



THE KARUR VYSYA BANK LIMITED

**Transcript of the 106th Annual General Meeting held on Thursday,
August 21, 2025**

Board of Directors Present:

S. NO	NAME (SARVASHRI)	DESIGNATION
1	Dr Meena Hemchandra	Non-Executive Independent (Part-time) Chairperson
2	B Ramesh Babu	Managing Director and Chief Executive Officer
3	R Ramkumar	Non-Executive Non-Independent Director
4	K G Mohan	Non-Executive Independent Director
5	Dr Harshavardhan R	Non-Executive Independent Director
6	Murali Ramaswami	Non-Executive Independent Director
7	CA Dr Chinnasamy Ganesan	Non-Executive Independent Director
8	R Vidhya Shankar	Non-Executive Independent Director
9	Srimathy Sridhar	Non-Executive Independent Director
10	B Sankar	Executive Director

Key Managerial Personnels / Management Present:

11	Chandrasekaran MS	Chief Operating Officer
12	R Ramshankar	Chief Financial Officer
13	Srinivasa Rao Maddirala	Company Secretary

Statutory Auditors Present:

14	Anil Kulkarni	M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai
15	Vivek Krishna Govind	M/s. Varma & Varma, Chartered Accountants, Kochi

Secretarial Auditor Present:

16	Sri Vidhya Kumar	Partner, M/s. S.A.E & Associates LLP, Company Secretaries,
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Scrutinizer Present:

17	R K Bapulal	Senior Partner of Bapulal Yasar & Associates, Scrutinizer
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Moderator:

Over to you, Chairperson.

Dr. Meena Hemchandra:

Good morning to all, I, Meena Hemchandra, Chairperson of the Bank, it is my privilege and honor to welcome all our esteemed shareholders on behalf of the Board of Directors, to the 106th Annual General Meeting of the Bank. We truly value your time and continued trust in our Bank's journey. In compliance with the circulars issued by Ministry of Corporate Affairs and Securities Exchange Board of India, your Bank has arranged this AGM through Video conferencing or Other Audio Visual Means. This format ensures us to connect seamlessly, allowing maximum participation from across locations.

Pursuant to the circulars issued by MCA and Section 103 of the Companies Act, 2013, the Company Secretary has confirmed that the requisite quorum is present through video conferencing or other audio-visual means. Now I call the meeting to order. Seeking the blessings of Goddess Gayatri and founding fathers, Shri M.A. Venkatarama Chettiar and Shri Athi Krishna Chettiar, we will commence our 106th Annual General Meeting with an invocation.

I invite Ms. Keerthana to render the invocation.

Mrs Keerthana:

Invocation in background.

Dr. Meena Hemchandra:

I along with my colleagues attending this AGM from the Auditorium of Bank's Registered and Central Office, Karur. I am also Chairperson of the NPA Management committee of the Board. Let me introduce my colleagues on the Board, who are present with me today. I invite Shri B Ramesh Babu, Managing Director & CEO of the Bank to introduce himself.

Shri. B Ramesh Babu:

Good morning to all of you, I am B Ramesh Babu, Managing Director & CEO of the Bank and Chairman of the Management Committee of the Board, CSR & ESG Committee and Review Committee for Wilful Defaulters and Large Defaulters. It gives me great pleasure to welcome you all to this 106th AGM of the Bank, Thank you very much.

Dr. Meena Hemchandra:

Thank you. I invite Shri B Sankar, Executive Director of the Bank to introduce himself.

Shri. B. Shankar:

Good morning, I am B Sankar, Executive Director of the Bank, Thank you.

Dr. Meena Hemchandra:

Thank you. I request Dr. Harshvardhan R. to introduce himself.

Shri. Harshavardhan R:

Good morning. I am Harshvardhan R, Non-Executive Independent Director of the Bank and Chairman of the Risk Management and Asset Liability Management Committee of the Board.

Dr. Meena Hemchandra:

Thank you. I request Shri Murali Ramaswami to introduce himself.

Shri. Murali Ramaswami:

Good morning. I am Murali Ramaswamy, Non-Executive Independent Director of the Bank and Chairman of the Special Committee of the Board for Monitoring and Follow up of Fraud Cases. Thank you.

Dr. Meena Hemchandra:

Thank you so much. I request Shri R. Ramkumar to introduce himself.

Shri. R. Ramkumar:

Good morning, I am R. Ramkumar, Non-Executive Non-Independent Director of the Bank. Thank you.

Smt. Meena Hemchandra:

Thank you so much. I request Shri K. G. Mohan to introduce himself.

Shri. K. G. Mohan:

Good morning. I am K. G. Mohan, Non-Executive, Independent Director of the Bank and Chairman of the Nomination and Remuneration Committee and also IT Strategy and Digital Transaction Monitoring Committee of the board. Thank you.

Dr. Meena Hemchandra:

Thank you so much. I request CA Dr. Chinnasamy Ganesan to introduce himself.

CA Dr Chinnasamy Ganesan:

Good morning to all. I am CA Chinnasamy Ganesan, Non-Executive Independent Director of the Bank and also the Chairman of the Audit Committee of the Board. Thank you.

Dr. Meena Hemchandra:

I request R Vidhyashankar to introduce himself.

Shri. R. Vidhya Shankar:

Good morning, I am R. Vidhya Shankar, Non-Executive, Independent Director of the Bank and I am also the Chairman of Customer Service and Stakeholder Relationship Committee of the board. Thank you.

Dr. Meena Hemchandra:

Thank you so much. I request Smt Srimathy Sridhar to introduce herself.

Smt. Srimathy Sridhar:

Good morning to everyone. I am Srimathy Sridhar, Non-Executive Independent Director of the Bank. Thank you.

Dr. Meena Hemchandra:

I recognize the presence of other Key Managerial Personnel, Chief Operating Officer, Shri Chandrasekharan MS. Chief Financial Officer, Shri R. Ram Shankar. Company Secretary, Shri Srinivasa Maddirala. Further, I acknowledge the presence of the Bank's Joint Statutory Auditors, M/s Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai joined through video conferencing.

Shri. CA Anil Kulkarni:

Good morning. My name is Anil Kulkarni and I am engagement partner and we are the central Joint Statutory Auditors with Varma and Varma. Thank you.

Dr. Meena Hemchandra:

Thank you. M/s Varma and Varma chartered accountants Kochi joined through video conferencing.

Shri. CA Vivek Govind:

Good morning. I am CA Vivek Krishna Govind with Verma and Verma chartered accountant's cochin the Joint Statutory Auditors.

Dr. Meena Hemchandra:

Thank you, Shri Anil Kulkarni and Shri Vivek Govind. Also, I recognize the presence of Secretarial Auditor SAE & Associates, LLP, company secretaries, Chennai, joined through video conferencing.

Smt. Sri Vidhya Kumar:

Good day everyone. This is Sri Vidhya Kumar, partner, SAE & Associates, LLP, company secretaries, Secretarial Auditor. Thank you.

Dr. Meena Hemchandra:

Thank you, Smt Vidhya Kumar and scrutinizer of this Annual General Meeting Shri R. K. Bapulal, senior partner representing M/s Bapulal Yasar & Associates company secretaries.

Shri. R. K. Bapulal:

Good morning to you all, I am R. K. Bapulal senior partner of R.K. Bapulal Yasar Associates, Madurai practicing company secretary. I am appointed as a scrutinizer for e-Voting today. Thank you.

Dr. Meena Hemchandra:

Thank you, Shri R. K. Bapulal. Your Bank has taken all feasible steps to enable the members to participate in this AGM through video conferencing and other audiovisual means and exercise their right to vote at this Annual General Meeting. I greatly appreciate for taking your time to attend this Annual General Meeting virtually. Thank you. Now I shall call upon the Company Secretary to make a few general announcements.

Shri. Srinivasa Maddirala:

Thank you, Chairperson. In compliance with circulars issued by the Minister of Corporate Affairs, SEBI, the provisions of the Companies Act 2013 and SEBI Listing Obligations and Disclosure Requirements, Regulations 2015, The Annual General Meeting of the Bank is being held through video conferencing or other audio-visual means. Hence, the facility of appointing proxies is not applicable for the meeting. Pursuant to recent circulars of SEBI, the notice of the Annual General Meeting along with the integrated annual report had been sent to the registered email ID of the shareholders. Further, with respect to the shareholders who have not registered their email IDs, a letter containing exact path of the web link for the integrated annual report has also been sent. In accordance with the provisions of the Companies Act, 2013 and SEBI LODR Regulations 2015, the members have been provided with the facility to exercise their right to vote through remote e-Voting and e-Voting during and after the annual general meeting on the NSDL e-Voting platform. All the relevant documents referred in the agenda requiring the approval of the shareholders at the meeting and other statutory registers and documents are available for inspection on the NSDL e-Voting platform. The Bank has received 10 speaker registration requests from eligible shareholders who are members of the Bank as on the cut-off date that is August 14, 2025. And all the requests are considered. Once the Chairperson opens the floor for question-and-answer session, the moderator will facilitate the session and speaker shareholders will be called as per the sequence number allotted. The other members can also post their queries in the communicate tab available on the video conference screen. During the question-and-answer session, any speaker shareholder is unable to join due to connectivity issue, will proceed with the next speaker. While the connectivity improves, those shareholders will be allowed to speak within the available

time. If any shareholder other than speaker shareholder faces any technical issue, please contact the help line number mentioned in the notice or refer the FAQ section available on the video conference screen. Over to Chairperson for welcome address to the shareholders of the Bank. Thank you.

Dr. Meena Hemchandra:

Respected shareholders, good morning to one and all. It is my privilege to welcome you all to the 106th Annual General Meeting of the Bank. Continuation of the provisions to hold Annual General Meeting in virtual mode is certainly an environmental friendly step and also facilitates shareholder participation with ease of access. Nevertheless, this meeting is not just a statutory requirement. It is our annual opportunity to reaffirm our shared vision, reflect on our performance, and discuss the road ahead. Our MD and CEO, Shri R. Ramesh Babu, will explain in detail the performance of the Bank. Let me, however, share the overall economic climate and some highlights of our Bank 's performance. The global economy is navigating a period of mixed signals shaped by both recovery momentum and persistent challenges. The steep increases in tariffs by the US has the potential to affect global trade and global growth, which is already under a moderate growth trajectory. Though IMF projects the global growth of 3.1% for the year 2026, the outlook remains sensitive to political stability, monetary policy shifts, and the pace of technological integration. The Indian economy continues to perform well and remains one of the faster growing economies in the world. The domestic growth is expected to be 6.5% during the year 2025-2026. We meet today at a time when India's Banking sector stands at the intersection of opportunity and responsibility. While the credit growth could accelerate on the Bank of reduced interest rate and adequate liquidity, a compression in NIM is to be expected. It is in this background; I am really glad to share that we registered our historical high net profits of Rs.1942 Crores during the year. The total business stood at 1,86,569 Crores a growth of about 14%, well above the industry average. Bank demonstrated comfortable return on assets of 1.72% and a NIM above 4% as guided by the market. I am also happy to share that the Bank's GNPA and NNPA ratios stood at 0.76% and 0.20% respectively and SMA 30 plus also stood at about 0.3% indicating the seriousness of our intent to contain slippages. During the year, we explored new horizons through new branch openings, both regular and light branches, and also through our business partners. We focus on growing our liabilities franchise during the year through our feet on street capabilities and also through our customer-centric innovations, including expanding mobile Banking features, integrating payment solutions, and also through business correspondence, fintech tie-ups, etc. Our focus on balanced growth in retail, agriculture, and MSME, otherwise called RAM, advances portfolio ensure a diversified credit growth to ensure stability across cycles.

We introduced new loan products aimed at RAM segment, which features within the Bank's risk appetite with yields higher than existing products. I am glad that the board has recommended a dividend of 130% for the financial year 2024-2025. Also, I am equally happy that the Board has recommended issue of bonus shares in the ratio of one share for every five shares held on record date. We continue to build on our strength with added focus on operational excellence, including streamlining processes, optimizing costs, and driving vertical profitability. Our risk management aims to identify, assess, measure, and mitigate risks to minimize losses and to protect profitability and capital while ensuring regulatory compliance requirements and alignment with business strategy. Risk

management governance structure is built on modern tools and techniques for a better and focused risk management. The employees are imbued with risk culture and awareness programs with proactive culture to ensure resilience and sustainable growth while safeguarding stakeholders' interests. Our Bank's philosophy of growth with compliance remains foundational to the Bank's long-term resilience, consistent growth, and reputation. Your Bank has been investing in technology tools to enhance the effectiveness of the compliance function, monitoring and oversight. Our compliance, risk management and testing frameworks helps the Bank in proactive interventions to ensure compliance with the evolving regulatory guidelines, besides ensuring sustenance of compliance and also inculcating compliance culture into the minds of all employees of the Bank. ESG responsibility, we have embedded ESG into our business model. We published our first sustainability report for the financial year 2023-2024 and are mapping our goals with GRI Standards aligning with global sustainability benchmarks. Environmentally, we strengthen our carbon reduction efforts by expanding our renewable energy capacity through in-house rooftop solar installation and improving energy efficiency across operations. Further underscoring our sustainability commitment, our Central Office was awarded the prestigious IGBC Platinum certification under the green existing buildings rating system. On the social front, we extend strong supporting hand to new and expecting mothers among employees and also promote diversity in hiring. This has resulted in women hires moving from 31% for the year 2022-2023 to 34% during the year 2024-2025. Corporate Social Responsibility has been part of our ethos since inception, and during the year 2024-2025, we spent about 29.58 Crores, with majority of the spending channelled towards education and healthcare. Our CSR programmes are designed to create a measurable, lasting impact in the communities we serve and has touched the lives of over 1.60 lakh beneficiaries. Governance, in governance, we upheld the highest standards of ethics and transparency through strong board oversight, compliance with all statutory requirements and active stakeholder engagement. We have a diverse and experienced Board with 10 members, including MD and CEO, Executive Director and Non-Executive, Non-Independent Director and seven Independent Directors. The Independent Directors comprise 70% of board constitution well above the regulatory requirement. Board acts as an oversight mechanism and provides inputs on the functioning of all areas of the operation of the Bank. MD and CEO in charge of the whole affairs of the Bank exercises his powers subject to the superintendent's control and direction of the Board. The oversight is exercised by periodic reviews and performance review carried out by the Board. Our Board is strengthened by Induction of Srimathy Sridhar Director who brings with her over three decades of rich work experience across different Banking segments and retired as Executive Director of Indian Overseas Bank. We are further revitalized with the induction of Shri B. Shankar, a seasoned banker and retired DMD of State Bank of India to the Board. I welcome both the directors to the KVB family. At this juncture, I recollect the rich contribution made by Shri J. Natarajan, who demitted office as Executive Director of the Bank upon completion of tenure. I am thankful for your approval for reappointment of Shri Murali Ramaswamy and me as Non-Executive Independent Directors of the Bank for a further period of five years. I am happy to share that RBI has approved my tenure as Part-Time Non-Executive Chairperson of the Bank for a second term of three years at a fixed remuneration of Rs.30 lakhs per annum and the proposal has been placed before the shareholders for approval. Banking on trust, banking is fundamentally built on trust and that trust is earned through consistent services, ethical practices, robust governance, and transparent disclosures. This confidence reposed on us by our customers, shareholders, vendors, partners, and other stakeholders forms the backbone of our future plans. Going

forward, growing retail deposits including strong focus on building CASA will be one of the prime focus. We will aim for credit expansion and RAM products with focus on margins within the overall credit growth of 2% above the industry.

We will further fortify our cybersecurity enhance our operational efficiency, continue to invest in technology and proactively address the regulatory expectations. As we look at the future, our vision remains clear. We are committed to customer-centric innovation, strengthening our digital offerings, and enhancing customer experience. While we continue to innovate and grow, we will never lose the personal touch that defines our relationship with customers. Customer empathy will remain at the heart of our Banking services, guiding every interaction we have with them. Some closing thoughts, the path forward will demand resilience, adaptability, and vision. Our strategy is built to navigate risks while capturing opportunities. Our governance ensures that every decision we take is ethical, transparent, and in the long-term interests of our stakeholders. Our CSR and ESG initiatives, we affirm that growth must go hand in hand with responsibility. I would like to place on record the sincere appreciation of the Board to the Management, Senior Executive team, and the rank and file of staff for their outstanding efforts during the year. I am sure the efforts will continue to place the Bank in a strong position to rightly tap the opportunities ahead. On this occasion, I once again express my sincere gratitude to our shareholders, business partners, customers, and other stakeholders for the continued support and faith in us. I would like to place on record our sincere gratitude to central and state government authorities, RBI, SEBI, MCA, Stock Exchanges, both NSE and BSE, depositories and other regulatory authorities for their valuable guidance and support. With these words, I once again welcome the shareholders, representatives of corporates, FIIs, mutual funds, insurance companies and other stakeholders virtually to the 106th Annual General Meeting of the Bank. Thank you. The notice and the integrated annual report are with you for some time now. The Bank has published its integrated annual report to present a comprehensive view of the Bank's performance, strategy, governance and sustainability. It reflects environmental, social and governance framework within which we operate and is aligned with global reporting initiative standards. It provides a clear and concise narrative of our value creation journey for all stakeholders. With your permission, I shall take the notice for convening the 106th Annual General Meeting as read. As for the secretarial standards, reading of the entire text of the statutory auditor's report or the secretarial audit report is not mandatory unless these reports have certain qualifications, observations, and comments. Since there are no qualifications, observations and comments in these reports, the statutory auditors as well as the Secretarial Auditors of the Bank. With your permission, I will take the Statutory Auditors report and Secretarial Auditors report as read. For the benefit of shareholders, I request the Company Secretary to read out the agenda items in the AGM notice.

Shri. Srinivasarao Maddirala:

Thank you, Chairperson. There are 10 agenda items in the notice of the Annual General Meeting for approval of the shareholders, comprising of 9 ordinary resolutions and one special resolution. Four agenda items of ordinary business are; agenda number one: to receive, consider and adopt the Audited Financial Statements of the Bank for the Financial Year ended March 31, 2025, and Reports of the Board of Directors and Auditors thereon. Agenda number two: to declare dividend of Rs. 2.60/- per equity share of the Bank for the FY 2024-25. Agenda number three: to appoint a Director in the place of Shri R Ramkumar,

who retires by rotation and being eligible, offers himself for re-appointment. Agenda number four: to re-appoint M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai together with M/s. Varma & Varma, Chartered Accountants, Kochi as Joint Statutory Central Auditors of the Bank and fix their remuneration for second year. As per the recommendation of Audit Committee, the Board of Directors of the Bank approved and recommended the re-appointment of Joint Statutory Central Auditors of the Bank for FY26 as second year of their three years term, from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Bank. Further, Reserve Bank of India has accorded its approval vide letter dated August 8, 2025, for the said appointment. Six agenda items of special business are: agenda number five: to appoint branch auditors of the Bank and fix their remuneration. Agenda number six: to appoint M/s. SAE & Associates LLP, Company Secretaries as Secretarial Auditors of the Bank for a term of five consecutive years from FY 2025-2026 to FY 2029-2030. Agenda number seven: to approve remuneration payable to Dr. Meena Hemchandra for the position of Non-Executive Independent Part-Time Chairperson of the Bank for the second term of three years. Agenda number eight: to approve Karur Vysya Bank Employee Stock Option Scheme 2025. Agenda number nine: to increase the authorized share capital of the Bank and alteration of the capital clause in the Memorandum of Association of the Bank. Finally, the agenda number 10: to approve issue of bonus shares. The objectives and implications of the above proposed resolutions are already furnished in the notice of the Annual General Meeting. Further, since the remote e-Voting has already taken place, the requirement of proposing and seconding of the resolutions is not applicable. Thank you. Over to Chairperson.

Dr. Meena Hemchandra:

Now I request MD and CEO, Shri B. Ramesh Babu to deliver his address.

Shri. B Ramesh Babu:

Thank you, Madam. Dear shareholders, I extend a warm welcome to all members attending the 106th Annual General Meeting of the Karur Vysya Bank Limited, being conducted through video conferencing and other Audio Visual means. On behalf of the Board of Directors, I sincerely thank you for your continued support for the bank and for taking time to join us today. Financially, the year 2024-2025 has been a year of consistent, healthy performance for the Karur Vysya Bank. Before I talk about how we performed this year, let me first share a few thoughts on the overall economic situation. India's macroeconomic environment in the financial year 2024-2025 was characterized by stability, growth, and cautious optimism, setting a strong foundation for future development. Indian economy in financial year 2024-2025 demonstrated resilience and steady growth and global uncertainties. The macroeconomic indicators reflected a balanced recovery driven by strong domestic demand, robust services sector performance, and prudent fiscal and monetary policies. India's real GDP grew by approximately 6.4%, maintaining the position as one of the fastest-growing major economies. Growth was broad based with significant contributions from construction and infrastructure, electricity and utilities, and financial and professional services. The Reserve Bank of India maintained a cautious stance with respect to inflation. Barring any major negative shock input prices, core inflation is likely to remain moderately above 4% during the year. It is projected to be at 4.9% for the Q1 of 2026-2027. The banking sector showed marked improvement.

Gross NPAs declined to a 12-year low of 2.6%. Capital adequacy ratio, CRAR, remained healthy at 16.7%. Credit growth was supported by strong demand from retail and MSME segment. I now share the key achievements we made over the past year and how we are preparing for the future to continue supporting our customers and the wider communities associated with the banks. Dear shareholders, you may find few of the points what I cover in my speech may be a repetition of the Chairman's speech but so why they are repeated is they need to be reiterated because of the importance. Just to recall my speech in the last AGM, I had spoken about delivering a sustainable and consistent financial performance by providing superior services to our targeted customers and in the process realize our goal of achieving sustained return on assets of over 1.6% during every quarter of FY-2025. This financial year as you have noticed, all the quarters we maintained a quarterly ROA of over 1.6%. Further, it was informed that the rebalancing of the portfolio would be continued keeping an eye on the margins which is reflected in the financial performance finally. Performance highlights of 2024-2025, we delivered a remarkable performance in the financial year 2024-2025 achieving appreciable growth and making significant strides in business growth, profitability and asset quality. Your bank's total business stands at 1,86,569 Crores as on March 31st, 2025, as compared to the previous year at 1,61,536 Crores registering a growth of 14%. The advances stand at 84,491 Crores and deposits grew to 1,02,078 Crores with a growth of 14% each. The bank's liability business constitutes to 55% of the total business of the bank. With respect to liabilities, FY 2024-2025 through many challenges, like shift in customer preferences with respect to investment needs, just-in-time disbursement of funds by government departments, etc. This resulted in a lot of pressure in sourcing the liability business. Most of the banks launched special FD schemes for the shorter periods. We too did that. Deposits growth continues to remain one of the key focus areas for the bank and you are aware that the bank had initiated various strategies for deposit growth, including establishment of acquisition channel for both term deposit and CASA growth. Our term deposit growth during the year is at 20%. The share of short-term deposits in the total deposits increased for all banks in the industry. We were also not an exception to that. We have gone for a hybrid model, keeping in mind the pricing at which we are able to raise deposits in the market. Our CASA grew by 3% over previous year. Financial year 2024-2025 was the first full year of our acquisition channel. The bank had also launched new variants in CASA products. This resulted in opening more than 19,000 plus accounts with balances of more than 400 Crores. Specific segments have been formed under CASA acquisition channel targeting institutional clients, corporate salary accounts, trade and forex customers. While our CASA acquisition numbers are progressing well, there is a depletion in the existing book on account of other opportunities available for the depositors, resulting in a lower growth under this segment. Our asset verticals also have started mobilizing deposits as self-funding concept was initiated during last year. The CASA ratio of the Bank as on March 31st, 2025, stood at 27%. The Term Deposits also improved to 74,246 crore as on March 31, 2025 as against Rs 62,028 crore for the previous financial year, Thus registering a growth of 20%. Deposits growth continues to remain one of the key focus areas for the Bank and you are aware that the bank had initiated various strategies for deposits growth. We had indicated at the beginning of the year with respect to business mix of our advances portfolio with more focus on retail, agriculture and MSME verticals we call it as RAM. In tune with that RAM verticals have grown by 20% year on year constituting 86% of the overall advances portfolio. Commercial loan book increased its share to 36% and both retail and agri groups had a share of 25% each. The commercial business continued to grow at 21% over the previous year, with significant contributions from various channels

during the year. In spite of various challenges, the agriculture loan book had a growth of 20% year-on-year and achieved all the targets and sub-targets under the priority sector for all the quarters of the year and priority sector advances as a percentage of ANBC as on March 31, 2025. We are very cautious with our MFI portfolio which we ventured in a small way two years back. We have commenced covering under CGFMU from the current year. The total outstanding is only 0.37% of the overall portfolio. Though it is very small, we are cautious in ramping up and will grow with proper guardrails and risk mitigators. You are aware that we integrated open market channel we call it as OMC with branch channel as Consumer Banking Department Assets (CBDA), at the beginning of the year itself. The synergy has resulted in growth of 18% during the year under review. Mortgage loans grew by 34% over last year. The focus is more on the cash flows rather than solely relying on the value of the collateral. We have strengthened our monitoring mechanism using predictive analytics to spot the stress much early. With the experience gained all along, we found it reasonable to ramp up this book as it is fully secured and offers a reasonable risk reward. Retail gold loans also grew by 61% and housing loans by 12% over previous year. Our co-lending Amazon BNPL programme is performing well and the book is around 844 Crores in view of the household elevated leverage. We are cautious in ramping up this book. We have further tightened our on boarding norms to exercise caution at present and shall review periodically to relax and to revamp the book in due course as all enablers are in place. Corporate and institutional book had a degrowth of 14% during the year. This resonates with our indication during the quarterly calls highlighting our preference over margins than top line growth. Repayments and closures amounted to Rs.1269 Crores during the year. Also we have decided to scale down the precious metal division which we had started in 2019 as it was not ROA accretive. We had outstanding of 674 Crores at the beginning of the year and reduced to 41 Crores as on 31st March 2025. The above factors resulted in degrowth in corporate portfolio. As pricing for lending through normal fund-based traditional model is low, vertical plan to invest through credit substitutes to lock the margins, this would be continued in FY 2025-2026 also. Transaction banking group continues to support the bank for a diversified portfolio and anchors top corporate relationships. We are in the final stages of upgradation of the platform to meet the requirements of business, and we will focus on this area too in the period to come. Our partnerships for co-lending with NBFCs continue to perform well and loan book under this segment is about Rs.472 Crores. We have consistently lowered this book due to lower margins. We will ramp up once the mix of the deposit portfolio goes up and returns to normalcy. As our RAM verticals are sustaining their organic growth momentum, we would keep this co-lending as secondary to our organic growth. Our unsecured loan book is 2.22% of the total advances as at March 31, 2025, which is one of the lowest amongst our peers. The low base offers a tremendous opportunity to offer personal loans and other products to those curated and tested customers of our BNPL book. Currently, we will be low on this and we have the opportunity to grow with the partner in due course. I am happy to convey that our digital transactions grew by 115% in FY 2024-2025, and the share of digital transactions stands at 98%. We have rolled out our new version of our mobile delight app with enhanced features during the year. There are 1.3 million monthly active users for our Dlite app and 5 million downloads for our Dlite app.

With respect to margins, FY 2024-2025 was a year where margins were under pressure throughout the year. Raising cost of funds, expected rate cuts though happened only in the last quarter, increased floating rate interest book, they have all kept the banks in

tenterhooks throughout the year. Considering the above factors, NIM dropped during the year by 11 basis points from 4.22% during the previous year. Still, I am happy to say that we were able to maintain NIM at 4.09% by FY 2024-2025. Our continued rebalancing of the portfolios with more focus on better yielding granular secured advances in RAM verticals has helped us to maintain our margins above 4% level. We have achieved operating profit of 3212 Crores for 2024-2025, a growth of 20% over previous year. Our net profit touched a high of 1942 Crores. Your bank's cost to income ratio is at 47.25% for the financial year which is within the guided range of below 50. Your Bank continues to demonstrate consistent quarter on quarter profitability while maintaining strong asset quality. Our conscious effort on preserving asset quality has resulted in our gross slippages during the year reduced to 482 Crores which is 0.57% of our loan book as against 0.67% of the previous year. SMA 30 plus numbers were at 254 Crores as of March 31, 2025, which is 0.3% of our loan book reduced from 0.38% of previous year, indicating continued maintenance of control over this aspect. Due to lower slippages, recoveries, upgrades and write-off, our gross NPA has come down to 0.76%. Our net NPA has also reduced by 20 basis points and stands at the level of 0.2% and we would continue to maintain net NPA at less than 1% of our loan book. You are aware that your bank has been putting lot of efforts in the recovery of written off accounts. The recoveries which used to be in double digits in the previous year has improved tremendously. Total recoveries during the year is at 638 Crores as against 341 Crores of 2023-2024. We have added 50 new branches during FY 2024-2025, the break is 38 are light branches and 12 are regular branches. The light branch is a branch where the focus will be majorly on the deposits. It is a lean branch both in size as well as the manpower. It will work as a hub and spoke for a hub branch. These spokes will be feeding the hub branch with the leads for the assets. We have achieved ROA of 1.72% for FY2025. Your bank's capital adequacy continues to be healthy and is at 18.17, providing us comfortable headroom for growth. There may not be any need to raise the money in FY2025-2026 for the growth plan. In a nutshell, our performance continues to reflect the inherent strength and resilience of the bank. The strategic initiatives undertaken in previous years have matured well and are now yielding tangible results. We remain firmly committed to driving growth through innovation, digital transformation and a strong adherence to ESG principles. With the dedication of our talented team and your continued support, we are confident in our ability to build a prosperous future and deliver a sustainable value to all the stakeholders. Keeping in view the above, the Board of Directors of the bank has recommended a dividend of Rs.2.6 per equity share on a face value of Rs.2 per equity share i.e. 130% of the paid-up equity capital of the bank for the financial year 2025. Here I would like to draw the attention of the shareholders. If you can recollect 4 years back, the total amount of dividend paid by us was 39.4 Crores. This year, the same amount of 39.4 we have paid 193 Crores. There is a growth of 383% in the dividend payout in these 4 years. I am very much proud to register here that your Bank has never ever slipped declaring dividend since the inception except during the COVID year of 2019-20. That is due to regulatory restrictions. On the eve of entering into the 110th year, the Board of Directors at its meeting held on July 24, 2025, commenced the issuance Bonus Shares recommended issuance of bonus shares in the proportion of 1:5, i.e. one bonus equity share of Rs.2 each for every five fully paid up equity shares held as on record date subject to the approval of the shareholders of the Bank. As we proudly celebrate a 110 years of our institution's legacy, it is worth noting that our workforce with an average age of just 35 years brings youthful energy and fresh perspectives. This dynamic talent pool is a driving force behind our continued growth and alignment with evolving industry standards. In response to evolving cybersecurity

challenges, we have continuously strengthened our advanced security infrastructure, implementing comprehensive encryption protocols and multi-factor authentication systems. Regular security audits, proactive red team exercises, and customer security awareness programmes form the cornerstone of our cybersecurity framework. Our compliance culture has been consistently reinforced through proactive regulatory, directive implementation, timely observation, remediation, and comprehensive employee briefings on the importance of compliance across all organizational forums. Coming to the new initiatives during the year 2024-2025. I would like to now take you through the various business transformation initiatives our bank has completed during the year 2024-2025. Cash Management Solution is enhanced with host-to-host connectivity, which enables corporate customers to originate their bulk payments directly. Implemented virtual debit card. Implemented the services of UPI LITE through which customers can make faster payments without PIN as per the NPCI guidelines. Upgraded our KVB UPI Bheem app enabled for foreign outward remittances. Implemented government pension module. In addition to this following additional projects were undertaken during FY2024-2025, including in the areas of AI and ML.

1. GST payments through UPI.
2. Introduced electronic FD in lieu of keeping physical earnest money deposit in national stock exchange and other exchanges.
3. We have revamped AI-powered chatbot, i.e. Karu for responding to queries by our customers.

If any one of you have not yet tested our chatbot, I sincerely request each one of you please go and test and experience our chatbot.

We have introduced jewel loan scanning through artificial intelligence to identify as to whether the jewels are intact without any damage before disbursing the jewel loan. We have built propensity models for marketing in the areas of opening term deposits, jewel loans, SME loan, delight installation, customer segmentation, etc. We have built propensity models for risk with respect to SME working capital and retail customers for credit monitoring, early warning signals and collections predictions. Coming to the awards and accolades. KVB received the prestigious Best Small Indian Bank Award from Business Today for the second consecutive year. Your bank's Pramod Initiative (i.e.) for the HR, a mass communication programme it has earned top honors at the Brandon Hall Group Awards, USA, securing four gold, two silver and two bronze medals for excellence in human capital management. Bank is awarded with winner title by SHM 19th Annual Summit and Awards, BFSI Sector 2024 for Best Overall Performance, Best Digital Performance and Innovations, Best Customer Experience, and Best ESG Initiatives. Runner title granted for Best Risk and Cybersecurity Initiatives BFSI Technology Excellence Award 2024 received in respect of best technology implementation in risk management. IBEX India 2025, BFSI Technology Award received for excellence in ESG and sustainability initiatives, best IT risk and cybersecurity initiatives, and most innovative use of technology. Next, best technology bank of the year, and bank for the best financial inclusion awards received during the IBA 20th Annual Technology Conference Expo and Citation 2024. Coming to ESG: environment, social, and governance practices. The Bank views ESG principles as essential to sustainable growth and responsible banking. We go beyond compliance, aiming for real-world impact through ethical governance, environmental care, and social responsibility. Integrating ESG into our strategy strengthens financial resilience and supports a sustainable future. We

prioritize environmental stewardship, social responsibility and ethical governance to benefit our people, customers and communities. To advance ESG initiatives, the bank has formed a dedicated team to ensure compliance with sustainability standards and align policies accordingly. The bank regularly holds BRSR workshops with stakeholders supported by an external agency for effective reporting. Virtual capacity building workshops covered by green finance and sustainability in banking. For the Soil Day 2024, employees joined the Planting for a Greener Tomorrow campaign at all branches and offices.

ESG rating, the bank subscribes to CRISIL ESG ratings, a well-reputed organization, SEBI registered provider, which gave an ESG rating of 68 for financial year 2023-2024 based on public information. ESG awards, awarded the best ESG initiative small bank at the SHM 19th Annual Summit. Received the MSME banking excellence award 2024 for the CSR initiatives and business responsibility for the private sector. Environmental initiatives. Our central office has several environmental initiatives. Sewage treatment plant creates water for landscaping usage. Low flow in fixtures have cut water usage in restrooms by 50%. Rainwater harvesting collects over 75% of the runoff with a tank capacity of 51,000 units. Vermicomposting pit converts organic waste to compost for landscaping. Native trees cover 75% of non-roof areas, promoting biodiversity and reducing erosion. A herbal garden with native medicinal plants improves further air quality and offers a green space. Incidentally we have this herbal garden just in front of the canteen where all staff members they enter into the canteen they can have the aroma of the herbs. The bank operates an 850 KW wind turbine in Theni, supplying power to our offices in Karur and Chennai. A 38 KW rooftop solar plant is installed in Hyderabad, with new plants underway at Namakkal 15 KW and Trichy 38 KW. The integrated recruitment management system digitizes hiring processes and supports ESG goals with end-to-end paperless workflows. Social initiatives, KVB has adopted a comprehensive code of ethics policy which demonstrates a commitment to human rights, anti-harassment and diversity, equity and inclusion principles of the bank. This policy reinforces our resolve to foster a workplace that is safe, respectful, and inclusive, ensuring that every employee feels valued and supported. By upholding these core principles, we strive to create a conducive environment where employees can work, grow, and develop to their full potential. Our CSR philosophy is rooted in the belief that sustainable banking goes hand in hand with sustainable communities. We channel our efforts into transformative initiatives across education, healthcare, environmental conservation and community empowerment. By combining direct implementation with strategic collaborations, we ensure our CSR investments reach those who need them most. Our programmes build long-term capacity within communities, inculcating self-reliance, and promoting sustainable growth that extends well beyond our initial involvement. KVB's flagship scholarship programme supports economically disadvantaged students by providing financial assistance for education. This year, we supported hundreds of students from Tamil Nadu, Andhra Pradesh, Telangana through this project. At KVB, we promote financial literacy awareness programme as part of cybersecurity awareness in Trichy, through digital campaigns, road shows, newspapers, radio and cinema, these efforts equip general public, women groups and self-help groups etc., with necessary knowledge and skills to make good financial decisions and secure their future leading to economic growth and prosperity. To revolutionize STEM education, we are establishing 35 mini science centers in Government schools across Tamil Nadu. These centers will foster innovative learning in science and maths for students hailing from underprivileged families and studying in rural municipal schools. During FY 2024-2025, your Bank undertook several

initiatives to make all the financial products and services available, affordable to all the individuals, and also to ensure banking services reach the poorest of the poor. Our Bank is at the forefront in creating awareness to the rural masses on the financial services and products through financial literacy campaigns. During FY 2024-2025, Bank conducted 302 financial literacy campaigns in rural, semi-urban and urban areas. These campaigns were extended through 156 bank mitras in rural villages, 3 Bank mitras in urban locations. Micro ATM devices were provided to BCs for facilitating payments which were enabled for accepting Rupay card transactions, Aadhaar enabled payment system, third party deposit with balance enquiry and mini statement facilities. Coming to the governance initiatives. In governance, we maintain exemplary ethical standards and transparency by implementing robust board oversight, adhering to all statutory obligations and consistently engaging with stakeholders. I am glad to welcome Smt Srimathy Sridhar to the Board at KVB family. She is a veteran banker and retired as Executive Director at Indian Overseas Bank with more than three decades of working experience across multiple facets of banking. I am equally happy to welcome Shri B. Shankar, who joined our bank as Executive Director. Shri B. Shankar is a seasoned banker and a former Deputy Managing Director of State Bank of India has more than 30 plus years of robust banking experience in various areas of banking domain. At this juncture, I fondly recollect the enormous contribution made by Shri J. Natarajan, who has demitted office as Executive Director of the Bank upon completion of the tenure, with a humble beginning as a clerk in the institution. He rose to the zenith of Executive Director in the Board. He has spearheaded almost all the segments in the bank, traversing business to operations to technology and was instrumental in steering many milestone achievements in the bank. The bank will always remember its remarkable and noteworthy service to the institution.

I am delighted to say that the market capitalization of your bank has crossed 20,000 Crores which was hovering around 17,000 Crores during August 2024. This has resulted in increased interest from overseas investors seeking to engage with and understood our bank. The bank has now met the internal investment criteria set by these investors and attracted their attention accordingly. The shareholding percentage of foreign institutional investors is at 15.41% presently. Our initiatives and road ahead. New initiatives during 2025-2026 which we propose to either take or to continue. I would now like to take you through the various business transformation initiatives our bank has planned for the year 2025-2026.

1. EPFO, under Government business portfolio, we have tied up with EPFO enabling the customers, employers to pay the PF contribution through our bank.
2. Bill payments through micro ATMs.
3. Biometric based authentication for UPI transactions.
4. Integration of EDPMS and IDPMS in internet banking.
5. Loan against mutual fund.
6. Integration of unified lending rates with our loan origination system.
7. UIDAI phase authentication for UPI PIN set and reset.

The road ahead, let me move on to what we intend to do in 2025-2026, the financial landscape is witnessing a dramatic transformation globally as well as in India, driven by technological innovations, changing consumer preferences, and the emergence of alternate business models. The Reserve Bank of India is expected to adopt a more accommodative monetary policy stance. This could involve further rate cuts to stimulate

domestic demand and support economic growth. Considering the above, outlook for 2025-2026 remains cautiously optimistic. We need to navigate margin pressures and monitor asset quality closely. We expect our credit growth to be more than 2% over the industry growth. Our RAM verticals would continue to sustain the momentum with an eye on margins. Corporate book has come down to 14%. However, this is a temporary phenomenon which would come back once liabilities pressure eases off. The credit growth would align with our growth in liabilities. We are sanguine that the branch and sales acquisition channel would continue with greater rigor for sourcing the raw material and our branch channel team would put in their best efforts to maintain balances in ETB Book CD Ratio would be maintain at 85% levels during the current year too. With respect to branch expansion, for the year we have planned opening 19 lite branches and 9 regular branches before the end of first half of the current year to the extent possible, mostly in the southern and western parts of the country. Because there are many new districts have come up in the southern part also where we do not have our presence, that is why we thought that we need to saturate those locations before we move forward, but we want to be in west too. Though you have looked at our total branch network, the presence of the branch network is here throughout the country, but here we will go and deepen our presence further. We want to protect progress by focusing on margins, which is the key to sustainable profitability and long-term success. It is a hallmark for our healthy and efficiency of our bank. This does not mean saying that we will be totally comprising on the top line. Considering our branch expansion and additional manpower, planned our cost to income ratio would be in the range of 50% for the year 2025-2026. Our efforts on recoveries would continue and expect the momentum gained in the last year would be retained in FY2026 also. To sum up, our guidance for credit growth of above 2% over industry growth continues for the rest of the quarters. NIMS for the full year is in the range of 3.7% to 3.75%. Our GNPA is expected to be less than 1.5% and it will come down from 4.05% to 3.7% in line with industry. NNPA to be less than 1%, and slippages to be less than 1% of our loan book. As we enter the 110th year, we honour our history by looking ahead to the future and reaffirm our unwavering dedication to serving as a trusted partner throughout every customer's financial journey. I would like to reaffirm our commitment to delivering sustainable and consistent financial performance by offering high quality services to our targeted customers. Our goal is to maintain written on assets in the range of 1.55 to 1.65 in the financial year 2025-26. So, keeping in view of the headwind which are visible, we have identified commercial, retail and agriculture segments as the key drivers of future growth with a particular focus on expanding in the southern and western regions.

Our strategy is to provide customers with tailored financial solutions that meet the customer's needs while ensuring a positive experience through fast, efficient and customer-centric service delivery. Acknowledgements. On behalf of my colleagues on the Board and the entire staff, I take this opportunity to express our heartfelt gratitude to our esteemed shareholders for your enduring trust, loyalty and continued support. Your unwavering patronage over the years has been a source of strength and inspiration for us as we pursue our future goals. I extend my sincere thanks to the Chairperson and fellow Board members for their invaluable guidance and wisdom. I also wish to acknowledge our valued customers, business partners and employees for their steadfast commitment and strong association with the bank. A special note of appreciation goes to our employees for their relentless efforts and dedication to delivering exceptional service which has earned the continued preference of our customers for all their banking needs. I am equally grateful

to my colleagues for their support and pursuit of excellence in every aspect of their work. We also thank M/s NSDL and VC Now for providing a robust technical platform that has enabled seamless interaction with our shareholders. Furthermore, we express our deep appreciation to the Reserve Bank of India, SEBI, the central and state governments, other regulatory authorities and all stakeholders for their consistent support and guidance. Thank you very much for the patience hearing.

Dr. Meena Hemchandra:

Thank you, Shri Ramesh Babu. Your address was effectively captured the Bank's business performance over the past financial year while also providing valuable insights into our strategic direction and future growth. Before I proceed to take up the question-and-answer session, I would request the registered speaker shareholders to kindly note the following. While seeking clarification, shareholders may kindly restrict the subject matter on the agenda items only. Shareholders are requested to limit their queries to a maximum of three minutes in the interest of time. Further, bank deserve the right to move to the next speaker after due reminders in the event of expressing out-of-context views and continuing their speech about the set timeline. Replies to clarification sought by the shareholders will be provided at the end of the meeting. Shareholders are requested to cooperate in this regard. Now I call the moderator to facilitate the question-and-answer session.

Moderator:

Thank you very much, Chairperson. During the Q&A Session once the name of the speaker shareholder is called out a prompt would be sent on your screen. You are request to accept the same. You may then unmute your audio and turn on your video and proceed with your questions. Otherwise, the shareholders can join through audio mode if they are not able to join through video mode. Shareholders are also requested to use earphones so that you can clearly audible and you are also requested to ensure sufficient bandwidth and lighting. Ladies and gentlemen, we will now begin with the question-and-answer session. We will wait for a moment while we assemble the queue. We will first allow our speaker shareholder number one, Mr. Santosh Kumar Saraf. Mr. Saraf, please unmute your microphone and your camera as well. And you can go ahead with your question, please.

Speaker Shareholder - Shri. Santosh Kumar Saraf:

Respected Chairman and all other Directors, my name is Santosh Kumar Saraf. I am from Kolkata. Hope all of you are in good health. First of all, I express my thanks to all our employees those who are participating in the growth of our bank and grateful to KVB family Madam, I would like to thank all of you. I would like to thank all of our directors. Madam, the company has given a very good result. You presented a very good result. And your balance sheet is very nice. And I thank our CFO for presenting a very good and nice balance sheet. Madam, no question arises. So I request your CFO, next time when he presents the balance sheet to please keep some loophole so we can ask if you give everything, then what to ask? So I request the MD, Mr. Ramesh Babu, and our CFO Sir please keep some loophole where we can ask the questions or you inform your secretary this is loophole in our balance sheet which can be raised against the Chairman, not Managing Director. Thank you, Sir. Sir, I have two or three minor questions. My thinking

is very sad that our small investors go in the mutual fund due to low interest rate so what bank takes step for policy change scheme to bring them in our bank deposit. Next, Madam, India is developing and central government focus on the north-eastern India. They are developing infrastructure, also developing many ways. After Pahalgam accident, our tourist places are shifted to northeastern. I want to ask Madam, what our bank is doing for the northeastern states? Are you opening any ATM counter for tourists help, please tell me Sir. And Madam, next my question, now the new technology, artificial intelligence technology and you are using the new technology so what is the outcome of this technology and how is the technology participating in our growth? Madam, nothing to ask further because I speak in Hindi. Give me one minute. I wish you all for FY 2025-2026 and pray to God that FY 2025-2026 bring happiness to all the Directors, employees, and associates and our company. I also thank you for the coming festival be it national festival or family festival. I also wish them and pray to God that let this festival bring happiness to all the Directors. I also thank the moderator and end the speech. Madam please remember us in Diwali as your remember big shareholder please remember the small speaker also. Jai Hind. Jai Bharat. Ram, Ram.

Moderator:

Thank you so much Mr. Saraf. We will now move to our next speaker shareholder number two Mr. Manoj Kumar Gupta. Mr. Gupta please accept the prompt that is sent on your screen and then you can unmute your microphone and your camera as well. Please go ahead with your question.

Speaker Shareholder - Shri. Manoj Kumar Gupta:

Good afternoon, respected Chairman, Board of Directors, fellow shareholders. My name is Manoj Kumar Gupta. I have joined this meeting from my residence city of joy, Kolkata. I feel proud to be a shareholder of Karur Vysya Bank Limited. And I thanks to you and your team for the excellent result of the bank for the year 2024-2025. I totally agree with Mr. Saraf that you and our MD has given a nice picture, and you and MD has covered all things which we are surrounding in the mind of investors. You have not left anything to ask from the side of investors. So it is our humble request kindly leave one or two issues for the shareholders? Those can be raised in the AGM because you have covered all things like Bank's present, future, past It is my request how will you recover the NPAs and what steps are you taking. Madam I will tell you one thing I know one or two people who are the defaulter of KVB and they are residing in Calcutta and they are enjoying luxurious life. I will tell you one thing I am shareholder of 37 banks, and I have attended 30 AGMs this year, PSU bank and private bank. Today, even that I have attended three private banks. When you were delivering your speech, I was attending YES Bank and Bandhan Bank AGM and I always worry for the entry and the loan default because this money belongs to the small investor, not for the bank, not of the Government. This money belongs to the small depositor who trust on the bank and give their hard money and life earned money to save deposit for their secured life of their children and some people take the loan for industry and they enjoy the luxurious life. And now, what I will tell you, you allow me for four minutes. They have shares CAs to help them. They divert that loan on the name of their children and on the name of their wife and CA advise them that whatever loan you get, you divert that loan to your children, the bank cannot do anything against your children.

Moderator:

Mr. Gupta, sorry to interrupt. We appreciate your engagement. We have other speaker shareholders.

Dr. Meena Hemchandra:

Do not say individual cases. We have understood your concern about NPAs.

Moderator:

Please wrap up your queries, Sir.

Speaker Shareholder - Shri. Manoj Kumar Gupta:

Now the young generation do not want to carry the cash. They want to carry the debit card and the credit card so kindly spread the wings of ATM near to airports, railway station, metros, hospitals and malls that young generation can withdraw and I strongly support all the resolution with the hope that when we meet next, our share price will be double, and our return will be double. And do not forget us on the festival. We are also part and parcel of the bank. And our smiling face of MD says something will happen in the stock market when we meet next time. We will get our return. The smiling face of the KMP will send the right signal to the stock market. With this, I strongly support all the resolution. Thank you for Company Secretary.

Moderator:

Thank you so much, Mr. Gupta. We will now move to our next speaker shareholder, Mr. Abhishek J. We request all the speaker shareholders to wrap up their queries within three minutes. We have other speaker shareholders waiting in the queue as well. Yes, Mr. Abhishek, please go ahead with your question.

Speaker Shareholder - Shri. Abhishek J:

First of all, I congratulate the management on the eve of 106th Annual General Body Meeting. Sir, our company has completed more than 100 years, century, and our company has been rewarding the shareholders on a consecutive basis. So we are really thankful for the entire Board of directors for their sincere efforts in bringing the bank to this particular extent and rewarding the minority shareholders in large numbers. We are really thankful to the bank for a bonus issue being declared today 1:5 and the bank is also liberal in giving bonus and dividend to the shareholders, so all your hard work has translated into numbers and today we are able to enjoy the fruits. So we are really thankful for a consecutive dividend year on year sir. The EPSP and return on equity are all really excellent sir. So all your hard work has helped us to reach here and what are the steps being taken by the management to reduce the other expenses, legal professional charges, and audit fee. These three issues I just noted down in the balance sheet. These were quite high. So what proactive steps is the management taking to reduce all these three on a consecutive basis? And myself and my team are running a legal firm in the name and style of Seven Wells Associates. I request the management to kindly enroll the firm in the empanelment of the

bank and we'll be glad to extend our services. I put a request last year also, but I have not received any revert back from the management. So I would request you to kindly put me to the team so that I can share my credentials with them. And overall the performance is really excellent and I appreciate the Bank. I would request you to kindly take part on con call, quarterly presentations and meeting with the global investors. So this will help us to grow more and being from a small town, Karur the bank is doing really good job. I appreciate the management and nothing much to ask. In the interest of time, I will end my questions here. I wish the bank and Board of Directors a great success and prosperity in the coming future. And thank you for giving the opportunity. I hope to see you in the hybrid AGM.

Moderator:

Thank you so much Mr. Abhishek. We will now move to our next speaker shareholder number four, Mr. Reddeppa Gundluru. We have sent a prompt on your screen. Please accept. Thank you so much. Now you can unmute your microphone and camera as well. Please go ahead with your question.

Speaker Shareholder - Shri. Gundluru Reddeppa:

Chairman Sir, Karur Vysya Bank. I love Karur Sir why because my friend is staying there. Her name is Lakshmi Sir and my company also giving lakshmi to society and I am a very happy shareholder. First of all, the Chairman and Board of Directors, Company Secretary, scrutinizer, Auditors and my fellow shareholders of this video conference good morning, Namaste, vanakam myself Reddeppa Gundluru attending from Hyderabad. Sir as a shareholder I am very happy and proud about the company's performance. I received the annual report well in advance. Thank you, company Secretary team, for sending me promptly the annual report, wonderful CSR, wonderful governance, high standard governance, transparency is there and integrity is there. Thank you for rewarding the shareholders, especially the concession performance, concession, milestone and awards. I have a few questions about my company performance. I would like to ask. My first question is what is the bank's loan and deposit growth targets in the current financial year? How is my bank improving CASA deposits, low-cost deposits? Third question about the growth promise. Sir, I would like to know which segments, like retail, MSME, corporate, agri are showing the best growth. Which segments are showing the best growth, I would like to know Sir. And second, the question about the asset quality and NPAs. Sir, what is the current level of gross and net NPAs I would like to know. And another one, what steps are being taken to further reduce the NPAs and strengthen asset quality? How much recovery has been made from stressed accounts? Sir I would like to know. Finally, about the digital and technology question, what new digital banking services or fintech partnership we are planning? If anything planned, I would like to know Sir. And how is Karur Vyasa bank ensuring cybersecurity and safe digital transaction for customers. Does the plan have any plan to raise fresh capital to support the growth? Are there any plans to expand branch, ATMs, network in new regions Sir? Sir, I have my friend in Karur Sir, they are running textile business, please expand your support or any loans or interest low loans. I will provide details to Company Secretary and send mail. Lakshmi Narayanan, his name, he is a very hard worker and also giving employment to many, 30-40 members they are giving. He is a very hard worker.

Dr. Meena Hemchandra:

Please don't bring operational. Please write to us.

Speaker Shareholder - Shri. Gundluru Reddeppa:

We support all the resolutions, we have faith on the Board, trust on the Chairman and MD, all the Board of Directors I wish all the best and pray to god to give wisdom and strength, health to entire Board members and family and Company Secretary. Madam, Bank is not providing any complimentary gifts as Diwali greetings. So many times, I have requested Company Secretary. Please provide approval for diary, calendar for speaker shareholders as complimentary.

Moderator:

In the interest of time we request all the speaker shareholders to restrict their queries to three minutes. We will now move to our next speaker shareholder, Jasmeet Singh. Mr. Jasmeet Singh, we have sent a prompt on your screen. Please accept the prompt. We have given you permission to speak right now. Please go ahead.

Speaker Shareholder - Shri. Jasmeet Singh:

Respected Chairperson Dr. Meena ji, Managing Director Ramesh Babu ji, Independent Directors, key managerial personals and co-fellow shareholders. I am Sardar Jasmeet Singh attending this call from Delhi. I appreciate the double-digit growth which the bank has given and I look forward to continuing with the same double-digit growth in the coming years. I acknowledge that what my previous shareholders have spoken that there is nothing much to speak if we refer to the annual report. Yet I have a small question to ask you regarding the say frauds Specifically the online frauds which are taking place if you can kindly provide some key figures that the saving bank account holders of our bank which were impacted during the last financial year vis-a-vis the previous financial year. In this case, what steps are being taken to reduce these frauds? A related question is that while we can limit our say debit limit if we transact online through the portal, do you provide to limit the debit amount if we use the UPI. When we use the UPI can we keep some filter like per day should be 2000 and if it is not there please provide that? I have one observation. I am an account holder and if I need some information then I go to customer care number 18602581916. Now this number is chargeable, which should not be. My humble request is please make this toll free number absolutely without any charge. We are spending so much money on CSR activities and we are contributing to the society but we are charging our account holders for this small issue. I hope you will appreciate. Madam please tell moderator we get once a year the chance to interact you. If it is more than one or two minutes you should accept it. Ramesh Babu spoke for 1 hour and we listened. Please do not interfere in the meeting. Our culture is that we have given good result and you also adjust with us.

Moderator:

Thank you so much, sir. We have our next speaker shareholder, Mr. Bharat Raj Kankanala, who is our number six speaker shareholder. Mr. Bharat Raj, please unmute your microphone and your camera as well.

Speaker Shareholder - Shri. Bharat Raj K:

Very good afternoon, Madam Chairman and Mr. Ramesh, MD of my Bank, very good afternoon and entire Board of Directors and KMPs of my bank. First of all, Chairman, Madam and MD Sir, wonderful Chairman's speech, lot of information is given, in-depth speech, Sir. There are no questions because you studied the annual report. Wonderful Sir, wonderful. Thank you very much. Chairman thanks for the dividend payout and very wonderful CSR programme. Chairman only one question all public sector has stopped minimum balance so when are you starting without minimum balance Madam. So try to encourage no minimum balance that will be very good Madam. And I support all the resolutions Madam. My company secretary department is wonderful Madam. They are always on the process of the link, annual report and they called me and asked you received the annual report. You received the link. This is the corporate governance. This shows how our Chairman and MD are treating my employees. Wonderful Sir. And once again small request Madam all public sector banks for speaker shareholder they are sending the dry fruits, they are sending zonal and regional manager to the house and giving dry fruits. This is nothing but building the relationship with shareholders. I am not saying it is compulsory but if you send your manager to visit we may visit the branch, we may open account the interaction will be there. Dry fruit is not a big issue but the interaction with the shareholder is important So MD sir, Ramesh sir, please tell Hyderabad Regional Manager, our Zonal Manager to visit or we will go and visit them. So the relationship will be built. That is only request Sir. Once again, my best wishes to you. All the best for coming here. Sir next year, please conduct hybrid mode Sir, so that we can come and meet you personally Sir. It is a festival, sir. So do not ignore the festival, Sir. Thank you. God bless you all. Take care. I am Bharat Raj signing off from Hyderabad.

Moderator:

Thank you so much Mr. Bharat Raj. We have our next speaker shareholder, Mr. Gautam Nandy. Please go ahead, Sir.

Speaker Shareholder - Shri. Gautam Nandy:

Very good noon. Namaskar. Respected Chairman, Board of Directors, my online fellow shareholders, myself Gautam Nandy from Kolkata, very old equity shareholder of the bank. I would like to give thanks to your secretarial department for sending me annual report along with notice and necessary joining link through email early in advance. I have also received the hard copy as requested for. So thanks to our secretary and the whole team of your secretary and department for rendering good services to our minority shareholders. Madam, you are organizing your Annual General Meeting through video conference. And I find it is a grand success like the previous year. Madam, I am very pleased to receive your wonderful annual report, which is very, very attractive and also very informative. And I find very good performance in every segment, even in this

challenging year. Madam, your CSR is also very, very good. So please keep it up. Respected MD Sir, your speech was very, very informative and also very encouraging. So thanks again. Sir I am very pleased to receive your good dividend Rs.2.60 per share. I must appreciate it. Madam you have covered all about the bank so no query from my side only one or two questions. I would like to share Madam Are you going to open any new branch in West Bengal as well as at Kolkata in near future? Madam, definitely you have adopted AI technology in our bank. If so, how this technology is helping our bank for further modernization? Madam, please continue this VC meeting in future as we may able to join from anywhere, Madam. I am very happy and very proud to be a shareholder of your bank. I have full trust with our strong management like you. And so, along with my family, wholeheartedly support your all resolutions, which we have already casted through our e-Voting. Madam, looking forward with a positive outlook towards our bank with higher profit margin, handsome dividend and return. May God bless you madam. Stay safe, stay healthy.

Moderator:

Thank you, Sir. We will move to our next speaker shareholder number 8, Mr. Sekar K V. Mr. Sekar K V, we have sent a prompt on your screen, please accept that. we will wait for the connection from Mr. Sekar. Yes. now, can you unmute your microphone & camera. Please unmute your microphone. Mr. Sekar please unmute your camera & your microphone as well. It seems there is an connection issue. We will move to our next shareholder number 9, Sreehari Nair. Mr. Nair, please accept the prompt that is sent on your screen. Yes. Now you can unmute both your connections, your microphone and your camera, please. Yes Mr. Nair, please go ahead.

Speaker Shareholder - Shri. Sreehari Nair:

At the outset would like to thank the company secretary team and the management for having given me an opportunity to speak on this occasion. I would like to take this opportunity to congratulate the management on the excellent results that they have given over the past year. I have always found the bank logo to be in tune with times, especially the current one, which is quite visible in the pamphlets and the general vibe of the branch as well. My query basically is regarding the agency that created the logo and advertising campaigns handled by the branch, handled by the bank. So kindly inform the agency that created the logo and the agency that is handling the campaign of the bank over the year. I once again wish all KVB's good luck for the coming year. Thank you for giving me an opportunity to speak at this AGM. Thank you, Madam. Thank you sir. Thank you so much.

Moderator:

Thank you, Sir. We will try to move back with our previous speaker shareholder who was not able to speak, Mr. Sekar KV. Mr. Sekar, we have given you permission to speak. Can you unmute your microphone? We will wait for the connection from Mr. Sekar K V once. Can you unmute your microphone now?. Yes Sir. Please go ahead.

Speaker Shareholder - Shri. K. V. Sekar:

Good afternoon to all. I am K. V. Sekar, shareholder from Chennai. I appreciate the management bank has shown the progressive result compared with the previous year and overall growth in all areas except a few. I also thank the management for enhanced dividend and consider bonus issue. With regard to the dividend, I expected that 0.5% but I saw only 0.30% compared with the previous year. It is increased. As an investor, my duty is to point out where it is to be improved on the lack I observed. Bank has shown 14% growth in overall business, so bank is not crossing even 15% compared with the peer group. I expected bank would achieve the total business of at least 2 lakh Crores, but it s not crossed 1,86,000 Crores. I hope this financial year will cross 2 lakhs Crores. No improvement in corporate advances. Reported that gross NPA level is below 150 basis point but net NPA is below 1%. Then why your provision coverage is more 96.81%. With regard to the general transfer, there is a transfer of depreciation and investment reserve 58.05 Crores, transfer of investment reserve 202 Crores, profit on sale of land, building and other as a reported at Rs. 3.32, but the details of version not furnished and whether it was carried out or published in the same. Net profit in exchange transactions are very meager. Rs. 32.54 Crores through treasury was shifted to Mumbai to improve the business, but there is no improvement. With regard to human capital, you appreciate the entire thing, but in my observation, practically it has not happened. After seeing the dharna of the officers with the Board carrying we are not slaves due to the image of the bank spoiled and immediately share value came down to nearly about Rs.10 to 15. Not invited the staff members for 119th celebration recently held at Karur that is you have celebrated the occasion without the childrens. Not considered IBA settlement for extending certain facilities to retirees, though several letters and memos have been submitted to your office, even management does not have courtesy to reply and consider the request. Earlier, KVB was the first bank introduced to all the settlements. Now, this bank is least bothered about the benefits to the retiree employees. You also, I heard that you also elected as honorary secretary for private banks, but you yourself do not implemented that the same to the retirees. The extension of the liability of the bank will not be more; two executive salary will not be more than that. Yourself ED and the Chairman are enjoying all the retiree benefits from your existing bank.

Moderator:

Mr. Sekar, sorry to interrupt. We have completed the time frame that we have given.

Speaker Shareholder - Shri. K. V. Sekar:

Sorry for the interpretation. Last time also the same problem has happened. See, as per the company's law, as per the ICSI guidelines, there is no fixation on the time. Already wrote the Company Secretary, he has given, I asked for the details also. Every time or whenever I am going against the bank, you are disconnecting it. This is not a fair on the management. As per the SEBI guidelines, you have to give an opportunity. I am not an opposition party to curtile my speech. So you have to provide the opportunity to the investor. Do not curtile the time for that frame for fixing for the time. Because this is an opportunity to the investor to speak on only one occasion, only in a year.

Dr. Meena Hemchandra:

Please continue Mr. Sekar K V, Please use the time to finish what you are saying.

Speaker Shareholder - Shri. K. V. Sekar:

Without basement you cannot build a huge sector. So prime importance should be given to the bottom line, otherwise structure will collapse soon. I appreciate the management for considering the internal promotion of executives to the top post. At the promotion, bank should consider integrity and their characters. In the annual report, already one POSCO case is reported. Earlier I asked whether bank is for the people or people for the bank. Till date I could not get a reply. Why I am asking? If the department is functioning at one place and yet with huge results sitting in another place. For example, my difference in DA Bill was sanctioned after 3 to 4 months after repeated follow. Your department said that yet it is not available in station. Bank is not continuing in some areas, not grooming the lower levels. Why retired people are continuing in some post for the past 4 to 5 years. This shows there is no planning in HR. Earlier, I asked about NEO and Metal Division performance.

Dr. Meena Hemchandra:

You have more to say it is almost four and half minutes, then I suggest you are free to write to us.

Speaker Shareholder - Shri. K. V. Sekar:

Last year Madam you suggested like that, I wrote a letter to your address.

Dr. Meena Hemchandra:

I know we have replied.

Speaker Shareholder - Shri. K. V. Sekar:

No, 50% only you replied, the remaining 50% is not replied. Okay, the remaining thing is your Section 197 reporting so many anomalies are observed. Auditor is not issued a certificate whether managerial remuneration exceeds 11% of the net profit.

Moderator:

Mr. Sekar, sorry about that, we are not able to hear you. Chairperson, we had Number 10 Smt. Jeyalakshmi. S who have registered. However she has not joined the meeting. Hence, We will take that as the last question. I will now hand it over back to the management for further proceedings.

Dr. Meena Hemchandra:

Thank you, shareholders. We truly appreciate your continued interest and strong association with the bank. Your feedback is certainly valued, and management will

consider your suggestions and assess their feasibility in the best interest of the bank. Please stay connected. We will resume in 10 minutes. MD and CEO will respond to your queries, please. Kindly bear with us for 10 minutes while we consolidate answers for some of your raised queries. We will get back to you in exactly 10 minutes. Thank you.

Moderator:

Over to you chairperson. Chairperson, please unmute your microphone.

Dr. Meena Hemchandra:

Thank you, shareholders, for your patience. Before I request MD and CEO to respond on the queries, Company Secretary would announce certain general instructions regarding e-Voting

Shri. Srinivasa Maddirala:

Thank you, Chairperson. Pursuant to the provisions of Section 108 of the Companies Act 2013 and Regulation 44 of SEBI, LODR Regulations 2015, bank offered remote e-Voting facility to the members through NSDL e-Voting platform from August 17, 2025, to August 20, 2025. The said remote e-Voting was closed at 5 p.m. yesterday. So, members who have not voted through remote e-Voting may cast their votes until the 15 minutes from the conclusion of this meeting. Sri R. K. Bapulal, senior partner of M/s. Bapulal Yasar and Associates, Madurai, practicing company secretaries, has been appointed as scrutinizer for the e-Voting process. In terms of the SEBI LODR Regulations 2015, the voting results will be announced within two working days, and the results will be disseminated in the stock exchanges and banks website. Thank you. Over to chairperson.

Dr. Meena Hemchandra:

I now request the MD & CEO to respond to the clarification sought by the shareholders.

Shri. Ramesh Babu:

First of all, a profound thanks to all the shareholders for taking out their time on a working day and for going through our annual report and patiently hearing the speech of chairperson and me and for giving us good suggestions for the improvement of the bank that itself shows you are our well-wisher. So I will go one by one. So first of all, if I look at Santosh Kumar Saraf ji. So, thank you Saraf ji for the appreciation for the good result. And you were also mentioning about the low interest on FD, other products, what all we can bring. I agree, so, mutual funds are attractive. That is the reason money has come. So, it is not only for us, it is for the whole banking system actually this problem is there. So, that way if we look at it, so what we have done at our Bank is so rather than the normal deposit rates for the various buckets. So, we have gone for the special schemes. So, we have brought over the 333 days, 444 days. Likewise, we have given those days and we have given higher rates for that. If we can look at the inflow of the time deposits now, more or less 25% of the deposits are coming into the triple 4, that is 444 days bucket. So, we are trying to give a higher rate to take care of this. Likewise, we are taking care of the senior citizens also. So, this is what we are trying to do for that. Coming to the Northern

India, what you have mentioned Northeast. So, we have noted that one. Coming to technology part, what you have mentioned. First of all, you appreciated our balance sheet annual report. We have provided our full stack on what we are doing in the technology front in the page 28 and 29 of our annual report. What we are spending, what is the outlook also we have mentioned there. But whatever it is, just for the sake of repetition, I will just mention it. Particularly on the AI and ML front, you were mentioning we had to use it. Absolutely correct, because that is the future, so what we have done is, one is a jewel loan scanning. Jewel loans, what all we scan, what all we take, and we give the loans and all, the system actually, we will scan them and we will put them in a system. Suppose if someone has given any gold coins or something, an ornament, which should not be accepted. We have an AI model centralized variant it is read that, it will throw out, we should not be taken so that is first thing. Second thing is we have built propensity models for the marketing, like time deposit opening. These people are good for opening time deposits, if we know it straightaway, we can approach them, the conversion will be much, much easier for us. Likewise jewel loans, SME loans, that is MSME loans whoever wants it, so delight installation. Our app what all is there you would have seen that most convenient app and Google rating is also more or less 4.6 is there for that so which are the profiled people who will go for this we are using AI and ML for this sort of a thing. So likewise, propensity model built for risk. Our risk department is also profusely using the AI and ML that are trying to do that. First thing what we did is working capital customers and retail customers, whoever are there, we are trying to identify the early warning signals. Through these early warning signals, where the account can go bad and what corrective measures we need to take with the borrowers, all these things we are using the technology to know in advance and to avoid a catastrophe there. So we have created scorecards also. While on-boarding the customer, what is the score so that also we are using technology profusely. Likewise, collections predictions also. These accounts where we need to give a preference for the collection to keep your stress levels low. So we have been profusely using this technology, which is helping us a lot. Above all we have an AI powered chatbot. If you can go to our website we can look at it, we gave that name as a KAARU so for responding queries of our customers, it is one of the finest chatbot you can experience that one, what we are looking from the AI and ML is to improve the customer service, operational efficiency, risk and fraud control and revenue generation. This is our main aim. So we have noted your suggestion, and in future also what we need to do, we will do that. Thank you very much.

Coming to Mr. Manoj Kumar Gupta, thank you very much again, sir, for the good words and you were talking about the recoveries and efforts and NPA. So what we did is we have strengthened our NPA vertical few years back and so earlier the focus used to be the branches other verticals were doing that will not work that way and this focused vertical started working on that. Last year some more developments also were there. The legal now it is spread too thin and many of the locations they do it. We have centralized the legal, we have created a centralized legal administration team. So through that all the accounts where we need to go for this sort of a SARFAESI, possession, physical possession, we have centralized it. So that way I can say that more or less within a span of one year, we are able to take physical possession which was taking earlier two to three years. So once we take the physical possession automatically disposal will become easier for us and the borrowers also come forward for the settlement. So that is one we have done and second thing we also created in the bank asset disposal teams. The physical position what all we have got, how to dispose of these assets. On that also, we have worked a lot and

two more disposal teams have been created. So that way, this area of NPA recovery continuously gets our attention so that it is the money of ours we need to get back. Thank you very much. You would have seen that the efforts made by us, how it has resulted. Our gross net performing assets if you look at it, it is 0.76 as at the end of March, which is the lowest in the banking industry. No other bank, all banks are above 1%, ours is the only bank with below 1%. So the efforts made in various directions, various initiatives all these have culminated into this number likewise our net NPA is also 0.2 so we wanted to maintain below 1% that is what I indicated in my speech also. So coming to your point on the ATMs near airport we will examine that because our experience what it has shown over a period of time is, the cash usage has come down from the people because of the usage of the technology, digital, UPI. With these things, many other current ATMs itself the utilization and usage has come down, but your suggestion is noted what best we can do, we will look into that one. Coming to Mr. J Abhishek. So reduce the other expenses you have mentioned it. Expenses if you look at it they have not grown disproportionately, when it is a growing organization you must spend some certain expenses, otherwise what will happen, the growth will be stunted. So there are two types of expenses what you have mentioned. One is the legal expenses and second thing is other expenses. Legal expenses, we must spend on that it may be forming 1% of our recovery, but that 1% if you do not spend 99% will not be able to get that. So rather than expenses, we need to treat it as an investment without which we will not be able to get back our money. Second thing, coming to the other expenses what you said. We have done a comprehensive cost optimization initiative focused on operational efficiency and aligning our expenses with the business scalability. So, you would have seen the business numbers, how it has grown. So the feet on street need to grow up. What you need to pay also grow. All these things, if you do not pay, so naturally our growth also may not be that effective. So key measures, what we have taken for the expenses control is manpower rationalization. Likewise, the productivity, how we need to improve, we have been seeing that one. Vendor consolidation we are doing. Digital process automations and tighter cost controls across operating areas. So that way, what we want to do is, these efforts all we wish to create a leaner and more agile organization in the whole process to improve our return on asset and support sustainable bottom line growth despite margin pressures. So one suggestion from my side is, suppose instead of looking at the expenses on a standalone basis, what we need to look at is the return on asset. The expenses what we have incurred if we have got the yield and its improvement or maintaining the return on assets, that expenses is considered to be good expense, not a bad expense. So that is what.

Coming to Mr. Reddeppa Gundluru. Annual report in time, you have got it and all you are satisfied with the report. Thank you for that. And you also compliment about the governance and the transparency with which the bank is operating. We assure you that we will continue the same because we are working here on behalf of all of you. What is happening if we do not tell you, the purpose of our existence here is waste. Coming to the loan and deposit targets of 2025-26. So, here the model has changed now for the banking system. Earlier we were getting the deposit based on that we were scouting for the loans. Now, the deposit is a scarce commodity as far as any bank is concerned particularly a low cost deposit is concerned, so that is the reason when we look at it, getting time deposits continuously and lending based on that may not be a worthwhile exercise. So that is the reason the combination of CASA and time deposits, how we need to manage, that is a challenge for any bank nowadays. What we have given the guidance is, the mark this year, industry how it grows, we wanted to be above the industry, ahead of the industry. So what

we thought is loans we will be 2% over and above the average industry growth. Because we need to maintain a CD ratio, credit deposit ratio of 85%, what all deposits are required, accordingly we will look at it, we will fix our deposit target, so that way these two will go hand in hand.

Coming to the CASA. CASA if you can look at it, so it has come down for us but the whole industry it is down. The reasons are many, the spending may have gone up or the other alternative avenues have gone up for the people. With all these things, the earlier CA and SA is not there. But if you look at the current trend for the last three months, slowly we started getting money back into the savings bank account. Maybe it may take another one year to get back to the normalcy. Once it comes up, we may be able to improve our CASA along with every other. But as KVB the efforts what we have made is all along branch channel only was generating the CASA, now, two years back, we have created a sales channel, that is a feet on street channel, wherein these people also who have the expertise in various banks, we have got a team of 1,200 people with the different segments like a corporate salary package, institutional, NRE likewise. So these people they will be mobilizing the deposits, they will be hunting and they will be more or less engaging with these customers and the farming that is after six months these accounts will be coming to the branches and all. Branches will do rest of the deepening and they will increase the relationship. This is what we have done that. It started showing the results, but it is yet to stabilize. Coming to segments best growth. Our segments, what we have mentioned clearly is the RAM segment I have mentioned in my speech, the retail, MSME and agriculture, these three will be our focus areas. Out of that the MSME, the commercial banking what we call currently at 36% is there. That would be our focus area. The reason being it is having a collateral and pricing is there and the bank is there from 1916 in this business. That is why this is in the DNA of the bank. Now asset quality is concerned. We have a pristine asset quality, now you would have seen in the earlier speaker's question answer I was answering, so we are at 0.76% at the end of March and our intention is to continue one of the asset good qualities. If you look at our presentation also, we always disclose our SMA that is Special Mention Accounts which can become NPA over a period of time. So rather than focusing on the NPA control we started focusing on SMA control. So stitch in time saves nine is the principle we have followed, and we have brought it down. The SMA itself is hovering around 0.5 which used to be 3 to 3.5 at a point of time. So that way we would like to have a tighter control on the asset quality by managing and maintaining the quality of the SMA. NPAs further reduction we are continuously on the job. If you can recollect, if you can see our balance sheet and annual report also, our recoveries from the return of accounts which used to be in the double digit and this year it is Rs.600 odd Crores and last year the same number is Rs.300 plus Crores, so that way every year if you look at it our focus is going more on that with the additional initiatives what we have taken like legal centralized team and asset disposal team so this will gain further momentum in the years to come. So the digital what you have mentioned we are one of the front runners as far as the digital is concerned our loan origination system what all is there which we started in 2018-2019 so we are ahead of many of our peers there. If you look at our investor presentation which is uploaded in our website, page 37 will show you, the partnership with whom we have entered huge number of partnerships we have entered despite that the entire journey is seamless. So coming to the cyber security. I have covered a part in my initial address, but just for the sake of clarity, I will just repeat it once again. We have deployed comprehensive security architecture, tightly coupling our data loss prevention solution with data classification, antivirus, extended detection and

response and strong encryption mechanism. The digital rights management solution implemented recently strengthens data-centric security posture of our bank. Continuous vulnerability management program and 24/7 SOC monitoring activity in our bank helps to protect the data against emerging threats. We ensure compliance with all applicable regulatory guidelines and have taken extreme care in implementing all the best security practices. Our IT infra is ISO 27001:2022 certified and multi-layered security architecture implemented that fortifies and ensures protection of financial data. So now coming to new regions, you mentioned about expansion. Yes, expansion is always in our mind. I also mentioned about the branch expansion plan of this year. So there are many new districts which have come up in the south and where your presence may be required, getting the results here may be relatively faster because people know the brand and automatically the footfall will be there and next preference we are going for the best and these two first of all we want to saturate and after that we move to the north and that way we will proceed. So, capital whether needed or not. You would have seen our capital adequacy ratio. So, which we are much, much more than what is required there and all, so when capital is actually not required we should not raise the capital because it may get misused. So current capital internal generation what all is coming that will take care of our requirements that is the reason next one or two years we may not require capital and this one very efficiently we want to use it by actively managing our risk-weighted assets.

Coming to Mr. Jasmeet Singh, Annual report is good and all. Thank you for the compliment there and all. You were mentioning about the online frauds. Yes, I truly agree with you. Online frauds have been increasing and last year if I look at it the total number of frauds which have been reported by us to Reserve Bank of India on account of the digital online is 21,365. So, this is much higher than the before last year. But when we go for the root cause analysis of all these frauds. Many times these fraudsters are making many senior citizens and others to believe and gullible people they are using them and so their OTPs and all they are using so but we have created internally within the bank, enterprise fraud risk management under that if beyond a cut off some transaction is happening or we will look at the profile of the customer these nature of transaction do not fit into the profile of this particular customer so naturally immediately we are giving a ring to caution them saying that to be careful and not to resort to this sort of a fraud and that is continuing that way which needs to be further stabilized we are on the job. Recently, we have also under CSR initiative, we started another program in Tiruchirappalli. There, we are promoting this cyber security initiative. So in a grand way we are going, it can be displaced everywhere on the bus, markets, bus shelters, schools, colleges, senior citizens, education, everywhere. Our intention is including the housewives we want to create an awareness. If they can save the money we will be the happiest banker for that. Now coming to the toll free. Toll free what you mentioned chargeable. We have noted down that one and all we will get it examined. Next is UPI filters. You have mentioned like card control. We have the sort of a card control is there for the credit card and debit card which is with us whereas UPI is a mechanism which we need to work with NPCI. It is not totally internal but your suggestion is a good suggestion. We will take up with NPCI and others also. What needs to be done for that, we will work on that.

Coming to Mr. Bharat Raj. Minimum balance analysis. So that is the point you have suggested there and all. We will work on that as it is our minimum balance is pretty small actually. So that situation of people not maintaining that much of a minimum balance is not coming up much for us. But whatever it is now that you have suggested, we will re-

examine that once again. We also mentioned about the timely receipt of annual report, this compliment will take it well and all, the same trend, tempo will continue in the coming years also.

Now Mr. Goutam Nandy. The same thing about annual report and company secretary, they have mentioned it. Thank you very much for that. New branches in the West Bengal. West Bengal already we have a presence. It is not that we do not have a presence there. We have 14 branches are already there in West Bengal, particularly Calcutta also we have branches. Orissa also we have five branches. So we will look at it. Wherever the possibility is there, opportunity is there, where the bank and make business which can grow and make profit, we will work on that. Thank you for your suggestion. You mentioned about online AGM to continue so you people can participate that we keep in mind. Thank you very much.

Coming to Mr. Sekar. Thank you very much Mr. Sekar for the compliments for the good results and dividend improvement you were mentioning. So that is why in my speech originally I have mentioned clearly, 3 to 4 years back the dividend what we have paid was less than Rs. 40 Crores. Now it is Rs. 193 Crores. That itself shows there is an increase of 400% has come up. Now coming to the dividend payment. The money what all we are earning partially if you plough back and retain with the bank that will be useful for the growth. And earlier AGMs also I was mentioning about a point. If we declare a higher dividend and give it to them we have to deduct the tax and we need to give it back. Now later if you require the money, you are the shareholder, you are the owner of bank, we need to come back to you only and we cannot go elsewhere. Once we come back to you, again you will have to give the money to us in the whole process, there is a loss to our shareholder to the extent of 20, 30, 40 whatever may be the tax bracket is there, so we have to balance this and not only that suppose even if not a rights issue we have to write a QIP or somewhere else also that also involves cost, so rather than leaving our money first and later again spending money for raising money, that may not be a correct way of raising money. That is the reason what we thought is the days may not be like this always. We always need to keep in mind the future and rainy days can be there. So that is the reason we felt saying that we need to maintain a decent capital adequacy ratio to take care of any future eventualities. But your point is well taken that we are with the retail investors particularly that is the reason year-on-year we have increased and we have declared this year the bonus shares as well as a good dividend too. Now the total business growth you are mentioning about Rs.2 lakh Crores. Now while I appreciate that we need to have those sort of aspirations but we also need to keep in mind if you are driving very rash and the industry is not growing at that rate you want to be double the speed of the industry it can land into accidents and disasters. We have passed through many such accidents and disasters. We cannot afford to pass through those sorts of catastrophes again and again. So that is why in a calibrated way, we need to move forward. And are we ahead of the industry? And are we growing better than industry? And the growth we are getting, is it safe? The portfolio is going to have us, management as well as the Board and shareholders to have a peaceful sleep. That is the way we need to grow rather than the top line growing rashly is very easy by we just open the flood gates. Reaching two lakhs is not a great thing. There is another point also you need to keep in mind. Our unsecured loans is at 2.22%, which is one of the lowest in the industry and many of the banks where the unsecured loans are more they need to face the problem of asset quality and what all we have earned hard if we are spending money for providing for the asset

quality, the purpose of our whole legwork will go waste. So that is the reason that we have kept in mind, but you also mentioned that during this year we will be crossing the Rs.2 lakh Crores. We have kept in mind, we are working towards that to cross that benchmark and magic figure this year, but in a safer way. And coming to corporate advances, there is a negative growth. So there is a logic for that. It is a tactical decision taken by the bank two years back. When the inflow of deposits has come down and that too it is coming from the timed deposits and the rate of interest is high, naturally the cost of deposit has gone up. If you go for a corporate, the margins have come down drastically. If a bank cannot have any retail portfolio like retail, agriculture and MSME where the yields are relatively better, granularized, collateralized, if they cannot do that, they need to go for the top line growth of corporate because they cannot lend in this sector. Luckily, your bank is capable of handling that. We have created that strength in the organization, whole team is well ahead in this. That is the reason you can see the commercial has grown by 21% last year and overall return has grown by 20%. Here, the yield over the corporate is 1% more than the yield and here entire book is collateralized, whereas under corporate it is not so. Keeping all these things in mind, the risk reward and the future of the bank, consciously the money what all has to go to the corporate we have diverted towards the retail which is helping the bank in maintaining the ROI of 1.5 to 1.6. Coming to PCR, PCR if you can look at it, we are one of the best banks in the country with 96% PCR. So, there is no point in maintaining 100% PCR. If you maintain a 100% PCR, indirectly what we are saying is your net NPA is zero. Our net NPA is currently at 0.2 June quarter, if you have seen that it is 0.19, which is again one of the lowest in the industry and 96% PCR is quite acceptable that way. So, we will manage that one. Wherever requirement is there, we will take care of that and investment reserve, you were telling something about that. In fact, of the speed with which you are mentioning, I think the same point you have mentioned last year also, we have provided a clarification for that. If you are still not satisfied with the clarification provided, you feel free to send that mail to us. We will provide a clarification separately to you. Now coming to the staff, 197 anomalies also you are mentioning. I just want to clarify that point. We have already clarified to you by email but still that point has been flagged. That is the reason I need to reiterate that section 35B(2A) of the Banking Regulation Act refers to section 198 of the Companies Act 1956, which is Section 197 of the Companies Act 2013. Accordingly, the requirements of provisions are not applicable. If you feel further clarification is required, you are free to approach us and we will be much happy to clarify the position to us. And you have mentioned about the metal division. I have mentioned there in my speech, because metal division, it is an experiment made by the bank and it was not written as lucrative. So that is the reason the Board has taken a call during the year to bring it down. Accordingly, the outstanding which used to be Rs.676 Crores has come down to Rs.41 Crores as at the end of March we are on that particular job. So that is the reason when it will be over a period of time, progressively it will be winded up that is what about the metal division. Now coming to other parts like you are mentioning about few staff related issues which are operational in nature. I also wanted to tell you about you are mentioning about some sort of a retire age, sort of a thing I just want to tell you few things, so these are all operational issues. The Board has enough confidence on the management because the micromanagement Board never does, they have given the operational flexibility to us. When you are in the field, you need to manage and we also never want to load the Board with the operations things, Board also derives entire authority from the shareholders. In turn, they have passed on to us. So what we are trying to do is a simple thing. We are trying to push the organization towards a performance-oriented culture. Whoever is performing well, they will be rewarded in the

organization. It can be a promotion, or a transfer, or anything else. Even the incentives what he is getting, everything we have linked to the performance. There is only one principle we have put in the bank, perform or perish. When the good things are being shared by everyone, the pain also has to be shared that we have been propagating everywhere. In the whole process, actually few of them when actually they are unable to deliver, we are trying to provide them also support, handholding, performance improvement plan also we are placing on them so that overall they need to get the value what they are supposed to provide and bank also should get the benefit of it. So these numbers what all are there are quite visible. The business per employee, which has been moving up, last year we have taken 2000 people into the bank and despite that the business per employee has moved up from 18 to 18.91. Ideally with this additional accretion, the business per employee should come down but even then when it has gone up which implies without taking these 2000 employees it would have gone further. So that way if you look at it there can be these sort of issues here and there in the organization when in a family these things are there we had to resolve it, we are on the job. So my one more request is, this is the management which has brought the bank from troubled waters to the safe harbour and all of you have seen that, so board has enough trust on the management, shareholders also earnestly request all the shareholder to have trust on the management and the management, this sort of a micromanagement, they can do it. When overall the balance sheet level, when the management is able to manage well, this sort of a micromanagement, management is equally capable of doing that. This is an assurance on behalf of the whole management. As a Managing Director, I am giving it to you. These sort of frivolous issues, please leave it to us. We will hand it at our end.

Coming to Mr. Sreehari Nair. Banks logo and this sort of a thing and all you have praised us thank you very much and further refinement anything what all we need to do, we will work on that, thank you very much and once again thank you all for the interest what you have shown in the bank and each suggestion what we have given, we will treat it as a blessing. For the improvement of the Bank you have given it to us, we will take it quite seriously and we will work much more hard. Thank you very much.

Dr. Meena Hemchandra:

Thank you, Ramesh Babu sir for a very detailed and almost all points you have covered. Now I request Shri R. Ram Kumar, Non-Executive, Non-Independent Director of the Bank to propose vote of thanks.

Shri. Ramesh Babu:

I forgot, sorry, it is unfair on my part not to mention. Shri K. Palaniappan and Shri J Abhishek, they have sent their questions through email before the AGM. We have sent their response through mail. So, thank you very much to both of you for the detailed questions what you have sent and the responses we have sent. Thank you very much.

Dr. Meena Hemchandra:

Thank you. Mr. Ram Kumar Sir.

Shri. Ram Kumar:

Dear shareholders, respected Chairperson, members of the Board, ladies and gentlemen. On behalf of the Board of Directors, it is my privilege and honour to extend a heartfelt word of thanks at the conclusion of this annual general meeting, a meeting that has been both insightful and inspiring. First and foremost, I express a deep gratitude to our valued shareholders. Your presence here today virtually and your active engagement in the proceedings reflect your trust, confidence and commitment towards the growth and governance of our bank. Your questions, suggestions and constructive feedback enrich our vision and strengthen resolve to deliver sustainable value. I would like to take a moment to convey my thanks to our chairperson for her dynamic opening address today. Madam, the clarity which you outlined our goals, transparency in addressing challenges and the passion for sustainable growth have truly set the tone for our journey ahead. I thank you for your able hands in smoothly steering the meeting. I am grateful to our MD and CEO for his truly inspiring address with clear vision, strategic insights and unwavering commitment in the path ahead. Sir, your keen interest in taking up the shareholders' queries and the wholeheartedness to clarify the same is really inspiring. I thank you for your exemplary leadership and the motivation you continue to instill in all of us. I thank my colleagues in the Board for their collective wisdom, insights, diligence and commitment for upholding the highest standards of governance, compliance and ethical conduct. Your contributions have been instrumental in shaping our policies and strategies. I wholeheartedly thank our senior management team and our employees for their hard work, adaptability and customer-first approach, which enabled us to achieve strong operational and financial performance and also in enhancing service quality and ensuring regulatory compliance. Above all, I remember with gratitude and thank our founding fathers and architects of this institution Shri M A Venkatarama Chettiar and Shri Athi Krishna Chettiar for their foresight and dedication in building this enduring organization. I also thank the former directors and past senior management of the bank for shaping up this institution as what it is now. I thank our statutory auditors M/s. Kalyaniwala & Mistry LLP and M/s. Varma & Varma and also thank our Secretarial Auditors M/s S.A.E. & Associates LLP and scrutinizer of this Annual General Meeting M/s. Bapulal, Yasar & Co. It is my duty to extend our gratitude for the continued support of all the customers of the bank. I express my sincere gratitude to our shareholders for their unstinted support. I take this opportunity to thank Reserve Bank of India, Securities Exchange Board of India, Central and State Governments, MCA, NSE, BSE, Depositories, other regulators and business partners for their valuable support. I also thank the representatives of corporates, FIIs, mutual funds, insurance companies and other stakeholders. My special thanks and appreciation to the organizing team and the technical staff for the organizing, the meeting, media and all service providers including NSDL, VC Now for providing this technological platform. As we conclude, I reaffirm our commitment to creating long-term value, embracing sustainable and inclusive growth and upholding the principles of transparency and accountability. With your continued support, we are confident of building an even stronger and more resilient bank in the years ahead. Thank you once again for your presence and participation. We look forward to meeting you in the next AGM with even greater achievements to share. Thank you.

Dr. Meena Hemchandra:

Thank you very much Mr. Ram Kumar. In conclusion, before we finally conclude, MD has requested to make one small announcement.

Shri. Ramesh Babu:

Thank you, Madam. Few of the investors, they were mentioning about engaging with shareholders by the bank so that has given us a thought. They will try to bring out is savings bank account, with better features for the shareholders, so that at least that engagement will be there forever continuously happening and all, we will work on that and we will go back to the Board. Thank you very much.

Dr. Meena Hemchandra:

Thank you, MD Sir. So now as already mentioned, I request the members who have not voted already through remote e-Voting may cast their votes in the NSDL platform. E-voting facility at the AGM will be available up to 15 minutes from the conclusion of this meeting. Now, kindly rise for the national anthem, please.

[National Anthem]

I declare the 106th Annual General Meeting of the Bank concluded.