

KARNATAKA BANK LIMITED, HEAD OFFICE, MANGALURU -575002

STANDALONE UNAUDITED FINANCIAL RESULTS FOR/AS ON QUARTER ENDED
JUNE 30, 2023

(₹. in Crore)

Sl. No	Particulars	For /As on Quarter ended			Year ended
		30-06-2023	31-03-2023	30-06-2022	31-03-2023
		(Unaudited)	(Audited) <i>Refer Note 15</i>	(Unaudited)	(Audited)
1	Interest Earned (a+b+c+d)	1,958.74	1,969.30	1,629.08	7,220.23
a)	Interest/Discount on advances/ bills	1,538.78	1,507.25	1,246.74	5,584.91
b)	Income on Investments	362.30	371.73	343.03	1,422.35
c)	Interest on balances with Reserve Bank of India and other interbank funds	6.08	0.20	1.10	1.58
d)	Others	51.58	90.12	38.21	211.39
2	Other Income	323.84	395.24	132.79	992.58
3	TOTAL INCOME (1+2)	2,282.58	2,364.54	1,761.87	8,212.81
4	Interest expended	1,144.06	1,109.25	941.52	4,035.13
5	Operating expenses (i+ii)	537.35	569.53	407.57	1,969.45
i)	Employees Cost	292.58	343.78	178.62	1,069.19
ii)	Other operating Expenses	244.77	225.75	228.95	900.26
6	TOTAL EXPENDITURE ((4+5) excluding provisions & Contingencies)	1,681.41	1,678.78	1,349.09	6,004.58
7	Operating Profit before provisions & contingencies (3-6)	601.17	685.76	412.78	2,208.23
8	Provisions (other than tax) and Contingencies	151.57	253.26	362.90	767.19
9	Exceptional Items	-	-	-	-
10	Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	449.60	432.50	49.88	1,441.04
11	Tax Expense	78.90	78.75	(64.30)	260.80
12	Net Profit (+)/Loss (-) from Ordinary activities after Tax (10-11)	370.70	353.75	114.18	1,180.24
13	Extraordinary Items (net of tax)	-	-	-	-
14	Net Profit (+)/Loss (-) for the period (12-13)	370.70	353.75	114.18	1,180.24
15	Paid up equity share capital (Face Value Rs 10/-)	312.44	312.35	311.23	312.35
16	Reserves excluding revaluation reserves				7,390.57



SI. No	Particulars	For /As on Quarter ended			Year ended
		30-06-2023	31-03-2023	30-06-2022	31-03-2023
		(Unaudited)	(Audited) <i>Refer Note 15</i>	(Unaudited)	(Audited)
17	Analytical Ratios				
i)	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil
ii)	Capital Adequacy Ratio (%) -Basel III	17.00	17.45	15.51	17.45
iii)	Earnings per share (EPS) (Rs) before Extraordinary items (net of Tax expense) * Not Annualized				
	- Basic EPS	11.87*	11.33*	3.67*	37.88
	- Diluted EPS	11.80*	11.27*	3.66*	37.66
	Earnings per share (EPS) (Rs) after extraordinary items (net of Tax expense) *Not Annualized				
	- Basic EPS	11.87*	11.33*	3.67*	37.88
	- Diluted EPS	11.80*	11.27*	3.66*	37.66
iv)	NPA Ratios as on date				
	Gross NPA	2,315.88	2,292.91	2,401.39	2,292.91
	Net NPA	877.71	1,021.27	1,262.88	1,021.27
	% of Gross NPA	3.68	3.74	4.03	3.74
	% of Net NPA	1.43	1.70	2.16	1.70
(v)	Return on Assets (Annualised)	1.47	1.40	0.49	1.21
(vi)	Net worth ¹	8,075.50	7,702.92	6,751.40	7,702.92
(vii)	Outstanding redeemable preference shares	Nil	Nil	Nil	Nil
(viii)	Capital Redemption Reserve	Nil	Nil	Nil	Nil
(ix)	Debt-equity ratio ² (times)	0.16	0.18	0.15	0.18
(x)	Total debts to Total assets ³ (%)	1.53	1.58	4.86	1.58
(xi)	Net Interest Margin	3.68	3.87	3.33	3.70

1. Networth is calculated as per guidelines under RBI Master Circular on Exposure Norms

2. Debt (excluding deposit) represents borrowings with residual maturity of more than one year and Equity represents total of share capital and reserves less proposed dividend.

3. Total debts represent total borrowings of the bank and total assets is as per the balance sheet.



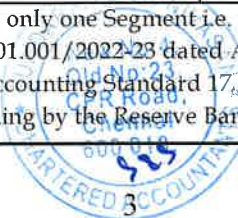
STANDALONE SEGMENT RESULTS FOR/AS ON QUARTER ENDED JUNE 30, 2023

(₹. in Crore)

Sl. No	Segment-wise Results Particulars	For /As on Quarter ended			Year ended
		30-06-2023	31-03-2023	30-06-2022	31-03-2023
		(Unaudited)	(Audited) <i>Refer Note 15</i>	(Unaudited)	(Audited)
1	Segment Revenue				
a)	Treasury Operations	426.64	412.54	192.43	1,276.83
b)	Corporate Banking	765.82	757.97	678.00	2,691.29
c)	Retail Banking	958.64	1,034.15	770.10	3,755.78
	- Digital Banking	0.03	0.01		0.01
	- Other Retail Banking	958.61	1,034.14		3,755.77
d)	Other Banking Operations	127.37	112.55	116.78	424.58
e)	Unallocated	4.11	47.33	4.56	64.33
	Income From Operations	2,282.58	2,364.54	1,761.87	8,212.81
2	Segment Results (after Provisions before Tax)				
a)	Treasury Operations	127.64	72.40	(67.77)	182.23
b)	Corporate Banking	154.43	74.28	183.78	462.62
c)	Retail Banking	345.75	522.28	327.31	1,634.08
	- Digital Banking	(0.12)	(0.29)		(0.64)
	- Other Retail Banking	345.87	522.57		1,634.72
d)	Other Banking Operations	(11.80)	(12.30)	(2.87)	(48.63)
e)	Unallocated (including Provisions & Contingencies)	(166.42)	(224.16)	(390.57)	(789.26)
	Total Profit/(Loss) before tax	449.60	432.50	49.88	1,441.04
3	Segment Assets				
a)	Treasury Operations	27,755.17	29,124.90	27,577.99	29,124.90
b)	Corporate Banking	30,609.51	29,970.97	31,426.32	29,970.97
c)	Retail Banking	30,879.90	29,980.65	26,933.01	29,980.65
	- Digital Banking	5.07	3.74		3.74
	- Other Retail Banking	30,874.83	29,976.91		29,976.91
d)	Other Banking Operations	5,441.33	5,403.09	5,014.98	5,403.09
e)	Unallocated	4,434.35	4,578.73	3,131.96	4,578.73
	Total	99,120.26	99,058.34	94,084.26	99,058.34
4	Segment Liabilities				
a)	Treasury Operations	25,366.26	26,730.78	25,454.30	26,730.78
b)	Corporate Banking	28,003.27	27,524.59	29,098.68	27,524.59
c)	Retail Banking	28,145.02	27,433.88	24,781.78	27,433.88
	- Digital Banking	5.19	4.38		4.38
	- Other Retail Banking	28,139.83	27,429.50		27,429.50
d)	Other Banking Operations	4,970.48	4,955.35	4,650.99	4,955.35
e)	Unallocated	4,050.68	4,200.39	2,889.36	4,200.39
	Total	90,535.71	90,844.99	86,875.11	90,844.99
5	Capital employed	8,584.55	8,213.35	7,209.15	8,213.35

PART B: GEOGRAPHIC SEGMENTS: There is only one Segment i.e. Domestic Segment

As per the RBI circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022, on establishment of Digital Banking Unit (DBU), for the purpose of disclosure under 'Accounting Standard 17- Segment reporting', 'Digital Banking' has been identified as a Sub-segment under Retail Banking by the Reserve Bank of India (RBI).



**CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR/AS ON QUARTER ENDED
JUNE 30, 2023**

(₹. in Crore)

SI. No	Particulars	For /As on Quarter ended			Year ended
		30-06-2023	31-03-2023	30-06-2022	31-03-2023
		(Unaudited)	(Audited) <i>Refer Note 15</i>	(Unaudited)	(Audited)
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a)	Interest/Discount on advances/bills	1,538.78	1,507.25	1,246.74	5,584.91
b)	Income on Investments	362.30	371.73	343.03	1,422.35
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d)	Others	51.58	90.13	38.21	211.39
2	Other Income	323.85	395.23	132.79	992.58
3	TOTAL INCOME (1+2)	2,282.59	2,364.54	1,761.87	8,212.81
4	Interest expended	1,144.06	1,109.24	941.52	4,035.12
5	Operating expenses (i+ii)	537.33	569.76	407.70	1,970.02
i)	Employees Cost	294.07	345.32	179.35	1,073.46
ii)	Other operating Expenses	243.26	224.44	228.35	896.56
6	TOTAL EXPENDITURE ((4+5) excluding provisions & Contingencies)	1,681.39	1,679.00	1,349.22	6,005.14
7	Operating Profit before provisions & contingencies (3-6)	601.20	685.54	412.65	2,207.67
8	Provisions (other than tax) and Contingencies	151.57	253.26	362.90	767.19
9	Exceptional Items	-	-	-	-
10	Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	449.63	432.28	49.75	1,440.48
11	Tax Expense	78.90	78.75	(64.30)	260.80
12	Net Profit (+)/Loss (-) from Ordinary activities after Tax (10-11)	370.73	353.53	114.05	1,179.68
13	Extraordinary Items (net of tax)	-	-	-	-
14	Net Profit (+)/Loss (-) for the period (12-13)	370.73	353.53	114.05	1,179.68
15	Paid up equity share capital (Face Value Rs 10/-)	312.44	312.35	311.23	312.35
16	Reserves excluding revaluation reserves				7,389.27



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	Earnings per share (EPS) (Rs) after extraordinary items (net of Tax expense) *Not Annualized				
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iv)	NPA Ratios as on date				
	Gross NPA	2,315.88	2,292.91	2,401.39	2,292.91
	Net NPA	877.71	1,021.27	1,262.88	1,021.27
	% of Gross NPA	3.68	3.74	4.03	3.74
	% of Net NPA	1.43	1.70	2.16	1.70
(v)	Return on Assets (Annualised)	1.47	1.40	0.49	1.21
(vi)	Net worth ¹	8,074.24	7,701.62	6,750.53	7,701.62
(vii)	Outstanding redeemable preference shares	Nil	Nil	Nil	Nil
(viii)	Capital Redemption Reserve	Nil	Nil	Nil	Nil
(ix)	Debt-equity ratio ² (times)	0.16	0.18	0.15	0.18
(x)	Total debts to Total assets ³ (%)	1.53	1.58	4.86	1.58
(xi)	Net Interest Margin	3.68	3.87	3.33	3.70

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CONSOLIDATED SEGMENT RESULTS FOR/AS ON QUARTER ENDED JUNE 30, 2023

(₹ in Crore)

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	- Digital Banking	0.03	0.01		0.01
	- Other Retail Banking	958.61	1,034.15		3,755.77
d)	Other Banking Operations	127.37	112.55	116.78	424.58
e)	Unallocated	4.11	47.32	4.56	64.33
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a)	Treasury Operations	127.64	72.42	(67.77)	182.24
b)	Corporate Banking	154.45	74.18	183.72	462.36
c)	Retail Banking	345.77	522.18	327.26	1,633.83
	- Digital Banking	(0.12)	(0.29)		(0.64)
	- Other Retail Banking	345.89	522.47		1,634.47
d)	Other Banking Operations	(11.80)	(12.32)	(2.89)	(48.66)
e)	Unallocated (including Provisions & Contingencies)	(166.43)	(224.18)	(390.57)	(789.29)
	Total Profit/(Loss) before tax	449.63	432.28	49.75	1,440.48
3	Segment Assets				
a)	Treasury Operations	27,753.67	29,123.40	27,576.99	29,123.40
b)	Corporate Banking	30,609.51	29,970.97	31,426.32	29,970.97
c)	Retail Banking	30,879.90	29,980.65	26,933.01	29,980.65
	- Digital Banking	5.07	3.74		3.74
	- Other Retail Banking	30,874.83	29,976.91		29,976.91
d)	Other Banking Operations	5,441.33	5,403.09	5,014.98	5,403.09
e)	Unallocated	4,434.67	4,579.01	3,131.62	4,579.01
	Total	99,119.08	99,057.12	94,082.92	99,057.12
4	Segment Liabilities				
a)	Treasury Operations	25,365.20	26,729.94	25,453.60	26,729.94
b)	Corporate Banking	28,004.21	27,525.14	29,098.93	27,525.14
c)	Retail Banking	28,144.76	27,434.43	24,782.00	27,434.43
	- Digital Banking	5.19	4.38		4.38
	- Other Retail Banking	28,139.57	27,430.05		27,430.05
d)	Other Banking Operations	4,970.57	4,955.45	4,651.03	4,955.45
e)	Unallocated	4,051.05	4,200.72	2,889.06	4,200.72
	Total	90,535.79	90,845.68	86,874.63	90,845.68
5	Capital employed	8,583.29	8,211.44	7,208.29	8,211.44

PART B: GEOGRAPHIC SEGMENTS: There is only one Segment i.e. Domestic Segment. As per the RBI circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022, on establishment of Digital Banking Unit (DBU), for the purpose of disclosure under 'Accounting Standard 17 - Segment reporting', 'Digital Banking' has been identified as a Sub-segment under Retail Banking by the Reserve Bank of India (RBI).

NOTES FORMING PART OF THE UNAUDITED STANDALONE & CONSOLIDATED
FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023.

1. The above Unaudited Standalone and Consolidated Financial Results for the quarter ended June 30, 2023 have been reviewed by the Audit Committee of the Board at its meeting held on August 2, 2023 and approved by the Board of Directors at its meeting held on August 3, 2023. The same has been subjected to limited review by the Joint Statutory Auditors of the Bank who have issued an unmodified conclusion on the same.
2. These Unaudited Standalone and Consolidated Financial Results have been prepared in accordance with the Accounting Standards prescribed under section 133 of the companies Act, 2013 read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by Reserve Bank of India ("RBI"), from time to time ("RBI Guidelines") and other accounting principles generally accepted in India, and is in compliance with the presentation and disclosure requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR").
3. The Unaudited Consolidated Financial Results comprise of the Unaudited Financial Results of The Karnataka Bank Ltd (the Bank) and its only wholly owned subsidiary - KBL Services Ltd.
4. The Bank has applied accounting policies in the preparation of these Standalone and Consolidated Financial Results consistent with those followed in the Audited Standalone and Consolidated Financial Statements for the year ended March 31, 2023. Any circular/ direction issued by RBI is implemented prospectively when it becomes applicable, unless specifically required under those circulars/directions.
5. The above Unaudited Standalone and Consolidated Financial Results have been arrived at after considering the provisions on the basis of extant guidelines / directives issued by RBI on Advances, Restructured Accounts, Non-Performing Assets, exposure to entities with Un-Hedged Foreign Currency Exposure, Non Performing Investments etc., and Depreciation on Investments & Fixed Assets and Provision for employees' retirement benefits like pension, gratuity, leave encashment and unused sick leave as per actuarial valuations, Income Tax, Deferred Tax and other usual and necessary provisions on estimated basis.
6. Other income includes fees earned from providing services to customers, commission from non-fund based banking activities, earnings from foreign exchange and derivative transactions, selling of third-party products, profit on sale of investments (net), profit/ loss on revaluation of investments, recovery in written-off accounts etc.



7. During the quarter ended June 30, 2023, the Bank has made provision of ₹ 38.06 crore on estimated basis for wage arrears pending final settlement of 12th Bipartite Settlement of wage revision due from November 1, 2022. Thus, total provision held for wage arrears as on June 30, 2023 aggregated to ₹ 101.49 crore.
8. Details of loan transferred/ acquired during the quarter ended June 30, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
- The Bank has not transferred any stressed loan (Special Mention Account) and any loan not in default.
 - The Bank has not transferred any non-performing Assets (NPAs) during the quarter ended June 30, 2023.
 - The Bank has neither acquired any stressed loan nor any loan not in default through assignment during the quarter ended June 30, 2023.
 - The Bank has not acquired any Security Receipts (SR) issued by Asset Reconstruction Companies (ARCs) during the quarter ended June 30, 2023.
9. The distribution of the Security Receipts (SR's) held by Bank across the various categories of Recovery Ratings assigned to such SRs by the credit rating agencies as on June 30, 2023.

(₹ in Crs)

Recovery Rating Band	Book Cost
RR1	7.10
RR2	39.00
RR3	80.43
RR4	63.99
RR5	0.00
Rating Withdrawn	112.57
TOTAL	303.09 *

* Provision held there against ₹ 303.09 crore

10. Provision Coverage Ratio as at June 30, 2023, stood at 83.47% (76.77% as at June 30, 2022).
11. During the quarter ended June 30, 2023, the Bank has allotted 86,849 equity shares of face value of ₹ 10/- each, pursuant to the exercise of stock options by employees.



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12. In accordance with the RBI guidelines, Banks are required to make consolidated Pillar 3 disclosures including Leverage Ratio, Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) under the Basel III Capital Regulations. The disclosures have been made available on our website at following link: <https://karnatakabank.com/regulatory-disclosures>. These disclosures have not been subjected to limited review by the Joint Statutory Auditors of the Bank
13. The ratios and other information which are to be disclosed as per Regulation 52(4) of the SEBI LODR have been disclosed to the extent considered applicable.
14. Status of Investor Complaints received during the quarter ended June 30, 2023 :

Complaints un-resolved at the beginning of the quarter	Complaints received during the quarter	Complaints resolved during the quarter	Complaints un-resolved at the end of the quarter
-	1	1	-

15. The Standalone and Consolidated figures for the quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of the year ended March 31, 2023 and the published year to date Unaudited Standalone and Consolidated figures up to December 31, 2022.
16. Previous period's figures/ ratios have been regrouped/ reclassified, where necessary to conform to current period's classification and presentation.

For and on behalf of Board of Directors

Place: Mangaluru

Date: August 3, 2023



Srikrishnan H

Managing Director & CEO

DIN: 00318563