



Karur Vysya Bank

Smart way to bank

Investor Presentation

June 2015



Karur Vysya Bank

Smart way to bank

About Us

- *The year 2015-16 marks the commencement of Centennial Year*
- *Earning profits since its inception*
- *Declaration of uninterrupted dividend*
- *100% and above dividend for 10 years consecutively from 2004, out of which 120% or more for five years*
- *Dividend of 140% for the years 2012 and 2013*
- *Dividend of 130% for the years 2014 and 2015*
- *Total of 14 Rights issues and 7 Bonus issues till date*
- *First bank to get permission from RBI to issue bonus shares*
- *634 branches and 1631 ATMs as on date*
- *Fully on CBS facility since 2005 and all latest technology products are available*
- *Top Rating from CRISIL (A1+) and ICRA (A1+) for Short Term Borrowings*

Business Performance

(₹. in crore)

Particulars	Quarter ended		Growth (%)	Year ended Mar 15	Growth (%) (Ann.)
	Jun 15	Jun 14			
Business	82,879	80,136	3.42	81,381	7.36
Gross Deposits	45,659	45,477	0.40	44,690	8.67
Gross Advances	37,220	34,658	7.39	36,691	5.77
Average Deposits	44,979	44,159	1.86	44,456	4.70
Average Advances	36,457	34,070	7.00	34,697	20.28
Total Assets	54,791	52,357	4.65	53,152	12.33
CD Ratio (%)	81.52	76.21		82.10	

Net Profit & Operating Profit – June 2015



Net Profit

- Net Profit increased by 10.25% from ₹ 122.07 crore to ₹ 134.58 crore

Operating Profit

- Operating Profit increased by 38.53% from ₹ 213.49 crore to ₹ 295.73 crore



Performance Highlights – June 2015

(₹. in crore)

Particulars	Quarter ended		Growth (%)	Quarter Ended Mar 15	Year ended Mar 15
	June 15	June 14			
Net Interest Income	423.10	340.03	24.43	397.39	1465.91
Non Interest Income	162.16	117.95	37.48	179.78	580.84
Operating Revenue	585.26	457.98	27.79	577.17	2046.75
Operating Profit	295.73	213.49	38.52	260.00	943.29
Net Profit	134.58	122.07	10.25	137.83	464.28
Net Interest Margin	3.30%	2.73%	57 bps	3.15%	2.91%
Return on Assets	1.00%	0.94%	6 bps	1.04%	0.88%

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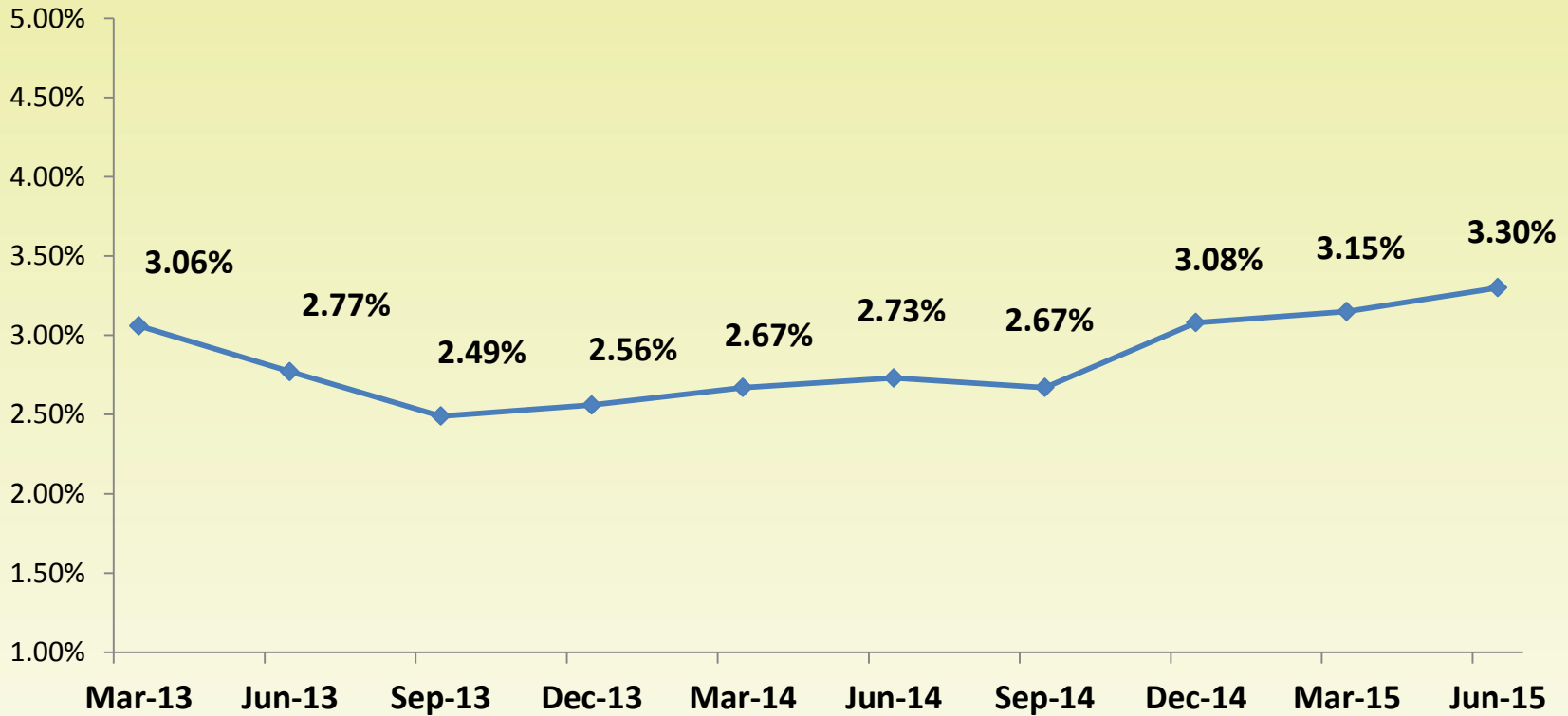
Key Ratios - I

Particulars	Quarter Ended			Year ended Mar-15
	June-15	June-14	Mar-15	
Cost of Deposits (%)	7.64	8.07	7.66	7.96
Yield on Advances (%)	11.88	12.30	11.74	12.14
Cost of Funds (%)	7.62	8.22	7.64	8.03
Yield on Funds (%)	10.19	10.40	10.07	10.30
Yield on Investments (excl. RIDF) (%)	7.41	7.58	7.42	7.57
Spread (%)	2.57	2.18	2.43	2.27
NIM (%)	3.30	2.73	3.15	2.91
Return on Assets (%)	1.00	0.94	1.04	0.88
Return on Net worth (%)	12.27	14.15	12.98	10.93

Key Ratios - II

Particulars	Quarter Ended			Year ended Mar-15
	June-15	Jun-14	Mar-15	
Cost to Income (%)	49.47	53.38	54.95	53.91
Business per employee (₹. in crore)	11.51	11.04	11.30	11.30
Profit per employee (₹. in lakhs) (*)	7.48	6.76	6.35	6.45
Operating Profit/ Total Income (%)	19.48	14.60	17.25	15.78
Net Profit/ Total Income (%)	8.86	8.35	9.14	7.77
Other Operating Expenses/ Total Income (%)	9.29	8.32	10.57	9.31
Staff Cost / Total Income (%)	9.78	8.39	10.46	9.15
Staff Cost / Total Expenses (%)	12.15	9.83	12.64	10.87
Staff Cost / Operating Expenses (%)	51.30	50.21	49.74	49.58
No. of employees (no.)	7196	7220	7197	7197

NIM (Quarterly)



◆ Net Interest Margin



Income & Expenses Analysis

(₹. in crore)

Particulars	Year/Quarter ended		Growth (%)	Qtr Ended Mar 15	Seq. Growth (%)	Year ended Mar 15
	June 15	June 14				
Interest earned	1356.34	1344.49	0.88	1327.83	2.15	5395.88
Interest expended	933.24	1004.46	(7.09)	930.44	0.30	3929.97
Net Interest Income	423.10	340.03	24.43	397.39	6.47	1465.91
Other Income	151.29	114.99	31.57	146.14	3.52	509.81
Profit on Investment	10.87	2.96	267.23	33.64	(67.69)	71.03
Operating Revenue	585.26	457.98	27.79	577.17	1.40	2046.75
Operating expenses	289.53	244.49	18.42	317.18	(8.72)	1103.46
Employee cost	148.52	122.75	20.99	157.76	(5.86)	547.05
Other expenses	141.01	121.74	15.83	159.42	(11.55)	556.41
Operating Profit	295.73	213.49	38.52	260.00	13.74	943.29
Provisions	117.65	86.42	36.14	194.83	(39.61)	480.51
Profit Before Tax	178.08	127.07	40.14	65.17	173.25	462.78
Provision for Taxes	43.50	5.00	770.00	(63.99)	(167.98)	7.17
Extraordinary Items	Nil	---		(8.67)		(8.67)
Net Profit	134.58	122.07	10.25	137.83	(2.36)	464.28

Provisions & Contingencies

(₹. in crore)

Particulars	Quarter Ended			Annual
	June-15	Jun-14	Mar-15	March 15
NPA	123.95	121.59	121.92	467.03
Standard Assets	3.70	(2.68)	18.12	29.78
Restructured Advances	(29.00)	11.36	37.70	53.63
Unhedged Foreign Currency exposure	--	1.00	3.00	4.00
Others	0.03	5.64	(0.35)	12.65
Investments	18.97	(50.49)	(5.56)	(106.58)
Wage Arrears	--	--	20.00	20.00
Total Provisions (Other than Tax)	117.65	86.42	194.83	480.51
Provision for Tax	43.50	5.00	(63.99)	7.17
Total Provisions	161.15	91.42	130.84	487.68

CRAR (Basel III)

(₹. in crore)

Particulars	Jun-15	Jun-14	Mar-15
Tier I Capital	4,186.00	3,287.85	4,185.76
Tier II Capital	322.89	267.48	325.94
Tier (I + II)	4508.89	3,555.33	4511.70
Total Risk Weighted Assets	34,180.17	28,463.44	30,865.51
Tier I – CRAR	12.25%	11.55%	13.56%
Tier II – CRAR	0.94%	0.94%	1.06%
CRAR (%)	13.19%	12.49%	14.62%

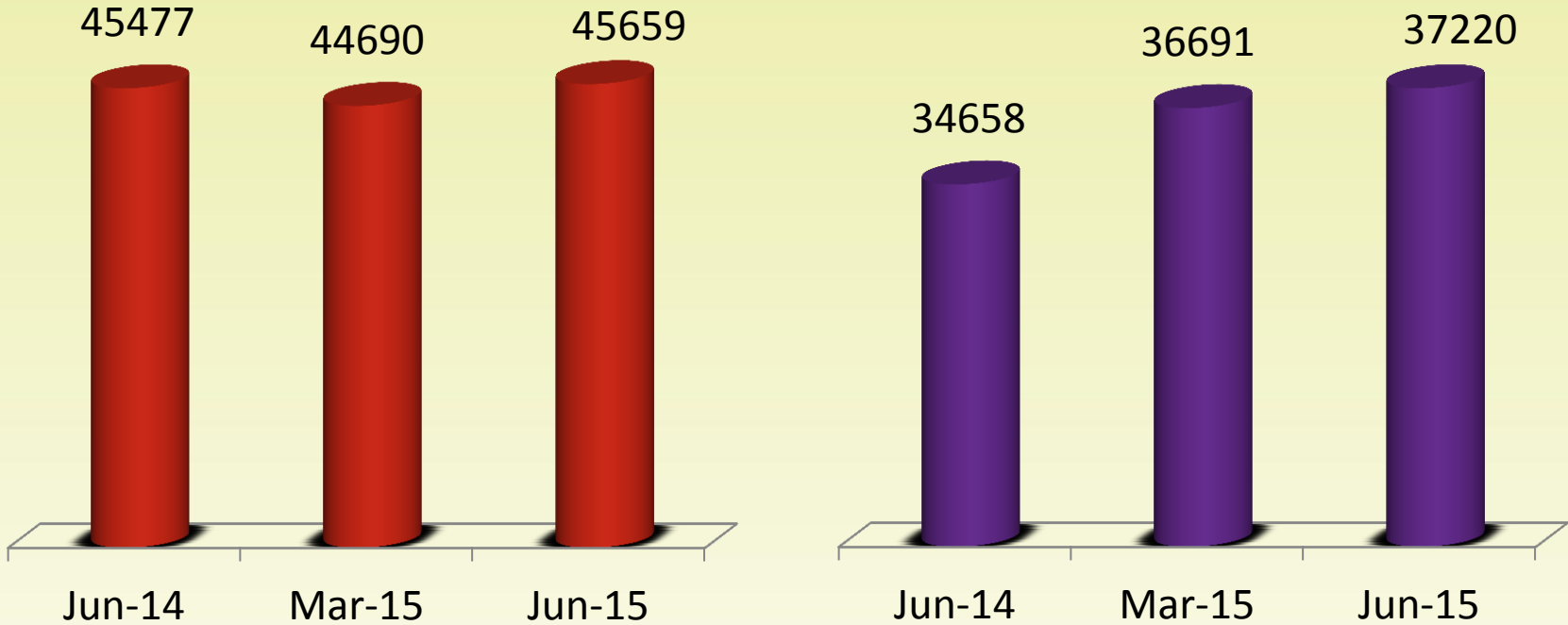
CRAR (Basel II)

- As per Basel II, CRAR works out to 13.63%, as on June 30, 2015. It was 12.58% as on June 30, 2014.

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Deposits & Advances

(₹ in crore)

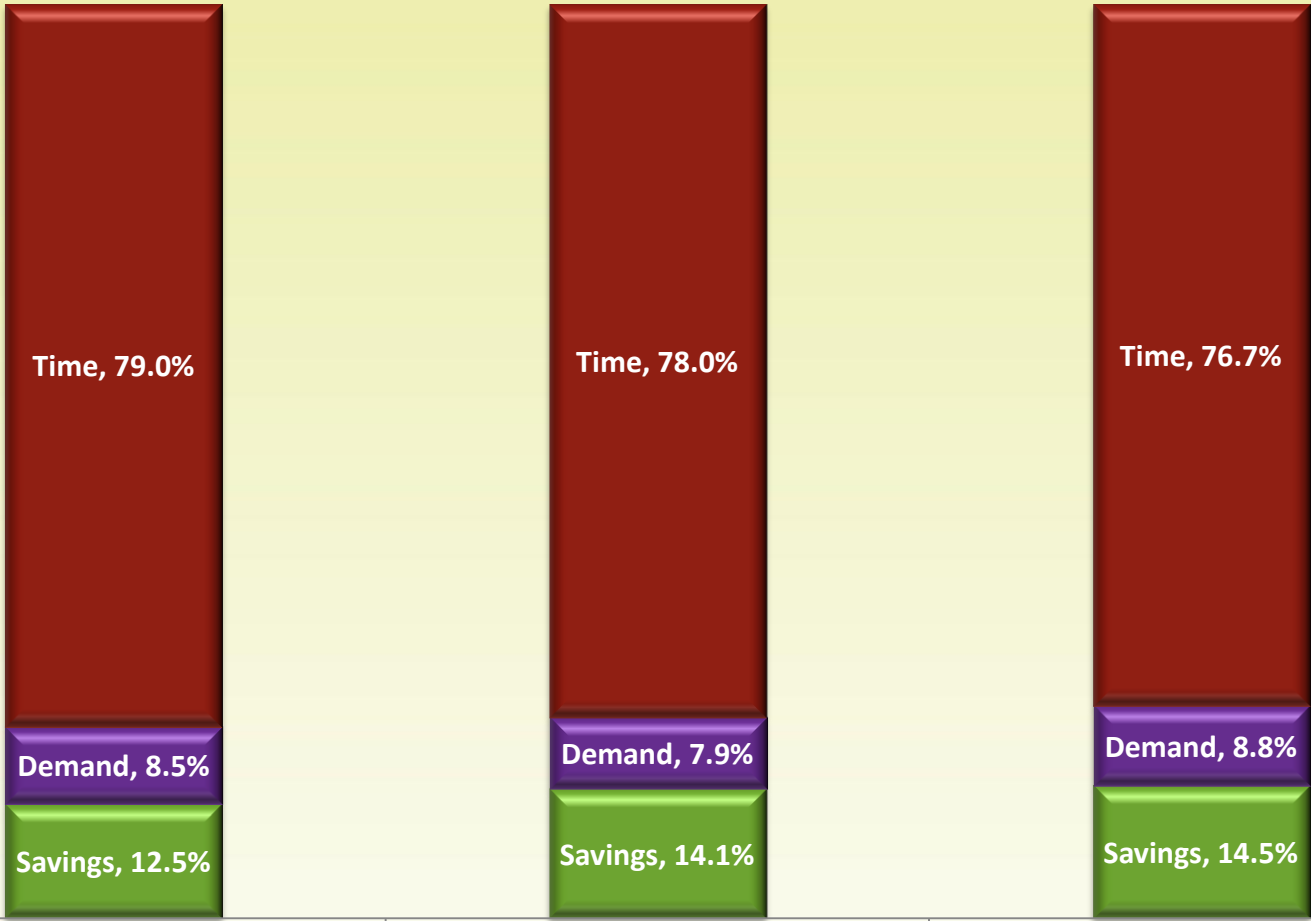


■ Deposits

■ Advances



Deposit Mix



Jun-14

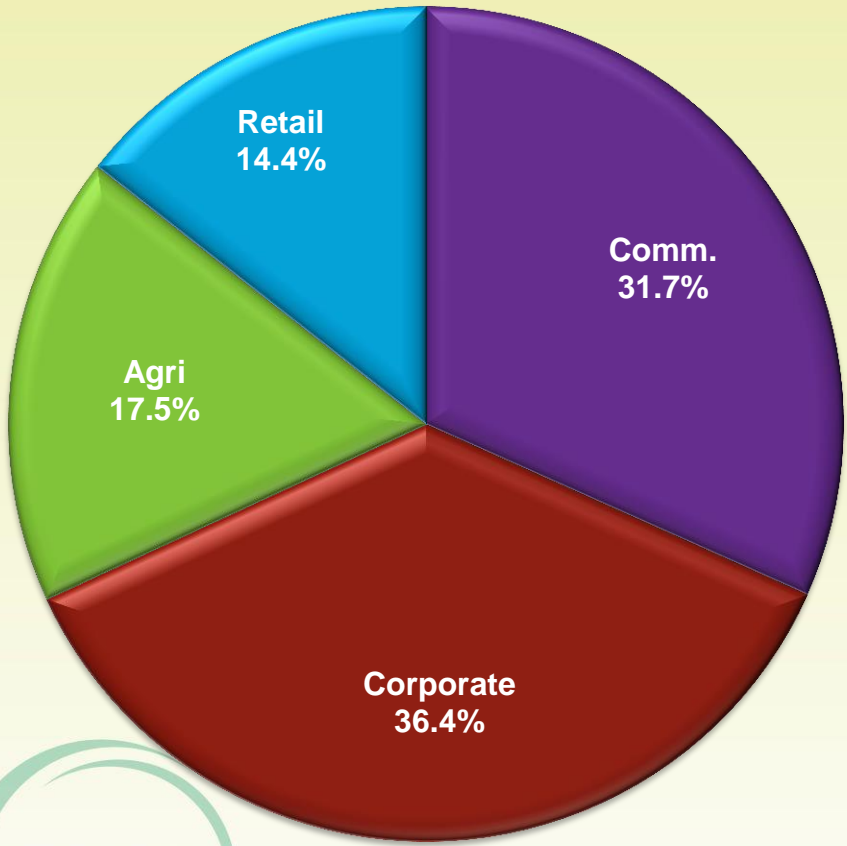
Mar-15

Jun-15

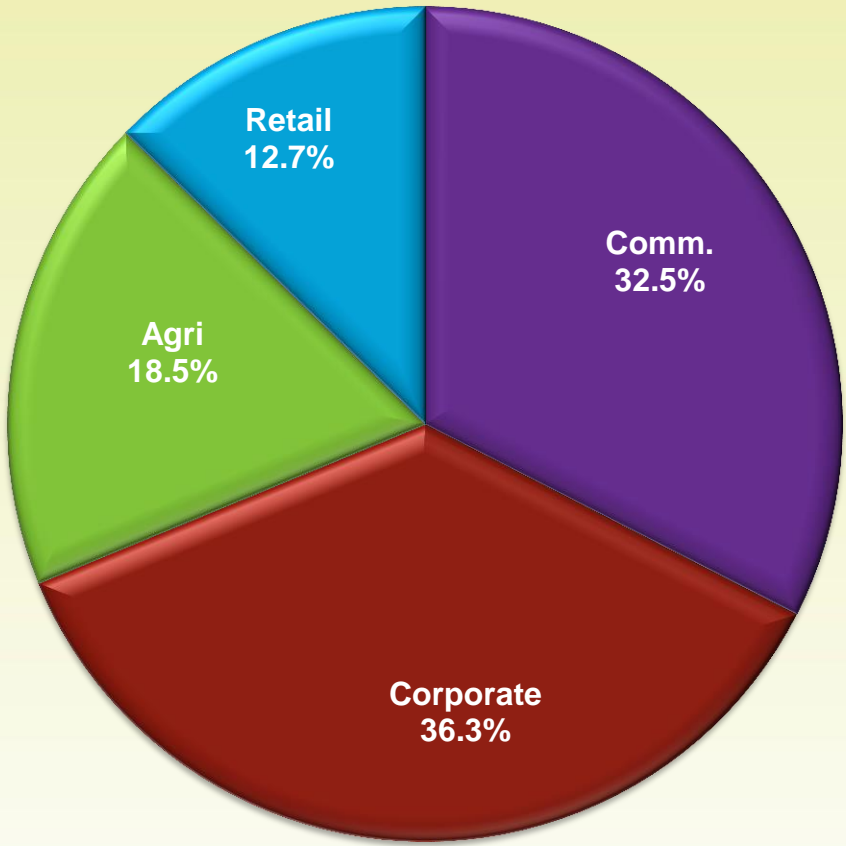


Mix of Advances

June 15



June 14



Advances – Category wise

Particulars	Amount (Rs. in crore)			% to Total Advance			Growth Over Jun-14	
	Jun-15	Jun-14	Mar-15	Jun-15	Jun-14	Mar-15	Quantum	%
MANUFACTURING SECTOR	13,275	11,914	12,558	35.7	34.4	34.2	1,361	11.4
JEWEL LOAN	6,695	8,071	7,060	18.0	23.3	19.2	(1,376)	(17.0)
Personal Segment Loans @	4,810	4,404	4,743	12.9	12.7	12.9	406	9.2
TRADING	6,078	3,939	4,812	16.3	11.4	13.1	2,139	54.3
BILLS	1,872	2,085	2,010	5.0	6.0	5.5	(213)	(10.2)
NBFC	843	702	968	2.3	2.0	2.6	141	20.1
OTHER EXPOSURES*	3,647	3,543	4,540	9.8	10.2	12.4	104	2.9
TOTAL ADVANCES	37,220	34,658	36,691	100.0	100.0	100.0	2,562	7.4

@ Vehicle, Housing, Deposit loans

*includes Commercial Real estate, Capital Market and exposure to other service sectors, etc.



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Manufacturing Sector - Breakup

INDUSTRY	Amount (Rs. in crore)			% to Total Advance			Growth Over Jun 14	
	Jun-15	Jun-14	Mar-15	Jun-15	Jun-14	Mar-15	Quantum	%
INFRASTRUCTURE	3,192	3,108	3,423	8.6	9.0	9.3	84	2.72
TEXTILES	2,974	2,589	2771	8.0	7.5	7.6	385	14.88
BASIC METAL & METAL PRODUCTS	1,578	1,473	1459	4.2	4.3	4.0	105	7.12
FOOD PROCESSING	1,384	1,124	1317	3.7	3.2	3.6	260	23.16
CHEMICALS AND CHEMICALS PRODUCTS	833	782	641	2.2	2.3	1.7	51	6.53
ALL ENGINEERING	591	443	499	1.6	1.3	1.4	148	33.43
GEMS & JEWELLERY	393	407	378	1.1	1.2	1.0	(14)	(3.50)
CONSTRUCTION	379	233	307	1.0	0.7	0.8	146	62.92
CEMENT	366	85	82	1.0	0.2	0.2	281	328.17
AUTO PARTS	353	313	380	0.9	0.9	1.0	40	12.80
WOOD	279	167	221	0.7	0.5	0.6	112	67.55
MINING AND QUARRYING	236	210	210	0.6	0.6	0.6	26	12.19
PAPER	200	121	123	0.5	0.3	0.3	79	65.14
RUBBER	190	264	284	0.5	0.8	0.8	(74)	(28.10)
BEVERAGE & TOBACCO	105	93	77	0.3	0.3	0.2	12	12.83
PETROLEUM	48	17	0	0.1	0.0	0.0	31	185.71
LEATHER	25	5	11	0.1	0.0	0.0	20	428.54
GLASS	5	6	5	0.0	0.0	0.0	(1)	(17.22)
Other Industries	144	474	370	0.4	1.4	1.0	(331)	(69.68)
Total INDUSTRY EXPOSURE	13,275	11,914	12,558	35.7	34.4	34.2	1,361	11.42

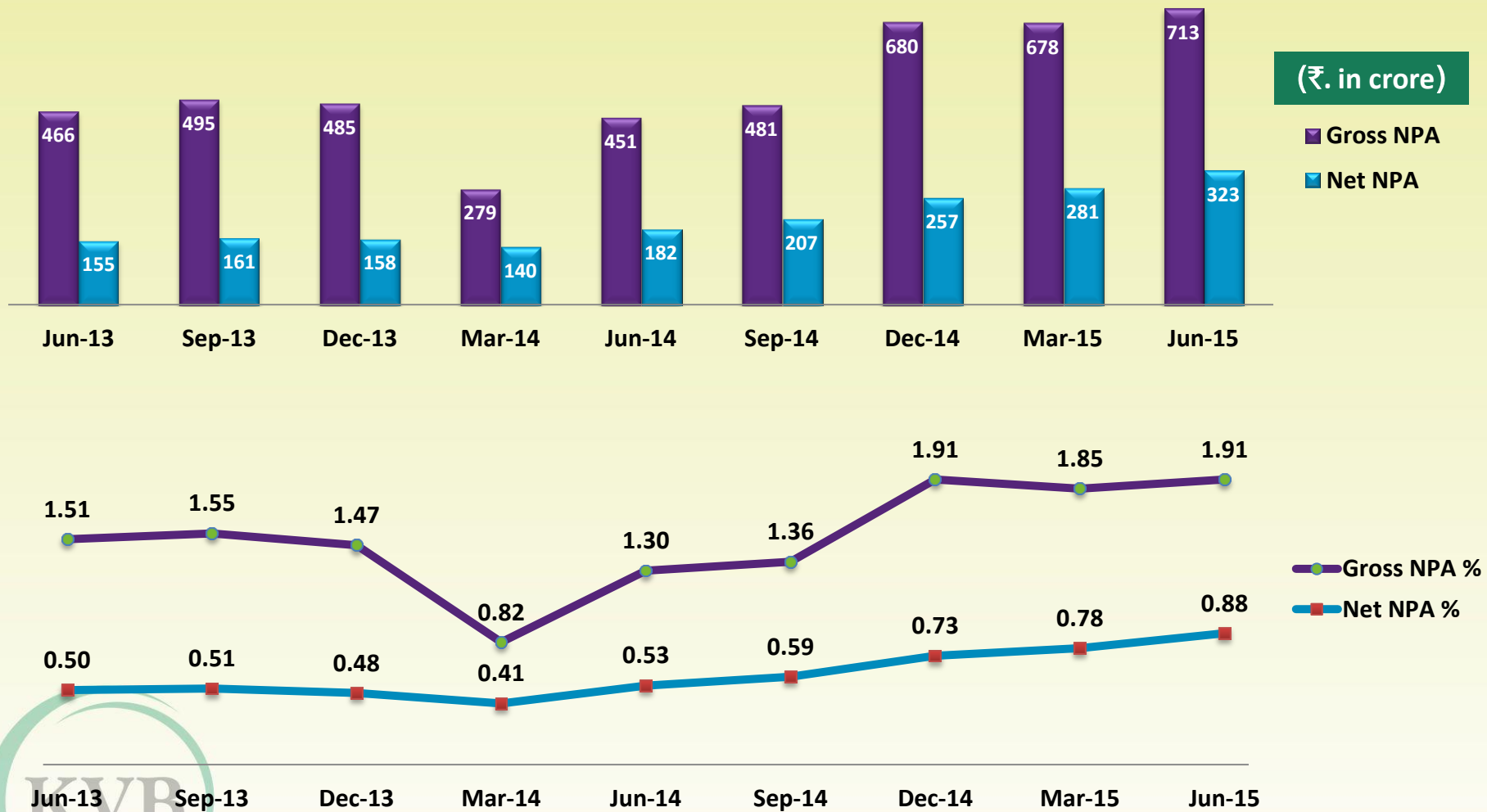
Infrastructure Advances

INFRASTRUCTURE	Amount (Rs. in crore)			% to Total Advance			Growth Over Jun-14	
	Jun-15	Jun-14	Mar-15	Jun-14	Jun-13	Mar-14	Quantum	%
Power	1,379	1,343	1,429	3.7	3.9	3.9	36	2.68
Road	403	343	378	1.1	1.0	1.0	60	17.49
Telecommunication	51	52	50	0.1	0.2	0.1	(1)	(1.92)
Infra Others	1,359	1,370	1,566	3.7	4.0	4.3	(11)	(0.80)
TOTAL	3,192	3,108	3,423	8.6	9.0	9.3	84	1.65

Power - Sector wise	Jun-15	Jun-14	Mar-15
GOVERNMENT	1,196	915	1,069
PRIVATE	183	428	359
TOTAL	1,379	1,343	1,428



Gross NPA & Net NPA

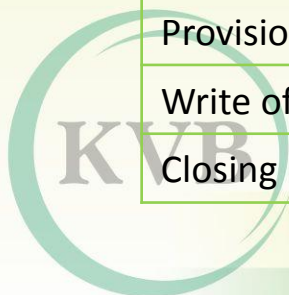


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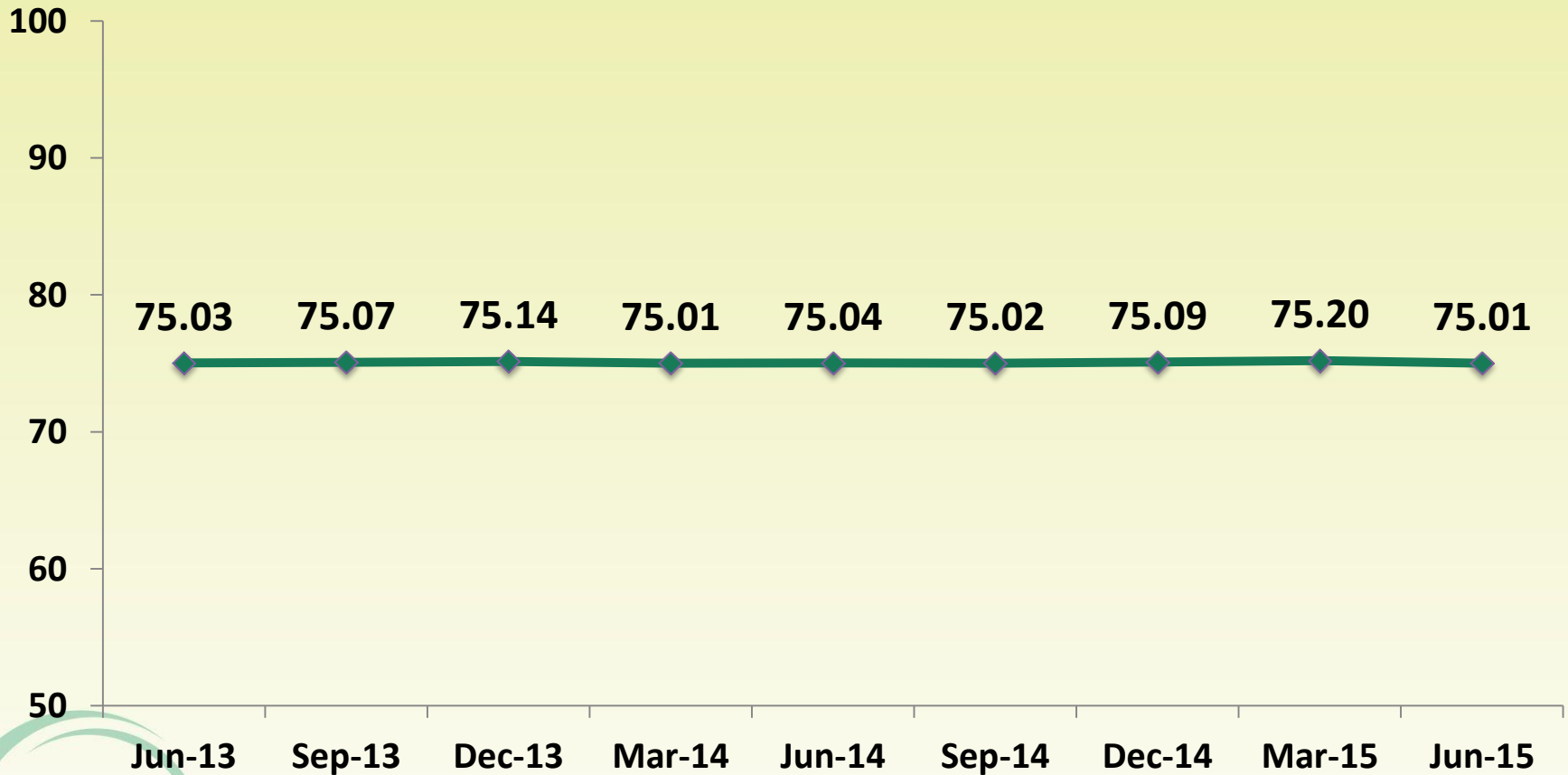
Movement of NPA

(₹. in crore)

Particulars	Apr 15 – Jun 15	Apr 14 – Jun 14	Apr 14 – Mar 15
Movement of Gross NPAs			
Opening Balance	677.78	279.18	279.18
Additions during the period	212.42	205.48	619.24
Reductions during the period	177.13	33.70	220.63
Closing Balance	713.07	450.96	677.78
Movement of Net NPAs			
Opening Balance	280.97	139.91	139.91
Additions during the period	51.37	64.45	164.59
Reductions during the period	9.24	21.88	23.53
Closing Balance	323.10	182.48	280.97
Movement of Provision for NPA			
Opening Balance	380.00	114.48	114.48
Provisions made during the period	123.95	121.59	494.86
Write off	123.95	1.73	229.34
Closing Balance	380.00	234.34	380.00



Provision Coverage Ratio (%)



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Movement of Restructured Advances

Particulars	Apr-15 to Jun-15		Apr 14 to Mar 15	
	No. of A/cs	Amount (Rs. in crore)	No. of A/cs	Amount (Rs. in crore)
Restructured accounts at the beginning of the period - [A]	197	1942.75	181	1389.88
Addition during the period - [B]	0	Nil	97	774.29
Addition of facilities in existing restructured A/Cs - [C]		96.39		147.88
Addition through upgradation from NPA – [D]	2	0.11		0.00
Accounts closed during the period - [E]	11	13.59	17	172.15
Accounts ceases to attract higher provision (upgradation)– [F]			31	66.84
Amount recovered during the period – [G]		62.06		14.66
Accounts slipped into NPA during the period - [H]	15	2.07	33	115.65
Restructured accounts as on 30.06.2015 A+B+C+D-(E+F+G+H)	173	1,961.53	197	1942.75

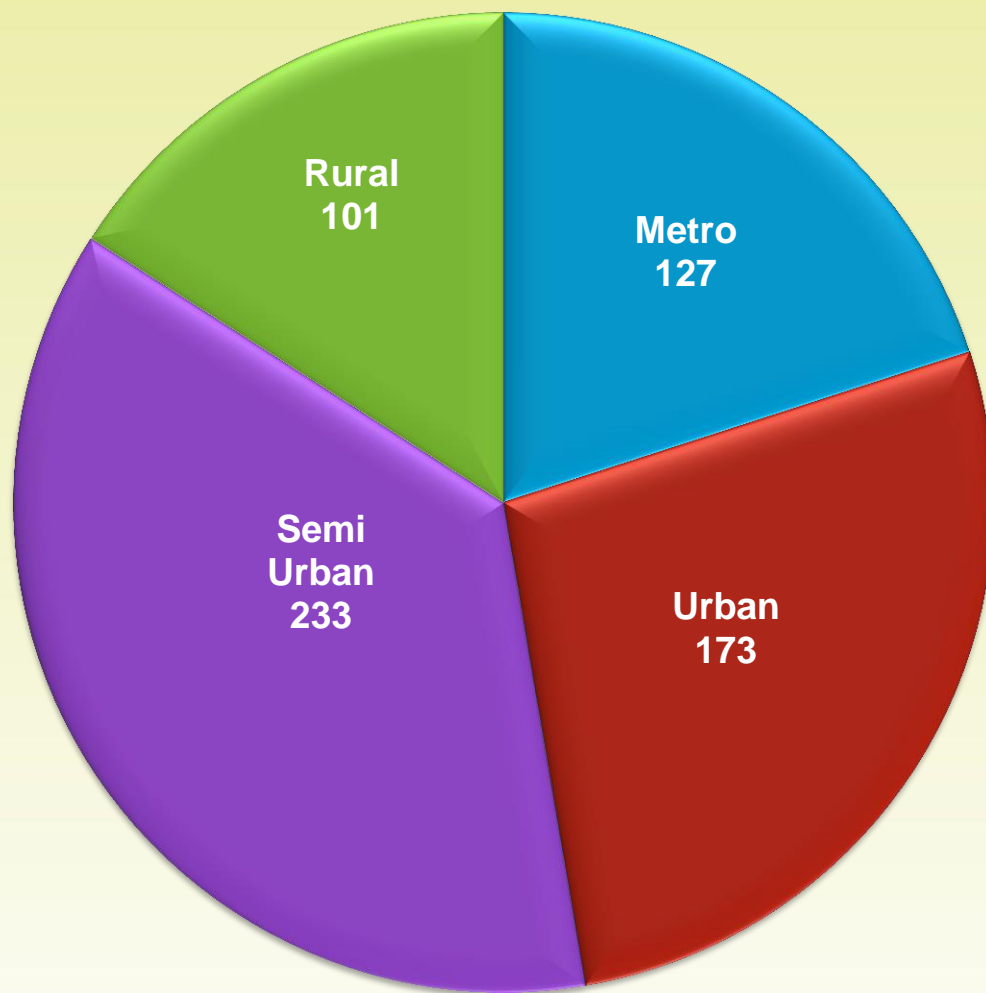
Network and Human Resources

Particulars	Mar 10	Mar 11	Mar 12	Mar 13	Mar 14	Mar 15	June 15
No of Branches	335	369	451	551	572	629	634
No of ATMs	376	488	825	1,276	1,616	1,645	1,631
No of Employees	4,175	4,574	5,673	6,730	7,339	7,197	7,196

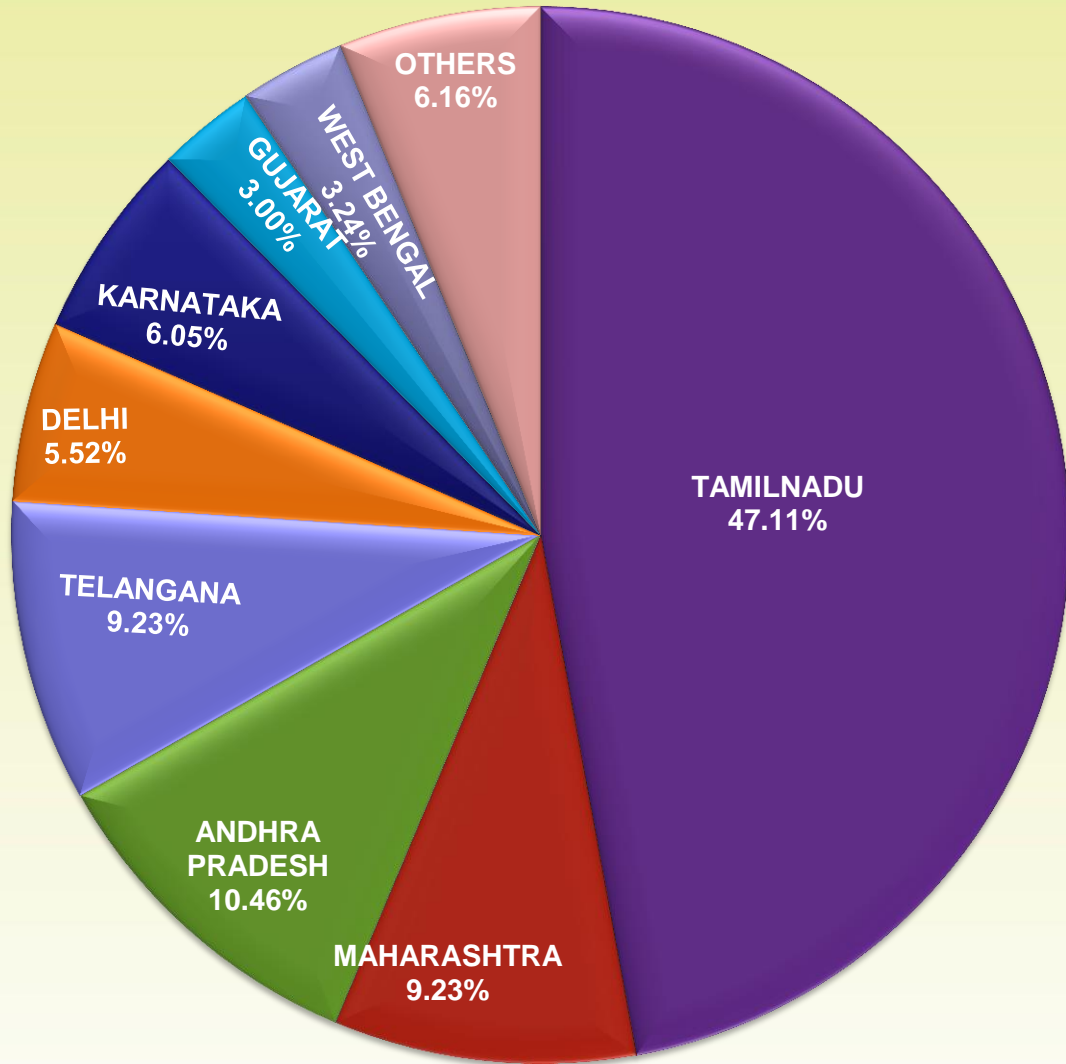


Network of 634 Branches

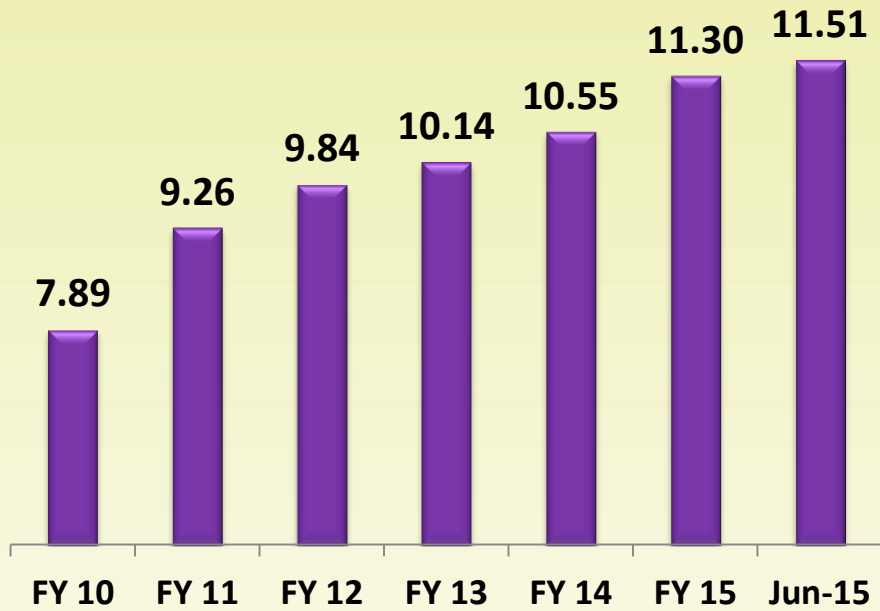
STATE	Jun-15	(%)	Jun-14	(%)
TAMILNADU	339	53.47	306	52.04
ANDHRA PRADESH	86	13.56	80	13.61
TELANGANA	47	7.41	47	7.99
KARNATAKA	41	6.47	38	6.46
MAHARASHTRA	26	4.10	26	4.42
GUJARAT	15	2.37	15	2.55
WEST BENGAL	15	2.37	14	2.38
KERALA	15	2.37	14	2.38
DELHI	12	1.89	12	2.04
PUNJAB	7	1.10	7	1.19
UTTARPRADESH	6	0.95	6	1.02
ORISSA	5	0.79	5	0.85
HARYANA	4	0.63	4	0.68
PONDICHERY	6	0.95	4	0.68
M.P.	3	0.47	3	0.51
RAJASTHAN	2	0.32	2	0.34
JHARKHAND	2	0.32	2	0.34
CHANDIGARH	1	0.16	1	0.17
CHATTISGARH	1	0.16	1	0.17
GOA	1	0.16	1	0.17
Total	634		588	



State wise Contribution - Total Business

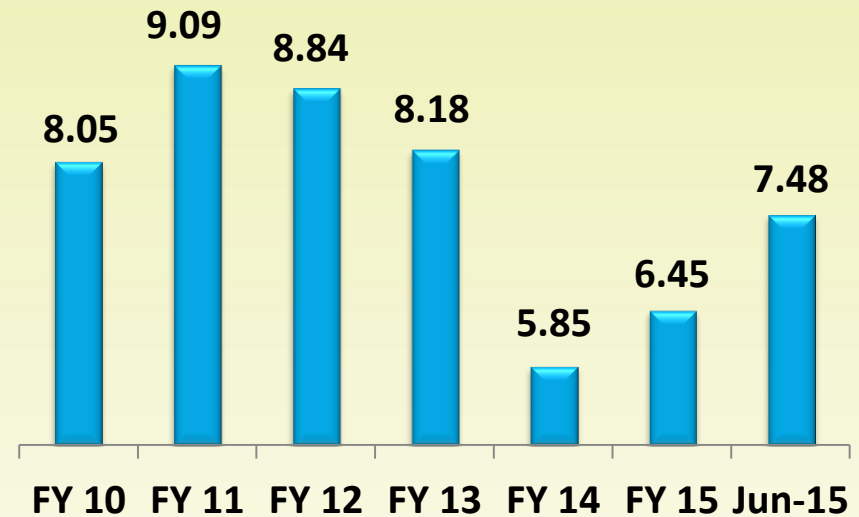


Business Per Employee



(₹. in crore)

Profit Per Employee



(₹. in Lakhs)



A Decade of Progress

(₹ in crore)

Year	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Paid up Capital	17.98	49.49	53.94	53.95	54.44	94.49	107.18	107.18	107.18	121.63
Reserves	853.65	1013.67	1136.06	1296.21	1565.54	2020.05	2601.04	2978.01	3219.16	4124.40
Owned funds	871.63	1063.16	1190.00	1350.16	1619.98	2114.54	2708.22	3085.19	3326.34	4246.03
CRAR - Basel II	-	-	-	14.92%	14.49%	14.41%	14.33%	14.41%	12.77%	14.63%
Basel III	-	-	-	-	-	-	-	-	12.60%	14.62%
Deposits	7577	9340	12550	15101	19272	24722	32112	38653	43758	44690
Advances	5701	7194	9569	10563	13675	18052	24205	29706	34226	36691
Investments	2298	2874	3526	4716	6649	7776	10581	13869	13445	12833
Total Income	771	987	1289	1711	2005	2482	3621	4695	5680	5977
Net Profit	135	160	208	236	336	416	502	550	430	464
Dividend	120%	100%	120%	120%	120%	120%	140%	140%	130%	130%
Branches (No.)	238	269	288	312	335	369	451	551	572	629
EPS (Rs.)	28.29	32.80	38.62	43.71	62.23	44.90	46.81	51.35	40.08	39.86
Return on Assets	1.65%	1.53%	1.63%	1.49%	1.76%	1.71%	1.56%	1.35%	0.86%	0.88%
Book Value(Rs.)	484.80	197.09	220.61	250.25	297.60	200.33	252.68	287.85	308.91	348.42
No of Employees	2908	3286	3580	3941	4175	4574	5673	6730	7339	7197

THANK YOU

