SECRETARIAL DEPARTMENT

07.07.2020
HO/SEC/ 60 /2020-21

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

2. The General Manager
   BSE Limited
   Corporate Relationship Dept
   Phiroze Jeejebhoy Towers
   Dalal Street
   MUMBAI-400001
   Scrip Code: 532652

Dear Sir,


Pursuant to Regulation 24A of SEBI (LODR) (Amendment) Regulations, 2018, we hereby enclose the Annual Secretarial Compliance Report for the Financial Year ended 31.03.2020.

This is for your kind information.

Thank you,

Yours faithfully,

Prasanna Patil
COMPANY SECRETARY
Secretarial Compliance Report of The Karnataka Bank Limited for the year ended 31/03/2020
(As per SEBI Circular CIR/CFD/CMD1/27/2019 dated 08/02/2019)

We, M/s. Gopalakrishnaraj H H & Associates, have examined:

(a) all the documents and records made available to us and explanation provided by The Karnataka Bank Limited ("the listed entity")
(b) the filings/submissions made by the listed entity to the stock exchanges
(c) website of the listed entity
(d) any other document/filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31/03/2020 ("Review Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:

b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
c. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
f. The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.
And based on the above examination, we hereby report that, during the Review period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Compliance Requirement (Regulations/ Circulars/Guidelines including specific clause)</th>
<th>Deviations</th>
<th>Observations/Remarks of the Practicing Company Secretary</th>
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<tbody>
<tr>
<td>1.</td>
<td>Regulation 18(1)(b) of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 Two-thirds of the members of audit committee shall be independent directors 33[and in case of a listed entity having outstanding SR equity shares, the audit committee shall only comprise of independent directors].</td>
<td>In the constitution of Audit Committee of Directors during the period 06/09/2019 to 05/11/2019.</td>
<td>According to the explanation given by the Management, the reasons for deviation as under: 1. The then extant Independent Director who was also a Chartered Accountant could not be appointed for a further period of three years (in terms of maximum tenure defined under Banking Regulation Act, 1949) by the members in the Annual General Meeting held on 07/08/2019. 2. The RBI Circular No. DOS.NO.BC.3/08.91.020/97 dated 20th January 1997 stated that at least one non-official director who is a Chartered Accountant shall be part of the Audit Committee. In order to comply with RBI Circular, the Bank appointed a Chartered Accountant who was non-independent Director. This created a vacuum and led to deviation for a period from 06/09/2019 to 05/11/2019. However, the Bank reconstituted the Audit Committee in compliance with Regulation 18 of SEBI(LODR) with effect from 06/11/2019.</td>
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(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder insofar as it appears from my/our examination of those records.

(c) There were no actions taken against the listed entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder.

(d) There were no items for which the listed entity was ought to have taken the actions to comply with the observations made in previous reports.

(e) As per SEBI Circular CIR/CFD/ CMD1/114/2019, dated 18/10/2019, the company has suitably modified the terms of appointment of the Auditors to give effect to clauses 6(A) and 6(B) of the said SEBI circular, through a letter dated 27/12/2019.

Further, we state that due to restrictions imposed by the Government on account of COVID-19, we were not able to verify certain records physically and relied on the soft copies provided electronically by the company.

Place: Bengaluru
Date: 08/06/2020

For Gopalakrishnaraj H H & Associates
Company Secretaries

Gopalakrishnaraj H H
Proprietor
FCS: 5654; CP: 4152
UDIN: F005654B000325589