THE KARUR VYSYA BANK LIMITED

Transcript of the 107th Annual General Meeting held on Wednesday, 05th August 2026

Board of Directors Present:		
S. NO	**NAME (SARVASHRI)**	**DESIGNATION**
1.	Dr Meena Hemchandra	Independent (Part-time) Chairperson
2.	B Ramesh Babu	Managing Director and Chief Executive Officer
3.	B Sankar	Executive Director
4.	Dr Harshavardhan R	Independent Director
5.	Murali Ramaswami	Independent Director
6.	CA Dr Chinnasamy Ganesan	Independent Director
7.	R Vidhya Shankar	Independent Director
8.	Srimathy Sridhar	Independent Director
9.	Dr. Mythili Vutukuru	Independent Director
Key Managerial Personnels / Management Present:		
10.	Chandrasekaran M S	Chief Operating Officer
11.	R Ramshankar	Chief Financial Officer
12.	Dr. Ravikumar Sadhana	Head, Corporate & Commercial Banking
13.	Srinivasarao Maddirala	Company Secretary
Statutory Auditors Present:		
14.	Anil Kulkarni	Senior Partner, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai
15.	Sushant Lahoti	Partner, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai
16.	Radhesh Bhat	Senior Partner, M/s. Varma & Varma, Chartered Accountants, Kochi
Secretarial Auditor Present:		
17.	Sri Vidhya Kumar	Partner, M/s. S.A.E & Associates LLP, Company Secretaries,
Scrutinizer Present:		
18.	R K Bapulal	Senior Partner, M/s. Bapulal Yasar & Associates, Scrutinizer

Moderator: Ladies and gentlemen, good morning. Welcome to the Karur Vysya Bank Limited Annual General Meeting. I now hand over the proceedings to the Chairperson.

Meena Hemchandra: Good morning everyone. I am Meena Hemchandra, Chairperson of the Bank and it is my privilege and honour on behalf of the Board of Directors to welcome you all to the 107th Annual General Meeting of the Karur Vysya Bank Limited. I am attending this Annual General Meeting from the Auditorium of the Bank's Registered and Central Office at Karur, along with my esteemed colleagues of the Board. We sincerely appreciate your presence today and thank you for your continued trust, confidence and support in the Bank's journey. In compliance with the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, the bank is conducting the Annual General Meeting through video conferencing and other audio-visual means. This virtual format enables seamless participation from shareholders from across different locations while ensuring greater convenience, accessibility and engagement. Pursuant to the circulars issued by the Ministry of Corporate Affairs and in accordance with Section 103 of the Companies Act 2013, Company Secretary has confirmed that the requisite quorum is present through video conferencing and other audio-visual means. I now call the meeting to order. Seeking the blessings of Goddess Gayatri and remembering our founders, visionary founders, Shri. M. A. Venkatarama Chettiar and Shri. Athi Krishna Chettiar, we shall commence the proceedings of the 107th Annual General Meeting with an invocation. I invite Ms. Lakshmi Priya to render the invocation.

Thank you. Before we proceed further, it gives me great pleasure to introduce my fellow directors attending this Annual General Meeting of the Bank from the Auditorium of the Registered and Central Office, Karur. Shri. Ramesh Babu, Managing Director and CEO of the bank.

Ramesh Babu: Thank you Mam. Good morning to everyone. I am B. Ramesh Babu, Managing Director and Chief Executive Officer at Karur Vysya Bank Limited and Chairman of the Management Committee of the Board, CSR and ESG Committee and Review Committee for Wilful Defaulters and Large Defaulters. It gives me great pleasure to welcome you all to the 107th Annual General Meeting of the Bank. Thank you.

Meena Hemchandra: Thank you. B. Sankar.

B. Sankar: Good morning, everyone. I am B. Sankar, Executive Director of the Karur Vysya Bank Limited. Thank you.

Meena Hemchandra: Thank you. Dr. Harshavardhan.

Dr. Harshavardhan: Good morning, everyone. I am Dr. Harshavardhan, the Lead Independent Director and Chairperson of the Risk Management and Asset Liability Management Committee of the Board.

Meena Hemchandra: Thank you. Shri. CA Dr. Chinnasamy Ganesan.

Dr. Chinnasamy Ganesan: Good morning to all. I am CA Chinnasamy Ganesan, Independent Director of the Board and also the Chairman of the Audit Committee of the Board.

Meena Hemchandra: Thank you. Shri. Murali Ramaswami.

Murali Ramaswami: Good morning everyone. I am Murali Ramaswami, Independent Director of the Bank and Chairman of Nomination and Remuneration Committee and Special Committee of the Board for Monitoring and Follow-up of Fraud Cases. Thank you.

Meena Hemchandra: Thank you. Shri. R. Vidhya Shankar.

R. Vidhya Shankar: Good morning everyone. I am Vidhya Shankar, Independent Director of the Bank and Chairman of the Customer Service and Stakeholder Relationship Committee of the Bank. Thank you.

Meena Hemchandra: Thank you. Mrs. Srimathy Sridhar.

Srimathy Sridhar: Good morning, everyone. I am Srimathy Sridhar, Independent Director of the Bank and the Chairperson of the NPA Management Committee and the Human Resources Committee. Thank you.

Meena Hemchandra: Thank you. Dr. Mythili Vutukuru.

Mythili Vutukuru: Good morning, everyone. I am Mythili Vutukuru, Independent Director of the Bank and the Chairperson of the IT Strategy and Digital Transaction Monitoring Committee of the Board. Thank you.

Meena Hemchandra: Thank you. I also recognize the presence of other Key Managerial Personnel. Shri. Chandrasekaran, M S, Chief Operating Officer. Shri Ravikumar Sadhana, Head Corporate and Commercial Banking. Shri. R. Ramshankar, Chief Financial Officer. Shri. Srinivasarao Maddirala, Company Secretary. I further acknowledge the presence of the Bank's Joint Statutory Central Auditors, M/s Kalyaniwalla & Mistry LLP Chartered Accountants, Mumbai, who have joined this meeting through video conferencing.

Anil Kulkarni: Good morning, everyone. My name is Anil Kulkarni. I'm Senior Partner of Kalyaniwalla & Mistry, and I have with me Sushant Lahoti, the Signing Partner for KVB, and happy to be on this call. Thank you so much.

Meena Hemchandra: Thank you. I also acknowledge the presence of M/s Varma & Varma, Chartered Accountants Kochi, who have joined this meeting through video conferencing.

Radhesh Bhat: Good morning, all. I am Radhesh Bhat, Senior Partner, Varma and Varma, one of the joint auditors, along with Kalyaniwalla & Mistry. Thank you.

Meena Hemchandra: Thank you. I also acknowledge the presence of Secretarial Auditor M/s S.A.E. & Associates LLP, Company Secretaries Chennai, who have joined this meeting through video conferencing.

Srividhya Kumar: Good morning, everyone. I am Srividhya Kumar, Partner, S.A.E. & Associates LLP, Secretarial Auditors. Thank you.

Meena Hemchandra: Thank you. I also acknowledge the presence of Scrutinizer of this Annual General Meeting, Shri. R. K. Bapulal, Senior Partner representing M/s Bapulal Yasar & Associates, Company Secretaries.

R. K. Bapulal: Good morning to all. I am R. K. Bapulal, PCS from Madurai, Scrutinizer for e-voting of this AGM. Thank you.

Meena Hemchandra: Thank you. The Bank has taken all feasible steps to enable the members to participate in this Annual General Meeting through video conferencing and other audio-visual means, and to exercise their voting rights in a convenient and seamless manner. I now call upon the Company Secretary to make the Statutory and General Announcements relating to the conduct of this meeting.

Srinivasarao Maddirala: Thank you, Chairperson. In compliance with the circulars issued by the Ministry 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 e-mail ID of all the shareholders. Further, with respect to the shareholders who have not updated their e-mail ID, a letter containing the exact path of the web link for the integrated annual report had also been sent. In accordance with the provisions of the Companies Act, 2013 and SEBI LODR Regulations 2015, the members have been provided with 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 mentioned in the agenda of the Annual General Meeting requiring the approval of the shareholders and other statutory registers and documents are available for inspection on the NSDL e-voting platform. The Bank has received 20 speaker registration requests from eligible shareholders who are members of the Bank as on the cut-off date, i.e., July 29, 2026, and all the requests are considered. So 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 to them. The other members can also post their queries on the communicate tab available on the video conference screen. During the question and answer session, if any shareholder is unable to join the meeting due to connectivity issue, we will proceed with the next speaker shareholder. 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 helpline number mentioned in the Notice or refer the FAQ section available on the video conference screen. I now hand over the proceedings to Chairperson for the welcome address to the shareholders. Thank you.

Meena Hemchandra: Respected shareholders, good morning to one and all. It gives me immense pleasure to welcome you to the 107th Annual General Meeting of the Karur Vysya Bank Limited. Today we come together at a time when the Bank is well positioned to build upon its successes and pursue the next phase of sustainable growth. During the year, your bank completed 110 years of service, a remarkable milestone that reflects the enduring trust reposed in the institution by generations of customers, shareholders and other stakeholders. From our modest beginnings in Karur in 1916, we have evolved into a strong technology-enabled pan-India banking franchise, while remaining rooted to the values of prudence, integrity, and customer-centricity that have guided us for more than a century. The Annual General Meeting is not merely a statutory event. It is an occasion to engage with our shareholders, review our achievements, acknowledge the challenges before us, and collectively reaffirm our confidence in the future of the Bank.

Economic Landscape. The global environment improved modestly in June and early July as tensions in West Asia temporarily eased and oil prices retreated, though renewed hostilities highlighted the ongoing risks. Altogether, growth remains modest, inflationary pressures persist, and central banks have largely paused or slowed the easing cycle. Against this backdrop, India's economy remains relatively resilient. High frequency indicators, strong 2026 GDP growth, fiscal discipline, and an improving external position reflect the underlying economic strength. The Indian banking sector has displayed remarkable resilience over the past few years. Asset quality has improved significantly, capital levels remain comfortable, and technology adoption has transformed the manner in which banking services are delivered. At the same time, banks must remain vigilant to evolving risks, changing customer expectations, highlighted cybersecurity concerns, and increasing competition for resources. A performance built on discipline and consistency. I would like to acknowledge the leadership of our Managing Director, CEO Shri. B. Ramesh Babu. His leadership has been instrumental in driving strong business growth, record profitability, and transformation across the bank. Shri. B. Ramesh Babu will walk you through a detailed review of the bank's performance in his address, while I would like to highlight some of the key achievements and future priorities. I am pleased to inform you that 2025-26 has been another year of strong and consistent performance for your bank. Your bank recorded its highest net profit of Rs.2,510 Crore, reflecting a growth of 29% over the previous year. The total business crossed 2.14 lakh Crore while advances and deposits registered a healthy growth of 17% and 13% respectively. Equally encouraging is the quality of this growth. Our return on assets improved to 1.93% while return on equity increased to 17.79% demonstrating our ability to generate superior returns while maintaining prudence. Asset quality continues to be among the best in the industry. Your bank closed the year with a gross GNPA of 0.75% and net NPA of 0.19%. Further, SMA 30 plus levels reduced to 0.17%, reflecting the effectiveness of credit underwriting standards, portfolio monitoring, and recovery efforts. At every level of the organization, we have emphasized consistency over volatility, quality over short-term gains, long-term value creation over temporary milestones. As the saying goes, success is neither accidental nor instantaneous. It is built one disciplined step at a time. Our performance today reflects precisely that philosophy.

Strategic priorities and growth initiatives. While strong performance is important, it is our preparedness for the future that will determine our long-term success. Our strategic initiatives remain focused on expanding quality business, enhancing digital capabilities, improving customer experience, increasing operational efficiencies, and building a future-ready organization. We are leveraging technology not merely to automate processes, but to create differentiated customer experiences and improve decision-making. People remain at the centre of our transformation journey. We are investing in talent, leadership development, and organizational capabilities. These initiatives are not standalone projects. They are strategic building blocks that will drive growth, enhance resilience, and create long-term value. Your bank has also initiated newer growth avenues, including affordable housing finance and partnerships that enable wider customer reach without compromising on credit discipline. At the same time, we have continued to strengthen our liability franchise through our focus on CASA mobilization, transaction banking relationships and granular retail deposits.

Technology and digital experience. Over the past year, the bank has accelerated its digital adoption journey by reimagining key retail banking processes through end-to-end digital business journeys and enabling customers to access banking services anytime, anywhere. Process automation and operational excellence remain key priorities of your Bank for achieving improved turnaround times.

Cybersecurity and operational resilience. Cybersecurity has become one of the most critical enablers of modern banking. As banking continues to evolve through digital transformation, cloud adoption, open banking, and artificial intelligence, cybersecurity has become a strategic business imperative that supports innovation, resilience, and sustainable growth.

Risk management and compliance. Your bank recognizes that robust risk management is vital for financial stability and long-term growth. We strengthened the enterprise risk framework and upgraded our defences across credit market, operational, cyber, and compliance risks through advanced analytics, stress testing, and deep-rooted risk culture. Despite shifting economic, technological, and regulatory landscapes, the Bank is well-equipped to navigate uncertainties. Compliance remains integral to our strategy for sustainable and responsible growth. Leveraging technology automation and analytics, we are enhancing compliance monitoring and control effectiveness.

Governance and leadership. Strong governance remains one of the defining strengths of Karur Vysya Bank. Our Board comprises experienced professionals with diverse expertise across banking, finance, technology, risk management, regulation and governance. The active involvement of Independent Directors ensures robust oversight and objective decision-making. During this year, we have welcomed Dr. Mythili Vutukuru as an Independent Director. Her expertise in technology and digital processes further enriches the Board's collective capabilities. I am also pleased that the Board has successfully overseen continuity in leadership. During the year, the reappointment of Shri B. Ramesh Babu as Managing Director and CEO up to July 2028 provides stability and continuity to the Bank's strategic direction. Over the past year, our Executive Director B. Sankar has been a valuable member of the Board, bringing rich experience, sound judgment and strategic insight to the Bank's deliberations. At this juncture, I would like to place on record our appreciation for the valuable contributions made by former Director, Shri K. G. Mohan as Non-Executive Independent Director and Shri R. Ram Kumar as Non-Executive Non-Independent Director who completed their tenure subsequent to the previous Annual General Meeting.

ESG incorporates social responsibility. The Board through its CSR and ESG committee oversees ESG priorities. Transparency and accountability in banks sustainability reporting remain a key focus with disclosures under the BRSR framework and with reference to internationally recognized global reporting initiative standards. Independent reasonable assurance obtained for BRSR core disclosures reinforces the credibility and reliability of our reporting. During the year 2025-26, we fully utilized our CSR allocation of Rs.40.65 Crore, positively impacting over 2.83 lakh lives. Our CSR strategy is anchored in four key focus areas, namely KVB Vidya, KVB Aarogya, KVB Bhoomi, and KVB Gramodaya, which reflects our commitment towards education, healthcare, environmental sustainability, and rural development. As we continue our journey, we will deliver measurable social impact with the same discipline, transparency, and consistency.

Recognition and shareholder value. The year also brought significant external recognition. The Bank was honored with the Business Today KPMG Best Small Indian Bank Award for the third consecutive year reinforcing the consistency of our business performance and governance standards. We also received recognition for asset quality, MSME banking, cybersecurity and digital inclusion initiatives. For our shareholders, the year was equally rewarding. Following the bonus issued approved last year, the Board recommended a dividend of Rs.2.60 per equity share, 130%, for the year 2025-26, subject to your approval. The recommendation reflects the Board's confidence in the bank's financial strength and future prospects while maintaining adequate capital to support growth opportunities.

Looking ahead, as we look to the future with strong fundamentals, our balance sheet is robust, our customer relationships are deep, our strategic direction is clear. These strengths provide us with a solid platform to capitalize on emerging opportunities and navigate uncertainties effectively. On a closing note, before I conclude, I would like to express, on behalf of the Board, our sincere appreciation to the Managing Director and CEO, Executive Director, the senior leadership team, and every employee of the Bank for their dedication, commitment, and outstanding contribution during the year. I also extend our heartfelt gratitude to our shareholders, customers, investors, business partners, and all other stakeholders for their continued trust and confidence in the Bank. Further, I place on record our sincere appreciation to the Reserve Bank of India, SEBI, Ministry of Corporate Affairs, Stock Exchanges, Depositories, and other regulatory authorities for their valuable guidance and support. As we begin the next chapter of KVB's journey beyond 110 years, we remain committed to preserving the legacy built by our founders while embracing the opportunities of the future with confidence, responsibility, and purpose. Thank you. The notice convening this meeting and the integral Annual Report have been with you for some time now. The Bank has published its Integrated Annual Report with the objective of presenting a comprehensive view of the Bank's performance, strategy, governance and sustainable initiatives. The report reflects the environmental, social and governance framework within the Bank, operates within which the Bank operates and has been prepared with reference to the global reporting initiative standards. It provides a clear and insightful overview of our value creation journey for all stakeholders. With the permission of the members, I take the notice convening the 107th Annual General Meeting as read. As per the applicable Secretarial Standards, it is not necessary to read the Statutory Auditor's Report and the Secretarial Auditor's Report in their entirety unless they contain any qualification, observation, adverse remark, reservation or disclaimer. I am pleased to inform you that the reports of the Statutory Auditors and the Secretarial Auditors do not contain any disqualification, observation, adverse remark, reservation, or disclaimer. Accordingly, with the permission of the members, I take the Statutory Auditors' Report and the Secretarial Audit Report as read. For the benefit of the shareholders, I now call upon the Company Secretary to briefly read out the agenda items set out in the Notice of the 107th Annual General Meeting.

Srinivasarao Maddirala: Thank you, Chairperson. There are five agenda items in the Notice of the Annual General Meeting for approval of the shareholders and all are ordinary resolutions. Four agenda items of ordinary business are Agenda No. 1. To receive, consider and adopt the audited financial statements of the Bank for the Financial Year ended March 31, 2026 and reports of the Board of Directors and Auditors thereon. Agenda No. 2. To declare dividend of Rs.2.60 per equity share of the Bank for FY 2025-26. Agenda No. 3. To re-appoint Shri B. Sankar, DIN No. 08846754 as a director, who retires by rotation and being eligible, offers himself for reappointment. Agenda no. 4. To reappoint 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 third year. As per the recommendation of the Audit Committee, the Board of Directors of the Bank approved and recommended the reappointment of Joint Statutory Central Auditors for FY 27 as the third 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 for the reappointment of Joint Statutory Central Auditors, vide the letter dated July 9, 2026. The final agenda item of special business is to appoint branch auditors and fix their remuneration. The objectives and implications of the above proposed resolutions are already furnished in the notice of the Annual General Meeting. Since the remote e-voting has already taken place, the requirement of proposing and recommending of the seconding of the resolutions is not applicable. Thank you. Over to Chairperson.

Meena Hemchandra: I now invite Shri B. Ramesh Babu, MD and CEO of the Bank to address the shareholders.

B. Ramesh Babu: Dear shareholders, on behalf of the Board of Directors, I extend a warm welcome to all the members attending the 107th Annual General Meeting of the Karur Vysya Bank Limited, conducted through video conferencing and other audio-visual means. I sincerely thank you for your continued support to the bank and for taking the time to join us today. In banking, growth is meaningful only when it is anchored in trust, prudence, and long-term value creation. FY 2025-26 stands as a testament to the strength of Karur Vysya Bank's strategy, execution, discipline, and operating resilience. Before I present the Bank's performance for the year, I would like to briefly place in the context of the broader global and domestic economic environment. The global economy demonstrated notable resilience during the year, withstanding several shocks that were not fully anticipated at the beginning of 2025. However, the outlook remained clouded by the heightened uncertainty, geopolitical tensions, volatile financial markets, and stretched valuations in certain risk effects. Inflation continue to remain above target in several major advanced economies even as a broader global inflation outlook showed signs of moderation. Central Bank therefore remained cautious carefully balancing evolving growth, inflation dynamics. Against this backdrop global banking system continued to remain resilient, supported by strong capital buffers and healthy profitability.

Coming to India's growth momentum, on the domestic front, India continued to stand out as one of the key engines of the global growth. The second advance estimates released by the National Statistical Office placed India's real GDP growth at 7.6% for 2025-26, supported by strong private consumption and fixed investment. From the supply side, robust performance in manufacturing and services remained the principal growth driver. During FY 25-26, India's macroeconomic environment remained supportive, with robust growth and inflation softening to a multi-year low. Monetary policy retained a neutral stance, including today, while the policy rate was reduced by 100 basis points during the year. The Indian banking sector remained resilient, underpinned by strong balance sheets, sustained profitability, improving asset quality, and comfortable capital buffers. Non-banking financial companies also delivered stable performance, supported by double-digit credit growth, better asset quality, and adequate capital buffers. With this context, I will now share the key achievements of your bank during the year and outline how we are preparing for the future while continuing to support our customers, stakeholders, and the wider communities associated with the bank. At the previous Annual General

Meeting, I had outlined our commitment to delivering sustainable and consistent financial performance by offering high-quality services to our target customer segments. We had also set a goal of maintaining return on assets in the range of 1.55 to 1.65 for FY 25-26. I am pleased to share that during the year, your Bank consistently exceeded this guidance, recording a quarterly RoA of 1.7% in every quarter.

Coming to the performance highlights of 25-26, your bank delivered a strong and well-rounded performance during FY 25-26, marked by healthy business growth, sustained profitability, improved asset quality, and continued progress across strategic priorities. I am happy to share that your bank received Best Small Indian Bank Award from Business Today KPMG for the third consecutive year for 2024-25 in March 2026. The year's performance reflected our continued focus on expanding quality business, maintaining disciplinary profitability, and preserving a prudent risk profile. These outcomes reaffirmed the strength of our operating model and our commitment to creating sustainable value for all stakeholders.

Coming to the business growth, your bank's total business stood at Rs. 2,14,420 Crores as on March 31, 2026, compared with Rs. 1,86,569 Crores in the previous year, registering a growth of 15%. Advances grew by 17% to Rs. 98,754 Crores, while deposits increased by 13% to Rs. 1,15,666 Crores. So deposit franchise is concerned, deposits constituted 54% of the bank's total business. Total deposits grew by 13.31% during the year, supported by gains in both retail-term deposits and CASA. CASA balances grew by 12% with an incremental increase of Rs. 3290 Crores, the highest in the last 10 years. Demand deposits grew by 10% compared with 1% growth in the corresponding previous year. Savings deposits grew by 13%, with incremental growth of Rs. 2505 Crores, again the highest in absolute terms in the history of the bank. Retail deposits recorded year-on-year growth of Rs. 8794 Crores, also again the highest in the last decade. Bulk deposits grew by 9% year-on-year against 44% in the corresponding period of last year. As shareholders are aware, we front-loaded retail deposits growth in the first quarter itself, achieving growth of 5.3%. We consciously avoided raising bulk deposits at the end of the year and reduced even certificate of deposits too. This was a conscious decision to optimize funding costs, particularly in view of the elevated CD rates during March, which ranged from 7.75% to 8.5% for tenors of three months to one year. These efforts supported the bank to reduce the bank's cost of funds by 9-basis points in the last quarter. Our focus on higher balance savings account variants through both branch and sales channel has started delivering encouraging results. Average balances of newly acquired customers improved across current accounts, savings accounts, and overall CASA with an annual growth of 44%. Existing customers contributed a 4% increase during the year.

However, CASA ratio was lowered by 36 basis points to 26.91% as term deposits growth is disproportionately higher than CASA growth. As I said earlier, CASA has grown is a decade high but term deposits have gone disproportionately higher. Overall, the combined portfolio reflects steady improvement in acquisition quality and relationship strength helping build a more resilient and balanced CASA franchise. The bank is also strengthening its presence outside Tamil Nadu by partnering with institutional clients and state government bodies to capture recurring payment flows. These relationships enhance deposit mobilization and improve customer visibility across newer markets.

Coming to advances. In my speech last year, I had indicated that commercial, retail and agriculture segments would be the key drivers of the future growth, with a particular focus on expansion in the southern and western regions. In line with this strategy, the RAM verticals grew by 18% year-on-year and constituted 86% of the overall advances portfolio. The retail loan book increased its share to 26%, agriculture remained at 25%, and commercial books stood at 35%, and corporate business grew, where we finance the big corporates, about Rs. 25 Crores exposures, it is at 14%. Coming to retail advances, they grew by 25% during the year, primarily driven by strong growth in mortgage and jewel loans. The collaboration established between the branch channel and the open market channel at the beginning of the year delivered encouraging results, reflecting in a 56% year-on-year increase in mortgage loan volumes. Retail jewel loans grew by 61% year-on-year. Housing loans recorded a modest growth of 2% as we took a conscious call not to grow due to low yields prevailing in the market. Growth in the buy now pay later (BNPL) portfolio which we have started five years back was negative compared to the previous year due to a mid-year management transition at our BNPL partner and elevated household leverage also on that count we wanted to be slightly cautious on that front. With operations now stabilized, we expect the segment to regain growth momentum in the current year. The outstanding BNPL book stood at Rs. 798 Crores as on 31st March 2026. We ventured into affordable housing finance in a small way during last year in Tier-2 and Tier-3 cities. We will grow cautiously in this segment.

Coming to agricultural advances, the Agricultural Loan Book recorded year-on-year growth of 19%, agri-jewel loans constituted 91% of the portfolio, while other agricultural loans accounted for the remaining 9%. The loan-to-value ratio of agricultural jewel loans stood at 55.59%, indicating adequate margin availability. Our continued focus on improving turnaround time and deepening customer engagement supported growth in the agriculture portfolio despite competitive pressures. Given the expanding portfolio and rising gold prices, we remain vigilant in maintaining appropriate margins and have strengthened our monitoring mechanisms to mitigate inherent risks. We started dedicated gold loan counters for the customers during the year in select 10 branches to hasten the process of loan delivery. We intend to increase it to 50 in due course.

Microfinance. The MFI portfolio, which we started two years is currently at Rs. 173.2 Crore, this we are doing through partners and not directly, we have three partners for this representing only 0.18% of the total portfolio. CGFMU coverage. Under this coverage, the government institution will provide the coverage for the portfolio. CGFMU coverage commenced on 1st April 2025. The portfolio has been stabilized with improved collection efficiency, strengthened guardrails, and secured guarantee coverage. Going forward, we will evaluate growth in this segment in a measured and strategic way.

Coming to commercial banking, the commercial business grew by 11.56% year-on-year. Disbursements to new-to-bank customers grew by 25% while overall disbursement growth, including existing to bank customers, stood at 29%. During the year, we consciously exited a few weaker accounts and remained selective in acquiring new relationships, both from a quality and pricing perspective. We also allowed certain accounts to be taken over by other lenders, where pricing did not meet the bank's return expectation like the same is the case with risk whether risk reward is balancing or not we were looking at it, so if the risk is beyond what we can take we were allowing them to exit. In addition, we remained mindful of the potential impact of geopolitical tensions that emerged in the last quarter. To strengthen the MSME business we initiated a relationship manager model for small business group segment with an estimated manpower requirement of 100 relationship managers. Of these, 72 RMs are already in place. The primary focus of this team will be to source new relationships, deeper customer engagement, and support sustainable growth in the segment. We launched a GST surrogate loan product to the customers lacking formal financial statements and open term loan product also under this segment. Under the corporate banking, the portfolio achieved a 12% growth during the year after a period of degrowth up to the previous year. Strategic opportunities were identified in segments such as commercial real estate, capital markets, and EPC contractors, which contributed to this progress despite challenges in the prevailing interest rate environment. These sectors supported portfolio expansion while preserving the required spread and reimagining aligned with the bank's risk profile. In response to external conditions, growth was moderated in the final quarter. So as far as the corporate is concerned as all of you know it is a conscious decision taken by us to come out of the bigger corporates so that is a reason in our investor presentation also, we always show the exposures above Rs. 150 Crores have been drastically brought down and I can say hardly less than 10 exposures are there where we felt comfortable only retained so that way bringing down the corporate in the last few years is a conscious decision of the bank.

Incremental growth in credit substitutes during the year was Rs. 969 crores. We focused on existing-to-bank customers with external ratings of A and above where we were able to offer finer pricing in credit substitutes compared with conventional loans. Including credit substitutes, the corporate advances portfolio posted a 20% growth year-on-year. As mentioned last year, we completed the winding up of precious metal division, which was not fitting into our scheme of things. The division had outstanding balance of Rs. 41 Crores at the beginning of the year. It used to be relatively higher, consciously we brought it down, which was further reduced to nil during the year. The resources associated with the division were smoothly redeployed internally to other departments.

Coming to transaction banking, the department plays a key role in the bank's digital transformation agenda by offering API-first real-time banking capabilities for corporate and MSME clients. It also provides scalable bulk payment infrastructure for payroll, vendor, B2B settlements along with an automated trade finance and supply chain monitoring workflows. The group remains committed to supporting portfolio diversification and strengthening strategic relationships with leading corporate clients. The unsecured book stood at 1.81%, which is lowest and very few banks have this sort of a loan book, of total advances as on March 31, 2026, which remains one of the lowest in the industry, so I can very well say with this unsecured portfolio being the lowest, still we are able to maintain our NIM as well as ROI. Our co-lending partnership with NBFCs continues to perform well with the loan book under this segment at about Rs. 249 Crores. As our RAM vertical continues to sustain organic growth momentum, co-lending will remain secondary to our organic growth strategy.

Digital adoption. Digital adoption continues to remain a strong area of progress for the bank with digital transactions accounting for 98% of the total transactions. During the year, we rolled out a new version of our DLite mobile banking application with enhanced features and an improved customer experience. The app continues to receive strong customer acceptance with a rating of 4.8 on Google Play Store and 4.6 on the Apple app store. DLite now has 2.5 million monthly active users and has crossed seven million downloads reflecting its growing role as a preferred digital banking channel for our customers.

Coming to the margins, the year 2025-26 was a challenging year for the margins, for the industry as a whole including KVB with sustained pressure arising from elevated funding costs and reduction in the repo rate up to the third quarter. Despite these headwinds, the bank remained focused on disciplined pricing, liability cost optimization, and active management of asset mix. At the beginning of the year, we guided for a net interest margin in the range of 3.7 to 3.75 for FY 25-26. Based on performance trends during the year, this guidance was subsequently revised upwards to around 3.9% to 3.95% for the full year. I am pleased to share that your bank has delivered a full-year NIM of 3.97% is excluding one-off interest. If we include one-off interest income from written of accounts and income tax refunds, NIM stood at 4.11%. On the liability side, the cost of deposits declined by 5 basis points during the year. On the assets side, yield on advances declined by 29 basis points after excluding one-off interest recovery during the year, as we witnessed 100 basis point rate cut during the financial year. I would like to reiterate here, the repo rate cut was 100 basis points whereas our yield on advances is down by 29 basis points, plus 71 basis points we could manage by recalibrating the asset mix. In spite of this we were able to contain margin pressure by optimizing the asset mix and recalibrating the pricing also. The fixed-rate loan book which was 9% at the end of March 2025 increased to 29% of the total book at the end of March 2026. During the same period the MCLR-linked book reduced from 36% to 14% while EBLR book increased from 52% to 55%. Yield on investments stood at 6.68% an improvement of 7 basis points from 6.61% in the previous year. Other ratios if you look at it your bank achieved an operating profit of Rs. 4075 Crores for FY 25-26 registering a growth of 27% over the previous year. The net profit reached a new high of Rs. 2510 Crores, reflecting the strength of the bank's core earnings, disciplined execution, and prudent risk management. The cost-to-income ratio stood at 42.96% for the financial year, after excluding one-off income this is well within the guided range of below 50%. Your bank continued to demonstrate consistent quarter-on-quarter profitability while maintaining strong asset quality.

Coming to asset quality, your bank continued to maintain a sharp focus on preserving asset quality. As a result, gross slippages remained contained at 0.75% of the loan book we were indicating below 1% and we are at 0.75, SMA 30 plus accounts for Rs. 172 Crores as on March 31, 2026 representing 0.17% of the loan book compared to 0.3% in the previous year, this improvement reflects continued control over early warning indicators and disciplined portfolio monitoring. I am happy to share this SMA number 30 plus is one of the lowest and amongst the industry, very few banks possessed this sort of numbers. Supported by lower slippages, recoveries, upgrades and write-offs, gross NPA declined to 0.75%, net NPA also dropped by 1 basis point and stood at 0.19%. We remain committed to maintaining GNPA at less than 1.5% and net NPA at less than 1% of the book. Your bank has continued to place strong emphasis on recovery from written off accounts. FY 25-26 was particularly a strong year in this regard with total recoveries including principal and interest recoveries amounting to Rs. 839 Crores compared to Rs. 638 Crores in 2024-25. During FY 25-26, the bank added 13 branches for strengthening distribution network and customer reach. The bank achieved a return on assets of 1.93% for FY 25-26, reflecting sustained profitability and efficient balance sheet management. Our liquidity coverage ratio was at 125.47% as at March 31, 2026 and we would be maintaining around the levels of 115% to 120%. The bank's capital adequacy remained healthy at 18.76%, providing comfortable headroom to support planned growth. Based on the current growth outlook, we do not anticipate any requirement to raise additional capital during 2026-27. In essence, we can say the bank's performance during the FY 25-26, reflects the inherent strength and resilience of our franchise. The strategic initiatives undertaken in earlier years started delivering tangible results. We remain firmly committed to driving sustainable growth through innovation, digital transformation, disciplined execution, and strong adherence to ESG principles. With the dedication of our talented team and the continued support of our shareholders and customers, and with the guidance of our Board, we are confident of building a stronger future and delivering sustainable value to all our stakeholders.

Dividend recommendation. Taking into account the bank's strong performance, capital position, and future growth requirements, the Board of Directors have recommended a dividend of Rs. 2.60 per equity share of face value of Rs. 2 each representing 130% of the paid-up equity share capital of the bank for the FY 25-26.

Cybersecurity, how we are prepared, I will just share. In response to evolving cybersecurity challenges, the bank has continuously strengthened its security infrastructure, the bank leverages advanced technologies and security frameworks to proactively identify, assess, and mitigate cyber threats before they impact business operations. Cyber resilience is strengthened through periodic cyber drills, independent security audits, and automated real-world attack simulations to ensure continuous preparedness against evolving threats. The bank remains committed to a security-first philosophy, focused on strengthening cybersecurity resilience and ensuring secure digital operations.

Coming to human resources, which is a very key portion of the bank, we at Karur Vysya Bank, our people remain our greatest strength. Their commitment, resilience, and values continues to drive the bank's growth, and we remain focused on nurturing the talent, promoting diversity, and enabling every employee to realize their potential. Our workforce has an average age of 36 years, combining youthful energy with experience. During FY 25-26, employees completed an average of 27.53% learning hours with training coverage of 99.94% reflecting our strong focus on capacity building. Diversity and inclusion remain central to our people strategy. Women constitute nearly 28% of our workforce and we continue to enhance their representation across levels, particularly in the leadership roles. Employee wellbeing is also a priority. Our employee assistance program provides confidential counseling and professional support for personal and emotional challenges. We have further strengthened learning through digital platforms, institutional partnerships, certification programs, and leadership development initiatives. We will continue to build a future-ready, purpose-driven, and inclusive workforce to support the bank's growth with confidence and excellence. So coming to the risk culture, effective risk management is important for maintaining financial stability and supporting sustainable growth in a dynamic banking environment. We implemented a structured framework to identify, assess, monitor, and manage risks while ensuring compliance with regulatory requirements and alignment with the bank's strategic objectives. The approach strengthens the bank's resilience, protects shareholder interest, and supports its ability to respond effectively to changing economic conditions.

The compliance culture at the bank, we give utmost preference to the compliance culture. The compliance remains a central to our governance framework and business conduct. It is not merely a regulatory requirement but a core value that guides our decisions and actions. The Board, committees, senior management, and employees together reinforce a culture of ethics, integrity, transparency, and accountability across the organization. We continue to strengthen our compliance risk framework through awareness programs, trainings, internal controls, monitoring, and technology-enabled regulatory tracking. Our focus remains on timely implementation of regulatory instructions, customer protection, fair practices, AML, fraud prevention, cyber resilience, data privacy, and information security. By investing in people, process, and technology, we are committed to building customer trust, organizational resilience, sustainable growth, and long-term shareholder value, so we have taken many new initiatives during the year 2025-26. Let me dwell on that.

I would now like to highlight the key business transformation and digital initiatives completed by the Bank during FY 25-26. These initiatives have strengthened customer convenience, expanded digital capabilities, enhanced transaction security, and supported the business growth. First thing, as we promised during last year, we have launched a shareholder advantage savings account. Some of the shareholders in the last AGM had suggested for more engagement by the bank with them. In my response, I had mentioned about our plans to bring out a savings bank account for our shareholders in the last meeting. I am happy to share that we have come out with an exclusive savings account for our shareholders holding minimum of 500 shares. The product has been conceptualized to strengthen engagement with the KVB shareholders while enhancing their banking experience through a differentiated savings bank proposition. 2. Launched integration with the Employees Provident Fund Organization, EPFO, enabling employers to conveniently remit Provident Fund contributions to the bank. 3. Introduced KVB Corp, a dedicated mobile banking application for corporate customers to improve digital access, usability, and customer convenience. 4. Introduced the KVB QRush Current Account with nil MAB exclusively for merchants using POS and UPI solutions, creating a high-velocity transaction-led ecosystem that strengthens our low-cost CASA base. 5. We enabled end-to-end digital on-boarding for NPS facility, new pension scheme, and actively promoted the newly introduced NPS Vatsalya scheme for minors, fostering early customer acquisition and long-term relationship building. 6. Simplified IMPS service across internet banking and mobile banking channels, while also implementing statutory compliance features, such as online form 15G and 15H submissions. 7. Enabled Atal Pension Yojana account opening through internet banking and digitized trading account opening through partner integrations. 8. Strengthened trade finance capabilities by enabling digital creation and amendment to the letter of credit and others. 9. Introduced RuPay International Debit Card to support global usage by customers. 10. Enhanced UPI services with features such as UPI Lite auto top-up and transfer out, enabling more convenient wallet management for the customers. 11. Introduced advanced authentication mechanisms, including UIDAI-based face authentication, and native biometric authentication for secure UPI pin management and transactions, along with UPI tap and pay using NFC technology. 12. Enabled cross-border payment capabilities through UPI PayNow, supporting inward and outward remittances with Singapore, while strengthening merchant on-boarding for the payment aggregator ecosystem and CASA growth. 13. Implemented additional enhancements such as NETC auto top-up, dedicated UPI collection handles for SEBI registered intermediaries and single block multiple debit functionality for seamless and secure transaction processing. 14. Implemented internal monitoring system to identify proactively working capital accounts at risk of slipping into SMA 30 status, which has been developed based on logistic regression model, a foundation of artificial intelligence and machine learning algorithm.

During the year, in the press also you must be observing we have received many awards and accolades I would like to share the rewards what we have received during the year with our shareholders. KVB received the prestigious award, as I mentioned earlier, Best Small Indian Bank Award from Business Today KPMG for the third consecutive years for the performance of FY 24-25. There are very few banks, which they have received consecutively for three years, your bank is one amongst that. Bank is awarded with the winner title ASSOCHAM for MSME bank of the year, private, and runner-up title granted for SME lending. 18th edition of BFSI and FinTech Summit 2026, Dun & Bradstreet awarded India's leading private bank under the mid-size category. Bank is awarded the fourth IBA CISO Summit & Citations 2025 awards presented by IBA, winner title for the cybersecurity team of the year, cybersecurity transformation of the year, special prize for cybersecurity incident response maturity, cybersecurity compliance champion and CISO elevator pitch special mention for our cyber risk scoring model. Bank is awarded by 21st Annual Technology Conference Expo & Citations 2024-25 runner-up title for best digital and financial inclusion and best IT Risk Management. Bank is awarded by 17th State Forum of Bankers Club, Kerala. Banking Excellence and Businessman of the Year Awards 2024-25 titled as Best Private Sector Bank National Level under Large Category and Best Private Sector Bank Branch in Kerala. Bank is awarded by Healthcare Awards 2025 presented by Asianet News for Best CSR Activity.

Now coming to the Environmental, Social, and Government Practices. Responsible banking is integrated into our business strategy and guides the way we allocate capital, manage risk, and engage with the stakeholders. This commitment is reflected in our CRISIL ESG rating of 68, highlighting our continued focus on strong governance, transparent disclosures, and sustainable financial practices. Beyond our business operations, we remain committed to creating a positive social impact because we strongly believe in giving back to the community. During the year, we invested Rs. 40.65 Crores across 41 CSR projects covering healthcare, education, water security, and women's livelihood initiatives. All of you would have seen before the meeting commenced also we were showing the audiovisuals there we have displayed our CSR activities. These efforts reflect our belief that sustainable business growth is closely linked to the wellbeing and development of the communities. Through our CSR initiatives during the year, we positively impacted 2.83 lakh lives across areas including education, healthcare, sanitation, rural development, livelihood enhancement and environmental sustainability. Through focused initiatives in renewable energy, green buildings, resource conservation and sustainable facility management, we continue to advance our environmental agenda while staying aligned with evolving ESG expectations and regulatory requirements. Your bank officially became the founding member of the Indian Green Building Council in February 2026. Our central office building is platinum rated and the council has mentioned very few institutions, which are existing they will get the platinum rated and your bank central office is one such building. On the environmental front, we continue to strengthen our efforts to reduce the environmental footprint of our operations. During the year, we consumed over 8.5 lakh units of renewable electricity through our captive wind and rooftop solar projects, reducing our dependence on conventional grid electricity. We also continue to engage our employees in sustainability awareness and environmental initiatives, encouraging their participation in activities aimed at promoting environmental responsibility across the bank. Our commitment to responsible banking is also reflected in our efforts to promote financial inclusion and expand access to credit for priority segments, including small and marginal farmers, MSMEs, and weaker sections in line with the regulatory requirements. During the year, the Bank conducted 417 financial literacy campaigns. Our financial inclusion initiatives enabled over 76,056 PMJDY accounts and supported more than 4.2 lakh enrolments across government schemes. Our commitment to transparency and accountability is also reflected in our sustainability disclosures under the BRSR framework. During the year, the bank obtained independent reasonable assurance for the identified BRSR core performance indicators, covering key areas such as energy and emissions, water and water waste management, employee wellbeing, and other relevant sustainability indicators. This provides greater confidence in the quality, reliability and transparency of the ESG information disclosed by the bank. The bank also continued its sustainability reporting with reference to the internationally recognized Global Reporting Initiative Standards through GRI Content Index. As we move forward, we will continue to strengthen our commitment to responsible business practices and integrate sustainability into the way we conduct our business, manage risks, and create long-term value.

The governance is concerned. In governance, we maintained exemplary ethical standards and transparency by implementing robust Board oversight, adhering to all statutory obligations, and consistently engaging with the stakeholders. I am glad to welcome Dr. Mythili Vutukuru to the Board and KVB family. She is a Professor in the Department of Computer Science and Engineering at IIT Mumbai, where she has been a faculty member since 2013. She has obtained her B. Tech in Computer Science and Engineering from IIT Madras in 2004, and her M.S. and Ph.D. degrees in Electrical Engineering and Computer Science from Massachusetts Institute of Technology, Cambridge in 2006. She has been serving as an external expert in the Standing Committee on Technology at National Stock Exchange Clearing Limited since 2021 and has experience with various aspects of technology governance. At this juncture, I fondly recall the guidance and support of my colleagues, who had retired consequent to completion of their tenure in the Board. I am grateful to my colleagues and former Director, Shri K. G. Mohan, and Shri R. RamKumar for volunteering their time, insights, and ideas to enrich the collective wisdom of the Board. They have actively shared their valuable thoughts for business growth and also strengthening internal controls during the long stint of the bank. I am delighted to say that the market capitalization of your bank has reached Rs. 27,975 Crores as of the end of March 2026. As on yesterday, it has even crossed Rs. 33,000 Crores also. Overseas investors have been showing interest to engage with us and to understand our bank what it is. The shareholder percentage of foreign institutional investors is at 19.25%, an increase from 15.41% compared to the previous period, which shows the interest what they are evincing in your bank.

Coming to our initiatives which we propose to take and the road ahead, the new initiatives partially I will share with you. I would now like to take you through the various business transformation initiatives our bank has planned for the year 26-27. First, enablement of AI-powered voice bots to streamline and enhance the handling of customer grievance through faster and more efficient resolution. Second, Introduction of personalized interfaces in mobile banking and internet banking platforms tailored to customer segments and individual preferences to improve user experience. Third, deployment of AI-driven transaction monitoring and fraud risk prevention mechanism to strengthen security and safeguard customer transactions. Fourth, implementation of AI-based credit processing solutions to enable faster on-boarding, efficient credit assessment and seamless loan disbursement. Fifth, introduction of sector-based loan products, it is for food processing, pharma, healthcare, under the commercial segment. Sixth, we intend to focus on credit cards with premium credit card portfolio to strengthen our affluent banking proposition while not losing focus on rest of the segment and deepen engagement with lifestyle-oriented customers. Seventh, introduction of loan against mutual funds through digitally. Eighth. I am pleased to share that as a part of our strategy to build future-ready growth engines, the bank invested in Sahayya Finserve Private Limited at the end of July 2026. Sahayya Finserve is an RBI-registered NBFC engaged in affordable housing finance and loan against property financing, the bank has invested Rs. 29.68 Crores, translating into 16.4% shareholding of the Company, so we can utilize their services as a business correspondent to source and manage the portfolio. Instead of creating these sort of verticals within the bank, this may add a lot of value to the bank. Now coming to the road ahead. Let me now turn to our priorities and outlook for FY 26-27. The year ahead calls for disciplined growth, calibrated risk-taking, and continued focus on customer relationships while preserving the bank's strong asset quality and profitability profile.

Operating Environment. The external environment still remains uncertain. In the backdrop of the geopolitical developments in West Asia, global growth is expected to remain moderate in 2026, with recovery anticipated in 2027 while risks to the outlook remain tilted to the downside, wider adoption of artificial intelligence and productivity-enhancing reforms could support the medium-term growth. On the domestic front, monetary policy has remained watchful, with the Monetary Policy Committee retaining a neutral stance. As I said earlier, even today monetary policy is also, the neutral stance was taken and all, the repo rates are unchanged while assessing the external risks, monsoon conditions, and inflation trends. In this context, the outlook for 2026-27 is one of cautious and moderate growth. We will therefore navigate the year very carefully without compromising on portfolio quality. Coming to growth priorities, our credit growth is expected to be 1% or 2% above industry growth. That too when we talk about 1% or 2%, we will look at the sectors and the segments where industry is growing, where we feel we are not comfortable there or we are not capable to handle those sort of sectors, we may be conservative in that, so at the same time, we will remain selective in choosing relationships and will balance growth, margins, and asset quality. While we have focused strongly on margins over the past few years, the current environment requires a strategic balance between preserving valuable customer relationships and protecting the profitability. The RAM vertical, which is a retail, agriculture, and MSME, will continue to be the main growth engine. In commercial banking, the relationship manager model under the small business group will focus on increasing ticket size, acquiring quality relationships, and deepening engagement. The business banking team will place greater emphasis on non-fund-based business while continuing their thrust on the fund-based business and export-oriented customers to improve transaction-based fee income. In the MSME segment, we may need to remain flexible on margins in order to retain and grow quality relationships. This may, to some extent, we may have to forego our margins for the retention of the existing relationships. In retail assets, our focus will be to further strengthen collaboration between branches and the open market channel, partnerships in affordable housing established during the previous year and now we are entering into a new arrangement with Sahayya will be expanded cautiously. We have launched premium credit cards in the current quarter of the year, the loan against property segment continues to face intense pricing competition, making both retention and new acquisition quite challenging. We will therefore pursue growth with a balanced approach, ensuring that margins and portfolio quality are both protected. Loan against mutual funds has been launched very recently to provide liquidity to mutual fund investors this we will try to leverage. Corporate lending will be pursued with a risk-calibrated approach given the external uncertainty. Increased substitutes will focus more on non-financial services customers during 26-27. The overall credit mix is expected to remain broadly around 80-20, between 80 for the RAM and 20 for corporate with a flexibility of up to 5% depending on the market opportunities and risk considerations. The jewel loan exposure across all verticals, as at March 31, 2026, accounts for about 26% of the bank's overall exposure against an internal cap of 32%. Growth will be pursued selectively in retail and agriculture segments based on market conditions while keeping in mind the related priority sector lending implications. We will continue to strengthen monitoring to manage risks arising from fluctuations in gold prices.

Coming to Liabilities. Within liabilities, we will continue our dual approach of acquiring new relationships and strengthening existing partnerships. The liabilities franchise has evolved from traditional deposit mobilization to a technology-enabled transaction anchored model. Key priorities include enhancing transaction banking services, expanding merchant ecosystems through faster merchant acquisition, increasing CASA through institutional business initiatives and rolling out a dedicated NRI channel. Deposit growth will be calibrated to support advances growth while remaining aligned with the bank's liquidity coverage ratio requirements.

Coming to margins, treasury, and profitability. For FY 26-27, we expect net interest margin to be in the range of 3.75 to 3.8 for the full year although the exit quarter margin for FY 25-26 was above 4%, we anticipate some moderation due to higher retail term deposit rates and competitive pressure on the advance yields. Quarterly movement may vary depending on the market conditions, but our endeavor will be to maintain full year margins within the guided range. In the investment portfolio, we expect 15 to 20 basis points yield enhancement through strategic rebalancing of the HTM portfolio during FY 26-27. Our portfolio duration remains relatively low at less than four years, and we intend to maintain it around four-to-four-and-a-half years over the medium term, aligned with yield curve expectations.

Coming to operational priorities, recovery efforts will continue with the objective of sustaining the momentum achieved during the previous year. On distribution, we plan to open 50 branches during FY 26-27, and we have a backlog of four branches of last year with those branches it comes to 54. This comprises of 43 branches in regular branches for the fresh lot I am telling and 700 lite branches, which is a relatively smaller model with expansion of front-loaded in the first half of the year and the balance in the second half of the year. The cost-to-income ratio is expected to be below 50% while liquidity coverage ratio will be maintained in the range of 115% to 120%.

Coming to the guidance for 26-27, credit growth I will sum up what all I have told during my entire speech. Credit growth is expected to be 1% to 2% above industry growth, net interest margin is expected to be in the range of 3.75 to 3.8 for the full year; however, we expect NIM to be 4% plus at the end of the second quarter of this year. Gross NPA is expected to remain below 1%, net NPA below 1%, and slippages below 1% of the loan book. Return on assets is expected to be in the range of 1.7 to 1.8, with continued efforts to exceed this guidance.

Dear shareholders, the future belongs to institutions that combine ambition with discipline, innovation and responsibility, and growth with trust. I would like to reaffirm our commitment to delivering sustainable and consistent financial performance by offering high-quality services to our targeted customers. Our primary areas of focus will continue to be growth, asset quality, and profitability. We understand the environment remains volatile, but we are prepared to adapt while keeping these core metrics strong. Together, with the continued support of our shareholders, customers, employees, regulators, partners, and the guidance of the Board, we will move forward with confidence and purpose. As we look ahead, our priorities are clear. We will continue to pursue growth with discipline, deepen our customer relationships, strengthen our retail, MSME, and transaction banking franchises, and leverage technology and artificial intelligence to improve customer experience, productivity, and risk management. The investments we are making in digital capabilities, new product offerings, distribution expansion, and emerging growth platforms will help us to build a stronger and diversified franchise for the future. At the same time, we will remain unwavering in our focus on asset quality, profitability, governance, and compliance, with a strong balance sheet, a committed team, and with the trust of the stakeholders, I am confident that Karur Vysya Bank is well positioned to capitalize on the opportunities ahead and continue delivering sustainable and consistent value in the years to come.

Now coming to the 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 great 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 Company. A special note of appreciation goes to our employees for their relentless efforts and dedication to delivering exceptional service, which has earned the continued presence, 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 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, and central and state governments, other regulatory authorities, and all stakeholders for their consistent support and guidance. Thank you all.

Meena Hemchandra: Thank you, Mr. Babu. Your address has been comprehensive and it has highlighted the bank's performance during the financial year and provided valuable and deep insights into our strategic priorities, growth plans and future aspirations. Thank you. Now, before I proceed to the question-and-answer session, I request the registered speaker shareholders to kindly take note of the following: Shareholders are requested to confine their observations, suggestions and queries to the agenda items only. In the interest of time, to ensure that all registered speaker shareholders are provided an opportunity to participate, shareholders are requested to limit their remarks and queries to three minutes only. The bank reserves the right to move to the next registered speaker after appropriate reminders in the event of remarks being unrelated to the agenda or where the allotted speaking time is exceeded. Clarifications and responses to the queries raised by the shareholders will be provided at the conclusion of the question-and-answer session. We solicit your co-operation in conducting the proceedings smoothly and efficiently. I now call upon the moderator to facilitate the question-and-answer session.

Moderator: Thank you, Chairperson. Before we commence the question-and-answer session, I would like to brief the speaker shareholders on the process. As per the sequence number allotted to the registered speaker shareholders, their names will be announced. Upon being called, a notification prompt will appear on the respective speaker shareholder screen. You are requested to accept the prompt to join the session. Thereafter, you may unmute your audio and enable your video before proceeding with your questions. In case you are unable to join through video mode, you may participate through audio mode. Shareholders are requested to use earphones or headset to ensure clear communication. We also request you to ensure adequate internet bandwidth and proper lighting for seamless interaction. Kindly limit your speech to three minutes to enable all registered speaker shareholders to participate. Ladies and gentlemen, we shall now commence the question-and-answer session. I now invite our first speaker shareholder, Bharati Saraf, may we request you to please unmute your audio and video and ask your question now.

Santosh Kumar Saraf: Respected Chairman and Board members and my fellow shareholders. My name is Santosh Kumar Saraf from Kolkata. Hope all you are good, Sir. Sir, you have taken 1 hour 25 minutes to speak, but you have left only 3 minutes to us. Sir, this is not fair I think. So, please give 4 minutes because I am waiting for one-and-a-half hours for my turn and I am your first speaker. Sir, thank you for your nice presentation. Thank you, Chairman, for a nice speech and thanks to our CEO for a nice balance sheets. I have three questions, Sir. Despite strong growth in the advance and profit during FY 2025-2026 what are management plans to sustain net interest margin and maintenance growth and net NPA at the current loan level as loan book explained? Second, Sir, bank announced plan to expand into credit card, corporate lending, loan against mutual funds, what are expected timelines, capital requirement, target contribution of these new businesses to overall probability over the next three to five years, Sir? What bank constructively generated strong profit, maintaining healthy capital adequacy, does more intent to revise dividend payout, policy or consider other measure to enhance long term shareholder value, Sir? This is my question. Sir, again I thank you for your presentation CEO Mr. Ramesh Babu. Everything you discussed, everything you threw in your speech, Sir. Nothing hidden. What your plan future, what you are doing. So next time what you kept hidden that can be asked to you. If you throw everything open so what question we ask, Sir, something you left for us so we can ask, Sir. Sir, nothing and I wish all our directors, all our associates, and all our employees for FY 26, happy, healthy, wealthy, prosperous year, Sir. Also, I thank the VC now, very nice service, Sir. Hope they will be continuing this type of service, and in the future they will be continuing. Thank you, Sir. Next time we meet with growth and better results. Sir, one hard copy I have not received, so please send me because my age is not permitted in this. Thank you.

Moderator: Thank you, Mr. Saraf. We invite our speaker number two that is Mr. Manoj Kumar Gupta. Sir, please unmute your connection and ask your question.

Manoj Kumar Gupta: Hello, good afternoon, respected Chairperson, 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 see you as our Chairperson because we feel proud to see a lady as Chairman of any Company or any bank and I have attended 17 bank AGMs this year, but I find only in Karur Vysya Bank a lady is the Chairperson, so we feel proud that we are fulfilling the vision of our Prime Minister, the lady empowerment and fulfilling the vision of our Prime Minister to give reservation of 33% for women. Now, he is struggling in the Parliament to pass that bill for 2029, but I am surprised to see that a very (inaudible 1:18:56) speech of MD because 1 hour 30 minutes in the VC meeting we are waiting to come our turn because in SBI, HDFC bank they finish their speech within 25 minutes, 22 minutes, so MD can take highlights, throw some highlights, but in VC meeting, a People investor will wait for one-and-a-half hour so just to see what you can do in next year to call the speakers earlier because one hour data using Sir. What is your future plan for the growth of the bank because still your market cap is Rs. 33,000 Crores, compared to your balance sheet your market cap should be near about Rs. 75,000 to Rs .80,000 Crores where is the lacuna that our market cap is not increasing? What steps are you taking to recover your money from the defaulters have you filed any case against the defaulters? How many cases are pending in the DRT and CLT in the court? Now the young generation do not want to carry the cash they want to carry the debit card and credit card, so have you any plan to explore more ATMs and the branches that under the leadership of Prime Minister Bharat Aage Bad Raha Hai, Bharat tharakki kar raha hai. So metros, railways, airports, hospitals, malls and the colleges are increasing fastly, so you should spread the wings of your ATMs and you will get benefit. If the other bank debit card will be used by anyone you will get Rs. 20, Rs. 30 per transaction, so you should think about to install your ATMs and you should inspire your investors to open their account with the bank with some facilities like an airport launch facility or other, so you should send a mail to your shareholders like an AGM notice you send them that if you will open their account with bank you will get such facility and try to split the shares to increase the liquidity and the market capitalization that will be a good reward and consider for the shareholder also something at the time of festivals, because festivals are a bit like a Diwali, Pongal, Onam, so you should consider that and with this I probably support all the resolution. Just a minute. I waited for one hour, 30 minutes. Just you wait. MD is listening very well with a smiling face, so why are you disturbing me? So just a minute. You think about how to explore more products of the bank that can be reached to the investors and the customers that will be help to the bank in future also. With this I strongly support all the resolutions with the hope that our market cap will be near about double when we meet next. Thank you.

Moderator: Thank you, Mr. Gupta. We invite our speaker number three, that is Mr. Palaniappan. Sir, please unmute your video and audio and ask your question.

Palaniappan K R: Congrats to Mr. Ramesh Babu, CEO, MD and his team for the excellent results. Not only for the excellent results but consistently for quarter-on-quarter more important and the growth, especially achieving the ROA of 1.93 is very much appreciable and the provision coverage ratio is 96.43% it is also highest among the banks. I would request the entire team to maintain the same tempo in the years to come. I have some questions to ask or the suggestions to make. One is at present in the Board there is no non-independent director. Though it is not mandatory please induct somebody from the shareholder to represent our grievances, our interests, so this is being practiced not in the private bank but in the public sector bank also it is being practiced, so I would request to induct some shareholder in either from the promoters or from the general public so that our interest is taken care of. Though the other independent directors hold share it is only for mandatory purpose. Our real interest will be taken care of, only it is represented from the right side. Third thing is our previous speaker is speaking about the market capital. You have done excellently well among all the banks. When you compare the peer, our share value is not unlocked though it is growing up it is not unlocked because my suggestion is you come out to the IPO. Even though your CRAR is comfortable. the IPO is a must, so it is well represented and the market also will behave. So our share value will get unlocked if you come out to the IPO. Even if your CRAR is adequately you have a capital, you can go in for the convertible debenture you can convert it when you require, so for that purpose, I request you to increase the authorized capital to at least Rs. 500 Crores, which is a basic norm by the SEBI. What your increase is very minimal, Rs. 250 Crores you should increase to Rs. 500 Crores to make headway for further bonus issues, right issues, or coming up for IPO. Then I am sure that you are making adequate provision for wage revision, which is round the corner in the next year. If you are not making adequate provision, we may have to face a one-off hit in the quarter where it is decided, which has happened in the last year kindly avoid that and make adequate provision, if not done already and our asset portfolio nearly consists of 30% of the jewel loans. I am sure you will restrict it to not to more than exposure of more than 30%. If you want a more secure way, you can diversify into extending loan to silver, which is now permitted by the RBI and as we have more exposure under the gold loans you have to increase the periodical inspection of the branches and now I saw in many of the branches.

Moderator: I am sorry to interrupt. Mr. Palaniappan, could you please wrap up your question, Sir?

Palaniappan K R: You have to check it in the latest monitor system then what is the quantum of FCNR deposits secured, which is more attractive now because of the RBI special window. Then you have more exposure in the LAP please have a caution regarding the marketability and valuation. Regarding the non-conventional energy, Please make it mandatory for all own buildings and even extend staff loan, which is very interest-free, so that you have more energy contribution to the country. The impact of El Nino will be much, so should you have a floating provision? Then Fraud is on the high side, Rs. 280.1 Crores. Is it the advances side or staff involvement what is the step taken to avoid that? The cost-to-income ratio is very much appreciated, and your FX control is appreciated. Non-performing investment is ₹ 374 Crores why do not you write off it is appearing in every balance sheet? Rs. 250 Crores under resolution plan what exact recovery you are forecasting? You have exposure in the debentures of Rs. 400 Crores is it triple A rated and the yield is much? I wish we can comfortably cross Rs. 3000 Crores net profit this year current fiscal and please reward the shareholders with handsome dividends. Thank you for the opportunity.

Moderator: Thank you. We now move to our speaker number four. That is Mr. Himanshu A Trivedi, who would like to ask a question on audio mode. Please go ahead, Sir.

Himanshu A Trivedi: Good afternoon, all of you. Respected Chairman, Meena Hemchandra. MD and CEO, Ramesh Babu, other Board of Directors, my name is Himanshu Trivedi from Gujarat Vadodara. First of all, thank you to our Company Secretary, Srinivasa M, who has been sending the hard copy of the AGM notice well in advance, which is full of information, facts, figures in place. It is very easy to follow and easy to understand. So thankful you to you, your entire secretarial team. Particularly, Meena, Meena madam, and Ramesh Babu, good, informative, and full of detail, of transparency speech in the opening remarks, Sir. So I do not have much question. I have already sent my question and created the email well in advance to save the time of the AGM and give the opportunity to speak for my rest shareholder. Still as a speaker, Sir, few question. What measures are taken by the bank to recover loan against the defaulter? My second query, what are the main sources of the loan know our defaulter to collect our loan. I wish good luck and thanks for coming financial year and coming festival. Thank you to all of you. At the time of festival, please remember speaker shareholder as same as your employees and as your family. Thank you to all of you. Thank you, Sir.

Moderator: Thank you. We move to our speaker number five. That is Mr. Santosh Chopra. Sir, may we request you to unmute your audio and video and ask your question? Mr. Chopra, please go ahead with your question, Sir.

Santosh Chopra: Namaskar, Chairman Sir. Namaskar. Sir, congratulations to Dr. Meena Hemchandra, Chairperson, Shri Ramesh Babu, MD, Shri Ramashankar, our CFO, and Shri. Srinivasan, CS, for excellent presentation. For more than one-and-a half hours, we are waiting eagerly for our number. I am talking from Ghaziabad, you have told about everything in your speech and you made a great presentation, therefore I do not have any questions. Still I have two or three questions to ask you, I have already e-mailed you my queries in detail. Regarding the 2025-26 outlook, what are the targets for loan book and deposit growth for the full financial year, given the strong start and results? What will be the level of focus on the retail and MSME segments? Also, what is the roadmap for maintaining the improved asset quality, bringing Gross NPA below 0.8%, and Cost below 0.5 %? What will the dividend policy for shareholders be? Sir, there is no branch of yours near my area in Ghaziabad. As a pensioner, I wish to open an account with a good bank; are there any plans to open a branch in Ghaziabad or the Delhi-NCR region? If so, please let me know. I specifically want to open a zero-balance pension account. I would also like to commend you on your CSR activities and the impressive targets you have set. I would like to request you to give some contribution to the old age homes as well. Finally, I wish you the best for the future and pray to God for Karur Vysya Bank's continued progress. Please also keep us shareholders in mind during the festive season. Thank you. Ram Ram. Thank you. Namaskar.

Moderator: Thank you, Mr. Chopra. Before we take our next question, we would like to remind all our participants to please limit your questions to three minutes in the interest of time. Our next speaker is speaker number six, Reddeppa Gundluru. Sir, could you please unmute your audio video and ask your question?

Reddeppa Gundluru: Respected part time Chairperson, Dr. Meena Hemchandra and our Managing Director and CEO, Mr. B. Ramesh Babu, Executive Director B Sankar, Members of the Board and senior management, Scrutinizers, Auditors and my fellow shareholders. Good afternoon and Namaste Sir, Vanakkam. I am Reddeppa Gundluru from Hyderabad. I am long term shareholder. First of all, thank you for allowing me to speak in the Karur Vysya Bank Annual General Meeting and the Company Secretarial Team sent the Annual Report physically as requested well in advance. I have gone through with great interest. The cover page carrying the theme, Growth with Discipline, Delivery with Consistency is attractive and it reflects the bank's journey. My heartfelt tributes to our visionary funders. Photographs of our founders Shri. M.V, Venkataramana Chettiar and Shri Athi Krishna Chettiar, whose strong values are credited to our Bank. Sir, my appreciation is that I congratulate the Board for our entire KVB family for another excellent year. Some of the achievements are deserved for appreciation, especially net profit crossed Rs. 2,500 Crores, 29% year-on-year growth and also gross advances increased to Rs. 97,755 Crores. Congratulations and total deposit growth Rs. 1.15 lakh Crores, congratulations. CASA ratio remains healthy Sir, 18.7%. Return on assets improved to 1.93%. Net NPA reduced to an excellent and it is reflecting the strong risk management, Sir. Our capital adequacy ratio is above 17.79%. It is indicating to build capital balance sheet. Thank you for 130% rewarding the shareholders and my bank, 13 branches, and also total 54 branches you are going to launch this year. So we are serving more than Rs. 1.2 Crores customers. Also appreciate the CSR initiatives and the KVB Bhoomi, including environmental projects, education, sanitation, women impairment, rural development, and providing the ambulances to the government in the hospital in Chennai. And my speaker number is six. Congratulations on receiving the appreciation.

Moderator: I am sorry, Mr. Reddeppa, we request you to please ask your question. There are several participants waiting for their turn.

Reddeppa Gundluru: Chairman Sir, MD Sir, please allow me to speak and I have questions, Sir. You told one and a half hour speech and everything, but I am appreciating some part and the question is there. Please conduct the hybrid, madam. We will come to attend. You are restricting the three minutes. This is not good, madam. This is violation of the governance. I am feeling disappointed. Yes. I continue. Thank you so much, madam. Congratulations on receiving the prestigious recognition, including the Best Small Banking in Indian Banking Award. My suggestion is the Board of Director Profiles and the Bank Corporate Profiles should be placed in the beginning of the annual report instead of much later in the document, 90th page you have printed, madam. Earlier it was good, but in this the profile is missing printing in the middle. This will make it easier for the shareholders if you avail in the first place. I also noticed in several pages are carrying the photographs and the glimpse of the previous AGM, particularly around page number 106 of these pleasant memories. I request the bank to consider reducing such content and use the space for more business information or the saving the same. I could not find the Company Secretary's name in the Annual Report. Kindly ensure the Company Secretary's name to contact, permanently and display the shareholders. Questions part. KVB is now concentrating in South India, especially in Tamil Nadu. What is the strategy to diversify geographically and reduce the regional concentration risk? Sir second question about the MSME is important to part of the bank loan book. What additional safeguards are being implemented to ensure the asset quality if economic conditions weaken? Third question, Sir, test margins across the banking industry, what measures of the management to taking to protect the profitability? Fourth question of that, Sir, my bank has excellent asset quality, what is the target for maintaining the growth (inaudible 137:58) Are there any plans to accelerate the branch expansion? you already given? Yeah, South India. Sir my question is, the bank plans to expand this above.

Moderator: I am sorry, Mr. Gunduluru, maybe request you to please return to the queue and if you have further questions, write to the secretarial team. There are several participants waiting, Sir.

Reddeppa Gundluru: I am concluding, madam.

Moderator: Okay, go ahead, please, quickly Sir. Sir, please go ahead.

Reddeppa Gundluru: I am concluding.

Moderator: We are unable to hear Mr. Reddeppa now. He will write to the Secretarial Team. In the meanwhile, we will move to our speaker number seven, that is Bharat Raj K. Please unmute your connection and you may ask your question, Sir.

Bharat Raj K: A very good afternoon, Mr. Chairman and the entire Board of Directors. I am Bharat Raj attending from Hyderabad. First of all, a lot of information is given in the Annual Report, Sir, and the Annual Speech. I support all the resolutions. I thank the Secretarial Department for sending me the link and the Annual Report. Chairman Sir, my question is that due to the geopolitical situation, Sir what was the CASA, Sir? Please let me know.

Moderator: Mr. Bharat Raj, please hold the microphone closer to you. We are unable to hear you.

Bharat Raj K: Regarding this current account, Sir, how are you concentrating on current accounts, Sir? Please let me know and regarding this credit card, Sir, credit card is making the huge business, Sir. Sir, credit card, why not we bring credit card (inaudible 139:46) with other banks so that that it will be more useful Sir. Chairman Sir, once again my best wishes. All the best for the coming years. I request Moderator if anybody speaker exceeds three minutes, please disconnect that speaker madam because all over India everybody do this only. They say so many stories and, but they do not come to the agenda. So Moderator, if three minutes comes, immediately disconnect. There is no problem. There is no violation also. Thank you for giving this opportunity. Sir. I am Bharat Raj signing off from Hyderabad.

Moderator: Thank you, Mr. Bharat Raj. We will move to speaker number eight that is Mr. Lokesh Gupta. Mr. Gupta, please unmute and ask your question.

Lokesh Gupta: Namaskar Sir, Chairman Sir, I am Lokesh Gupta from Delhi. I welcome all the Board members. That was an excellent speech by the chairperson madam and Sir, after that your speech, there are no questions left after that. The questions are there where there is no trust. We have trust and faith in you on whatever decision you will take for the bank, it was there before and it will be there in the future also. Sir, I have to make a request to you also, you are asking to take 3 minutes, I will not take 3 minutes and not even 2 minutes. Sir, I have heard the chairman's speech of Bank of Baroda, UCO Bank, PNB. Everyone was healthy, but no one was lengthy. We are on the VC portal. Think about it, Sir. When we put a limit on shareholders, think about yourself, Sir. How to conclude it? Sir, you are trying to pack an ocean into a pitcher. We started at 11 o 'clock, see where we have reached, Sir. Think about it a little. Sir, I want to know what we are doing to increase the profit margin of the bank. Tell me a little about this, Sir. Sir, we get the opportunity to meet you once a year. For the other information, we go to the Secretarial Team and we get the reply well in time. Sir, we have spoken for 3 minutes. Sir, why cannot you have auto cutoff. Sir, when you try to stop shareholders they do not listen, why cannot you implement auto cut so that you need not tell them. Finally, I would like to wish the Bank for its future. Thank you.

Moderator: Our next question is from Davinder Kaur, who would like to ask a question on audio mode. Davinder Kaur, please go ahead.

Davinder Kaur: Hello. Can you hear me?

Moderator: Yes, Sir.

Davinder Kaur: Sir, I am Joint Holder with Davinder Kaur Mr. Singh. Sir, the way you told us about the Bank in your initial Chairman speech, and many shareholders have asked a lot of questions, so all my queries have been resolved. I would like to thank CS and entire team for giving me the opportunity to speak. Thank you.

Moderator: Thank you. Our next speaker member is speaker number 10 Mr. Manjit Singh. Please go ahead Sir.

Manjit Singh: Am I audible? I welcome Bank's Management Team, Secretarial Team and my co-shareholder, I welcome you all. Good afternoon Sir. Sir, as you said in your remarks about the Bank, about the present and future, and we can see the long -term growth. Our profit has also jumped by 45%. In NPA, the last balance sheet was 0.19 and this one is also 0.19 like last year. Regarding this presentation, which involves figures from Secretarial Auditors and Auditors, could you please elaborate a bit on the data? How did it come about that the NPA figures appear the way they do? Our NPAs are actually lower, Sir, while our provisioning have increased; in fact, they have doubled. Last year, the figure was 1,216.98, and this year it is 2,622.56; it would be helpful if you could clarify whether these figures are in lakhs or crores.

B. Ramesh Babu: What has increased?

Manjit Singh: borrowing.

B. Ramesh Babu: Ok, understood. Thank you.

Manjit Singh: The investment figure is substantial. The previous investment was 23,831, and this time it is 29,019 though I couldn't clearly make out whether these figures are in lakhs or crores. Please tell us about this. Where do we invest and what is the return? Please tell us about this. Usually, we go to the banks. If we don't take a pen, we become dependent on it and our bank had given us an advance of 84004. This time, the advance has also increased by 15%. We have kept an advance of 98190. Is it in lakhs or crores? Please tell us about it and the Indian record for today, I give it to you. The award given by our management for a healthy and long speech which will be sent to you by our shareholder, whether it's the Guinness Book of World Records or something else. So you told us about the company. Sir, is there any scheme that after Corona, RBI is not able to provide? Do you want to exchange some notes? We give you money and take money from you. Do you have any such policy? We want to get some coins, some new notes. Will anyone contact us about that? Will your superior handle this matter? Is there anyone regarding this?

Moderator: Mr. Singh, could you please wrap up your questions?

Manjit Singh: Last, we hope and pray that what we have shared with you today will strengthen our investments in the future. I extend my sincere thanks to the Secretarial Department for preparing the balance sheet well in time and facilitating this interaction with you. Finally, I wish you good health and happiness—may you always remain cheerful and well. Thank you very much for the time allotted for this address. Thank you sir.

Moderator: We move to our speaker number 11. That is Mr. Sarvjeet Singh, who would like to ask question on audio mode. Mr. Singh, please go ahead.

Sarvjeet Singh: Hello Chairman Sir, can you hear my voice.Chairman Sir, first of all, good afternoon to you, all the Board of Directors, all the staff of Karur Vysya Bank Limited and my co-fellow shareholders. Sir, you told us a lot about the bank in your opening remarks. Sir, could you tell us a little bit about this, the places where our branches are, is it in rent or belong to us, tell about this sir. Sir, what investor needs is return on his investments, which you have been giving on our share prices. Another thing, you have told everything in your opening remarks. You have told everything elaborately.

Moderator: Mr. Singh, we couldn't hear you. Go ahead, Sir.

Sarvjeet Singh: You have told us a lot about the bank in your initial speech. Sir, the investor needs to have a return on his investment, which you have given through the dividend. And Sir, this is what we want our bank should keep moving forward in this way. And Sir, in the coming time, our progress will increase in this way. And Sir, are we thinking about opening our new branches. Tell us a little about this. The speaker who are connected with our Bank, give chance once in a year. I want to thank CS and his team for giving me chance to speak in front of you.

B Ramesh Babu : Namaskar Sir, Thank you.

Moderator: Thank you. We move to speaker number 12 now. That is Mr. Mani Sundaram AV. Sir, may we request you to unmute your audio and video and ask your question now. We will wait for a moment while Mr. Mani Sundaram unmutes his connection. Go ahead Sir, your microphone is unmuted. Sir, please go ahead. Your connection is unmuted, Sir. There seems to be no response.

Mani Sundaram AV: Welcome to 107 Annual General Board Meeting by means of video conference. Karur Vysya Bank. Welcome Chairperson Meena Hemchandra, Ramesh Babu, and all the directors, fellow shareholders, stakeholders, and fellow shareholders. This is very happy. We are belongs to (inaudible 1:49:50) Some clarification should be wanted. The Annual Report is very good, Share Capital is Rs. 193 Crores only but the dividend crosses Rs. 209 crores.

B. Ramesh Babu: Sir, your voice is breaking, Sir, but we have received your email. The questions what you asked. Your voice is breaking, Sir.

Mani Sundaram AV: Just a minute Sir. One minute only. On page number 328 and 329 loss occurrences what reason I do not know. Loss of sale in investment 3,95,799 what is (Inaudible 1:50:41) I do not know. Give a brief explanation and Pagen no. 323 necessary steps to reduce a NPA on the page number 102 deposit increased by.

B. Ramesh Babu: Sir I will do one thing Sir. Sir your email is received. I will respond. When I am responding, I have got your email.

Moderator: There is also some network issue from Mr. Mani Sundaram N Sir. We will ask him to write to you if required. In the meanwhile, we will go to the next speaker shareholder, so we had speaker number 13, Rishi Pal. He had registered. However, he is not there in the meeting. So we will move to speaker number 14.

That is R. Sutharsanan. Sir, may we request you to please unmute your connection and ask your question now. We will wait for a moment while Mr. R. Sutharsanan unmutes his connection. Go ahead, Sir.

R. Sutharsanan: Respected, Chairperson Madam and MD Ramesh Babu and Dr. Harshavardhan and other board members. Good evening, Sir. Regarding EPS 25.98 good and impressive and page number 328, loss of investment Rs. 39 Crores this year and last year Rs. 20 Crores. Can it be unavoidable? Regarding dividend as per balance sheet 80,56,10,780 shares and the provision is difference. Please look into the matter Sir. Thanking you to Company Secretary and Pavi madam, Secretarial Department and thank you team members. Thank you Sir.

Moderator: Thank you. We move to our speaker number 15 now. That is Mr. Om Prakash Kejriwal. Mr. Kejriwal, you may now unmute your video and audio and ask your question. Sir, please go ahead. Mr. Kejriwal, please go ahead.

Om Prakash Kejriwal: Hello Am I Audible? My camera is not working. Thank you, moderator. Thank you. Good afternoon, Sir. Good afternoon everybody. Myself Om Prakash Kejriwal equity shareholder from Kolkata. Thank you, Sir, for providing the platform to speak something before you. Thank you, our Secretarial Department for helping me registration as a speaker shareholder. Madam, this is my second AGM only due to virtual. So if possible, please follow this virtual AGM next year also, so that more and more investors from different parts of the world could join our AGM and express their views, and the company could take benefit from their views. Madam, our India is growing, and so our Bank is also growing. Our total income has grown to Rs. 13,159 Crores compared to Rs. 11,508 Crores. Our EPS has grown to Rs. 25.98 on the face value of Rs. 2. Previously, it was Rs. 20.10 and so our dividend has grown to Rs. 2.60 compared to Rs .2.60 including bonus in the ratio of 1:5. Our growth NPA is down to 0.75 from 0.76. Our net NPA is down to 0.19 from 0.20. Good growth, Sir. Good going. Madam, now I am waiting for the time when we reach at the level of Axis Bank and ICICI Bank. Sir, I wanted to ask a few questions. As discussed in today's RBI meeting, you are accepting FCNR deposits in US dollars, and the interest rate being offered is around 6.5%. Since these deposits are in US dollars and the rupee is depreciating, you will have to make the repayment in dollars. The cost will be high. So, will get some help from RBI? You will be having to pay a lot in dollars, due to depreciation, will RBI help. This is risky. This is because the RBI and the Government of India have granted significant leeway regarding dollar flows. It has seen an inflow of $14 million and an outflow of $20 million. My second question, do you increase FT rate for retail domestic deposit to attract more deposit in coming future? Madam, I have two suggestions for CSR committee. Please use some of CSR fund to provide drinking water nearby our business points and nearby our villages and second request, Madam, please use some of

CSR fund in skill development to make our country a developed country. As per latest report of NITI Aayog, 94,000 government aided schools were closed in last 10 years. It means 25 schools are closing down every day in whole India.

Moderator: Mr. Kejriwal, could you please wrap up your question, Sir? There are several participants waiting.

Om Prakash Kejriwal: Just one minute. Sir and Madam, If India grows, India will progress. Madam, I have a few requests also. Please do remember the speaker shareholders at the time of festivals in the same manner as you remember your friends and relatives. At last, Madam, please maintain your smile and be cheerful. We are always with you as a long term investor. Thank you. Thank you madam.

Moderator: Thank you. We now move to our speaker number 16 that is Mr. Abhishek. Sir, could you please unmute your connection and ask your question now. Mr. Abhishek J, please go ahead with your question. Mr. Abhishek J, please go ahead with your question.

Abhishek J: I congratulate the management on the eve of 107th Annual General Body Meeting. I trust all is well with you and your family in this challenging situation. Our company deserves much more respect than the current market share after completing more than a decade of successful operations, profitability, and becoming one of the strongest brands in their respective segments. First of all, I would like to know what steps have been taken by the management to reduce the other expenses, legal professional charges, and the audit fees. Myself and my team are running a legal firm in the name and style of 7 Wells Associates. I request the management to kindly enroll the firm in the empowerment of the bank, and we will be glad to extend our services. I would like to know what steps is the bank taking to recover the NPA. In fact, NPA is the largest drawback for a banking industry. So how do we recover this banking and previous year, how many ATMs have been opened, established, and how many new branches have come up across? I would like to know from you, Sir. Otherwise, the bank is doing really good. We are really thankful to the entire Board of Directors for their sincere efforts in bringing the Bank to this particular extent and rewarding the minority investor fraternity in large numbers. So nothing much to ask, Sir and I would request you to kindly consider hybrid AGMs in the years to come and I wish the Company, Bank and the Board of Directors a great success and prosperity in the coming future and thank you for giving this opportunity and hope to see you in the upcoming hybrid AGM next year. Thank you very much.

B. Ramesh Babu: Mr. Abhishek, we have received your email and the questions that also we are responding to you. I have noted down the points what you have mentioned now also. We will respond. Thank you.

Moderator: Thank you. We invite Mr. Sekar Vaidyanathan to please unmute your connection and you may ask your question. We will wait for a moment while Mr. Sekar unmutes his connection.

Sekar Vaidyanathan: Good evening to all and all the members. When the profit is now placed in nearly about 29%, but no increase in the dividend. Profit has considerably increased. Dividend is also to be increased considerably and constructively, at least 20%. The last AGM, replied that NEO was merged with CIG. By seeing the annual report of the bank, you are maintaining the NEO platform, but you have not provided details of the business. Further, kindly clarify what is a NEO? Whether NEO people have come under the category of the employee? If not, what type of arrangement with the bank? In case of the loan becoming NPA, how you are fixing the accountability? Bank has established 11 board level committees, including human resource committee to take care of the various issues of the employees. As per the guidance, bank has not established any committee for the pensioners so far. In our bank, nearly about 2,000 employees are pensioners and the family pensioner there. There is no grievance redressal mechanism in place either through online or offline. For each and every problem, pensioners are running pillar to post. No nodal officer is appointed so far to redress the grievances. It is utter violation of the guidance given by the government/SEBI. For example, difference in DA or pension not credited from FY 24-25 onwards form 16 are not issued as per IT Act. For form 16 issues, HRD simply asked him to contact LIC and not taking any responsibility. In the last meeting, bank assured that their relationship with the employees and it will be taken care of it, but still it is not resolved, either the present employee or retirees and on seeing the Board of Directors occupied, all are Independent Directors, I could not find any promoter or shareholder directors on the Board. Is there any reason for not inducting the promoter directors? RBI has already given guidelines. One-third will be women directors, one-third will be promoter directors, and the remaining will be independent directors. Remuneration paid to nonexecutive directors is on the higher side. That is Rs. 349.24 lakhs for the FY 2025-26. Kindly clarify, sitting fees are being paid on the basis of the day or per committee. That means on the same day, two committees are attended. They are eligible for one sitting fee or two sitting fees. Some independent directors are independent directors of some companies.

Moderator: Sorry to interrupt. Mr. Vaidyanathan, we request you to please complete your question faster. There are several participants waiting.

Sekar Vaidyanathan: Madam, this is as per the SEBI guidelines. We cannot disconnect it because I already discussed with the ROC also. So, you have to give ample opportunity.

Moderator:	Sir, we will give you another minute. We request you to please complete the question. Otherwise, you can write to the secretarial team, Sir. Thank you.
Sekar Vaidyanathan:	Please allow me to complete. But no details are available whether bank is having any exposure. Though so many committees are there, total frauds reported 50 amounting to Rs. 280.11 Crores, but recovered is Rs. 1.85 Crores only. Nowhere in the balance sheet furnished the nature of the fraud, whether it has happened by own employees or customer or cyber etc. No details are available. Now branch heads are under CTC, how bank is fixing accountability. The AGM held in 2024, I pointed out one of the executive salary is more than the MD salary. In the subsequent Annual Report, the salary was reduced and all executive salaries are shown lesser than the MD salary. The AGM Bank has replied that highly talented people are encouraged by offering more salary. How it was reduced? Is name still appearing in the balance sheet? Normally a person's salary is reduced, he may not continue in this office. On what basis auditors are also certifying? I need a clarification on the issue. Auditors are not issuing certificate, total salary of the managerial remuneration not exceeding the limit that is 11% of the net profit as per the provisions of the Companies Act. Bank's Annual Report contains 454 pages, but hesitate to publish remuneration paid to top 10 employees under section 197 of the Companies Act. By adding one page, no harm in it. Investors need not approach the department to get it separately. Other expenditure reported as Rs. 780.59 Crores under Schedule 16. Classification required. What are the other expenditures? I could not find any breakup in the annual report.
Moderator:	Mr. Shekhar Vaidyanathan, I am sorry, Sir. You will have to return to the queue. There are several participants waiting for their turn. If you have any questions, we request you to please write to the Secretarial Team and they will respond to your queries. We will now move to speaker number 18, that is Mr. V. Sivakumar, who would like to ask a question on audio mode. Mr. Sivakumar, please ask your question now. Please unmute your microphone, Mr. Sivakumar. Mr. Sivakumar, please ask your question now. Sir, please go ahead. Mr. Sivakumar, please ask your question. There is no response coming in from this connection. We will therefore move to our speaker number 19, that is Ms. Jeyalakshmi S. Ms. Jeyalakshmi, please unmute and you may ask your question now. Yes, Ms. Jeyalakshmi, your microphone is unmuted. Please ask your question.
Sekar:	Yes, I am instead of Jeyalakshmi, I want to continue as Sekar. I want to continue for Jeyalakshmi, disconnecting is not at all, it is already given by the ROC.
Moderator:	I am sorry, Sir. You cannot speak in proxy for Ms. Jeyalakshmi. We would request you to please write to the Secretarial Team. If Ms. Jeyalakshmi is there, we will allow her to speak right now. We are not getting any response from this

connection anymore. We will move to our last speaker. That is speaker number 20, Mr. K. S. Balasubramanian. Sir, could you please unmute your connection and ask your question now. We will wait for a moment while he unmutes his connection. Go ahead, Mr. Balasubramanian. Sir, we can see you, but your mic is muted, Sir. Unmute your mic, Sir. There will be a popup to unmute your microphone as well. Mr. Balasubramaniam. Please go ahead.

K. S. Balasubramanian: Sir, I am K. S. Balasubramanian, Coimbatore. The Indian Bank Association have given a lot of awards to our bank for their best performance in various fields. I would recommend them to give an award for our Managing Director who actually, all the 454 pages of the balance sheet, he has spoken in one hour. He is nut shelling all the ingredients that is required for a shareholder and I compliment him for his comprehensive display and telling everything about the Bank. Now, coming to my doubt, the net profit of the Rs. 2,510 Crores, capital adequacy ratio is 18.76%. Total deposit at 1,15,000 shows an excellent value of the bank. Transferring the retail banking into digital engagement is yet another feather in your cap. Declaring a dividend of Rs. 2.60 on every share is yet another friendly move towards the shareholder. Your CSR spending of Rs. 49.86 Crores is commendable. KVB Vidya, KVB Arogya, KVB Khel, KVB Shakthi, KVB Bhoomi, etc., are few of the targeted beneficiaries. The rating agents like CRISIL, ICRA, CARE, etc., is yet another solid proof of the strength of the company. About earnings per share is Rs. 25.98 versus Rs. 20.10 last year. The book value is Rs. 145.85 versus Rs. 148.17. There is a difference consequent to, of course, to the issue of the bonus shares declared last year. I have a few questions regarding seeking your clarification. Under the premium account, sum of rupees Rs. 32.20 Crores have been withdrawn as bonus issue. Please clarify whether the same has been settled or not. The board managing committee had met 12 times during the year and I find all the directors had 100% attendance and sitting fees also paid accordingly. I think the sitting fees on the higher side. While I appreciate the bank's efforts in keeping the gross NPA at 0.75% and the net NPA at 0.19%, yet I feel the gross NPA on 1425 was Rs. 64.18 Crores and as on March 31, 2026, it was Rs. 74.38 Crores. The director of the NPA's committee.

Moderator: Mr. Balasubramanian, I am sorry, but could you please wrap up your question, Sir?

K. S. Balasubramanian: Yes, yes, madam. Yes, madam. Other than this, I compliment the management for putting up an excellent performance and the working results of the Q1 of the 2026-2027 is also highly commendable. I congratulate the Managing Director for telling that a special category of shareholders who hold 500 shares will be given a special preference in the savings bank account. It is in the rate of interest will be on the higher side. I do not know what special incentive is given for the shareholder account holders. Thanking you once again, I compliment the management for the excellent show for the 2025-2026 performance. Thank you, Sir.

Moderator: Thank you, Mr. Balasubramanian. Chairperson, we have one participant who has rejoined the queue. We will just try once. That is Mr. Shivakumar B, who would like to speak on audio mode. Mr. Shivakumar, could you now unmute your microphone and ask your question, please? Mr. B. Shivakumar, yes, go ahead.

Shivakumar B: Respected Chairman and the Board of Directors, the Company Secretary, and the fellow shareholders, my good afternoon to all. I am happy to be a speaker shareholder for the first time. I am happy to know that the net profit of the KVB exceeds Rs. 2,500 Crores. I appreciate that. In KVB Vidya and KVB Arogya, in this one, our community children's remains back in education because of poverty. For that, you can sponsor at least 50% to 75% for well-being, education and medical reimbursement for the needed persons. In page number 340, provisions for depreciation for investments. How do depreciation comes in investments? Kindly clarify. Thank you, Sir. Consider hospitality who attend the meeting by means of video conference. Kindly please take care of investor. Thank you. Thanks a lot, madam.

Moderator: Thank you. That was the last question. Back to you, Chairperson, for further proceedings.

Meena Hemchandra: Thank you, shareholders, for your valuable questions, suggestions, and continued engagement with the bank. We sincerely appreciate your longstanding association and unwavering support. We value your feedback and will carefully consider the solutions and observations made during the meeting and examine their feasibility in the best interests of the Bank and its stakeholders. We request you to kindly remain connected. The meeting will resume approximately 15 minutes, following which, the MD and CEO will address the queries raised by the shareholders. Thank you.

Moderator: Over to you chairperson Madam.

Meena Hemchandra: Dear shareholders, before inviting the MD and CEO to address your queries, observations and suggestions, I call upon the Company Secretary to brief the members on certain important instructions relating to the e-voting process.

Srinivasarao 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 through NSDL e-voting platform to the members who are eligible to cast their vote from August 1, 2026 to August 4, 2026. The remote e-voting was closed at 5 p.m. yesterday. Members who have not cast their vote through remote e-voting may cast their vote until 15 minutes from the conclusion of this meeting. Shri. R.K. Bapulal, senior partner of M/s. Bapulal Yasar & Associates, practicing company secretaries Madurai, 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 Exchange and the Bank's website. Thank you. Over to Chairperson.

Meena Hemchandra: Thank you. Before I hand over to MD, I would like to address one observation made regarding Board composition. I would like to inform the shareholders that the composition of the Board is fully compliant with all applicable statutory, regulatory and governance requirements. Based on a review from time to time, the Board inducts suitable candidates possessing the requisite skills, experience, integrity and leadership qualities as per the bank's requirement. Thank you. I now hand over to MD for his clarifications.

B Ramesh Babu: Thank you, Madam. First of all, a profound thanks from my side, from the Board side, to all the speakers. So, Mr. Bharati Saraf, Mr. Manoj Kumar Gupta, Mr. Palaniappan, Mr. Himanshu A. Trivedi, Mr. Santosh Chopra, Mr. Gundluru Reddeppa, Mr. K. Bharat Raj, Mr. Lokesh Gupta, Mr. Devinder Kaur, Mr. Manjit Singh, Mr. Sarvjeet Singh, and Mr. Mani Sundaram. Mr. R. Sutharsanan, Mr. Om Prakash Kejriwal, Mr. Abhishek, Mr. Shekhar, Mr. Sivakumar, and Mr. K. S. Balasubramanian. So in fact few of you have mentioned the speech was long. The intention is very simple. So it is a progress card which MD is supposed to put up to the shareholders for the whole one year what happened, so rather than condensing the 450 pages balance sheet, we tried to condense the whole 365 days into one hour. So that is the reason, if properly it is not shared with the shareholders, it may be incorrect on my part. That is the reason it was a bit lengthy, but I have taken note of your point for the next time. So thank you very much to all of you for the encouraging words. Many of you have encouraged the performance, what we have done that. So without the support of each one of you, and the guidance, it would not have been possible for us. So also you would have seen the detailed Annual Report, year after year how we have improved it, and the disclosures, the transparency, what all we have brought. Every question what we have been discussing and thinking, more or less in some part of the annual report that is there, but however, I will try to respond to these points and all. Next thing is I also appreciate the deeper understanding of the whole bank by each one of you. So the amount of effort each one of you have put in to go through the balance sheet and repeating many of the points what we have done that, that is absolutely, we are grateful to you for that and the suggestions each one of you have given are quite valuable. We will work on each of the suggestions. A few of them may look generic, so that is why I may not be able to respond on that, but every point is taken care of. So because certain details sought by you are internal and administrative matters and are not required to be disclosed under any provisions of the Companies Act, hence we may not be able to provide that information. Kindly understand our predicament on this and a few of the shareholders, they have sent the email furnishing their questions. And just first of all, I will respond to those questions and my responses. Then I will respond to the rest of the questions flagged by each one of you. So I may not be able to respond person by person, because there is a lot of overlap happened in the questioning. I will respond to them, clubbing their responses together.

First thing is Mr. Himanshu Trivedi, in his mail, what he asks about the capex program of the next two years. So our upcoming capex program is considered based on the return on investment what we get on the capital expenditure as well as requirement for the regulatory purposes. Normally, for some of the projects, the capital expenditure spans into more than one year also. So this is one part and regarding the current employee strength, he has asked, it is currently at the end of July 30, 2026, it is 10,048.

Coming to Mr. Mani Sundaram, he wanted any new branches in our state, maybe Karnataka, he asked, and in the country. So this year, we are planning to open 50. In my inaugural speech, I also have covered that and the past backlog of four branches also will cover it. That way, 54 will be there. Out of this, 10 to 18 we will be planning to open in Tamil Nadu, 10 in Telangana, 6 in Andhra Pradesh, and Karnataka also we are planning to have five. And that way, this time we are planning to have something in the West as well as in the Gujarat and also Maharashtra. So that way we will try to diversify the concentration in the South in the years to come. So regarding the ATMs also, he has sent an email. So I just want to share a part. The banking industry as a whole, if you look at it, overall, because of the government's initiative for the digitization, what all has happened the number of transactions nowadays are passing through digitally. In my speech also, I mentioned 98% transactions of your bank are passing through digitally. If we look at our internal data, 2024, on an average we used to have 100 of transactions used to be there in an ATM whereas in 2025, it has come down to 78 and 2026, it has come down to 61. So that way, next year, if you look at it, the three years back, the transactions what were happening in the ATMs, it is just coming down by 50% because the people do not want to use the cash. They want to make the payments digitally, but however, your point is taken care of. This year, along with the branches, what we will be opening, 54 new ATMs also we will establish there. So now we have also mentioned in the email, steps taken to minimize the NPA. You would have seen that our gross NPA used to be 9% plus at a point of time and we have brought it down to below 1%, 0.74%, 0.75% and we were more or less the first bank to come down below 1%. So a lot of measures have been taken. So it is on our radar, continuously we will work on that. So like what the steps, what we take are prompt followup on the overdue accounts, regular monitoring of the loan accounts, early warning signals, because we strongly believe prevention is better than cure. We use this artificial intelligence and predictive analytics also to identify when an account can become NPA. So with a 60% to 65% accuracy, we are working on that and those accounts, if you can identify much in advance the remedial measures, what are required, we can take it forward so that tomorrow the mishap comes up at that time, rather than focusing on the recovery. So it is better we work initially itself, that is working well and wherever NPAs have become, we are also working on the root cause analysis of the slippages and quick mortality also we are looking at it. So above that, based on the past record, where we have lost the money and our risk management department continuously looks at it, and the robust underwriting standards what we have further, we always try to fine tune that. So just tomorrow, catastrophe, what all is going to come, how to avoid that.

So now, coming to Mr. R. Sutharsanan, he asked about NPA, which I have clarified that one, so revenue he was mentioning about other revenue Rs. 1526 Crores on basis it has arrived, so as per the regulatory guidelines, whenever mandate reserves are to be appropriated out of profits, including proposed dividend, and the balance of the profit of the year will be transferred to revenue and other reserves. So it is as per the guidelines we have done that and so you provided a dividend clarification also he wanted, so if you can look at page number 106 and 107 of our Annual Report, so we have clearly provided there the appropriations how we have done that.

So Mr. Abhishek also has raised many points on that. Few of them if I take that one and all. So where will you see the light at the end of the tunnel? So the growth triggers. So if you can look at it, so light at the tunnel, if you look at it continuously on an ongoing basis, our performance has been improving. More or less, we are able to deliver. Rather, I can say we, your Bank is able to deliver. So what all is committed and guided, we are above that. So we have moved from 0.3 to ROA, which used to be there in 2020, to 1.93 and the last quarter, ROA, all of you would have seen that also, how it has moved that way. So we are on the growth path, and we are quite cautious. We focus on three broad parameters, like business growth, asset quality, and profitability. So not any parameter, all three are important to us. Likewise, new products, what all are launched in my inaugural speech also I have covered all of them. You also mentioned about cost cutting, so here a small variation what we think cost cutting is existing what we are paying out of cut. Rather we look at the cost optimization. Sometimes cost we need to pay. So what value we are getting? Are we getting that value? Or if not, what we need to do to get the value? So we are focusing on the cost optimization rather than cutting. But wherever these sort of rentals, these things, where it is controllable expenses are there, we are working on them. We have brought it down and likewise, SMS cost has come down drastically. We have negotiated with service providers. Likewise, many of the landlords, we have negotiated with them for that and wherever not possible, we have relocated the premises also, so that way, a lot of efforts have been made for the cost cutting. So sustainability of the profit and earning also, he was mentioning. So you would have seen saying that our gross NPA and stress levels are low. So naturally, what all we will be earning, our intention is majority need to flow into the net profit, rather than having a leaking bucket where so many holes are there, we will be losing that one. So intention is the same. So how to sustain the profitability to the extent possible and no unknown unknowns are there, we need to have a visibility and what all is known always, we always share with the stakeholders, so likewise, investor relations. Investor relations, how we people are managing and all, every quarter after this is over, we will have a con call with the investors and above all, we will meet many of the investors and video conference also will meet them. So that way, a lot of engagement is there with all the people. So rest of the questions what you have asked more or less all of them, response will be provided to you. Thank you for the detailed questions.

Coming to the frauds, Mr. Palaniappan was mentioning about that. So then I just want to give a comfort to all of you saying that more than 90% of these reported frauds are credit related. Above 85% are concentrated within very few high value accounts having banking with multiple banks. Few of them are of longstanding vintage in our books. Above all, statutory processes are also involved before declaring them as a fraud, which may sometimes result into bunching. So, indeed, few of the frauds have come to light. Due to our robust credit monitoring framework and early warning systems, despite the corporate accounts being under multiple banking arrangements, in many of the cases, our bank was the first to identify the fraud element and report. So, all frauds are backed by the collateral and recovery process is in progress. So, that way, I can comfort you saying that as far as the operational issues are concerned, staff collusion, these things are concerned it is a pretty, pretty small portion. These are credit related and which is absolutely with many other banks also.

And one of the, shareholders asked about the CASA growth. True, all of you need to understand that the CASA, actually the numbers per se have grown very well this year. But we focused on the time deposits. The reason is pretty simple. Many of the customers, they know that the rates of interest are going to come down. In the whole process, they have shifted their SA balances, savings balances into time deposits to protect the fall in the interest rates and all. So that way we also encouraged, otherwise, as a well wisher of the customer, we should tell them at the appropriate time, they may lose an opportunity. In the whole process, there is a disproportionate growth in the time deposits. So that way the CASA has grown much better than earlier years. In percentage terms, it looks subdued. So this is a pretty reason, but we continue to strengthen our CASA acquisition engine through a dedicated channel, a new-to-bank engagement program focused on various segments, corporate salary packages, government institutions, as well as cross selling primary transaction accounts and merchant system integration. Now, coming to the dividend, a few have mentioned when the profit has gone up and all, dividend also should go up. We fully agree with you, but we need to understand that this year the dividend is paid, including the bonus shares. Last year, one is to five bonus shares we have given. So that way, one fifth of the number of shares have gone up, so on that also, we have paid at the same rate. That way, the dividend payment is definitely higher than last time. So we also need to keep, we need to strike a balance also between the rewarding the shareholders and retaining the internal capital to fund the growth. So it is a growing bank. You have seen so many verticals are growing and different opportunities are there. We need to explore and exploit all these opportunities for that growth capital is required. So if capital is required through rights issue if we come back to you and if you invest that so somehow we feel that it is not tax efficient while paying the dividend you will be paying the tax and while investing again you have to replace that amount and all you have to put it. So that is why what we thought to strike a balance between these two effectively. So now coming to the strategy five years / three years something like people are telling so as once again I just want to repeat. Our growth journey is guided by clear future focus strategy centered on five pillars the pillars are people, processes, practices, planning and partnerships. This clearly, we have clearly explained in our Annual Report also. We will focus on these things to finally to reach the destination of business growth, asset quality, and profitability. For arriving at these things, we will use these levers, what all I have mentioned, five, to reach the destination.

Now one of the shareholders talked about the old age home constructions and all. For 2023-2024 also, Rs. 50 Lakhs we have spent, 2025-2026 also, Rs. 2.72 Crores we have spent that. So, bank is launching a flagship elder care transformation program during the current year, 2026-2027. We understood saying that this is a growing population which requires the support of the community. So your bank is abreast of this one and all. So we will work on that and how to support, we will see that.

So next coming to the declaration and transparency about the employees' salaries these things are not getting reflected so I just want to clarify once again last year also we have clarified the same point in accordance with section 197 (12) read with second proviso to rule 5(2) and 5(3) of the Company's

Appointment and Remuneration of the Managerial Personnel Rules, 2014 the information containing the particulars of top 10 employees shall be made available to the shareholders on a specific request. Accordingly, the said process has been mentioned in the Annual Report, page number 130 of the annual report, so one more thing Mr. Sekar has also mentioned. Sometimes the few of the salaries are up and few of the salaries are down. So it is as simple as that. Now whoever the sort of a variable pay, the sort of payments come up and all, it comes in a particular year. So accordingly as and when they exercise, those changes will be coming, but we will be going as per the laid down process and all. No deviation anywhere on that particular point.

Now coming to the NPAs what we have mentioned. So there is a concern with the members as I said earlier, we are absolutely on the job. So the early warning signals also what we have created and predicts underwriting models. So these are really helping us to keep our SMA-30, Special Mention Accounts, 30 days below. This is what we are maintaining that one. If you can see our Annual Report, recovery during 2025-2026. Gross NPAs, we have recovered Rs. 148 Crores and the technically written off it is also NPA but for the purpose of the cleaning the balance sheet we have written off those accounts. We have recovered Rs. 679 Crores which together comes to more or less if you see Rs. 818 Crores but in addition to that Rs. 139 Crores we have recovered interest also on a written off account if we add all these things Rs. 966 Crores we have recovered which is highest in the last many years if you look at it So that way, while we are focusing on accounts not going into NPA, we are also equally focused on the recovering the dues also. So coming to NCLT also, during 2025-2026, we have recovered Rs. 105.73 Crores, and there are 52 accounts still in NCLT with Rs. 1,191 Crores and this year, we are expecting around Rs. 65 Crores. There is a visibility currently, but this will be unfolding over a period of time. Once we get the clarity from the NCLT, we will be knowing. We are active in Lok Adalat also. So this year we have conducted 72 Lok Adalat and Rs. 12.54 Crores has been recovered. Number of awards passed are 475 cases have been passed.

So now coming to the pensioners. So Mr. Sekar has mentioned Form 16 issued by LIC only. So I agree it is a grievance actually, but there is no legal requirement for appointing a nodal officer for the pensioners. So but the LIC point out what you mentioned, we will examine what is the correct one and all, we will try to do that. Now, wage revision provision, one of the shareholders has mentioned. So, it will be made appropriate time once the process starts and all, when IBA comes to a conclusion, when the due date starts, we take note of the point what you have mentioned, we will work on that. So, CTC, people talk about the CTC and all accountability. Accountability for any misconduct is addressed to staff accountability and disciplinary processes.

So next point is on the Neo. Neo, one of the shareholders has mentioned. So just I want to clear this point. Bank will have different types of acquisition and distribution channels. All these will land into the vertical. As for the Annual Report is concerned, we talk about finally what the bank has got. So there can be different verticals, like direct selling agents. So we will be getting from them. A few referrals can be there, and savings bank is also there, and all the acquisition teams will be there. So all these are different arms of the vertical to acquire and distribute. So, that way Neo what you mentioned is one of the distribution channels of the bank and not a vertical per se. So, that is the very reason we have not furnished the data and all. So, they may be acquiring the business both for the retail assets as well as for SME. So, what all acquisition is there and all distribution, this will be going into different verticals. So, this is being taken care of. Even the accounts acquired by them and the SMA numbers and NPS are also absolutely under control. Not only this other verticals also where through different channels we are working on that all of them we have a tab we are looking at it. If you look at the whole bank SMA it is point less than 0.5 when I say it and all. So it includes every vertical, every channel, every acquisition, and every distribution. So that way, please be reassured your bank is safe.

Now coming to the sitting fees is concerned. So a point was mentioned. Companies Act, 2013 specifies that sitting fees shall not exceed one lakh per meeting of the Board or a committee thereof. Accordingly, the sitting fee paid by the bank is well within the limits prescribed. So that way, so I just wanted to clarify saying that one other shareholder has mentioned, so well we are within this one. and one shareholder also mentioned about the FCNR(B), the scheme what all is there and they were mentioning about our rate of interest 6.5%, no actually we are paying 7% and not only that when the scheme was launched, we were the first bank to release our rate of interest first in the market, and it has become a benchmark for many. So now, the pertinent point what you have mentioned is, it has a depreciation effect and all, so how the bank is going to be insulated. So 100% correct, Reserve Bank of India has clearly given provision wherein the principal portion, what all is there, it will be taken care of at what rate we are going to surrender the dollars to Reserve Bank of India. We will be getting at the same rate from them. Only this depreciation portion will be there on the interest component not on the principal component. Now coming to borrowings also someone has mentioned why borrowings are up. The point is simple when the treasury someone manages so sometimes the borrowings are cheaper. Naturally, you need to borrow the money and sometimes the deposits are cheaper. You have to get it that way, so it is a function of where the money is available and what the cost so that way this all a part of the treasury management. All these will finally land into the return on asset. Then your bank is able to show one of the best banks as return on assets. So this is a part of the routine process which happens and all. That is what we did this.

Now coming to Ghaziabad, so agreed, Sir. In fact, I heard your point, but I am happy to share that we have a branch already in Ghaziabad and you can avail the services on our branch. We will be much happy to serve you. The last point is about the geopolitical and war. How are we going to manage? So agreed in the end of March when it has started we were also a bit worried because we have 35% of the MSMEs with us so luckily the quality of the portfolio is good, and monitoring is also good. So that way, as on date, even the June quarter results also, when we have seen, you could not find anything. On the ground, we are in touch with many of the customers, and people are able to manage and that way, currently, if you look at it, the impact may not be that much and all, but as it unfolds, we will be on the job continuously to look at what measures need to be taken, corrective measures also, we will be taking that to protect the interest of the bank. Thank you all once again for so much of pain you have taken to go through our Annual Report and asking this question for improving further your bank. Thank you very much.

Meena Hemchandra: Thank you Mr. Babu. As we come to the close of the proceedings of the Annual General Meeting, I now invite Shri B Shankar, Executive Director to propose the vote of thanks.

B Sankar: Thank you madam. Respected Chairperson, MD, CEO, Directors on the Board, former Directors, members of the Senior Management Team, esteemed shareholders, valued customers, employees, and other distinguished shareholders, stakeholders, ladies and gentlemen. Good afternoon to all. It is both an honor and a privilege for me to propose the vote of thanks at the conclusion of the 107th Annual General Meeting of our Bank. At the outset, I bow in gratitude to our visionary founders Shri. M. A. Venkatarama Chettiar and Shri. Athi Krishna Chettiar whose foresight and entrepreneurial spirit laid the foundation for this great institution more than a century ago. I also acknowledge with gratitude the invaluable contributions of all our former directors, leaders, and employees who, through their dedication and commitment, have shaped the Karur Vysya Bank into the strong and respected institution it is today. I extend my sincere thanks to our Chairperson, Dr. Meena Hemchandra, for conducting today's proceedings with her characteristic grace, clarity and professionalism. Madam, your insightful address has effectively highlighted the Bank's achievements, governance strengths, strategic direction and commitment to sustainable growth. We remain grateful for your able leadership and guidance. My heartfelt thanks to our MD and CEO, Shri. B. Ramesh Babu, whose exemplary leadership, strategic vision, and unwavering commitment have been instrumental in driving the bank's growth and strengthening its position in the industry. Sir, your unwavering focus on growth, customer service, operational excellence, and stakeholder value reflect your deep commitment to taking our bank to greater heights. I also express my sincere appreciation to the Directors on the Board for their collective wisdom, valuable counsel, and steadfast support in steering the bank through an evolving business environment. Their guidance continues to strengthen the bank's governance framework and strategic decision making. A special word of thanks goes to our Senior Management Team and every member of the KVB family across our branches, offices, and business units. Their hard work, dedication, resilience, and customer-centric approach have enabled the bank to deliver consistent performance and create lasting value for all stakeholders. Today, the banking landscape is transforming rapidly through technology, changing customer expectations, and evolving regulatory requirements. I am pleased to state that our bank continues to embrace this transformation with confidence by strengthening digital capabilities, enhancing operational efficiency, improving customer experience, and maintaining a strong focus on governance, compliance, and risk management. These efforts position us well for sustainable growth in the years ahead. On behalf of the Board, I express our heartfelt gratitude to all our shareholders for their continued trust and confidence in the bank. Your support remains the cornerstone of our success. I also take this opportunity to thank our customers whose patronage motivates us to continuously improve and deliver better banking solutions. Our sincere thanks to the Reserve Bank of India, SEBI, Ministry of Corporate Affairs, Central and State Governments, NSE, BSE, Depositories, other regulatory authorities, business partners and service providers for their continued guidance and support.

I place on record our appreciation to M/S Kalyaniwala & Mistry LLP and M/S Verma & Verma, Joint Statutory Central Auditors of the Bank and all the Branch Auditors for their professional services. I also thank M/s SAE &Associates LLP, Secretarial Auditors, and Shri. R.K. Bapulal of M/S Bapulal Yasar & Associates, Scrutinizer for this AGM. My special appreciation goes to NSDL, VCNow, and all technology partners for facilitating the seamless conduct of this AGM through VC/OAVM platform, and ensuring active shareholder participation. Finally, I thank all the shareholders and participants who joined this meeting, particularly the speaker shareholders, who enriched the proceedings with their valuable suggestions, observations, and constructive feedback, and for their continued support to the bank. With these words, I once again express my heartfelt gratitude to everyone who has contributed to the successful conduct of the 107th Annual General Meeting. Thank you, ladies and gentlemen. Stay safe, stay healthy and wish you all a pleasant day ahead.

Meena Hemchandra: Thank you, Mr. Shankar. Members who have not cast their votes through remote e-voting may do so through the NSDL e-voting platform. The e-voting facility will remain available for 15 minutes after the conclusion of the meeting. I request you all to kindly rise for the National Anthem. Thank you for your participation and continued support. I now declare the 107th Annual General Meeting of the Karur Vysya Bank Limited as concluded. Thank you.

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