

**Karnataka Bank Ltd.**

Estd : 1924

CIN : L85110KA1924PLC001128

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

Phone : 0824 - 2228222 Fax : 0824-2225588
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24.10.2016 SECRETARIAL DEPARTMENT
HO/SEC/ 411 /2016-2017

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,

Reg: Closure of 'Karnataka Bank Employees Stock Option Scheme 2006' (ESOS 2006).
Ref: In-Principle approval bearing no. NSE/LIST/45630-D dated 17.05.2007.

We refer to the In-Principle approval bearing no. NSE/LIST/45630-D dated 17.05.2007 obtained from you for listing of 15,00,000 equity shares under the 'Karnataka Bank Employees Stock Option Scheme 2006' (ESOS 2006) ('Scheme'). Pursuant to the Scheme, Bank had granted options in the year 2007 and 2008 to the eligible employees for exercise after the completion of 3 years from the date of grant and within a period of 5 years from the date of vesting in a phased manner i.e. 40% in first year, 30% in second year and 30% in third year respectively.

Out of the total grant, 12,09,834 options were exercised and shares were allotted. The shares allotted were listed on the Stock Exchanges also. The balance 290166 options were unexercised and stand lapsed.

Board of Directors of the Bank its meeting held on 19.10.2016 has resolved to close the aforesaid ESOS 2006 Scheme upon completion of the exercise period in accordance with the scheme document as the terms of the scheme including the exercise price etc. are not reflecting the present market realities and balance number of options being meagre.

For your kind information.

Thank you,
Yours faithfully,


(Y V Balachandra)
COMPANY SECRETARY