



Karur Vysya Bank

Smart way to bank

Investor Presentation

December 2013



Karur Vysya Bank

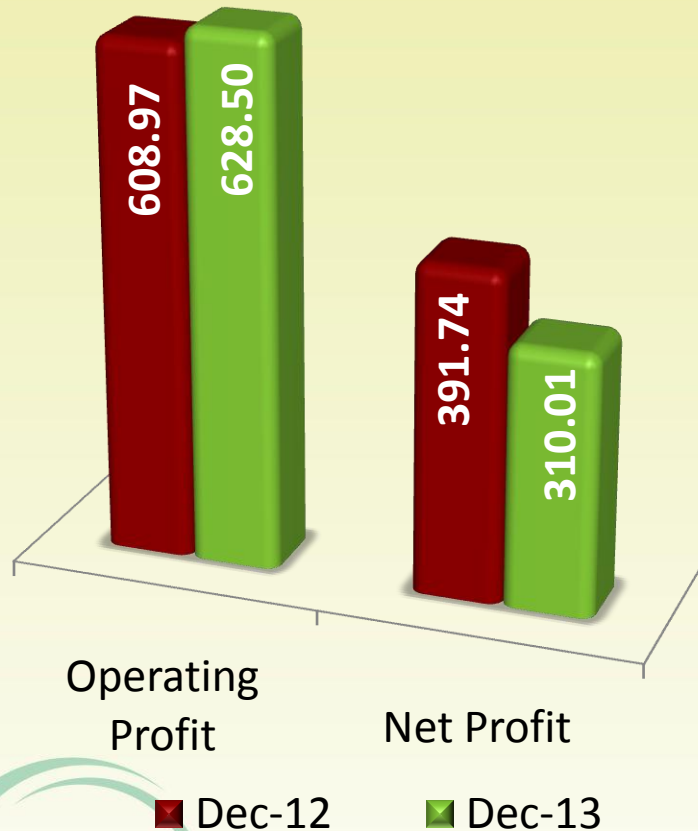
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Business Performance

(. in crore)

Particulars	Nine months ended		Growth (%)	Year ended Mar 13	Growth (%) (Annualised)
	Dec 13	Dec 12			
Business	76,833	62,811	22.32	68,359	16.53
Gross Deposits	43,727	35,494	23.20	38,653	17.51
Gross Advances	33,106	27,317	21.19	29,706	15.25
Average Deposits	41,609	33,262	25.10	33,975	29.96
Average Advances	30,983	24,975	24.06	25,645	27.76
Total Assets	50,192	41,736	20.26	46,733	9.87
CD Ratio	75.71%	76.96%		76.85%	

Operating Profit & Net Profit – 9M (YoY)



Operating Profit

- Operating Profit increased by 3.21% from ` 608.97 crore to ` 628.50 crore

Net Profit

- Net Profit decreased by 20.86% from ` 391.74 crore to ` 310.01 Crore .

Performance Highlights

(₹ in crore)

Particulars	Nine months ended		Growth (%)	Year ended Mar 13
	Dec 13	Dec 12		
Net Interest Income	935.37	848.15	10.28	1,158.47
Non-interest Income	418.74	294.76	42.06	452.56
Operating Revenue	1,354.11	1,142.91	18.48	1,611.03
Operating Profit	628.50	608.97	3.21	848.83
Net Profit	310.01	391.74	(20.86)	550.32
Net Interest Margin	2.60%	3.03%	(43 bps)	3.03%
Return on Assets	0.83%	1.32%	(49 bps)	1.35%

Performance Highlights

(` in crore)

Particulars	Quarter ended		Growth (%)	Quarter Ended Sep 13	Quarter Ended Mar 13
	Dec 13	Dec 12			
Net Interest Income	305.11	308.44	(1.08)	298.38	310.32
Non-interest Income	105.61	105.49	0.12	106.20	157.80
Operating Revenue	410.72	413.93	(0.77)	404.58	468.12
Operating Profit	152.97	211.99	(27.84)	156.81	239.86
Net Profit	106.82	113.04	(5.50)	82.89	158.58
Net Interest Margin	2.56%	3.20%	(64 bps)	2.49%	3.06%
Return on Assets	0.85%	1.10%	(25 bps)	0.66%	1.44%

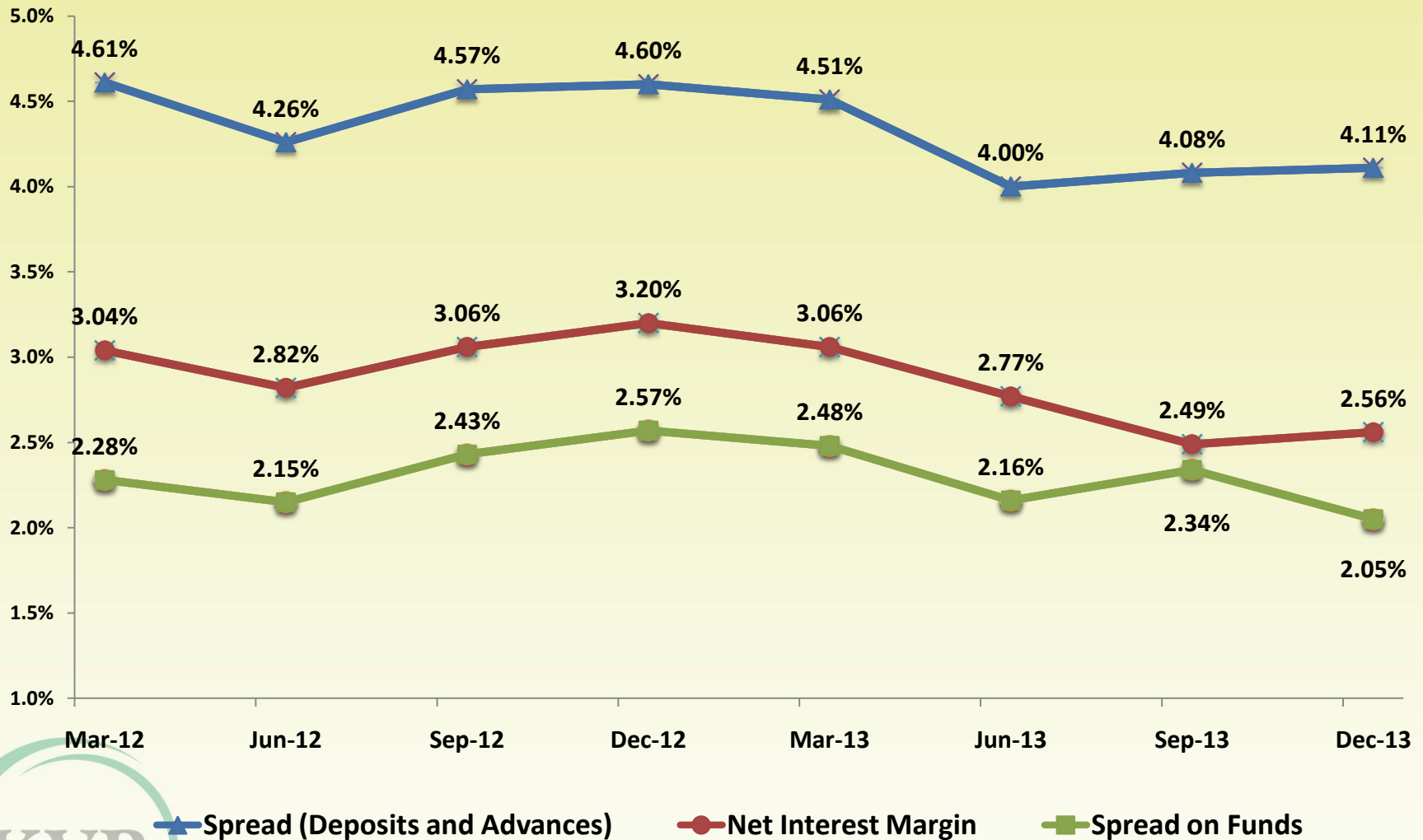
Key Ratios - I

Particulars	Nine Month Ended		Quarter Ended			Year ended Mar-13
	Dec-13	Dec-12	Dec-13	Dec-12	Sep-13	
Cost of Deposits (%)	8.28	8.37	8.42	8.21	8.22	8.30
Yield on Advances (%)	12.35	12.83	12.53	12.81	12.29	12.77
Cost of Funds (%)	8.30	8.28	8.44	8.11	8.33	8.24
Yield on Funds (%)	10.36	10.66	10.49	10.68	10.28	10.65
Yield on Investments (%)	7.70	7.84	7.65	7.63	7.58	7.84
Spread (%)	2.06	2.38	2.05	2.57	1.95	2.41
NIM (%)	2.60	3.03	2.56	3.20	2.49	3.03
Return on Assets (%)	0.83	1.32	0.85	1.10	0.66	1.35
Return on Net worth (%)	12.12	16.85	12.51	14.59	10.04	17.84

Key Ratios - II

Particulars	Nine Month Ended		Quarter Ended			Year ended Mar-13
	Dec-13	Dec-12	Dec-13	Dec-12	Sep-13	
Cost to Income (%)	53.59	46.72	62.76	48.79	61.24	47.31
Business per employee (₹. in crore)	10.71	10.03	10.71	10.03	10.94	10.14
Profit per employee (₹. in lakh)	5.77	8.35	5.77	7.22	5.94	8.18
Operating Profit/ Total Income (%)	14.92	17.85	10.90	18.00	11.37	18.08
Net Profit/ Total Income (%)	7.36	11.48	7.61	9.60	6.01	11.72
Operating Expenses/ Total Income (%)	8.21	8.52	9.02	9.84	8.43	8.92
Staff Cost / Total Income (%)	9.02	7.14	10.02	7.31	9.54	7.32
Staff Cost / Total Expenses (%)	10.60	8.69	11.25	8.91	10.76	8.93
Staff Cost / Operating Expenses (%)	52.36	45.59	54.57	42.62	58.31	45.08

Spread & NIM (Quarterly)



Income & Expenses Analysis – 9M (YoY)

(` in crore)

Particulars	Nine Month ended		Growth (%)	Year ended March 13
	Dec-13	Dec-12		
Interest earned	3,793.22	3,116.28	21.72	4242.43
Interest expended	2,857.85	2,268.13	26.00	3083.96
Net Interest Income	935.37	848.15	10.28	1158.47
Non-interest Income	315.27	258.53	21.95	364.21
Profit on Investment	103.47	36.23	185.59	88.35
Operating Revenue	1,354.12	1,142.91	18.48	1611.03
Operating expenses	725.61	533.94	35.90	762.20
Employee cost	379.97	243.42	56.10	343.62
Other expenses	345.65	290.52	18.98	418.58
Operating Profit	628.50	608.97	3.21	848.83
Provisions	332.28	34.63	859.51	123.39
Profit Before Tax	296.22	574.34	(48.42)	725.44
Provision for Taxes	(13.79)	182.60	--	175.12
Net Profit	310.01	391.74	(20.86)	550.32

Income & Expenses Analysis (QoQ)

(in crore)

Particulars	Quarter Ended		Growth (%)	Quarter Ended Sep 13	Seq. Growth (ann. %)
	Dec-13	Dec-12			
Interest earned	1,298.00	1,072.10	21.07	1272.70	7.95
Interest expended	992.89	763.66	30.02	974.31	7.62
Net Interest Income	305.11	308.44	(1.08)	298.39	9.01
Non-interest Income	105.06	92.56	13.52	106.47	(5.26)
Profit on Investment	0.55	12.93	(95.75)	(0.28)	-
Operating Revenue	410.72	413.93	(0.77)	404.58	6.08
Operating expenses	257.75	201.94	27.64	247.77	16.13
Employee cost	140.65	86.06	63.44	131.54	27.73
Other expenses	117.10	115.88	1.05	116.23	2.99
Operating Profit	152.97	211.99	(27.84)	156.81	(9.80)
Provisions	50.65	65.22	(22.34)	118.47	(228.99)
Profit Before Tax	102.32	146.77	(30.29)	38.34	667.50
Provision for Taxes	(4.50)	33.73	(113.34)	(44.55)	-
Net Profit	106.82	113.04	(5.50)	82.89	115.48



Provisions & Contingencies

(in crore)

Particulars	Nine Month Ended		Quarter Ended		
	Dec-13	Dec-12	Dec-13	Dec-12	Sep-13
NPA	157.37	69.21	(3.89)	67.35	27.30
Standard Assets	19.91	20.00	(3.70)	14.91	16.52
Restructured Advances	26.43	1.62	(19.04)	(9.06)	37.38
Others	(1.43)	5.70	(2.00)	5.54	0.88
Investments	130.00	(61.90)	79.28	(13.52)	36.38
Provisions Before Tax	332.28	34.63	50.65	65.22	118.46
Provisions for Tax	(13.79)	182.60	(4.50)	33.73	(44.54)
Total Provisions	318.49	217.23	46.15	98.95	73.92

Capital to Risk Weighted Assets Ratio

(` in crore)

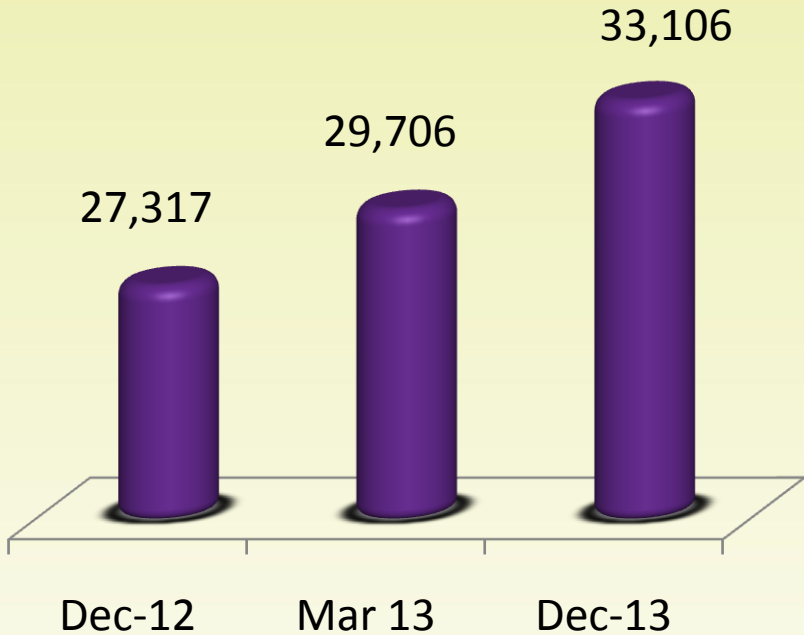
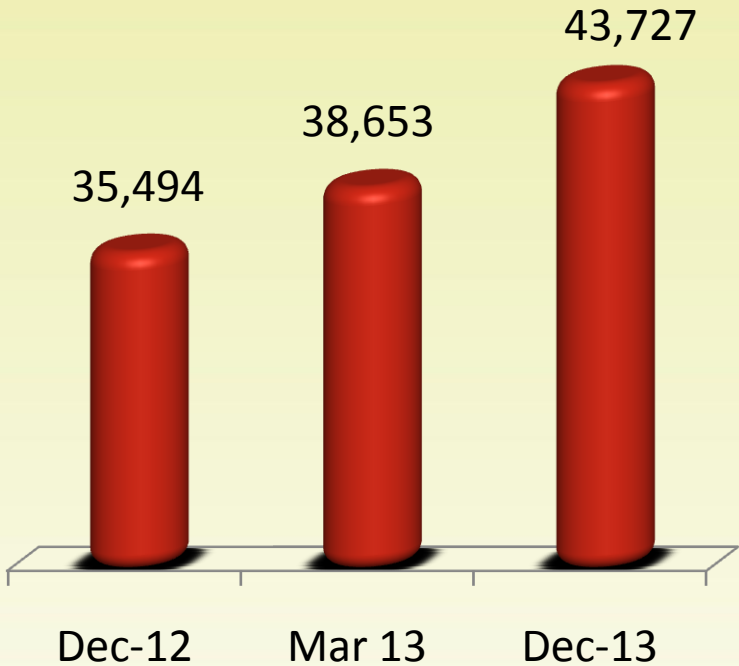
Particulars	Dec-13	Dec-12	Sep-13	Mar-13
Tier I Capital	3,035	2,677	3030	3,017
Tier II Capital	323	271	327	303
Tier (I + II)	3,358	2,948	3357	3,320
Total Risk Weighted Assets	26,384	22,073	25662	23,035
Tier I – CRAR	11.50%	12.13%	11.81%	13.10%
Tier II – CRAR	1.23%	1.23%	1.27%	1.31%
CRAR (Basel II) (%)	12.73%	13.36%	13.08%	14.41%

CRAR (Basel III)

- As per Basel III, CRAR works out to 12.50%, with Tier I CRAR 11.46% and Tier II CRAR at 1.04% as on December 31, 2013. It was 12.81% as on September 30, 2013.

Deposits & Advances

(` in crore)



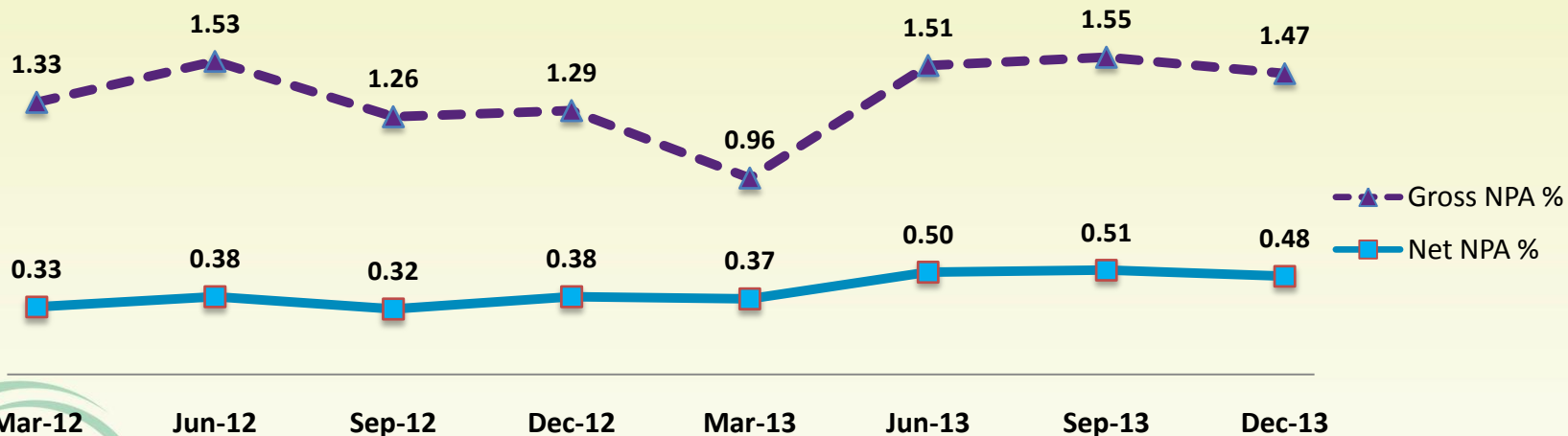
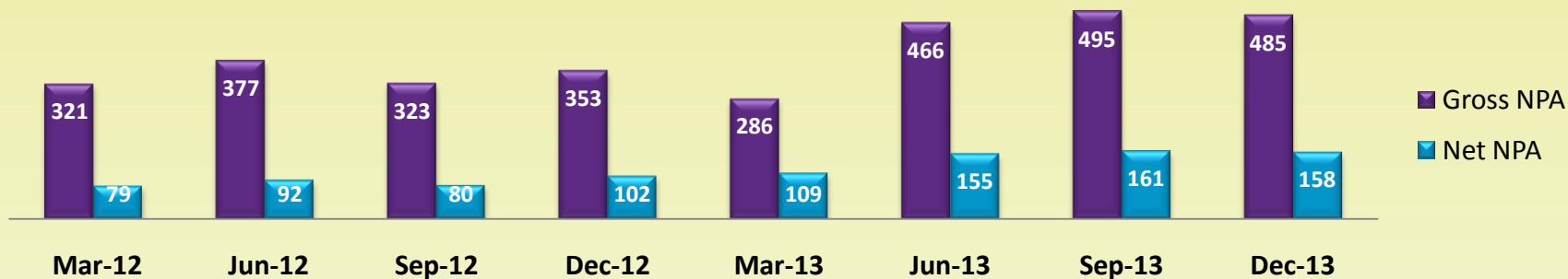
■ Deposits

■ Advances

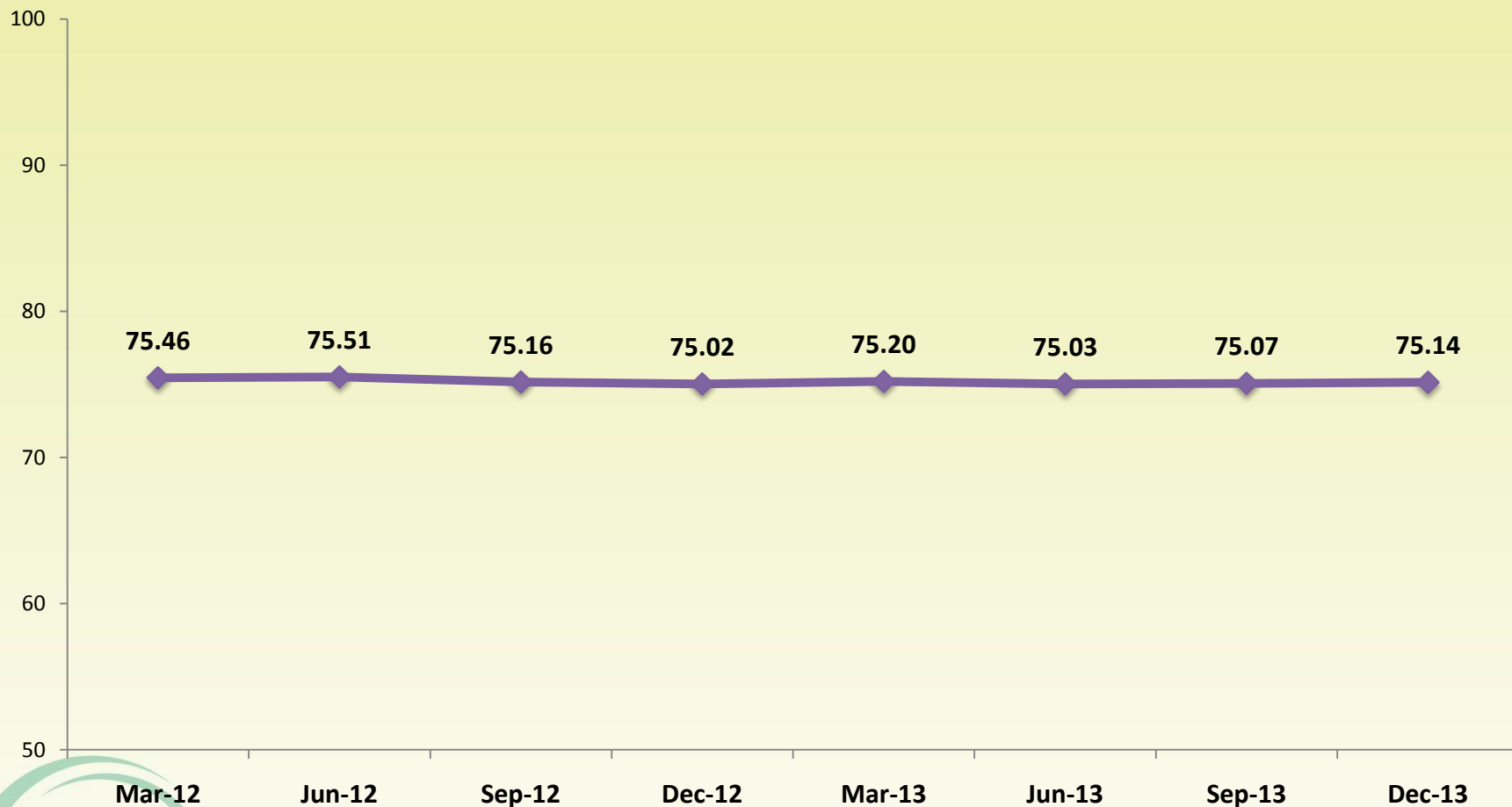


Gross NPA & Net NPA

(` in crore)



Provision Coverage Ratio (%)



Movement of Restructured Advances

Particulars	Apr-13 to Dec-13		Sep-13 to Dec-13	
	No. of A/cs	Amount (₹. in crore)	No. of A/cs	Amount (₹. in crore)
Restructured accounts at the beginning of the period - [A]	118	1,088	151	1566
Addition during the period - [B]	78	739	34	38
Addition through upgradation from NPA - [C]			1	0.01
Accounts upgraded during the period - [D]	11	531	8	390
Accounts ceases to attract higher provision – [E]				
Amount recovered during the period – [F]		49		3
Accounts slipped into NPA during the period - [G]	10	39	3	3
Restructured accounts as on 31.12.2013 A+B+C-(D+E+F+G)	175	1208	175	1208

Network and Human Resources

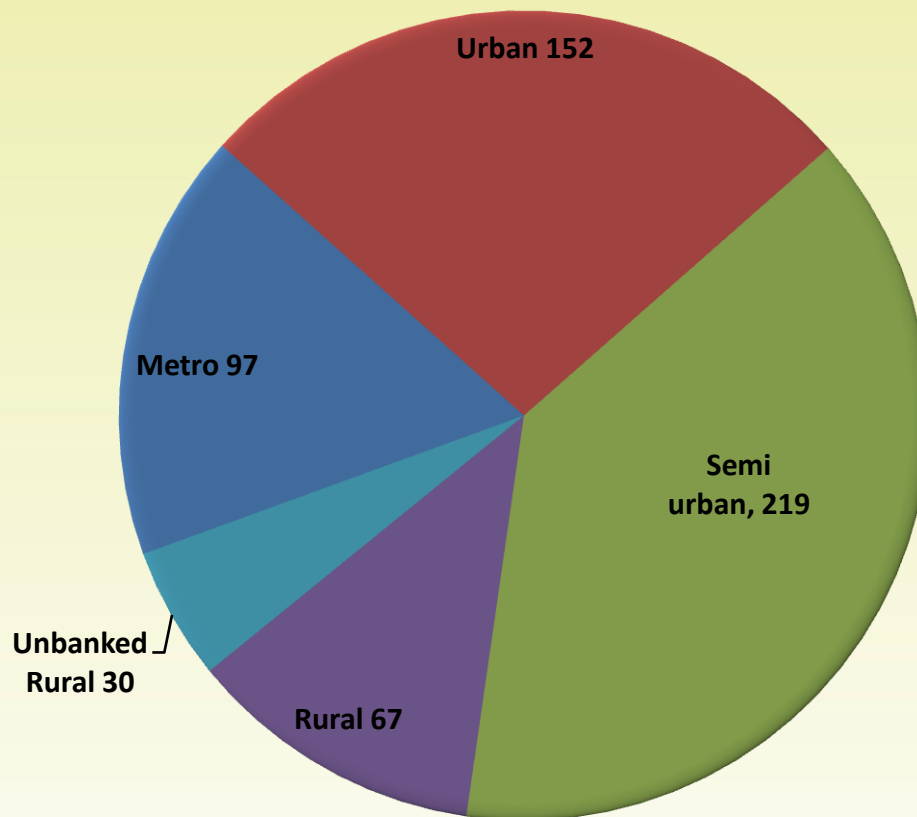
Particulars	Mar-09	Mar-10	Mar-11	Mar-12	Mar-13	Jun-13	Sep-13	Dec-13
No of Branches	312	335	369	451	551	554	562	565
No of ATMs	324	376	488	825	1,276	1,357	1,468	1,557
No of Employees	3,941	4,175	4,574	5,673	6,730	6,717	6,842	7,167



Network of 565 Branches

STATE	Dec-12	(%)	Dec-13	(%)
TAMILNADU	261	50.68%	290	51.33%
ANDHRA PRADESH	108	20.97%	120	21.24%
KARNATAKA	35	6.80%	38	6.73%
MAHARASHTRA	24	4.66%	26	4.60%
GUJARAT	15	2.91%	15	2.65%
WEST BENGAL	14	2.72%	14	2.48%
KERALA	12	2.33%	14	2.48%
DELHI	12	2.33%	12	2.12%
PUNJAB	7	1.36%	7	1.24%
UTTARPRADESH	5	0.97%	6	1.06%
ORISSA	5	0.97%	5	0.88%
HARYANA	4	0.78%	4	0.71%
PONDICHERY	4	0.78%	4	0.71%
M.P.	3	0.58%	3	0.53%
RAJASTHAN	2	0.39%	2	0.35%
JHARKHAND	1	0.19%	2	0.35%
CHANDIGARH	1	0.19%	1	0.18%
CHATTISGARH	1	0.19%	1	0.18%
GOA	1	0.19%	1	0.18%
Total	515	100.00%	565	100.00%

Category of Branches (nos)

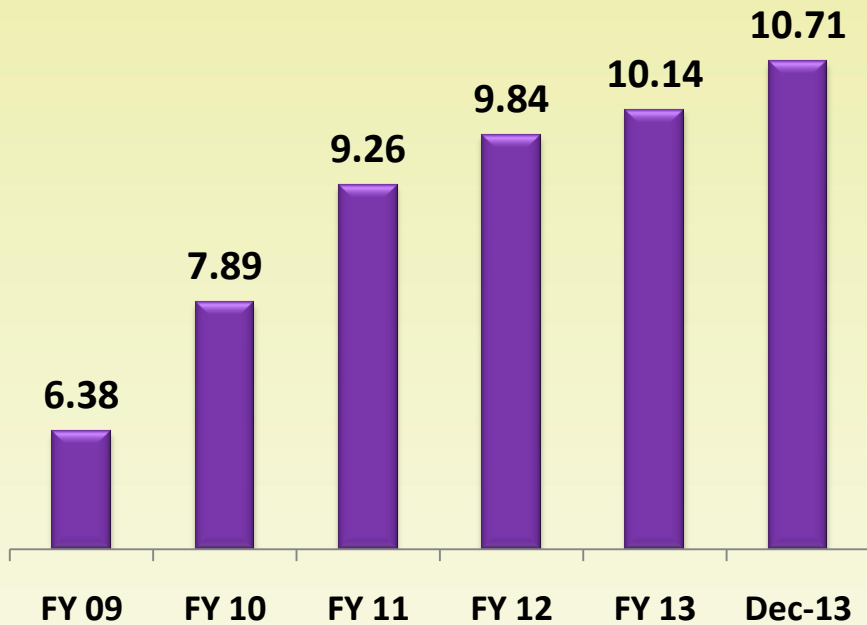


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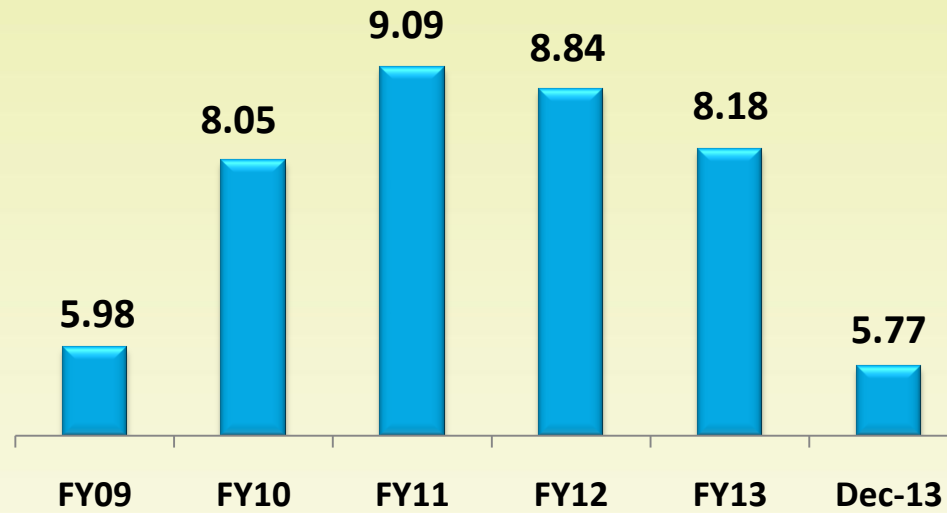
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Business Per Employee



(₹. in crore)

Profit Per Employee



(₹. in Lakhs)



A Decade of Progress

(` in crore)

Year	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Paid up Capital	17.98	17.98	17.98	49.49	53.94	53.95	54.44	94.49	107.18	107.18
Reserves	694.05	742.90	853.65	1013.67	1136.06	1296.21	1565.54	2020.05	2601.04	2978.01
Owned funds	712.03	760.88	871.63	1063.16	1190.00	1350.16	1619.98	2114.54	2708.22	3085.19
CRAR - Basel I	17.11%	16.07%	14.79%	14.51%	12.58%	13.08%	12.48%	12.16%	11.64%	12.02%
Basel II	-	-	-	-	-	14.92%	14.49%	14.41%	14.33%	14.41%
Deposits	5911	6672	7577	9340	12550	15101	19272	24722	32112	38653
Advances	4023	4620	5701	7194	9569	10563	13675	18052	24205	29706
Investments	2173	2219	2298	2874	3526	4716	6649	7776	10581	13869
Total Income	722	704	771	987	1289	1711	2005	2482	3621	4695
Net Profit	161	105	135	160	208	236	336	416	502	550
Dividend	100%	100%	120%	100%	120%	120%	120%	120%	140%	140%
Branches	223	231	238	269	288	312	335	369	451	551
EPS (Rs.)	89.58	58.59	28.29	32.80	38.62	43.71	62.23	44.90	46.81	51.35
Return on Assets	2.43%	1.45%	1.65%	1.53%	1.63%	1.49%	1.76%	1.71%	1.56%	1.35%
Book Value(Rs.)	396.05	423.22	484.80	197.09	220.61	250.25	297.60	200.33	252.68	287.85
No of Employees	2849	2811	2908	3286	3580	3941	4175	4574	5673	6730

THANK YOU



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