



Karur Vysya Bank

Smart way to bank

FCD/ 156 /2012-13

October 31, 2012

The Secretary,
National Stock Exchange of India Limited.,
Exchange Plaza, 5th Floor,
Plot No. C-1, Block G,
Bandra-Kurla Complex,
Bandra East,
MUMBAI - 400 051.

Dear Sirs,

Reg: Un-audited Financial results of the Bank for the period ended 30th September 2012.

Please refer to our letter No. F - 48 : 59 : 649 : 2012 dated 12.10.2012 on the captioned subject. As indicated therein, the meeting of the Board of Directors of the Bank was held today (October 31, 2012) for the adoption of un-audited financial statements for the period ended 30th September 2012. In the said meeting the un-audited accounts of the Bank for the period ended 30th September 2012 have been adopted. The un-audited financial results of the Bank are enclosed.

Yours faithfully

(K.Venkataraman)
Managing Director & C E O

Encl: as above.

THE KARUR VYSYA BANK LIMITED

Finance & Control Department
Central Office, Erode Road, KARUR-639 002.
☎ (04324) 269326, 269328, 269343,
269344, 269352 FAX : 225595
E-mail : fcd@kvbmail.com



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REVIEWED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED 30th SEPTEMBER 2012

(₹ in lakhs)

Particulars	3 Months ended			Half Year Ended		Year ended
	30-Sep-12	30-Jun-12	30-Sep-11	30-Sep-12	30-Sep-11	31-Mar-12
	Reviewed			Reviewed		Audited
1. Interest earned (a)+(b)+(c)+(d)	103865	100553	77205	204418	146657	327037
a) Interest / discount on advances /bills	79787	77336	59463	157123	114248	253821
b) Income on Investments	23549	22694	17547	46243	32167	71625
c) Interest on balances with RBI and other interbank funds	474	523	188	997	235	900
d) Others	55	0	7	55	7	691
2. Other Income	8499	10428	7471	18927	14891	35015
3. Total Income (1+2)	112364	110981	84676	223345	161548	362052
4. Interest Expended	75288	75159	55558	150447	104511	235325
5. Operating Expenses (i+ii)	17646	15554	13351	33200	24744	54156
(i) Employees cost	8243	7493	6043	15736	12269	26441
(ii) Other operating expenses	9403	8061	7308	17464	12475	27715
6. Total Expenditure (4+5) excluding provision and contingencies	92934	90713	68909	183647	129255	289481
7. Operating Profit before Provisions and Contingencies (3-6)	19430	20268	15767	39698	32293	72571
8. Provisions (other than tax) and Contingencies	-2061	-998	1329	-3059	5090	9376
9. Exceptional items	0	0	0	0	0	0
10. Profit /(Loss) from Ordinary activities before tax (7-8-9)	21491	21266	14438	42757	27203	63195
11. Tax expense	8216	6671	3107	14887	4202	13023
12. Net Profit from ordinary activities after tax(10-11)	13275	14595	11331	27870	23001	50172
13. Extraordinary items (net of tax expense)	0	0	0	0	0	0
14. Net Profit for the period (12-13)	13275	14595	11331	27870	23001	50172
15. Paid-up equity share capital (FV Rs.10/-)	10718	10718	10715	10718	10715	10718
16. Reserves excluding Revaluation Reserve (as per balance sheet of previous accounting year)	260104	260104	202004	260104	202004	260104



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	3 Months ended			Half Year Ended		Year ended
	30-Sep-12	30-Jun-12	30-Sep-11	30-Sep-12	30-Sep-11	
	Reviewed			Reviewed		Audited
17. Analytical Ratios						
(i) % of shares held by Government of India	0%	0%	0%	0%	0%	0%
(ii) Capital Adequacy Ratio-Basel II	14.00%	14.72%	14.02%	14.00%	14.02%	14.33%
(iii) Earnings per share (EPS)						
a) Basic EPS before and after extraordinary items (not to be annualized)	12.38	13.62	10.57	26.00	21.46	46.81
b) Diluted EPS before and after extraordinary items (not to be annualized)	12.38	13.62	10.57	26.00	21.46	46.81
(iv) NPA Ratios						
a) Gross NPA	32274	37690	29824	32274	29824	32099
b) Net NPA	8017	9229	5823	8017	5823	7878
c) % of Gross NPA	1.26%	1.53%	1.48%	1.26%	1.48%	1.33%
d) % of Net NPA	0.32%	0.38%	0.29%	0.32%	0.29%	0.33%
e) Return on Asset(annualized)	1.35%	1.53%	1.49%	1.44%	1.57%	1.56%
18. Public Shareholding						
Number of Shares	103833975	103809272	103675761	103833975	103675761	103719706
% of Shareholding	96.88%	96.85%	96.73%	96.88%	96.73%	96.77%
19. Promoters and Promoter Group Shareholding						
a) Pledged / Encumbered						
-Number of Shares	521933	761343	842621	521933	842621	850343
-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	15.59%	22.58%	24.04%	15.59%	24.04%	24.57%
-Percentage of Shares (as a % of the total share capital of the Company)	0.49%	0.71%	0.78%	0.49%	0.78%	0.79%
b) Non - encumbered						
- Number of Shares	2825198	2609991	2662024	2825198	2662024	2610357
- Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	84.41%	77.42%	75.96%	84.41%	75.96%	75.43%
-Percentage of Shares (as a % of the total share capital of the company)	2.63%	2.44%	2.48%	2.63%	2.48%	2.44%

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**Karur Vysya Bank***Smart way to bank***Statement of Assets and Liabilities as on 30th September 2012**

Capital and Liabilities	As on 30.09.2012	As on 30.09.2011	As on 31.03.2012
Capital	10718	10715	10718
Reserve and Surplus	287974	248466	260104
Deposits	3344433	2712086	3211159
Borrowings	298568	139655	197256
Other Liabilities and Provision	88073	63600	84252
Total	4029766	3174522	3763489

Assets			
Cash & Balances with RBI	213352	209911	192087
Balances with Banks and Money at Call	19855	13056	11458
Investments	1144076	852604	1050609
Advances	2539388	1996766	2394919
Fixed Assets	26898	21543	24485
Other Assets	86197	80642	89931
Total	4029766	3174522	3763489

Segment Reporting for the period ended 30th September 2012

Business Segments	3 Months ended			Half Year Ended		Year ended
	30-Sep-12	30-Jun-12	30-Sep-11	30-Sep-12	30-Sep-11	31-Mar-12
	Reviewed			Reviewed		Audited
Segment Revenue						
1. Treasury Operations	24285	26082	18446	50367	33787	78916
2. Corporate/Wholesale Banking Operations	30506	30203	25824	60709	50505	109500
3. Retail Banking Operations	57280	54244	40158	111524	76620	172196
4. Other Banking Operations	293	452	248	745	636	1440
Total	112364	110981	84676	223345	161548	362052
Segment Results						
1. Treasury Operations	2214	6270	2165	8484	4294	8818
2. Corporate/Wholesale Banking Operations	6455	6251	5066	12706	10896	26612
3. Retail Banking Operations	16931	14241	13478	31172	26486	58864
4. Other Banking Operations	282	441	239	723	619	1403
Total	25882	27203	20948	53085	42295	95697
Unallocated Income/Expenses	6453	6934	5181	13387	10002	23126
Operating Profit	19430	20268	15767	39698	32293	72571
Income Taxes	8216	6671	3107	14887	4202	13023
Other Provisions	-2061	-998	1329	-3059	5090	9376
Net Profit	13275	14595	11331	27870	23001	50172

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Other Information

Segment Assets	3 Months ended			Half Year Ended		Year ended
	30-Sep-12	30-Jun-12	30-Sep-11	30-Sep-12	30-Sep-11	31-Mar-12
	Reviewed			Reviewed		Audited
1. Treasury Operations	24364	1085197	866975	24364	866975	1056143
2. Corporate/Wholesale Banking Operations	981516	952886	924914	981516	924914	1008102
3. Retail Banking Operations	1557872	1479131	1096706	1557872	1096706	1386817
4. Other Banking Operations	0	0	0	0	0	0
5. Unallocated Assets	1466014	316623	285927	1466014	285927	312427
Total	4029766	3833837	3174522	4029766	3174522	3763489
Segment Liabilities						
1. Treasury Operations	220620	1073516	902557	220620	902557	1078263
2. Corporate/Wholesale Banking Operations	860308	857879	806955	860308	806955	899022
3. Retail Banking Operations	1365333	1331870	956837	1365333	956837	1236760
4. Other Banking Operations	0	0	0	0	0	0
5. Unallocated Liabilities	1284812	285154	249461	1284812	249461	278622
Capital Employed	298693	285418	258712	298693	258712	270822
Total Liabilities	4029766	3833837	3174522	4029766	3174522	3763489

GEOGRAPHIC SEGMENTS: The Bank operates only in Domestic segment.

Notes:

- 1) The above financial results for the period ended September 30, 2012 reviewed by the Audit Committee of the Board have been approved by the Board of Directors at their meeting held on October 31, 2012 and subjected to limited review by the Statutory Central Auditor.
- 2) There has been no change in the accounting policies followed during the quarter ended September 30, 2012 as compared to those followed in the preceding financial year ended 31st March 2012.
- 3) The financial results for the quarter ended 30th September 2012 have been arrived after considering provision for non performing assets, depreciation on investments and fixed assets on actual basis. Provision for employees benefits, income tax and other contingencies are on an estimated and proportionate basis and are subject to adjustment at the year end.
- 4) In terms of the Reserve Bank of India circular DBOD.No.BP.BC.80/21.4.018/2010-11 dated 9th February 2011 on amortization of expenses towards pension and gratuity liabilities, a proportionate sum of Rs.4.23 crore has been provided for the quarter ended 30th September 2012 out of Rs16.92 crore to be provided for the financial year ending 31st March 2013.



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5) Details of Investor Complaints for the quarter ended 30th September 2012

i) Pending at the beginning of the quarter	0	ii) Received during the quarter	35
iii) Redressed during the quarter	35	iv) Pending at end of the quarter	0

6) Provision Coverage Ratio is 75.16% as on 30.09.2012

7) Figures of the corresponding period have been re-classified/regrouped wherever considered necessary.

Place : Karur

Date : 31.10.2012

For and on behalf of Board of Directors

K. Venkataraman
Managing Director & C.E.O

"As per our report of even date"

For R K Kumar & Co.,

Chartered Accountants

Firm Registration No.001595S

C.R. Sundararajan

Partner

Membership No.025400



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**Limited Review Report**

**The Board of Directors
The Karur Vysya Bank Ltd
Karur**

We have reviewed the accompanying statement of unaudited financial results of The Karur Vysya Bank Limited for the Period ended 30.9.2012, except for disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The preparation and fair presentation of this statement is the responsibility of the Bank's Management and has been approved by the Board of Directors. Our responsibility is to report on these financial statements based on our review.

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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In the conduct of our Review we have relied on the reports received from concurrent auditors of 158 branches. These reports cover 73.27 percent of the advances portfolio of the Bank. Apart from these reports, in the conduct of our review, we have also relied upon various returns received from the branches of the bank.





R.K.KUMAR & CO

CHARTERED ACCOUNTANTS

II FLOOR, CONGRESS BUILDING, 573, MOUNT ROAD, CHENNAI - 600 006.

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TEL. : 24349866, 24349867

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Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying interim statement of unaudited financial results prepared in accordance with applicable Accounting Standards issued by the Institute of Chartered Accountants of India 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 issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Date: 31st October, 2012

Place: Karur

**For R.K.Kumar & Co.
Chartered Accountants
Firm Regn.No.001595S**

**(C.R.Sundararajan)
Partner
Membership No.025400**

