

HEAD OFFICE : MANIPAL - 576 104 ; KARNATAKA

UNAUDITED (REVIEWED) FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED 30TH SEPTEMBER 2014

(₹ in Lakhs)

Particulars	Quarter Ended 30.09.2014 (Reviewed)	Quarter Ended 30.06.2014 (Reviewed)	Quarter Ended 30.09.2013 (Reviewed)	Half Year Ended 30.09.2014 (Reviewed)	Half Year Ended 30.09.2013 (Reviewed)	Year Ended 31.03.2014 (Audited)
1 Interest Earned (a + b + c + d)	524401	506674	457396	1031075	900562	1862033
a) Interest / Discount on Advances / Bills	404824	392571	357002	797395	704969	1441964
b) Income on Investments	110518	107374	92673	217892	179005	378139
c) Interest on balances with Reserve Bank of India and other Inter Bank Funds	9059	6418	7721	15477	15197	29490
d) Others	0	311	0	311	1391	12440
2 Other Income	43695	45634	27639	89329	57091	132488
3 TOTAL INCOME (1 + 2)	568096	552308	485035	1120404	957653	1994521
4 Interest Expended	382153	371581	316266	753734	625699	1308051
5 Operating Expenses (i) + (ii)	90556	79338	87653	169894	155983	330175
i) Employees Cost	55195	51867	59592	107062	103515	222862
ii) Other Operating Expenses	35361	27471	28061	62832	52468	107313
6 TOTAL EXPENDITURE (4 + 5)	472709	450919	403919	923628	781682	1638226
(excluding Provisions and Contingencies)						
7 OPERATING PROFIT (3 - 6)	95387	101389	81116	196776	175971	356295
(before Provisions and Contingencies)						
8 Provisions (other than tax) and Contingencies	53779	46783	33996	100562	82912	191954
9 Exceptional Items	-	-	-	-	-	-
10 Profit (+) / Loss (-) from Ordinary Activities before Tax (7 - 8 - 9)	41608	54606	47120	96214	93059	164341
11 Tax Expense	10048	6064	108	16112	819	-6805
a) Provision for Taxes	8316	9163	-5551	17479	10049	7503
b) DTA/DTL/MAT	1732	-3099	5659	-1367	-9230	-14308
12 Net Profit (+) / Loss (-) from Ordinary Activities after Tax (10 - 11)	31560	48542	47012	80102	92240	171146
13 Extraordinary items (net of Tax Expense)	-	-	-	-	-	-
14 Net Profit (+) / Loss (-) for the period (12 - 13)	31560	48542	47012	80102	92240	171146
15 Paid-up Equity Share Capital (Face value of ₹ 10/- per share)	62458	62458	60195	62458	60195	62458
16 Reserves excluding Revaluation Reserves (as per Balance Sheet of Previous Accounting Year)	1027304	1027304	896364	1027304	896364	1027304
17 Analytical Ratios						
i) Percentage of shares held by Government of India	67.39	67.39	66.17	67.39	66.17	67.39
ii) Capital Adequacy Ratio (%) :						
Basel II	10.74	11.18	11.94	10.74	11.94	12.01
Basel III	10.42	10.80	11.58	10.42	11.58	11.41
iii) Earning per Share (in ₹)						
Basic and diluted EPS before and after Extraordinary items, net of Tax Expense [not annualised]	5.05	7.77	7.81	12.82	15.32	28.21
iv) NPA Ratios:						
a) Gross NPA	604898	524338	447181	604898	447181	461113
b) Net NPA	382532	327149	254656	382532	254656	272060
c) Percentage of Gross NPA	3.43	2.97	2.88	3.43	2.88	2.62
d) Percentage of Net NPA	2.20	1.88	1.66	2.20	1.66	1.56
v) Return on Assets (Annualised) - %	0.50	0.81	0.89	0.65	0.89	0.78
18 Public Shareholding						
- Number of Shares	203664284	203664284	203664284	203664284	203664284	203664284
- Percentage of Shareholding	32.61	32.61	33.83	32.61	33.83	32.61
19 Promoters and Promoter Group Shareholding						
a) Pledged / Encumbered						
- Number of Shares	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of Shares (as a % of the total share capital of the Bank)	NIL	NIL	NIL	NIL	NIL	NIL
b) Non - Encumbered						
- Number of Shares	420920347	420920347	398285671	420920347	398285671	420920347
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of Shares (as a % of the total share capital of the Bank)	67.39	67.39	66.17	67.39	66.17	67.39

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SEGMENT WISE REPORTING FOR THE QUARTER / HALF YEAR ENDED 30TH SEPTEMBER 2014

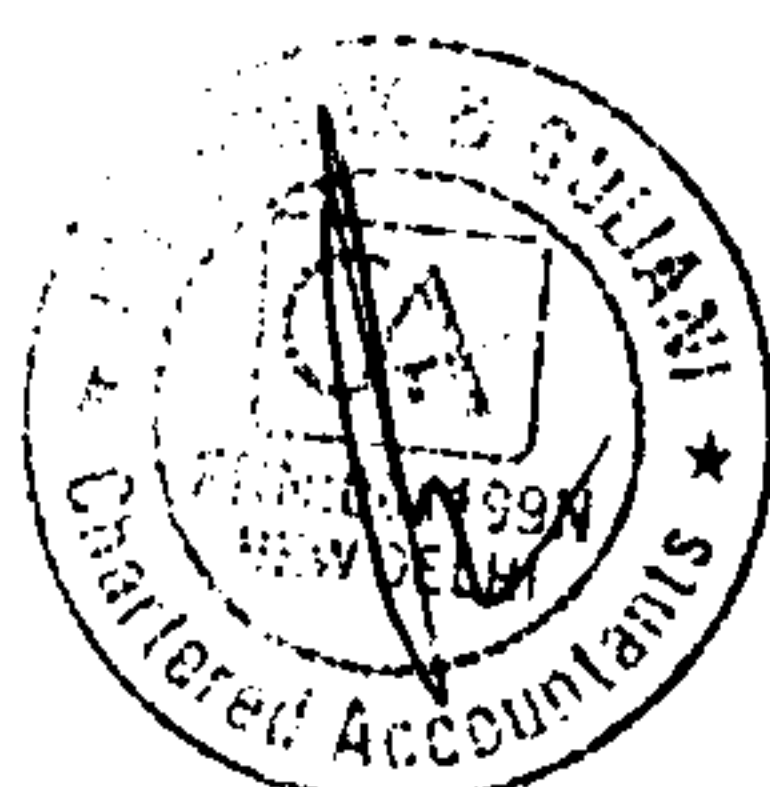
(₹ in lakhs)

PARTICULARS	Quarter Ended 30.09.2014 (Reviewed)	Quarter Ended 30.06.2014 (Reviewed)	Quarter Ended 30.09.2013 (Reviewed)	Half Year Ended 30.09.2014 (Reviewed)	Half Year Ended 30.09.2013 (Reviewed)	Year Ended 31.03.2014 (Audited)
Part A: Business Segment						
Segment Revenue						
a) Treasury Operations	129702	124327	101448	254029	204004	424091
b) Corporate / Wholesale Banking Operations	264880	260070	260989	524950	510106	1026986
c) Retail Banking Operations	164608	158099	112336	322707	223571	493528
d) Other Banking Operations	8906	9812	10262	18718	19972	49916
Less: Inter Segment Revenue	-	-	-	-	-	-
Net Sales / Income from operation	568096	552308	485035	1120404	957653	1994521
Segment Results (Profit before tax and after interest)						
a) Treasury Operations	16588	17749	13340	34337	28101	53558
b) Corporate / Wholesale Banking Operations	47136	48565	47445	95701	100882	205130
c) Retail Banking Operations	29406	32413	19039	61819	42007	84432
d) Other Banking Operations	2257	2662	1292	4919	4981	13175
Operating Profit:	95387	101389	81116	196776	175971	356295
Less:						
I) Interest	-	-	-	-	-	-
II) Other Un - Allocated Expenditure	53779	46783	33996	100562	82912	191954
III) Other Un - Allocable Income	-	-	-	-	-	-
Profit Before Tax:	41608	54606	47120	96214	93059	164341
Income Tax (Net)	10048	6064	108	16112	819	-6805
Extraordinary Profit / (Loss)	-	-	-	-	-	-
Net Profit	31560	48542	47012	80102	92240	171146
Capital employed:						
(Segment Assets-Segment Liabilities)						
a) Treasury Operations	240637	237731	200221	240637	200221	230135
b) Corporate / Wholesale Banking Operations	470454	530118	553789	470454	553789	505477
c) Retail Banking Operations	214269	224583	235471	214269	235471	215153
d) Other Banking Operations	150474	88702	20962	150474	20962	86771
e) Unallocated Assets	155609	152642	144904	155609	144904	146884
Total	1231443	1233776	1155347	1231443	1155347	1184420
Part B: Geographic Segment						
Revenue:						
Domestic Operations	543325	528225	467226	1071550	923476	1919745
Foreign Operations	24771	24083	17809	48854	34177	74776
Total	568096	552308	485035	1120404	957653	1994521
Assets:						
Domestic Operations	23844979	21370286	19038083	23844979	19038083	21748836
Foreign Operations	3625028	3716148	3176007	3625028	3176007	3437311
Total	27470007	25086434	22214090	27470007	22214090	25186147

SUMMARISED BALANCE SHEET

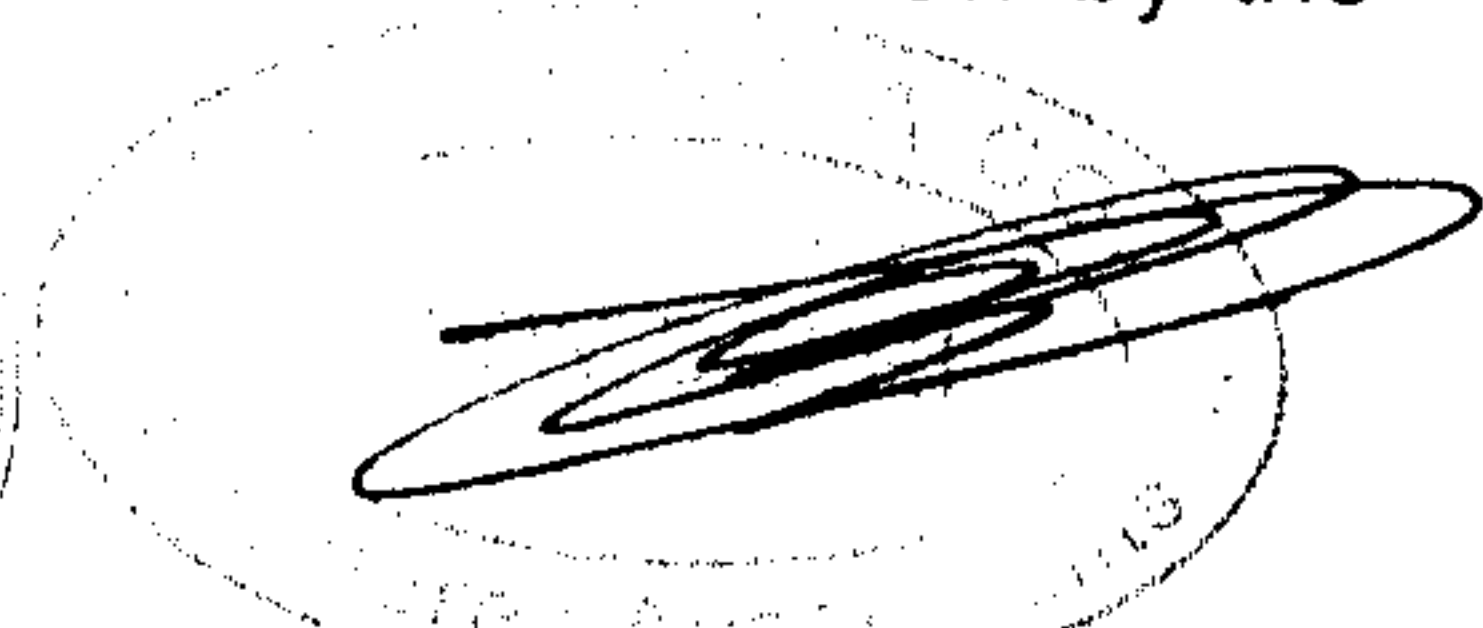
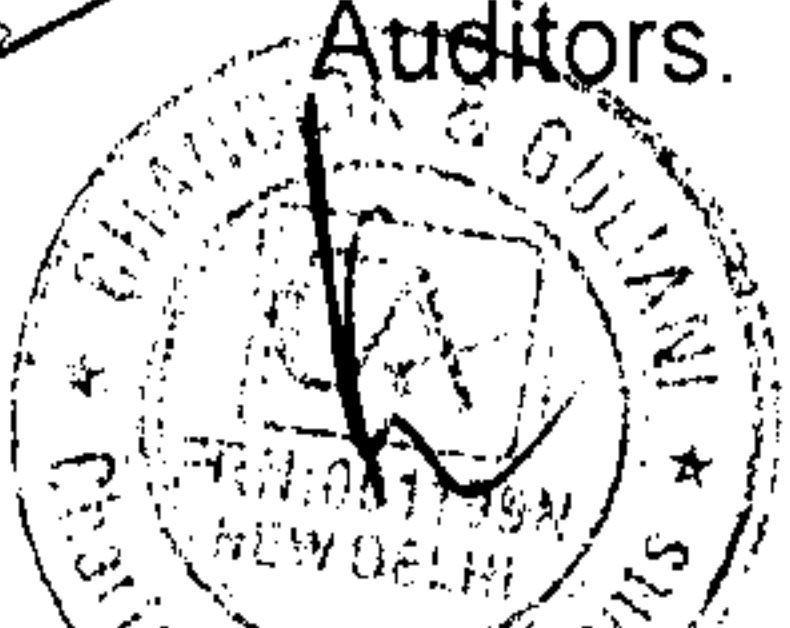
(₹ in lakhs)

	AS AT 30.09.2014 Reviewed	AS AT 31.03.2014 Audited	AS AT 30.09.2013 Reviewed
CAPITAL AND LIABILITIES:			
Capital	62458	62458	60195
Reserves and Surplus	1168985	1121961	1095152
Deposits	23921474	21234331	19082014
Borrowings	1597951	1922451	1388773
Other Liabilities and Provisions	719139	844946	587956
TOTAL	27470007	25186147	22214090
ASSETS:			
Cash and Balances with Reserve Bank of India	832840	1271199	717568
Balances with Banks and Money at Call and Short Notice	1815573	229513	530562
Investments	6109550	5553938	4713004
Advances	17384460	17391241	15301334
Fixed Assets	155609	146884	144904
Other Assets	1171975	593372	806718
TOTAL	27470007	25186147	22214090



NOTES:

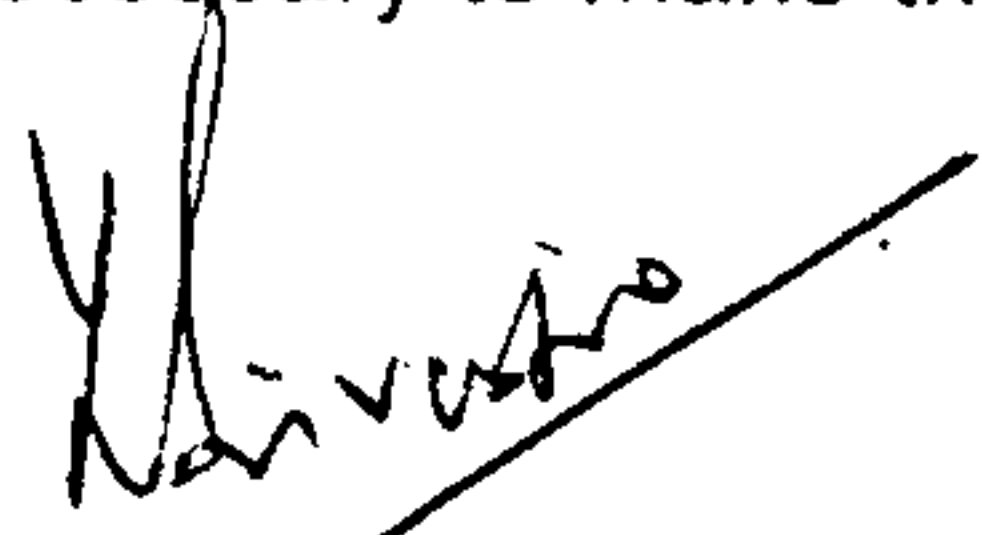
1. The above financial results were reviewed by the Audit Committee of the Bank at the meeting held on November 6, 2014 and approved by the Board of Directors of the Bank at the meeting held on November 7, 2014. The results are subjected to "Limited Review" by Statutory Central Auditors.
2. There is no change in the Accounting Policies adopted during the quarter and half year ended September 30, 2014 as compared to those followed in the annual financial statements for the year ended March 31, 2014 except that during the quarter it has been decided not to recognise Deferred Tax Asset on the provision for Standard Assets. Consequently, Deferred Tax Asset balance outstanding as at September 30, 2014 relating thereto of ₹316.24 crores has been directly debited to the Revenue Reserve account.
3. Financial results for the quarter and half year ended September 30, 2014 have been arrived at after considering provisions for Standard Assets, Non Performing Advances and Depreciation / Provision on Investments as per Reserve Bank of India guidelines. Provision for Income Tax (net of DTA / DTL), Depreciation on Fixed Assets and other necessary and usual provisions have been made on estimated basis and are subject to adjustment, if any, at the year end.
4. Based on the available data, available financial statements and the declaration from borrowers wherever received, the Bank has estimated the liability of ₹36.50 crores, on Unhedged Foreign Currency Exposure of its constituents in terms of RBI circular no.DBOD no.BP.85/21.06.200/2013-14 dated January 15, 2014 and clarification vide Circular no. DBOD.NO.BP.BC.116/21.06.200/2013-14 dated 03.06.2014. Accordingly the Bank has made incremental provision for the quarter ended September 30, 2014 of ₹ 11.50 crores (₹ 6.75 crores was provided for quarter of June 2014.)
5. In accordance with the RBI guidelines, the Bank has amortized 1/5th (₹ 145.38 crores) of the enhanced liability of ₹ 726.90 crores in each of the years since 2010 - 11, in respect of second pension option and enhancement of ceiling of gratuity. Accordingly, the Bank has charged ₹ 72.70 Crores for the half year ended on September 30, 2014 (₹ 36.35 Crores for the quarter ended on September 30, 2014) to Profit and Loss Account and the balance amount of ₹72.69 Crores will be absorbed in subsequent periods.
6. The Bank has no direct exposure to the coal blocks / mines cancelled by the Hon'ble Supreme Court of India. However, the impact, if any, of such cancellation on the valuation of security, penalty imposed and consequent viability of the projects financed by the Bank dependant on such coal blocks/ mines, being unascertainable at this stage has not been considered.
7. Pending settlement of the proposed wage revision effective from November, 2012, an ad hoc provision of ₹460 Crores is held as at September 30, 2014, which includes ₹ 120 Crores for the half year ended September 30, 2014 (₹ 60 Crores for the quarter ended September 30, 2014).
8. The Bank has considered the difference between accounting income and taxable income on account of difference in valuation of securities as a permanent difference and accordingly recognition of Deferred Tax Liability of ₹ 841.52 crores as at September 30, 2014 has not been considered.
9. In terms of RBI circular DBOD.No.BP.BC.2/21.06.201/2013-14 dated July 01, 2013 covering guidelines on Pillar 3 disclosures under Basel III capital requirements, banks are required to make disclosures relating to the composition of capital with effect from September 30, 2013. Accordingly, Pillar 3 disclosures under Basel III Capital Regulations shall be placed on the website of the Bank. These disclosures have not been subjected to a limited review by the Auditors.



10. The Provision Coverage Ratio as at September 30, 2014 stood at 65.38%

11. Number of Investors complaints pending at the beginning of the quarter were 11, complaints received during the quarter were 617, resolved during the quarter are 628 and the complaints pending at the end of the quarter are Nil.

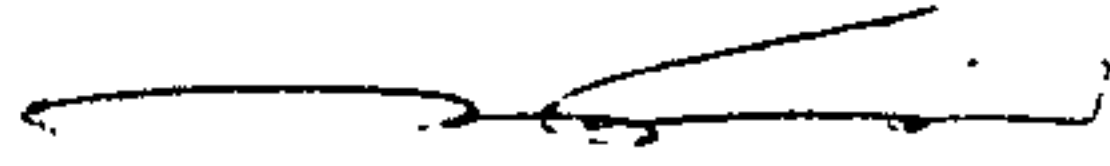
12. Figures of previous period / year have been reclassified / regrouped wherever considered necessary to make them comparable with the period under review.



T K SRIVASTAVA
Executive Director

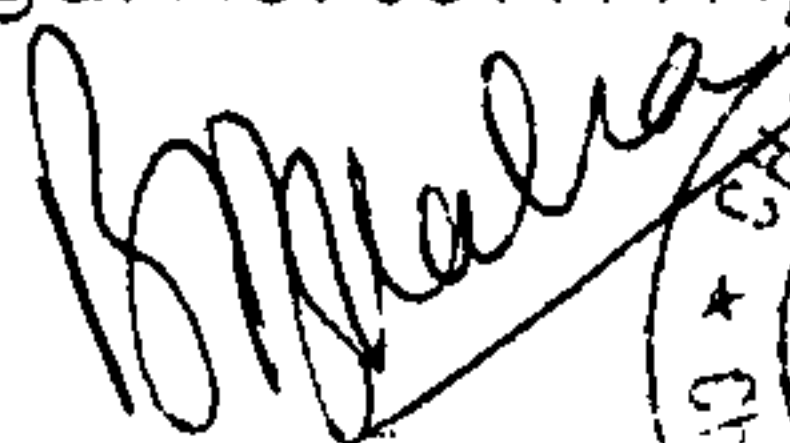


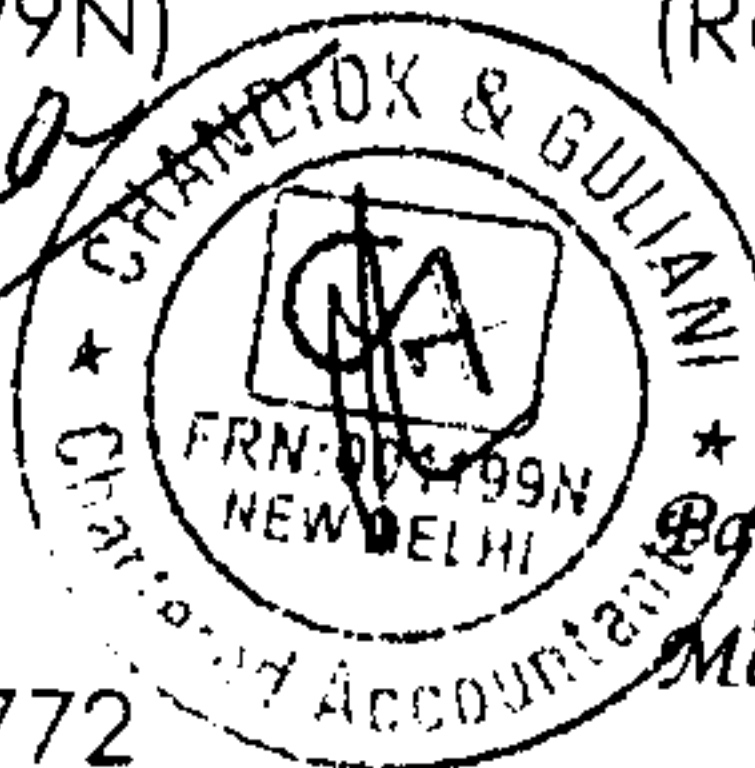
M ANJANEYA PRASAD
Executive Director



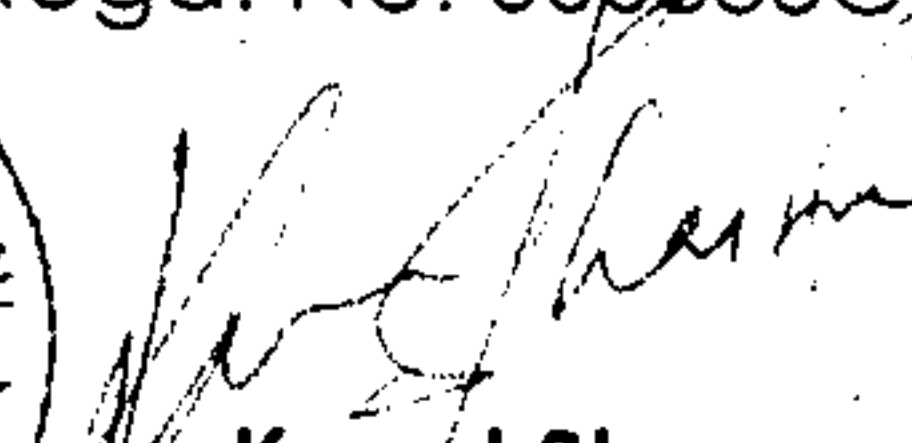
I P NAGARAJA RAO
Chief Financial Officer

For **CHANDIOK & GULIANI**
Chartered Accountants
(Regd. No. 001199N)

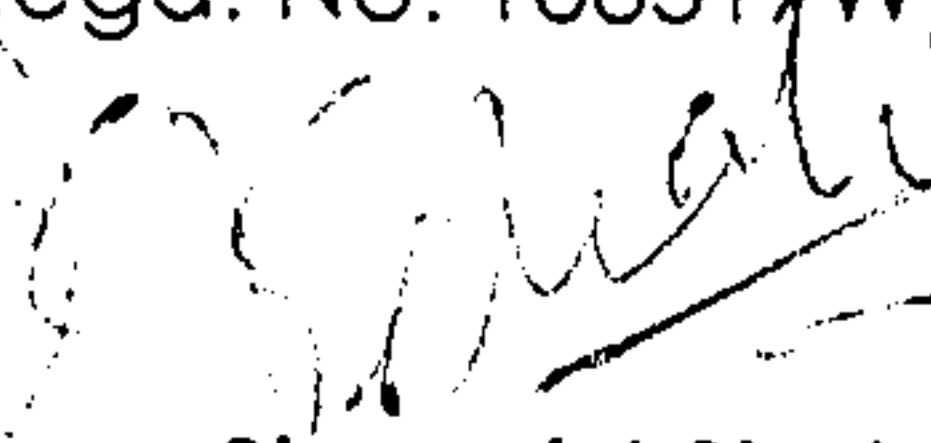

Partner: **B B Kalia**
Membership No. 085772



For **J N SHARMA & CO**
Chartered Accountants
(Regd. No. 000833C)


Partner: **Kunal Sharma**
Membership No. 405919

For **RAMANLAL G SHAH & CO**
Chartered Accountants
(Regd. No. 108517W)


Partner: **Sharad J Shah**
Membership No. 007612

For **SAMBHU N DE & CO**
Chartered Accountants
(Regd. No. 307055E)


Partner: **Tarun Kumar De**
Membership No. 061941



For **K N GOYAL & CO**
Chartered Accountants
(Regd. No. 001084N)


Partner: **K N Goyal**
Membership No. 011939

Place : **Bengaluru**
Date : **07.11.2014**