

THE LAKSHMI VILAS BANK LTD
REGD. & ADMN. OFFICE, SALEM ROAD, KARUR 639 006

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF-YEAR ENDED SEPTEMBER 30, 2008

(Rs.in lakhs)

PARTICULARS	QUARTER-ENDED		HALF-YEAR ENDED		YEAR ENDED
	30-Sep-08	30-Sep-07	30-Sep-08	30-Sep-07	31/03/2008
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(Audited)
1. INTEREST EARNED (a+b+c+d)	15079.66	12121.41	28953.85	23791.87	50605.76
(a) Interest/discount on advances/bills	11585.43	9103.52	22138.38	18064.81	37898.47
(b) Income on investments	3131.18	2408.19	6214.72	4781.38	10309.84
(c) Interest on balances with RBI & Other inter-bank funds	254.09	572.31	445.57	871.61	1365.41
(d) Others	108.96	37.39	155.18	74.07	1032.04
2. Other Income	2161.75	1228.44	3723.82	3190.38	8247.75
3. Total Income (1+2)	17241.41	13349.85	32677.67	26982.25	58853.51
4. Interest expended	11321.02	9211.56	22190.96	17838.68	38192.50
5. Operating Expenses (I) + (ii)	3929.14	2460.32	6897.54	5248.44	11644.27
(I) Employees cost	2248.67	1421.63	3795.56	2877.69	6304.32
(ii) Other operating expenses	1680.47	1038.69	3101.98	2370.75	5339.95
6. Total Expenditure (excluding provisions and contingencies (4) + (5))	15250.16	11671.88	29088.50	23087.12	49836.77
7. Operating Profit before provisions and contingencies (3) - (6)	1991.25	1677.97	3589.17	3895.13	9016.74
8. Provisions (other than Tax) and Contingencies	765.76	375.75	1843.55	618.60	4235.83
9. Exceptional Items	0.00	0.00	0.00	0.00	0.00
10. Profit/Loss from ordinary activities before tax (7)-(8)-(9)	1225.49	1302.22	1745.62	3276.53	4780.91
11. Tax expense	533.00	765.00	625.00	1230.00	2254.00
12. Net Profit/Loss from Ordinary activities after tax (10) - (11)	692.49	537.22	1120.62	2046.53	2526.91
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)	692.49	537.22	1120.62	2046.53	2526.91
15. Paid up equity share capital (Face Value Rs.10/-)	4877.58	4873.18	4877.58	4873.18	4877.22
16. Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)	36891.11	34828.36	36891.11	34828.36	36890.54
17. Analytical Ratios					
I) Percentage of shares held by Govt. of India	NIL	NIL	NIL	NIL	NIL
ii) Capital Adequacy Ratio (%)	12.16%	13.60%	12.16%	13.60%	12.73%
iii) Earnings Per Share (EPS)(*Not Annualised)					
(a) Basic & Diluted EPS - before extra ordinary items (Not annualised) (Rs.)	1.42	1.10	2.30	4.20	5.18
(b) Basic & Diluted EPS - after extra ordinary items (Not annualised) (Rs.)	1.42	1.10	2.30	4.20	5.18
iv) NPA RATIOS					
(a) Gross NPA	14411.95	15433.64	14411.95	15433.64	13797.86
Net NPA	6531.71	7442.14	6531.71	7442.14	5952.47
(b) % of Gross NPA	3.30%	4.46%	3.30%	4.46%	3.51%
% of NET NPA	1.52%	2.20%	1.52%	2.20%	1.55%
(c) Return on Assets (%)	0.40%	0.37%	0.33%	0.70%	0.41%
18. Public Shareholding					
- No. of Shares (in lakhs)	483.60	484.01	483.60	484.01	483.68
- Percentage of shareholding	99.15%	99.20%	99.15%	99.20%	99.17%

THE LAKSHMI VILAS BANK LIMITED					
SEGMENT - WISE RESULTS					
PART A - BUSINESS SEGMENTS					
					[Rs. In Crores]
Business Segments	3 months ended 30.09.2008 Unaudited	3 months ended 30.09.2007 Unaudited	6 months ended 30/09/2008 Unaudited	6 months ended 30/09/2007 Unaudited	Financial Year ended 31/03/2008 Audited
Revenue					
Treasury	33.36	27.89	67.99	55.51	137.31
Wholesale Banking	15.35		42.98		133.62
Retail Banking	123.31	105.61	215.05	214.32	316.64
Unallocated	0.40		0.76		0.97
Total	172.42	133.50	326.78	269.83	588.54
Result					
Treasury	8.65	(0.24)	7.78	0.26	19.32
Wholesale Banking	17.34		24.22		87.14
Retail Banking	32.42	45.63	71.26	84.74	97.57
Unallocated	0.31		0.61		0.69
Total	58.72	45.39	103.87	85.00	204.72
Unallocated expenses	38.80	28.61	67.97	46.04	114.55
Operating Profit - Before Extraordinary items	19.92	16.78	35.90	38.96	90.17
Provisions & Contingencies	7.66	3.76	18.44	6.19	37.05
Income Tax	5.33	7.65	6.25	12.30	27.85
Extraordinary Profit / (Loss)	0.00	0.00	0.00	0.00	0.00
Net Profit	6.93	5.37	11.21	20.47	25.27
OTHER INFORMATION					
Segment Assets					
Treasury	1607.97	1532.15	1607.97	1532.15	1732.61
Wholesale Banking	1465.43	4040.58	1465.43	4040.58	1318.23
Retail Banking	2829.17		2829.17		2546.68
Unallocated Assets	969.87	301.48	969.87	301.48	923.08
Total Assets	6872.44	5874.21	6872.44	5874.21	6520.60
Segment Liabilities					
Treasury	103.80	0.32	103.80	0.32	110.25
Wholesale Banking	1359.25		1359.25		903.03
Retail Banking	4644.96	5377.75	4644.96	5377.75	4715.46
Unallocated Liabilities	335.53	74.96	335.53	74.96	374.18
Total Liabilities	6443.54	5453.03	6443.54	5453.03	6102.92
PART B - GEOGRAPHICAL SEGMENTS					
Since the Bank is having domestic operations only, no reporting is necessary under this segment.					
For the half-year ended 30th September 2008, the Bank's Operations are classified into Treasury, Corporate/Wholesale and Retail Banking segments, whereas for the half-year ended 30th September 2007, the operations are classified under Treasury & Other Banking Operations only and as a result the figures are not comparable.					



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NOTES:

1. The working results for the quarter/ half-year ended 30th September 2008 have been arrived at after considering provisions for wage arrears, bonus, leave encashment, depreciation on investments, non-performing assets, standard assets, income tax including deferred tax & Fringe Benefit tax and other usual and necessary items on estimated basis.

2. Provision has been made for the half-year ended 30th September 2008 in respect of the Accounting Standard AS 15 on "Employees benefit" issued by the Institute of Chartered Accountants of India in respect of Pension & Gratuity based on actuarial valuation. The effect of the transitional provision relating to half-year ended 30.09.2008 amounting to Rs.1.98 crores has been provided for, as against the practice followed in the first quarter of accounting it at the end of the year. Due to this change in the basis of accounting the profit for the quarter is lower by Rs.0.99 crores and the profit for the half-year is lower by Rs.1.98 crores with consequential impact on Employee Cost, Reserves & Surplus and Other Liabilities.

3. The reconciliation of inter branch transactions and tallying of balances in the accounts as per general ledger with those of subsidiary ledgers are in progress. The impact of the above, if any, on the financial results for the quarter ended 30th September 2008, in the opinion of the management, is not material.

4. (a) The bank has implemented the Agricultural Debt Waiver and Debt Relief Scheme 2008 as per guidelines of Reserve Bank of India according to which :

i) A sum of Rs.17.64 crores was waived and included in advances under separate head

ii) A sum of Rs.5.19Cr is eligible for relief for which claims will be lodged by 30/09/2009

iii) The above claims are subject to verification by statutory central auditors.

iv) The reversal of interest in excess of the permitted rate on an estimated basis amounts to Rs.2.56 Cr out of which an estimated sum of Rs.1.62 Cr has been utilised out of floating provisions .

4. (b) No provision in respect of loss in present value terms has been made on the claims lodged as the quantum has not yet been determined .

5. No investor complaints received and redressed during the quarter. One investor complaint was pending at the beginning and resolved during the quarter.

6. The unaudited results have been subjected to limited review by the Statutory Auditors as per clause 41 of the Listing Agreement with the Stock Exchanges.

7. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30th October 2008.

8. Previous period's figures have been regrouped, wherever necessary to conform to the current period's classification.

[R. SRIDHARAN]
CHIEF FINANCIAL OFFICER

[V.S. REDDY]
MANAGING DIRECTOR

Place: Karur

Date :30th October 2008

This is the statement of unaudited financial results for the quarter/half year ended 30/09/2008 referred to in our report dated 30th October 2008.

for M/s. SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS

for M/s. ABARNA & ANANTHAN
CHARTERED ACCOUNTANTS

[C.NARESH]
PARTNER
M.No.28684

[C.S.GOPALAKRISHNA]
PARTNER
M.No.014706

Place: KARUR

Date : 30th October 2008