LAKSHMI VILAS BANK

Secretarial Department CIN No. L65110TN1926PLC001377

Ref/Sec/205 & 266/131 /2015-2016 October 15, 2015

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 30.09.2015.

Please find enclosed the Un-Audited Financial Results and Limited Review Report of the Bank for the Second Quarter ended 30th September 2015, approved by the Board on 15.10.2015 for your records.

Thanking you,

Yours faithfully,

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/HALF YEAR ENDED 30TH SEPTEMBER, 2015

(₹ in lakhs)

PARTICULARS	QUARTER-ENDED			HALF YEAR ENDED		YEAR ENDED
	30-Sep-15 (Reviewed)	30-Jun-15 (Reviewed)	30-Sep-14 (Reviewed)	30-Sep-15 (Reviewed)	30-Sep-14 (Reviewed)	31-Mar-15 (Audited)
1. INTEREST EARNED (a+b+c+d)	63416.14	61408.75	55119.31	124824.89	108158.63	221453.09
(a) Interest/discount on advances/bills	50119.54	48555.42	42113.35	98674.96	82747.06	170889.66
(b) Income on investments	13153.01	12612.91	12023.06	25765.92	23646.20	47643.09
(c) Interest on balances with RBI & Other inter- bank funds	62.12	154.93	223.87	217.05	383.64	823.81
(d) Others	81.47	85.49	759.03	166.96	1381.73	2096.53
2. Other Income	6371.91	7896.99	6267.90	14268.91	11764.59	28403.36
3. Total Income (1+2)	69788.05	69305.74	61387.21	139093.80	119923.22	249856.45
4. Interest expended	47385.98	46885.26	41711.40	94271.25	83131.15	168787.67
5. Operating Expenses (i) + (ii)	12860.85	11463.58	10635.82	24324.43	20775.83	44497.03
(i) Employees cost	6148.75	5853.92	5203.27	12002.66	10568.38	23035.01
(ii) Other operating expenses	6712.10	5609.66	5432.55	12321.77	10207.45	21462.02
6. Total Expenditure (excluding provisions and contingencies (4) + (5)	60246.83	58348.84	52347.22	118595.68	103906.98	213284.70
7. Operating Profit before provisions and contingencies (3) - (6)	9541.22	10956.90	9039.99	20498.12	16016.24	36571.75
8. Provisions (other than Tax) and Contingencies	3557.75	6031.31	5089.64	9589.06	8350.35	18823.16
9. Exceptional Items	0.00	0.00	0.00	0.00	0.00	(1072.00)
10.Profit/Loss from ordinary activities before tax (7)-(8)-(9)	5983.47	4925.59	3950.35	10909.06	7665.89	18820.59
11. Tax expense	1500.00	900.00	800.00	2400.00	1700.00	5592.00
12. Net Profit/Loss from Ordinary activities after tax (10) - (11)	4483.47	4025.59	3150.35	8509.06	5965.89	13228.59
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)	4483.47	4025.59	3150.35	8509.06	5965.89	13228.59
15. Paid up equity share capital (Face Value ₹10/-)	17946.16	17927.16	17882.16	17946.16	17882.16	17916.66
16. Reserves excluding revaluation reserves as per balance sheet of previous accounting year	129851.93	129851.93	87961.05	129851.93	87961.05	129851.93
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	11.29	10.86	13.40	11.29	13.40	11.57
(b) Basel - III	10.26	10.28	13.20	10.26	13.20	11.34
iii) Earnings Per Share (EPS)(*Not Annualised)						
(a) Basic EPS - before/after extra ordinary items (Not annualised) (₹)	2.50	2.25	2.57	4.75	5.42	9.16
(b) Diluted EPS - before/after extra ordinary items (Not annualised) (₹)	2.50	2.24	2.56	4.75	5.40	9.15
iv) NPA RATIOS						
(a) Gross NPA	33180.00	45112.23	51097.55	33180.00	51097.55	45461.94
Net NPA	17561.90	28112.44	37548.52	17561.90	37548.52	30248.50
(b) % of Gross NPA	1.89	2.72	3.72	1.89	3.72	2.75
% of Net NPA	1.01	1.72	2.78	1.01	2.78	1.85
(c) Return on Assets (%) (Annualised)	0.71	0.65	0.59	0.68	0.56	0.61
18. Public Shareholding						
- No. of Shares (in lakhs)	1621.23	1621.60	1616.41	1621.23	1616.41	1620.56
- Percentage of shareholding	90.34	90.46	90.39	90.34	90.39	90.45
19. Promoters and promoter group shareholding						
(a) Pledged /Encumbered						
- Number of Shares	6444385	6160364	7527805	6444385	7527805	6860364
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	37.17	36.00	43.82	37.17	43.82	40.09
- percentage of shares (as a % of the total share capital of the company)	3.59	3.44	4.21	3.59	4.21	3.83
(b) Non-encumbered			0.00			
- Number of shares	10893494	10950935	9652366	10893494	9652366	10250377
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	62.83	64.00	56.18	62.83	56.18	59.91
- percentage of share (as a % of the total share capital of the company)	6.07	6.11	5.40	6.07	5.40	5.72

B.K. KUMAR & CO. Chartered Accountants

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

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 period ended September 2015 as compared to those in the preceding financial year ended March 2015.
2	The working results for the quarter ended 30th September 2015 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 September 2015, the Bank had allotted 1,90,000 shares pursuant to the exercise of employees' stock option.
4	During the current quarter, the bank has raised tier II capital amounting to Rs.140.10 crore, the benefit of which in terms of capital adequacy will accrue in the ensuing quarters.
5	RBI vide its circular no.DBR.No.BP.BC.94/ 21.04.048/2014-15 dated 21.05.2015 permitted banks to provide for the net shortfall on account of sale of assets to Reconstruction Company over a period of two years. Consequently, Rs.19.43 Crore has been charged to the Profit & Loss account for the quarter ended 30th September 2015. The unamortised amount on this account as on 30th September 2015 is Rs.96.04 crore.
6	RBI vide its circular RBI/2014-15/535/DBR.No.BP.BC.83/21.04.048/2014-15 dated 01.04.2015 permitted Banks to provide for frauds over a period not exceeding four quarters. Consequently, a sum of Rs.13.38 crore has been charged to profit & Loss account for the quarter ended 30th September 2015. The balance amount to be provided as on 30th September 2015 is Rs.13.38 crore.
7	Pursuant to RBI Cir.DBR.BP.BC.No.31/21.04.018/2015-16 dated 16.07.2015 the Bank has included its deposits placed with NABARD/SIDBI/NHB on account of shortfall in priority sector targets under Schedule 11-'Other Assets'. Previously, the same has been accounted under the head 'Investments'. Interest income on these deposits has been included under 'Interest Earned-Others'. Previously, such interest income was included under 'Interest Earned - Income on Investments'. Accordingly, previous periods figures have been regrouped / reclassified to conform to current period's classification.
8	The provision coverage ratio stands at 71.46%.
9	In accordance with RBI Circular no. DBOD.BP.BC.2/21.06.201/2013-14 dt:01.07.2013, Bank has made Pillar 3 disclosures under Basel III capital requirements on its website at http://www.lvbank.com/basel_ii.aspx.
10	Status of Investor Complaints for the quarter ended 30th September 2015: -Complaints pending at the beginning of the Quarter : Nil -Complaints received during the Quarter : 4 -Complaints disposed during the Quarter: 4 -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 15th October 2015 and approved by the Board of Directors in their meeting held on 15th October 2015. The same have been subjected to Limited Review by the Statutory Auditors of the Bank, in line with the guidelines issued by the Reserve Bank of India and as per the requirement of listing agreement with Stock exchanges.
12	The figures of the previous periods/year have been regrouped/rearranged, wherever necessary.

Place: Chennai
Date: 15-10-15

D.L.N. Rao
Director

K.R. Pradeep
Chairman of the Meeting

K. KUMAR & CO. CHENNAI Chartered Accountants

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

THE LAKSHMI VILAS BANK LIMITED

BALANCE SHEET AS AT 30TH SEPTEMBER 2015

(₹ in lakhs)

I. CAPITAL & LIABILITIES	AS AT 30/09/2015 (Reviewed)	AS AT 30/09/2014 (Reviewed)	AS AT 31/03/2015 (Audited)
a. Capital	17946	17882	17917
b. Reserves & Surplus	145980	134074	137698
c. Deposits	2344532	1931488	2196421
d. Borrowings	59820	45810	45810
e. Other Liabilities & Provisions	64996	58536	72698
TOTAL	**2633274**	**2187790**	**2470544**
II. ASSETS			
a. Cash & Balances with Reserve Bank of India	118860	101179	114344
b. Balances with Banks and Money at Call & Short Notice	5669	17463	17528
c. Investments	664984	621234	605116
d. Advances	1740222	1352550	1635202
e. Fixed Assets	25721	20725	24341
f. Other Assets	77818	74639	74013
TOTAL	**2633274**	**2187790**	**2470544**

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

P.K. KUMAR & CO. Chartered Accountants

SEGMENT REPORTING - SEP 2015

(Rs. in lakhs)

PART A: BUSINESS SEGMENTS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
PARTICULARS	30-09-15	30-06-15	30-09-14	30-09-15	30-09-14	31-03-15
1. SEGMENT REVENUE	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
a. Treasury operations	14431.97	15621.67	13555.07	30053.64	26662.24	55684.21
b. Corporate/wholesale banking operations	20987.77	20378.69	17897.97	41366.46	34945.08	57919.69
c. Retail banking operations	34243.19	33249.45	29201.94	67492.64	57015.66	134321.57
d. Other banking operations	125.13	55.93	732.23	181.06	1300.24	1930.98
TOTAL	69788.06	69305.74	61387.21	139093.80	119923.22	249856.45
2. SEGMENT RESULTS						
a. Treasury operations	1923.97	3583.86	1356.05	5507.83	2644.86	8429.09
b. Corporate/wholesale Banking operations	2957.89	2890.15	2661.42	5848.04	4627.19	8289.60
c. Retail banking operations	4598.65	4482.57	4342.32	9081.22	7549.63	19224.43
d. Other banking operations	60.71	0.32	680.20	61.03	1194.56	1700.63
TOTAL	9541.22	10956.90	9039.99	20498.12	16016.24	37643.75
OPERATING PROFIT (including exceptional items)	9541.22	10956.90	9039.99	20498.12	16016.24	37643.75
PROVISIONS OTHER THAN TAX	3557.75	6031.31	5089.64	9589.06	8350.35	18823.16
PROFIT BEFORE TAX	5983.47	4925.59	3950.35	10909.06	7665.89	18820.59
Less : Tax expenses	1500.00	900.00	800.00	2400.00	1700.00	5592.00
NET PROFIT	4483.47	4025.59	3150.35	8509.06	5965.89	13228.59
3. SEGMENT ASSETS						
a. Treasury operations	683590.22	686509.40	651299.48	683590.22	651299.48	633565.90
b. Corporate/wholesale banking operations	631464.83	574993.56	418993.18	631464.83	418993.18	528187.51
c. Retail banking operations	1230734.50	1187302.98	1036906.65	1230734.50	1036906.65	1224919.91
d. Unallocated Assets	87484.17	82797.91	80590.14	87484.17	80590.14	83870.30
TOTAL	2633273.72	2531603.85	2187789.45	2633273.72	2187789.45	2470543.62
4. SEGMENT LIABILITIES						
a. Treasury operations	629548.95	650777.35	596989.98	629548.95	596989.98	586611.24
b. Corporate/wholesale banking operations	614179.36	550611.52	411100.39	614179.36	411100.39	506863.68
c. Retail banking operations	1186685.32	1124175.12	994569.70	1186685.32	994569.70	1175467.84
d. Unallocated liabilities	38933.92	46739.09	33173.12	38933.92	33173.12	45986.60
TOTAL	2469347.55	2372303.08	2035833.19	2469347.55	2035833.19	2314929.36
CAPITAL AND RESERVES	163926.17	159300.77	151956.26	163926.17	151956.26	155614.26
TOTAL	2633273.72	2531603.85	2187789.45	2633273.72	2187789.45	2470543.62

PART B: GEOGRAPHICAL SEGMENTS

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





R.K.KUMAR & CO

CHARTERED ACCOUNTANTS

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Limited Review Report

The Board of Directors
Lakshmi Vilas Bank Ltd
Chennai

We have reviewed the accompanying statement of unaudited financial results of **Lakshmi Vilas Bank Limited** for the Period ended 30.09.2015, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed 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 issue a 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. 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 Bank Personnel and analytical procedures applied to financial data and thus provide less assurance than an Audit. 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 97 branches. These reports cover 72.12 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

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Without Qualifying our report, we draw attention to:-

(i) Note No.5 of the unaudited financial statements regarding deferment of loss to the extent of Rs.96.04 Crore on sale of advances to Asset Reconstruction Companies; and

(ii) Note No.6 of the unaudited financial statements regarding deferment of loss to the extent of Rs.13.38 Crore in respect frauds.

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 specified under the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 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: 15th October, 2015

Place: Chennai

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

R.K.KUMAR & CO ★ CHENNAI ★ Chartered Accountants

(B.R.Ashok)
Partner
Membership No.023313