

IRC: F48:87:368:2021

04.08.2021

The Manager,  
National Stock Exchange of India Ltd,  
Exchange Plaza, 5th Floor,  
Plot No. C/1, 'G' Block,  
Bandra- Kurla Complex,  
Bandra (East), Mumbai - 400 051

The Manager,  
Bombay Stock Exchange limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400001

Scrip Code: KARURVYSYA

Scrip Code: 590003

Dear Sir/Madam,

Sub: Press Release titled - "Highlights of business performance for the quarter ended 30.06.2021".

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In compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith Press Release made by the Bank titled - "Highlights of business performance for the quarter ended 30.06.2021"

Kindly take the same on record.

Yours faithfully,



Srinivasarao M  
Company Secretary

Encl: As above



Registered & Central Office: Erode Road, Karur – 639002  
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### PRESS RELEASE

#### Highlights of business performance for the quarter ended 30.06.2021

- **Total business as on 30<sup>th</sup> June 2021 stands at Rs. 1,16,713 crore**, registering a Y-o-Y growth of 7.4% i.e. up Rs. 8,031 crore from Rs. 1,08,682 crore as on 30.06.2020. Business has grown by Rs. 615 crore during Q1, from a level of Rs. 1,16,098 crore as on 31.03.2021.
- **Credit portfolio grew by 8% Y-o-Y (Rs. 3,698 crore) and gross advances stands at Rs. 52,315 crore as on 30.06.2021, up** from Rs. 48,617 crore (including IBPC of Rs. 100 crore) a year ago.
- Improved credit off take in retail and business segment as well as jewel loan portfolio, backed by digital processing and improved sourcing of loans through various channels, aided the credit growth.
- Jewel Loan portfolio registered a Y-o-Y growth of Rs. 3,258 crore (32.8%) and stands at Rs. 13,206 crore as on 30.06.2021.
- Total deposits grew by Rs. 4,333 crore (7%) to Rs. 64,398 crore, up from Rs. 60,065 crore as of 30.06.2020. Growth was aided through sustained improvement in CASA portfolio and retail term deposits.
- **CASA share is up by 208 bps to 35%; CASA deposits are up by Rs. 2,775 crore i.e. a growth of 14% on Y-o-Y basis to Rs. 22,688 crore as on 30.06.2021 (Rs. 19,913 crore a year ago).**
- As at 30.06.2021, Gross NPA has declined to 7.97% (Rs. 4,167 crore) as compared to 8.34% (Rs. 4,056 crore) a year ago. GNPA as on 31.03.2021 was Rs. 4,143 crore (7.85%).
- Net NPA stands at Rs. 1,845 crore (3.69%) as on 30.06.2021 (3.44% a year ago). NNPA was Rs. 1,719 crore as on 31.03.2021.
- **Provision Coverage Ratio stands at 72.40% (72.74% a year ago).**
- **Basel III CRAR stands at 19.06% (with CET1 Ratio of 17.04%), up from 18.14% as on 30.06.2020.**
- Branch and ATM + Cash Recyclers network as on 30.06.2021 stands at 781 & 2251 respectively (corresponding position was 779 & 2,226 as on 30.06.2020).

Financial performance Q1 FY 2021-22

- **Net profit for the quarter registered a marginal growth and stood at Rs. 109 crore from Rs. 106 crore during Q1 of previous year.**
- Operating profit for the quarter stood at Rs. 429 crore - down by Rs. 45 crore from Rs. 474 crore for Q1 of the previous year.
- Net interest income for the quarter improved by 14% to Rs. 638 crore for the current quarter vis-à-vis Rs. 562 crore for Q1 of FY 2020-21.
- Net interest margin stands at 3.55%.
- Cost of deposits has improved by 84 bps and stands at 4.53% as compared to 5.37% during the previous year.
- Yield on advances is at 8.55% (9.32% for Q1 of previous year).
- Non-interest income for the quarter (including treasury profit) is Rs. 220 crore during the current quarter as compared to Rs. 317 crore a year ago due to higher treasury profit at Rs. 178 crore earned during the same period of previous year as compared to Rs. 35 crore during the current period.
- Commission and fee based income have improved by Rs. 26 crore on Y-o-Y basis to Rs. 147 crore from Rs. 121 crore during the previous year.
- Operating expenses for the quarter was Rs. 429 crore as compared to Rs. 405 crore during Q1 of FY 2020-21.

Karur  
04.08.2021

B. Ramesh Babu  
Managing Director & CEO