

FCD/Q4/RES/33/2022

May 20, 2022

The Manager,
National Stock Exchange of India Ltd,
Exchange Plaza, 5th Floor,
Plot No. C/1, 'G' Block,
Bandra- Kurla Complex,
Bandra (East), Mumbai - 400 051

The Manager,
Bombay Stock Exchange limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001

Scrip Code: KARURVYSYA

Scrip Code: 590003

Dear Sirs,

Reg : Audited Financial Results of the Bank for the quarter/year ended 31st March 2022

Pursuant to Regulations 30, 33, 52 and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of the audited financial results for the quarter/year ended 31st March 2022 along with a copy of Audit Report issued by the Joint Statutory Central Auditors M/s. R G N Price & Co., Chartered Accountants (Registration No.: 002785S) and M/s. Sundaram & Srinivasan, Chartered Accountants (Registration No.: 004207S). The results were duly approved by the Board of Directors at its meeting held today.

Further, in terms of Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we here by confirm that the Joint Statutory Central Auditors have given an unmodified opinion on the Audited Financial Results for the financial year ended 31st March 2022.

The Board of Directors of the Bank has recommended a dividend of Rs. 1.60 per equity share of face value Rs. 2/- each (i.e. 80%) for the financial year ended 31st March 2022, subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM) of the Bank.

Kindly take the same on your records.

Yours faithfully



Srinivasarao M
Company Secretary &
Dy. General Manager

THE KARUR VYSYA BANK LIMITED

Finance & Control Department

Registered & Central Office, No. 20, Erode Road,
Vadivel Nagar, L.N.S. Karur – 639002. Tamil Nadu

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Website: www.kvb.co.in

CIN : L65110TN1916PLC001295

R. G. N. Price & Co.
Chartered Accountants
Simpson Buildings,
861, Anna Salai,
Chennai – 600002

Sundaram and Srinivasan
Chartered Accountants
23, C P Ramaswamy Road,
Alwarpet,
Chennai – 600 018

Independent Auditors' Report on Quarterly and Year to Date Financial Results of The Karur Vysya Bank Limited pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended).

The Board of Directors
The Karur Vysya Bank Limited
Karur

Report on the Audit of the Financial Results

Opinion

1. We have audited the accompanying Statement of quarterly and year to date financial results of **The Karur Vysya Bank Limited** (the "Bank") for the quarter and the year ended March 31, 2022 ('the Statement') attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") except for the disclosures relating to Pillar 3 disclosure as at March 31, 2022 including "Leverage Ratio", "Liquidity Coverage Ratio" and "Net Stable Funding Ratio" under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid Statement and have not been audited by us.
2. In our opinion and to the best of our information and according to explanation given to us, the aforesaid Statement:
 - a) is presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the Listing Regulations in this regard except for the disclosures relating to Pillar 3 disclosure as at March 31, 2022 including leverage ratio, liquidity coverage ratio and net stable funding ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been audited by us; and
 - b) gives a true and fair view in conformity with the recognition and measurements principles laid down in the applicable accounting standards as per Section 133 of the Companies Act 2013 read with Companies (Accounting Standards) Rules 2021 to the extent applicable, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines, directions issued by the Reserve Bank of India ("RBI") from time to time (the "RBI Guidelines") and other accounting principles generally accepted in India, of the net profit and other financial information of the Bank for the quarter and year ended March 31, 2022.

Basis of Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013, as amended. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Statement section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial results, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe



that the audit evidence obtained by us and other auditors in terms of their reports referred to in “Other Matters” paragraph below is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matters

4. We draw attention to Note No.9 of the accompanying Statement of Unaudited Financial Results, regarding the impact of COVID-19 pandemic on the Bank’s operations and financial position which will depend on various uncertain aspects, including actions taken to mitigate the same and other regulatory measures. Our conclusion on the Statement is not modified in respect of this matter.

Our opinion is not modified in respect of these matter.

Responsibilities of Board of Directors for the Statement

5. The Statement has been prepared from the related audited Annual Financial Statements and approved by the Board of Directors. The Bank’s Board of Directors are responsible for preparation and presentation of these Statement that gives a true and fair view of the financial position, financial performance and cash flows of the Bank and other financial information in accordance with the accounting principles generally accepted in India including the Accounting Standards prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules, 2021, the relevant provisions of the Banking Regulation Act, 1949 and RBI guidelines from time to time and in compliance with regulation 33, regulation 52 read with regulation 63 of Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013 for safeguarding the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the Statement, the Board of Directors are responsible for assessing the Bank’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the Bank’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Statement

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement whether due to fraud or error and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.



9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls with reference to financial statements in place and operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
10. Materiality is the magnitude of misstatements in the Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Statement.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



R. G. N. Price & Co.
Chartered Accountants
Simpson Buildings,
861, Anna Salai,
Chennai – 600002

Sundaram and Srinivasan
Chartered Accountants
23, C P Ramaswamy Road,
Alwarpet,
Chennai – 600 018

Other Matters

13. The comparative financial information of the Bank for the corresponding quarter and year ended on March 31, 2021, included in these financial results were audited by another firm of Chartered Accountants and they have expressed their unmodified conclusion on such results vide their report dated 28th May 2021 and the financial statements of the Bank for the year ended 31 March 2021 were audited by another auditor whose report dated 28 May 2021 expressed an unmodified opinion on the financial statements.
14. We report that the figures for the quarter ended March 31, 2022 represent the balancing figure between the audited figures in respect of the financial year ended March 31, 2022 and the published unaudited year-to-date figures up to December 31, 2021 being the date of the end of the third quarter of the current financial year, which was subjected to limited review by us, as required under Listing Regulations.
15. These standalone financial results incorporate the relevant returns of 851 branches audited by the other auditors specially appointed for this purpose. These branches audited by other auditors cover 79% of advances, 92% of deposits and 43% of Non-performing assets as on 31st March 2022 and 76% / 70% of revenue for the quarter / year ended 31st March 2022 respectively.

Our opinion is not modified in respect of the above matters.

For R.G.N. Price & Co.,
Chartered Accountants
FRN: 002785 S


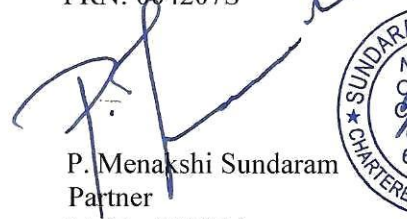


Mahesh Krishnan
Partner
M. No. 206520
UDIN:22206520AJHBKB5655

Place : Karur
Date : 20th May 2022



For Sundaram & Srinivasan,
Chartered Accountants
FRN: 004207S



SUNDARAM & SRINIVASAN
New No: 4,
Old No: 23,
CPR Road,
Chennai
600 018.
CHARTERED ACCOUNTANTS

P. Menakshi Sundaram
Partner
M. No. 217914
UDIN:22217914AJHBJY7808

Place : Karur
Date : 20th May 2022

AUDITED FINANCIAL RESULTS FOR THE QUARTER /YEAR ENDED 31ST MARCH 2022

Particulars	(Rs. in lakh)				
	Quarter ended			Year ended	
	31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
	Audited	Unaudited	Audited	Audited	
1. Interest earned (a+b+c+d)	140927	140451	134931	558767	547043
a) Interest / discount on advances / bills	113813	113313	109648	452548	445355
b) Income on investments	24138	23478	21970	92478	94179
c) Interest on balances with Reserve Bank of India & other interbank funds	2885	3571	3245	13433	6829
d) Other interest	91	89	68	308	680
2. Other income	20548	19561	16908	76906	91882
3. Total income (1+2)	161475	160012	151839	635673	638925
4. Interest expended	69934	71728	73671	287230	311091
5. Operating expenses (i+ii)	47410	48125	57929	185422	198683
(i) Employees cost	22317	24336	35121	94503	115368
(ii) Other operating expenses	25093	23789	22808	90919	83315
6. Total expenditure (excluding provisions and contingencies) (4+5)	117344	119853	131600	472652	509774
7. Operating profit before provisions and contingencies (3-6)	44131	40159	20239	163021	129151
8. Provisions (other than tax) and contingencies	14012	14610	2406	69929	75714
9. Exceptional items	-	-	-	-	-
10. Profit from ordinary activities before tax (7-8-9)	30119	25549	17833	93092	53437
11. Tax expense	8772	7001	7396	25765	17498
12. Net profit from ordinary activities after tax (10-11)	21347	18548	10437	67327	35939
13. Extraordinary items (net of tax expense)	-	-	-	-	-
14. Net profit for the period (12-13)	21347	18548	10437	67327	35939
15. Paid-up equity share capital (FV Rs.2/- per share)	16000	15987	15986	16000	15986
16. Reserves excluding revaluation reserve				743620	679988


THE KARUR VYSYA BANK LIMITED

Finance & Control Department
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Vadivel Nagar, L.N.S. KARUR - 639 002. Tamil Nadu
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Website : www.kvb.co.in
CIN : L65110TN1916PLC001295
GSTIN : 33AAACT3373J1ZD



(Rs. in lakh)

Particulars	Quarter ended			Year ended	
	31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
	Audited	Unaudited	Audited	Audited	
17. Analytical ratio					
(i) % of shares held by Government of India	-	-	-	-	-
(ii) Capital adequacy ratio - Basel III (%)	19.46	18.79	18.98	19.46	18.98
(iii) Earnings per share (EPS) ¹ (Rs.)					
a) Basic EPS before and after extraordinary items	2.67	2.32	1.31	8.42	4.50
b) Diluted EPS before and after extraordinary items	2.67	2.32	1.31	8.41	4.50
(iv) NPA ratios					
a) Gross NPA	343104	388752	414287	343104	414287
b) Net NPA	126079	135557	171939	126079	171939
c) % of Gross NPA	5.96	6.97	7.85	5.96	7.85
d) % of Net NPA	2.28	2.55	3.41	2.28	3.41
(v) Return on asset (annualised) (%)	1.06	0.93	0.55	0.86	0.49
18. Net worth ²	741781	733292	684039	741781	684039
19. Paid up debt capital/ Outstanding debt ³ (%)	36.37	37.57	19.26	36.37	19.26
20. Debt/equity ratio ⁴	0.09	0.11	0.11	0.09	0.11
21. Total debts to total assets ⁵ (%)	1.67	1.67	3.39	1.67	3.39

¹ – EPS not annualised for the quarter.² – Net worth is calculated as per guidelines given under RBI Master Circular on Exposure Norms.³ – Outstanding debt / Total debts represent total borrowings of the Bank. Debt represents borrowings with residual maturity of more than one year.⁴ – Equity represents total of share capital and reserves less proposed dividend.⁵ – Total assets as per Balance Sheet.**THE KARUR VYSYA BANK LIMITED**

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STATEMENT OF ASSETS AND LIABILITIES
(Rs. in lakh)

Particulars	As on 31.03.2022 (Audited)	As on 31.03.2021 (Audited)
Capital & liabilities		
Capital	16000	15986
Reserves and surplus	743620	679988
Deposits	6867616	6327843
Borrowings	133909	252829
Other liabilities and provisions	243227	185673
Total	8004372	7462319
Assets		
Cash & balances with Reserve Bank of India	359426	351406
Balances with banks and money at call and short notice	133191	280628
Investments	1721606	1601893
Advances	5533462	5036350
Fixed assets	47849	53906
Other assets	208838	138136
Total	8004372	7462319

SEGMENT REPORTING FOR THE QUARTER/YEAR ENDED 31ST MARCH 2022

Business Segments	<i>(Rs. in lakh)</i>				
	Quarter ended			Year ended	
	31-03-2022 Audited	31-12-2021 Unaudited	31-03-2021 Audited	31-03-2022 Audited	31-03-2021 Audited
Segment revenue					
1. Treasury	24666	24404	21701	101825	125915
2. Corporate/Wholesale banking	34829	33769	31647	135997	125211
3. Retail banking	100799	100888	97537	394225	385018
4. Other banking operations	1181	951	954	3626	2781
Total	161475	160012	151839	635673	638925
Segment results					
1. Treasury	5595	4224	1294	21787	35538
2. Corporate/Wholesale banking	10904	9856	5528	39887	26455
3. Retail banking	32600	31145	18111	121875	86877
4. Other banking operations	865	691	647	2660	1997
Total	49964	45916	25580	186209	150867



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(Rs. in lakh)

Business Segments	Quarter ended			Year ended	
	31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
	Audited	Unaudited	Audited	Audited	
Less: Unallocated income/expenses	5833	5757	5341	23188	21716
Operating profit	44131	40159	20239	163021	129151
Tax expense	8772	7001	7396	25765	17498
Other provisions	14012	14610	2406	69929	75714
Net profit from ordinary activities	21347	18548	10437	67327	35939
Extraordinary items	-	-	-	-	-
Net profit	21347	18548	10437	67327	35939
Segment assets					
1. Treasury	1848842	1905877	1912596	1848842	1912596
2. Corporate/Wholesale banking	1385684	1324378	1177076	1385684	1177076
3. Retail banking	4147778	3998291	3859275	4147778	3859275
4. Other banking operations	-	-	-	-	-
5. Unallocated	622068	532635	513372	622068	513372
Total segment assets	8004372	7761181	7462319	8004372	7462319
Segment liabilities					
1. Treasury	1738133	1761533	1836846	1738133	1836846
2. Corporate/Wholesale banking	1239526	1189875	1045290	1239526	1045290
3. Retail banking	3710702	3593340	3428179	3710702	3428179
4. Other banking operations	-	-	-	-	-
5. Unallocated	556391	478461	456030	556391	456030
Total (a)	7244752	7023209	6766345	7244752	6766345
Capital employed (Segment assets - Segment liabilities)					
1. Treasury	110709	144344	75750	110709	75750
2. Corporate/Wholesale banking	146158	134503	131786	146158	131786
3. Retail banking	437076	404951	431096	437076	431096
4. Other banking operations	-	-	-	-	-
5. Unallocated	65677	54174	57342	65677	57342
Total (b)	759620	737972	695974	759620	695974
Total segment liabilities (a+b)	8004372	7761181	7462319	8004372	7462319

For the above segment reporting, the reportable segments are identified into Treasury, Corporate/Wholesale banking, Retail banking and other banking operations in compliance with RBI guidelines. The Bank operates only in India.



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CASH FLOW STATEMENT

Particulars	(Rs. in lakh)	
	Year ended 31-03-2022 (Audited)	Year ended 31-03-2021 (Audited)
Cash flow from/(used in) operating activities		
Net Profit as per Profit and Loss account	67327	35939
Adjustments for		
Depreciation on Bank's property	11918	12414
Interest paid on TIER II bonds	5820	5819
Provisions for other contingencies	5334	9804
Provision for taxes	25765	17498
Provision for depreciation on investment	10714	13782
Provision for standard assets	1699	573
Provision for bad and doubtful debts	63485	63399
Provision for non performing investments	(589)	1938
Provision for compensation absences	208	5501
Amortization of premium paid on Held to Maturity (HTM) investments	13574	12273
Provision for employees stock option plan / scheme	49	8
(Profit) /Loss on sale of fixed assets (net)	(110)	(22)
Operating profit before working capital changes	205193	178926
Adjustments for working capital changes		
(Increase) / Decrease in investments (excluding HTM investments)	10213	76611
(Increase) / Decrease in advances	(560432)	(490609)
(Increase) / Decrease in other assets	(130225)	5707
Increase / (Decrease) in deposits	539773	420336
Increase / (Decrease) in borrowings	(118920)	134411
Increase / (Decrease) in other liabilities and provisions	52447	25171
	(1951)	350553
Direct taxes paid	31500	(14000)
Net cash flow from/ (used in) operating activities	29549	336553
Cash flow from investing activities		
Purchase of fixed assets	(5861)	(7656)
(Increase)/Decrease in HTM investments	(153626)	(130251)
Sale of fixed assets / other assets	110	22
Net cash flow from / (used in) investing activities	(159376)	(137885)
Cash flow from financing activities		
Proceeds from share capital	14	-
Proceeds from share premium	253	-
Increase/(Decrease) in tier II bonds	-	-
Interest paid on tier II bonds	(5820)	(5820)



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Particulars	(Rs. in lakh)	
	Year ended 31-03-2022 (Audited)	Year ended 31-03-2021 (Audited)
Dividend paid	(4037)	(69)
Net cash flow from / (used in) financing activities	(9590)	(5889)
Net Increase/ (decrease) in cash & cash equivalents	(139417)	192779
Cash and cash equivalents at the beginning of the year	632034	439255
Cash and cash equivalents at the end of the year	492617	632034

Notes:

1. The figures for the quarter ended 31st March 2022 and 31st March 2021 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the respective financial year.
2. The above financial results for the quarter / year ended 31st March 2022 have been recommended by the Audit Committee of the Board and approved by the Board of Directors at the meeting held on 20th May 2022. The same has been subjected to audit as per listing agreement with the stock exchange by the Joint Statutory Central Auditors of the Bank and an unmodified audit report has been issued. The financial results for the quarter and year ended 31st March 2021 were audited by the erstwhile statutory auditor, on which they had issued an unmodified opinion.
3. There has been no change in the accounting policies followed in the preparation of the financial results for the quarter / year ended 31st March 2022, as compared to those followed for the year ended 31st March 2021, except that related to Employee Stock Option Scheme, the details of which are given in item 4 below.
4. RBI issued a clarification on 30th August 2021, regarding Compensation of Whole Time Directors/Chief Executive Officers/Material Risk Takers and Control Function Staff, advising Banks that the compensation through share linked instruments are required to be fair valued on the date of grant using the Black-Scholes model and the fair value thus arrived should be recognised as an item of expenditure for all options granted after the accounting period ended 31st March 2021. Accordingly, the Bank has changed its accounting policy from the earlier intrinsic value method to the fair value method using Black-Scholes model for share linked instruments granted after 31st March 2021 and consequently recognized the value of the options granted as an item of employee cost over the vesting period. However, there is no material impact due to change in the valuation method.

**THE KARUR VYSYA BANK LIMITED**

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5. The financial results are prepared after considering provisions for NPA, non-performing investments, standard advances, restructured advances, exposures to entities with unhedged foreign currency exposure, taxes on income including deferred tax and other usual and necessary provisions. Provision for employees' benefits (including retirement benefits) viz. pension, gratuity and compensated absences has been made based on actuarial valuation.

6. Other income includes fees earned from providing services to customers, commission from non-fund based banking activities, earnings from foreign exchange transactions, selling third party products, profit on sale of investments (net), recoveries in written off accounts, premium on sale of priority sector lending certificates, profit on bullion business etc.

7. During the quarter and year ended 31st March 2022, the Bank has allotted 6,53,236 and 6,89,964 equity shares respectively, of face value Rs. 2/- each, pursuant to the exercise of stock options by employees.

8. The revision in family pension payable to employees of the Bank covered under 11th Bipartite Settlement and Joint Note dated 11th November 2020 was quantified on 26th August 2021; the Bank opted to amortize the additional liability of Rs. 8026 lakh based on actuarial valuation during the three quarters of financial year 2021-22 equally, and has been accordingly expensed to Profit & Loss account i.e. Rs. 2676 lakh during the quarter ended 30th September 2021, Rs. 2675 lakh during the quarter ended 31st December 2021 and Rs. 2675 lakh during the quarter ended 31st March 2022.

9. The outbreak of the COVID-19 pandemic had led to a nation-wide lockdown in April-May 2020. This was followed by localised lockdowns in areas with a significant number of COVID-19 cases. Following the decline in the spread of the pandemic, the lockdown measures were eased and there is a gradual improvement in economic activity. The extent to which the current pandemic and its future waves, if any, including other related developments would impact the Bank's and the asset quality are uncertain. The Management continues to closely monitor the day to day operations, liquidity position and adequacy of capital and continues to maintain liquidity coverage and capital adequacy ratios at higher levels than the regulatory minimum as on 31st March 2022.



10. Details of resolution plan implemented under the Resolution Framework for COVID-19 related stress as per RBI circulars DOR.No.BP.BC/3/21.04.048/2020-21 dated 6th August 2020 (Resolution Framework 1.0) and DOR.STR.REC.11/21.04.048/2021-22 dated 5th May 2021 (Resolution Framework 2.0 - "Covid-19 Related Stress of Individuals and Small businesses") are given below:

(Rs. in lakh)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 30.09.2021 ¹	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A), amount written off during the half-year	Of (A), amount paid by the borrowers during the half-year ²	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31.03.2022
	A	B	C	D	E
Personal Loans	68968	4392	0	2940	61635
Corporate persons*	30109	0	0	933	29176
Of which MSMEs	0	0	0	0	0
Others	5915	0	0	565	5350
Total	104992	4392	0	4438	96161

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

¹ Includes exposure as on 30th September 2021 of accounts that are restructured after 30th September 2021

² Represents Net Movement in Balances

11. Disclosure in respect of borrower accounts where modifications were sanctioned and implemented under Resolution Framework 2.0 for COVID-19 related stress:

(Rs. in lakh)

No. of accounts in respect of which modification were sanctioned and implemented (A)	295
Aggregate exposure to such borrower accounts as on 31 st March 2022	8498
Exposure to accounts mentioned at (A) before implementation of the Resolution Plan	8674



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 GSTIN : 33AAACT3373J1ZD

12. Details of loans not in default / stressed loans transferred / acquired as per RBI Circular DOR.STR.REC.51/21.04.048/2021-22 dated 24th September 2021 are given below:

a. Loans classified as NPAs transferred

(Rs. in lakh)

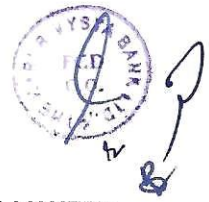
Particulars	Quarter ended 31 st March 2022			Year ended 31 st March 2022		
	Transferred to			Transferred to		
	ARCs	Permitted transferees	Others	ARCs	Permitted transferees	Others
No. of accounts	71	-	-	73	-	-
Aggregate principal outstanding of loans transferred	7151	-	-	15095	-	-
Weighted average residual tenor of the loans transferred	0	-	-	0	-	-
Net book value of loans transferred (at the time of transfer)	0	-	-	0	-	-
Aggregate consideration	3541	-	-	10586	-	-
Additional consideration realized in respect of accounts transferred in earlier years	0	-	-	0	-	-
Excess provision reversed to the P&L a/c. on account of sale of NPA	3541	-	-	10586	-	-

b. Loans not in default acquired through assignment

(Rs. in lakh)

Particulars	Quarter ended 31 st March 2022		Year ended 31 st March 2022	
	Acquired from		Acquired from	
	SCBs, RRBs, UCBs, StCBs, DCCBs, AIFs, SFBs and NBFCs (incl. HFCs)	ARCs	SCBs, RRBs, UCBs, StCBs, DCCBs, AIFs, SFBs and NBFCs (incl. HFCs)	ARCs
Aggregate principal outstanding of loans acquired	5334	-	25314	-
Aggregate consideration paid	4800	-	24780	-
Weighted average residual tenor of loans acquired	Ranging between 38 to 91 months	-	Ranging between 16 to 91 months	-
Coverage of tangible security	Ranging between 155% to 270%	-	Ranging between 100% to 270%	-
Retention of beneficial economic interest by the transferor	10%	-	10%	-
Rating wise distribution of loans acquired	Not Applicable*	-	Not Applicable*	-

* - loans acquired are under non-corporate category



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c. The Bank has neither transferred any stressed (SMA) loans & loans not in default nor has acquired any stressed loans / loans classified as NPA acquired during the quarter / year ended 31st March 2022.

13. Provision Coverage Ratio as on 31st March 2022, calculated as per RBI guidelines is 80.27% (corresponding previous year ratio is 72.70%).

14. The ratios and other information which is to be disclosed as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been disclosed to the extent considered applicable.

15. Based on RBI Master Direction on Financial Statements – Presentation and Disclosures dated 30th August 2021 (updated by RBI on 15th November 2021), depreciation on investments which were hitherto classified under provisions and contingencies have now been reported under 'Other Income'. The figures for the current and earlier periods are accordingly presented as per the updated directions.

16. The Board of Directors have recommended a dividend of 80% i.e. Rs. 1.60 per equity share of Rs. 2.00 each for the year 2021-22, subject to the approval of the shareholders at the ensuing Annual General Meeting. In accordance with Accounting Standards 4 - Contingencies and Events Occurring after the Balance Sheet date, the proposed dividend has not been shown as an appropriation from the Profit and Loss account for the year ended 31st March 2022 and correspondingly not reported under Other Liabilities and Provisions as at 31st March 2022. However, capital adequacy ratio has been computed by reducing the proposed dividend.

17. In accordance with RBI circular DBOD.No.BPBC.1/21.06.201/2015-16 dated 1st July 2015, read together with RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31st March 2015, Banks are required to make Pillar 3 disclosures under Basel III capital regulations. Accordingly, Pillar 3 disclosures under Basel III capital regulations have been made available on the Bank's website at the following link <https://www.kvb.co.in/about-us/disclosures/>, including disclosures in respect of Net Stable Funding Ratio (NSFR) as per RBI circular DOR.No.LRG.BC.40/21.04.098/2020-21 dated 5th February 2021 read together with circular DBR.BP.BC.No.106/21.04.098/2017-18 dated 17th May 2018. These disclosures have not been subjected to audit/review by the Statutory Central Auditors.

18. Figures for the previous period/s have been re-grouped and re-classified, where necessary, to make them comparable with current period figures.

Place : Karur
Date : 20th May 2022

For and on behalf of Board of Directors,

B. Ramesh Babu
MD & CEO



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