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CIN : L85110KA1924PLC001128

**SECRETARIAL DEPARTMENT**

July 23, 2022  
HO/SEC/94/2022-23

To:

The Manager  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza,C-1, Block G  
Bandra-Kurla Complex, Bandra (E)  
MUMBAI-400051

The General Manager  
BSE Limited  
Corporate Relationship Dept.  
Phiroze Jeejeebhoy Towers  
Dalal Street  
MUMBAI-400001

**Scrip Code: KTKBANK**

**Scrip Code: 532652**

Dear Sir/Madam,

**Reg.: Presentation-'Analysis of Financial Results Q1FY23'.**

Pursuant to Regulation 30 read with Schedule III of SEBI (LODR) Regulations, 2015 and in continuation to the publication of unaudited results for the quarter ended June 30, 2022, we enclose herewith the '**Presentation on Analysis of Financial Results Q1FY23'** .

The above document has been hosted on our Bank's website also at [www.karnatakabank.com](http://www.karnatakabank.com) under Investor Portal Section.

Kindly take the above on record.

Thank You,  
Yours faithfully,

  
Prasanna Patil  
**COMPANY SECRETARY**



# Karnataka Bank Ltd.

Your Family Bank. Across India.



**99th  
Year**

## Analysis of Financial Results June 2022

Marching towards Centenary year (2023-24)

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# Major Highlights Q1 FY23

## Operating Profit

- **2.18%** YoY growth in operating profit to Rs. **412.78** crore
- NIM up by **35 bps** YoY to **3.33%**
- Cost to Income Ratio up by 15 bps to **49.68%**

## Deposit Growth

- CASA deposits increased by **12.51%** YoY
- CASA proportion at **32.80%**, up by **198 bps** YoY
- Total deposits increased by **5.72%** YoY

## Loan Growth

- Advances grew by **13.03%** YoY

## Asset Quality

- Provision Coverage Ratio increased further to **76.77%**
- NPA down by **81 bps** YoY to **4.03%**

## Capital

- Capital Adequacy at **15.41%**, up by **83 bps** YoY
- ROE up by 5 bps YoY to **6.39%**
- ROA at **0.49%**

## Balance Sheet Size

- Up by **9.22%** YoY to Rs.**94541** crore

## PAT

- Net profit grew by **7.63%** YoY to Rs. **114.18** crore

## Customers & Employees

- ~**12 million** Customers
- ~**8,500** Employees

## Loan Mix

- Retail **46.32%**
- Mid Corporate **32.81%**
- Large Corporate **20.87%**

## Branch Mix

- Metro & Urban **54%**
- Semi-urban & Rural **46%**

## Branches/Outlets/Cards

- **879** Branches
- **879** ATMs
- **555** E-lobbies

## Digital Adoption

- Digital adoption at **93.04%** (Internet Banking, Mobile Banking, IMPS, UPI transactions)



## Deposits

30.06.2022	30.06.2021
80577	76215

5.72 %



13.03 %



## Advances

30.06.2022	30.06.2021
58359	51631

9.22 %



## Balance Sheet Size

30.06.2022	30.06.2021
94541	86561

## Investments

30.06.2022	30.06.2021
23195	23301

-0.45 %



## Growth



## Net Profit (Qtr)

30.06.2022	30.06.2021
114.18	106.08

7.63 %



2.18 %



## Operating Profit (Qtr)

30.06.2022	30.06.2021
412.78	403.96

# Highlights Q1 FY23

Key Ratios as on / for the quarter 30.06.2022  
(in brackets-30.06.2021 / Sequential 31.03.2022)

**NIM**

3.33 % ↑  
(2.98%)

**CRAR**

15.41 % ↑  
(14.58%)

**ROE**

6.39 % ↑  
(6.34%)

**ROA**

0.49 % ↔  
(0.49%)

**CASA**

32.80 % ↑  
(30.82%)

**PCR**

76.77 % ↑  
(72.16%)



**Gross NPA**

4.03% ↓  
(4.84%)

**Net NPA**

2.16% ↓  
(3.02%)

**Gross NPA**

Sequential quarter  
4.03% ↑  
(3.90%)

**Net NPA**

Sequential quarter  
2.16% ↓  
(2.42%)

# Headline numbers

3 Months

12 Months

Particulars	Q1 FY 23	Q4 FY 22	Q-o-Q variation	Q1 FY 22	Y-o-Y variation	FY 22	₹ in Cr
Turnover	138936	137170	↑ 1.29%	127846	↑ 8.67%	137170	
Asset size	94541	92041	↑ 2.72%	86561	↑ 9.22%	92041	
Operating profit	412.78	380.12	↑ 8.59%	403.96	↑ 2.18%	1634.00	
Operating Profit (excl Trading Profit and depreciation on Invsts)	569.13	422.68	↑ 34.65%	388.88	↑ 46.35%	1684.11	
Net profit	114.18	130.35	↓ -12.40%	106.08	↑ 7.63%	508.62	
Return on Asset (ROA)	0.49%	0.56%	↓ -7 bps	0.49%	↔ -	0.57%	
Earning per Share(₹)(*not annualized)	3.67*	4.19*	↓ -0.52 ₹	3.41*	↑ 0.26 ₹	16.36	
Return on Equity (ROE)	6.39%	7.42%	↓ -103 bps	6.34%	↑ 5 bps	7.41%	
Net Interest Income (NII)	687.56	656.49	↑ 4.73%	574.79	↑ 19.62%	2491.03	
Net Interest Margin (NIM)	3.33%	3.25%	↑ 8 bps	2.98%	↑ 35 bps	3.18%	
Gross NPA - Amount	2,401.39	2,250.82	↑ 6.69%	2,549.06	↓ -5.79%	2250.82	
- %	4.03%	3.90%	↑ 13 bps	4.84%	↓ -81 bps	3.90%	
Net NPA - Amount	1,262.88	1,376.97	↓ -8.29%	1,557.38	↓ -18.91%	1376.97	
- %	2.16%	2.42%	↓ -26 bps	3.02%	↓ -86 bps	2.42%	
Cost to Income	49.68%	58.38%	↓ -870 bps	49.53%	↑ 15 bps	52.57%	
PCR	76.77%	73.47%	↑ 330 bps	72.16%	↑ 461 bps	73.47%	
CRAR (Basel III)	15.41%	15.66%	↓ -25 bps	14.58%	↑ 83 bps	15.66%	

The above figures are based on Standalone financials of the Bank



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# Company Overview

Incorporated in the year 1924



12 million +  
Happy customers



879 branches  
38 E-lobbies  
517 mini E-lobbies



879 ATMs  
572 Cash recyclers

Business Turnover of Rs ₹ 1,38,936 crore as on June 2022

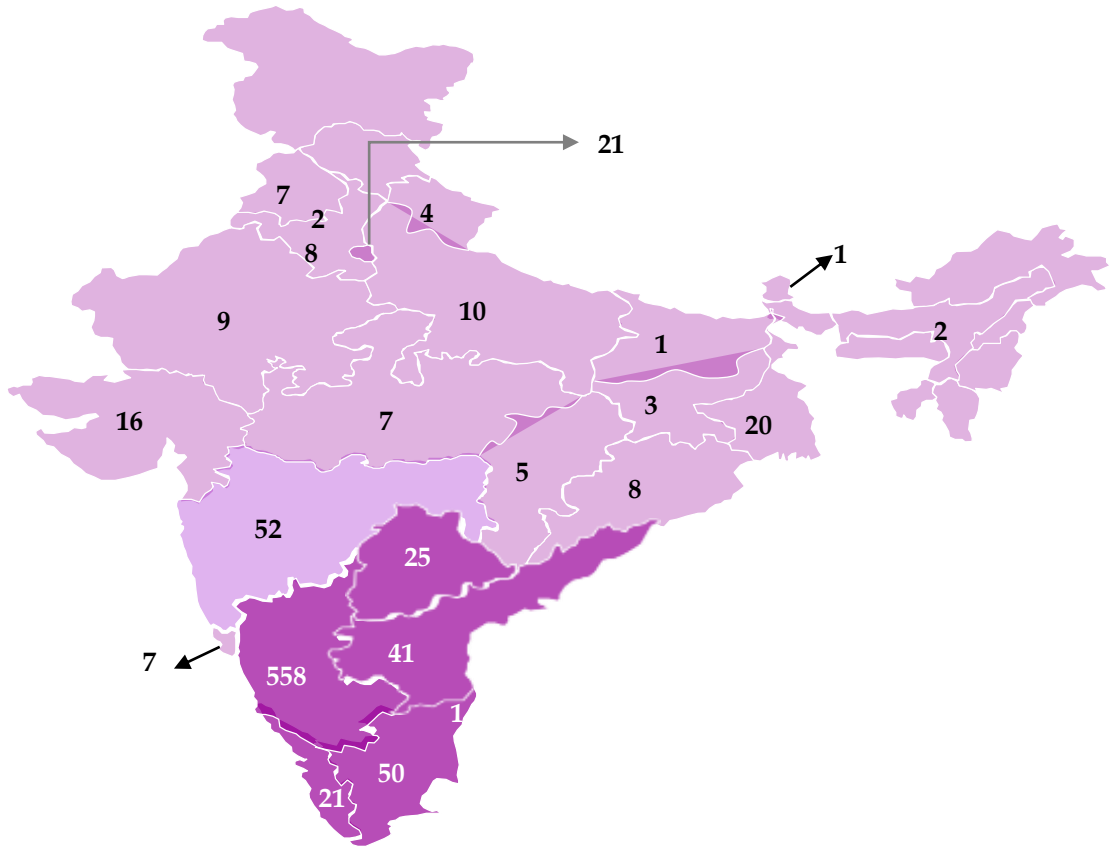
*Our VISION is to be  
progressive,  
prosperous and  
well governed Bank*



*Our MISSION is to be a technology savvy, customer centric progressive bank with a national presence, driven by the highest standards of corporate governance and guided by sound ethical values.*

Marching towards Centenary Year (2023-24)

# Pan India Footprint

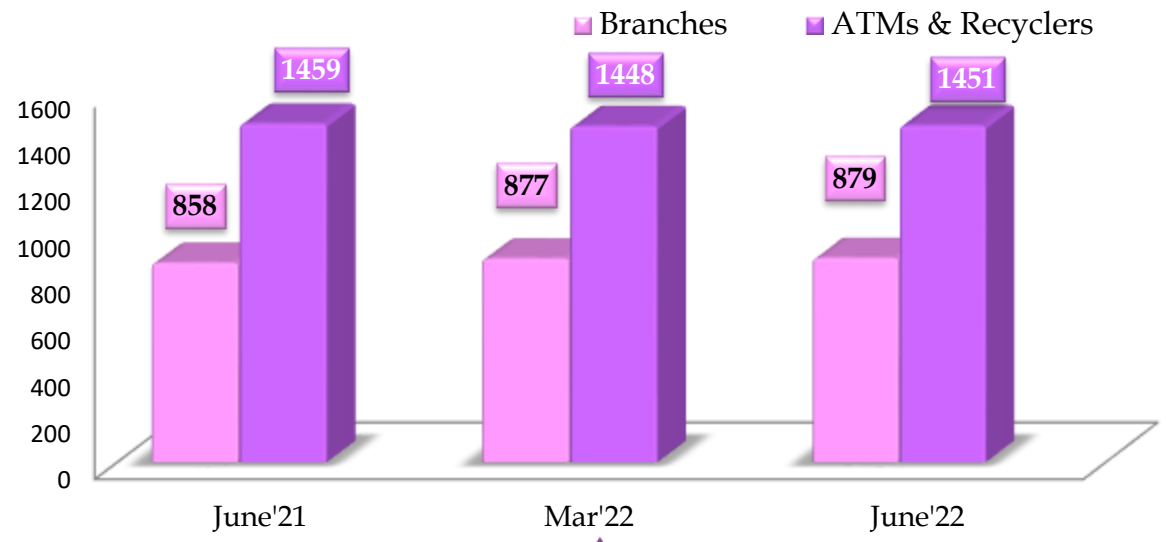
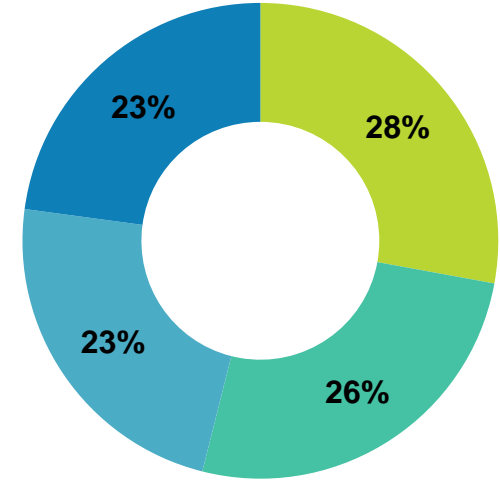


**Presence in South India with 696 branches**

**Top 5 States:**  
**Karnataka (558), Maharashtra (52), Tamilnadu (50), Andhra Pradesh (41), Telangana (25)**

**Area wise distribution of Branches**

■ Metro ■ Urban ■ Semi Urban ■ Rural



# Timeline (First 50 years)



**1924**

## Incorporation

Incorporated on the 18<sup>th</sup> of February with an initial paid up capital of Rs 11,580/- and the first branch at Mangalore-Dongerkeri was opened on 23-05-1924



**1949**

## Silver Jubilee Year

Turnover: Rs 94.98 lakhs  
Deposits :Rs 55.59 lakhs  
Advances Rs 39.39 lakhs  
Branches: 9



**1960-66**

## Takeover

- ❑ Sringeri Sharada Bank in 1960
- ❑ Chitaldurg Bank Ltd., (first ever registered Bank in Karnataka - 1870) in 1964
- ❑ Bank of Karnataka Ltd., in 1966



**1972**

## Own Head Office building

- ❑ Bank's own multistoried Head Office building at Kodialbail, Mangaluru, was built at a cost of Rs 20 lakhs (Super built-up Area 57,576 Sq Ft)
- ❑ Bank was upgraded from 'B' class to 'A' Class



**1974**

## Golden Jubilee Year

Turnover: Rs 55.23 Cr  
Deposits: Rs 33.14 Cr  
Advances: Rs 22.09 Cr  
Branches: 146  
Employees: 1314

# Timeline (Next 48 years) Marching towards Centenary Year 2023-24



**1984**

## Diamond Jubilee Year

- ❑ Turnover: Rs 333.56 Cr
- ❑ Deposits: Rs 211.34 Cr
- ❑ Advances: Rs 122.22Cr



**1991-99**

## Growth

- ❑ Business Turnover crossed Rs 1000 Cr in 1991
- ❑ Maiden rights cum Public issue of the Bank in 1996 oversubscribed nearly 2.5 times
- ❑ Financial Express- BRIS Survey awarded the top place to Bank among all private banks in 1997 and 1998 Deposits crossed Rs 4350 Cr ; Top Bank among Indian private Banks in the CMIE-Economic Times Survey



**2000-17**

## Technology adoption & branding

- ❑ Core Banking system Finacle unveiled (First few Banks to embrace CBS)
- ❑ Bank's ATM- 'MoneyPlant' launched and First Bancassurance tie-up with M/S Metlife India Insurance Co (P) Ltd
- ❑ Internet Banking MoneyClick facility launched
- ❑ New signage with unique colour and design adopted
- ❑ Bank's Head Office shifted to new Corporate Building , at Pumpwell, Mahaveera Circle, Mangalore
- ❑ Floated General Insurance Joint Venture -Universal Sompco GI with 16% stake in shareholding
- ❑ Got ISO 27001:2013 Certificate for its IT Setup



**2017-20**

## Transformation

- ❑ Transformation Project 'KBL - VIKAAS' launched partnering with M/s BCG
- ❑ Business turnover crossed Rs 1,00,000 crore
- ❑ Bank launched its official page on Facebook, Twitter, Instagram and YouTube
- ❑ Staff Training College gets ISO 9001:2015 Certification
- ❑ Customer base crossed the milestone of 10 million
- ❑ All time high Net profit posted Rs 477.24 Cr
- ❑ Digital Center of Excellence (DCOE) at Bengaluru



**2020-22**

## KBL -NxT

- ❑ Operationalized wholly owned non-financial subsidiary - KBL Services Ltd.
- ❑ All time high Net profit posted Rs 482.57 Cr in 2021
- ❑ Commenced KBL-NxT journey - KBL VIKAAS 2.0
- ❑ Qualifies to act as 'Agency Bank' of RBI to facilitate Government business transactions
- ❑ Launches KBL FASTag
- ❑ RMD certified under ISO 9001:2015
- ❑ Net Profit crossed Rs 500 Cr mark in 2022

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# PL Numbers

₹ in Cr

3 Months

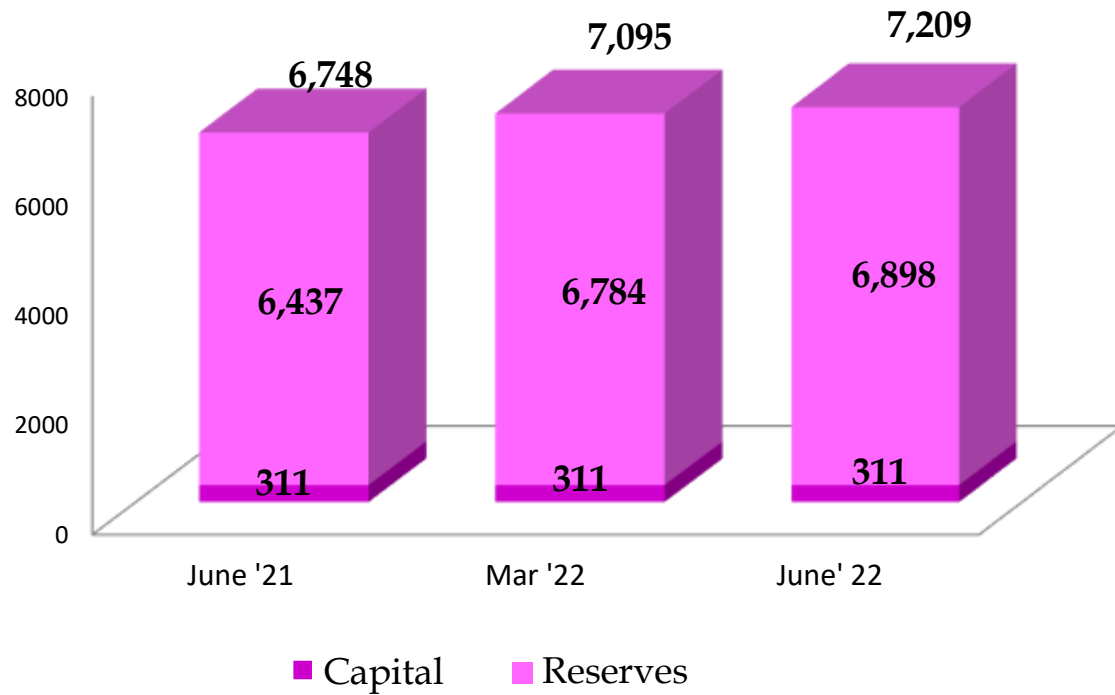
12 Months

Particulars	Q1 FY 23	Q4 FY 22	Q-o-Q variation	Q1 FY 22	Y-o-Y variation	FY 22
Interest Income	1629.08	1578.78	3.19%	1523.50	6.93%	6221.66
Interest Expense	941.52	922.29	2.09%	948.71	-0.76%	3730.63
Net Interest Income	687.56	656.49	4.73%	574.79	19.62%	2491.03
Non-Interest Income	132.79	256.90	-48.31%	225.65	-41.15%	953.88
Treasury Income	0.24	14.96	-98.40%	25.34	-99.05%	48.66
Depreciation on Investments	-156.59	-57.52	172.24%	-10.26	1426.22%	-98.77
Fee Income	289.14	299.46	-3.45%	210.57	37.31%	1003.99
Total Income (Net of Interest Expense)	1761.87	1835.68	-4.02	1749.15	0.73%	7175.54
Operating Expenses	407.57	533.27	-23.57	396.48	2.80%	1810.91
Operating Profit	412.78	380.12	8.59%	403.96	2.18%	1634.00
Provisions & Contingencies	298.60	249.77	19.55%	297.88	0.24%	1125.38
Net Profit	114.18	130.35	-12.40%	106.08	7.63%	508.62

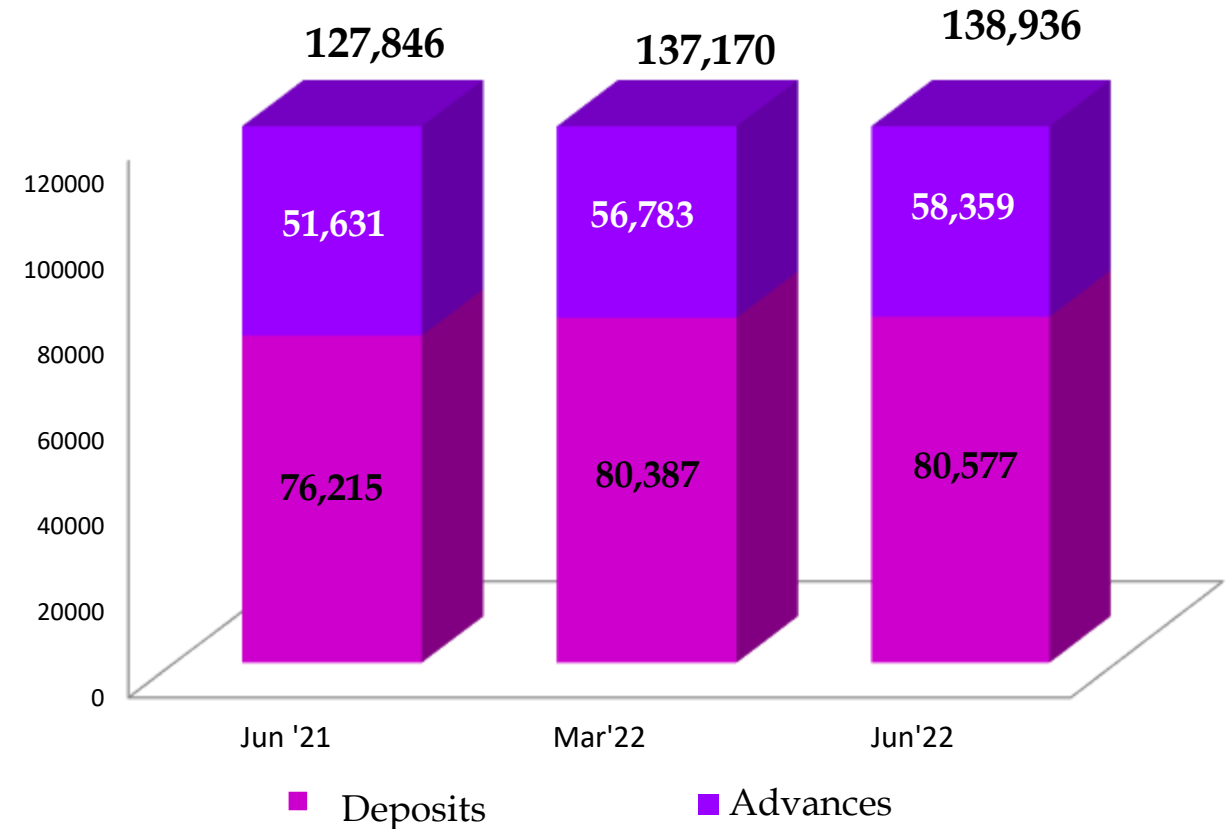
Particulars	Q1 FY 23	Q4 FY 22	Q-o-Q variation	Q1 FY 22	Y-o-Y variation	FY 22
<b><u>Interest Income</u></b>						
Interest Income	1629.08	1578.78	3.19% ↑	1523.50	6.93% ↑	6221.66
Interest on Advances	1246.74	1211.50	2.91% ↑	1161.29	7.36% ↑	4737.88
Interest on Investments	343.03	330.06	3.93% ↑	316.68	8.32% ↑	1310.12
Other interest	39.31	37.22	5.62% ↑	45.53	-13.66% ↓	173.66
Yield on Advances %	8.81	8.60	21 bps ↑	8.93	- 12 bps ↓	8.84
Adjusted yield on Investments %	5.22	5.87	-65 bps ↓	5.95	- 73 bps ↓	5.47
<b><u>Interest Expense</u></b>						
Interest Expense	941.52	922.29	2.09% ↑	948.71	-0.76% ↓	3730.63
Cost of Deposits %	4.47	4.47	- ↔	4.82	-35 bps ↓	4.66
<b><u>Net Interest Income</u></b>						
Net Interest Income	687.56	656.49	4.73% ↑	574.79	19.62% ↑	2491.03
Interest Spread in Lending %	4.34	4.13	21 bps ↑	4.11	23 bps ↑	4.18
Net Interest Margin %	3.33	3.25	8 bps ↑	2.98	35 bps ↑	3.18

# Financial Strength of the Bank

### Networth (₹ crs)

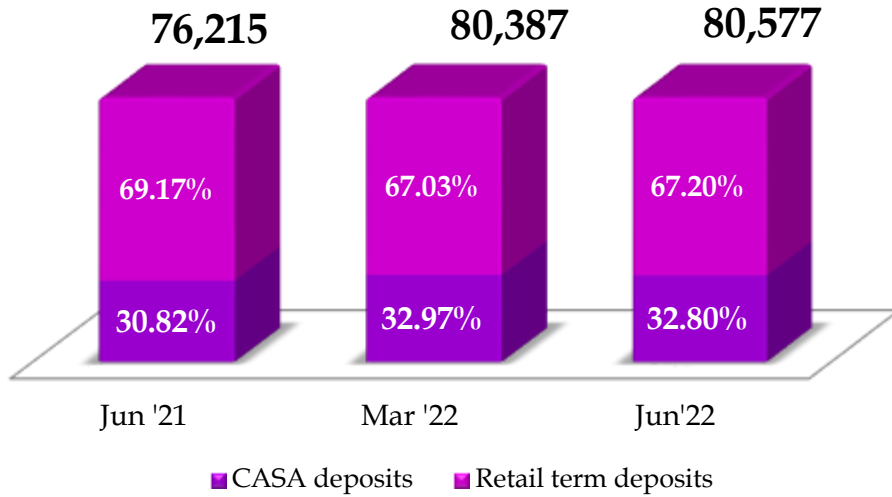


### Business Turnover (₹ crs)

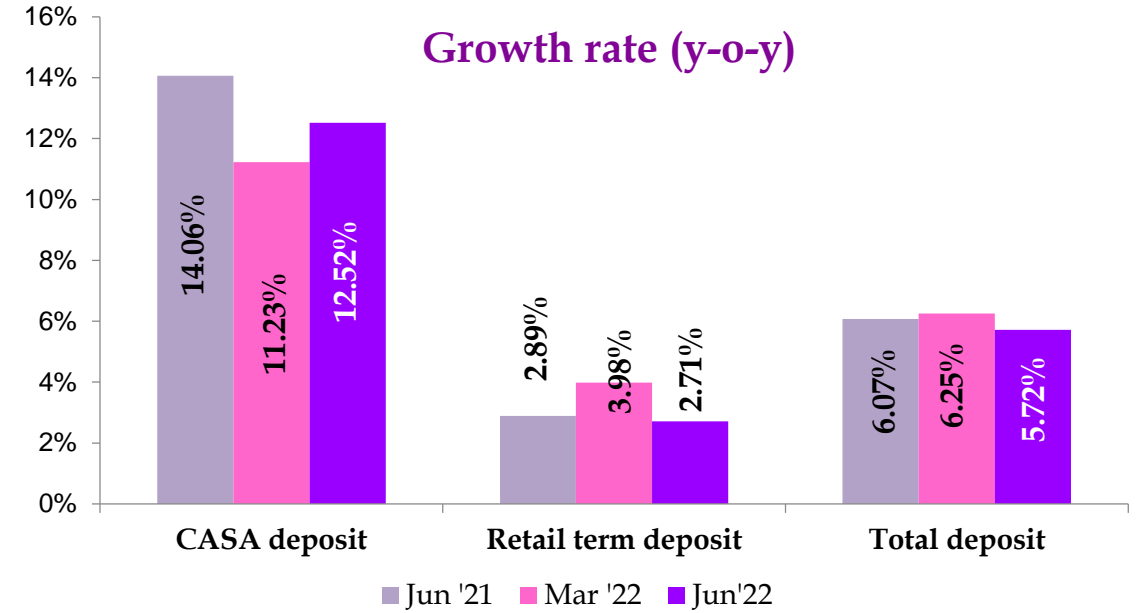


# Deposits

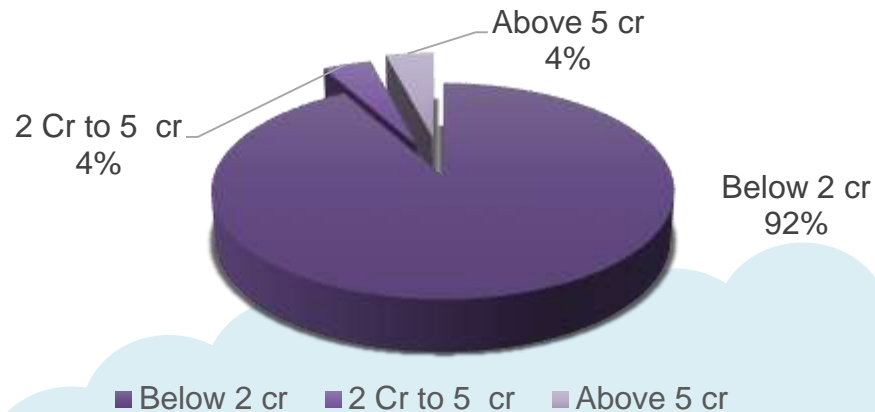
Deposits (₹ crs)



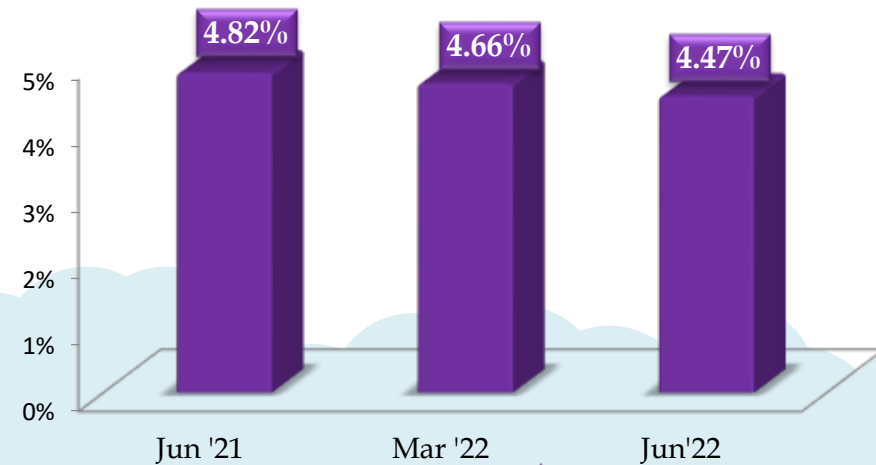
Growth rate (y-o-y)



Retail Term Deposits- Size-wise- June'22



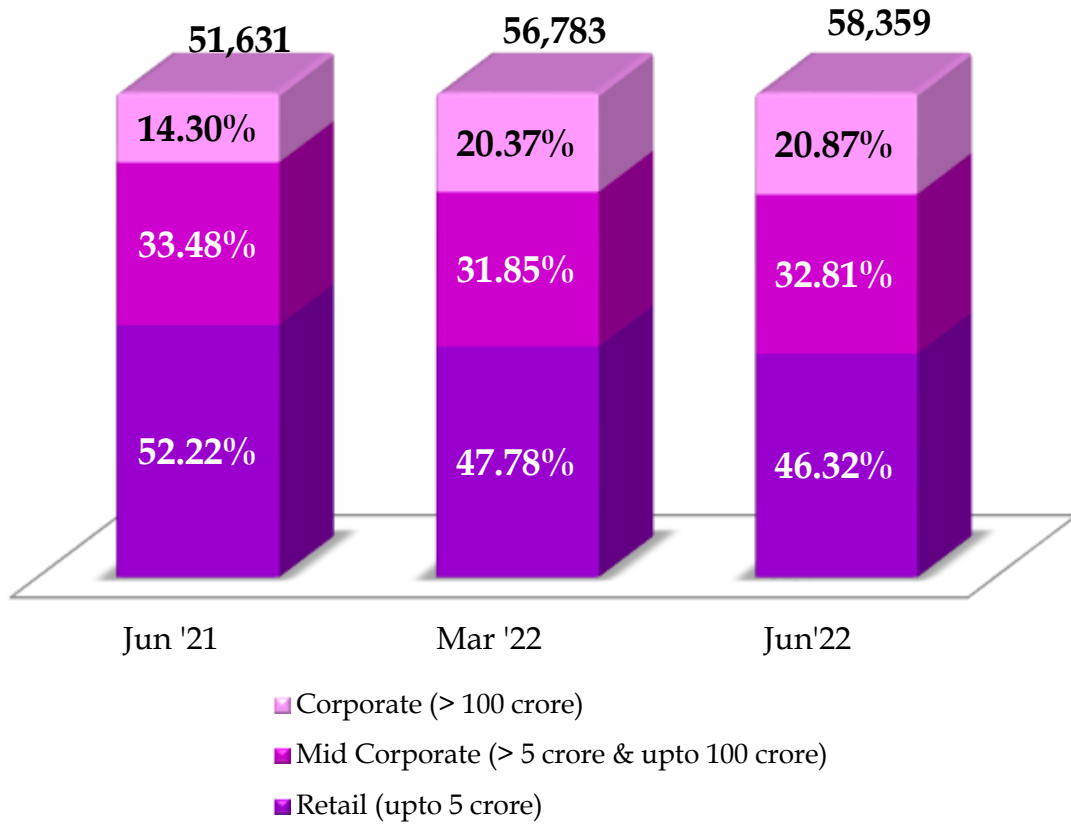
Cost of Deposits



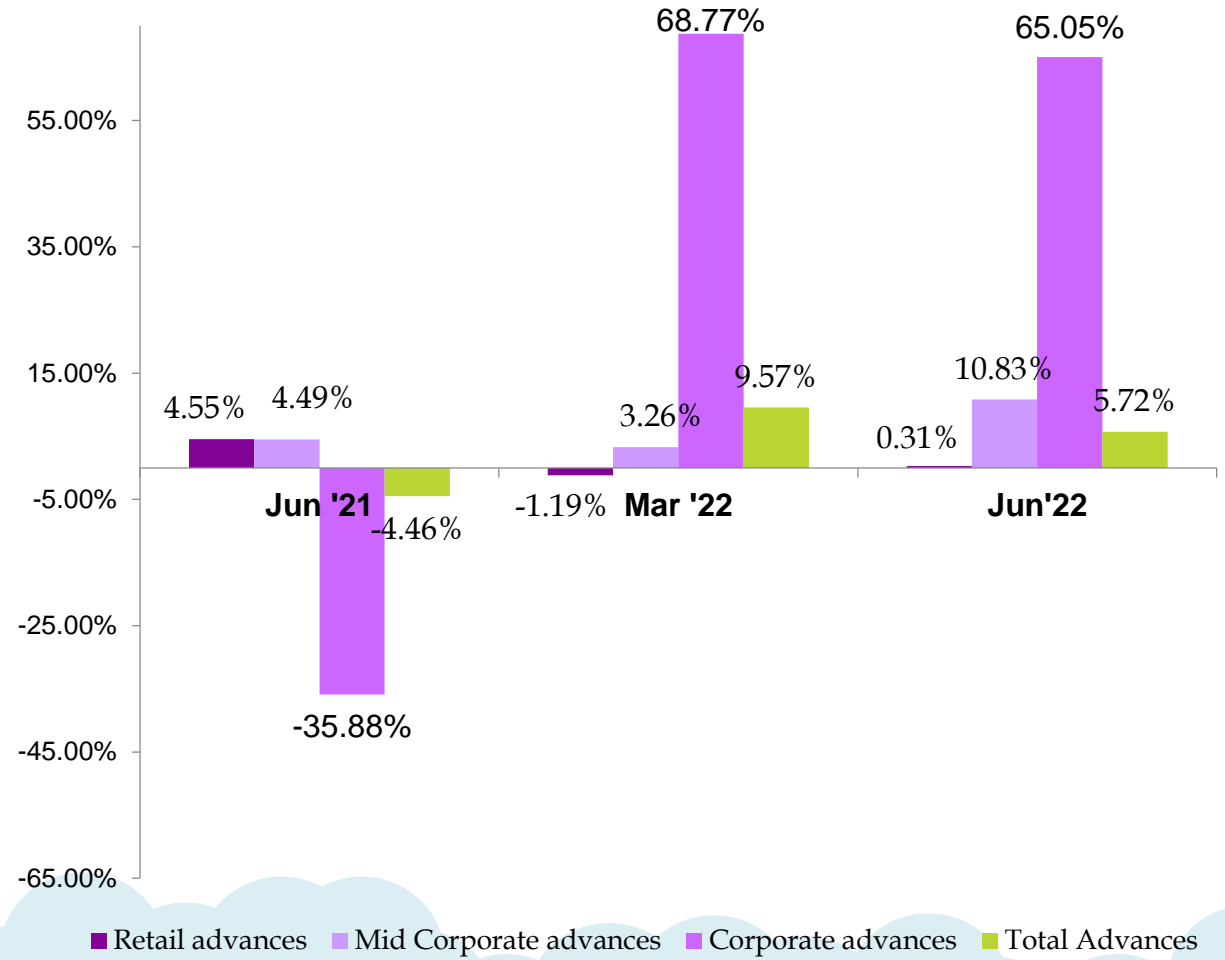
Deposit Concentration: Top 20 Depositors - **3.44%**

# Advances

Advances [Net] (₹ crs)



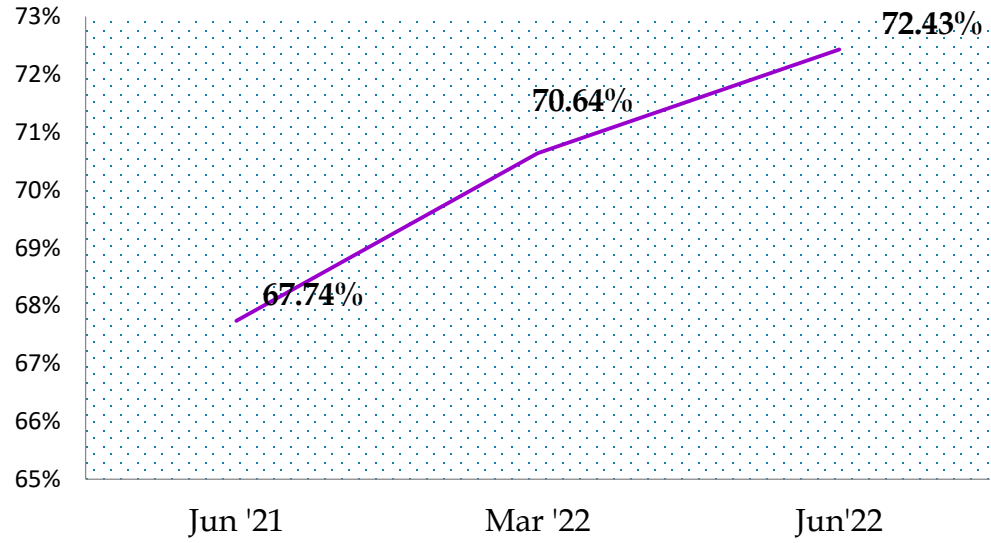
Growth Y-O-Y (%)



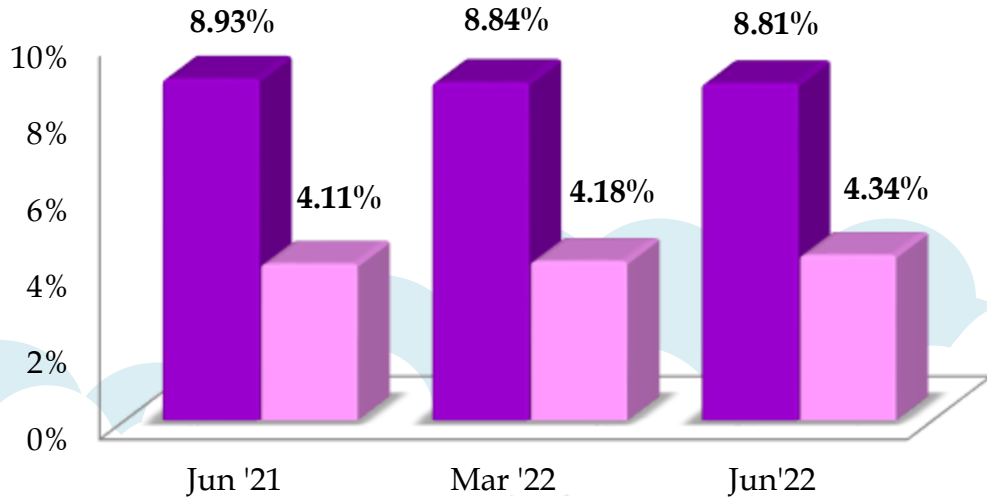
Average Loan Ticket Size (₹ crs)

Large Corporate	Mid Corporate	Retail
172.74	12.47	0.09

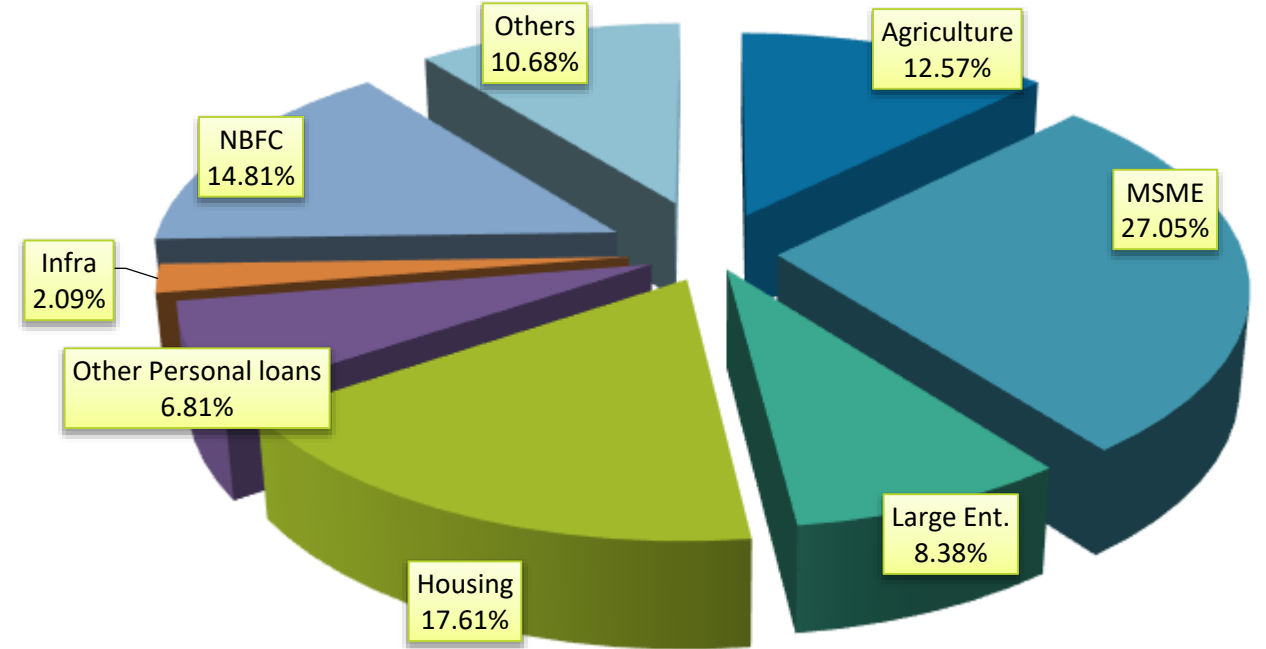
## Credit Deposit ratio (%)



## Yield on Advances & Interest Spread (%)



## Sectoral Loan exposures

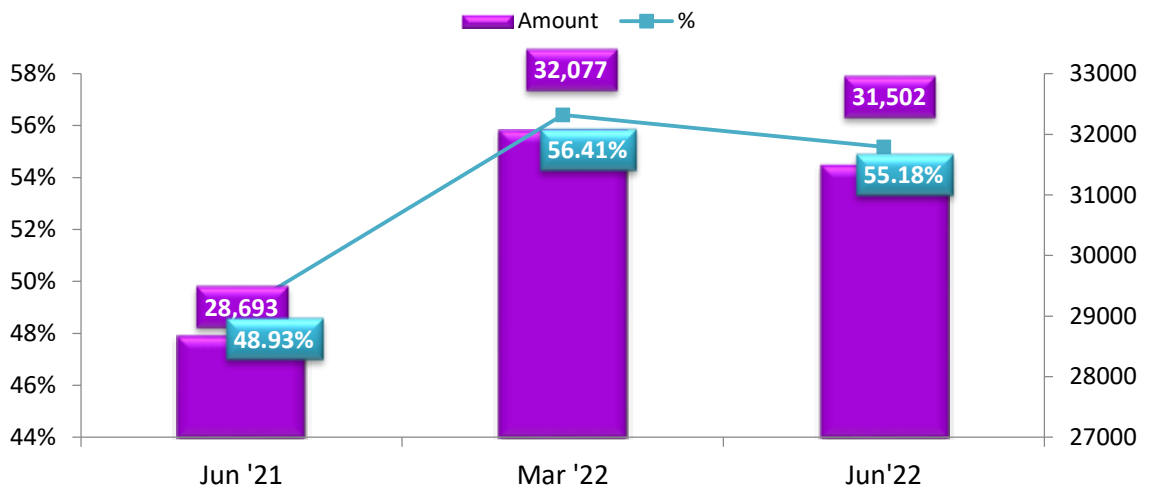


GBC - Rs 59,591 Cr

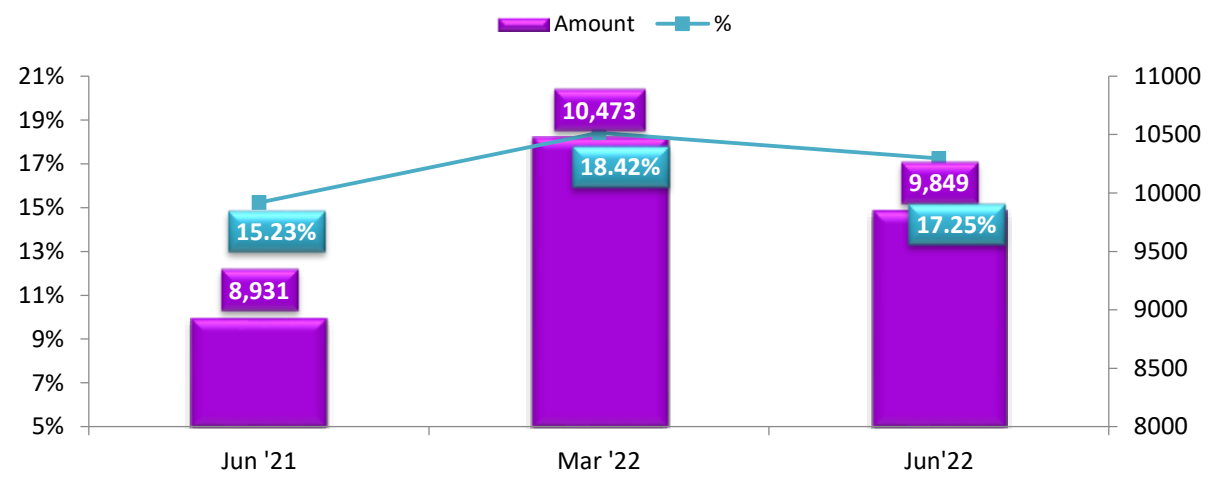


# Advances to Priority Sectors

## Priority Sector Advances (₹ crs)

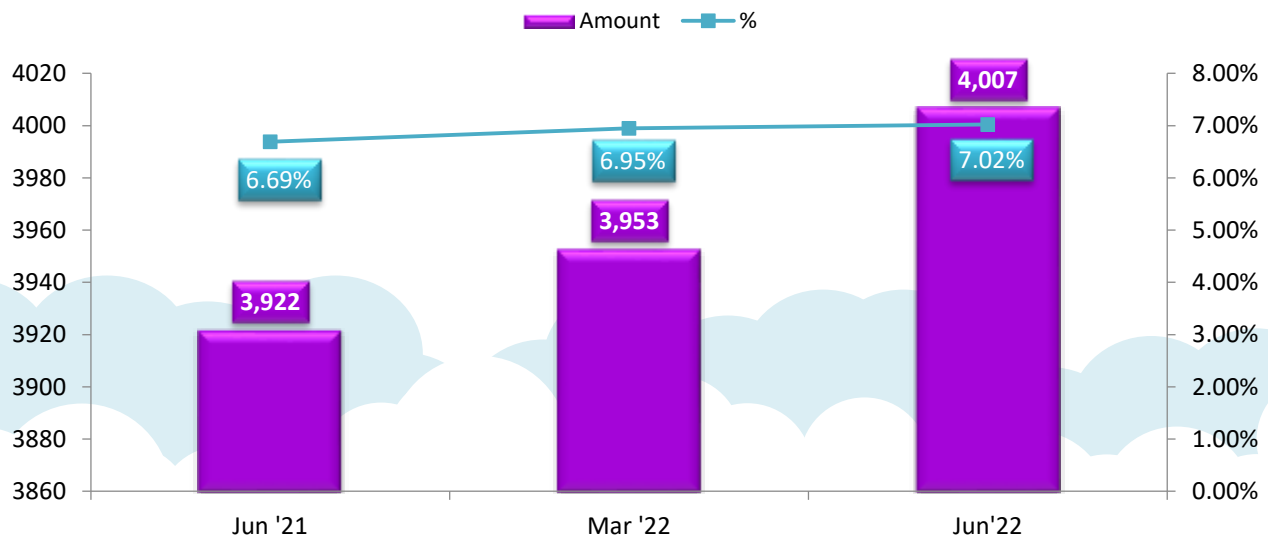


## Agriculture Advances\* (₹ crs)



\*Including RIDF/PSLC

## Advances to Weaker Section (₹ crs)



# Geographical Credit concentration

(₹ crs)

State	GBC		NPA			Restructured			SMA-2#		
	Balance Outstanding	% to GBC	Balance Outstanding	% to GBC	State wise %	Balance Outstanding	% to GBC	State wise %	Balance Outstanding	% to Performing advances	State wise % to Perf advance
Karnataka	26548.46	44.55	997.66	1.67	3.76	2411.69	4.05	9.08	704.02	1.18	2.65
Maharashtra	9105.44	15.29	214.05	0.36	2.35	240.89	0.40	2.65	27.85	0.05	0.31
Delhi	5881.52	9.87	381.98	0.64	6.49	452.29	0.76	7.69	32.44	0.05	0.55
Tamilnadu	4292.13	7.20	159.28	0.27	3.71	145.44	0.24	3.39	76.36	0.13	1.78
Telangana	3408.75	5.72	125.04	0.21	3.67	178.34	0.30	5.23	74.11	0.12	2.17
Andhra Pradesh	2607.97	4.38	85.29	0.14	3.27	132.60	0.22	5.08	105.42	0.18	4.04
All other States/ UTs	7746.75	12.99	438.09	0.73	5.65	740.43	1.24	9.56	120.67	0.20	1.56
<b>Total</b>	<b>59591.02</b>	<b>100</b>	<b>2401.39</b>	<b>4.03</b>		<b>4301.68</b>	<b>7.21</b>		<b>1140.87</b>	<b>1.91</b>	

# This includes both ₹ 5 crore & above and below ₹5 crore as well as the main accounts & related accounts

# Restructured Loans

## Restructured Portfolio -Details

Particulars	Q1 FY 23			FY 22
	Standard	NPA	Total	
Restructured Amount	3652.64	649.04	4301.68	4478.27
Provision made thereon	487.43	449.57	937.00	735.11
% Provision	13.34%	69.27%	21.78%	16.42%

Type of Restructure	Q1 FY 23		
	Standard	NPA	Total
MSME OTR	483.73	174.09	657.82
Resolution Framework-1	360.67	350.85	711.52
Resolution Framework-2	2688.95	83.12	2772.07
Others*	119.29	40.98	160.27
<b>Total</b>	<b>3652.64</b>	<b>649.04</b>	<b>4301.68</b>

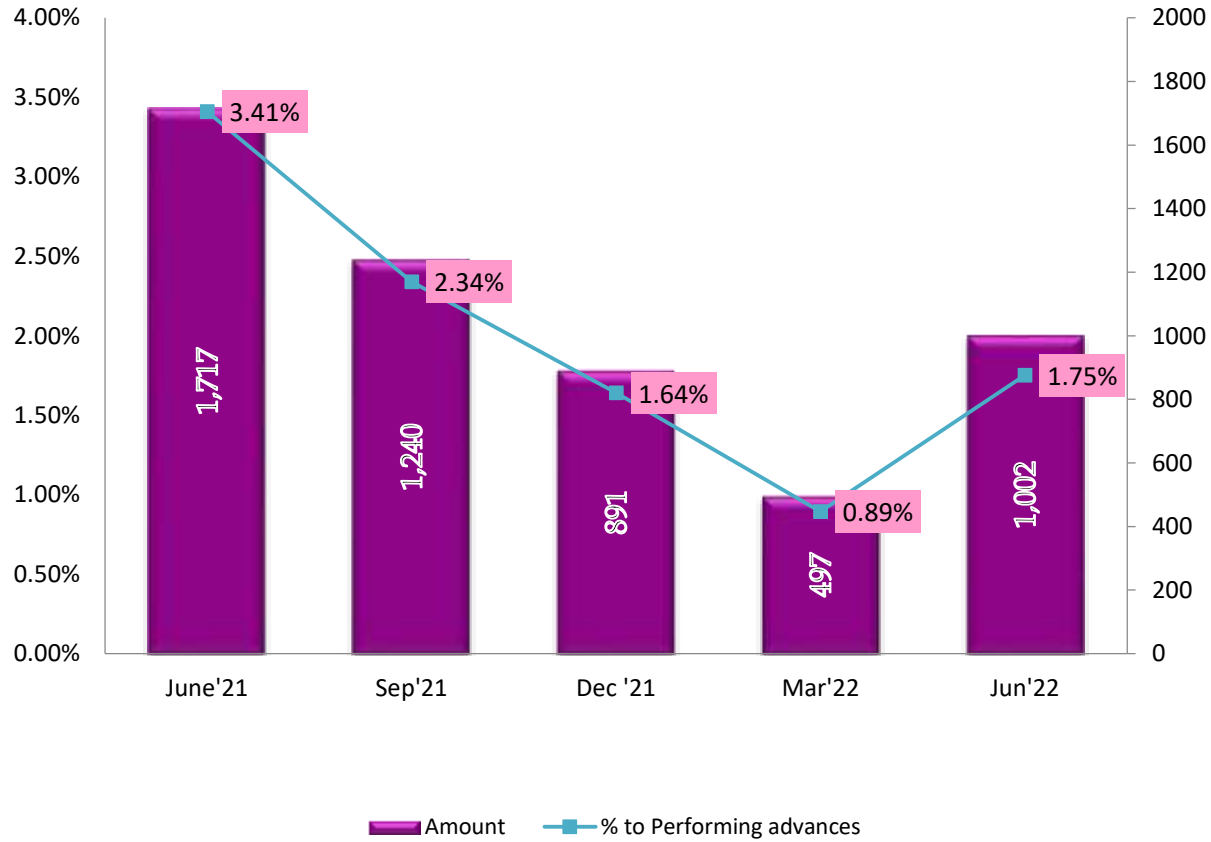
## Standard Restructured Portfolio -Movement (₹ crs)

Particulars	Q1 FY 23
Opening balance	4115.18
Fresh restructuring during the period	26.99
Increase in balance in the existing restructured accounts	102.12
Upgrade of NPA to Standard category	15.66
<b>Total - A</b>	<b>4259.95</b>
Reductions / additions in opening balance	191.16
Downgrades to NPA during the period	416.15*
Write-offs during the period	0
<b>Total - B</b>	<b>607.31</b>
<b>Total Standard Restructured Portfolio (A-B)</b>	<b>3652.64</b>

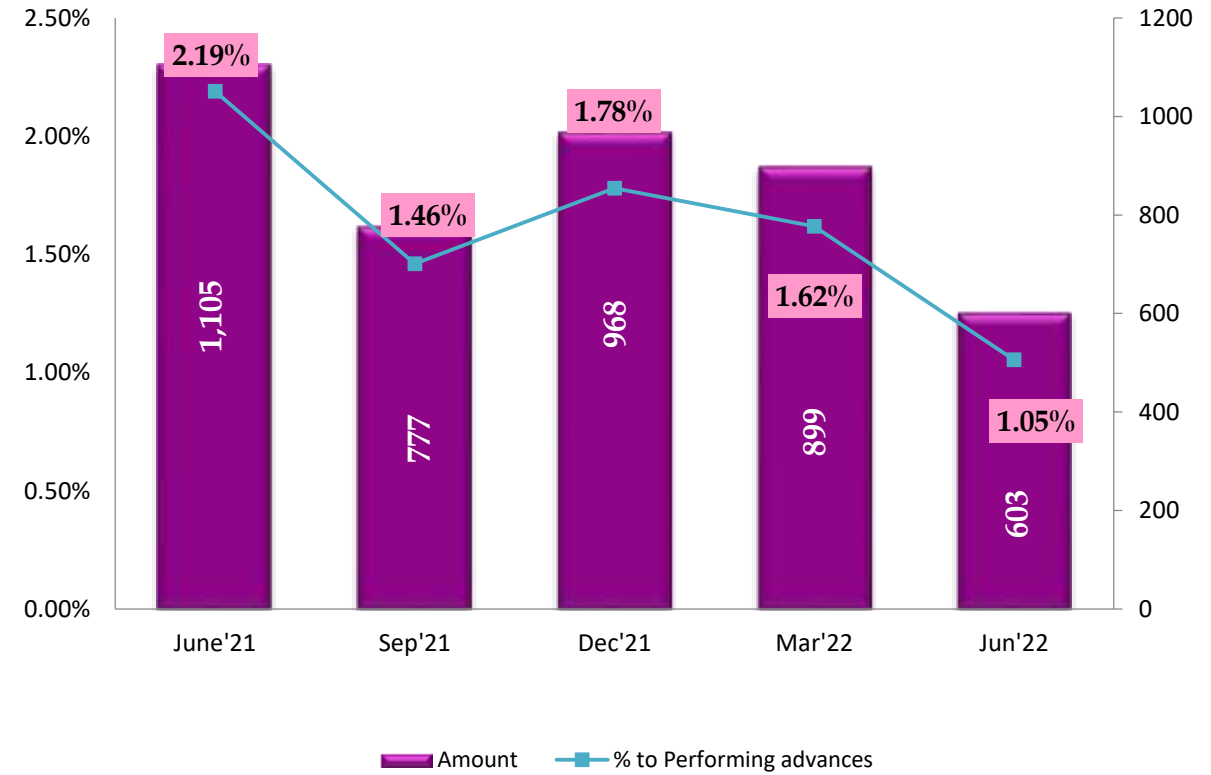
\*inclusive of a Corporate Advance of Rs 308.01 Cr which got recovered during July 2022

# SMA Accounts (SMA 2 and SMA 1)

## SMA 2 (₹ crs)

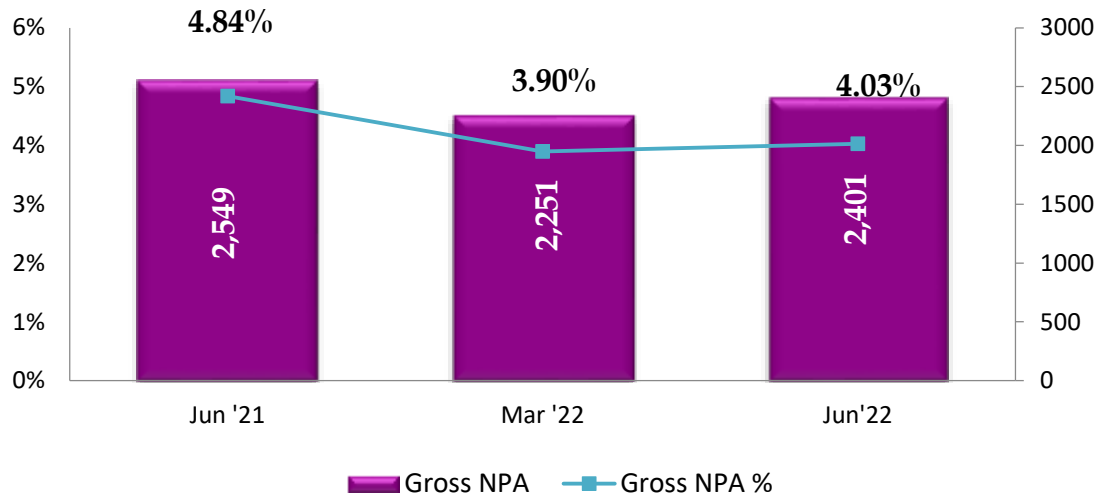


## SMA 1 (₹ crs)

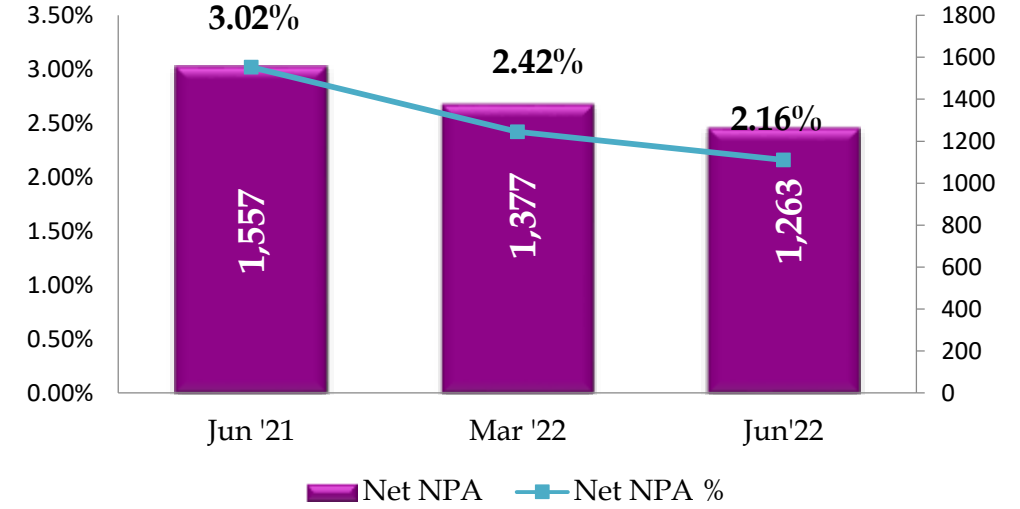


# Asset Quality

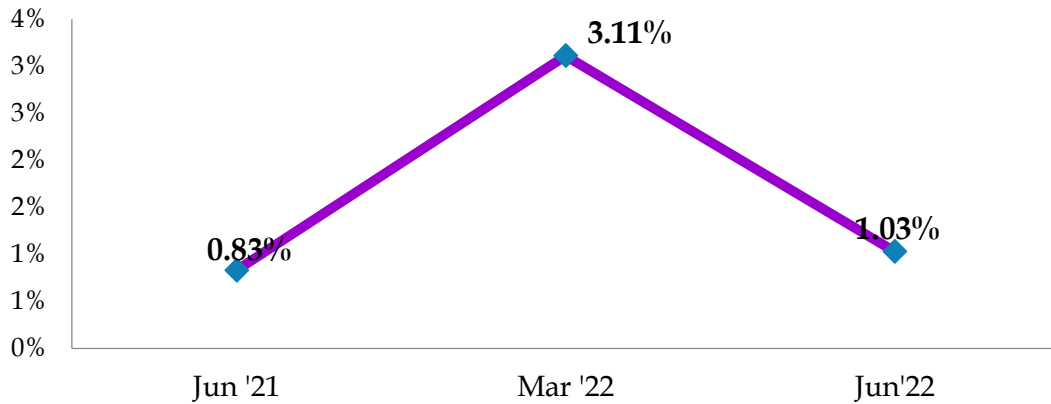
### Gross NPAs (₹ crs)



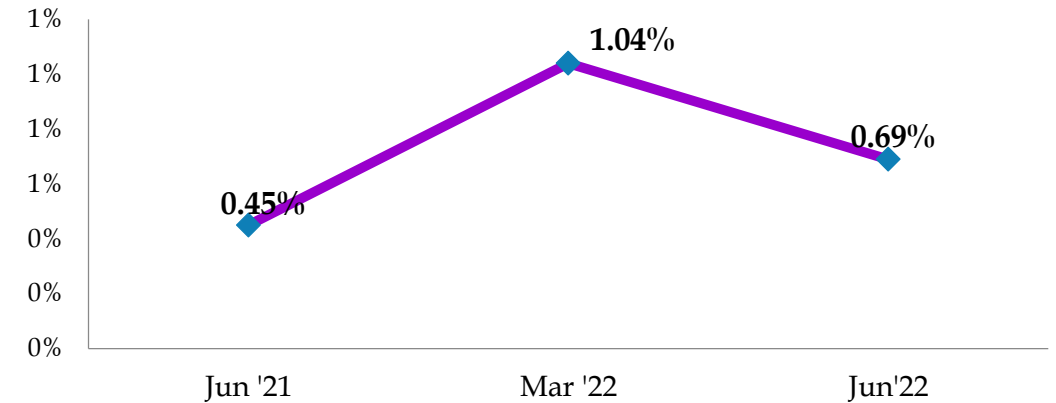
### Net NPAs (₹ crs)



### Slippage ratio

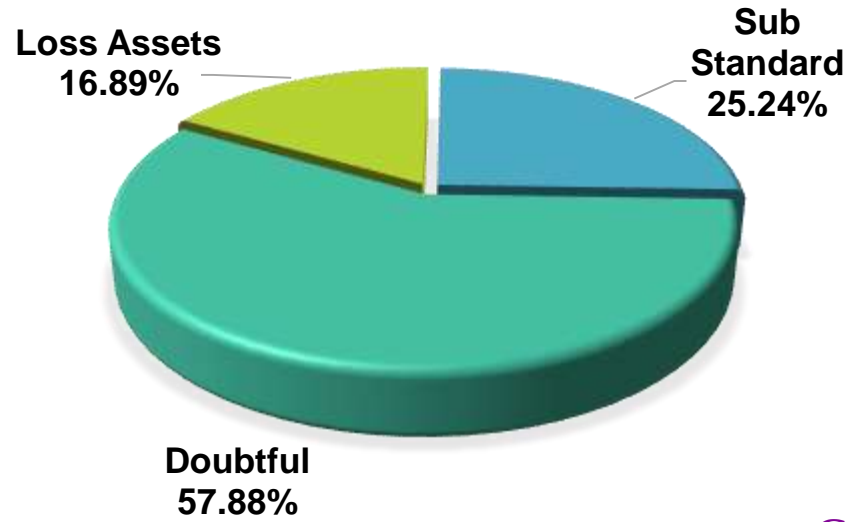


### Credit cost

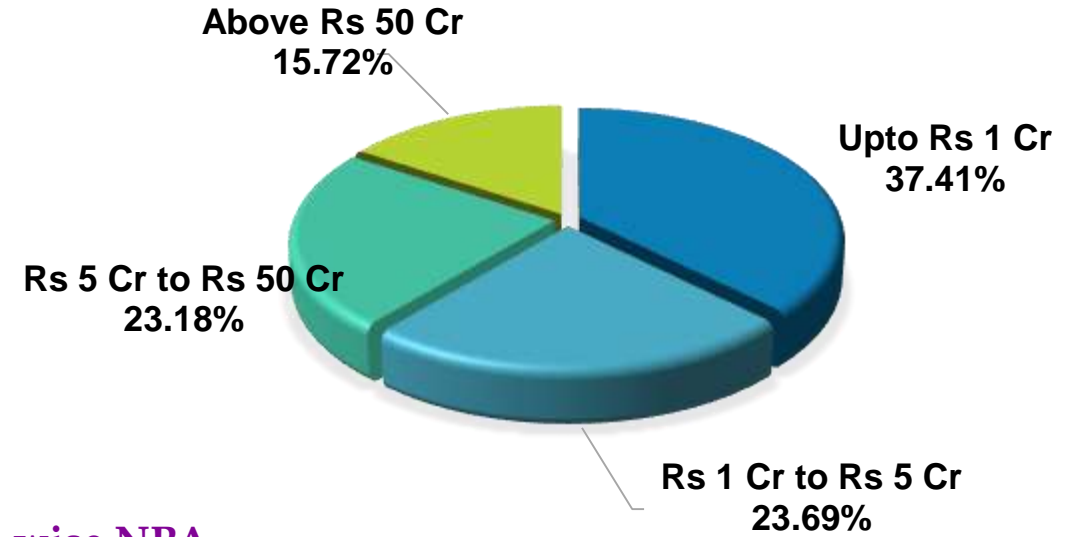


# NPA Break-up

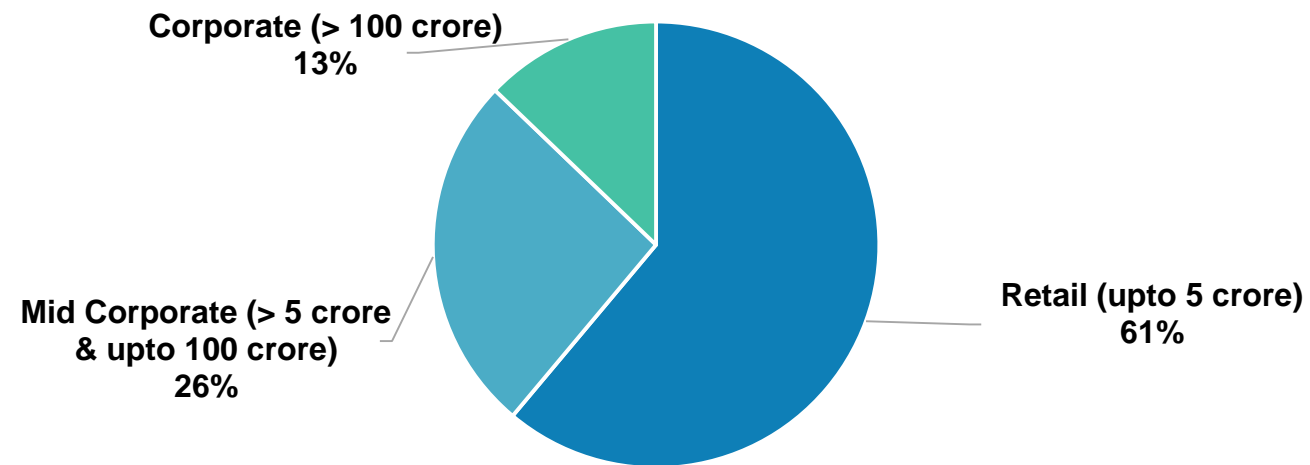
## Composition of NPA



## Size wise NPA



## Credit portfolio wise NPA





# NPA Analysis

## Movement in NPA during Q1 FY 23

(₹ crs)

Particulars	Amount
Opening GNPA	2250.82
Additions	569.37*
<b>Sub Total ( A )</b>	<b>2820.19</b>
<b>Reduction</b>	
Up-gradation	150.59
Recoveries (excluding upgraded accts)	127.33
Technical Write Offs	137.65
Other Write Offs	3.23
<b>Sub Total ( B )</b>	<b>418.80</b>
Out of which sold to ARC	--
<b>Closing GNPA</b>	<b>2401.39</b>

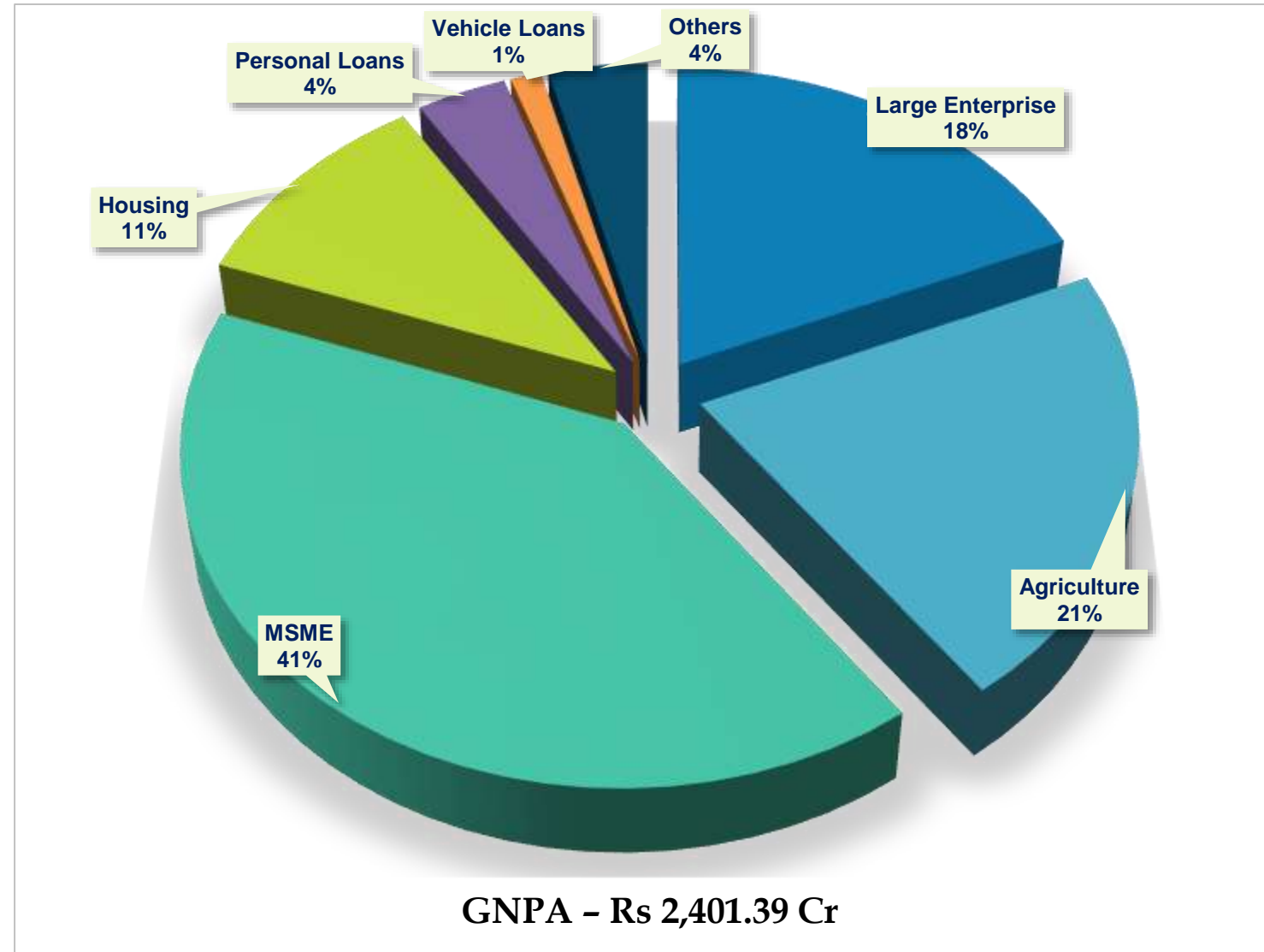
\*Contains slippage of one Corporate restructured account amounting to Rs 308.01Cr which has been since recovered except for penal interest etc.

## The impact of which on the financials is as below-

(₹ crs)

Particulars	With said slippage	Without said slippage
Interest on loans & advances	1246.73	1286.73
Yield on Advance %	8.81%	9.09%
Gross NPA	2401.39	2093.38
Gross NPA %	4.03%	3.51%
PCR %	76.77%	75.37%
Credit Cost %	0.69	0.16
Slippage ratio %	1.03	0.47

## NPA Sectoral exposures



# NPA Break-up

## NPA accounts of Rs 25 Crore and above and provisions held

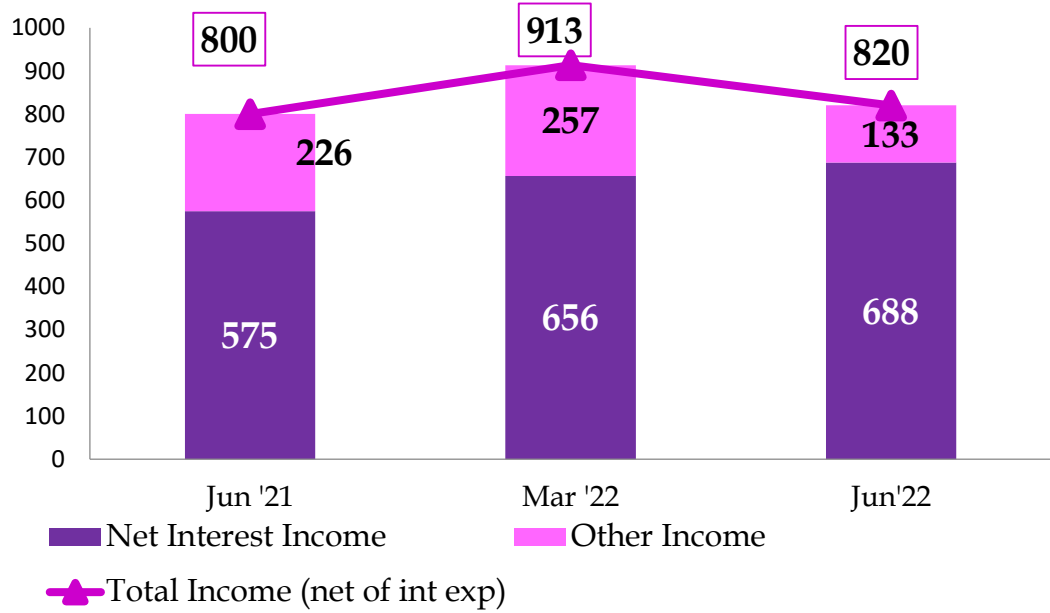
(₹ crs)

NPA Classification	No. of Borrowers	Net Balance	Provision held	Provision %
SS	-	-	-	-
DS 1	- (4)	- (150.38)	- (122.87)	- (81.71)
DS 2	1 (2)	69.42 (97.73)	28.16 (56.14)	40.56 (57.44)
DS 3	-	-	-	-
LOSS	1 (-)	308.00 (-)	308.00 (-)	100 (-)
<b>Total</b>	<b>2 (7)</b>	<b>377.42 (355.03)</b>	<b>336.16 (218.42)</b>	<b>89.07 (61.52)</b>

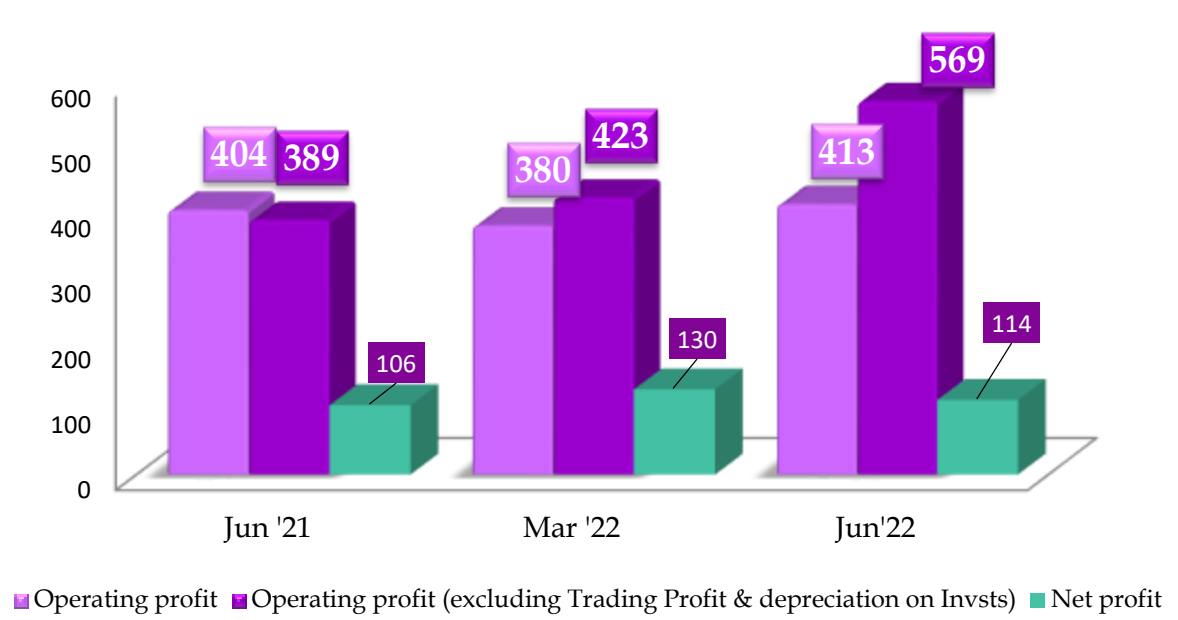
[ Figures in brackets - as of June '21]

# Income & Profit (quarterly)

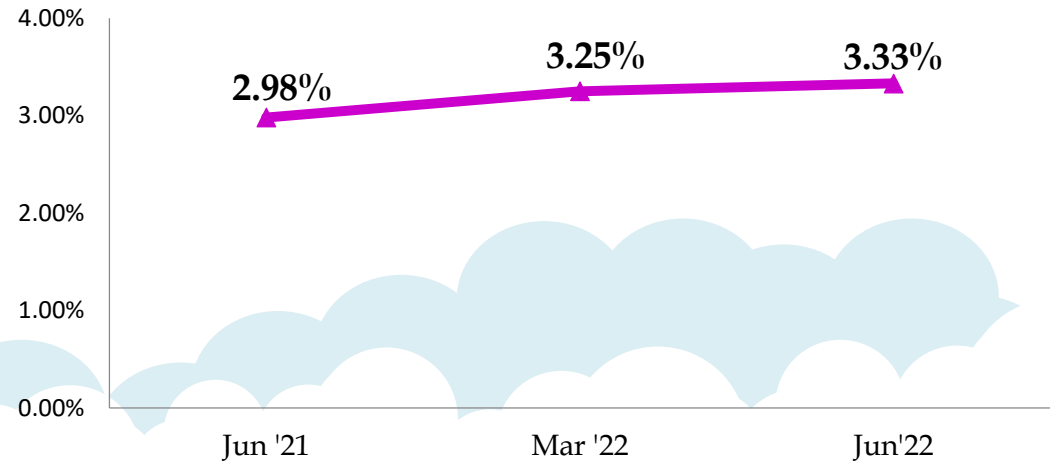
Net Income (₹ crs)



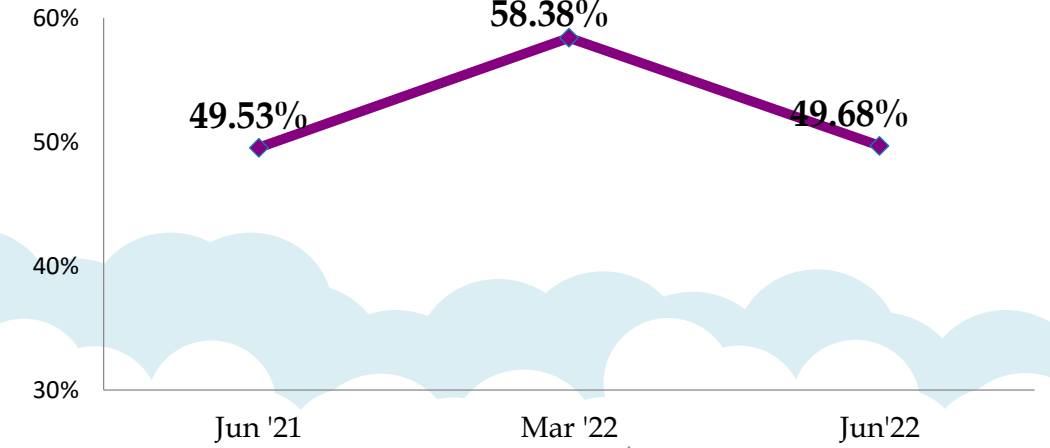
Operating and Net Profit (₹ crs)



Net Interest Margins (%)

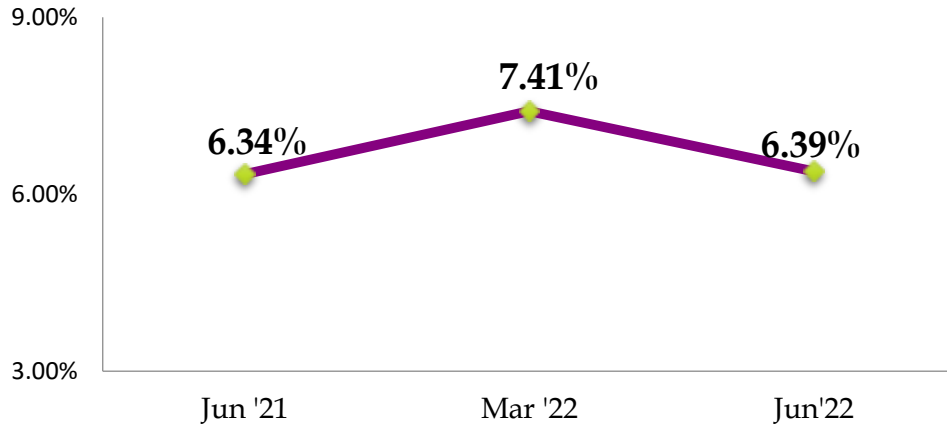


Cost to Income Ratio (%)

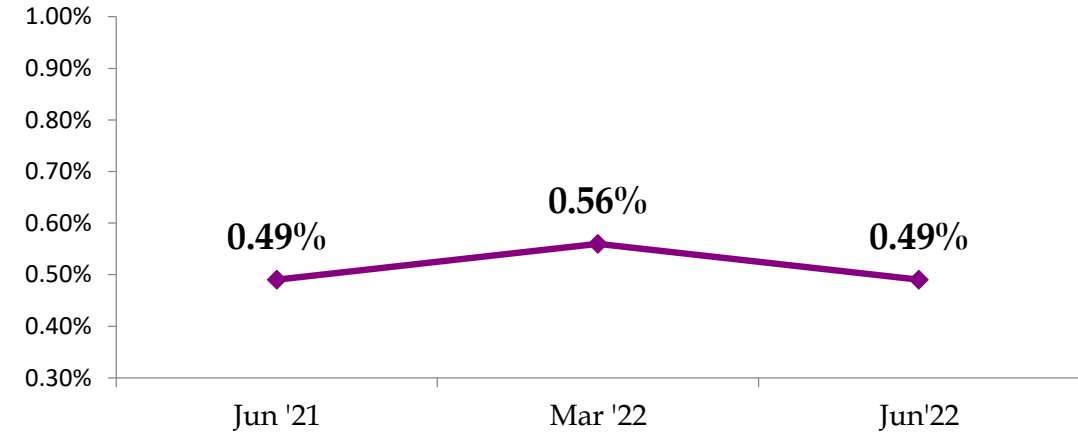


# Return and Capital adequacy ratios

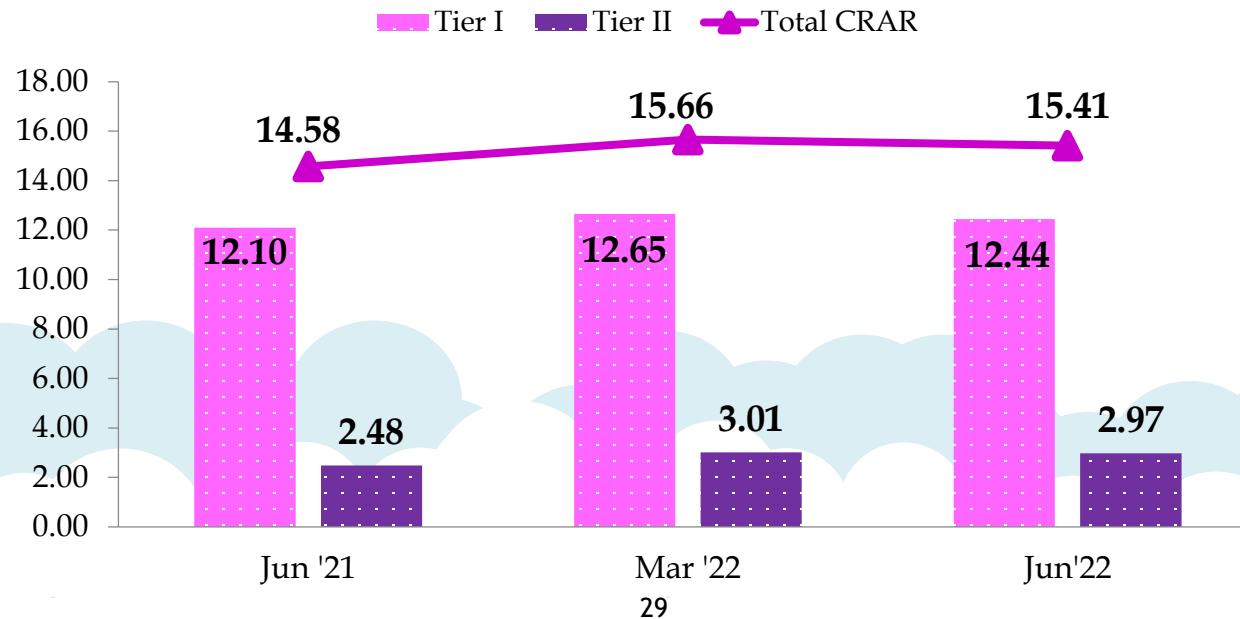
### Return on Equity (%) (after tax)



### Return on Assets (%) (after tax)



### Capital Adequacy (%) - Basel III

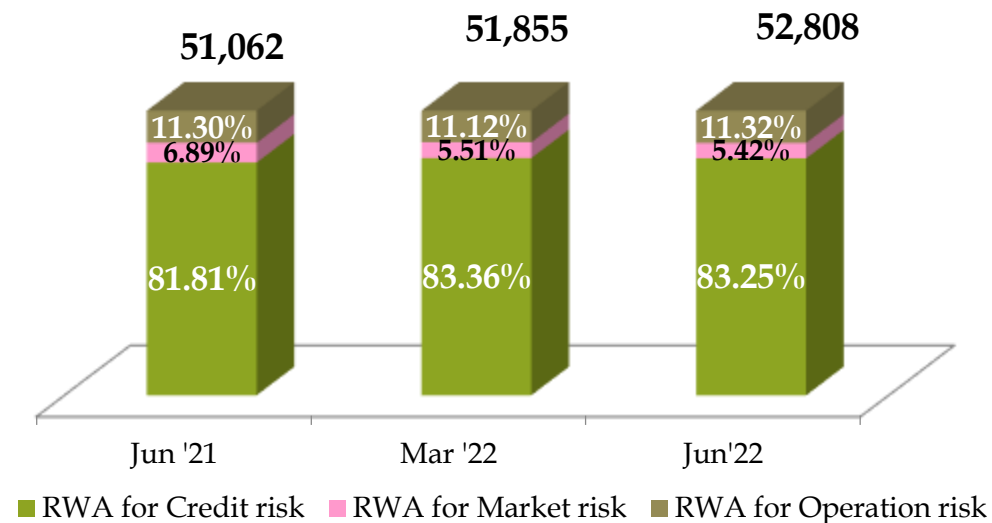


# Capital Adequacy

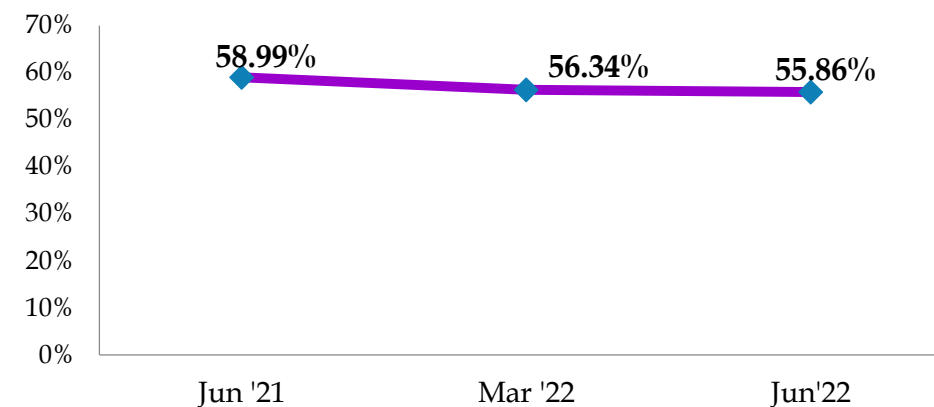
(₹ crs)

Particulars	30.06.2021	31.03.2022	30.06.2022
Risk Weighted Assets	51,061.91	51,855.44	52,807.73
Total Capital Fund (Basel III)	7,445.76	8,118.55	8,137.49
Total Tier I Capital	6,178.00	6,558.19	6,567.94
Paid up Equity Capital	310.88	311.17	3,11.23
Reserves under Tier I Cap.	5,867.12	6,247.02	6,256.71
Eligible Tier II Capital	1,267.76	1,560.35	1,569.55
General Provisions & Reserves	522.76	540.35	549.55
Subordinated Debts	745.00	1,020.00	1,020.00
CRAR under Basel III	14.58%	15.66%	15.41%
CRAR Tier I Capital	12.10%	12.65%	12.44%
CRAR Tier II Capital	2.48%	3.01%	2.97%

## Risk Weighted Assets

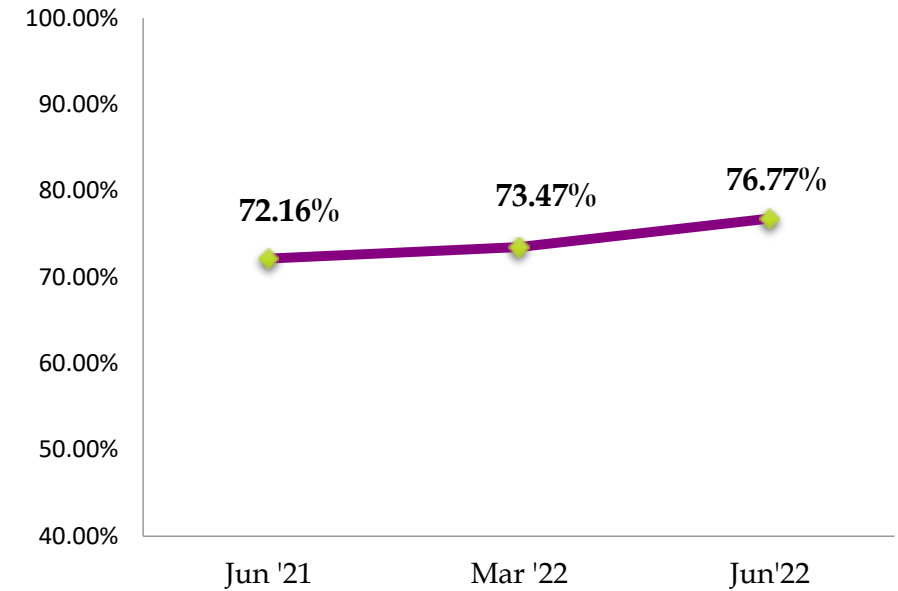


## RWA to Total Assets

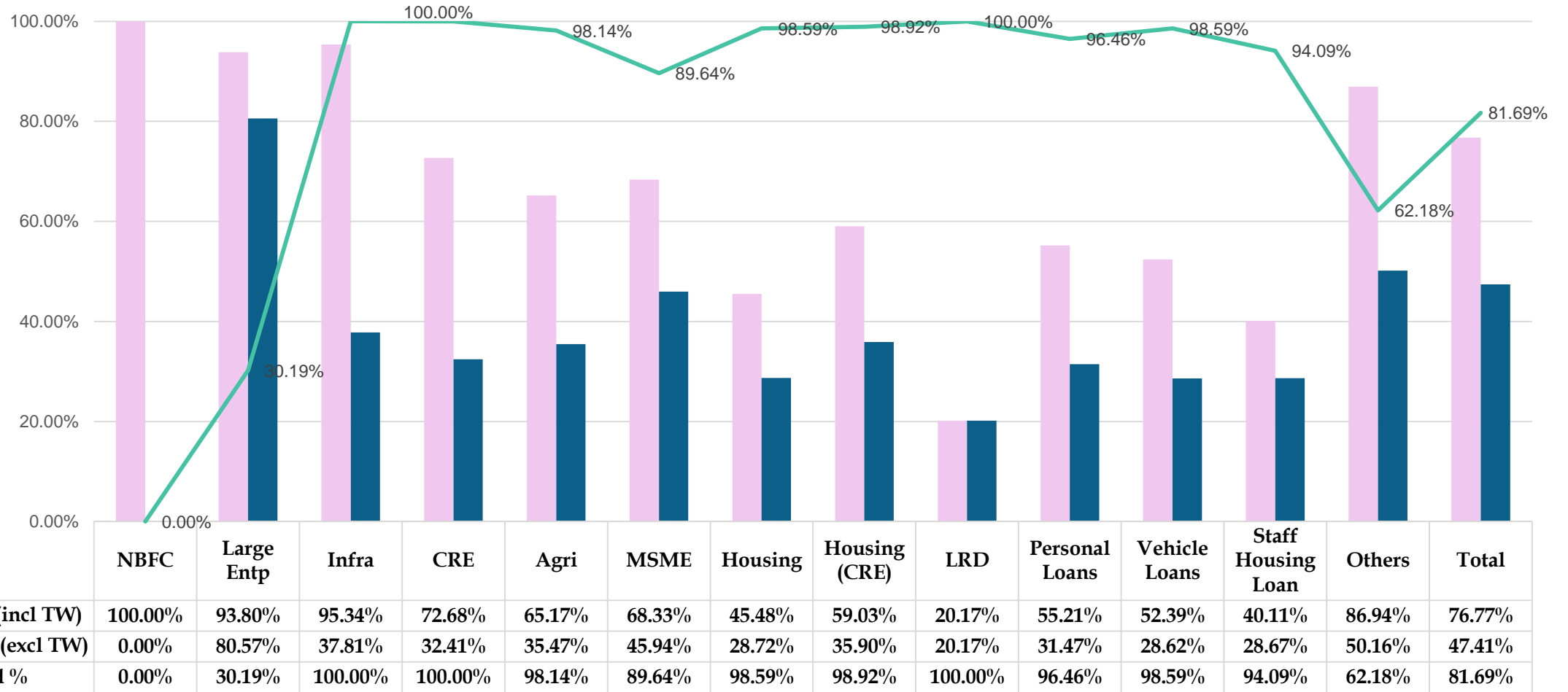


Category	Provision during Q1 FY 23	Provision during Q1 FY 22
NPA	404.10	230.50
Standard advances	-29.18	105.17
Fair Value	-11.37	21.18
Tax	-64.30	-59.95
Others	-0.65	0.98
<b>Total</b>	<b>298.60</b>	<b>297.88</b>

## Provision Coverage Ratio



## Sector-wise PCR %

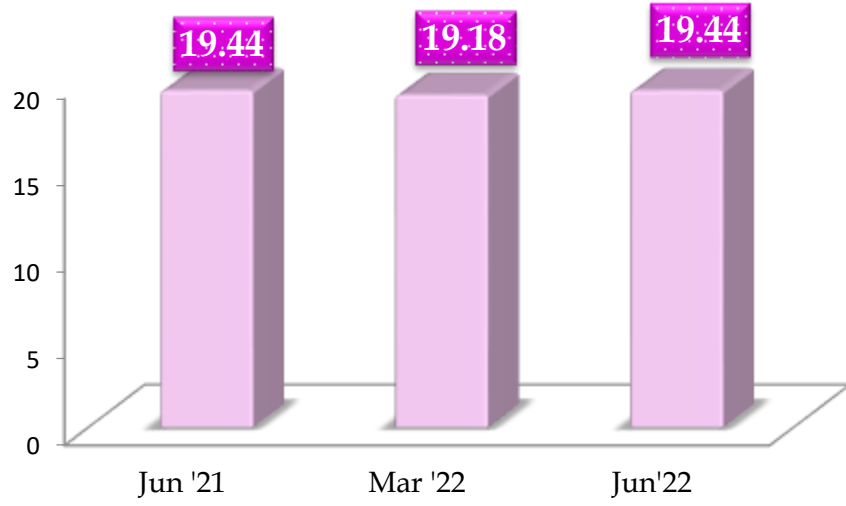


PCR %(incl TW) PCR % (excl TW) Secured %



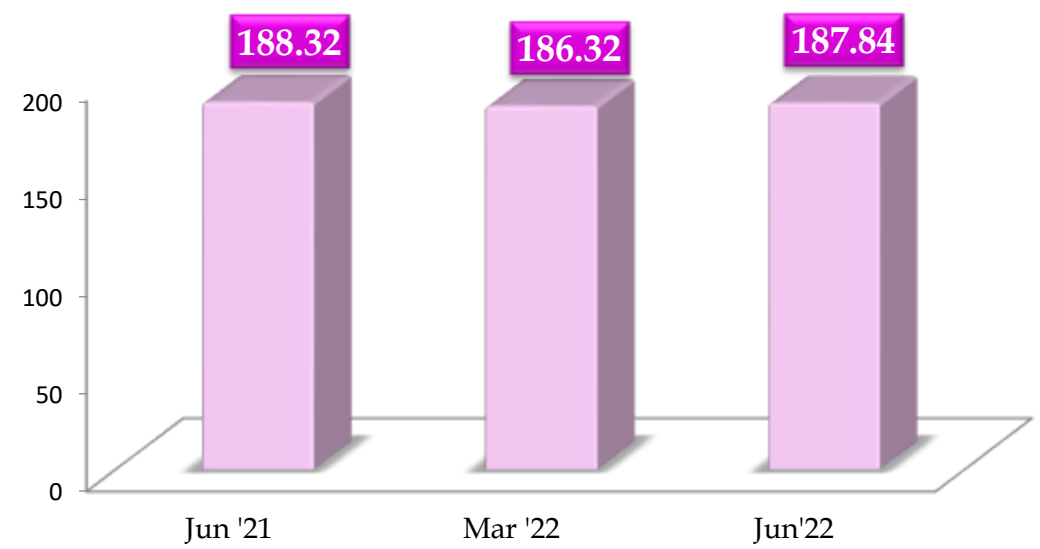
# Productivity Ratios

### Operating Profit per employee (₹ lakh) \*

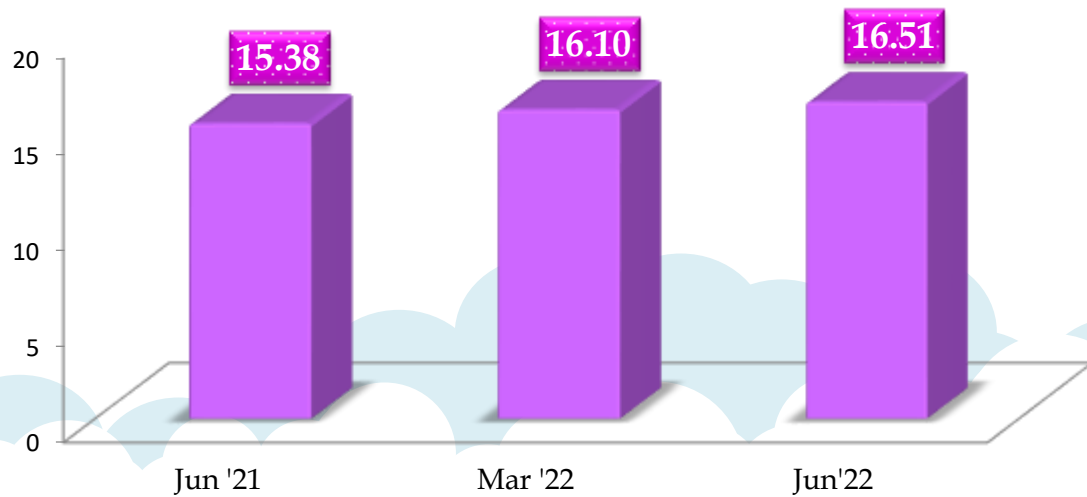


\* annualized

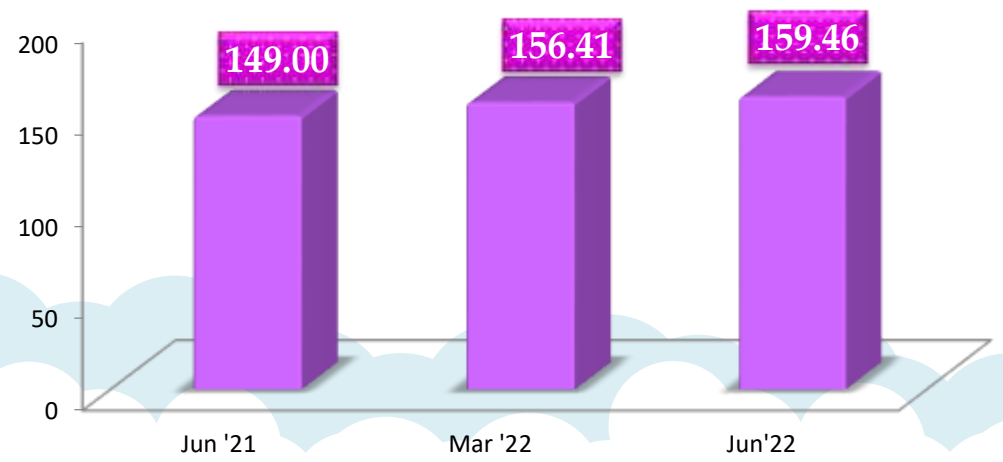
### Operating Profit per branch (₹ lakh) \*



### Business per employee (₹ crs)

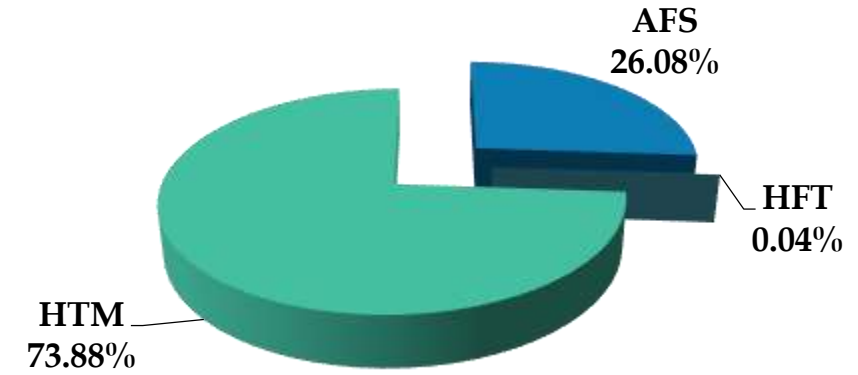
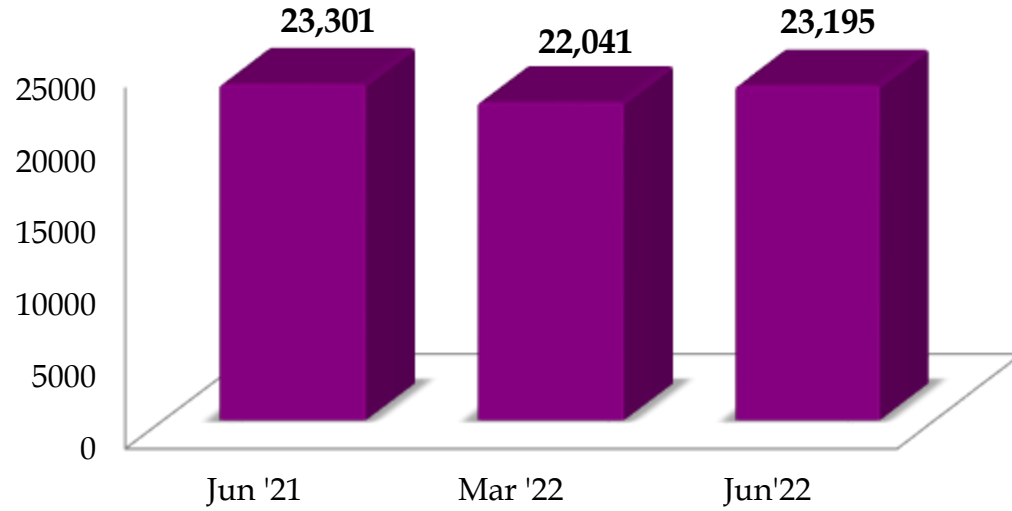


### Business per branch (₹ crs)



# Investments

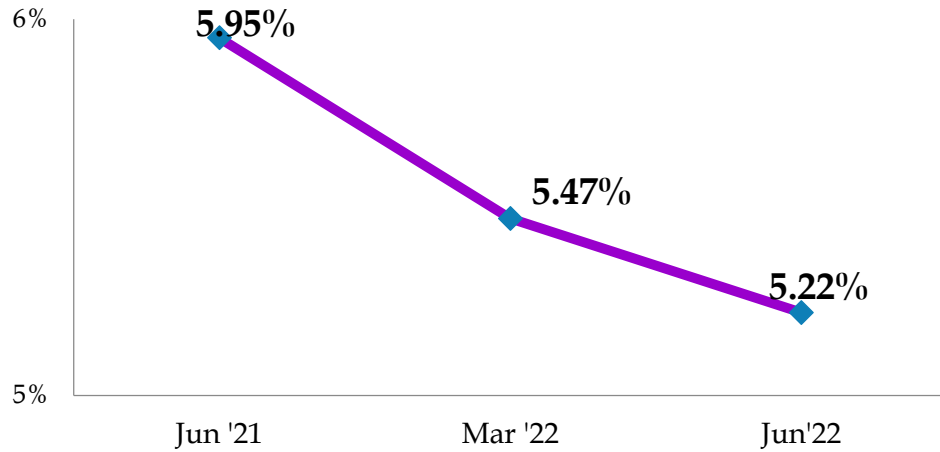
Investments [excl. RIDF] (₹ crs)



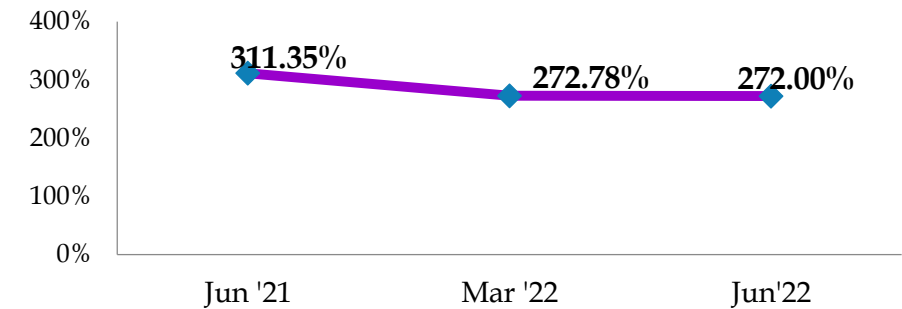
Duration

AFS	HFT	HTM	TOTAL
3.19	0.00	5.31	4.78

Yield on Investments (%)



Liquidity Coverage Ratio



# Borrowers under External Rating

[ Figures in brackets - as of June'21 ]

Rating	No of Borrowers	Balance O/s (in cr)	% to GBC	Of which, NPA		SMA2		Restructured book		
				No. of borrowers	Bal o/s (cr)	No. of borrowers	Bal o/s (cr)	No. of borrowers	Bal o/s (cr)	% share to Std. Adv. @
AAA	18 (12)	5181 (3031)	8.69 (5.73)	-	-	-	-	-	-	-
AA	49 (31)	4789 (2200)	8.04 (4.16)	-	-	-	-	-	-	-
A	66 (45)	2490 (1383)	4.18 (2.61)	-	-	-	-	-	-	-
BBB	89 (88)	2325 (2508)	3.90 (4.74)	-	-	- (1)	- (5)	- (1)	- (94)	- (3.75)
<b>Sub total</b>	<b>222 (176)</b>	<b>14785 (9122)</b>	<b>24.81 (17.24)</b>	<b>-</b>	<b>-</b>	<b>- (1)</b>	<b>- (5)</b>	<b>- (1)</b>	<b>- (94)</b>	<b>- (1.03)</b>
BB	21 (31)	580 (762)	0.97 (1.44)	-	-	- (1)	- (17)	1(3)	20(55)	0.03(7.23)
B	5 (8)	107 (39)	0.18 (0.07)	-	-	1(-)	50(-)	-	-	-
C	1 (-)	154 (-)	0.26 (-)	-	-	-	-	-	-	-
D	9 (8)	541 (643)	0.91 (1.22)	5 (-)	332 (-)	- (1)	- (76)	- (1)	- (316)	- (49.18)
<b>Sub total</b>	<b>36 (47)</b>	<b>1382 (1444)</b>	<b>2.32 (2.73)</b>	<b>5 (-)</b>	<b>332 (-)</b>	<b>1 (2)</b>	<b>50 (93)</b>	<b>1 (4)</b>	<b>20 (371)</b>	<b>0.03 (25.71)</b>
<b>Grand Total</b>	<b>258 (223)</b>	<b>16167 (10566)</b>	<b>27.13 (19.97)</b>	<b>5 (-)</b>	<b>332 (-)</b>	<b>1 (3)</b>	<b>50 (98)</b>	<b>1 (5)</b>	<b>20 (468)</b>	<b>0.03 (4.43)</b>

Gross Bank Credit: ₹ 59,591 crore (PY June'21: ₹ 52,910 crore). @ Under respective rating category

# External Rating of Top 50 borrowers

Rating	No of Borrowers	Balance O/s (in cr)	% to GBC	Of which, NPA		SMA2		Restructured book		
				no. of borrowers	Bal o/s (cr)	no. of borrowers	Bal o/s (cr)	no. of borrowers	Bal o/s (cr)	% share to Std. Adv. *
AAA	13 (8)	4691 (2886)	7.87 (5.45)	-	-	-	-	-	-	-
AA	16 (6)	3220 (1018)	5.40 (1.92)	-	-	-	-	-	-	-
A	7 (6)	778 (421)	1.31 (0.79)	-	-	-	-	-	-	-
BBB	4 (13)	387 (1020)	0.65 (1.93)	-	-	-	-	-	-	-
<b>Sub total</b>	<b>40 (33)</b>	<b>9076 (5344)</b> 86.81% (70.65%)	<b>15.23 (10.10)</b>	-	-	-	-	-	-	-
BB	- (1)	- (116)	- (0.22)	-	-	-	-	-	-	-
B	- (1)	- (17)	- (0.03)	-	-	-	-	-	-	-
C	1 (-)	154 (-)	0.26 (-)	-	-	-	-	-	-	-
D	1 (2)	308 (469)	0.52 (0.89)	1 (-)	308 (-)	-	-	- (1)	- (316)	- (67.39)
<b>Sub total</b>	<b>2 (4)</b>	<b>462 (602)</b> 4.99%(10.73%)	<b>0.78 (1.14)</b>	<b>1 (-)</b>	<b>308 (-)</b>	-	-	<b>- (1)</b>	<b>-(316)</b>	<b>- (52.55)</b>
Without External rating #	8 (13)	917 (1620)	1.54 (3.06)	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>50 (50)</b>	<b>10455 (7565)</b>	<b>17.55 (14.30)</b>	<b>1 (-)</b>	<b>308 (-)</b>	-	-	<b>- (1)</b>	<b>- (316)</b>	<b>- (4.18)</b>

Gross Bank Credit: ₹ 59,591 crore (PY June'21: ₹ 52,910 crore).

[ Figures in brackets - as of June'21]

\* Under respective rating category

# External Rating of NBFC Portfolio

[ Figures in brackets - as of June '21]

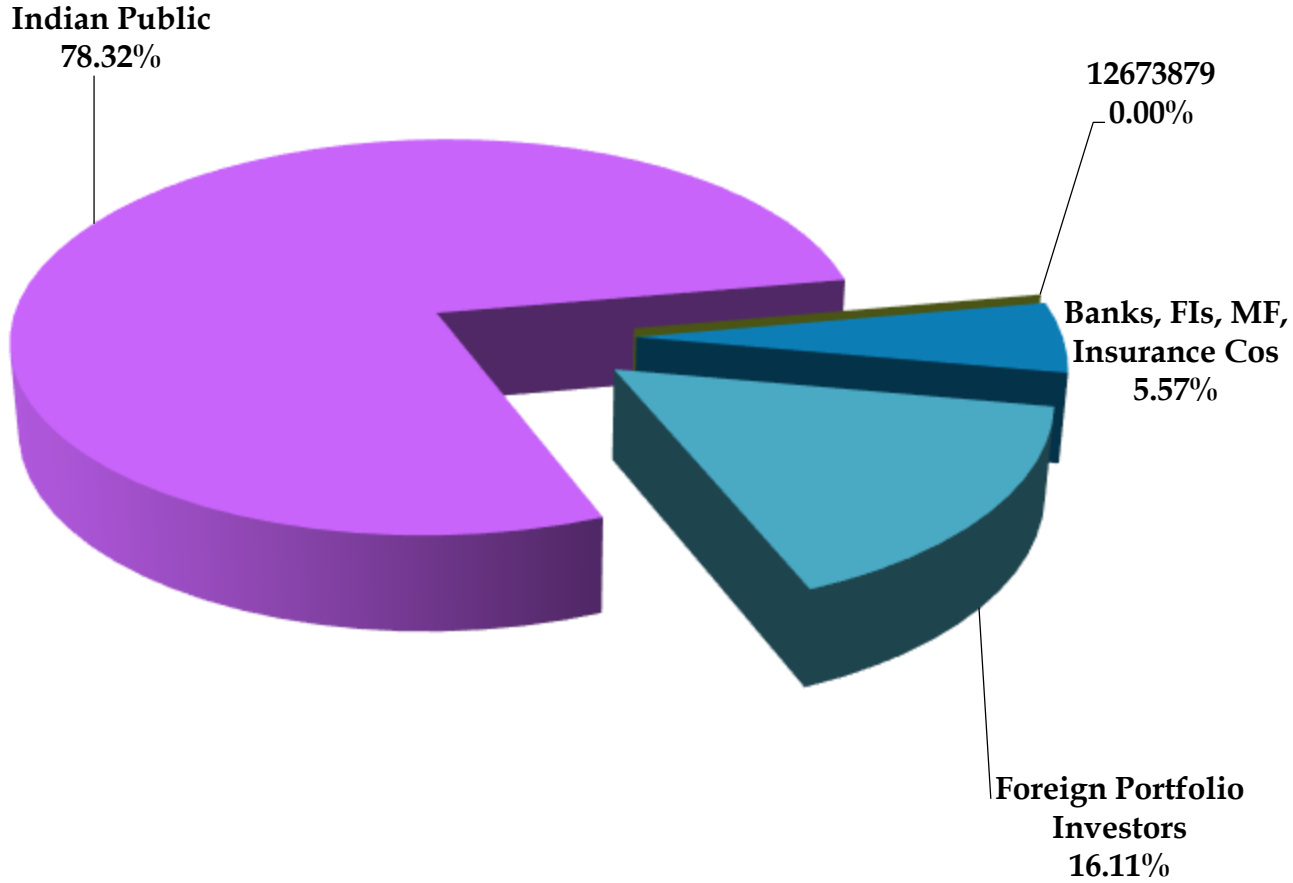
Rating	No of Borrowers	Balance O/s (in cr)	% to GBC	Of which, NPA		SMA2		Restructured book		
				no. of borrowers	Bal o/s (cr)	no. of borrowers	Bal o/s (cr)	no. of borrowers	Bal o/s (cr)	% share to Std. Adv. *
AAA	16 (10)	4481 (2531)	7.52 (4.78)	-	-	-	-	-	-	-
AA	31 (17)	3358 (1506)	5.63 (2.85)	-	-	-	-	-	-	-
A	26 (16)	938 (458)	1.57 (0.87)	-	-	-	-	-	-	-
BBB	3 (1)	39 (13)	0.07 (0.03)	-	-	-	-	-	-	-
<b>Sub total</b>	<b>76 (44)</b>	<b>8816 (4508)</b>	<b>14.79 (8.52)</b>	-	-	-	-	-	-	-
BB	1 (-)	12 (-)	0.02 (-)	-	-	-	-	-	-	-
B	-	-	-	-	-	-	-	-	-	-
C	-	-	-	-	-	-	-	-	-	-
D	- (1)	12 (13)	- (0.02)	-	-	-	-	-	-	-
<b>Sub total</b>	<b>1 (1)</b>	<b>12 (13)</b>	<b>0.02 (0.02)</b>	-	-	-	-	-	-	-
Without External rating	1 (3)	0.02 (40)	- (0.08)	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>78 (48)</b>	<b>8827 (4561)</b>	<b>14.81 (8.62)</b>	-	-	-	-	-	-	-

Gross Bank Credit: ₹ 59,591 crore (PY June'21: ₹ 52,910 crore).

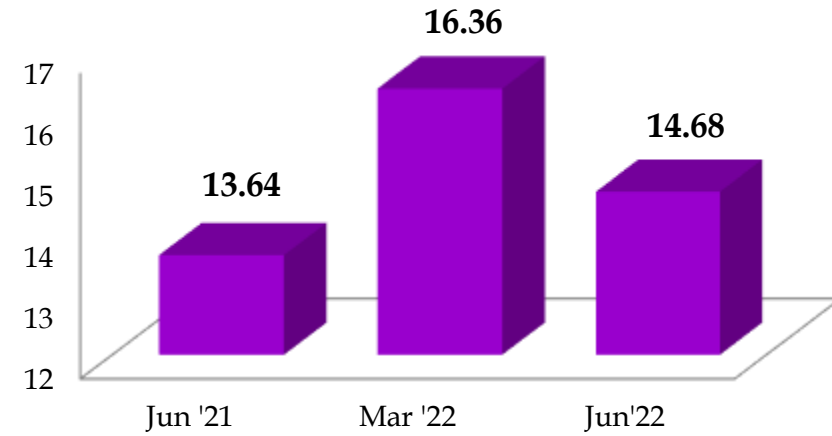
\* Under respective rating category

# Shareholders value

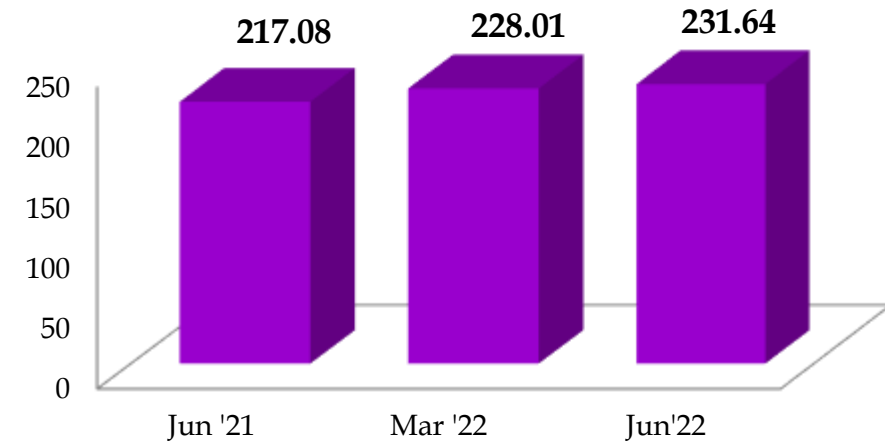
## Share holding pattern



## Earning Per Share (₹)



## Book value (₹ in Cr)



# Consolidated Numbers

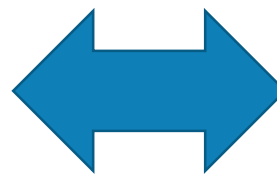
3 Months

12 Months

Particulars	Q1 FY 23	Q4 FY 22	Q-o-Q variation	Q1 FY 22	Y-o-Y variation	FY 22
Turnover (₹ in Cr)	138936	137170	1.29%	127846	8.67%	137170
Asset size (₹ in Cr)	94539	92040	2.72%	86561	9.22%	92040
Operating profit (₹ in Cr)	412.65	379.97	8.60%	403.78	2.19%	1633.37
Net profit (₹ in Cr)	114.05	130.20	-12.40%	105.91	7.69%	507.99
Return on Asset (ROA%)	0.49%	0.56%	-7 bps	0.49%	-	0.56%
Earning per Share (₹)(not annualized)	3.66*	4.19*	-0.53 ₹	3.41*	0.25 ₹	16.36
CRAR (Basel III)	15.41%	15.66%	-25 bps	14.58%	83 bps	15.66%

The Consolidated Financial results of the Group comprise of the financial results of **The Karnataka Bank Ltd** and its wholly owned subsidiary **KBL Services Ltd.**

The paid-up equity capital of KBL Services Limited is Rs.100.00 lakhs comprising of 10,00,000 equity shares of Rs.10 each fully paid up. KBL Services Ltd, a wholly owned non-financial subsidiary of the Bank was incorporated on June 21, 2020 and the certificate of commencement of business was filed on August 26, 2020. The company commenced its operations on March 30, 2021.





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04

## Digital Presence

Digital & Risk Management systems, Digital adoption and ADC

05

## Business Strategy

Corporate Goal and Roadmap ahead

# Robust technology and digital platforms

Pioneer in implementing “Finacle” (CBS) amongst first generation private sector banks

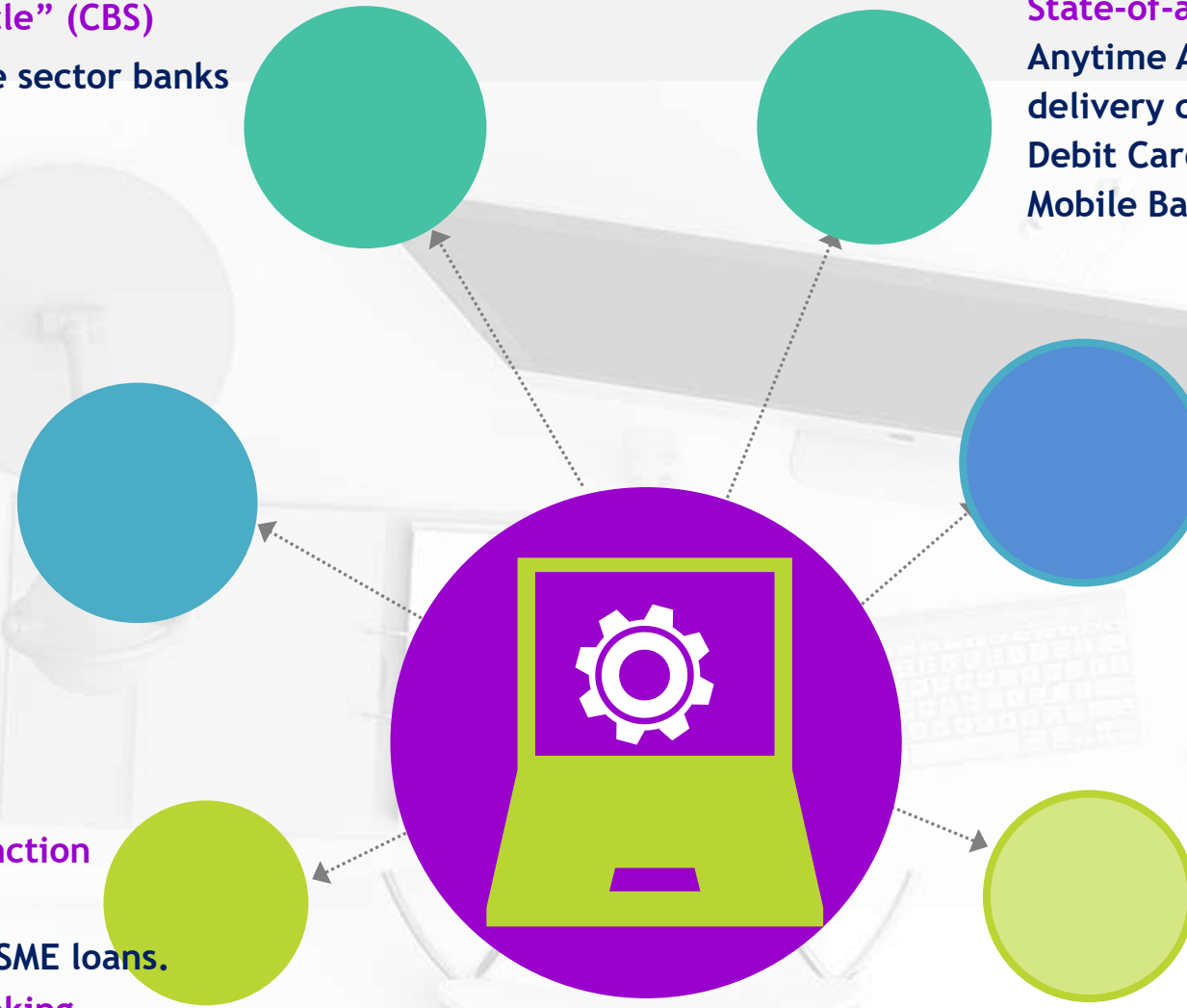
The Information Security Management System (ISMS) of the Bank has been accredited with “ISO 27001:2013” certificate encompassing at Bank’s Data Centre/ IT Cell, Near line Site [NLS] and Information Technology Department including the DR site [IT & DR]

Enabled Platform for Digital sanction Of Home loans, Personal loans, Car loans, 2-wheeler loans & MSME loans. Opening of SBs through Tab banking

State-of-art IT set up which has enabled Anytime Anywhere Banking through alternate delivery channels such as ATMs, VISA International Debit Card, RUPAY Debit Card, Internet Banking, Mobile Banking, IMPS, e-lobby etc.

Digital sales of insurance policies through Mobile Banking and Internet Banking platform and Sale of Mutual Fund products in a single platform ‘FISDOM’.  
Online opening of Demat & Trading account through KBL-Smart Trade.

Implemented ‘KBL-Mobile Plus’ (Mobile Banking) app, ‘BHIM KBL UPI’ App on Unified Payment Interface



## Accelerating Digital Transformation Catalyst

### Digital Leads

Enabling reach digitally



- 30,000+ customer queries addressed as a Xpress Loan assistance.

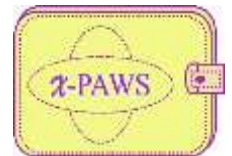


### Risk Reduction

Improving Asset Quality  
( Cibil V3 >701 Score Portfolio)



- 24000+ customers benefiting through relevant need match to services offered



# Strong foundation of digital capabilities and enablers



Digital Channels

Mobile Banking



Internet Banking



KBL BHIM UPI



KBL- mPassBook



Xpress Journeys

Xpress Home Loan



Xpress Car Loan



Xpress Cash Loan



Xpress Mortgage Loan



Xpress MSME



Term Loan



CV Loan



Xpress SB



Customer Assistant & Analytics platforms

DHIRA



XeD



ABCD



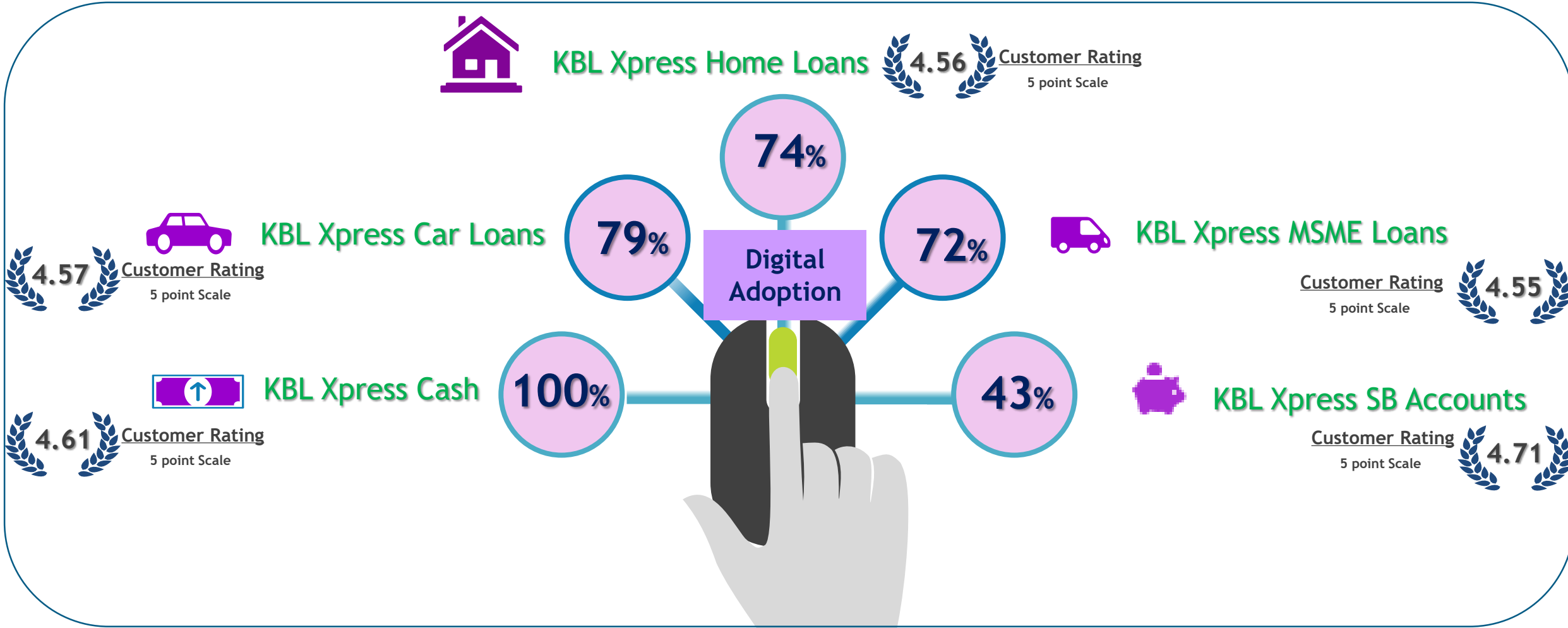
X-PAWS



# Digital adoption and underwriting

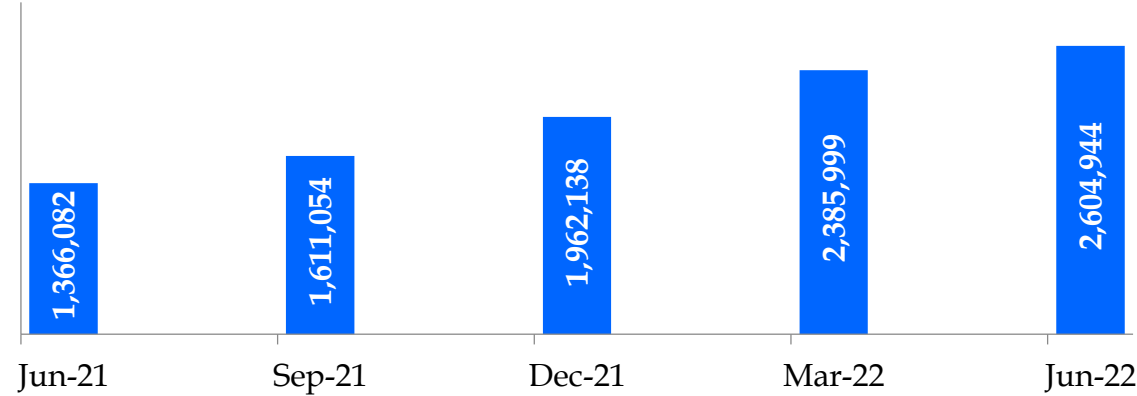
93.04

% of customer transactions are through Digital means

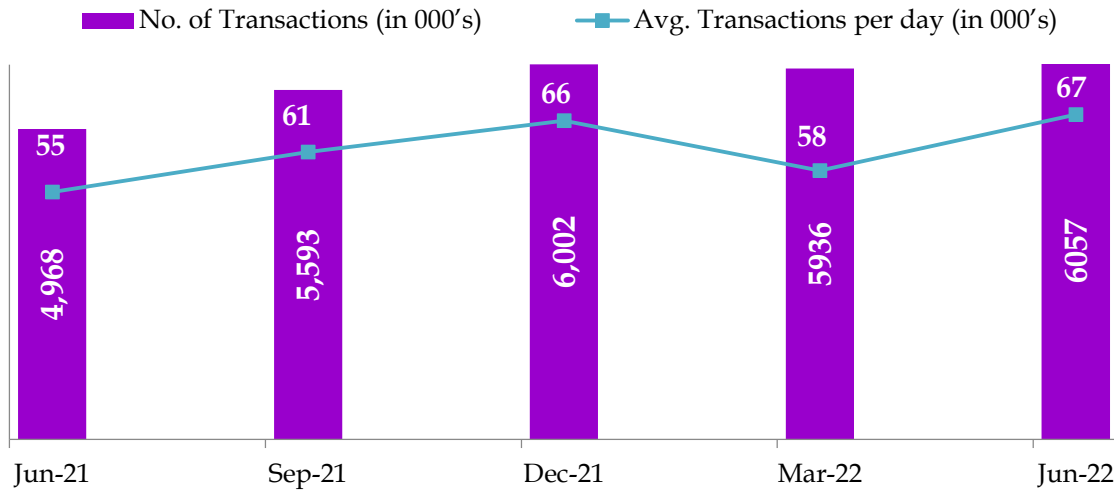




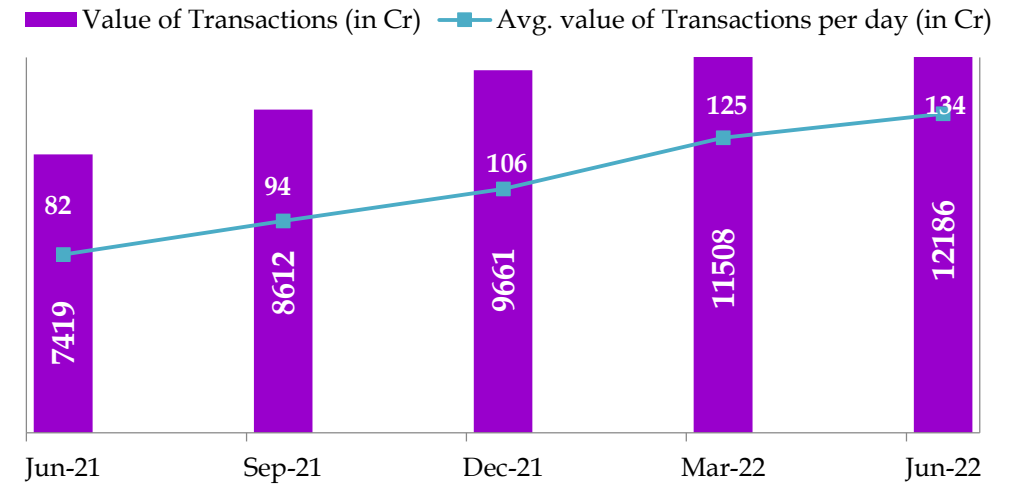
No. of Regd users (Actuals as at the end of the quarter)



No. of transactions during the quarter



Value of transactions during the quarter

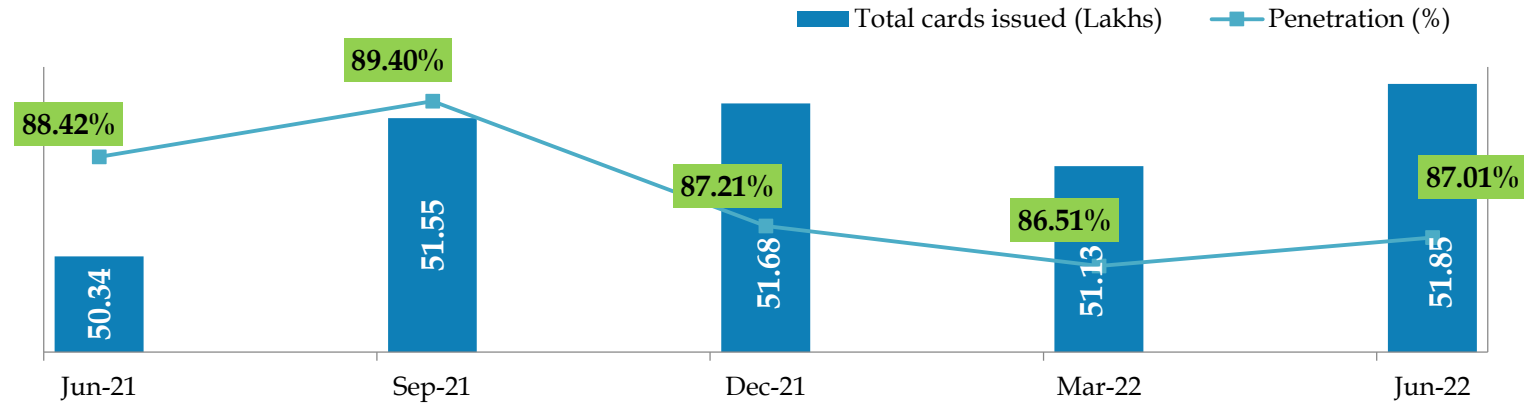




# Debit Cards

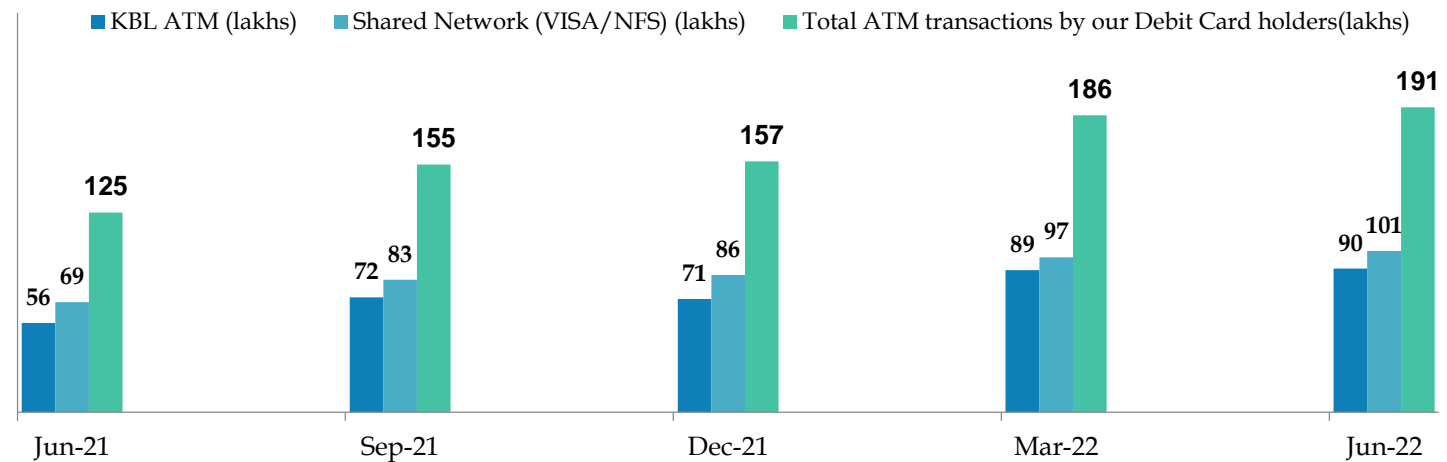
Debit cards Penetration

Position during the quarter



Total ATM transactions by our Debit Card holders

Cards Usage





# UPI Transactions

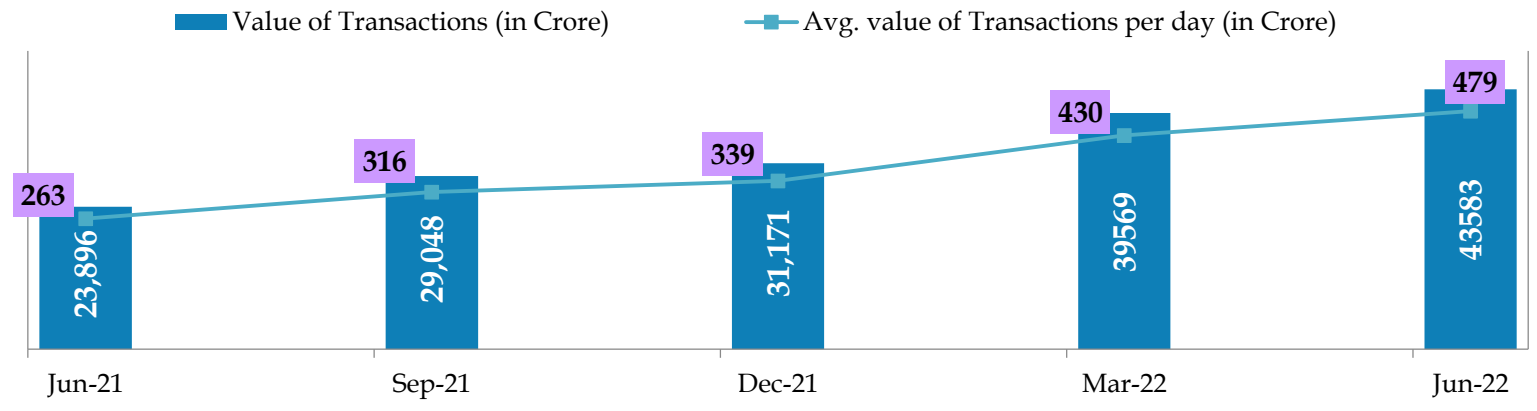
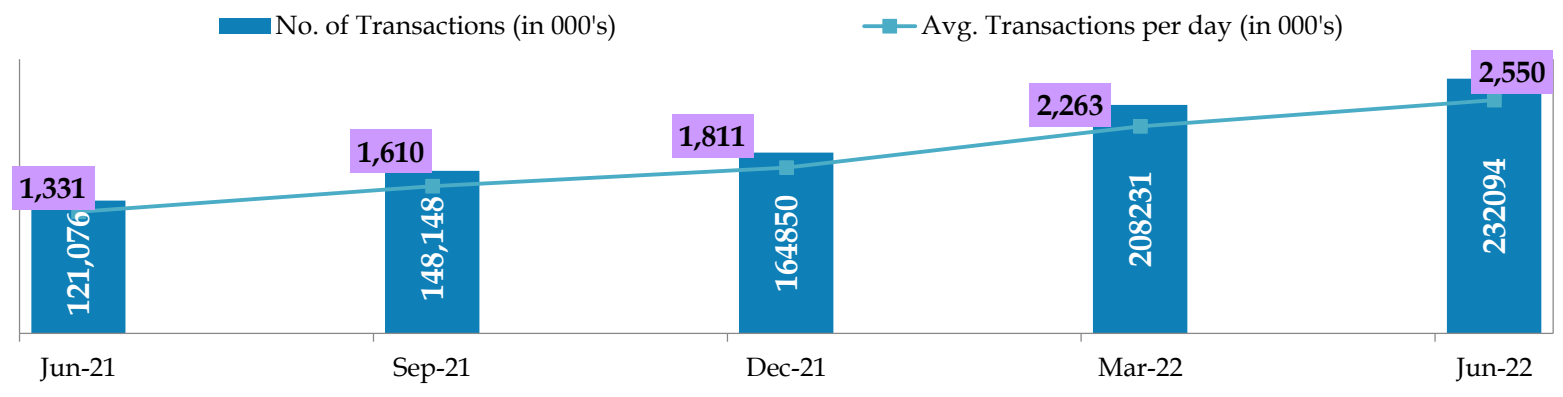
KBL BHIM UPI



BHIM KBL UPI Txns count

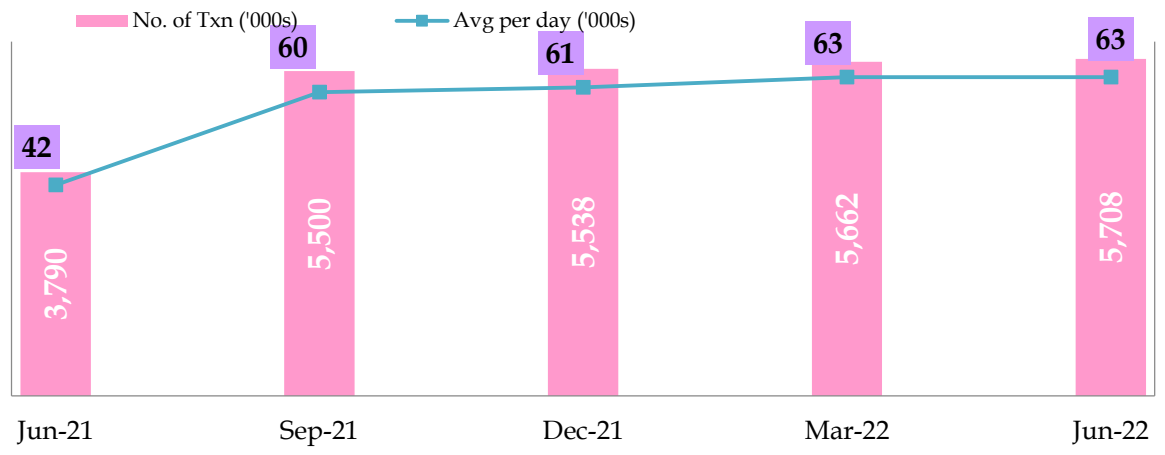
BHIM KBL UPI Txn Value

Position during the quarter

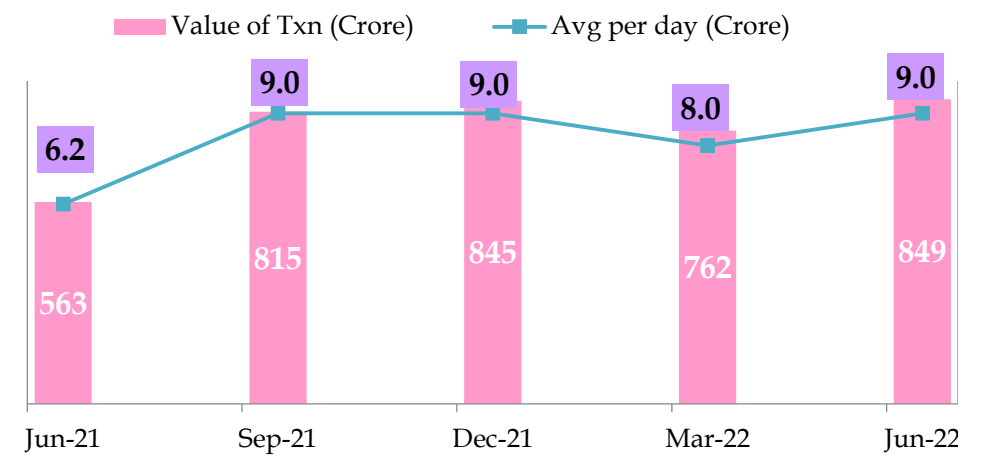


# POS and ECOM Transactions

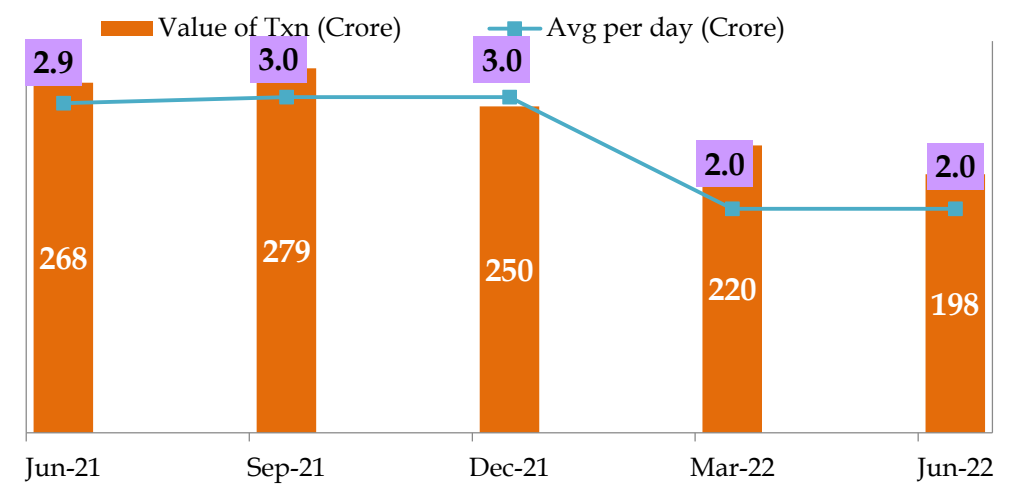
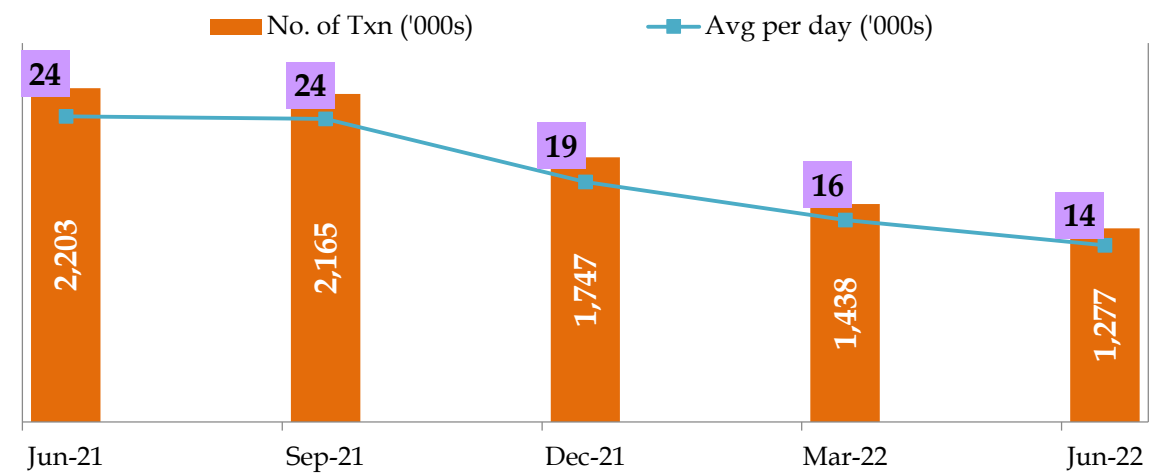
## POS Transactions



## Position during the quarter



## ECOM Transactions



# Digital initiatives during Q1 FY23

Online Savings account opening through Video KYC



Restricted Access facility in Mobile Banking- Self registration without debit card

Introduction of 'Hindi' language in Mobile Banking



Introduction of Security tips in Mobile Banking

Implementation of upgraded HRMS



Real Time Safe deposit Locker booking facility in Mobile Banking

DHiRa , Chatbot for personal loan digital journey



eStamping facility through NeSL

Listing of Branch locations in Google Maps



Local search results using Google 'My Business Tool'

# Effective Risk Management Systems

ISO 9001: 2015

Bank's Risk Management practices and processes have been accredited with the ISO 9001: 2015 standard on Quality Management Systems

01

Periodical monitoring & reviewing of risk profile of the Bank.

02

Compliant with the extant 'Basel III' guidelines of RBI

03

Effective ALM/mid office to monitor Liquidity risk/ Market risk on a continuous basis.

04

Dedicated Market Intelligence Unit (MIU) for sourcing intelligence from external sources on borrowers with exposure ₹100 Crores and above

05

Enterprise level fraud risk management system (ELFRMS) to effectively control / prevent online suspicious transactions done by customers & other digital channel transactions.

06

Internal Credit Rating for borrowers above ₹ 25 lakh and 'Pool based Approach' rating for borrowers below ₹ 25 lakh & all schematic advances including agriculture. 'KBL96' rating model developed for all sanctions under digital journey.

07

Effective Operational risk management by:

- Building up a database of internal Loss data, near- miss cases and other Operational risk events, since Sept 2007.
- AML monitoring system to scrutinize the customer transactions to ensure compliance to the extant guidelines

M A N A G I N G R I S K S



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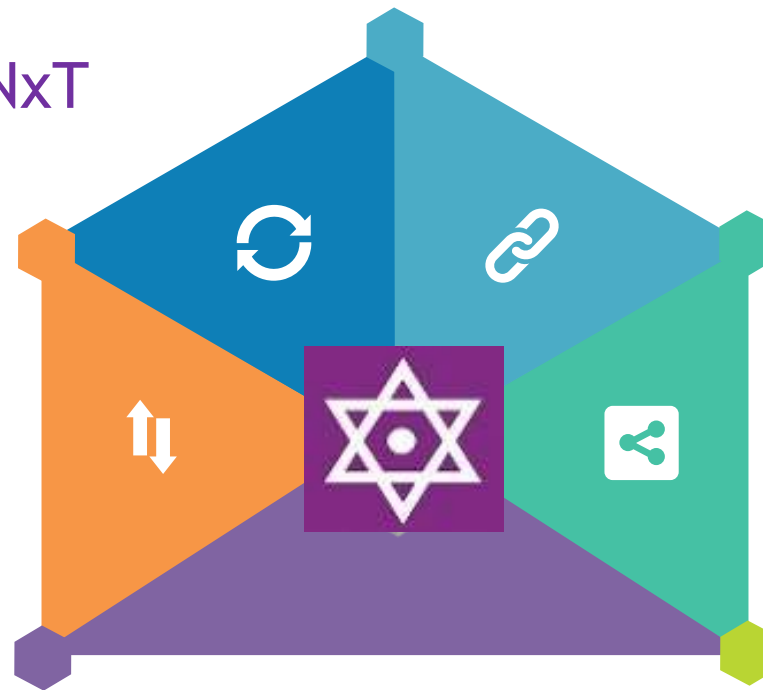
## Focus areas for the FY 2022-23

**Implementation of KBL-NxT**  
(KBL- VIKAAS 2.0 and Cyber Fraud Management)

**Opening of DBUs**  
(Digital Banking Units)  
as per RBI Guidelines

**Integrated Management of Asset Quality**  
SMA, NPA, Restructured Portfolio, Technical written-off accounts etc

**Growth Management- Credit & CASA**  
Including garnering Government business



**Re-aligning banking activities to ESG Protocols**

# Projects in pipeline for Impact NxT

@ One Place



Account Aggregator\*

Comprehensive Financial Data @ *One Place*

MSME Banking Platform



Comprehensive Financial services @ *One Place*

**S.E.E.D**

Secure & Compliant

Ease & Experience

Efficient & Empowered

Disrupt & Transform



KYC Automation#

Onboarding & Compliance @ *One Place*

Analytical Centre Of Excellence



Business Insights & Data @ *One Place*

\* Under implementation along with Perfios as TSP ,Anumathi,FinVU & N@DL as AA  
# Under Contract Finalization



## KBL VIKAAS 3.0

*New transformation journey*



## Digital Bank of the Future

*End to end digital solutions  
under KBL-NxT*



# Board Of Directors



**Mr Pradeep Kumar Panja**

**Part-Time Chairman**  
(Independent Director)



**Mr Mahabaleshwara M S**

**Managing Director & CEO**



**Mr Keshav Krishnarao Desai**  
Independent Director



**Mrs Mythily Ramesh**  
Independent Director



**CA B R Ashok**  
Non-Independent Director



**Justice A V Chandrashekar**  
Independent Director



**Mrs Uma Shankar**  
Independent Director



**Dr D S Ravindran**  
Independent Director



**Mr Balakrishna Alse S**  
Independent Director



**Mr Jeevandas Narayan**  
Independent Director



**CA K Gururaj Acharya**  
Independent Director



Thank You

WE EXPRESS OUR  
HEARTFELT GRATITUDE  
TO ALL OUR STAKE  
HOLDERS FOR THEIR  
TRUST & SUPPORT AND  
SOLICIT THEIR  
CONTINUED PATRONAGE,  
AS WE CONTINUE OUR  
JOURNEY WITH RENEWED  
DEDICATION &  
COMMITMENT TO MAKE  
KARNATAKA BANK  
"A DIGITAL BANK OF THE  
FUTURE".

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