



LAKSHMI VILAS BANK

Secretarial Department

CIN: L65110TN1926PLC001377

Ref/Sec/205 & 266/168/2018-2019

October 24, 2018

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 Company Symbol: LAKSHVILAS	The General Manager Department of Corporate Services BSE Limited Listing Department Phiroze Jeejeeboy Tower Dalal Street, Fort Mumbai - 400 001 Scrip Code: 534690
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Dear Sir,

Sub: Unaudited Financial Results for the Quarter Ended 30.09.2018.

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

Please find enclosed the Un-Audited Financial Results and Limited Review Report of the Bank for the Second Quarter ended 30th September, 2018 approved by the Board on 24.10.2018.

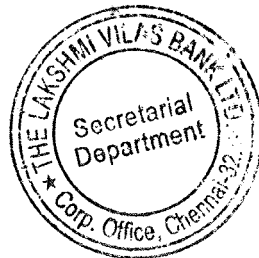
The meeting of Board of Directors of the Bank commenced at 10.15 AM and concluded at 04.10 P.M.

This is for your information and records.

Thanking You,

Yours faithfully,

N Ramanathan
Company Secretary



Encl: A/a



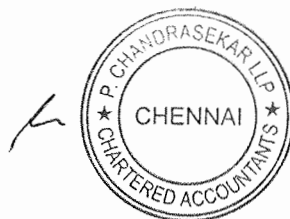
LAKSHMI VILAS BANK

Corporate Office, "LVB HOUSE", No.4 Sardar Patel Road, Guindy, Chennai 600 032
(Regd. Office: Salem Road, Kathapara, Karur - 639 006)

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/SIX MONTHS ENDED 30TH SEPTEMBER, 2018

(₹ in lakhs)

PARTICULARS	QUARTER-ENDED			HALF-YEAR ENDED		YEAR ENDED
	30-Sep-18 (Reviewed)	30-Jun-18 (Reviewed)	30-Sep-17 (Reviewed)	30-Sep-18 (Reviewed)	30-Sep-17 (Reviewed)	31-Mar-18 (Audited)
1. INTEREST EARNED (a+b+c+d)	72929.31	72699.12	77887.22	145628.42	154882.82	304162.17
(a) Interest/discount on advances/bills	56282.49	55591.05	61307.55	111873.53	122591.73	233147.02
(b) Income on investments	16345.21	16923.77	16384.48	33268.98	31550.87	69305.43
(c) Interest on balances with RBI & Other inter- bank funds	203.06	76.45	40.60	279.51	547.98	702.93
(d) Others	98.55	107.85	154.59	206.40	192.24	1006.79
2. Other Income	7120.95	6051.48	12388.37	13172.44	28118.07	34680.78
3. Total Income (1+2)	80050.26	78750.60	90275.59	158800.86	183000.89	338842.95
4. Interest expended	57834.15	59678.72	54613.40	117512.87	109836.26	225102.10
5. Operating Expenses (i) + (ii)	19459.40	18396.17	17724.05	37855.58	35313.97	78202.97
(i) Employees cost	8202.02	9718.89	9068.94	17920.91	17657.26	39213.36
(ii) Other operating expenses	11257.38	8677.28	8655.11	19934.67	17656.71	38989.61
6. Total Expenditure (excluding provisions and contingencies (4) + (5))	77293.55	78074.89	72337.45	155368.45	145150.23	303305.07
7. Operating Profit before provisions and contingencies (3) - (6)	2756.71	675.71	17938.14	3432.41	37850.66	35537.88
8. Provisions (other than Tax) and Contingencies	20487.41	16152.62	18738.03	36640.02	29938.74	130615.49
9. Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
10. Profit/Loss from ordinary activities before tax (7)-(8)-(9)	-17730.70	-15476.91	-799.89	-33207.61	7911.92	-95077.61
11. Tax expense	-4500.00	-3090.00	-1850.00	-7590.00	250.00	-36591.00
12. Net Profit/Loss from Ordinary activities after tax (10) - (11)	-13230.70	-12386.91	1050.11	-25617.61	7661.92	-58486.61
13. Extra Ordinary items (Net of Tax Expense)	0.00	0.00	0.00	0.00	0.00	0.00
14. Net Profit/Loss for the period (12-13)	-13230.70	-12386.91	1050.11	-25617.61	7661.92	-58486.61
15. Paid up equity share capital (Face Value ₹10/-)	25606.66	25605.36	19180.67	25606.66	19180.67	25599.38
16. Reserves excluding revaluation reserves as per balance sheet of previous accounting year	190442.03	190442.03	177540.18	190442.03	177540.18	190442.03
17. Analytical Ratios						
i) Percentage of shares held by Govt. of India	NIL	NIL	NIL	NIL	NIL	NIL
ii) Capital Adequacy Ratio (%) - Basel - III	9.67	9.45	10.57	9.67	10.57	9.81
iii) Earnings Per Share (EPS)(*Not Annualised)						
(a) Basic EPS - before/after extraordinary items (*Not annualised) (₹)	* (5.17)	* (4.84)	* 0.55	* (10.01)	* 4.00	(28.29)
(b) Diluted EPS - before/after extraordinary items (*Not annualised) (₹)	* (5.15)	* (4.82)	* 0.54	* (9.97)	* 3.96	(28.11)
iv) NPA RATIOS						
(a) Gross NPA	296489.08	280471.94	127765.66	296489.08	127765.66	269421.15
Net NPA	156008.47	147808.90	99322.57	156008.47	99322.57	145788.98
(b) % of Gross NPA	12.31	10.73	5.50	12.31	5.50	9.98
% of Net NPA	6.88	5.96	4.33	6.88	4.33	5.66
(c) Return on Assets (%) (Annualised)	-1.34	-1.25	0.12	-1.30	0.43	-1.57





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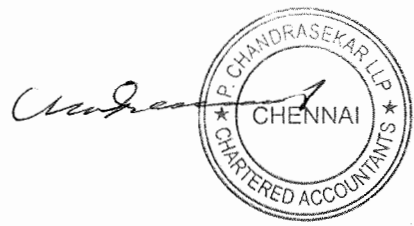
Corporate Office, "LVB HOUSE", No.4 Sardar Patel Road, Guindy, Chennai 600 032
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NOTES:

1	The above financial results have been reviewed by the Audit Committee of the Board in their meeting held on 24th October 2018 and approved by the Board of Directors in their meeting held on 24th October 2018. The same have been subjected to Limited Review by the Statutory Auditors of the Bank.
2	The working results for the quarter ended 30th September 2018 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	There has been no change in the accounting policies in the preparation of interim financial results to those followed in the annual financial statements for the year ended March 31, 2018.
4	The bank had spread the provisioning for MTM losses on the investments held in AFS and HFT categories for the quarter ended 31.03.2018 and 30.06.2018 equally over four quarters as permitted by RBI vide circular DBR.No.BP.BC.102/21.04.048/2017-18 dated April 2, 2018 and DBR.No.BP.BC.113/21.04.048/2017-18 dated June 15, 2018 respectively. Accordingly, Bank has provided Rs.47.01 crore for depreciation of the investment portfolio for the quarter ended September 2018. The balance amounting to Rs.61.27 crore will be provided in the ensuing quarters.
5	In the matter of suit filed against the bank by M/s Religare Finvest Ltd., for adjustment of their deposits to the dues of M/s.RHC Holding Pvt.Ltd & M/s.Ranchem Pvt Ltd., as reported in the earlier quarters, it is being defended appropriately by the Bank and the matter still remains sub-judice.
6	In the process of adjustment of the above mentioned deposits, there was an observation by statutory auditor for the FY 2017-18 of a resultant shortfall in the maintenance of CRR for a short period. As the shortfall was notional, the matter was referred to RBI and RBI vide their letter ref. DBR.CO.No.2438/12.07.42/2018-19 dated 21.09.2018 has advised that the matter has been examined and have decided not to impose penal interest in the matter.
7	RBI circular DBR.No.BP.BC.108/21.04.048/2017-18 permitted banks to continue the exposures to MSME borrowers to be classified as standard assets where the dues between September 1, 2017 and December 31, 2018 are paid not later than 180 days from their respective original due dates. Accordingly, the bank has retained advance of Rs.74.13 crore as standard as at September 30, 2018. In accordance with the provisions of the circular, the bank had not recognised interest income of Rs.3.09 crore.
8	The provision coverage ratio as at 30th September 2018 stood at 55.39%.
9	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.
10	During the quarter ended 30th September 2018, the Bank had allotted 12,965 shares pursuant to the exercise of employees' stock option.
11	Status of Investor Complaints for the quarter ended 30th September 2018:
	-Complaints pending at the beginning of the Quarter : Nil
	-Complaints received during the Quarter : 1
	-Complaints disposed during the Quarter: 1
	-Complaints unresolved at the end of the Quarter: Nil
12	The figures of the previous periods/year have been regrouped/reclassified, wherever necessary to conform to current period/ year classification.

Place: Chennai
Date: 24-10-2018

P. Mukherjee
MD & CEO



THE LAKSHMI VILAS BANK LIMITED

Statement of Assets & Liabilities of the bank as on 30/09/2018

(₹ in lakhs)

I. CAPITAL & LIABILITIES	AS AT 30-SEP-2018	AS AT 30-SEP-2017	AS AT 31-MAR-2018
a. Capital	25606.66	19180.68	25599.38
b. Reserves & Surplus	179734.92	193724.80	207167.45
c. Deposits	3107051.13	2917110.80	3330948.29
d. Borrowings	336987.00	509784.68	401278.03
e. Other Liabilities & Provisions	74906.19	75257.77	77929.45
TOTAL	3724285.90	3715058.73	4042922.60
II. ASSETS			
a. Cash & Balances with Reserve Bank of India	180804.62	161248.84	169816.94
b. Balances with Banks and Money at Call & Short Notice	27551.47	6406.87	31679.42
c. Investments	1055865.69	1121512.98	1076774.83
d. Advances	2268710.78	2292649.22	2576820.17
e. Fixed Assets	47258.07	40136.13	40245.35
f. Other Assets	144095.27	93104.69	147585.89
TOTAL	3724285.90	3715058.73	4042922.60



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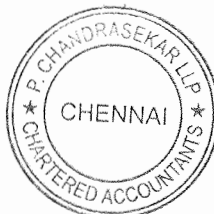
SEGMENT REPORTING - SEP 2018

(Rs. in lakh)

PART A: BUSINESS SEGMENTS	Quarter Ended			Half year ended		YEAR ENDED
PARTICULARS	30-Sep-18	30-Jun-18	30-Sep-17	30-Sep-18	30-Sep-17	31-Mar-18
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
1. SEGMENT REVENUE						
a. Treasury operations	16951.99	15644.58	20314.28	32596.57	46422.00	77996.44
b. Corporate/wholesale banking operations	18800.48	18869.39	26433.57	37669.87	51687.24	77630.06
c. Retail banking operations	43867.80	44028.57	43128.46	87896.37	84331.82	181136.80
d. Other banking operations	429.99	208.06	399.29	638.05	559.84	2079.65
TOTAL	80050.26	78750.60	90275.60	158800.86	183000.90	338842.95
2. SEGMENT RESULTS						
a. Treasury operations	886.63	-8.54	5248.67	878.09	17263.79	14321.46
b. Corporate/wholesale Banking operations	516.44	172.01	5101.98	688.45	8487.68	5858.67
c. Retail banking operations	1205.02	401.37	7278.89	1606.39	11715.92	13670.24
d. Other banking operations	148.62	110.87	308.60	259.48	383.27	1687.51
TOTAL	2756.71	675.71	17938.14	3432.41	37850.66	35537.88
OPERATING PROFIT	2756.71	675.71	17938.14	3432.41	37850.66	35537.88
PROVISIONS OTHER THAN TAX	20487.41	16152.62	18738.03	36640.02	29938.74	130615.49
PROFIT BEFORE TAX	-17730.70	-15476.91	-799.89	-33207.61	7911.92	-95077.61
Less : Tax expenses	-4500.00	-3090.00	-1850.00	-7590.00	250.00	-36591.00
NET PROFIT / LOSS	-13230.70	-12386.91	1050.11	-25617.61	7661.92	-58486.61
3. SEGMENT ASSETS						
a. Treasury operations	1096275.88	991985.09	1147300.59	1096275.88	1147300.59	1130812.72
b. Corporate / Wholesale banking operations	711839.66	757646.50	725691.33	711839.66	725691.33	835859.23
c. Retail banking operations	1746561.05	1924104.85	1733214.07	1746561.05	1733214.07	1914900.24
d. Unallocated Assets	169609.31	167009.36	108852.74	169609.31	108852.74	161350.41
TOTAL	3724285.90	3840745.80	3715058.73	3724285.90	3715058.73	4042922.60
4. SEGMENT LIABILITIES						
a. Treasury operations	1062154.56	978646.01	1126182.62	1062154.56	1126182.62	1070308.30
b. Corporate/wholesale banking operations	698894.03	697529.16	683556.17	698894.03	683556.17	817004.32
c. Retail banking operations	1713690.25	1900892.73	1645707.48	1713690.25	1645707.48	1875932.54
d. Unallocated liabilities	44205.48	45161.83	46706.98	44205.48	46706.98	46910.61
TOTAL	3518944.32	3622229.73	3502153.25	3518944.32	3502153.25	3810155.77
CAPITAL EMPLOYED (Segment Assets - Segment Liabilities)						
a. Treasury operations	34121.32	13339.08	21117.97	34121.32	21117.97	60504.42
b. Corporate/wholesale banking operations	12945.63	60117.34	42135.16	12945.63	42135.16	18854.91
c. Retail banking operations	32870.80	23212.12	87506.59	32870.80	87506.59	38967.70
d. Unallocated	125403.83	121847.53	62145.76	125403.83	62145.76	114439.80
TOTAL	205341.58	218516.07	212905.48	205341.58	212905.48	232766.83

PART B: GEOGRAPHICAL SEGMENTS

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



LIMITED REVIEW REPORT

The Board of Directors

The Lakshmi Vilas Bank Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results (“the Statement”) of **The Lakshmi Vilas Bank Limited** (“the Bank”) for the quarter and half year ended **30th September 2018**, prepared by the Bank pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The disclosures relating to “Pillar 3 under Basel III Capital Regulations”, “Leverage Ratio” and “Leverage Coverage Ratio” as have been disclosed on the Bank’s website in respect of which a link has been provided in the Statement have not been reviewed by us. This Statement is the responsibility of the Bank’s Management and has been approved by the Board of Directors in their meeting held on 24th October 2018. 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 in so far as they apply to Banking Companies, circulars and guidelines issued by the Reserve Bank of India from time to time and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of Bank personnel and analytical procedures applied to financial data and thus provides 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 reports in respect of non-performing assets received from concurrent auditors of 103 branches. These reports cover 71.22 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.
4. Without qualifying our conclusion, we draw attention to Note No. 4 forming part of the unaudited financial results, regarding deferment of provision for Mark to Market (MTM) losses on investments of ₹61.27 crore as at 30th September 2018 for amortisation in remaining quarters.



M/s. P. CHANDRASEKAR LLP
Chartered Accountants

5. Based on our review conducted as mentioned in paragraphs 2 and 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the applicable Accounting Standards and other recognised 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, asset classification, provisioning and other related matters.
6. The comparative financial information of the Bank for the quarter ended 30th June 2018 and the corresponding quarter and half year ended 30th September 2017 and for the year ended 31st March 2018 were reviewed/ audited, by the predecessor auditor who expressed an unmodified conclusion on those financial information.

For P.CHANDRASEKAR LLP
Chartered Accountants
(Firm Regn. No.000580S/S200066)



P.Chandrasekaran
Partner
Membership No. 026037
Place: Chennai
Date: 24th October 2018

