

This is only an advertisement for information purpose and not a offer document. In the United States, all capitalized terms used and not defined herein shall have the meaning assigned to them in the Letter of Offer dated October 11, 2017 filed with the designated stock exchange, namely, the National Stock Exchange of India Limited ("NSE") and the Securities and Exchange Board of India, ("SEBI"), on October 11, 2017, (the "Letter of Offer" or "LOF").



Our Bank was incorporated as The Karur Vysya Bank Limited (the "Bank" or the "Issuer") on June 22, 1916 under the Companies Act, 1913. Our Bank received the license to carry on banking business in India under the Banking Regulation Act, 1949, from the Reserve Bank of India on December 20, 1958.

Registered Office: Post Box No. 21, Erode Road, Karur - 639002, Tamil Nadu, India Tel No: +91 4324 269437 / 269441 / 269443; Fax No.: +91 4324 225700; Contact Person: Mr. Srinivasa Rao Maddirala, Company Secretary and Compliance Officer; E-mail: kvb_sig@kvbmail.com, Website: www.kvb.co.in; Corporate Identification Number: L65110TN1916PLC001295

BASIS OF ALLOTMENT

ISSUE OF 117,317,101 EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH ("EQUITY SHARES") OF OUR BANK FOR CASH AT A PRICE OF ₹ 76 PER EQUITY SHARE ("ISSUE PRICE") (INCLUDING A PREMIUM OF ₹ 74 PER EQUITY SHARE) AGGREGATING UP TO ₹ 891.61 CRORES BY OUR BANK. THE ISSUE COMPRISES AN ISSUE OF 101,621,048* EQUITY SHARES TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR BANK ON RIGHTS BASIS IN THE RATIO OF 1 (ONE) FULLY PAID-UP EQUITY SHARE FOR EVERY 6 (SIX) FULLY PAID-UP EQUITY SHARES HELD ON OCTOBER 13, 2017 (THE "RECORD DATE") AGGREGATING ₹ 772.32* CRORES AND ISSUE OF 15,914,160 EQUITY SHARES THROUGH A RESERVATION OF UP TO 1,71,60,000 EQUITY SHARES FOR THE ELIGIBLE EMPLOYEES OF OUR BANK AGGREGATING ₹120.95 CRORES (THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE TO THE ELIGIBLE EQUITY SHAREHOLDERS AND ELIGIBLE EMPLOYEES, COLLECTIVELY REFERRED TO AS THE ISSUE. THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION IS REFERRED TO AS THE NET ISSUE. THE ISSUE PRICE IS 38 TIMES THE FACE VALUE OF THE EQUITY SHARES. THE ENTIRE ISSUE PRICE FOR THE EQUITY SHARE IS PAYABLE ON APPLICATION.

*Includes 218,107 equity shares kept under abeyance; *Includes ₹ 1.66 crores on account of equity shares under abeyance

The Board of Directors of Karur Vysya Bank Limited ("Bank") wishes to thank all its members and investors for their response to the Issue which opened for subscription on October 25, 2017 and closed on November 10, 2017. Out of a total of 80,368 CAFs (including 19,841 ASBA applications) received, 512 CAFs (includes 92 CAFs that were partial rejection cases) were rejected on technical grounds. The total number of valid Composite Application Forms ("CAFs") received were 79,948 for 181,198,686 Equity Shares, which is 1.5255 times of the total Issue size. The Basis of Allotment was approved by NSE, the Designated Stock Exchange on November 21, 2017. The Capital Raising Committee of the Bank took on record the Basis of Allotment so approved, and allotted 117,317,101 Equity Shares on November 22, 2017. In the Issue 218,107 Equity Shares are kept in abeyance on account of legal and other cases. All valid CAFs (including ASBA applications) have been considered for allotment.

1. The break-up of valid applications (including ASBA Applications) is given below

| Category | No. of Valid Applications (Including ASBA Applications) Received & Allotted | No. of Equity shares Accepted and Allotted against Rights Entitlement (A) | No. of Equity shares Accepted and Allotted against Additional Equity Shares Applied(B) | Total Equity Shares Accepted and Allotted (A+B)* |
|--------------|---|---|--|--|
| Shareholders | 70,993 | 93,182,940 | 4,180,681 | 97,363,621 |
| Renounees | 2,747 | 4,039,320 | 0 | 4,039,320 |
| Employees | 6,208 | 15,914,160 | NA | 15,914,160 |
| Total | 79,948 | 113,136,420 | 4,180,681 | 117,317,101 |

*Out of the total Issue size of 118,781,048 Equity Shares, 218,107 Equity Shares have been kept in abeyance and balance unsubscribed portion of 1,245,840 Equity shares of the Employee Reservation Portion was not considered for allotment as per the Basis of Allotment.

2. Information regarding Applications Received (Including ASBA Applications Received):

| Category | Applications Received | | Equity Shares Applied for | | | Equity Shares Allotted | | |
|--------------|-----------------------|---------------|---------------------------|--------------------------|---------------|------------------------|-------------------------|---------------|
| | Number | % | Number | Value (₹) | % | Number | Value (₹) | % |
| Shareholders | 71,318 | 88.74 | 161,113,532 | 12,244,631,717.00 | 88.77 | 97,363,621 | 7,399,635,196.00 | 82.99 |
| Renounees | 2,842 | 3.54 | 4,464,636 | 339,312,336.00 | 2.46 | 4,039,320 | 306,988,320.00 | 3.44 |
| Employees | 6,208 | 7.72 | 15,914,160 | 1,209,476,160.00 | 8.77 | 15,914,160 | 1,209,476,160.00 | 13.57 |
| Total | 80,368 | 100.00 | 181,492,328 | 13,793,420,213.00 | 100.00 | 117,317,101 | 8,916,099,676.00 | 100.00 |

The Bank shall bear the charges of ₹29,370.56 towards postal and bank charges.

Out of a total of 80,368 CAFs (including 19,841 ASBA Applications) received, 512 CAFs (including 317 ASBA Applications) were rejected on technical grounds (out of the 512 CAFs, 92 CAFs were partially rejected). These Applications which were rejected on technical grounds were towards 293,642 Equity Shares (including 216,097 Equity Shares applied under ASBA process).

The dispatch of allotment advice cum refund orders, allotment advice cum refund intimation and physical share certificates to the Allottees, as applicable, have been completed by November 24, 2017. The refund instructions to Karur Vysya Bank Limited (Escrow Collection Bank) for electronic credit cases was given on November 23, 2017 and to the SCSBs for unblocking of funds was given on November 22, 2017. The listing application was filed with the NSE on November 23, 2017. The credit in respect of allotment of Equity Shares offered pursuant to the Issue in dematerialized form in National Securities Depository Limited & Central Depository Services (India) Limited, as applicable was completed on November 24, 2017, to the respective demat accounts. The Equity Shares offered pursuant to the Issue are expected to commence trading the NSE with effect from November 27, 2017 pursuant to the receipt of listing and trading approvals and shall be traded under the same ISIN INE036D01028, as the existing Equity Shares.

INVESTORS MAY NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM

DISCLAIMER CLAUSE OF SEBI: It is to be distinctly understood that the submission of the letter of offer to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. Investors are advised to refer to the Letter of Offer for the full text of the "Disclaimer Clause of SEBI" on Page 131 of the Letter of Offer.

DISCLAIMER CLAUSE OF NSE (Designated Stock Exchange): It is to be distinctly understood that the permission given by NSE should not, in any way, be deemed or construed that the Letter of Offer has been cleared or approved by NSE; nor does it certify the correctness or complete-ness of any of the contents of the Letter of Offer. Investors are advised to refer to the Letter of Offer for the full text of the "Disclaimer Clause of the NSE" on Page 139 of the Letter of Offer.

DISCLAIMER CLAUSE OF RBI: A license authorising our Bank to carry on banking business has been obtained from the RBI in terms of Section 22 of the Banking Regulation Act. It must be distinctly understood, however, that in issuing the licence the RBI does not undertake any responsibility for the financial soundness of our Bank.

| LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE | COMPANY SECRETARY & COMPLIANCE OFFICER |
|---|--|--|
| IIFL Holdings Limited 10th Floor, IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013, Maharashtra, India Tel: +91 22 4646 4600 Fax: +91 22 2493 1073 Email: kvb.rights@iiflcap.com Investor Grievance Email: lg.ib@iiflcap.com Website: www.iiflcap.com Contact Person: Sachin Kapoor/Pinak Bhattacharyya SEBI Registration Number: INM000010940 | Karvy Computershare Private Limited Karvy Selenium Tower B, Plot Number 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad 500 032, Telangana, India Tel: +91 40 6716 2222 Fax: +91 40 3343 1551 Email: kvb.rights@karvy.com Investor Grievance Email: einward.ris@karvy.com Website: www.karishma.karvy.com Contact Person: M. Muralikrishna SEBI Registration No.: INR000000221 | Mr. Srinivasa Rao Maddirala Company Secretary and Compliance Officer, Post Box No. 21, Erode Road, Karur - 639002, Tamil Nadu, India Tel: +91 4324 269444 Fax: +91 4324 225700 Email: msrinivasarao@kvbmail.com Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related matters such as non-receipt of letter of Allotment, credit of shares, CAF, EAF, SAF or Refund Orders, etc. For further details, please refer to "Note" on page 50 of the Letter of Offer. |

Note: All capitalized terms used and not defined herein shall have the respective meanings assigned to them in the Letter of Offer.

For THE KARUR VYSYA BANK LIMITED

Place: Karur, Tamil Nadu
Date: November 25, 2017

Sd/
Srinivasa Rao Maddirala
Company Secretary and Compliance Officer

THE LEVEL OF SUBSCRIPTION SHOULD NOT BE TAKEN TO BE INDICATIVE OF EITHER THE MARKET PRICE OF THE EQUITY SHARES OR THE BUSINESS PROSPECTS OF THE BANK.

This announcement has been prepared for publication in India and may not be released in the United States. This announcement does not constitute an offer of securities for sale in any jurisdiction, including the United States, and any securities described in this announcement may not be offered or sold in the United States absent registration under the US Securities Act of 1933, as amended, or an exemption from registration. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from our Bank and that will contain detailed information about our Bank and management, as well as financial statements. CONCEPT