



REVIEWED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE 2015

(₹ in lakhs)

Particulars	3 Months ended			Year ended
	30-Jun-15	31-Mar-15	30-Jun-14	31-Mar-15
	Reviewed	Audited	Reviewed	Audited
1. Interest earned (a)+(b)+(c)+(d)	135634	132782	134449	539587
a) Interest / discount on advances /bills	108254	104446	104771	421131
b) Income on Investments	26829	27778	29094	115816
c) Interest on balances with RBI and other interbank funds	68	54	67	624
d) Others	483	504	517	2016
2. Other Income	16216	17979	11795	58084
3. Total Income (1+2)	151850	150761	146244	597671
4. Interest Expended	93324	93044	100446	392997
5. Operating Expenses (i+ii)	28953	31717	24449	110345
(i) Employees cost	14852	15776	12275	54705
(ii) Other operating expenses	14101	15941	12174	55640
6. Total Expenditure (4+5) excluding provision and contingencies	122277	124761	124895	503342
7. Operating Profit before Provisions and Contingencies (3-6)	29573	26000	21349	94329
8. Provisions (other than tax) and Contingencies	11765	19483	8642	48051
9. Exceptional items	0	0	0	0
10. Profit /(Loss) from Ordinary activities before tax (7-8-9)	17808	6517	12707	46278
11. Tax expense	4350	-6399	500	717
12. Net Profit from ordinary activities after tax(10-11)	13458	12916	12207	45561
13. Extraordinary items (net of tax expense)	0	-867	0	-867
14. Net Profit for the period (12-13)	13458	13783	12207	46428
15. Paid-up equity share capital (FV Rs.10/-)	12186	12163	10729	12163
16. Reserves excluding Revaluation Reserve (as per balance sheet of previous accounting year)	412440	412440	321916	412440



(₹ in lakhs)

	3 Months ended			Year ended
	30-Jun-15	31-Mar-15	30-Jun-14	31-Mar-15
	Reviewed	Audited	Reviewed	Audited
17. Analytical Ratios				
(i) % of shares held by Government of India	0%	0%	0%	0%
(ii) Capital Adequacy Ratio-Basel II	13.63%	14.63%	12.58%	14.63%
Capital Adequacy Ratio-Basel III	13.19%	14.62%	12.49%	14.62%
(iii) Earnings per share (EPS)				
a) Basic EPS before and after extraordinary items (not to be annualized)	11.05	11.83	11.38	39.86
b) Diluted EPS before and after extraordinary items (not to be annualized)	11.05	11.81	11.30	39.78
(iv) NPA Ratios				
a) Gross NPA	71307	67778	45096	67778
b) Net NPA	32310	28097	18248	28097
c) % of Gross NPA	1.91%	1.85%	1.30%	1.85%
d) % of Net NPA	0.88%	0.78%	0.53%	0.78%
e) Return on Asset(annualized)	1.00%	1.04%	0.94%	0.88%
18. Public Shareholding				
Number of Shares	119228396	119000551	104605801	119000551
% of Shareholding	97.84%	97.84%	97.49%	97.84%
19. Promoters and Promoter Group Shareholding				
a) Pledged / Encumbered				
-Number of Shares	237341	227341	285763	227341
-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	9.00%	8.65%	10.63%	8.65%
-Percentage of Shares (as a % of the total share capital of the Company)	0.19%	0.19%	0.27%	0.19%
b) Non - encumbered				
- Number of Shares	2398717	2401717	2402165	2401717
- Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	91.00%	91.35%	89.37%	91.35%
-Percentage of Shares (as a % of the total share capital of the company)	1.97%	1.97%	2.24%	1.97%



(₹ in lakhs)

Business Segments	3 Months ended			Year ended
	30-Jun-15	31-Mar-15	30-Jun-14	31-Mar-15
	Reviewed	Audited	Reviewed	Audited
Segment Revenue				
1. Treasury Operations	28903	32099	30648	128011
2. Corporate/Wholesale Banking Operations	43889	42842	39365	163005
3. Retail Banking Operations	78780	75483	75981	305643
4. Other Banking Operations	278	337	250	1013
Total	151850	150761	146244	597672
Segment Results				
1. Treasury Operations	4724	8220	250	24793
2. Corporate/Wholesale Banking Operations	11140	9632	8691	35706
3. Retail Banking Operations	20207	12588	18204	55238
4. Other Banking Operations	254	308	231	933
Total	36325	30748	27376	116670
Unallocated Income/Expenses	6752	4747	6027	22340
Operating Profit	29573	26000	21349	94329
Income Taxes	4350	-6399	500	717
Other Provisions	11765	19483	8642	48051
Net Profit from ordinary activities	13458	12916	12207	45561
Extraordinary items	0	867	0	867
Net Profit	13458	13783	12207	46428
Other Information				
Segment Assets				
1. Treasury Operations	1369645	1238559	1338967	1238559
2. Corporate/Wholesale Banking Operations	1369567	1345414	1252736	1345414
3. Retail Banking Operations	2296845	2265480	2175098	2265480
4. Other Banking Operations	0	0	0	0
5. Unallocated Assets	443019	465795	468928	465795
Total	5479076	5315248	5235729	5315248
Segment Liabilities				
1. Treasury Operations	1364690	1234898	1334075	1234898
2. Corporate/Wholesale Banking Operations	1218039	1206349	1143454	1206349
3. Retail Banking Operations	2042407	2031394	1984919	2031394
4. Other Banking Operations	0	0	0	0
5. Unallocated Liabilities	393670	418004	428138	418004
Capital Employed	460270	424603	345143	424603
Total Liabilities	5479076	5315248	5235729	5315248

GEOGRAPHIC SEGMENTS: The Bank operates only in Domestic segment.

Notes:

- 1) The above financial results for the quarter ended 30th June 2015 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at the meeting held on 31st July 2015. The same has been subjected to limited review by the Statutory Central Auditors of the Bank.



2) There has been no change in the accounting policies followed during the quarter ended 30th June 2015 as compared to those followed in the preceding financial year ended 31st March 2015.

3) The above interim financial results have been arrived at after considering various provisions as per RBI Guidelines, for loan losses and depreciation on Investments, Standard Advances, Restructured Advances, exposure to entities with the Unhedged Foreign Currency Exposure. Provision for employees retirement benefits like pension, gratuity and leave encashment have been made as per Actuarial valuation. Provision for Income Tax, Deferred Tax and other contingencies are on estimated and proportionate basis and are subject to adjustments if any, at the year end.

4) Provision of Rs 32.45 crore has been made during the quarter towards in final balance in wage arrears, based on 10th Bi-partite settlement, which is effective from November 01, 2012.

5) During the quarter ended 30th June 2015, the Bank had allotted 2,34,845 shares pursuant to the exercise of stock options by certain employees at Rs 275 per share and Rs 10.75 crore has been credited to share premium account.

6) In accordance with the RBI circular DBOD. No. BPBC.1/21.06.201/2015-16 dated 01.07.2015, the banks are required to make quarterly Pillar 3 disclosures under Basel III Capital Regulations. Accordingly, such applicable disclosures have been made available on the banks website at the following link http://www.kvb.co.in/footer/pillarIII_disclosures.html. These quarterly Pillar 3 disclosures have not been subjected to limited review by Statutory Auditors of the Bank.

7) The figures for the quarter ended March 31, 2015 are the balancing figures between audited figures in respect of financial year 2014-15 and the published year to date figures upto the end of the third quarter of the financial year ended 31st March 2015.

8) In accordance with RBI guidelines, Bank has shifted Securities amounting to Rs.153.03 crore from AFS to HTM category and Rs.598.91 crore from HTM to AFS category and the resultant depreciation of Rs.3.38 crore has been charged to Profit & Loss account of during the current quarter.

9) Pursuant to RBI circular DBR.BP.BC.No.31/21.04.018/2015-16 dated July 16, 2015, the Bank has, effective quarter ended June 30, 2015, included its deposits placed with NABARD / SIDBI / NHB on account of shortfall in priority sector targets under schedule 11 - "Other Assets". Hitherto these were included under "Investments". Interest Income on these deposits has been included under "Interest Earned - Others". Hitherto such interest income was included under "Interest Earned - Income on Investments". Figures for the previous periods have been regrouped / reclassified to conform to current period's classification. The above change in classification has no impact on the profit of the Bank for the quarter ended June 30, 2015 or the previous period presented.



10) Provision Coverage Ratio as on 30.06.2015 is 75.01% .

11) Details of Investor Complaints for the quarter ended 30th June 2015

i) Pending at the beginning of the quarter: 0 , ii) Received during the quarter : 1 , iii) Redressed during the quarter : 1, iv) Pending at end of the quarter : 0

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

Place : Karur

Date : 31.07.2015

For and on behalf of Board of Directors


K.Venkataraman
Managing Director & C.E.O

"As per our report of even date"

For Abarna & Ananthan

Chartered Accountants

Firm Registration No. 0000035



Lalitha Rameswaran

Partner

Membership No. 207867



**REVIEW REPORT TO THE BOARD OF DIRECTORS OF
THE KARUR VYSYA BANK LIMITED**

1. We have reviewed the accompanying Unaudited Financial Results ('the Statement') of The Karur Vysya Bank Limited ('the Bank') for the quarter ended 30 June 2015, except for the disclosures regarding 'Public Shareholding' and 'Promoters and Promoter Group Shareholding' which have been traced from disclosures made by management and have not been reviewed by us. Further, disclosures relating to 'Pillar 3 under Basel III Capital Regulations' and 'Leverage Ratio' as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid 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 of the Bank in their meeting held on 31 July 2015. 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 Statement is free of material misstatement. A review is limited primarily to inquiries of Bank's 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. Based on our review conducted as mentioned in paragraph 2 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards specified under 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 prescribed by Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For **ABARNA & ANANTHAN**
CHARTERED ACCOUNTANTS
Firm Regn No. 000003S



LALITHA RAMESWARAN
PARTNER
M.No. 207867



521, 3rd MAIN, 6th BLOCK, 2nd PHASE, BSK 3rd STAGE, BANGALORE – 560085

☎: +91 80 32987322 / 26426022 ☎: 2672 7430

Branch at Chennai

✉ audit@abarna-ananthan.com