



LAKSHMI VILAS BANK

Secretarial Department

CIN: L65110TN1926PLC001377

Ref/Sec/205 & 266/57/2020-2021

July 30, 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 with applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the press release pertaining to our bank's Un-Audited Financial Results for the First Quarter ended 30th June 2020 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)

30th July 2020

PRESS RELEASE

FINANCIAL RESULTS FOR THE QUARTER ENDED 30th June 2020

Major Performance Highlights

- ✓ Bank recorded operating profit of ₹ 0.09 crore during the QE June 20 as against the Operating Loss of ₹ 25.55 crore during the QE June 19 .
- ✓ Bank recorded the Net Loss of ₹ 112.28 crore during the QE June 20 as against the Net Loss of ₹ 237.25 crore during the QE June 2019 .
- ✓ Total Business mix stood at ₹ 37,471. crore
- ✓ CASA increased to 28.44 % of Total Deposit as on 30.6.2020 as against 27.12 % as on 30.6.2019 and 26.64 % of Total Deposit as on 31.3.2020
- ✓ Bulk Term Deposit was around 4.6 % of Total Deposits.
- ✓ Liquidity Coverage Ratio 303 % Continuously around 300%
- ✓ Net NPA 9.64 % reduced from 10.04 % as on 31.03.2020 .

1. Capital raise

Despite logistical challenges arising due to COVID-19 situation, we have made significant progress with Clix group for the proposed amalgamation of Clix Capital Service Pvt Ltd and Clix Finance India Pvt Ltd into the bank. However, there may be slight delay in the mutual due diligence and preparation of documents for regulatory requirements due to Covid situation and travel restrictions. Hence, both the parties mutually agreed to extend the exclusivity period till 15th September 2020 .

Bank will continue to share information on the developments for funds raising in public domain as and when they materialise.

2. Launching of new digital offering

To improve overall productivity and simultaneously reduce turn-around-time, the bank has decided to launch a bouquet of digital services. Our Digital offering will enable customers to access services from anywhere, anytime and through any device. It will encompass entire customer-journey digitally - from on-boarding of customers, lending online until collection and closure of a loan account.

Bank is planning to start with digital on-boarding of customers through a multi-channel facility including self-service Mobile Application, self-service portals; or assisted on boarding. With this offering bank will on-board customers by validating their PAN and Aadhaar online and make Video KYC facility available. This facility is expected to reduce customer on boarding turn-around time .





Bank will gradually move to digital lending, especially "gold loan" that has low risk weightage. Our digital "express gold loan" product will enable a borrower to avail credit faster and will be integrated with the collection or recovery process. Upon launch of full-service customers would be reminded in advance to pay their due and entire follow-up will be automated

3. **Profitability:** The Bank continues to enforce cost reduction measures both of direct and indirect costs. Further the Bank focusses on capital free loans like Gold Loans, Govt Guaranteed loans to optimise profitability without straining capital funds

Performance Highlights:

Lakshmi Vilas Bank (LVB), a south-based private sector Bank, has declared its results for the First Quarter ended 30th June 2020.

- ⊕ Total Business of the Bank was ₹ 37,471 crore as of 30/06/2020 as against ₹ 49,536 crore as on 30th June 2019.
- ⊕ CASA as a percentage to total deposits stood higher at 28.44 % as on 30/6/2020 as against 27.12 % as on 30.6.2019.
- ⊕ Gross Advances stood at ₹ 16,310 Crore as of 30/06/2020 as against ₹ 20,556 crore as on 30.6.2019. The decline is mainly due to hiving-off some low yielding bulk advances and conservative approach of selective security based low risk fresh lending..
- ⊕ The Bulk Deposits were reduced by around ₹ 1376 crore to ₹ 974 crore from the level of ₹ 2350 crore as on 30.6.2019.
- ⊕ Operating profit of the Bank stood at ₹ 0.09 crore for the quarter ended 30.6.2020 as against the operating loss of ₹ 25.55 crore for the quarter ended 30.6.2019 and Operating Profit of ₹ 70.32 crore for the quarter ended 31/3/2020.
- ⊕ Cost to Income ratio for the QE June 2020 stood at 99.95 % as against the same in QE June 2019 stood to 114.45%.
- ⊕ Loss before tax provision was at ₹ 112.28 crore, for the quarter ended 30/6/2020 as against the Loss of ₹ 237.25 crore for the quarter ended 30/6/2019 and ₹ 233.15 crore, for the quarter ended 31/3/2020
- ⊕ Net Loss after Tax is ₹ 112.28 Crore for the quarter ended 30th June 20 as against Net loss of ₹ 237.25 crore in the previous year same quarter ended June 2019. Net Profit after Tax is ₹ 92.86 Crore for the quarter ended March 2020.
- ⊕ Net Interest Margin (NIM) of the bank stood at 1.58 % for the QE ended 30TH June 2020 as against 1.65 % for the QE ended 30TH June 2019 and 1.11 % for the QE ended 31st March 2020.

Capital Adequacy:





LAKSHMI VILAS BANK

The Bank's total Capital Adequacy Ratio (CAR) as per Basel III guidelines, was at 0.17 % as at 30th June 2020 as against 1.12 % as at 31/3/2020.

NPA

The Gross NPA stood 25.40 % as on 30/6/2020 as against 17.30 % as on 30-June 2019. The Gross NPA stood at 25.39 % as on 31/03/2020

Net NPA stood at 9.64 %, as on 30/6/2020 as against the Net NPA of 8.30 %, as on 30-June 2019. Net NPA of 10.04 %, as on 31-March 2020.

The provision coverage ratio vastly improved to 72.58. % (63.08 % as on 30-June 2019. PCR is higher than the minimum of 70% prescribed under PCA.

ATMs : All the ATMs of the Bank are migrated to Opex model with state of the art technology and highest uptime to serve customers of our as well as all banks

Network

As on 30/6 /2020, Bank has extensive bouquet of digital products of 566 branches, 5 Extension Counters, 918 ATMs in 19 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 unaudited financial results for the Quarter ended 30/6/2020 at their meeting held in Chennai on 30th July 2020.


(S.Sundar)
MD & CEO

