LAKSHMI VILAS BANK

Secretarial Department CIN No. L65110TN1926PLC001377

Ref/Sec/205 & 266/64/2015-2016 July 23, 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 30.06.2015.

Please find enclosed the Un-Audited Financial Results and Limited Review Report of the Bank for the First Quarter ended 30th June 2015, approved by the Board on 23.07.2015 for your records.

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)

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2015

(₹ in lakhs)

PARTICULARS	QUARTER ENDED			YEAR ENDED
	30-Jun-15 (Reviewed)	31-Mar-15 (Audited)	30-Jun-14 (Reviewed)	31-Mar-15 (Audited)
1. INTEREST EARNED (a+b+c+d)	61408.75	57094.37	53039.33	221453.09
(a) Interest/discount on advances/bills	48555.42	44898.51	40633.71	170889.66
(b) Income on investments	12698.40	12092.39	11713.42	47993.80
(c) Interest on balances with RBI & Other inter- bank funds	154.93	103.47	159.78	823.81
(d) Others	0.00	0.00	532.42	1745.82
2. Other Income	7896.99	9302.38	5496.68	28403.36
3. Total Income (1+2)	69305.74	66396.75	58536.01	249856.45
4. Interest expended	46885.26	43207.14	41419.75	168787.67
5. Operating Expenses (i) + (ii)	11463.58	12913.65	10140.01	44497.03
(i) Employees cost	5853.92	6853.81	5365.11	23035.01
(ii) Other operating expenses	5609.66	6059.84	4774.90	21462.02
6. Total Expenditure (excluding provisions and contingencies (4) + (5)	58348.84	56120.79	51559.76	213284.70
7. Operating Profit before provisions and contingencies (3) - (6)	10956.90	10275.96	6976.25	36571.75
8. Provisions (other than Tax) and Contingencies	6031.31	4348.78	3260.71	18823.16
9. Exceptional Items	0.00	(1072.00)	0.00	(1072.00)
10.Profit/Loss from ordinary activities before tax (7)-(8)-(9)	4925.59	6999.18	3715.54	18820.59
11. Tax expense	900.00	2992.00	900.00	5592.00
12. Net Profit/Loss from Ordinary activities after tax (10) - (11)	4025.59	4007.18	2815.54	13228.59
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)	4025.59	4007.18	2815.54	13228.59
15. Paid up equity share capital (Face Value ₹10/-)	17927.16	17916.66	9756.07	17916.66
16. Reserves excluding revaluation reserves as per balance sheet of previous accounting year	129851.93	129851.93	87961.05	129851.93
17. Analytical Ratios				
i) Percentage of shares held by Govt. of India	NIL	NIL	NIL	NIL
ii) Capital Adequacy Ratio (%)				
(a) Basel - II	10.86	11.57	10.66	11.57
(b) Basel - III	10.28	11.34	10.49	11.34
iii) Earnings Per Share (EPS)(*Not Annualised)				
(a) Basic EPS - before/after extra ordinary items (Not annualised) (₹)	2.25	2.24	2.89	9.16
(b) Diluted EPS - before/after extra ordinary items (Not annualised) (₹)	2.24	2.23	2.89	9.15
iv) NPA RATIOS				
(a) Gross NPA	45112.23	45461.94	53111.15	45461.94
Net NPA	28112.44	30248.50	42331.97	30248.50
(b) % of Gross NPA	2.72	2.75	3.96	2.75
% of Net NPA	1.72	1.85	3.19	1.85
(c) Return on Assets (%) (Annualised)	0.65	0.71	0.53	0.61
18. Public Shareholding				
- No. of Shares (in lakhs)	1621.60	1620.56	881.78	1620.56
- Percentage of shareholding	90.46	90.45	90.38	90.45
19. Promoters and promoter group shareholding				
(a) Pledged /Encumbered				
- Number of Shares	6160364	6860364	4181524	6860364
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	36.00	40.09	44.57	40.09
- percentage of shares (as a % of the total share capital of the company)	3.44	3.83	4.29	3.83
(b) Non-encumbered				
- Number of shares	10950935	10250377	5201329	10250377
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	64.00	59.91	55.43	59.91
- percentage of share (as a % of the total share capital of the company)	6.11	5.72	5.33	5.72

R.K. KUMAR & CO. CHENNAI 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
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NOTES:

1	There has been no change in the accounting policies followed by the bank during the period ended June 2015 as compared to those in the preceeding financial year ended March 2015.
2	The working results for the quarter ended 30th June 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 June 2015, the Bank had allotted 1,05,000 shares pursuant to the exercise of employees' stock option.
4	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.12.55 crore has been charged to the Profit & Loss account for the quarter ended 30th June 2015. The unamortised amount on this account as on 30th June 2015 is Rs.60.44 crore.
5	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.13.72 crore has been charged to profit & Loss account for the quarter ended 30th June 2015. The balance amount to be provided as on 30th June 2015 is Rs.27.78 crore.
6	Pending implementation of wage revision as per 10th Bipartite Settlement, an expenditure of Rs.5.83 crore is incurred during the quarter, including adhoc payment made to employees.
7	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.
8	Status of Investor Complaints for the quarter ended 30th June 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
9	The above financial results have been reviewed by the Audit Committee of the Board in their meeting held on 22nd July 2015 and approved by the Board of Directors in their meeting held on 23rd July 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.
10	The figures for the quarter ended March, 31, 2015 are the balancing figures between the audited figures in respect of the financial year 2014-15 and the published year to date figures up to December 31, 2014.
11	The figures of the previous periods/year have been regrouped/rearranged, wherever necessary.

Place: Chennai
Date: 23-07-15

RAKESH SHARMA
MD & CEO

R.K. KUMAR & CO. CHENNAI Chartered Accountants

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

SEGMENT REPORTING - JUNE 2015

(Rs. in lakhs)

PART A: BUSINESS SEGMENTS	QUARTER ENDED			YEAR ENDED
PARTICULARS	30-06-15	31-03-15	30-06-14	31-03-15
1. *SEGMENT REVENUE* :	(Reviewed)	(Audited)	(Reviewed)	(Audited)
a. Treasury operations	15621.67	14712.20	13107.17	55684.21
b. Corporate/wholesale banking operations	20378.69	18357.01	11865.32	57919.69
c. Retail banking operations	33249.45	33284.75	32995.51	134321.57
d. Other banking operations	55.93	42.79	568.01	1930.98
TOTAL	69305.74	66396.75	58536.01	249856.45
2. *SEGMENT RESULTS*				
a. Treasury operations	3583.86	3536.68	1288.80	8429.09
b. Corporate/wholesale Banking operations	2890.15	2752.78	1368.24	8289.60
c. Retail banking operations	4482.57	5084.25	3804.85	19224.43
d. Other banking operations	0.32	-25.75	514.36	1700.63
TOTAL	10956.90	11347.96	6976.25	37643.75
OPERATING PROFIT (including exceptional items)	10956.90	11347.96	6976.25	37643.75
PROVISIONS OTHER THAN TAX	6031.31	4348.78	3260.71	18823.16
PROFIT BEFORE TAX	4925.59	6999.18	3715.54	18820.59
Less : Tax expenses	900.00	2992.00	900.00	5592.00
NET PROFIT	4025.59	4007.18	2815.54	13228.59
3. SEGMENT ASSETS :				
a. Treasury operations	691587.89	638828.51	607690.70	638828.51
b. Corporate/wholesale banking operations	574993.56	528187.51	378184.85	528187.51
c. Retail banking operations	1187302.98	1224919.91	1051670.36	1224919.91
d. Unallocated Assets	77719.42	78607.69	77008.78	78607.69
TOTAL	2531603.85	2470543.62	2114554.69	2470543.62
4. SEGMENT LIABILITIES:				
a. Treasury operations	650777.35	586611.24	577459.22	586611.24
b. Corporate/wholesale banking operations	550611.52	506863.68	368892.24	506863.68
c. Retail banking operations	1124175.12	1175467.84	1025829.12	1175467.84
d. Unallocated liabilities	46739.09	45986.60	34198.65	45986.60
TOTAL	2372303.08	2314929.36	2006379.23	2314929.36
CAPITAL AND RESERVES	159300.77	155614.26	108175.46	155614.26
TOTAL	2531603.85	2470543.62	2114554.69	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. CHENNAI Chartered Accountants

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

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 30.06.2015, 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 100 branches. These reports cover 78.21 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.



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Without Qualifying our report, we draw attention to:-

(i) Note No.4 of the unaudited financial statements regarding deferment of loss to the extent of Rs.60.44 Crore on sale of advances to Asset Reconstruction Companies; and

(ii) Note No.5 of the unaudited financial statements regarding deferment of loss to the extent of Rs.27.78 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,1956 (which are deemed to be applicable as per Section 133 of 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: 23rd July, 2015

Place: Chennai

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

R.K.KUMAR & CO. CHENNAI Chartered Accountants

(G.Naganathan)
Partner
Membership No.022456