

PRESS RELEASE

DEVELOPMENT CREDIT BANK (DCB) ENTERS INTO A STRATEGIC TIE-UP WITH BIRLA SUN LIFE INSURANCE.

Mumbai, 9 th October 2002:

Today, Development Credit Bank and Birla Sun Life Insurance formally announced their tie-up at a press conference held in Mumbai. This alliance marks a new initiative for the distribution of life insurance products. Birla Sun Life Insurance will now be able to distribute their products through Development Credit Bank's network across the country. A Memorandum of Understanding (MOU) was signed between Mr. Nani Javeri, CEO, Birla Sun Life Insurance Company Ltd., and Mr H. V. Sheshadri, Managing Director and Chief Executive, Development Credit Bank Ltd.

Birla Sun Life Insurance will offer its entire range of insurance products to the customers of Development Credit Bank. Development Credit Bank has a strong retail customer base of 4,00,000 accounts. Currently Development Credit Bank is focusing on strategies to strengthen their retail business and focus on mid-corporates on the corporate banking side. It is therefore an ideal distribution channel for Birla Sun Life Insurance products.

Mr. Nani Javeri, CEO, Birla Sun Life Insurance Co. Ltd., said "through this tie up with DCB which is well known for it's strength in relationship banking, we will get an opportunity to tap the banks large customer base. Birla Sun Life Insurance has played a leading role amongst the private sector insurance companies in creating relationships through the banking channel. Sun Life Financial Services in all global markets is strengthening it's Bancassurance Business Model. We in India have seized this opportunity and lead the way. In certain branches of Development Credit Bank, we will experiment with Special Dedicated Counters to sell our Insurance products called Banking on Life".

Mr. H V Sheshadri, Managing Director and Chief Executive, Development Credit Bank said "Bancassurance is an efficient way for insurance companies to sell insurance products to customers" he added "We are offering our customers a wide range of value added financial services to meet their ever-changing needs. Our tie-up with Birla Sun Life Insurance, one of the leading insurers in the country, is a reflection of this enhanced value proposition."

This tie-up reflects the global trend of increased marketing of insurance through the Bancassurance. In the developed markets in Europe and USA, Bancassurance is a major channel in marketing of insurance products. Birla Sun Life Insurance shall leverage the branch network to reach out to the varied customer base enjoyed by Development Credit Bank. Birla Sun Life Insurance has already tied up with Citibank, Deutsche Bank for distribution of life insurance products. In the coming year the company has plans to sell nearly 90,000 policies with corresponding annualised premium of more than Rs 215 crores, signifying a growth of more than 300% over the last year. Kindly visit www.birlasunlife.com for further information.

Development Credit Bank Ltd has recently tie-up with TATA AIG General Insurance Company for distribution of General Insurance Products.

Development Credit Bank Limited

Development Credit Bank Limited (DCB) is one of the leading Private Sector Scheduled commercial Banks in India with a network of 27 ATMs and 60 state-of-the-art branches across the country. Recently, the Bank has launched several value added initiatives such as DCB Tax Solutions, BillPay and Phonebanking for its customers. DCB has also launched Anywhere Banking and Interconnectivity. DCB intends to be renowned as one of the country's preferred Retail Banks, providing a comprehensive suite of world class products for specific market segments in chosen geographies and has initiated a liability and select asset product led strategy, through a mix of owned and outsourced products and multi-channel capability.

In its endeavor to offer its customers a wide range of value added financial services to meet their ever changing needs, DCB has tied up with TAT-AIG, one of the leading insurers in the country to provide customized insurance solutions.

Birla Sun Life Insurance:

It is one of the leading private life insurance companies. It has completed a very successful first year of operations. As on 31st March 2002, the company was capitalized at a level of Rs. 150 crores.

For the year ending March 31, 2002, the company completed new business with a total sum assured of Rs. 1600 crores, achieving a very high size of average premium per policy of more than Rs. 15000 and an average sum assured of more than Rs. 400,000 per policy which is believed to be the best in the industry. The company achieved a premium income of Rs. 36 crores and sold nearly 20,000 policies covering more than 33000 lives across Individual life and Group life business.

The company has a clear thrust on investment linked insurance products and believes in maximizing investment returns to its policyholders. The focus has been on the top three income segments for its Individual life business and on the top corporates for its Group life business.

Additional information can be found at: www.sunlife.com.

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