

CITY UNION BANK LTD.,
Administrative Office, Kumbakonam

BASEL- III
PILLAR 3 DISCLOSURES AS ON 31.03.2025

BASEL III – PILLAR 3 DISCLOSURE AS ON MARCH 31, 2025

Table DF – 1
SCOPE OF APPLICATION

City Union Bank Limited is an old premier Private Sector Bank which was incorporated on October 31, 1904 with its Registered Office at Kumbakonam, Tamilnadu, India. The Bank was included in the Second Schedule of Reserve Bank of India Act, 1934, on March 22, 1945. The Bank does not have any subsidiary / Associate companies under its Management.

Qualitative Disclosures:

Type of Capital	Features
Common Equity Tier I Capital	<ul style="list-style-type: none"> ✓ During the FY 24-25, the Bank has allotted 313830 equity Shares of face value of ₹1/- each, pursuant to exercise of stock options by the employees. ✓ The Equity Share Capital of the Bank as on March 31, 2025 stood at ₹ 74.10 crore. ✓ The Share Premium collected during this year was ₹4.22 crore. ✓ The Share Premium account as on March 31, 2025 stood at ₹ 908.52 crore.
Tier II Capital	<ul style="list-style-type: none"> ✓ The Bank has not raised Tier II capital instruments such as Debt Capital instruments / Preference Share Capital instruments during the year ended March 31, 2025. ✓ The Tier II capital arrived at ₹ 421.35 crore as on March 31, 2025.

Quantitative Disclosures:

S.no.	Description	Amount (₹ in crore)	
1.	Tier – I Capital		9182.74
	a) Paid-up Capital	74.10	
	b) Reserves & Surplus	9108.64	
	Amount deducted from Tier I Capital (if any)		104.28
	a) Intangible Asset (includes net of DTA)	94.07	
	b) Cross Holdings	0.44	
	c) Unrealised gains on level 3 investment (AFS reserve)	9.77	
	Total eligible Tier I Capital		9078.46
2.	Tier – II Capital		421.35
	a) Revenue Reserves (Investment Reserve)	135.68	
	b) Provision for impact of COVID - 19	12.07	
	c) Provision for Country Risk exposure	2.25	
	d) Provision for Unhedged exposure	2.72	
	e) Provision for Standard Assets	268.63	
	Less: Cross Holdings		0.00
	Total Tier II Capital (A)		421.35
	1.25 % of Credit RWA (B) [1.25% * 34707.86]		433.85
	Total eligible Tier II Capital (min of {A,B})		421.35
Total Eligible Capital (Tier I and Tier II)			9499.81

Table DF – 2
CAPITAL ADEQUACY

Qualitative Disclosures:

A. A summary discussion of the Bank's approach to assessing the adequacy of its capital to support current and future activities

In order to strengthen the capital base of banks in India, the Reserve Bank of India in April 1992 introduced capital adequacy measures in banks, based on the capital adequacy framework (Basel I) issued by Basel Committee on Banking Supervision (BCBS). Initially, the framework addressed capital for credit risk, which was subsequently amended to include capital for market risk as well and the Bank was compliant with regard to maintenance of minimum capital for credit and market risks.

Subsequently, the BCBS released the "International Convergence of Capital Measurement and Capital Standards: A Revised Framework" (popularly known as Basel II document) on June 26, 2004. Reserve Bank of India issued final guidelines on April 27, 2007 for implementation of the New Capital Adequacy (Basel II) Framework, which includes capital for Operational Risk. In line with the RBI guidelines, the Bank successfully migrated to the revised framework (Basel-II) from March 31, 2009.

Reserve Bank of India issued guidelines based on the Basel III reforms on capital regulation during May 2012, to the extent applicable to banks operating in India. The Basel III capital regulation has been implemented from April 01, 2013 in India in phases and it was decided originally to implement 'Capital Conservation Buffer Framework' fully from March 31, 2018. RBI issued detailed Guidelines on Composition of Capital Disclosure Requirements on May 28, 2013.

RBI had issued circulars on various dates extending the transitional period for full implementation of Basel III Capital Regulations due to the unfavorable economic situation and also due to the continuing stress on account of COVID - 19 crisis. Now the minimum regulatory requirement under Basel III with Capital Conservation Buffer (CCB) is 11.50% (9.00%+2.50%) with effect from October 01, 2021.

RBI has issued circular on "Prudential Guidelines on Capital Adequacy and Liquidity Standards – Amendments" on March 31, 2015. The Basel III Capital Regulations have been consolidated based on Master Circular – Basel III Capital Regulations vide circular No. DOR.CAP.REC.4/21.06.201/2024-25 dated April 01, 2024.

Under the Basel II framework, the total regulatory capital comprises Tier I (core capital) and Tier II capital (supplementary capital). In order to improve the quality of regulatory capital, the capital will predominantly consist of Common Equity Tier1 (CET1) under Basel III. Non-equity

Tier 1 and Tier 2 capital would continue to form part of regulatory capital subject to eligibility criteria as laid down in Basel III. The Basel III capital regulations continue to be based on three-mutually reinforcing Pillars, viz. Minimum Capital Requirements (Pillar 1), Supervisory Review of Capital Adequacy (Pillar 2) and Market Discipline (Pillar 3) of the Basel II Capital Adequacy framework.

The Basel III norms mainly seek to:

- Raise the quality of capital to ensure that the banks are capable of absorbing losses, both as going concern and as gone concern basis.
- Increase the risk coverage of the capital framework.
- Introduce leverage ratio to serve as a backstop to the risk-based capital measure.
- Raise the standards for the supervisory review process and public disclosures.

The macro prudential aspects of Basel III are largely enshrined in the capital buffers. Both the buffers i.e. the capital conservation buffer and the countercyclical buffer are intended to protect the banking sector from stressed situations and business cycles. Now, the capital conservation buffer is in force.

Minimum capital requirements under Basel III:

Under the Basel III Capital Regulations, banks are required to maintain a minimum Pillar 1 Capital (Tier I + Tier II) to Risk Weighted Assets Ratio (CRAR) of 9% on an on-going basis. Besides these minimum capital requirements, Basel III also provides for creation of Capital Conservation Buffer (CCB) and CounterCyclical Capital Buffer (CCCB).

As per the RBI guidelines mentioned, Capital ratios with full implementation of capital conservation buffer (CCB) of 2.50% is summarized below:

Capital Ratios (% to RWAs)	March 31, 2016 onwards	March 31, 2017 onwards	March 31, 2018 onwards	October 01, 2021 onwards
Minimum Common Equity Tier I (CET 1)	5.500	5.500	5.500	5.500
Capital Conservation Buffer (CCB)	0.625	1.250	1.875	2.500
Minimum CET 1 + CCB	6.125	6.750	7.375	8.000
Additional Tier I	1.500	1.500	1.500	1.500
Minimum Tier 1 Capital (excluding CCB)	7.000	7.000	7.000	7.000
Tier 2 Maximum allowed	2.000	2.000	2.000	2.000
Minimum Total Capital	9.000	9.000	9.000	9.000
Minimum Total Capital + CCB	9.625	10.250	10.875	11.500

B. The Bank's approach in assessment of capital adequacy:

The Bank is following Standardised Approach, Standardised Duration Approach and Basic Indicator Approach for measurement of capital charge in respect of credit risk, market risk and operational risk respectively. Further, RBI has informed the banks to get ready to migrate to the New Standardised Approach for calculation of Operational Risk vide 'Master Direction on Minimum Capital Requirements for Operational Risk' dated June 26, 2023. Based on the master direction circular on minimum capital requirement for Operational risk, RBI has called for submission of data for 31.03.2024 and the same has been submitted to RBI during Feb' 2025. Based on the revised computation of capital charge, the operational risk has declined thereby reducing the Risk Weight Asset and enhancing the CRAR marginally. Besides computing CRAR under the Pillar I requirement, the Bank also undertakes stress testing periodically in various risk areas to assess the impact of stressed scenario or plausible events on asset quality, liquidity, profitability and capital adequacy. The bank conducts Internal Capital Adequacy Assessment Process (ICAAP) on an annual basis to assess the sufficiency of its capital funds to cover the risks specified under Pillar-I and Pillar-II of Basel guidelines. The adequacy of Bank's capital funds to meet the future business growth is being assessed in the ICAAP document.

C. Quantitative Disclosures:

(₹ in crore)

a	Capital requirements for Credit Risk: (@ 9.00% on Risk weighted Assets)		
	• Portfolios subject to Standardised Approach (34707.86 * 9.00%)		3123.71
	• Securitisation exposures		Nil
b	Capital requirements for Market Risk:		
	Standardised Duration Approach		11.34
	• Interest Rate Risk	Nil	
	• Equity risk	1.44	
	• Foreign exchange risk	9.90	
c	Capital requirements for Operational Risk:		
	Basic Indicator Approach (5141.74 * 8.00%)		411.34
Minimum capital required (a + b + c)			3546.39
d	Capital Conservation Buffer (CCB) at 2.50% (39991.31 * 2.50%)		999.78
	Minimum Total Capital + CCB		4546.17
	Total Capital Funds available		9499.81
	Total Risk Weighted Assets		39991.31
e	Common Equity Tier I CRAR % (excluding CCB)		20.20%
	Capital Conservation Buffer		2.50%
	Tier I CRAR		22.70%
	Tier II CRAR		1.05%
	Total CRAR %		23.75%

D. Risk Exposure and Assessment:

Risk is an integral part of banking business in an ever dynamic environment, which is undergoing radical changes both on the technology front and product offerings. The main risks faced by the bank are credit risk, market risk and operational risk. The bank aims to achieve an optimum balance between risk and return to maximize shareholder value. The relevant information on the various categories of risks faced by the bank is given in the ensuing sections. This information is intended to give market participants a better idea on the risk profile and risk management practices of the bank.

The Bank has a comprehensive risk management system to address various risks and has set up an Integrated Risk Management Department (RMD), which is an independent operational department. Bank has a Risk Management Committee of Board functioning at apex level for formulating, implementing and reviewing bank's risk management measures pertaining to credit, market and operational risks. Apart from the Risk Management Committee of the Board at apex level, the Bank has a strong bank-wide risk management structure comprising of Risk Management Committee of Executives (RMCE) assisted by Asset Liability Management Committee (ALCO), Credit Risk Management Committee (CRMC) and Operational Risk Management Committee (ORMC) at senior management level. Credit Risk Management Committee deals with credit policies and procedures, Asset Liability Management Committee deals with Asset Liability Management (ALM) and Integrated Treasury Policy of the Bank deals with both domestic and foreign treasury operations and Operational Risk Management Committee formulates policies and procedures for managing operational risks.

The Bank has formulated the following policies for mitigating the risk in various areas and monitoring the same:

- ✓ Integrated Risk Management Policy
- ✓ Loan Policy including MSME policy
- ✓ Credit Risk Management Policy
- ✓ Co-lending Policy
- ✓ Operational Risk Management Policy
- ✓ ALM Policy
- ✓ Integrated Treasury Policy
- ✓ Inspection and Audit policy
- ✓ KYC policy
- ✓ Risk Based Internal Audit Policy
- ✓ Stress Testing Policy

- ✓ Disclosure Policy
- ✓ ICAAP policy
- ✓ Credit Risk Mitigation & Collateral Management Policy
- ✓ Risk Rating Framework
- ✓ Pricing policy
- ✓ New Product Assessment Policy
- ✓ Risk & Control Self-Assessment standards (RCSA)
- ✓ Policy on Unhedged Foreign Currency exposures of corporates including SMEs
- ✓ Market Risk Management Policy
- ✓ Business Continuity Plan Policy
- ✓ Climate Risk Policy
- ✓ Fraud Risk Management Policy
- ✓ Model Risk Management Policy
- ✓ Digital Lending Policy

The structure and organization of Risk Management functions of the Bank is as follows:

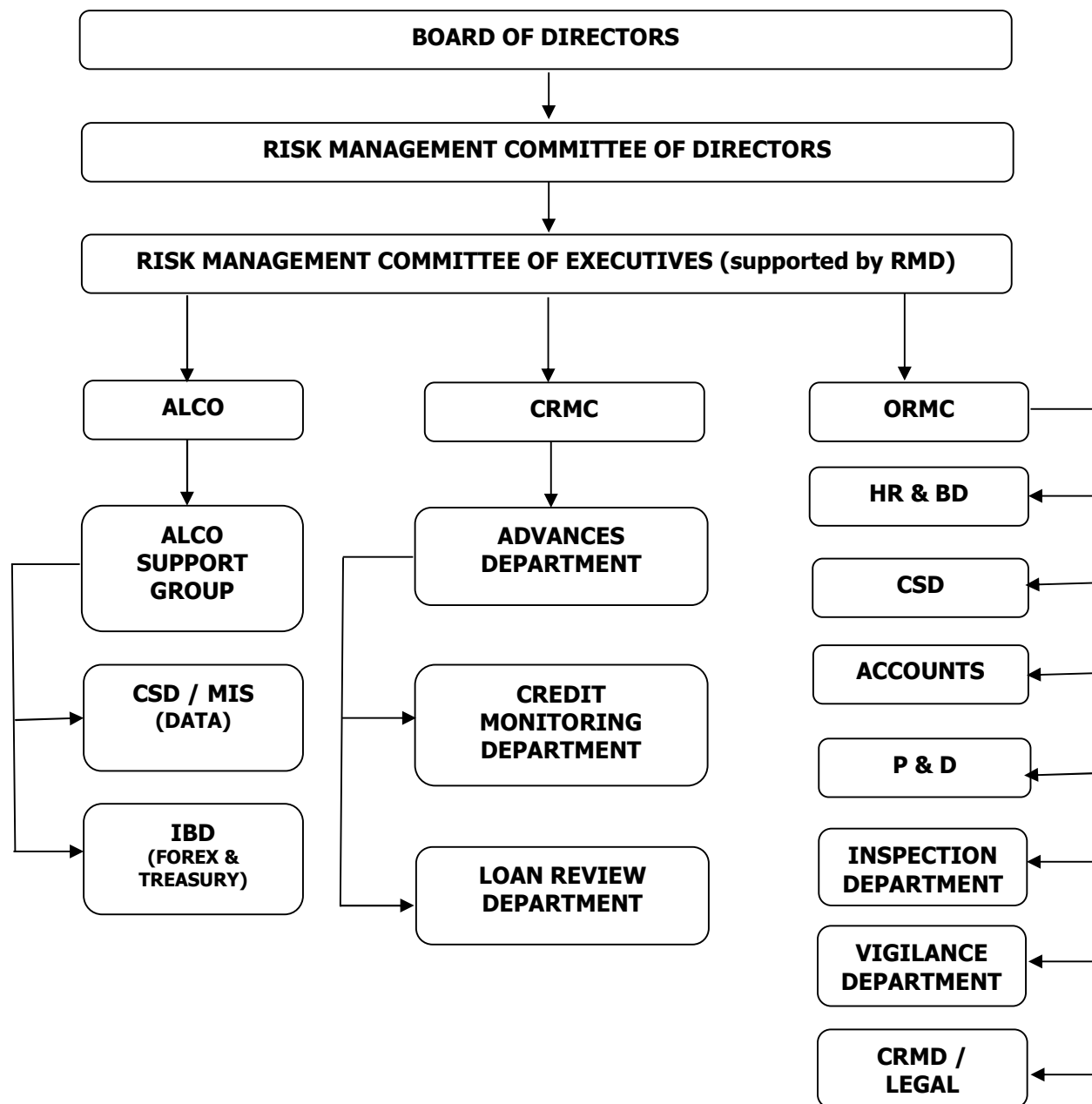


Table DF – 3
CREDIT RISK: GENERAL DISCLOSURES

Credit Risk:

Credit Risk is a possibility of losses associated with diminution in the credit quality of borrowers or counterparties. In a bank's portfolio, Credit Risk arises mostly from lending activities of the bank, when a borrower is unable to meet its financial obligations emanating from potential changes in the credit quality / worthiness of the borrowers or counterparties.

Credit Risk Management encompasses a host of management techniques, which help the banks in mitigating the adverse impacts of credit risk. The objective of the Credit Risk Management is to identify measure, monitor and control credit risk by adopting suitable methodology.

The Bank has formulated Loan Policy which stipulates various prudential norms, benchmarks, guidelines for sanctioning of credits and recovery of the same. The Bank has also formulated a separate Credit Risk Management Policy, besides a Policy on Credit Risk Mitigation and Collateral Management.

Credit Risk is assessed by a robust internal credit risk rating system. Credit Risk Rating is the process wherein the merits and demerits of a borrower are captured and scorings assigned, which enables the Bank to take a view on the acceptability or otherwise of any credit proposal. Earlier the bank has been using its own internal rating models for rating of borrowers. During the year, the bank has started to rate the borrowers of exposures above Rs.50.00 lakh through ICRA Analytics Limited Rating Solution (IRS 3.0) which computes Probability of Default & Expected Loss of the borrower.

We have digitized the lending process and making credit decisions through Newgen Software Technologies Limited for Retail loans & Corporate loans (MSME & Non-MSME) and use BCG scorecard for MSME lending. The bank also engaged few fintechs like scoreme, perfois (Credit Assessment Report), Hunter / Experian (Fraud Assessment of borrower), Legality (Digital signing and documentation) for specific purpose as mentioned.

Credit Risk Management Policy:

The Bank has put in place a well-structured Credit Risk Management Policy duly approved by the Board. The Policy document defines organization structure, roles & responsibilities and the processes whereby the Credit Risk can be identified, quantified and managed. Credit Risk is monitored on a bank wide basis and the compliance with regard to the risk limits approved by the Credit Risk Management Committee (CRMC)/ Board and is being reviewed periodically.

The Bank adopts the definition of 'past due' and 'impaired credits' (for reporting purposes) as defined by Reserve Bank of India under Income Recognition, Asset Classification and provisioning (IRAC) norms (vide RBI Master Circular dated April 02, 2024).

Quantitative Disclosures:

Total Gross Credit Risk Exposures including Geographic Distribution of Exposure: (₹ in crore)

Exposure as on March 31, 2025	Domestic	Overseas	Total
Fund based	57917.02	--	57917.02
Non-fund based (incl. Derivative exposure)	2555.60	--	2555.60
Investment (Non SLR)	160.60	--	160.60
Total	60633.22	--	60633.22

Industry type distribution of exposures – March 31, 2025

(₹ in crore)

S. no	INDUSTRY /ACTIVITY	FUNDED EXPOSURE	NON-FUNDED EXPOSURE	INVESTMENT EXPOSURE (NON SLR)	TOTAL EXPOSURE
1	Mining and Quarrying	158.31	26.69	0.00	185.00
2	Iron and Steel	1466.40	138.78	0.33	1605.51
3	Other Metal and Metal Products	1179.87	50.69	0.00	1230.56
4	Engineering of which Electronics	359.11	18.00	0.00	377.11
5	Others (incl Electrical & Home Appliances)	806.26	201.17	0.00	1007.43
6	Cotton Textiles	1607.32	51.14	0.00	1658.46
7	Other textiles	3419.45	80.99	0.00	3500.44
8	Food Processing	1314.80	11.77	0.00	1326.57
9	Beverages and Tobacco	17.25	0.00	0.00	17.25
10	Leather and Leather products	30.46	1.40	0.00	31.86
11	Wood and Wood Products	194.81	19.55	0.00	214.36
12	Paper and Paper Products	750.75	18.25	0.00	769.00
13	Petroleum, Coal Products and Nuclear Fuels	242.61	0.50	0.00	243.11
14	Drugs and Pharmaceuticals	74.69	2.71	0.00	77.40
15	Other Chemicals and Chemical Products	470.39	57.81	0.15	528.35
16	Rubber, Plastic and their Products	510.13	18.79	0.00	528.92
17	Glass & Glassware	5.23	0.00	0.00	5.23

S. no	INDUSTRY /ACTIVITY	FUNDED EXPOSURE	NON-FUNDED EXPOSURE	INVESTMENT EXPOSURE (NON SLR)	TOTAL EXPOSURE
18	Cement and Cement Products	62.85	3.60	0.00	66.45
19	Vehicles, Vehicle Parts and Transport Equipment & auto parts	201.10	2.82	0.02	203.94
20	Gems and Jewellery	503.31	5.82	0.00	509.13
21	Construction	1041.15	420.21	0.16	1461.52
22	Infrastructure	455.11	62.54	0.00	517.65
23	Other Industries	1538.84	217.90	0.00	1756.74
	All Industries/ Activities Total	16410.20	1411.13	0.66	17821.99
	Residuary other advances	41506.82	1144.47	159.94	42811.23
	Total Gross Exposure	57917.02	2555.60	160.60	60633.22

The details of the industries wherein the bank's exposure in related industry has exceeded the 5% of the total gross credit exposure as on March 31, 2025 is furnished below

(₹ in crore)

Industry	Total Exposure	% to Gross credit exposure
Other textiles	3500.44	5.77

Residual contractual maturity breakdown of assets March 31, 2025

(Computed as per the guidelines of RBI on Asset Liability Management)

(₹ in crore)

PERIOD	Cash, RBI Balance & Balance with all Banks	Advances (Net)	Investments (Net)	Fixed & Other Assets	Total
1 day	1475.90	500.07	7416.12	139.95	9532.04
2 to 7 days	817.42	2306.75	797.07	243.43	4164.67
8 to 14 days	91.13	1443.81	411.88	233.74	2180.56
15 to 30 days	835.13	941.03	490.83	40.38	2307.37
31 days & upto 2 months	104.19	1462.68	470.89	18.67	2056.43
Over 2 months & upto 3 months	104.31	2088.11	471.47	18.67	2682.56
Over 3 months & upto 6 months	176.45	4185.05	797.52	295.49	5454.51
Over 6 months & upto 1 Year	301.29	10944.03	1343.66	79.47	12668.45
Over 1 year & upto 3 years	1345.55	19830.56	4834.70	351.94	26362.75
Over 3 years & upto 5 years	32.57	3933.85	147.21	43.18	4156.81
Over 5 years	6.60	4445.31	154.79	1450.36	6057.06
Total	5290.54	52081.25	17336.14	2915.27	77623.21

Gross & Net NPA :

Gross NPA (₹ in crore)	
Sub-standard	439.16
Doubtful 1	215.02
Doubtful 2	326.25
Doubtful 3	502.25
Loss	155.49
Gross NPA Total	1638.17

Net NPA (₹ in crore)	
Sub-standard	349.27
Doubtful 1	131.80
Doubtful 2	172.00
Doubtful 3	--
Loss	--
Net NPA Total	653.07

Geographical-wise NPA (₹ in crore)			
Particulars	Domestic	Overseas	Total
Gross NPA	1638.17	Nil	1638.17
Provision for NPA	966.75	Nil	966.75
Provision for Standard Asset	268.63	Nil	268.63

Particulars	(%)
Gross NPA to Gross Advances	3.09%
Net NPA to Net Advances	1.25%

(₹ in crore)

Major Industry	O/s bal	Gross NPA	Provision held
Other Textiles	2920.28	132.32	65.53

The movement of NPA are as under:

(₹ in crore)

S.no	Position	NPA
1	Opening balance at the beginning of the year (April 01, 2024)	1854.43
2	Additions made during the year	814.96
3	Reductions during the year	1031.22
4	Closing balance at the end of the year (March 31, 2025) (1 + 2 - 3)	1638.17

The movements of provisions for NPAs are as under: (₹ in crore)

S.no	Position	Total Provision
1	Opening balance at the beginning of the year (April 01, 2024)	933.50
2	Provisions made during the year	255.00
3	Write-off /Write-back of excess provisions during the year	221.75
4	Closing balance at the end of the year (March 31, 2025) (1 + 2 - 3)	966.75

(₹ in crore)

Recovery made during the year till March 31, 2025, which is directly taken to Income Account	207.67
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(₹ in crore)

Non-performing investment	1.93
Provision held for non-performing investment	1.99

The movement of provisions for depreciation on investments (₹ in crore)

S.no	Position	Total Provision
1	Opening balance at the beginning of the year (April 01, 2024)	NA
2	Provisions made during the year	NA
3	Write-off during the year	NA
4	Write-back of excess provisions during the year	NA
5	Closing Balance at the end of the year (March 31, 2025) (1 + 2 - 3 - 4)	NA

Table DF - 4
CREDIT RISK

DISCLOSURES FOR PORTFOLIO SUBJECT TO THE STANDARDISED APPROACH

Qualitative Disclosures:

The Bank is accepting the ratings of the External Credit Rating Agencies approved by Reserve Bank of India, namely a) CRISIL, b) ICRA, c) CARE, d) India Ratings & Research Pvt Ltd, e) Acuite Ratings & Research Ltd and f) Infomerics Valuation and Rating Pvt. Ltd. to facilitate the corporate borrowers who enjoy credit facilities to get themselves rated. The corporates which are yet to get the approved ratings from these rating agencies are treated as 'unrated'.

The Bank computes risk weight on the basis of external rating assigned, both long-term and short-term, for the facilities availed by the borrowers. The external ratings assigned are generally facility specific. The Bank follows the below mentioned procedures as laid down in the Basel III guidelines for usage of external ratings:

- Rating assigned by one rating agency is used for all the types of claims on the borrowing entity.
- Long-term ratings are used for facilities with contractual maturity of one year & above.

- Short-term ratings are generally applied for facilities with contractual maturity of less than one year.

Quantitative Disclosures:

The exposures after risk mitigation as per Standardised Approach, (rated and unrated) in the following three major risk buckets, as well as, those that are deducted as per risk mitigation are given below. (₹ in crore)

Risk Weight	Rated	Unrated	Total
Below 100 %	1577.54	42178.50	43756.04
At 100 %	529.53	16340.97	16870.50
More than 100 %	759.85	2255.04	3014.89
Total outstanding after mitigation	2866.92	60774.51	63641.43
Deducted (as per Risk Mitigation)	105.50	17286.48	17391.98

Table DF – 5

CREDIT RISK MITIGATION: DISCLOSURES FOR STANDARDISED APPROACHES

Qualitative Disclosures:

The Bank has put in place Credit Risk Mitigation and Collateral Management Policy with the primary objective of

- Mitigation of Credit Risks and enhancing awareness on identification of appropriate collateral taking into account the spirit of Basel III / RBI guidelines
- Optimizing the benefit of Credit Risk Mitigation in computation of capital charge as per the approaches laid down in Basel III / RBI guidelines.

Valuation and methodologies are detailed in Credit Risk Management Policy, Valuation Policy and Loan Policy of the Bank.

The Bank recognizes the following Financial Collateral (FC) for Credit Risk Mitigation.

- Cash or Cash equivalent (Bank Deposits /Certificate of Deposits issued by the Bank, etc.)
- Gold Jewels (Including SGB)
- Kisan Vikas Patras
- National Savings Certificates
- Life Insurance Policies with a declared surrender value
- Securities issued by the Central and State Governments
- Debt securities rated by a recognized Credit Rating Agency where these are either:
 - at least BBB(-) when issued by public sector entities and other entities (including Banks and Primary Dealers); or
 - at least PR3/P3/F3/A3 for Short Term Debt Instruments
- Debt securities not rated by Credit Rating Agency but
 - issued by a Bank and

- listed on a recognized Stock Exchange; and
- Classified as Senior Debt.
- all rated issues of the same seniority by the issuing bank are rated atleast BBB (-) or A3 by a chosen credit rating agency
- the Bank holding the securities as collateral has no information to suggest that the issue justifies a rating below BBB (-) or A3
- the Bank should be sufficiently confident about the market liquidity of the security
- i) Units of Mutual Funds regulated by the securities regulator of the jurisdiction of the bank's operation where
 - a price for the units is publicly quoted daily i.e., where the daily NAV is available in public domain and
 - Mutual fund is limited to investing in the instruments listed above

The Bank accepts guarantees from individuals with considerable net worth and the Corporates, besides guarantee issued by Government, other Commercial Banks, ECGC and CGTSI.

Concentration Risk in Credit Risk Mitigation: All types of securities eligible for mitigation are easily realizable financial securities. At present, a ceiling of 30% of Gross Advances in respect of Gold Jewels (financial collateral) has been prescribed in order to address the concentration risk in credit risk mitigants recognized by the bank. The portion of advances subjected to CRM including non-funded advances amounted to 31.55% of outstanding total of funded and non-funded credit. The Bank has ensured legal certainty in the matter of credit risk mitigation as per RBI guidelines.

Quantitative Disclosures:

(₹ in crore)

a. For each separately disclosed credit risk portfolio, the total exposure (after, where applicable, on-or off balance sheet netting) that is covered by eligible financial collateral (FCs) after the application of haircuts is given below:

Portfolio category	Financial collateral	Quantum of exposure covered
Funded - Credit	Bank's own deposits	1550.29
	Gold jewels	14348.95
	LIC/KVP/NSC	10.81
Non Funded	Bank's own deposits	374.86

b. For each separately disclosed portfolio, the total exposure (after, on balance sheet netting) that is covered by Guarantees:

Portfolio category	Guaranteed by	Quantum of exposure covered
Funded - Credit	Food Credit (Central Government)	106.30
	ECGC	385.00
	CGTSI	71.31
	ECLGS (Central Government)	512.48

Table DF – 6
SECURITIZATION EXPOSURES: DISCLOSURE FOR STANDARDISED APPROACH

Qualitative Disclosures: The Bank has not undertaken any securitization activity.

Quantitative Disclosures: NIL

Table DF – 7
MARKET RISK IN TRADING BOOK

Qualitative Disclosures:

Market Risk in trading book is assessed as per the Standardised Duration Approach. The capital charge for both investments and foreign exchange exposure is computed as per Reserve Bank of India prudential guidelines based on the circular dt September 12, 2023.

a. Definition of Market Risk:

Market Risk refers to the potential losses arising from volatility in interest rates, foreign exchange rates, equity prices and commodity prices. Market Risk arises with respect to all Market Risk Sensitive Financial Instruments, including Securities, Foreign Exchange Contracts, Equity and Derivative Instruments as well as from Balance Sheet or Structural Positions.

b. Portfolios covered under Standardised Approach:

The bank's portfolio comprises of Government securities, equity shares and forex portfolio.

c. Strategies and processes:

1. The Bank has put in place a Comprehensive Market Risk Management Framework to address the Market Risks (Bank Wide) including that of the Trading Book.
2. Within the above framework, various policies of the Bank prescribes Limits like Value at Risk (VaR), Duration, Minimum holding level for Liquid Assets, Exposure limits, Forex Open Position Limits (day light/overnight), Stop-Loss Limits etc .
3. Risk profiles are analyzed and the effectiveness of risk mitigants is regularly monitored through Mid Office.
4. Adherence to limits are being monitored by dedicated Mid Office, reporting exceptions to the head of Risk Management Department, independent of Treasury /IBD operational units.

d. Risk Measurement:

1. Value at Risk (VaR) numbers is arrived for Equity Portfolio and Foreign Exchange Position.
2. The positions are marked to market at stipulated intervals. The Duration /Modified Duration for Trading Book is computed and its adherence to the prescribed duration

limits is ensured.

3. The Bank is computing capital charge for both investments and foreign exchange exposure categories using Standardised Duration Approach as required under RBI guidelines.
4. Stress Testing Analysis is done by applying rate shocks on investment portfolio and also on foreign exchange open position.

Quantitative Disclosures:

Capital charge for Market risk – March 31, 2025 (₹ in crore)	
Interest Rate Risk	Nil
Equity Position Risk	1.44
Foreign Exchange Risk	9.90
Total	11.34

Table DF – 8
OPERATIONAL RISK

Qualitative Disclosures:

Operational Risk is the risk of loss resulting from inadequate or failed processes, people and systems or from external events. Operational Risk includes Legal Risk but excludes Strategic and Reputational Risks.

The Bank has put in place Operational Risk Management Policy duly approved by the Board. This Policy outlines the Organisation Structure and covers the process of Identification, Assessment /Measurement and control of various Operational Risks.

The other policies adopted by the Bank which deal with the management of operational risks are Inspection Policy, Information Security Audit Policy and Policy on Modified Code of Conduct for Know Your Customer & Anti-Money Laundering Standards.

Operational Risks in the Bank are managed through comprehensive and well-articulated internal control framework. Operational risk is mitigated by effecting suitable insurance coverage wherever necessary. The Bank has also put in place a compliance cell to supervise KYC & AML guidelines and off site monitoring of high value transactions. For accounting operations in the computerized environment, suitable internal control system is maintained and a separate policy on I.T. Security is in place specifying the internal guidelines on access, control, communications, operations, personal security, business continuity management etc. Bank has made tie up arrangements with HDFC ERGO General Insurance Company Ltd for Insurance coverage for Cyber security, crime & signature management plus liability insurance (3 policies) for Rs.325.00 crore.

Quantitative Disclosures:

Capital charge for Operational Risk is computed as per the Basic Indicator Approach based on 15% of the average of the gross income for the previous three years i.e. 2021-22, 2022-23 & 2023-24 as defined in the Master Circular on Basel III Capital Regulations of RBI dated April 01, 2024. The capital charge for operational risk is arrived at ₹ 411.34 crore.

Table DF – 9

INTEREST RATE RISK IN THE BANKING BOOK (IRRBB)

Qualitative Disclosures:

Interest Rate Risk is the risk where changes in the market interest rates might affect a bank's financial condition. Changes in interest rates affect both the current earnings (earnings perspective) as also the net-worth of the Bank (economic value perspective). The risk from earnings perspective can be measured as impact in the Net Interest Income (NII) or Net Interest Margin (NIM). Similarly, the risk from economic value perspective can be measured as drop in the Economic value of Equity (EVE).

The impact on income (earning perspective) is measured through use of Gap Analysis by applying notional rate shock up to 200 bps as prescribed.

For the calculation of impact on earnings, the Traditional Gap is taken from the Rate Sensitivity statement and based on the remaining period from the mid-point of a particular bucket, the impact for change in interest rates up to 200 bps is arrived at for one year time horizon.

The Bank has adopted Duration Gap Analysis for assessing the impact (as a percentage) on the Economic Value of Equity (Economic Value Perspective) by applying a notional interest rate shock of 200 bps. RBI has issued draft guidelines vide DBOD.No. BP. 7/21.04.098/ 2005-06 dated April 17, 2006 on improvements to Banks' Asset Liability Management framework, covering interest rate risk and liquidity risk measurement / reporting frameworks and prudential limits. Subsequently, on November 04, 2010, RBI issued a circular on Interest Rate Risk using Duration Gap Analysis and these guidelines have been taken into account while calculating IRRBB. As per the RBI guideline circular DOR.MRG.REC.102/00-00-009/2022-23 dated February 17, 2023 on "Governance, Measurement and Management of Interest Rate Risk in Banking Book (IRRBB)", the bank has computed the Interest Rate Risk in Banking Book (IRRBB) as per the guidelines for the position as on June 30, 2023 and reported the same to RBI during August 2023. The same is being submitted to RBI on quarterly basis effective from June 2024 onwards as advised. The Bank calculates Modified Duration Gap on Assets & Liabilities and arrives at the impact on Economic Value of Equity. The Bank is calculating IRRBB on a monthly basis.

Quantitative Disclosures:

- The impact of change in Interest Rate i.e. Earnings at Risk for 200 bps interest rate shock as on March 31, 2025 is ₹ 161.10 crore.
- The impact of change in market value of Equity for an interest rate shock of 200 bps as on March 31, 2025 is 8.55%.

Table DF – 10

GENERAL DISCLOSURES FOR EXPOSURES RELATED TO COUNTERPARTY CREDIT RISK

Counterparty Credit Risk (CCR) is the risk that a counter party to a transaction could default before the final settlement of the transaction cash flows. Unlike a firm's exposure to credit risk through a loan, where the exposure to credit risk is unilateral and only the lending bank faces the risk of loss, CCR creates a bilateral risk of loss to either party.

Counterparty credit risk in case of derivative contracts arises from the forward contracts. The subsequent credit risk exposures depend on the value of underlying market factors (e.g., interest rates and foreign exchange rates), which can be volatile and uncertain in nature. The Bank does not enter into derivative transactions other than forward contracts.

Credit exposures on forward contracts:

The Bank enters into the forward contracts in the normal course of business for proprietary trading and arbitrage purposes, as well as for our own risk management needs, including mitigation of interest rate and foreign currency risk. Derivative exposures are calculated according to the current exposures method.

Counterparty Credit exposure as on March 31, 2025

(₹ in crore)

Nature	Notional Amount	Potential Exposure @ 2% / 10%	Current exposure	Total credit exposure	Total RWA
Forward contracts	7424.76	240.00	68.03	308.03	16.72

The capital requirement for Bank's exposure to Qualified Central Counter Party (QCCP) has been computed for the exposure to Clearing Corporation of India (CCIL) as on March 31, 2025 amounting to ₹ 1778.51 crore with risk weighted assets of ₹ 355.70 crore, which is forming part of credit risk total. As per RBI extent guidelines, the Credit Valuation Adjustment (CVA) risk capital charge has been computed, which amounted to ₹ 0.68 crore, the corresponding risk weighted value of ₹ 8.47 crore has also been added to credit risk weighted assets.

Table DF – 11
COMPOSITION OF CAPITAL

Basel III common disclosure – March 31, 2025		(₹ in million)	Ref no.
Common Equity Tier 1 capital: Instruments and Reserves			
1	Directly issued qualifying common Share Capital plus related stock surplus (Share Premium)	9826.15	-
2	Retained Earnings	82001.25	-
3	Accumulated other Comprehensive Income (and Other Reserves)	-	-
4	Directly issued capital subject to phase out from CET 1 (only applicable to Non-Joint Stock Companies)	-	-
	Public sector capital injections grandfathered until January 01, 2018	-	-
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET 1)	-	-
6	Common Equity Tier 1 capital before regulatory adjustments	91827.40	-
Common Equity Tier 1 capital : regulatory adjustments			
7	Prudential valuation adjustments	97.71	-
8	Goodwill (net of related tax liability)	-	-
9	Intangibles (net of related tax liability)	497.53	-
10	Deferred tax assets (net)	443.15	-
11	Cash-flow hedge reserve	-	-
12	Shortfall of provisions to expected losses	-	-
13	Securitisation gain on sale	-	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
15	Defined-benefit pension fund net assets	-	-
16	Investments in own shares (if not already netted off Paid-up Capital on reported Balance Sheet)	-	-
17	Reciprocal cross-holdings in Common Equity	4.38	-
18	Investments in the capital of Banking, Financial and Insurance Entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the Bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
19	Significant investments in the common stock of Banking, Financial and Insurance Entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-	-
20	Mortgage Servicing Rights (amount above 10% threshold)	-	-
21	Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-
22	Amount exceeding the 15% threshold	-	-
23	of which : significant investments in the common stock of Financial Entities	-	-

Basel III common disclosure – March 31, 2025		(₹ in million)	Ref no.
24	of which : Mortgage Servicing Rights	-	-
25	of which : Deferred Tax Assets arising from temporary differences	-	-
26	National specific regulatory adjustments(26a+26b+26c+26d)	-	-
26a	of which :Investments in the Equity Capital of Unconsolidated Insurance Subsidiaries	-	-
26b	of which : Investments in the Equity Capital of Unconsolidated Non-Financial Subsidiaries	-	-
26c	of which : Shortfall in the Equity Capital of majority owned Financial Entities which have not been consolidated with the Bank	-	-
26d	of which : Unamortised pension funds expenditures	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	-
28	Total Regulatory Adjustments to Common equity Tier 1	1042.77	-
29	Common Equity Tier 1 capital (CET 1)	90784.63	-
Additional Tier 1 capital : instruments			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (31+32)	-	-
31	of which : classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	-	-
32	of which : classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	-	-
33	Directly issued capital instruments subject to phase out from Additional Tier 1	-	-
34	Additional Tier 1 instruments (and CET 1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT 1)	-	-
35	of which : instruments issued by subsidiaries subject to phase out	-	-
36	Additional Tier 1 capital before Regulatory Adjustments	-	-
Additional Tier 1 capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	-	-
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	-
39	Investments in the Capital of Banking, Financial and Insurance Entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the Bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-
40	Significant investments in the Capital of Banking, Financial and Insurance Entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-
41	National specific regulatory adjustments (41a+41b)	-	-
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	-	-
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	-	-
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover	-	-

Basel III common disclosure – March 31, 2025		(₹ in million)	Ref no.
	deductions		
43	Total regulatory adjustments to Additional Tier 1 capital	-	-
44	Additional Tier 1 capital (AT1)	-	-
44a	Additional Tier 1 capital reckoned for capital adequacy	-	-
45	Tier 1 capital (T1 = CET1 + Admissible AT1) (29 + 44a)	90784.63	-
Tier 2 capital : instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-	-
47	Directly issued capital instruments subject to phase out from Tier 2	-	-
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-	-
49	of which : instruments issued by subsidiaries subject to phase out	-	-
50	Provisions	4213.55	-
51	Tier 2 capital before regulatory adjustments	4213.55	-
Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	-	-
53	Reciprocal cross-holdings in Tier 2 instruments	-	-
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-	-
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-
56	National specific regulatory adjustments (56a+56b)	-	-
56a	of which : Investments in the Tier 2 capital of unconsolidated insurance subsidiaries	-	-
56b	of which :Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	-	-
57	Total regulatory adjustments to Tier 2 capital	-	-
58	Tier 2 capital (T2)	4213.55	-
58a	Tier 2 capital reckoned for capital adequacy (1.25% of credit RWA)	4338.48	-
58b	Excess Additional Tier 1 capital reckoned as Tier 2 capital	-	-
58c	Total Tier 2 capital admissible for capital adequacy	4213.55	-
59	Total capital (TC = T1 + Admissible T2) (45 + 58c)	94998.18	-
60	Total risk weighted assets (60a + 60b + 60c)	399913.10	-
60a	of which : total credit risk weighted assets	347078.57	-
60b	of which : total market risk weighted assets	1417.11	-
60c	of which : total operational risk weighted assets	51417.42	-

Capital ratios			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	22.70%	-
62	Tier 1 (as a percentage of risk weighted assets)	22.70%	-
63	Total capital (as a percentage of risk weighted assets)	23.75%	-
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements plus G-SIB buffer requirement and D-SIB buffer requirement, expressed as a percentage of risk weighted assets)	8.00%	-
65	of which : capital conservation buffer requirement	2.50%	-
66	of which : bank specific countercyclical buffer requirement	-	-
67	of which : higher of G-SIB and D-SIB buffer requirement	-	-
68	Common Equity Tier 1 available to meet buffers (as a percentage of RWA)	22.70%	-
National minima (if different from Basel III)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.50%	-
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.00%	-
71	National total capital minimum ratio (if different from Basel III minimum)	11.50%	-
Amounts below the thresholds for deduction (before risk weighting)			
72	Non-significant investments in the capital of other financial entities	-	-
73	Significant investments in the common stock of financial entities	-	-
74	Mortgage servicing rights (net of related tax liability)	-	-
75	Deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Applicable caps on the inclusion of provisions in Tier 2			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to Standardised Approach (prior to application of cap)	4213.55	-
77	Cap on inclusion of provisions in Tier 2 under Standardised Approach	4213.55	-
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	-
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-	-
Capital instruments subject to phase-out arrangements (only applicable between March 31, 2018 and March 31, 2023)			
80	Current cap on CET1 instruments subject to phase out arrangements	-	-
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-
82	Current cap on AT1 instruments subject to phase out arrangements	-	-
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-
84	Current cap on T2 instruments subject to phase out arrangements	-	-
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-

Notes to the template		
Row No. of the template	Particulars	(₹ in million)
10	Deferred tax assets associated with accumulated losses	-
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	443.15
	Total as indicated in row 10	443.15
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	-
	of which : Increase in Common Equity Tier 1 capital	-
	of which : Increase in Additional Tier 1 capital	-
	of which : Increase in Tier 2 capital	-
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then :	-
	(i) Increase in Common Equity Tier 1 capital	-
	(ii) Increase in risk weighted assets	-
50	Eligible Provisions included in Tier 2 capital	4213.55
	Eligible Revaluation Reserves included in Tier 2 capital	--
	Total of row 50	4213.55

Table DF-12
COMPOSITION OF CAPITAL- RECONCILIATION REQUIREMENTS

Step 1

(₹ in million)

Particulars as on March 31, 2025		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
A. Capital & Liabilities			
Total Capital		94666.17	Not Applicable
i	Paid-up Capital	740.99	
	Reserves & Surplus	93925.18	
	Minority Interest	---	
Deposits		635259.54	
ii	of which : Deposits from banks	953.76	
	of which : Customer deposits	634305.78	
	of which : Other deposits (pl. specify)	---	
Borrowings		21694.10	
iii	of which : From RBI (REPO)	3790.00	
	of which : From banks	---	
	of which : From other institutions & agencies	17904.10	
	of which : Others (pl. specify) Outside India	---	
	of which : Capital instruments	---	
iv	Other liabilities & provisions	24612.34	
Total		776232.15	
B. Assets			
i.	Cash and balances with Reserve Bank of India	38745.74	Not Applicable
	Balance with banks and money at call and short notice	14159.69	
ii.	Investments	173361.44	
	of which : Government securities	171855.38	
	of which : Other approved securities	---	
	of which : Shares	197.63	
	of which : Debentures & Bonds	1034.35	
	of which : Subsidiaries / Joint Ventures / Associates	---	
	of which : Others (Commercial Papers, Mutual Funds etc.)	274.08	
	Loans and advances	520812.55	
iii.	of which : Loans and advances to banks	152.73	
	of which : Loans and advances to customers	520659.82	
iv.	Fixed assets	3223.38	
v.	Other assets	25929.35	
	of which : Goodwill and intangible assets	---	
	of which : Deferred tax assets	2484.44	
vi.	Goodwill on consolidation	---	
vii.	Debit balance in Profit & Loss account	---	
Total		776232.15	

Step 2

1. As the Bank is not having any subsidiary, no disclosure relating any legal entity for regulatory consolidation is made.
2. Break up for DF-11 items is given below as shown in the Bank's financial statements:

Common Equity Tier 1 capital: Instruments and Reserves				
Ref. no.	As per Balance Sheet	(₹ in million)	As shown in DF-11 Composition of Capital	As shown in DF-12 (Step1) Balance Sheet
a.	Paid-up Capital	740.99	S.No.1	Paid-up Capital
b.	Share Premium	9085.16		Reserves & Surplus
c.	Statutory reserves	26060.00	S.No.2	Reserves & Surplus
d.	Capital Reserves	3373.10		Reserves & Surplus
e.	General reserves	44112.42		Reserves & Surplus
f.	Special Reserve under IT	8110.00		Reserves & Surplus
g.	Balance in P&L (less dividend payable)	345.73		Reserves & Surplus
Total		91827.40		

Common Equity Tier 1 capital : Regulatory adjustments (deductions)				
Ref no.	As per Balance Sheet	(₹ in million)	As shown in DF-11 Composition of Capital	As shown in DF-12 (Step1) Balance Sheet
h.	Unrealized gains on level 3 investment (AFS reserve)	97.71	S.No.7	
i.	Intangible assets (Application software)	497.53	S.No.9	Included in Fixed Assets
j.	Deferred Tax assets (net)	443.15	S.No.10	Other Assets / Liabilities
k.	Reciprocal cross-holdings in Common Equity	4.38	S.No.17	
Total		1042.77		

Tier 2 capital : Instruments and Provisions (Additions)				
Ref. no.	As per Balance Sheet	(₹ in million)	As shown in DF-11 Composition of Capital	As shown in DF-12 (Step1) Balance Sheet
l.	Investment reserve	1356.80	S.No.50	Reserves & Surplus
m.	Provision for Standard Assets	2686.30		Other liabilities & provisions
n.	Provision for Country Risk Exposure	22.50		
o.	Provision for Unhedged Foreign Currency Exposure (UFCE)	27.24		
p.	Provision for impact of COVID19	120.71		
Total		4213.55		

Step 3

**Extract of Basel III common disclosure template (with added column) - Table DF-11
(Part I / Part II whichever, applicable)**

Common Equity Tier 1 capital: instruments and reserves

		Component of regulatory capital reported by bank	Source based on reference numbers / letters of the balance sheet under the regulatory scope of consolidation from step 2
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	9826.15	2 (a) & 2 (b)
2	Retained earnings	82001.25	2(c) to 2(g)
3	Accumulated other comprehensive income (and other reserves)	—	
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	—	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	—	
6	Common Equity Tier 1 capital before regulatory adjustments	91827.40	(sum of 1 & 2 above)
7	Prudential valuation adjustments	—	—
8	Goodwill (net of related tax liability)	—	

Table DF-13
MAIN FEATURES OF REGULATORY CAPITAL INSTRUMENTS

Main Features of Regulatory Capital Instruments (Equity Shares & Bond Series I, II)			
S.no.	Description	Equity Shares	Bond Series II
1	Issuer	City Union Bank Ltd	NIL
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE491A01021	
3	Governing law(s) of the instrument	Applicable Indian statutes and regulatory requirements	
	Regulatory treatment		
4	Transitional Basel III rules	Common Equity Tier I	
5	Post-transitional Basel III rules	Common Equity Tier I	
6	Eligible at solo / group / group & solo	Solo	
7	Instrument type	Common Equity Shares	
8	Amount recognized in regulatory capital (Rs. in million, as of most recent reporting date)	740.99 million	
9	Par value of instrument	Re.1 per equity share	
10	Accounting classification	Shareholders' Equity	
11	Original date of issuance	Various dates	
12	Perpetual or dated	Perpetual	
13	Original maturity date	No Maturity	
14	Issuer call subject to prior supervisory approval	Not Applicable	
15	Optional call date, contingent call dates and redemption amount	Not Applicable	
16	Subsequent call dates, if applicable	Not Applicable	
	Coupons / dividends	Dividend	
17	Fixed or floating dividend / coupon	Not Applicable	

Main Features of Regulatory Capital Instruments (Equity Shares & Bond Series I, II)			
S.no.	Description	Equity Shares	Bond Series II
18	Coupon rate and any related index	Not Applicable	NIL
19	Existence of a dividend stopper	Not Applicable	
20	Fully discretionary, partially discretionary or mandatory	Fully Discretionary	
21	Existence of step up or other incentive to redeem	No	
22	Noncumulative or cumulative	Non-cumulative	
23	Convertible or non-convertible	Not Applicable	
24	If convertible, conversion trigger(s)	Not Applicable	
25	If convertible, fully or partially	Not Applicable	
26	If convertible, conversion rate	Not Applicable	
27	If convertible, mandatory or optional conversion	Not Applicable	
28	If convertible, specify instrument type convertible into	Not Applicable	
29	If convertible, specify issuer of instrument it converts into	Not Applicable	
30	Write-down feature	No	
31	If write-down, write-down trigger(s)	Not Applicable	
32	If write-down, full or partial	Not Applicable	
33	If write-down, permanent or temporary	Not Applicable	
34	If temporary write-down, description of write-up mechanism	Not Applicable	
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated Claim at the time of liquidation	
36	Non-compliant transitioned features	No	
37	If yes, specify non-compliant features	No	

Note : Tier – II bond is nil.

Table DF-14
FULL TERMS AND CONDITIONS OF REGULATORY CAPITAL INSTRUMENTS

The details of the Tier II capital [Bonds] raised by the Bank – **NIL**.

Table DF-15
REMUNERATION

Qualitative Disclosures:		
(a)	Information relating to the composition and mandate of the Remuneration Committee.	The Compensation & Remuneration Committee comprised of four members. The mandate includes administration of Employee Stock Options, review of Compensation Policy of the Bank, review of Compensation to MD & CEO / WTDs, Non-Executive / Independent Directors, Key Managerial Personnel, Material Risk Takers (MRT), Control Function Staff, Other category staffs etc.
(b)	Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.	<p>Key Features:</p> <p>Board oversees the design of the compensation package and operations.</p> <p>The proportion of cash, equity and other forms of compensation are consistent with risk alignment.</p> <p>Objective:</p> <p>i) Alignment of compensation with prudent risk taking.</p>
(c)	Description of the ways in which current and future risks are taken in to account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.	The Compensation is adjusted for all types of risks and the compensation outcome are symmetric with risk outcomes.
(d)	Description of the ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration.	Qualitative features such as skills, knowledge, abilities etc. are factored in besides performance in financial parameters.

(e)	A discussion of the Bank's policy on deferral and vesting of variable remuneration and a discussion of the Bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.	The deferral part in Cash Component (if any) and Non-Cash Component under variable remuneration shall be for a period for 3 years as provided under the Compensation Policy of the Bank. The criteria for adjusting the deferred remuneration shall be as per the Compensation Policy, applicable ESOP Scheme of the Bank and also, the RBI guideline dt.04.11.2019 on Compensation to Whole-time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function Staffs, Clarification issued by RBI on 30.08.2021 w.r.t above guideline dt.04.11.2019, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other relevant Regulatory / Statutory stipulations.
(f)	Description of the different forms of variable remuneration (i.e. cash, shares, ESOPs and other forms) that the Bank utilizes and the rationale for using these different forms.	The Bank pays variable remuneration as approved by RBI for each FY comprising of Cash Component and Non-Cash Component (in the form of ESOP at present). The grant of above forms of variable compensation is subject to relevant Regulatory / Statutory stipulations.

Quantitative Disclosures: The quantitative disclosures pertaining to the MD & CEO as on 31st March, 2025 and 31st March, 2024 is given below:

	Particulars	Current Year	Previous Year
(g)	Number of meetings held by the Remuneration Committee during the financial year and remuneration paid to its members.	6 meetings of the Compensation & Remuneration Committee ("CRC") was held during the financial year and the total remuneration & commission paid to the Committee members during the year is Rs.1,23,00,000/- (including profit linked commission of Rs.60,00,000/- paid to the members pertaining to FY 2024).	9 meetings of the Compensation & Remuneration Committee ("CRC") was held during the financial year and the total remuneration & commission paid to the Committee members during the year is Rs.1,03,46,575/- (including profit linked commission of Rs.38,46,575/- paid to the members pertaining to FY 2023).
(h)	(i) Number of employees having received a variable remuneration award during the financial year.	1	1
	(ii) Number and total amount of sign – on awards made during the financial year.	NIL	NIL

	(iii) Details of guaranteed bonus, if any, paid as joining / sign on bonus.	NIL	NIL
	(iv) Details of severance pay, in addition to accrued benefits, if any.	NIL	NIL
(i)	(i) Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	<p>Variable Pay FY 2024</p> <p>The outstanding deferred remuneration is as under:</p> <ul style="list-style-type: none"> • Cash Component : Rs. 53,75,000/- deferred over a period of 3 years • Non Cash Component : Rs. 1,07,50,000/- <p>69,462 Stock Options had been granted by the CRC for the aforesaid amount, at its meeting held on 26.03.2025 and the same is deferred over a period of 3 years.</p> <p>Variable Pay FY 2023</p> <p>The outstanding deferred remuneration is as under:</p> <ul style="list-style-type: none"> • Cash Component : Rs.32,66,667 (Deferral 2 & 3) • Non Cash Component : Rs. 98,00,000/- <p><u>Deferral 1</u> – 22,328 Stock Options vested in March 2025</p>	<p>Variable Pay FY 2023</p> <p>The outstanding deferred remuneration is as under:</p> <ul style="list-style-type: none"> • Cash Component : Rs. 49,00,000/- deferred over a period of 3 years • Non Cash Component : Rs. 98,00,000/- <p>74,428 Stock Options had been granted by the CRC for the aforesaid amount, at its meeting held on 26.03.2024 and the same is deferred over a period of 3 years.</p> <p>Variable Pay FY 2022</p> <p>The outstanding deferred remuneration is as under:</p> <ul style="list-style-type: none"> • Cash Component : Nil • Non Cash Component : Nil <p>Variable Pay 2021</p> <p>The outstanding deferred remuneration is as under:</p>

	<p>(ii) Total amount of deferred remuneration paid out in the financial year.</p>	<p><u>Deferral 2</u> – 22,328 Stock Options due for vesting in March 2026</p> <p><u>Deferral 3</u> – 29,772 Stock Options due for vesting in March 2027</p> <p>Variable Pay FY 2021</p> <p>Non Cash Component :</p> <p><u>Deferral 3</u> – 10,780 options vesting in August 2025</p> <p>Variable Pay FY 2021 Deferred remuneration paid in FY 2025 is as under:</p> <p>• Cash Component : <u>Deferral 3</u> - Rs. 7,06,370/-</p> <p>• Non Cash Component : <u>Deferral 2</u> - 8,085 Stock Options exercised in FY 2025</p>	<p>• Cash Component : <u>Deferral 3</u> – Rs. 7,06,370/-</p> <p>• Non Cash Component : <u>Deferral 2</u> – 8,085 Stock Options due for vesting in August 2024</p> <p><u>Deferral 3</u> – 10,780 Stock Options due for vesting in August 2025</p> <p>Variable Pay FY 2021 Deferred remuneration paid in FY 2024 is as under:</p> <p>• Cash Component : <u>Deferral 1</u> - Rs. 7,06,370/- <u>Deferral 2</u> - Rs. 7,06,370/-</p> <p>• Non Cash Component : <u>Deferral 1</u> - 8,085 Stock Options exercised in FY 2024</p>
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(j)	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.	<p>Fixed Pay :</p> <p>A. Revision of Fixed Pay w.e.f 01.05.2024 for Dr. N. Kamakodi - MD & CEO approved by RBI vide its letter dt.05.02.2025:</p> <ul style="list-style-type: none"> Rs.2,36,50,000/- per annum (including perquisites) <p>Variable Pay for FY 2024:</p> <p>Variable pay to MD & CEO for FY 2024 was approved by RBI vide its letter dt.05.02.2025 – Rs.2,15,00,000/-</p> <ul style="list-style-type: none"> Cash Component : Rs. 1,07,50,000/- <p><u>Upfront portion:</u></p> <p>Rs. 53,75,000/-</p> <p><u>Deferred portion:</u></p> <p>Rs. 53,75,000/- due for payment as per below:</p> <p><u>Deferral 1</u></p> <p>Rs. 17,91,666/- in FY 2026</p> <p><u>Deferral 2</u></p> <p>Rs. 17,91,666/- in FY 2027</p>	<p>Fixed Pay :</p> <p>Revision for MD & CEO approved by RBI vide its letter dt.31.01.2024:</p> <ul style="list-style-type: none"> Rs.1,96,00,000/- per annum (including perquisites) for FY 2023 Rs.2,15,00,000/- per annum (including perquisites) for FY 2024 <p>Variable Pay :</p> <p>Variable pay to MD & CEO for FY 2023 was approved by RBI vide its letter dt.31.01.2024 – Rs.1,96,00,000/-</p> <ul style="list-style-type: none"> Cash Component : Rs. 98,00,000/- <p><u>Upfront portion:</u></p> <p>Rs. 49,00,000/-</p> <p><u>Deferred portion:</u></p> <p>Rs. 49,00,000/- due for payment as per below:</p> <p><u>Deferral 1</u></p> <p>Rs. 16,33,333/- in FY 2025</p> <p><u>Deferral 2</u></p> <p>Rs. 16,33,333/- in FY 2026</p>
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		<p><u>Deferral 3</u></p> <p>Rs. 17,91,668/- in FY 2028</p> <p>• Non Cash Component : Rs. 1,07,50,000/- (100% Deferral)</p> <p>69,462 Stock Options had been granted by the CRC for the aforesaid amount, at its meeting held on 26.03.2025 and the same is deferred over a period of 3 years. The vesting schedule is given below:</p> <p><u>Deferral 1</u> – 20,838 Stock Options - March 2026</p> <p><u>Deferral 2</u> – 20,838 Stock Options - March 2027</p> <p><u>Deferral 3</u> – 27,786 Stock Options - March 2028</p> <p>B. Approval of RBI for Fixed Pay of Shri. R. Vijay Anandh, Executive Director (w.e.f. 24. 06. 2024) approved by RBI vide its letter dt.28.05.2024:</p> <p>• Rs.2,06,57,000/- per annum (including perquisites)</p> <p>C. Approval of RBI for Fixed Pay of Shri. V. Ramesh, Executive Director (w.e.f. 21.02.2025) vide its letter dt.04.03.2025:</p> <p>• Rs.1,05,00,000/- per annum (including perquisites)</p>	<p><u>Deferral 3</u></p> <p>Rs. 16,33,334/- in FY 2027</p> <p>• Non Cash Component : Rs. 98,00,000/- (100% Deferral)</p> <p>74,428 Stock Options had been granted by the CRC for the aforesaid amount, at its meeting held on 26.03.2024 and the same is deferred over a period of 3 years. The vesting schedule is given below:</p> <p><u>Deferral 1</u> – 22,328 Stock Options - March 2025</p> <p><u>Deferral 2</u> – 22,328 Stock Options - March 2026</p> <p><u>Deferral 3</u> – 29,772 Stock Options - March 2027</p>
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(k)	<p>(i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustments.</p> <p>(ii) Total amount of reductions during the financial year due to ex-post explicit adjustments.</p> <p>(iii) Total amount of reductions during the financial year due to ex-post implicit adjustments.</p>	NIL	NIL
(l)	Number of MRTs identified	NIL	NIL
(m)	<ul style="list-style-type: none"> Number of cases where malus has been exercised. Number of cases where clawback has been exercised. Number of cases where both malus and clawback have been exercised. 	NIL	NIL
(n)	<p>General Quantitative Disclosure:</p> <p>The mean pay for the Bank as a whole (excluding sub-staff) and deviation of the pay of each of its WTDs from the mean pay.</p>	Rs. 4,90,11,677.00	Rs. 2,14,23,028.00

14) **Disclosure on remuneration to Non-Executive Directors:**

All the Non-Executive Directors are paid remuneration by way of sitting fees for attending meeting of the Board and its committees. Further they are eligible for Profit Linked Commission (PLC) pursuant to the extant RBI guidelines on "Compensation of Non-Executive Directors of Private Sector Banks", the Companies Act, 2013 and the Compensation Policy of the Bank. For FY 2025 an amount of Rs. 1.29 crore was paid as Sitting fees and for FY 2024 an amount of Rs. 1.20 crore was paid during the year as PLC (on pro-rata basis) to the Non-Executive Directors of the Bank. In the previous year an amount of Rs.1.42 crore and Rs.0.78 crore was paid as Sitting fees and PLC respectively.

Table DF-16
EQUITIES – DISCLOSURE FOR BANKING BOOK POSITIONS

Qualitative Disclosures:

In accordance with RBI new Investment guidelines, the investment portfolio of the bank is classified as under three categories

- Held To Maturity (HTM)
- Available For Sale (AFS)
- Fair Value Through Profit & Loss (FVTPL)
 - FVTPL – Held For Trading (HFT)
 - FVTPL – Non-HFT

HTM – The securities are acquired with an objective of holding till maturity (i.e) the financial assets are held with objective to collect the contractual cash flows.

AFS - The securities are acquired with an objective that is achieved by both collecting contractual cash flows and selling securities. On initial recognition a bank may make an irrevocable election to classify an equity instrument that is not held with an objective of trading under AFS.

FVTPL – Securities that do not qualify for inclusion in HTM or AFS shall be classified under FVTPL. Equity shares, other than (a) equity shares of subsidiaries, associates or joint ventures and (b) equity shares where at initial recognition, the irrevocable option to classify at AFS has been exercised. For all investment, FVTPL – HFT category are valued at Market Price and net depreciation / appreciation after revaluation, if any, is charged to revaluation Profit / Loss account.

Quantitative Disclosures:

(₹ in million)

S.no	Particular	Value
1	Value disclosed in the balance sheet of investments (Carrying value)	207.54
	Fair value of those investments (Market value as on 31.03.2025)	188.24
	For quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value	NA (Unquoted form)
2	The types and nature of investments, including the amount that can be classified as –	
	<ul style="list-style-type: none"> • Publicly traded and • Privately held. 	<div>35.48</div> <div>172.06</div>
3	The cumulative realised gains (losses) arising from sales and liquidations in the reporting period	1.16
4	Total unrealised gains (losses)	(3.44)
5	Total latent revaluation gains (losses)	-
6	Any amounts of the above included in Tier 1 and/or Tier 2 capital	-
7	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory transition or grandfathering provisions regarding regulatory capital requirements	-

Table DF-17
LEVERAGE RATIO

Leverage ratio is a non-risk based measure of all exposures for the Tier-I capital. The leverage ratio is calibrated to act as a credible supplementary measure to the risk based capital requirements. The Basel III leverage ratio is defined as the capital measure (the numerator) divided by the exposure measure (the denominator), with this ratio expressed as a percentage. Previously, the indicative benchmark Leverage Ratio prescribed was 4.50% (minimum), which has been reduced to 3.50% (minimum) as per the RBI circular on "Basel III Capital Regulations - Implementation of Leverage Ratio", vide DBR.BP.BC.No.49/21.06.201/2018-19 dated 28.06.2019.

$$\text{Leverage Ratio} = \text{Capital Measure (Tier I Capital)} / \text{Exposure Measure}$$

Summary comparison of Accounting Assets vs. Leverage Ratio Exposure measure – March 31, 2025		
S.no.	Item	Amount (₹ in million)
1	Total consolidated assets as per published financial statements	776232.15
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(4.38)
3	Adjustment for fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-----
4	Adjustments for derivative financial instruments	3080.25
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	-----
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	27032.68
7	Other adjustments (intangible & AFS reserves)	(1038.39)
	Leverage Ratio exposure	805302.31

Table DF – 18
LEVERAGE RATIO COMMON DISCLOSURE TEMPLATE – MARCH 31, 2025

(₹ in million)

S.no.	Item	Amount
On – balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	776231.15
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(1042.77)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	775189.38
Derivative Exposures		
4	Replacement cost associated with all derivative transactions (i.e. net of eligible cash variation margin)	3080.25
5	Add-on amounts for PFE associated with all derivative transactions	----
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	----
7	(Deductions of receivables assets for cash variation margin provided in derivative transactions)	----
8	(Exempted CCP leg of client-cleared trade exposures)	----
9	Adjusted effective notional amount of written credit derivatives	----
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	----
11	Total derivative exposures (sum of lines 4 to 10)	3080.25
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	----
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	----
14	CCR exposure for SFT assets	----
15	Agent transaction exposures	----
16	Total securities financing transaction exposures (sum of lines 12 to 15)	----
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	86185.33
18	(Adjustments for conversion to credit equivalent amounts)	(59152.65)
19	Off-balance sheet items (sum of lines 17 and 18)	27032.68
Capital and total exposures		
20	Tier 1 capital	90784.63
21	Total exposures (sum of lines 3, 11, 16 and 19)	805302.31
Leverage ratio		
22	Basel III leverage ratio (20 / 21)	11.27%