LAKSHMI VILAS BANK

Secretarial Department

Ref/Sec/205 & 266/217/2013-2014 February 14, 2014

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	**The General Manager** Department of Corporate Services **BSE Limited** Listing Department Phiroze Jeejeeboy Tower Dalal Street, Fort Mumbai - 400 001

Dear Sir,

Sub: Forwarding of Un-Audited Financial Results for QE 31.12.2013

Please find enclosed the Un-Audited Financial Results and Limited Review Report of the Bank for the Third Quarter ended 31st December 2013, approved by the Board on 14.02.2014 for your records.

Thanking you,

Yours faithfully,

N. Ramanathan
Company Secretary

SECRETARIAL DEPARTMENT LVB A.O KARUR-6

Encl: A/a

LAKSHMI VILAS BANK

REGD. & ADMN. OFFICE, SALEM ROAD, KARUR 639 006

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/NINE MONTHS ENDED DECEMBER 31, 2013

(₹ in lakhs)

PARTICULARS	QUARTER-ENDED			NINE MONTHS ENDED		YEAR ENDED
	31-Dec-13 (Reviewed)	30-Sep-13 (Reviewed)	31-Dec-12 (Reviewed)	31-Dec-13 (Reviewed)	31-Dec-12 (Reviewed)	31-Mar-13 (Audited)
1. INTEREST EARNED (a+b+c+d)	50650.27	48567.18	45121.82	147009.91	130011.71	176054.81
(a) Interest/discount on advances/bills	40763.32	38793.16	35554.82	118104.37	103265.28	139345.44
(b) Income on investments	9647.42	9428.87	8518.42	28054.26	25620.45	34078.20
(c) Interest on balances with RBI & Other inter- bank funds	19.01	13.87	8.20	264.28	45.95	78.48
(d) Others	220.52	331.28	1040.38	587.00	1080.03	2552.69
2. Other Income	5074.94	5109.60	4732.34	15637.55	13668.66	19706.63
3. Total Income (1+2)	55725.21	53676.78	49854.16	162647.46	143680.37	195761.44
4. Interest expended	38118.00	36666.58	34408.91	110941.53	102303.75	136854.98
5. Operating Expenses (I) + (ii)	10097.75	9861.31	8381.11	28622.74	24196.09	33791.77
(I) Employees cost	4925.94	4516.20	3608.76	13630.67	11261.98	15761.95
(ii) Other operating expenses	5171.81	5345.11	4772.35	14992.07	12934.11	18029.82
6. Total Expenditure (excluding provisions and contingencies (4) + (5)	48215.75	46527.89	42790.02	139564.27	126499.84	170646.74
7. Operating Profit before provisions and contingencies (3) - (6)	7509.46	7148.88	7064.14	23083.19	17180.53	25114.70
8. Provisions (other than Tax) and Contingencies	6766.88	7463.54	2033.17	19220.68	6733.08	11337.25
9. Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
10.Profit/Loss from ordinary activities before tax (7)-(8)-(9)	742.58	-314.66	5030.97	3862.51	10447.45	13777.45
11. Tax expense	0.00	-900.00	1900.00	0.00	3000.00	4620.00
12. Net Profit/Loss from Ordinary activities after tax (10) - (11)	742.58	585.34	3130.97	3862.51	7447.45	9157.45
13. Extra Ordinary items (Net of Tax Expense)	0.00	0.00	0.00	0.00	0.00	0.00
14. Net Profit/Loss for the period (12+13)	742.58	585.34	3130.97	3862.51	7447.45	9157.45
15. Paid up equity share capital (Face Value ₹10/-)	9756.07	9756.07	9754.07	9756.07	9754.07	9754.07
16. Reserves excluding revaluation reserves as per balance sheet of previous accounting year	83901.43	83901.43	78161.65	83901.43	78161.65	83901.43
17. Analytical Ratios						
I) Percentage of shares held by Govt. of India	NIL	NIL	NIL	NIL	NIL	NIL
ii) Capital Adequacy Ratio (%)						
(a) Basel - II	10.69	11.29	12.20	10.69	12.20	12.32
(b) Basel - III	10.46	10.98	NA	10.46	NA	NA
iii) Earnings Per Share (EPS)(*Not Annualised)						
(a) Basic EPS - before/after extra ordinary items (Not annualised) (₹)	0.76	0.60	3.21	3.96	7.64	9.39
(b) Diluted EPS - before/after extra ordinary items (Not annualised) (₹)	0.76	0.60	3.21	3.97	7.64	9.39
iv) NPA RATIOS						
(a) Gross NPA	72220.87	64412.99	48702.15	72220.87	48702.15	45990.78
Net NPA	55022.76	45735.84	32248.67	55022.76	32248.67	28380.90
(b) % of Gross NPA	5.60	5.22	4.41	5.60	4.41	3.87
% of NET NPA	4.33	3.77	2.97	4.33	2.97	2.43
(c) Return on Assets (%) (Annualised)	0.16	0.13	0.74	0.28	0.60	0.54
18. Public Shareholding						
- No. of Shares (in lakhs)	879.86	878.77	875.27	879.86	875.27	878.57
- Percentage of shareholding	90.19	90.07	89.73	90.19	89.73	90.07
19. Promoters and promoter group shareholding						
(a) Pledged /Encumbered						
- Number of Shares	4075609	3028509	3721628	4075609	3721628	2978628
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	42.57	31.28	37.17	42.57	37.17	30.76
- percentage of shares (as a % of the total share capital of the company)	4.18	3.10	3.82	4.18	3.82	3.05
(b) Non-encumbered						
- Number of shares	5498625	6654916	6291997	5498625	6291997	6704797
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	57.43	68.72	62.83	57.43	62.83	69.24
- percentage of share (as a % of the total share capital of the company)	5.63	6.82	6.45	5.63	6.45	6.87

SAGAR & ASSOCIATES ★ HYDERABAD ★ CHARTERED ACCOUNTANTS

THE LAKSHMI VILAS BANK LTD. ACCOUNTS DEPT. ★ KARUR -6. ★

LAKSHMI VILAS BANK

REGD. & ADMN.OFFICE, SALEM ROAD, KARUR 639 006

NOTES:

1	The working results for the quarter ended 31st December 2013 have been arrived at after considering provision for Non Performing Assets and Depreciation on Investments. Provision for Employees Benefit, Income Tax and Other usual and necessary provisions are on an estimated and proportionate basis and are subject to adjustment at the year end.
2	In accordance with RBI Circular no. DBOD.BP.BC.80/21.04.018/10-11 dt:09.02.2011 a) a sum of ₹3.89 crores has been charged to profit & loss account during the quarter on proportionate basis towards pension liability. The balance amount of ₹19.45 crores is carried forward to be charged to Profit & Loss Account in future periods. b) a sum of ₹0.77 crores has been charged to profit & loss account during the period on proportionate basis towards gratuity liability. The balance amount of ₹3.83 crores is carried forward to be charged to Profit & Loss Account in future periods.
3	RBI vide its circular No.DBOD.BP.BC.No.41/21.04.141/2013-14 dated 23.08.2013 has allowed banks to distribute the net depreciation on the entire AFS and HFT portfolio on the valuation date over the current financial year in equal instalments. Accordingly, out of the net depreciation of Rs.25.64 crore as at 31.12.2013, bank has recognised Rs.12.82 crore in the current quarter.
4	In respect of certain non-performing advances, bank has obtained dispensation from Reserve Bank of India vide RBI letter DBS.CO.PvtSBMD.No.2116/15.01.067/2013-14 dated 08.08.2013 and accordingly the bank has provided Rs.70.80 crore up to Dec 2013 in respect of such advances and the balance provision of Rs.26.45 crore will be made as permitted by RBI during the last quarter in the financial year ending March 2014.
5	As permitted by RBI vide circular DBOD.No.BP.95/21.04.048/2013-14 dated 07.02.2014, the bank has utilised to the extent of Rs.14.49 Crores from countercyclical provisions held, for making specific provisions for non-performing assets during the quarter.
6	In accordance with RBI Circular no. DBOD.BP.BC.88/21.06.201/2013-14 dt:28.03.2013, banks have been advised to disclose capital adequacy ratio computed under Basel III regulations from the quarter ended 30.06.2013. Accordingly, corresponding details for the previous years/periods are not furnished.
7	In accordance with RBI Circular no. DBOD.BP.BC.2/21.06.201/2013-14 dt:01.07.2013, banks are required to make half yearly Pillar 3 disclosures under Basel III capital requirements w.e.f.30.09.2013. Bank has made these disclosures available on its website.
8	The above financial results were recommended by the Audit Committee and approved by the Board of Directors of the Bank at their meeting held on 14th Feb, 2014.
9	The figures of the previous period/year have been regrouped/rearranged, wherever necessary.
10	Status of Investor Complaints for the quarter ended 31st December 2013
	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

Place: Karur
Date: 14/02/2014

SAGAR & ASSOCIATES HYDERABAD CHARTERED ACCOUNTANTS

THE LAKSHMI VILAS BANK LTD. ACCOUNTS DEPT. KARUR -6.

K.S.R.ANJANEYULU
MD & CEO

SEGMENT REPORTING - DECEMBER 2013

(₹ IN CRORE)

PART A: BUSINESS SEGMENTS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
PARTICULARS	31/12/2013	30/09/2013	31/12/2012	31/12/2013	31/12/2012	31/03/2013
1. ***SEGMENT REVENUE*** :	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
a. Treasury operations	98.28	95.45	92.77	299.03	272.21	366.35
b. Corporate/wholesale banking operations	177.40	174.94	179.62	532.85	503.88	690.08
c. Retail banking operations	278.69	262.50	215.04	787.17	648.41	873.04
d. Other banking operations	2.89	3.89	11.11	7.43	12.30	28.14
TOTAL	**557.25**	**536.77**	**498.54**	**1626.47**	**1436.80**	**1957.61**
2. ***SEGMENT RESULTS*** (Profit/loss before Tax)						
a. Treasury operations	-9.64	-5.77	5.63	-1.54	16.68	20.39
b. Corporate/wholesale Banking operations	5.46	-3.97	16.51	6.48	34.16	38.82
c. Retail banking operations	10.18	4.05	18.18	29.68	42.95	53.42
d. Other banking operations	1.43	2.56	9.99	4.01	10.68	25.14
TOTAL	**7.43**	**-3.15**	**50.31**	**38.63**	**104.47**	**137.77**
PROFIT BEFORE TAX	**7.43**	**-3.15**	**50.31**	**38.63**	**104.47**	**137.77**
Less : Tax expenses	0.00	-9.00	19.00	0.00	30.00	46.20
NET PROFIT	**7.43**	**5.85**	**31.31**	**38.63**	**74.47**	**91.57**
3. SEGMENT ASSETS :						
a. Treasury operations	5064.11	4928.08	4554.64	5064.11	4554.64	4414.14
b. Corporate/wholesale banking operations	5012.58	4819.11	4934.74	5012.58	4934.74	5512.07
c. Retail banking operations	8213.65	7858.29	6450.19	8213.65	6450.19	6709.21
d. Other banking operations	1243.47	1129.51	1010.18	1243.47	1010.18	1031.26
TOTAL	**19533.81**	**18734.99**	**16949.75**	**19533.81**	**16949.75**	**17666.68**
4. SEGMENT LIABILITIES:						
a. Treasury operations	20.35	18.05	25.12	20.35	25.12	20.35
b. Corporate/wholesale banking operations	4819.18	4006.04	2847.48	4819.18	2847.48	3570.94
c. Retail banking operations	13177.22	13216.18	12649.90	13177.22	12649.90	12630.17
d. Other banking operations	463.85	448.93	394.34	463.85	394.34	430.88
TOTAL	**18480.60**	**17689.20**	**15916.84**	**18480.60**	**15916.84**	**16652.34**
CAPITAL AND RESERVES	1053.21	1045.79	1032.91	1053.21	1032.91	1014.34
TOTAL	**19533.81**	**18734.99**	**16949.75**	**19533.81**	**16949.75**	**17666.68**

PART B: GEOGRAPHICAL SEGMENTS

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

Previous period's figures have been regrouped, wherever necessary to conform to the current period's classification.

SAGAR & ASSOCIATES ★ HYDERABAD ★ CHARTERED ACCOUNTANTS

THE LAKSHMI VILAS BANK LTD. ACCOUNTS DEPT. KARUR -6.