

Regd. & Head Office
P. B. No.599, Mahaveera Circle
Kankanady
Mangaluru – 575 002

Phone : 0824-2228222
E-Mail : comsec@ktkbank.com
Website : www.karnatakabank.com
CIN : L85110KA1924PLC001128

SECRETARIAL DEPARTMENT

03.08.2023

HO:SEC:118:2023-24

- | | |
|--|---|
| 1. The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza,C-1, Block G
Bandra-Kurla Complex, Bandra (E)
MUMBAI-400 051
Scrip Code: KTKBANK | 2. The General Manager
BSE Limited
Corporate Relationship Dept
Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI-400 001
Scrip Code: 532652 |
|--|---|

Dear Sir/Madam,

Sub: Press Release - Karnataka Bank announces Q1 Net Profit at Rs.370.70 Crore.

Pursuant to Regulation 30 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose copy of the press communiqué released by us for your kind information and dissemination.

Yours faithfully,

Sham K
**Company Secretary &
Compliance Officer**



Regd. & Head Office
P. B. No.599, Mahaveera Circle
Kankanady
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PRESS RELEASE**Date: 03-08-2023****KARNATAKA BANK ANNOUNCES Q1 NET PROFIT AT Rs. 370.70 CRORE**

In the Meeting of the Board of Directors held today at Bank's Head Quarters Mangaluru, the Board has approved the financial results for the quarter ended June 30, 2023.

Karnataka Bank has posted a Net Profit of Rs. 370.70 crores, during Q1 of FY24 as against Rs. 114.18 crores recorded during the corresponding quarter of the previous financial year, i.e. Q1 of FY 23, with an Year on Year growth rate of 224.66%.

The operating profit of the Bank stood at Rs. 601.17 crores and Net Interest Income stood at Rs. 814.68 crore as at the quarter ended 30.06.2023.

The business turnover of the Bank was at Rs. 1,48,449.27 crore as on 30-06-2023 compared to Rs. 1,38,936.17 crore as on 30-06-2022 registering a YoY growth of 6.85%. The deposits of the Bank stood at Rs. 86,959.86 crore with a YoY growth of 7.92% and the advances at Rs. 61,489.41 crore with a YoY growth of 5.36%.

The loan book quality is steadily improving. Gross NPAs declined to 3.68% as at 30-06-2023, compared to 4.03% in the corresponding Q1 quarter of the previous FY 23. Similarly Net NPAs [NNPAs] also declined to 1.43% from 2.16% in the corresponding Q1 of the previous FY-2022-23. Both GNPA's and NNPA's also moderated compared to Q4 of FY 23.

The Bank is making steady progress in its customer franchise building. The Bank has acquired 1.72 lakhs new customer accounts in the quarter. The Bank also did well in the sale of Mutual Funds and Co-branded Credit Card. The Bank's retail advances growth continued during the quarter as well.

The Capital Adequacy Ratio of the Bank has further improved to 17.00% as compared to 15.51% as on 30-06-2022. The Bank further strengthened its Balance Sheet by increasing Provision Coverage Ratio to 83.47% as on 30-06-2023 from 80.86% as on 31-03-2023 and 76.77% as on 30.06.2022.

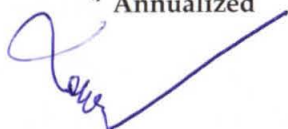
Commenting on the Q1 FY24 financial results of the Bank, Shri Srikrishnan H, Managing Director & CEO of the Bank, said “Karnataka Bank, with our strong fundamentals, is rightly positioned to leverage the franchise strengths and poised for accelerated growth. Having made the right investments in Technology, we will re-align our Processes and People to deliver in identified business areas, i.e. MSME, Retail and Agri. We will work towards creating tech-enabled business models including partnering with new-age FinTechs that will supplement our growth aspirations.”

PERFORMANCE HIGHLIGHTS

(Rupees in Crores)

Parameters	Q1 FY24	Q1 FY23	YoY % change / Variation
Total Assets	99,120	94,084	5.35
Advances	61,489	58,359	5.36
Deposits	86,960	80,577	7.92
Retail Deposit	58,964	54,148	8.89
CASA Ratio (%)	32.19	32.80	-61bps
Gross NPA (%)	3.68	4.03	-35bps
Net NPA (%)	1.43	2.16	-73bps
PCR (%)	83.47	76.77	670bps
ROE* (%)	17.70	6.39	1,131bps
ROA* (%)	1.47	0.49	98bps
NIM* (%)	3.68	3.33	35bps
CRAR (%)	17.00	15.51	149bps
Tier-I Capital (%)	13.80	12.53	127bps

* Annualized



Madhava V P
ASSISTANT GENERAL MANAGER