



Secretarial Department

CIN: L65110TN1926PLC001377

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February 14, 2020

The General Manager Department of Corporate Services National Stock Exchange of India Exchange Plaza, C-1-Block G Bandra Kurla Complex, Bandra-E Mumbai - 400 051 Company Symbol: LAKSHVILAS	The General Manager Department of Corporate Services BSE Limited Listing Department Phiroze Jeejeeboy Tower Dalal Street, Fort Mumbai - 400 001 Scrip Code: 534690
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Dear Sir,

Sub: Press Release

In compliance of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the press release pertaining to our bank's Un-Audited Financial Results for the Quarter Ended 31.12.2019 is enclosed for your information and records.

Thanking you,

Yours faithfully,

For The Lakshmi Vilas Bank Limited


N Ramanathan
Company Secretary



Encl : A/a



LAKSHMI VILAS BANK

Corporate Office, "LVB HOUSE", No.4 Sardar Patel Road, Guindy, Chennai 600 032

(Regd. Office: Salem Road, Kathapara, Karur - 639 006)

14th February 2020

PRESS RELEASE

FINANCIAL RESULTS FOR THE QUARTER ENDED 31st DECEMBER 2019

Major Performance Highlights

- ✓ Total Business stood at ₹.41,100 crore.
- ✓ CASA stood at 25.88% of Total Deposit
- ✓ No additional slippage on net basis as against ₹.534 crore in Q2.
- ✓ Net NPA reduced to 9.81% from 10.47%.
- ✓ NII for the Q3 FY20 increased to ₹.125.91 crore from ₹.109.67 crore in Q2.
- ✓ Operating and Net loss reduced in Q3.

Lakshmi Vilas Bank (LVB), a south-based private sector Bank, has declared its results for the Quarter ended 31.12.2019.

Performance Highlights:

- ⊕ Total Business of the bank was ₹.41,100 Crore as of 31/12/2019, as against ₹.54,910 crore as on 31st December 2018.
- ⊕ CASA as a percentage to total deposits stood higher at 25.88% as on 31/12/2019 as against 22.85% as on 31.12.2018.
- ⊕ Gross Advances stood at ₹.17,535 crore as against ₹ 24,123 crore as on 31/12/2018, Y-O-Y decline of 27.31%.
- ⊕ Total Deposits declined from ₹.30,787 crore as on 31/12/2018 to ₹.23,565 crore as on 31/12/2019.
- ⊕ Net Interest Margin (NIM) of the bank improved and stood at 1.97% for the Q3 FY20 as against 1.47% in Q2 FY 20 and as against the NIM of 1.65 % of the Q3 of the previous year.
- ⊕ Operating loss of the bank reduced and stood at ₹.19.85 crore for the quarter ended 31/12/2019 as against Operating loss of ₹.40.37 crore for the quarter ended 30/09/2019 and the Operating Loss of ₹ 25.10 crore for the quarter ended 31/12/2018.





- ⊕ Cost to Income ratio for the Q3 FY20 reduced to 110.38% and for Q2 FY20 stood to 124.07 % (sequentially). The Cost to Income Ratio for the Q3 FY19 stood at 112.56 % (Y-o-Y).
- ⊕ Loss before tax provision reduced to ₹.334.48 for the quarter ended 31/12/2019 as against ₹.357.17 crore for the quarter ended 30/09/2019 and ₹.456.49 crore for the QE 31/12/2018 (Y-o-Y).

Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as per Basel III guidelines, was at 3.46% as at 31/12/2019, as against 5.56% as at 30/09/2019 and 7.57 % as at 31/12/2019.

NPA

The Gross NPA stood at 23.27 % as on 31/12/2019 as against 21.25 % as on 30/09/2019 sequentially. Net NPA stood lower at 9.81% as against 10.47 % as on 30/09/2019.

The provision coverage ratio improved to 68.70% (62.28% as on 30/09/2019 and 63.08 % as on 30/06/2019 and 55.93 % as on 31/12/2018).

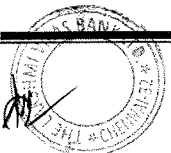
Other Developments:

Reserve bank of India, vide their letter dated September 27, 2019 has initiated Prompt Corrective Action for Lakshmi Vilas Bank Limited .The Prompt Corrective Action is aimed at improving the performance of the Bank and will not have any adverse impact on the normal day-to-day operations of the Bank including acceptance / repayment of deposits in the normal course. The Bank managed its liquidity well with the Liquidity Coverage Ratio of over 200%

Bank has bagged an award as “Best Performing Private Bank Award” for performance under “ Atal Pension Yojana” from Pension Fund Regulatory and Development Authority. The Pension Fund Regulatory and Development Authority (PFRDA), a statutory body, is the pension regulator of India which was established by Government of India and was authorized by Ministry of Finance, Department of Financial Services.

Our Bank has been featured among Top 10 Banks in India on digital transactions by National Payment Corporation of India and MEIT based on the increasing Debit and Digital transactions surpassing 100% Achievements on budgets set by NPCI & MEIT.

Bank has introduced LVB's first Exclusive Offer Platform: LVB JOY –“Just Offers for You “ for our customers of specific segment and this program will strengthen our bond with Existing clients and





featuring offers from over 40+ most popular Online and Offline Brands across major categories. The main objective of LVB JOY are

- On-boarding New customers to the Bank.
- Increase the LVB debit card adoption among these focused CASA segments and get a primary card status, thus increasing the Balances in these accounts.

Steps Taken by the Bank and future Plan:-

1. Bank had already in the process of shifting our lending focus from Corporate clients to MRC and Retail lending.
2. Bank had taken various measures including the centralization of the payment of expenses at Head office to monitor and rationalise the cost wherever feasible and taken simultaneous steps to boost other income. Bank has reduced staff strength and has rationalised the staff in administrative office and redeployed them in branches to market new customers and to engage in recovery measures. We expect that these measures will result in reduction in our Cost to Income Ratio.
3. The Bank raised CET-I capital of Rs.459.59 crores in March, 2019 through QIP route. It also raised another Rs.188.16 crores in CET I capital in July 2019 by a Preferential Allotment process. In the AGM held on 27th September, 2019, the Bank's shareholders have approved a resolution enabling the management to raise Rs.1000 crores of CET I capital and another Rs.500 crores of Debt capital, simultaneously increasing the authorised capital of the Bank from Rs.500 crores to Rs.650 crores. Bank is considering various options to improve the Capital.

Network

As on 31/12/2019, Bank has 571 branches, 5 Extension Counters, 1019 ATMs in 18 states and 1 union territory, the Bank offers various bouquets of products and services. The Bank is committed to build a sustainable business over the long term and upholding high standards of customer service - Life Smiles Where LVB Serves. Tamil Nadu continues to be the dominant contributor of business for the Bank.

The Board of Directors of The Lakshmi Vilas Bank Limited approved the financial results for the Quarter ended 31/12/2019 at their meeting held in Chennai on 14th February 2020.

(S.Sundar)
MD & CEO

