

**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31st MARCH 2014**

(₹ in lakhs)

Particulars	3 Months ended			Year ended	
	31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
	Audited	Reviewed	Audited	Audited	
1. Interest earned (a)+(b)+(c)+(d)	132274	129800	112615	511596	424243
a) Interest / discount on advances /bills	100264	99208	87187	387200	327436
b) Income on Investments	30086	30448	24972	119738	95035
c) Interest on balances with RBI and other interbank funds	763	87	363	1092	1620
d) Others	1161	57	93	3566	152
2. Other Income	14571	10561	15780	56445	45256
3. Total Income (1+2)	146845	140361	128395	568041	469499
4. Interest Expended	97441	99289	81583	383226	308396
5. Operating Expenses (i+ii)	28475	25775	22826	101036	76220
(i) Employees cost	14796	14065	10020	52792	34362
(ii) Other operating expenses	13679	11710	12806	48244	41858
6. Total Expenditure (4+5) excluding provision and contingencies	125916	125064	104409	484262	384616
7. Operating Profit before Provisions and Contingencies (3-6)	20929	15297	23986	83779	84883
8. Provisions (other than tax) and Contingencies	11003	5065	8876	44231	12339
9. Exceptional items	0	0	0	0	0
10. Profit /(Loss) from Ordinary activities before tax (7-8-9)	9926	10232	15110	39548	72544
11. Tax expense	-2033	-450	-748	-3412	17512
12. Net Profit from ordinary activities after tax(10-11)	11959	10682	15858	42960	55032
13. Extraordinary items (net of tax expense)	0	0	0	0	0
14. Net Profit for the period (12-13)	11959	10682	15858	42960	55032
15. Paid-up equity share capital (FV Rs.10/-)	10718	10718	10718	10718	10718
16. Reserves excluding Revaluation Reserve (as per balance sheet of previous accounting year)	321916	297801	297801	321916	297801
17. Analytical Ratios					
(i) % of shares held by Government of India	0%	0%	0%	0%	0%
(ii) Capital Adequacy Ratio-Basel II	12.77%	12.73%	14.41%	12.77%	14.41%
Basel III	12.60%	12.50%	N.A	12.60%	N.A
(iii) Earnings per share (EPS)					
a) Basic EPS before and after extraordinary items (not to be annualized)	11.16	9.97	14.80	40.08	51.35
b) Diluted EPS before and after extraordinary items (not to be annualized)	11.07	9.89	14.68	39.78	50.94
(iv) NPA Ratios					
a) Gross NPA	27918	48493	28586	27918	28586
b) Net NPA	13991	15815	10874	13991	10874
c) % of Gross NPA	0.82%	1.47%	0.96%	0.82%	0.96%
d) % of Net NPA	0.41%	0.48%	0.37%	0.41%	0.37%
e) Return on Asset(annualized)	0.93%	0.85%	1.44%	0.86%	1.35%



	3 Months ended			Year ended	
	31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
	Audited	Reviewed	Audited	Audited	
<b>18. Public Shareholding</b>					
Number of Shares	103954269	103917479	103878383	103954269	103878383
% of Shareholding	96.99%	96.96%	96.92%	96.99%	96.92%
<b>19. Promoters and Promoter Group Shareholding</b>					
<b>a) Pledged / Encumbered</b>					
-Number of Shares	320343	415213	461028	320343	461028
-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	9.93%	12.72%	13.96%	9.93%	13.96%
-Percentage of Shares (as a % of the total share capital of the Company)	0.30%	0.39%	0.43%	0.30%	0.43%
<b>b) Non - encumbered</b>					
- Number of Shares	2906494	2848414	2841695	2906494	2841695
- Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	90.07%	87.28%	86.04%	90.07%	86.04%
-Percentage of Shares (as a % of the total share capital of the company)	2.71%	2.65%	2.65%	2.71%	2.65%

#### Business Segments

##### Segment Revenue

1. Treasury Operations	31556	31127	31144	134995	107619
2. Corporate/Wholesale Banking Operations	40920	37086	33311	149463	124894
3. Retail Banking Operations	74010	71892	63435	282266	235110
4. Other Banking Operations	359	256	505	1317	1876
<b>Total</b>	<b>146845</b>	<b>140361</b>	<b>128395</b>	<b>568041</b>	<b>469499</b>

##### Segment Results

1. Treasury Operations	3358	2064	8077	23886	22081
2. Corporate/Wholesale Banking Operations	8432	6321	6819	29303	25750
3. Retail Banking Operations	16250	14940	16622	61315	63301
4. Other Banking Operations	331	238	482	1239	1815
<b>Total</b>	<b>28371</b>	<b>23563</b>	<b>32000</b>	<b>115743</b>	<b>112947</b>

<b>Unallocated Income/Expenses</b>	7442	8266	8014	31964	28065
<b>Operating Profit</b>	20929	15297	23986	83779	84883
<b>Income Taxes</b>	-2033	-450	-748	-3412	17512
<b>Other Provisions</b>	11003	5065	8876	44231	12339
<b>Net Profit</b>	<b>11959</b>	<b>10682</b>	<b>15858</b>	<b>42960</b>	<b>55032</b>

##### Other Information

##### Segment Assets

1. Treasury Operations	1327749	1329867	1390470	1327749	1390470
2. Corporate/Wholesale Banking Operations	1272730	1241084	1118073	1272730	1118073
3. Retail Banking Operations	2126483	2027477	1829940	2126483	1829940
4. Other Banking Operations	0	0	0	0	0
5. Unallocated Assets	427353	420808	334851	427353	334851
<b>Total</b>	<b>5154315</b>	<b>5019236</b>	<b>4673334</b>	<b>5154315</b>	<b>4673334</b>

### Segment Liabilities

1. Treasury Operations	1361001	1336500	1487313	1361001	1487313
2. Corporate/Wholesale Banking Operations	1150919	1124351	979784	1150919	979784
3. Retail Banking Operations	1923325	1836333	1604028	1923325	1604028
4. Other Banking Operations	0	0	0	0	0
5. Unallocated Liabilities	386436	380997	293690	386436	293690
<b>Capital Employed</b>	<b>332634</b>	<b>341055</b>	<b>308519</b>	<b>332634</b>	<b>308519</b>
<b>Total Liabilities</b>	<b>5154315</b>	<b>5019236</b>	<b>4673334</b>	<b>5154315</b>	<b>4673334</b>

**GEOGRAPHIC SEGMENTS:** The Bank operates only in Domestic segment.

### Statement of Assets and Liabilities

(₹ in lakhs)

Capital and Liabilities	As on 31.03.2014 Audited	As on 31.03.2013 Audited
Capital	10718	10718
Reserve and Surplus	321916	297801
Deposits	4375768	3865298
Borrowings	329331	399934
Other Liabilities and Provision	116582	99583
<b>Total</b>	<b>5154315</b>	<b>4673334</b>

Assets	As on 31.03.2014 Audited	As on 31.03.2013 Audited
Cash & Balances with RBI	254620	162863
Balances with Banks and Money at Call	13203	16738
Investments	1324700	1383726
Advances	3399213	2948013
Fixed Assets	38470	32211
Other Assets	124109	129783
<b>Total</b>	<b>5154315</b>	<b>4673334</b>

#### Notes:

1) The above financial results for the year ended March 31, 2014 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting held on May 28, 2014. The same have been subjected to audit by the Statutory Central Auditors of the bank in line with the guidelines issued by Reserve Bank of India and as per listing agreement with the stock exchanges.

2) There has been no change in the accounting policies followed during the year ended March 31, 2014 as compared to those followed in the preceding financial year ended 31<sup>st</sup> March 2013.

3) The figures for the quarter ended 31st March 2014 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.

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4) The working results for the year ended 31st March 2014 have been arrived at after making provisions for Non-performing Assets, provision for 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 9<sup>th</sup> 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 31<sup>st</sup> March 2014. The balance unamortised amount of Rs.16.90 crore towards Pension and Gratuity Liabilities will be dealt with as per guidelines of Reserve Bank of India.

6) During the year, the Bank, pursuant to RBI's circular No DBOD. No. BP .BC. 77/21.04.018/2013-14 dated 20th December 2013, has created DTL of Rs.49.29 crore on Special Reserve for the period up to March 31, 2013 and has adjusted the same directly from the Revenue Reserve

7) The Bank has recognized the Income Tax Liability of Rs. 95.99 crore on its Book Profits in terms of section 115JB of the Income Tax Act and the entire sum, being MAT credit entitlement under section 115 JAA of the Income Tax act, 1961 has been recognized and treated as an Asset.

8) In terms of RBI circular DBOD. No. BPBC.88/21.06.201/2012-13 dated 28.03.2013 banks have been advised to disclose the capital Adequacy Ratio computed under Basel III regulations from the quarter ended June 2013. Accordingly, corresponding details for the previous year/periods are not furnished.

9) In accordance with the RBI circular DBOD. No. BPBC.2/21.06.201/2013-14 dated 01.07.2013, banks are required to make half yearly Pillar III disclosures under Basel III capital requirements with effect from 30th September, 2013. The disclosures have been made available on the banks web site at the following link [http://www.kvb.co.in/footer/pillarIII\\_disclosures.html](http://www.kvb.co.in/footer/pillarIII_disclosures.html)

10) The bank has recognised i) Treasury; ii) Corporate & wholesale banking; iii) Retail banking; and iv) Other banking operations as primary reporting segments. There are no secondary reporting segments

11) The Board of Directors recommend Dividend of Rs.13/- per equity share of Rs.10/- each for the year 2013-14

12) Details of Investor Complaints for the quarter ended 31st March 2014

i) Pending at the beginning of the quarter: 0 , ii) Received during the quarter : 4 , iii) Redressed during the quarter : 4, iv) Pending at end of the quarter : 00



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13) Provision Coverage Ratio is 75.01% as on 31st March 2014

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

Place : Karur

Date : 28.05.2014

For and on behalf of Board of Directors

  
K. Venkataraman  
Managing Director & 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

