SECRETARIAL DEPARTMENT

11.03.2020

1. The Manager
   Listing Department
   National Stock Exchange of India Limited
   Exchange Plaza, C-1, Block G
   Bandra-Kurla Complex, Bandra (E)
   MUMBAI-400 051

   Scrip Code: KTKBANK

2. The General Manager
   BSE Limited
   Corporate Relationship Dept
   Phiroze Jeejeebhoy Towers
   Dalal Street
   MUMBAI-400 001

   Scrip Code: 532652

Dear Sir,

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

Thank You,
Yours faithfully,

Prasanna Patil
COMPANY SECRETARY
"Across the globe, the health of a bank is measured by referring to Capital to Risk Weighted Assets Ratio [CRAR] and not by referring to the so called M-Cap to deposit ratio" - said Shri Mahabaleshwara M S, Managing Director and CEO of Mangaluru based Karnataka Bank.

Reacting to the recent report by a Television Channel which was also widely circulated in the social media, he was categorical in denouncing ‘M-Cap ratio’ used by the TV Channel for measurement of health of the banks and safety of deposits with them. He further added that Shri Krishnamurthy Subramanian, Chief Economic Advisor to Government of India, the Governor of RBI, Chairman of State Bank of India and other experts in Banking field have categorically endorsed the views that globally for assessing the health of banks the Capital to Risk Weighted Assets ratio is used and the banks in India are well capitalized and therefore are safe and healthy.

He further said that as per the audited Balance Sheet as on 31-03-2019, CRAR of Karnataka Bank stood at 13.17 per cent which is well above the minimum regulatory prescription. Bank’s internal policy stipulates maintaining CRAR of at least 1.00%
above the regulatory requirement. We have been consistently maintaining CRAR above the minimum prescribed by the RBI as well as the Bank’s internal policy.

Allaying any fear among the depositors, he further said that the Bank is in existence for over 96 years which is built on the trust of its 11 million satisfied customers across the country, is well capitalized, professionally managed and a fundamentally strong Bank. He appealed to all not to be carried away by any misleading and absurd reports on the Banks in the Television or social media.

Srinivas Deshpande
ASSISTANT GENERAL MANAGER