Karur Vysya Bank
Smart way to bank

IRC: F48:88:369:2021

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

Scrip Code: KARURVYSYA

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

Scrip Code: 590003

Dear Sir,

Sub: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Intimation of Investor Presentation – Un-audited Financial Results of the Bank for the Quarter ended 30th June 2021.

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Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we forward herewith the Investor Presentation on the Un-audited Financial Results of the Bank for the Quarter ended 30th June 2021 and the same has been updated in our Bank's website.

Please take the same on record.

Yours faithfully,

Srinivasa Rao M
Company Secretary &
Asst. General Manager

Encl: a.a.

THE KARUR VYSYA BANK LIMITED
Investor Relations Cell, Registered & Central Office,
No.20, Erode Road, Vadivel Nagar, L.N.S.,
Karur - 639 002.
✆: 04324-269431,35,40-43, Fax: 04324-225700
Email: kvbshares@kvbmail.com
Website: www.kvb.co.in
CIN: L65110TN1916PLC001295

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30.06.2021

Investor Presentation

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Quarter

in focus

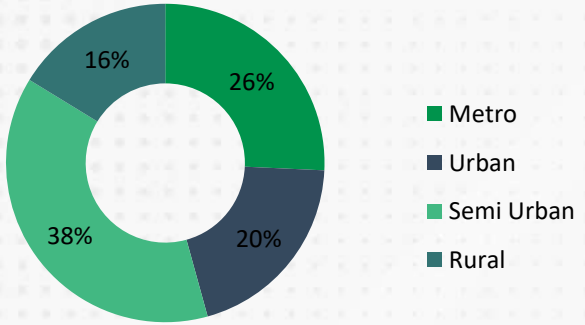
Strong presence in India's fast growing hinterland

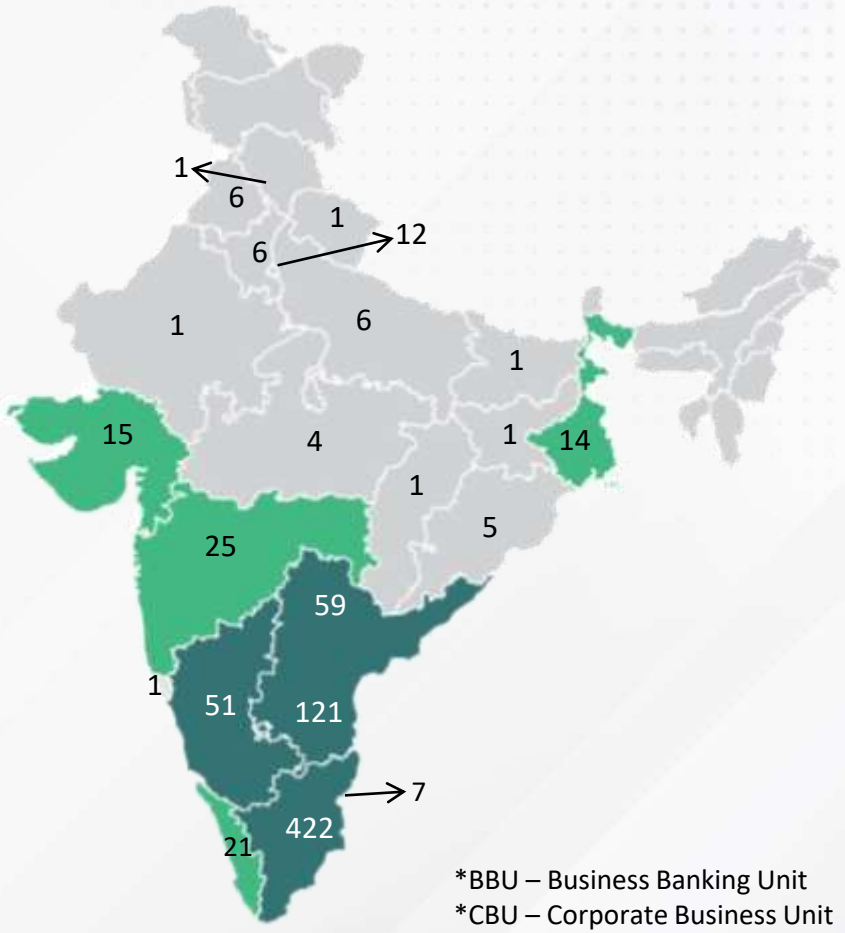
Category	30.06.21	31.03.21	31.03.20
Branches	781	780	779
ATM's + Cash Recyclers	**2,251**	**2,236**	**2,224**

Category	No. of Branches	BBU*	CBU*	Other offices#
Metro	201	10	9	7
Urban	156	4		
Semi Urban	297	2		
Rural	127			
Total	**781**	**16**	**9**	**7**

Customer service excellence the differentiator

No. of Branches





*BBU – Business Banking Unit
*CBU – Corporate Business Unit
#Other offices includes Asset Recovery Branches, NEO and PMD

Key financials Q1 FY2022

Karur Vysya Bank
Smart way to bank

Net interest income (NII)
₹ 638 crore

Fee income
₹ 147 crore

Total income
₹ 858 crore

Net interest margin
NIM
3.55%

Operating profit
₹ 429 crore

Profit after tax
₹ 109 crore

(Rs. crore)

Key Performance Indicators – KPIs (quarter)

Particulars	Jun 21	Jun 20	Growth (YoY)	Mar 21	Dec 20	Sep 20
Net interest income	638	562	14	613	584	601
Operating profit	429	474	(10)	249	257	449
Net profit	109	106	3	104	35	115
Advances (Gross)	52,315	48,617	8	52,820	52,113	49,613
Deposits	64,398	60,065	7	63,278	62,089	61,122
NIM(%)	3.55	3.36	0.19	3.46	3.29	3.47
ROA(%)	0.57	0.59	(0.02)	0.55	0.19	0.63
CRAR(%)	19.06	18.14	0.92	18.98	18.52	18.41
GNPA(%)	7.97	8.34	(0.37)	7.85	7.37	7.93
NNPA(%)	3.69	3.44	0.25	3.41	2.55	2.99
PCR(%)	72.40	72.74	(0.34)	72.70	77.35	75.19

(Rs. crore)

Profit & Loss Statement (quarter)

Particulars	Jun 21	Jun 20	Growth (YoY)	Mar 21
Net Interest Income	638	562	14	613
Other Income	220	317	(31)	216
- Fee income	147	121	21	157
- Others	73	196	(63)	59
Total Income	**858**	**879**	**(2)**	**828**
Operating Expenses	429	405	6	579
- Employee expense	227	214	6	351
- Other operating expense	202	191	6	228
Operating Profit	**429**	**474**	**(10)**	**249**
Provisions	264	337	(22)	71
- Credit Related	277	302	(8)	364
- Investment Related	16	15	7	63
- Others	(29)	20	-	(356)
Profit Before Tax	**165**	**137**	**20**	**178**
Tax (net of DTA/DTL)	56	31	81	74
Net Profit	**109**	**106**	**3**	**104**

Key Ratios (quarter)

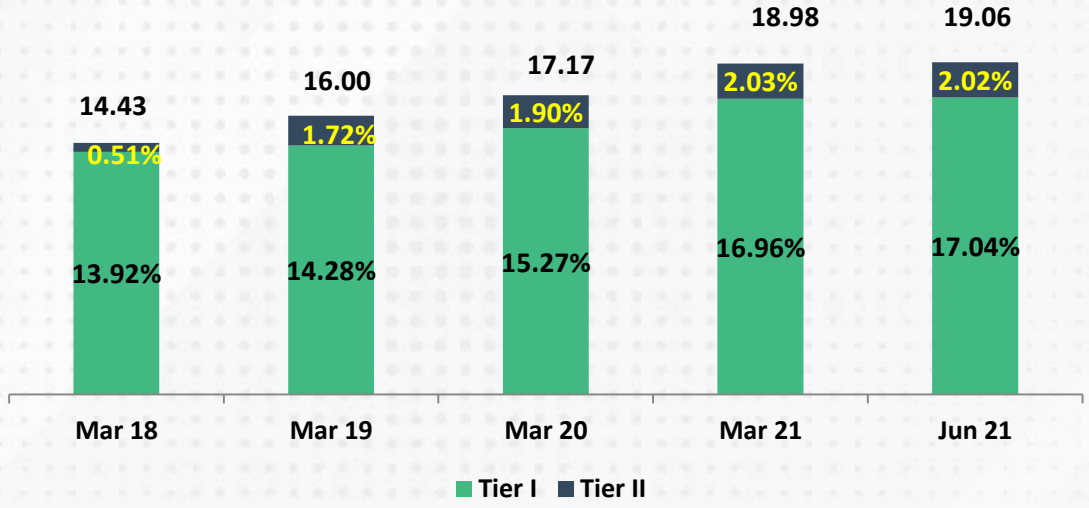
Particulars	Jun 21	Jun 20	Mar 21
Cost of Deposits (%)	4.53	5.37	4.63
Yield on Advances (%)	8.55	9.32	8.52
Cost of Funds (%)	4.56	5.42	4.65
Yield on Funds (%)	7.41	8.01	7.42
Net Interest Margin (%)	3.55	3.36	3.46
Spread (%)	2.85	2.59	2.77
Cost to income (%)	50.04	46.09	69.87
Return on Equity (%)	6.16	6.29	6.00
Return on Asset (%)	0.57	0.59	0.55
EPS (Rs.) *	1.36	1.32	1.31

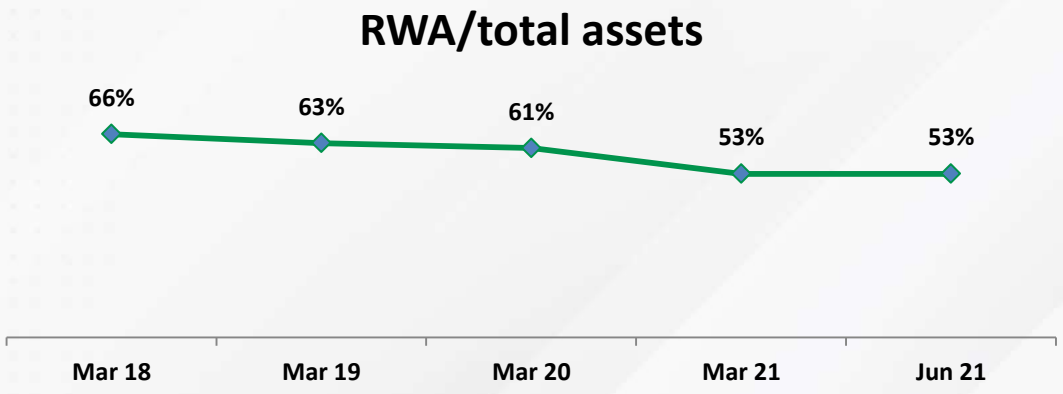
** Not annualized*

(Rs. crore)

Capital to Risk Weighted Assets Ratio – Basel III CRAR

Particulars	Jun 21	Jun 20	Mar 21
CRAR %	19.06	18.14	18.98
Total capital	7,524	7,210	7,515
Tier I capital	6,725	6,412	6,711
Tier II capital	799	798	803
RWA	39,471	39,748	39,598
Credit risk	31,599	32,075	32,003
Operational risk	6,071	6,005	6,005
Market risk	1,801	1,667	1,590





(Rs. crore)

Balance Sheet

Particulars	Jun 21	Jun 20	YoY (%)
Capital & Liabilities			
Capital	160	160	-
Reserves and Surplus	6,909	6,546	6
Deposits	64,398	60,065	7
Borrowings	987	1,041	(5)
Other Liabilities and Provisions	1,806	1,568	15
Total	**74,260**	**69,380**	**7**
Assets			
Cash and Balances with RBI	3,259	2,630	24
Balances with Banks	2,690	1,546	74
Investments (Net)	16,408	17,033	(4)
Advances (Net)	49,962	46,131	8
Fixed Assets	522	560	(7)
Other Assets	1,418	1,480	(4)
Total	**74,260**	**69,380**	**7**

Optimising cost of borrowings

Effective allocation of capital sourced at low cost has enabled the bank to deliver decent returns.

A resilient digital infrastructure and a rising digital presence has enabled the bank strengthen its profitability.

Declining cost of deposits and cost of funds (quarter)

Particulars	Jun 21	Jun 20	Mar 21
Cost of Deposits (%)	4.53	5.37	4.63
Cost of Funds (%)	4.56	5.42	4.65

Improving CASA ratios

Particulars	Jun 21	Jun 20	Mar 21
CASA (%)	35	33	34
Average CASA (%)	35	33	33

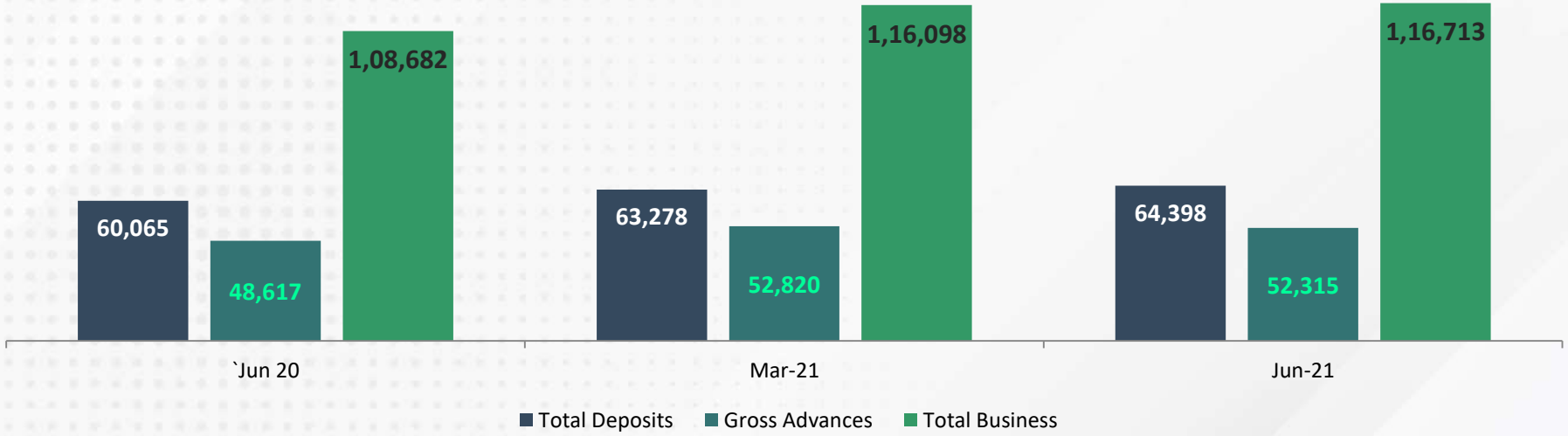
Driving growth

across verticals

(Rs. crore)

Total Business

Parameter	Jun 21	Jun 20	YoY %	Mar 21
Total Deposits	64,398	60,065	7	63,278
Gross Advances	52,315	48,617	8	52,820
Advances (ex-IBPC)	52,315	48,517	8	52,820
Total Business	**1,16,713**	**1,08,682**	**7**	**1,16,098**

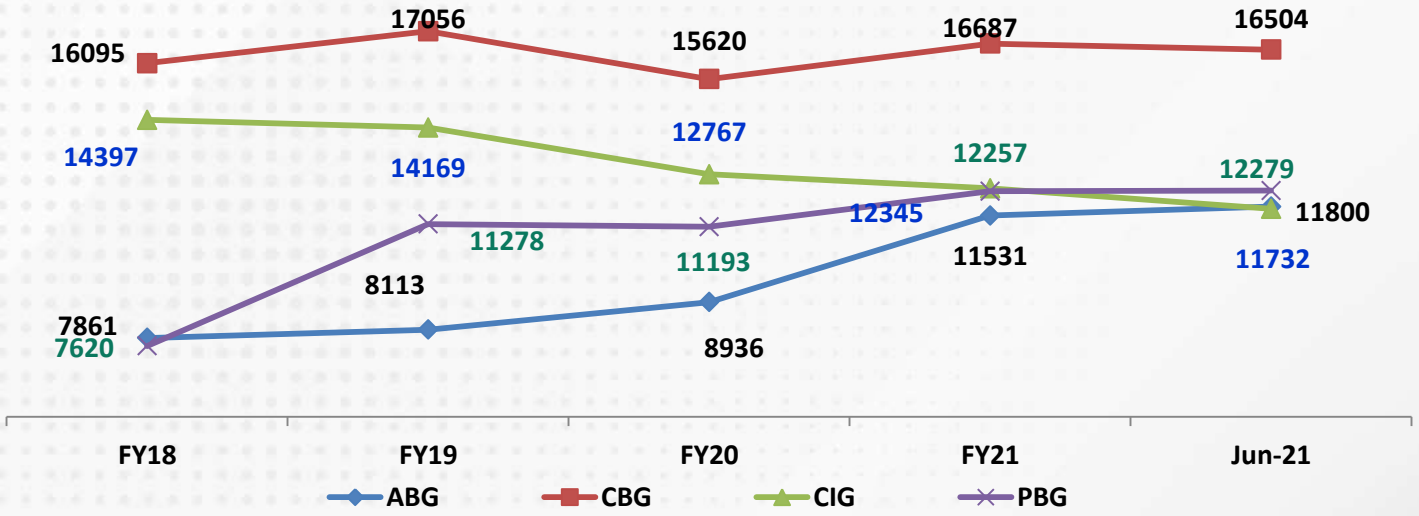


(Rs. crore)

Growing our books responsibly

A strong capital base, high levels of liquidity, and diversified credit portfolio provide a solid foundation for an attractive and sustainable return on capital to shareholders.

Particulars	Jun 21	Jun 20	YoY %	Mar 21
Agriculture	11,800	9,609	23	11,531
Retail (Personal Banking)	12,279	10,956	12	12,257
Commercial	16,504	16,074	3	16,687
Corporate	11,732	11,978	(2)	12,345
Gross Advances	**52,315**	**48,617**	**8**	**52,820**



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

(Rs. crore)

Retail portfolio distribution

Particulars	Jun 21	Jun 20	YoY %	Mar 21
Housing loan	5,057	4,636	9	5,005
Jewel loans	1,806	1,014	78	1,762
Mortgage (LAP) loans	1,599	1,672	(4)	1,620
Vehicle loans	1,007	963	5	1,031
Personal loans	478	549	(13)	516
Educational loans	172	201	(14)	178
Others loans *	2,160	1,921	12	2,145
Total	**12,279**	**10,956**	**12**	**12,257**

**Includes IBPC ofRs.100 Cr for Jun 20.*

Digital Retail Loan (excl. Jewel Loan) (Quarter)

Particulars	Jun 21	Jun 20	Mar 21
Sanctioned	339	172	619
Disbursed	269	126	489

(Rs. crore)

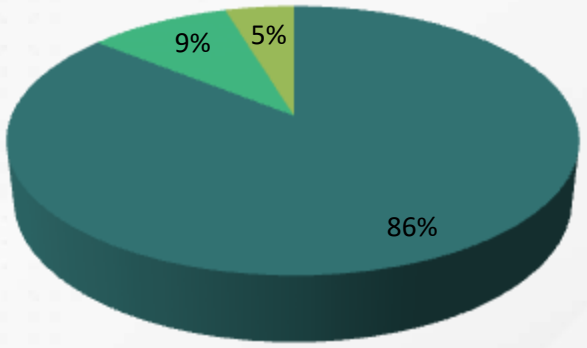
Driving growth across verticals

GECL (Guaranteed Emergency Credit Loan) Portfolio

Scheme	O/s as on 30.06.2021	NPA as on 30.06.2021
GECL 1.0	1779	48
GECL 2.0	378	-
GECL 3.0	6	-
TOTAL	**2,163**	**48**

Ticket size of Commercial Book

- Average ticket size - Rs.37.5 lakh
- ~86% of commercial loans are less than Rs. 5 crore

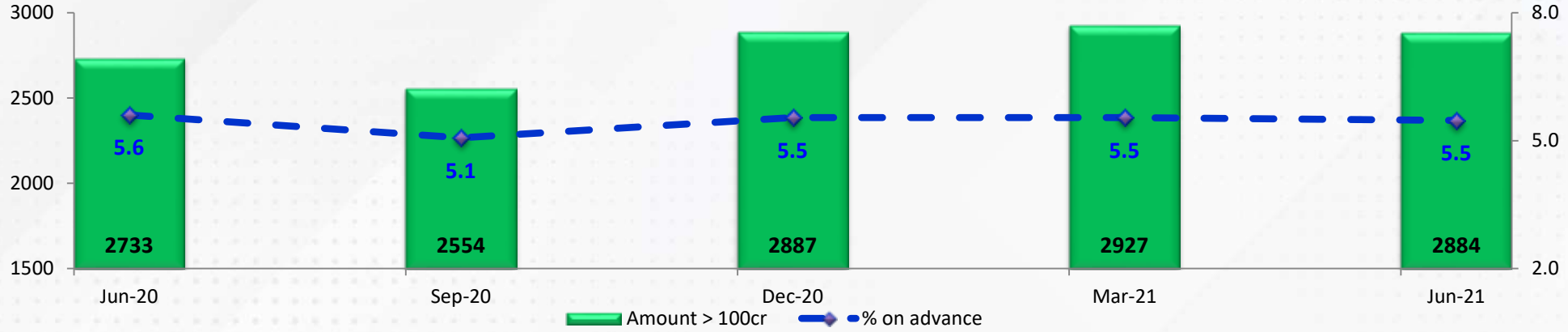


< 5 crore >= 5 crore < 10 crore >= 10 crore

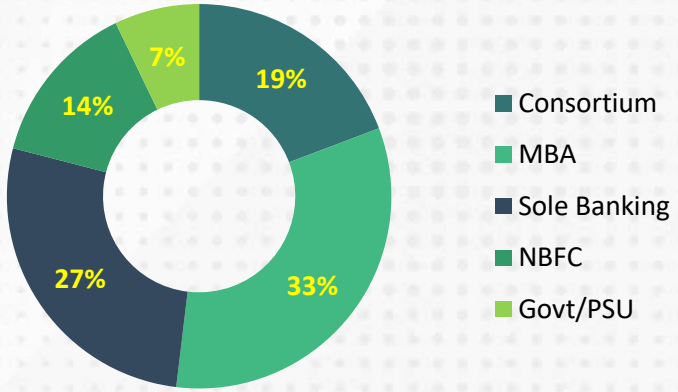
(Rs. crore)

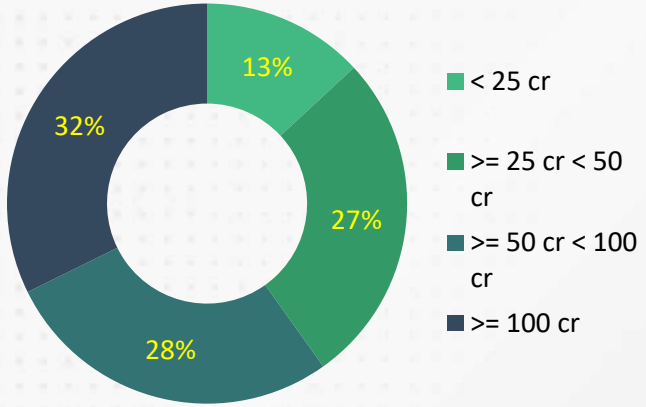
Corporate Loan

Standard Corporate advances > 100 crore



Consortium/MBA Sole Banking NBFC Govt/PSU

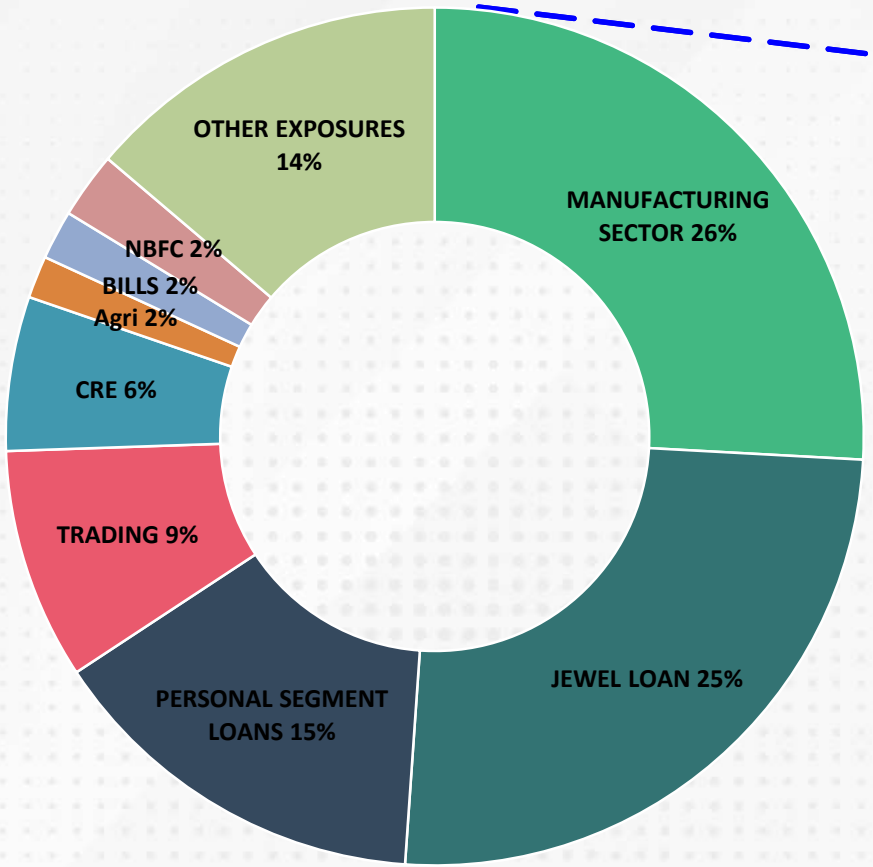




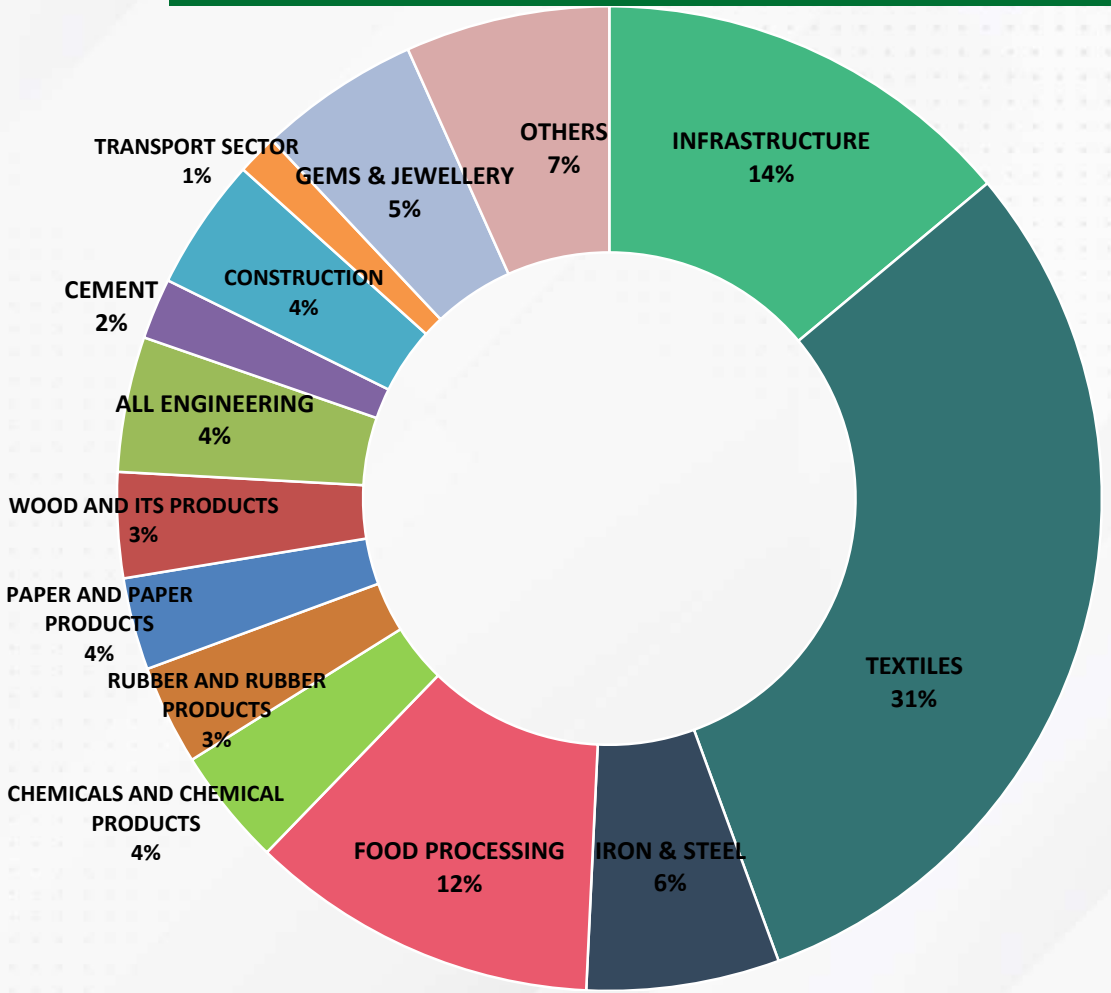
- ~68% of corporate loans are less than Rs. 100 crore
- Average ticket size Rs. 39 crore

Sectoral composition

Rs. 52,315 crore



Breakup of Industrial exposure (Rs. 13,530 crore)



(Rs. crore)

Secured Exposure

Nature of security	30.06.2021	
Exposure backed by -		
Letter of Credit	331	
Govt. Guarantee (Emergency Credit Line Guarantee Scheme- ECLGS)	2,163	
Liquid Assets ^	13,776	
Vehicles	2,537	
Commodities	147	
Total (1)		**18,954**
Exposure secured by Immovable Property (Coverage)		
> 100	25,129	
90 to <100	7,574	
75 to <90	1,386	
50 to <75	2,685	
<50	1,721	
Total (2)		**38,495**
Exposure without Immovable property as security		
Corporate, Consortium, Government etc.	1,539	
Unsecured Exposure	798	
Total (3)		**2,337**
Total Risk Assets outstanding - Fund and Non Funded (1+2+3)*		**59,786**

** Total risk assets including technical write off accounts*

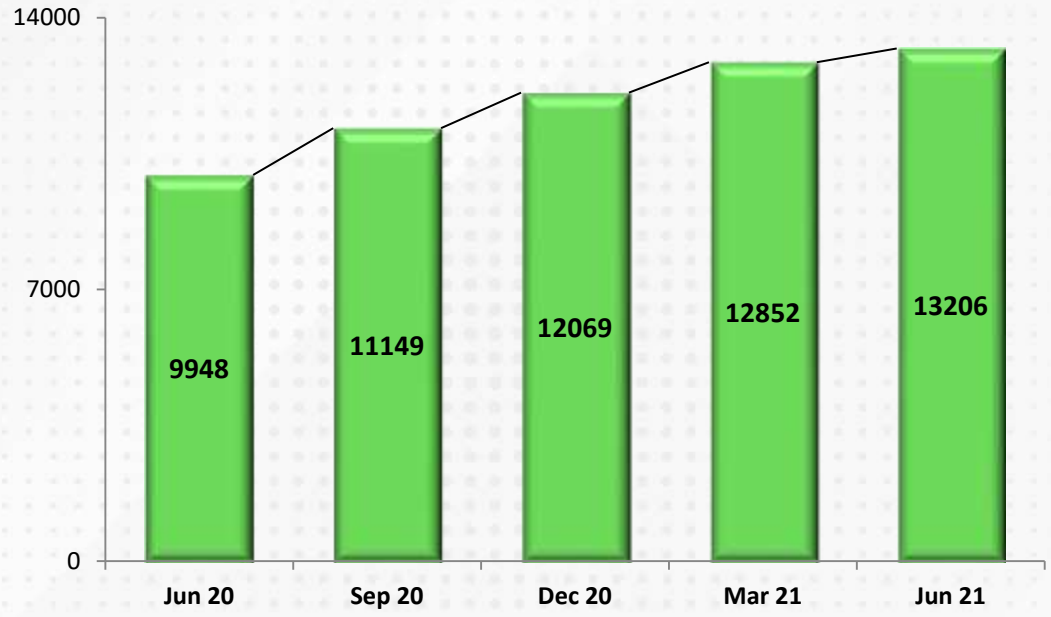
^ Liquid Assets - Cash, Jewels, NSC/Insurance policies & other liquid assets

Coverage defined as (Value of Security)/Loan Principal O/s; & is based on available valuation.

Collection efficiency

Particulars	April 21	May 21	June 21	July 21
Term Loan (%)	94.9	95.4	96.0	96.5
Working Capital (%)	94.3	91.5	95.6	95.6

Gold Loan Portfolio – steady growth

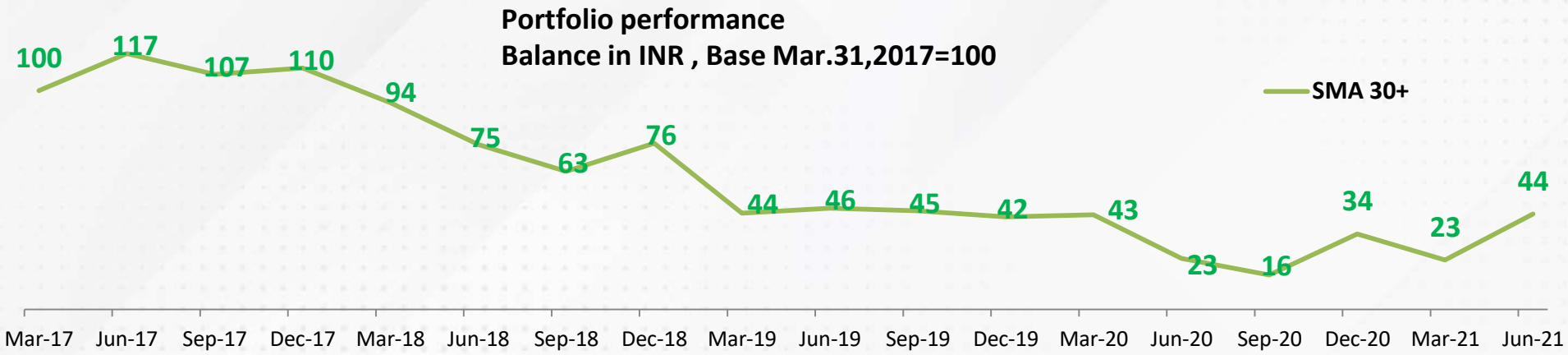


Gold Loan – portfolio performance

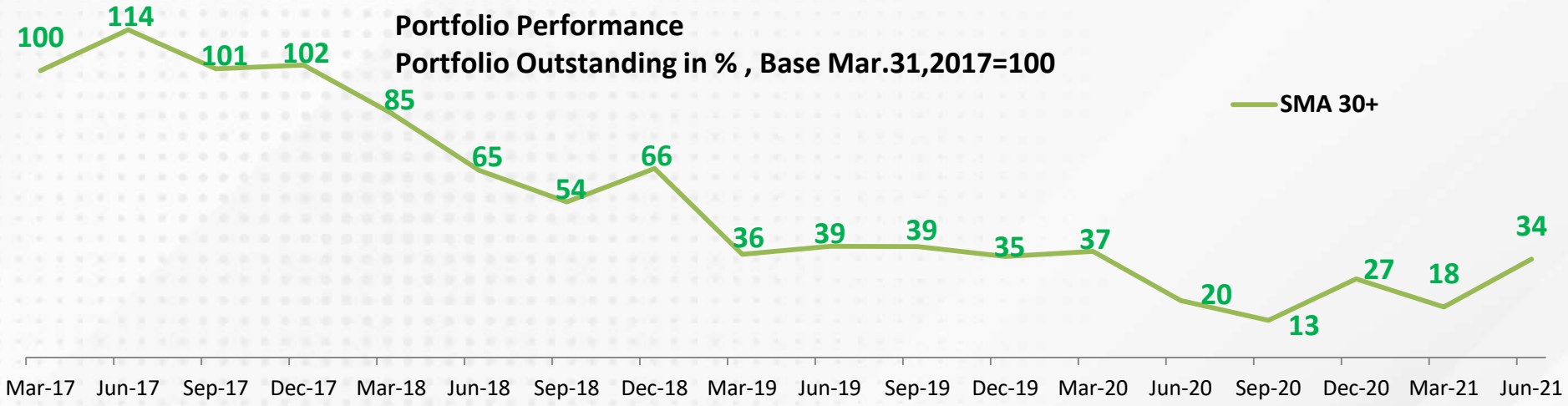
Amount	SMA 30+ 30.06.2021	SMA 30+ as on date	LTV*
13,206	648	399	78

** LTV for SMA 30+*

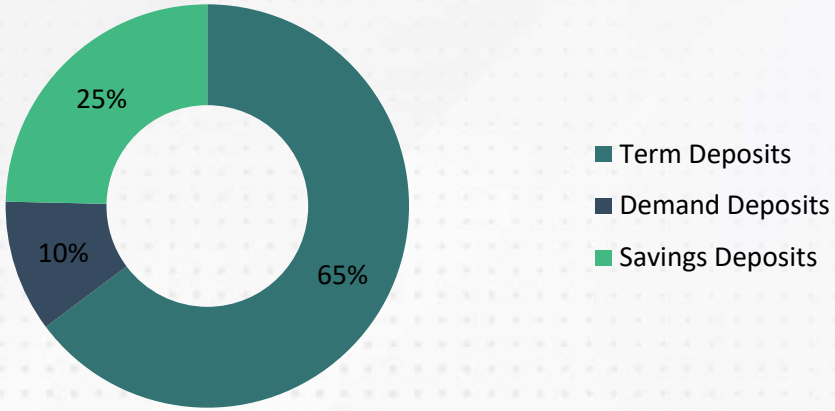
Portfolio performance



SMA 1 – 2.09%
SMA 2 – 1.07%
SMA 30+ - 1.92%
(excl. gold)

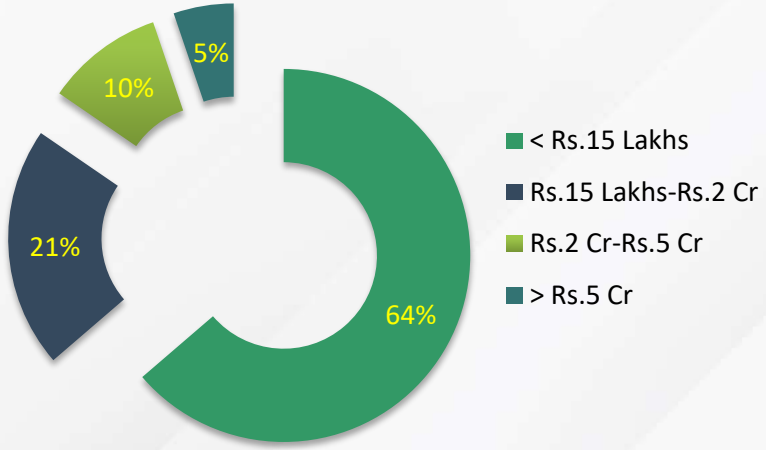


Liability Franchise : Predominantly Retail

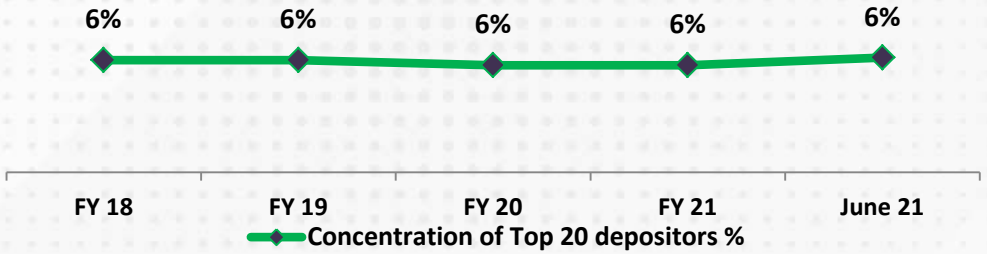


- Term deposits are primarily retail deposits
- 94% of term deposits are < Rs.5 Cr

Low dependence on wholesale deposits

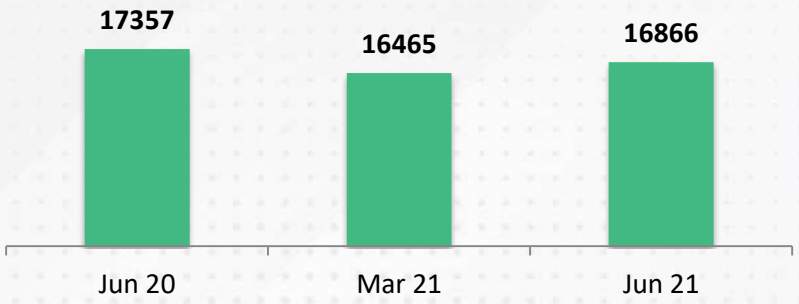


Low concentration of Deposits

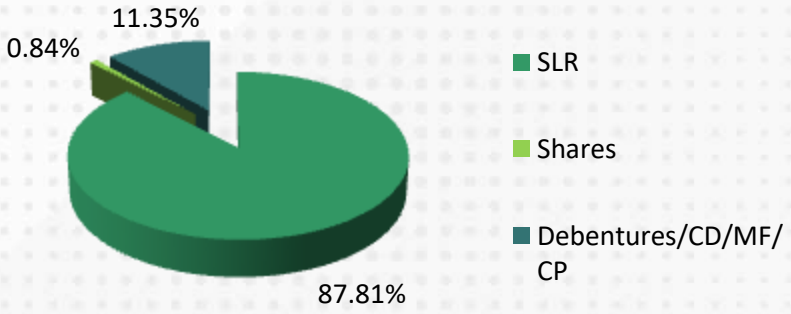


Investment Portfolio

Investments (Rs. crore)

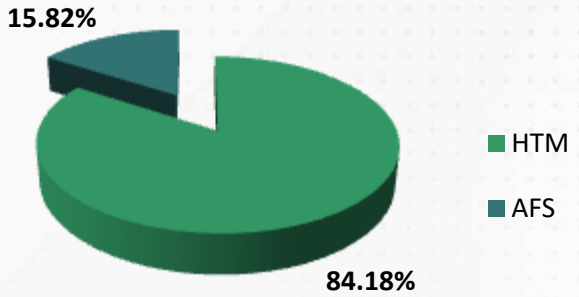


Investment Composition



Out of 11.35% Security Receipts constitutes 3.73% (Rs.629.50 Crore)

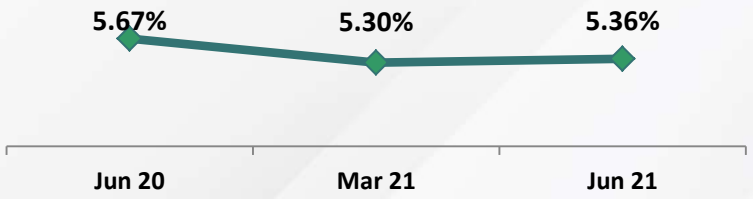
Investment Category



Duration

AFS	HFT	HTM	Total
2.15	-	3.63	3.43

Yield on Investments



Disciplined approach to

reduce the share of stressed assets

(Rs. crore)

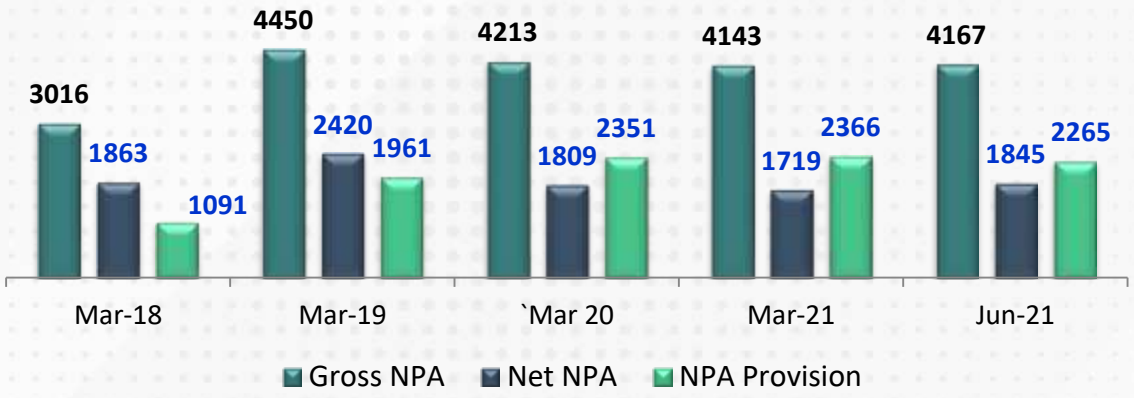
Movement of NPA

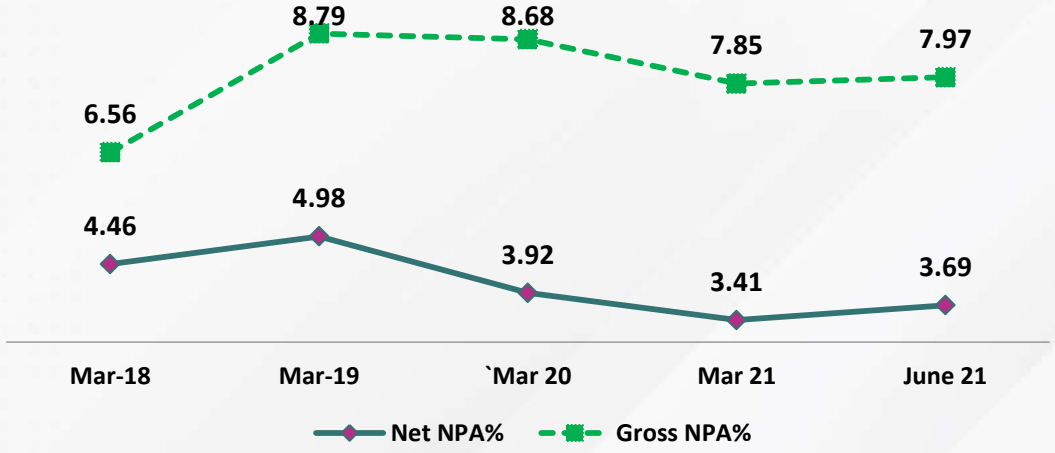
Particulars	Apr 21 - Jun 21	Apr 20 - Jun 20
Gross NPAs		
Opening Balance	4,143	4,213
Additions during the period	519	40
Reductions during the period	115	40
write off during the period	379	158
Closing Balance	**4,167**	**4,056**
Net NPAs		
Opening Balance	1,719	1,809
Additions during the period	203	(200)
Reductions	77	24
Closing Balance	**1,845**	**1,585**
Provisions		
Opening Balance	2,366	2,351
Provision made during the period	316	240
Write off/Write back of excess provision	417	170
Closing Balance	**2,265**	**2,421**

(Rs. crore)

NPA Break-up

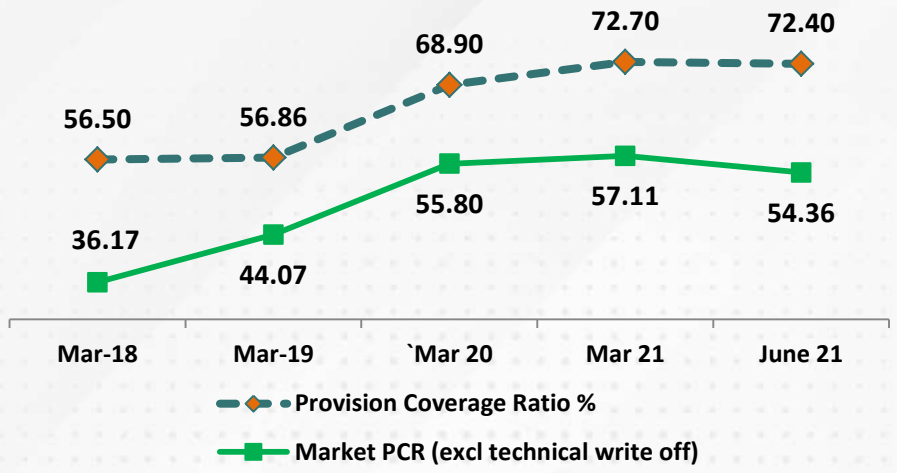
VERTICAL	Advances O/s. Jun 21	Opening balance	Additions Q1	Reduction/Write off Q1	Total NPA Jun 21
Agriculture	11,800	258	12	10	260
Retail (Personal Banking)	12,279	367	80	29	418
Commercial	16,504	1,405	215	76	1,543
Corporate	11,732	2,113	212	379	1,946
TOTAL	**52,315**	**4,143**	**519**	**494**	**4,167**

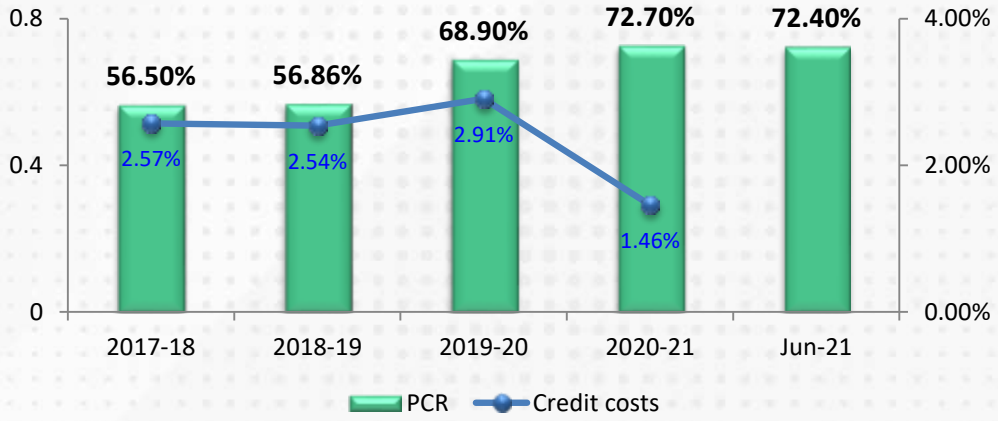




(Rs. crore)

PCR & Provisions





During the quarter there was no sale to ARC

Provision for	Jun 21	Jun 20
NPA	278	228
Standard Assets	(4)	1
Restructured Advances	7	-
Other credit related items	3	-
Others	(37)	93
NPI	*(1)*	*(1)*
Covid-19 relief	*-*	*73*
11th BPS	*-*	*23*
Others	*(36)*	*(2)*
Investment Depreciation	17	15
Total Provisions (excl. Tax)	264	**337**
Tax Expense	56	31
Total Provisions	**320**	**368**

(Rs. crore)

Movement of Standard Restructured Advances

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Particulars	Apr 21 to Jun 21		Apr 20 to Jun 20	
	A/c's	Amt.	A/c's	Amt.
A. Position at the beginning of the period	1,628	957	73	193
B. Addition during the period	375	96	2	10
C. Additions in existing A/c's	-	35	-	6
D. Addition through upgradation from NPA	3	1	1	1
E. Accounts closed during the period	15	7	-	1
F. Accounts ceasing to attract higher provision (upgradation)	-	-	-	-
G. Recoveries during the period	-	27	-	9
H. Slippages during the period	40	27	2	3
Position at the end of the period A+B+C+D-(E+F+G+H)	**1,951**	**1,028**	**74**	**197**

(Rs. crore)

Restructured Accounts

Particulars	June - 21		Mar - 21		Mar - 20	
	Standard	NPA	Standard	NPA	Standard	NPA
Resolution Framework - 2.0	90	3	-	-	-	-
COVID 19 - Resolution Framework	561	8	554	3	-	-
MSME	361	115	387	93	192	68
CDR	-	3	-	3	-	55
Others*	16	191	16	293	1	378
Total	**1,028**	**320**	**957**	**392**	**193**	**501**

** Others include restructuring undertaken towards natural calamities, stress etc.*

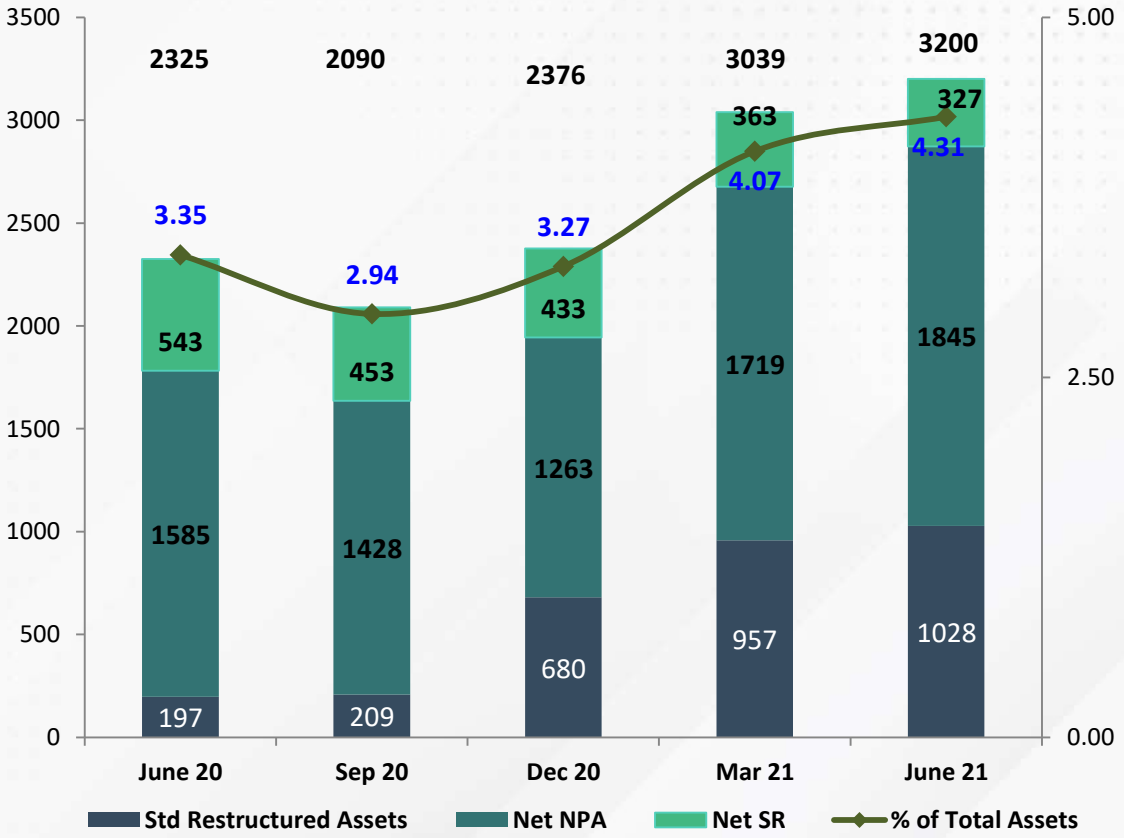
(Rs. crore)

Sector-wise Standard Restructured Advances

S. N.	SECTOR	Amount	
		Jun 21	Jun 20
1	Housing Loan	202	1
2	Real Estate	169	-
3	Textile	90	62
4	Basic Metal & its products	74	-
5	Hotels and restaurants	50	-
6	Cement & Cement Products	56	26
7	Personal Loan	48	-
8	Trade	42	-
9	Infrastructure	42	2
10	Food & Food Processing	41	19
11	All Engineering	37	4
12	Transportation	24	-
13	Auto Loan	24	-
14	Gems and Jewelry	13	-
15	Wood & Wood Products	12	17
16	Education Loan	11	-
17	Agriculture	3	5
18	Others	90	61
	TOTAL	**1,028**	**197**
	% to Total Advances	*1.97*	*0.41*

**The above restructuring includes MSME and COVID package as per extant RBI guidelines. There are no other restructuring exposures under erstwhile schemes viz., SDR, S4A, 5/25 etc.*

Stressed Book Analysis



Building a strong digital ecosystem

Building a strong digital ecosystem

DLite – KVB's digital banking platform

9%

Growth in digital transactions in Q1 FY22 over Q4FY21

26.5+ lakh

DLite application downloads

2.4+ lakh

Digital accounts opened

15.0+ lakh

Registered users of Dlite

92%

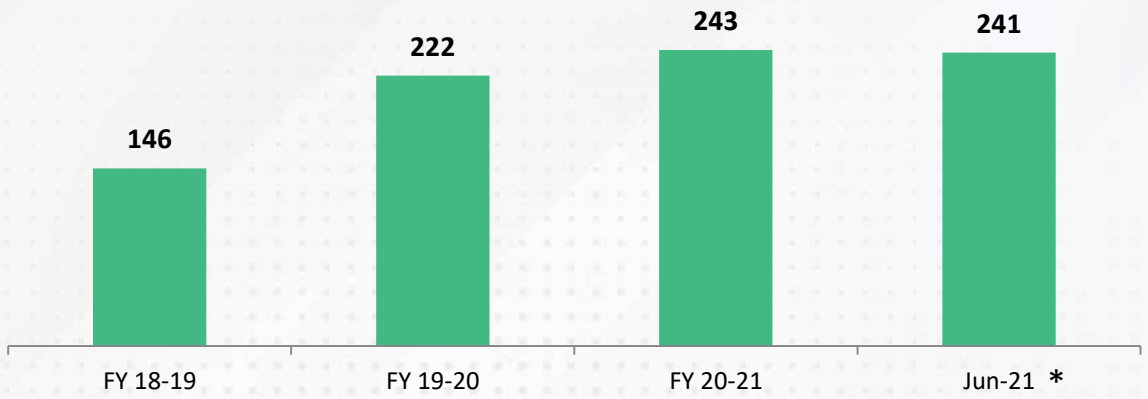
Share of digital transaction

DLite – Digitally enabled users (Nos. in lakh)

Particulars	March 2020	March 2021	June 2021
Number of clients	9.61	14.20	15.0

Delivery Channels

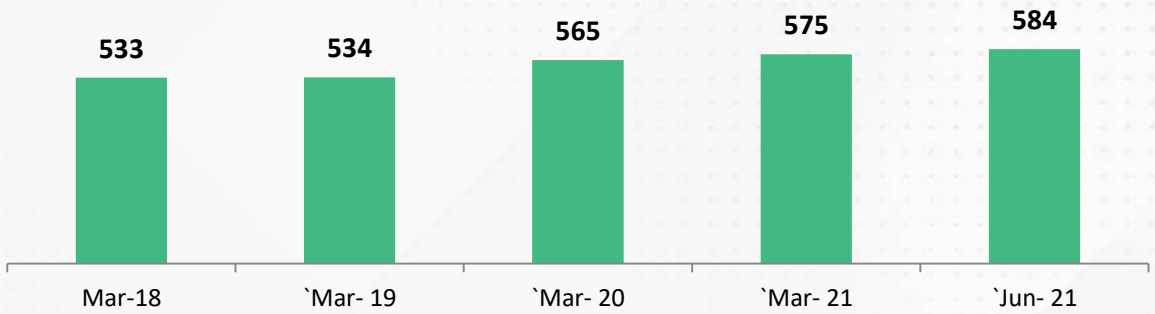
Mobile transactions volume (through Dlite)



*Annualized

Nos. in lakhs

Cash Deposit Machines (Nos.)

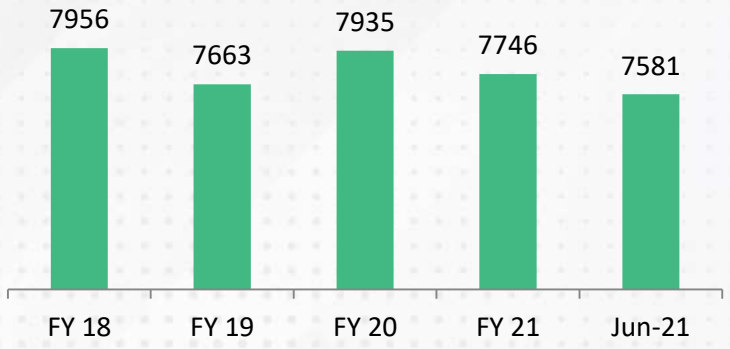


Digital vs Branch Transaction (%)

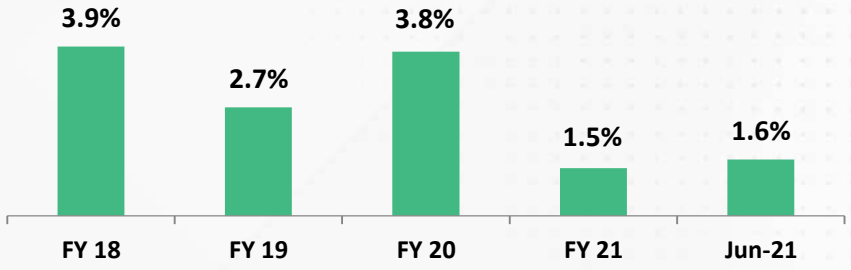
- Digital Mode (All channels)
- Branch Channel (customer induced transactions)

Dynamic workforce

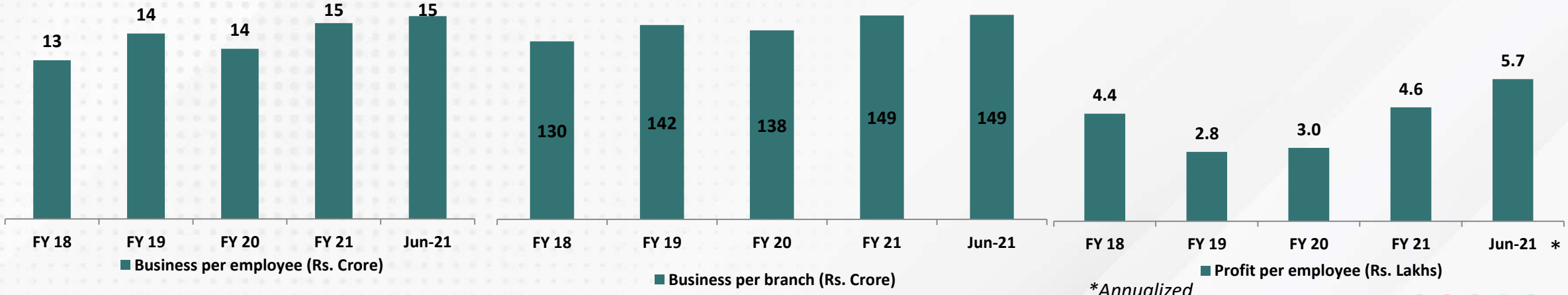
Number of Employees



Attrition Rate



Leading to Improved Productivity



*Annualized

(Rs. crore)

Sustained Decade of Growth

Karur Vysya Bank
Smart way to bank

Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Paid up Capital	107	107	107	122	122	122	145	160	160	160
Reserves	2,601	2,978	3,219	4,124	4,451	4,723	6,066	6,205	6,440	6,800^
Owned funds	2,708	3,085	3,326	4,246	4,573	4,845	6,211	6,365	6,600	6,960
CRAR - Basel II (%)	14.33	14.41	12.77	14.63	12.26	-	-	-	-	-
Basel III (%)	-	-	12.60	14.62	12.17	12.54	14.43	16.00	17.17	18.98
Deposits	32,112	38,653	43,758	44,690	50,079	53,700	56,890	59,868	59,075	63,278
Advances	24,205	29,706	34,226	36,691	39,476	41,435	45,973	50,616	48,516	52,820
Total Business	56,317	68,359	77,984	81,381	89,555	95,135	1,02,863	1,10,484	1,07,591	1,16,098
Total Income	3,621	4,695	5,680	5,977	6,150	6,405	6,600	6,779	7,145	6,527
Operating Profit	726	849	838	943	1,303	1,571	1,777	1,711	1,761	1,429
Net Profit	502	550	430	464	568	606	346	211	235	359
Cost of Deposit (%)	8.11	8.30	8.24	7.96	7.40	6.60	5.99	5.80	5.76	4.96
Yield on Advance (%)	12.71	12.77	12.28	12.14	11.67	11.34	10.30	9.75	9.63	8.93
Dividend (%)	140	140	130	130	140	130	30	30	-	25#
Branches (No.)	451	551	572	629	667	711	790	778	779	780
EPS (Rs.)	46.81	51.35	40.08	39.86	46.59	9.95*	4.78	2.64	2.94	4.50
Return on Assets (%)	1.56	1.35	0.86	0.88	1.03	1.00	0.53	0.31	0.32	0.49
Book Value(Rs.)	252.68	287.85	308.91	348.42	375.25	79.51*	85.49	79.56	82.57	87.07
No of Employees	5,673	6,730	7,339	7,197	7,211	7,400	7,956	7,663	7,935	7,746

- *During the Financial Year 2016-17, one Equity Share face value of Rs.10/- each was subdivided into five Equity Shares of face value Rs.2/- each*

^Includes proposed dividend # proposed subject to approval at AGM

KVB Karur Vysya Bank
Smart way to bank

Thank You