



ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಮೈಸೂರು
ಕ್ರಡಾನ್ ಕಛೇರಿ, ಬೆಂಗಳೂರು
ಶೇರುಗಳು ಮತ್ತು ಬಾಂಡುಗಳ ವಿಭಾಗ

स्टेट बैंक ऑफ मैसूर
प्रधान कार्यालय, बंगलूर
शेयर एवं बांड विभाग

STATE BANK OF MYSORE
HEAD OFFICE, BANGALORE
SHARES & BONDS DEPARTMENT

S&B/SBM/Q3-Result/2016-17/

January 24, 2017

The General Manager,
Bombay Stock Exchange Ltd,
Corporate Relations Dept,
1st Floor, New Trading Ring,
Rotunda Bldg, P.J. Towers,
Dalal Street, Fort
MUMBAI - 400-001.

The Asst. Vice President,
National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra -Kurla Complex,
Bandra (E),
MUMBAI - 400 051.

Dear Sir,

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS
ENDED 31st DECEMBER 2016.**

Please refer to our letter No.S&B/Q-3/2016-17 dated 17.01.2017 informing the meeting of the Board of Directors to take on record the unaudited financial results of the Bank for the nine months period ended December-2016.

2. We forward a copy of the Working results, Notes to accounts, Auditors review report and Segment-wise revenue results for the quarter and nine months period ended December -2016, for needful.

3. The information is furnished in terms of Reg.30 & 33 of the SEBI Regulations.

Yours faithfully,

Deputy General Manager (F&A)

Encl: a/a



P. B. VIJAYARAGHAVAN & CO.,
Chartered Accountants
14/27, Cathedral Garden Road
Nungambakkam
CHENNAI - 600034

P. G. JOSHI & CO.,
Chartered Accountants
Dhanvate Chambers,
Sitabuldi,
NAGPUR - 440012

J. V. RAMANUJAM & CO.,
Chartered Accountants
F-1, 1st Floor, "Lakshmi",
56/28, III Main Road, R.A.Puram,
CHENNAI - 600028

B. P. RAO & Co.,
Chartered Accountants
No. 5, Poorna Prasad Road,
High Grounds,
BENGALURU - 560001

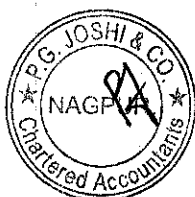
LIMITED REVIEW REPORT OF STATE BANK OF MYSORE FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2016

TO
STATE BANK OF INDIA

We have reviewed the accompanying statement containing unaudited financial results and accompanying notes there on of State Bank of Mysore for the nine months ended on 31st December 2016. These statements are the responsibility of the Bank's management and approved by the Board of Directors. Our responsibility is to issue a report on these aforesaid statements based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) - 2410, "Review of Interim financial information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. The standard requires that we plan and perform the review to obtain a moderate assurance as to whether the financial statements are free of material misstatements. A review is limited primarily to inquiries of company's personnel and analytical procedures applied to financial data and thus provides 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.

The financial results incorporate the relevant returns of twenty (20) branches (covering 51.33% of the advances) reviewed by us, and un-reviewed returns of 1054 branches. In conduct of our review, we have taken note of the review reports in respect of non-performing assets submitted by the concurrent auditors to the banks management, inspection team of the bank and review reports and/or statements submitted by the branches to the extent carried out, available and verified on a random basis.



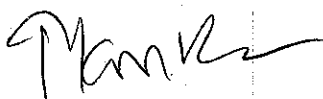
Basis for the Qualified Conclusion

As stated in Note No. 1(ii), the Bank has made additional specific standard advance provision of ₹130.03 Crore which is higher than the provision amount required by the stated accounting policy of the Bank. The same has resulted in increase in the Net loss (after tax) to that extent.

Qualified Conclusion

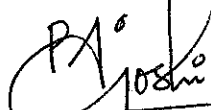
Based on our review conducted as aforesaid, with the exception of the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial results read together with the Notes thereon prepared in accordance with 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 Reserve Bank of India in respect of income recognition, assets classification, provisioning and other related matters.

For P. B Vijayaraghavan & Co.
Chartered Accountants
FRN No. 004721S


CA. P. B. Santhanakrishnan
(Partner) M. No. 020309



For P. G. Joshi & Co.
Chartered Accountants
FRN No. 104416W


CA. Pradev A. Joshi
(Partner) M. No. 147149

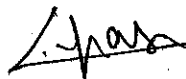


For J. V. Ramanujam & Co.
Chartered Accountants
FRN No. 02947S


CA. J. Vedantha Ramanujam
(Partner) M. No. 022188



For B. P. Rao & Co.
Chartered Accountants
FRN No. 003116S


CA. Prashanth. C
(Partner) M. No. 214431



Date : 24.01.2017

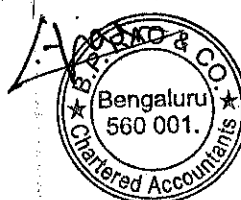
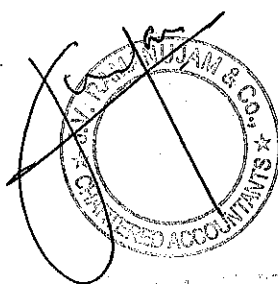
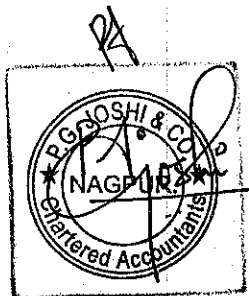
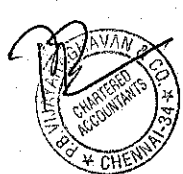
Place : Bengaluru

STATE BANK OF MYSORE
HEAD OFFICE, BENGALURU
REVIEWED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31ST DECEMBER, 2016

(₹ in lakhs)

	Particulars	3 months ended (31/12/2016)	Previous 3 months ended (30/09/2016)	Corresponding 3 months ended in the previous year (31/12/2015)	Year to date figures for current period ended (31/12/2016)	Year to date figures for the previous year ended (31/12/2015)	Previous accounting year ended (31/03/2016)
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Interest earned [a+b+c+d]	174924	167453	174850	518791	535201	712777
a	Interest / discount on advances / bills	128191	126351	133428	390587	410883	546092
b	Income on Investments	38963	35853	37224	110888	109436	147256
c	Interest on balances with RBI & other Interbank funds	4573	1734	348	7211	3235	3485
d	Others	3197	3515	3850	10105	11647	15944
2	Other Income	22961	27310	19172	72620	50982	81008
3	Total income (1 + 2)	197885	194763	194022	591411	586183	793785
4	Interest expended	119940	122466	124187	364646	378340	501243
5	Operating expenses (i) + (ii)	43566	42774	43016	130485	123748	167390
i	Employee Cost	26856	25925	25210	78801	71808	97612
ii	Other operating expenses	16710	16849	17806	51684	51940	69778
6	Total expenditure (4+5) (excluding Provisions and Contingencies)	163506	165240	167203	495131	502088	668633
7	Operating profit before Provisions and Contingencies (3-6)	34379	29523	26819	96280	84095	125152
8	Provisions (other than tax) and Contingencies	38485	51824	25391	194087	50220	76561
9	Exceptional Items	0	0	0	0	0	0
10	Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9)	-4106	-22301	1428	-97807	33875	48591
11	Tax Expenses	-2081	-3948	-1266	-30241	8576	12806
12	Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	-2025	-18353	2694	-67566	25299	35785
13	Extraordinary items (net of tax expenses)	0	0	0	0	0	0
14	Net Profit (+) / Loss (-) for the period (12-13)	-2025	-18353	2694	-67566	25299	35785
15	Paid-up equity share capital (Face Value: ₹10)	4801	4801	4801	4801	4801	4801
16	Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)	462300	462300	430002	462300	430002	462300
17	Analytical Ratios						
i	Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL	NIL
ii	Capital Adequacy Ratio (Basel III)	11.60%	11.67%	12.36%	11.60%	12.36%	12.43%
iii	Earning Per Share (EPS) (not annualised)						
a)	Basic & diluted EPS before Extraordinary items (net of tax expense)	-4.22	-38.23	5.61	-140.72	52.69	74.53
b)	Basic & diluted EPS after Extraordinary items (net of tax expense)	-4.22	-38.23	5.61	-140.72	52.69	74.53
iv	NPA Ratios						
a)	Gross NPA	775017	717366	291474	775017	291474	363556
b)	Net NPA	464915	441156	161728	464915	161728	225718
c)	% of Gross NPA to Gross Advances	14.46%	13.01%	5.48%	14.46%	5.48%	6.56%
d)	% of Net NPA to Net Advances	9.22%	8.43%	3.12%	9.22%	3.12%	4.18%
e)	Return on Assets	(0.09%)	(0.87%)	0.13%	(1.05%)	0.42%	0.44%

As per review report of even date



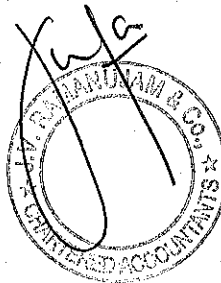
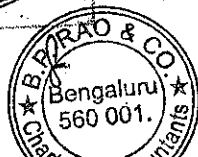
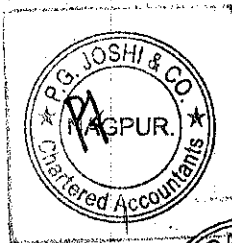
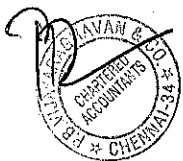
N. Krishnamachari

N. Krishnamachari
Managing Director



NOTES:

1. The Net Loss has been arrived after considering;
 - (i) Provisions for NPAs, Standard Assets and Investments as per extant prudential norms issued by RBI; Income tax, Pension, Gratuity, Leave Encashment and Bonus on estimation basis; Depreciation and
 - (ii) Provision of ₹130.03 crore made towards specific standard assets to align with the State Bank Group.
2. The Board has adopted a policy to make appropriate reclassification / provisioning on a prudent basis based on the inherent weakness in common loans and advances in State Bank Group as a whole. Accordingly, the Bank has classified 17 such common accounts as NPAs, which has resulted in increase of NPAs by ₹2,490.78 crore and incremental provision of ₹582.76 crore as on 31st December 2016. Further, 20 NPA accounts have been reclassified as per group approach policy resulting in additional provision of ₹274.36 crore as on 31st December 2016.
3. The provision in respect of certain accounts has been revised, based on the Asset Quality Reviews, SDR and Scheme for Sustainable Structuring of Stressed Assets (S4A) done in line with the Reserve Bank of India guidelines, resulting in net additional provision of ₹48.80 crore, ₹69.41 crore and ₹19.33 crore respectively, totaling to ₹137.54 crore for the nine months ended 31st December 2016.
4. A provision of ₹24.85 crore has been made at 7.5% during Q1 of the Financial Year on outstanding Food Credit advance to Government of Punjab, while the account is continued to be classified as Standard Asset, thus satisfying a total provision requirement of ₹49.70 crore being 15% of the outstanding.
5. The above results have been taken on record by the Board of Directors in its meeting dated 24th January 2017.
6. The reconciliation of various inter-branch/ inter-bank accounts, including National and Local Clearing account, NOSTRO account, Branch System Suspense account, Forex Clearing General account, Currency Transaction account and ATM transactions is an ongoing process and is under progress. The impact of the above, if any, on the financial results for the nine months ended 31st December 2016, is not likely to be material.
7. The shortfall on account of sale of assets to Reconstruction Company amounting to ₹62.69 crore, is being amortized over a period of two years, as per RBI guidelines. Consequently, ₹23.49 crore has been amortized and charged to the Profit & Loss account for the nine months ended 31st December 2016. The unamortized amount on this account as on 31st December 2016 is ₹28.52 crore.
8. The bank has revalued its premises based on valuation reports obtained from independent valuers in accordance with RBI guidelines. This has resulted in increase in value of Premises and resultant Revaluation Reserve by ₹681.26 crore as on 31st December 2016.



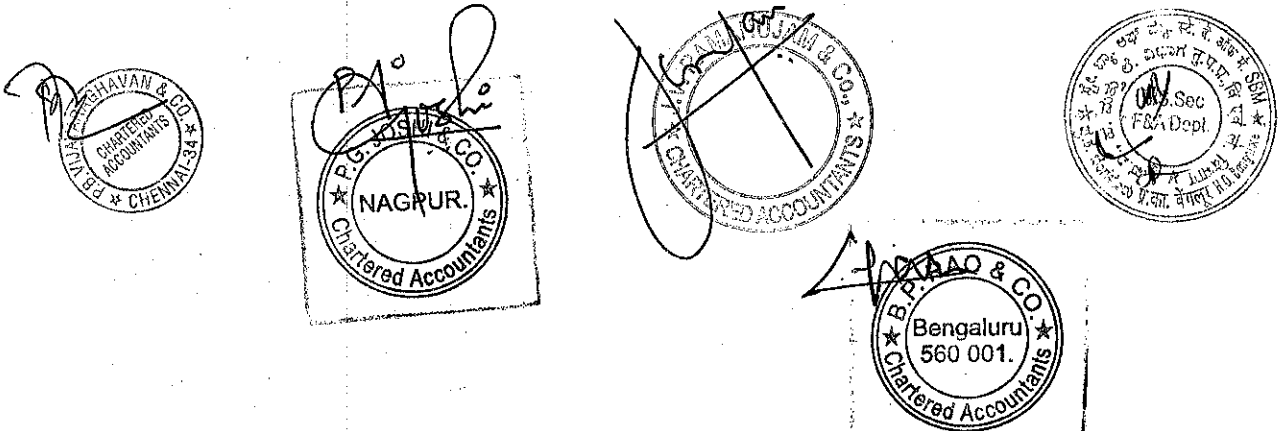
9. ₹8.19 crore has been provided against Unhedged Foreign Currency Exposure of the borrowers as on 31st December 2016, in terms of RBI circular DBOD no. BP.BC. 116/21/06.200/2013-14 dated 3rd June 2014.
10. In terms of RBI circular DBOD.BP.BC.2/21.06.201/2013-14 dated 01st July 2013, Banks are required to make Pillar 3 disclosures under Basel III Capital Regulations. The disclosures are being made available on the Bank's website www.statebankofmysore.co.in.
11. The Provision Coverage Ratio (PCR) to Gross Non-Performing Assets of the Bank (including AUCA) as on 31st December 2016 is 51.22%.
12. Number of Investor grievances received and resolved for the nine months ended 31st December 2016:

Pending at the beginning of the FY 2016-17	Received during the 9 Months Period	Resolved during the 9 Months Period	Pending at the end of December 2016
Nil	91	91	Nil

13. The figures of previous periods have been re-grouped / re-arranged / re-cast, wherever considered necessary, to accord to current period classification.

Place: Bengaluru
Dated: 24th January 2017


N. Krishnamachari
Managing Director



REVIEWED SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
REVIEWED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2016

SEGMENT REPORTING - (AS-17)

The following segments have been identified :

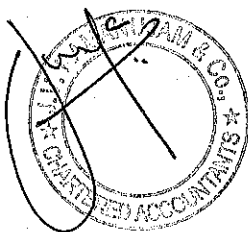
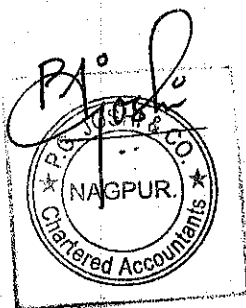
I.Primary Segment (Business Segment) Treasury Operations
Corporate/Wholesale Banking
Retail Banking

II.The geographic segment consists of only the Domestic segment as the Bank does not have any foreign branches

The Bank has got two main business segments namely Treasury Operations and Banking Operations. Banking Operations are further segmented to Corporate/Wholesale Banking and Retail Banking.

(₹ in lakhs)

	Particulars	3 months ended (31.12.2016)	Previous 3 months ended (30.09.2016)	Corresponding 3 months ended in the previous year (31.12.2015)	Year to date figures for current period ended (31.12.2016)	Year to date figures for the previous year ended (31.12.2015)	Previous accounting year ended (31.03.2016)
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue (Income)						
a	Treasury Operations	51297	51930	43818	146692	126085	182766
b	Corporate/Wholesale Banking	94282	92641	96552	284340	301715	400119
c	Retail Banking	94629	86889	91076	275379	271554	362846
	Total	240208	231461	231446	706411	699355	945731
	LESS Inter Segment Revenue	42322	36698	37424	115000	113172	151946
	Net Income from Operations	197886	194763	194022	591411	586183	793785
2	Segment Results (Profit before tax)						
a	Treasury Operations	2263	13730	1765	22728	6810	24758
b	Corporate/Wholesale Banking	-5233	-19800	-2240	-73249	4871	-1150
c	Retail Banking	2737	-12012	5067	-35023	31791	38636
	Total	-234	-18083	4592	-85544	43472	62244
	Less : Unallocated expenses net of unallocated income	3872	4218	3164	12263	9597	13653
	Total Profit Before Tax	-4106	-22301	1428	-97807	33875	48591
3	Capital Employed (Segment Assets - Segment Liabilities)						
a	Treasury Operations	252591	205068	220828	252591	220828	226764
b	Corporate/Wholesale Banking	236688	244572	264655	236688	264655	275983
c	Retail Banking	197802	199815	203052	197802	203052	211430
d	Unallocated Assets	-160000	-190000	-170000	-160000	-170000	-190000
	Total	527081	459455	518535	527081	518535	524178




N. Krishnamachari
Managing Director

