

NOTES FORMING PART OF THE LIMITED REVIEW

1. The above financial results have been reviewed by the Audit Committee of Board and approved by the Board of Directors in their meeting held on 30.01.2012 and have been subjected to a limited review by the Statutory Central Auditors of the Bank in line with the guidelines issued by the Reserve Bank of India and as per the requirement of listing agreement with Stock Exchanges.
2. The financial results for the quarter ended 31st December 2011 have been arrived at following the same Accounting Policies as those followed in preparation of financial statement for the Financial Year ended 31st March 2011 excepting for the following changes:
 - (a) Provisioning for all non performing assets classified as substandard (secured exposure) has been increased to 25% from 01.04.2011 in place of 20%.
 - (b) Considering the adequacy of provisioning coverage held, the bank has provided for doubtful assets at the rates prescribed in IRAC Norms in respect of all advances categorized under D1 and D2 after 01.07.2011 as against the practice followed upto 30.06.2011 of providing 100%.

Had the same provisioning norms adopted for the Financial Year 2010-11 been followed, the net profit for the current quarter would have been higher by ₹ 19.57 crore
3. Above financial results for the quarter ended 31st December 2011 have been arrived at after considering provision as per bank's accounting policy followed for Non-Performing Advances as stated in para 2 above and as per Reserve Bank of India guidelines for Non-performing Advances / Investments, Standard Advances, Restructured Advances and depreciation on investments. Provision for Depreciation on Fixed Assets has been made on proportionate basis. All usual and necessary provisions including provision for taxation have been made on an estimated basis and are subject to adjustment, if any, at the year end.
4. Deferred tax liability provision of ₹ 52.33 crore has been reversed during the quarter ended 31.12.2011.
5. A sum of ₹ 23 crore has been charged to Profit & Loss Account towards transitional liability on Employee Benefits on proportionate basis for the quarter ended 31st December 2011 in compliance with the Revised AS -15 on Employee Benefits and the remaining unrecognized transitional liability pending amortisation is ₹ 23 crore.
6. In accordance with the guidelines of RBI circular no. DBOD.BP.BC.80/21.04.018/2010-11 dated 09.02.2011 on Second Option Pension and enhancement in Gratuity Limits pertaining to existing employees, an amount of ₹ 40.67 crore and ₹ 8.30 crore towards Pension and Gratuity respectively have been charged to Profit & Loss Account being the proportionate sum for the current quarter. Remaining unrecognized liability pending amortisation are ₹ 528.56 crore and ₹ 107.90 crore towards Second Option Pension and Gratuity respectively.
7. Non Performing Loan Provisioning Coverage Ratio is 76.50% as on 31st December 2011.
8. Corresponding previous period / quarter ended figures have been regrouped / reclassified, wherever necessary.
9. The number of investors' complaints received and disposed off during the period from 1st October 2011 to 31st December 2011:

Beginning : Nil	Received : 12	Disposed off : 12	Closing : Nil
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B Raj Kumar
Executive Director
 Place: Chennai
 Date: January 30, 2012

Rajeev Rishi
Executive Director

T M Bhasin
Chairman & Managing Director