LAKSHMI VILAS BANK

Secretarial Department CIN: L65110TN1926PLC001377

Ref/Sec/205 & 266/119/2017-2018 July 25, 2017

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

Dear Sir,

Sub: Unaudited Financial Results for the Quarter Ended 30.06.2017.

[In compliance of Regulation 30 (6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

****

Please find enclosed the Un-Audited Financial Results and Limited Review Report of the Bank for the First Quarter ended 30th June, 2017 approved by the Board on 25.07.2017.

The meeting of Board of Directors of the Bank commenced at 12.00 Noon and concluded at 3.15 PM.

This is for your information and records.

Thanking You,

Yours faithfully,

THE LAKSHMI VILAS BANK LTD Secretarial Department Corp. Office, Chennai

N Ramanathan
Company Secretary

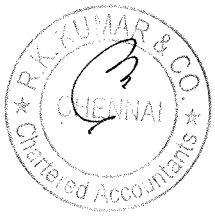
Encl: A/a

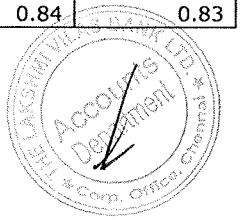
LAKSHMI VILAS BANK

Corporate Office, "LVB HOUSE", No.4 Sardar Patel Road, Guindy, Chennai 600 032
(Regd. Office: Salem Road, Kathaparai, Karur - 639 006)
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

(₹ in lakhs)

PARTICULARS	QUARTER-ENDED			YEAR ENDED
	30-Jun-17 (Reviewed)	31-Mar-17 (Audited)	30-Jun-16 (Reviewed)	31-Mar-17 (Audited)
1. INTEREST EARNED (a+b+c+d)	76995.60	73355.95	68566.41	284665.75
(a) Interest/discount on advances/bills	61284.18	55374.65	55847.23	223971.04
(b) Income on investments	15166.39	16270.52	12574.26	57759.37
(c) Interest on balances with RBI & Other inter- bank funds	507.38	143.61	102.12	1228.33
(d) Others	37.65	1567.17	42.80	1707.01
2. Other Income	15729.70	13143.51	8921.11	50276.78
3. Total Income (1+2)	92725.30	86499.46	77487.52	334942.53
4. Interest expended	55222.85	50575.02	50810.64	206400.36
5. Operating Expenses (I) + (ii)	17589.93	18089.24	14092.76	65136.59
(I) Employees cost	8588.33	8540.21	7639.35	33470.89
(ii) Other operating expenses	9001.60	9549.03	6453.41	31665.70
6. Total Expenditure (excluding provisions and contingencies (4) + (5)	72812.78	68664.26	64903.40	271536.95
7. Operating Profit before provisions and contingencies (3) - (6)	19912.52	17835.20	12584.12	63405.58
8. Provisions (other than Tax) and Contingencies	11200.71	10819.08	3515.62	25398.37
9. Exceptional Items	0.00	0.00	0.00	0.00
10.Profit/Loss from ordinary activities before tax (7)-(8)-(9)	8711.81	7016.12	9068.50	38007.21
11. Tax expense	2100.00	1800.00	3000.00	12400.00
12. Net Profit/Loss from Ordinary activities after tax (10) - (11)	6611.81	5216.12	6068.50	25607.21
13. Extra Ordinary items (Net of Tax Expense)	0.00	0.00	0.00	0.00
14. Net Profit/Loss for the period (12-13)	6611.81	5216.12	6068.50	25607.21
15. Paid up equity share capital (Face Value ₹10/-)	19180.67	19144.67	17946.16	19144.67
16. Reserves excluding revaluation reserves as per balance sheet of previous accounting year	177540.18	177540.18	141240.02	177540.18
17. Analytical Ratios				
I) Percentage of shares held by Govt. of India	NIL	NIL	NIL	NIL
ii) Capital Adequacy Ratio (%)				
(a) Basel - II	11.78	10.48	10.76	10.48
(b) Basel - III	11.67	10.38	10.52	10.38
iii) Earnings Per Share (EPS)(*Not Annualised)				
(a) Basic EPS - before/after extraordinary items (Not annualised) (₹)	3.45	2.74	3.38	14.07
(b) Diluted EPS - before/after extraordinary items (Not annualised) (₹)	3.42	2.71	3.37	13.95
iv) NPA RATIOS				
(a) Gross NPA	87815.78	64019.43	43190.57	64019.43
Net NPA	65363.93	41841.59	26021.28	41841.59
(b) % of Gross NPA	3.78	2.67	2.14	2.67
% of Net NPA	2.84	1.76	1.30	1.76
(c) Return on Assets (%) (Annualised)	0.74	0.63	0.84	0.83





LAKSHMI VILAS BANK

Corporate Office, "LVB HOUSE", No.4 Sardar Patel Road, Guindy, Chennai 600 032
(Regd. Office: Salem Road, Kathaparai, Karur - 639 006)

NOTES:

1	There has been no change in the accounting policies followed by the bank during the quarter ended June 2017 as compared to those in the preceding financial year ended March 2017.
2	The working results for the quarter ended 30th June 2017 have been arrived at after considering provision for Non Performing Assets and depreciation on Investments. Provision for Employee Benefits, Income Tax and Other usual and necessary provisions are on an estimated and proportionate basis and are subject to adjustment at the year end.
3	During the quarter ended 30th June 2017, the Bank had allotted 3,60,000 shares pursuant to the exercise of employees' stock option.
4	In terms of RBI guidelines, the bank had opted to spread the net shortfall on account of sale of assets to Reconstruction Companies over a period of eight/four quarters and consequently Rs.15.01 crore has been charged to the Profit & Loss account for the quarter ended 30th June, 2017 by corresponding reversal of the proportionate debit made earlier to Revenue and Other Reserves. The unamortised amount of Rs.16.26 crore will be amortised in the subsequent quarters.
5	In terms of RBI guidelines, the bank has opted to spread the provision required for the outstanding balances in advance related fraud accounts over a period of four quarters and consequently Rs.7.00 crore has been charged to the profit & loss account for the quarter ended 30th June 2017. Reversal of the proportionate debit made in the earlier quarter to Revenue and Other Reserves aggregates to Rs.8.63 crore. The unamortised amount of Rs.11.22 crore will be amortised in the subsequent quarters.
6	The figures for the quarter ended 31st March 2017 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2017 and unaudited published year to date figures up to December 31, 2016 being the date of the end of the third quarter of the financial year which were subjected to Limited Review.
7	Pursuant to RBI Cir.FMRD.DIRD.10/14.03.002/2015-16 dated 19.05.2016, as amended, the Bank has w.e.f 03.10.2016 considered its repo/reverse repo transactions under Liquidity Adjustment Facility (LAF)/ Marginal Standing Facility (MSF) of RBI as borrowings/lendings, as the case may be. Hitherto, the repo/reverse repo transactions were included under investments. The above regrouping has no impact on profit of the bank for the quarter ended 30/06/2017 or the previous periods.
8	In accordance with RBI Circular no. DBOD.BP.BC.1/21.06.201/2015-16 dt:01.07.2015 and DBR.BP.BC.80/21.06.201/ 2014-15 dt:31.03.2015, Bank has made Pillar 3 disclosures including leverage ratios and liquidity coverage ratios under Basel III framework on its website at http://www.lvbank.com/basel_ii.aspx and the disclosures have not been subjected to audit or limited review by the statutory auditors of the bank.
9	The provision coverage ratio as at 30th June 2017 stands at 51.32%.
10	Status of Investor Complaints for the quarter ended 30th June 2017:
	-Complaints pending at the beginning of the Quarter : Nil
	-Complaints received during the Quarter : Nil
	-Complaints disposed during the Quarter: Nil
	-Complaints unresolved at the end of the Quarter: Nil
11	The above financial results have been reviewed by the Audit Committee of the Board in their meeting held on 25th July 2017 and approved by the Board of Directors in their meeting held on 25th July 2017. The same have been subjected to Limited Review by the Statutory Auditors of the Bank and an unqualified review report has been issued.
12	The figures of the previous periods/year have been regrouped/reclassified, wherever necessary to conform to current period/ year classification.

Place: Chennai
Date: 25-07-2017

P. Mukherjee
MD & CEO

R.K. KUMAR & Co. CHENNAI Chartered Accountants

THE LAKSHMI VILAS BANK LTD. Accounts Department Corp. Office, Chennai

SEGMENT REPORTING - JUNE 2017

(Rs. in lakhs)

PART A: BUSINESS SEGMENTS	QUARTER ENDED			YEAR ENDED
PARTICULARS	30-Jun-17	31-Mar-17	30-Jun-16	31-Mar-17
1. SEGMENT REVENUE	(Reviewed)	(Audited)	(Reviewed)	(Audited)
a. Treasury operations	26107.72	22686.96	15751.77	86631.42
b. Corporate/wholesale banking operations	25253.67	23474.28	23397.00	93322.04
c. Retail banking operations	41203.36	38300.14	38174.04	152262.28
d. Other banking operations	160.55	2038.08	164.71	2726.79
TOTAL	**92725.30**	**86499.46**	**77487.52**	**334942.53**
2. SEGMENT RESULTS				
a. Treasury operations	12015.12	9392.99	3450.68	31042.48
b. Corporate/wholesale Banking operations	3385.70	2840.64	3823.65	12903.61
c. Retail banking operations	4437.03	3648.89	5221.47	17067.40
d. Other banking operations	74.67	1952.68	88.32	2392.08
TOTAL	**19912.52**	**17835.20**	**12584.12**	**63405.58**
OPERATING PROFIT	**19912.52**	**17835.20**	**12584.12**	**63405.58**
PROVISIONS OTHER THAN TAX	11200.71	10819.08	3515.62	25398.37
PROFIT BEFORE TAX	**8711.81**	**7016.12**	**9068.50**	**38007.21**
Less : Tax expenses	2100.00	1800.00	3000.00	12400.00
NET PROFIT	**6611.81**	**5216.12**	**6068.50**	**25607.21**
CAPITAL EMPLOYED				
a. Treasury operations	24537.95	10331.12	54600.87	10331.12
b. Corporate/wholesale banking operations	33642.49	31547.64	20415.01	31547.64
c. Retail banking operations	109088.21	117979.67	53010.77	117979.67
d. Unallocated	55598.72	53775.74	54401.26	53775.73
	222867.37	**213634.17**	**182427.91**	**213634.16**

PART B: GEOGRAPHICAL SEGMENTS

Since the Bank is having domestic operation only, no reporting is necessary under this segment.

R.K. KUMAR & CO. CHENNAI Chartered Accountants

THE LAKSHMI VILAS BANK LTD. Accounts Department Corp. Office, Chennai

R.K. KUMAR & CO

CHARTERED ACCOUNTANTS

SECOND FLOOR, CONGRESS BUILDING, 573, MOUNT ROAD, CHENNAI – 600 006.

E-mail : rkkco@dataone.in FAX : 91-44-24349857

TEL. : 24349866, 24349867

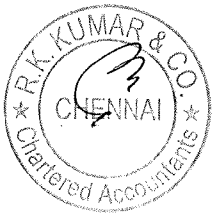
Independent Auditor's Review Report on Review of Interim Financial Results

To The Board of Directors of The Lakshmi Vilas Bank Ltd

1. We have reviewed the accompanying statement of Unaudited Financial Results of **The Lakshmi Vilas Bank Limited** ("The Bank") for the Quarter ended 30th June 2017 ("the Statement"), excluding the Pilar 3 disclosures, leverage ratio and liquidity coverage ratio under Basel III Capital Regulations disclosed on the Bank's website and in respect of which a link has been provided in the Statement, being prepared and submitted by the Bank pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The preparation and fair presentation of the Statement is the responsibility of the Bank's Management and has been approved by the Board of Directors. It has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder in so far as they apply to Banking Companies, circulars and guidelines issued by the Reserve Bank of India from time to time and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

2. We conducted our review of the Statement 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Bank's Personnel and analytical procedures applied to financial data and thus provides less assurance than an Audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. In the conduct of our Review we have relied on the reports in respect of non-performing assets received from concurrent auditors of 106 branches. These reports cover 76.83 per cent 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

SECOND FLOOR, CONGRESS BUILDING, 573, MOUNT ROAD, CHENNAI – 600 006.

E-mail : rkkco@dataone.in FAX : 91-44-24349857

TEL. : 24349866, 24349867

4. *Without qualifying our report, we draw attention to:*

   (i) Note No.4 of the unaudited financial statements regarding deferment of loss to the extent of Rs.16.26 Crore on sale of advances to Asset Reconstruction Companies and

   (ii) Note No.5 of the unaudited financial statements regarding deferment of loss to the extent of Rs.11.22 Crore in respect frauds.

5. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Accounting Standards along with the other accounting principles generally accepted in India in so far as they apply to the Banking companies and guidelines issued by Reserve Bank of India from time to time, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or 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.

Place: Chennai

Date: 25th July, 2017

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

R.K. KUMAR & CO. CHENNAI Chartered Accountants

(G.Naganathan)
Partner
Membership No.022456