

### Main Features of Regulatory Capital Instruments:

Main Features of Regulatory Capital Instruments (Equity Shares & Bonds)					
	Description	Equity Shares	SERIES IV	SERIES V	SERIES VI
1.	Issuer	The Karnataka Bank Ltd	The Karnataka Bank Ltd	The Karnataka Bank Ltd	The Karnataka Bank Ltd
2.	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE614B01018	INE614B08021	INE614B08039	INE614B08047
3.	Governing law(s) of the instrument	Applicable Indian statutes and regulatory requirements	Applicable Indian statutes and regulatory requirements	Applicable Indian statutes and regulatory requirements	Applicable Indian statutes and regulatory requirements
	<i>Regulatory Treatment</i>				
4.	Transitional Basel III rules	Common Equity Tier I	Tier 2	Tier 2	Tier 2
5.	Post-transitional Basel III rules	Common Equity Tier I	Ineligible	Eligible	Eligible
6.	Eligible at solo / <del>group / group &amp; solo</del>	Solo*	Solo	Solo	Solo
7.	Instrument type	Common Shares	Tier 2 Debt Instruments	Tier 2 Debt Instruments	Tier 2 Debt Instruments
8.	Amount recognized in regulatory capital ( <b>Rs. in million</b> , as of most recent reporting date)	Rs.2826.18 million	Rs.750.00 million	Rs.4000.00 million	Rs.3200.00 million
9.	Par value of instrument	NA	Rs.2500.00 million	Rs.4000.00 million	Rs.3200.00 million
10.	Accounting classification	Shareholders' Equity	Liability	Liability	Liability
11.	Original date of issuance	Various	17.11.2012	16.11.2018	18.02.2019
12.	Perpetual or dated	Perpetual	Dated	Dated	Dated
13.	Original maturity date	NA	17.11.2022	16.11.2028	18.02.2029
14.	Issuer call subject to prior supervisory approval	NA	Call Option by the Bank at par after five years from the date of issue subject to RBI Approval.	Call Option by the Bank at par after five years from the date of issue subject to RBI Approval.	Call Option by the Bank at par after five years from the date of issue subject to RBI Approval.

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15.	Optional call date, contingent call dates and redemption amount	NA	After 18.11.2017, Rs.2500.00 million. However call option has not been exercised so far.	After 16.11.2023, Rs.4000.00 million	After 18.02.2024, Rs.3200.00 million
16.	Subsequent call dates, if applicable	NA	On every anniversary of coupon payment date after first call option due date. However, no call option has been exercised so far.	On every anniversary of coupon payment date after first call option due date	On every anniversary of coupon payment date after first call option due date
	Coupons / dividends	Dividend	Coupon	Coupon	Coupon
17.	Fixed or floating dividend / coupon	NA	Fixed	Fixed	Fixed
18.	Coupon rate and any related index	NA	11.00%	12.00%	12.00%
19.	Existence of a dividend stopper	NA	NA	NA	NA
20.	Fully discretionary, partially discretionary or mandatory	Full Discretionary	Mandatory	Mandatory	Mandatory
21.	Existence of step up or other incentive to redeem	No	No	No	No
22.	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
23.	Convertible or non-convertible	NA	Non-Convertible	Non-Convertible	Non-Convertible
24.	If convertible, conversion trigger(s)	NA	NA	NA	NA
25.	If convertible, fully or partially	NA	NA	NA	NA
26.	If convertible, conversion rate	NA	NA	NA	NA

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27.	If convertible, mandatory or optional conversion	NA	NA	NA	NA
28.	If convertible, specify instrument type convertible into	NA	NA	NA	NA
29.	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA
30.	Write-down feature	No	No	Yes	Yes
31.	If write-down, write-down trigger(s)	NA	NA	Point of Non Viability as stipulated in Basel III guidelines and determined by RBI.	Point of Non Viability as stipulated in Basel III guidelines and determined by RBI.
32.	If write-down, full or partial	NA	NA	Full	Full
33.	If write-down, permanent or temporary	NA	NA	Permanent	Permanent
34.	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA
35.	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated Claim at the time of liquidation	All other creditors and Depositors of the Bank	All other creditors and Depositors of the Bank	All other creditors and Depositors of the Bank
36.	Non-compliant transitioned features	No	Yes	No	No
37.	If yes, specify non-compliant features	NA	PONV clause not in instrument	NA	NA

\* No Group entities

The details of the existing Tier II capital [Bonds] of the Bank:

(Rs in crore)

Series	ISIN	Date of allotment	Date of redemption	Rate of Interest	Amount
Series IV	INE614B08021	17.11.2012	17.11.2022	11.00%	Rs.250.00
Series V	INE614B08039	16.11.2018	16.11.2028	12.00%	Rs.400.00
Series VI	INE614B08047	18.02.2019	18.02.2029	12.00%	Rs.320.00
				<b>Total</b>	<b>Rs.970.00</b>

Terms and Conditions of regulatory capital instruments [Bond series]:

Instrument	Full Terms and Conditions	
Series IV	Nature of Instrument:	Unsecured, Redeemable, Non-convertible Subordinated Lower Tier-II Bonds in the nature of debentures.
	Amount Subscribed:	Rs.250.00 Crore
	Face Value of the Bond:	Rs.10,00,000 per Bond
	Date of allotment:	17.11.2012
	Date of Redemption:	17.11.2022
	Coupon Rate:	11.00%
	Issuance, Trading & Listing:	Demat Mode, Listed on NSE Debt Segment

Instrument	Full Terms and Conditions	
Series V	Nature of Instrument:	Unsecured, Redeemable, Non-convertible, Basel III compliant, Subordinated Lower Tier-II Bonds in the nature of debentures.
	Amount Subscribed:	Rs.400.00 Crore
	Face Value of the Bond:	Rs.1,00,000 per Bond
	Date of allotment:	16.11.2018
	Date of Redemption:	16.11.2028
	Coupon Rate:	12.00%
	Issuance, Trading & Listing:	Demat Mode, Listed on NSE Debt Segment

Instrument	Full Terms and Conditions	
Series VI	Nature of Instrument:	Unsecured, Redeemable, Non-convertible, Basel III compliant, Subordinated Lower Tier-II Bonds in the nature of debentures.
	Amount Subscribed:	Rs.320.00 Crore
	Face Value of the Bond:	Rs.1,00,000 per Bond
	Date of allotment:	18.02.2019
	Date of Redemption:	18.02.2029
	Coupon Rate:	12.00%
	Issuance, Trading & Listing:	Demat Mode, Listed on NSE Debt Segment

