



**Karur Vysya Bank**

*Smart way to bank*



**Q1 FY 2023**

**Investor Presentation**

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**Quarter**

**in focus**



# Key Highlights for the Quarter

**Gross Advances Rs.59,612 cr**  
up by 14% YoY



**Deposits Rs. 71,168 cr up by 11% YoY**  
**CASA @ 36%**



**Operating Profit Rs. 475 cr**  
up by 15% YoY



**Net Profit Rs. 229 cr up by 110% YoY**



**CRAR 19.21%**  
**Tier I at 17.25%**



**NIM 3.82%**  
**Cost to Income 49.68%**



**RoA 1.09%**  
**RoE 11.69%**



**GNPA 5.21%**  
**NNPA 1.91%**



**PCR (RBI) 82.74**  
**PCR (Market) 64.65**

# Key Performance Indicators – KPIs (Quarter)



Particulars	Jun 22	Jun 21	Growth YoY	Mar 22	Dec 21	Sep 21
Net interest income	746	638	17	710	686	680
Operating profit	475	412	15	441	401	375
Net profit	229	109	110	213	185	165
Advances (Gross)	59,612	52,315	14	57,550	55,793	53,850
Deposits	71,168	64,398	11	68,676	66,871	65,410
NIM(%)	3.82	3.55	0.27	3.79	3.68	3.74
ROA(%)	1.09	0.57	0.52	1.06	0.93	0.86
CRAR(%)	19.21	19.06	0.15	19.46	18.79	18.82
GNPA(%)	5.21	7.97	(2.76)	5.96	6.97	7.38
NNPA(%)	1.91	3.69	(1.78)	2.28	2.55	2.99
PCR(%)	82.74	72.40	10.34	80.27	78.81	76.28

# Profit & Loss Statement (Quarter)

Particulars	Jun 22	Jun 21	Growth % (YoY)	Mar 22
Net Interest Income	746	638	17	710
Other Income	199	203	(2)	205
- Fee income	187	147	27	182
- Others	12	56	(79)	23
<b>Total Income</b>	<b>945</b>	<b>841</b>	<b>12</b>	<b>915</b>
Operating Expenses	470	429	10	474
- Employee expense	236	227	4	223
- Other operating expense	234	202	16	251
<b>Operating Profit</b>	<b>475</b>	<b>412</b>	<b>15</b>	<b>441</b>
Provisions	154	247	(38)	140
- Credit Related	162	284	(43)	136
- Others	(8)	(37)	(78)	4
<b>Profit Before Tax</b>	<b>321</b>	<b>165</b>	<b>95</b>	<b>301</b>
Tax (net of DTA/DTL)	92	56	64	88
<b>Net Profit</b>	<b>229</b>	<b>109</b>	<b>110</b>	<b>213</b>

# Key Ratios (Quarter)

Particulars	Jun 22	Jun 21	Mar 22
Cost of Deposits (%)	4.09	4.53	4.12
Yield on Advances (%)	8.27	8.55	8.28
Cost of Funds (%)	4.12	4.56	4.14
Yield on Funds (%)	7.27	7.41	7.27
Net Interest Margin (%)	3.82	3.55	3.79
Spread (%)	3.15	2.85	3.13
Cost to income (%)	49.68	51.03	51.80
Return on Equity (%)	11.69	6.16	11.22
Return on Asset (%)	1.09	0.57	1.06
EPS (Rs.) *	2.86	1.36	2.67

\* Not annualized for quarter

# Balance Sheet

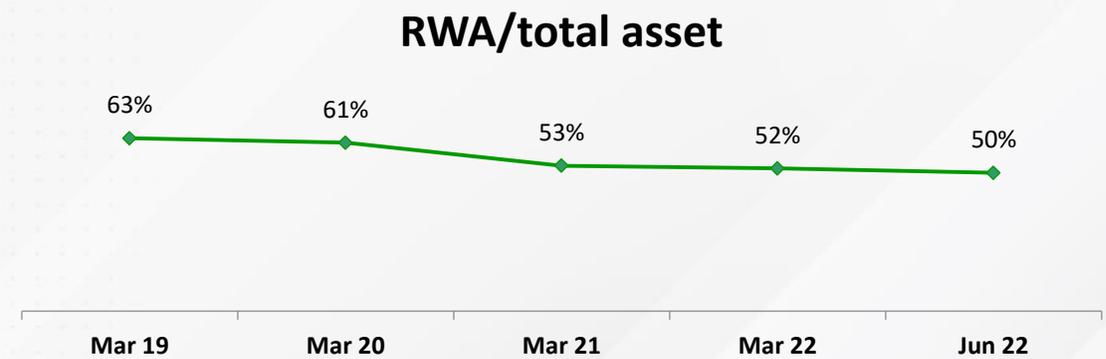
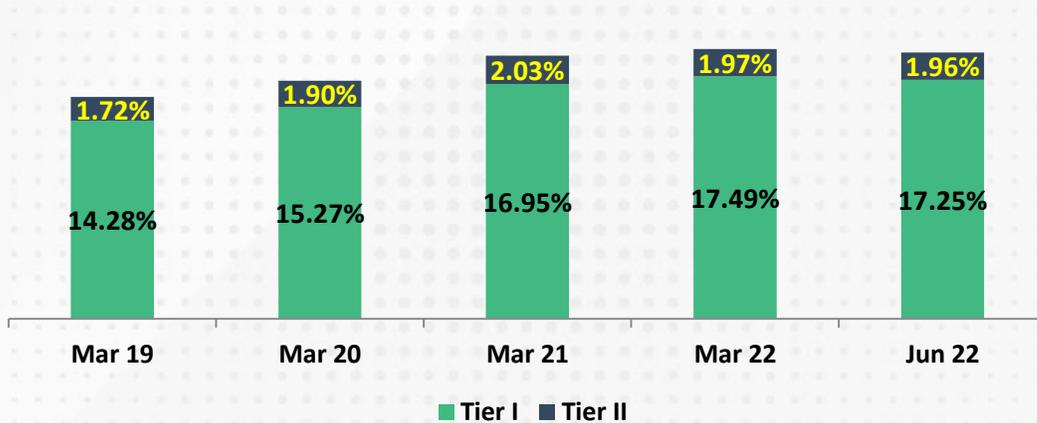


Particulars	Jun 22	Jun 21	YoY (%)
<b>Capital &amp; Liabilities</b>			
Capital	160	160	-
Reserves and Surplus	7,665	6,909	11
Deposits	71,168	64,398	11
Borrowings	2,611	987	165
Other Liabilities and Provisions	2,243	1,806	24
<b>Total</b>	<b>83,847</b>	<b>74,260</b>	<b>13</b>
<b>Assets</b>			
Cash and Balances with RBI	4,252	3,259	30
Balances with Banks	1,673	2,690	(38)
Investments (Net)	18,386	16,408	12
Advances (Net)	57,559	49,962	15
Fixed Assets	456	522	(13)
Other Assets	1,521	1,418	7
<b>Total</b>	<b>83,847</b>	<b>74,260</b>	<b>13</b>

# Capital to Risk Weighted Assets Ratio – Basel III



Particulars	Jun 22	Jun 21	Mar 22
CRAR %	19.21	19.06	19.46
Total capital	8,128	7,524	8,108
Tier I capital	7,299	6,725	7,288
Tier II capital	829	799	820
RWA	42,304	39,471	41,667
Credit risk	34,046	31,599	33,631
Operational risk	6,288	6,071	6,071
Market risk	1,970	1,801	1,965





**Driving growth**

**across verticals**

# Total Business



Parameter	Jun 22	Jun 21	YoY %	Mar 22	QoQ %
Deposits	71,168	64,398	11	68,676	4
Gross Advances	62,867	54,830	15	60,510	4
Gross Advances <i>(after t.w off)</i>	59,612	52,315	14	57,550	4
<b>Total Business</b>	<b>1,30,780</b>	<b>1,16,713</b>	<b>12</b>	<b>1,26,226</b>	<b>4</b>

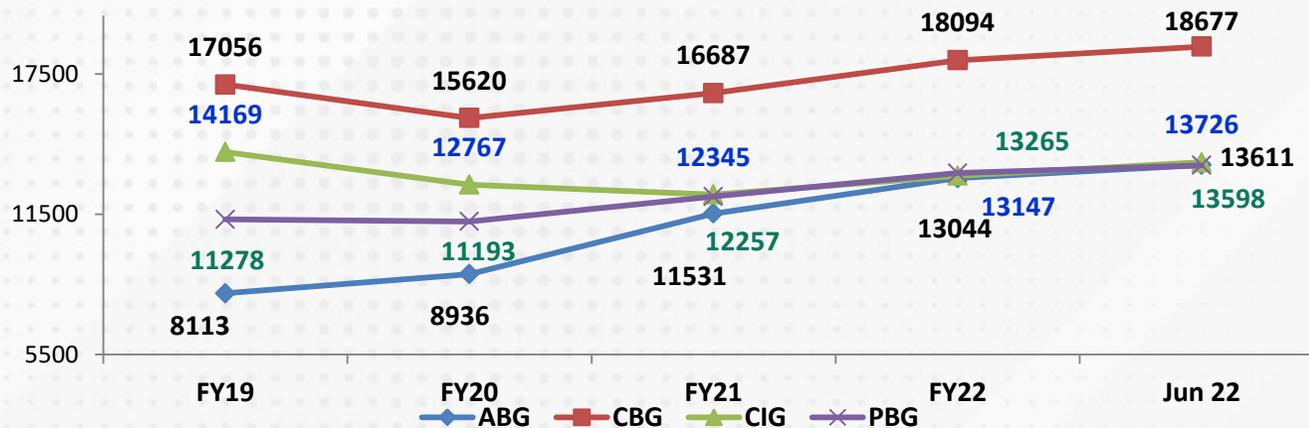
## Deposits Portfolio

Parameter	Jun 22	Jun 21	YoY %	Mar 22	QoQ %
Demand Deposit	7,978	6,809	17	6,921	15
Saving Deposit	17,938	15,879	13	16,983	6
CASA	25,916	22,688	14	23,904	8
CASA (%)	36	35	-	35	-
Term Deposit	45,252	41,710	8	44,772	1
<b>Total Deposit</b>	<b>71,168</b>	<b>64,398</b>	<b>11</b>	<b>68,676</b>	<b>4</b>

# Advances Portfolio

Particulars	Jun 22	Jun 21	YoY %	Mar 22	QoQ %
Agriculture	13,611	11,800	15	13,044	4
Retail (Personal Banking)	13,598	12,279	11	13,265	3
Commercial	18,677	16,092	16	18,094	3
Corporate	13,726	12,144	13	13,147	4
<b>Gross Advances</b>	<b>59,612</b>	<b>52,315</b>	<b>14</b>	<b>57,550</b>	<b>4</b>

Credit verticals are realigned at the beginning of FY and the effects are given for prior periods.



## Segments

ABG – Agri  
 CBG – Commercial (<= Rs. 25 crore)  
 CIG – Corporate (> Rs. 25 crore)  
 PBG – Personal

# Retail Portfolio



Particulars	Jun 22	Jun 21	YoY %	Mar 22
Housing loan	5,967	5,370	11	5,823
Gold loans	1,906	1,806	6	1,891
Mortgage (LAP) loans	1,899	1,668	14	1,832
Vehicle loans	1,103	1,019	8	1,085
Personal loans	362	558	(35)	409
Educational loans	153	172	(11)	162
Others loans	2,208	1,686	31	2,063
<b>Total</b>	<b>13,598</b>	<b>12,279</b>	<b>11</b>	<b>13,265</b>

## Retail Loan (ex: Gold Loan) (Qtly)

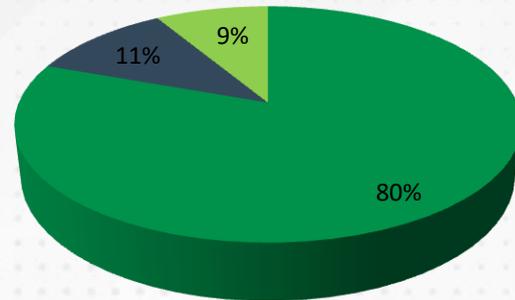
(Rs.crore)

Particulars	Jun 22	Jun 21	Mar 22
Sanctioned	705	341	781
Disbursed	615	264	676

# Driving growth across verticals



## Ticket size of Commercial Book

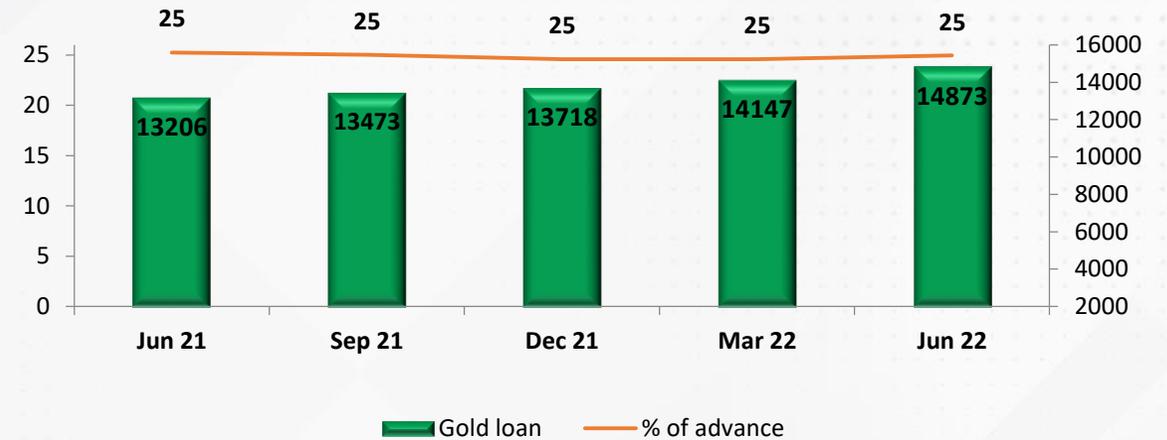


■ < 5 crore    ■ >= 5 crore < 10 crore    ■ >= 10 crore



- Average ticket size - Rs.41.8 lakh
- ~80% of commercial loans are less than Rs. 5 crore

## Gold Loan portfolio (Bank as a whole)



## Gold Loan portfolio

Category	Amount	SMA 30+ 30.06.2022	SMA 30+ 31.03.2022	LTV
Agriculture	12,769	40	59	71
Others	2,104	8	15	
<b>Total</b>	<b>14,873</b>	<b>48</b>	<b>74</b>	

# ECLGS (Emergency Credit Line Guarantee Scheme) Portfolio



## Vertical wise

Vertical	Jun 22	Jun 21	Mar 22
Agriculture	4	4	4
Commercial	1,420	1,429	1,488
Corporate	947	730	960
<b>TOTAL</b>	<b>2,371</b>	<b>2,163</b>	<b>2,452</b>

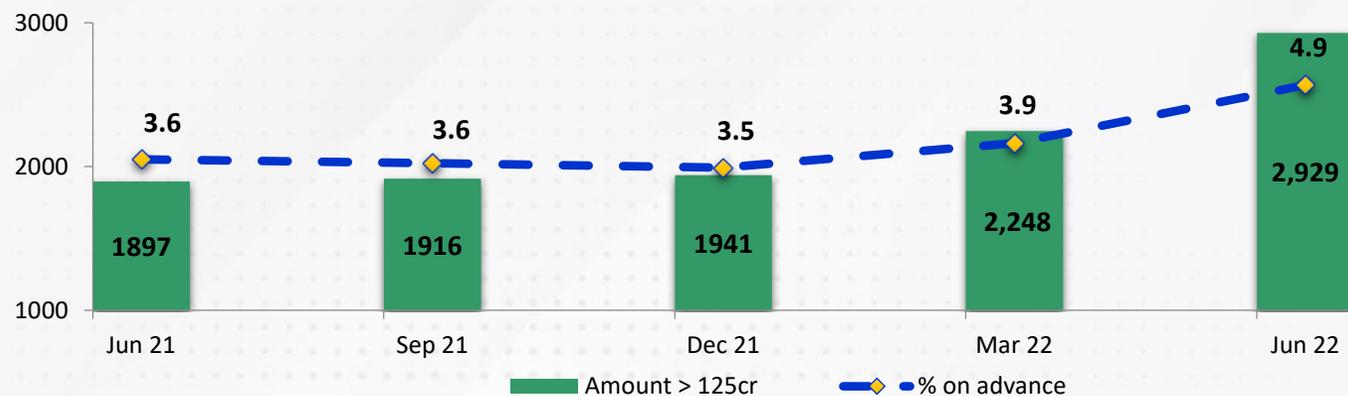
## Scheme wise

Particulars	O/s as on 30.06.2022	NPA
ECLGS 1.0	1,878	63
ECLGS 2.0	440	-
ECLGS 3.0	52	-
ECLGS 4.0	1	-
<b>TOTAL</b>	<b>2,371</b>	<b>63</b>

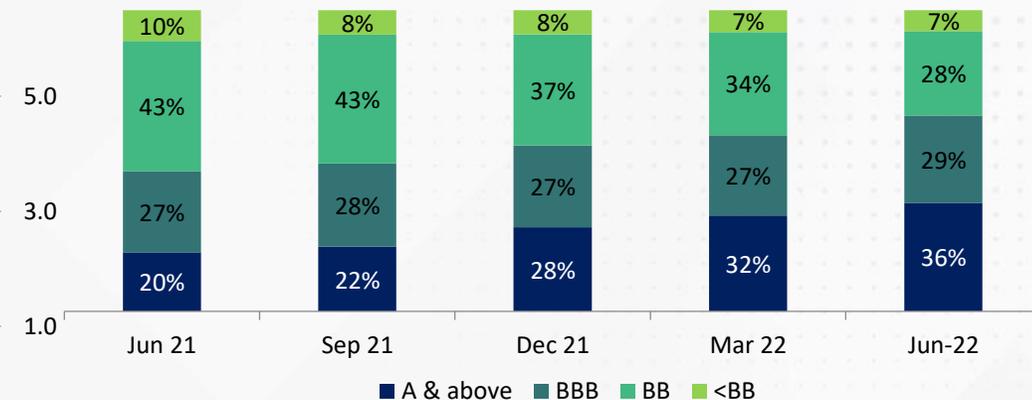
# Corporate Loan Book



## Standard Corporate advances > 125 crore

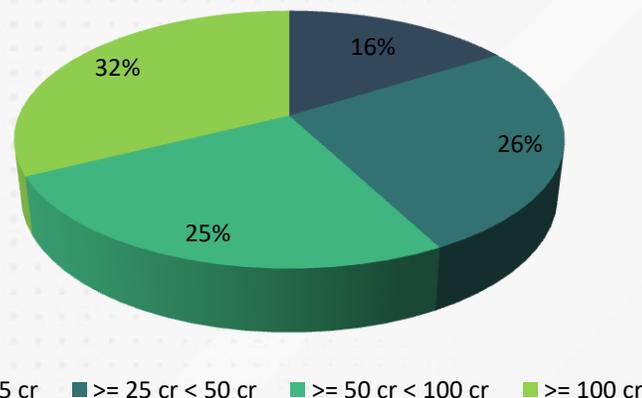
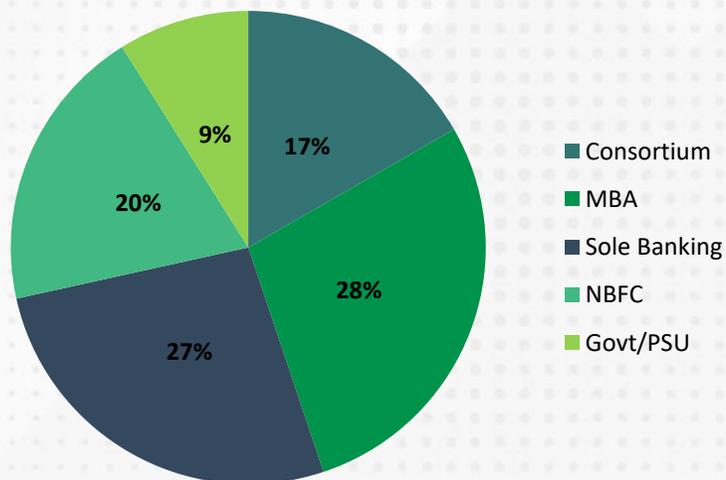


## Improving Risk Profile



\*Internal Rating approach based on CRISIL Rating Assessment Model

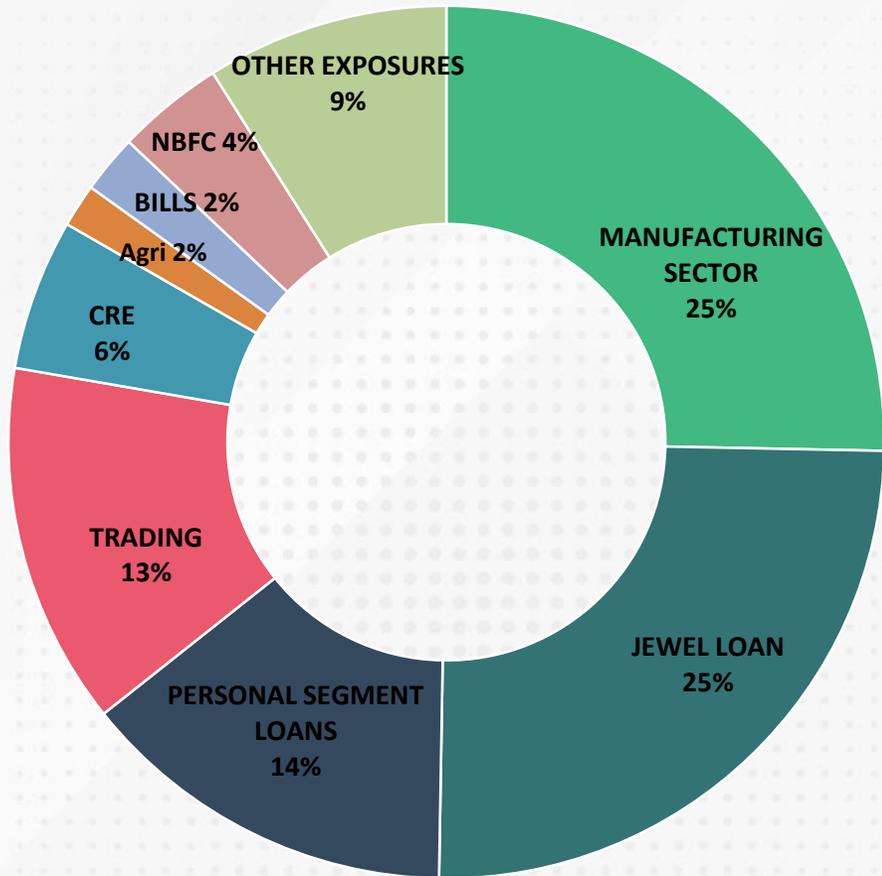
## Breakup of Corporate Book



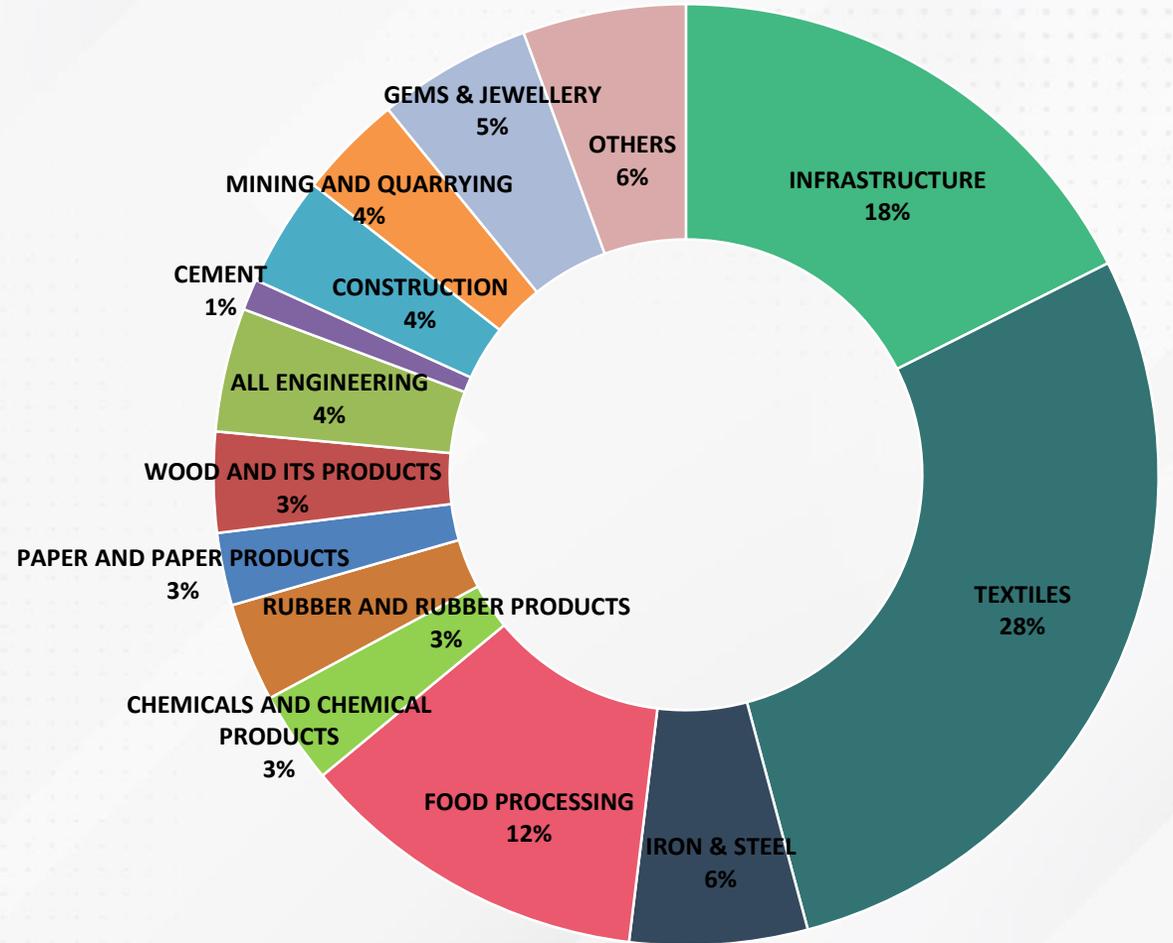
- ~68% of corporate loans are less than Rs. 100 crore
- Average ticket size Rs. 37.72 crore

# Sectoral composition

Rs.59,612 crore



Breakup of Industrial exposure (Rs. 15,092 crore)



# Secured Exposure



Nature of security	30.06.2022
<b>Exposure backed by -</b>	
Letter of Credit	280
Govt. Guarantee	2,371
Liquid Assets ^	15,722
Vehicles	2,541
Commodities	160
<b>Total (1)</b>	<b>21,074</b>
<b>Exposure secured by Immovable Property ( % Coverage)</b>	
> 100	28,181
90 to <100	8,228
75 to <90	2,015
50 to <75	3,628
<50	2,571
<b>Total (2)</b>	<b>44,623</b>
<b>Exposure without Immovable property as security</b>	
Corporate, Consortium, Government , IBPC etc.	1,944
Unsecured Exposure	916
<b>Total (3)</b>	<b>2,860</b>
<b>Total Risk Assets outstanding - Fund and Non Funded (1+2+3)*</b>	<b>68,557</b>

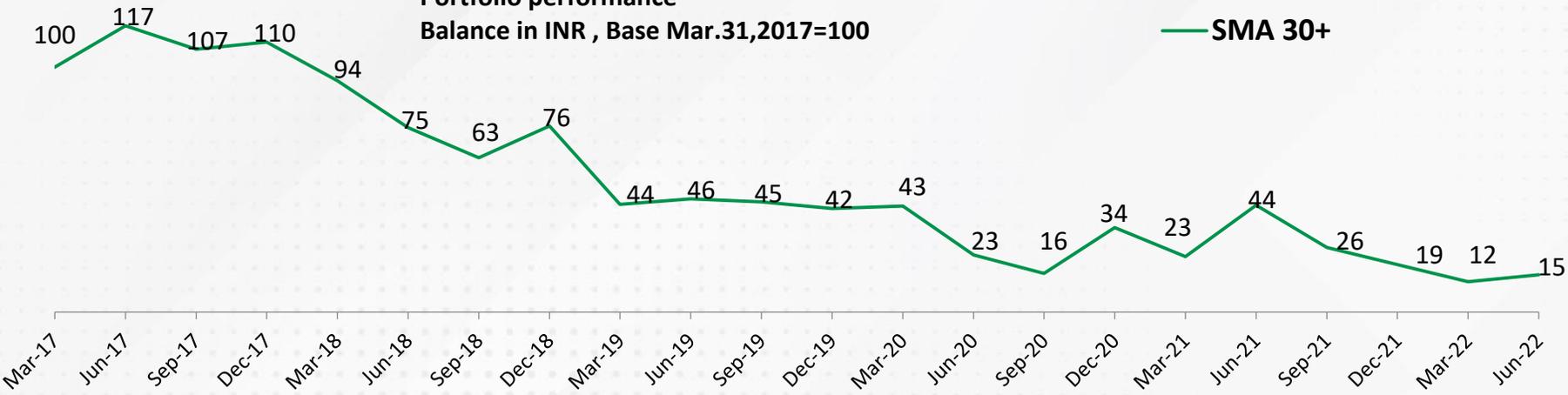
\* Total risk assets including technical write off accounts

^ Liquid Assets - Cash, Jewels, NSC/Insurance policies & other liquid assets

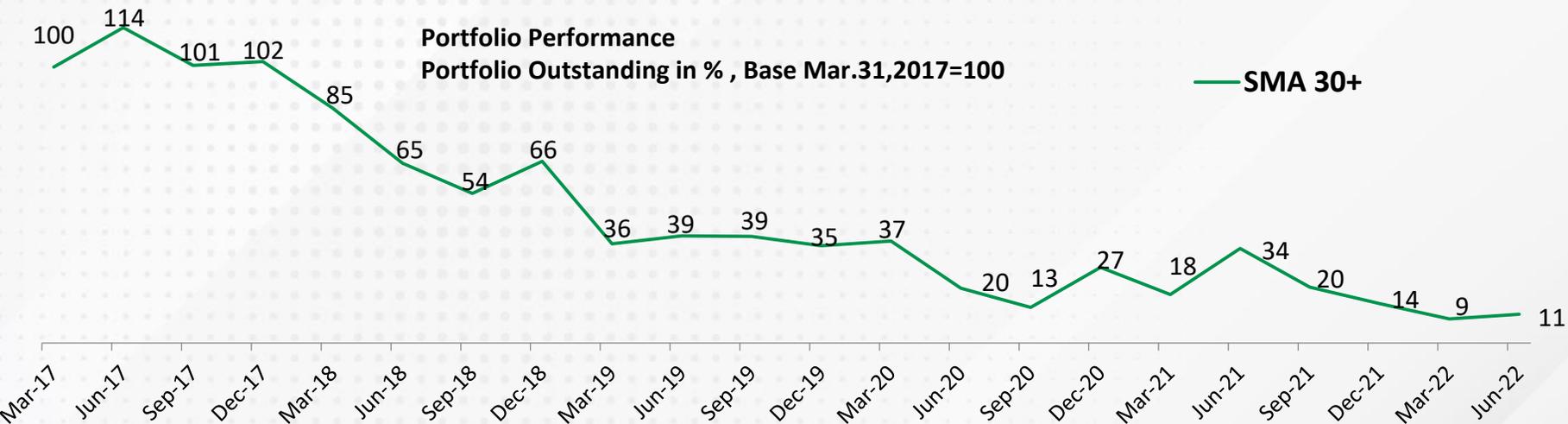
19 Coverage defined as (Value of Security)/Loan Principal O/s; & is based on available valuation. [www.kvb.co.in](http://www.kvb.co.in)

# Portfolio performance

**Portfolio performance**  
Balance in INR , Base Mar.31,2017=100



**Portfolio Performance**  
Portfolio Outstanding in % , Base Mar.31,2017=100



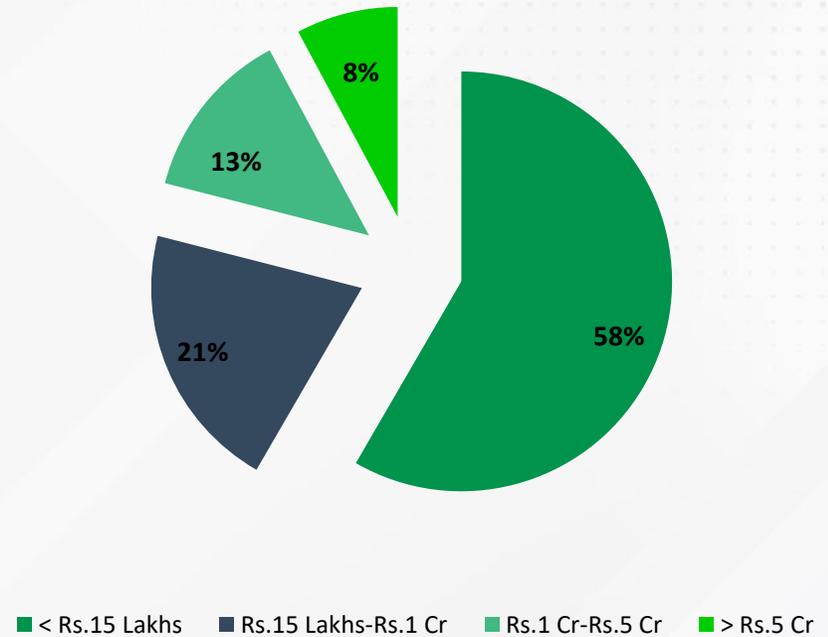
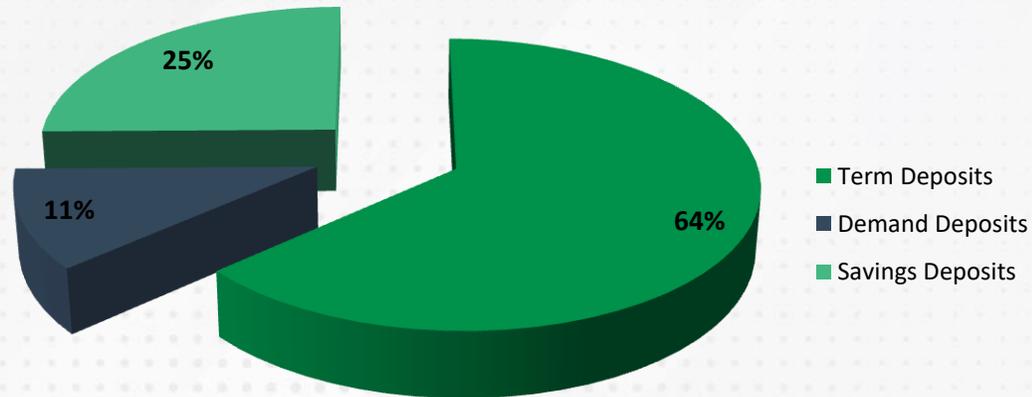
(Rs. crore)

Particulars	Jun 22	Jun 21
SMA 1	302	1,101
SMA 2	277	561
SMA 30+	579	1,662

SMA 30+ - 0.97%  
SMA 1 - 0.51%  
SMA 2 - 0.46%

# Liability Franchise : Predominantly Retail

## Low dependence on wholesale deposits

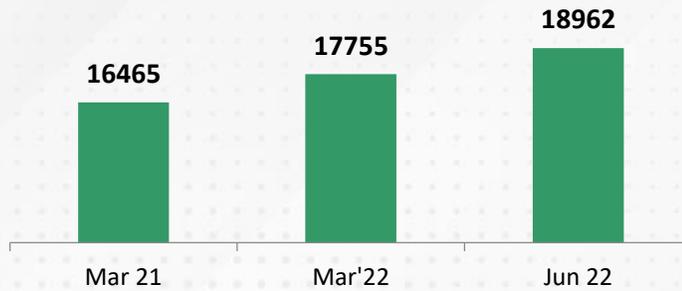


- Term deposits are primarily retail deposits

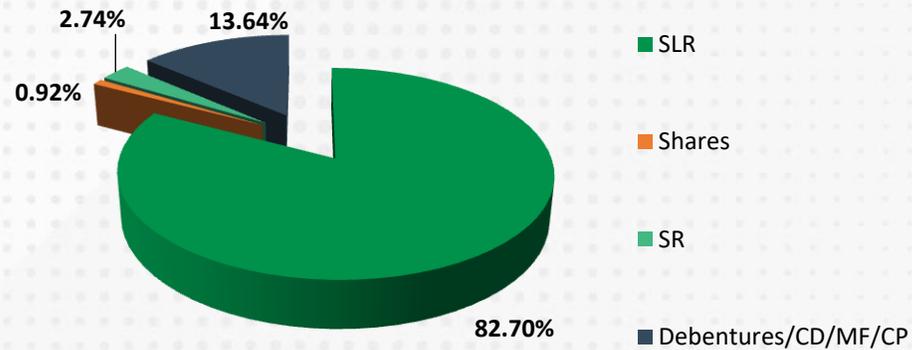
92% of term deposits are < Rs.5 Cr

# Investment Portfolio

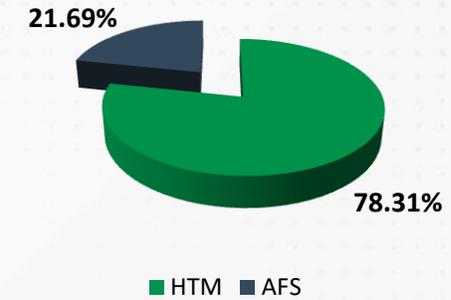
## Gross Investments (Rs. crore)



## Investment Composition



## Investment Category



## Duration

AFS	HFT	HTM	Total
1.28	-	3.44	3.01

## Yield on Investments





**Disciplined  
approach to**

**reduce stressed assets**

# Movement of NPA for the quarter



Particulars	Apr 22 – Jun 22	Apr 21 – Jun 21
<b>Gross NPAs</b>		
Opening Balance	3,431	4,143
Additions during the period	139	519
Reductions during the period	463	494
-Of which		
<i>Recoveries/Upgradation</i>	160	115
<i>Tech Write offs</i>	303	379
<b>Closing Balance</b>	<b>3,107</b>	<b>4,167</b>
<b>Provisions</b>		
Opening Balance	2,132	2,366
Provision made during the period	217	316
Write off/Write back of excess provision	381	417
<b>Closing Balance</b>	<b>1,968</b>	<b>2,265</b>
<b>Net NPAs</b>	<b>1,098</b>	<b>1,845</b>

## Vertical wise NPA

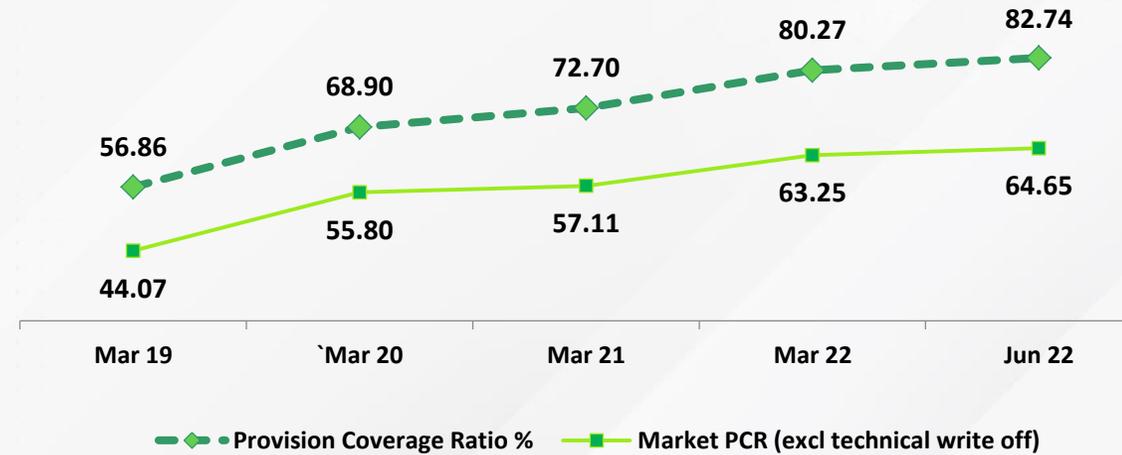
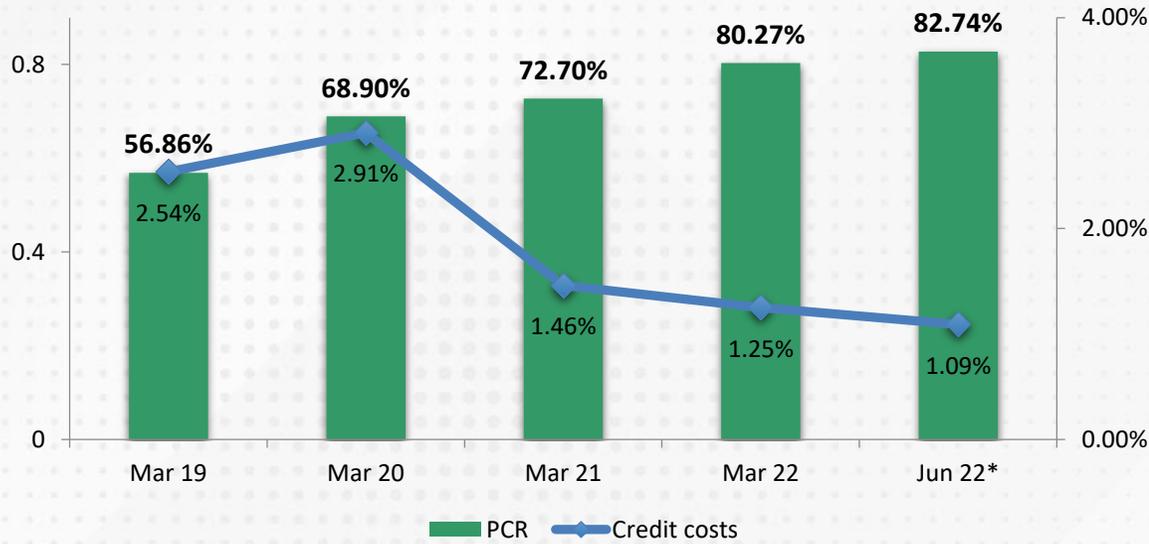
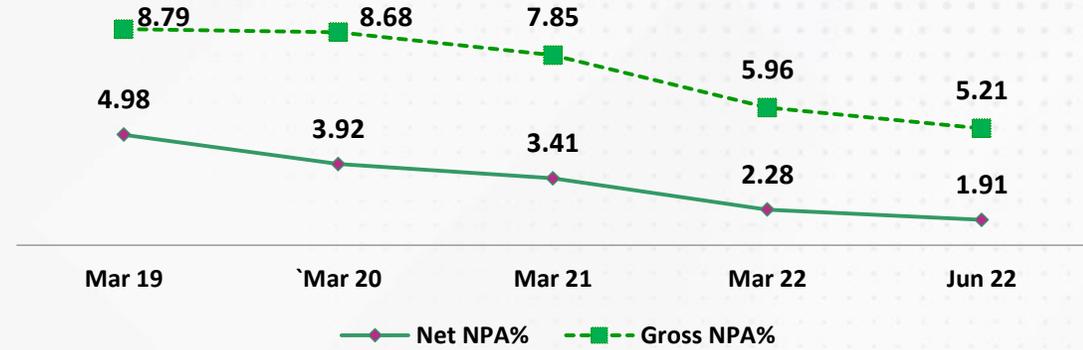
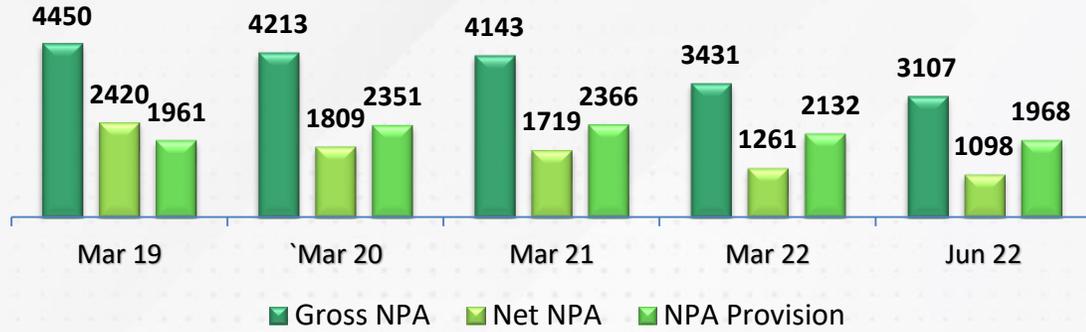


VERTICAL	Advances O/s. Jun 22	NPA as on Mar 22	NPA Additions Q1	NPA ReductionQ1		NPA as on Jun 22	Provisions Jun 22
				Recoveries / upgradation	Tech W/off		
Agriculture	13,611	239	7	7	112	127	81
Retail (Personal Banking)	13,598	382	45	28	22	377	230
Commercial	18,677	1,347	78	80	90	1,255	684
Corporate	13,726	1,463	9	45	79	1,348	973
<b>TOTAL</b>	<b>59,612</b>	<b>3,431</b>	<b>139</b>	<b>160</b>	<b>303</b>	<b>3,107</b>	<b>1,968</b>

## Collection efficiency

Particulars	Jun 22	May 22	Apr 22
Term Loan (%)	98.1	97.5	97.0
Working Capital (%)	97.4	94.7	97.3

# NPAs & Provisions



\*annualized

Credit cost for Q1 FY 23 – 0.27%; Q1 FY 22 – 0.54%

# Provisions and Contingencies



Provision for	Jun 22	Jun 21	Mar 22
NPA	140	278	143
Standard Assets	9	(4)	6
Restructured Advances	17	7	(7)
Other credit related items	(4)	3	(6)
<b>Sub-total – Credit Provisions</b>	<b>162</b>	<b>284</b>	<b>136</b>
Others	(8)	(37)	4
-Of which			
<i>NPI</i>	-	(1)	-
<i>Others</i>	(8)	(36)	4
<b>Total Provisions (excl. Tax)</b>	<b>154</b>	<b>247</b>	<b>140</b>
Tax Expense	92	56	88
<b>Total Provisions</b>	<b>246</b>	<b>303</b>	<b>228</b>

# Restructured Accounts



Particulars	Jun 22		Jun 21		Mar 22	
	Standard	NPA	Standard	NPA	Standard	NPA
Resolution Framework - 2.0	723	52	90	3	774	35
COVID 19 - Resolution Framework	406	47	561	8	426	39
MSME	203	221	361	116	244	194
CDR	-	-	-	3	-	3
Others*	193	43	16	192	196	49
<b>Total</b>	<b>1,525</b>	<b>363</b>	<b>1,028</b>	<b>320</b>	<b>1,640</b>	<b>320</b>

\* Others include restructured accounts due to stress, natural calamities and delay in commencement of operation.

Vertical wise	Jun 22		Jun 21		Mar 22	
	Standard	NPA	Standard	NPA	Standard	NPA
Agriculture	-	12	3	17	-	18
Retail (Personal Banking)	559	70	387	11	611	54
Commercial	475	199	387	105	533	169
Corporate	491	82	251	187	496	79
<b>Total</b>	<b>1,525</b>	<b>363</b>	<b>1,028</b>	<b>320</b>	<b>1,640</b>	<b>320</b>

# Movement of Standard Restructured Advances for the Quarter



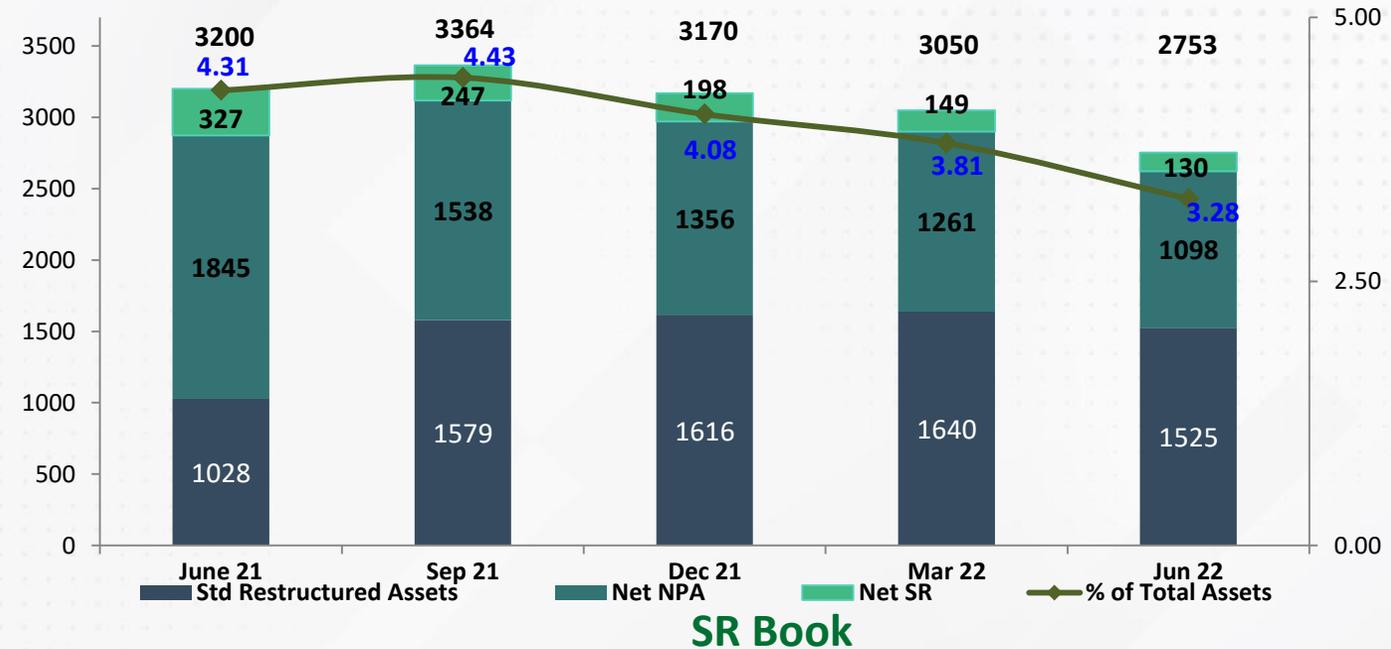
Particulars	Apr 22 to Jun 22		Apr 21 to Jun 21	
	A/c's	Amt.	A/c's	Amt.
A. Position at the beginning of the period	3,222	1,640	1,628	957
B. Addition during the period	-	-	375	96
C. Additions in existing A/c's	-	15	-	35
D. Addition through upgradation from NPA	16	2	3	1
E. Accounts closed during the period	98	26	15	7
F. Accounts ceasing to attract higher provision (upgradation)	-	-	-	-
G. Recoveries during the period	-	45	-	27
H. Slippages during the period	153	61	40	27
<b>Position at the end of the period A+B+C+D-(E+F+G+H)</b>	<b>2,987</b>	<b>1,525</b>	<b>1,951</b>	<b>1,028</b>

# Sector-wise Standard Restructured Advances



S. N.	SECTOR	Amount	
		Jun 22	Mar 22
1	Real Estate	368	391
2	Housing Loan	324	346
3	Trade	134	143
4	Textile	87	93
5	Basic Metal & its Products	81	80
6	Hotels and restaurants	72	74
7	Personal Loan	60	84
8	Infrastructure	60	78
9	Auto Loan	48	35
10	All Engineering	41	42
11	Food & Food Processing	36	37
12	Transportation	24	27
13	Wood & Wood Products	23	25
14	Gems and Jewelry	12	12
15	Education Loan	10	13
16	Construction	8	8
17	Others	137	152
	<b>TOTAL</b>	<b>1,525</b>	<b>1,640</b>
	<i>% to Total Advances</i>	<i>2.56</i>	<i>2.85</i>

## Stressed Book Analysis



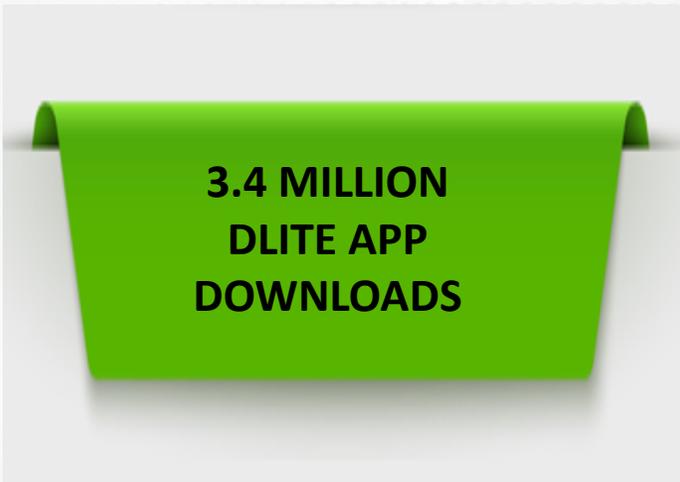
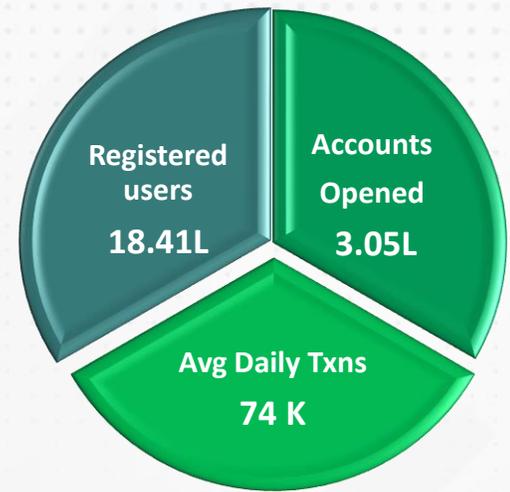
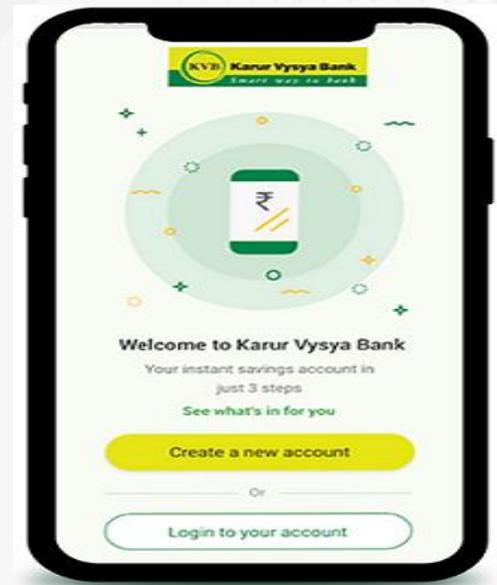
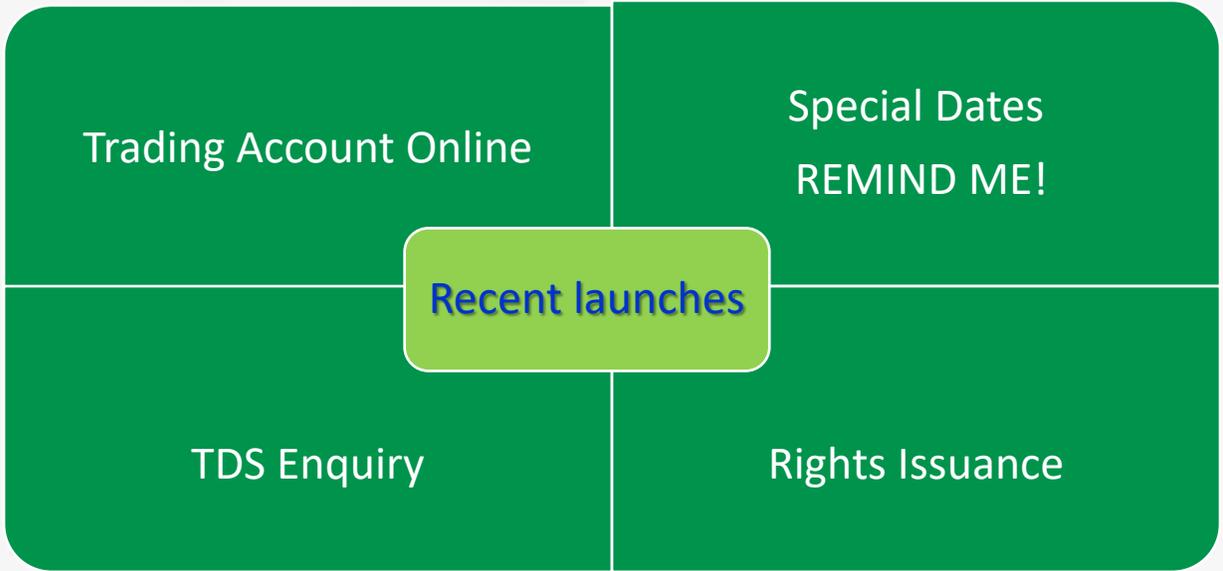
Particulars	Amount	
	Jun 22	Jun 21
Gross SR	520	629
Less : Provisions	390	302
Net SR	130	327



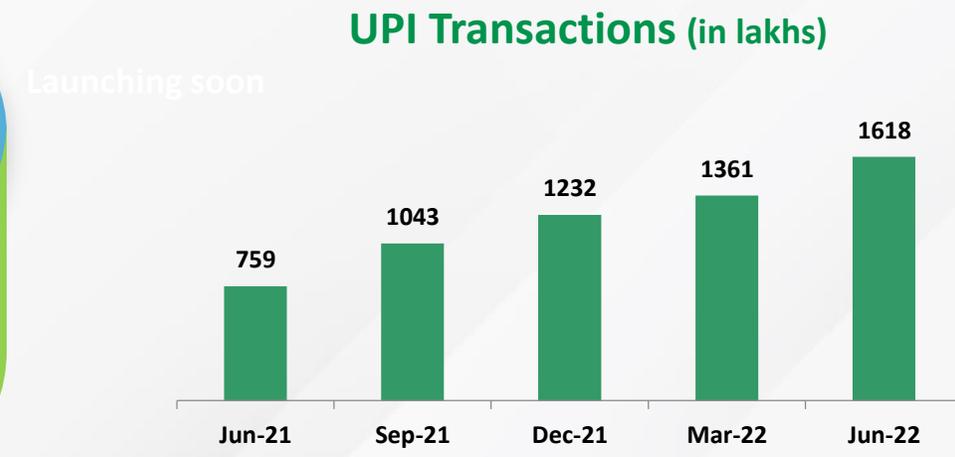
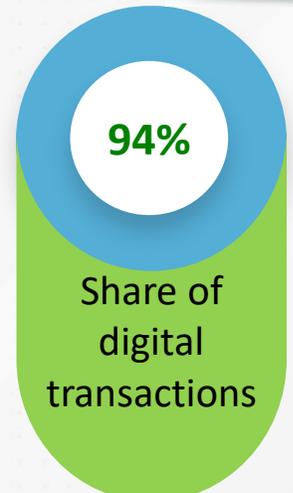
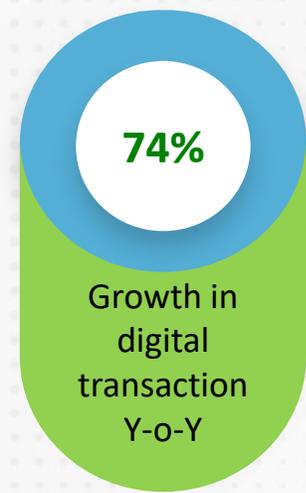
**Building a**

**strong digital ecosystem**

# Digital Banking – DLite

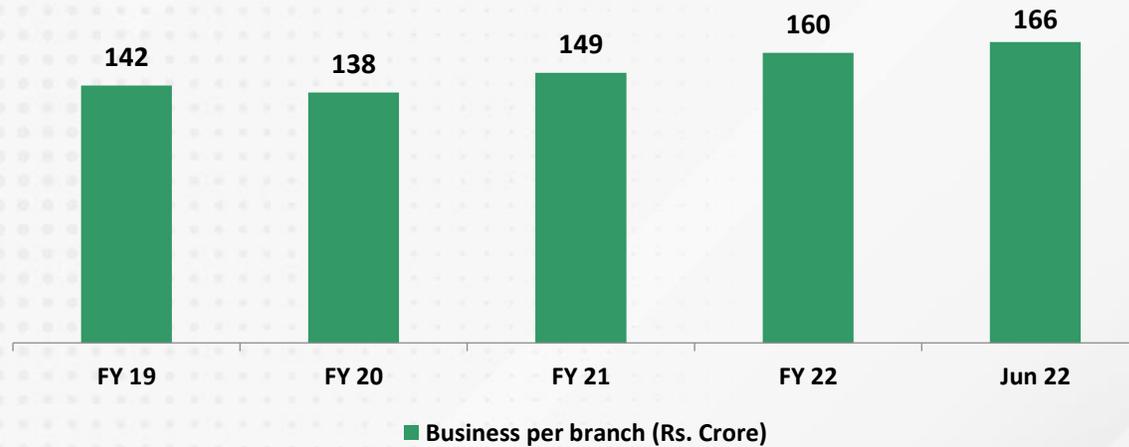
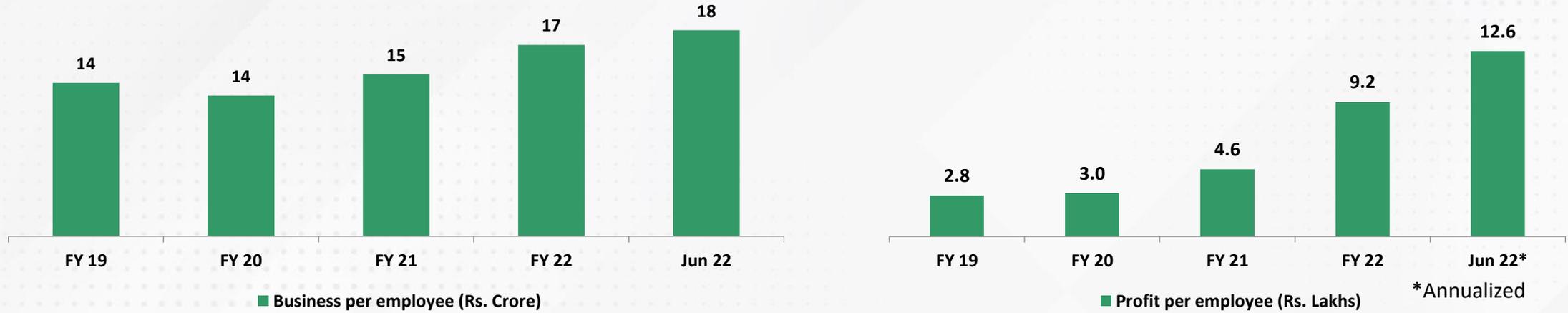


**3.4 MILLION  
DLITE APP  
DOWNLOADS**



# Dynamic workforce

## Leading to Improved Productivity



# Sustained Decade of Growth

Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Paid up Capital	107	107	122	122	122	145	160	160	160	160
Reserves	2,978	3,219	4,124	4,451	4,723	6,066	6,205	6,440	6,760	7,436^
Owned funds	3,085	3,326	4,246	4,573	4,845	6,211	6,365	6,600	6,920	7,596
Basel III (%)	14.41 <sup>§</sup>	12.60	14.62	12.17	12.54	14.43	16.00	17.17	18.98	19.46
Deposits	38,653	43,758	44,690	50,079	53,700	56,890	59,868	59,075	63,278	68,676
Advances	29,706	34,226	36,691	39,476	41,435	45,973	50,616	48,516	52,820	57,550
Total Business	68,359	77,984	81,381	89,555	95,135	1,02,863	1,10,484	1,07,591	1,16,098	1,26,226
Total Income	4,695	5,680	5,977	6,150	6,405	6,600	6,779	7,145	6,389	6,357
Operating Profit	849	838	943	1,303	1,571	1,777	1,711	1,761	1,291	1,630
Net Profit	550	430	464	568	606	346	211	235	359	673
Cost of Deposit	8.30	8.24	7.96	7.40	6.60	5.99	5.80	5.76	4.96	4.30
Yield on Advance	12.77	12.28	12.14	11.67	11.34	10.30	9.75	9.63	8.93	8.47
Dividend (%)	140	130	130	140	130	30	30	-	25	80 <sup>#</sup>
Branches (No.)	551	572	629	667	711	790	778	779	780	789
EPS (Rs.)	51.35	40.08	39.86	46.59	9.95	4.78	2.64	2.94	4.50	8.42
Return on Assets (%)	1.35	0.86	0.88	1.03	1.00	0.53	0.31	0.32	0.49	0.86
Book Value(Rs.)	287.85	308.91	348.42	375.25	79.51	85.49	79.63	82.57	86.57	94.95
Business per employee	10.16	10.63	11.31	12.42	12.86	12.93	14.42	13.56	14.99	17.28
No of Employees	6,730	7,339	7,197	7,211	7,400	7,956	7,663	7,935	7,746	7,306

<sup>^</sup>Includes proposed dividend ;<sup>§</sup> Basel II CRAR; <sup>#</sup> proposed subject to approval at AGM



**Thank You**