



Karnataka Bank Ltd.

F. No. 1303 (H.O.)

Estd : 1924

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

Phone : 2228222
Grams: Abhyuday
Fax : 0824-2225588 / 2225589

18.03.2013

SECRETARIAL DEPARTMENT

HO: SEC: 868: 2012-13

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 financial outreach and financial inclusion programme, for your kind information.

Thank You,
Yours faithfully,


Y V Balachandra
COMPANY SECRETARY

Karnataka Bank Ltd.

Estd. 1924



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

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PRESS RELEASE

Date : 16.03.2013

KARNATAKA BANK TO OPEN 26 ULTRA SMALL BRANCHES (USBs) BY MARCH 2013

As part of its rural outreach and financial inclusion programme in tune with national priority, Mangalore-based private sector Karnataka Bank has planned to open 26 Ultra Small Branches at allocated GPs (Grama Panchayaths) spread across India. Bank has so far opened 18 branches and 8 more USBs are proposed to be opened by 31st March 2013. Another 94 USBs are planned for FY 2013-14, thus taking the total number to 120 by March 2014. Bank is also opening an FLCC (Financial Literacy and Credit Counselling Centre) at Kundagol of Dharwad District for the exclusive benefit of rural India.

Shri P Jayarama Bhat, Managing Director & CEO of the Bank stated that under its Financial Inclusion initiatives, the Bank has 205 allocated GPs with 1002 villages where it is extending its outreach utilising appropriate Information & Communication Technology based Business Correspondent Model with Ultra Small Branch or "Brick & Mortar" branch model for extending banking services. Out of 205 allocated GPs under Financial inclusion Project, 85 GPs are serviced by Brick and Mortar Branches and in 120 GPs banking services are being provided through Ultra Small Branches with attached Business Correspondent Agents. In the Financial Year 2013-14, bank has planned to open 94 Ultra Small Branches across India with Business Correspondent Services. Ultra Small Branch acts as a intermediary branch located at GP and linked to base branch. While an officer from the base branch will visit the USB at least once in a week and provide non financial services, the basic financial services/transactions are provided through Business Correspondent Agents. Bank has engaged M/s Integra Micro Systems Pvt Ltd to provide technology and BC Services. With setting up of USBs in 120 allocated GPs and Brick & Mortar Rural branches in 85 centres bank plans to reach out to over 2.10 lakh households in 1002 villages with a total population of 10.51 lakh.

