



Karnataka Bank Ltd.

Estd : 1924

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

Phone : 2228222
Grams: Abhyuday
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02.04.2013

SECRETARIAL DEPARTMENT

HO: SEC:8: 2013-14

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

Dear Sir,

We enclose copy of the press communiqué released by us regarding the Bank's Business Turnover for the Financial Year 2013-14, for your kind information.

Thank You,
Yours faithfully,


Y V Balachandra
COMPANY SECRETARY



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P.B. No.599 Mahaveera Circle
Kankanady, Mangalore-575 002

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PLANNING & DEVELOPMENT DEPARTMENT

PRESS RELEASE

**KARNATAKA BANK AIMS FOR BUSINESS OF
₹ 78,000 CRORE FOR FY 2013-14**

Karnataka Bank, a premier private sector Bank is targeting a Business Turnover of ₹ 78,000 crore comprising of Deposits of ₹ 45,500 crore and Credit of ₹ 32,500 crore for the Financial Year 2013-14. The Managing Director of the Bank Shri P Jayarama Bhat while rolling out the business agenda for the new Financial Year 2013-14 has set an aggressive growth path of over 27%.

During the Financial Year 2012-13 the Bank has made all round progress by crossing Business Turnover of ₹ 61,300 crore comprising Deposits of ₹ 36,050 crore and Advances of ₹ 25,250 crore i.e. Y o Y growth of 14.05% under Deposits and robust credit growth of 21.62%. The overall Credit-Deposit ratio [CD Ratio] stood at 70% and incremental CD Ratio for the year was an impressive 101%. As on March 31, 2013, the Bank has crossed 1,050 service outlets with 550 branches and 504 ATMs located across India. During the year 2012-13 the Bank has opened 47 new branches, 1 Extension Counter and 152 ATMs. The Bank has received ISO 27001:2005 certificate for its Information Security Management System [ISMS] implementation under 3 IT set-ups namely, Data Centre [DC], Near line set-up [NLS] and Head Office-IT Department including Disaster Recovery [DR] site.

During the year 2012-13 the Bank had introduced Mobile Banking and ASBA [Application supported by Blocked Amount] facilities for its customers. Under Financial Inclusion Initiatives, the Bank has opened 10 Financial Inclusion branches, 26 Ultra Small branches, 1 FLCC [Financial Literacy & Credit Counselling Centre] thus providing banking services to 122 Gram Panchayats consisting of 591 villages through Business Correspondents services. The Bank

has surpassed Priority Sector target of 40%, Agriculture sector target of 18% and Weaker Section target of 10% said Shri P Jayarama Bhat while addressing the Executives and members of staff on the eve of new Financial Year.

Shri P Jayarama Bhat also observed that the outlook for the Financial Year 2013-14 continues to be challenging. With the Indian economy yet to recover from the slump in growth, the Banking sector of the country is confronted with the task of achieving decent growth levels both under deposits as well as advances, recovery / containing of NPAs, addressing the additional capital requirements and managing the Human Resources.

The Bank is aiming to increase its Service outlets to 1,200 comprising of 600 branches and 600 ATMs.

The General Managers of the Bank namely Shri P Jairama Hande, Shri N Upendra Prabhu, Shri M V C S Karanth, Shri M S Mahabaleshwara Bhat and Dr Meera Aranha were present on the occasion.

Date: 1st April, 2013




Chief Manager & PRO