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CIN : L85110KA1924PLC001128

**SECRETARIAL DEPARTMENT**

28.01.2022

HO:SEC:215:2021-22

1. The Manager  
Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza,C-1, Block G  
Bandra-Kurla Complex, Bandra (E)  
MUMBAI-400 051

Scrip Code: **KTKBANK**

2. The General Manager  
**BSE Limited**  
Corporate Relationship Dept  
Phiroze Jeejeebhoy Towers  
Dalal Street  
MUMBAI-400 001

Scrip Code: **532652**

Dear Sir,

We enclose copy of the press communiqué released by us for your kind information.

Thank you,  
Yours faithfully,

  
Prasanna Patil  
**COMPANY SECRETARY**

**BRANCH BANKING & DIGITAL CHANNELS DEPARTMENT****PRESS RELEASE**

Date: 28-01-2022

**KARNATAKA BANK'S NET PROFIT UP BY 8.16% To Rs 146.42 CRORES**

The Karnataka Bank Limited (“Bank”) has posted a net profit of Rs 146.42 crores for the third quarter of current financial year with a Year on Year growth rate of 8.16% as against Rs 135.37 crores of net profit earned during the corresponding quarter of the previous year.

In the Meeting of the Board of Directors held today at Mangaluru through Video-conferencing, the Board approved the financial results for the quarter and nine months period ended December 31, 2021.

The asset quality also improved significantly. The GNPA has declined by 39 bps to 4.11% from 4.50% as compared to the sequential previous quarter i.e Sept. 2021. In absolute terms also the GNPA declined by Rs 170.60 crores, to Rs 2,330.52 crores from Rs 2,501.12 crores as at the previous quarter. Similarly, the NNPA also declined by 39 bps to 2.45% from 2.84% as compared to the sequential previous quarter i.e. Sept. 2021. Further, NNPA amount also reduced by Rs 186.37 crores to Rs 1359.89 crores from Rs 1546.26 crores as at the previous quarter. The PCR has further improved to 73.74% from 71.75% as at 30.09.21.

Bank has clocked a business turnover of Rs 1,33,918.07 crores as on 31-12-2021, with a YoY growth rate of 5.44%, deposits of Rs 78,428.71 crores with YoY growth rate of 6.24% and Advances of Rs 55,489.36 crores with YoY growth rate of 4.33%.

Announcing the results at the Bank's Head Quarters at Mangaluru, Shri Mahabaleshwara M S, Managing Director & CEO of the Bank said, “ This has been one more quarter of consistent and satisfactory performance without any negative surprises. In spite of the adverse effect of the pandemic on the economy, the

stress in credit portfolio is receding as could be seen by the reduction in GNPA to 4.11% from 4.50%, NNPA to 2.45% from 2.84%. Added to this, the PCR has also further improved to 73.74% from 71.75%. I am very happy that all the Transformation driven initiatives have started yielding the desired result. ”

## PERFORMANCE HIGHLIGHTS

[Rupees in crore]

Parameters	Quarter Ended			Nine Months Period		
	31-12-2021	31-12-2020	Variation(%)	31-12-2021	31-12-2020	Variation(%)
Operating Profit	356.17	448.08	-20.51	1,253.40	1,579.47	-20.64
Net Profit	146.42	135.37	8.16	377.79	451.10	-16.25
Net Interest Income	622.65	614.05	1.40	1,834.54	1,724.04	6.41
Advances	55,489	53,187	4.33	55,489	53,187	4.33
Deposits	78,429	73,826	6.24	78,429	73,826	6.24
Gross NPA [GNPA] per cent	4.11%	3.16%	0.95	4.11%	3.16%	0.95
Net NPA [NNPA] per cent	2.45%	1.74%	0.71	2.45%	1.74%	0.71
Net Interest Margin (NIM)	3.18%	3.26%	-0.08	3.16%	3.07%	0.09
Return on Asset [ROA]	0.65%	0.64%	0.01	0.57%	0.71%	-0.14
CASA	31.30%	30.07%	1.23	31.30%	30.07%	1.23
PCR	73.74%	80.51%	-6.77	73.74%	80.51%	-6.77

  
**Srinivas Deshpande**  
ASSISTANT GENERAL MANAGER