

IRC: F-56:28:601:2019

28.05.2019

The Manager
Bombay Stock Exchange Limited
25th Floor, P J Towers,
Dalal Street, Mumbai 400001.

Sir,

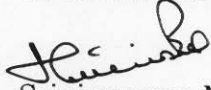
Sub: Intimation in respect of signing of a term sheet for a joint venture with
Centrum Wealth Management Limited.

We advise that the Bank has entered into a binding term sheet with Centrum Wealth Management Limited for establishing a private limited joint venture company for the purposes of providing wealth management services, subject to the receipt of regulatory approvals and registrations and entering into definitive agreements by the parties.

The details have been set out at Annexure A to this letter.

We request you to take note of the above information.

Yours faithfully,



Srinivasarao M
Company Secretary &
Asst. General Manager

ANNEXURE A

Sr. No.	Particulars of Event(s)	Details
1.	Name(s) of parties with whom the agreement is entered.	Karur Vysya Bank Limited (" Bank ") and Centrum Wealth Management Limited (" Centrum ")
2.	Purpose of entering into the agreement.	For establishing a private limited joint venture company (" JV Company ") for the purposes of providing wealth management services to clients, subject to the receipt of regulatory approvals and registrations.
3.	Shareholding, if any, in the entity with whom the agreement is executed	The Bank does not hold any shares in Centrum.
4.	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in the capital structure, etc.	(iii) The Board of Directors of the JV Company shall comprise of 5 directors. So long as the Bank holds 51% in the JV Company, it shall have the right to appoint 3 directors and Centrum shall have the right to appoint the balance number of directors on the Board of the JV Company; (iv) Each of the parties shall be entitled to other rights customary in a transaction of this nature, including but not limited to joint affirmative voting rights, pre-emptive rights, information rights and a right of first offer, as may be agreed to between the parties and set out in the definitive documents.
5.	Whether the said parties are related to promoter / promoter group / group companies in any manner. If yes, nature of relationship.	Centrum is not related to the promoter / promoter group / group companies in any manner.

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6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length".	No, the transaction would not fall within related party transactions.
7.	In case of issuance of shares to the parties, details of issue price, class of shares issued.	<p>Subject to receipt of regulatory approvals and registrations, the parties propose to subscribe to equity shares to be issued by the JV Company in the following manner:</p> <p>(iv) The Bank will hold 51% of the share capital of the JV Company;</p> <p>(v) Centrum will hold 45% of the share capital of the JV Company;</p> <p>(vi) The remaining 4% of the share capital of the JV Company will be issued to / reserved for the benefit of the employees of the JV Company.</p> <p>The issue price will be as agreed to by the parties in accordance with applicable law. .</p>
8.	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.	Not applicable.

Jee