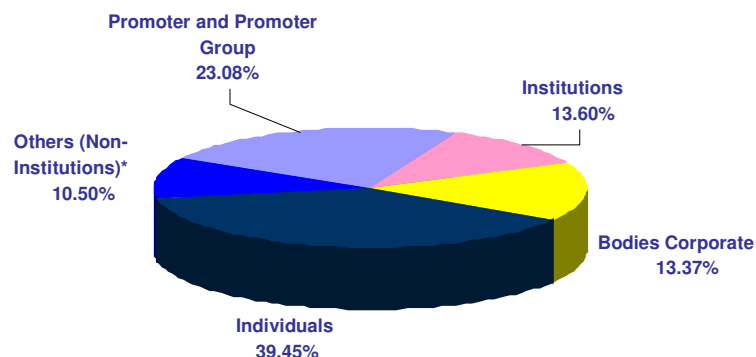
2009

- Raised INR 810 mn through QIP in November 2009 subscribed by life insurance companies, mutual funds and FIs

Shareholding Pattern (June 30, 2011)

DCB BANK

Shareholding Pattern



*Includes Clearing Members (1.27%), Non Resident Indians (2.87%), Foreign Corporate Bodies (6.34%), Directors and their relatives (0.02%)

Key non-promoter shareholders

- Al Bateen Investment Co LLC: 3.69%
- The India Fund, INC: 3.58%
- Tata Capital Ltd: 3.29%
- DCB Investments Ltd. (SVG Capital): 2.65%
- HDFC Ltd: 2.02%
- Satpal Khattar: 1.62%
- Sundaram BNP Paribas Mutual Fund: 1.36%
- The Royal Bank of Scotland PLC as: 1.33%
Depository of First State Indian Subcontinent Fund a Subfund of First State Investment
- Girdharilal Lakhi: 1.23%
- Macquarie Bank Ltd.: 1.07%



Aga Khan Fund for Economic Development

Principal Promoter

- DCB Bank is promoted by the Aga Khan Fund for Economic Development (AKFED) <http://www.akdn.org/akfed>
- AKFED is an international development enterprise. It is dedicated to promoting entrepreneurship and building economically sound companies
- AKFED operates as a network of affiliates with more than 90 separate project companies employing over 30,000 people. The Fund is active in 16 countries in the developing world

Nasser Munjee

Non- Executive Chairman

Ex- Executive Director – HDFC, instrumental in setting up IDFC. Sits on 15 corporate Boards in India including HDFC, Tata Motors etc

Murali M. Natrajan

Managing Director & CEO

Standard Chartered Bank, Citibank, American Express – *28 yrs exp.

Sukh Dev Nayyar

Associated with ANZ Grindlays Bank plc for over 30 yrs. Last assignment with Grindlays as Head - Corporate Banking & Investment Banking. Independent Director on the boards of Diamond Trust Bank Kenya and Greaves Cotton

Amir Sabuwala

Specializes in Small Scale Industries. Set up several small-scale industries over the past 32 years which include - Premier Chemicals, Asian Industries, Life Technologies, etc

Suhail Nathani

Founder Partner of Economic Laws Practice, a law firm. Serves as an Independent Director on the Board of Phoenix Mills, India Advisory Board of Duke University etc.

Board of Directors DCB BANK

Darius Udwadia

Solicitor & Advocate of the Bombay High Court and Solicitor of the Supreme Court of England and Wales. Founder Partner of Udwadia & Udeshi. Independent Director on the Boards of several corporate entities

Shabir Kassam

Certified Public Accountant from Australia and a Fellow of the Association of Chartered Accountants, United Kingdom. Banking consultant for the last eight years

Narayan Seshadri

Specialization in the field of agriculture, SSI & Rural economy. Corporate consultant and is on the Board of a number of companies

Rajab Momin

Bachelor of Commerce and Fellow of Institute of Chartered Accountants of India. Experience in the field of accounting and audit

Nasim Devji

Fellow of the Institute of Chartered Accountants of England & Wales (FCA). Currently working as Managing Director of Diamond Trust Bank Kenya & Group CEO of Diamond Trust Banks in East Africa

Strong Management Team

DCB BANK

Bharat Sampat

Chief Financial Officer

ABN Amro Bank, Standard Chartered Bank, ANZ Banking Group, Hoechst India – *27 yrs exp.

Murali M. Natrajan

Managing Director & CEO

Standard Chartered Bank, Citibank, American Express – *28 yrs exp.

Praveen Kutty

Head- Retail, SME Banking

Citibank – *20 yrs exp.

R. Venkatesh

Head - HR, IT & Operations

Standard Chartered Bank, ANZ Grindlays Bank, Hindustan Petroleum – 21 yrs exp.

Anoop Prabhakar

Head - Corporate Banking

State Bank of India – * 34 yrs exp.

Rajesh Verma

Head - Treasury

State Bank of India – *32 yrs exp.

Management**DCB BANK****J. K Vishwanath**

Chief Credit Officer

Fullerton India, Citigroup and Eicher Group – 18 yrs exp.

Abhijit Bose

Head – Retail Assets

Standard Chartered Bank, Citibank, Eldeco Housing Industries and GIC Housing – *19 yrs exp.

Sridhar Seshadri

Financial Controller

ICICI Bank, Syndicate Bank and State Bank of India – 29yrs exp.

Ravi Kumar

Chief Internal Auditor

Samba Financial Group, Ernst & Young – *14 yrs exp.

Gaurav Mehta

Head – Marketing, Corporate

Communication & Public Relations HSBC India, Convergys, GE Capital and Taj Group of Hotels – 16 yrs exp.

Sachin Patange

Chief Compliance Officer

Reserve Bank of India – 21 yrs exp.

Manoj Joshi

Business Head – SME

ICICI Bank, Epcos Ferrites and Uniworth Group – 16 yrs exp.

Hemant Barve

Company Secretary

Ritchie Steuart Investments and Union Bank of India – 37 yrs exp.

Narendranath Mishra

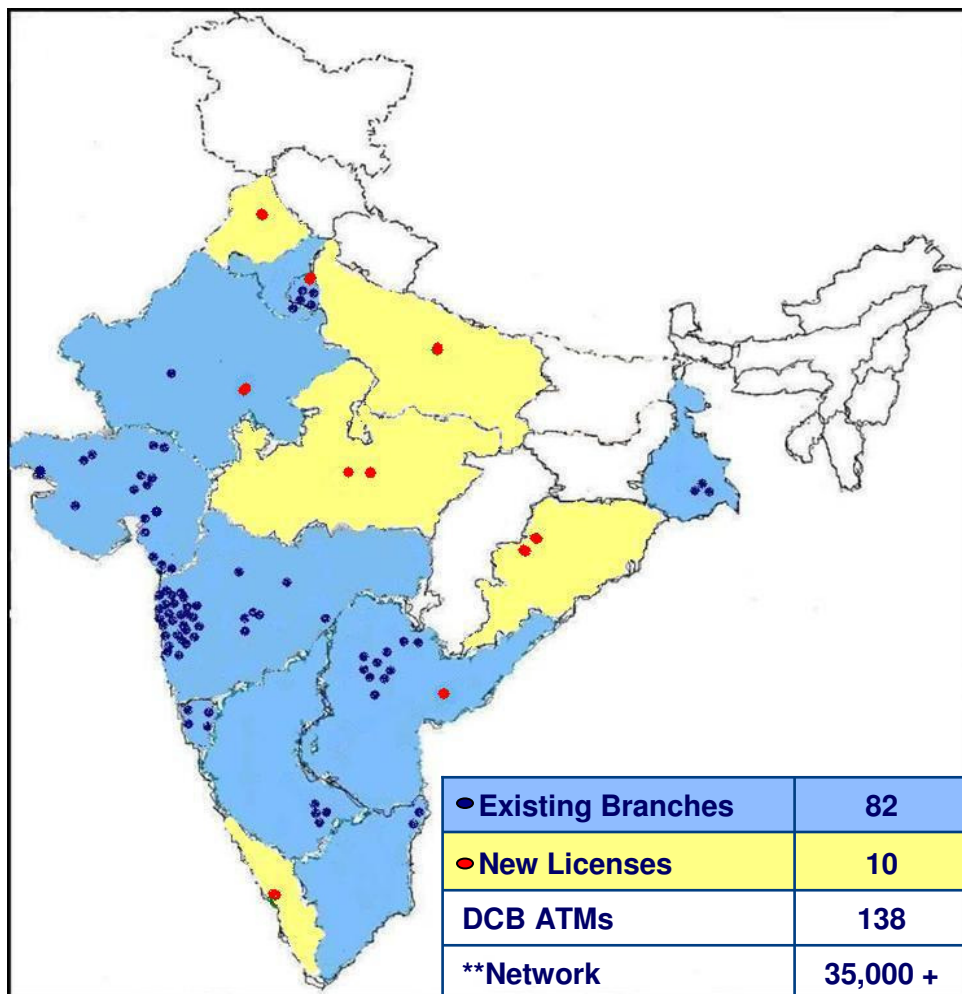
Head - AIB

ICICI Bank and Rallis India – 12 yrs exp.

82 Branches, Strong Presence in the Western Region

DCB BANK

Branch Network



* Branch locations as shown on the map are approximate may not represent the exact location
 ** Tie up with Euronet enables DCB Bank customers to access VISA ATMs across the world

GOA: (4)

- Mapusa (1)
- Margao (1)
- Panaji (1)
- Vasco -Da-Gama (1)

GUJARAT: (16)

- Ahmedabad (3)
- Ankleshwar (1)
- Vadodra (1)
- Bhuj (1)
- Daman (1)
- Dediapada (1)
- Gandhinagar (1)
- Rajkot (1)
- Sidhpur (1)
- Silvassa (1)
- Surat (1)
- Vapi (1)
- Mandvi (1)
- Netrang (1)

MAHARASHTRA: (35)

- Aurangabad (1)
- Mumbai & Its Suburbs (28)
- Nanded (1)
- Nashik (1)
- Pune (4)

ANDHRA PRADESH: (10)

- Hyderabad (8)
- Warangal (2)

HARYANA: (1)

- Gurgaon (1)

KARNATAKA: (4)

- Bengaluru (4)

NEW DELHI: (6)

- Chandni Chowk (1)
- Connaught Place (1)
- Greater Kailash II (1)
- Kapashera Road (1)
- Kondli (1)
- Preet Vihar (1)

RAJASTHAN: (1)

- Jodhpur (1)

TAMIL NADU: (2)

- Chennai (2)

WEST BENGAL: (3)

- Kolkata (3)

May-11:DCB Bank received permission from Reserve Bank of India to open 10 new branches (6 - metros and 4 - Semi urban / Rural)

Retail Banking

Deposit Products:

- Current and Savings
- Term Deposits
- NRI Deposits
- Corporate Salary
- POS Terminals
- Lockers

Cards:

- ATM Card
- Debit Card
- Travel Card***
- Secured Card***
- Gift Card***
- Credit Card*

Payments:

- Remittances
- Bill / Utility Payments
- RTGS / NEFT
- On-line Share Trading/Demat
- Tax Payments

Loans:

- Auto Loans*
- Commercial Vehicle*
- Construction Equipment*
- Gold Loans
- Home Loans
- Loan Against Property
- Loan Against Shares

Wealth Management:

- Investment Advice
- Mutual Funds
- Life Insurance and General Insurance

Services:

- 24/7 Phone Banking
- Any Branch Banking

Privilege Banking

Internet and Mobile Banking

SME, Corporate Banking, NBFCs, Co-operative Banks

- Current Account
- Trade Current Account
- Working Capital
- Term Loans
- Supply Chain
- Portfolio Buyout
- Import /Export

- Bills Collection
- Foreign Exchange
- Letters of Credit
- Guarantees

- Cash Management**
- RTGS /NEFT
- Internet Banking

Treasury, NBFCs, Co-operative Banks

- Statutory Reserves Management
- Liquidity Management
- Trading in Government Securities
- Foreign Exchange
- Corporate Bonds
- CDs
- Equity Investment

DCB offers a comprehensive range of products and services

*Offered to existing customers only ** DCB Bank has tie up with HDFC Bank and Axis Bank to provide customers with cash management facilities at over 500 locations across india

*** Launched on trial basis

Private & Confidential

	Feb 28, 2009	Jul 31, 2009	Sep 30, 2010
CRISIL			
- Long Term	-	BBB/ Stable	BBB +/Stable
- Short Term	P1	P1	P1
FITCH	BBB/ Negative	BBB/ Negative	BBB/ Stable
Brickworks	-	BWR A-/ Stable	BWR A-/ Stable

DCB Bank – Overview

Business Strategy & Financials

Annexure

- Grow Retail Mortgages, micro SME, SME, mid- Corporate and Agri & Inclusive Banking with a “customer centric approach”. Concentrate on secured lending & diversified portfolio

- Retail – branch centric
 - Low cost deposits (CASA / Term)
 - Secured lending (Home loans, Loan against property, Loan Against Term Deposit)
 - Micro SME
 - Traditional customer base
 - Third party fee income

- Treasury – Liquidity management, opportunity for gains within acceptable risks

- Relentless focus on Costs / Income Ratio and Service

- Stringent mechanism for managing Credit and Operational risks

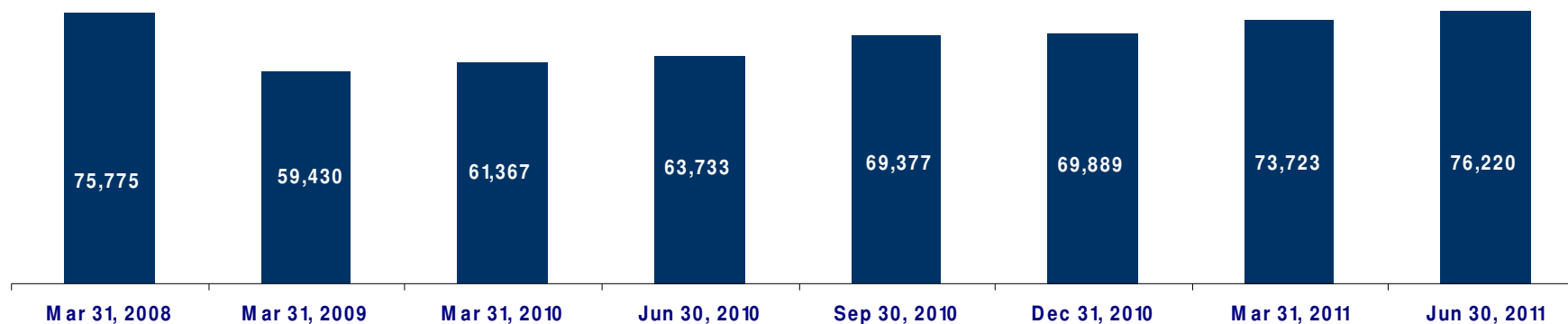
- Continuously improve people quality and delivery

Calibrated Growth in Balance Sheet

DCB BANK

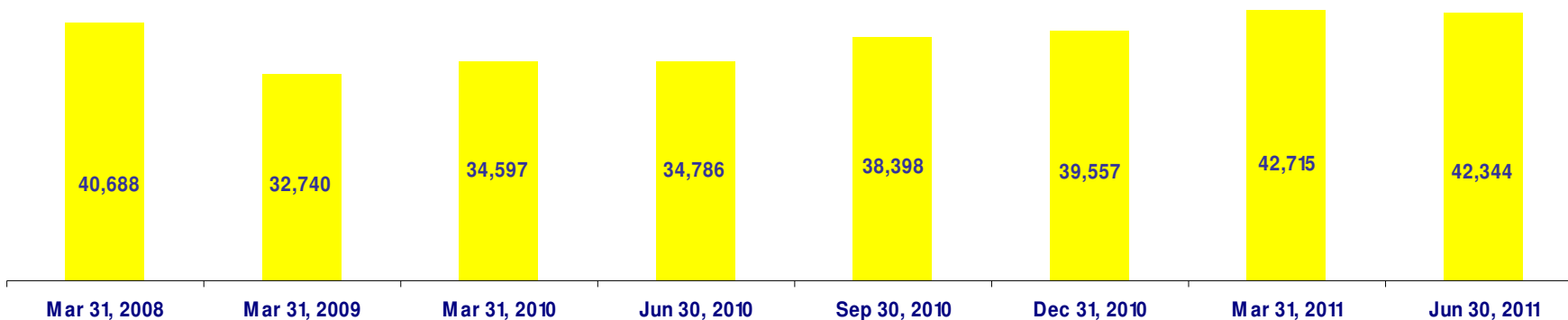
Total Assets

INR mn



Net Advances*

INR mn



* Net Advances – Gross advances less (net of) provisions

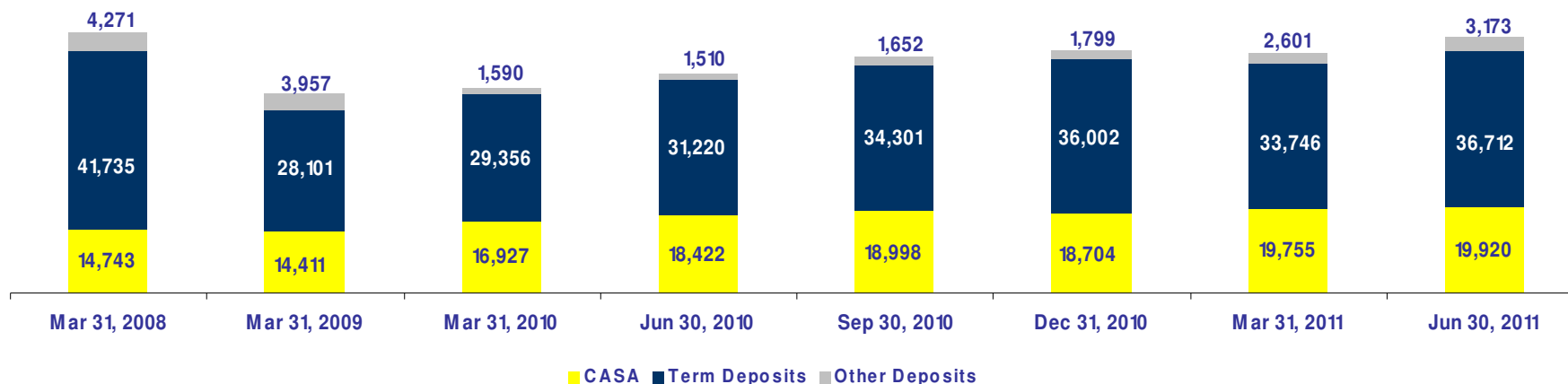
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Build Stable Deposit Base – Focus on CASA

DCB BANK

Deposits

INR mn



	Mar 31, 2009	Mar 31, 2010	Jun 30, 2010	Sep 30, 2010	Dec 31, 2010	Mar 31, 2011	Jun 30, 2011
Retail Deposits/ Total Deposits	67.53%	81.54%	79.77%	78.65%	78.98%	81.17%	81.95%
CASA Ratio	31.01%	35.36%	36.02%	34.57%	33.10%	35.21%	33.31%

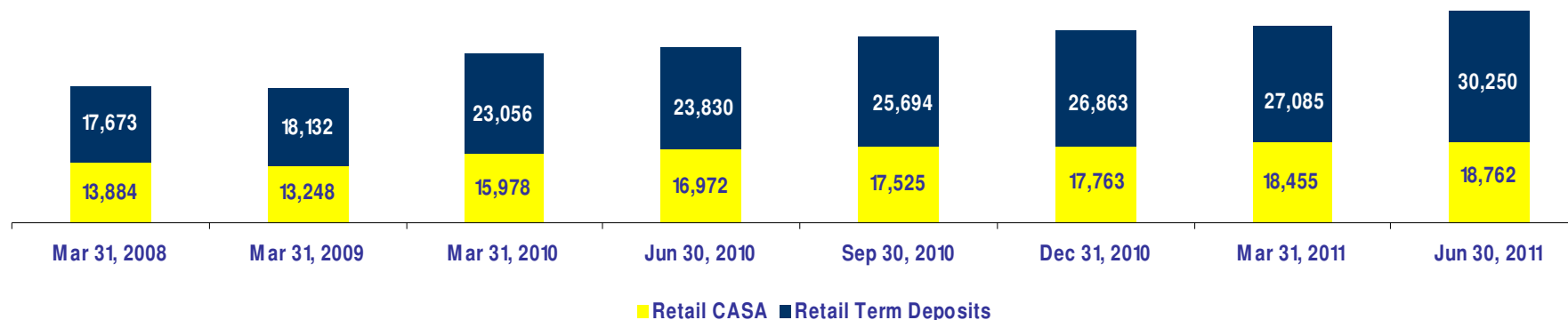
Access to low cost stable funding source to support advance growth without undue reliance on volatile wholesale funding

Deposit Per Branch Improving

DCB BANK

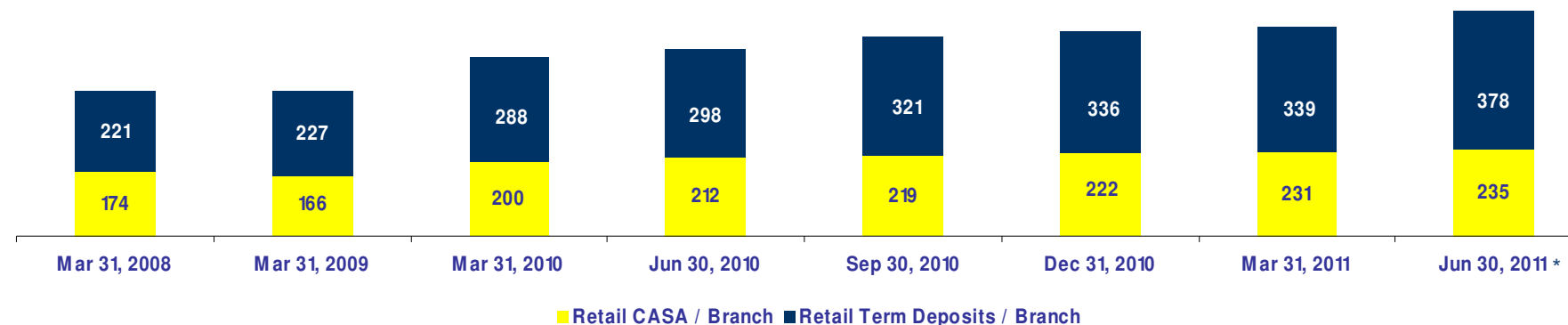
Retail CASA & Retail Term Deposits

INR mn



Retail Deposits / Branch

INR mn



*Note: based on 80 branches
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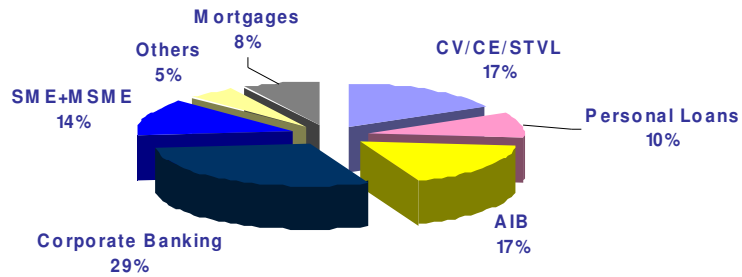
Consistent Growth in Strategic Businesses

DCB BANK

INR mn	Mar 31, 2008	Mar 31, 2009	Mar 31, 2010	Mar 31, 2011	Jun 30, 2011
CASA	14,743	14,411	16,927	19,755	19,920
Retail Term Deposits	17,502	18,132	23,056	27,085	30,250
Mortgages (sourced & acquired)	2,464	2,626	4,118	10,811	12,529
SME + Micro SME	1,673	4,483	6,004	10,219	10,423
Agri & Inclusive Banking	3,390	5,710	8,583	8,502	7,259
Corporate Banking	18,458	9,327	11,095	11,051	10,268

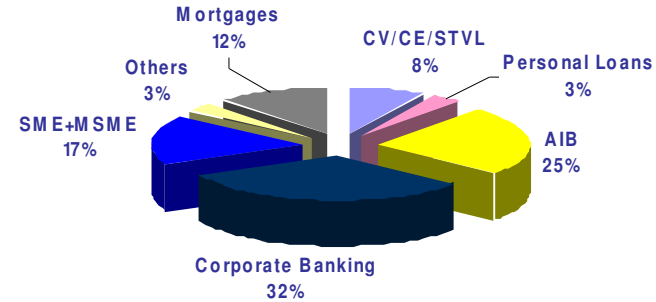
Portfolio* as on Mar 31, 2009

Retail Banking - 40%



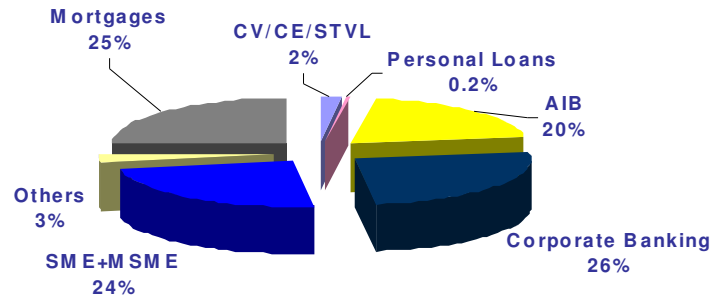
Portfolio* as on Mar 31, 2010

Retail Banking - 26%



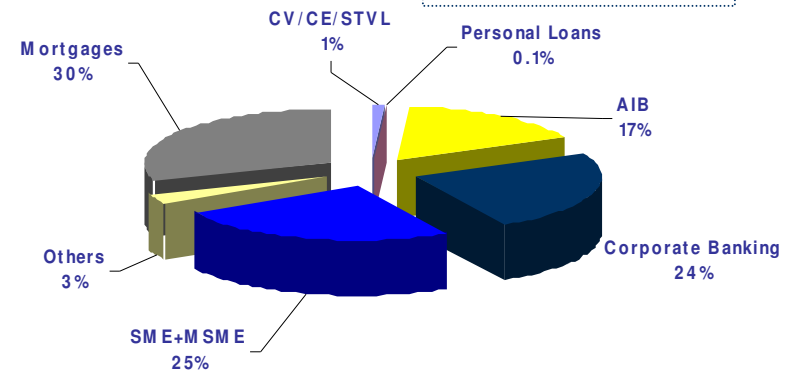
Portfolio* as on Mar31, 2011

Retail Banking - 30%



Portfolio* as on Jun 30, 2011

Retail Banking - 34%

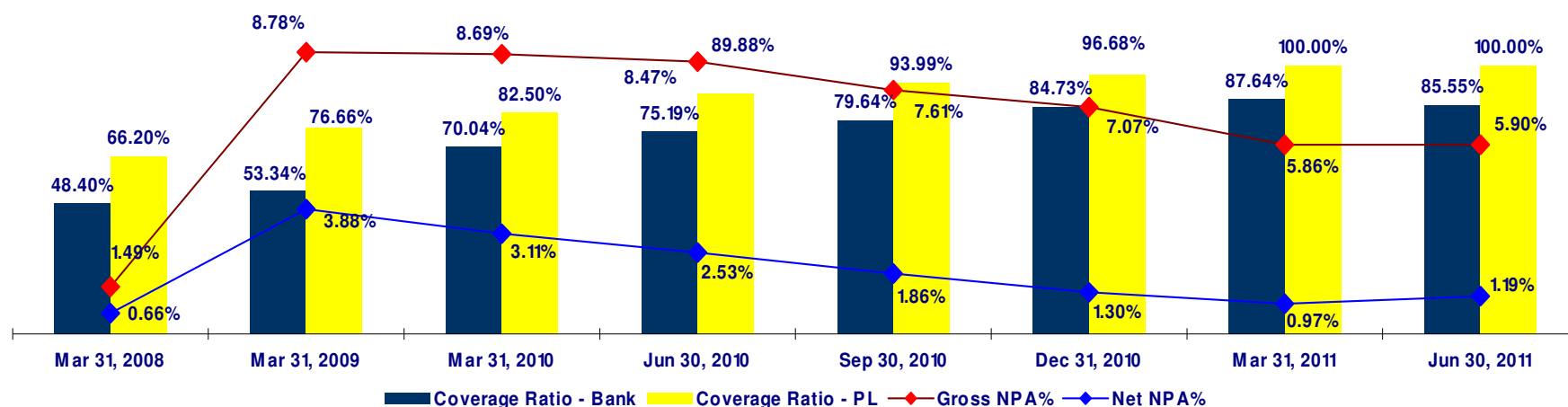


* AIB – Agri & Inclusive Banking, MSME – Micro SME, CV / CE / STVL – Commercial Vehicle, Corporate Equipment and Small Ticket Vehicle Loan

Strong Provision Coverage

DCB BANK

Key Ratios



INR mn	Mar 31, 2009	Mar 31, 2010	Jun 30, 2010	Sep 30, 2010	Dec 31, 2010	Mar 31, 2011	Jun 30, 2011
Personal Loans	1,326	1,694	1,659	1,617	1,586	1,293	1,267
CV/CE/STVL*	533	599	584	540	496	452	426
Corporate	988	594	590	654	617	588	660
Others	209	305	307	296	274	303	270
Gross NPA	3,056	3,192	3,140	3,107	2,973	2,636	2,623
Net NPA**	1,270	1,076	878	714	515	412	504

* CV / CE / STVL represents Commercial Vehicle, Construction Equipment and Small Ticket Vehicle Loan

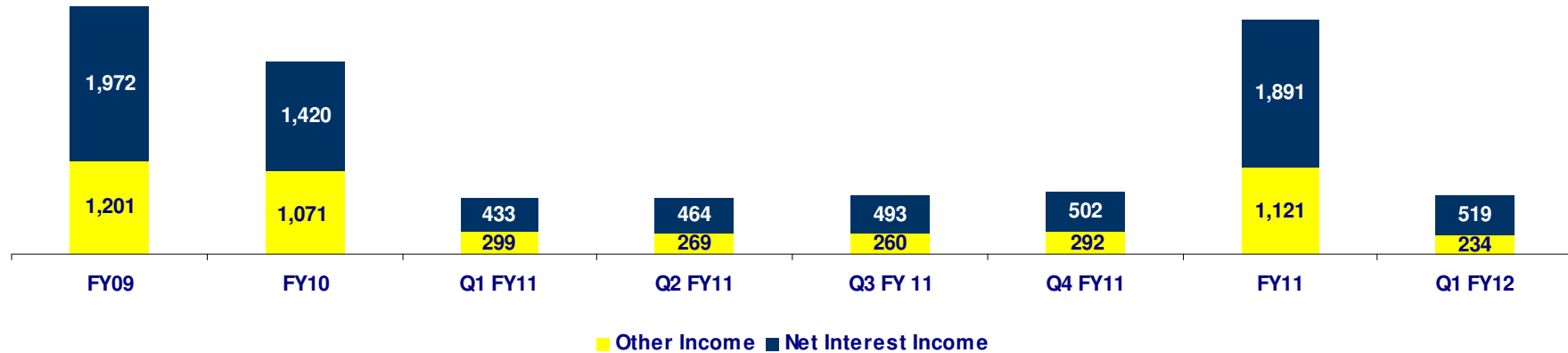
** Net NPA = Gross NPA – (Balance in Interest Suspense account + DICGC/ECGC claims received and held pending adjustment + Part payment received and kept in suspense account + total provisions held)

Investment in Front Line for CASA Growth

DCB BANK

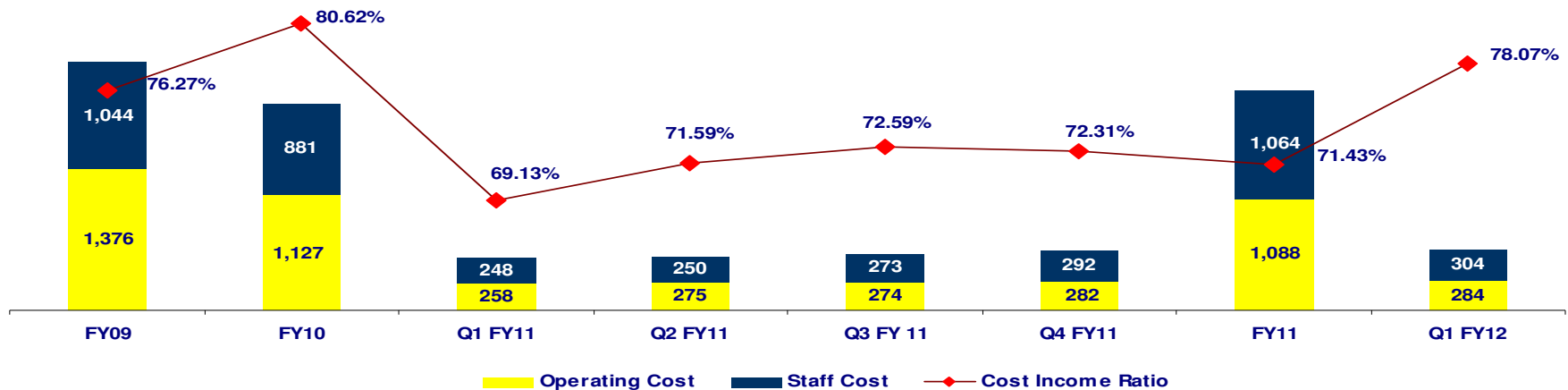
Operating Income

INR mn



Operating Cost

INR mn

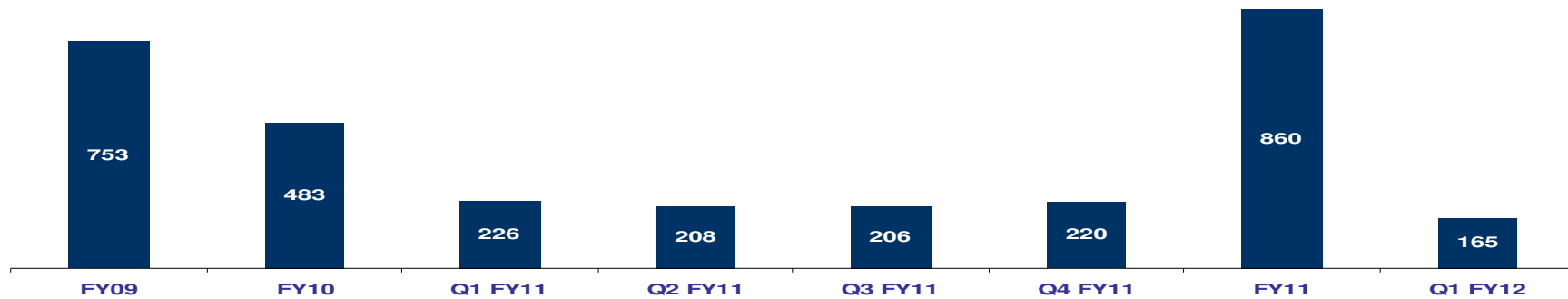


Consistent Operating Performance

DCB BANK

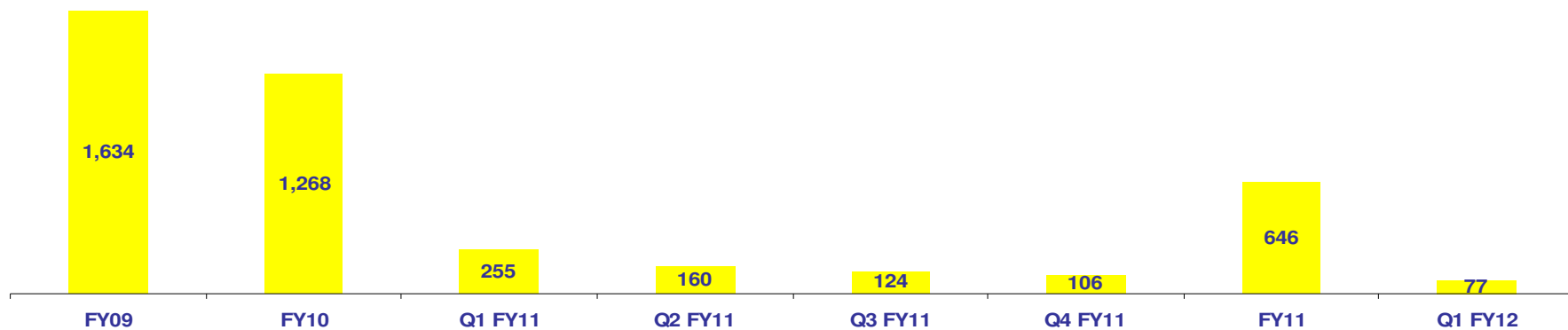
Operating Profit

INR mn



Provisions

INR mn



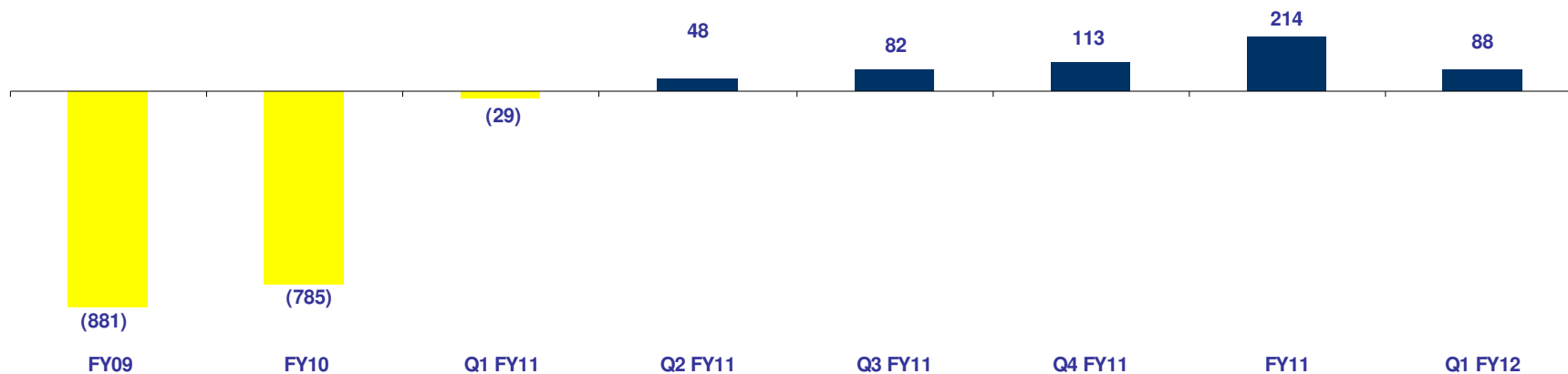
* Provisions include provisions for NPAs, standard assets, income tax, fringe benefit tax, other assets, restructured advances etc
Provisions also includes depreciation on investments and sacrifice of one time settlement

Bottom Line Improvement

DCB BANK

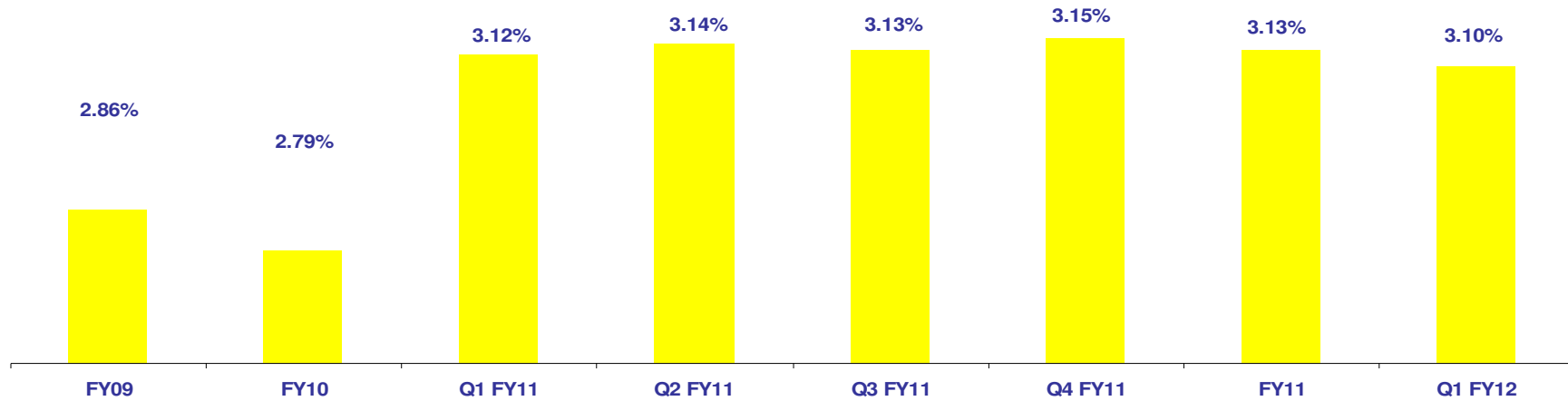
Net Profit / Loss *

INR mn

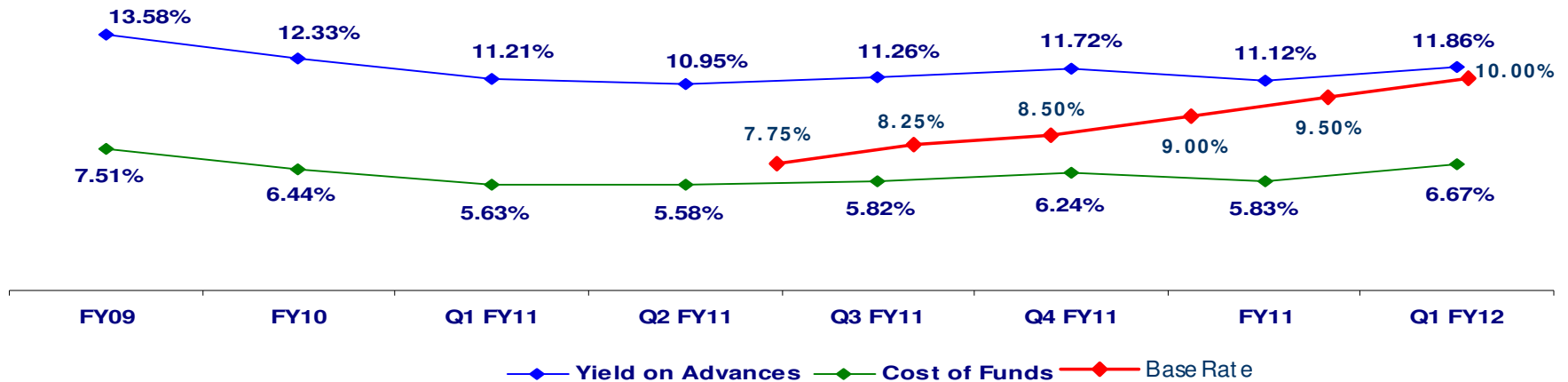


* Net Profit / (loss) represents post tax numbers

Net Interest Margin



Yield on Advances, Base Rate & Cost of Funds



Other Income

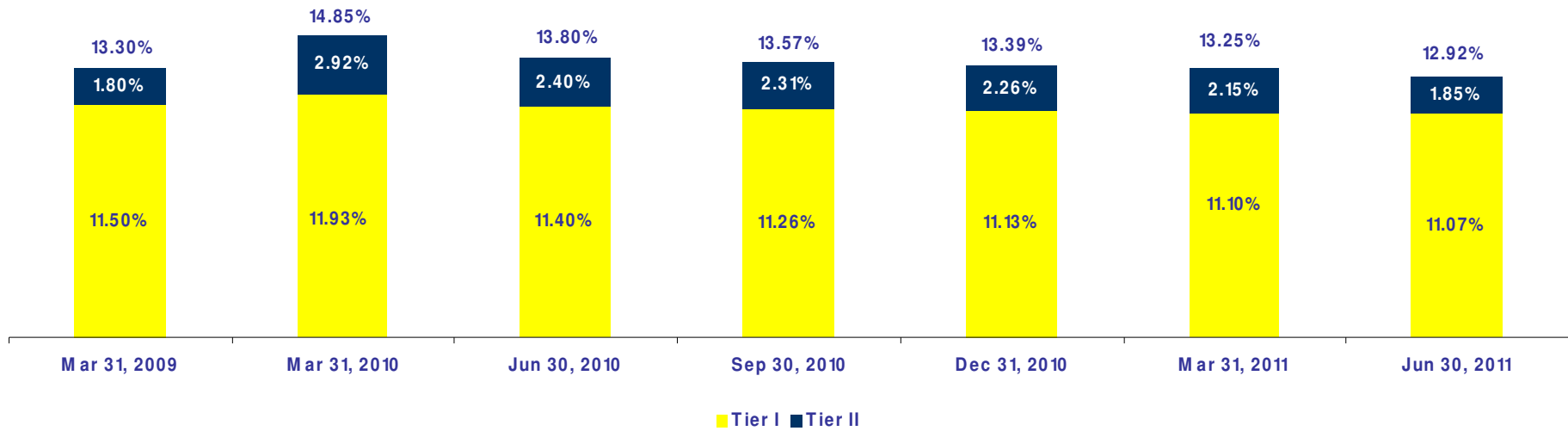
DCB BANK

INR mn	FY09	FY10	Q1FY11	Q2FY11	Q3FY11	Q4FY11	FY11	Q1FY12
Commission, exchange and brokerage	768	664	156	175	165	166	661	170
Sale of investments	20	178	86	36	57	74	253	48
Sale of land, buildings and other assets	47	(3)	(2)	(2)	(1)	16	11	(14)
Exchange transactions	224	64	18	29	17	25	90	21
Lease income	-	9	-	-	-	-	-	-
Miscellaneous income	142	159	41	31	22	12	106	10
Total	1,201	1,071	299	269	260	293	1,121	235

INR mn	Mar 31, 2009	Mar 31, 2010	Mar 31, 2011	Jun 30, 2011
SLR	12,675	15,789	17,512	20,068
Non-SLR	3,542	4,390	5,439	4,206
Total Investments *	16,217	20,179	22,951	24,274
HTM	10,808	16,890	18,847	19,157
AFS	4,630	3,263	3,029	4,026
HFT	779	26	1,075	1,091
Total Investments *	16,217	20,179	22,951	24,274

* Represents Net investments (HTM – Held To Maturity, AFS – Available For Sale, Held For Trading)

Capital Adequacy Ratios – Basel II



DCB has following approvals for raising capital in the future:

- Tier I – QIP not exceeding INR 3,000 mn
- Tier I – Rights not exceeding INR 2,000 mn

DCB Bank – Overview

Business Strategy & Financials

Annexure

Balance Sheet

DCB BANK

INR mn	Mar 31, 2009	Mar 31, 2010	Jun 30, 2010	Sep 30, 2010	Dec 31, 2010	Mar 31, 2011	Jun 30, 2011
Shareholder's Equity	5,957	5,990	5,960	6,003	6,086	6,187	6,273
Deposits	46,469	47,873	51,152	54,951	56,506	56,102	59,805
Borrowings ¹	3,455	5,035	3,840	5,648	4,534	8,607	7,238
Other Liabilities & Provisions ¹	3,523	2,447	2,754	2,747	2,736	2,800	2,876
Cash, Inter-bank, etc	6,534	3,324	5,647	6,177	5,162	4,871	6,407
Investments	16,217	20,179	20,057	20,975	21,771	22,951	24,274
Advances	32,740	34,597	34,786	38,398	39,557	42,715	42,344
Fixed Assets	1,489	1,358	1,326	1,308	1,294	1,275	1,238
Other Assets	2,450	1,909	1,918	2,518	2,106	1,912	1,957
Credit Deposit Ratio	70.46%	72.27%	68.00%	69.88%	70.00%	76.14%	70.80%

INR mn	Mar 31, 2009	Mar 31, 2010	Jun 30, 2010	Sep 30, 2010	Dec 31, 2010	Mar 31, 2011	Jun 30, 2011
CASA	14,411	16,927	18,422	18,998	18,704	19,755	19,920
Other Deposits	32,058	30,946	32,730	35,953	37,802	36,347	39,885
Total Deposits	46,469	47,873	51,152	54,951	56,506	56,102	59,805
CASA Ratio	31.01%	35.36%	36.02%	34.57%	33.10%	35.21%	33.31%

1 : Subordinated debt included in borrowings since March 31, 2010 as per RBI guidelines, same included in other liabilities and provisions in earlier periods

Profit & Loss

DCB BANK

INR mn	FY09	FY10	Q1FY11	Q2FY11	Q3FY11	Q4FY11	FY11	Q1FY12
Net Interest Income	1,972	1,420	433	464	493	502	1,891	519
Other Income	1,201	1,071	299	269	260	292	1,121	234
Operating Income	3,173	2,491	732	733	753	794	3,012	753
Operating Expenses	(2,420)	(2,008)	(506)	(525)	(547)	(574)	(2,152)	(588)
Operating Profit	753	483	226	208	206	220	860	165
Total Provisions	(1,634)	(1,268)	(255)	(160)	(124)	(107)	(646)	(77)
PAT	(881)	(785)	(29)	48	82	113	214	88
Cost Income Ratio	76.27%	80.62%	69.13%	71.59%	72.59%	72.31%	71.43%	78.07%

Thank you