

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31st MARCH 2012

(₹ in lakhs)

Particulars	3 Months ended			Year ended	
	31-Mar-12	31-Dec-11	31-Mar-11	31-Mar-12	31-Mar-11
	Audited	Reviewed	Audited	Audited	
1. Interest earned (a)+(b)+(c)+(d)	94747	85633	63174	327037	221769
a) Interest / discount on advances /bills	72918	66655	48812	253821	168306
b) Income on Investments	20703	18755	13749	71625	52356
c) Interest on balances with RBI and other interbank funds	449	216	10	900	16
d) Others	677	7	603	691	1091
2. Other Income	11180	8944	6363	35015	26433
3. Total Income (1+2)	105927	94577	69537	362052	248202
4. Interest Expended	68648	62166	42039	235325	145084
5. Operating Expenses (i+ii)	15974	13438	12909	54156	43060
(i) Employees cost	7352	6820	6767	26441	22950
(ii) Other operating expenses	8622	6618	6142	27715	20110
6. Total Expenditure (4+5) excluding provision and contingencies	84622	75604	54948	289481	188144
7. Operating Profit before Provisions and Contingencies (3-6)	21305	18973	14589	72571	60058
8. Provisions (other than tax) and Contingencies	684	3602	278	9376	3931
9. Exceptional items	0	0	0	0	0
10. Profit /(Loss) from Ordinary activities before tax (7-8-9)	20621	15371	14311	63195	56127
11. Tax expense	5942	2879	2782	13023	14568
12. Net Profit from ordinary activities after tax(10-11)	14679	12492	11529	50172	41559
13. Extraordinary items (net of tax expense)	0	0	0	0	0
14. Net Profit for the period (12-13)	14679	12492	11529	50172	41559
15. Paid-up equity share capital (FV Rs.10/-)	10718	10718	9449	10718	9449
16. Reserves excluding Revaluation Reserve (as per balance sheet of previous accounting year)	260104	202004	202004	260104	202004
17. Analytical Ratios					
(i) % of shares held by Government of India	0%	0%	0%	0%	0%
(ii) Capital Adequacy Ratio-Basel II	14.33%	13.25%	14.41%	14.33%	14.41%
(iii) Earnings per share (EPS)					
a) Basic EPS before and after extraordinary items (not to be annualized)	13.69	11.66	12.45	46.81	44.90
b) Diluted EPS before and after extraordinary items (not to be annualized)	13.69	11.66	12.45	46.81	44.83
(iv) NPA Ratios					
a) Gross NPA	32099	32212	22815	32099	22815
b) Net NPA	7878	6434	1387	7878	1387
c) % of Gross NPA	1.33%	1.45%	1.26%	1.33%	1.26%
d) % of Net NPA	0.33%	0.29%	0.07%	0.33%	0.07%
e) Return on Asset(annualized)	1.63%	1.49%	1.73%	1.56%	1.71%



	3 Months ended			Year ended	
	31-Mar-12	31-Dec-11	31-Mar-11	31-Mar-12	31-Mar-11
	Audited	Reviewed	Audited	Audited	
18. Public Shareholding					
Number of Shares	103719706	103690273	102973411	103719706	102973411
% of Shareholding	96.77%	96.74%	96.53%	96.77%	96.53%
19. Promoters and Promoter Group Shareholding					
a) Pledged / Encumbered					
-Number of Shares	850343	842443	764288	850343	764288
-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	24.57%	24.14%	20.66%	24.57%	20.66%
-Percentage of Shares (as a % of the total share capital of the Company)	0.79%	0.79%	0.72%	0.79%	0.72%
b) Non - encumbered					
- Number of Shares	2610357	2647690	2934503	2610357	2934503
- Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	75.43%	75.86%	79.34%	75.43%	79.34%
-Percentage of Shares (as a % of the total share capital of the company)	2.44%	2.47%	2.75%	2.44%	2.75%

Business Segments

Segment Revenue					
1. Treasury Operations	24546	20584	13804	78916	57567
2. Corporate/Wholesale Banking Operations	28351	30643	25152	109500	90496
3. Retail Banking Operations	52705	42872	30358	172196	99498
4. Other Banking Operations	325	478	224	1440	642
Total	105927	94577	69538	362052	248203
Segment Results					
1. Treasury Operations	922	3603	1660	8818	13370
2. Corporate/Wholesale Banking Operations	8246	7469	6191	26612	26017
3. Retail Banking Operations	18832	13545	10697	58864	33500
4. Other Banking Operations	314	470	212	1403	599
Total	28314	25087	18760	95697	73486
Unallocated Income/Expenses	7009	6114	4170	23126	13428
Operating Profit	21305	18973	14590	72571	60058
Income Taxes	5943	2879	2783	13023	14568
Other Provisions	683	3602	278	9376	3931
Net Profit	14679	12492	11529	50172	41559
Other Information					
Segment Assets					
1. Treasury Operations	1056143	944411	787093	1056143	787093
2. Corporate/Wholesale Banking Operations	1008102	1012954	864038	1008102	864038
3. Retail Banking Operations	1386817	1188746	941204	1386817	941204
4. Other Banking Operations	0	0	0	0	0
5. Unallocated Assets	312427	350376	230149	312427	230149
Total	3763489	3496487	2822484	3763489	2822484
Segment Liabilities					
1. Treasury Operations	1078263	983936	731909	1078263	731909
2. Corporate/Wholesale Banking Operations	899022	889410	796747	899022	796747
3. Retail Banking Operations	1236760	1043762	867904	1236760	867904
4. Other Banking Operations	0	0	0	0	0
5. Unallocated Liabilities	278622	307643	212226	278622	212226
Capital Employed	270822	271736	213698	270822	213698
Total Liabilities	3763489	3496487	2822484	3763489	2822484

GEOGRAPHIC SEGMENTS: The Bank operates only in Domestic segment.



Statement of Assets and Liabilities

(₹ in lakhs)

Capital and Liabilities	As on 31.03.2012 Audited	As on 31.03.2011 Audited
Capital	10718	9449
Reserve and Surplus	260104	202005
Deposits	3211159	2472185
Borrowings	197256	52989
Other Liabilities and Provision	84252	85856
Total	3763489	2822484

Assets		
Cash & Balances with RBI	192087	167984
Balances with Banks and Money at Call	11458	9462
Investments	1050609	773176
Advances	2394919	1781446
Fixed Assets	24485	21057
Other Assets	89931	69359
Total	3763489	2822484

Notes:

1) The above financial results for the year ended March 31, 2012 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting held on May 25, 2012.

2) There has been no change in the accounting policies followed during the year ended March 31, 2012 as compared to those followed in the preceding financial year ended 31st March 2011.

3) The figures for the quarter ended 31st March 2012 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figure between audited figures in respect of the full financial year and the year to date figures upto the end of the third quarter of the relevant financial year.

4) The working results for the year ended 31st March 2012 have been arrived at after making provisions for Non-performing Assets, Standard Assets, Depreciation on Investments, Taxes on Income and other usual and necessary provisions.

5) In terms of the Reserve Bank of India circular DBOD.No.BP.BC.80/21.4.018/2010-11 dated 9th February 2011 on amortization of expenses towards pension and gratuity liabilities, a proportionate sum of Rs.16.90 crore has been charged to the Profit and Loss Account during the year ended 31st March 2012. The balance unamortised amount of Rs.50.64 crore towards Pension and Gratuity Liabilities will be dealt with as per guidelines of Reserve Bank of India.



6) The bank had provided for Rs.15.95 Crore towards Medical Leave up to the previous year. The Medical leave being non encashable, the bank has transferred Rs.14.80 crore, being the amount drawn from Reserves in earlier year, to Reserve and balance amount of Rs1.15 crore to Profit & Loss account, as it is no longer required.

7) The Board of Directors recommend Dividend of 140% i.e.,Rs.14/- per equity shares for the year 2011-12

8) Details of Investor Complaints for the quarter ended 31st March 2012

i) Pending at the beginning of the quarter	0	ii) Received during the quarter	7
iii) Redressed during the quarter	7	iv) Pending at end of the quarter	0

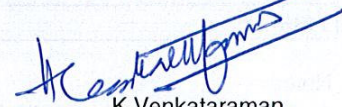
9) Provision Coverage Ratio is 75.46% as on 31st March 2012

10) Figures of the corresponding period have been re-classified/regrouped wherever considered necessary.


For and on behalf of Board of Directors

Place : Karur

Date : 25.05.2012


K.Venkataraman
MD & CEO

"As per our report of even date"
For R K Kumar & Co.,
Chartered Accountants
Firm Registration No.001595S


C.R.Sundararajan
Partner
Membership No.025400





Auditors' Report

To
The Shareholders of The Karur Vysya Bank Limited

Report on the Financial Statements:

1. We have audited the accompanying financial statements of The Karur Vysya Bank Limited as at 31st March 2012, which comprise the Balance Sheet as at 31st March 2012, the Profit & Loss Account and the Cash Flow Statement for the year then ended, significant Accounting Policies and other explanatory information. Incorporated in these financial statements are the returns of 6 branches/offices audited by us and 488 branches/offices audited by Branch Auditors. The Branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued by the Reserve Bank of India.

Management's responsibility for the Financial Statements:

2. Management is responsible for the preparation of these financial statements in accordance with the Banking Regulation Act, 1949. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility:

3. Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the





R.K.KUMAR & CO

CHARTERED ACCOUNTANTS

II FLOOR, CONGRESS BUILDING, 573, MOUNT ROAD, CHENNAI - 600 006.

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appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the accounting policies and notes thereon, give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 1956, in the manner so required for the banking companies and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the bank as at 31st March, 2012;
 - (ii) in the case of the Profit & Loss Account, of the profits for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of cash flows for the year ended on that date.

Report on other legal and Regulatory requirements:

7. The Balance Sheet and the Profit & Loss Account have been drawn up in accordance with the provisions of section 29 of the Banking Regulation Act, 1949 read with section 211 of the Companies Act, 1956;
8. Subject to the limitations of the audit indicated in paragraph 1 to 5 above, we report that:
 - a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit and have found them to be satisfactory.
 - b. the transactions of the Bank, which have come to our notice, have been within the powers of the Bank.
 - c. the returns received from the Offices and Branches of the Bank have been found adequate for the purposes of our audit.





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9. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
10. We further report that:
- (i) the Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of accounts and returns;
 - (ii) in our opinion, proper books of accounts as required by law have been kept by the bank so far as appears from our examination of those books; and
 - (iii) the reports on the accounts of the branches audited by branch auditors have been dealt with in preparing our report in the manner considered necessary by us;
 - (iv) on the basis of the written representation received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

(C.R.Sundararajan)
Partner
Membership No. 025400



Karur
May 25, 2012