LAKSHMI VILAS BANK

Secretarial Department CIN No. L65110TN1926PLC001377

Ref/Sec/205 & 266/30/2015-2016 April 29, 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,

Forwarding of Audited Financial Results for the FY 2014-2015

Please find enclosed the Audited Financial Results of the Bank for the year ended 31st March, 2015 approved by the Board, on 29.04.2015 for your records.

Further, the Board of Directors have resolved to recommend dividend @ 20% (Rs. 2.00 per share) for the year 2014-2015 on the equity shares subject to the approval of shareholders at the ensuing 88th Annual General Meeting of the Bank.

Thanking you,

Yours faithfully,

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

Asst. 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)

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs)

PARTICULARS	QUARTER-ENDED			YEAR ENDED	
	31-Mar-15 (Audited)	31-Dec-14 (Reviewed)	31-Mar-14 (Audited)	31-Mar-15 (Audited)	31-Mar-14 (Audited)
1. INTEREST EARNED (a+b+c+d)	57094.37	56200.08	51385.09	221453.09	198395.00
(a) Interest/discount on advances/bills	44898.51	43244.09	41056.87	170889.66	159161.24
(b) Income on investments	12092.39	12078.95	10212.55	47993.80	38266.81
(c) Interest on balances with RBI & Other inter- bank funds	103.47	336.69	101.50	823.81	365.78
(d) Others	0.00	540.35	14.17	1745.82	601.17
2. Other Income	9302.38	7336.39	5757.83	28403.36	20359.23
3. Total Income (1+2)	66396.75	63536.47	57142.92	249856.45	218754.23
4. Interest expended	43207.14	42449.38	38852.42	168787.67	149793.95
5. Operating Expenses (i) + (ii)	12913.65	10807.53	10473.97	44497.03	38060.56
(i) Employees cost	6853.81	5612.81	5156.98	23035.01	18787.65
(ii) Other operating expenses	6059.84	5194.72	5316.99	21462.02	19272.91
6. Total Expenditure (excluding provisions and contingencies (4) + (5)	56120.79	53256.91	49326.39	213284.70	187854.51
7. Operating Profit before provisions and contingencies (3) - (6)	10275.96	10279.56	7816.53	36571.75	30899.72
8. Provisions (other than Tax) and Contingencies	4348.78	6124.04	7638.49	18823.16	26859.17
9. Exceptional Items	(1072.00)	0.00	0.00	(1072.00)	0.00
10.Profit/Loss from ordinary activities before tax (7)-(8)-(9)	6999.18	4155.52	178.04	18820.59	4040.55
11. Tax expense	2992.00	900.00	-1925.00	5592.00	-1925.00
12. Net Profit/Loss from Ordinary activities after tax (10) - (11)	4007.18	3255.52	2103.04	13228.59	5965.55
13. Extra Ordinary items (Net of Tax Expense)	0.00	0.00	0.00	0.00	0.00
14. Net Profit/Loss for the period (12+13)	4007.18	3255.52	2103.04	13228.59	5965.55
15. Paid up equity share capital (Face Value ₹10/-)	17916.66	17892.16	9756.07	17916.66	9756.07
16. Reserves excluding revaluation reserves as per balance sheet of previous accounting year	129851.93	87961.05	87961.05	129851.93	87961.05
17. Analytical Ratios					
i) Percentage of shares held by Govt. of India	NIL	NIL	NIL	NIL	NIL
ii) Capital Adequacy Ratio (%)					
(a) Basel - II	11.57	12.61	10.93	11.57	10.93
(b) Basel - III	11.34	12.47	10.90	11.34	10.90
iii) Earnings Per Share (EPS)(*Not Annualised)					
(a) Basic EPS - before/after extra ordinary items (Not annualised) (₹)	2.24	1.82	2.16	9.16	6.11
(b) Diluted EPS - before/after extra ordinary items (Not annualised) (₹)	2.23	1.82	2.16	9.15	6.12
iv) NPA RATIOS					
(a) Gross NPA	45461.94	49085.13	54646.45	45461.94	54646.45
Net NPA	30248.50	33661.16	44339.16	30248.50	44339.16
(b) % of Gross NPA	2.75	3.40	4.19	2.75	4.19
% of Net NPA	1.85	2.37	3.44	1.85	3.44
(c) Return on Assets (%) (Annualised)	0.71	0.59	0.43	0.61	0.32
18. Public Shareholding					
- No. of Shares (in lakhs)	1620.56	1617.67	880.17	1620.56	880.17
- Percentage of shareholding	90.45	90.41	90.22	90.45	90.22
19. Promoters and promoter group shareholding					
(a) Pledged /Encumbered					
- Number of Shares	6860364	6497805	4584520	6860364	4584520
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	40.09	37.88	48.04	40.09	48.04
- percentage of shares (as a % of the total share capital of the company)	3.83	3.63	4.70	3.83	4.70
(b) Non-encumbered					
- Number of shares	10250377	10656936	4958333	10250377	4958333
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	59.91	62.12	51.96	59.91	51.96
- percentage of share (as a % of the total share capital of the company)	5.72	5.96	5.08	5.72	5.08

R.K. KUMAR & CO. CHENNAI Chartered Accountants

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	The working results for the year ended 31st March 2015 have been arrived after considering provisions for Standard Assets, Non Performing Assets, Depreciation on Investments, Provision for Employees Benefit and other usual and necessary provisions.
2	a) Effective from 1st April 2014, the Bank has changed its accounting policy for charging depreciation from Written Down Value (WDV) method to Straight Line Method (SLM) in respect of all fixed assets other than computers which were already being depreciated under SLM. The Management believes that such change better reflects the actual use of assets acquired. On account of change in the accounting policy, the Bank has in the current financial year written back an amount of Rs.16.24 crore representing the excess depreciation charged up to 31st March 2014 and disclosed the same net of related tax effect of Rs.5.52 crore as an exceptional item. As a result of this change, the profit for the current financial year is higher by Rs.10.72 crore and the basic and diluted earnings per share is higher by Rs.0.74 per share.
	b) In accordance with the requirements of Schedule II of the Companies Act 2013, the bank has reassessed the useful lives of the fixed assets and an amount of Rs.3.15 crore has been charged to the Profit & Loss account of the current year in respect of the assets whose remaining useful life is NIL as at 1st April 2014.
3	During the quarter ended 31st March 2015, the Bank had allotted 2,45,000 shares pursuant to the exercise of employees' stock option.
4	As permitted by RBI vide circular RBI/2014-15/522/DBR.No.BP.BC.79/ 21.04.048/2014-15 dated 30.03.2015, the bank has utilised during the quarter Rs.14.72 Crores from countercyclical provisions towards making specific provisions for non-performing assets .
5	The net shortfall on account of sale of assets to Reconstruction Company amounting to Rs.100.42 crore, is being amortised over a period of two years, as per RBI circular no.RBI/502/DBOD.BP.BC.No.98/21.04.132/2013-14 dated 26.02.2014. Consequently, Rs.27.43 crore has been charged to the Profit & Loss account for the year ended 31st March 2015. The unamortised amount on this account as on 31st March 2015 is Rs.72.99 crore.
6	As permitted by RBI vide its circular RBI/2014-15/535/DBR.No.BP.BC.83/21.04.048/2014-15 dated 01.04.2015, the outstanding balance in fraud accounts relating to advances amounting to Rs.53.54 crore, is being provided over a period of four quarters. Consequently, Rs.13.36 crore has been charged to profit & Loss account for the quarter ended 31st March 2015. The balance amount to be provided as on 31st March 2015 is Rs.40.18 crore.
7	Based on the available data, available financial statements and the declaration from borrowers wherever received, the bank has estimated and provided Rs.1.30 crore towards the liability for 'Unhedged Foreign Currency Exposure of their constituents in terms of RBI circular no.BDOD.No.BP.BC.85/21.06.200/2013-14 dated 15.01.2014.
8	Pending settlement of wage revision of employees, an expenditure of Rs.28.52 crore is incurred during the year, including adhoc payment made to employees.
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 31st March 2015: -Complaints pending at the beginning of the Quarter : Nil -Complaints received during the Quarter : 2 -Complaints disposed during the Quarter: 2 -Complaints unresolved at the end of the Quarter: Nil
11	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 29th April, 2015.
12	The Board of Directors have recommended a dividend of 20% for the year 2014-15 subject to approval of shareholders.
13	The figures of the previous periods/year have been regrouped/rearranged, wherever necessary.
14	The figures for the quarter ended 31st March 2015 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures in respect of full financial year and the year to date figures up to the end of the third quarter of the relevant financial year.

Place: Bangalore
Date: 29-04-15

RAKESH SHARMA
MD & CEO

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

R.K. KUMAR & CO. CHENNAI Chartered Accountants

THE LAKSHMI VILAS BANK LIMITED

BALANCE SHEET AS AT 31st March 2015

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I. CAPITAL & LIABILITIES	AS AT 31/03/2015	AS AT 31/03/2014
a. Capital	1791666	975607
b. Reserves & Surplus	13769760	9560385
c. Deposits	219642122	185728821
d. Borrowings	4581000	4581000
e. Other Liabilities & Provisions	7269814	5684759
TOTAL	**247054362**	**206530572**
II. ASSETS		
a. Cash & Balances with Reserve Bank of India	11434403	11920825
b. Balances with Banks and Money at Call & Short Notice	1752807	1196044
c. Investments	61037823	56886776
d. Advances	163520190	128891896
e. Fixed Assets	2434130	2005082
f. Other Assets	6875009	5629949
TOTAL	**247054362**	**206530572**

P.K. KUMAR & CO. CHENNAI Chartered Accountants

THE LAKSHMI VILAS BANK LTD. Accounts Department Chennai

SEGMENT REPORTING - MARCH 2015

(Rs. in lakhs)

PART A: BUSINESS SEGMENTS	QUARTER ENDED			YEAR ENDED	
PARTICULARS	3/31/2015	12/31/2014	3/31/2014	3/31/2015	3/31/2014
1. *SEGMENT REVENUE :*	(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)
a. Treasury operations	14712.20	14309.77	10925.42	55684.21	42165.18
b. Corporate/wholesale banking operations	18357.01	13745.25	11915.77	57919.69	44858.95
c. Retail banking operations	33284.75	34893.50	34167.20	134321.57	130853.18
d. Other banking operations	42.79	587.95	134.53	1930.98	876.92
TOTAL	66396.75	63536.47	57142.92	249856.45	218754.23
2. *SEGMENT RESULTS* (Operating Profit) *					
a. Treasury operations	3536.68	2247.56	689.77	8429.09	3545.02
b. Corporate/wholesale Banking operations	2752.78	2118.26	1821.11	8289.60	7807.69
c. Retail banking operations	5084.25	5381.92	5222.70	19224.43	18857.97
d. Other banking operations	-25.75	531.82	82.95	1700.63	689.04
TOTAL	11347.96	10279.56	7816.53	37643.75	30899.72
OPERATING PROFIT (including exceptional items)	11347.96	10279.56	7816.53	37643.75	30899.72
PROVISIONS OTHER THAN TAX	4348.78	6124.04	7638.49	18823.16	26859.17
PROFIT BEFORE TAX	6999.18	4155.52	178.04	18820.59	4040.55
Less : Tax expenses	2992.00	900.00	-1925.00	5592.00	-1925.00
NET PROFIT	4007.18	3255.52	2103.04	13228.59	5965.55
3. SEGMENT ASSETS :					
a. Treasury operations	638828.51	611750.76	590795.89	638828.51	590795.89
b. Corporate/wholesale banking operations	528187.51	430506.12	360123.33	528187.51	360123.33
c. Retail banking operations	1224919.91	1099444.64	1050476.74	1224919.91	1050476.74
d. Unallocated Assets	78607.69	75842.18	63909.76	78607.69	63909.76
TOTAL	2470543.62	2217543.70	2065305.72	2470543.62	2065305.72
4. SEGMENT LIABILITIES:					
a. Treasury operations	586611.24	562317.48	548256.45	586611.24	548256.45
b. Corporate/wholesale banking operations	506863.68	413706.50	352555.03	506863.68	352555.03
c. Retail banking operations	1175467.84	1056541.06	1028400.09	1175467.84	1028400.09
d. Unallocated liabilities	45986.60	29644.43	30734.23	45986.60	30734.23
TOTAL	2314929.36	2062209.47	1959945.80	2314929.36	1959945.80
CAPITAL AND RESERVES	155614.26	155334.23	105359.92	155614.26	105359.92
TOTAL	2470543.62	2217543.70	2065305.72	2470543.62	2065305.72

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.

* Segment results have been drawn up considering provision for non-performing assets as unallocated this year. Last year it was allocated among corporate and retail advances