



Your Family Bank, Across India

Regd. & Head Office  
P. B. No.599, Mahaveera Circle  
Kankanady  
Mangaluru – 575 002

Phone : 0824-2228184  
E-Mail : Comsec@ktnbank.com  
Website : [www.karnatakabank.com](http://www.karnatakabank.com)  
CIN : L85110KA1924PLC001128

**SECRETARIAL DEPARTMENT**

14.05.2025

HO:SEC:34:2025-26

To:

The Manager  
Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, C-1, Block G  
Bandra-Kurla Complex  
Bandra (E), Mumbai-400051  
**Scrip Code: KTKBANK**

The Manager  
Listing Department  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai-400001  
**Scrip Code: 532652**

Madam/Dear Sir,

**Sub: Intimation under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- Submission of copy of presentation for Analysts / Institutional Investors on audited Financial Results for the quarter and financial year ended March 31, 2025**

We refer to our earlier letter no. HO: SEC: 31:2025-26 dated 09.05.2025 intimating about the scheduling of Q4FY25 Earning's Audio Conference Call for Analysts/Institutional Investors to be held on Wednesday, May 14, 2025 at 07.00 PM IST and also the modalities in connection therewith.

In compliance with the provisions of Regulation 30 read with Para A of Part A of Schedule III and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the copy of the presentation for Analysts / Institutional Investors on audited financial results of the Bank for the quarter and financial year ended March 31, 2025. The analyst presentation has also been hosted on the website of the Bank and the same is available under the link given below:

<https://karnatakabank.com/investors/quarterly-results>

This is for your kind information and dissemination.

Yours faithfully,

**Sham K**  
**Company Secretary &**  
**Compliance Officer**

# INVESTOR PRESENTATION Q4 FY25



Banking with Legacy, Embracing the Future



100 YEARS  
OF LEGACY, **1 FOR  
SHAGUN**

*Trusted for 101 years*



Bharat ka  
**Karnataka Bank**  
karnatakabank.com





# Table of Contents

- 01 Independent Board and Experienced Management Team
- 02 Financial Highlights
- 03 Accelerating our Transformation Journey
- 04 Our Strengths and Strategies



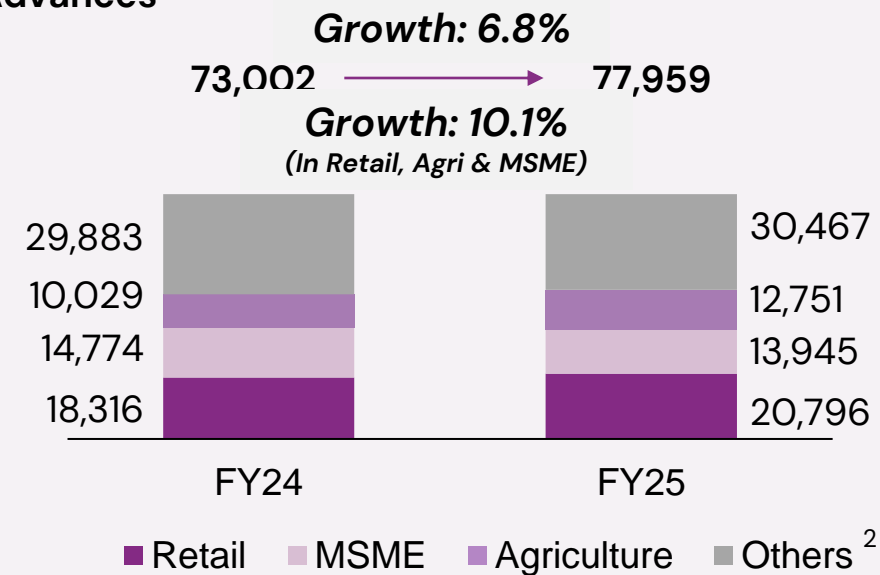
# Key Achievements During FY25



## Transformative steps leading to stable financial position...

### Deposits and Advances Growth

#### Gross Advances<sup>1</sup>



#### Total Deposits

**FY24**  
97,988 cr.

**Growth: 7.0%**

**FY25**  
1,04,807 cr.

#### CASA

**FY24**  
31,293 cr.

**Growth: 6.4%**

**FY25**  
33,281 cr.

#### Retail Term Deposit

**FY24**  
58,616 cr.

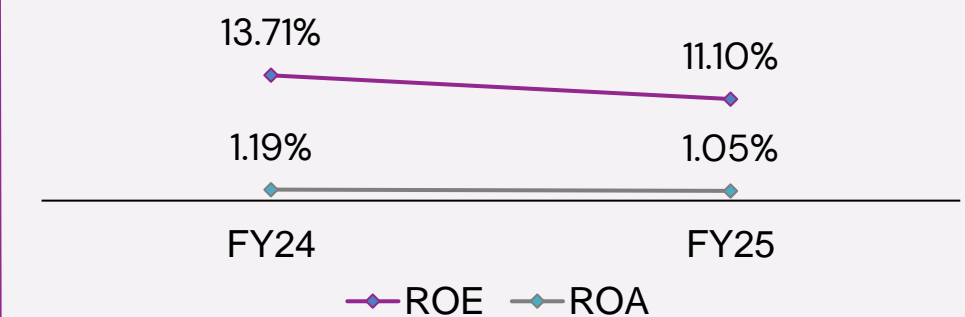
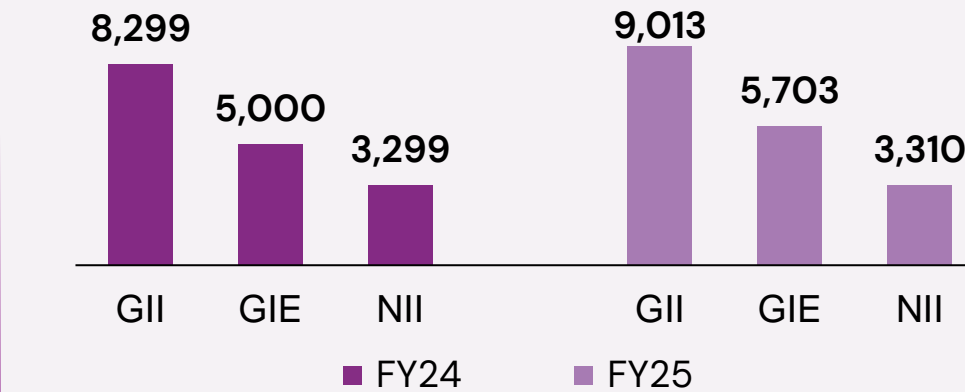
**Growth: 10.2%**

**FY25**  
64,600 cr.

### Profitability Metrics

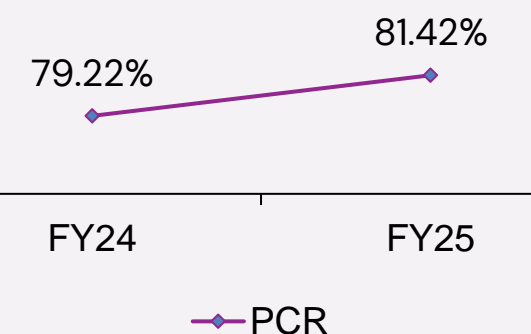
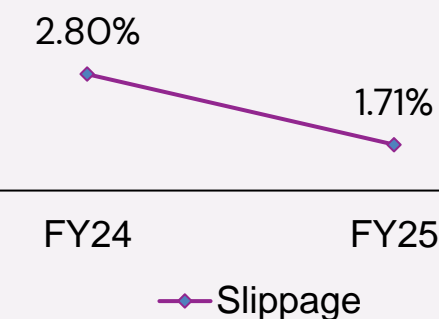
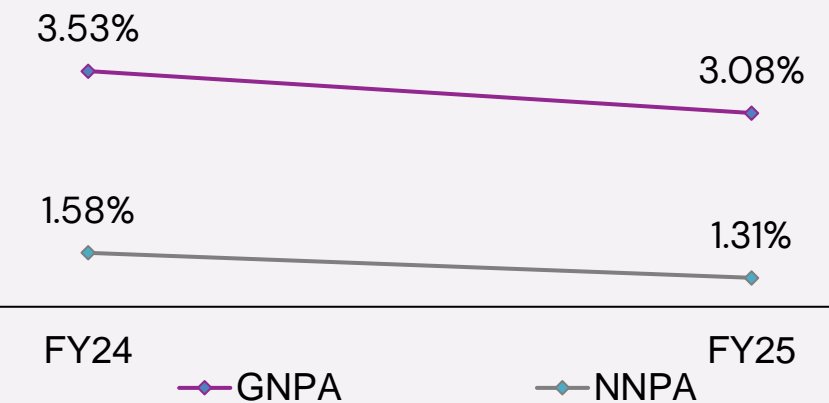
**NII excl. Impact of Penal Charges Reclassification - Rs. 3,371 Crore (FY25)**

INR cr.



**FY25 ROA: 1.14%**  
(Adj. for AFS Reserve)

### Asset Quality



During the Year, the Bank has undertaken major initiatives to replace high-cost bulk deposits with retail term deposits. The bank has also regained its growth momentum in terms of advances, while also maintaining a strong focus on asset quality. The same is evident in the consistently improving GNPA and NNPA numbers.



# Q4 FY25 Performance at a Glance

■ Q4FY25 ■ FY25

Assets			
Gross Advances	Retail Advances	Deposits	CASA
77,959 ↑ 6.8% YoY 10.1% YoY <i>(In Retail, Agri &amp; MSME)</i>	39,274 ↑ 15.4% YoY	1,04,807 ↑ 7.0% YoY 10.2% YoY <i>(In Retail Term Deposit)</i>	33,281 ↑ 6.35% YoY
Profitability*			
NIM <sup>1</sup>	PAT <sup>2</sup>	ROA <sup>3</sup>	ROE
2.98% / 3.19% ↓ 34 bps YoY / ↓ 33 bps YoY	252 / 1,272 ↓ 8.0% YoY / ↓ 2.6% YoY	0.81% / 1.05% ↓ 11 bps YoY / ↓ 14 bps YoY	8.56% / 11.10% ↓ 208 bps YoY / ↓ 261 bps YoY
Asset Quality			
GNPA	GNPA and Std Restructured % of Advances	NNPA	PCR (Incl. TWO)
3.08% ↓ 45 bps YoY	4.36% ↓ 134 bps YoY	1.31% ↓ 27 bps YoY	81.42% ↑ 220 bps YoY

- Continued improvement in book quality due to improved focus on collection and recovery mechanisms
- Retail advances grew by 15.4% YoY. Net accretion of Rs. 5,255 Cr during FY25.
- Mid Corporate national and regional structures in place
- Rs. 1,300 crores of churn from NBFC advances to direct-to-corporate advances during FY25
- Significant shift from high-cost bulk deposits to Retail Deposits. Bulk deposits as a percentage of Total Deposits stood at 6.6% for FY25
- Focus on improving CASA through sales strategy and regional structures

<sup>1</sup> NIM Adjusted for AFS Reserve and Penal Charges is 3.06% for Q4FY25 & 3.23% for FY25

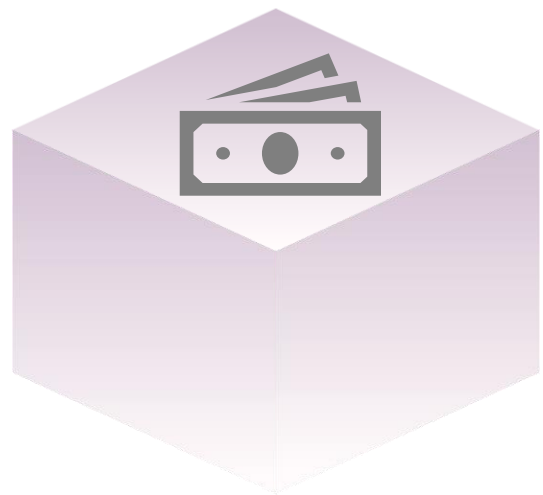
<sup>2</sup> PAT Adjusted for AFS Reserve is Rs.287 crores for Q4FY25 & Rs.1,383 crores for FY25

<sup>3</sup> ROA Adjusted for AFS Reserve is 0.92% for Q4FY25 & 1.14% for FY25



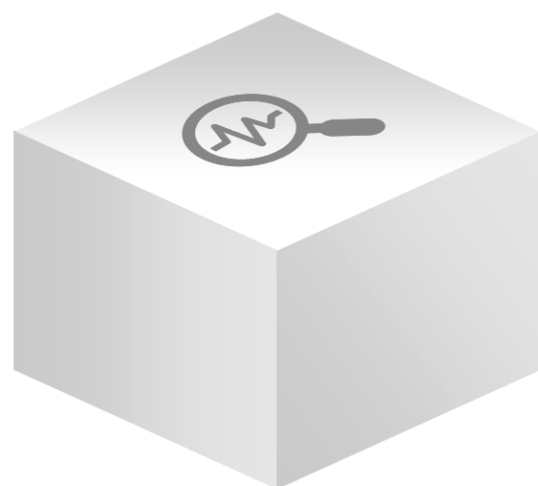


# Q4 and FY25 Performance at a Glance (1 / 2)



## Profitability

- ▶ Gross Interest Income for FY25 has grown 8.6% YoY while Interest Expense grew 14.1% over the same period owing competitive deposit pricing on account of tightening liquidity.
- ▶ Consequently, NII for FY25 increased 0.4% YoY.
- ▶ As a result of increased Cost of Funds and Cost of Deposits, NIM declined to 3.19% in FY25, down from 3.52% in FY24. NIM for Q4 FY25 stood at 2.98% v/s 3.32% in Q4 FY24. The FY25 NIM, adjusted for AFS Reserve and Penal charges would be 3.23%, an increase by 4 bps.
- ▶ PAT for Q4 FY25 stood at Rs. 252.37 crore v/s Rs. 274.24 crore in Q4 FY24, while that for FY25 stood at Rs. 1,272.37 crore against Rs. 1,306.28 crore in FY24. The FY25 PAT, adjusted for AFS Reserve would be Rs.1,382.75 crore, an increase by Rs.110.38 crore.
- ▶ ROA and ROE stood at 1.05% and 11.10% respectively for FY25. The FY25 ROA, adjusted for AFS Reserve would be 1.14%, an increase by 9 bps.

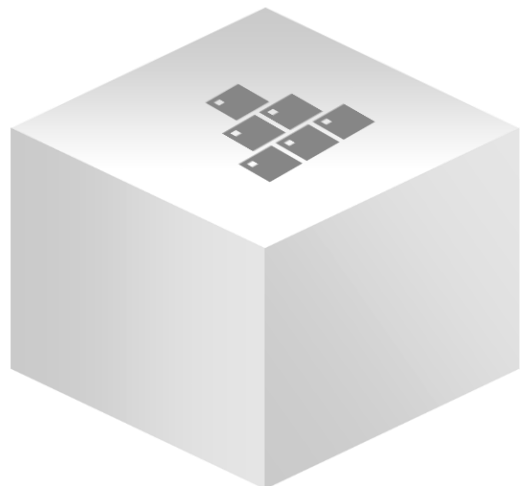


## Asset Quality and Liability

- ▶ In line with guidance, Gross NPA decreased further to 3.08% as on 31 March 2025, improving 45 bps YoY and 3 bps QoQ.
- ▶ Net NPA also improved to 1.31% as on 31 March 2025 against 1.58% on 31 March 2024 and 1.39% as on 31 December 2024.
- ▶ Credit cost for the quarter stood at 0.05% as against 0.20% in Q4 FY24. For FY25, the same stood at 0.37% as against 0.84% for FY24.
- ▶ CASA as on 31<sup>st</sup> March 2025 stood at Rs. 33,281 crores as against Rs. 31,293 crores as on 31<sup>st</sup> March 2024. CASA ratio as on 31<sup>st</sup> March 2025 stood at 31.75% as against 31.94% on 31<sup>st</sup> March 2024 and 30.29% on 31<sup>st</sup> December 2024.

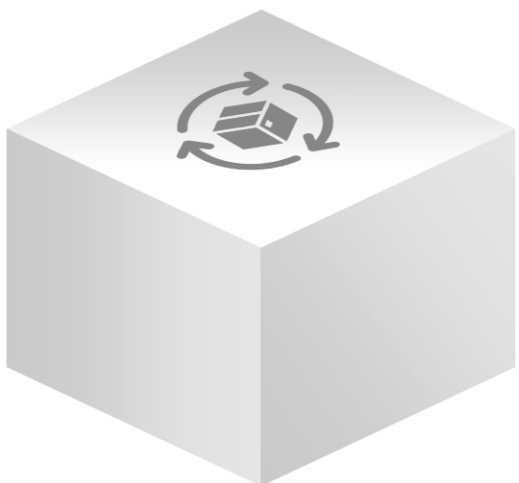


# Q4 and FY25 Performance at a Glance (2 / 2)



## Distribution

- ▶ Expansion of Co-lending portfolio by stitching new partnership with M/s. Ugro Capital
- ▶ Launched liability DIY platform for Savings Account and Dormant Account Activation
- ▶ First Bank to get onboarded on ONDC rails to offer Personal Loan product
- ▶ Inaugurated 15 branches across 3 regions in India to expand Karnataka bank's geographical reach



## Product and Digitization

- ▶ Launched new products to facilitate growth of CASA and deposits by providing improved offerings to customers
- ▶ Digital footprint increased by 1.01 lakh+ additional mobile application downloads during Q4 FY2025
- ▶ 61,000+ new debit cards added to KBL's network during Q4 FY2025
- ▶ Launch of a slew of new products and services to cater to the ever-evolving needs of customers –
  - a) KBL G PerL, an exclusive personal loan product for Government Employees.
  - b) KBL PEAK, an exclusive student education loan product.
  - c) MSME – Segment based Product Launches – KBL CA Credit Line, KBL Dropline OD, KBL Contractor, KBL Medi Equip Loan,
  - d) Digitization of Bank Guarantee Issuance– e BG
  - e) KBL Genius an exclusive Student Savings account product
  - f) KBL ONE – Corporate Mobile banking (Omni Channel)



# Experienced Management Team...

Strengthening of Management, making the Organization Future Ready



*Srikrishnan H*

**MD & CEO**

Former MD & CEO, Jio Payments Bank; ED, Yes Bank; Founding Team, HDFC Bank



*Sekhar Rao*

**Executive Director**

Former COO, CSB Bank; National Head, RBL; Co-Founder, Savvy India



*Abhishek Sankar Bagchi*

**Chief Financial Officer**

Former CFO, NSDL Payments Bank; Dy-VP, Finance & Accounts, Axis Bank



*Pankaj Gupta*

**Chief Digital & Marketing Officer**

Formerly at Sify Technologies, HCL Services, Wipro Infotech



*Gurumurthy R K*

**Head – Treasury**

Formerly at DBS Bank, Laxmi Vilas Bank, Bank One, ING Vysya Bank



*Ramaswamy Subramanian*

**Chief Product Officer**

Former CPO, Dvara KGFS; Head – Products, Suryoday SFB



*Venkat Krishnan*

**Chief Information Officer**

Former CTO, IndusInd Bank; CIO, Ujjivan SFB; CTO, Yes Bank



*Vinaya Bhat P J*

**Chief Compliance Officer**

27 years veteran at Karnataka Bank



*Niranjana Kumar*

**Chief Human Resources Officer**

Former Head HRBP at HDFC Bank



*Ravichandran S*

**Head – Credit Sanctions**

38 years veteran at Karnataka Bank



*Jayanagaraja Rao S*

**Head – Inspection & Audit, Chief of Internal Vigilance (CIV)**

27 years veteran at Karnataka Bank



*Giridhar Rajaram*

**Head – Wholesale & Mid-Corporate Banking**

Former Mid-Corporate at DBS Bank and SAB



*Sreenivas Mylavarapu*

**Head – Retail Lending, SME, MSME & Agri**

23 years of experience in secured and unsecured lending



*Venkateswarlu Mallineni*

**Head – Liabilities & TPP**

24 years experience in Retail Banking and Liabilities Business



*Raja B.S.*

**Head – Branch Banking Dept**

34 years veteran at Karnataka Bank

Inducting lateral business leadership with proven pedigree and nurturing home-grown talent aligned to transformation of the Bank





# ...Guided by an Independent Board

With no Shareholder Holding >5% Share Capital in the Bank



*P Pradeep Kumar*

**Part Time Chairman, Independent Director**  
Former MD, State Bank of India



*Justice A V Chandrashekar*

**Independent Director**  
Former Judge, High Court of Karnataka



*Kalmanje Gururaj Acharya*

**Independent Director**  
Senior Partner, M/s. K G Acharya & Co.;  
Former Independent Director, State Bank of Mysore



*Srikrishnan H.*

**MD & CEO**



*Uma Shankar*

**Independent Director**  
Former ED, Reserve Bank of India



*Jeevandas Narayan*

**Independent Director**  
Former MD, State Bank of Travancore;  
Deputy MD, State Bank of India



*Sekhar Rao*

**Executive Director**



*Dr D S Ravindran*

**Independent Director**  
Former Principal Secretary, Govt. of Karnataka



*Harish H V*

**Independent Director**  
Former Partner, Grant Thornton;  
Founder ECube Investment Advisors



*B R Ashok*

**Non-Executive Director**  
Partner, M S K C & Associates



*Balakrishna Alse S*

**Independent Director**  
Former ED, Oriental Bank of Commerce

# Financial Highlights



Banking with Legacy, Embracing the Future





# Financial Highlights

## Profit and Loss Statement – Quarter

Particulars	Q4FY25	Q4FY24	Growth Y-o-Y	Q3FY25	Growth Q-o-Q
Interest Income	2,258.46	2,200.56	2.6%	2,243.02	0.7%
Interest Expense	1,477.78	1,366.53	8.1%	1,450.24	1.9%
<b>Net Interest Income</b>	<b>780.68</b>	<b>834.03</b>	-6.4%	<b>792.78</b>	-1.5%
Other Income	428.23	419.41	2.1%	292.36	46.5%
<b>Total Income (Net of Interest Expense)</b>	<b>1,208.91</b>	<b>1,253.44</b>	-3.6%	<b>1,085.14</b>	11.4%
Employee Expenses	525.91	436.80	20.4%	342.72	53.5%
Other Expenses	307.98	316.85	-2.8%	309.35	-0.4%
<b>Total Operating Expenses</b>	<b>833.89</b>	<b>753.65</b>	10.6%	<b>652.07</b>	27.9%
<b>Operating Profit</b>	<b>375.02</b>	<b>499.79</b>	-25.0%	<b>433.07</b>	-13.4%
Provisions	31.08	184.72	-83.2%	83.77	-62.9%
<b>Profit Before Tax (PBT)</b>	<b>343.94</b>	<b>315.07</b>	9.2%	349.30	-1.5%
Tax	91.57	40.83	124.3%	65.70	39.4%
<b>Profit After Tax (PAT)</b>	<b>252.37</b>	<b>274.24</b>	-8.0%	<b>283.60</b>	-11.0%





# Financial Highlights

## Profit and Loss Statement – Annual

Particulars	FY25	FY24	Growth Y-o-Y
Interest Income	9,013.60	8,298.50	8.6%
Interest Expense	5,703.22	4,999.78	14.1%
<b>Net Interest Income</b>	<b>3,310.38</b>	<b>3,298.72</b>	<b>0.4%</b>
Other Income	1,269.52	1,318.92	-3.7%
<b>Total Income (Net of Interest Expense)</b>	<b>4,579.90</b>	<b>4,617.64</b>	<b>-0.8%</b>
Employee Expenses	1,538.40	1,372.84	12.1%
Other Expenses	1,214.46	1,081.49	12.3%
<b>Total Operating Expenses</b>	<b>2,752.86</b>	<b>2,454.33</b>	<b>12.2%</b>
<b>Operating Profit</b>	<b>1,827.04</b>	<b>2,163.31</b>	<b>-15.5%</b>
Provisions	186.44	600.58	-69.0%
<b>Profit Before Tax (PBT)</b>	<b>1,640.60</b>	<b>1,562.73</b>	<b>5.0%</b>
Tax	368.23	256.45	43.6%
<b>Profit After Tax (PAT)</b>	<b>1,272.37</b>	<b>1,306.28</b>	<b>-2.6%</b>



# Financial Highlights

## Balance Sheet

Particulars	FY25	FY24	Growth Y-o-Y
<b>Property &amp; Assets</b>			
Cash & Balance With RBI	7,525.73	7,716.62	-2.5%
Balance With Banks & Money At Call & Short Notice	458.58	336.67	36.2%
Investments	24,536.51	24,302.05	1.0%
Advances	76,541.48	71,508.64	7.0%
Fixed Assets	990.54	927.91	6.7%
Other Assets	10,908.94	11,292.68	-3.4%
<b>Total</b>	<b>120,961.78</b>	<b>116,084.57</b>	<b>4.2%</b>
<b>Capital and Surplus</b>			
Capital	377.95	377.26	0.2%
Reserves & Surplus	10,435.00	9,164.96	13.9%
Deposits	104,807.49	97,988.22	7.0%
Borrowings	1,940.55	4,399.53	-55.9%
Other Liabilities & Provisions	2,128.42	2,848.32	-25.3%
Net Profit	1,272.37	1,306.28	-2.6%
<b>Total</b>	<b>120,961.78</b>	<b>116,084.57</b>	<b>4.2%</b>



# Financial Highlights

## Key Financial Ratios – Quarter

Particulars	Q4FY25	Q4FY24	Growth Y-o-Y	Q3FY25	Growth Q-o-Q
Gross NPA	3.08%	3.53%	-45 bps	3.11%	-3 bps
Net NPA	1.31%	1.58%	-27 bps	1.39%	-8 bps
CASA Ratio	31.75%	31.94%	-19 bps	30.29%	146 bps
NIM %	2.98%	3.32%	-34 bps	3.02%	-4 bps
ROA	0.81%	0.92%	-11 bps	0.92%	-11 bps
ROE	8.56%	10.64%	-208 bps	9.63%	-107 bps
PCR (Excl. TWO)	58.18%	56.21%	197 bps	56.03%	215 bps
PCR (Incl. TWO)	81.42%	79.22%	220 bps	80.64%	78 bps
Credit Cost	0.05%	0.20%	-15 bps	0.12%	-7 bps
CD Ratio	74.38%	74.50%	-12 bps	77.84%	-346 bps
Yield on Advances	9.43%	9.82%	-39 bps	9.37%	6 bps
Cost of Deposits	5.79%	5.52%	27 bps	5.64%	15 bps
Cost of Funds	5.83%	5.59%	24 bps	5.69%	14 bps
CRAR	19.85%	18.00%	185 bps	17.64%	221 bps





# Financial Highlights

## Key Financial Ratios – Annual

Particulars	FY25	FY24	Growth Y-o-Y
Gross NPA	3.08%	3.53%	-45 bps
Net NPA	1.31%	1.58%	-27 bps
CASA Ratio	31.75%	31.94%	-19 bps
NIM %	3.19%	3.52%	-33 bps
ROA	1.05%	1.19%	-14 bps
ROE	11.10%	13.71%	-261 bps
PCR (Excl. TWO)	58.18%	56.21%	197 bps
PCR (Incl. TWO)	81.42%	79.22%	220 bps
Credit Cost	0.37%	0.84%	-47 bps
CD Ratio	74.38%	74.50%	-12 bps
Yield on Advances	9.47%	9.94%	-47 bps
Cost of Deposits	5.62%	5.34%	28 bps
Cost of Funds	5.67%	5.42%	25 bps
CRAR	19.85%	18.00%	185 bps



# One-off items Impacting the Financials

## Actuarial Provisioning for Employee Retiral Benefits

During their quarterly audit, the Statutory Auditors recommended a review of the actuarial assumptions related to employee benefits—such as Pension, Gratuity, Privilege Leave Encashment, Sick Leave, and others—with a particular focus on the salary escalation rate. In response, the Bank conducted a detailed analysis of component-wise salary movements over the past four years. Based on this analysis, revised actuarial rates were proposed and subsequently approved by the Audit Committee of the Board. As a result, an incremental provision was made. Additionally, there was a significant shift in discount rates in the last week of March 2025—approximately 10 basis points—which further impacted the actuarial valuation. Together, these factors led to an **incremental provision of ₹113 crore.**

## Changes in Accounting Policy for Investments

From April 01, 2024, the Bank has changed its accounting policy with respect to 'Investments' to comply with Reserve Bank of India's Master Directions on Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions) 2023 dated September 12, 2023 applicable from April 01, 2024 ('Master Directions') read with FAQ issued by Fixed Income Money Market and Derivatives Association of India ('FIMMDA'). Accordingly, the investments of the Bank as at April 01, 2024 have been re-classified and valued in accordance with the requirements of the above-mentioned Master Directions.

**Excluding impact of changes in accounting policy with respect to 'Investments', Interest Income on Investments would be lower by Rs. 21.56 Cr, Other Income would be higher by Rs. 169.07 Crore, and Profit Before Tax would be higher by ₹ 147.51 crore for FY25**

## Increase in Salaries due to 12<sup>th</sup> BPS

The 12th Bipartite Settlement (BPS) was signed on 8th March 2024 between the Indian Banks' Association and the workmen unions, including the All India Bank Employees' Association, National Conference of Bank Employees, Bank Employees Federation of India, National Organization of Bank Workers, and the Indian National Bank Employees' Federation. The settlement is effective retrospectively from 1st November 2022 for a duration of five years. In line with this, the Bank made provisions for employee arrears covering the period from November 2022 to March 2024. The revised salaries, along with the arrears, were disbursed in April 2024. Further, salaries based on the new pay scales—reflecting a **17% increase in basic pay**—have been implemented from April 2024 onwards.

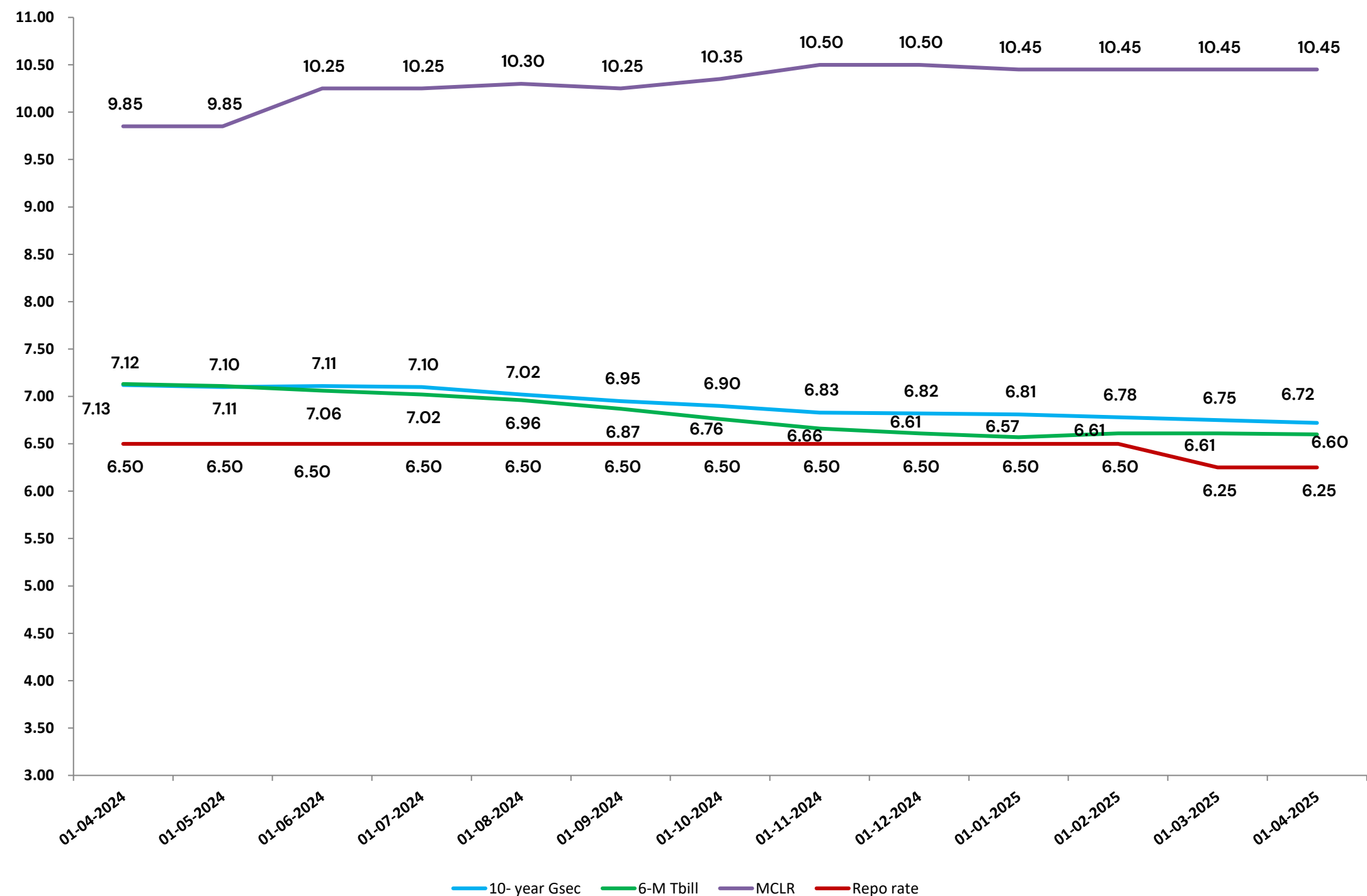
## Movement from Penal Interest to Penal Charges

RBI vide its Circular No. RBI/2023-24/53 dated Aug 18, 2023 on 'Fair Lending Practice – Penal Charges in Loan Accounts', has advised banks that any penalty, if charged for non-compliance with material terms and conditions of the loan contract, will be treated as penal charges and not be levied in the form of penal interest that is added to the rate of interest charged on the loans/advances. **Accordingly, bank has reclassified Penal Charges amounting to Rs. 61 Crs. during FY25, which would have otherwise been included as part of NII for the year.**



# Understanding Bank's Advances Trajectory

## Movement in MCLR and EBLR for the last 1 year



### EBLR

- KBL EBLR is tied to G-Sec & T-Bills.
- Other banks' EBLR is tied to Repo Rate.
- In anticipation of REPO cut, EBLR has corrected around 45 – 50 bps in past 12 months.
- Hence, KBL's yields & NIMs have been impacted by ~50 bps
- However, going forward it is expected that EBLR will correct less vis-à-vis the REPO.

### Penal Interest

- Penal Interest reclassified as penal charges since 1st June 24.
- Penal charges now under Other Income.
- NII down by 23 Crs. in Q4FY25 and 61 Crs. in FY25, impact on NIM is an increase by 8bps for Q4FY25 and 6 bps FY25

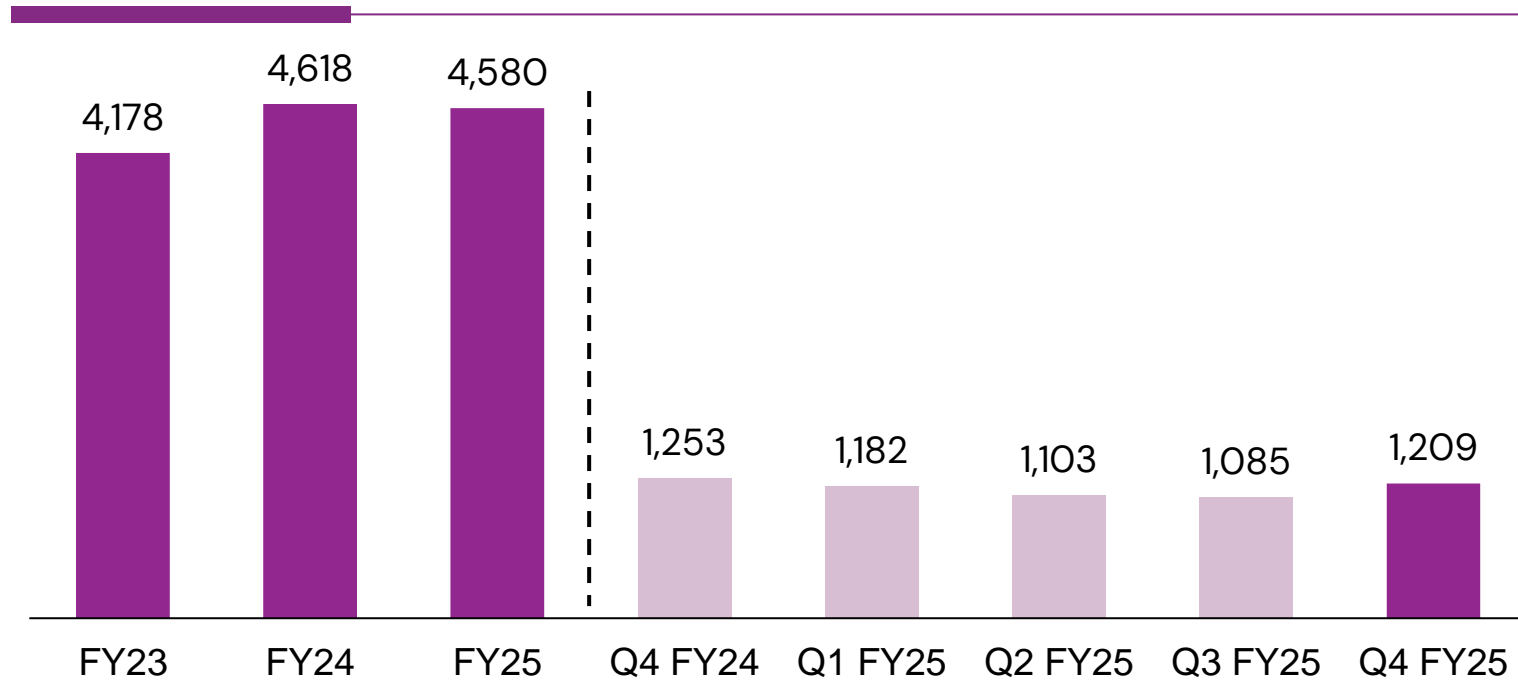
Downward trend in NIMs has a cascading impact on Operating Profit, Net Profit, COIR, ROA & ROE



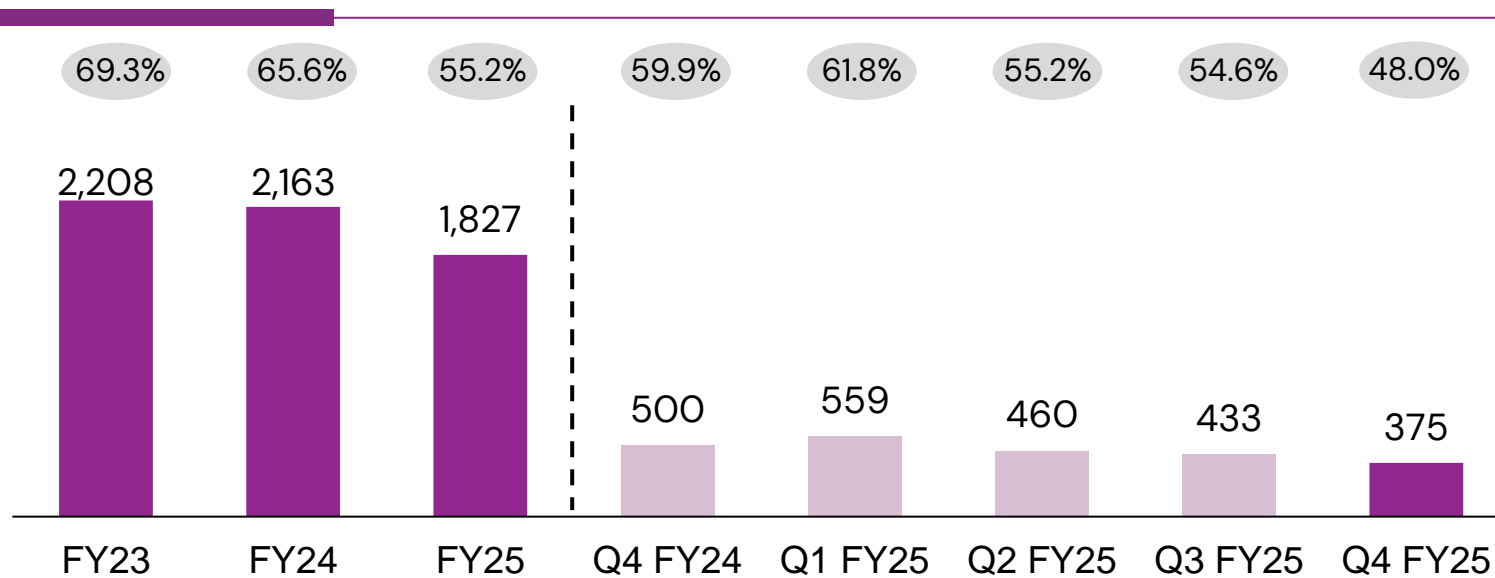


# Profitability

## Operating Revenue (INR Cr.)

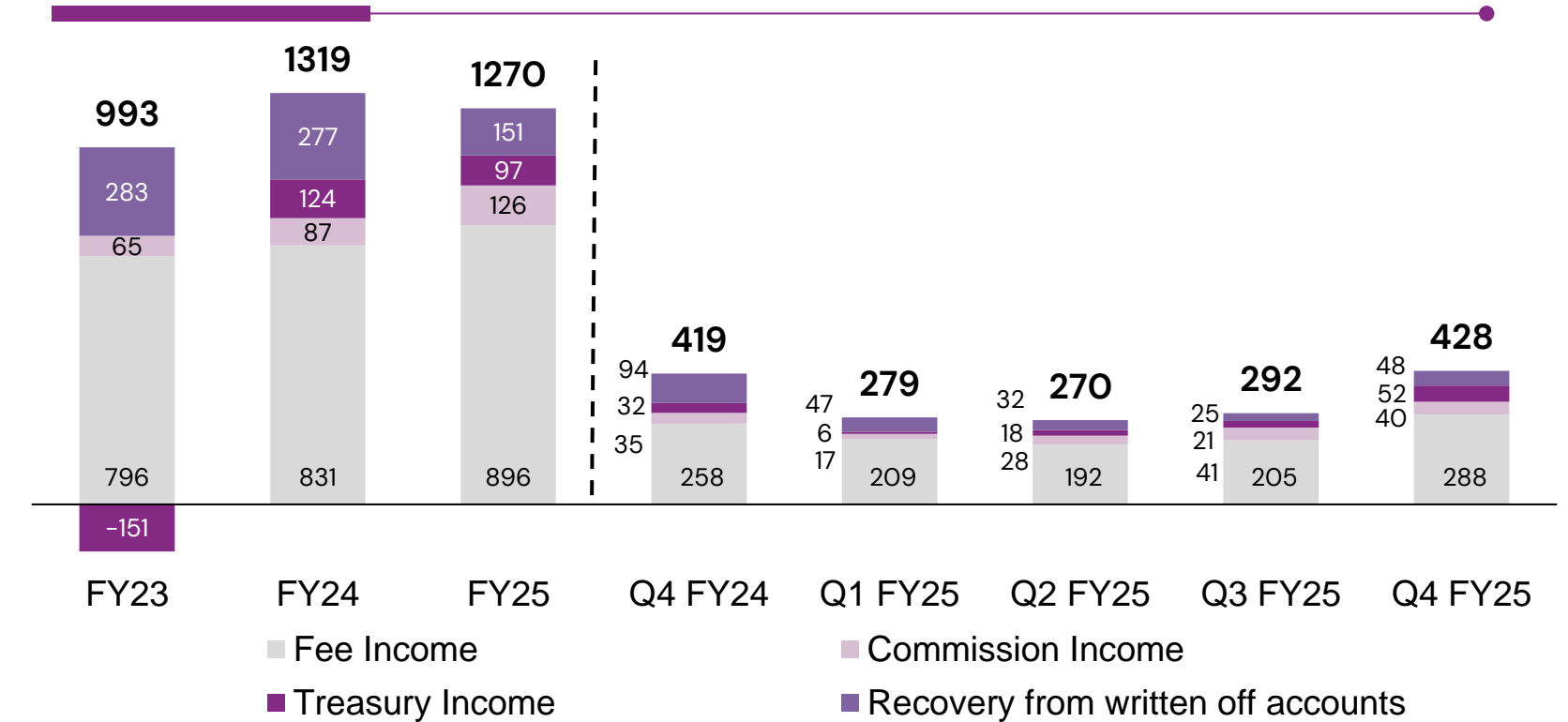


## Operating Profit (INR Cr.)<sup>1</sup>

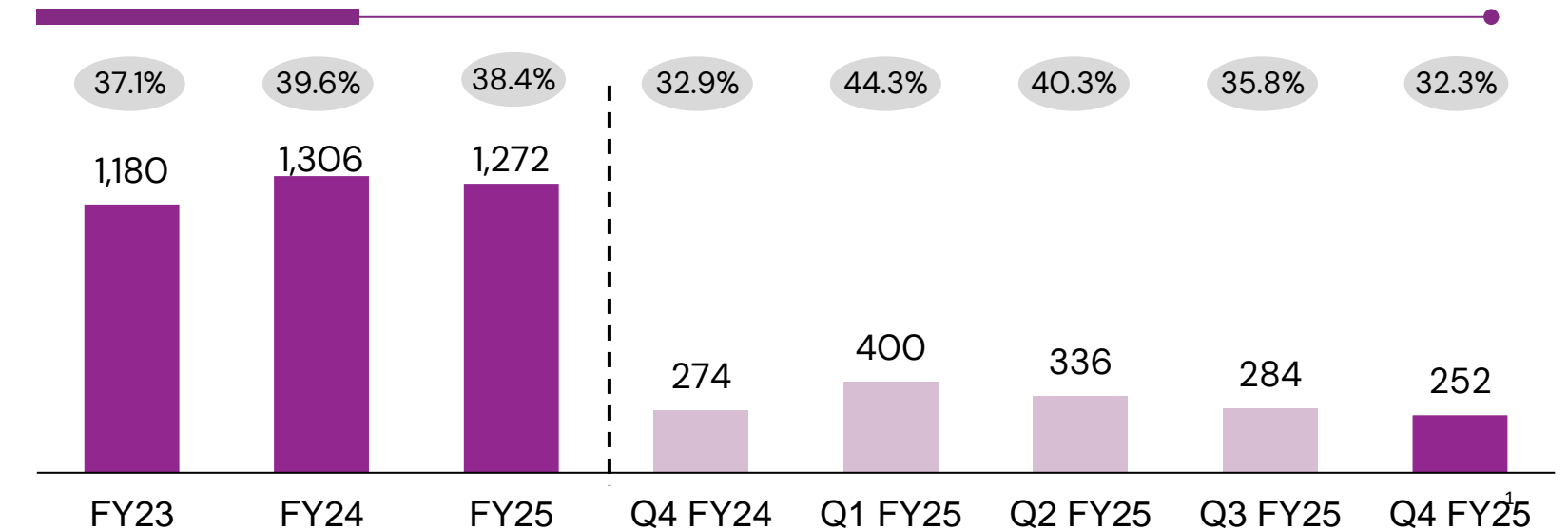


Operating Profit Margin (% of NII)

## Other Income (INR Cr.)



## PAT (INR Cr.)<sup>2</sup>



PAT Margin (% of NII)

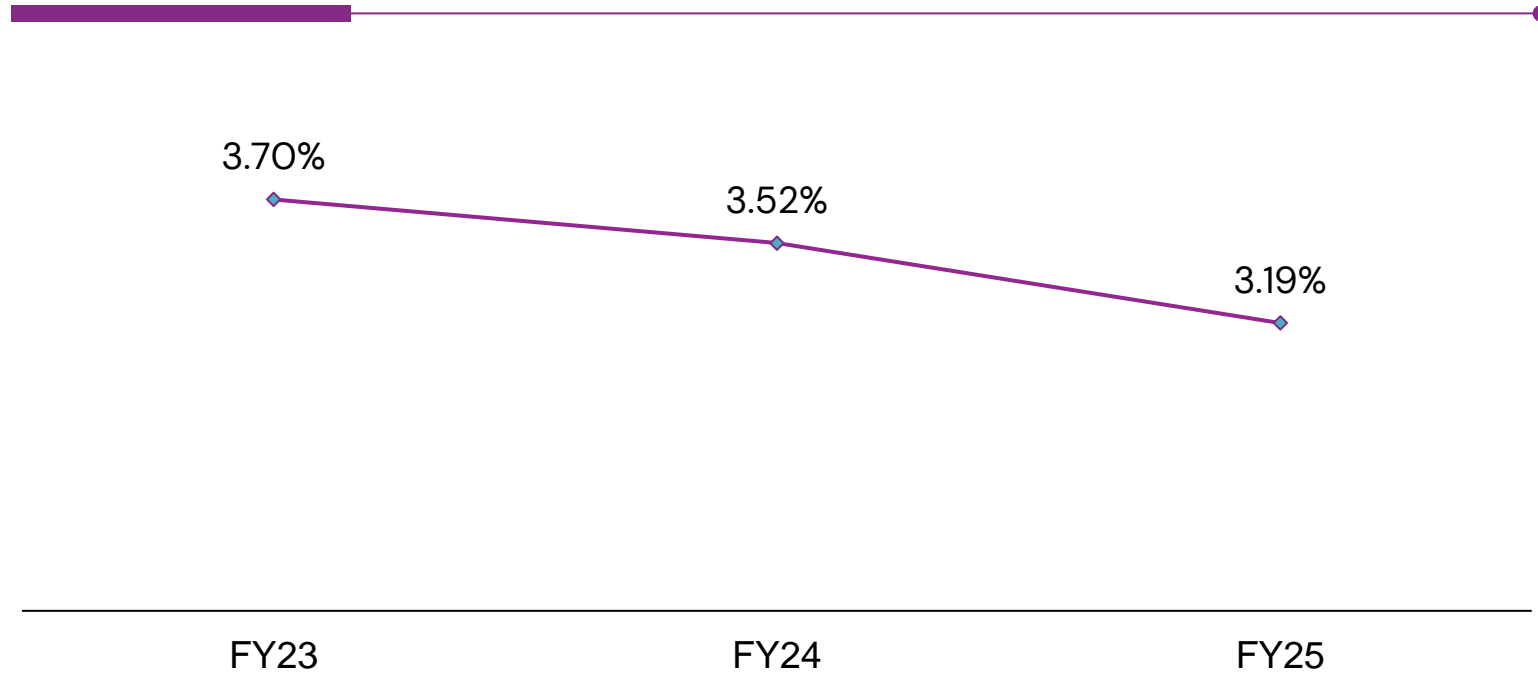
Note 1: While Operating Expenses have remained stable YoY, increased Interest Expenses have resulted in reduction in Operating Profit

Note 2: PAT figures include accelerated provisioning and other one-time expenses

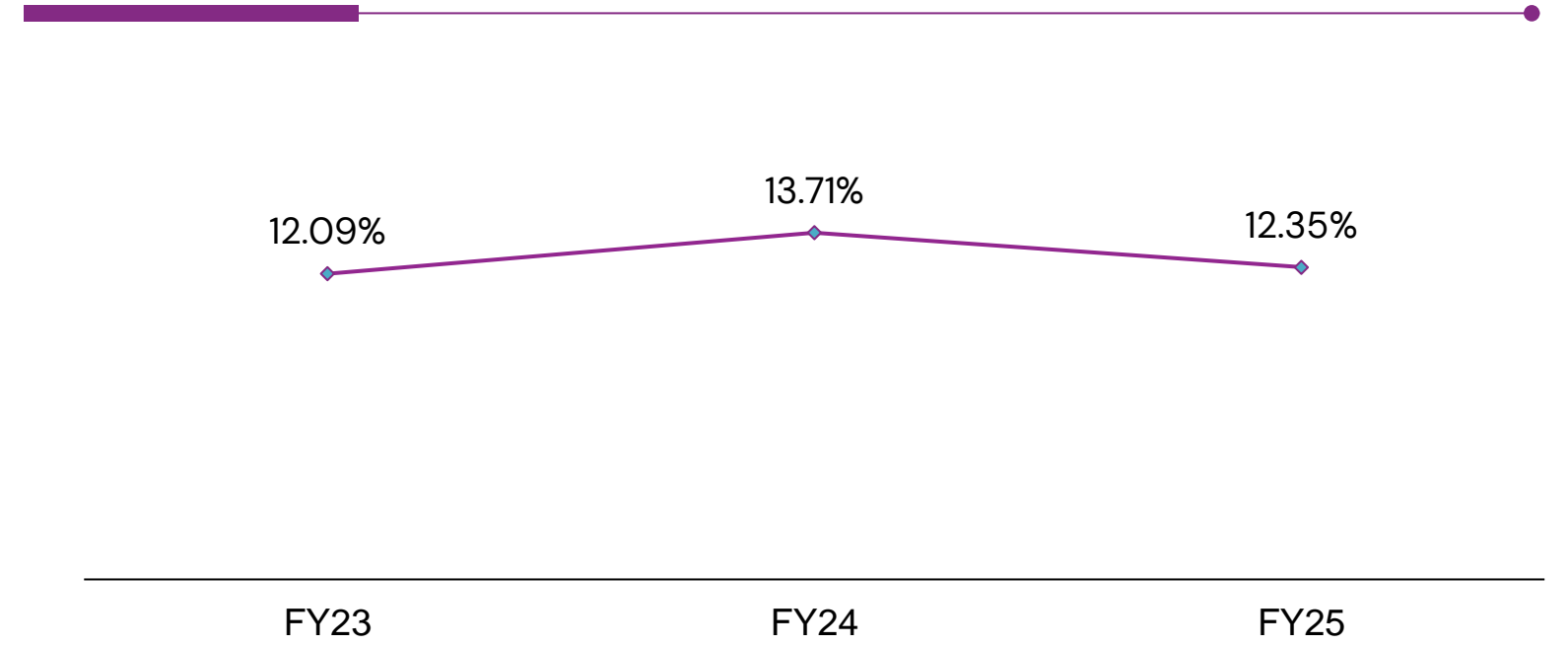


# Profitability

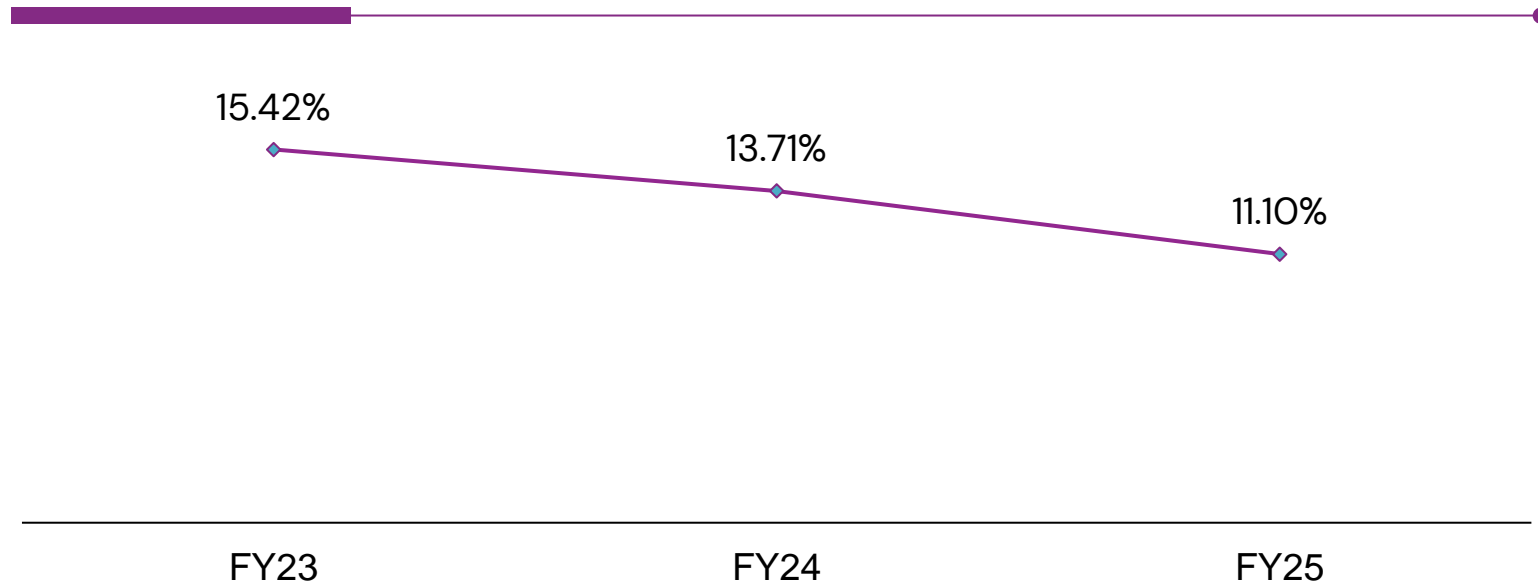
## Net Interest Margin<sup>1</sup>



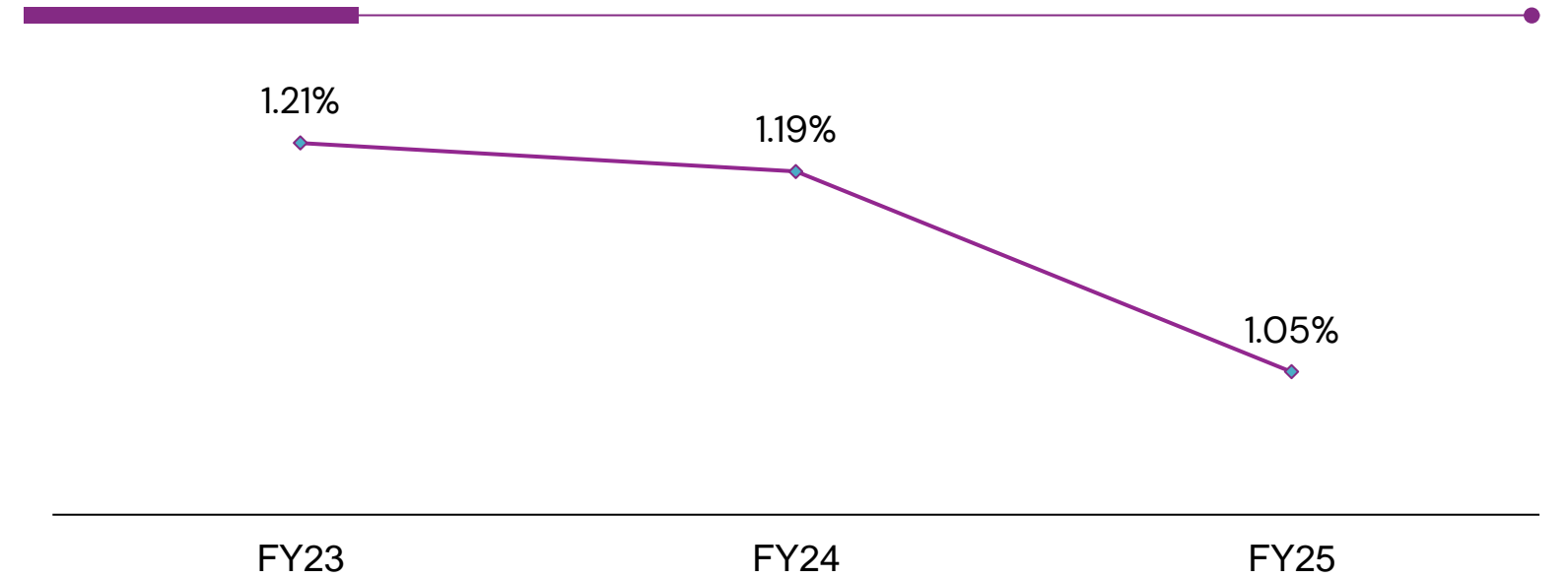
## Non-Interest Income to Total Income



## Return on Equity



## Return on Assets

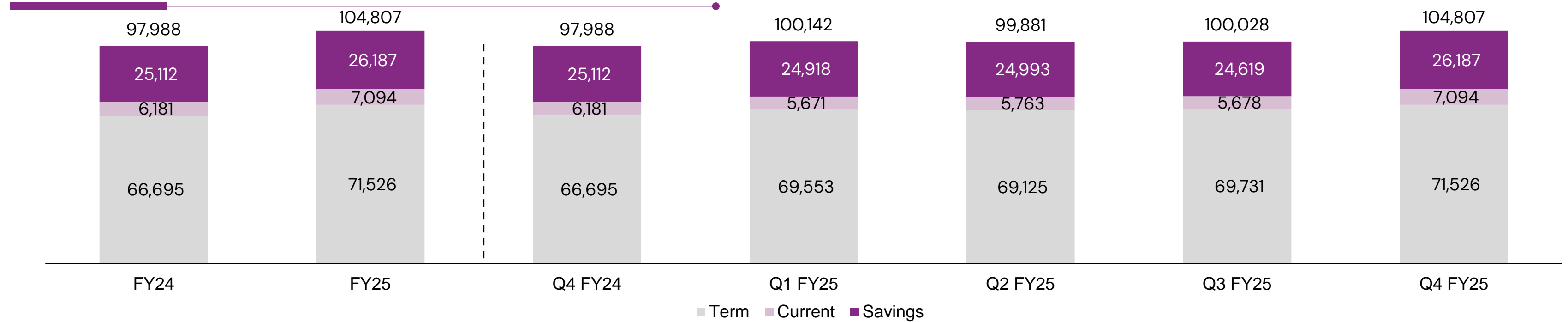


Note1: Excluding impact of Reclassification of Penal Charges from Interest Income to Other Income, NIM would be 3.06% in Q4FY25 and 3.23% in FY25

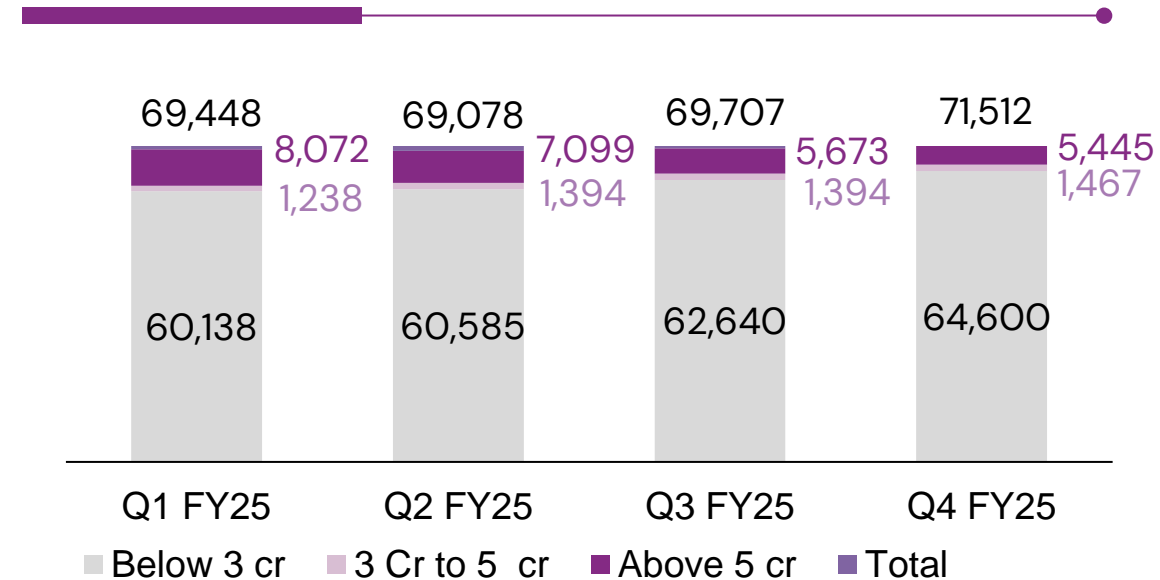


# Liability Profile

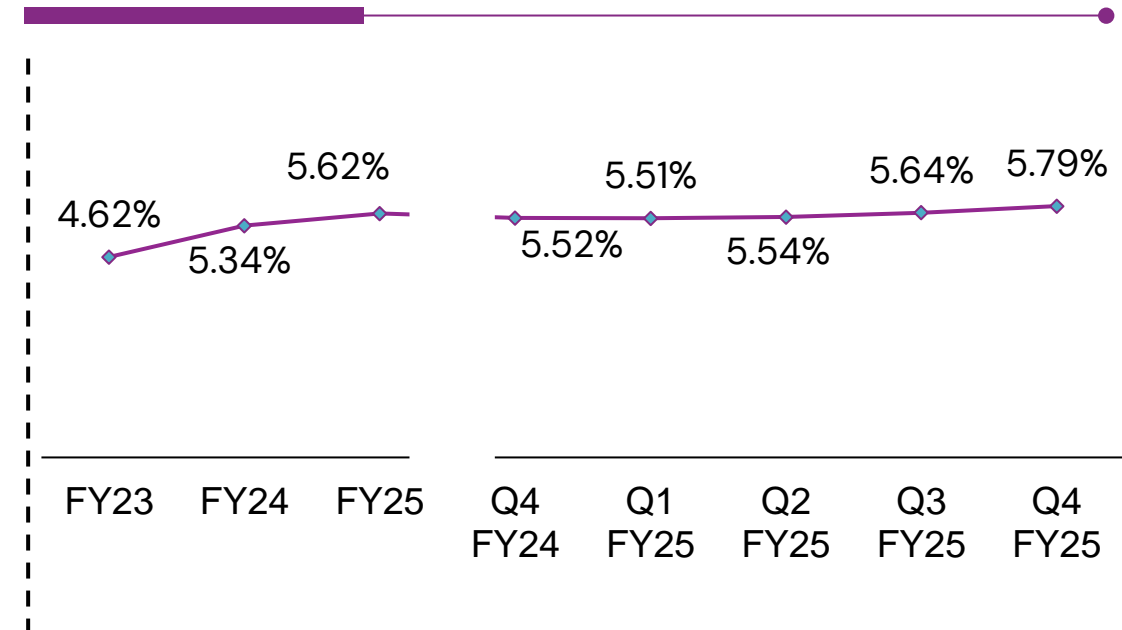
## Deposit Profile (INR Cr.)



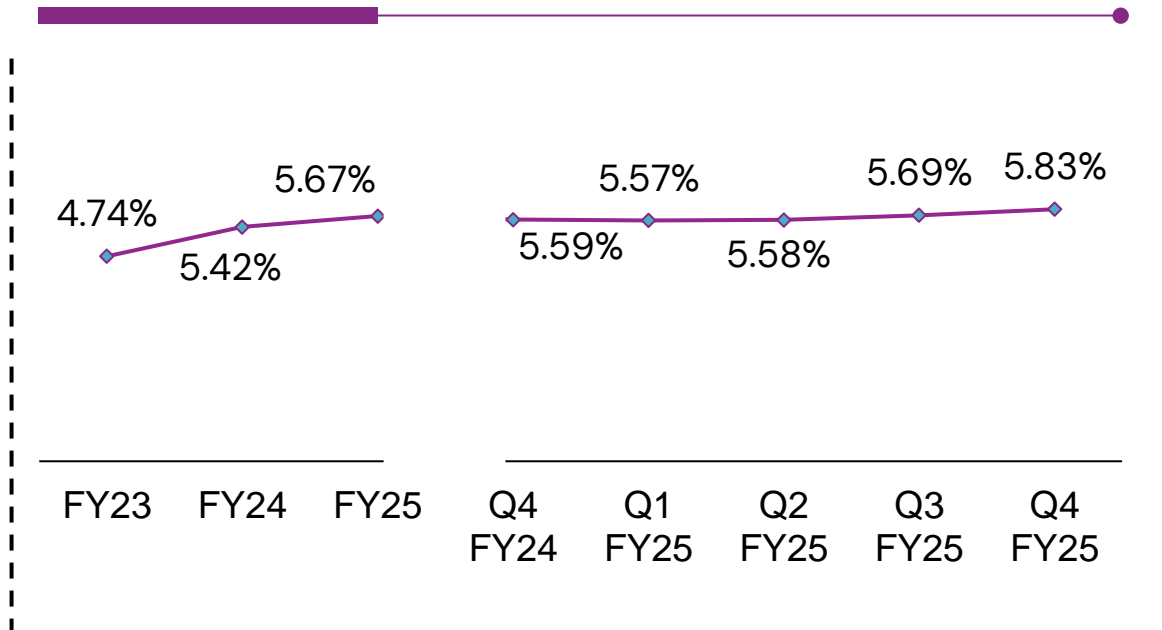
## Term Deposit Breakup<sup>1</sup> (INR Cr.)



## Cost of Deposits



## Cost of Funds

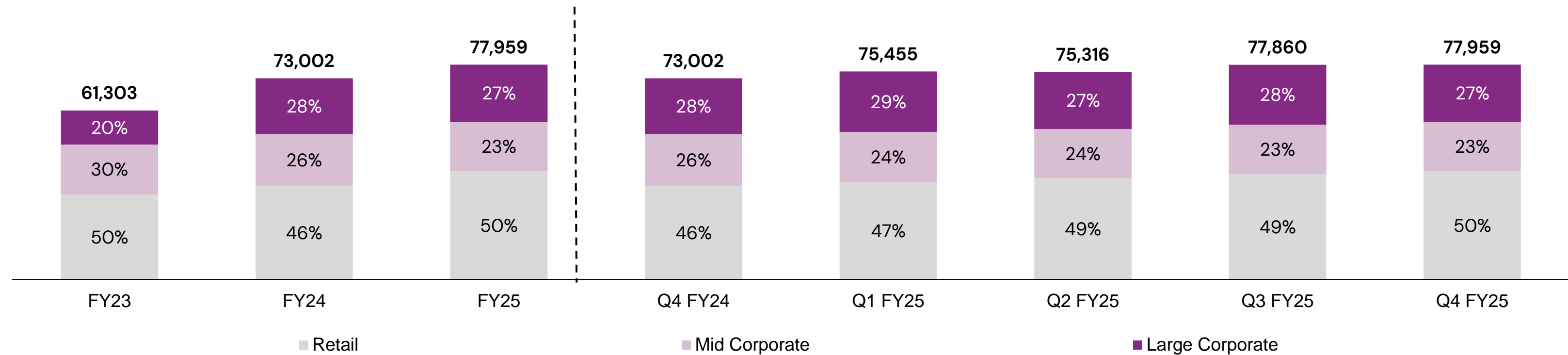






# Advances

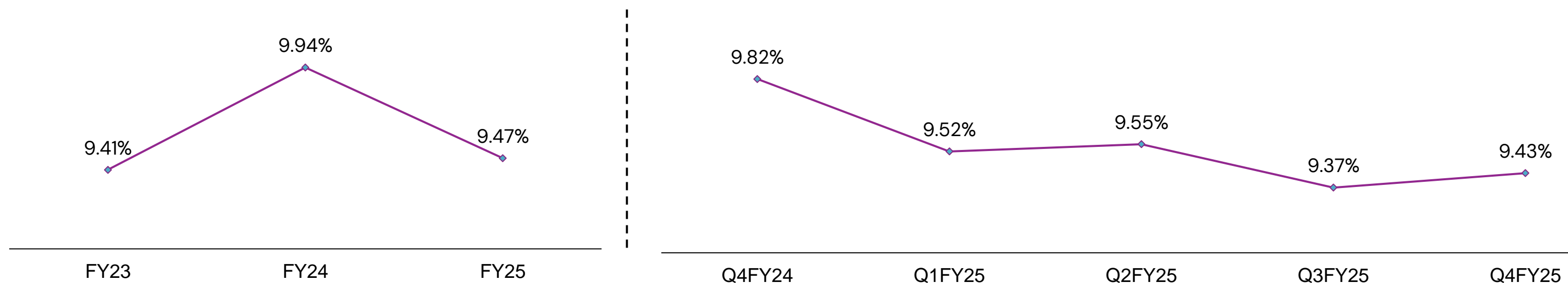
## Gross Advances Profile<sup>1</sup> (INR Cr.)



<sup>1</sup> Retail, Mid Corporate and Large Corporate classifications done as per RBI definition

Gross Advances have increased by 7% YoY from FY24 to FY25. Within this, the Retail segment has seen a 15% YoY growth over the same period and a 3% QoQ growth from Q3FY25 to Q4FY25.

## Yield on Advances

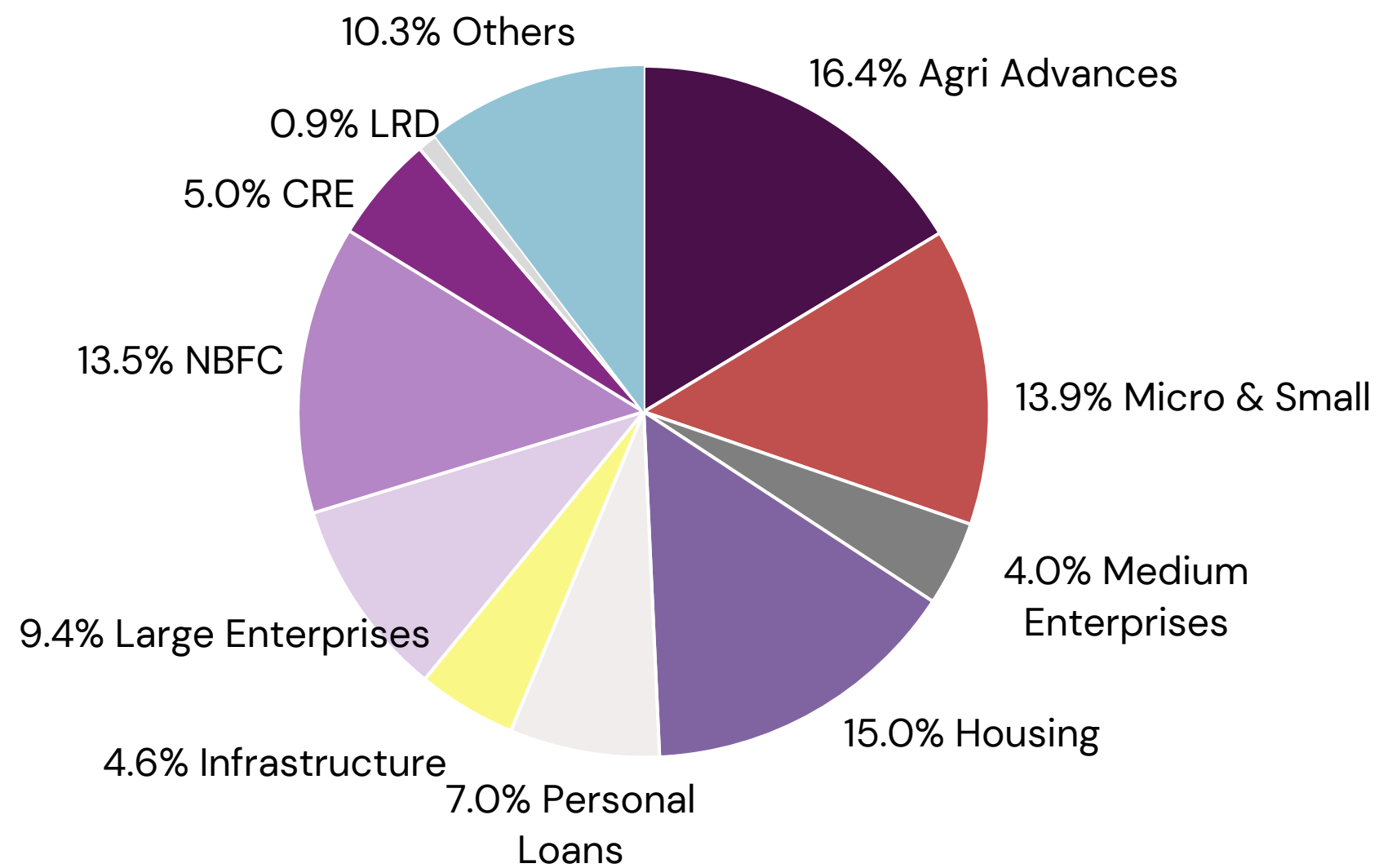




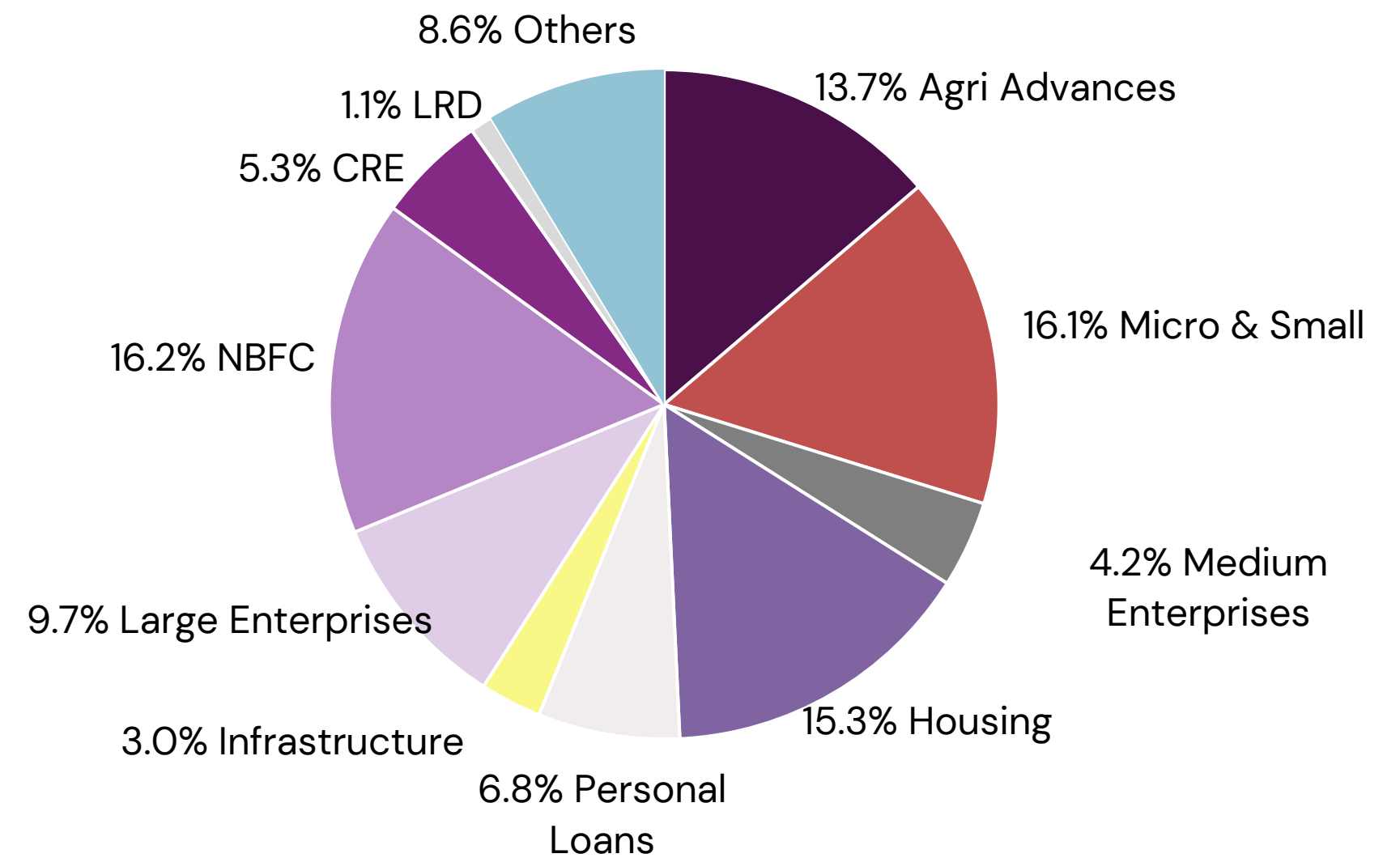
# Advances

## Sectoral Loan Exposure

FY25



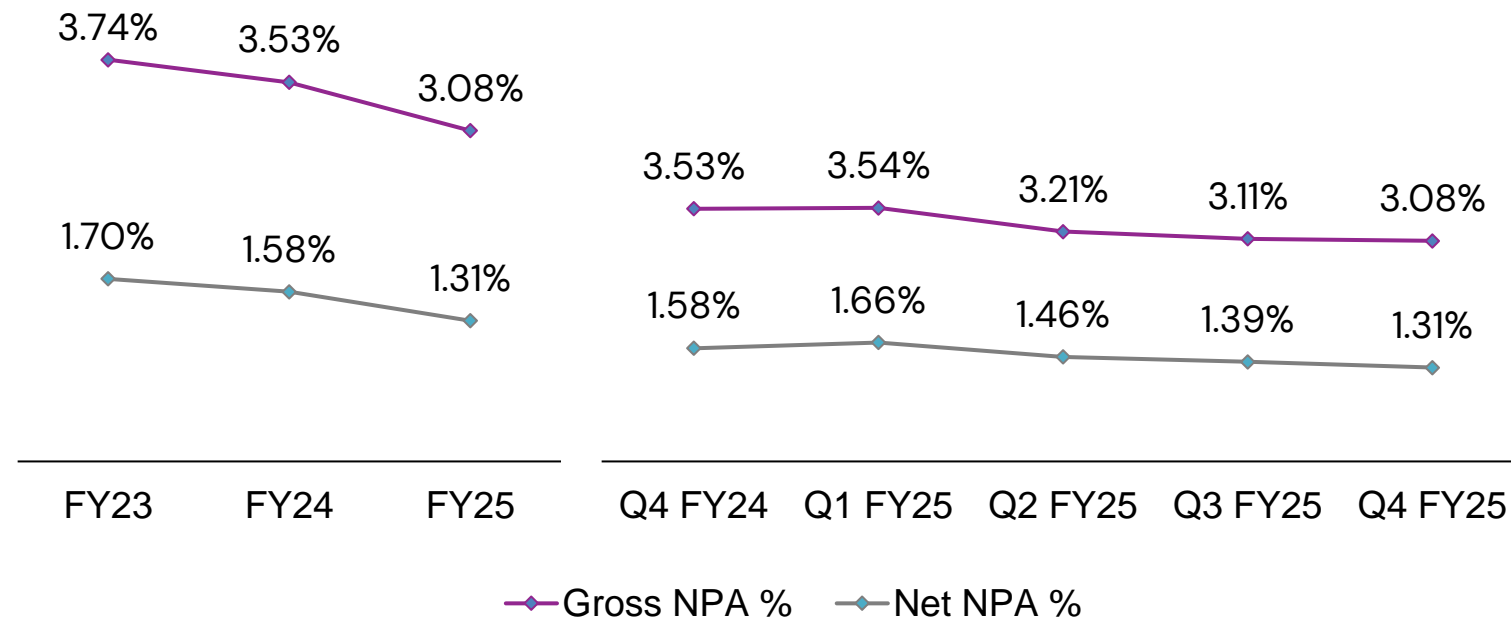
FY24



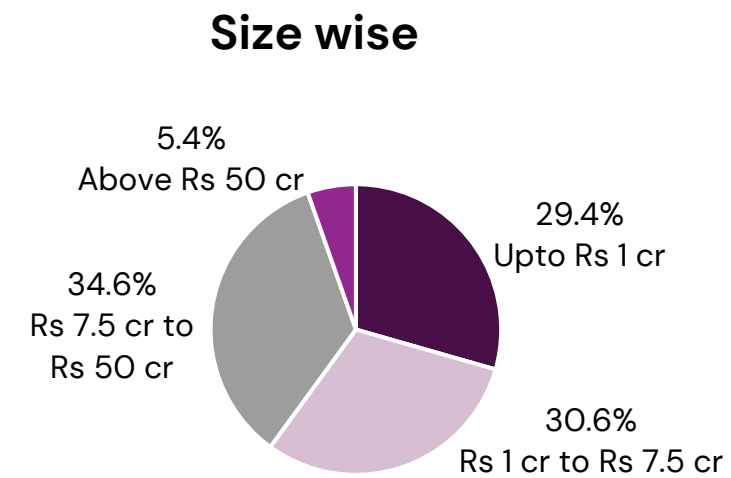
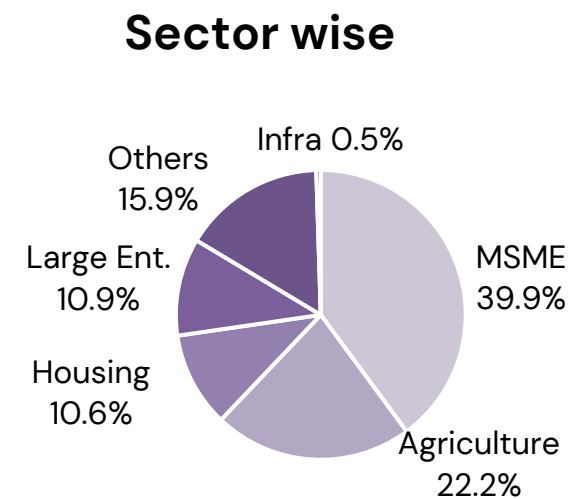


# Asset Quality

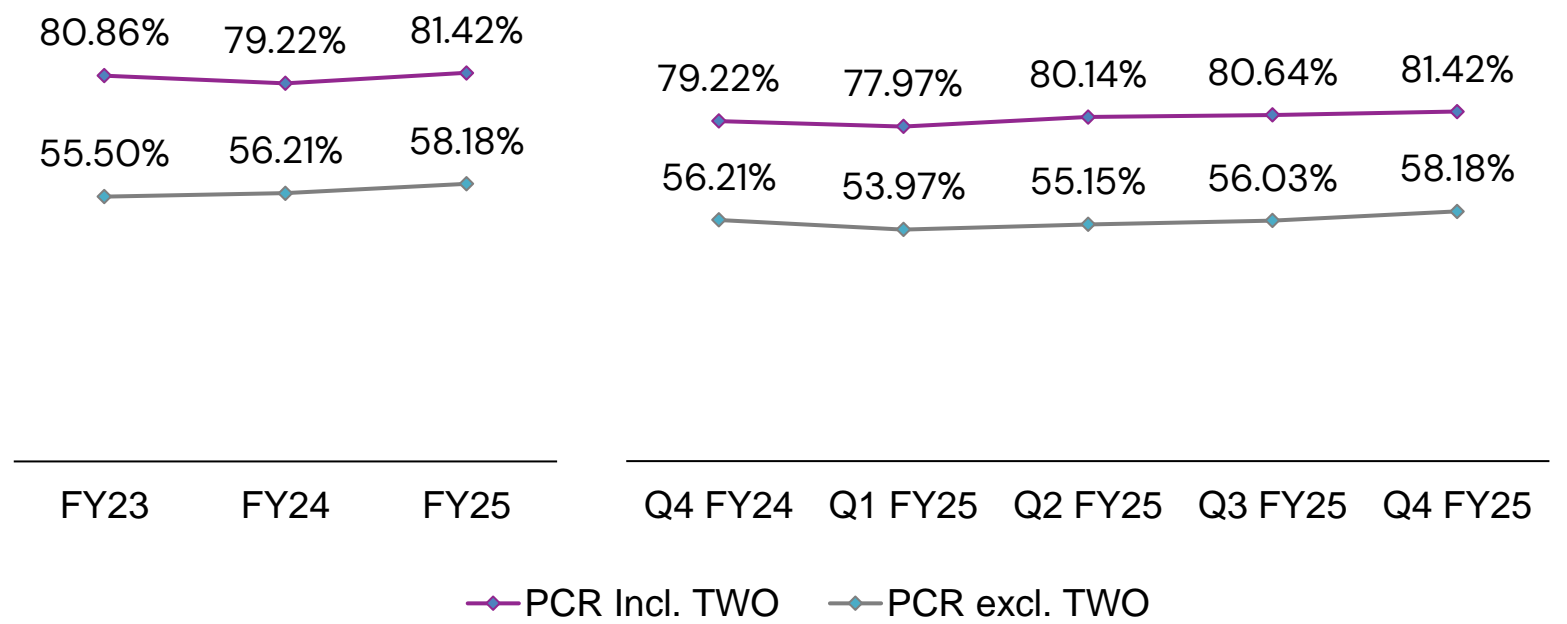
## GNPA & NNPA



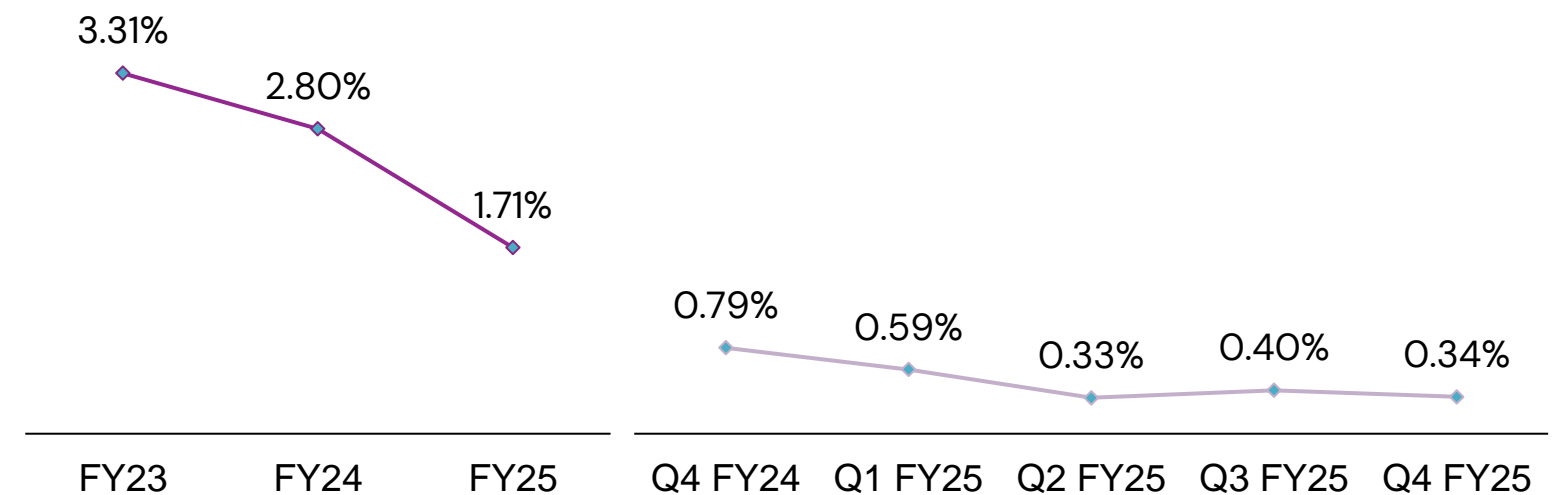
## GNPA Breakup



## Provision Coverage (Incl. & excl. TWO)



## Slippage Ratio

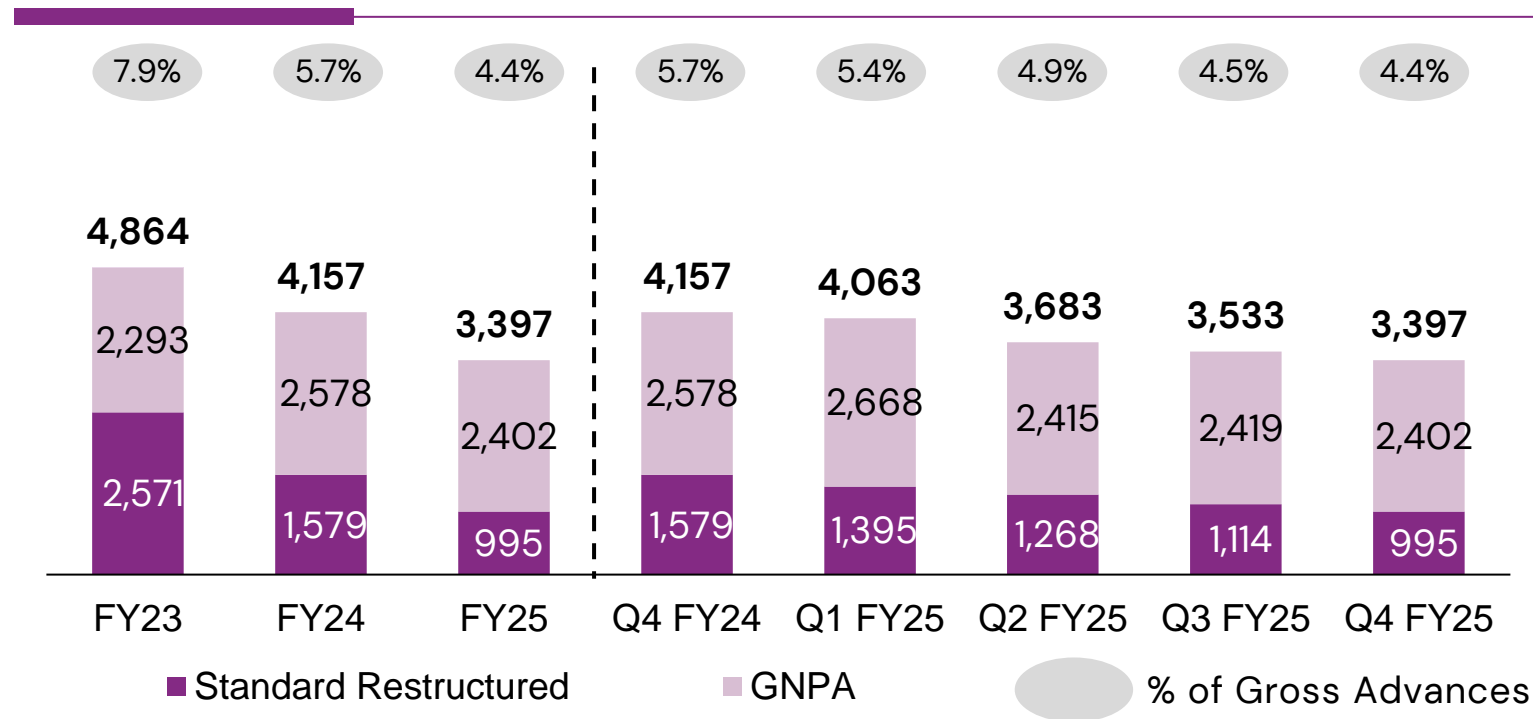




# Asset Quality

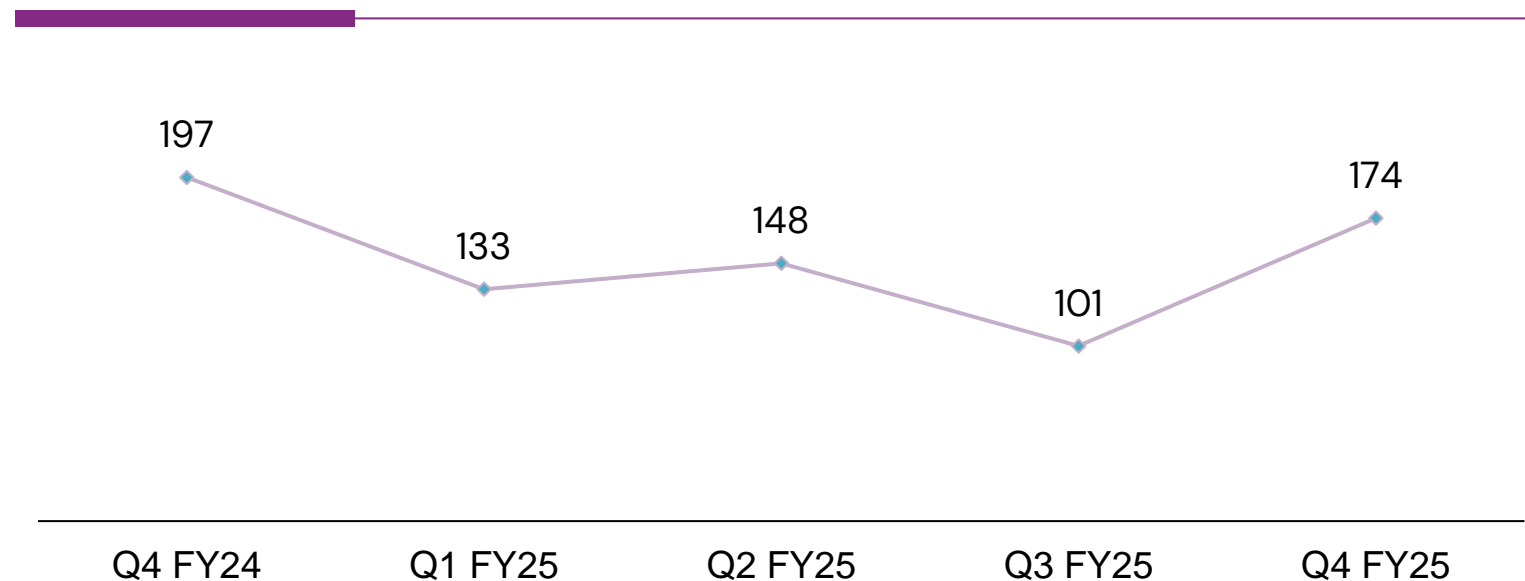
## Restructured Portfolio

### GNPA & Restructured Assets (INR Cr.)

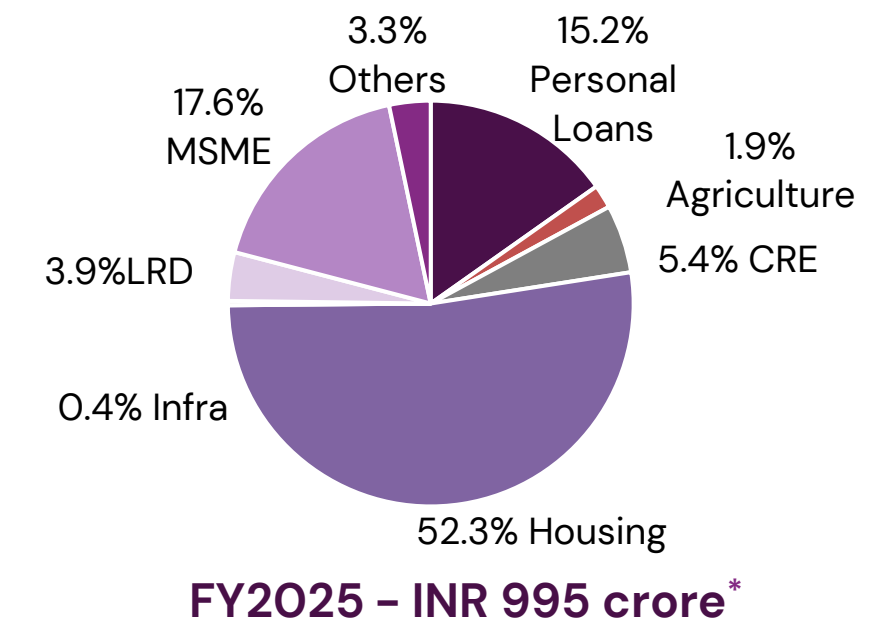


The Standard Restructured Portfolio declined by 37% YoY from FY24 to FY25, and by 11% QoQ from Q3FY25 to Q4FY25.

### Recoveries (excluded upgraded accounts) (INR Cr.)

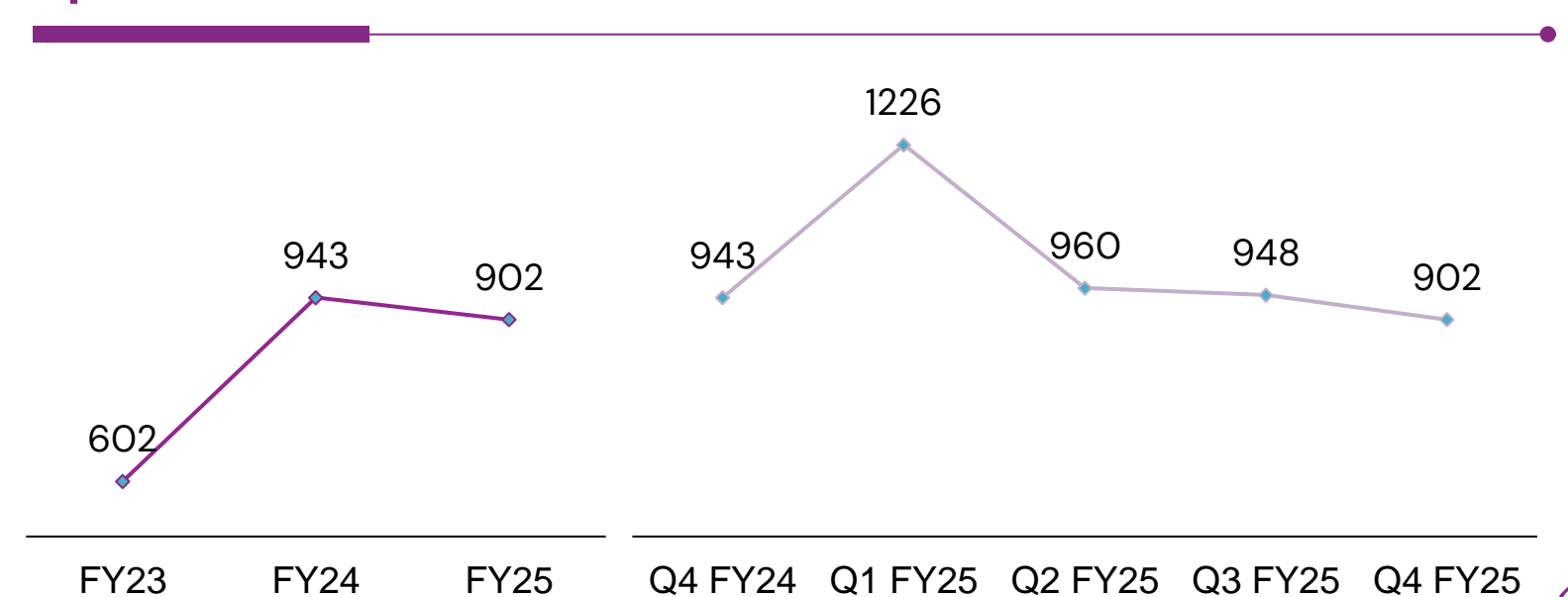


### Standard Restructured Portfolio (incl. Related Accounts)



\* Approximately 54% of the restructured portfolio comprises loans that require a 30% recovery for upgradation. Bank is focusing on recovering the same, post which the same would be moved out of the restructured portfolio.

### Special Mention Account - 2 (INR Cr.)







# Asset Quality

## Movement of NPA

Particular (INR Cr.)	Quarterly					Annual	
	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25	Q4 FY24	FY 25	FY24
Opening Gross NPA	2,419.06	2,414.92	2,668.45	2,578.42	2,536.72	2,578.42	2,292.91
Additions	254.92	292.69	242.67	416.49	527.58	1,206.77	1,650.20
Sub Total ( A )	2,673.98	2,707.61	2,911.12	2,994.91	3,064.30	3,785.19	3,943.11
Slippage ratio	0.34	0.40	0.33	0.59	0.79	1.71	2.80
Reduction							
Up-gradation	95.51	123.69	181.12	98.70	108.30	499.02	355.02
Recoveries (excluding upgraded accounts)	173.91	100.52	148.01	133.12	197.30	555.56	582.45
Technical/ prudential Write Off	2.48	64.34	167.07	94.64	180.28	328.53	427.22
a. Technical written off	0.13	62.40	163.87	93.38	162.56	319.78	395.44
b. Other written off	2.35	1.94	3.20	1.26	17.72	8.75	31.78
c. By Sale	-	-	-	-	-	-	-
Sub Total ( B )	271.90	288.55	496.20	326.46	485.88	1,383.11	1,364.69
Closing Gross NPA (A-B)	2,402.08	2,419.06	2,414.92	2,668.45	2,578.42	2,402.08	2,578.42



# Asset Quality

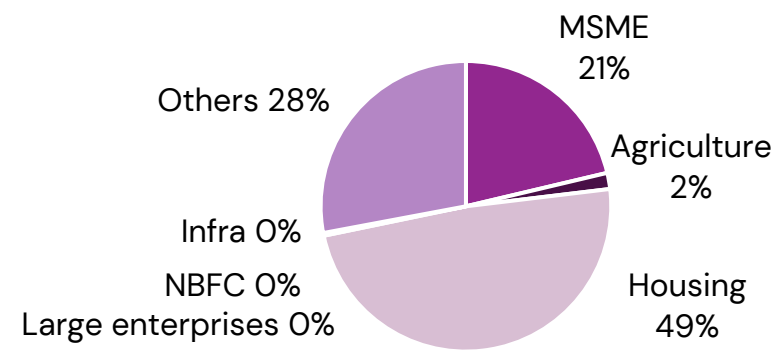
## Sector-wise Breakup Analysis

### Non-Performing Assets Breakup (INR Cr.)

Sectors	Q4 FY24		Q1 FY25		Q2 FY25		Q3 FY25		Q4 FY25	
	NPA	NPA%	NPA	NPA%	NPA	NPA%	NPA	NPA%	NPA	NPA%
MSME	1,163	7.9%	1,011	6.8%	923	6.3%	955	6.6%	960	6.9%
Agriculture	610	6.1%	557	5.1%	485	4.2%	492	4.0%	533	4.2%
Housing	285	2.6%	353	3.1%	303	2.7%	288	2.5%	255	2.2%
Infra	14	0.6%	13	0.5%	12	0.4%	12	0.4%	12	0.3%
NBFC	-	-	-	-	-	-	-	-	-	-
Large enterprises	258	3.6%	260	3.0%	256	3.3%	259	3.2%	261	3.6%
Others	248	1.6%	474	2.9%	436	2.7%	413	2.4%	381	2.1%
<b>Total</b>	<b>2,578</b>	<b>3.5%</b>	<b>2,668</b>	<b>3.5%</b>	<b>2,415</b>	<b>3.2%</b>	<b>2,419</b>	<b>3.1%</b>	<b>2,402</b>	<b>3.1%</b>

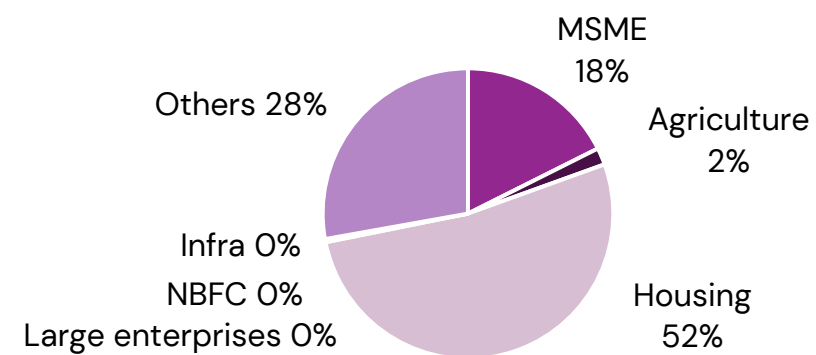
### Standard Restructured Assets

Q3 FY2025



INR 1,114 Cr.

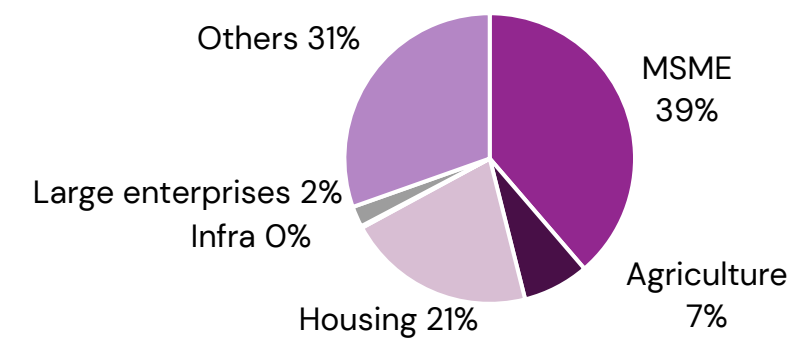
Q4 FY2025



INR 995 Cr.

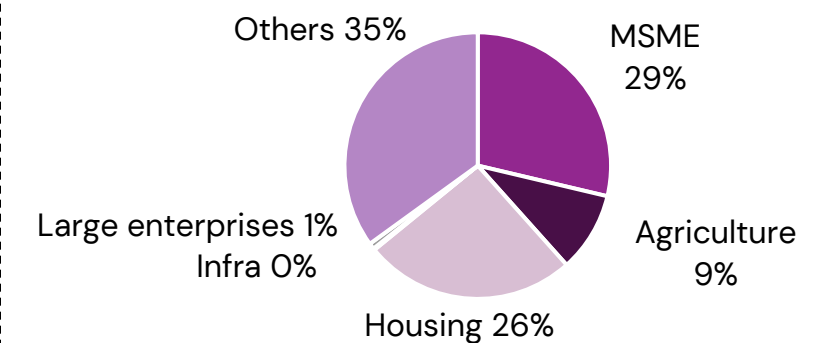
### Special Mention Account Breakup

Q3 FY2025



INR 4,891 Cr.

Q4 FY2025

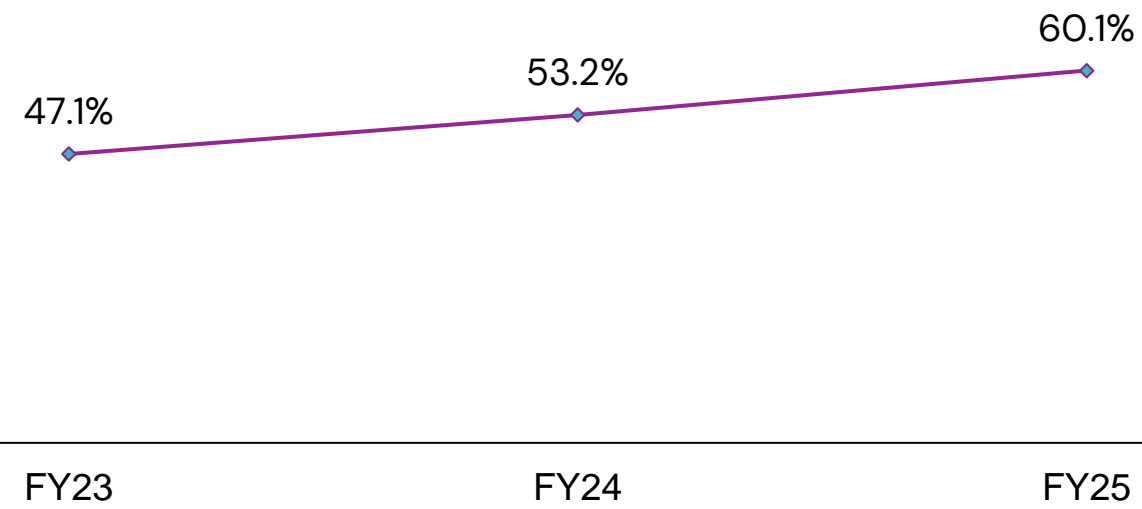


INR 4,957 Cr.

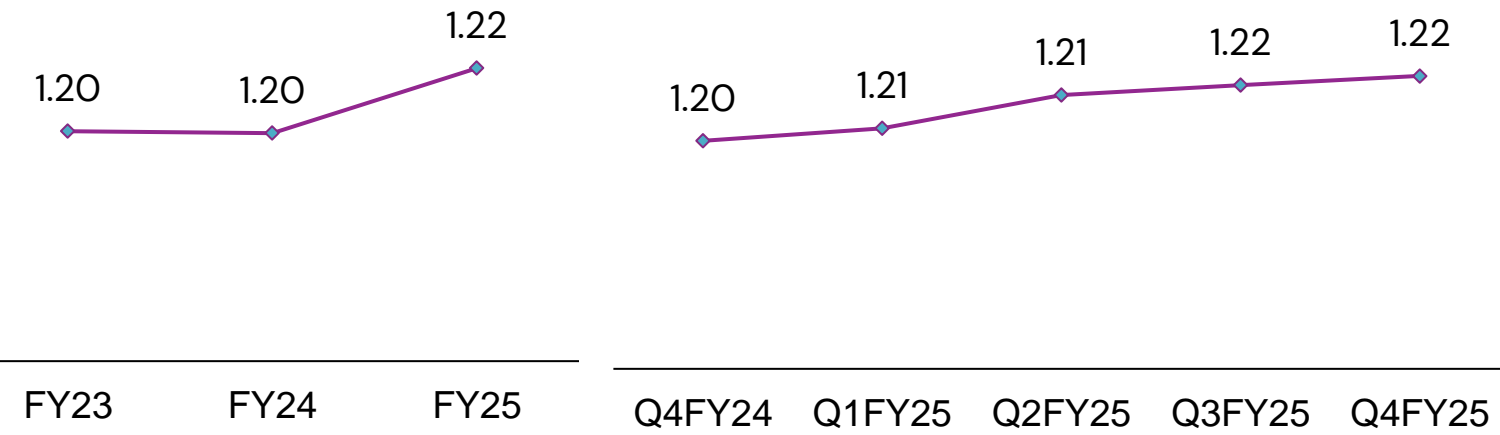


# Efficiency Ratio

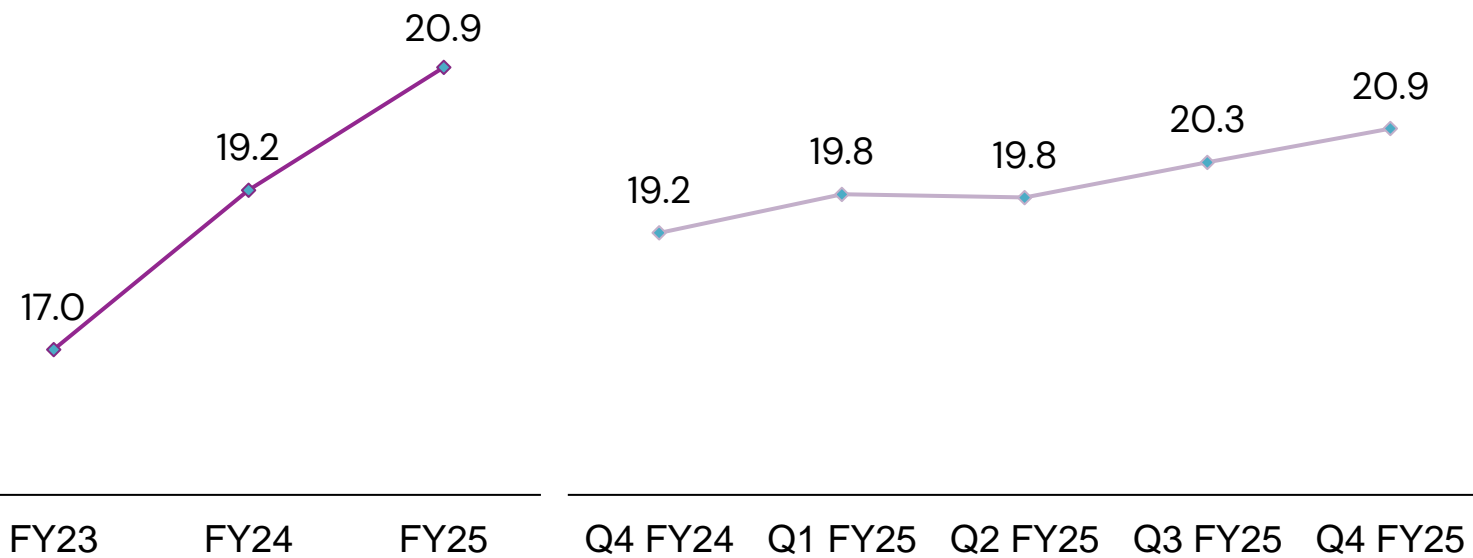
## Cost to Income Ratio\*



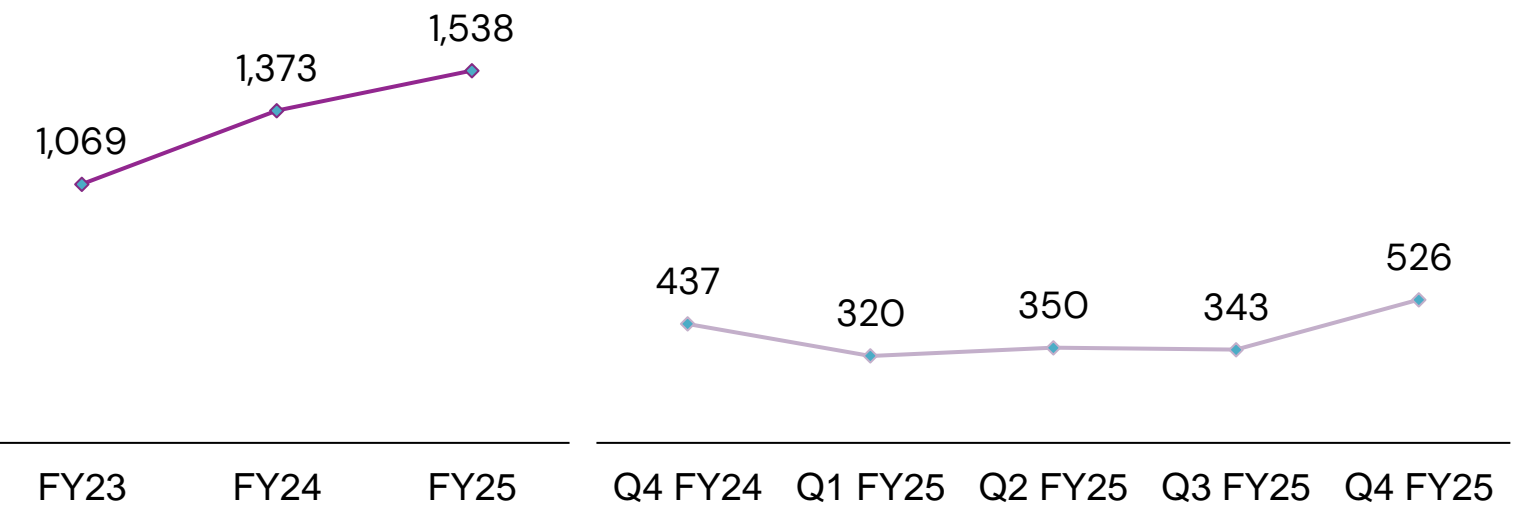
## Product Per Customer (PPC)



## Business per Employee (INR Cr.)



## Staff Cost (INR Cr.)

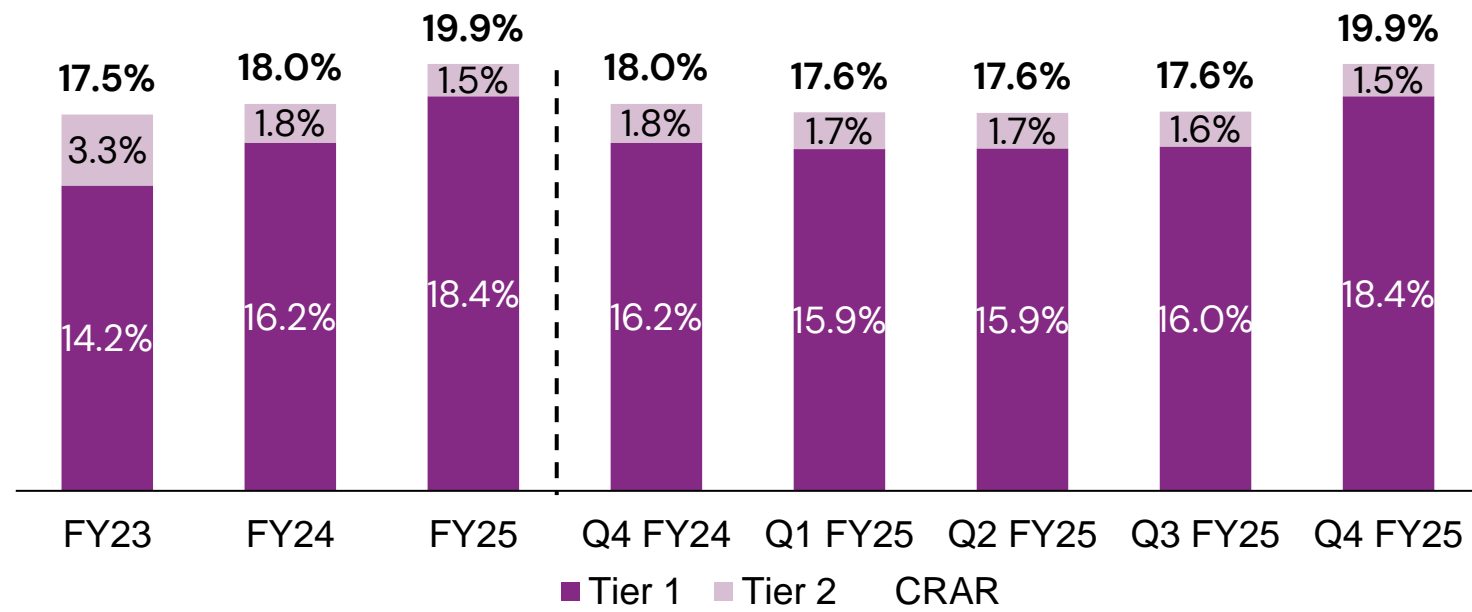


\*Excluding the impact of Actuarial provision amounting to Rs.113 Crs., Cost to Income for FY25 would be 57.64%

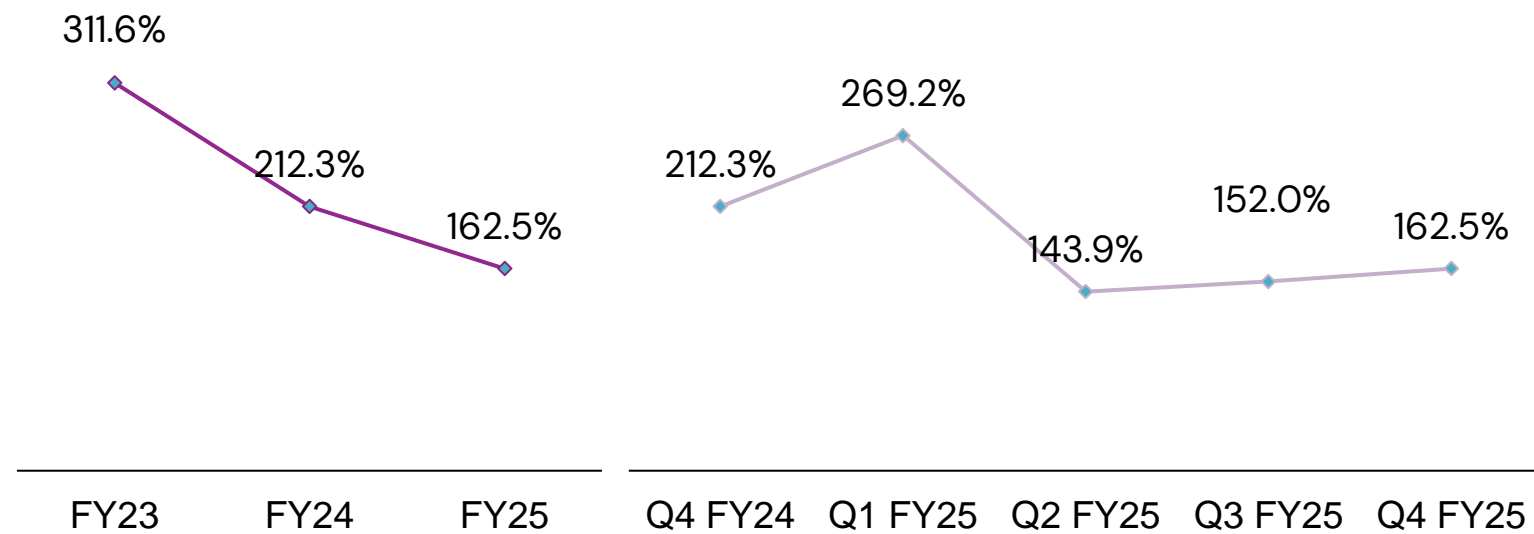


# Key Ratios

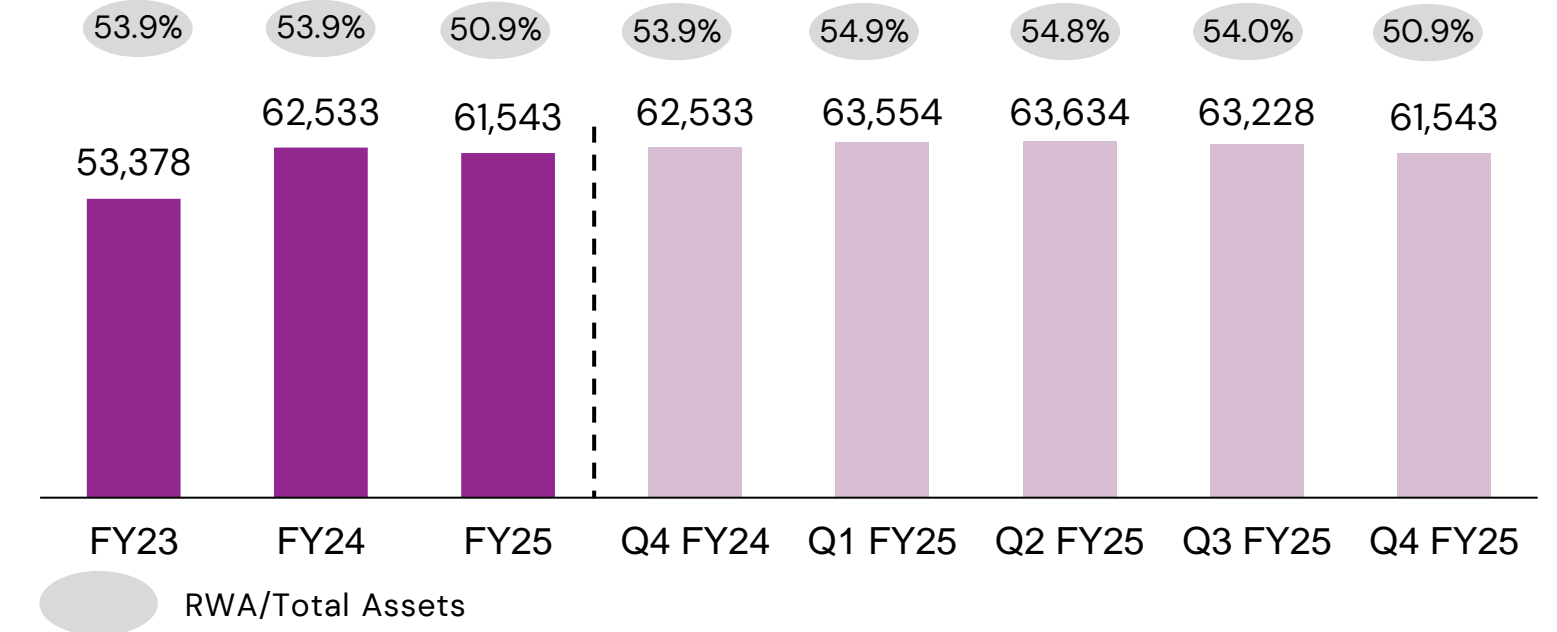
## Capital Adequacy Ratio



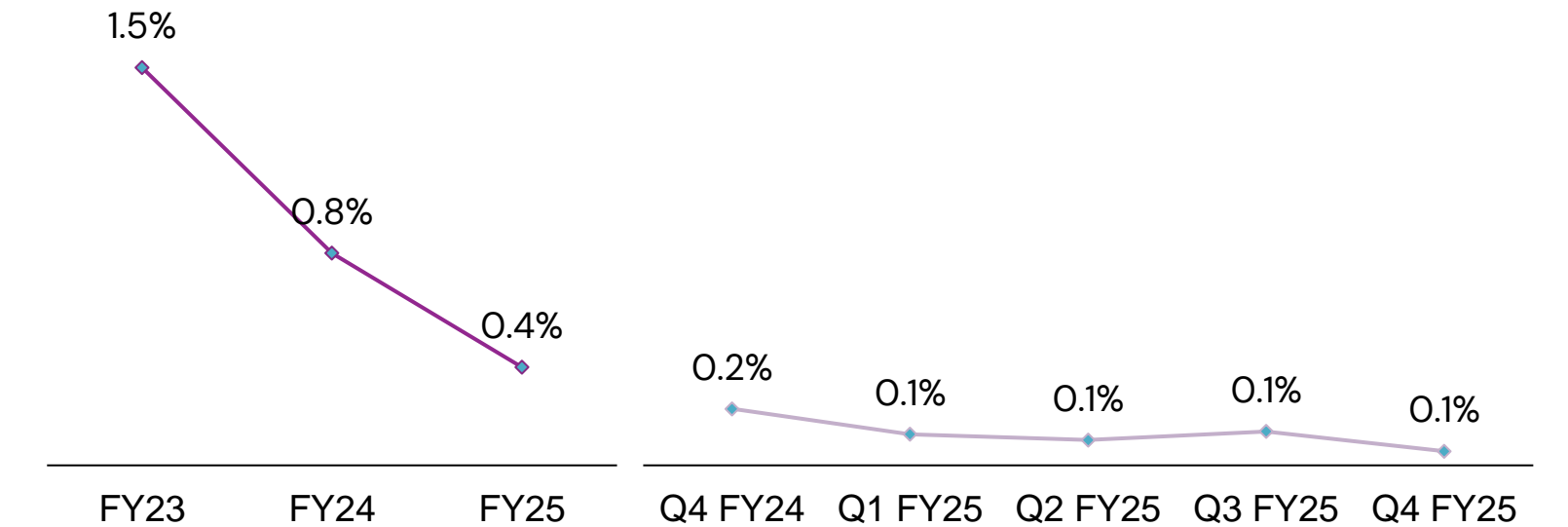
## LCR



## Risk Weighted Assets (INR Cr.)



## Credit Cost

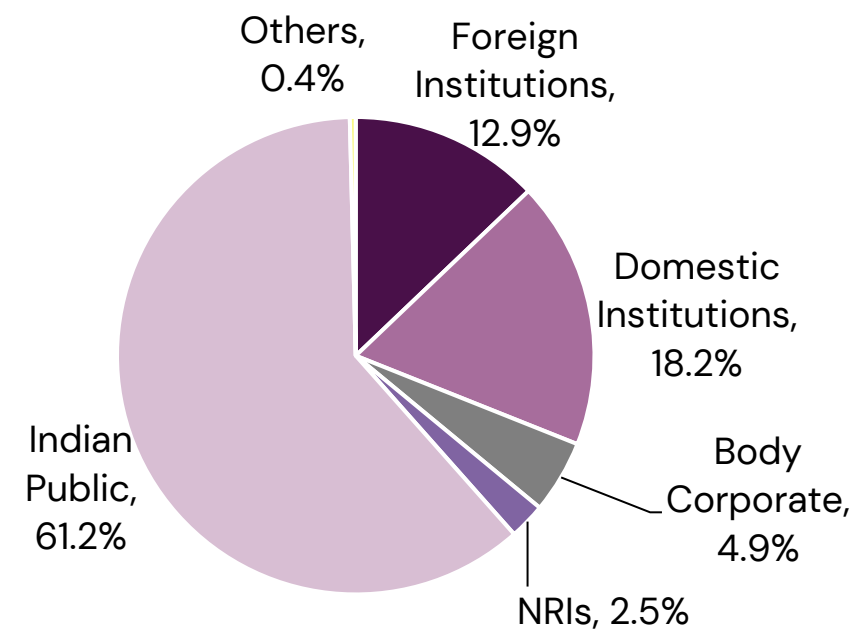




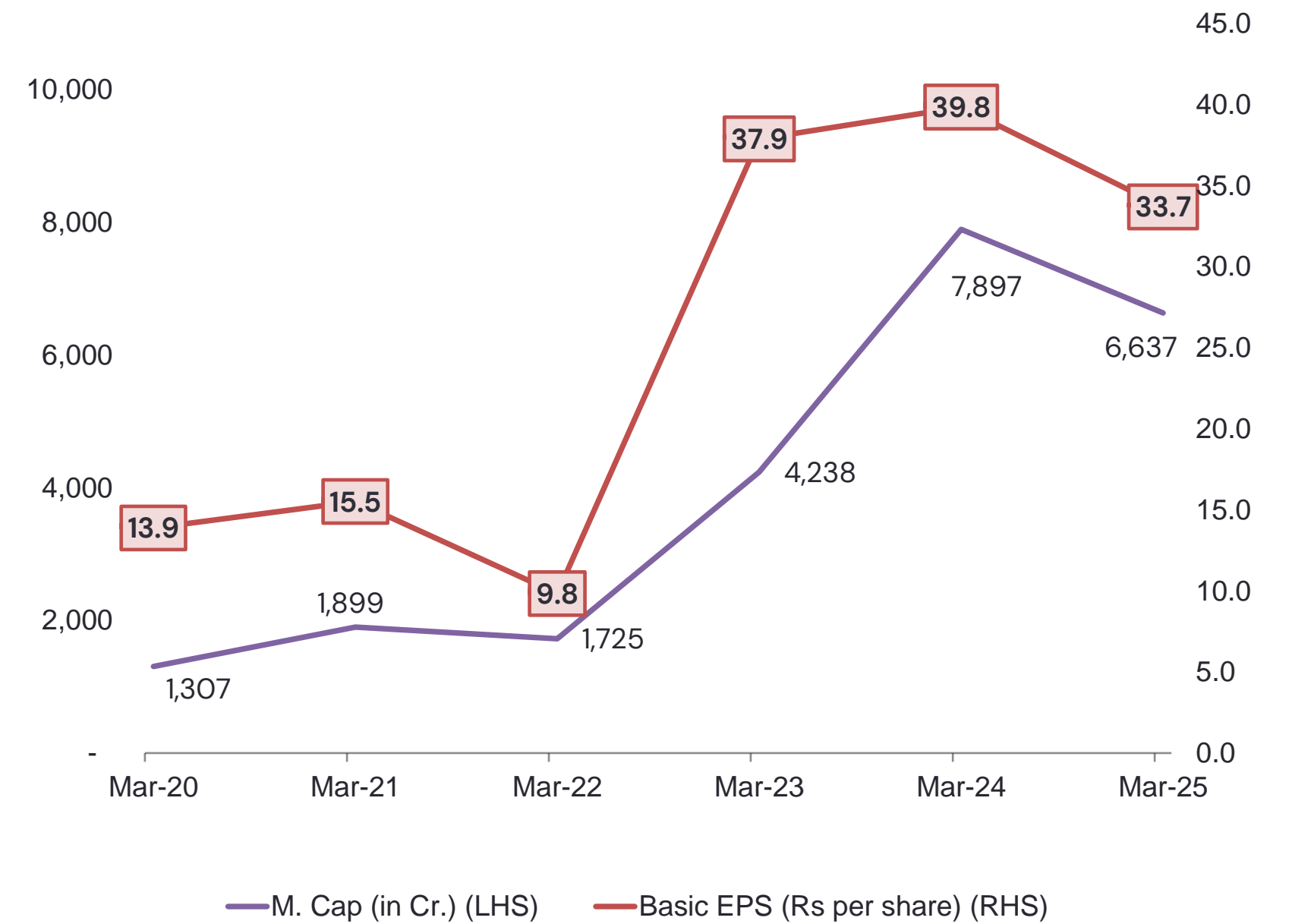


# Shareholder Value

## Shareholding Pattern



## EPS & Market Capitalisation



# Accelerating our Transformation Journey



**Karnataka Bank**  
Your Family Bank. Across India.

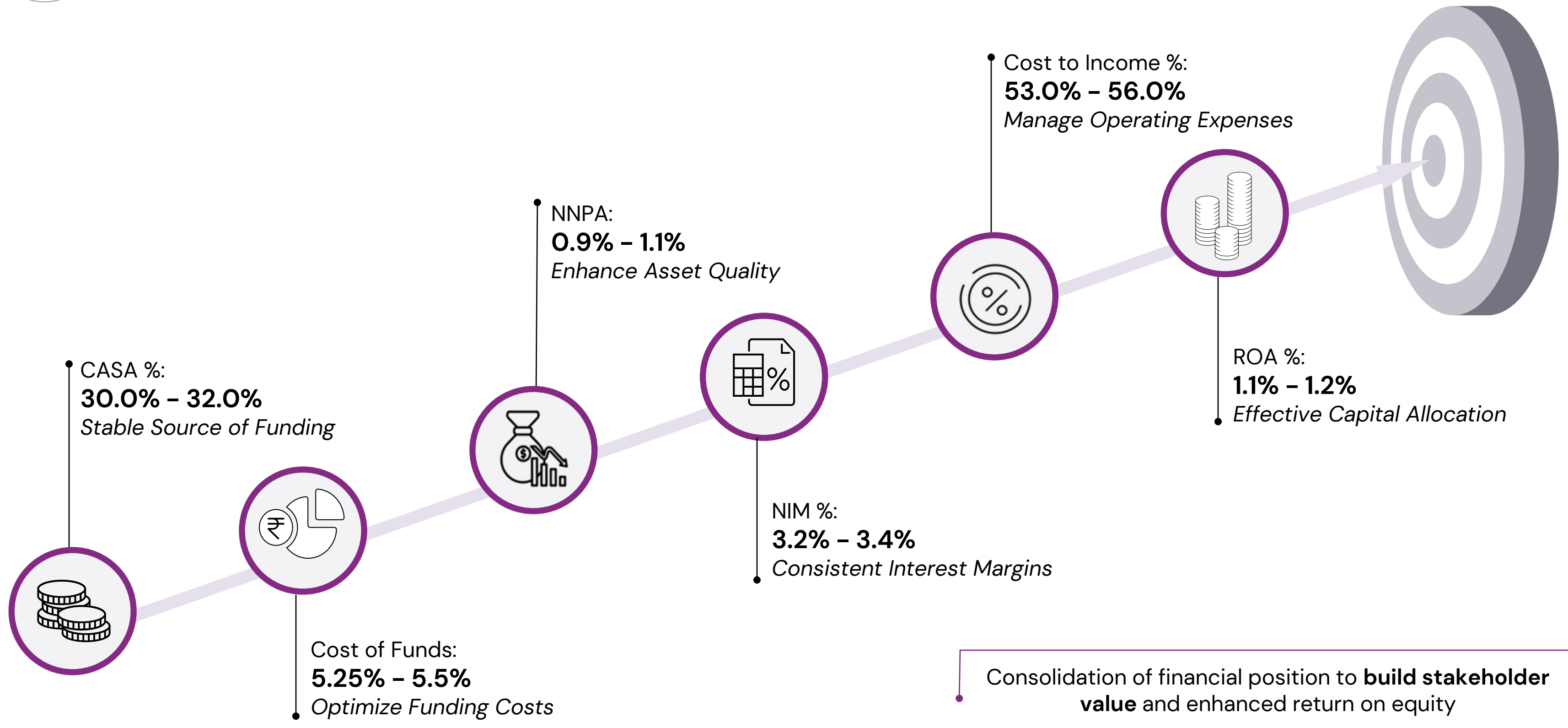


Banking with Legacy, Embracing the Future





# Targeted Performance Improvement to Boost Returns







# Products

## Building a Comprehensive Portfolio of Products

Customer-centric approach for creating products

Leverage Cross-sell & Up-sell opportunities

Comprehensive product suite

Pipeline of products for continuous growth

### Retail



### Agriculture



### MSME



#### Retail loans

- KBL G-Perl – Personal Loans for Govt Employees
- KBL PEAK Education Loans.
- Credit Line on UPI.
- Pre Approved Personal Loans for Salaried & Self Employed – Products in Pipeline

#### Liability Products

- KBL Woman Savings Account – KBL STRI
- KBL Family Account – KBL ONE FAMILY

#### ADC Channels

- KBL One – Corporate Mobile App
- QR Sound Box of multi language
- KBL Merchant App – payment app for merchants to be launched soon

#### Agri Schemes

- KBL Krishik Tractor – Loans for Purchase of Tractor
- KBL Saathi – Loans for SHG/JLG – to be launched soon

#### MSME Products

- Introduction of KBL Medi Equip Loan
- Revamp of KBL Mortgage OD
- Supply Chain, GST-OD & Mortgage Loan to MSME– Products in Pipeline

New products focused on 'RAM' – Retail, Agriculture and MSME





# Digital and Technology

## Digital Touchpoints



**3,803,335**  
Mobile App Installations

↑ 2.74% QoQ



**782,230**  
Net Banking Users

↑ 1.2% QoQ



**5,551,988**  
Debit Cards

↑ 1.12% QoQ



**125,116**  
QR related metrics  
↑ 13.26% QoQ



**1,516**  
ATM Networks  
↑ 0.66% QoQ



# Digital and Technology

## Awards



The bank had won 6 awards at IBA's 20<sup>th</sup> Banking Technology Conference. Digital and Analytics initiatives were part of the awards and were acknowledged

Runner up: Best Fintech and DPI adoption

Special mention for Analytics: Best AI and ML Adoption



# Digital and Technology

Moving towards a Digital-First Bank

Creating a disruptive "Bank within a Bank"

## Our Objectives



**Increase in Customer Base**



**Enhanced Customer Satisfaction**



**Organisational Productivity**



**Financial Growth**

## Infrastructure to Meet Our Objectives



First-in-class digital factory



Integrated Risk and Finance framework to support Bank's regulatory/ management reporting under implementation in OFSAA



API 2.0 integrating seamless APIs for Open Banking with partnerships and for in-house digitization



Products and Business Solutioning have been integrated into the Technology and Digital Hub



ACoE data platform to assist in-house capabilities and monitor business outcomes

Strategic implementation of digital projects to achieve our objectives



**Marketing Automation  
& Hyper  
Personalization**



**Bring your Own Device  
based Account  
Opening for Sales  
teams**



**DevSecOps & Agile  
Deployments enabled  
for digital Journeys**







# Digital and Technology






## Scalable and Reliable Architecture

Embedding **data & analytics** in business processes for data-driven decision making

### Foundation of Architecture








-  First-in-class scalable central data repository **on cloud** with data quality management and remediation capabilities
-  Predictive, business/strategy and descriptive **analytics use-cases**
-  Enhancement of the **Data Link** to enable seamless communication and exchange of information
-  Integrated analytics with business processes to enable **data driven decision making**

### Integration with the Business

-  **Retail Loan Propensity**  
Target Retail loan propensity for better product proposition for customers
-  **Micro Market Analysis**  
External information on throughputs/market at a pin code level to plan operations
-  **Deposit Propensity**  
Deposit propensity for core augmentation
-  **Primary Bank Index**  
Analyse overall wallet share of customer with the Bank through Customer360
-  **Portfolio Management**  
Product Portfolio performance & Managed Account Monitoring
-  **Collection Prioritisation**  
Optimise collection efforts through advances analytics
-  **Behaviour Scorecard**  
Proactively monitor and control delinquency levels



### Impact on the Business

-  **CASA & Term Deposits**
-  **Retail Advances**
-  **Product & Account Productivity**
-  **Internet and Mobile banking users**
-  **Assets**
-  **Operations and Governance Efficiency**
-  **NPAs**

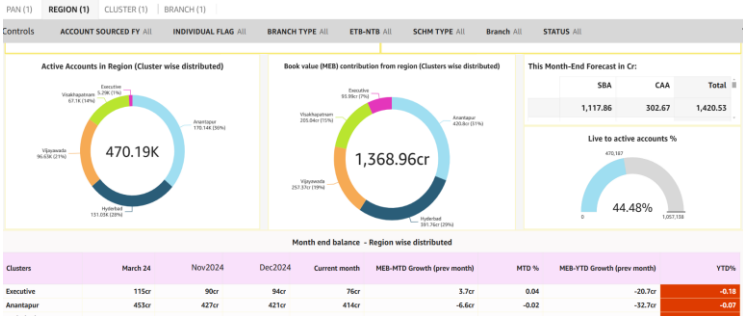




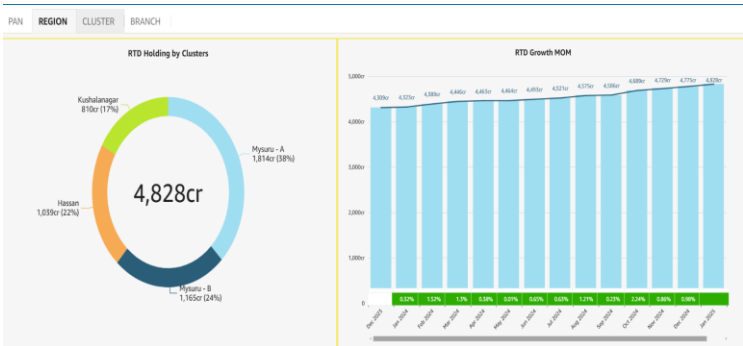
# Digital and Technology

Best in class Analytics Factory: 360day PitStop

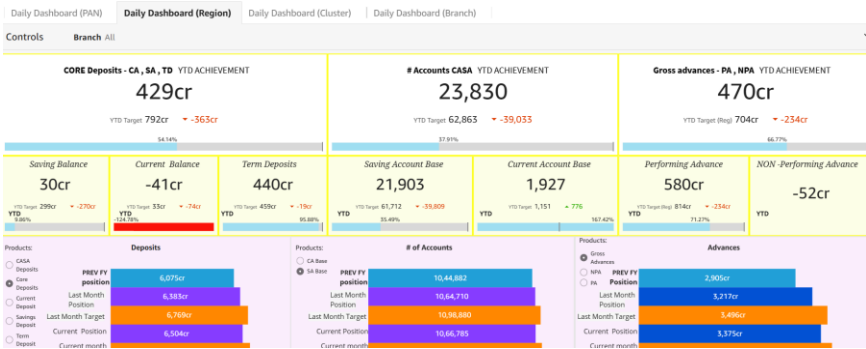
## Business Dashboards Driving Agility and Precision in Decisions



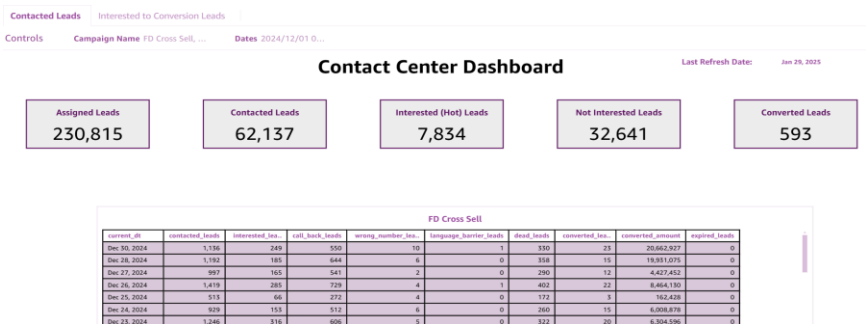
CASA Balance Buildup Dashboard



Retail Deposit dashboard



Branch Productivity Dashboard

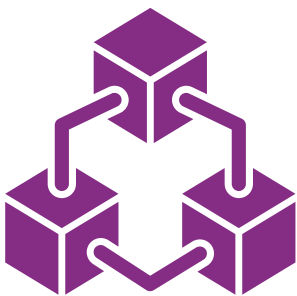


Contact Centre dashboard

## Business Systems ensuring New Insights have Rails for Outcomes

**Live – Customer Relationship Management (CRM) & Customer Engagement Channels**

**Live – Early Warning Signals (EWS)**



**Live Martech Platform**

**Live – Collection Prioritization**

11+ Dashboards,  
40+ Business and Predictive models live

5+ Digital systems Live

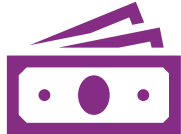
## Key Business Outcomes



Focus Branch Strategy  
(Aligned to Catchment Analytics)



~1 mn Engaged Customers  
(3X lift in engagement)



Realization of Planned P&L Impact  
(15% incremental p.a)

# Our Strengths and Strategies



Banking with Legacy, Embracing the Future





# Strategic Roadmap



**A**

**Delivering Excellence in Core Businesses with Underlying Technology Platform**

Through tech-driven **Processes, Products & People** targeting Rural, MSME and Retail sector

**Creating a Performance-Driven Culture**

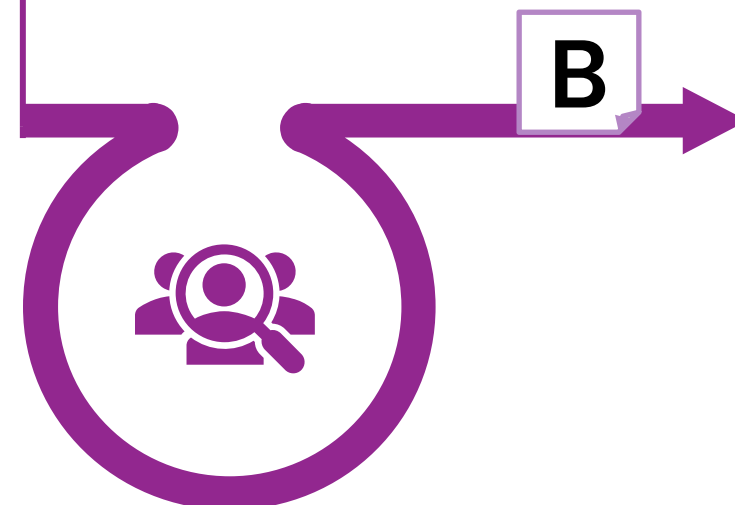
Rebuild **Outward-Facing, Business-Centric** teams



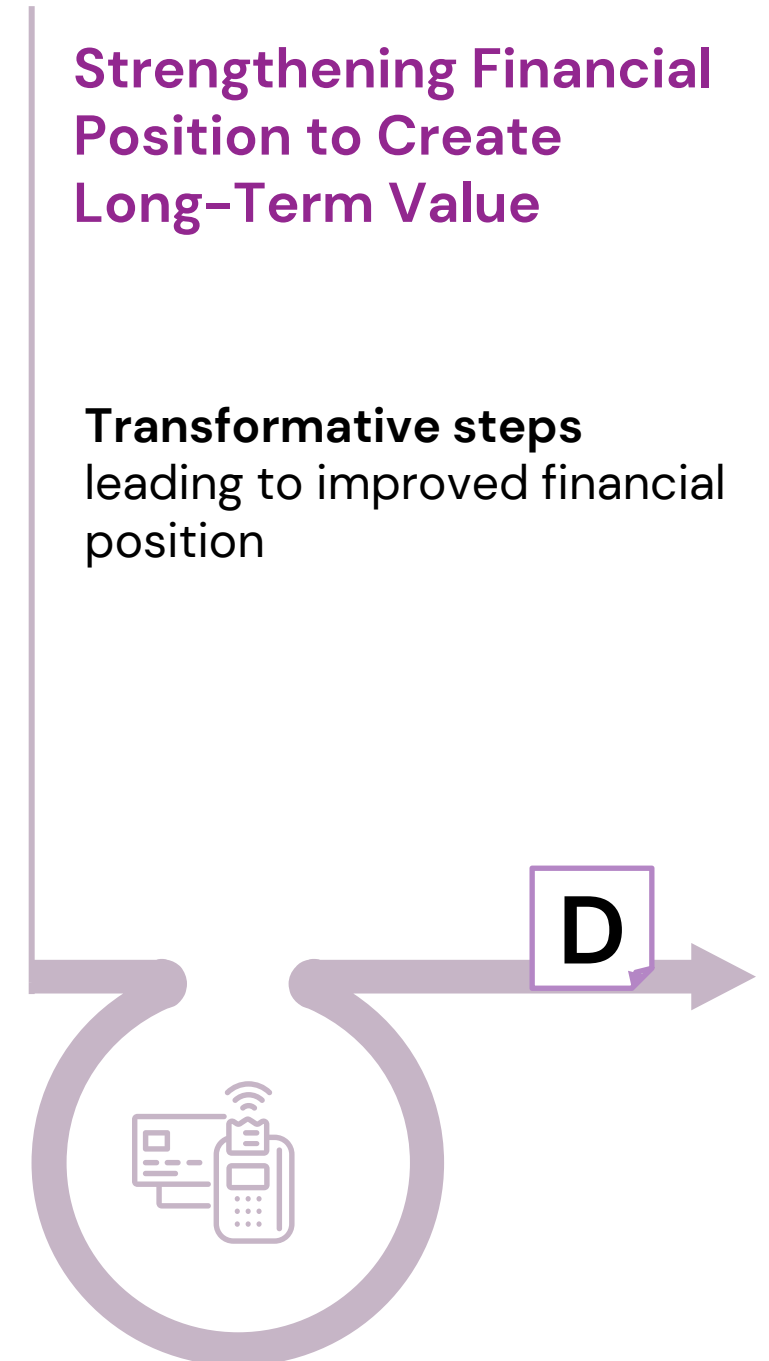
**C**

**Digitalisation and Partnership to Accelerate Book Growth**

**Digital First** private sector Bank



**B**



**D**

**Strengthening Financial Position to Create Long-Term Value**

**Transformative steps** leading to improved financial position





# Driving Excellence in Proven Core Competencies

A.

## Consistent Emphasis on our Strength Areas

### Our Legacy



100 Year Legacy

13.7 Mn

Happy customers

### Building on Our Legacy

- Tradition with Innovation
- Outbound Sales Culture
- Startup-like Agility



MSME & Rural Focus

34.2%

Share of MSME & Agri-Loans

46.4%

Branches in Rural & Semi-Urban Areas

- Capitalise on community network
- MSME and Rural to be key growth drivers



Retail Focus

45.5% → 50.4%

Increase in % of Retail Advances from FY20 to FY25

- Enhanced RoA and RoE
- Focus on Retail – Home, Gold Loans



Bharat Ka Karnataka Bank

4.1%<sup>1</sup>

Market share in Karnataka

22 States

Pan-India presence

- Wider Geographical Presence
- Digital and Data-driven client acquisition
- Cross Selling



# Driving Excellence in Proven Core Competencies

A.

Diversified Offerings with Established Brand Equity

## Retail and Personal Banking



- Housing
- Vehicle
- Gold
- Loans against property
- Personal loans
- Education

## Services



Simple & smarter digital loans



Centralized processing



Immediate in-principle sanction



Dedicated Retail Assets Centre / branch network

## Agriculture Banking



- Agriculture & allied activities
- Farm development
- Agricultural land purchase
- Farm mechanization
- Hi-tech agriculture
- Agricultural infrastructure & ancillary

## Facilities



Dedicated technical experts (AFOs)



Agri Development Branches (ADBs)



Rural godown loans



Farm machinery/ vehicle loans

## MSME



- Working capital finance for traders & manufacturing industries
- Term loans & infrastructure finance
- Business development loans
- Corporate loans
- Professional & self-employed loans
- CV / CE loans

## Facilities



GST Based Loans



Quick digital underwriting



Loans to women entrepreneurs



Segment Focused Loans





# Driving Excellence in Proven Core Competencies

A.

## Key Capabilities in Place to Leverage Opportunities in the Government Business

### Focused to be one of the top govt. collection Banks



Empaneled as '**Agency Bank**' for direct tax collection



Integrated on **National Jan Samarth** portal



**State-level Treasury integrations** for collection of revenue (Khajane-II in Karnataka and MAHAKOSH in Maharashtra)



National Savings Institute (NSI)  
(to on-board customers for savings schemes)



Live with **Customs and GST collection** through OTC and Internet Banking



Launch of **Flexi Fixed Deposits** scheme for government departments and allied institutions



Live with **Direct tax collection** offering various payment methods



Live on **RBI Central Bank Digital Currency (CBDC)** platform and **Karnataka Public Procurement Portal KPPP** for e-BG

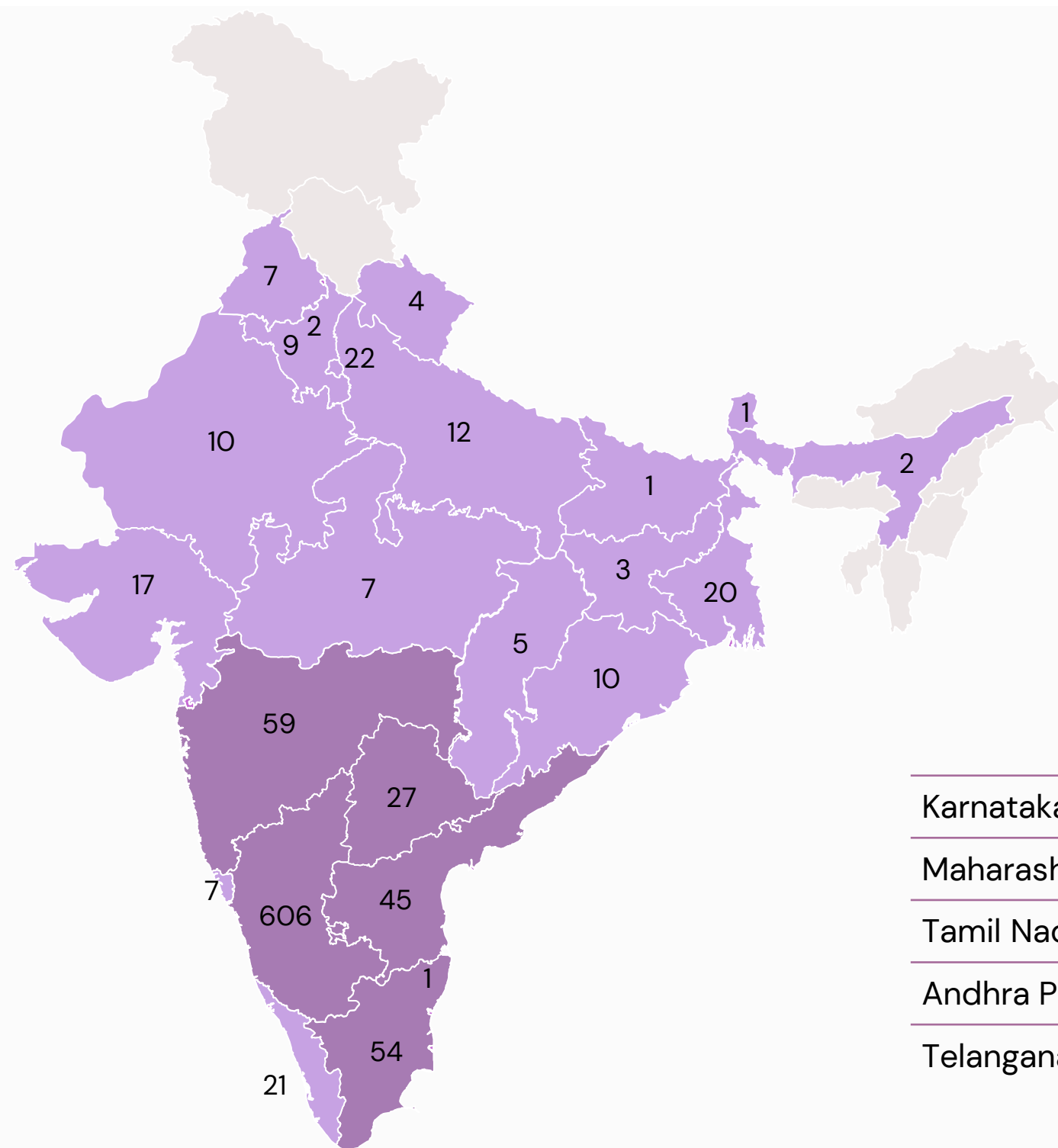
Working towards "one-stop" digital solution for all statutory payments



# Driving Excellence in Proven Core Competencies

A.

## Strong Geographical Footprint



### Top 5 States

Karnataka	606
Maharashtra	59
Tamil Nadu	54
Andhra Pradesh	45
Telangana	27

## Steady Growth in Locations Served



952

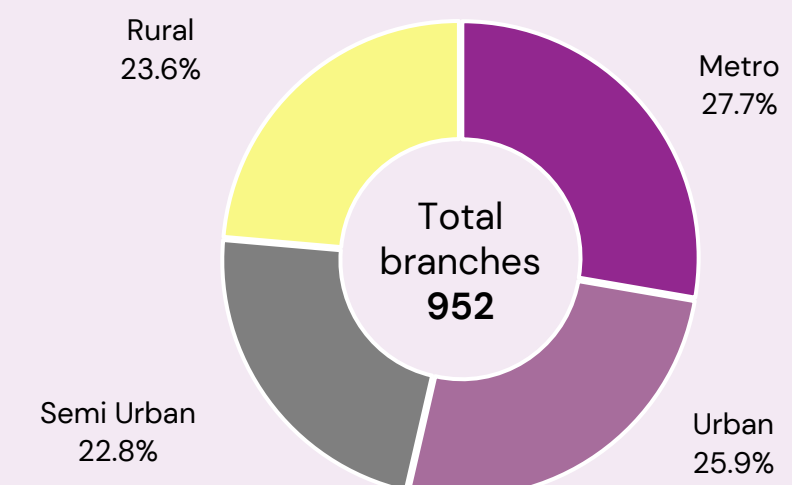
Branches



1,516

ATM and Recyclers

## Presence Across All Tiers





# Creating a Performance Driven Culture

B.

## Rebuild Outward-Facing, Business-Centric Teams

**Outbound sales team** and “**Feet on the Street**” for growing liabilities and expanding the home loan book



Inducted **259 Sales Officers** and **92 Feet on Ground** for covering key markets and target segments

Better control and oversight to create a more **sales-centric organisation**



**15 Regional Offices** resourced and empowered to handle small ticket loans, decentralized into **51 Clusters** with Cluster Heads

**Business correspondent** partnerships to strengthen the portfolio



Two BCs onboarded in the quarter, taking the total count to **198**

**Sector-focused tie-ups** to grow retail reach



Partnerships focused to expand Home, Car, Gold, Retail and Agri loan book

Scale-up of Retail Loan Processing Hubs



The bank has established **two** Retail Asset Centers (RACs) and plans to expand by adding three more in the coming year.

Focused to further grow Agri



Deployed **96 AFOs** as part of hunting teams at branches & clusters to source quality agri proposals



# Digitalisation Propelling Robust Book Growth

C.

Foundation in place to Drive Next Leg of Digital Innovation

State-of-the-art '**Technology, Digital & Product Hub**' at Bengaluru

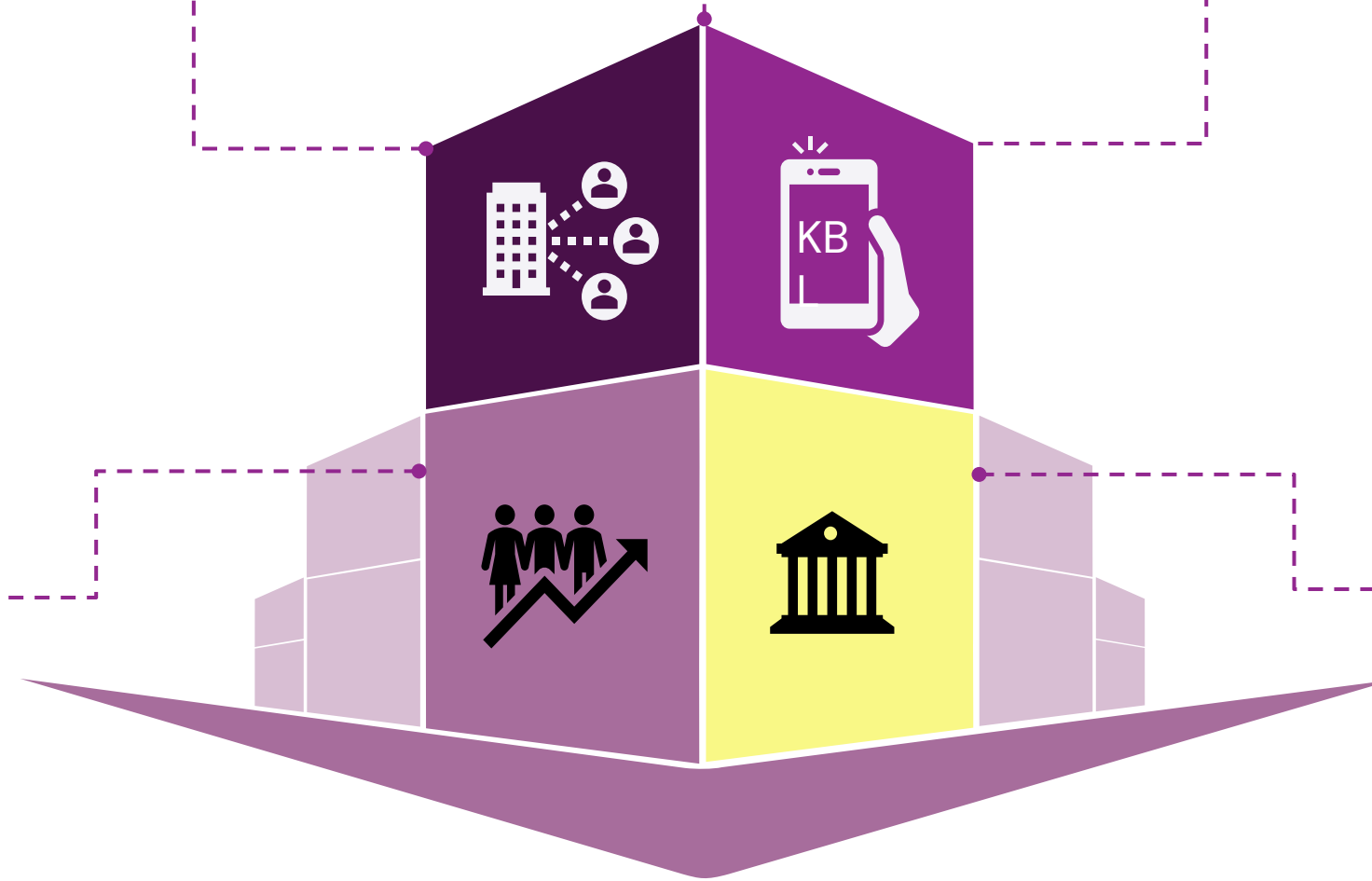
- **40,000 sq. ft.** super built-up area
- **300+** skilled employees
- **Products and Business Solutioning** have been integrated covering technology, digital and analytics

- **Live with CRM:** Integration of customer data and interactions across Marketing and Sales department
- Enhance customer engagement and improve business productivity

- Developer portal featuring over **570+ APIs**
- **KBL Mobile Plus** provides a user-friendly mobile interface with intuitive navigation

- **Partnerships with FinTechs** to drive digital banking
- **Increase Product Penetration** per customer through analytics-enabled cross selling

- **Cloud Data Platform** for ACoE
- Four Modules from OFSAA including **fund transfer and profitability module** under implementation
- Scalable and configurable platform for business account







# Digitalisation Propelling Robust Book Growth

C.

## Initiatives towards Digitisation

### Executed initiatives



Colending partnership expansion – UGro



Hyperlocal SEO



Dairy Maintenance Loans leveraging ULI



Personal Loans leveraging ONDC



Liability Platform: : DIY SA, Dormant Account Activation



Direct Assignment deal through Yubi Platform



Credit line on UPIO with Navi



Direct Assignment (Securitization) Platform



Electronic Bank Guarantee



Current Account

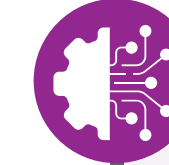
### Planned future initiatives for 2025



Pre-approved and Flow-Based Loans



National Back Office Transformation



Core Systems (Collections/LOS/LMS) Transformation



Supply Chain / Trade Finance Platform



Data Governance and Warehouse Transformation



Unified Digital Retail Sales and Credit Hub



Digital Omnichannel Transformation



Unified Wealth Mgt. Platform



Co-branded Credit Cards



Deposit sourcing via Partnerships



Gen AI initiatives



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