



**30.06.2021**

**Investor  
Presentation**

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**Quarter**

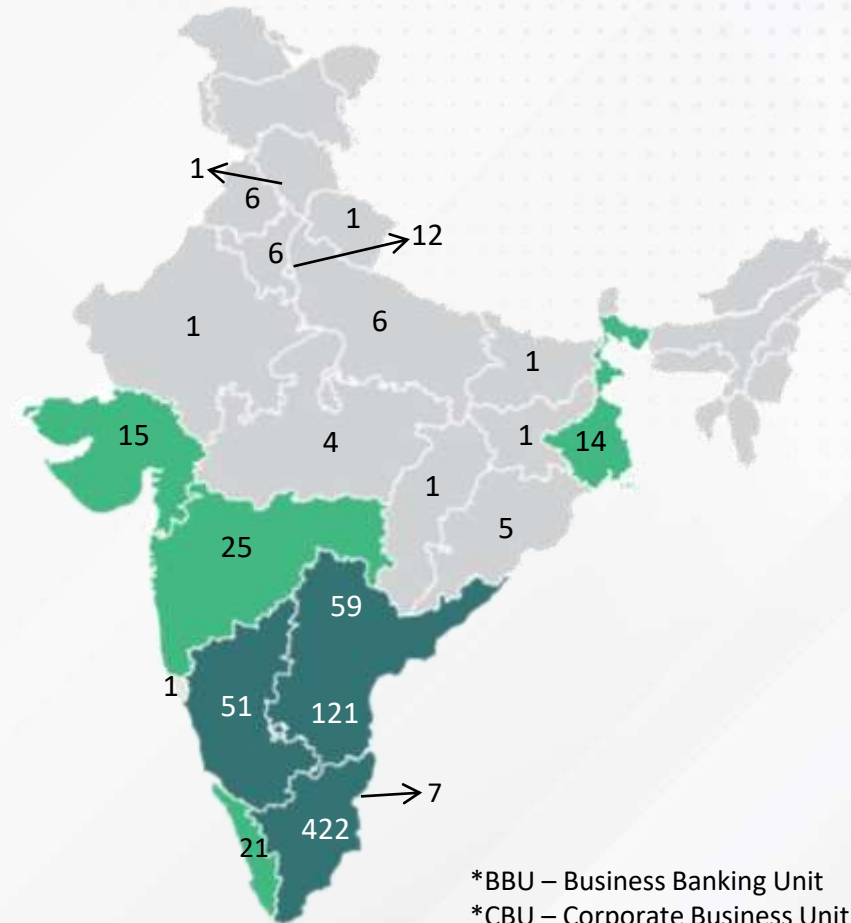
**in focus**

# Strong presence in India's fast growing hinterland



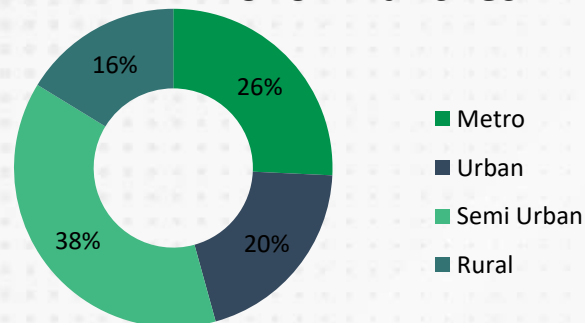
Category	30.06.21	31.03.21	31.03.20
Branches	781	780	779
<b>ATM's + Cash Recyclers</b>	<b>2,251</b>	<b>2,236</b>	<b>2,224</b>

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



**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

**Net interest  
income (NII)**  
₹ 638 crore



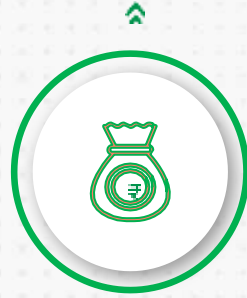
**Total income**  
₹ 858 crore



**Operating profit**  
₹ 429 crore



**Fee income**  
₹ 147 crore



**Net interest margin**  
NIM  
3.55%



**Profit after tax**  
₹ 109 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



## 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
<b>Total Income</b>	<b>858</b>	<b>879</b>	<b>(2)</b>	<b>828</b>
Operating Expenses	429	405	6	579
- Employee expense	227	214	6	351
- Other operating expense	202	191	6	228
<b>Operating Profit</b>	<b>429</b>	<b>474</b>	<b>(10)</b>	<b>249</b>
Provisions	264	337	(22)	71
- Credit Related	277	302	(8)	364
- Investment Related	16	15	7	63
- Others	(29)	20	-	(356)
<b>Profit Before Tax</b>	<b>165</b>	<b>137</b>	<b>20</b>	<b>178</b>
Tax (net of DTA/DTL)	56	31	81	74
<b>Net Profit</b>	<b>109</b>	<b>106</b>	<b>3</b>	<b>104</b>

# 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

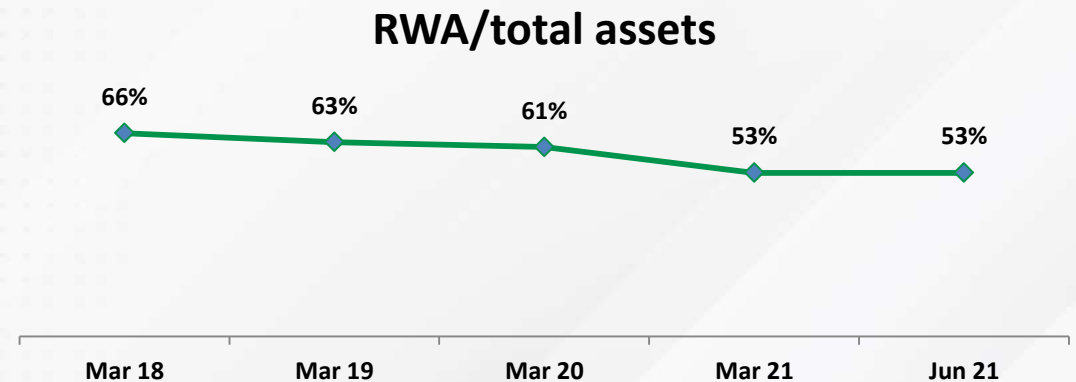
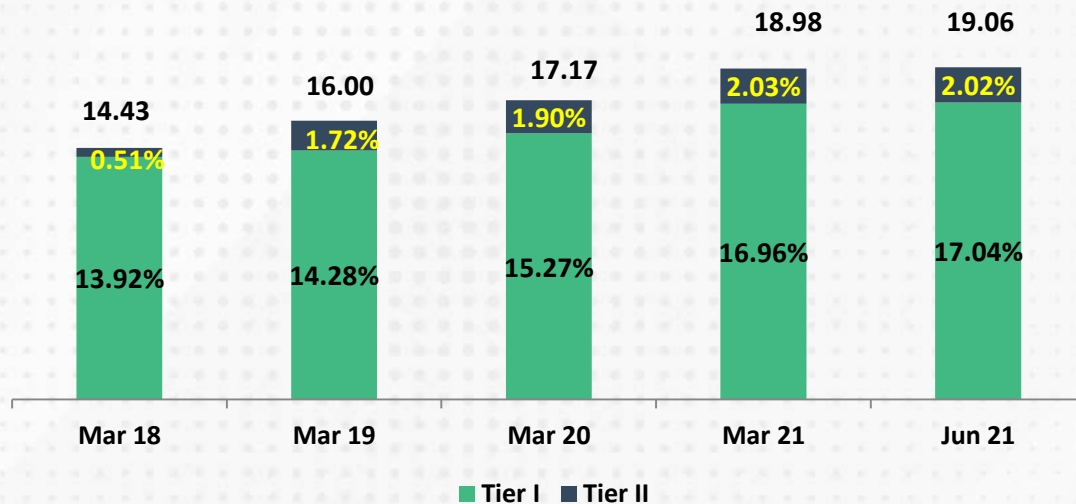
\* Not annualized



# 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



# Balance Sheet



Particulars	Jun 21	Jun 20	YoY (%)
<b>Capital &amp; Liabilities</b>			
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
<b>Total</b>	<b>74,260</b>	<b>69,380</b>	<b>7</b>
<b>Assets</b>			
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)
<b>Total</b>	<b>74,260</b>	<b>69,380</b>	<b>7</b>

# 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



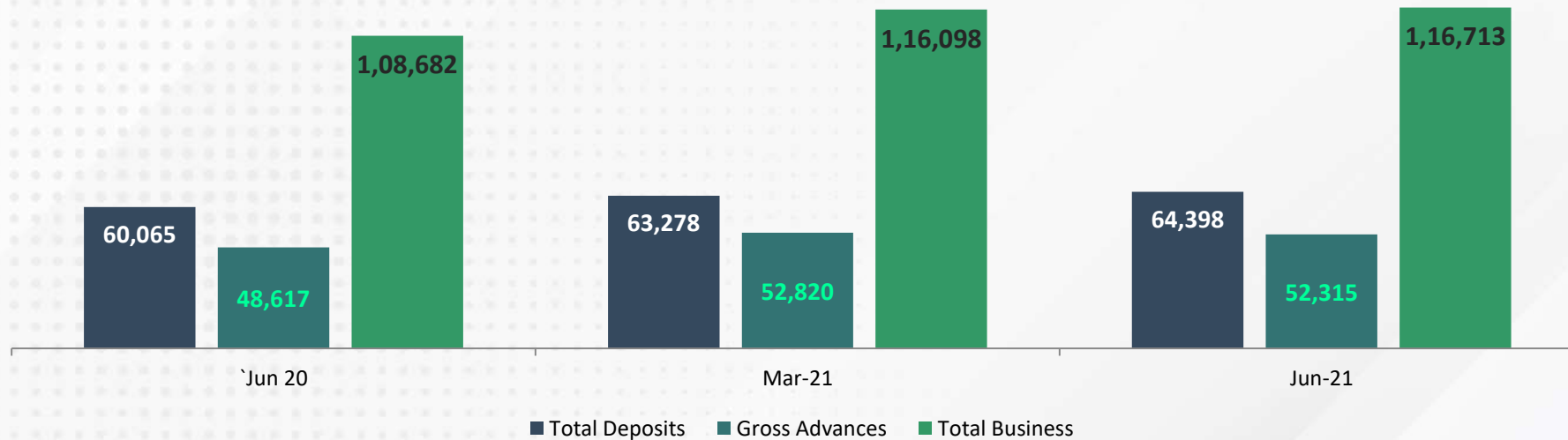
**Driving growth**

**across verticals**

# 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
<b>Total Business</b>	<b>1,16,713</b>	<b>1,08,682</b>	<b>7</b>	<b>1,16,098</b>

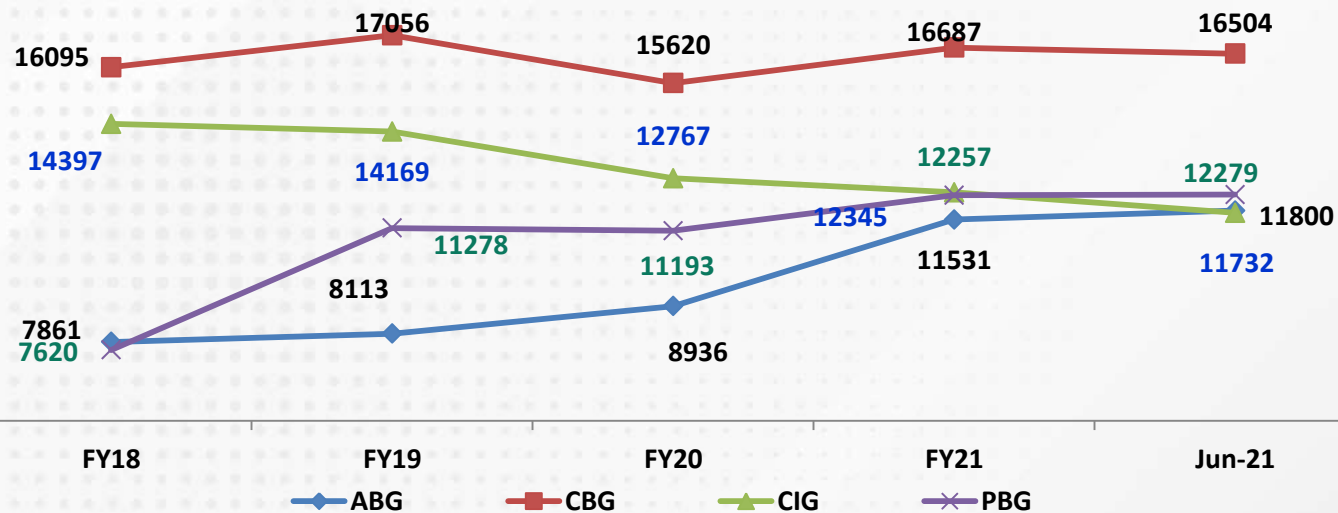




## Growing our books responsibly

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
<b>Gross Advances</b>	<b>52,315</b>	<b>48,617</b>	<b>8</b>	<b>52,820</b>



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

# 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
<b>Total</b>	<b>12,279</b>	<b>10,956</b>	<b>12</b>	<b>12,257</b>

\*Includes IBPC of Rs.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

# Driving growth across verticals

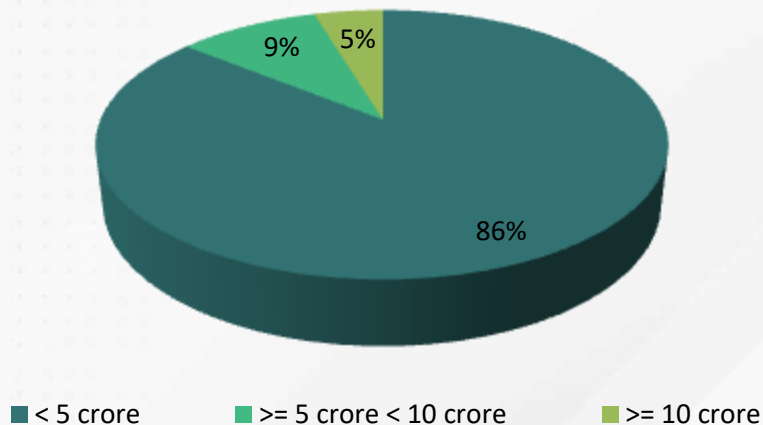
## GECL (Guaranteed Emergency Credit Loan) Portfolio

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	-
<b>TOTAL</b>	<b>2,163</b>	<b>48</b>

## Ticket size of Commercial Book



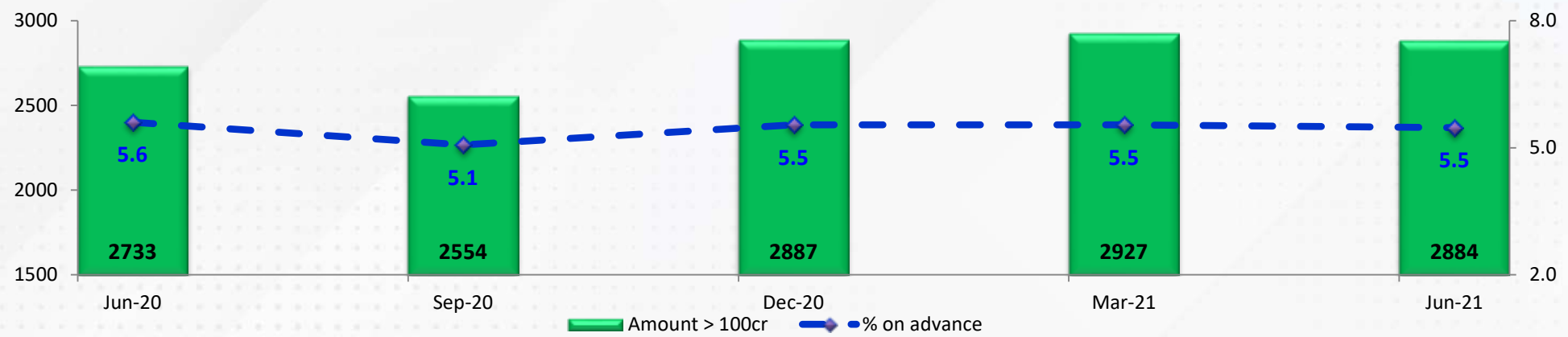
- Average ticket size - Rs.37.5 lakh
- ~86% of commercial loans are less than Rs. 5 crore



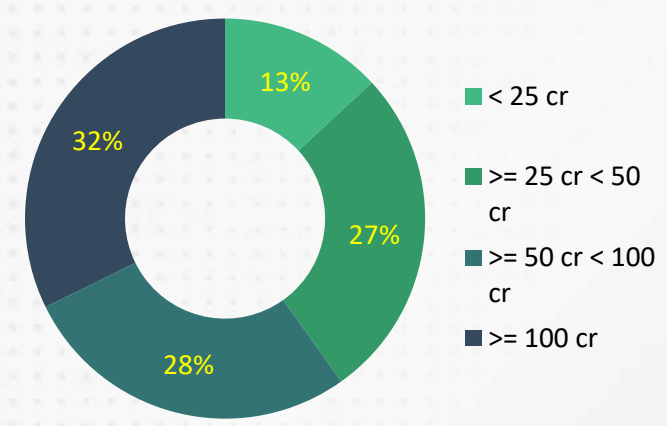
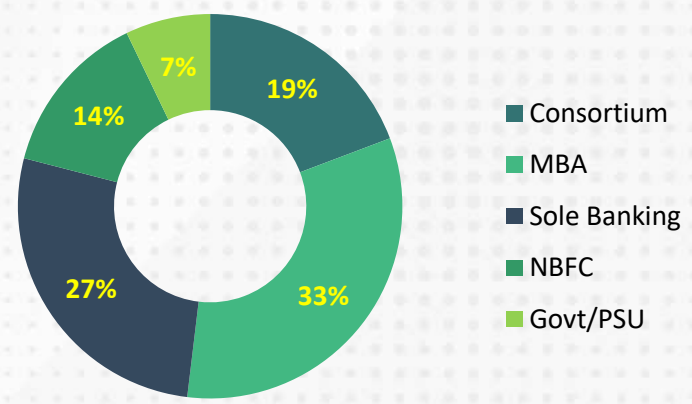
# Corporate Loan



## Standard Corporate advances > 100 crore



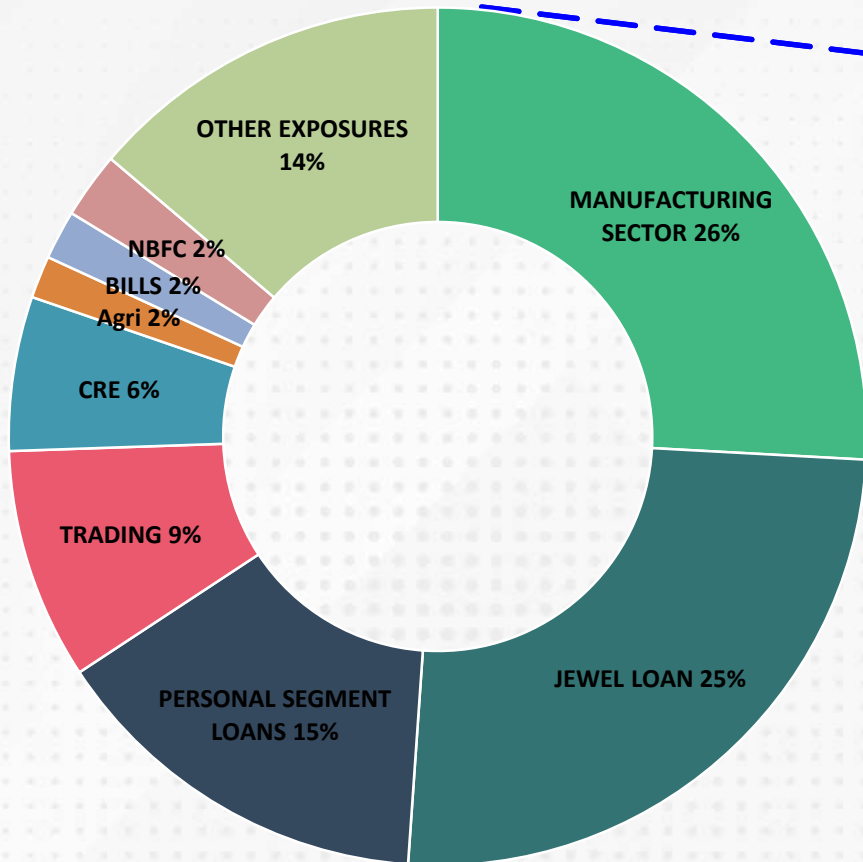
## Consortium/MBA Sole Banking NBFC Govt/PSU



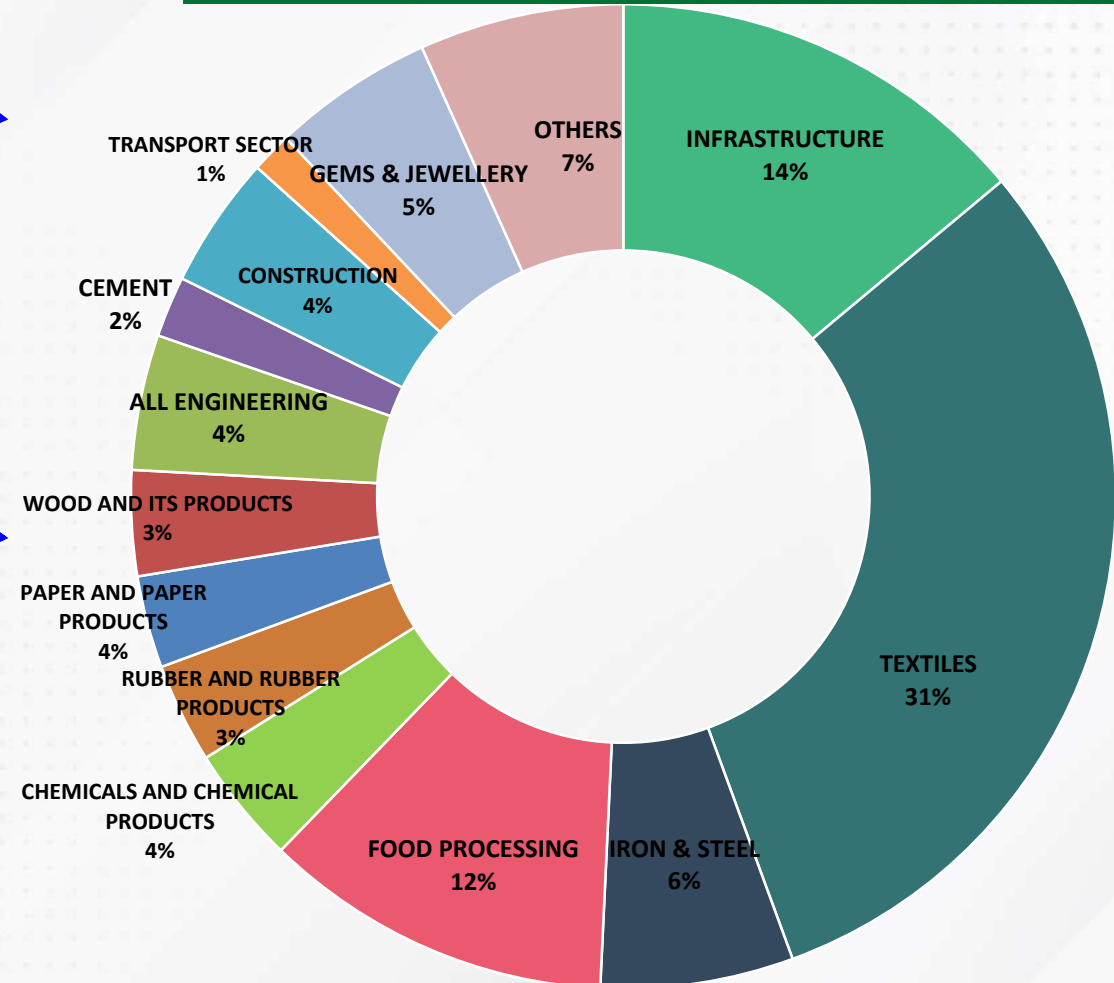
- ~68% of corporate loans are less than Rs. 100 crore
- Average ticket size Rs. 39 crore

# Sectoral composition

Rs. 52,315 crore



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





# Secured Exposure



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

\* Total risk assets including technical write off accounts

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

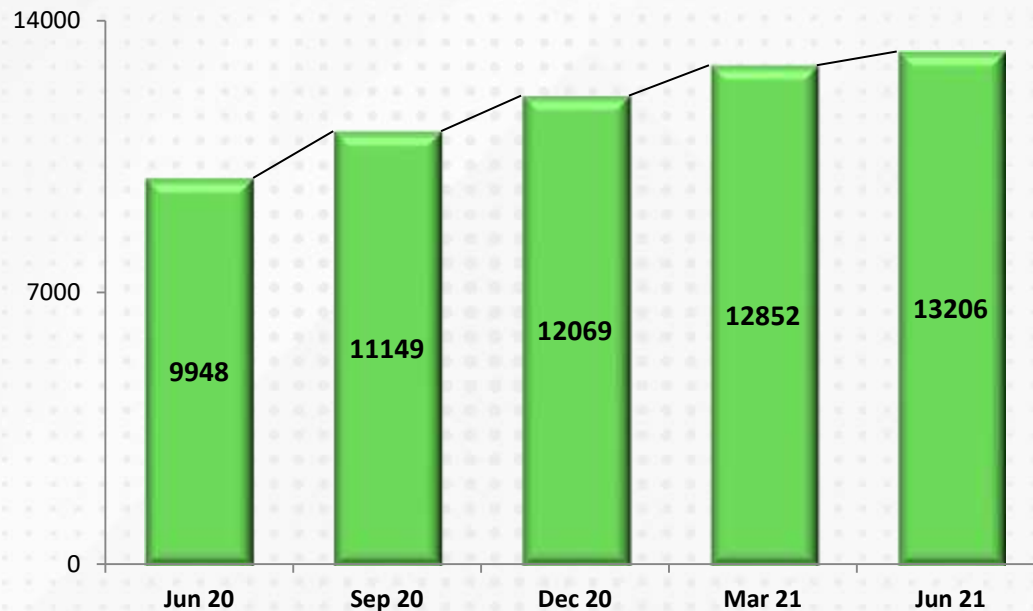
Coverage defined as (Value of Security)/Loan Principal O/s; & is based on available valuation.

# 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

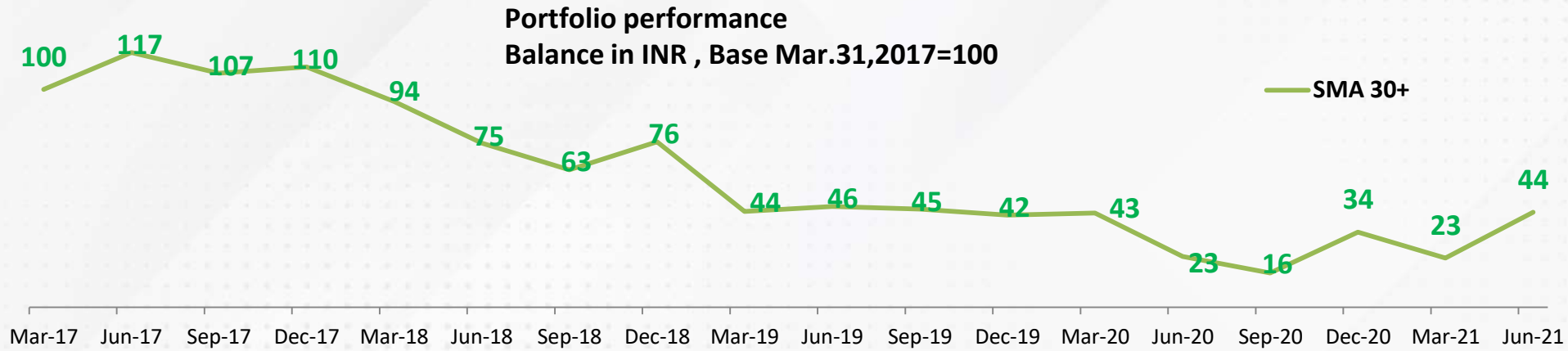


## Gold Loan – portfolio performance

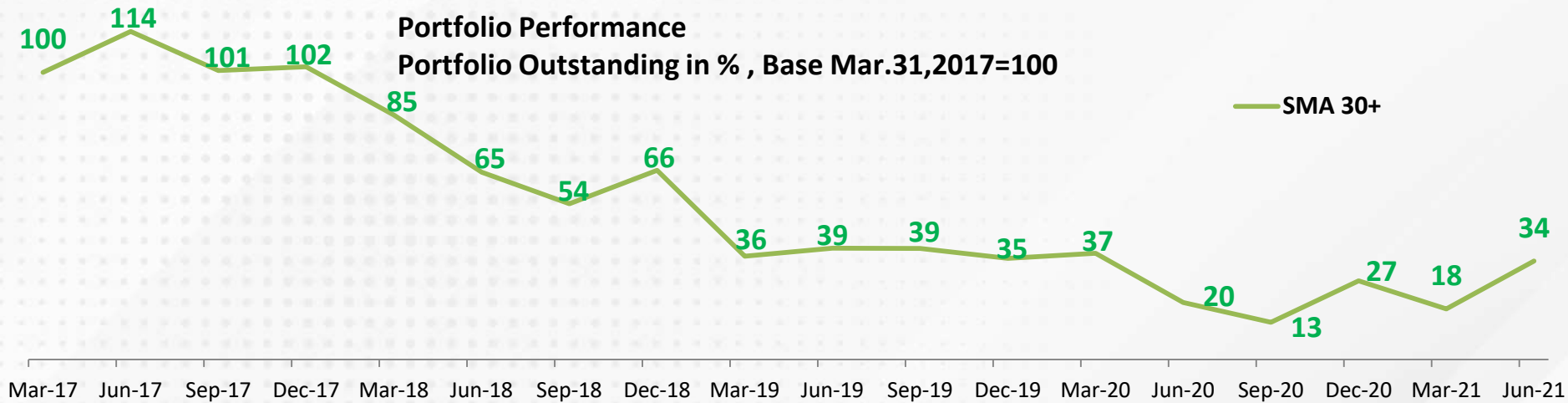
Amount	SMA 30+ 30.06.2021	SMA 30+ as on date	LTV*
13,206	648	399	78

\* LTV for SMA 30+

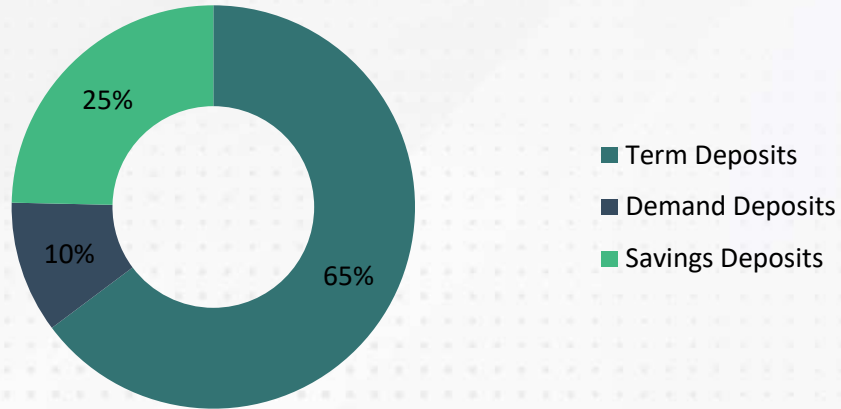
# Portfolio performance



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



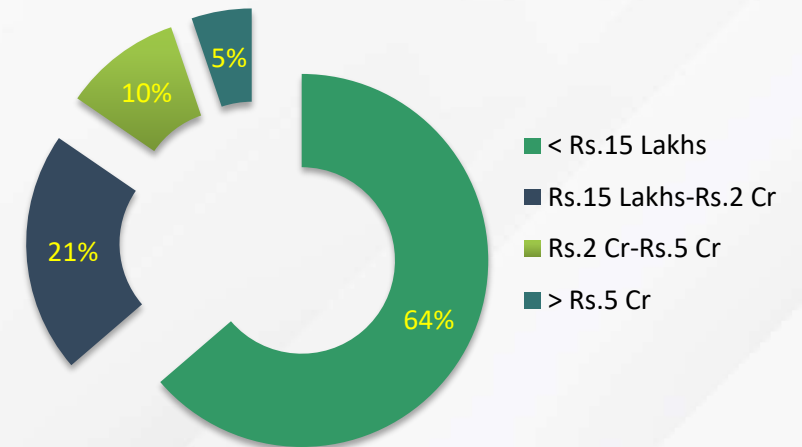
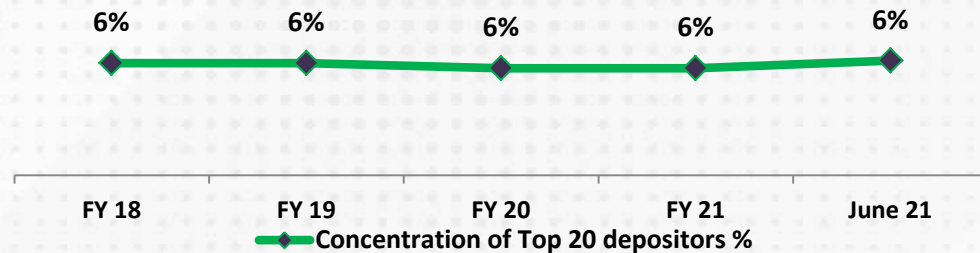
# Liability Franchise : Predominantly Retail



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

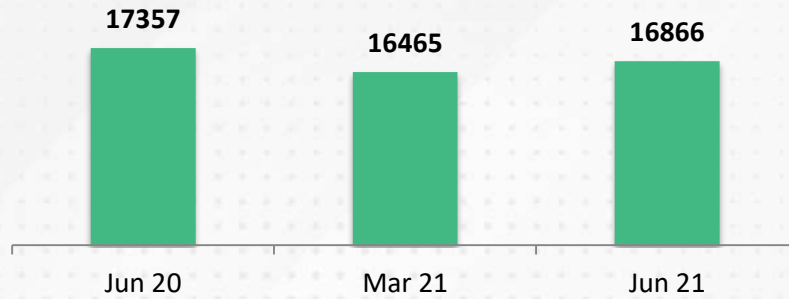
## Low dependence on wholesale deposits

## Low concentration of Deposits

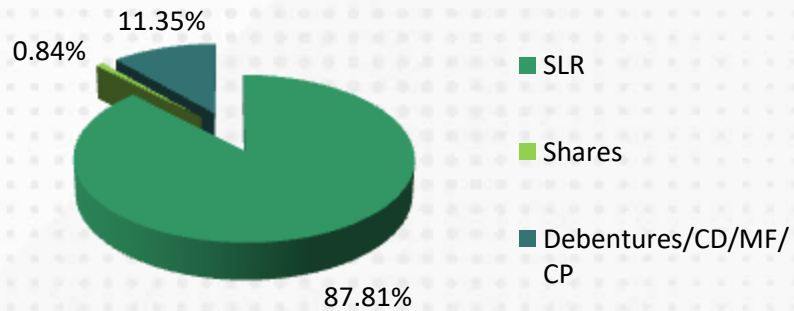


# Investment Portfolio

## Investments (Rs. crore)

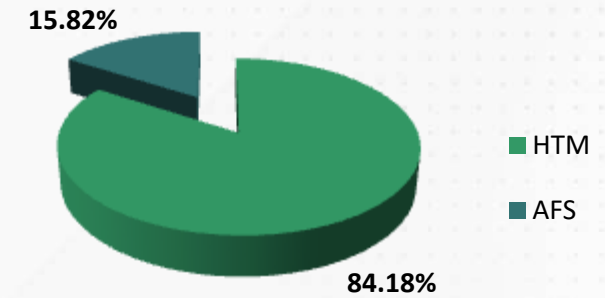


## Investment Composition



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

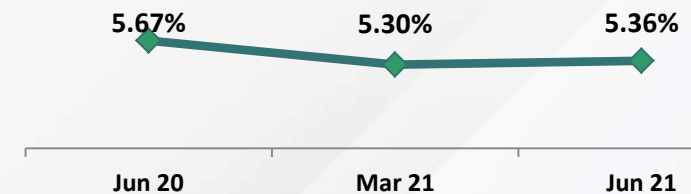
## Investment Category



## Duration

AFS	HFT	HTM	Total
2.15	-	3.63	3.43

## Yield on Investments







**Disciplined  
approach to**

**reduce the share  
of stressed assets**

# Movement of NPA

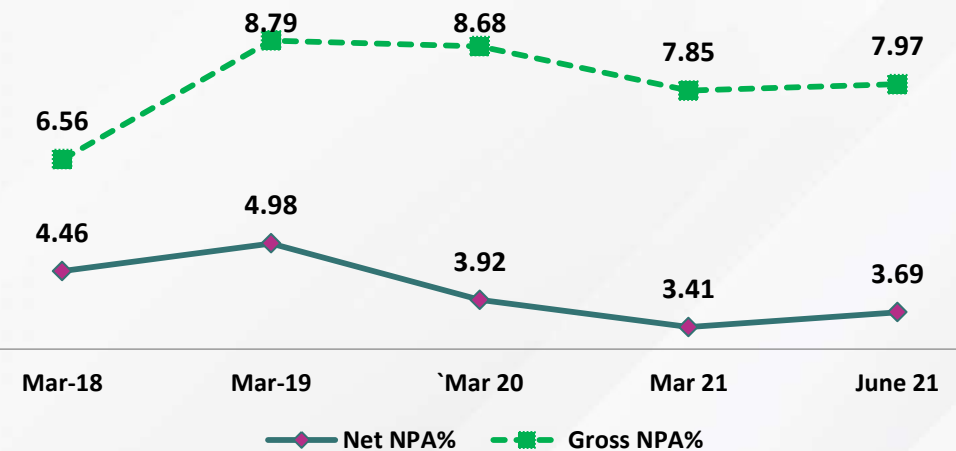
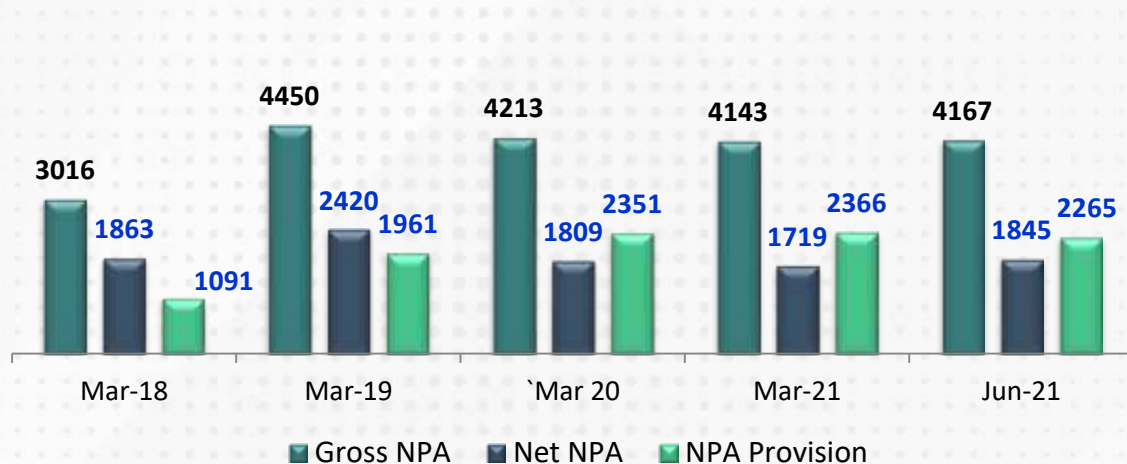


Particulars	Apr 21 - Jun 21	Apr 20 - Jun 20
<b>Gross NPAs</b>		
Opening Balance	4,143	4,213
Additions during the period	519	40
Reductions during the period	115	40
write off during the period	379	158
<b>Closing Balance</b>	<b>4,167</b>	<b>4,056</b>
<b>Net NPAs</b>		
Opening Balance	1,719	1,809
Additions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

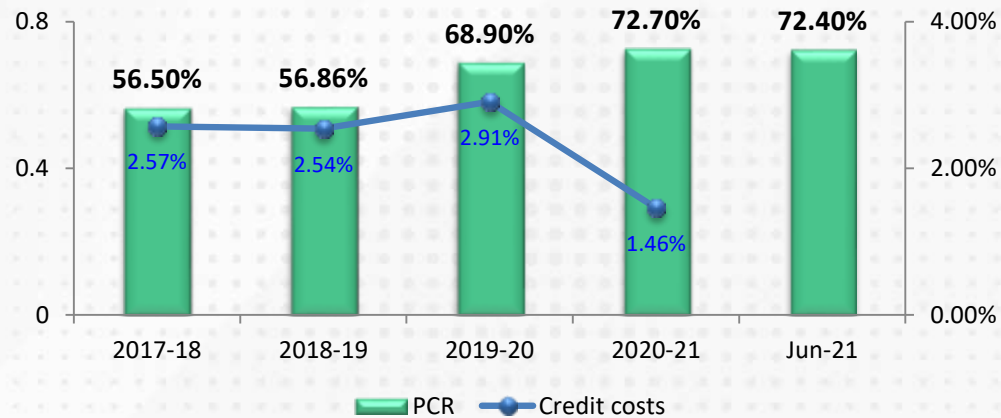
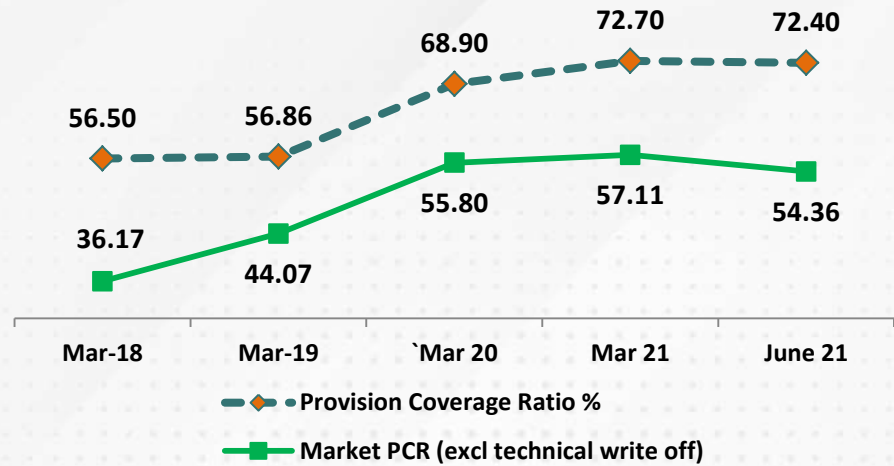
# NPA Break-up



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
<b>TOTAL</b>	<b>52,315</b>	<b>4,143</b>	<b>519</b>	<b>494</b>	<b>4,167</b>



# 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
<i>NPI</i>	(1)	(1)
<i>Covid-19 relief</i>	-	73
<i>11<sup>th</sup> BPS</i>	-	23
<i>Others</i>	(36)	(2)
Investment Depreciation	17	15
Total Provisions (excl. Tax)	264	<b>337</b>
Tax Expense	56	31
<b>Total Provisions</b>	<b>320</b>	<b>368</b>



## Movement of Standard Restructured Advances

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
<b>Position at the end of the period A+B+C+D-(E+F+G+H)</b>	<b>1,951</b>	<b>1,028</b>	<b>74</b>	<b>197</b>



# Restructured Accounts



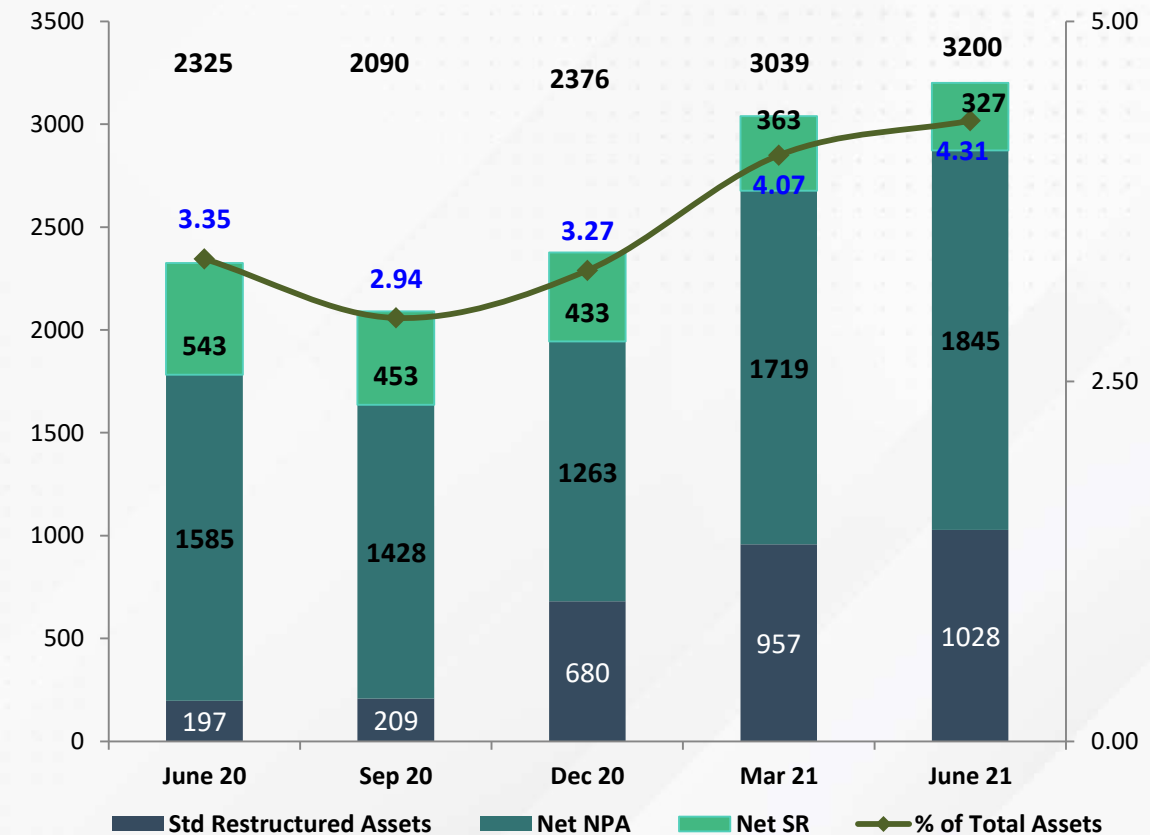
Particulars	June - 21		Mar - 21		Mar - 20	
	Standard	NPA	Standard	NPA	Standard	NPA
Resolution Framework - 2.0	90	3	-	-	-	-
COVID 19 - Resolution Framework	561	8	554	3	-	-
MSME	361	115	387	93	192	68
CDR	-	3	-	3	-	55
Others*	16	191	16	293	1	378
<b>Total</b>	<b>1,028</b>	<b>320</b>	<b>957</b>	<b>392</b>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

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

# 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
<b>TOTAL</b>		<b>1,028</b>	<b>197</b>
<i>% to Total Advances</i>		<i>1.97</i>	<i>0.41</i>

## Stressed Book Analysis



\*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.



**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

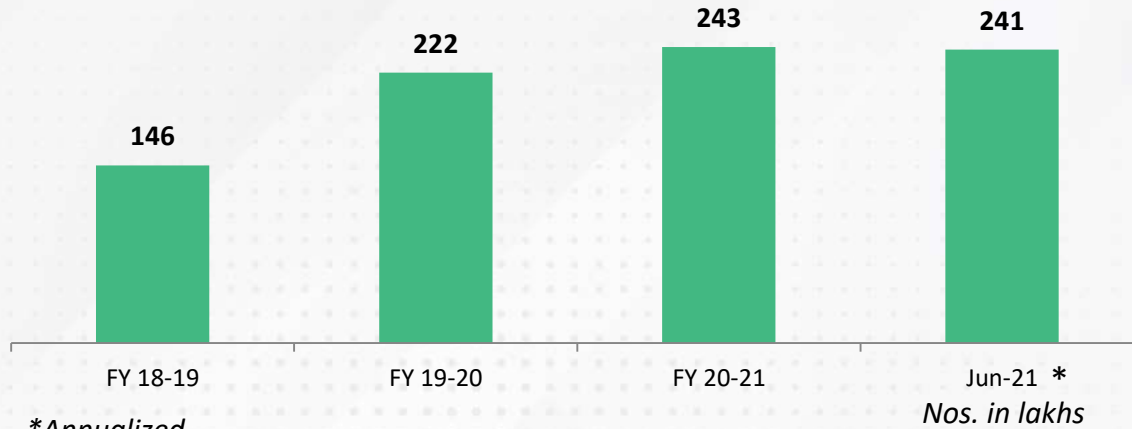




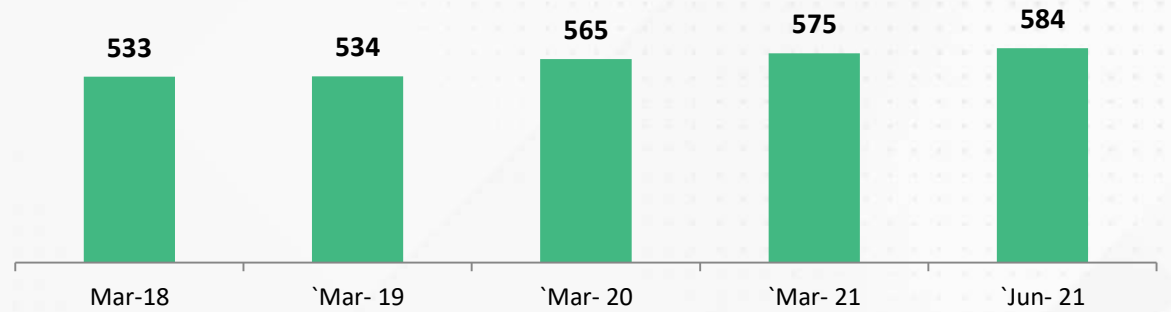
# Delivery Channels



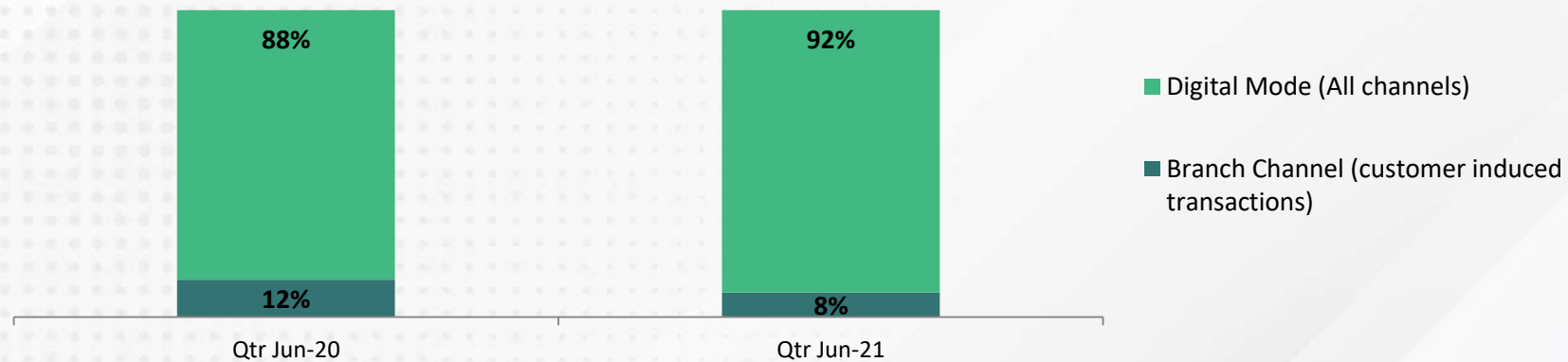
Mobile transactions volume (through Dlite)



Cash Deposit Machines (Nos.)



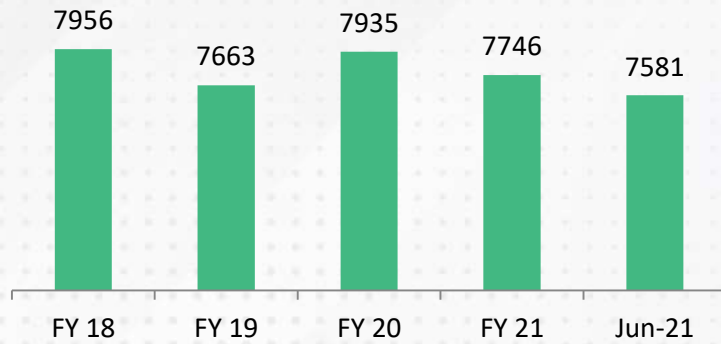
Digital vs Branch Transaction (%)



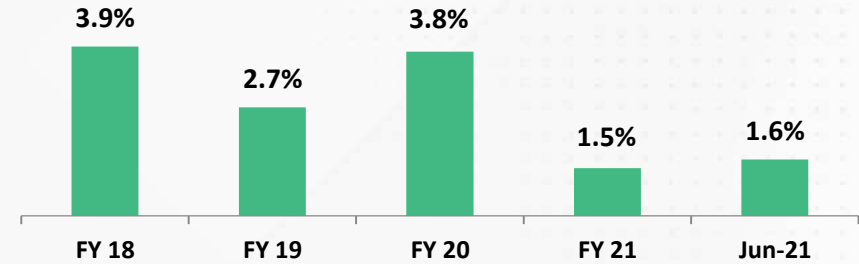


# Dynamic workforce

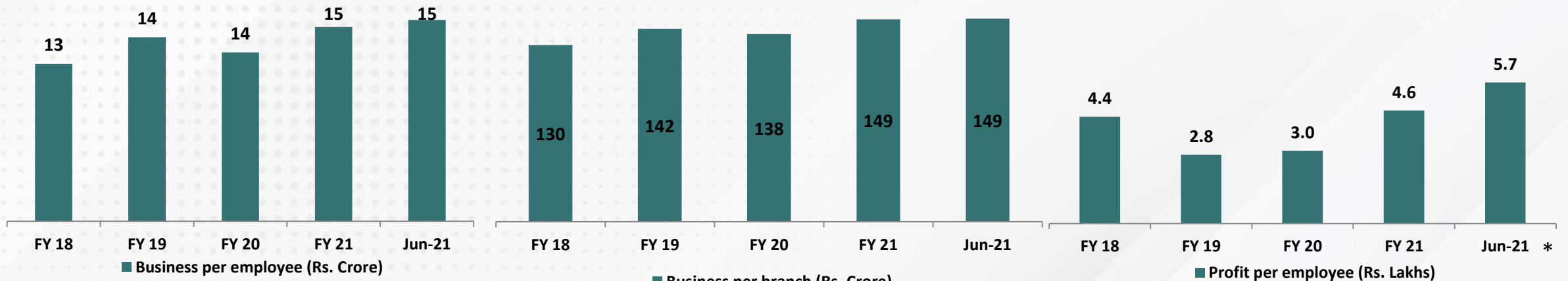
### Number of Employees



### Attrition Rate



### Leading to Improved Productivity



\*Annualized

# Sustained Decade of Growth



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 <sup>^</sup>
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 <sup>#</sup>
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

<sup>^</sup>Includes proposed dividend # proposed subject to approval at AGM



**Thank You**