



LAKSHMI VILAS BANK

Secretarial Department

CIN: L65110TN1926PLC001377

Ref/Sec/205 & 266/47/2018-2019

May 25, 2018

The National Stock Exchange of India Limited

Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051.
Company symbol: LAKSHVILAS

BSE Limited

Department of Corporate
Services,
Floor 25,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001.
Security code no: 534690

Dear Sir,

Sub: Financial Results for the Year Ended 31.03.2018.

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

Please find enclosed the Audited Financial Results of the Bank for the year ended 31st March, 2018 approved by the Board, on 25.05.2018 for your records. The Board of Directors of the bank has not declared any dividend for the financial year ended 31st March 2018.

The meeting of Board of Directors of the Bank commenced at 10.00 AM and concluded at 04:55 PM.

This is for your information and records.

Thanking You,

Yours faithfully,

Authorised Signatory



Encl: A/a

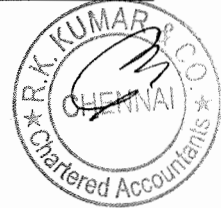


LAKSHMI VILAS BANK

Corporate Office, "LVB HOUSE", No.4 Sardar Patel Road, Guindy, Chennai 600 032
(Regd. Office: Salem Road, Kathapara, Karur - 639 006)
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2018

(₹ in lakhs)

PARTICULARS	QUARTER-ENDED			YEAR ENDED	
	31-Mar-18 (Audited)	31-Dec-17 (Reviewed)	31-Mar-17 (Audited)	31-Mar-18 (Audited)	31-Mar-17 (Audited)
1. INTEREST EARNED (a+b+c+d)	70262.59	79016.76	73355.95	304162.17	284665.75
(a) Interest/discount on advances/bills	51415.08	59140.21	55374.65	233147.02	223971.04
(b) Income on investments	18302.07	19452.50	16270.52	69305.43	57759.37
(c) Interest on balances with RBI & Other inter- bank funds	114.81	40.14	143.61	702.93	1228.33
(d) Others	430.63	383.91	1567.17	1006.79	1707.01
2. Other Income	3828.40	2734.30	13143.51	34680.78	50276.78
3. Total Income (1+2)	74090.99	81751.06	86499.46	338842.95	334942.53
4. Interest expended	58215.87	57049.97	50575.02	225102.10	206400.36
5. Operating Expenses (i) + (ii)	22799.71	20089.28	18089.24	78202.97	65136.59
(i) Employees cost	11492.02	10064.07	8540.21	39213.36	33470.89
(ii) Other operating expenses	11307.69	10025.21	9549.03	38989.61	31665.70
6. Total Expenditure (excluding provisions and contingencies (4) + (5))	81015.58	77139.25	68664.26	303305.07	271536.95
7. Operating Profit before provisions and contingencies (3) - (6)	-6924.59	4611.81	17835.20	35537.88	63405.58
8. Provisions (other than Tax) and Contingencies	92141.54	8535.21	10819.08	130615.49	25398.37
9. Exceptional Items	0.00	0.00	0.00	0.00	0.00
10. Profit/Loss from ordinary activities before tax (7)-(8)-(9)	-99066.13	-3923.40	7016.12	-95077.61	38007.21
11. Tax expense	-36841.00	0.00	1800.00	-36591.00	12400.00
12. Net Profit/Loss from Ordinary activities after tax (10) - (11)	-62225.13	-3923.40	5216.12	-58486.61	25607.21
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)	-62225.13	-3923.40	5216.12	-58486.61	25607.21
15. Paid up equity share capital (Face Value ₹10/-)	25599.38	19200.67	19144.67	25599.38	19144.67
16. Reserves excluding revaluation reserves as per balance sheet of previous accounting year	190442.03	177540.18	177540.18	190442.03	177540.18
17. Analytical Ratios					
i) Percentage of shares held by Govt. of India	NIL	NIL	NIL	NIL	NIL
ii) Capital Adequacy Ratio (%) - Basel - III	9.81	9.75	10.38	9.81	10.38
iii) Earnings Per Share (EPS)(*Not Annualised)					
(a) Basic EPS - before/after extraordinary items (*Not annualised) (₹)	* (24.65)	* (2.04)	* 2.74	(28.29)	14.07
(b) Diluted EPS - before/after extraordinary items (*Not annualised) (₹)	* (24.52)	* (2.03)	* 2.71	(28.11)	13.95
iv) NPA RATIOS					
(a) Gross NPA	269421.15	142700.96	64019.43	269421.15	64019.43
Net NPA	145788.98	106046.00	41841.59	145788.98	41841.59
(b) % of Gross NPA	9.98	5.66	2.67	9.98	2.67
% of Net NPA	5.66	4.27	1.76	5.66	1.76
(c) Return on Assets (%) (Annualised)	-6.22	-0.42	0.63	-1.57	0.83

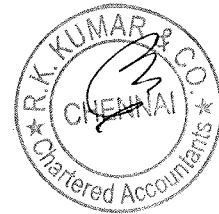




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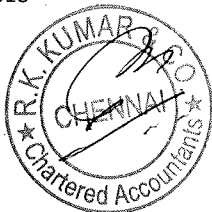
NOTES:

1	The above audited financial results for the quarter/year ended 31st March 2018 were recommended for approval to the Board by the Audit Committee at their meeting held on 25th May, 2018 and approved by the Board of Directors of the Bank at their meeting held on 25th May, 2018. The same have been audited by the Statutory Central Auditors of the Bank in line with the guidelines issued by the Reserve Bank of India and as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.						
2	The working results for the quarter/year ended 31st March 2018 have been arrived after considering provisions for Standard Assets including requirements for exposures to entities with unhedged Foreign Currency Exposure, Non-Performing Assets, Depreciation on Investments, Provision for Employees Benefit and other usual and necessary provisions.						
3	For the preparation of financial results, the Bank has followed the same accounting policies and generally accepted practices adopted for the preparation of audited financial statements for the year ended 31st March 2017.						
4	The figures for the quarter ended 31st March 2018 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 audited and the published year to date figures reviewed up to the end of the third quarter of the relevant financial year.						
5	The Reserve Bank of India vide its Circular dated 12th February, 2018, issued a revised framework for resolution of stressed assets, which superseded the existing guidelines on SDR, S4A etc., with immediate effect. Accordingly, the Bank has revoked the stand-still benefits for accounts where any of these schemes had been invoked but not implemented and classified them as per the extant RBI guidelines on Income Recognition and Asset Classification and requisite provisions have been made.						
6	The Bank has recognized net Deferred Tax Assets as on 31st March, 2018 aggregating to Rs 464.95 Crores (PY Rs 65.22 Crores) on timing differences pertaining to surplus provision for doubtful advances, Provision for Standard Advances, Leave Encashment, Special Reserve etc in accordance with Accounting Standard - 22 on "Taxes and income" issued by the Institute of Chartered Accountants of India.						
7	In terms of RBI guidelines, the bank had opted to spread the provision required for the outstanding balances in advance related fraud accounts over a period of four quarters and consequently bank has fully absorbed the unamortised amount of Rs.49.21 crore during the quarter ended 31st March 2018 (by corresponding reversal of the proportionate debit made earlier to Revenue and Other Reserves). The unamortized amount as at 31st March, 2018 is Nil.						
8	RBI vide circular DBR.No.BP.BC.102/21.04.048/2017-18 dated April 2, 2018 has permitted banks to spread the provisioning for mark to market (MTM) losses on investments held in AFS and HFT for the quarters ended December 31, 2017 and March 31, 2018 equally over four quarters respectively (commencing with the quarter in which the loss is incurred). Accordingly, Bank has provided Rs.32.76 crore for depreciation of the investment portfolio for the quarter ended Mar 2018. The balance amounting to Rs.98.29 crore will be provided in the ensuing three quarters.						
9	Ministry of Labour and Employment, Government of India on 29th March, 2018 enhanced the gratuity payable to an employee under Payment of Gratuity Act, 1972 to not exceed ₹20 lakh from earlier limit of ₹10 lakh. Employee cost for the quarter ended 31st March, 2018 recognises the 1/4th of impact of this change amounting to ₹3.75 crore. The unamortised amount on this account stood at ₹11.27 crore as on 31.03.2018 and will be spread over the next three quarters, as permitted by RBI vide DBR.BP.9730/21.04.018/2017-18 dated 27.04.2018.						
10	During the year, the book value of securities sold under HTM category exceeds 5% of the book value of investments held in HTM category as at the beginning of the year. The details of HTM category as on 31.03.2018 are furnished hereunder- (Rs.in Crore)						
	<table border="1" style="width: 100%;"> <tr> <td>Market Value</td> <td style="text-align: right;">6287.37</td> </tr> <tr> <td>Book Value</td> <td style="text-align: right;">6571.05</td> </tr> <tr> <td>Excess of book value over market value for which provision is not made</td> <td style="text-align: right;">283.68</td> </tr> </table>	Market Value	6287.37	Book Value	6571.05	Excess of book value over market value for which provision is not made	283.68
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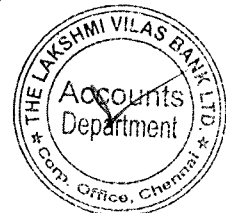


11	The provision coverage ratio as at 31st March 2018 stood at 55.07%. (59.51% as on March 31, 2017)	
12	In terms of the RBI Circular DBR.BP.BC.No. 63/21.04.018/2016-17 dated 18th April 2017, banks are required to disclose the divergences in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts wherever either a) the additional provisioning requirements assessed by RBI exceed 15% of the published net profits after tax for the reference period or b) the additional Gross NPAs identified by RBI exceed 15% of the published incremental Gross NPAs for the reference period, or both. Accordingly, divergence in Asset Classification and Provisioning for NPAs in compliance to Risk Assessment Report (RAR) of RBI for the financial year 2016-17 is reported hereunder.	
	S.no	Particulars
		Amount (Rs in lakhs)
	1	Gross NPAs as on March 31, 2017 as reported by the bank
		64019.43
	2	Gross NPAs as on March 31, 2017 as assessed by RBI
		80969.43
	3	Divergence in Gross NPAs (2-1)
		16950.00
	4	Net NPAs as on March 31, 2017 as reported by the bank
		41841.59
	5	Net NPAs as on March 31, 2017 as assessed by RBI
		49761.59
	6	Divergence in Net NPAs (5-4)
		7920.00
	7	Provisions for NPAs as on March 31, 2017 as reported by the bank
		17042.54
	8	Provisions for NPAs as on March 31, 2017 as assessed by RBI
		26072.54
	9	Divergence in provisioning (8-7)
		9030.00
	10	Reported Net Profit after Tax (PAT) for the year ended March 31, 2017
		25607.21
	11	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2017 after taking into account the divergence in provisioning
		16577.21
	(Resultant impact of the RBI divergence has been duly considered and given effect to as of 31.03.2018)	
13	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, Pillar 3 disclosures including leverage ratios and liquidity coverage ratios under Basel III framework is being made available on bank's 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.	
14	The bank has allotted 6,39,87,006 equity shares of Rs.10/- each at a price of Rs.122/- per equity share (including a share premium of Rs.112/- per equity share) aggregating to Rs.780.64 crore on rights basis and 5,10,149 equity shares out of the right issue are being kept in abeyance.	
15	Status of Investor Complaints for the quarter ended 31st March 2018:	
	-Complaints pending at the beginning of the Quarter : Nil	
	-Complaints received during the Quarter : 3	
	-Complaints disposed during the Quarter: 3	
	-Complaints unresolved at the end of the Quarter: Nil	
16	The financial statement of the Bank includes Advances (net of provisions) of ₹25768 crore after adjustment of third party deposits amounting to ₹794 crore. The Bank has received legal notice questioning the said adjustment. As per legal opinion received by the Bank, the adjustment of deposits against loan is lawful. In the process of adjustment of the deposits as mentioned above, there was a resultant shortfall in the maintenance of CRR for a short period. The Bank has already notified RBI of the same. No legal or regulatory proceedings are pending against the Bank on account of the above.	
17	The figures of the previous periods/year have been regrouped/reclassified, wherever necessary to conform to current period/ year classification.	

Place: Chennai
Date: 25-05-2018



P. Mukherjee
P. Mukherjee
MD & CEO



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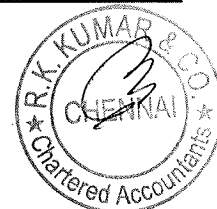
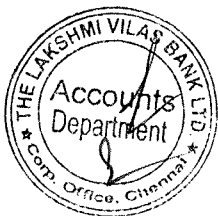
SEGMENT REPORTING - MAR 2018

(Rs. in lakh)

PART A: BUSINESS SEGMENTS	QUARTER ENDED			YEAR ENDED	
	PARTICULARS	31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18
1. SEGMENT REVENUE	(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)
a. Treasury operations	15513.24	16061.20	22686.96	77996.44	86631.42
b. Corporate/wholesale banking operations	1215.16	24727.66	23474.28	77630.06	93322.04
c. Retail banking operations	56459.86	40345.12	38300.14	181136.80	152262.28
d. Other banking operations	902.73	617.08	2038.08	2079.65	2726.79
TOTAL	74090.99	81751.06	86499.46	338842.95	334942.53
2. SEGMENT RESULTS					
a. Treasury operations	-565.90	-2376.43	9392.99	14321.46	31042.48
b. Corporate/wholesale Banking operations	-5476.42	2847.42	2840.64	5858.67	12903.61
c. Retail banking operations	-1670.07	3624.39	3648.89	13670.24	17067.40
d. Other banking operations	787.80	516.43	1952.68	1687.51	2392.09
TOTAL	-6924.59	4611.81	17835.20	35537.88	63405.58
OPERATING PROFIT	-6924.59	4611.81	17835.20	35537.88	63405.58
PROVISIONS OTHER THAN TAX	92141.54	8535.21	10819.08	130615.49	25398.37
PROFIT BEFORE TAX	-99066.13	-3923.40	7016.12	-95077.61	38007.21
Less : Tax expenses	-36841.00	0.00	1800.00	-36591.00	12400.00
NET PROFIT / LOSS	-62225.13	-3923.40	5216.12	-58486.61	25607.21
3. SEGMENT ASSETS					
a. Treasury operations	1130812.72	1292921.32	899837.38	1130812.72	899837.38
b. Corporate / Wholesale banking operations	835859.23	845430.64	720821.55	835859.23	720821.55
c. Retail banking operations	1914900.24	1803329.52	1799528.11	1914900.24	1799528.11
d. Unallocated Assets	161350.41	118036.30	104285.03	161350.41	104285.01
TOTAL	4042922.60	4059717.78	3524472.07	4042922.60	3524472.05
4. SEGMENT LIABILITIES					
a. Treasury operations	1070308.30	1275241.29	889506.26	1070308.30	889506.26
b. Corporate/wholesale banking operations	817004.32	834116.96	689273.91	817004.32	689273.91
c. Retail banking operations	1875932.54	1690257.90	1681548.44	1875932.54	1681548.44
d. Unallocated liabilities	46910.61	48143.27	50509.29	46910.61	50509.27
TOTAL	3810155.77	3847759.42	3310837.90	3810155.77	3310837.88
CAPITAL EMPLOYED (Segment Assets - Segment Liabilities)					
a. Treasury operations	60504.42	17680.03	10331.12	60504.42	10331.12
b. Corporate/wholesale banking operations	18854.91	11313.68	31547.64	18854.91	31547.64
c. Retail banking operations	38967.70	113071.62	117979.67	38967.70	117979.67
d. Unallocated	114439.80	69893.03	53775.74	114439.80	53775.74
TOTAL	232766.83	211958.36	213634.17	232766.83	213634.17

PART B: GEOGRAPHICAL SEGMENTS

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



THE LAKSHMI VILAS BANK LIMITED

Statement of Assets & Liabilities of the bank as on 31/03/2018 (₹ in lakhs)

I. CAPITAL & LIABILITIES	AS AT 31-MAR-2018	AS AT 31-MAR-2017
a. Capital	25599.38	19144.67
b. Reserves & Surplus	207167.45	194489.50
c. Deposits	3330948.29	3055335.35
d. Borrowings	401278.03	177313.21
e. Other Liabilities & Provisions	77929.45	78189.32
TOTAL	4042922.60	3524472.05
II. ASSETS		
a. Cash & Balances with Reserve Bank of India	169816.94	145480.48
b. Balances with Banks and Money at Call & Short Notice	31679.42	16907.17
c. Investments	1076774.83	865173.03
d. Advances	2576820.17	2372891.14
e. Fixed Assets	40245.35	35911.90
f. Other Assets	147585.89	88108.33
TOTAL	4042922.60	3524472.05

