

IRC:F48:16:42:2024

January 22, 2024

The Manager,
National Stock Exchange of India Ltd,
Exchange Plaza, 5th Floor,
Plot No. C-1, 'G' Block,
Bandra- Kurla Complex,
Bandra (East), Mumbai – 400051.

The Manager,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001.

Scrip Code: KARURVYSYA

Scrip Code: 590003

Dear Sir/Madam,

Sub: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Compliance thereof – Press Release

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find attached Press Release made by the Bank titled – “Karur Vysya Bank announces financial results for the quarter and nine months ended 31st December 2023.”

Kindly take the same on record.

Yours faithfully,

Srinivasarao M
Company Secretary &
Deputy General Manager

Encl: As above

JANUARY 22, 2024

KARUR VYSYA BANK ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED 31st DECEMBER 2023.

Highlights:

Bank had crossed historical milestone of total assets of ₹ 1 Trillion (₹ 1,00,000 cr).

- ❖ Total Business up by 14.74% YOY and 3.15% for the quarter.
- ❖ Deposits up by 12.82% YOY and 3.12% for the quarter.
- ❖ Loan Book grew at 17.09% YOY and 3.19% for the quarter.
- ❖ CASA up by 4.70% YOY, CASA ratio stood at 31.53%.
- ❖ Net Profit up by 49.60% YOY.
- ❖ NIM at 4.20%, up by 9 bps YOY.
- ❖ Other Income up by 35.88% YOY.
- ❖ ROA at 1.65% for the quarter.
- ❖ ROE at 17.20% for the quarter.
- ❖ GNPA at 1.58%, NNPA at 0.42%.
- ❖ PCR at 94.81%.
- ❖ Capital adequacy ratio (CRAR) stood at 15.39% with CET 1 ratio of 13.87%.

Mr. Ramesh Babu B, Managing Director & CEO, The Karur Vysya Bank said, “We have been able to continue to demonstrate our consistent performance in terms of Growth, Profitability and Asset Quality for the third quarter ended 31st December 2023. Our total business crossed ₹ 1,58,357 cr . The inclusive growth from all the business segments has helped us to reach net profit of ₹ 1,149 cr for the nine months period and ₹ 412 cr for the quarter.

Besides numbers, the qualitative changes that we have brought in gives us the confidence of sustained improvement in our performance in the days to come.

We are always mindful of the trust, faith and confidence that our customers and our investors have reposed on us. The momentum would be carried for the exit quarter of this fiscal.

Karur Vysya Bank ('the Bank') announced its financial results for the Quarter / Nine months ended December 31, 2023 today. The Bank continues its healthy performance in terms of business growth, profitability as well as asset quality.

BALANCE SHEET:

Balance sheet size as of December 31, 2023 was ₹ 1,02,868 crore as against ₹ 89,013 crore as of December 31, 2022, a growth of 15.56%.

Total business as on 31st December 2023 stands at ₹ 1,58,357 crore, registering a Y-o-Y growth of 14.74% i.e. up by ₹ 20,344 crore from ₹ 1,38,013 crore as on 31.12.2022.

Total deposits as on 31st December 2023 stands at ₹ 85,665 crore, registering a Y-o-Y growth of 12.82% i.e. up by ₹ 9,733 crore from ₹ 75,932 crore as on 31.12.2022.

Total advances as on 31st December 2023 stands at ₹ 72,692 crore, registering a Y-o-Y growth of 17.09% i.e. up by ₹ 10,611 crore from ₹ 62,081 crore as on 31.12.2022.

FINANCIAL PERFORMANCE – 9M FY 2024:

Net profit for the nine months registered a robust growth of 49.61% and stood at ₹ 1,149 crore from ₹ 768 crore during corresponding nine months of the previous year.

PPOP for the nine months increased by 12.95% is at ₹ 1,962 crore, as compared to ₹ 1,737 crore for corresponding nine months of the previous year.

Net interest income increased by 14.54% to ₹ 2,813 crore vis-à-vis ₹ 2,456 crore for corresponding nine months of the previous year.

Net interest margin stands at 4.20% up by 9 bps as compared to 4.11% for the corresponding nine months of the previous year.

Cost of deposits has increased by 98 bps and stands at 5.13% as compared to 4.15% for the corresponding nine months of the previous year.


Yield on advances grew to 9.88% by 116 bps as compared to 8.72% for the corresponding nine months of the previous year.

Commission and fee based income has improved by 14.84% on Y-o-Y basis to ₹ 627 crore from ₹ 545 crore for corresponding nine months of the previous year.

Operating expenses for the nine months was ₹ 1,881 crore as compared to ₹ 1,477 crore during the corresponding nine months of the previous year.

Cost to income ratio stands at 48.95% (45.97% for 9M of previous year).

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CAPITAL ADEQUACY:

Capital Adequacy Ratio (CRAR) as per Basel III guidelines was at 15.39% as on December 31, 2023 (17.62% as on December 31, 2022) as against a regulatory requirement of 11.50%. Tier 1 was at 13.87% as of December 31, 2023 compared to 15.79% as of December 31, 2022. Risk-weighted Assets were at ₹ 59,531 crore as on December 31, 2023 (₹ 46,243 crore as at December 31, 2022).

ASSET QUALITY:

Gross non-performing assets (GNPA) has improved by 112 bps and stands at 1.58% of gross advances as on December 31, 2023 (₹ 1,152 crore) vis a vis 2.70% as on December 31, 2022 (₹ 1,674 crore).

Net non-performing assets (NNPA) is below 1% and stands at 0.42% of net advances as on December 31, 2023 (₹ 305 crore), against 0.90% as on December 31, 2022 (₹ 550 crore).

Provision Coverage Ratio (PCR) was at 94.81% as at December 31, 2023, as against 90.87% as at December 31, 2022.

NETWORK:

As of December 31, 2023, the Bank's distribution network stands at 831 branches and 1 Digital Banking Unit and 2,251 ATMs / Cash Recyclers as against 792 branches and 2,233 ATMs / Cash Recyclers as of December 31, 2022. 56% of our branches are in semi-urban and rural areas. In addition, we have 150 business correspondents.

FINANCIAL PERFORMANCE – Q3 FY 2024 vs. Q3 FY2023:

Net profit for the quarter registered a robust growth of 42.56% and stood at ₹ 412 crore from ₹ 289 crore during corresponding quarter of previous year.

PPOP for the quarter marginally came down by 1.89% is at ₹ 676 crore, as compared to ₹ 689 crore for corresponding quarter of the previous year.

Net interest income increased by 12.60% to ₹ 1,001 crore vis-à-vis ₹ 889 crore for corresponding quarter of previous year.

Net interest margin stands at 4.32% as compared to 4.36 % for the corresponding quarter of the previous year.

Cost of deposits has increased by 99 bps and stands at 5.25% as compared to 4.26% for the corresponding quarter of previous year.

Yield on advances grew by 102 bps to 10.16% as compared to 9.14% for the corresponding quarter of the previous year.

Commission and fee based income has improved by 22.16% on Y-o-Y basis to ₹ 226 crore from ₹ 185 crore for corresponding quarter of the previous year.

Operating expenses for the quarter was ₹ 683 crore as compared to ₹ 518 crore during the corresponding quarter of previous year.

Cost to income ratio stands at 50.27% (42.90% for Q3 of previous year).



B. Ramesh Babu
Managing Director & CEO

