LAKSHMI VILAS BANK

Secretarial Department CIN No. L65110TN1926PLC001377

Ref/Sec/205 & 266/84 /2016-2017 July 20, 2016

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

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Please find enclosed the Un-Audited Financial Results and Limited Review Report of the Bank for the First Quarter ended 30th June, 2016 approved by the Board on 20.07.2016 for your records.

Thanking You,

Yours faithfully,

N.Ramanathan
Company Secretary

THE LAKSHMI VILAS BANK LTD. Secretarial Department Com. Office, Chennai - 34

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, 2016

(₹ in lakhs)

PARTICULARS	QUARTER-ENDED			YEAR ENDED
	30-Jun-16 (Reviewed)	31-Mar-16 (Audited)	30-Jun-15 (Reviewed)	31-Mar-16 (Audited)
1. INTEREST EARNED (a+b+c+d)	68566.41	66632.69	61408.75	256829.92
(a) Interest/discount on advances/bills	55847.23	53429.13	48555.42	203826.97
(b) Income on investments	12574.26	13070.41	12612.91	51940.05
(c) Interest on balances with RBI & Other inter- bank funds	102.12	65.27	154.93	326.84
(d) Others	42.80	67.88	85.49	736.06
2. Other Income	8921.11	9251.40	7896.99	30453.24
3. Total Income (1+2)	77487.52	75884.09	69305.74	287283.16
4. Interest expended	50810.64	49363.00	46885.26	192299.34
5. Operating Expenses (I) + (ii)	14092.76	16503.98	11664.32	54271.41
(I) Employees cost	7639.35	8428.10	6054.66	27535.20
(ii) Other operating expenses	6453.41	8075.88	5609.66	26736.21
6. Total Expenditure (excluding provisions and contingencies (4) + (5)	64903.40	65866.98	58549.58	246570.75
7. Operating Profit before provisions and contingencies (3) - (6)	12584.12	10017.11	10756.16	40712.41
8. Provisions (other than Tax) and Contingencies	3515.62	2709.86	5830.57	17688.83
9. Exceptional Items	0.00	0.00	0.00	0.00
10.Profit/Loss from ordinary activities before tax (7)-(8)-(9)	9068.50	7307.25	4925.59	23023.58
11. Tax expense	3000.00	2400.00	900.00	5000.00
12. Net Profit/Loss from Ordinary activities after tax (10) - (11)	6068.50	4907.25	4025.59	18023.58
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)	6068.50	4907.25	4025.59	18023.58
15. Paid up equity share capital (Face Value ₹10/-)	17946.16	17946.16	17927.16	17946.16
16. Reserves excluding revaluation reserves as per balance sheet of previous accounting year	141240.02	141240.02	129851.93	141240.02
17. Analytical Ratios				
I) Percentage of shares held by Govt. of India	NIL	NIL	NIL	NIL
ii) Capital Adequacy Ratio (%)				
(a) Basel - II	10.76	10.98	10.86	10.98
(b) Basel - III	10.52	10.67	10.28	10.67
iii) Earnings Per Share (EPS)(*Not Annualised)				
(a) Basic EPS - before/after extraordinary items (Not annualised) (₹)	3.38	2.73	2.25	10.05
(b) Diluted EPS - before/after extraordinary items (Not annualised) (₹)	3.37	2.73	2.24	10.05
iv) NPA RATIOS				
(a) Gross NPA	43190.57	39125.00	45112.23	39125.00
Net NPA	26021.28	23164.13	28112.44	23164.13
(b) % of Gross NPA	2.14	1.97	2.72	1.97
% of Net NPA	1.30	1.18	1.72	1.18
(c) Return on Assets (%) (Annualised)	0.84	0.72	0.65	0.70

R.K. KUMAR & CO. CHENNAI Chartered Accountants

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

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(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 2016 as compared to those in the preceding financial year ended March 2016.
2	The working results for the quarter ended 30th June 2016 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	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.22.28 Crore has been charged to the Profit & Loss account for the quarter ended 30th June 2016. The unamortised amount on this account as on 30th June 2016 is Rs.73.32 crore.
4	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.
5	The provision coverage ratio stands at 66.48%.
6	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 under Basel III capital requirements 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.
7	Status of Investor Complaints for the quarter ended 30th June 2016: -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
8	The above financial results have been reviewed by the Audit Committee of the Board in their meeting held on 20th July 2016 and approved by the Board of Directors in their meeting held on 20th July 2016 . 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.
9	The figures for the quarter ended 31st March 2016 are the balancing figures between audited figures in respect of full financial year upto March 31, 2016 and the unaudited published year to date figures up to the December 31, 2015 being the date of the end of the third quarter of the financial year which were subject to limited review.
10	The figures of the previous periods/year have been regrouped/rearranged, wherever necessary.

Place: Chennai
Date: 20-07-2016

Parthasarathi Mukherjee
MD & CEO

R.C.KUMAR & CO. CHENNAI Chartered Accountants

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

SEGMENT REPORTING - JUNE 2016

(Rs. in lakhs)

PART A: BUSINESS SEGMENTS	QUARTER ENDED			YEAR ENDED
PARTICULARS	30/06/2016	31/03/2016	30/06/2015	31/03/2016
1. SEGMENT REVENUE	(Reviewed)	(Audited)	(Reviewed)	(Audited)
a. Treasury operations	15751.77	15057.92	15536.18	59564.58
b. Corporate/wholesale banking operations	23397.00	22992.12	20378.69	86019.07
c. Retail banking operations	38174.04	37513.47	33249.45	140346.90
d. Other banking operations	164.71	320.58	141.42	1352.61
TOTAL	**77487.52**	**75884.09**	**69305.74**	**287283.16**
2. SEGMENT RESULTS				
a. Treasury operations	3450.68	2586.45	3496.36	10188.90
b. Corporate/wholesale Banking operations	3823.65	2826.50	2815.40	11548.24
c. Retail banking operations	5221.47	4367.86	4360.50	17898.01
d. Other banking operations	88.32	236.30	83.90	1077.26
TOTAL	**12584.12**	**10017.11**	**10756.16**	**40712.41**
OPERATING PROFIT	**12584.12**	**10017.11**	**10756.16**	**40712.41**
PROVISIONS OTHER THAN TAX	3515.62	2709.86	5830.57	17688.83
PROFIT BEFORE TAX	**9068.50**	**7307.25**	**4925.59**	**23023.58**
Less : Tax expenses	3000.00	2400.00	900.00	5000.00
NET PROFIT	**6068.50**	**4907.25**	**4025.59**	**18023.58**
CAPITAL EMPLOYED				
a. Treasury operations	54600.87	53461.12	35732.05	53461.12
b. Corporate/wholesale banking operations	20415.01	21708.55	24382.03	21708.55
c. Retail banking operations	53010.77	51468.25	63127.86	51468.25
d. Unallocated	54401.26	49721.49	36058.82	49721.49
	182427.91	**176359.41**	**159300.76**	**176359.41**

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** for the quarter ended 30th June 2016 ("the Statement") excluding the "Pilar 3 disclosures and leverage 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 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, guidelines issued by the Reserve Bank of India 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 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 provide 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 review reports received from concurrent auditors of 102 branches. These reports cover 75.69 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
TEL. : 24349866, 24349867

FAX : 91-44-24349857

4. Without qualifying our report, we draw attention to Note No.3 of the unaudited financial statements regarding deferment of loss to the extent of Rs.73.32 Crore on sale of advances to Asset Reconstruction Companies

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards and other recognized accounting practices and policies 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 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.

Place: Chennai

Date: 20th July, 2016

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



(G.Naganathan)
Partner
Membership No.022456