



Karnataka Bank Ltd.

Your Family Bank, Across India.



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MEDIA MARKETING, CUSTOMER EXPERIENCE & PUBLIC RELATIONS

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PRESS RELEASE

Karnataka Bank's Annual Net Profit - All Time High at Rs. 1,306.28 Crores.

Karnataka Bank Limited has reported a record annual net profit of Rs. 1,306.28 crore for FY2023-24, an increase of 11% from the previous year's Rs. 1,180.24 crore. During a meeting held in Mangaluru today, the Board of Directors approved the Audited Annual financial results for the year ended March 31, 2024, and proposed a dividend of 55% for approval in the forthcoming Annual General Meeting.

Bank incurred a One-time Staff Cost of INR 152.2 crore in Q4FY24 relating to enhanced actuarial provisions arising out of 12th Bi-partite settlement.

As of March 31, 2024, the Bank's business turnover stood at Rs. 1,71,059.49 Crs, a YoY growth of 15.06%. Gross Advances increased by 19.08 % YoY to Rs. 73,001.66 Crs, while Deposits grew 12.24%% YoY to Rs. 98,057.83 Crs. CASA deposits accounted for 31.97% of total deposits.

The Bank's PCR (Provision Coverage Ratio) including Technical write-offs, were at similar levels ~80% as on 31st March 2024, compared to 31st March 2023 and 31st December 2023. The Bank's CRAR (Capital to Risk Weighted Assets Ratio) under Basel III reached a record 18.00%, up from 17.45% last year that was primarily due to capital infusion of Rs. 1,500 crores during FY 24, by way of QIP and Preferential Allotments.

Gross NPA (GNPA) improved to 3.53% as on March 2024 when compared to 3.74% as on March 2023, and Net NPA (NNPA) improved to 1.58% when compared to 1.70% as on March 2023. Standard restructured advances stood at Rs. 1,579 crores as on 31st March 2024, which decreased from Rs. 2,571 crores as on 31st March 2023. Recoveries continue to be robust and were at similar levels during FY 24 as compared to FY 23 at approx. Rs. 280 crores. There is significant improvement in the overall GNPA + Restructured Portfolio,



which moved from 11.0% of Gross Advances as on FY22 to 7.9% as on FY 23 and to 5.7% as on FY24.

The Bank's priority sector advances stood at 60 % of ANBC, comfortably surpassing the minimum target of 40% as specified by RBI.

Announcing the results at the Bank's Head Quarters at Mangaluru, Shri Srikrishnan H, Managing Director & CEO of the Bank said "Karnataka Bank's financial achievements are a testament to its dedicated and ongoing transformational changes. Through a concerted effort to enhance technology-based deliveries coupled with operational efficiency, we are forging a new path forward. With a cultural shift towards relevance, we have introduced a range of new products, re-defined our technology architecture, built new partnerships, strengthened our management team and working on internal processes to be outbound and customer centric.

In Feb 2024, we celebrated the Bank's centenary, marking a historic milestone during our journey of Trust and Excellence. The Bank also successfully completed an ambitious Capital raising program of Rs 1,500 crores in a record six months that demonstrates investors' confidence in our vision and strategic direction. The Bank's brand-new positioning as "Bharat Ka Karnataka Bank" signals our pan-India approach for business presence."

Shri Sekhar Rao, Executive Director of the Bank, reflecting on the bank's performance stated, "Karnataka Bank has demonstrated a strong financial performance with sustained margins as per guidance, even in a volatile market. We continue to create value for our shareholders by enhancing our offerings and adapting to the market changes.

Our focus on fulfilling customer needs through innovation and product centricity is being achieved through fostering new partnerships and digitising the Bank. By embracing Digital transformation, the Bank aims to improve its streamline processes and deliver superior customer experiences. We stay committed to continuing our growth trajectory in the coming years."



MADHAVA V.P.
Assistant General Manager.

MADHAVA V.P. Assistant General Manager



PERFORMANCE HIGHLIGHTS

(Rupees in Crores)

Parameters		FY24	FY23	% change / Variation	Q4 FY24	Q4 FY23	% change / Variation
Net Profit		1,306.28 *	1,180.24	11%	274.24 *	353.75	(23%)*
Operating Profit		2,163.31 *	2,208.23	(2%)*	499.79 *	685.76	(27%)*
Total Income		9,617.42	8,212.81	17%	2,619.97	2,364.54	11 %
Net Interest Income		3,298.72	3,185.10	4%	834.03	860.05	(3%)
Other Income		1,318.92	992.58	33%	419.42	395.24	33%
Net Interest Margin (%)		3.51%	3.70%	(19 Bps)	3.30%	3.87%	(57 Bps)
Return on Assets (%)		1.22%	1.21%	1 Bps	0.96 %	1.40%	(44 Bps)
Gross NPA	Amount	2,578.42	2,292.91		2,578.42	2,292.91	
	(%)	3.53%	3.74%	(21 Bps)	3.53%	3.74%	(21 Bps)
Net NPA	Amount	1,129.18	1,021.27		1,129.18	1,021.27	
	(%)	1.58%	1.70%	(12 Bps)	1.58%	1.70%	(12 Bps)
CRAR (%) Basel III		18.00%	17.45%	55 Bps	18.00%	17.45%	55 Bps
CASA Ratio (%)		31.97%	32.97%	(100 Bps)	31.97%	32.97%	(100 Bps)
PCR (%)		79.22%	80.86%	(164 Bps)	79.22%	80.86%	(164 Bps)

***POST IMPACT OF INR 152.2 CRORES ONE-TIME STAFF COST IN Q4 OF FY24 RELATING TO ENHANCED ACTUARIAL PROVISIONS ARISING OUT OF 12TH BI-PARTITE SETTLEMENT**



