



Karnataka Bank Ltd.

Your Family Bank, Across India.

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

Phone : 0824-2228182 Fax: 0824-2225587
E-Mail : comsec@ktkbank.com
Website : www.karnatakabank.com
CIN : L85110KA1924PLC001128

SECRETARIAL DEPARTMENT

02.08.2017

HO: SEC:294 : 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

PLANNING AND DEVELOPMENT DEPARTMENT

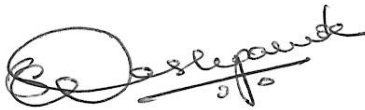
PRESS RELEASE

Aug 02, 2017

Karnataka Bank rationalizes Savings Bank interest rate

Karnataka Bank, as part of its Asset Liability Management has introduced four interest variants on the balances maintained in SB accounts by its customers. For daily balances of above ₹ 1 crore, the interest rate is revised to 5% p.a, from the existing 4% p.a, whereas for daily balances of ₹ 50 lakhs to ₹ 1 crore, the applicable interest rate is 4% p.a. Similarly for daily balance in the range of more than ₹ 1 lakh to ₹ 50 lakhs, the interest rate is reduced to 3.5% from the existing 4% and balance below ₹ 1 lakh, the revised rate is 3% from the existing 4%. The Bank's ALCO in its meeting today, took the above decision and is effective from tomorrow. The above interest rate is applicable to resident Indians and also to SB-NRO & NRE accounts.

"SB product is not price sensitive and is generally driven by product offerings, convenience and customer service standards. Hence the interest rate revision impact on customers with lower balance is negligible. However, SBs with higher balance will attract higher interest in the new structure, and hence it may induce customers to park more money in their SB accounts, thus promoting savings habit among general public," said Shri Mahabaleshwara M. S., Managing Director and CEO of the Bank.



Srinivas Deshpande
CHIEF MANAGER – PUBLIC RELATIONS