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23.01.2023

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 2022.”

Kindly take the same on record.

Yours faithfully,

Srinivasarao M
Company Secretary &
Deputy General Manager

Encl: As above

PRESS RELEASE

January 23, 2023

KARUR VYSYA BANK ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER AND 9 MONTHS ENDED 31st DECEMBER 2022.**Highlights:**

- ❖ Total Business up by 13.4% YOY and 3% QOQ
- ❖ Deposits up by 13.9%. and 3% QOQ
- ❖ Loan Book grew at 16% YOY and sequentially by 3%, without considering technical write off.
- ❖ CASA grew 6.9% YOY, CASA ratio stood at 33.9%.
- ❖ PPOP up by 46.1% YOY, 72% QOQ.
- ❖ NIM at 4.32%, up by 64 bps QOQ and 4.08% up 42 bps YOY and
- ❖ Other Income up by 62% QOQ and 34.4% YOY
- ❖ Cost to Income Ratio for the quarter it is 42.9% and stood at 46.0% YTD
- ❖ ROA at 1.32% for the quarter and 1.19% YTD,
- ❖ ROE at 14.04% for the quarter and 12.43% YTD (annualised).
- ❖ GNPA at 2.66%, NNPA at 0.89%.

Karur Vysya Bank ('the Bank') announced its financial results for the Quarter / Nine Months ended December 31, 2022 today. The Bank continues its healthy performance in terms of profitability as well as asset quality.

BALANCE SHEET:

Balance sheet size as of December 31, 2022 was ₹ 89,013 crore as against ₹ 77,612 crore as of December 31, 2021, a growth of 14.7%.

Total business as on 31st December 2022 stands at ₹ 1,39,062 crore, registering a Y-o-Y growth of 13.4% i.e. up by ₹ 16,398 crore from ₹ 1,22,664 crore as on 31.12.2021.

FINANCIAL PERFORMANCE – NINE MONTHS:

Net profit for the period registered a robust growth of 67% and stood at ₹ 768 crore from ₹ 460 crore during corresponding period of previous year.

PPOP for the period is at ₹ 1,737 crore, as compared to ₹ 1,189 crore for corresponding period of the previous year.

Net interest income for the nine months increased by 22.5% to ₹ 2,456 crore vis-à-vis ₹ 2,005 crore for corresponding period of FY 2021-22.

Net interest margin stands at 4.08% up by 42 bps as compared to 3.66% during the corresponding period of the previous year.

Cost of deposits has improved by 21 bps and stands at 4.14% as compared to 4.35% during the corresponding period of previous year.

Yield on advances grew to 8.63% by 10 bps as compared to 8.53% during the corresponding period of the previous year.

Commission and fee based income has improved by 20.6% on Y-o-Y basis to ₹ 545 crore from ₹ 452 crore for corresponding period of the previous year.

Operating expenses for the period was ₹ 1,477 crore as compared to ₹ 1,380 crore during the corresponding period of FY 2021-22.

CAPITAL ADEQUACY:

Capital Adequacy Ratio (CRAR) as per Basel III guidelines was at 17.86% as on December 31, 2022 (18.79% as on December 31, 2021) as against a regulatory requirement of 11.50%. Tier 1 was at 16% as of December 31, 2022 compared to 16.76% as of December 31, 2021. Risk-weighted Assets were at ₹ 45,616 crore (as against ₹ 40,074 crore as at December 31, 2021).

ASSET QUALITY:

Gross non-performing assets (GNPA) has improved by 431 bps and stands at 2.66% of gross advances as on December 31, 2022 (₹ 1,674 crore) and 6.97% as on December 31, 2021 (₹ 3,888 crore).

Net non-performing assets (NNPA) is below 1% and stands at 0.89% of net advances as on December 31, 2022 (₹ 550 crore), 2.55% as on December 31, 2021 (₹ 1,356 crore).

Provision Coverage Ratio (PCR) was at 90.9% as at December 31, 2022, as against 78.8% as at December 31, 2021.

NETWORK:

As of December 31, 2022, the Bank's distribution network stands at 792 branches and 2,233 ATMs / Cash Recyclers as against 781 branches and 2,227 ATMs / Cash Recyclers as of December 31, 2021. 54% of our branches are in semi-urban and rural areas. In addition, we have 145 business correspondents.

Q3 FY 2023 vs. Q3 FY 2022:

- Net profit for the quarter grew by 56.2% and stood at ₹ 289 crore from ₹ 185 crore during Q3 of previous year.
- Operating profit for the quarter was ₹ 689 crore as compared to ₹ 401 crore for Q3 of previous year.
- Net interest income for the quarter improved by 29.4% (₹ 203 crore) to ₹ 889 crore for the current quarter vis-à-vis ₹ 686 crore for Q3 of previous year.
- Net interest margin stands at 4.32% up 64 bps from 3.68% a year ago.
- Cost of deposits has increased by 4 bps and stands at 4.26% as compared to 4.22% during the previous year.
- Yield on advances is at 9.04% (8.42% for Q3 of previous year).
- Non-interest income for the quarter is ₹ 317 crore as compared to ₹ 196 crore a year ago.
- Fee based income has improved by ₹ 22 crore and stood at ₹ 184 crore from ₹ 162 crore during the previous year.
- Operating expenses for the quarter was ₹ 517 crore as compared to ₹ 481 crore during Q3 of previous year.
- Cost to income ratio stands at 42.9% (54.5% for Q3 of previous year).

Sd/-
B. Ramesh Babu
Managing Director & CEO