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CIN : L85110KA1924PLC001128

**SECRETARIAL DEPARTMENT**

31.01.2025

HO:SEC:268:2024-25

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- Submission of copy of presentation for Analysts / Institutional Investors on unaudited Financial Results for the quarter and nine months ended December 31, 2024**

We refer to our earlier letter no. HO:SEC:257:2024-25 dated 20.01.2025 intimating about the scheduling of Q3FY25 Earning's Audio Conference Call for Analysts/Institutional Investors to be held on Friday, 31.01.2025 at 06:00 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 unaudited financial results of the Bank for the quarter and nine months ended December 31, 2024. The analyst presentation has 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 Q3 FY25



Banking with Legacy,  
Embracing the Future

100 Years of Trust & Excellence





100  
Years of Trust

 Karnataka Bank

100-Year-Old Private Sector Bank



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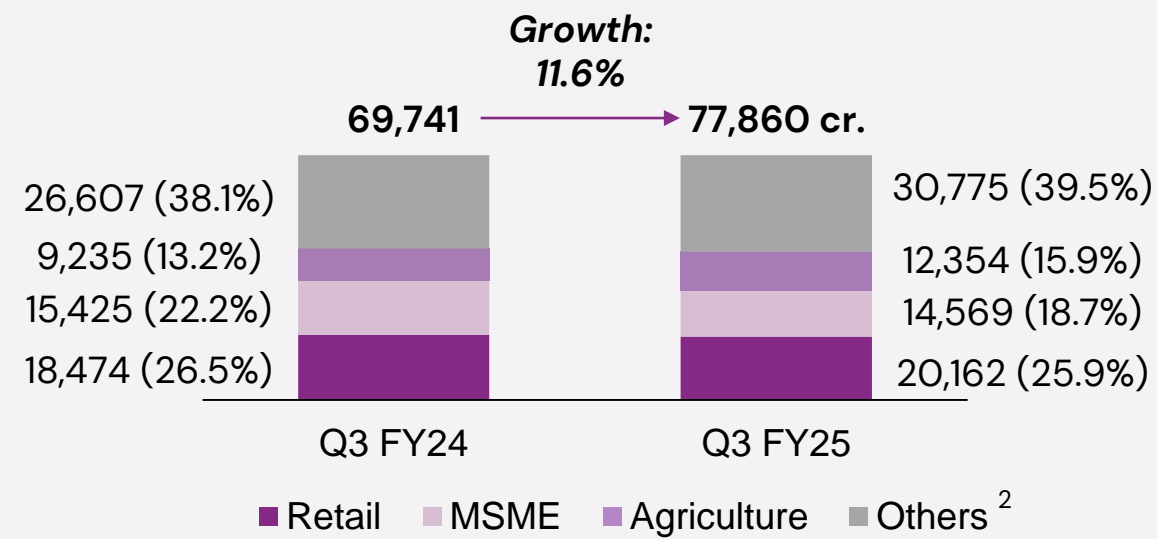
# Key Achievements During Q3 FY25



Beginning of transformative steps leading to stable financial position...

## Deposits and Advances Growth

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

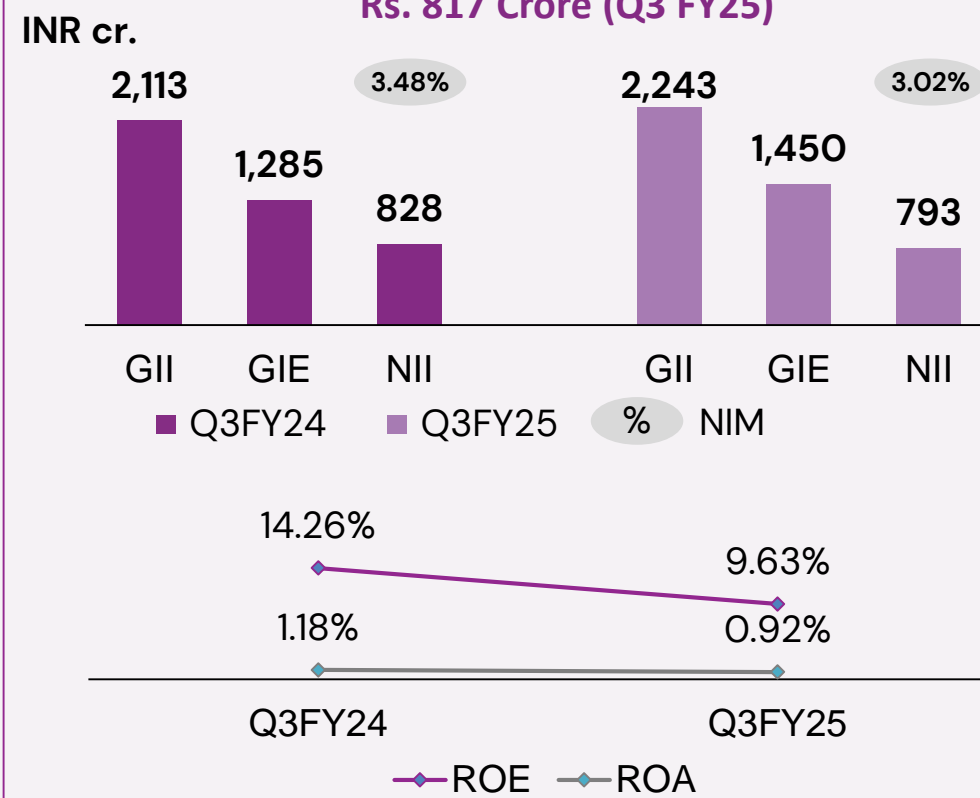


### Deposits

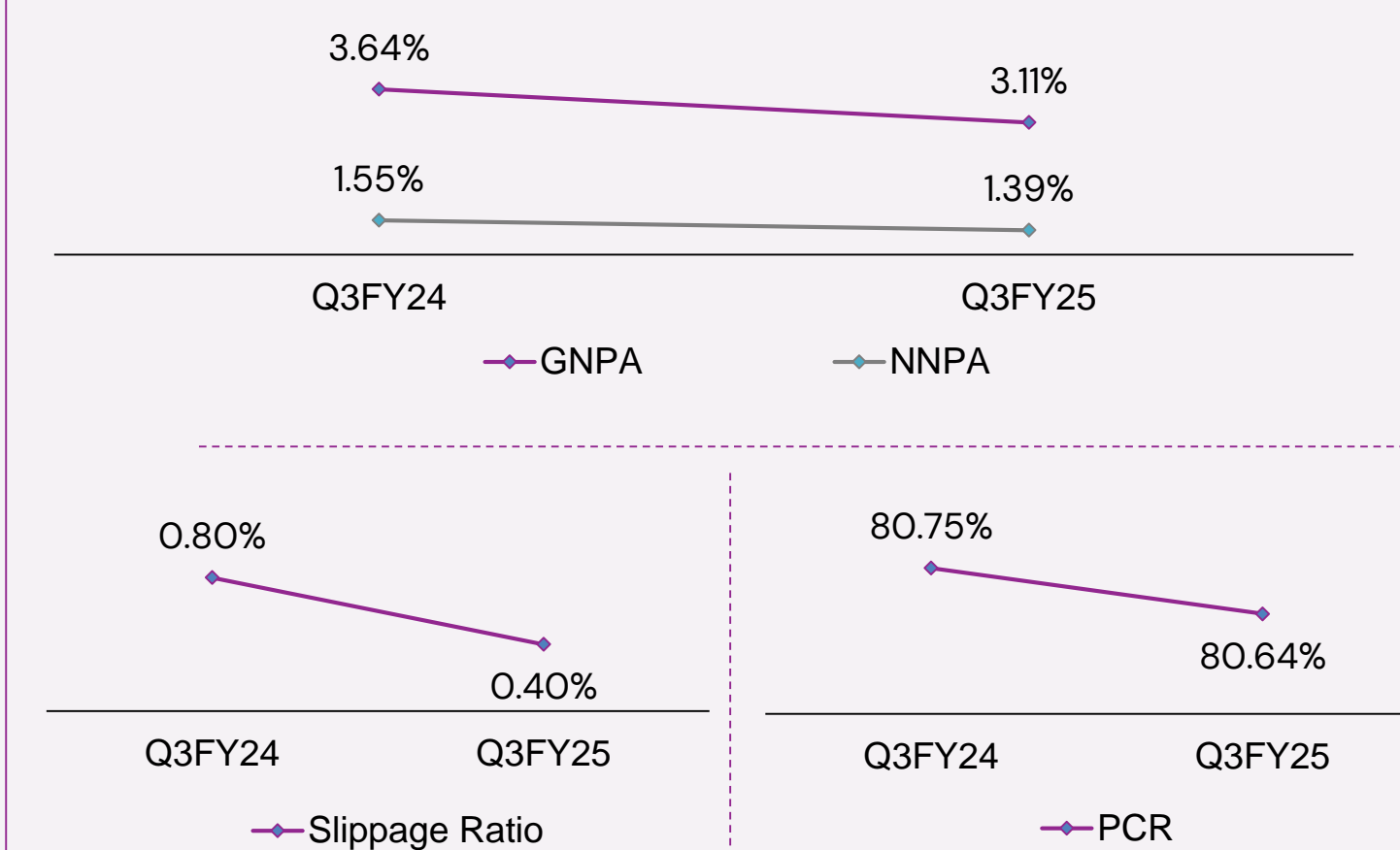


## Stakeholder Value

### NII Excl Impact of Penal Charges Reclassification - Rs. 817 Crore (Q3 FY25)



## Asset Quality



During the Quarter, 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.



## ...Well-positioned to accelerate



**Restructuring completed** with entire senior management now in position



Credit transformation, NBO, Sales, product organization and other **processes in place**



**Technical infrastructure** has been established with sufficient capacity developed



# Q3 FY25 Performance at a Glance

■ Q3FY25 ■ 9MFY25

Assets			
<b>Gross Advances</b>	<b>Retail Advances</b>	<b>Deposits</b>	<b>CASA</b>
<b>77,860</b>	<b>38,182</b>	<b>1,00,119</b>	<b>30,352</b>
↑ 11.6% YoY	↑ 15.3% YoY	↑ 8.6% YoY	↑ 4.7% YoY
Profitability*			
<b>NIM</b>	<b>PAT</b>	<b>ROA</b>	<b>ROE</b>
<b>3.02% / 3.26%</b>	<b>284 / 1,020</b>	<b>0.92% / 1.14%</b>	<b>9.63% / 11.94%</b>
↓ 46bps YoY / ↓ 33bps YoY	↓ 14.3% YoY / ↓ 1.2% YoY	↓ 26bps YoY / ↓ 15bps YoY	↓ 463bps YoY / ↓ 324bps YoY
Asset Quality			
<b>GNPA</b>	<b>GNPA and Std Restructured % of Advances</b>	<b>NNPA</b>	<b>PCR (Incl. TWO)</b>
<b>3.11%</b>	<b>4.54%</b>	<b>1.39%</b>	<b>80.64%</b>
↓ 53bps YoY	↓ 173bps YoY	↓ 16bps YoY	↓ 11bps YoY

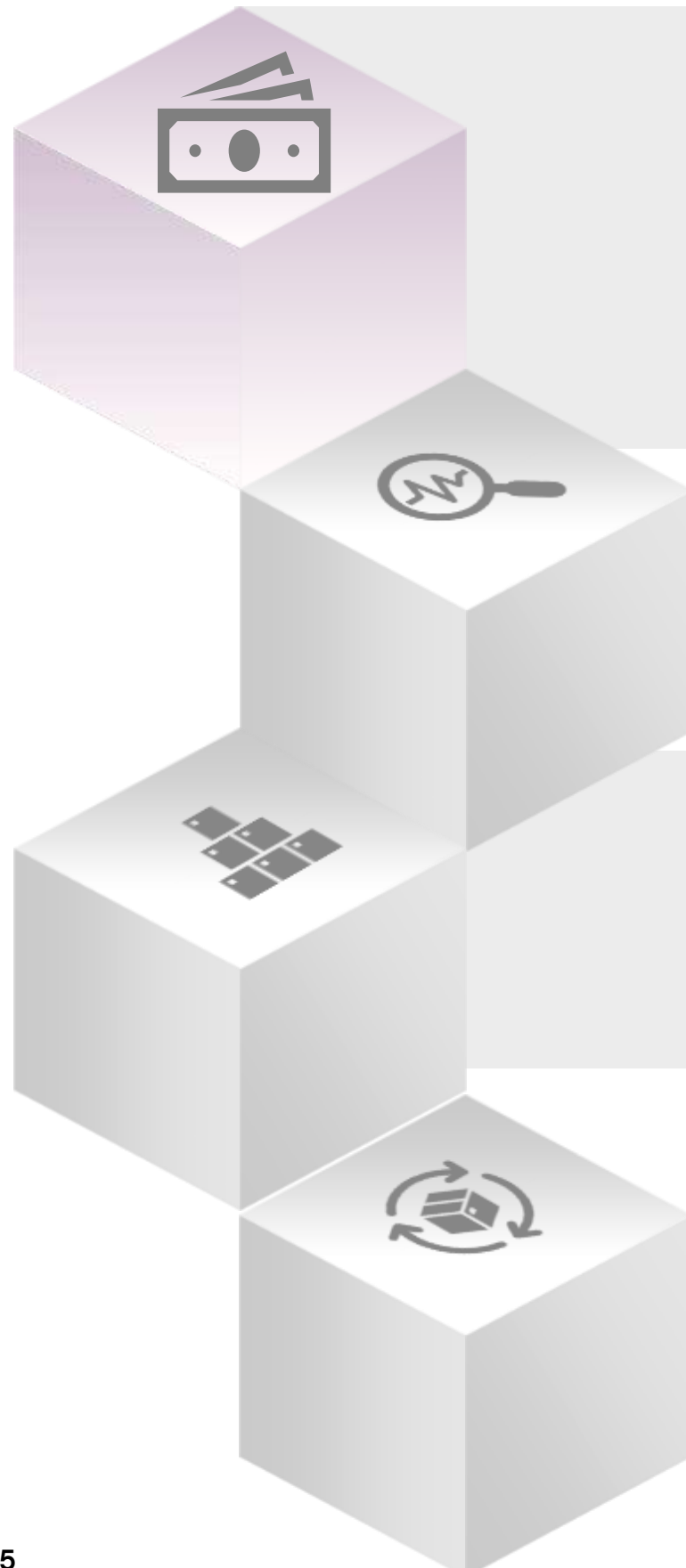
- Continued improvement in book quality due to improved focus on collection and recovery mechanisms
- Retail advances grew by 4% QoQ. Net accretion of Rs. 4,164 Cr during 9M FY25.
- Mid Corporate national and regional structures in place
- Rs. 750 crores of churn from NBFC advances to direct-to-corporate advances during 9M
- Significant shift from high-cost bulk deposits to Retail Deposits - Retail Term Deposit grew Rs. 2,070 Cr during Q3 - currently at 89.82% of total deposits.
- Focus on improving CASA through sales strategy and regional structures

\* Excluding impact of changes in accounting policy with respect to 'Investments', Interest Income on Investments would be lower by Rs. 19.25 Cr, Other Income would be higher by Rs. 119.89 Crore, and Profit Before Tax would be higher by ₹ 100.64 crore for 9M FY25





# Q3 and 9M FY25 Performance at a Glance



## Profitability

- ▶ Gross Interest Income for Q3 FY25 has grown 6.17% YoY while Interest Expense grew 12.86% over the same period owing to increase in deposit rates,
- ▶ Consequently, NII for Q3 FY25 decreased 4.21% YoY. NII for 9M FY25 grew 2.64% YoY.
- ▶ As a result of increased Cost of Funds and Cost of Deposits, NIM declined to 3.02% in Q3 FY25, down from 3.48% in Q3 FY24 and 3.23% in Q2 FY25. NIM for 9M FY25 stood at 3.26% compared to 3.59% in 9M FY24.
- ▶ PAT for Q3 FY25 stood at Rs. 283.6 Crore v/s Rs. 331.08 Crore in Q3 FY24, while that for 9M FY25 stood at Rs. 1,020 crore against Rs. 1032.04 Crore in 9M FY24.
- ▶ The Bank has continued to provide for accelerated provisioning, excluding which we would have seen a YoY growth in 9M FY25 PAT.
- ▶ ROA and ROE stood at 1.14% and 11.94% respectively for 9M FY25.

## Asset Quality and Liability

- ▶ In line with guidance, Gross NPA decreased further to 3.11% as on 31 December 2024, improving 53 bps YoY and 10 bps QoQ
- ▶ Net NPA also improved to 1.39% as on 31 December 2024 against 1.55% on 31 December 2023 and 1.46% as on 30 September 2024
- ▶ Credit cost for the quarter stood at 0.12% as against 0.25% in Q3 FY24. For 9M FY25, the same stood at 0.32% as against 0.67% for 9M FY24.
- ▶ CASA ratio as on 31 December 2024 stood at 30.32% as against 31.45% on 31 December 2023 and 30.82% on 30 September 2024.

## Distribution

- ▶ Expansion of Co-lending portfolio by stitching new partnership with M/s. Ugro Capital
- ▶ Launched liability DIY platform for SA and Dormant Account Activation
- ▶ First Bank to get onboarded on ONDC rails to offer Personal Loan product
- ▶ Inaugurated 4 branches across 4 region in India to expand Karnataka bank's geographical reach

## Product and Digitization

- ▶ Launched multiple new products to facilitate growth of CASA and deposits by providing improved offerings to customers
- ▶ Digital footprint increased by 1.12 lakh+ additional mobile application downloads during Q3 FY2025
- ▶ 91,000+ new debit cards added to KBL's network during Q3 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 products for Government Employees.
  - b) KBL PEAK, an exclusive student education loan product.
  - c) KBL Genius an exclusive Student Savings account product
  - d) 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 – Branch Banking**

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 Assets**

24 years experience in Retail Banking and Liabilities Business



*Raja B.S.*

**Head – Operations**

34 years veteran at Karnataka 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

Celebrating 100 years of trust





# Financial Highlights

## Karnataka Bank at a Glance

Particulars	Q3FY25	Q3FY24	Growth Y-o-Y	Q2FY25	Growth Q-o-Q
Total Business	1,77,978	1,61,936	9.91%	175,284	1.5%
Gross Advances / % Retail	77,860 / 49.04%	69,741 / 47.50%	11.64% / 154bps	75,316 / 48.74%	3.38% / 30bps
Deposits	1,00,119	92,195	8.59%	99,968	0.15%
Retail Term Deposits	69,743	63,176	10.39%	69,109	0.92%
Gross NPA	3.11%	3.64%	(53bps)	3.21%	(10bps)
Net NPA	1.39%	1.55%	(16bps)	1.46%	(7bps)
CASA Ratio	30.32%	31.45%	(113bps)	30.82%	(50bps)
NII	793	828	(4.21%)	834	(4.89%)
NIM %	3.02%	3.48%	(46bps)	3.23%	(21bps)
PAT	284	331	(14.34%)	336	(15.61%)
ROA	0.92%	1.18%	(26bps)	1.13%	(21bps)
ROE	9.63%	14.26%	(463bps)	11.63%	(200bps)
PCR	80.64%	80.75%	(11bps)	80.14%	50bps



# Financial Highlights

## Karnataka Bank at a Glance

Particulars	Q3FY25	Q3FY24	Growth Y-o-Y	Q2FY25	Growth Q-o-Q
Fee Income or Commission Income	250	205	21.95%	223	12.11%
Non-interest Income / Total Income	292 / 2,535	326 / 2,439	(10.34%) / 3.96%	270 / 2,504	8.31% / 1.25%
Credit Cost	0.12%	0.25%	(13bps)	0.09%	3bps
Slippage Ratio	0.40%	0.80%	(40bps)	0.33%	7bps
Cost to Income <sup>1</sup>	60.09%	53.18%	691bps	58.28%	181bps
Networth	11,321	9,381	20.68%	11,043	2.52%
Net NPA to Networth	9.39%	11.30%	(191bps)	9.81%	(42bps)
RWA to Total Assets	54.02%	55.78%	(176bps)	54.80%	(78bps)
CD Ratio	77.77%	75.64%	213bps	75.34%	243bps
Yield on Advances	9.37%	9.90%	(53bps)	9.55%	(18bps)
Cost of Deposits	5.64%	5.40%	24bps	5.54%	10bps
Cost of Funds	5.69%	5.49%	20bps	5.58%	11bps
CRAR	17.64%	15.88%	176bps	17.58%	6bps
Tier-1 Capital	16.01%	13.66%	235bps	15.93%	8bps

Note 1: Excluding the impact of change in accounting policy and one-time incomes/expenses, Cost to Income Ratio would be 58.77% for Q3 FY25



# Financial Highlights

## Karnataka Bank at a Glance

Particulars	9MFY25	9MFY24	Growth Y-o-Y	FY24
Total Business	1,77,978	1,61,936	9.91%	171,059
Gross Advances / % Retail	77,860 / 49.04%	69,741 / 47.50%	11.64% / 30bps	73,002 / 46.60%
Deposits	1,00,119	92,195	8.59%	98,058
Retail Term Deposits	69,743	63,176	10.39%	66,665
Gross NPA	3.11%	3.64%	(53bps)	3.53%
Net NPA	1.39%	1.55%	(16bps)	1.58%
CASA Ratio	30.32%	31.45%	(113bps)	31.97%
NII	2,530	2,465	2.64%	3,299
NIM %	3.26%	3.59%	(33bps)	3.52%
PAT	1,020	1,032	(1.17%)	1,306
ROA	1.14%	1.29%	(15bps)	1.19%
ROE	11.94%	15.18%	(324bps)	13.71%
PCR	80.64%	80.75%	(11bps)	79.22%



# Financial Highlights

## Karnataka Bank at a Glance

Particulars	9MFY25	9MFY24	Growth Y-o-Y	FY24
Fee Income or Commission Income	701	634	10.57%	928
Non-interest Income / Total Income	841 / 7,596	900 / 6,997	(6.47%) / 8.56%	1319 / 9,617
Credit Cost	0.32%	0.67%	(35bps)	0.84%
Slippage Ratio	1.35%	1.90%	(55bps)	2.80%
Cost to Income <sup>1</sup>	56.93%	50.55%	638bps	53.15%
Networth	11,321	9,381	20.68%	10,344
Net NPA to Networth	9.39%	11.30%	(191bps)	10.92%
RWA to Total Assets	54.02%	55.78%	(176bps)	53.87%
CD Ratio	77.77%	75.64%	213bps	74.45%
Yield on Advances	9.48%	9.99%	(51bps)	9.94%
Cost of Deposits	5.57%	5.28%	29bps	5.34%
Cost of Funds	5.61%	5.36%	25bps	5.42%
CRAR	17.64%	15.88%	176bps	18.00%
Tier-1 Capital	16.01%	13.66%	235bps	16.17%

Note 1: Excluding the impact of change in accounting policy and one-time incomes/expenses, Cost to Income Ratio would be 54.48% for 9M FY25



# Financial Highlights

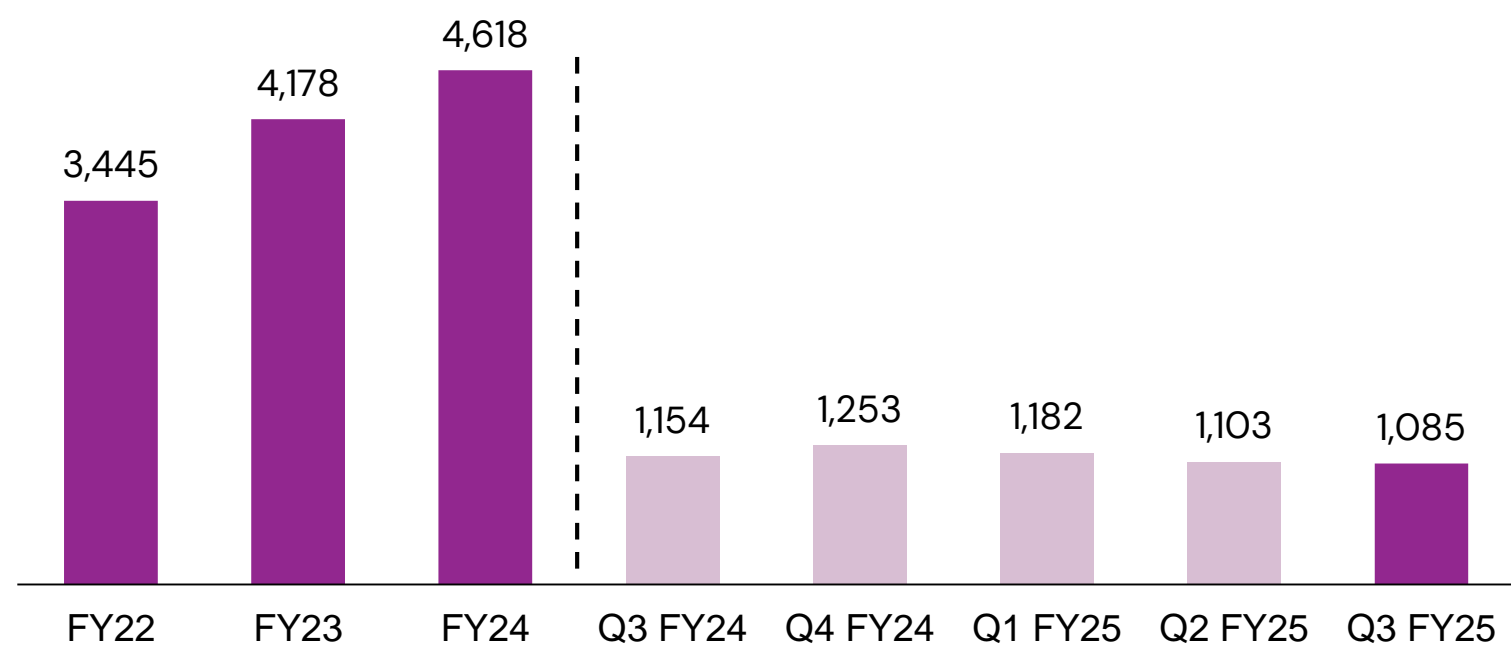
## Balance Sheet

Particulars	9MFY25	9MFY24	Growth Y-o-Y	FY24
<b>Property &amp; Assets</b>				
Cash & Balance With RBI	4,761.86	5,220.79	(8.79%)	7,656.07
Balance With Banks & Money At Call & Short Notice	1,012.55	140.56	620.37%	336.67
Investments	22,830.89	24,432.70	(6.56%)	24,302.05
Advances	76,478.64	68,216.16	12.11%	71,508.64
Fixed Assets	956.75	891.62	7.30%	914.64
Other Assets	11,014.29	11,088.13	(0.67%)	11,366.50
<b>Total</b>	<b>1,17,054.98</b>	<b>1,09,989.96</b>	<b>6.42%</b>	<b>116,084.57</b>
<b>Capital and Surplus</b>				
Capital	377.90	346.76	8.98%	377.26
Reserves & Surplus	10,423.58	8,508.12	22.51%	9,164.96
Deposits	1,00,118.52	92,195.39	8.59%	98,057.83
Borrowings	2,856.51	5,532.71	(48.37%)	4,399.53
Other Liabilities & Provisions	2,258.47	2,374.94	(4.90%)	2,778.71
Net Profit	1,020.00	1,032.04	(1.17%)	1,306.28
<b>Total</b>	<b>1,17,054.98</b>	<b>1,09,989.96</b>	<b>6.42%</b>	<b>116,084.57</b>

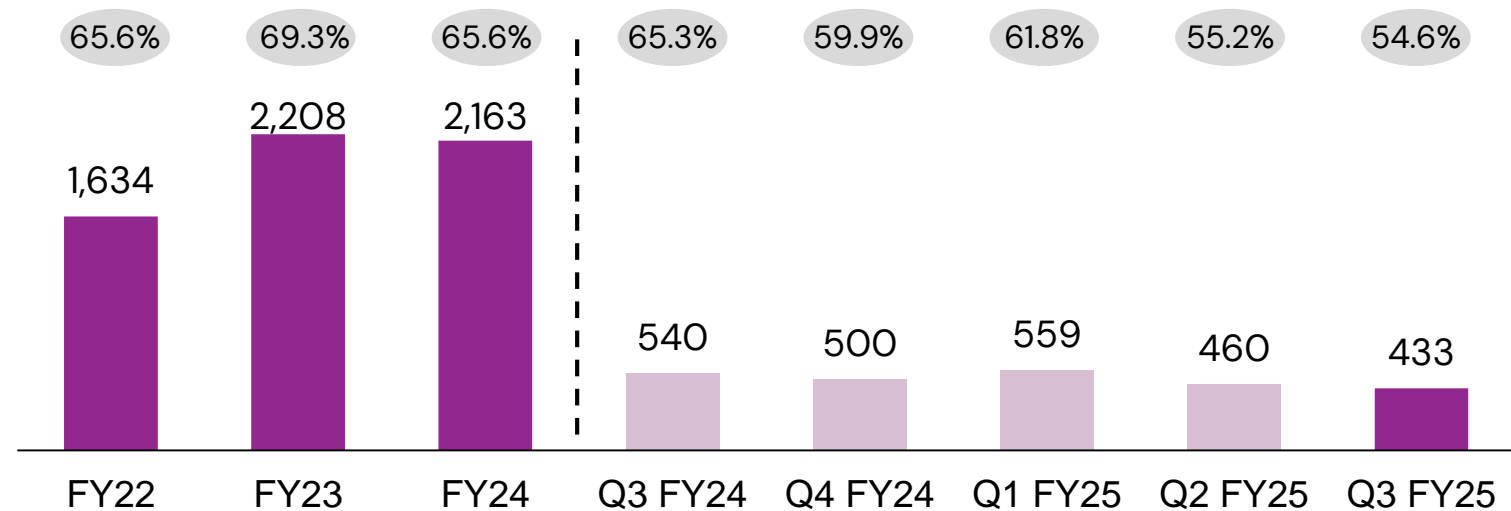


# Profitability

## Operating Revenue (INR Cr.)

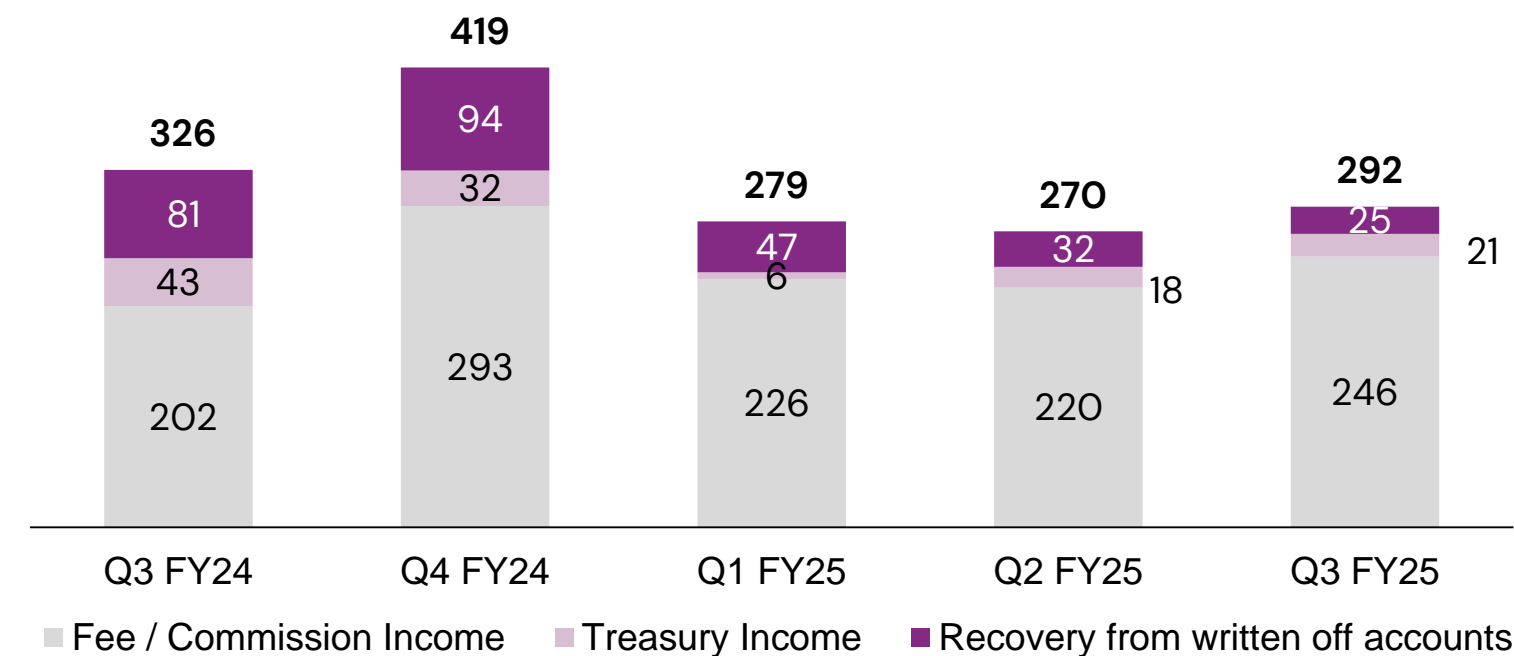


## Operating Profit (INR Cr.)<sup>1</sup>

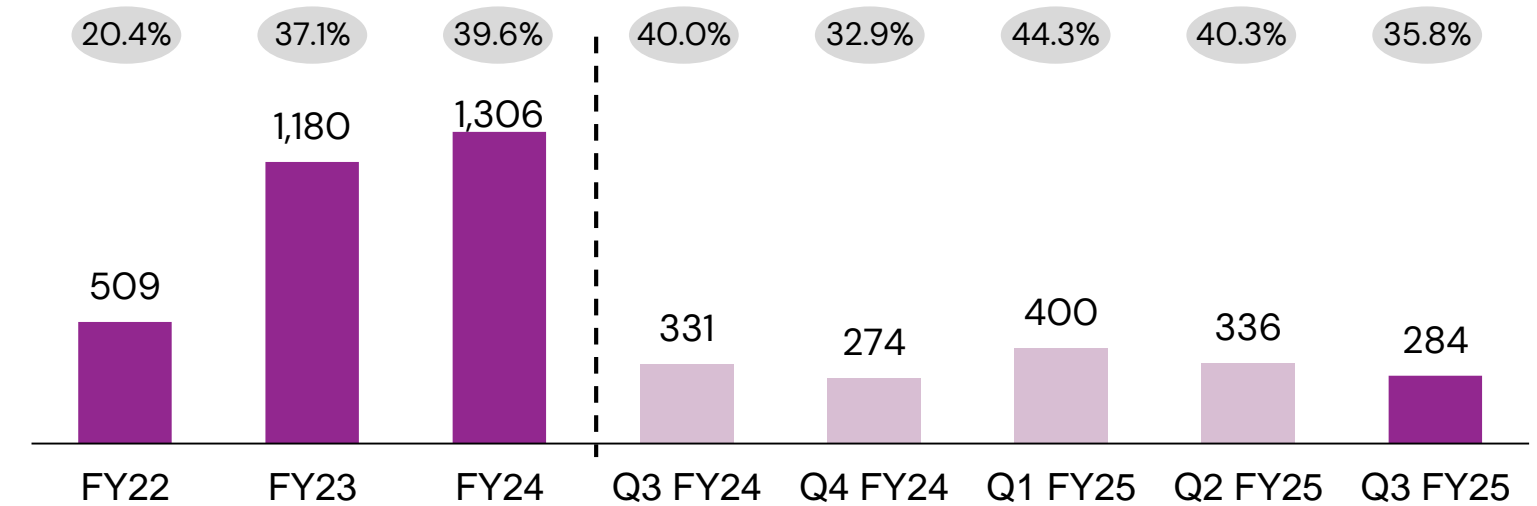


Operating Profit Margin (% of NII)

## Other Income (INR Cr.)



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



PAT Margin (% of NII)

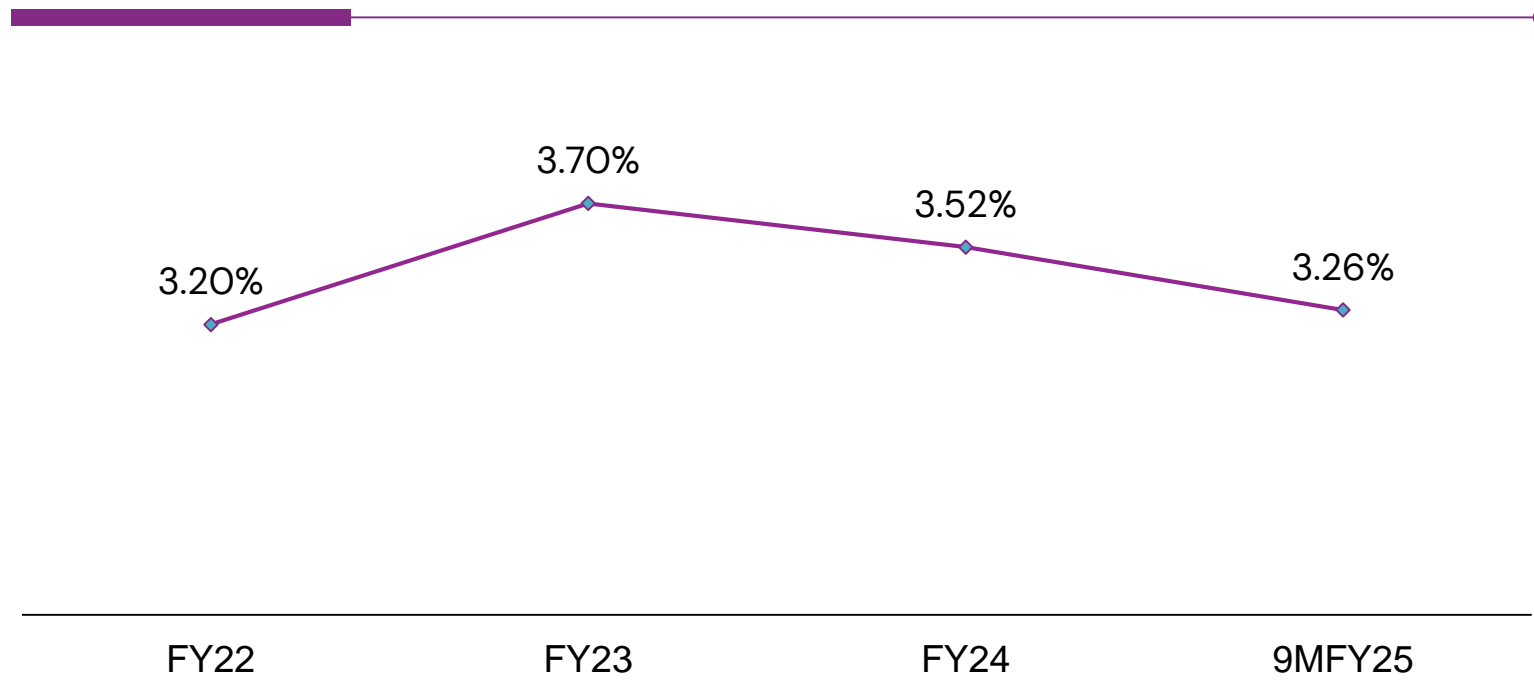
Note 1: While Operating Expenses have remained stable QoQ, increased Interest Expenses have resulted in reduction in Operating Profit

Note 2: PAT figures include accelerated provisioning

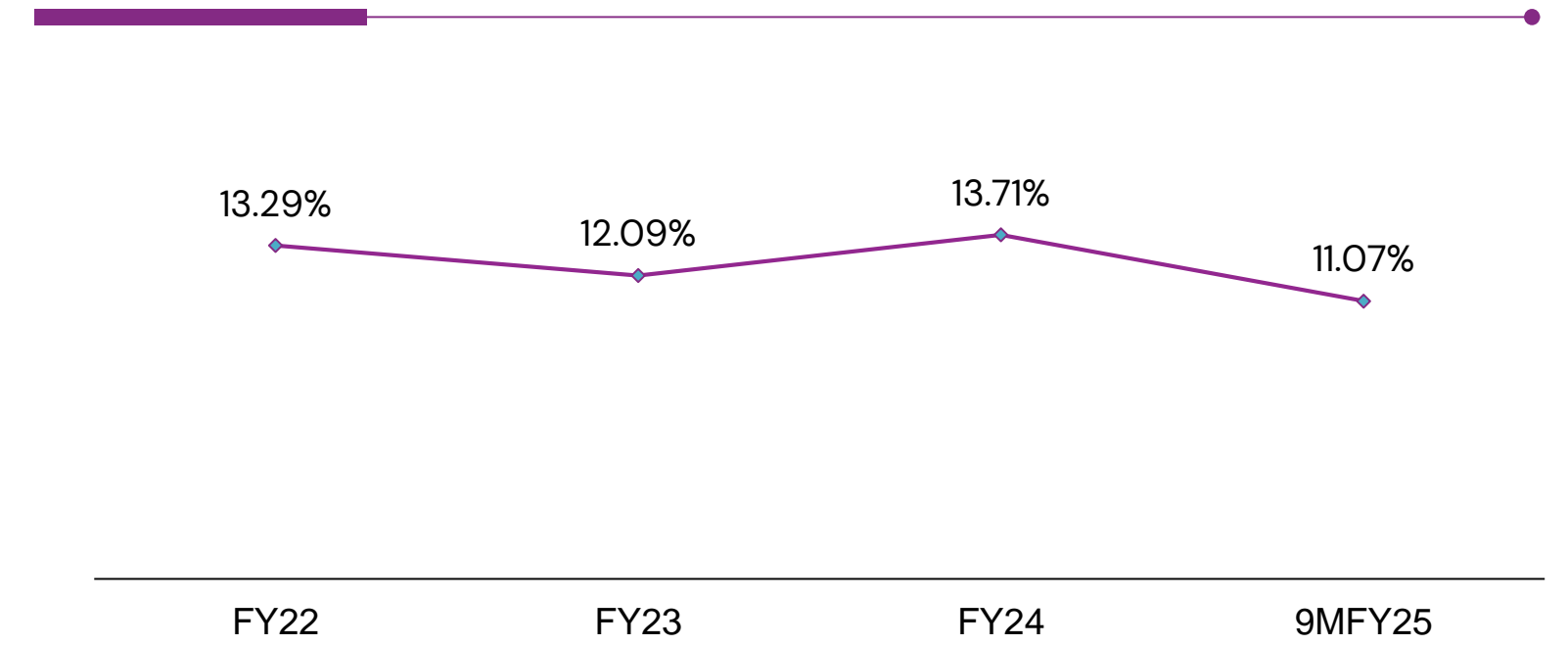


# Profitability

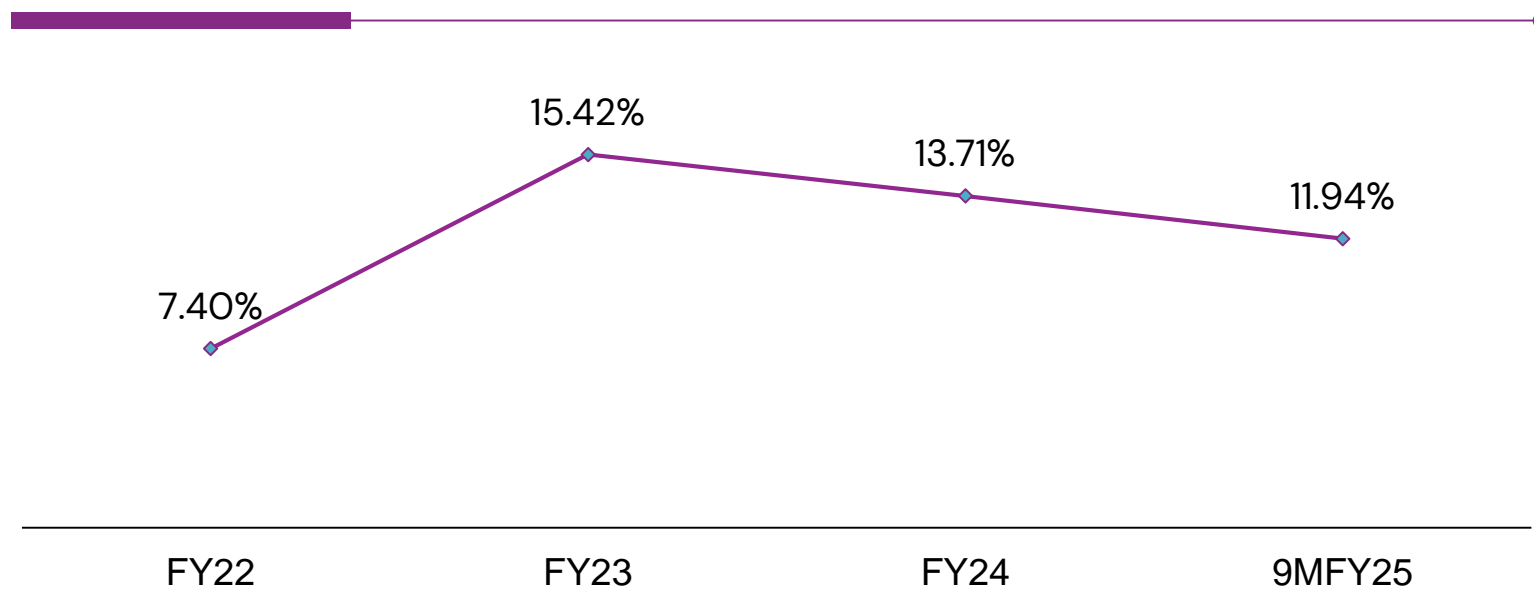
## Net Interest Margin<sup>1</sup>



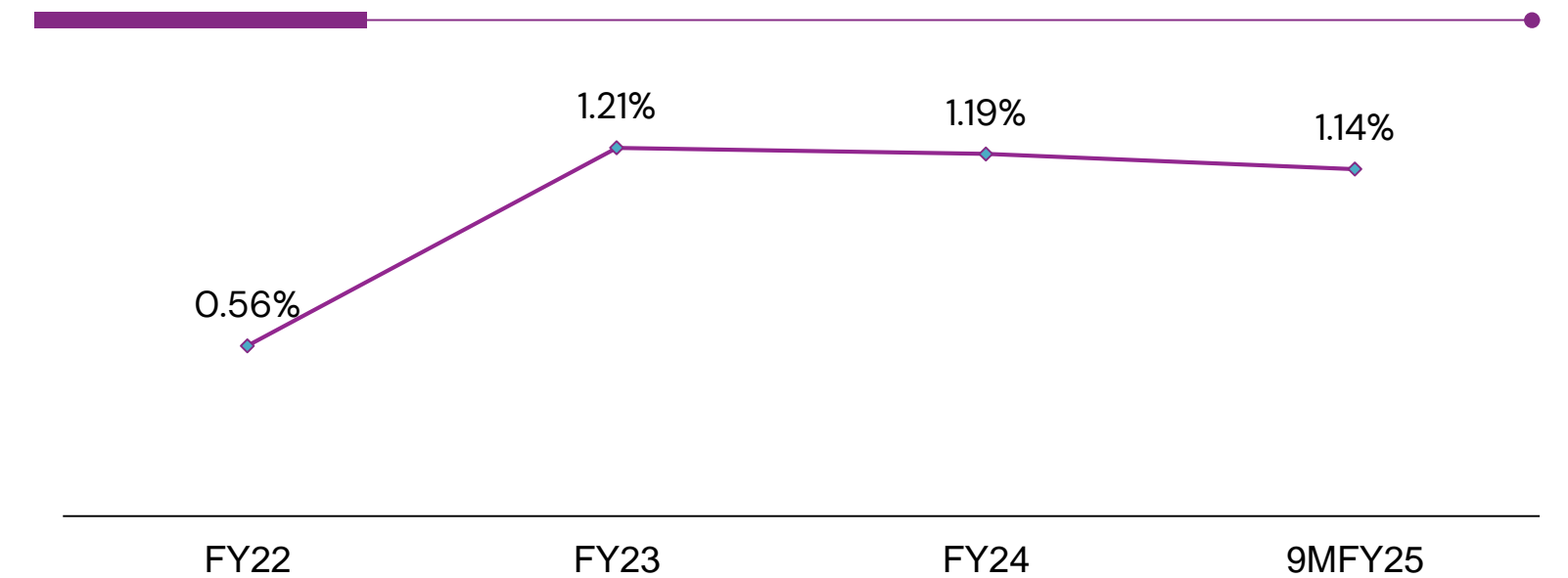
## Non-Interest Income to Total Income



## Return on Equity



## Return on Assets



Note1: Excluding impact of Reclassification of Penal Charges from Interest Income to Other Income, NIM would be 3.31% in 9M FY25 and 3.12% in Q3 FY25

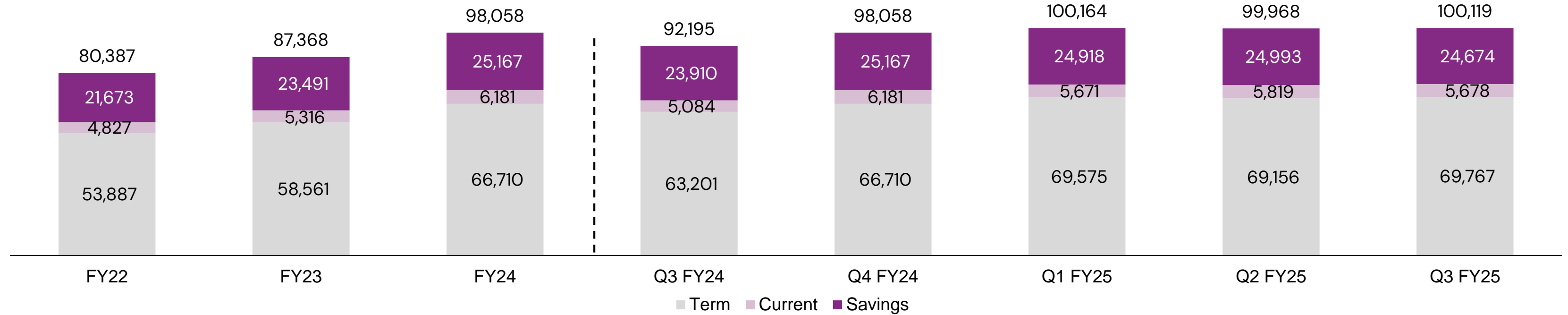




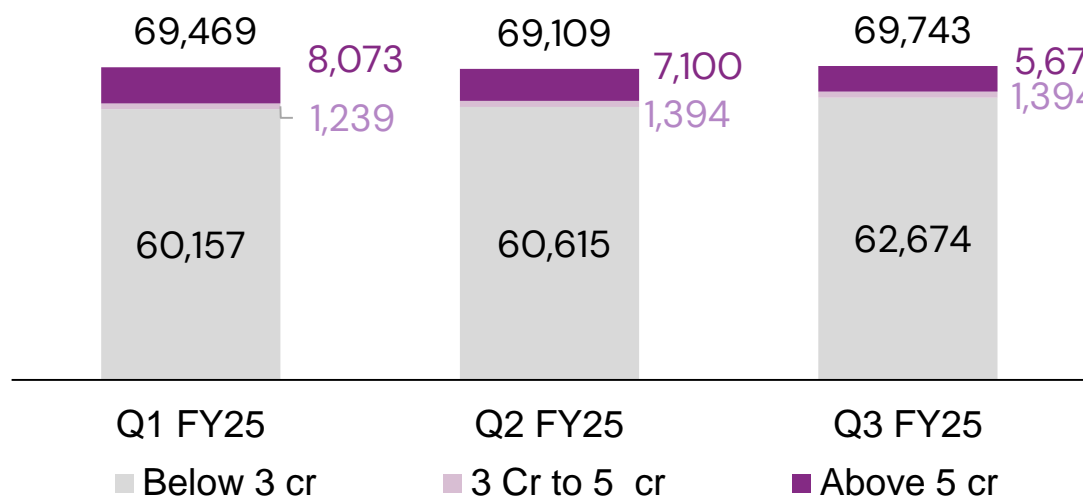


# Liability Profile

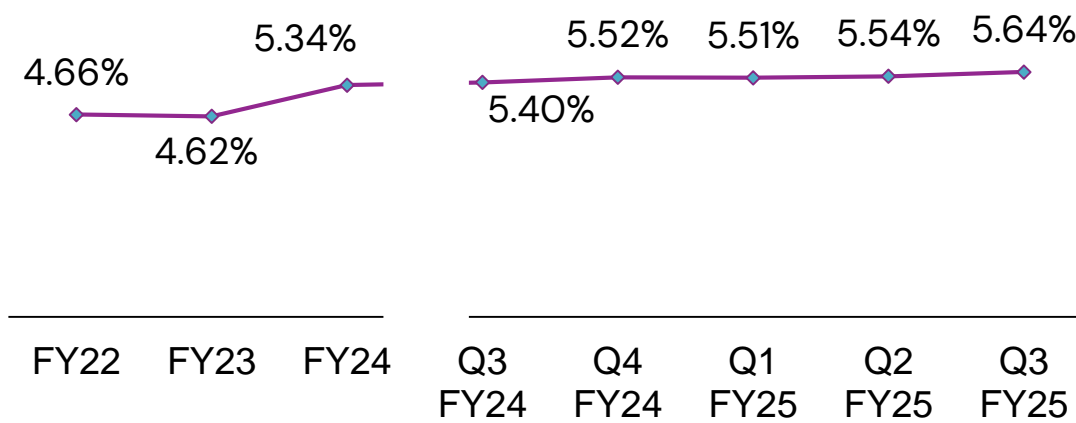
## Deposit Profile (INR Cr.)



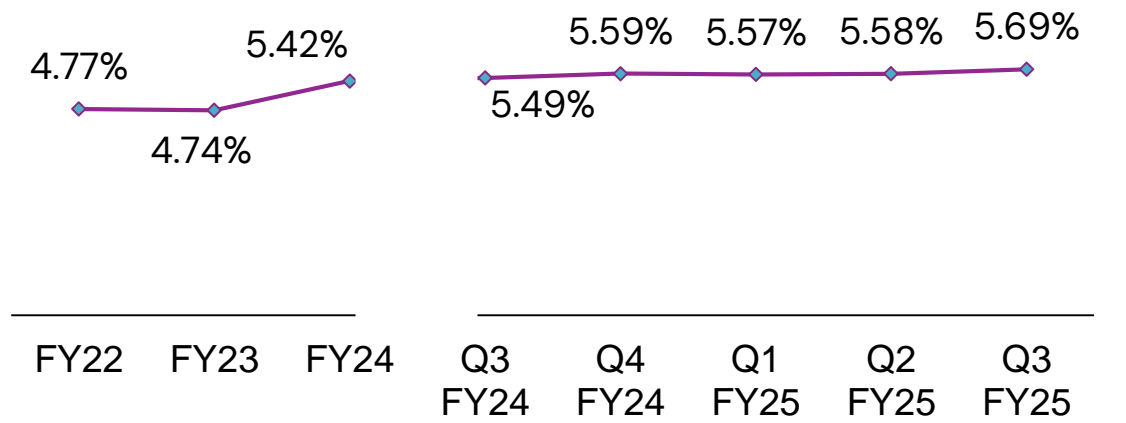
## Retail Term Deposit Breakup<sup>1</sup> (INR Cr.)



## Cost of Deposits



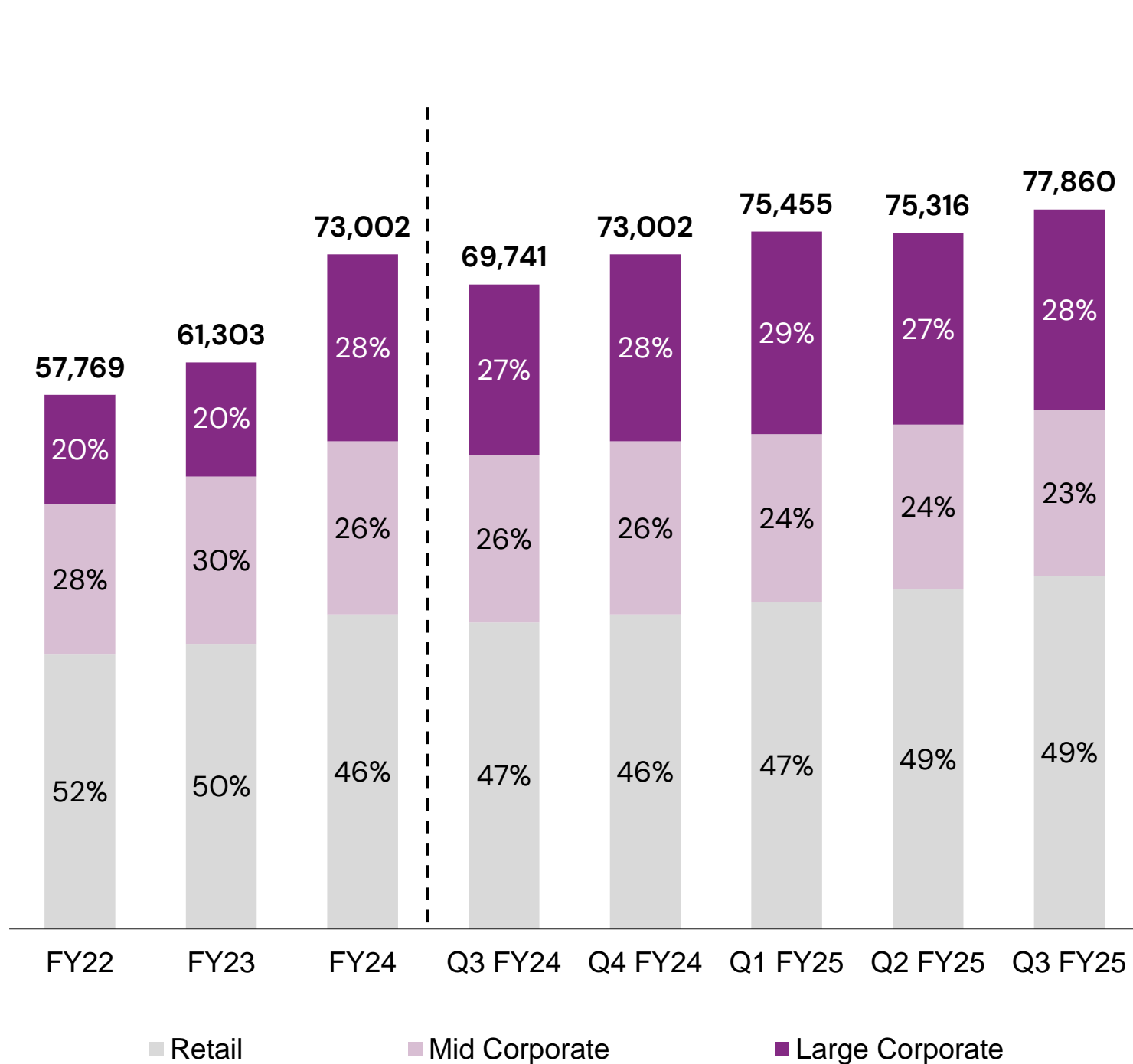
## Cost of Funds



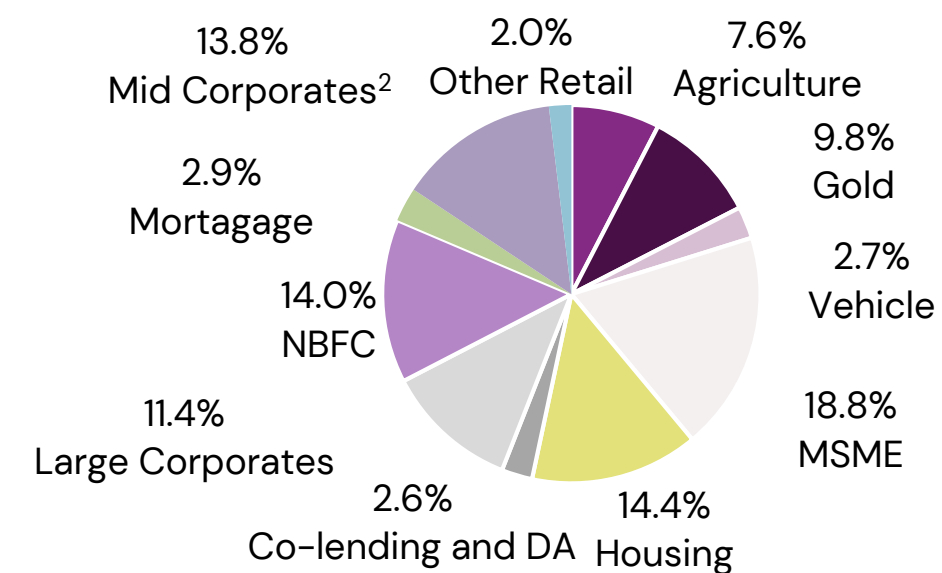


# Advances

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

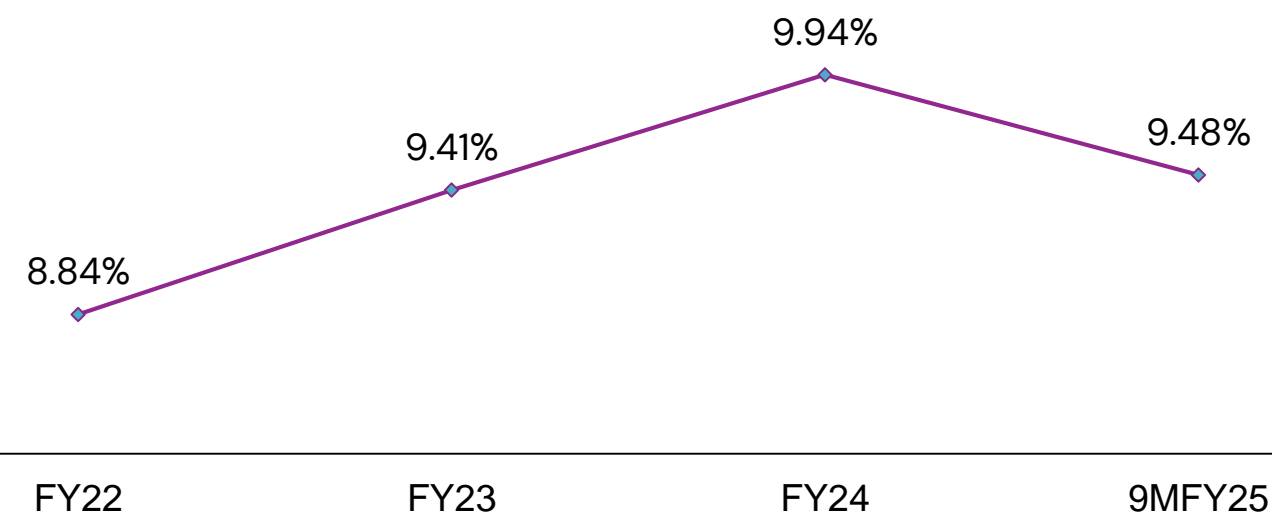


## Sectoral Loan Exposure<sup>2</sup>



> 70% of the book is in granular form

## Yield on Advances



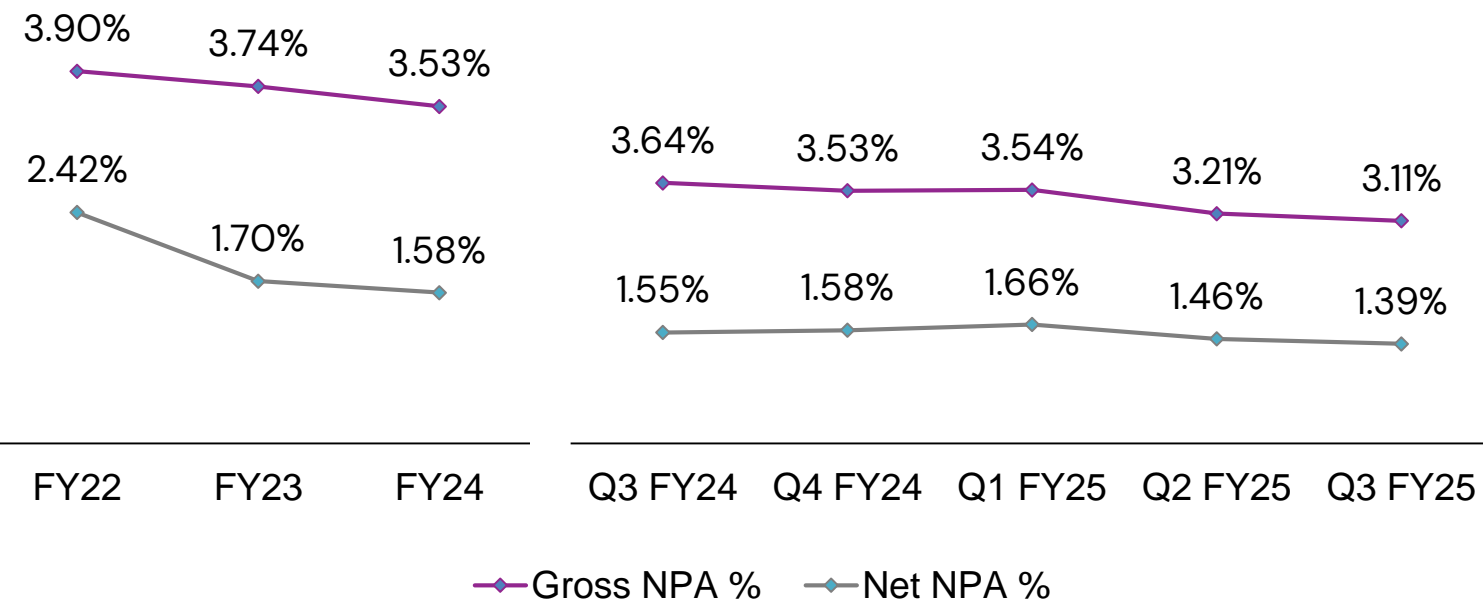
Note2: Mid corporates excluding MSME



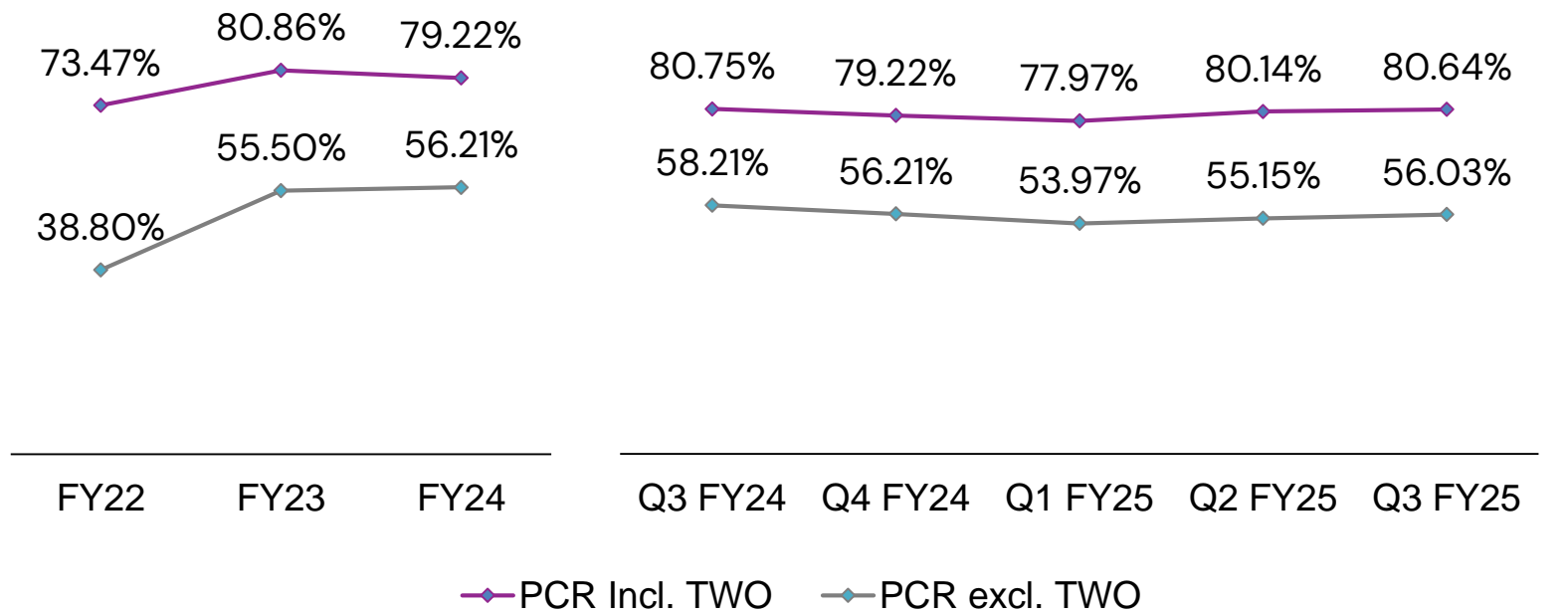


# Asset Quality

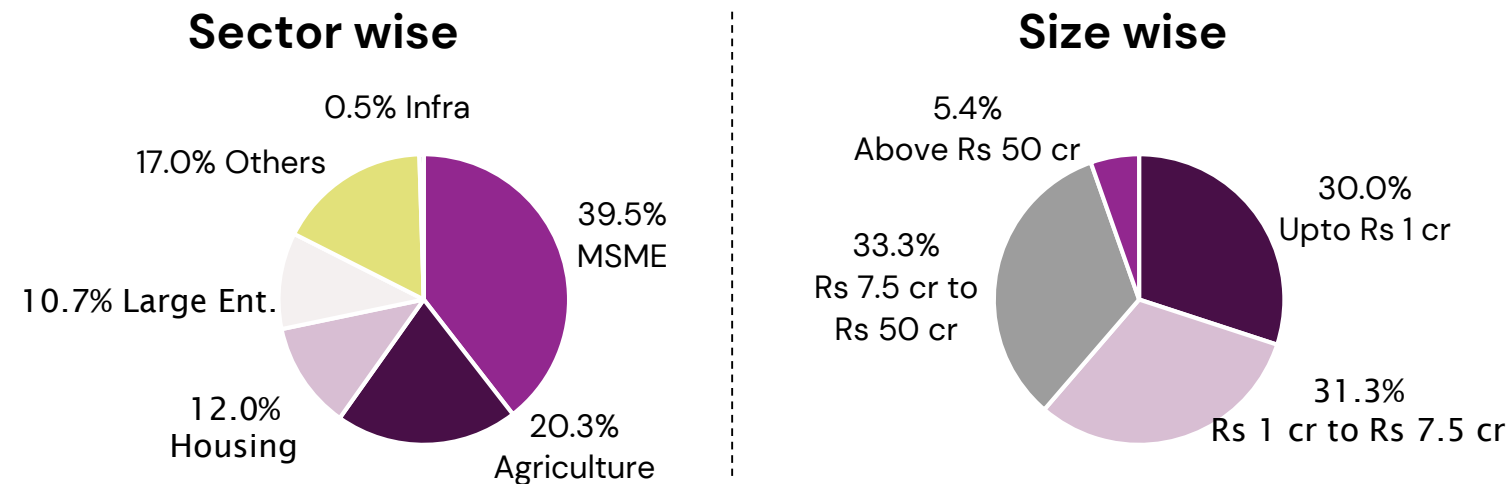
## GNPA & NNPA



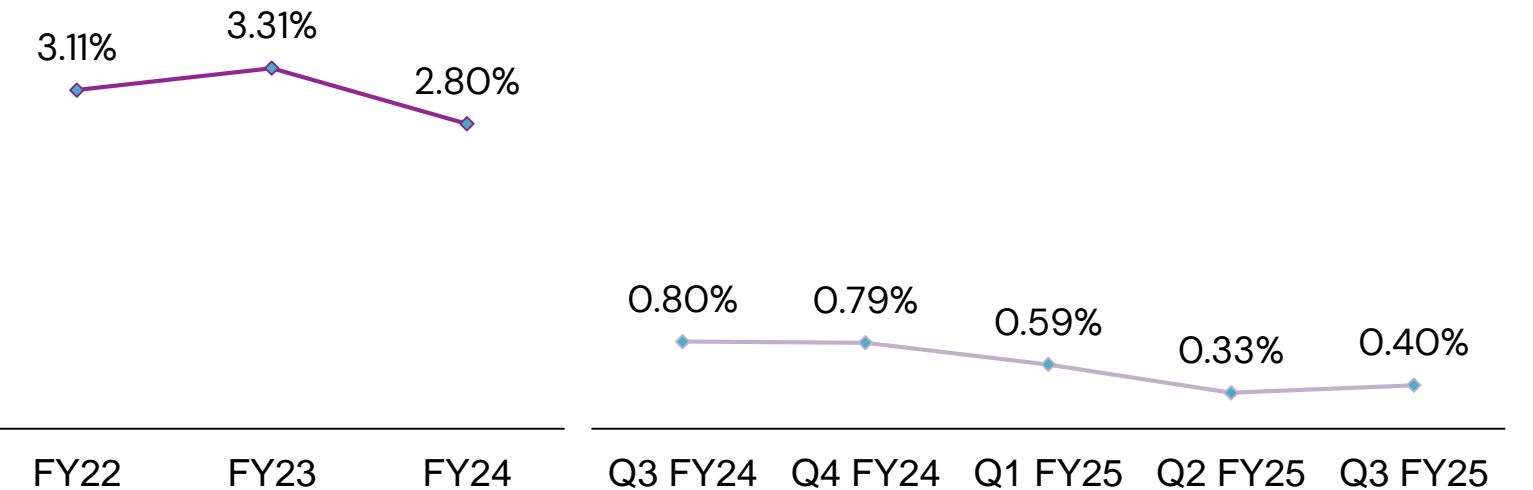
## Provision Coverage (Incl. & excl. TWO)



## GNPA Breakup



## Slippage Ratio

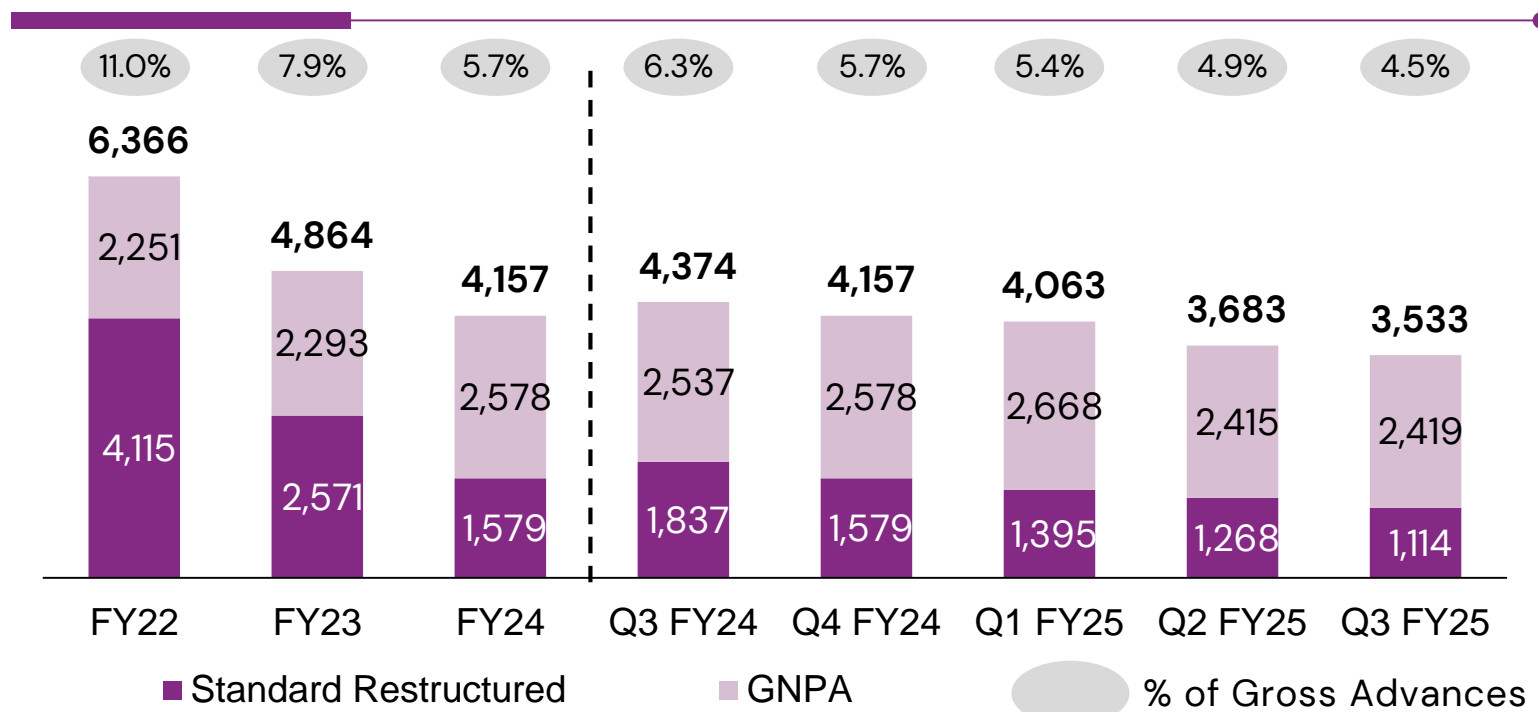




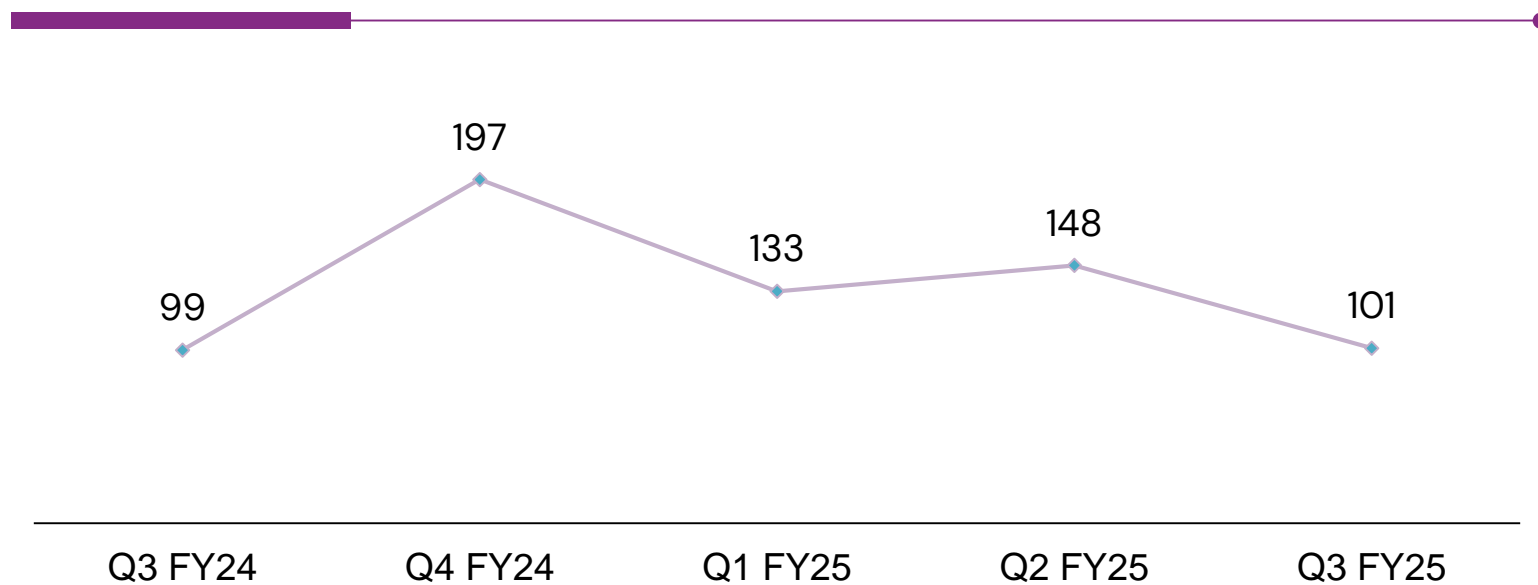
# Asset Quality

## Restructured Portfolio

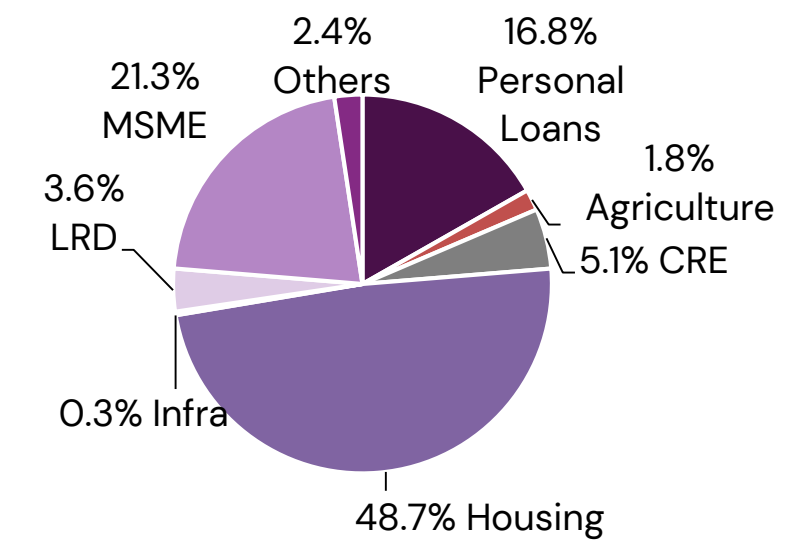
### GNPA & Restructured Assets (INR Cr.)



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

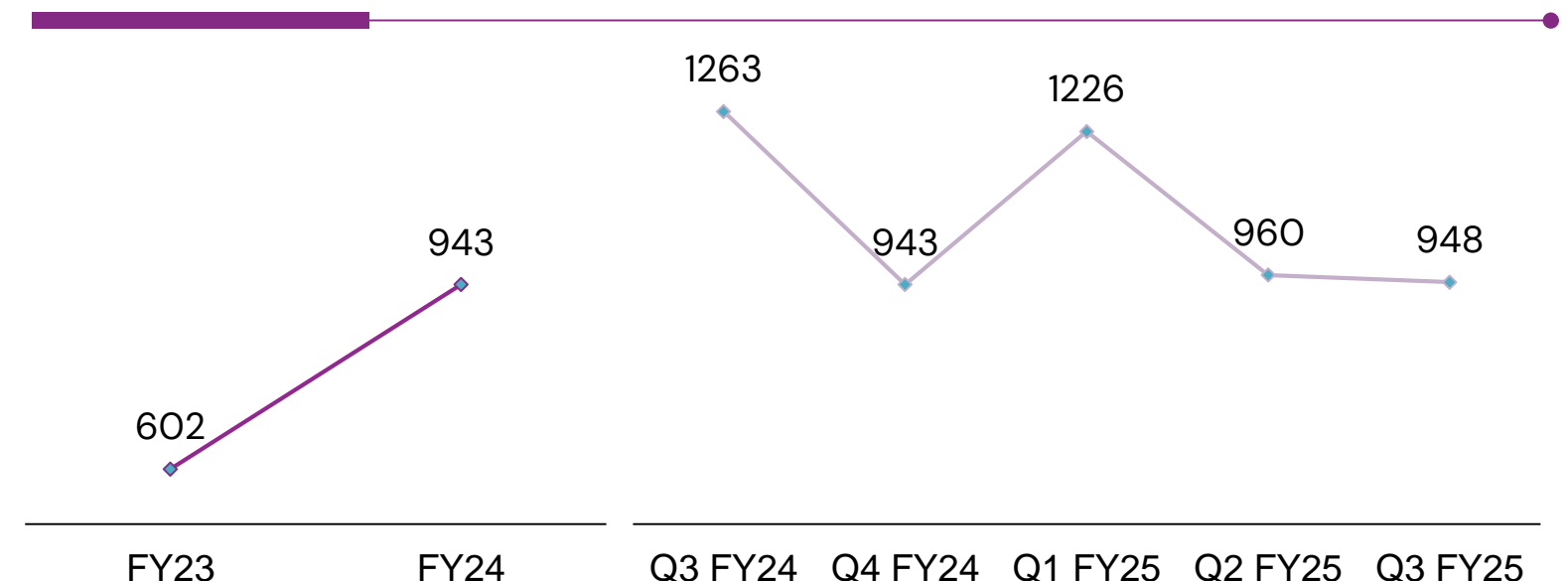


### Standard Restructured Portfolio (incl Related Accounts)



**Q3 FY2025 - INR 1,114 Cr.**  
(Excluding Related Accounts - INR 939 Cr)

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





# Asset Quality

## Movement of NPA

Particular (INR Cr.)	Quarterly			Annual
	Q3 FY25	Q2 FY25	Q1 FY25	FY24
Opening Gross NPA	2,414.92	2,668.45	2,578.42	2,292.91
Additions	292.69	242.67	416.49	1,650.20
<b>Sub Total ( A )</b>	<b>2,707.61</b>	<b>2,911.12</b>	<b>2,994.91</b>	<b>3,943.11</b>
Slippage ratio	0.40	0.33	0.59	2.80
<b>Reduction</b>				
Up-gradation	123.69	181.12	98.70	355.02
Recoveries (excluding upgraded accounts)	100.52	148.01	133.12	582.45
Technical/ prudential Write Off	64.34	167.07	94.64	427.22
a. Technical written off	62.40	163.87	93.38	395.44
b. Other written off	1.94	3.20	1.26	31.78
c. By Sale	-	-	-	-
<b>Sub Total ( B )</b>	<b>288.55</b>	<b>496.20</b>	<b>326.46</b>	<b>1,364.69</b>
<b>Closing Gross NPA (A-B)</b>	<b>2,419.06</b>	<b>2,414.92</b>	<b>2,668.45</b>	<b>2,578.42</b>



# Asset Quality

## Sector-wise Breakup Analysis

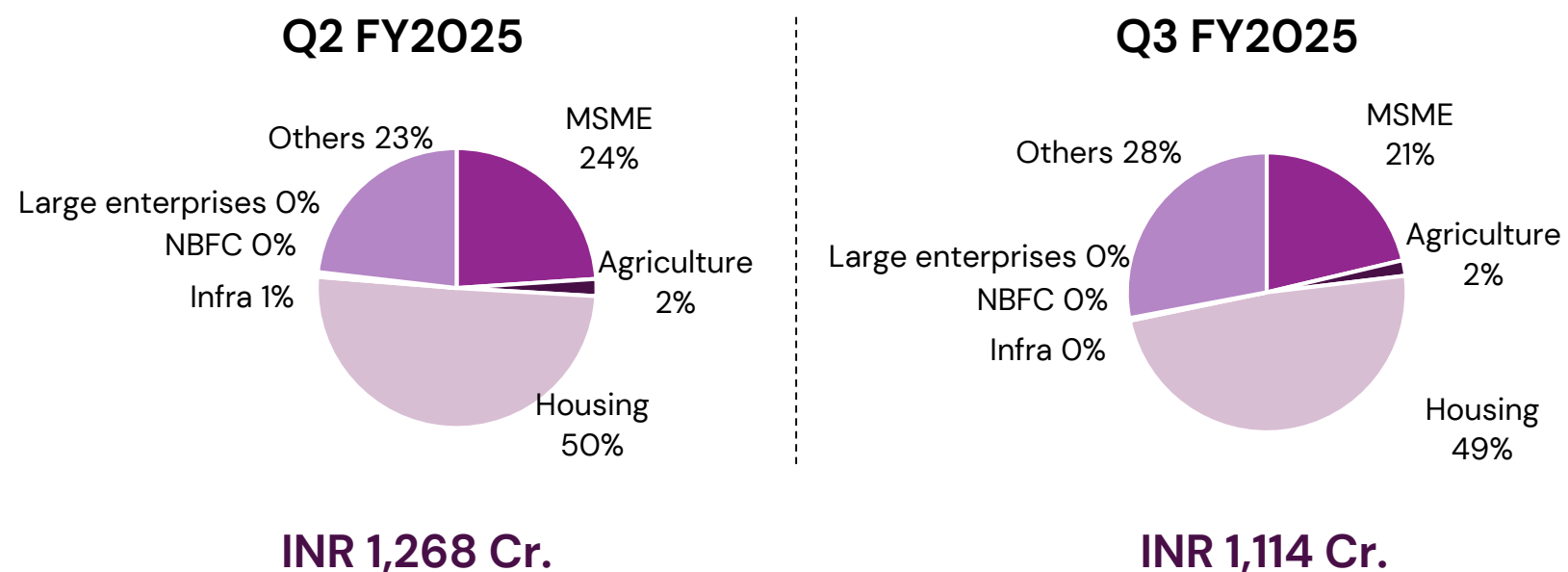
### Gross Advances Breakup (INR Cr.)

	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25
MSME	15,425	14,774	14,832	14,677	14,569
Agriculture	9,235	10,029	10,901	11,643	12,354
Housing	14,630	15,006	15,031	15,289	15,436
Infra	2,615	2,167	2,604	2,685	3,293
NBFC	10,466	11,837	11,161	11,120	10,886
Large enterprises	6,563	7,084	8,534	7,678	8,060
Others	10,807	12,105	12,392	12,224	13,262
<b>Total</b>	<b>69,741</b>	<b>73,002</b>	<b>75,455</b>	<b>75,316</b>	<b>77,860</b>

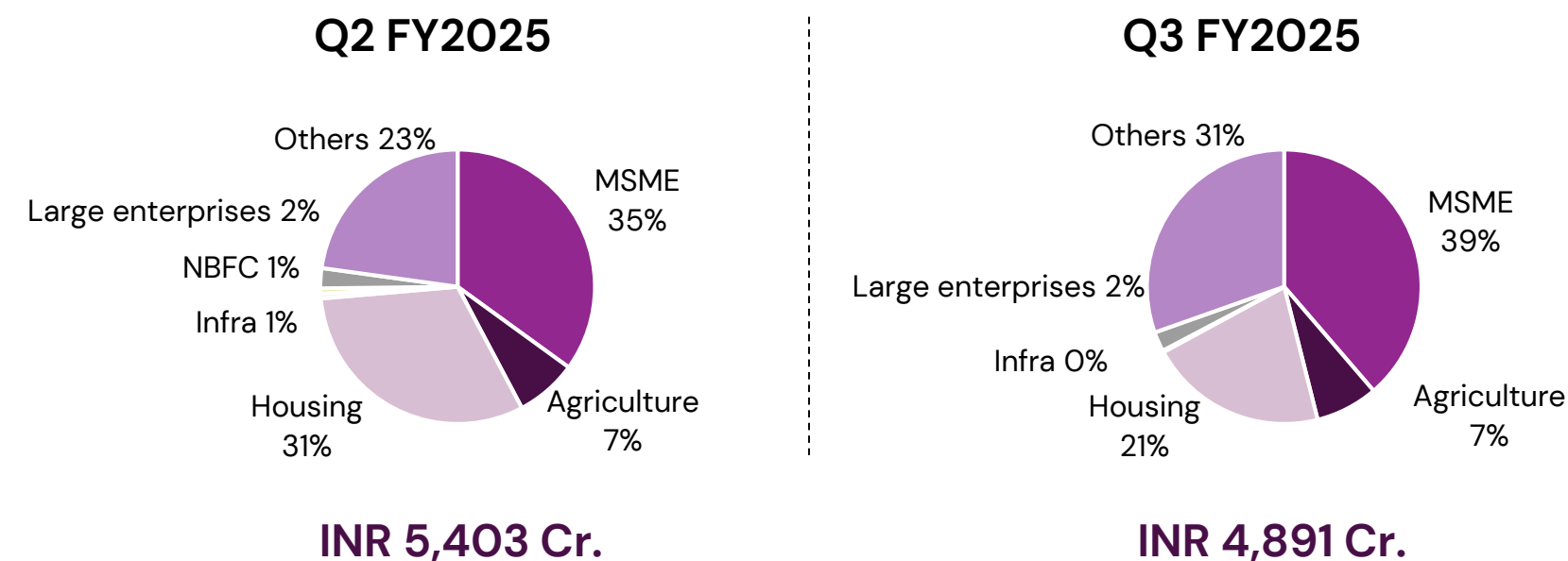
### Non-Performing Assets Breakup (INR Cr.)

	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25
MSME	1,194	1,163	1,011	923	955
Agriculture	627	610	557	485	492
Housing	283	319	423	372	288
Infra	23	14	13	12	12
NBFC	-	-	-	-	-
Large enterprises	203	258	260	256	259
Others	207	214	404	367	413
<b>Total</b>	<b>2,537</b>	<b>2,578</b>	<b>2,668</b>	<b>2,415</b>	<b>2,419</b>

### Standard Restructured Assets



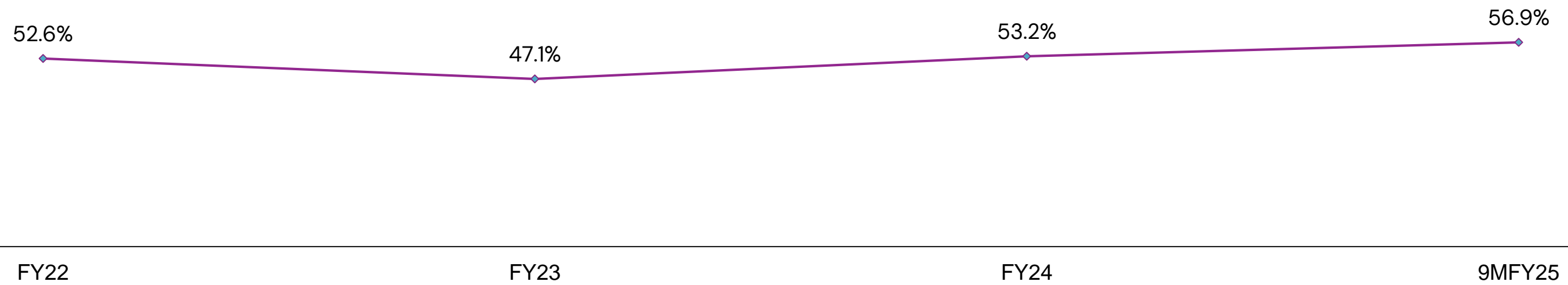
### Special Mention Account Breakup



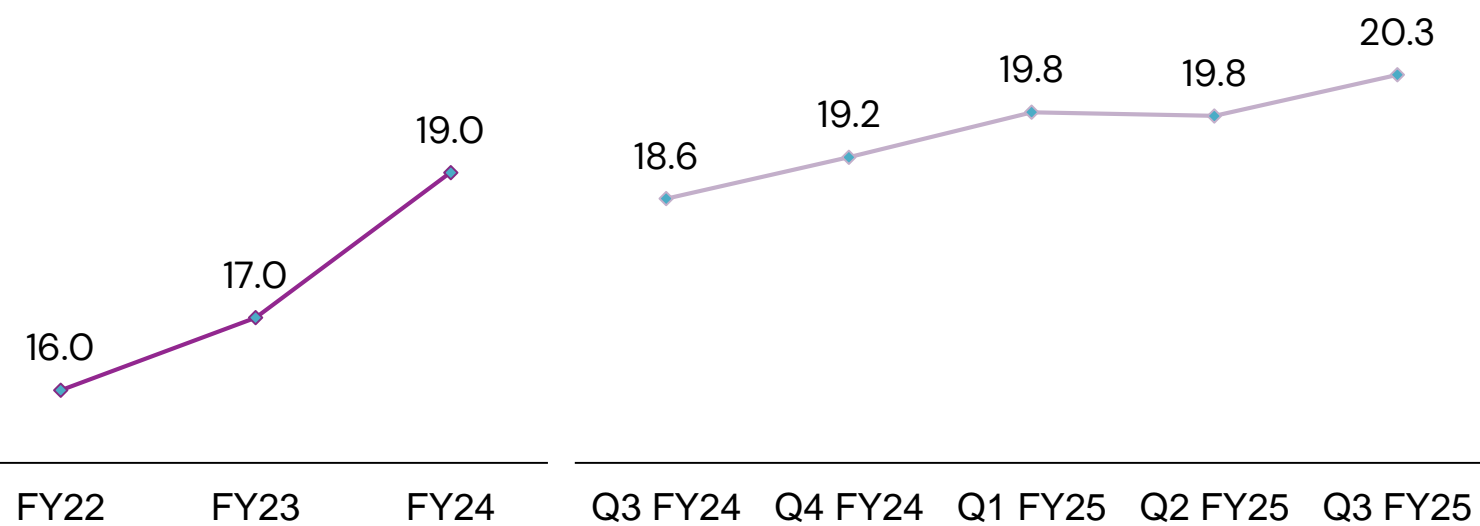


# Efficiency Ratio

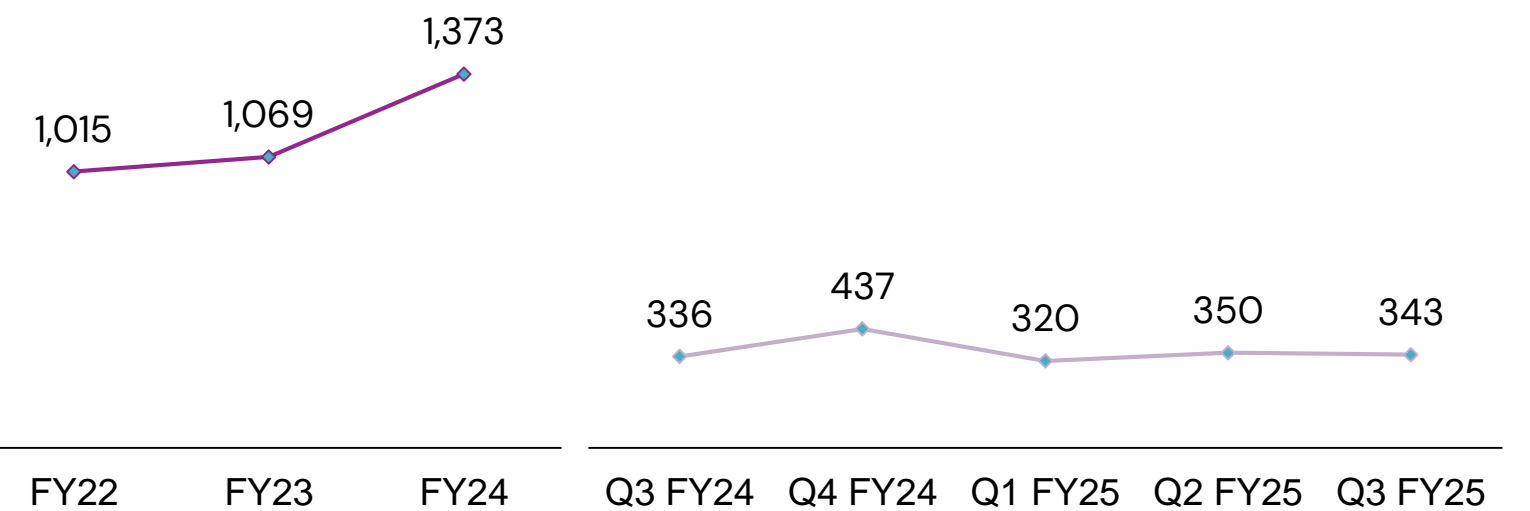
## Cost to Income Ratio\*



## Business per Employee (INR Cr.)



## Staff Cost (INR Cr.)



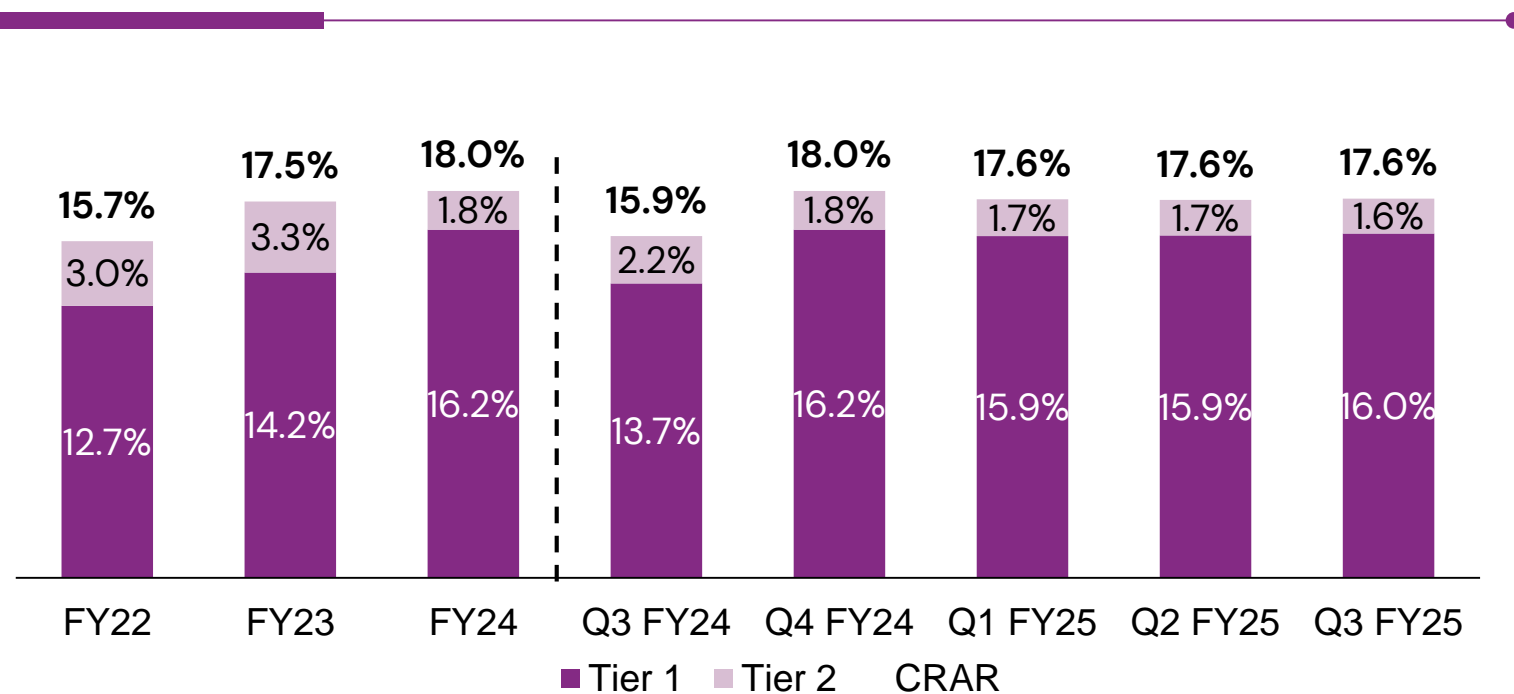
\*Excluding the impact of change in accounting policy and one-time incomes/expenses, Cost to Income Ratio would be 54.48% for 9M FY25



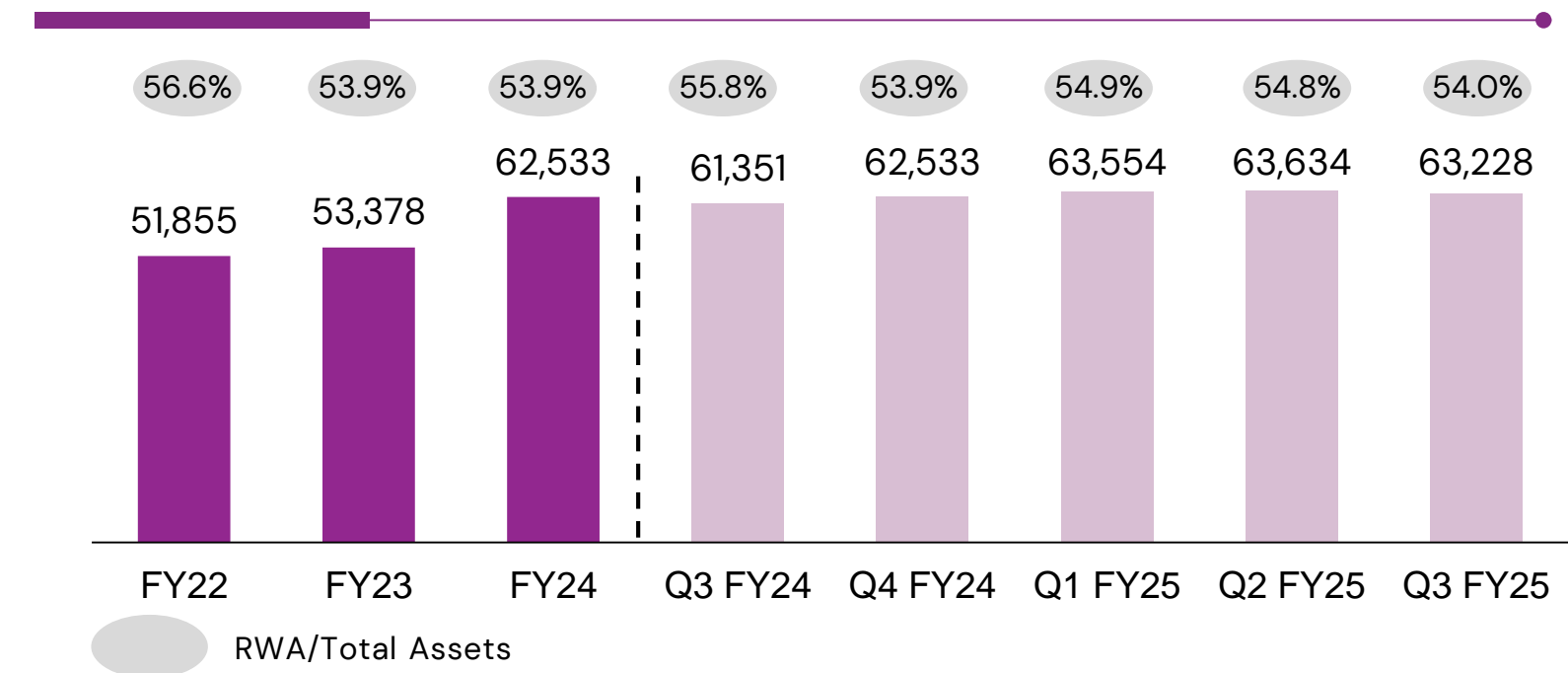


# Key Ratios

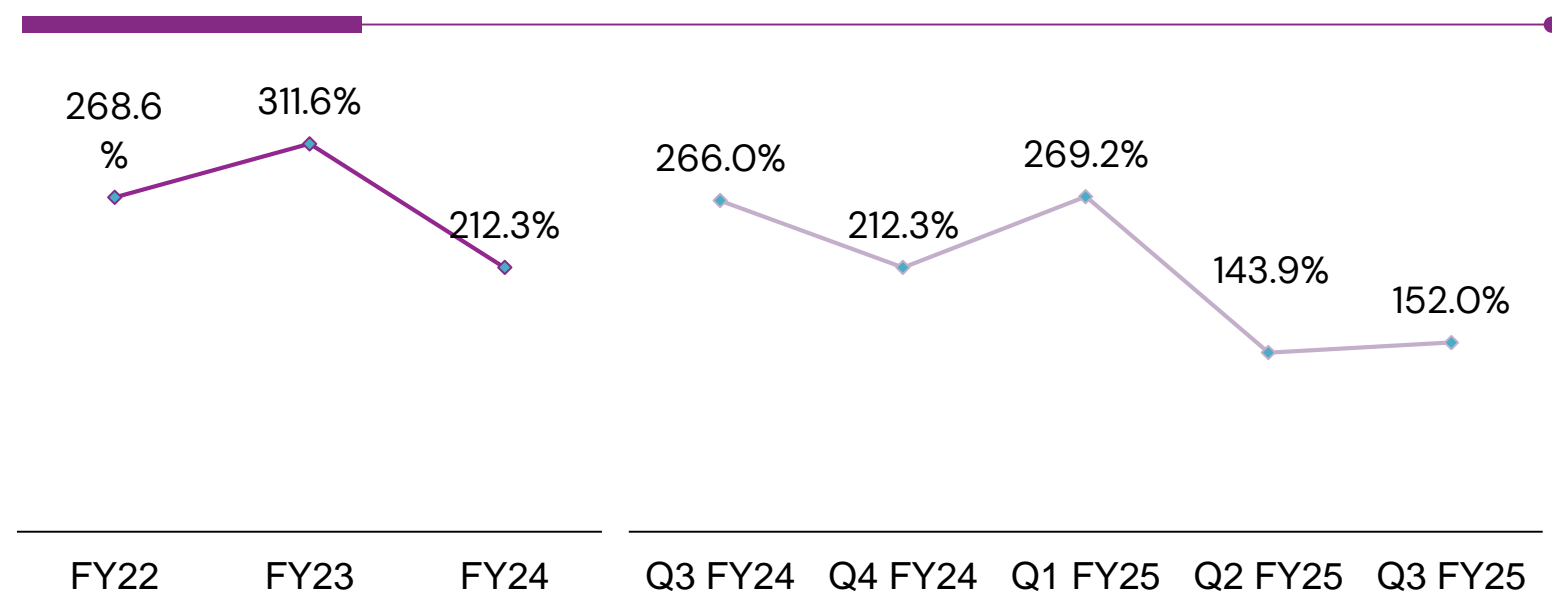
## Capital Adequacy Ratio



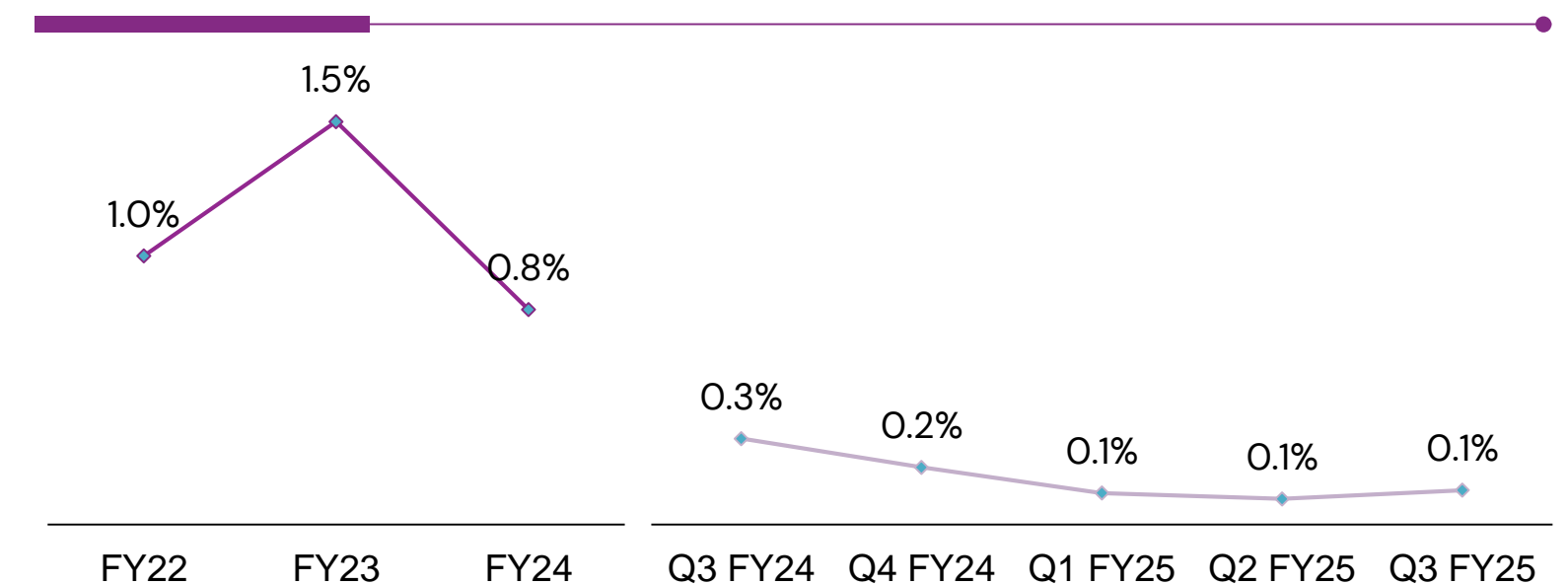
## Risk Weighted Assets (INR Cr.)



## LCR<sup>1</sup>



## Credit Cost



Note 1: Using Revised Methodology, the Bank has made certain changes in arriving at the values of Level 1 High Quality Liquid Assets (HQLA) and runoff factors considered for arriving at Outflow/Inflow. Due to these changes, the LCR as on 31<sup>st</sup> December 2024 stands at 152% as against the statutory target of 100%

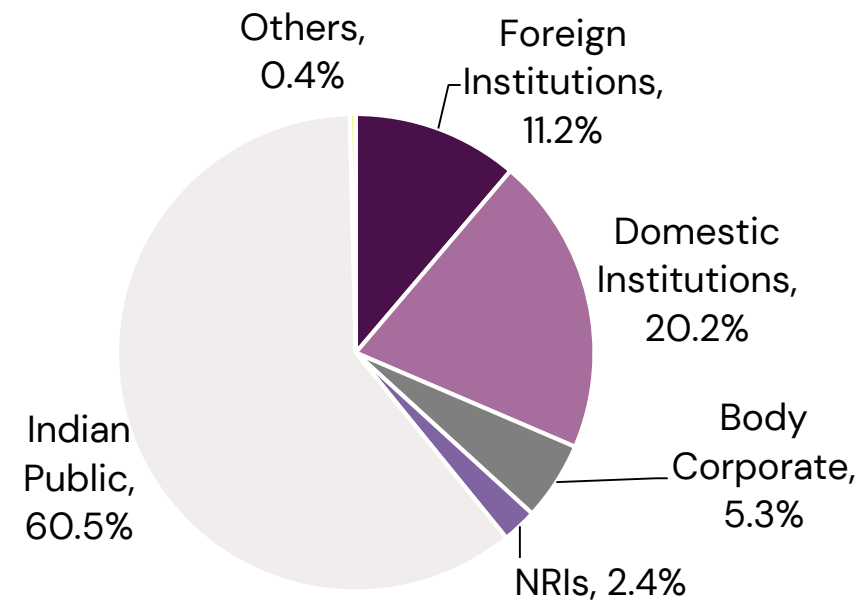




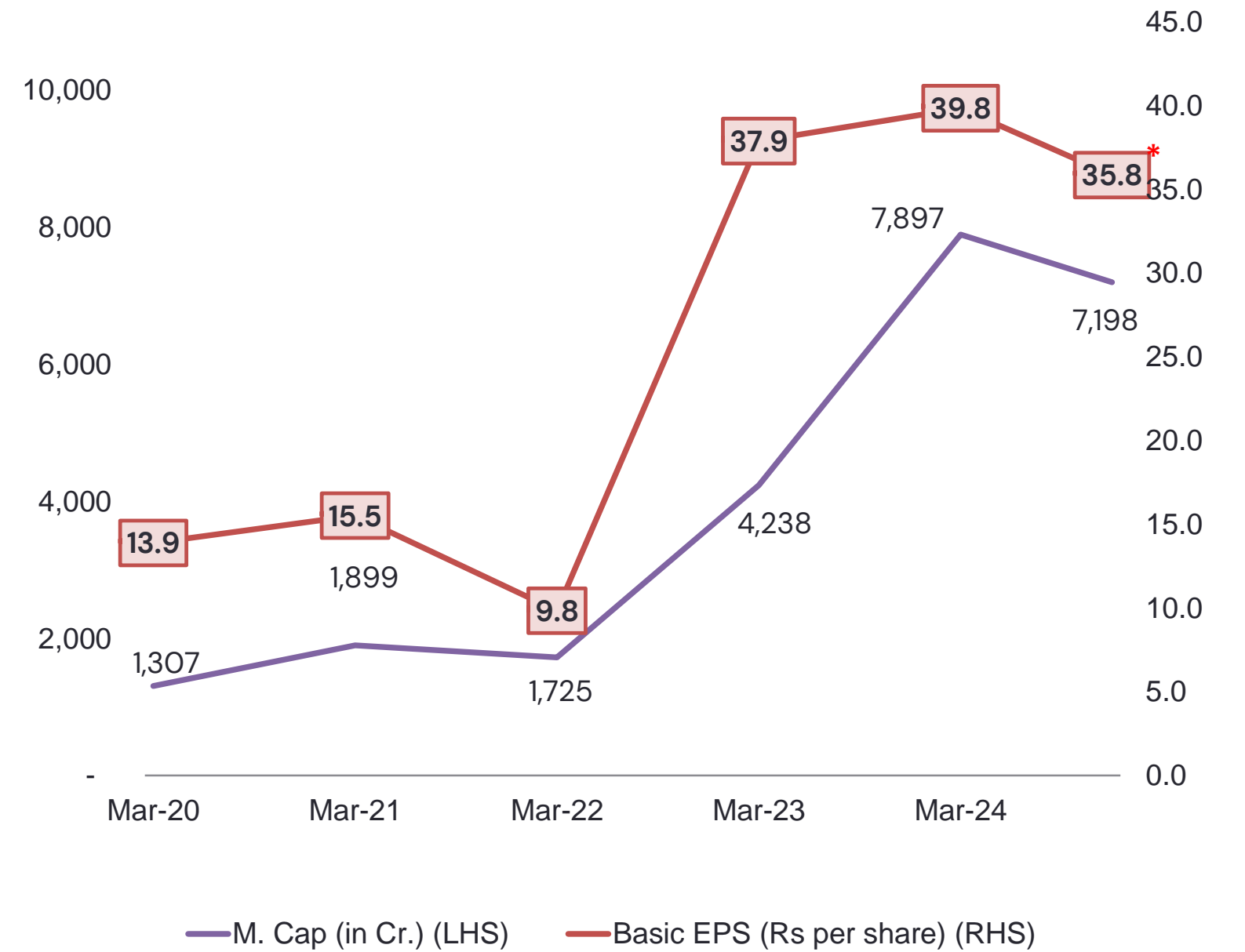


# Shareholder Value

## Shareholding Pattern



## EPS & Market Capitalisation



# Accelerating our Transformation Journey

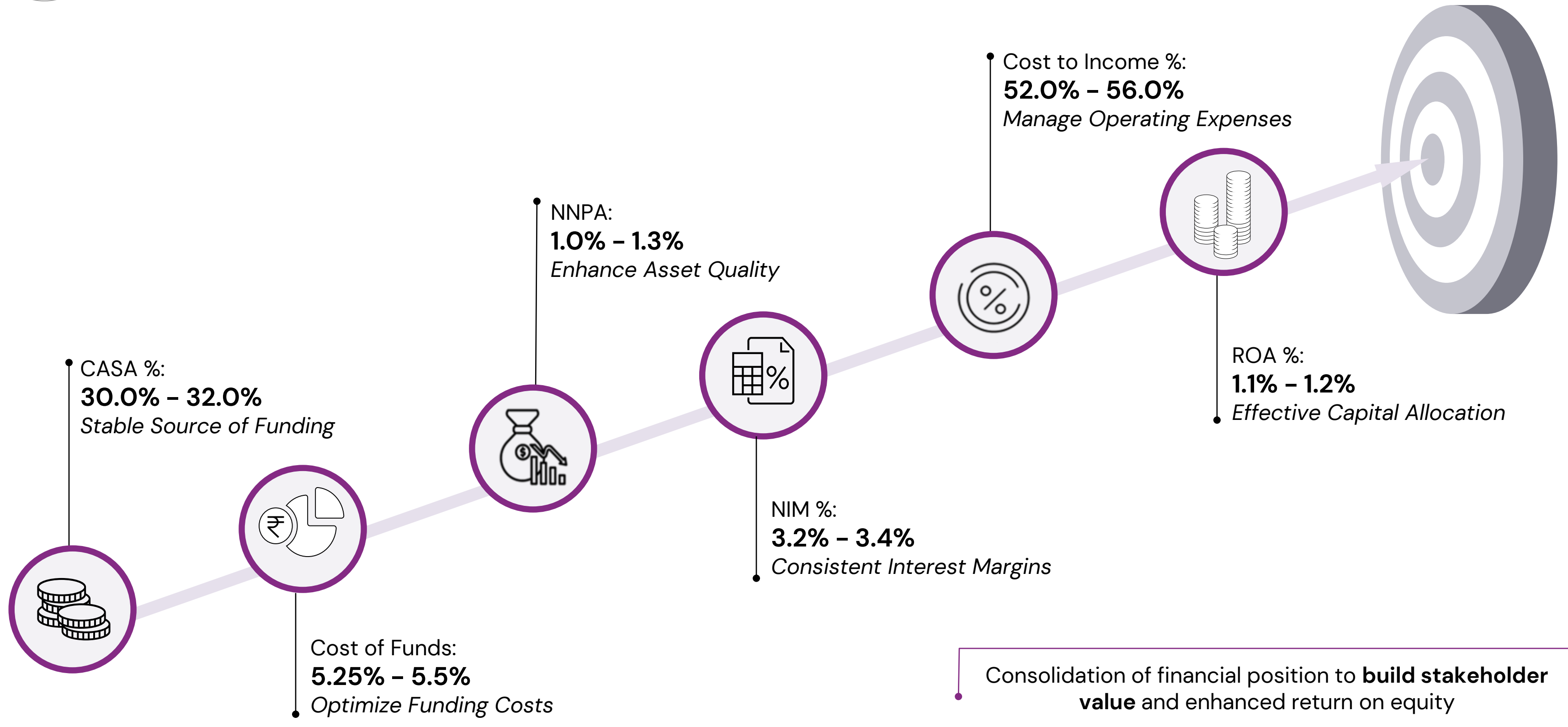
Banking with Legacy,  
Embracing the Future

Celebrating 100 years of trust





# 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

#### Liability Products

#### ADC Channels

#### Agri Schemes

#### MSME Products

#### Financing

- KBL G-Perl – Personal Loans for Govt Employees launched
- KBL PEAK Education Loans for students launched
- Pre-Approved Digital Personal Loans to be launched soon

- Digital Current Account Journey launched
- KBL Genius Student Savings Account launched
- KBL Woman Savings Account – to be launched
- KBL Family Account – to be launched soon

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

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

- Introduction of Electronic Bank Guarantee (e-BG) through NeSL's Digital Document Execution (DDE) platform

- KBL Medical Equipment Loans – Empowering Healthcare MSMEs – To be launched
- KBL Supply Chain Finance platform under build – To be launched

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



# Digital and Technology

## Digital Touchpoints



**3,701,879**

**Mobile App Installations**

↑ 3.1% QoQ



**772,900**

**Net Banking Users**

↑ 1.3% QoQ



**5,490,143**

**Debit Cards**

↑ 1.3% QoQ



**110,467**

**QR related metrics**

↑ 9.4% QoQ



**1,506**

**ATM Networks**

↑ 0.1% QoQ



# Digital and Technology

## Awards



**Outstanding work in  
Leveraging Data for  
Growth**

ET BFSI Excellor Award 2024



**Best Innovation &  
Partnership  
Initiatives**

Assocham 19th Annual Summit & Awards



**Account Aggregator  
Ecosystem Awards 2024  
for Financial Inclusion**

SAMVAAD 2024 (by Sahamati)



# 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



Scalable and configurable No-Code, Low-Code platform for business account



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



Launch of Credit Line on UPI partnership with Navi



Direct Assignment (Securitization) platform incubated



Digitization of Current Accounts for small businesses







# 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



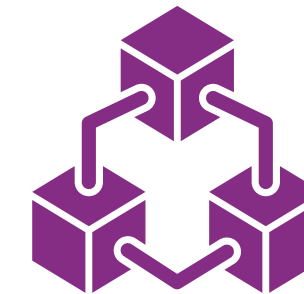
Contact Centre dashboard

11+ Dashboards,  
40+ Business and Predictive models live

### Business Systems ensuring New Insights have Rails for Outcomes

Live - Customer Relationship Management (CRM) & Customer Engagement Channels

Live - Early Warning Signals (EWS) & Collection Prioritization



Coming Soon - Martech Platform

Coming Soon - Unsecured Collection Platform

4+ Digital systems Live & 2 to be executed in Q4

### Key Business Outcomes



Focus Branch Strategy (Aligned to Catchment Analytics)



~1 mn Engaged Customers (2X lift in engagement)



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

# Our Strengths and Strategies

Banking with Legacy,  
Embracing the Future

Celebrating 100 years of trust





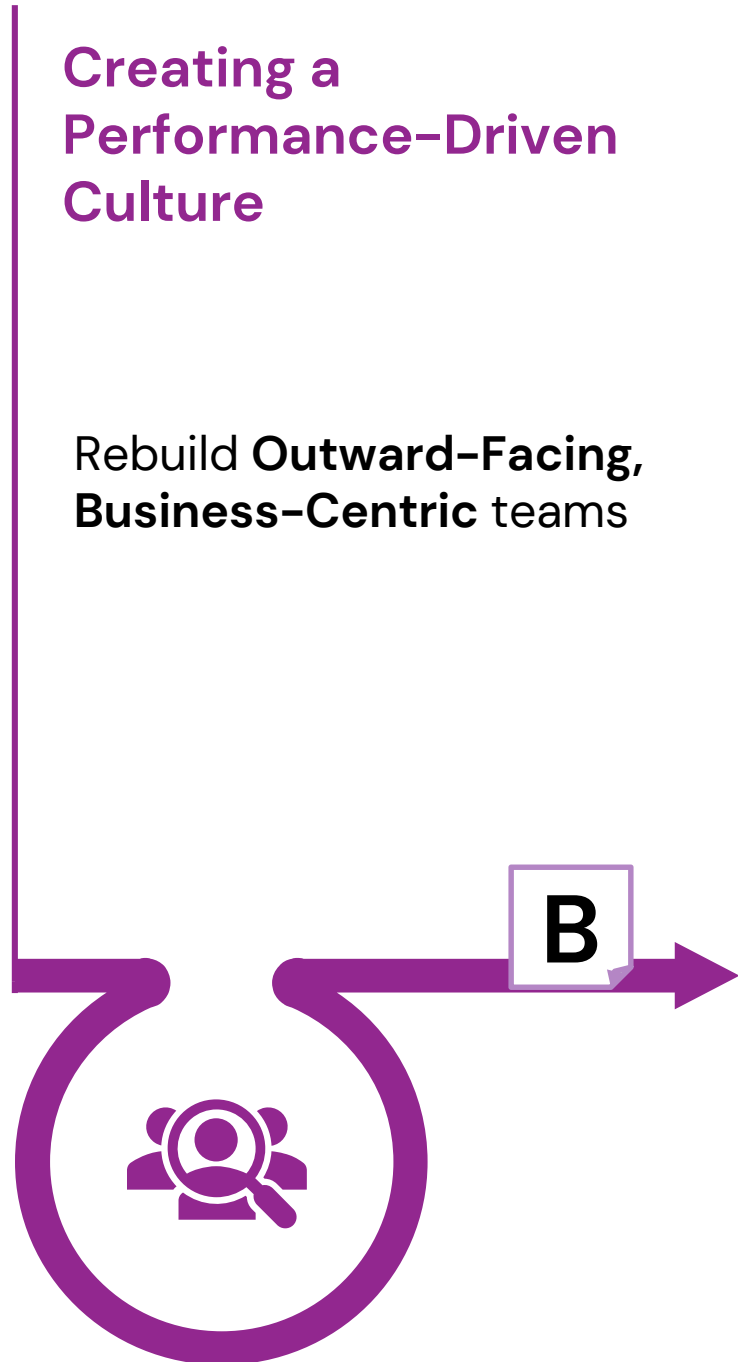
# Strategic Roadmap



**A**

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

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



**B**

**Creating a Performance-Driven Culture**

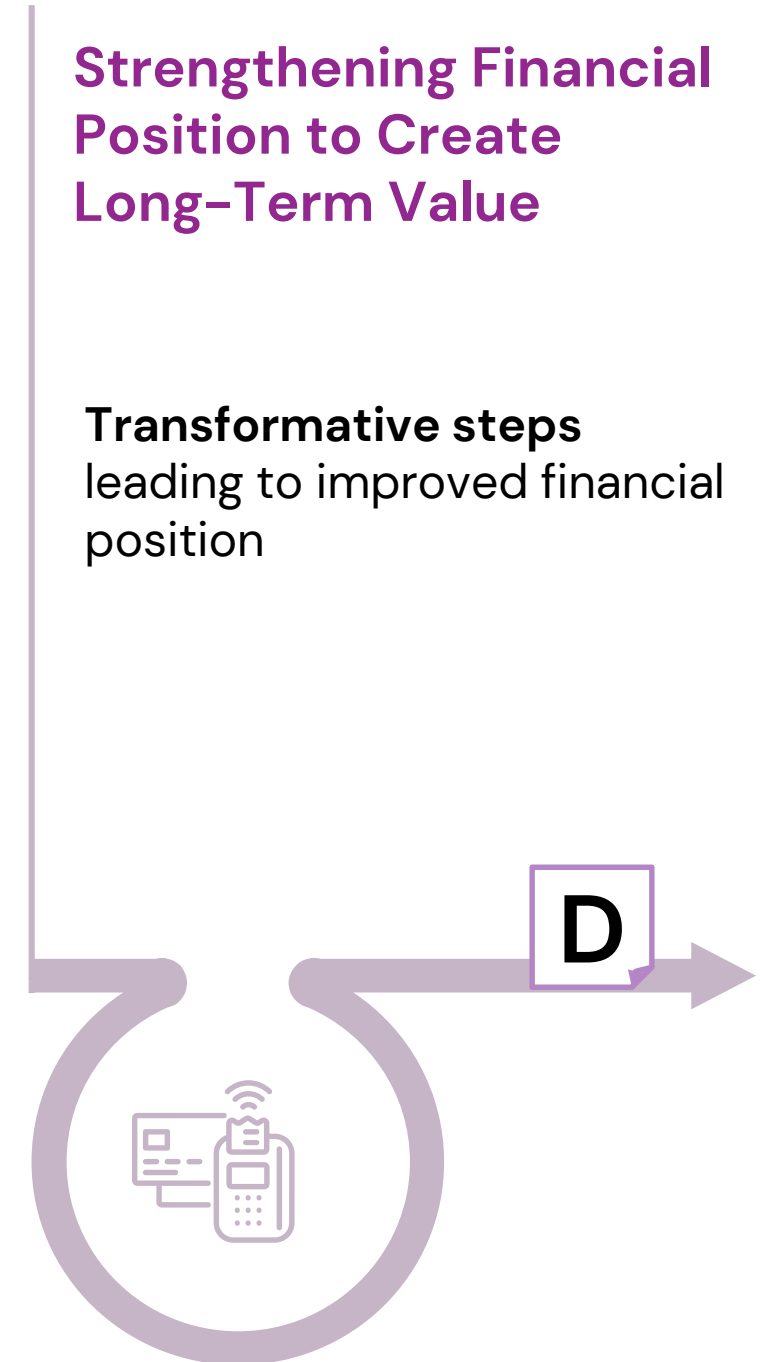
Rebuild **Outward-Facing, Business-Centric** teams



**C**

**Digitalisation and Partnership to Accelerate Book Growth**

**Digital First** private sector Bank



**D**

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

**Transformative steps** leading to improved financial position





# Driving Excellence in Proven Core Competencies



## Consistent Emphasis on our Strength Areas



100 Year Legacy

### Our Legacy

13.6 Mn

Happy customers

### Building on Our Legacy

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



MSME & Rural Focus

34.6%

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%



49.0%

Increase in % of Retail Advances from FY20 to Q3 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

## Agriculture Banking



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

## MSME



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

## Services



Simple & smarter digital loans



Centralized processing



Immediate in-principle sanction



Dedicated Retail Assets Centre / branch network

## Facilities



Dedicated technical experts (AFOs)



Agri Development Branches (ADB's)



Rural godown loans



Farm machinery/ vehicle 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

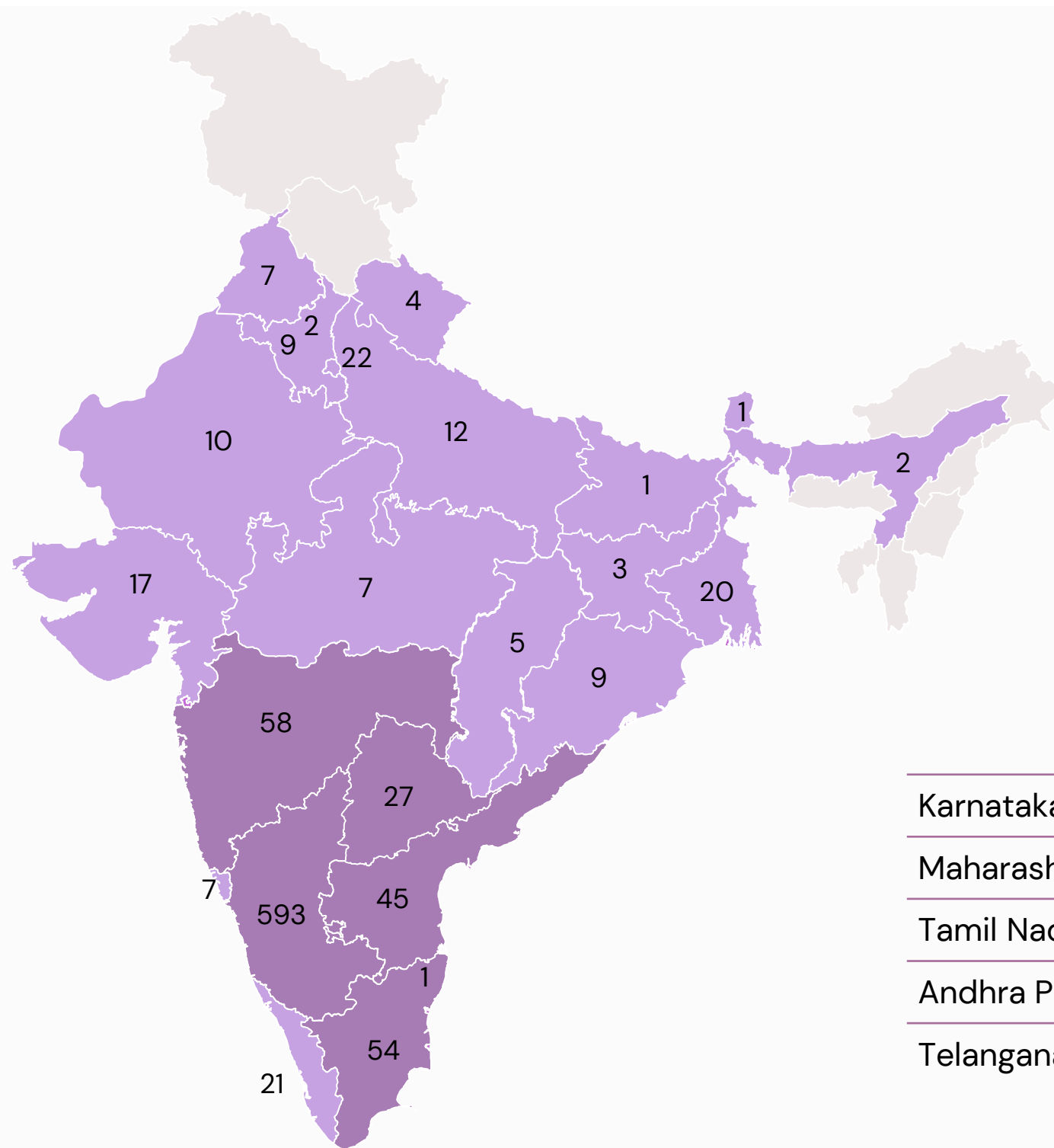
Working towards "one-stop" digital solution for all statutory payments



# Driving Excellence in Proven Core Competencies

A.

## Strong Geographical Footprint



## Steady Growth in Locations Served



937

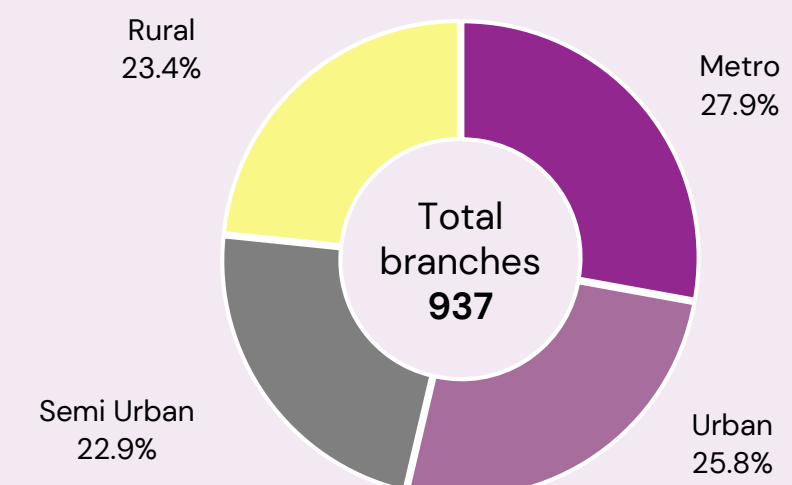
Branches



1,506

ATM and Recyclers

## Presence Across All Tiers





# Creating a Performance Driven Culture

B.

## Rebuild Outward-Facing, Business-Centric Teams







# Digitalisation Propelling Robust Book Growth

## 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

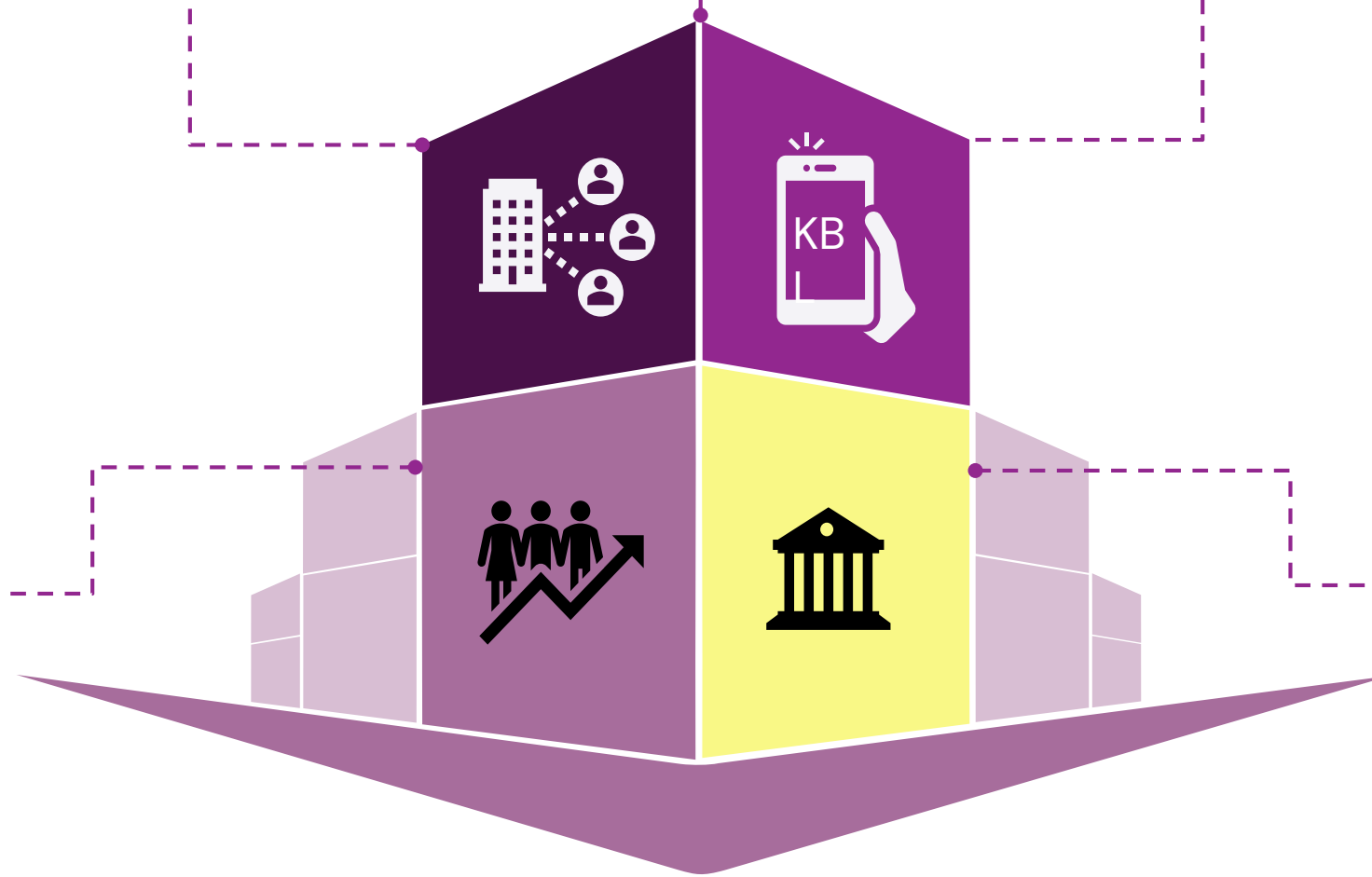
- **Live with CRM:** Integration of customer data and interactions across Marketing and Sales department
- Enhance customer engagement and improve business productivity

Launched revamped **website (English, Kannada)** and **customer app**

- 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





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