

## **NOTES FORMING PART OF THE LIMITED REVIEW**

1. As stipulated by the Reserve Bank of India, the financial results for the quarter ended 31<sup>st</sup> December 2009 have been subjected to limited review by the Statutory Central Auditors of the Bank.
2. The statement of quarterly results has been prepared following the same accounting policies as those followed in the annual financial statements for the year ended March 31, 2009.
3. The above financial results have been approved by the Board of Directors at the Board Meeting held on 23.01.2010.
4. The working results for the quarter ended 31<sup>st</sup> December 2009 have been arrived at after considering provision for NPAs, Non-Performing Investments, Standard Assets, Restructured Advances and depreciation on investments as per Reserve Bank of India guidelines. Provision for Depreciation on Fixed Assets has been made on proportionate basis. Provision for Income tax has been made at annual estimated average tax rate on current taxable income for nine month period ended 31.12.2009. All other usual and necessary provisions have been made on estimated basis and are subject to adjustment, if any, at the year end.
5. Employee cost includes an adhoc provision of Rs.35 Crore made for the current quarter towards arrears of wage revision.
6. Provision has been made for employee benefits viz., pension, gratuity, leave encashment, etc., on proportionate and estimated basis in accordance with the Revised Accounting Standard (AS) – 15. A sum of Rs.23.00 crore has been charged to Profit & Loss Account towards transitional liability on proportionate basis for the quarter ended 31<sup>st</sup> December 2009 in compliance with the Revised AS - 15 on Employee Benefits. The balance of unrecognized transitional liability as per Revised AS – 15 is Rs. 207.00 crore.
7. The amount of net additional MAT liability arising out of retrospective amendment to Sec 115JB of Income tax Act, 1961 is yet to be ascertained and liability if any, will be provided for.
8. In terms of Agriculture Debt Waiver and Relief Scheme 2008 framed by the Government of India, against a final claim of Rs.459.01 crore relating to small and marginal farmers, as certified by the Statutory Central Auditors of the bank under Debt Waiver Scheme and lodged with RBI, the bank has so far received Rs.296.16 crore.
9. Previous period figures have been regrouped and reclassified, wherever necessary, to make them comparable with the figures for the current period.
10. Number of investors' complaints received/ disposed off during the quarter 01.10.09 to 31.12.09 :  
Beginning : Nil                      Received : 8                      Disposed off : 8                      Lying Unresolved : Nil

V Ram Gopal  
**Executive Director**

A S Bhattacharya  
**Executive Director**

M S Sundara Rajan  
**Chairman & Managing Director**

Place : Chennai

Date : 23<sup>rd</sup> January 2010