



Karnataka Bank Ltd.

Estd : 1924

CIN : L85110KA1924PLC001128

Regd. & Head Office
P.B. No. 599, Mahaveera Circle
Kankanady, Mangalore – 575 002

Phone : 0824 - 2228222 Fax : 0824-2225588
Website : www.karnatakabank.com
email : info@kttkbank.com

12.04.2017

SECRETARIAL DEPARTMENT

HO: SEC: 47 : 2017-18

To:

1. The Manager
Listing Department
National Stock Exchange Of India Limited
Exchange Plaza, C-1, Block G
Bandra-Kurla Complex
Bandra (E), MUMBAI-400051

2. The General Manager
BSE Limited
Corporate Relationship Dept
Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI-400001

Dear Sir,

We enclose copy of the press communiqué released by us for your kind information.

Thank You,

Yours faithfully,


COMPANY SECRETARY

OR/157/17-18

 **Karnataka Bank Ltd.**
Your Family Bank, Across India.

Regd. & Head Office
P. B. No.599, Mahaveera Circle
Kankanady
Mangaluru – 575 002

Phone : 0824-2228325 Fax: 0824-2225587
E-Mail : pr@ktkbank.com
Website : www.karnatakabank.com
CIN : L85110KA1924PLC001128

PLANNING AND DEVELOPMENT DEPARTMENT

HO: P&D: PR: OR: 2017-18

April 12, 2017

PRESS RELEASE

Shri P Jayarama Bhat is the new Chairman of Karnataka Bank



Shri P Jayarama Bhat, MD&CEO of Karnataka Bank today assumed the office of Part-time, Non-executive Chairman of Karnataka bank.

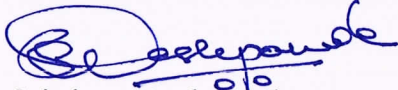
The Board of Directors of Karnataka Bank who met today at the Head Office of the Bank at Mangaluru, Karnataka, have appointed Shri P Jayarama Bhat as the new Chairman of the Bank, as per the approval received from Reserve Bank of India, in pursuant of Board's earlier recommendation to this effect. The Chairman's post was vacant since 26.10.2016 on retirement of Shri Ananthakrishna.

Shri. Jayarama Bhat had taken the reigns of the Bank as MD&CEO on 14th July 2009, initially appointed for a period of 3 years, got extension for two terms upto July 13th, 2018. He voluntarily opted to relinquish his present post of MD&CEO and the present changeover was well thought of corporate succession planning and to pave way for younger generation to take the reign.

During his tenure of around 8 years, the business turnover of the Bank almost tripled to Rs.93,843 crores (prov.as on 31.3.2017) from Rs.32,034 crores as on 13.7.2009, with CAGR (Compounded Annual Growth Rate) of 14.40%. Deposits rose to Rs.56,737 crore (prov.as on 31.3.2017) from Rs.21,044 crore, advances rose to Rs.37,106 crore (prov.as on 31.3.2017) from Rs.10,990 crore. The CD ratio (Credit Deposit ratio) significantly improved to 65.40% from the level of 52.22%. Similarly, CASA (Current Account & Savings Account) share to the total deposit zoomed to 29.03% from 18.80%, which helped the Bank to improve its profitability. Bank has posted an alltime high net profit of Rs.451 crore during 2015-16. The customer base of the Bank increased to 82 lakhs from 31 lakhs, turnover per branch increased to Rs.122.67 crores from Rs.71.35 crores. His contribution in branch expansion was quite impressive with addition of 316 branches during his tenure, taking the total to 765 as on 31.3.2017. He was instrumental in introducing several digital banking products and services. The ATMs of the Bank increased to 1380 from 177, and 110 e-Lobbies were opened since it's introduction in 2015. There was phenomenal increase in networth of the Bank, which increased to Rs.4769 crore as on 31.12.2016 from Rs.1567 crores as on 31.3.2009, after successful mobilization of QIP of Rs.160.83 crore in 2010 and two rights issues through which Bank mopped up Rs.457.03crore and Rs.659.65 crores in the year 2011 and 2016 respectively. Share holders' value also increased manifold as could be seen from the market capitalization of Rs.4505 crore as on 11.4.2017, compared to Rs.798 crores as on 13.7.2009. Further Bank had also won record number of Awards and Accolades during his tenure in the area of Banking Technology, financial Inclusion, MSME lending, Customer Service, HR practices, Fair business practices etc. Bank has also scripted a new chapter in Corporate Social Responsibility (CSR) by funding good number of projects under Child and Health care, environmental sustainability, education etc. and recognized itself as a Socially Responsible Bank.

"The challenges were many and we have been able to convert the challenges into opportunities and as a result I am happy that Karnataka Bank has emerged stronger. After an eventful tenure of almost 8 years as MD&CEO, I am happy to voluntarily relinquish the office and entrust the responsibility to Shri Mahabaleshwara M S. His appointment is a well thought process of succession planning and he was spotted early

and being groomed for the top post over the period. He has acquired all the desirable qualities of corporate leadership and I am confident that he will take the Bank to new highs in the days to come. Now it is time for me to happily entrust the Bank's leadership to him and focus on ensuring highest standards of corporate governance as Chairman of the Bank's Board" said Shri P Jayarama Bhat.



Srinivas Deshpande
[CHIEF MANAGER - PUBLIC RELATIONS]