



Karnataka Bank Ltd.

Your Family Bank. Across India.



**98th
Year**

Analysis of Financial Results March 2022

Marching towards Centenary year (2023-24)

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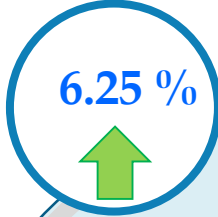
Corporate Goal and Roadmap ahead

Highlights Q4 FY22

₹ in Cr

Deposits

31.03.2022	31.03.2021
80387	75655



Advances

31.03.2022	31.03.2021
56783	51516



Investments

31.03.2022	31.03.2021
22041	21635



Growth



Balance Sheet Size

31.03.2022	31.03.2021
92041	85615

Net Profit (Qtr)

31.03.2022	31.03.2021
130.35	31.36



Operating Profit (Qtr)

31.03.2022	31.03.2021
380.12	328.71

Highlights Q4 FY22

Key Ratios as on / for the quarter 31.03.2022
(in brackets-31.03.2021 / Sequential 31.12.2021)

NIM

3.25 % ↑
(2.41%)

CRAR

15.66 % ↑
(14.85%)

ROE

7.42 % ↑
(1.89%)

ROA

0.56 % ↑
(0.15%)

CASA

32.97 % ↑
(31.49%)

PCR

73.47 % ↑
(69.99%)



Gross NPA

3.90% ↓
(4.91%)

Net NPA

2.42% ↓
(3.18%)

Gross NPA Sequential

3.90% ↓
(4.11%)

Net NPA Sequential

2.42% ↓
(2.45%)

Headline numbers

3 Months

12 Months

₹ in Cr

Particulars	Q4 FY 22	Q4 FY 21	Y-o-Y	Q3 FY 22	FY 22	FY 21	Y-o-Y
Turnover	137170	127171	↑ 7.86%	133918	137170	127171	↑ 7.86%
Asset size	92041	85615	↑ 7.50%	90958	92041	85615	↑ 7.50%
Operating profit	380.12	328.71	↑ 15.64%	356.32	1634.00	1908.28	↓ -14.37%
Operating Profit (excl Trading Profit)	365.16	304.28	↑ 20.01%	354.46	1585.34	1283.49	↑ 23.52%
Net profit	130.35	31.36	↑ 315.65%	146.57	508.62	482.57	↑ 5.40%
Return on Asset (ROA)	0.56%	0.15%	↑ 41 bps	0.65%	0.57%	0.57%	↔ -
Earning per Share(₹)(*not annualized)	4.19*	1.01*	↑ 3.18 ₹	4.71*	16.36	15.52	↑ 0.84 ₹
Return on Equity (ROE)	7.42%	1.89%	↑ 553 bps	8.51%	7.41%	7.65%	↓ -24 bps
Net Interest Income (NII)	656.49	459.14	↑ 42.98%	622.65	2491.03	2183.19	↑ 14.10%
Net Interest Margin (NIM)	3.25%	2.41%	↑ 84 bps	3.18%	3.18%	2.91%	↑ 27 bps
Gross NPA - Amount	2,250.82	2,588.41	↓ -13.04%	2,330.52	2,250.82	2,588.41	↓ -13.04%
- %	3.90%	4.91%	↓ -101 bps	4.11%	3.90%	4.91%	↓ -101 bps
Net NPA - Amount	1,376.97	1,645.05	↓ -16.30%	1,359.89	1,376.97	1,645.05	↓ -16.30%
- %	2.42%	3.19%	↓ -77 bps	2.45%	2.42%	3.19%	↓ -77 bps
Cost to Income	58.38%	53.90%	↑ 448 bps	56.50%	52.57%	46.81%	↑ 576 bps
PCR	73.47%	69.99%	↑ 348 bps	73.66%	73.47%	69.99%	↑ 348 bps
CRAR (Basel III)	15.66%	14.85%	↑ 81 bps	14.15%	15.66%	14.85%	↑ 81 bps

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



877 branches
36 E-lobbies
510 mini E-lobbies



885 ATMs
563 Cash recyclers

Business Turnover of Rs ₹ 1,37,170 crore as on March 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)

Timeline (First 50 years)



1924

Incorporation

Incorporated on the 18th 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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Corporate Goal and Roadmap ahead

PL Numbers

₹ in Cr

3 Months

12 Months

Particulars	Q4 FY 22	Q4 FY 21	Y-o-Y	Q3 FY 22	FY 22	FY 21	Y-o-Y
Interest Income	1578.78	1417.49	11.38% 	1565.10	6221.66	6232.42	-0.17% 
Interest Expense	922.29	958.35	-3.76% 	942.45	3730.63	4049.23	-7.87% 
Net Interest Income	656.49	459.14	42.98% 	622.65	2491.03	2183.19	14.10% 
Fee Income	241.94	293.80	-17.65% 	194.59	905.22	779.41	16.14% 
Treasury Income	14.96	24.43	-38.76% 	1.86	48.66	624.79	-92.21% 
Non-Interest Income	256.90	318.23	-19.27% 	196.45	953.88	1404.20	-32.07% 
Total Income (Net of Interest Expense)	913.39	777.37	17.50% 	819.10	3444.91	3587.39	-3.97% 
Operating Expenses	533.27	448.66	18.86% 	462.78	1810.91	1679.11	7.85% 
Operating Profit	380.12	328.71	15.64% 	356.32	1634.00	1908.28	-14.37% 
Provisions & Contingencies	249.77	297.35	-16.00% 	209.75	1125.38	1425.71	-21.07% 
Net Profit	130.35	31.36	315.66% 	146.57	508.62	482.57	5.40% 

PL Numbers

₹ in Cr

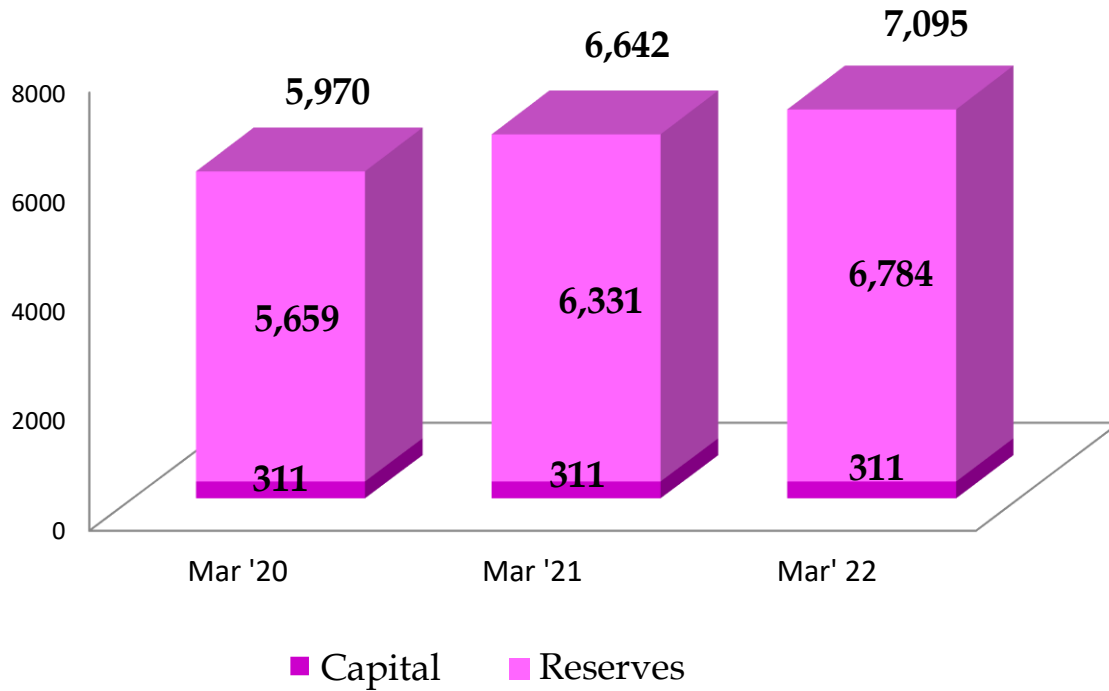
3 Months

9 Months

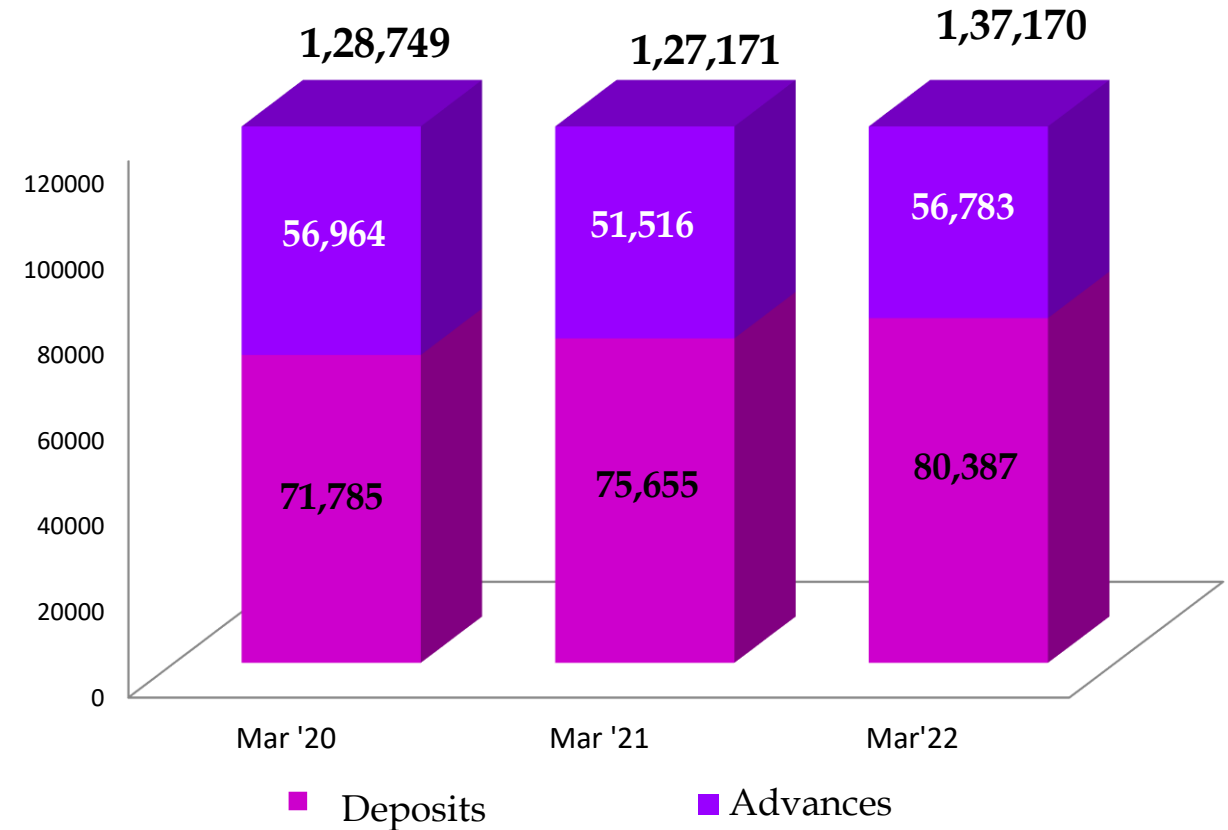
Particulars	Q4 FY 22	Q4 FY 21	Y-o-Y	Q3 FY 22	FY 22	FY 21	Y-o-Y
<u>Interest Income</u>							
Interest Income	1578.78	1417.49	11.38% ↑	1565.10	6221.66	6232.42	-0.17% ↓
Interest on Advances	1211.50	1073.13	12.89% ↑	1195.32	4737.88	4937.29	-4.04% ↓
Interest on Investments	330.06	302.86	8.98% ↑	329.23	1310.12	1142.35	14.69% ↑
Other interest	37.22	41.50	-10.31% ↓	40.55	173.66	152.77	13.67% ↑
Yield on Advances %	8.60	8.06	54 bps ↑	8.81	8.84	9.05	- 21 bps ↓
Adjusted yield on Investments %	5.87	5.84	3 bps ↓	5.74	5.47	8.43	- 296 bps ↓
<u>Interest Expense</u>							
Interest Expense	922.29	958.35	-3.76% ↓	942.45	3730.63	4049.23	-7.87% ↓
Cost of Deposits %	4.47	4.94	-47 bps ↓	4.68	4.66	5.29	-63 bps ↓
<u>Net Interest Income</u>							
Net Interest Income	656.49	459.14	42.98% ↑	622.65	2491.03	2183.19	14.10% ↑
Interest Spread in Lending %	4.13	3.12	101 bps ↑	4.13	4.18	3.76	42 bps ↑
Net Interest Margin %	3.25	2.41	84 bps ↑	3.18	3.18	2.91	27 bps ↑

Financial Strength of the Bank

Networth (₹ crs)

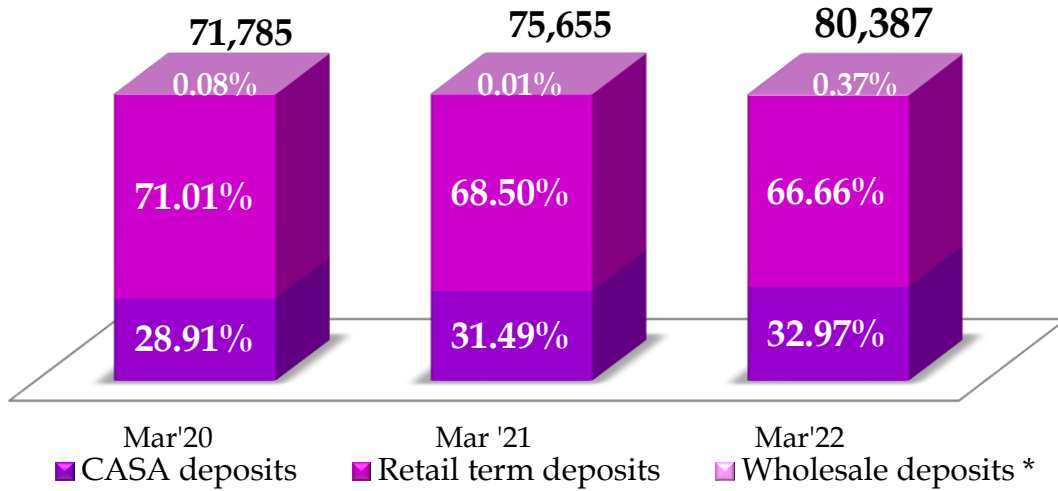


Business Turnover (₹ crs)



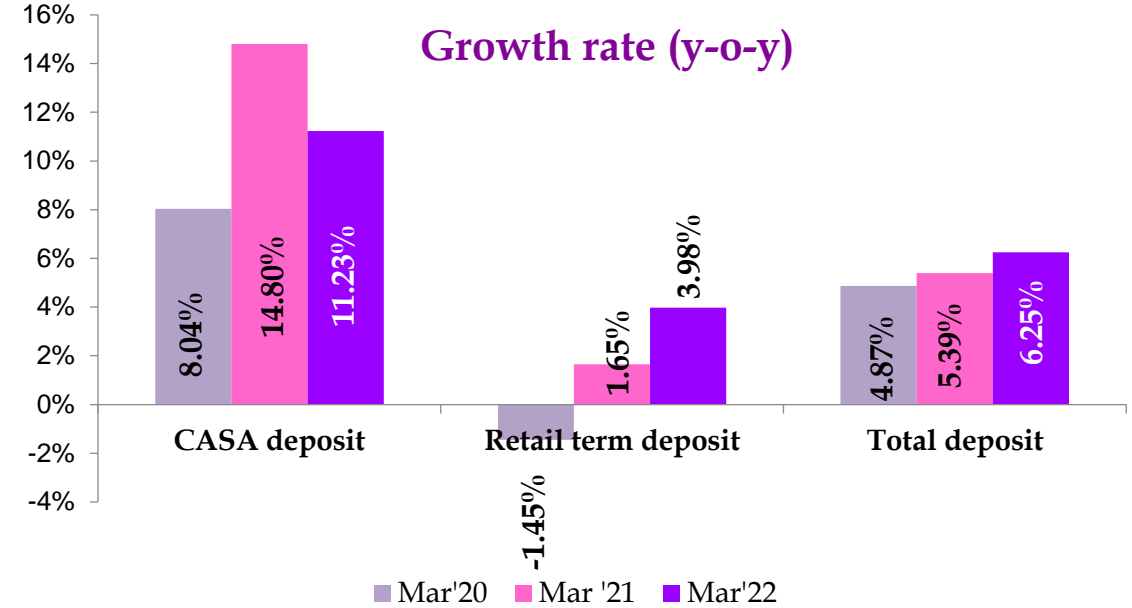
Deposits

Deposits (₹ crs)

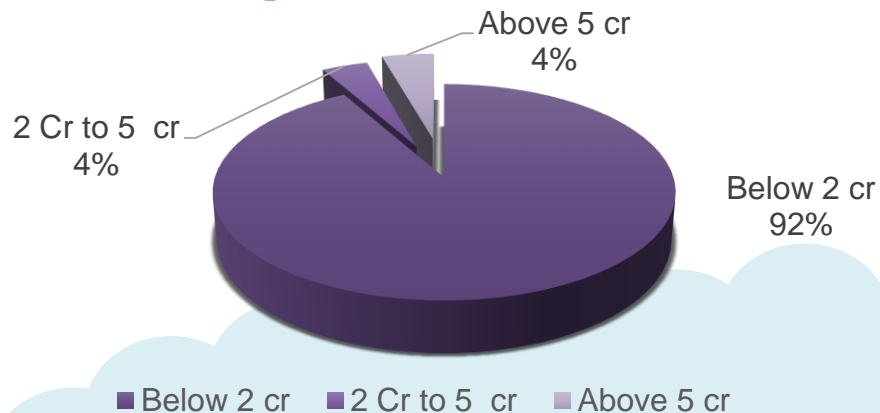


* Wholesale deposits = Purchase liability + Interbank deposits

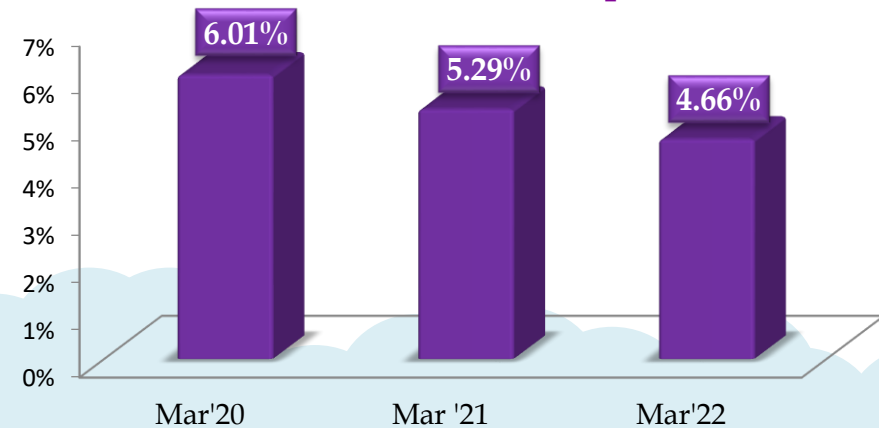
Growth rate (y-o-y)



Retail Term Deposits- Size-wise- Mar'22



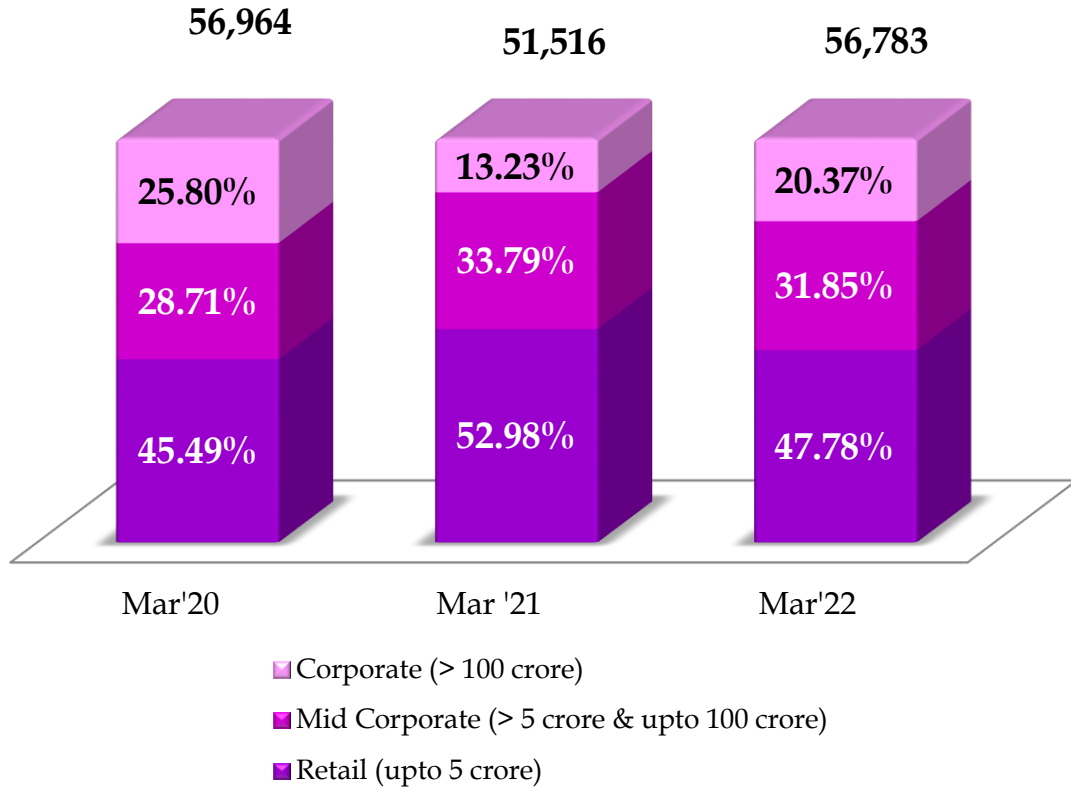
Cost of Deposits



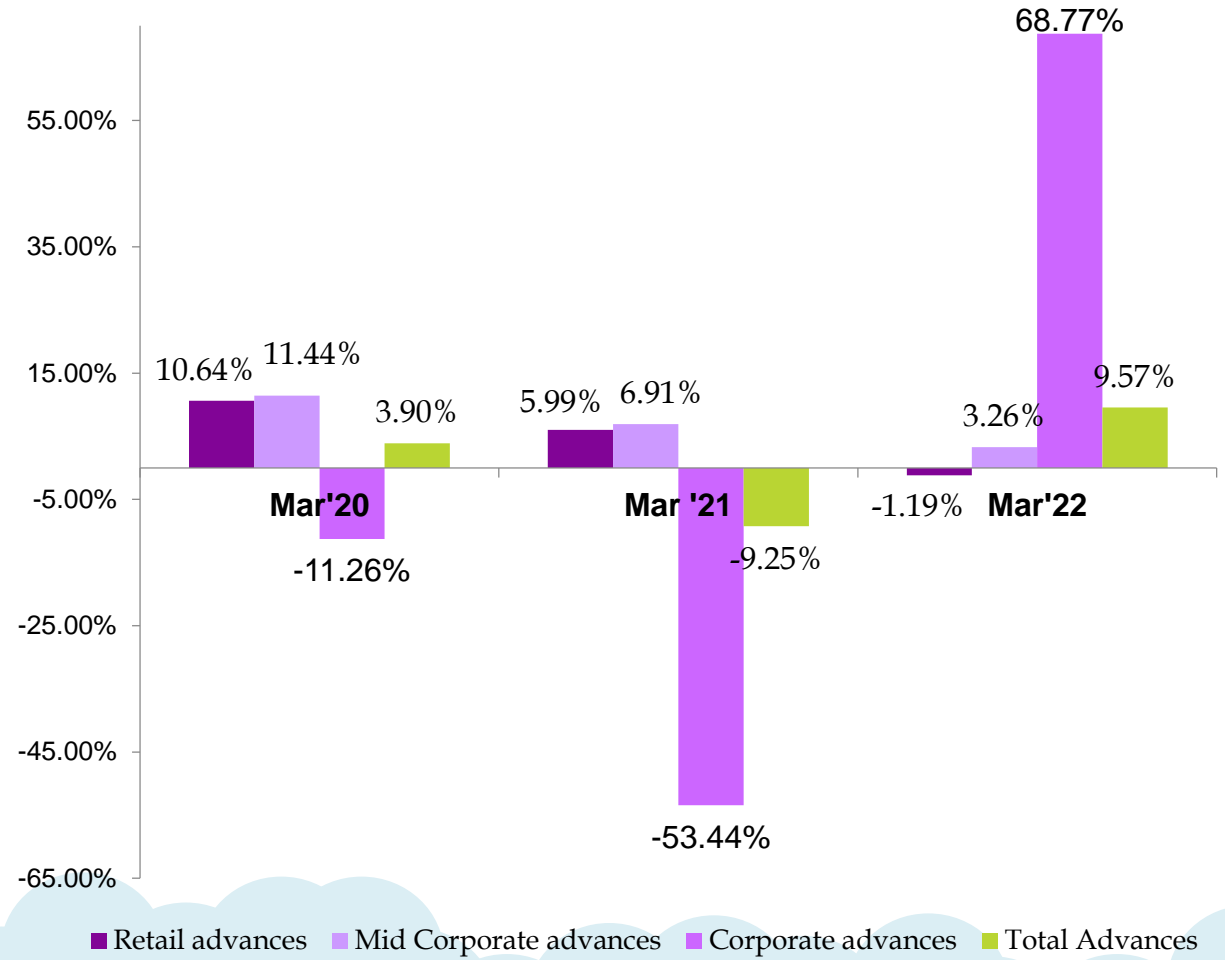
Deposit Concentration: Top 20 Depositors - 3.34%

Advances

Advances [Net] (₹ crs)



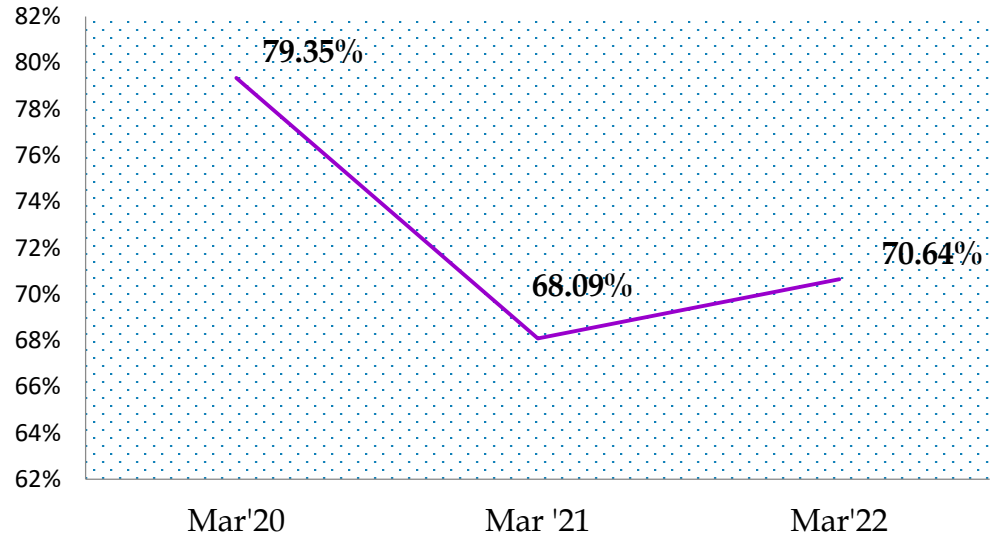
Growth Y-O-Y (%)



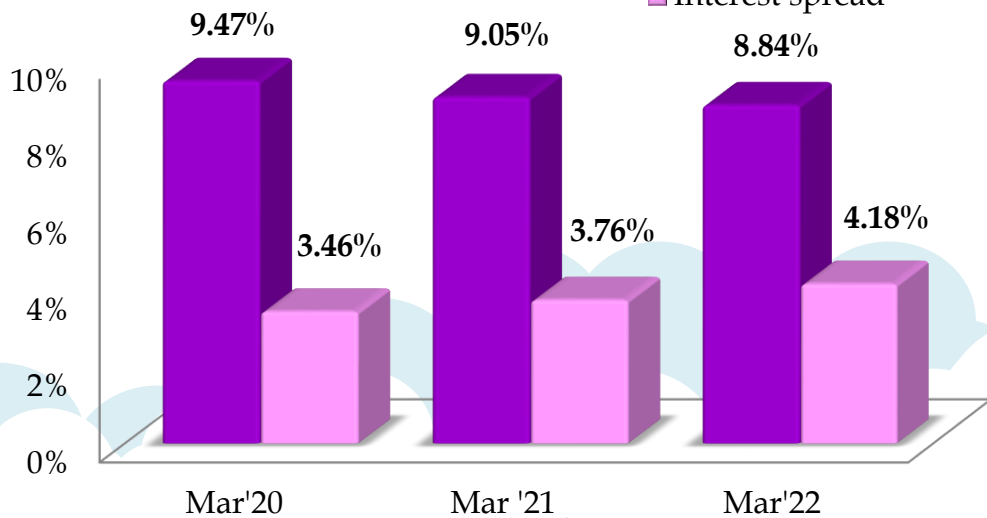
Average Loan Ticket Size (₹ crs)

Large Corporate	Mid Corporate	Retail
165.73	11.98	0.09

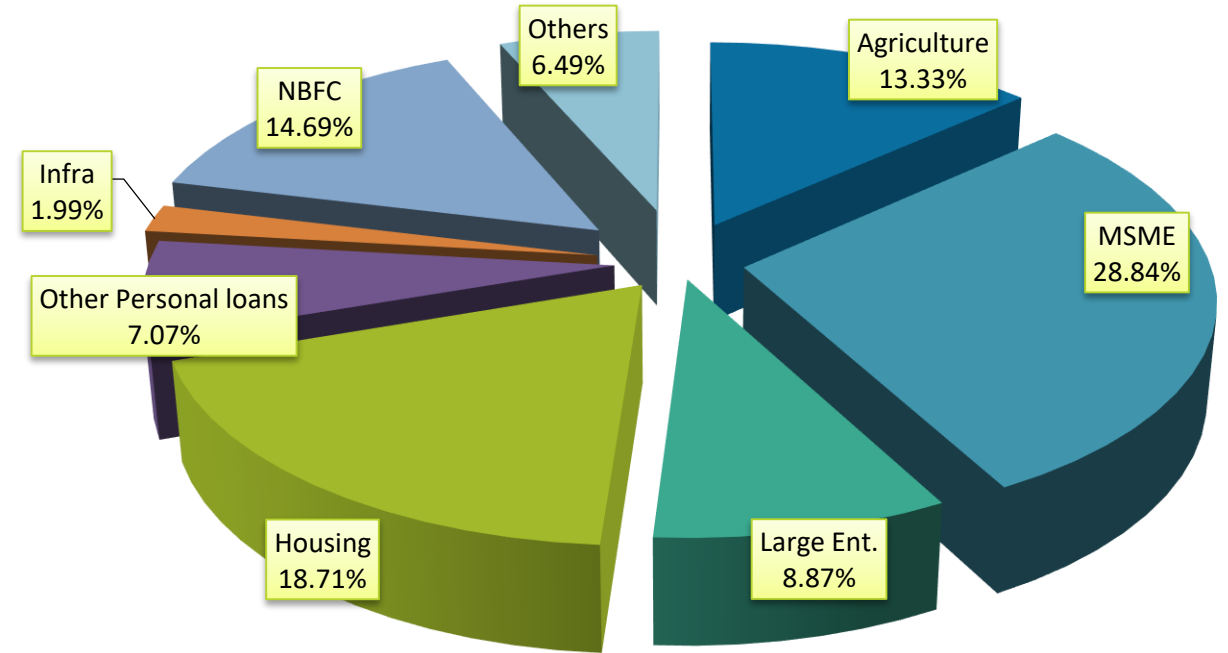
Credit Deposit ratio (%)



Yield on Advances & Interest Spread (%)



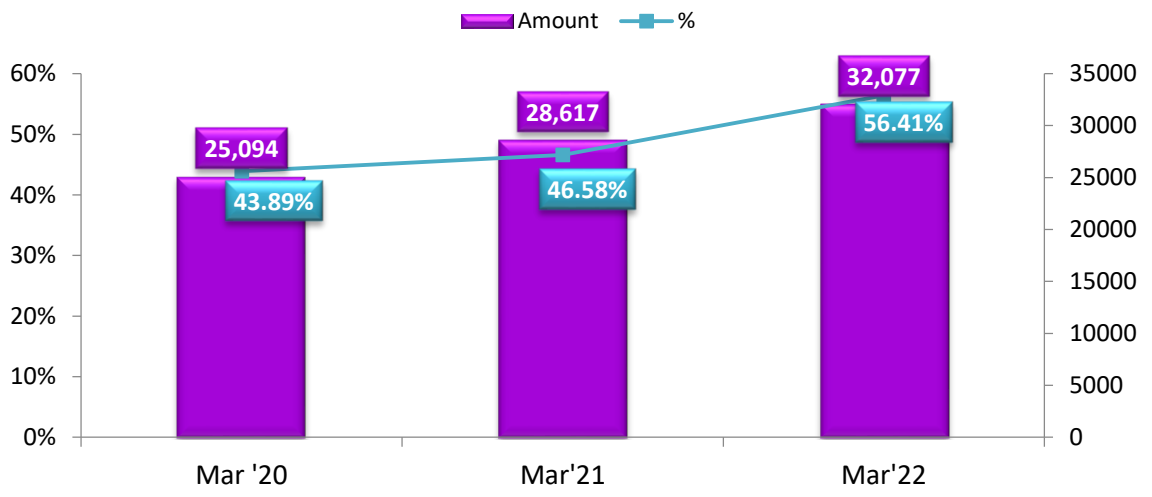
Sectoral Loan exposures



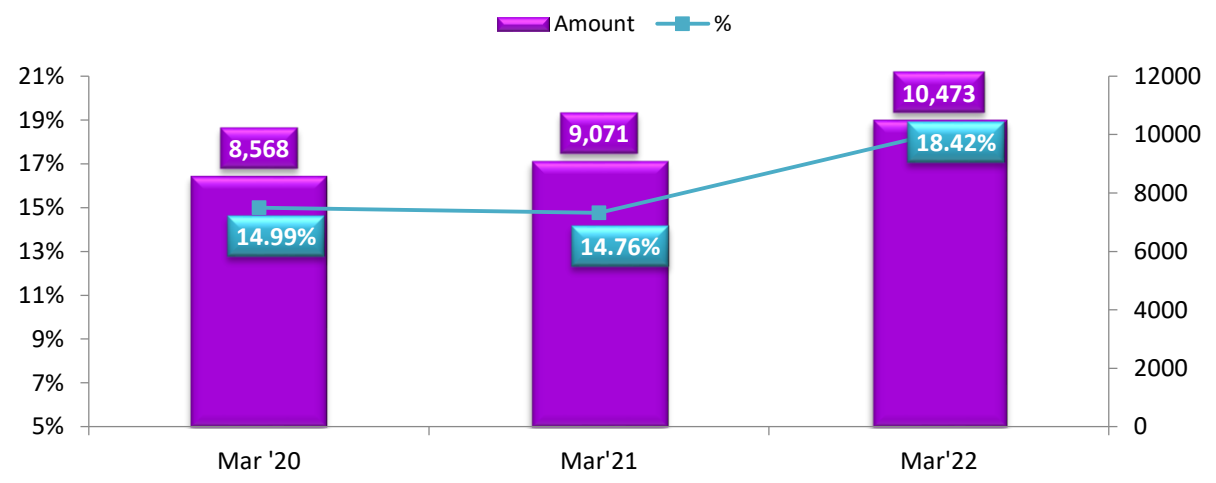
GBC - Rs 57,769 Cr

Advances to Priority Sectors

Priority Sector Advances (₹ crs)

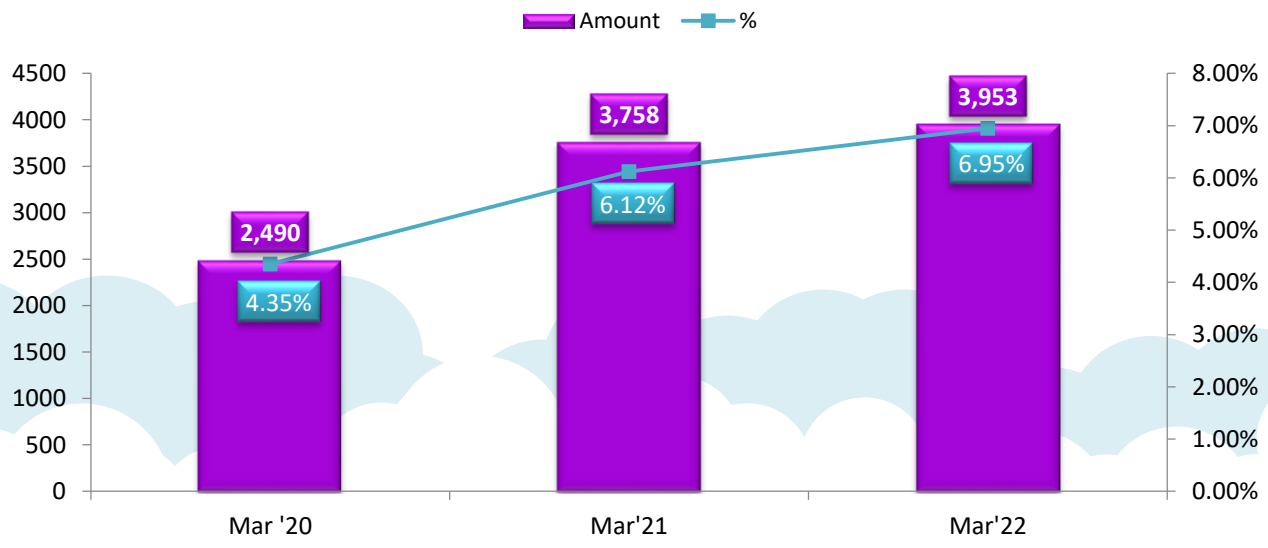


Agriculture Advances* (₹ crs)



*Including RIDF

Advances to Weaker Section (₹ crs)



Geographical Credit concentration

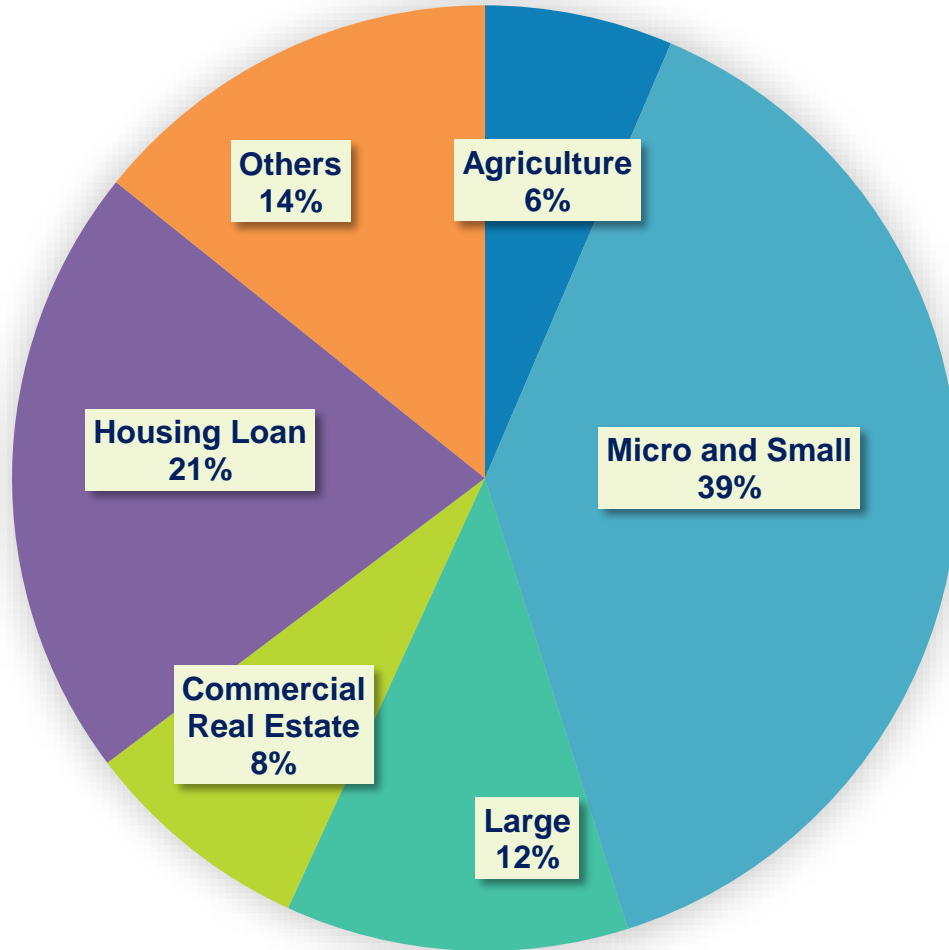
(₹ crs)

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	26361.60	45.63%	1043.00	1.81%	3.96%	2490.08	4.31%	9.45%	267.55	0.48%	1.05%
Maharashtra	9089.00	15.73%	236.35	0.41%	2.60%	231.52	0.40%	2.55%	50.36	0.09%	0.57%
Delhi	5202.18	9.01%	93.20	0.16%	1.79%	474.33	0.82%	9.12%	8.35	0.02%	0.16%
Tamilnadu	3637.88	6.30%	210.67	0.36%	5.79%	159.11	0.28%	4.37%	13.53	0.02%	0.39%
Telangana	3290.87	5.70%	120.77	0.21%	3.67%	187.50	0.32%	5.70%	36.54	0.07%	1.15%
Andhra Pradesh	2561.33	4.43%	85.63	0.15%	3.34%	137.92	0.24%	5.38%	29.66	0.05%	1.20%
All other States/ UTs	7626.48	13.20%	461.18	0.80%	6.05%	797.82	1.38%	10.46%	112.11	0.20%	1.56%
Total	57769.34		2250.80	3.90%		4478.28	7.75%		518.11	0.93%	

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

Restructured Loans

Standard Restructured Portfolio –Sector break-up



Standard Restructured Portfolio – Rs 4,115 Cr

Standard Restructured Portfolio –Movement (₹ crs)

Particulars	FY 22
Opening balance	1489.78
Fresh restructuring during the period	3077.16
Increase in balance in the existing restructured accounts	53.74
Upgrade of restored NPA to Standard category	24.06
Total - A	4644.74
Reductions / additions in opening balance	288.29
Downgrades to NPA during the period	183.04
Write-offs during the period	58.23
Total - B	529.56
Closing balance (A-B)	4115.18

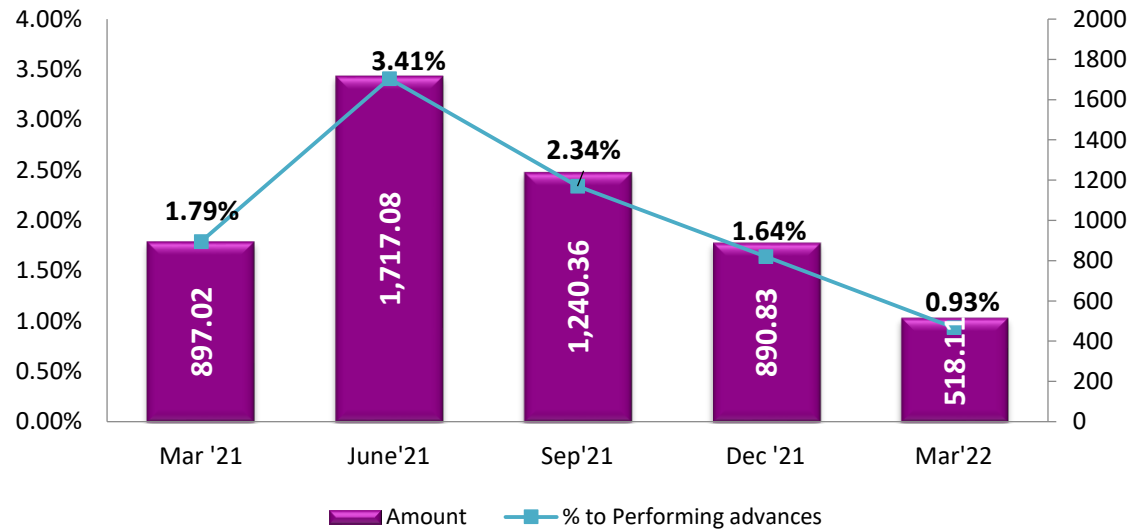
Stress and NPA Position under Restructured Portfolio

Particulars	SMA-2		NPA	
	No of Accounts	Amount	No of Accounts	Amount
MSME OTR	222	54.92	296	218.45
Resolution Framework-1	89	42.12	35	20.87
Resolution Framework-2	205	35.26	141	54.77
Others**	22	2.68	89	42.34
Grand Total	538	134.99	561	336.42

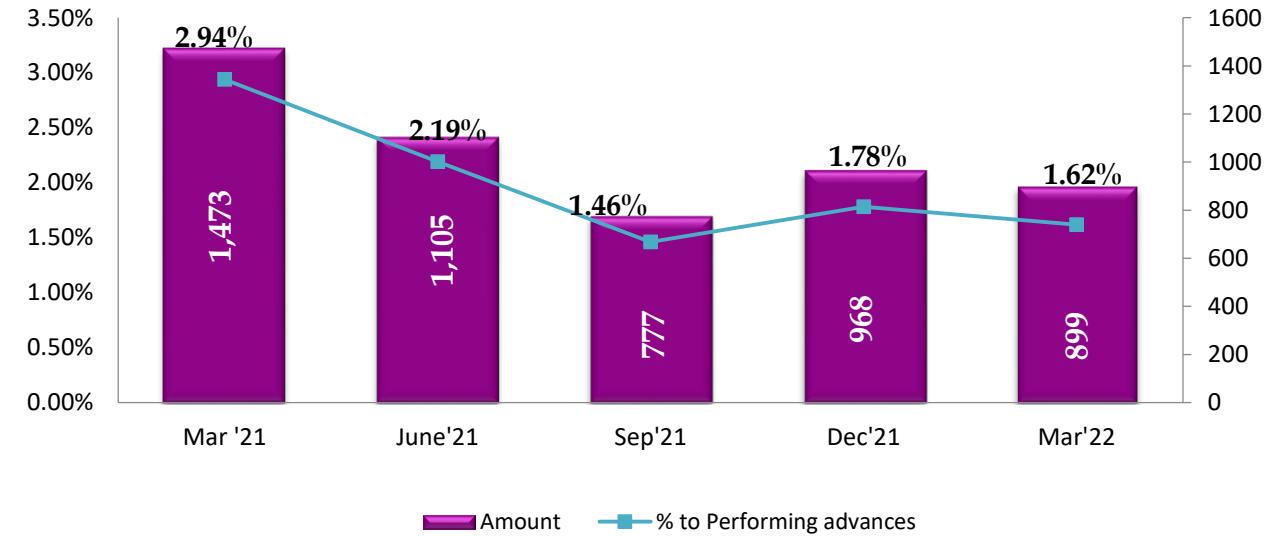
**including MSME OTR/Natural Calamities/SME DRS etc.

SMA Accounts (SMA 2 and SMA 1)

SMA 2 (₹ crs)

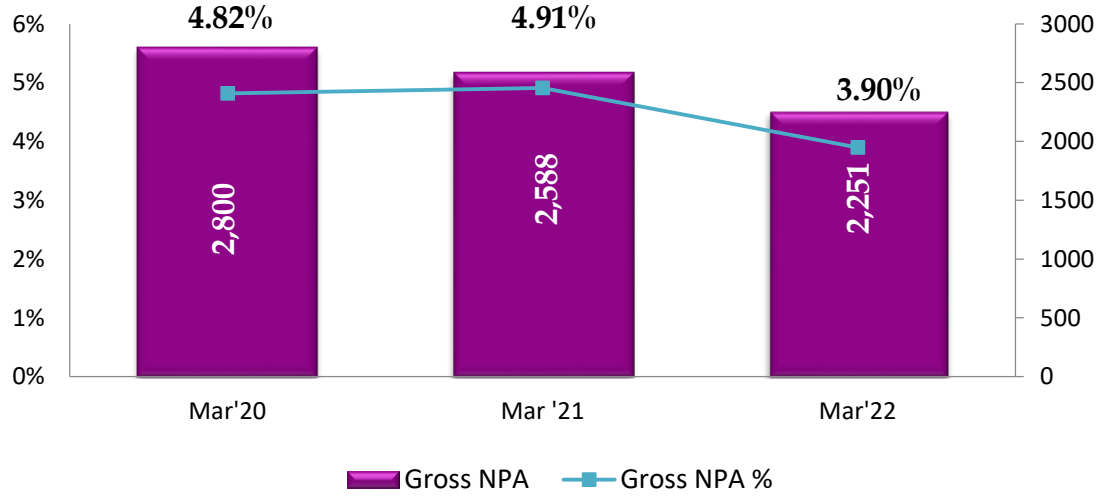


SMA 1 (₹ crs)

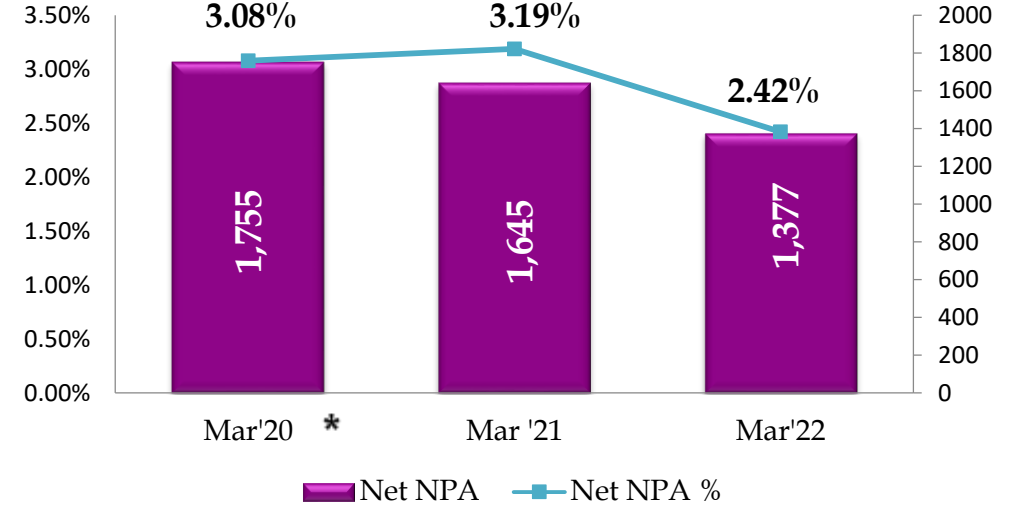


Asset Quality

Gross NPAs (₹ crs)

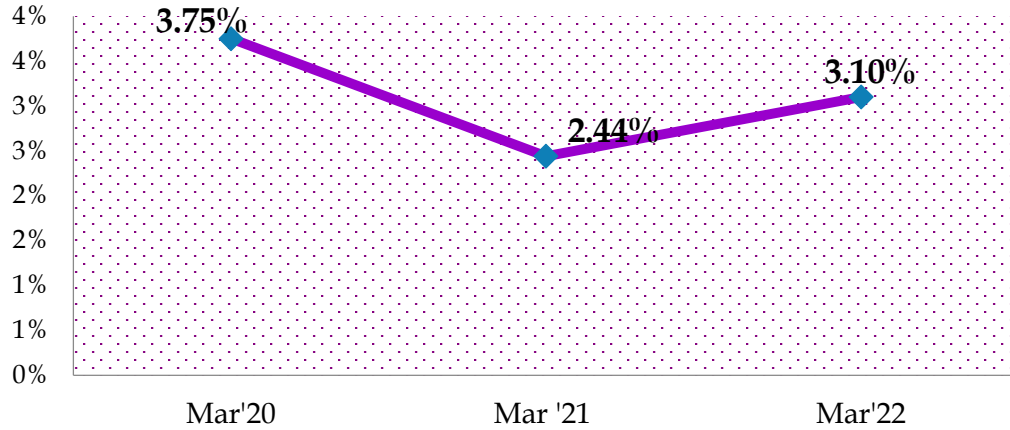


Net NPAs (₹ crs)

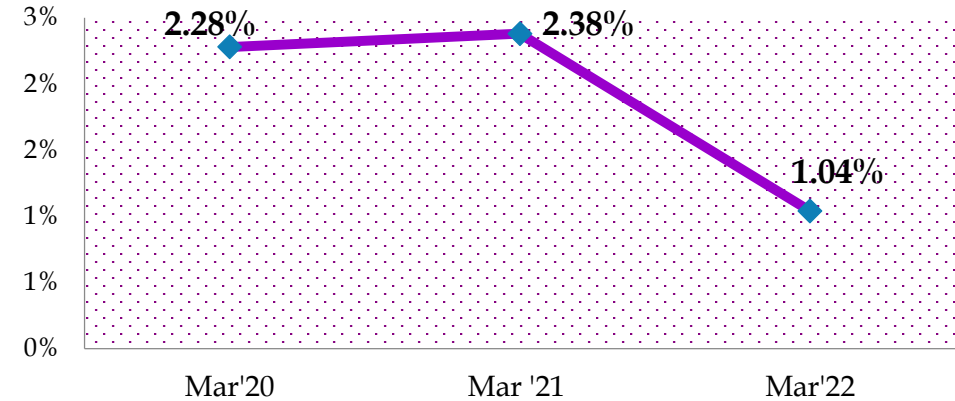


* With standstill clause for NPA recognition

Slippage ratio

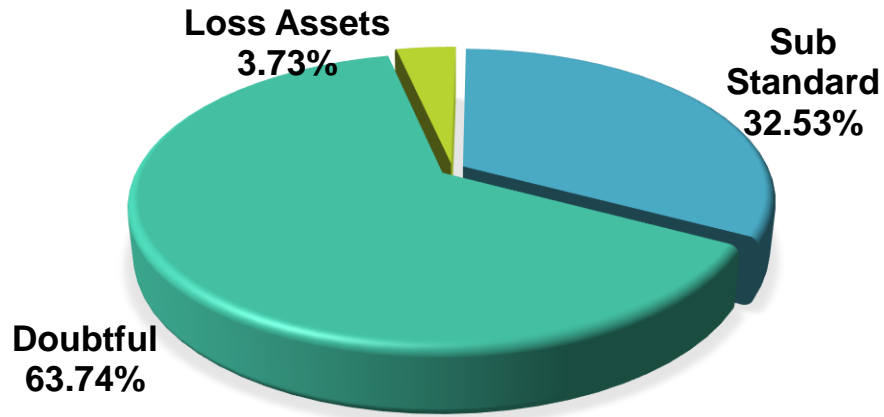


Credit cost

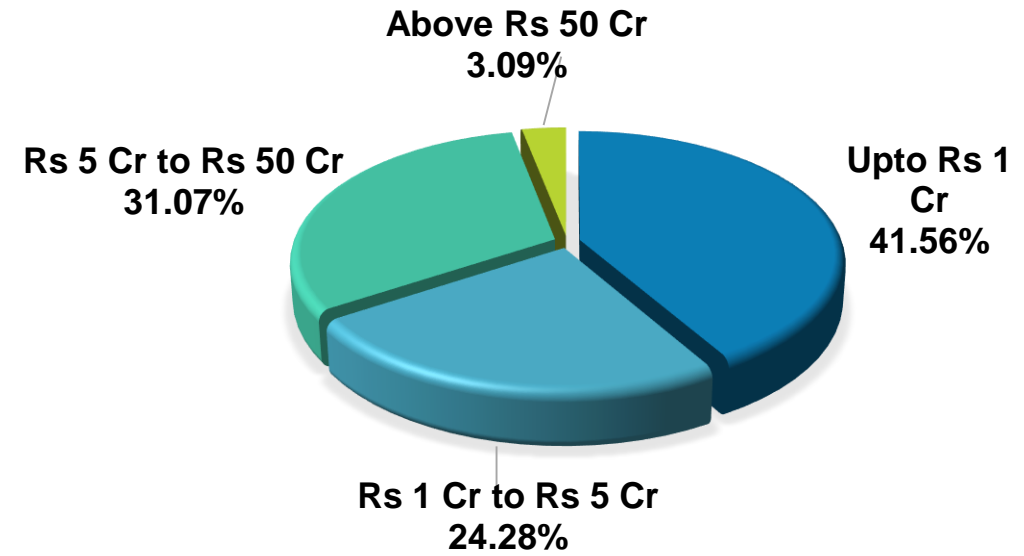


NPA Break-up

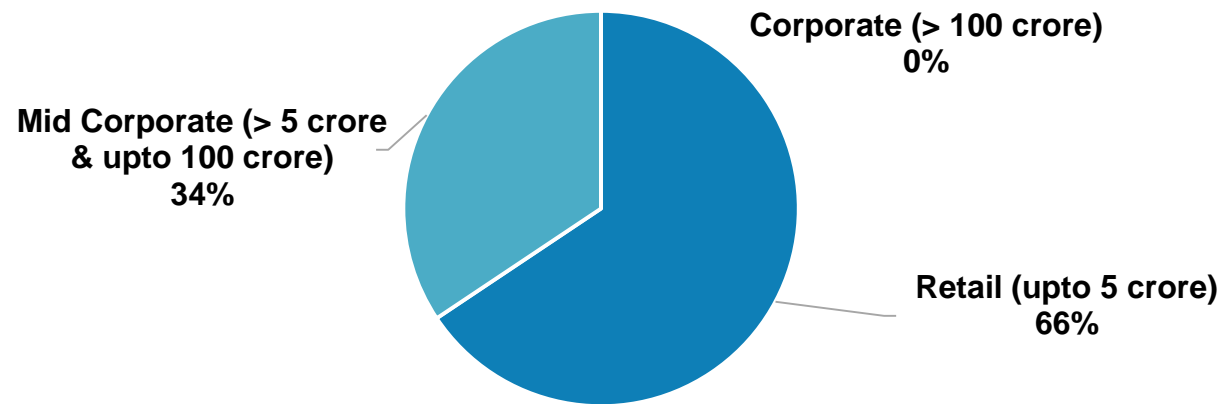
Composition of NPA



Size wise NPA



Credit portfolio wise NPA



■ Retail (upto 5 crore) ■ Mid Corporate (> 5 crore & upto 100 crore) ■ Corporate (> 100 crore)

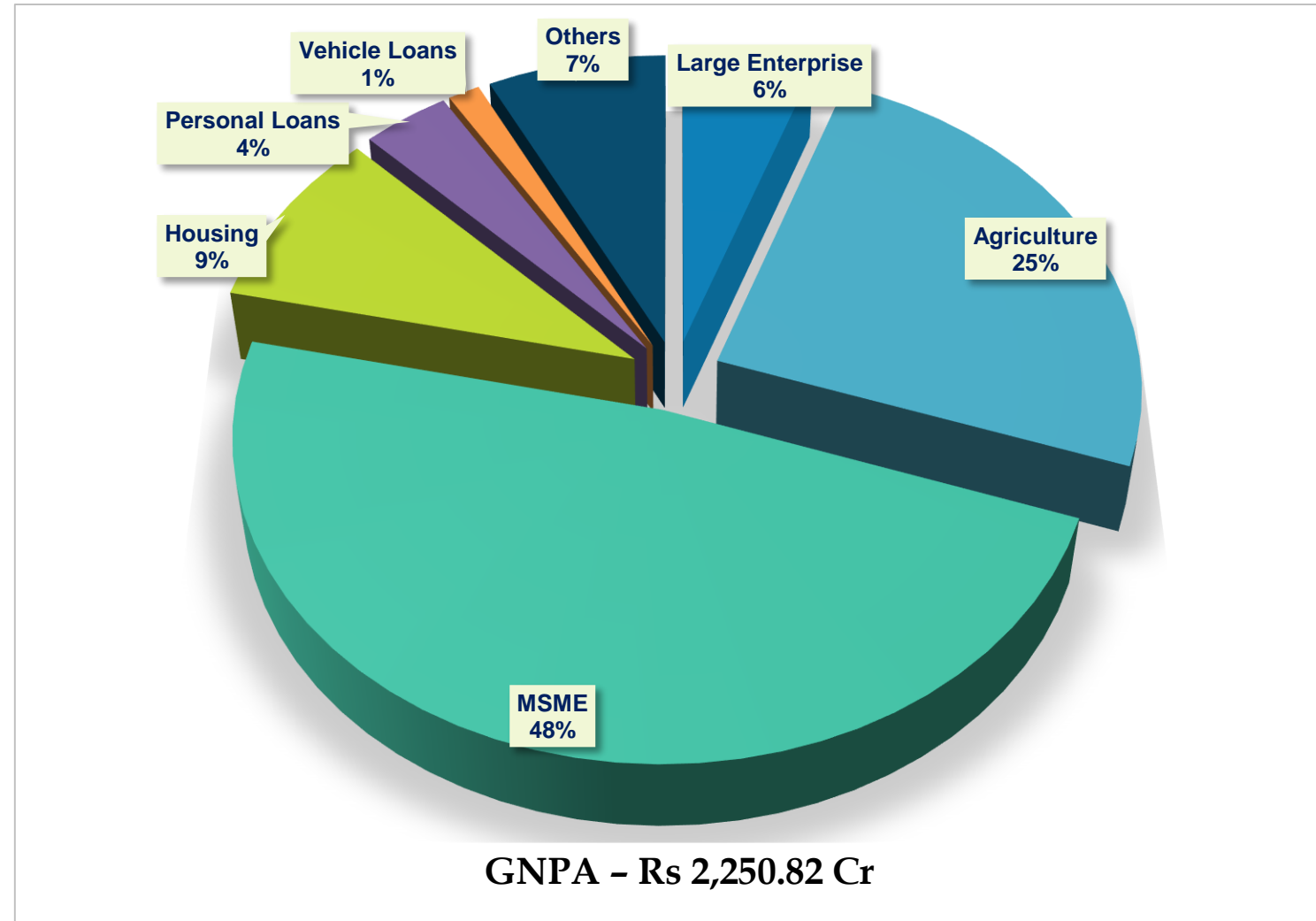
NPA Analysis

Movement in NPA during Q4 22

(₹ crs)

Particulars	Quarter ended
	31.03.2022
Opening GNPA	2330.51
Additions	395.59
Sub Total (A)	2726.10
Reduction	
Up-gradation	155.31
Recoveries (excluding upgraded accts)	115.44
Technical/ prudential Write Off	191.21
Other Write Off	13.32
Sub Total (B)	475.28
Out of which sold to ARC	--
Closing GNPA	2250.82

NPA Sectoral exposures



NPA Break-up

NPA accounts of Rs 25 Crore and above and provisions held

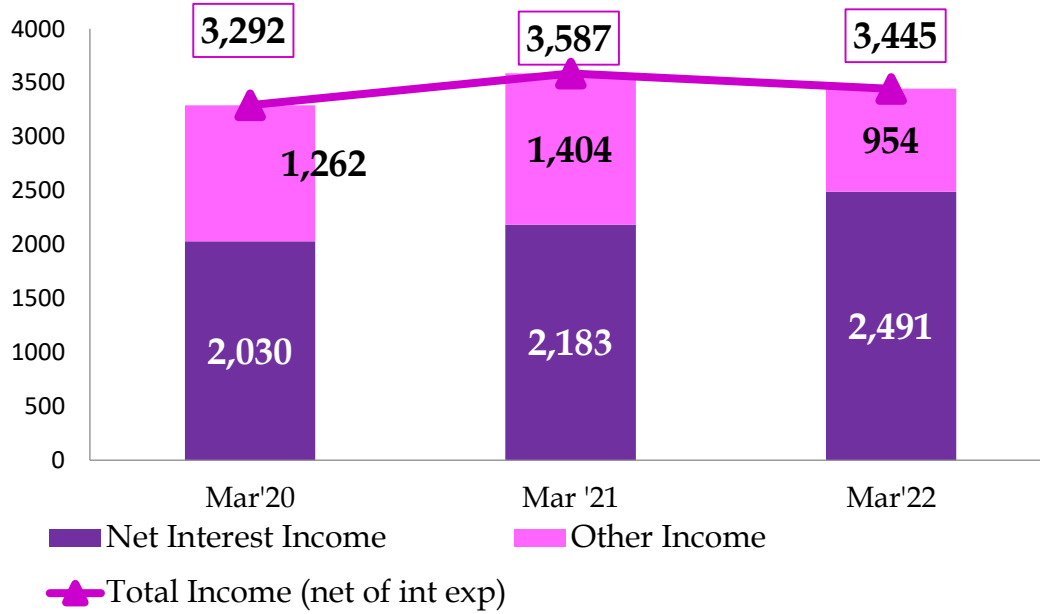
(₹ crs)

NPA Classification	No. of Borrowers	Net Balance	Provision held	Provision %
SS	1 (-)	37.62 (-)	6.03 (-)	16.03 (-)
DS 1	1 (3)	25.13 (127.02)	25.13 (53.04)	100.00 (41.76)
DS 2	2 (3)	95.31 (126.81)	53.92 (64.18)	56.57 (50.61)
DS 3	-	-	-	-
LOSS	- (1)	- (101.20)	- (101.20)	- (100)
Total	4 (7)	158.06 (355.03)	85.08 (218.42)	53.83 (61.52)
Total Gross NPA Amount		2250.82 (2588.41)	Gross NPA %	
			3.90 (4.91)	

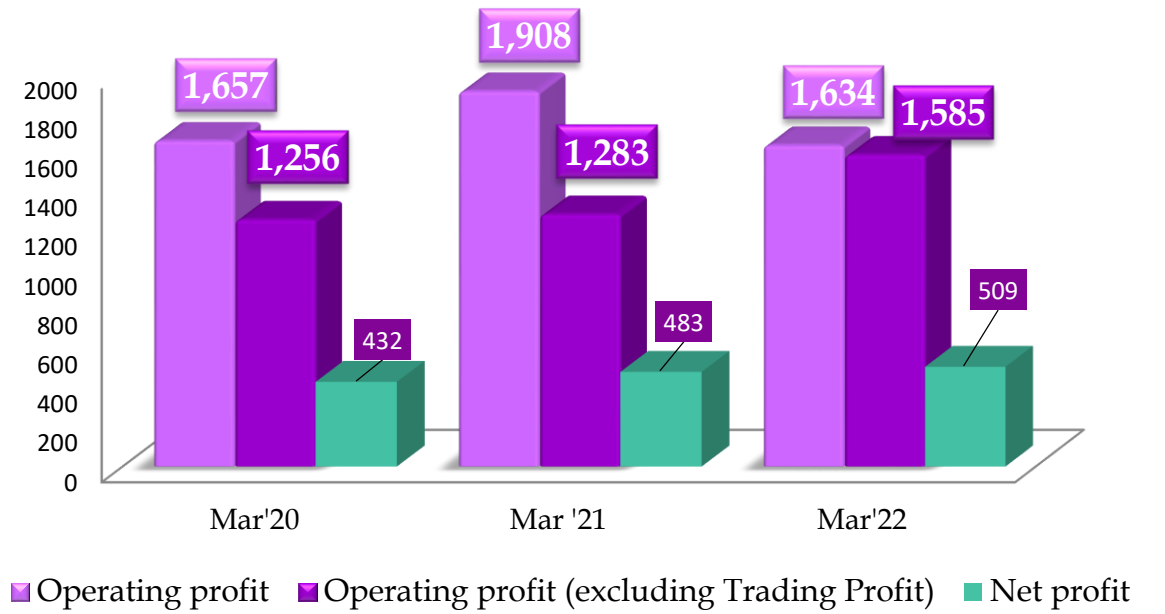
[Figures in brackets - as of Mar '21]

Income & Profit

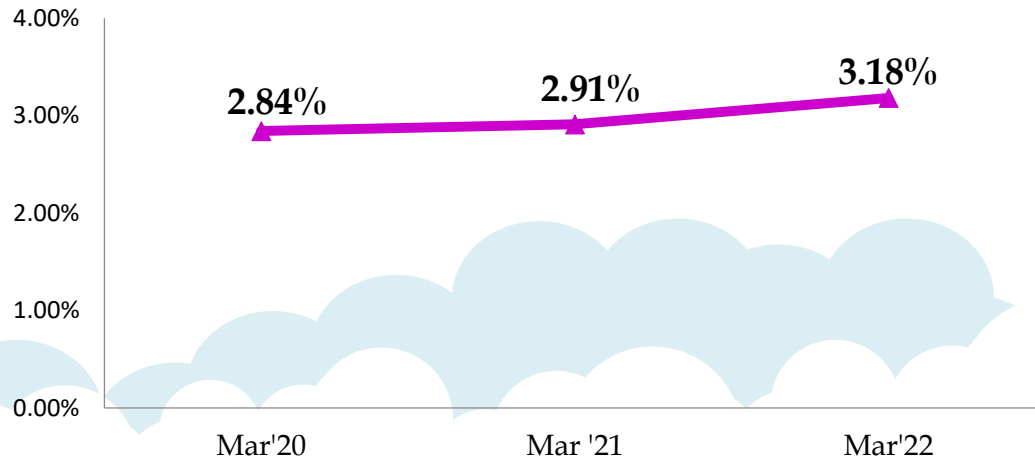
Net Income (₹ crs)



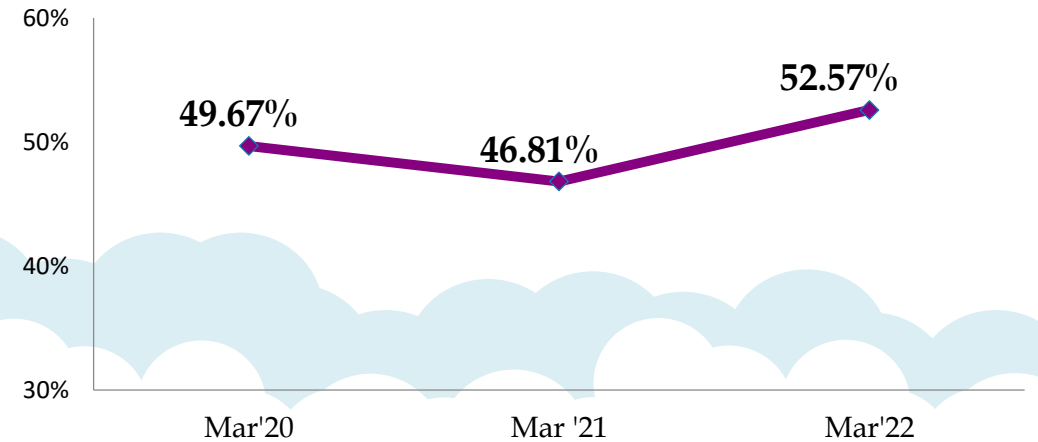
Operating and Net Profit (₹ crs)



Net Interest Margins (%)

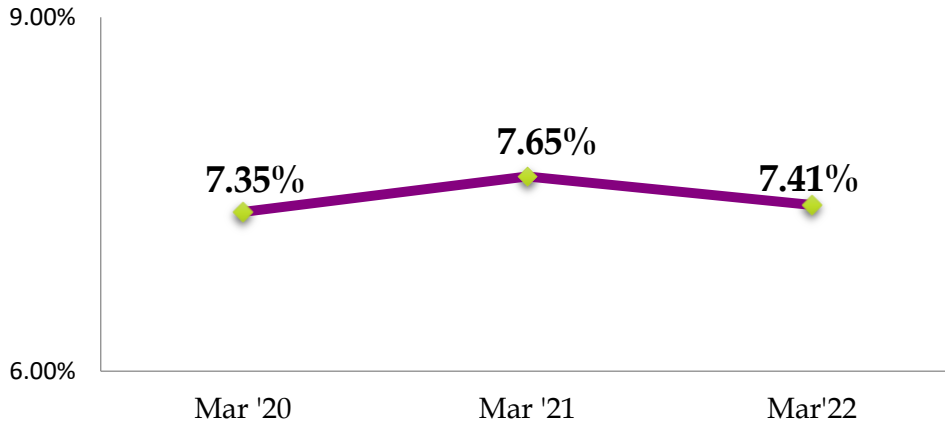


Cost to Income Ratio (%)

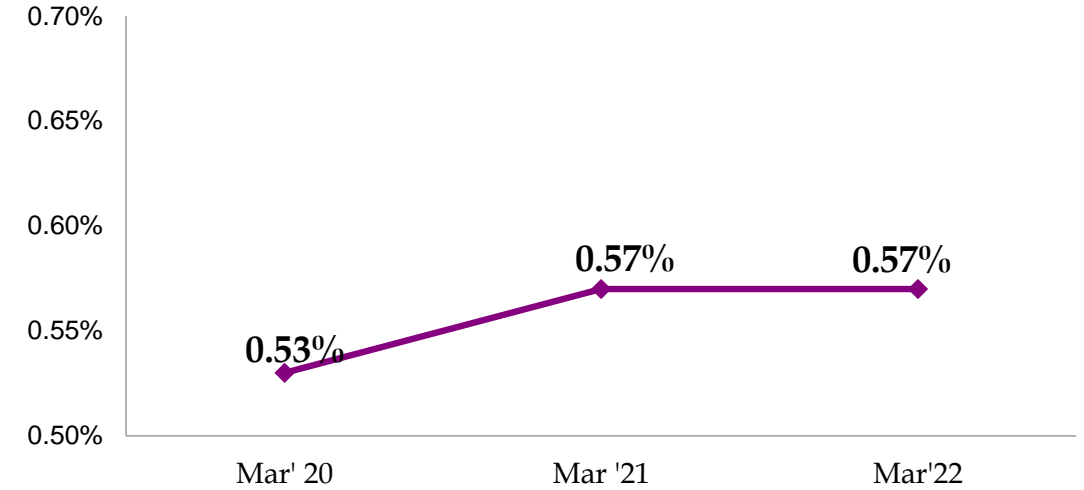


Return and Capital adequacy ratios

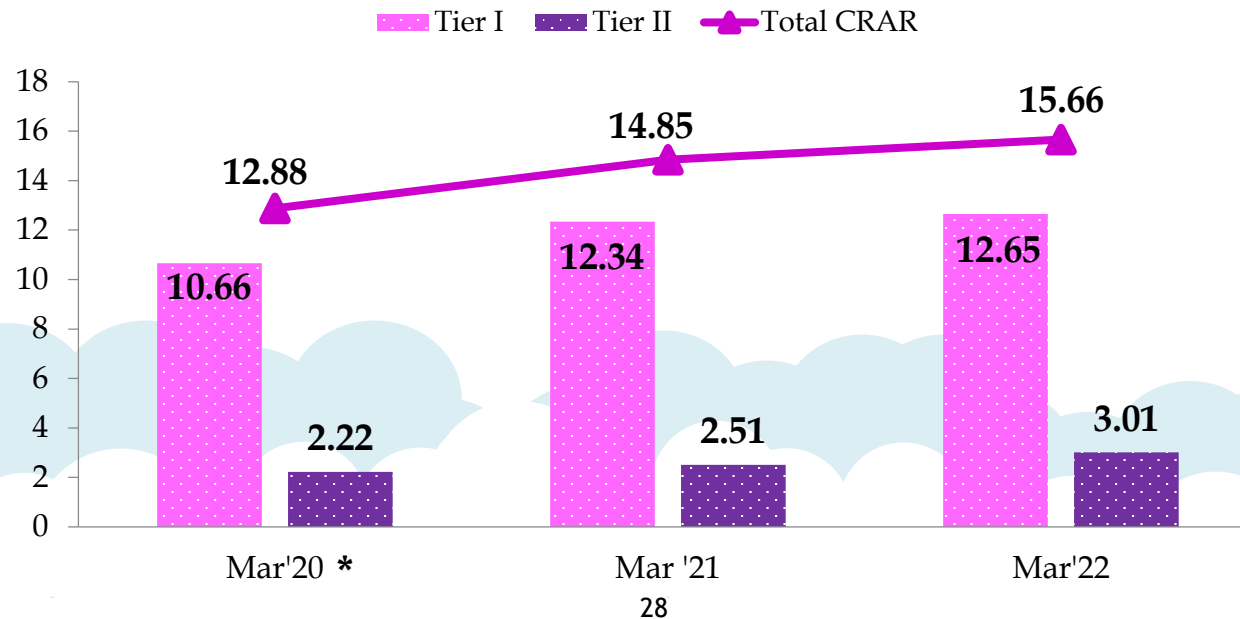
Return on Equity (%) (after tax)



Return on Assets (%) (after tax)



Capital Adequacy (%) - Basel III



* Tier II recomputed by including full eligible amount

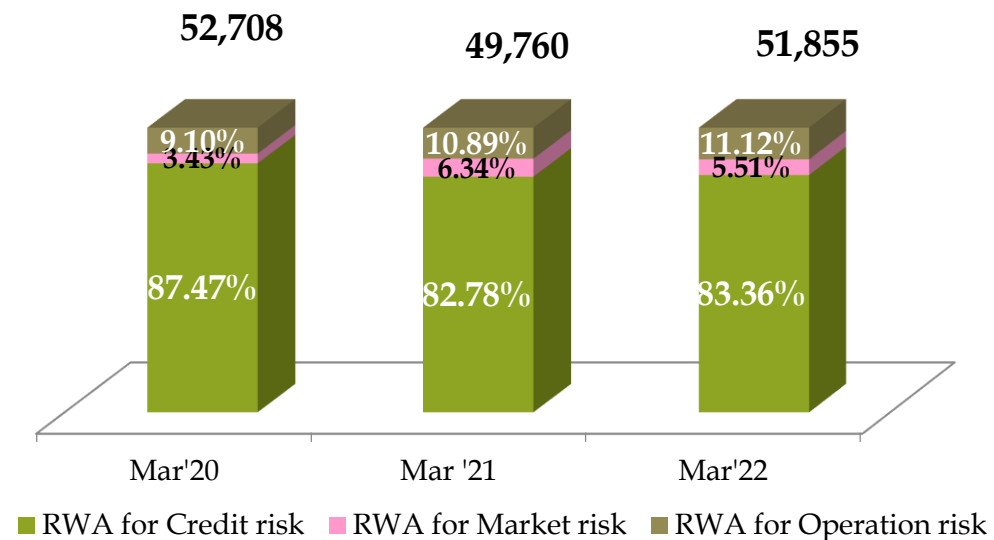
Capital Adequacy

(₹ crs)

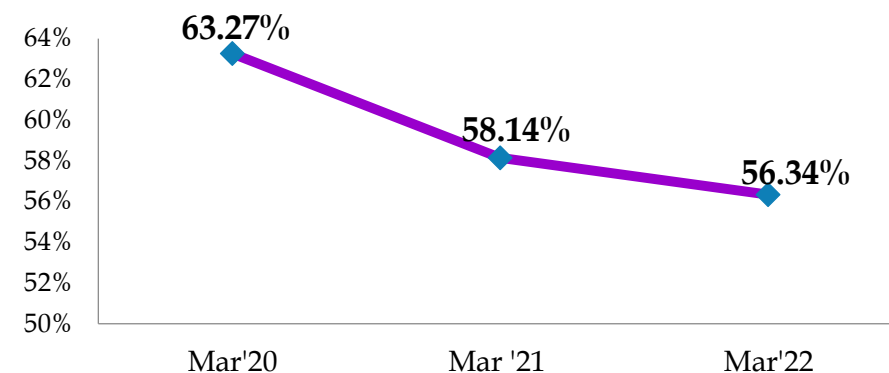
Particulars	31.03.2020	31.03.2021	31.03.2022
Risk Weighted Assets	52,708.33	49,759.61	51,855.44
Total Capital Fund (Basel III)	6,789.35	7,387.05	8118.55
Total Tier I Capital	5,619.43	6,140.39	6,558.19
Paid up Equity Capital	310.88	310.88	311.17
Reserves under Tier I Cap.	5,308.55	5,829.51	6,247.02
Eligible Tier II Capital	1,169.92	1,246.65	1,560.35
General Provisions & Reserves	399.92	501.65	540.35
Subordinated Debts	770	745	1020
CRAR under Basel III	*12.88%	14.85%	15.66%
CRAR Tier I Capital	10.66%	12.34%	12.65%
CRAR Tier II Capital	2.22%	2.51%	3.01%

* Tier II recomputed by including full eligible amount

Risk Weighted Assets



RWA to Total Assets

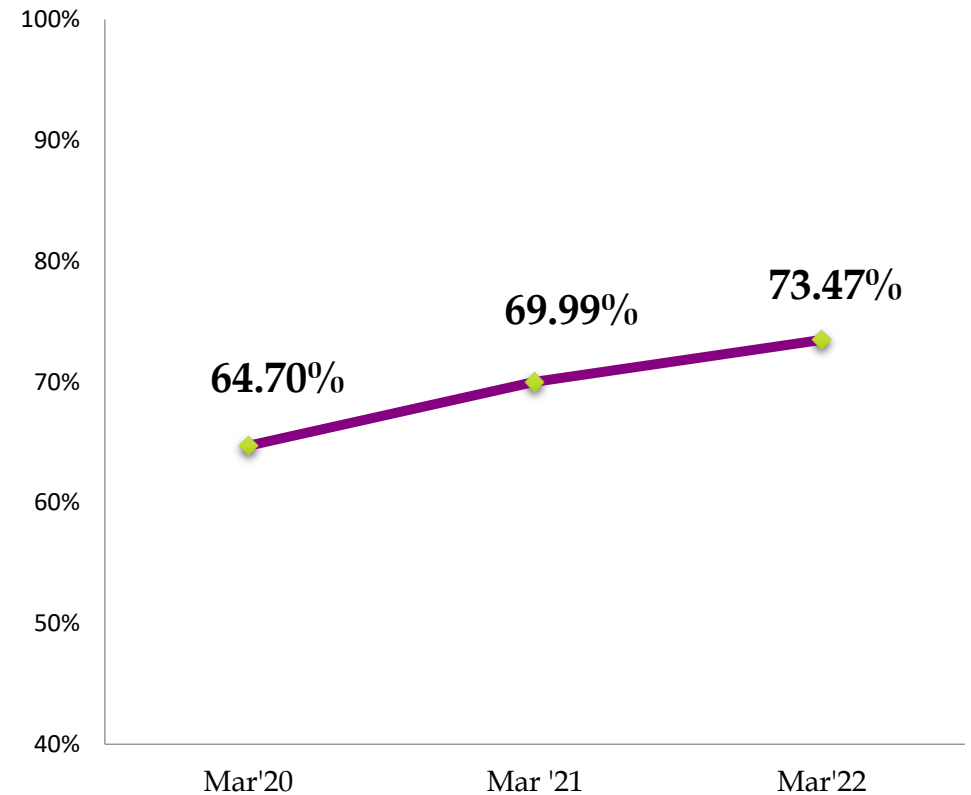


Provisions

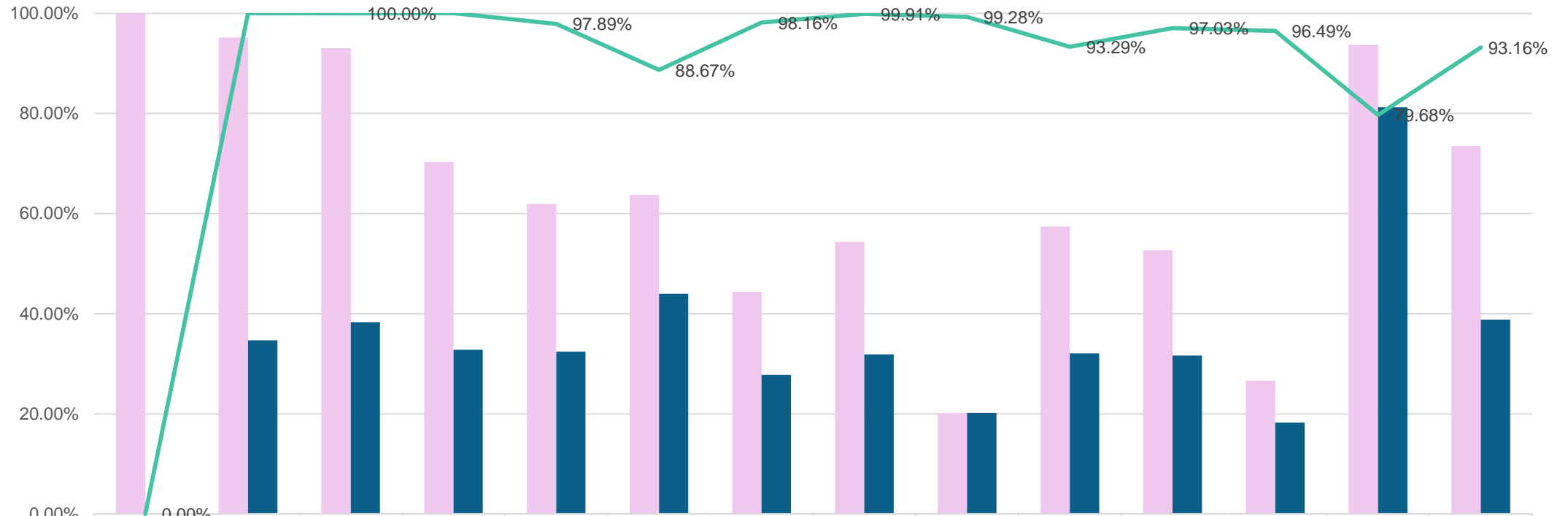
Category	Provision during FY 22 (in crore)	% to total	Provision during FY 21 (in crore)	% to total
NPA	590.61	52.48%	1227.42	35.61%
Standard advances	278.97	24.79%	44.59	1.29%
Fair Value	48.11	4.27%	23.10	0.67%
Investments	10.00	0.89%	5.66	0.16%
Tax	185.94	16.52%	129.36	3.75%
Others	11.75	1.04%	-4.41	-0.13%
Total	1125.38		1425.71	

As on 31.03.2022	No. of cases	Amount (in crore)	Provision held (in crore)	% provision held
NCLT Referred cases	40	1329.61	1278.48	96.15%
Security receipts	-	375.99	216.94	57.70%

Provision Coverage Ratio



Sector-wise PCR %

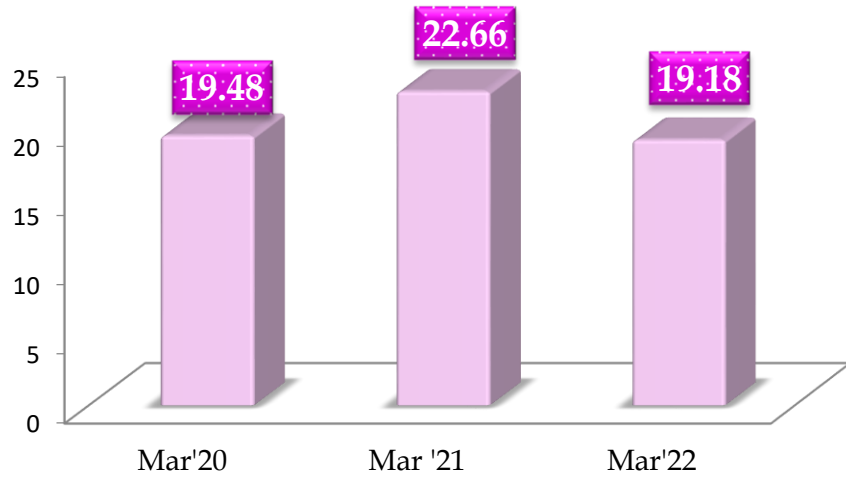


PCR % (incl TW)	100.00%	95.15%	93.03%	70.32%	61.89%	63.75%	44.38%	54.37%	20.17%	57.40%	52.70%	26.59%	93.72%	73.47%
PCR % (excl TW)	0.00%	34.68%	38.33%	32.80%	32.46%	43.94%	27.79%	31.87%	20.17%	32.09%	31.64%	18.27%	81.25%	38.82%
Secured %	0.00%	100.00%	100.00%	100.00%	97.89%	88.67%	98.16%	99.91%	99.28%	93.29%	97.03%	96.49%	79.68%	93.16%

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

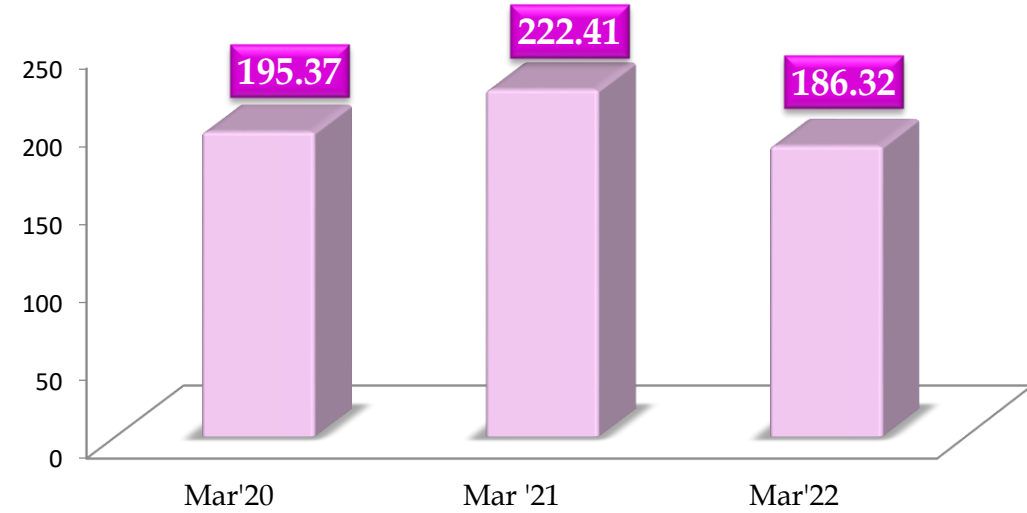
Productivity Ratios

Operating Profit per employee (₹ lakh) *

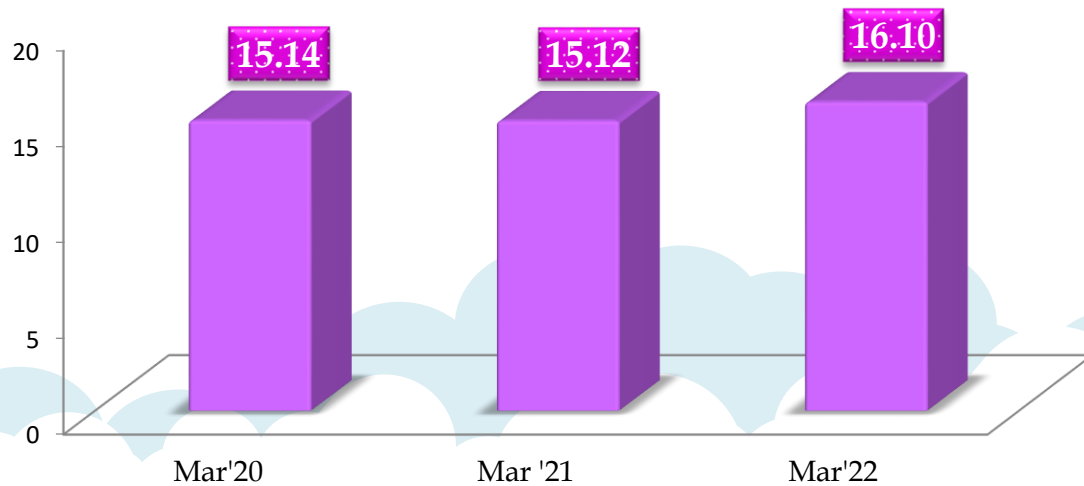


* annualized

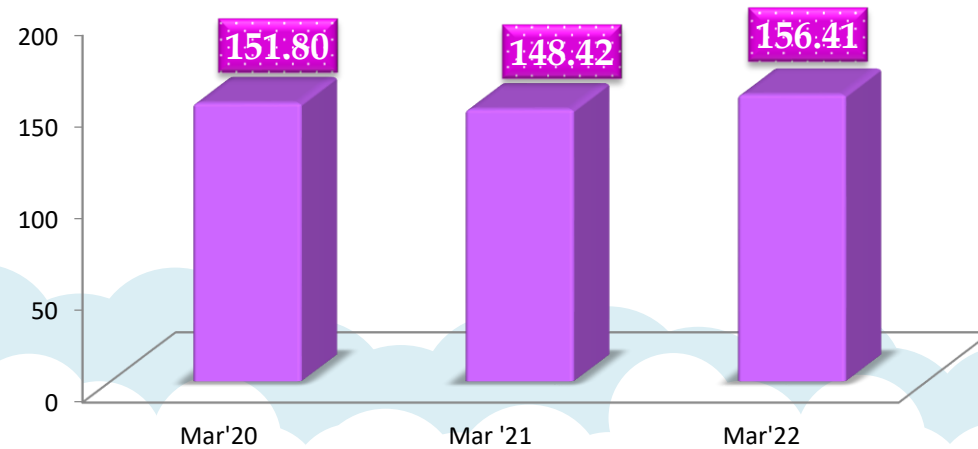
Operating Profit per branch (₹ lakh) *



Business per employee (₹ crs)

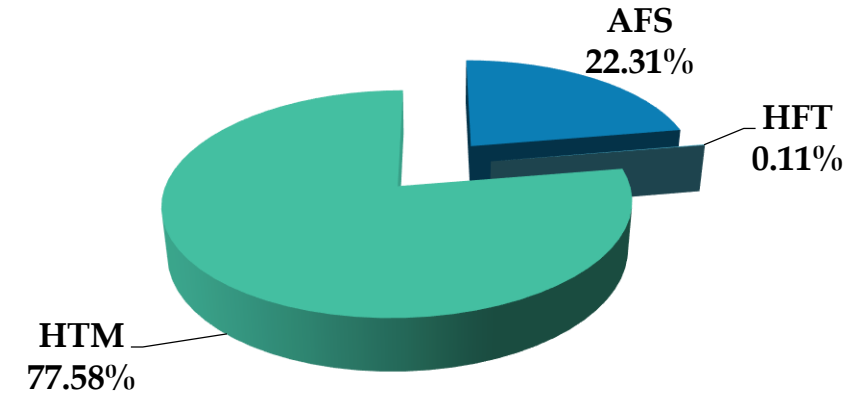
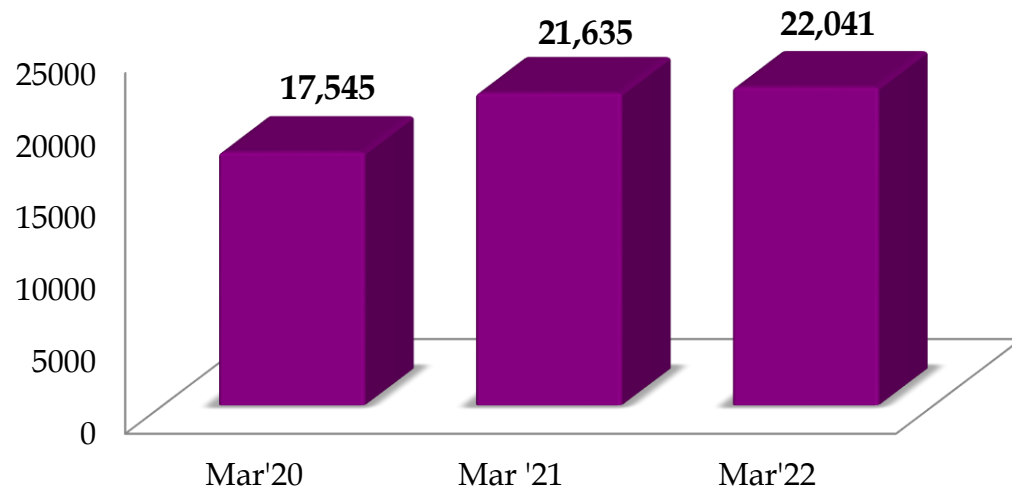


Business per branch (₹ crs)



Investments

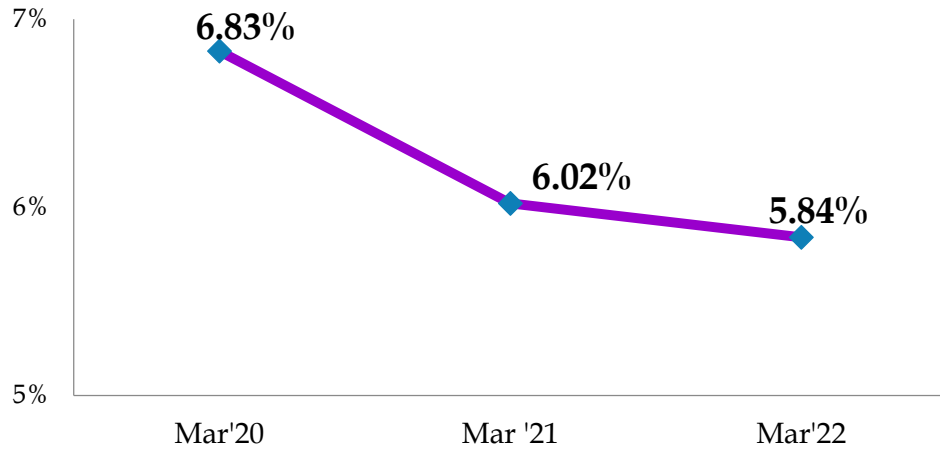
Investments [excl. RIDF] (₹ crs)



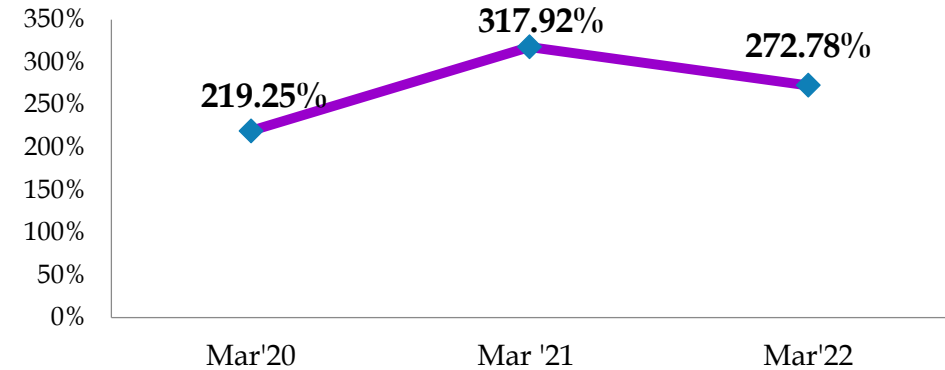
Duration

AFS	HFT	HTM	TOTAL
3.89	0.02	5.50	5.14

Yield on Investments (%)



Liquidity Coverage Ratio



Borrowers under External Rating

[Figures in brackets - as of Mar'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	17 (13)	4,565 (2,653)	7.90 (5.03)	-	-	-	-	-	-	-
AA	43 (31)	3,972 (2,390)	6.87 (4.53)	-	-	-	-	-	-	-
A	64 (41)	2,322 (1,319)	4.02 (2.50)	-	-	- (1)	- (78)	-	-	-
BBB	87 (89)	2,443 (2,469)	4.23 (4.68)	-	-	- (3)	- (17)	- (1)	- (94)	- (3.82)
Sub total	211 (174)	13,302 (8,831)	23.03 (16.75)	-	-	- (4)	- (95)	- (1)	- (94)	- (1.07)
BB	20 (36)	495 (764)	0.86 (1.45)	- (1)	- (10)	- (1)	- (36)	1(-)	18(-)	0.03(-)
B	6 (11)	116 (373)	0.20 (0.71)	-	-	-	-	-	-	-
C	1 (1)	161 (6)	0.28 (0.01)	-	-	-	-	-	-	-
D	8 (7)	571 (382)	0.99 (0.73)	1 (2)	18 (122)	-	-	2(-)	339(-)	0.61(-)
Sub total	35 (55)	1,343 (1,525)	2.32 (2.89)	1 (3)	18 (132)	- (1)	- (36)	3(-)	358(-)	0.64(-)
Grand Total	246 (229)	14,645 (10,356)	25.35 (19.64)	1 (3)	18 (132)	- (5)	- (131)	3(1)	358(94)	0.64(0.92)

Gross Bank Credit: ₹ 57,769 crore (PY Mar'21: ₹ 52,725 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	12 (8)	4,164 (2,299)	7.21 (4.36)	-	-	-	-	-	-	-
AA	15 (5)	2,858 (1,209)	4.95 (2.29)	-	-	-	-	-	-	-
A	7 (6)	753 (486)	1.30 (0.92)	-	-	-	-	-	-	-
BBB	6 (11)	614 (984)	1.06 (1.87)	-	-	-	-	-	-	-
Sub total	40 (30)	8,389 (4,979) 83.99% (71.63%)	14.52 (9.44)	-	-	-	-	-	-	-
BB	- (3)	- (158)	- (0.30)	-	-	-	-	-	-	-
B	- (2)	- (325)	- (0.62)	-	-	-	-	-	-	-
C	1 (-)	161 (-)	0.28 (-)	-	-	-	-	-	-	-
D	1 (2)	337 (263)	0.58 (0.50)	- (1)	- (101)	-	-	1 (-)	337 (-)	0.61 (-)
Sub total	2 (7)	498 (746) 4.99%(10.73%)	0.86(1.42)	- (1)	-(101)	-	-	1 (-)	337(-)	0.61(-)
Without External rating #	8 (13)	1,101 (1,126)	1.91 (2.33)	-	-	-	-	-	-	-
Grand Total	50 (50)	9,988 (6,951)	17.29 (13.18)	- (1)	- (101)	-	-	1 (-)	337 (-)	0.61 (-)

of which 1-KB1, 3- KB2, 1-KB4, 2-KB5, 1-Pool-based as per Internal rating of the Bank
ALL THE TOP 50 BORROWERS ARE IN STANDARD CATEGORY AS OF MAR'22.

Gross Bank Credit: ₹ 57,769 crore (PY Mar'21: ₹ 52,725 crore).

[Figures in brackets – as of Mar'21]

* Under respective rating category

External Rating of NBFC Portfolio

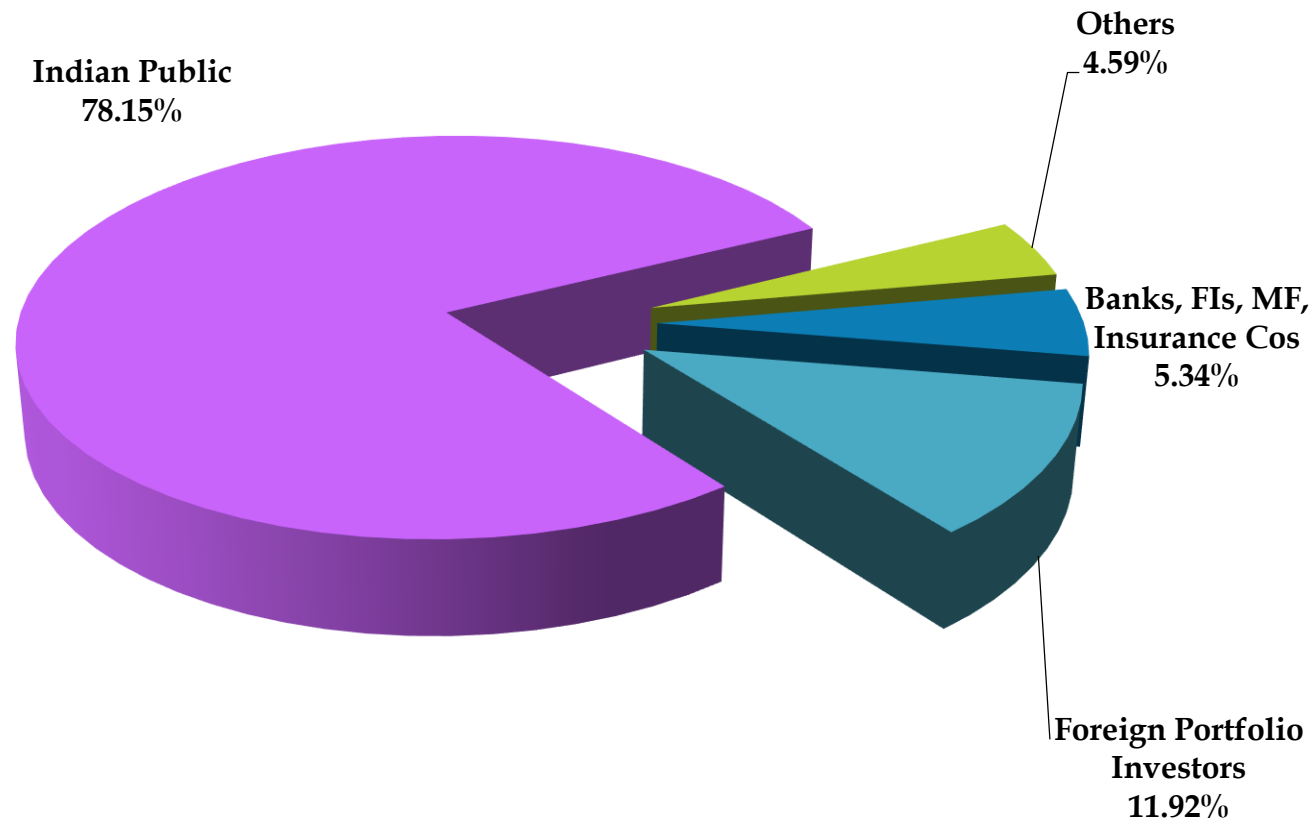
[Figures in brackets - as of Mar '21]

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	15 (11)	4,366 (2,153)	7.56 (4.08)	-	-	-	-	-	-	-
AA	28 (18)	2,909 (1,793)	5.04 (3.40)	-	-	-	-	-	-	-
A	25 (15)	875 (395)	1.52 (0.75)	-	-	-	-	-	-	-
BBB	3 (1)	42 (11)	0.07 (0.02)	-	-	-	-	-	-	-
Sub total	71 (45)	8,192 (4,352)	14.18 (8.25)	-	-	-	-	-	-	-
BB	1 (1)	8 (8)	0.01 (0.014)	-	-	-	-	-	-	-
B	-	-	-	-	-	-	-	-	-	-
C	-	-	-	-	-	-	-	-	-	-
D	- (1)	- (12)	- (0.024)	-	-	-	-	-	-	-
Sub total	1 (2)	8 (20)	0.01 (0.04)	-	-	-	-	-	-	-
Without External rating	1 (2)	0.02 (58)	- (0.11)	-	-	-	-	-	-	-
Grand Total	73 (49)	8,200 (4,430)	14.19 (8.40)	-	-	-	-	-	-	-

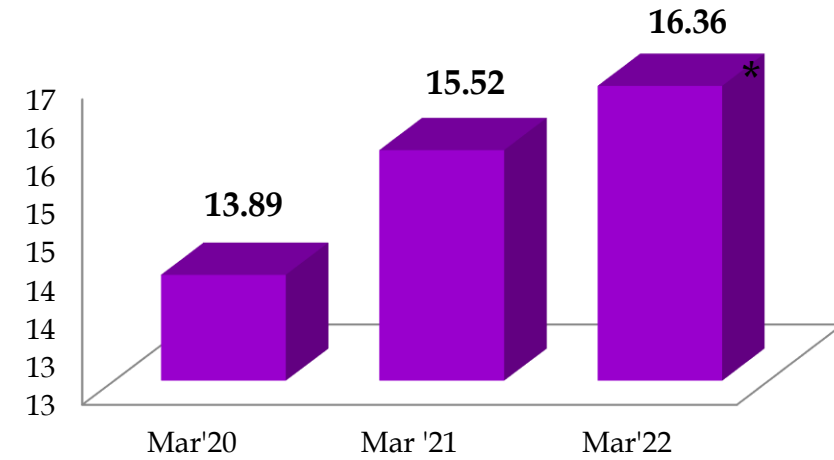
Gross Bank Credit: ₹ 57,769 crore (PY Mar'21: ₹ 52,725 crore). * Under respective rating category

Shareholders value

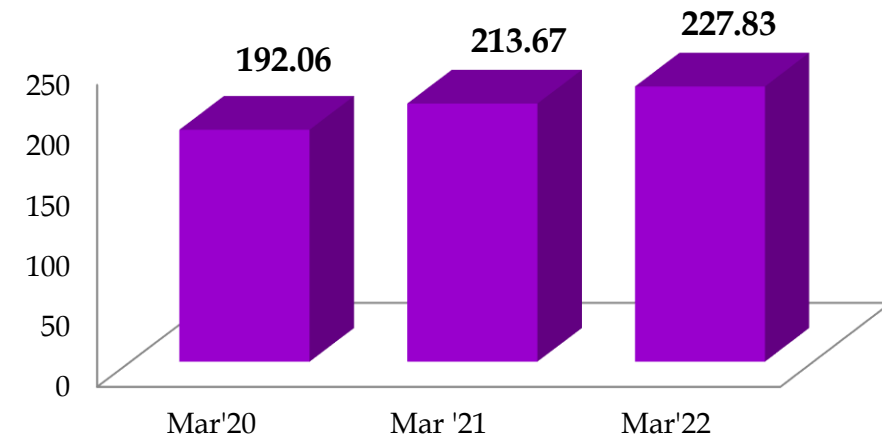
Share holding pattern



Earning Per Share (₹)



Book value (₹ in Cr)



Consolidated Numbers

3 Months

12 Months

Particulars	Q4 FY 22 (31.03.2022)	Q4 FY 21 (31.03.2021)	Y-o-Y	Q3 FY 22 (31.12.2021)	31.03.2022	31.03.2021	Y-o-Y
Turnover (₹ in Cr)	137170	127171	7.86%	133918	137170	127171	7.86%
Asset size (₹ in Cr)	92040	85615	7.50%	90958	92040	85615	7.50%
Operating profit (₹ in Cr)	379.97	328.70	15.60%	356.17	1633.37	1908.17	-14.40%
Net profit (₹ in Cr)	130.20	31.36	315.18%	146.42	507.99	482.56	5.27%
Return on Asset (ROA%)	0.56%	0.15%	41 bps	0.65%	0.56%	0.57%	-1 bps
Earning per Share (₹)(not annualized)	4.19	1.01	3.18 ₹	4.71	16.36	15.52	0.84 ₹
CRAR (Basel III)	15.66%	14.85%	81 bps	14.15%	15.66%	14.85%	81 bps

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.

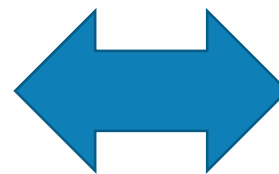


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05 **Business Strategy**
Corporate Goal and Roadmap ahead

Robust technology and digital platforms

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

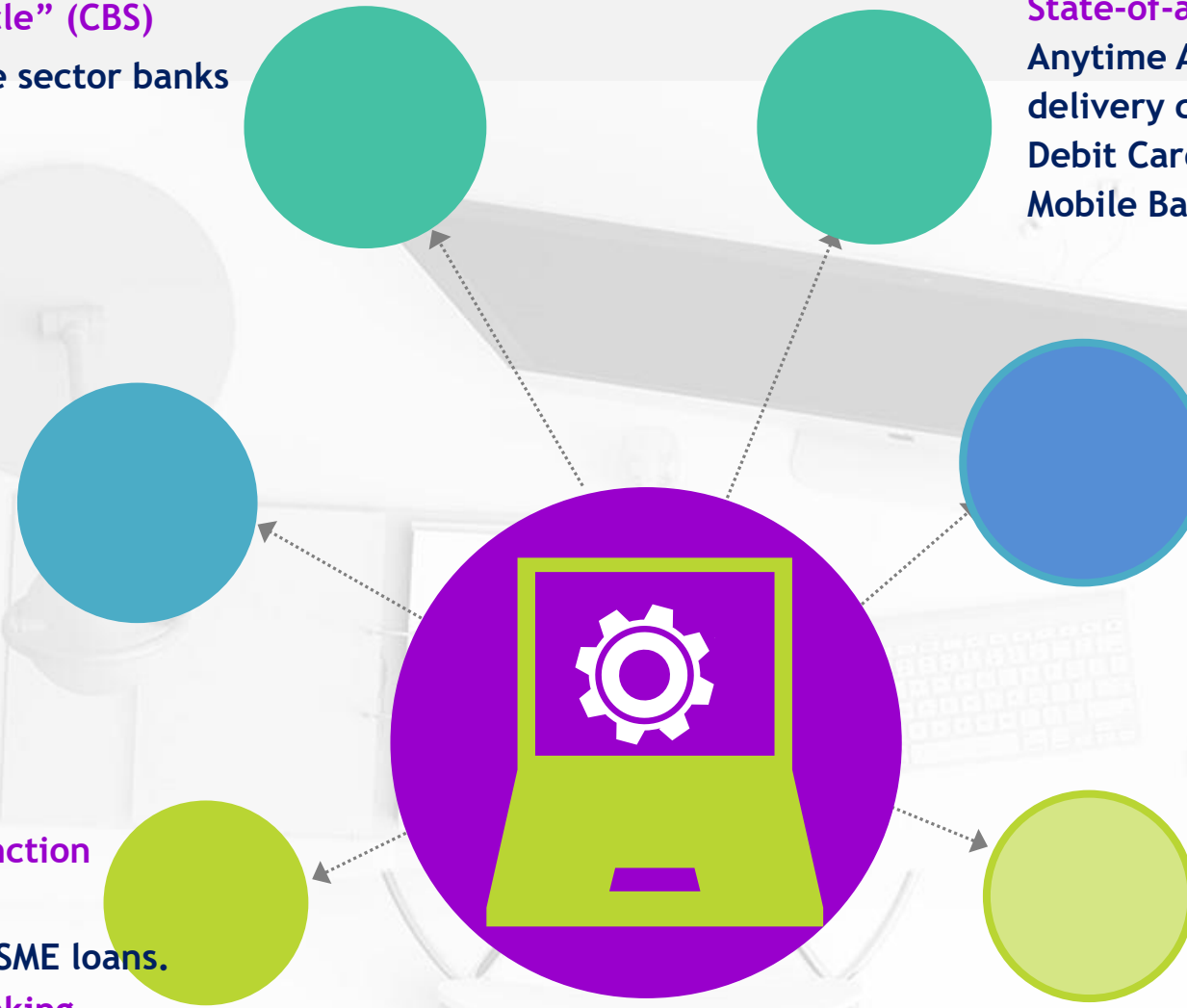
The Information Security Management System (ISMS) of the Bank has been accredited with “ISO 27001:2013” certificate encompassing at Bank’s Data Centre/ IT Cell, Near line Site [NLS] and Information Technology Department including the DR site [IT & DR]

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



Risk Reduction

Improving Asset Quality
(Cibil V3 >701 Score Portfolio)



Strong foundation of digital capabilities and enablers



Digital Channels

Xpress Journeys

Customer Assistant & Analytics platforms

Mobile Banking



Internet Banking



KBL BHIM UPI



KBL- mPassBook



Xpress Home Loan



Xpress Car Loan



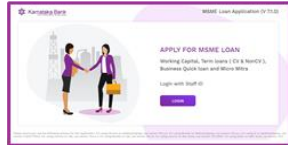
Xpress Cash Loan



Xpress Mortgage Loan



Xpress MSME



Term Loan



CV Loan



Xpress SB



DhIRA



XeD



ABCD



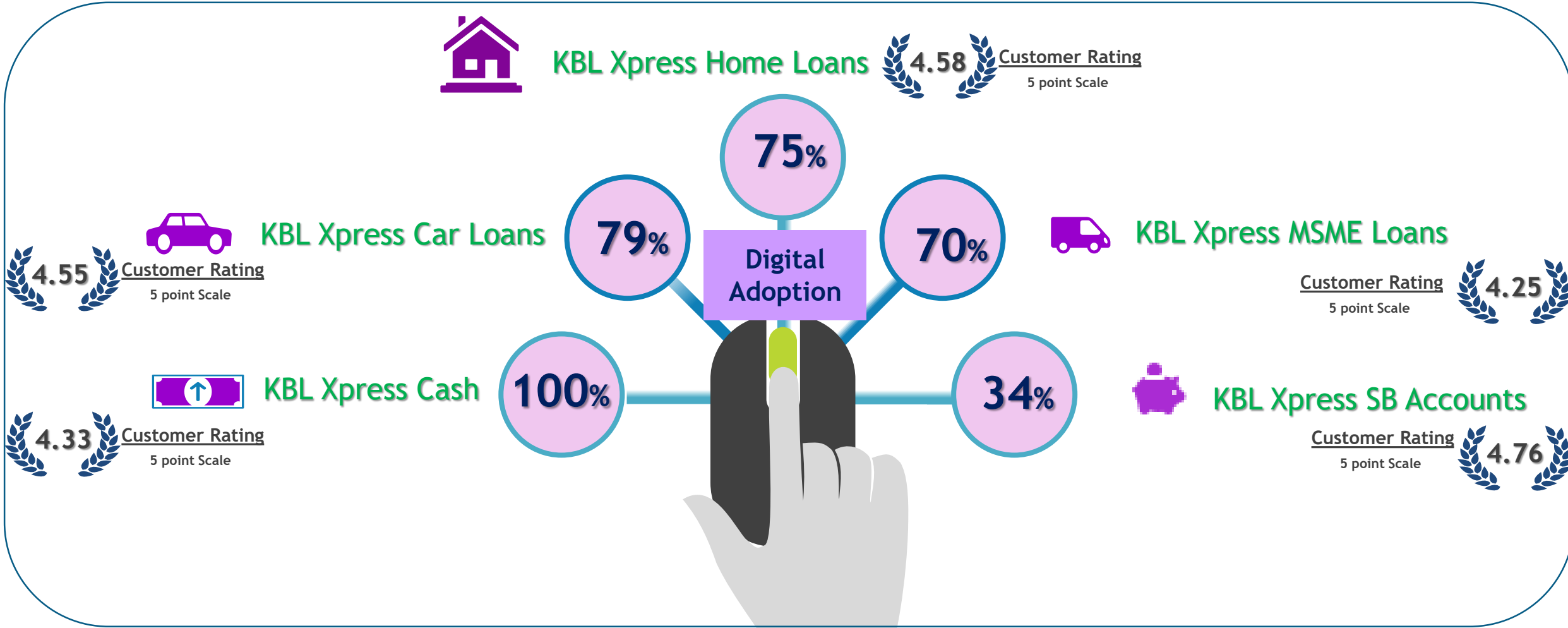
X-PAWS



Digital adoption and underwriting

93.22

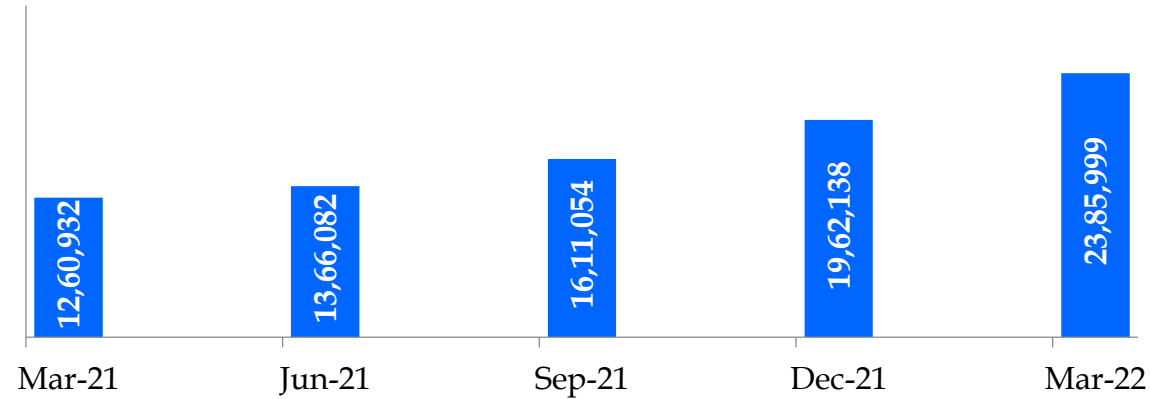
% of customer transactions are through Digital means



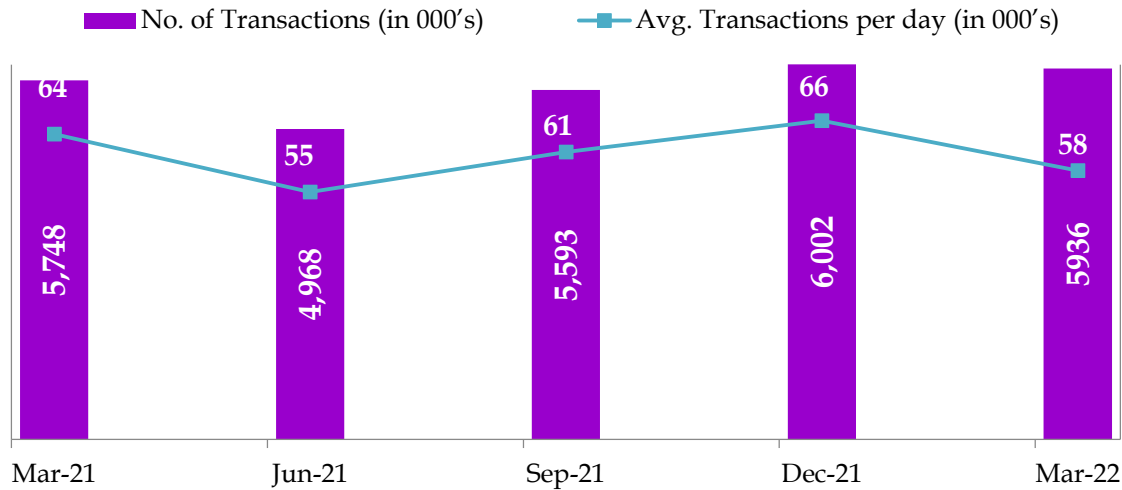
Mobile Banking



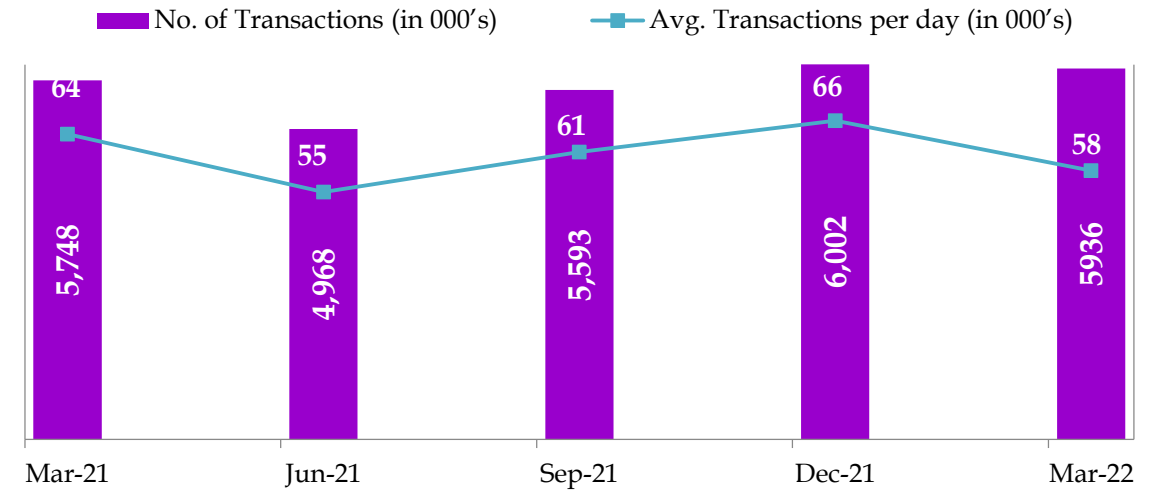
No. of Regd users (Actuals as at the end of the quarter)



No. of transactions during the quarter



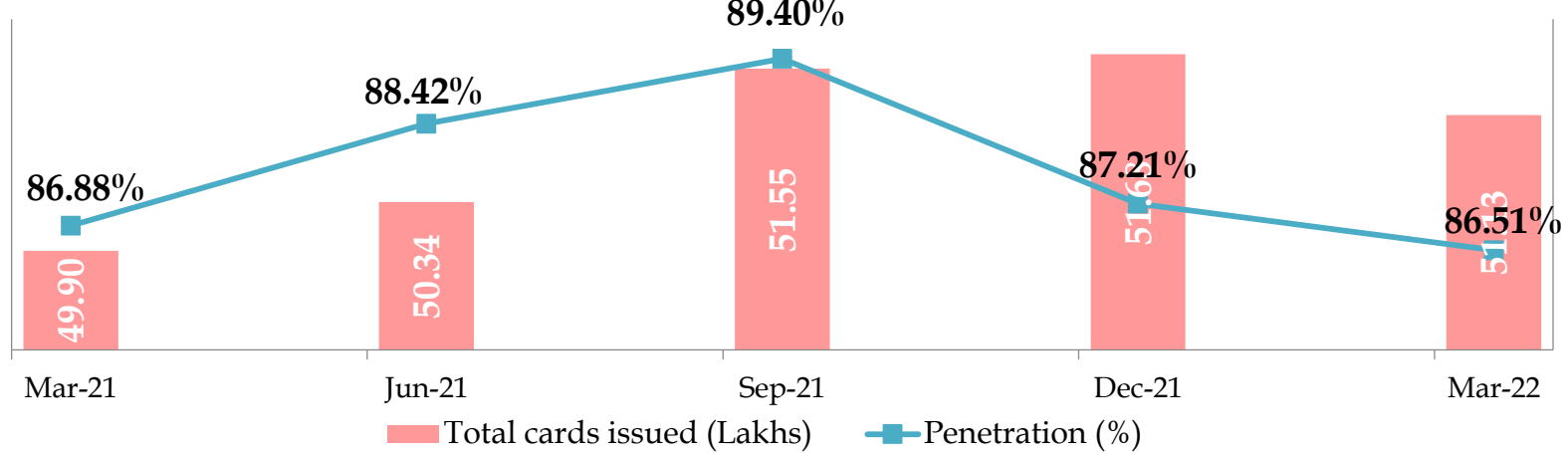
Value of transactions during the quarter



Debit Cards

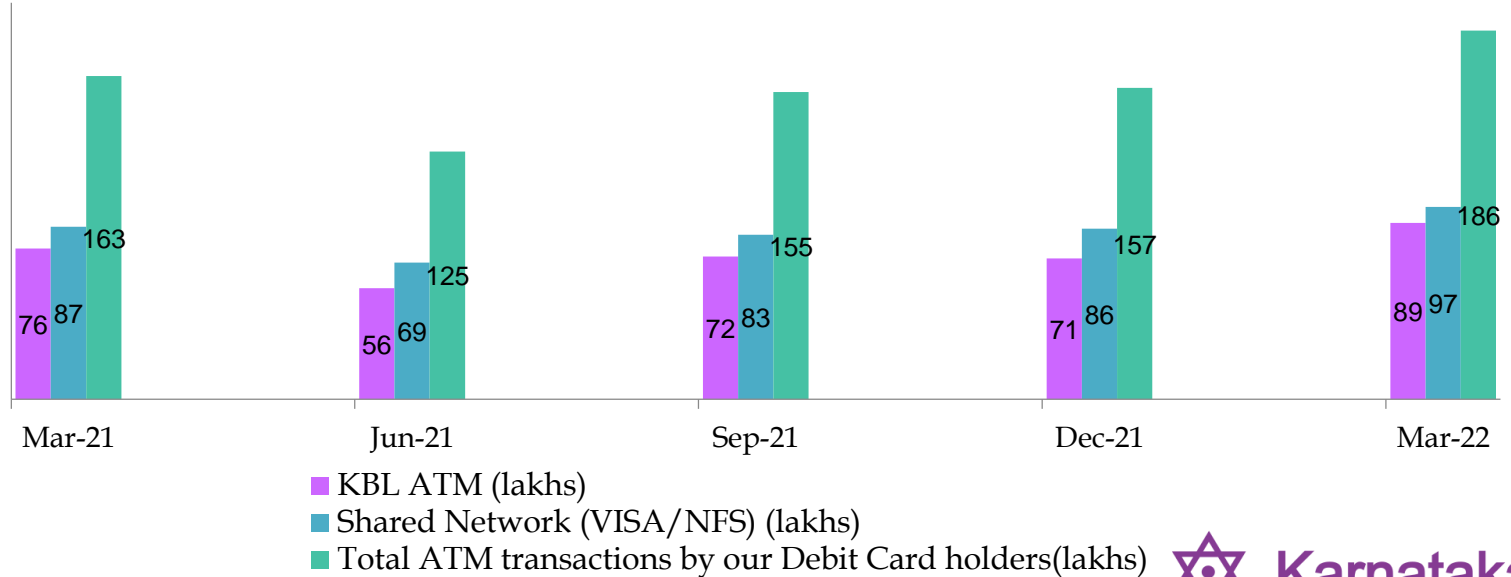
Debit cards Penetration

Position during the quarter



Cards Usage

Total ATM transactions by our Debit Card holders



UPI Transactions

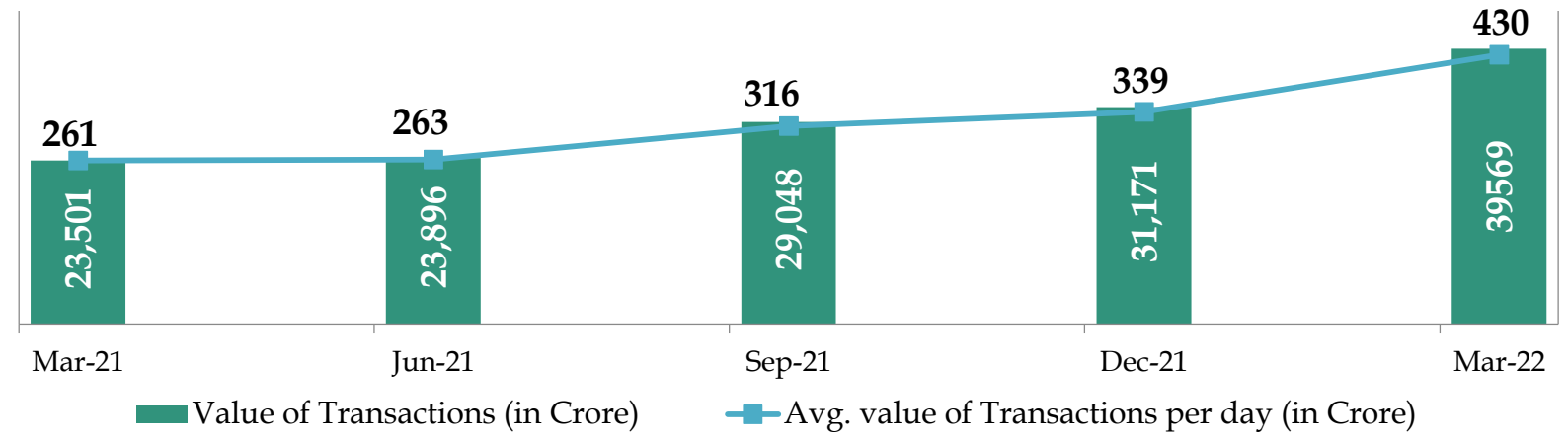
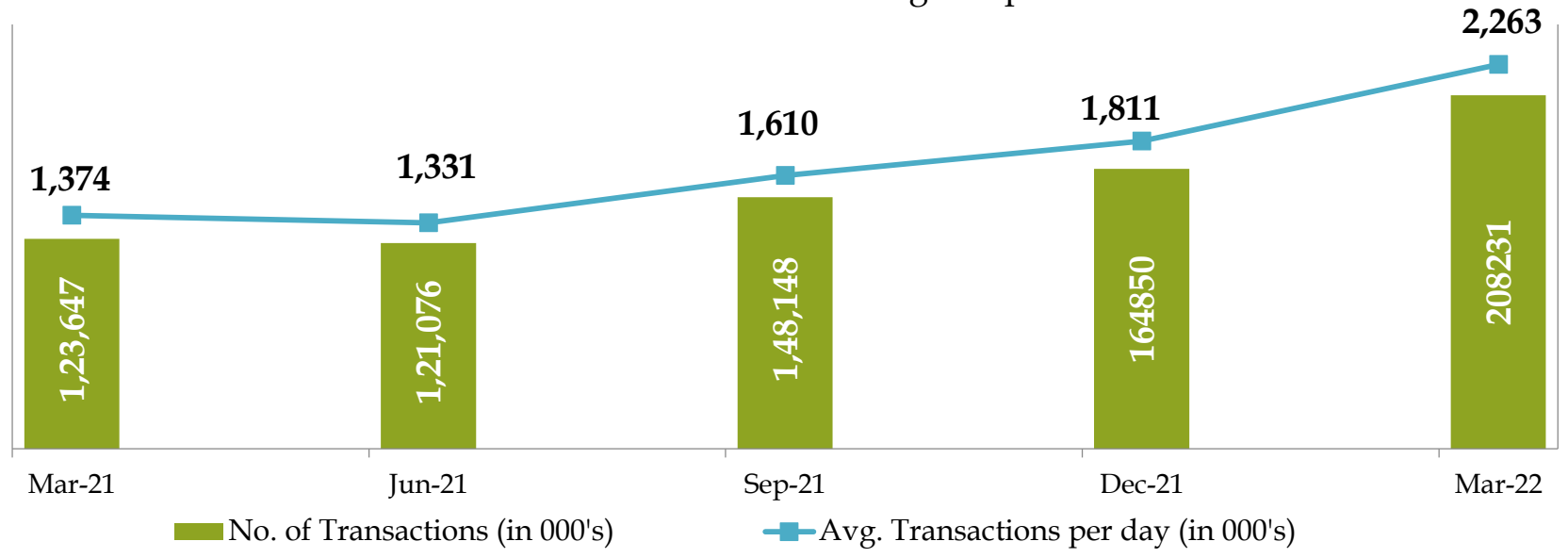
KBL BHIM UPI



BHIM KBL UPI Txns count

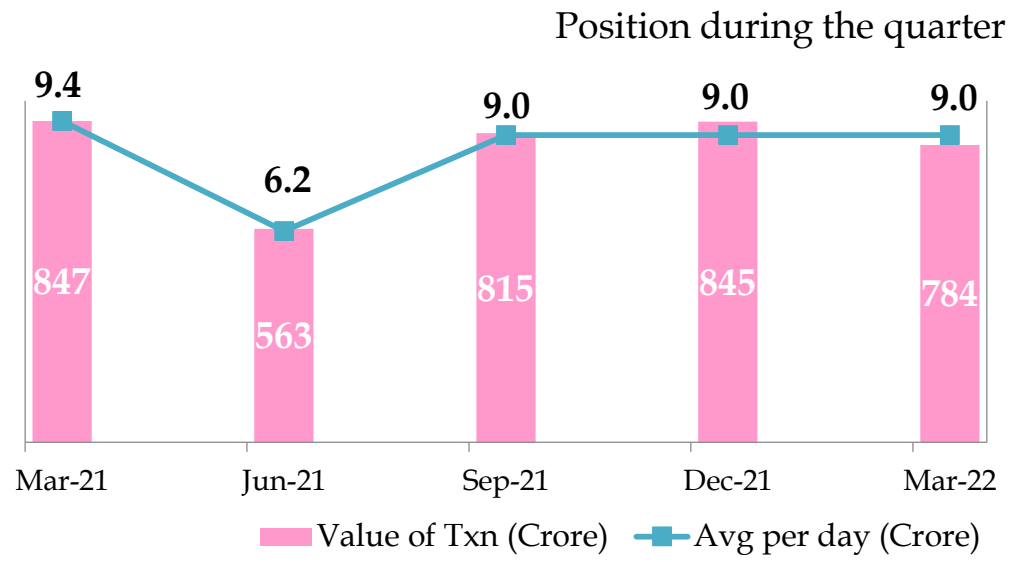
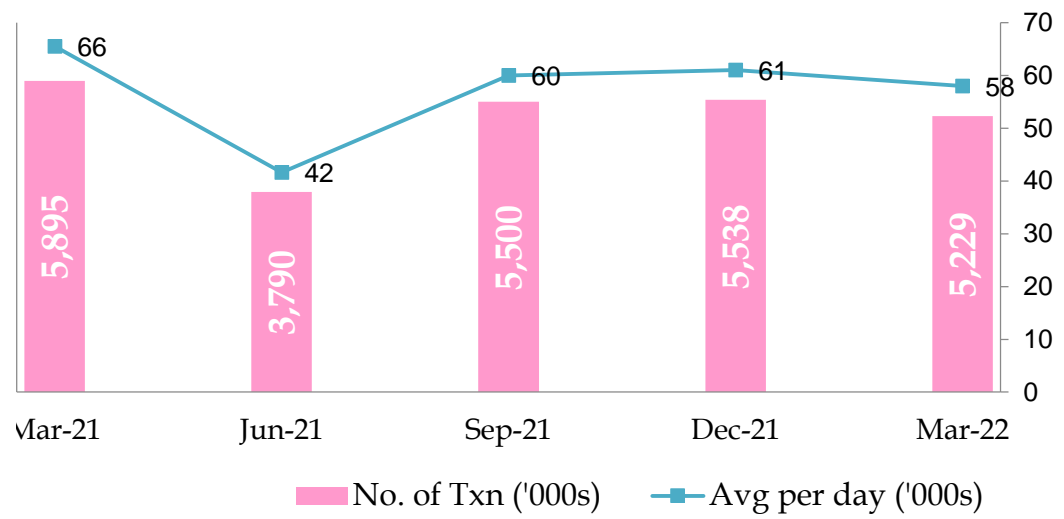
BHIM KBL UPI Txn Value

Position during the quarter

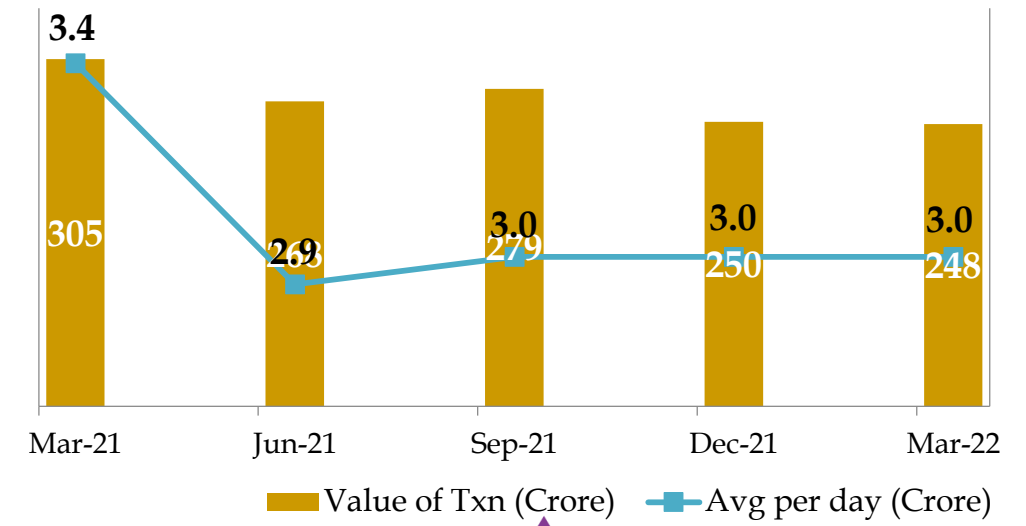
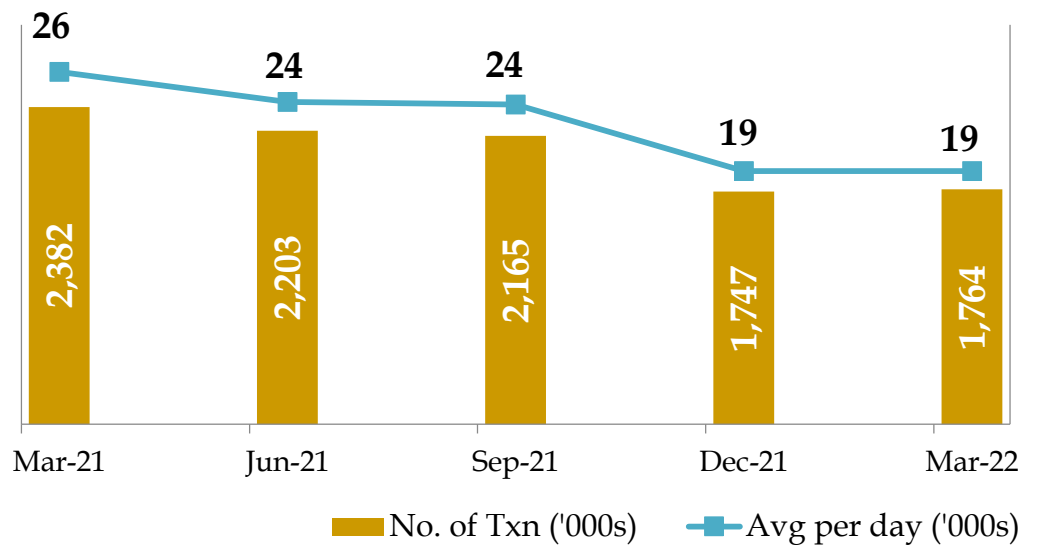


POS and ECOM Transactions

POS Transactions



ECOM Transactions



Digital initiatives during Q4 FY22

NRI Mobile Banking facility enabled

1 2

Digital facility to update Online Re-KYC



Web based online safe deposit locker booking facility

3 4

New Digi-Centre opened in our Mannagudda, Mangaluru branch

Digital facility for Compliance Test Report of the branches

5 6

Centralized filing of 26Q of Income Tax returns

Online deposit closure facility in Internet Banking

7 8

Mobile Banking in Kannada language

Email updation facility in Mobile Banking

9 10

Fastag facility for customers through Mobile Banking

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

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

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.

05

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

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



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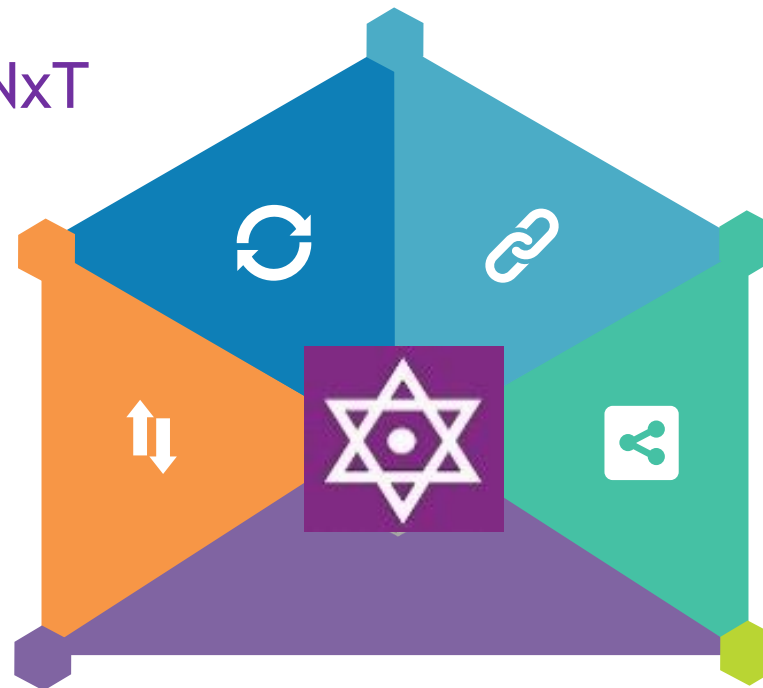
Focus areas for the FY 2022-23

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*

* Illustrative 4 out of 64 KBL Nxt Projects



Karnataka Bank Ltd.

Your Family Bank. Across India.

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



Mr D S Ravindran
Independent Director



Mr Balakrishna Alse S
Independent Director



Mr Jeevandas Narayan
Additional Director
(Non-executive,
Independent)



CA K Gururaj Acharya
Additional Director
(Non-executive,
Independent)



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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