



Karnataka Bank Ltd.

Estd : 1924

CIN : L85110KA1924PLC001128

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

Phone : 0824 - 2228222 Fax : 0824-2225588
Website : www.karnatakabank.com
email : info@ktkbank.com

July 12, 2019

SECRETARIAL DEPARTMENT

HO/SEC/186/2019-20


- | | |
|--|--|
| 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 |
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Dear Sir,

Reg: The unaudited financial results for the quarter ended 30.06.2019.

Please find enclosed copy of the unaudited financial results for the quarter ended 30.06.2019 taken on record by the Board of Directors at the meeting held on 12.07.2019. A copy of the limited review report of the Statutory Auditors is enclosed.

Thank You,
Yours faithfully,


COMPANY SECRETARY

KARNATAKA BANK LTD. HEAD OFFICE MANGALURU 575002

ANNEXURE-1

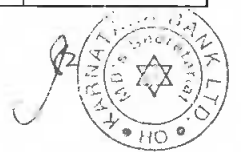
REVIEWED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019.

(Rs in Cr)

		Quarter ended			Year ended
		30.06.2019 (Reviewed)	31.03.2019 (Audited)	30.06.2018 (Reviewed)	31.03.2019 (Audited)
1	Interest Earned (a+b+c+d)	1584.37	1531.29	1407.64	5905.96
a)	Interest/Discount on advances/ bills	1273.31	1224.91	1105.79	4698.03
b)	Income on Investments	282.12	279.60	270.49	1105.65
c)	Interest on balances with Reserve Bank of India and other interbank funds	9.10	3.61	2.02	16.63
d)	Others	19.84	23.17	29.34	85.65
2	Other Income	244.79	290.59	208.80	1001.96
3	TOTAL INCOME (1+2)	1829.16	1821.88	1616.44	6907.92
4	Interest expended	1089.78	1050.41	939.06	4000.84
5	Operating expenses (i+ii)	389.37	447.24	308.50	1457.27
i)	Employees Cost	176.93	203.45	110.50	605.56
ii)	Other operating Expenses	212.44	243.79	198.00	851.71
6	TOTAL EXPENDITURE ((4+5) excluding provisions & Contingencies)	1479.15	1497.65	1247.56	5458.11
7	Operating Profit before provisions & contingencies (3-6)	350.01	324.23	368.88	1449.81
8	Provisions (other than tax) and Contingencies	201.14	217.73	222.06	842.00
9	Exceptional Items	0.00	0.00	0.00	0.00
10	Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	148.87	106.50	146.82	607.81
11	Tax Expense	-26.55	44.77	-16.42	130.57
12	Net Profit (+)/Loss (-) from Ordinary activities after Tax (10-11)	175.42	61.73	163.24	477.24
13	Extraordinary Items (net of tax)	0.00	0.00	0.00	0.00
14	Net Profit (+)/Loss (-) for the period (12-13)	175.42	61.73	163.24	477.24
15	Paid up equity share capital Face Value Rs 10/-)	282.62	282.62	282.62	282.62
16	Reserves excluding revaluation reserves	---	5090.45	---	5090.45



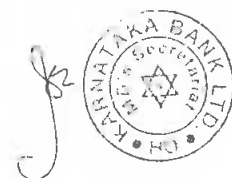
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		Quarter ended			Year ended 31.03.2019
		30.06.2019	31.03.2019	30.06.2018	
		(Reviewed)	(Audited)	(Reviewed)	(Audited)
17	<u>Analytical Ratios</u>				
i)	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil
ii)	Capital Adequacy Ratio (%) -Basel III (%)	12.70	13.17	11.60	13.17
iii)	Earnings per share (EPS) (Rs) before Extraordinary items (net of Tax expense) * Not Annualized				
	- Basic EPS	6.21*	2.18*	5.78*	16.89
	- Diluted EPS	6.19*	2.18*	5.78*	16.89
	Earnings per share (EPS) (Rs) after extraordinary items (net of Tax expense) *Not Annualized				
	- Basic EPS	6.21*	2.18*	5.78*	16.89
	- Diluted EPS	6.19*	2.18*	5.78*	16.89
iv)	NPA Ratios as on date				
	Gross NPA	2437.53	2456.38	2296.53	2456.38
	Net NPA	1759.77	1616.71	1395.97	1616.71
	% of Gross NPA	4.55	4.41	4.72	4.41
	% of Net NPA	3.33	2.95	2.92	2.95
	Return on Assets	0.88	0.32	0.91	0.64



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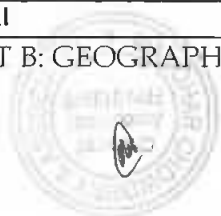


SEGMENT RESULTS FOR THE QUARTER ENDFD 30.06.2019

Rs in crores

Segment-wise Results Particulars	Quarter ended			Year ended
	30.06.2019 Reviewed	31.03.2019 Audited	30.06.2018 Reviewed	31.03.2019 Audited
Segment Revenue				
(a) Treasury Operations	321.62	331.35	284.17	1307.60
(b) Corporate Banking	791.55	773.53	627.35	2840.48
(c) Retail Banking	602.45	602.83	589.04	2356.29
(d) Other Banking Operations	113.54	110.22	102.62	386.34
(e) Unallocated	0.00	3.95	13.26	17.21
Income from operations	1829.16	1821.88	1616.44	6907.92
Segment Results (after Provisions before Tax)				
(a) Treasury Operations	94.31	88.53	29.31	293.06
(b) Corporate Banking	35.81	-8.89	-17.71	28.36
(c) Retail Banking	6.60	2.85	106.06	235.84
(d) Other Banking Operations	26.80	34.02	29.02	87.48
(e) unallocated	-14.65	-10.01	0.14	-36.93
Total profit/(loss) before tax	148.87	106.50	146.82	607.81
Segment Assets				
(a) Treasury Operations	22279.66	20241.60	19557.40	20241.60
(b) Corporate Banking	29081.29	31349.71	26401.62	31349.71
(c) Retail Banking	24237.12	23912.21	21956.99	23912.21
(d) Other Banking Operations	1507.90	1516.43	1257.25	1516.43
(e) Unallocated	1843.44	2025.81	1429.92	2025.81
Total	78949.41	79045.76	70603.18	79045.76
Segment Liabilities				
(a) Treasury Operations	20521.11	18695.78	17946.08	18695.78
(b) Corporate Banking	26953.87	29103.22	24369.33	29103.22
(c) Retail Banking	22415.18	22179.19	20236.57	22179.19
(d) Other Banking Operations	1401.75	1412.54	1166.60	1412.54
(e) Unallocated	1696.90	1869.85	1311.21	1869.85
Total	72988.81	73260.58	65029.79	73260.58
Capital employed				
(a) Treasury Operations	1758.55	1545.82	1611.32	1545.82
(b) Corporate Banking	2127.41	2246.49	2032.29	2246.49
(c) Retail Banking	1821.95	1733.02	1720.42	1733.02
(d) Other Banking Operations	106.15	103.89	90.65	103.89
(e) Unallocated	146.54	155.96	118.71	155.96
Total	5960.60	5785.18	5573.39	5785.18

PART B: GEOGRAPHIC SEGMENTS: There is only one Segment i.e. Domestic Segment



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Notes forming part of the unaudited financial results for the period/quarter ended June 30, 2019

1. The above interim financial results for the quarter ended June 30, 2019 have been reviewed by the Audit Committee of the Board at the meeting held on July 11, 2019 and approved by the Board of Directors at the meeting held on July 12, 2019. The same has been subjected to limited review by the Statutory Central Auditors of the Bank in line with the guidelines issued by the Reserve Bank of India and as per the SEBI (LODR) Regulations, 2015.
2. In the preparation of these financial results, the Bank has followed the same accounting policies and generally accepted practices adopted in the preparation of audited financial statements for the year ended March 31, 2019.
3. The above interim financial results have been arrived at after considering the provision for loan losses and depreciation on Investments, Provision for employees' retirement benefits like pension, gratuity, leave encashment and unused sick leave as per actuarial valuations, Provision for exposure to entities with un-hedged foreign currency exposure, Income tax, Provision for arrears of salary pending negotiation & wage settlement and Other contingencies on estimated and proportionate basis and are subject to adjustments at the year end.
4. Provision coverage ratio as at June 30, 2019 stood at 58.08 %. (57.21% as at June 30, 2018)
5. In terms of RBI circular DBR No BP.BC 1/21.06.201/2015-16 dated July 1, 2015, Pillar III disclosures under Basel III Capital Regulations have been made available on our web site at the following link: <http://karnatakaBank.info.com/ktk/BaselDisclosures.jsp#>. These disclosures have not been subjected to limited review by the Statutory Central Auditors.



6. Disclosure about investor complaints for the period ended June 30, 2019 :
Complaints at the beginning of the period Nil; Received during the period 2.
Disposed off during the period 2. Unresolved as on June 30, 2019 : Nil.
7. Corresponding previous period figures have been regrouped/ rearranged wherever necessary to make them comparable with the current period figures.



Mahabaleshwara M S

Managing Director & C.E.O

For Manohar Chowdhry & Associates

Chartered Accountants

Firm Regn No. 001997S


Murali Mohan Bhat

Partner

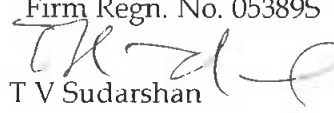
M No. 203592



For Badari Madusudhan & Srinivasan

Chartered Accountants

Firm Regn. No. 05389S


T V Sudarshan

Partner

M No. 19108

Place: Mangaluru

Date: 12th July 2019

ANNEXURE 2			
REVIEWED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019			
Particulars	Quarter ended 30.6.2019 (Reviewed)	Year ended 31.03.2019 (Audited)	(Rs. In crore)
			Quarter ended 30.6.2018 (Reviewed)
Total income from operations (net)	1829.16	6907.92	1616.44
Net Profit / (Loss) from ordinary activities after tax	175.42	477.24	163.24
Net Profit / (Loss) for the period after tax (after Extraordinary items)	175.42	477.24	163.24
Equity Share Capital	282.62	282.62	282.62
Reserves (excluding Revaluation Reserve) as shown in the Balance Sheet of previous year	-----	5090.45	-----
Earnings Per Share (before extraordinary items) (of Rs 10/- each)			
Basic:	6.21*	16.89	5.78*
Diluted	6.19*	16.89	5.78*
Earnings Per Share (After extraordinary items) (of Rs 10/- each)			
Basic	6.21*	16.89	5.78*
Diluted	6.19*	16.89	5.78*
*Not annualized			
Note: The above is an extract of the detailed format of period ended Results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the period ended Financial Results is available on the Stock Exchange websites. BSE: http://www.bseindia.com , NSE: http://www.nseindia.com , Bank website: https://www.karnatakaBank.com/index.jsp			

For and on behalf of Board of Directors

Mahabaleshwara M S

MANAGING DIRECTOR & CEO

Place: Mangaluru

Date: 12th July 2019



Manohar Chowdhry & Associates

Chartered Accountants,
102, MICASA,
Bejai Main Road
Mangaluru 575 004
Tel: 0824 - 2988383
Email: muralimohan@micasa.co.in

**Badari, Madhusudhan &
Srinivasan**

Chartered Accountants,
Kantha Court,
Lalbagh Road
Bengaluru-560027
Tel: 080-22277714,41142536
Email: bmscas@gmail.com

Independent Auditor's Review Report on Review of Interim financial Results

To The Board of Directors of The Karnataka Bank Limited

We have reviewed the accompanying statement of unaudited financial results of The Karnataka Bank Limited ("the Bank") for the quarter ended 30th June 2019 ("the statement"), excluding the Pillar 3 disclosures, leverage ratio and liquidity coverage ratio under Basel III Capital Regulations disclosed on the Bank's website and in respect of which a link has been provided in the statement, being prepared and submitted by the Bank pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

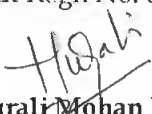
We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

In the conduct of our Review we have relied on the review reports in respect of non-performing assets received from concurrent auditors of 132 branches. These review reports cover 67 percent of the advances portfolio of the bank. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from the branches of the bank.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For Manohar Chowdhry & Associates

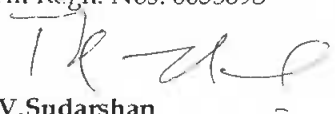
Chartered Accountants
Firm Regn No. 0019975


Murali Mohan Bhat
Partner
M No. 203592



For Badari, Madhusudhan & Srinivasan

Chartered Accountants
Firm Regn. Nos. 0053895


T.V. Sudarshan
Partner
M No.019108

Place : Mangaluru
Date : 12th July 2019



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Your Family Bank, Across India

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E-Mail : pr@ktkbank.com
Website : www.karnatakabank.com
CIN : L85110KA1924PLC001128

BRANCH BANKING & DIGITAL CHANNELS DEPARTMENT

PRESS RELEASE

Date: 12-07-2019

**KARNATAKA BANK POSTS ALL TIME HIGH Q1 NET PROFIT OF
₹ 175.42 CRORES.**

Karnataka Bank posted an all time high quarterly Net Profit of ₹ 175.42 crores, during Q1 of FY 2019-20 as against the previous high of ₹ 163.24 crores recorded during Q1 of FY 2018-19. Thus the net profit grew by 7.46 % Y-O-Y.

In the Meeting of the Board of Directors held today here in Mangaluru, the Board has approved the financial results for the quarter ended June 30, 2019.

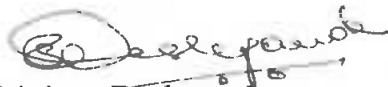
The business turnover of the Bank has touched ₹ 1,21,339.52 crore as on 30-06-2019, registering 9.85% growth on year-on-year basis. The deposits of the Bank grew from ₹ 62,725 crore to ₹ 68,520.72 crore with a y-o-y growth rate of 9.24%. Advances grew from ₹ 47,731 crore to ₹ 52,818.80 crore with a y-o-y growth rate of 10.66%. The CD ratio has improved to 77.08% from 76.10%, as on 30-06-2019.

Gross NPAs declined to 4.55% compared to 4.72% reported in the corresponding quarter of the previous year i.e as of 30-06-2018.

PERFORMANCE HIGHLIGHTS

(Rupees in Crore)

Parameters	Q1 FY 2019-20	Q1 FY 2018-19	% change / Variation
Net Profit	175.42	163.24	7.46
Operating Profit	350.01	368.88	-5.12
Total Income	1,829.16	1,616.44	13.16
Net Interest Income	494.59	468.58	5.55
Other Income	244.79	208.80	17.24
Net Interest Margin (%)	2.81%	3.00%	-6.20
Return on Assets (%)	0.88%	0.91%	-3.64
Gross NPA %	4.55%	4.72%	-3.60
CRAR (%) [Basel III]	12.70%	11.60%	9.48
CD Ratio (%)	77.08%	76.10%	1.29
Deposits	68,520.72	62,724.72	9.24
Advances	52,818.80	47,731.23	10.66
Business Turnover	1,21,339.52	1,10,455.95	9.85



Srinivas Deshpande
ASSISTANT GENERAL MANAGER