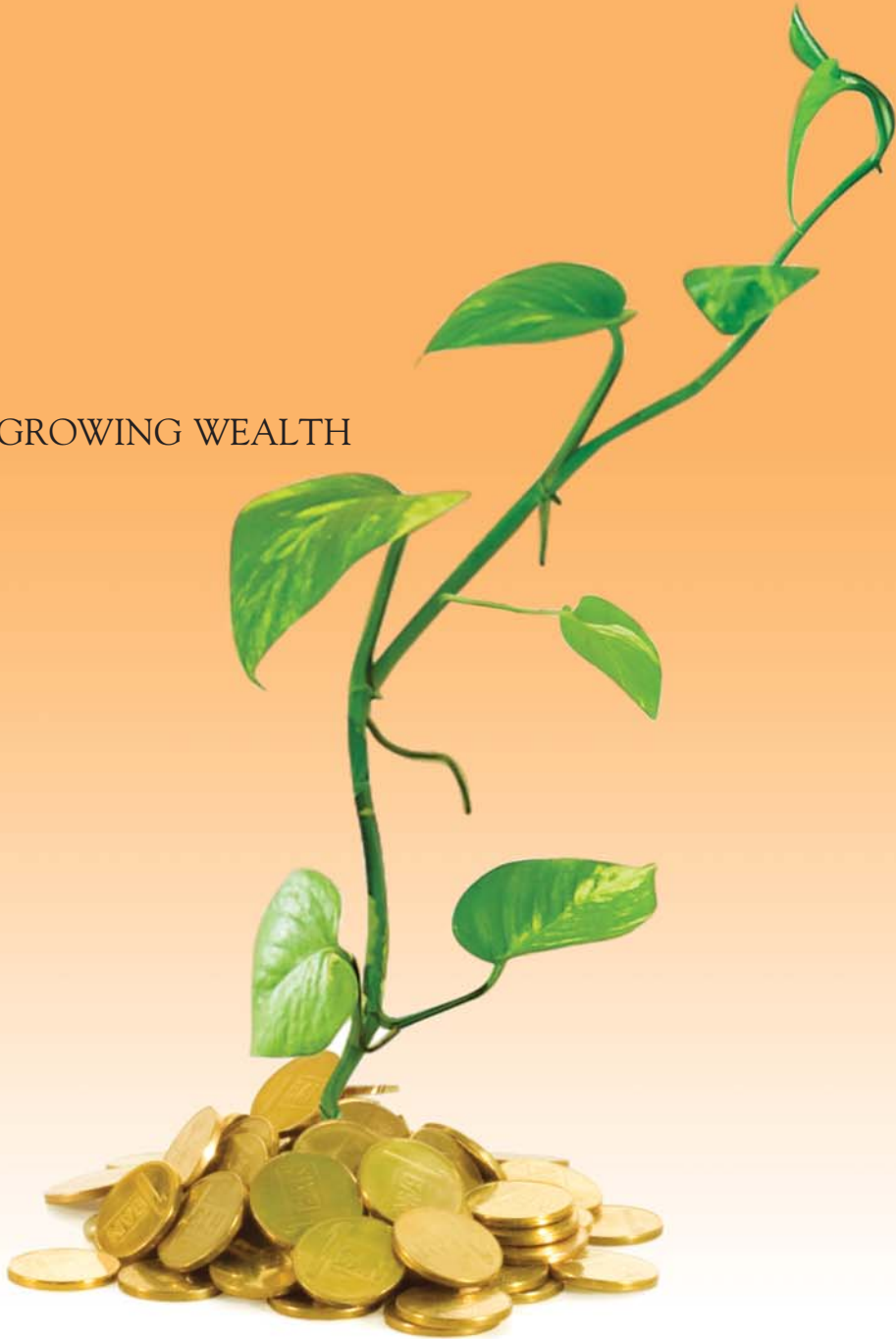


GROWING WEALTH



BOARD OF DIRECTORS



Dr.S.NARAYAN
Chairman
(From 29.01.2009)



Shri. V.S. REDDY
Managing Director



Shri. M.P. SHYAM



Shri. K. BALAJI



Shri. N. SAIPRASAD



Shri. K. RAVINDRAKUMAR



Shri. KUSUMA R MUNIRAJU
(From 25.06.2008)



Shri. D.L.N.RAO
(From 14.08.2008)



Shri. B.K.Manjunath
(From 14.08.2008)



Shri. K.R.Pradeep
(From 27.02.2009)



Shri. S.G.Prabhakaran
(From 23.06.2009)

**BOARD OF DIRECTORS**Sarvashree

Dr.S.Narayan - Non-Executive Chairman (From 29.01.2009)

V.S.Reddy - Managing Director

M.P.Shyam

K.Balaji

E.Sreedhar (Till 27.11.2008)

N.Saiprasad

G.Sudhakara Gupta (Till 15.06.2009)

K.Ravindrakumar

R.Mohan (Till 23.06.2009)

S.L.Sivashanmugam (Till 23.02.2009)

Kusuma R Muniraju (From 25.06.2008)

D.L.N.Rao (From 14.08.2008)

B.K.Manjunath (From 14.08.2008)

K.R.Pradeep (From 27.02.2009)

S.G.Prabhakaran (From 23.06.2009)

CHIEF FINANCIAL OFFICER

R.Sridharan

CHIEF OPERATING OFFICER

Naganna Prabhakaran

CHIEF TECHNOLOGY OFFICER

B.Murali Nair

GENERAL MANAGERS

S.R.Narayanamurthy

S.Ravishankar

T.N.Sundaram

V.Sudarsan

K.V.Ramesh

DEPUTY GENERAL MANAGERS

S.Venkateswaran, Company Secretary

J.V.S.Chetty

V.Sekar

L.Sadanandam

R.V.Raman

S.Suresh Babu

A.K.Ramakrishnan

S.Elangovan

B.Ranjan Babu

S.Kannan

T.B.Sathyanarayanan

M.Sethuraman

RM.Kumarappan

N.Durairajan

Sathyananda Prabhu

Anand Bhaskar Prasade

C.A.Ganeshan

T.Ponnusamy

AUDITORM/s. Sundaram & Srinivasan,
Chartered Accountants,
Chennai.M/s. Abarna & Ananthan,
Chartered Accountants,
Bangalore

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REGD. & ADMN. OFFICESalem Road, Kathapara, Karur-639 006,
Tamilnadu
Phone: 04324-220051 to 220060 (10 lines)
Website: www.lvbank.com
E.Mail: secretarial@lvbank.in**Registrar and Share Transfer Agent**M/s.Integrated Enterprises (I) Limited
II, Floor, "Kences Towers",
No.1, Ramakrishna Street,
North Usman Road, T.Nagar,
Chennai - 600 017.
Phone: 044-28140801/2/3 Fax: 28142479
Email: lvb@iepindia.com

DIRECTORS' 82nd ANNUAL REPORT

1. TO THE MEMBERS

The Directors of your Bank have great pleasure in presenting this 82nd Annual Report on the business and operations of your Bank together with the Audited Accounts for the year ended 31st March, 2009.

2. FINANCIAL PERFORMANCE

The highlights of the financial performance of your Bank for the year ended 31st March, 2009 are as under:

	(Rs. in crores) For the year ended	
	31 st March 2009	31 st March 2008
Total Deposits	7360.90	5618.49
Total Advances	5245.83	3858.79
Investments	1863.06	1693.68
Total Income	764.60	588.54
Operating profit	108.85	90.17
Provisions and contingencies	58.55	64.90
Net Profit	50.30	25.27
Profit brought forward	0.29	0.43
Amount available for appropriation	50.59	25.71
Transfer to:		
Statutory Reserve	15.25	7.00
Capital Reserve	18.79	8.55
Other Reserve	1.00	1.30
Transfer to Special Reserve u/s 36 (1) (viii) of the IT Act, 1961	1.00	--
Proposed Dividend	12.20	7.32
Corporate Dividend Tax	2.07	1.24
Balance of Profit carried forward	0.28	0.29

The Bank's total business has increased to Rs. 12606.73 crores as on 31.03.2009 from Rs.9477.27 crores as on 31.03.2008 registering a growth rate of 33%.

The Bank has recorded spectacular growth in many areas of operation in the year under review of which the significant one is in the area of net profit which closely rose to Rs.50.30 crores from Rs.25.27 crores achieved in the preceding financial year.

Appropriations from the net profit have been effected as per the table given above.

3. DEPOSITS AND ADVANCES

The total deposits during the year have grown from Rs.5618.49 crores in 2007-2008 to Rs.7360.90 crores registering a growth of 31%. The total credit has expanded from Rs.3858.79 crores of the previous year to Rs.5245.83 crores during the fiscal, recording a growth of 36%. The priority sector credit has increased from Rs.1488.19 crores to Rs.1763.18 crores and the Agri advances was closed at Rs.798.78 crores on 31.03.2009 recording an increase of Rs.161.28 crores over the preceding year.

4. INVESTMENTS

The total investments of the Bank have registered progress and stood at Rs.1863.06 crores as against Rs.1693.67 crores as at 31.03.2009. The risk adjusted yield on investments has improved from 7.74% in 2007-08 to 8.07% in 2008-09.

5. EPS/BOOK VALUE

Basic & Diluted Earning Per Share has improved to Rs.10.31 as on 31st March, 2009 as compared to Rs.5.18 as on 31st March, 2008.

The Book Value of the share has shot up to Rs.93.02 as on 31st March, 2009 as compared to Rs.85.63 as on 31st March, 2008.

6. PROFIT

The operating profit for the year 2008-09 is Rs.108.85 crores as against Rs.90.17 crores of the previous year registering a growth of 20.72%. The net profit for the year after provisions and taxes amounts to Rs.50.30 crores as against Rs.25.27 crores recorded in the previous year registering a growth of 99%.

7. DIVIDEND

The Board of Directors have recommended a dividend of Rs.2.50 per share for the year ended 31st March, 2009 as against Rs.1.50 per share for the previous year ended 31st March, 2008.

8. NET OWNED FUNDS / CAPITAL ADEQUACY RATIO

The net owned funds of the bank have increased from Rs.417.68 crores in the year 2007-2008 to Rs.453.70 crores for the year ended 2008-2009 by registering a growth rate of 9.00%.

The Capital Adequacy Ratio (CAR) as on 31st March 2009 is 10.09%. The bank has been consistently maintaining Capital Adequacy Ratio above the regulatory minimum of 9.00% stipulated by the Reserve Bank of India.

The Board has further proposed to enhance the share capital of the Bank in the range of Rs.240-300 crores by way of issue of equity shares to the existing shareholders on Rights basis. The Draft Letter of Offer is being filed with SEBI.

9. NON PERFORMING ASSETS

The gross and net NPA ratio stands at 2.71% and 1.24% for the year ended 2008-09 in comparison with 3.51% and 1.55% respectively in the previous year.

10. BRANCH EXPANSION

During the year, the bank has opened 12 branches and the total number of branch network comprises of 251 inclusive of 5 Satellite Offices spread over 14 States and One Union Territory.

The bank has obtained license for opening 23 branches and upgrading 4 Satellite Offices into full-fledged branches to reach a network of 273 branches by the year end 31st March, 2010.

Bank has installed 118 ATMs and has further plans to expand. The bank has joined Cash Tree and National Financial Switch network (NFS) enabling the ATM cardholders of the member banks to access 50,000 number of ATMs situated across the length and breadth of the country.

11. RATINGS

The Tier II Bonds issued by the Bank are accorded A- (Ind) rating by the Credit Rating Agency, "Fitch Rating" and BBB+ by "Care".

12. LISTING DETAILS

The shares of the Bank are listed on the National Stock Exchange of India Ltd. Bank's Tier-II Bonds are traded in National Stock Exchange of India under WDM segment.

13. PARA BANKING ACTIVITIES

The Bank has been constantly focusing on augmenting Non-Interest income through diversification of income streams by taking up marketing of Life and Non-Life insurance products, Mutual fund products, International Money Transfer facility etc.



14. TECHNOLOGY INITIATIVES

On transformation of your Bank into fully CBS networked bank, rolled out the following services to keep pace with the changed banking environment.

- i) Internet Banking - Both Retail and Corporate.
- ii) SMS Alerts - Both Push and Pull Alert.
- iii) Mobile payment.
- iv) RTGS & NEFT payment.
- v) Multicity Cheque facility.
- vi) Interactive web site with provision for customer feed back.

15. INFORMATION TECHNOLOGY

Your Bank has completed its first level of technology implementation by implementing the Core Banking System in all its branches and offices. The entire bank data is now available in one place. This has helped the bank in introducing a very high level management information system giving a thrust to the decision support system of the Bank.

Important and critical MIS reports are now available to every user of the Bank through the MIS portal, which can be operated, anytime from anywhere. The lead-time for collection of data has reduced considerably and an executive dashboard is to be made available very shortly.

Your Bank is one of the first Banks in the country to implement the "Unified Communication" enabling any staff member to communicate with any other staff/executive through voice, chat or mail. This has helped in speedy decision making and faster turn around time.

Your Bank was able to introduce a number of IT enabled products, which has received good response from the customers and has become quite popular.

Implementation of an Integrated Treasury product is going on which will further enhance the efficiency and productivity of the Treasury.

The DR setup for all critical application are up and running. It is being periodically tested as per RBI directives.

Your Bank has a well-planned IT Road map in place, which should see it addressing all competitive challenges in future.

16. HUMAN RESOURCES DEVELOPMENT

Human capital of the bank has been strengthened during the year 2008-09 by recruitment and promotion. 21 executives, 409 officers and 103 clerks were appointed through various recruitment processes. Total number of employees as on 31.03.2009 stood at 2433 as against 2078 as on 31.03.2008.

Bank had taken efforts to train all employees with at least one training programme during the year and 2833 employees were trained at the bank's Staff training college and reputed institutions such as NIBM, IDBRT, CAB, IMAGE, IFBA etc.

During the year promotions were effected to clerical, officer and executive cadre benefitting 54 sub-staff, 61 clerks and 143 officers.

Although there is addition of 355 staff members to total number of employees, the Business per Employee has registered a growth of Rs.523.51 lacs from Rs.462.07 lacs in the previous year as the Bank's business mix has increased by 33% over the previous year.

17. INTERNAL CONTROLS

The Bank has a comprehensive Audit and Inspection policy for undertaking internal inspection, concurrent audit, revenue audit, risk based internal audit, system audit and credit audit. All the branches of the Bank, departments at

A.O, Zonal / Divisional Offices, Investment cell, International Division, Currency Chest and Service Branches are under regular annual inspection.

The reports of the Audit and Inspection department are placed at regular intervals to the Audit Committee of the Board.

18. CORPORATE SOCIAL RESPONSIBILITY

Your Bank, as a responsible corporate citizen, is sponsoring a medical care centre at Vengamedu, Karur under the aegis of Karur Rotary Club, since 1994 for catering to the medical requirements of needy people. Further, the bank is extending its supportive hands to various Educational/Charitable Institutions.

19. CORPORATE GOVERNANCE

Practicing high standards of ethical values is the corner stone of the Code of Corporate Governance of the bank.

Pursuant to Clause 49 of the Listing Agreement, a Management Discussion and Analysis is presented in Annexure-A, Report on Board Committees is furnished in Annexure-B. Composition of the Board of Directors together with the attendance of Directors at various meetings of the Board, its Committees and Annual General Meeting and the number of directorships held by them along with the details of Audit Committee and Share Transfer & Investors' Grievances Committee are furnished in Annexure-C. General Shareholders' information is furnished in Annexure-D.

20. BOARD OF DIRECTORS

Dr.S.Narayan, has taken over as Non-Executive Chairman of the Board in its meeting held on 29th January 2009. Dr.S.Narayan is a retired IAS Officer and has served as Finance Secretary in the Government of India as well as in the Prime Minister's office.

Shri.E.Sreedhar, Shri.S.L.Sivashanmugam, Shri.R.Mohan, Shri.G.Sudhakara Gupta have resigned from the Board as Directors. Your directors place on record their appreciation for the valuable services rendered by those directors during their service.

Shri.K.R.Pradeep, a Chartered Accountant, was appointed as Additional Director on 27.02.2009.

Shri.S.G.Prabhakaran was appointed as Additional Director on 23.06.2009.

Shri.M.P.Shyam, Shri.K.Balaji, Shri.N.Saiprasad directors retiring by rotation at the ensuing Annual General Meeting are eligible and offer themselves for re-appointment.

21. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors hereby states that in the preparation of the annual accounts for the year ended March 31, 2009:

- i) the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the accounting policies were selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Bank as on March 31, 2009 and of the profit of the Bank for the year ended on that date.
- iii) sufficient care has been taken for maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Bank and for preventing and detecting frauds and other irregularities.
- iv) have prepared the annual accounts on a going concern basis.



22. STATUTORY DISCLOSURES

1. The provisions of Section 217(1)(e) of the Companies Act, 1956 relating to conservation of energy and technology absorption do not apply to your Bank. The Bank has, however, used Information Technology extensively in its operations.
2. The Bank continues to encourage the country's exports and accordingly endeavored to enlarge its export financing.
3. The information required under Section 217 (2A) of the Companies Act, 1956 and the rules made there under, are given in the annexure appended hereto and forms part of this report.
4. The report on the Corporate Governance is being annexed and forms a part of this report.

23. AUDITORS

The statutory audit of the Bank was carried out by M/s.Sundaram and Srinivasan, Chartered Accountants, Chennai and M/s.Abarna and Ananthan, Chartered Accountants, Bangalore whose report is being annexed and forms part of this report. The Statutory Central and Branch Auditors have audited all the branches and other offices of the Bank.

M/s.Sundaram and Srinivasan, Chartered Accountants, Chennai and M/s.Abarna and Ananthan, Chartered Accountants, Bangalore are eligible to undertake the audit for the current year as well, and have offered themselves

for re-appointment for another year, subject to the approval of RBI, under Section 30 (1A) of the Banking Regulation Act, 1949. Considering their professionalism and the quality of the audit carried out by them, the Board recommends their re-appointment for another year.

Explanation is offered below on the auditors' qualifications on Note 1 Schedule 17 to the audited annual accounts. Unadjusted items in Inter-Bank accounts adjusted till date has not materially affected the published accounts. Reconciliation of entries and elimination and adjustments are being carried out in terms of RBI directive.

24. ACKNOWLEDGEMENT

The Board of Directors wish to place on record their appreciation for the dedicated service rendered by the employees of the Bank at all levels.

The Board of Directors convey their gratitude to the shareholders, customers, business associates and other stakeholders for their continued support and also extend their gratitude for the guidance and co-operation received from the regulatory authorities viz, Reserve Bank of India, National Stock Exchange, ECGC etc.

For and on behalf of the Board of Directors

Dr. S. NARAYAN
Chairman

Place : Chennai

Date : 21st July 2009



**REPORT OF AUDITORS TO THE MEMBERS
OF
THE LAKSHMI VILAS BANK LIMITED, KARUR**

- 1) We have audited the attached Balance Sheet of THE LAKSHMI VILAS BANK LIMITED, KARUR as at 31st March 2009, the annexed Profit and Loss Account and also the Cash Flow Statement of the bank for the year ended on that date in which are incorporated the returns of 30 Branches, 8 Divisional Offices, Credit Card Cell, Central Processing Cell, Investment Cell and International Division audited by us and 216 Branches and 6 Service Branches audited by Branch auditors appointed u/s. 228(4) of the Companies Act, 1956. There are no un audited branches or other offices. These financial statements are the responsibility of the Bank's management. Our responsibility is to express our opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) The Balance Sheet and the Profit & Loss account have been drawn up in accordance with the provisions of Section 29 of Banking Regulation Act, 1949 read with Section 211 of the Companies Act, 1956, in Form A&B respectively of Third Schedule to the Banking Regulation Act, 1949.
- 4) On the basis of our audit and having regard to the report on the accounts of branches/offices audited by Branch Auditors, which has been considered by us, we report that.
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit and have found them to be satisfactory.
 - (b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank.
- (c) In our opinion, proper books of accounts as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the Bank.
- (d) The Bank's Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account and audited returns from the branches of the Bank.
- (e) In our opinion, the Balance Sheet, Profit and Loss Account and the cash flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of the Section 211 of the Companies Act, 1956 so far as they apply to banks.
- (f) On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- (g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the accounting policies followed by the bank together with the notes thereon and subject to Note No. 1 (a) & (b) of Schedule 17B to the accounts regarding the effect of adjustments arising from reconciliation of inter-branch transactions and tallying of balances in the accounts as per General Ledger with those of subsidiary ledgers, the quantum of which is not ascertained, give the information required by the Companies Act, 1956 in the manner so required for Banking Companies and on such basis, give a true and fair view.
 - (i) In the case of said Balance Sheet of the State of Affairs of the Bank as at 31st March 2009;
 - (ii) In the case of Profit and Loss Account Profit of the Bank for the year ended on that date: and
 - (iii) In the case of Cash Flow Statement of the cash flow of the bank for the year then ended
and are in conformity with the Accounting Principles generally accepted in India.

For **M/s. SUNDARAM & SRINIVASAN**
Chartered Accountants

For **M/s. ABARNA & ANANTHAN**
Chartered Accountants

C. NARESH
Partner
Membership No. 28684

C.S. GOPALAKRISHNA
Partner
Membership No. 14706

Place : KARUR
Date : 28th May 2009

BALANCE SHEET AS ON 31-MARCH-2009
(Rs. In 000's)

	SCHEDULE	AS AT 31/03/2009	AS AT 31/03/2008
I. CAPITAL & LIABILITIES			
a. Capital	1	487762	487722
b. Reserves & Surplus	2	4049397	3689054
c. Deposits	3	73609030	56184882
d. Borrowings	4	326043	527885
e. Other Liabilities & Provisions	5	4700315	4316498
	TOTAL...	83172547	65206041
II. ASSETS			
a. Cash & Balances with Reserve Bank of India	6	5919652	3853458
b. Balances with Banks and Money at Call & Short Notice	7	2894479	2295571
c. Investments	8	18630562	16936777
d. Advances	9	52458289	38587875
e. Fixed Assets	10	539798	399405
f. Other Assets	11	2729767	3132955
	TOTAL...	83172547	65206041
Contingent Liabilities	12	16821842	8853848
Bills for collection		2319538	1505630
Significant Accounting Policies and Notes on Accounts	17		

Schedules 1 to 12 and 17 form part of this Balance Sheet.

As Per Our Report of Date Annexed

For **M/s. SUNDARAM & SRINIVASAN**
Chartered Accountants

(C. NARESH)
Partner
M.No.28684

For **M/s. ABARNA & ANANTHAN**
Chartered Accountants

(C.S. GOPALAKRISHNA)
Partner
M.No.14706

Karur
28th May 2009

Dr. S. NARAYAN
Non-Executive Chairman

V.S. REDDY
Managing Director

R. SRIDHARAN
Chief Financial Officer

NAGANNA PRABHAKARAN
Chief Operating Officer

DIRECTORS

M.P. SHYAM
K. BALAJI
N. SAIPRASAD
G. SUDHAKARA GUPTA
K. RAVINDRAKUMAR
R. MOHAN
KUSUMA R MUNIRAJU
D.L.N. RAO
B.K . MANJUNATH
K.R. PRADEEP

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2009
(Rs. In 000's)

	SCHEDULE	YEAR ENDED 31/03/2009	YEAR ENDED 31/03/2008
I. INCOME			
a. Interest Earned	13	6576111	5060576
b. Other Income	14	1069893	824775
	TOTAL...	7646004	5885351
II. EXPENDITURE			
a. Interest Expended	15	5040718	3819250
b. Operating Expenses	16	1516869	1164427
c. Provisions & Contingencies		585464	648983
	TOTAL...	7143051	5632660
III. NET PROFIT FOR THE YEAR			
Profit brought forward		502953	252691
		2963	4374
	TOTAL...	505916	257065
IV. APPROPRIATIONS			
a. Transfer to Statutory Reserve		152500	70000
b. Transfer to Capital Reserve		187855	85511
c. Transfer to Other Reserves		10000	13000
d. Transfer to Special Reserve u/s 36(1) (viii) of the IT Act, 1961		10000	0
e. Proposed Dividend		121950	73158
f. Tax on Proposed Dividend		20727	12433
g. Balance carried over to Balance Sheet		2884	2963
	TOTAL...	505916	257065
Previous year figures are regrouped wherever necessary			
Earnings Per Share - Basic (Rs.) [Refer B Note on account Sl.No.7]		10.31	5.18

Schedules 13 to 16 and 17 form part of this Profit & Loss Account.

As Per Our Report of Date Annexed

For **M/s. SUNDARAM & SRINIVASAN**
Chartered Accountants

(C. NARESH)
Partner
M.No.28684

For **M/s. ABARNA & ANANTHAN**
Chartered Accountants

(C.S. GOPALAKRISHNA)
Partner
M.No.14706

Karur
28th May 2009

Dr. S. NARAYAN
Non-Executive Chairman

V.S. REDDY
Managing Director

R. SRIDHARAN
Chief Financial Officer

NAGANNA PRABHAKARAN
Chief Operating Officer

DIRECTORS

M.P. SHYAM
K. BALAJI
N. SAIPRASAD
G. SUDHAKARA GUPTA
K. RAVINDRAKUMAR
R. MOHAN
KUSUMA R MUNIRAJU
D.L.N. RAO
B.K. MANJUNATH
K.R. PRADEEP



	AS AT 31/03/2009		AS AT 31/03/2008	
SCHEDULE 1 - CAPITAL				
AUTHORISED CAPITAL				
(15,00,00,000 equity shares of Rs.10/- each)		<u>1500000</u>		<u>1500000</u>
ISSUED CAPITAL				
(4,91,88,111 equity shares of Rs.10/- each)		<u>491881</u>		<u>491881</u>
Subscribed, Called-up and Paid Up Capital		<u>487762</u>		<u>487722</u>
(4,8776,176 equity shares of Rs.10/- each)				
(48776176 (previous year 48772189) Equity Shares of Rs.10 each, which includes 12640356 shares (previous year 12640078 shares) issued as bonus shares, (Allotment of 411935 shares (previous year 398556 shares) of Rs. 10/- each kept pending following various court cases and forfeiture, excluding allotment of 765 shares and annulment at 3222 shares that were earlier forfeited in Rights 2006 (previous year Nil). Nil (previous year 17366 share) was forfeited during the year).		<u>487762</u>		<u>487722</u>
SCHEDULE 2 - RESERVES & SURPLUS				
I. STATUTORY RESERVE				
Opening Balance		2156546		2086546
Additions during the year				
Transfer from current year's Profit		<u>152500</u>	<u>2309046</u>	<u>70000</u>
				2156546
II. CAPITAL RESERVE				
Opening Balance		271584		186073
Additions during the year		<u>187855</u>	<u>459439</u>	<u>85511</u>
				271584
III. SHARE PREMIUM				
Opening Balance		1176329		1137297
Additions during the year		<u>81</u>	<u>1176410</u>	<u>39032</u>
				1176329
IV. REVENUE & OTHER RESERVES				
Opening Balance		70132		57046
Addition during the year		<u>10000</u>		<u>13086</u>
		<u>80132</u>		<u>70132</u>
Deduction during the year		<u>14</u>	<u>80118</u>	<u>0</u>
				70132
V. Special Reserve u/s 36(1)(viii) of IT Act, 1961				
Opening Balance		11500		11500
Additions during the year		<u>10000</u>	<u>21500</u>	<u>0</u>
				11500
VI. BALANCE IN PROFIT & LOSS ACCOUNT				
		<u>2884</u>		<u>2963</u>
		<u>4049397</u>		<u>3689054</u>
SCHEDULE 3 - DEPOSITS				
A. I. DEMAND DEPOSITS				
1. From Banks		98587		69446
2. From Others		<u>4822182</u>	<u>4920769</u>	<u>5522498</u>
				5591944
II. SAVINGS BANK DEPOSITS				
			<u>7432158</u>	<u>6585131</u>
III. TERM DEPOSITS				
1. From Banks		2837298		1194600
2. From Others		<u>58418805</u>	<u>61256103</u>	<u>42813207</u>
				44007807
		<u>73609030</u>		<u>56184882</u>
B. (I). DEPOSITS OF BRANCHES IN INDIA				
(II). DEPOSITS OF BRANCHES OUTSIDE INDIA				
		<u>73609030</u>		<u>56184882</u>
		<u>NIL</u>		<u>NIL</u>
		<u>73609030</u>		<u>56184882</u>
SCHEDULE 4 - BORROWINGS				
I. BORROWINGS IN INDIA				
1. Reserve Bank of India		0		0
2. Other Banks		0		0
3. Other Institutions & Agencies		<u>325867</u>	<u>325867</u>	<u>527416</u>
				527416
II. BORROWINGS OUTSIDE INDIA				
			<u>176</u>	<u>469</u>
		<u>326043</u>		<u>527885</u>
SECURED BORROWINGS INCLUDED IN I & II ABOVE		<u>0</u>		<u>0</u>



	AS AT 31/03/2009	AS AT 31/03/2008
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS		
I. Bills payable	981323	979936
II. Inter-office adjustments (net)	0	0
III. Interest accrued	889429	696091
IV. Unsecured Sub-ordinated Debts	1100000	1100000
V. (I) Others - (including Provisions)	1487563	1305971
(ii) Contingent Provisions against Standard Assets	242000	234500
	<u>4700315</u>	<u>4316498</u>
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA		
Cash in Hand (including foreign Currency Notes)	977051	592295
Balances with Reserve Bank of India		
I) in current account	4942601	3261163
II) in other accounts	0	0
	<u>5919652</u>	<u>3853458</u>
SCHEDULE 7 - BALANCES WITH BANKS & MONEY AT CALL AND SHORT NOTICE		
I. IN INDIA		
[I] Balance with Banks		
a. in current accounts	293627	405938
b. in other deposit accounts	2316500	1700100
	<u>2610127</u>	<u>2106038</u>
[ii] Money at call and short notice		
a. with banks	0	0
b. with other institutions	0	0
	<u>2610127</u>	<u>2106038</u>
II. OUTSIDE INDIA		
[I] Balance with Banks		
a. in current accounts	131927	42760
b. in other accounts	152425	146773
	<u>284352</u>	<u>189533</u>
	<u>2894479</u>	<u>2295571</u>
SCHEDULE 8 - INVESTMENTS		
I. INVESTMENTS IN INDIA		
I. Government Securities [incl. treasury bills & zero coupon bonds]	16742322	15540890
II. Other approved securities	95482	136502
III. Shares	92838	94192
IV. Debentures & Bonds	589430	399173
V. Subsidiaries and Joint Ventures	0	0
VI. Others [including Commercial Paper, Mutual Funds, NSC, Units, etc.]	1110490	766020
	<u>18630562</u>	<u>16936777</u>
GROSS INVESTMENTS IN INDIA	18897116	17440401
LESS: DEPRECIATION	266554	503624
NET INVESTMENTS IN INDIA	<u>18630562</u>	<u>16936777</u>
II. INVESTMENTS OUTSIDE INDIA		
	<u>NIL</u>	<u>NIL</u>
	<u>18630562</u>	<u>16936777</u>

	AS AT 31/03/2009	AS AT 31/03/2008
SCHEDULE 9 - ADVANCES		
A. I. Bills purchased & discounted	4250291	3079878
II. Cash credits, overdrafts & loans repayable on demand	27769366	22429930
III. Term loans	20438632	13078067
	<u>52458289</u>	<u>38587875</u>
B. PARTICULARS OF ADVANCES		
I. Secured by tangible assets [incl. advances against Book Debts]	46955505	34406804
II. Covered by Bank / Govt. Guarantees	753267	951835
III. Unsecured	4749517	3229236
	<u>52458289</u>	<u>38587875</u>
C. SECTORAL CLASSIFICATION OF ADVANCES		
I. Priority Sector	16299840	15158966
II. Public Sector	217210	629605
III. Banks	2621	0
IV. Others	35938618	22799304
	<u>52458289</u>	<u>38587875</u>
SCHEDULE 10 - FIXED ASSETS		
I. PREMISES		
At Cost	232376	213188
Additions during the year	2250	19188
	<u>234626</u>	<u>232376</u>
Deductions during the year	362	0
	<u>234264</u>	<u>232376</u>
Depreciation to date	87923	81197
	<u>146341</u>	<u>151179</u>
II. OTHER FIXED ASSETS (INCLUDING FURNITURE & FIXTURES)		
At Cost	847095	736150
Additions during the year	268776	113694
	<u>1115871</u>	<u>849844</u>
Deductions during the year	3113	2749
	<u>1112758</u>	<u>847095</u>
Depreciation to date	719301	598869
	<u>393457</u>	<u>248226</u>
	<u>539798</u>	<u>399405</u>
SCHEDULE 11 - OTHER ASSETS		
I. Inter-Office Adjustments (net)	217032	806085
II. Interest Accrued	419376	398954
III. Tax Paid in Advance and Tax Deducted at Source	1684334	1364096
IV. Deferred Tax Asset (NET)	111064	171964
V. Stationery & Stamps	9717	6196
VI. Non Banking Assets acquired in satisfaction of claims	52127	55586
VII. Others	236117	330074
	<u>2729767</u>	<u>3132955</u>

(Rs. In 000's)

	AS AT 31/03/2009	AS AT 31/03/2008
SCHEDULE 12 - CONTINGENT LIABILITIES		
I. Claims against the Bank not acknowledged as debts	1351860	1219819
II. Liability for partly paid Investments	0	0
III. Liability on account of outstanding forward exchange contracts	5882576	4123452
IV. Guarantees given on behalf of constituents in India outside India	2715674 1402	1327131 0
V. Acceptances, Endorsements & Other Obligations	6870330	2183446
VI. Other items for which the Bank is contingently liable	0	0
	<u>16821842</u>	<u>8853848</u>
SCHEDULE 13 - INTEREST EARNED		
I. Interest / discount on advances / bills	5179197	3789847
II. Income on Investments	1261402	1030984
III. Interest on balance with Reserve Bank of India & other inter-bank Funds	85653	136541
IV. Others	49859	103204
	<u>6576111</u>	<u>5060576</u>
SCHEDULE 14 - OTHER INCOME		
I. Commission, Exchange and Brokerage	425688	283973
II. Profit on sale of Investments	328721	267320
Less: Loss on sale of Investments	<u>25067</u>	<u>54008</u>
III. Profit on sale of land, Buildings & Other Assets	28270	54750
Less: Loss on sale of land, Buildings & Other Assets	<u>2061</u>	<u>0</u>
IV. Profit on Exchange Transactions	88096	61658
Less: Loss on Exchange Transactions	<u>0</u>	<u>0</u>
V. Income earned by way of Dividends from Companies in India.	2976	55717
VI. Miscellaneous Income	223270	155365
	<u>1069893</u>	<u>824775</u>
SCHEDULE 15 - INTEREST EXPENDED		
I. Interest on Deposits	4815467	3631992
II. Interest on Reserve Bank of India / Inter-Bank Borrowings	161827	55511
III. Others	63424	131747
TOTAL . . .	<u>5040718</u>	<u>3819250</u>
	Year ended 31/03/2009	Year ended 31/03/2008
SCHEDULE 16 - OPERATING EXPENSES		
I. Payments to and Provision for Employees	784477	630432
II. Rent, Taxes & Lighting	131522	97828
III. Printing & Stationery	15095	15109
IV. Advertisement & Publicity	17429	11758
V. Depreciation on Bank's Property	127158	85770
VI. Director's fees, allowances	5690	4327
VII. Auditors' fees & Expenses (incl. Branch Auditors)	3147	2817
VIII. Law Charges	4423	4659
IX. Postage, Telegrams, Telephones, etc.,	43264	49656
X. Repairs & Maintenance	6311	6581
XI. Insurance	59253	49559
XII. Other Expenditure	319100	205931
TOTAL . . .	<u>1516869</u>	<u>1164427</u>



SCHEDULE 17

A. Significant Accounting Policies

1. General:

The financial statements have been prepared in accordance with the historical cost convention except where otherwise stated and conform to the statutory provisions and practices prevailing within the banking industry in India and the guidelines / instructions of Reserve Bank of India issued from time to time.

2. Foreign Exchange Transactions:

- (a) Foreign Currency Assets and Liabilities have been translated at the exchange rates prevailing at the close of the year as per the guidelines issued by FEDAI. The resultant profit or loss is accounted for.
- (b) Income and Expenditure in foreign currency are translated at the exchange rates prevailing on the date of the respective transaction.
- (c) Outstanding foreign exchange forward contracts are revalued at the rates applicable on the closing date as advised by FEDAI. The resultant profit/ loss is taken into profit and Loss Account.
- (d) Contingent liabilities on guarantees, letters of credit, acceptances and endorsements are reported at the rates prevailing on the Balance Sheet date.

3. Investments

Investments are categorized under the heads 'Held to Maturity', 'Available for Sale' and 'Held for Trading' and are valued category wise, in accordance with the guidelines of the Reserve Bank of India.

4. Advances

- 4.1 In accordance with the prudential norms issued by RBI:
 - (i) Advances are classified into standard, sub-standard, doubtful and loss assets borrower-wise;
 - (ii) Provisions are made for loan losses, and
 - (iii) General provision for standard advances is made.
- 4.2 Advances disclosed are net of provisions made for non-performing assets.

5. Fixed Assets

- (a) Fixed Assets have been accounted for at their historical cost.
- (b) Depreciation on assets other than computers has been provided for on the diminishing balance method at the rates specified in Schedule XIV to the Companies Act, 1956.
- (c) Depreciation on computers has been provided for on straight-line method at the rate of 33.33% as per the guidelines issued by the Reserve Bank of India.
- (d) Operating Software, which is an integral part of hardware, is capitalized and depreciation is provided for at the rate of 33.33% on straight-line method.
- (e) For premises, in which land cost and construction cost could not be ascertained separately, depreciation is provided for on the total cost.
- (f) None of the fixed assets have been revalued during the year.

6. Staff Benefits

Annual contribution to the approved Employees' Gratuity Fund approved Pension Fund and provision for Leave Encashment including Sick leave Benefits have been made on actuarial basis. Contribution to Provident Fund is accounted for on actual basis.

7. Taxes on Income

Provision for taxation is made on the basis of the estimated tax liability with adjustment for deferred tax in terms of the Accounting Standard 22 (Accounting for Taxes on Income) formulated by the Institute of Chartered Accountants of India.

8. Recognition of Income and Expenditure

- (a) Income and expenditure are accounted for on accrual basis.
- (b) The following items of income are recognized on realization basis, owing to the significant uncertainty in collection thereof:

- (i) Interest on non-performing advances, including overdue bills and dividend income on investments.
- (ii) Interest on non-performing investments.
- (iii) Interest on tax refund received from Income Tax Department

9. Net profit

The net profit as per the Profit & Loss account is arrived at after necessary provisions towards -

- 1. Taxation.
- 2. Advances and other assets.
- 3. Shortfall in the value of investments
- 4. Staff Retirement benefits including revision in wages.
- 5. Other usual and necessary provisions.

10. Accounting Standards

Accounting Standards as specified in section 211(3C) of the Companies Act 1956, to the extent they are applicable to Banking Companies and as per directions issued by the RBI from time to time, have been followed.

11. Segment Information:

The reportable business segments have been classified in accordance with the guidelines issued by Reserve Bank of India. The directly attributable income and assets are considered under respective segments and the other income; expenses, other assets & liabilities are apportioned on appropriate basis.

B. NOTES ON ACCOUNTS

- 1. (a) The initial matching of entries under inter branch reconciliation has been done up to 31.03.2009. The unreconciled entries up to June 2007 have been eliminated and the matching process through the system is in progress for the period subsequent to 1st July 07. There were no net debit entries outstanding for more than 6 months as of 31.03.2009.
- (b) In a few branches, tallying of the balances in the accounts as per General Ledger with those of subsidiary ledgers/registers/schedules is in progress. The effect of this on the profit of the Bank is not ascertainable.
- 2. "Payment to and Provision for Employees" includes remuneration paid to Chairman and Managing Director of the Bank as detailed below:

	Managing Director (Rs.)	Chairman (Rs.)
Consolidated Pay	24,00,000.00	1,04,838.70
Employers' contribution to Provident Fund	90,000.00	NIL
Leave encashment	NIL	NIL
Gratuity	NIL	NIL
Monetary value of perquisites #	25,123.00	NIL
Leave Fare Concession	NIL	NIL
Medical & Entertainment expenditure	16,883.50	NIL
Total	25,32,006.50	1,04,838.70

(at cost in terms of amended provisions of sec.217 (2A) of the Companies Act, 1956)

- 3. Provision for income tax for the year is arrived at after due consideration of the various favourable judicial decisions on disputed issues.
 - (b) The disputed Income Tax demand outstanding as on 31.03.2009 amounts to Rs.132.20 crores (previous years Rs.107.65 crores) and is included under Item I of Schedule 12 (Contingent Liabilities) of the above Rs.109.21 crores (Previous year Rs.88.20 crores) has been paid or adjusted by the Income Tax demand. No provision is considered necessary in respect of the disputed liabilities in view of favourable decisions by various appellate authorities on similar issues.

**4. DISCLOSURE REQUIREMENTS****4.1 Capital**

(Rs. in Crore)

Items	2008-09	2007-08
i) CRAR (%) (BASEL I)	10.09	12.73%
ii) CRAR - Tier I capital (%)	8.63	10.53%
iii) CRAR - Tier II Capital (%)	1.46	2.20%
iv) Percentage of the shareholding of the Government of India in nationalized banks	NIL	NIL
v) Amount of subordinated debt raised as Tier-II capital	110.00	110.00

4.2.1. In respect of securities held under HTM category premium of Rs.11.71 crores (previous year Rs.9.24 crores) has been amortized during the year and debited under interest received on Government Securities.

4.2.2 Investments

(Rs. In crore)

Items	2008-09	2007-08
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	1889.71	1744.04
(b) Outside India	NIL	NIL
(ii) Provisions for Depreciation		
(a) In India	26.66	50.36
(b) Outside India	NIL	NIL

4.2.3. Non-SLR Investment Portfolio**i) Issuer composition of Non SLR investments**

(Rs. In crore)

No.	Issuer	Amount	Extent of Private Placement	Extent of 'Below Investment Grade' Securities	Extent of 'Unrated' Securities	Extent of 'Unlisted' Securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(i)	PSUs	10.96	7.00	0.00	0.00	0.00
(ii)	FIs	32.44	10.92	0.91	0.91	0.91
(iii)	Banks	22.63	19.94	0.25	0.25	0.25
(iv)	Private Corporate ***	41.61	11.59	11.59	11.59	11.59
(v)	Subsidiaries/ Joint Ventures	0.00	0.00	0.00	0.00	0.00
(vi)	Others **	95.20	0.00	0.00	0.00	0.00
(vii)	Provision held towards depreciation	23.56	--	--	--	--
	Total	179.28	49.45	12.75	12.75	12.75

** Others - include investment in Mutual Funds and RIDF

*** Private Corporate- includes unrated preference shares, CP

ii) Non-performing Non-SLR investments

(Rs. In crore)

Particulars	Amount
Opening balance	8.72
Additions during the year since 1st April 2008	0.00
Reductions during the above period	0.90
Closing balance	7.82
Total provisions held	6.88

4.3 Derivatives**4.3.1 Forward Rate Agreement/ Interest Rate Swap**

Items	2008-09	2007-08
i) The notional principal of swap agreements	NIL	NIL
ii) Losses which would be incurred if counter parties failed to fulfill their obligations under the agreements	NIL	NIL
iii) Collateral required by the bank upon entering into swaps	NIL	NIL
iv) Concentration of credit risk arising from the swaps	NIL	NIL
v) The fair value of the swap book	NIL	NIL

(iii) Net Value of Investments		
(a) In India	1863.05	1693.68
(b) Outside India.	NIL	NIL
(2) Movement of provisions held towards depreciation on investments.		
(i) Opening balance	50.36	44.35
Add: Provisions made during the year	7.71	6.01
(ii) Less: Write-off/ write-back of excess provisions during the year	31.41	--
Closing balance	26.66	50.36

4.2.2 Repo Transactions

(Rs. In crore)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	As on March 31 2009
Securities sold under repos	5.25 (10.03)	149.40 (126.00)	32.25 (7.34)	0.00 (31.50)
Securities purchased under reverse repos	5.25 (1.00)	162.75 (78.75)	10.41 (6.40)	0.00 (0.00)

4.3.2 Exchange Traded Interest Rate Derivatives:

(Rs. in Crore)

S.No.	Particulars	Amount
(i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument-wise)	NIL
	a)	
	b)	
	c)	
(ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31st March 2009 (instrument-wise)	NIL
	a)	
	b)	
	c)	
(iii)	Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	NIL
	a)	
	b)	
	c)	
(iv)	Mark-to-market value of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	NIL
	a)	
	b)	
	c)	

**4.3.3 Disclosures on risk exposure in derivatives**

Quantitative Disclosures

(Rs. in Crore)

Sl.No	Particular	Currency Derivatives	Interest rate derivatives
(i)	Derivatives (Notional Principal Amount)	NIL	NIL
	a) For hedging	NIL	NIL
	b) For trading	NIL	NIL
(ii)	Marked to Market Positions [1]	NIL	NIL
	a) Asset (+)	NIL	NIL
	b) Liability (-)	NIL	NIL
(iii)	Credit Exposure [2]	NIL	NIL
(iv)	Likely impact of one percentage change in interest rate (100*PV01)	NIL	NIL
	a) on hedging derivatives	NIL	NIL
	b) on trading derivatives	NIL	NIL
(v)	Maximum and Minimum of 100*PV01 observed during the year		
	a) on hedging	NIL	NIL
	b) on trading	NIL	NIL

4.4 Asset Quality**4.4.1 Non-Performing Asset**

(Rs. in Crore)

Items	2008-09	2007-08
(i) Net NPAs to Net Advances (%)	1.24%	1.55%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	137.98	131.18
(b) Additions during the year	36.49	46.32
(c) Reductions during the year	30.42	39.52
(d) Closing balance	144.05	137.98
(iii) Movement of Net NPAs		
(a) Opening balance	59.52	56.95
(b) Additions during the year	29.54	37.28
(c) Reductions during the year	24.21	34.71
(d) Closing balance	64.85	59.52
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	72.30	66.47
(b) Provisions made during the year	1.84	18.28
(c) Write-off/ write-back of excess provisions	0.19	12.45
(d) Closing balance	73.95	72.30

4.4.2 Details of Loan Assets subjected to Restructuring

In accordance with the option given by the Reserve Bank of India, the Bank has made provision at 5% of the total dues to the Bank in respect of diminution in the fair value of restructured advances where the total dues to the Bank is less than rupees one crore. The auditors have relied on the data provided by the management in regard to the compliance of Reserve Bank of India circulars on full implementation of the restructuring packages in respect of the said restructured advances.

(Rs. in crore)

		CDR Mechanism	SME Debt Restructuring	Others
Standard Advances	No. of Borrowers	NIL	NIL	54
	Amount Outstanding	NIL	NIL	170.23
	Sacrifice (Diminution in the fair value)	NIL	NIL	2.60
Sub standard advances restructured	No. of Borrowers	NIL	NIL	31
	Amount Outstanding	NIL	NIL	1.10
	Sacrifice (Diminution in the fair value)	NIL	NIL	0.06
Doubtful advances restructured	No. of Borrowers	NIL	NIL	NIL
	Amount Outstanding	NIL	NIL	NIL
	Sacrifice (Diminution in the fair value)	NIL	NIL	NIL
TOTAL	No. of Borrowers	NIL	NIL	85
	Amount Outstanding	NIL	NIL	171.33
	Sacrifice (Diminution in the fair value)	NIL	NIL	2.66

Additional disclosure regarding restructured accounts:

Sl No.	Disclosures	Number	Amount (Rs. in crore)
1.	Application received upto March 31, 2009 for restructuring, in respect of accounts which were standard as on September 1, 2008.	154	240.60
2.	Of (1), proposals approved and implemented as on March 31, 2009 and thus became eligible for special regulatory treatment and classified as standard assets as on the date of the balance sheet.	85	171.33
3.	Of (1), proposals approved and implemented as on March 31, 2009 but could not be upgraded to the standard category.	NIL	NIL
4.	Of (1), proposals under process / implementation which were standard as on March 31, 2009.	10	57.89
5.	Of (1), proposals under process / implementation which turned NPA as on March 31, 2009 but are expected to be classified as standard assets on full implementation of the package.	59	11.38

4.4.3 Details of financial assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

(Rs. in crore)

Item	2008-09	2007-08
(i) No. of accounts	NIL	NIL
(ii) Aggregate value (net of provisions) of accounts sold to SC/RC	NIL	NIL
(iii) Aggregate consideration	NIL	NIL
(iv) Additional consideration realized in respect of accounts transferred in earlier years	NIL	NIL
(v) Aggregate loss over net book value.	NIL	NIL

4.4.4 Details of non-performing financial assets purchased / sold

Particulars	2008-09	2007-08
1 (a) No. of accounts purchased during the year	NIL	NIL
(b) Aggregate outstanding	NIL	NIL
2 (a) Of these, number of accounts restructured during the year	NIL	NIL
(b) Aggregate outstanding	NIL	NIL

Details of non-performing financial assets sold:

Particulars	2008-09	2007-08
1. No. of accounts sold	NIL	NIL
2. Aggregate outstanding	NIL	NIL
3. Aggregate consideration received	NIL	NIL

4.4.5 Provisions on Standard Asset

(Rs. in Crore)

Item	2008-09	2007-08
Provisions towards Standard Assets	24.20	23.45

4.5. Business Ratios

Items	2008-09	2007-08
(i) Interest Income as a percentage to Working Funds	9.29	8.17
(ii) Non-interest income as a percentage to Working Funds	1.51	1.33
(iii) Operating Profit as a percentage to Working Funds	1.54	1.45
(iv) Return on Assets (%)	0.71	0.41
(v) Business (Deposits plus advances) per employee (Rs. in Crs)	5.10	4.53
(vi) Profit per employee (Rs.in lakhs)	2.07	1.22

**4.6 Asset Liability Management****Maturity pattern of certain items of assets and liabilities**

(Rs. in crore)

	1 to 14 days	15 to 28 days	29 days to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	393.69 (409.79)	213.83 (282.26)	695.41 (567.79)	671.26 (522.87)	1216.06 (1143.31)	2720.70 (1267.70)	283.08 (350.96)	1166.88 (1073.80)	7360.90 (5618.48)
Advances	217.19 (202.47)	198.31 (151.76)	558.74 (519.12)	565.92 (305.58)	624.36 (320.97)	2350.85 (1920.10)	451.42 (235.60)	279.05 (203.19)	5245.83 (3858.79)
Investments	101.31 (-31.50)	34.21 (0.00)	72.04 (0.50)	28.96 (15.32)	21.41 (78.16)	154.20 (96.72)	166.86 (243.51)	1284.08 (1290.97)	1863.06 (1693.68)
Borrowings	0.00 (0.00)	0.00 (0.00)	1.05 (0.36)	3.85 (0.42)	7.97 (50.78)	19.73 (0.56)	0.00 (0.67)	0.00 (0.00)	32.60 (52.79)
Foreign Currency assets	1.62 (5.69)	0.37 (0.23)	10.40 (0.56)	8.93 (4.82)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	1.65 (0.00)	22.97 (11.30)
Foreign Currency liabilities	22.14 (10.92)	0.33 (1.22)	7.49 (3.39)	5.79 (2.21)	10.27 (6.47)	2.42 (6.68)	0.00 (0.45)	0.48 (0.00)	31.34 (31.34)

4.7 Lending to Sensitive Sector**4.7.1 Exposure to Real Estate Sector**

(Rs. in crore)

Category	2008-09	2007-08
a) Direct exposure		
(i) Residential Mortgages –	421.21	297.57
(ii) Commercial Real Estate –	73.22	37.75
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
a. Residential,	0.00	0.04
b. Commercial Real Estate.	0.00	0.00
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	69.41	169.50
Total advance to real estate sector	563.84	504.86

4.7.2 Exposure to Capital Market

(Rs. in crore)

Items	2008-09	2007-08
(i) Direct Investments in		
a) Equity shares,	7.36	5.17
b) Convertible bonds / convertible debentures and	0.00	0.00
c) Units of equity oriented mutual funds corpus of which is not exclusively invested in corporate debt.	25.64	25.64
(ii) Advances against shares/bonds/debentures or other securities are on clean basis to individuals for investments in shares (including IPOs/ESOPs), convertible bonds, convertible debentures and units of equity oriented mutual funds	4.42	3.84

4.7.2 Exposure to Capital Market (Cont.)

(Rs. in crore)

Items	2008-09	2007-08
(iii) Advances for any other purpose where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	13.13	–
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances;	NIL	10.90
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	70.00	72.03
(vi) Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	NIL	NIL
(vii) Bridge loans to companies against expected equity flows/issues;	NIL	NIL
(viii) Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	NIL	NIL
(ix) Financing to stockbrokers for margin trading.;	NIL	NIL
(x) All exposures to Venture Capital Funds (both registered and unregistered) will be deemed to be on par with equity and hence will be reckoned for compliance with the capital market exposure ceilings(both direct and indirect)	NIL	NIL
Total Exposure to Capital Market	120.55	117.58

4.7.3 Risk Category wise Country Exposure (As complied by Management)

(Rs. in crore)

Risk Category	Exposure (net) as at 31.3.2009	Provision held as at 31.3.2009	Exposure (net) as at 31.3.2008	Provision held as at 31.3.2008
Insignificant	84.17	NIL	89.47	NIL
Low	62.77	NIL	34.16	NIL
Moderate	6.83	NIL	17.98	NIL
High	0.88	NIL	0.45	NIL
Very High	0.00	NIL	0.00	NIL
Restricted	0.00	NIL	0.00	NIL
Off-credit	0.00	NIL	0.00	NIL
Total	154.65	NIL	142.06	NIL

4.7.4 Details of Single Borrower Limit (SGL), Group Borrower Limit (GBL) exceeded by the bank.

For the period 1.4.08 to 31.03.09 (Based on the capital funds of Rs.476.93 cr. as on 31.03.2008)

NIL

4.8 Miscellaneous
4.8.1 Amount of Provisions made for Income-tax during the year;

(Rs. in crore)

	2008-09	2007-08
Provision for Income Tax inclusive of DTA and Fringe Benefit Tax	31.20	27.85

4.8.2 Disclosure of Penalties imposed by RBI

No penalties were imposed by Reserve Bank of India during the year.

4.9. Disclosure in terms of Accounting standard
Employee benefits (AS 15)

Payments to and provision for employees include provision made during the year towards pension, gratuity and leave encashment etc in accordance with Revised Accounting standard As-15.

Retirement benefits to employees

 The effect of transitional liability till 31.03.07 as required by the accounting standard has been recognized as an expense on straight line basis over a period of five years pursuant to limited revision of standard on 17.10.07. Accordingly an amount of Rs.3.96 crores has been charged to Profit & Loss Account for the year ended 31.03.09 being 1/5th of the transitional liability. An amount of Rs.11.89 crores is being carried forward to be charged to profit and loss account in the next three years.

The summarized position of Post-employment benefits and long term employee benefits recognized in the profit and loss account and balance Sheet as required in accordance with the Accounting standard -15 (revised) are as under:

I) Principal Actuarial Assumptions at the Balance Sheet Date

(Expressed as weighted Averages)

Particulars	Gratuity (Funded)	Pension (Funded)	Leave Encashment (Unfunded)
Discount Rate	7.50%	7.50%	7.50%
Salary Escalation Rate	4.75%	4.75%	4.75%
Attrition Rate	3.00%	3.00%	3.00%
Expected Rate of return on Plan Assets	8.75%	8.75%	0.00%

II) Change in the Present value of obligations:

(Rs in lacs)

Particulars	Gratuity (Funded)	Pension (Funded)	Leave Encashment (Unfunded)
Present Value of obligations as at the beginning of the year	2689	1902	1750
Interest Cost	208	139	137
Current Service Cost	135	289	96
Past service cost (non-vested benefits)	0	0	0
Past service cost (vested benefits)	0	0	0
Benefits Paid	(187)	(321)	(66)
Actuarial loss/(gain) on obligation (balancing figure)	51	167	130
Present Value of obligations as at the year end	2896	2176	2047

III) Change in Fair Value of Plan Asset

Particulars	Gratuity (Funded)	Pension (Funded)	Leave Encashment (Unfunded)
Present Value of Plan Assets at the beginning of the year	2703	1467	0
Expected return on Plan Assets	222	123	0
Employer's Contribution	0	272	66
Benefits Paid	(187)	(321)	(66)
Actuarial loss/(gain) on plan assets (balancing figure)	(57)	(13)	0
Fair Value of Plan Asset at the end of the year	2681	1528	0



IV) Actual Return on Plan Assets

Particulars	Gratuity (Funded)	Pension (Funded)	Leave Encashment (Unfunded)
Expected return on plan assets	222	123	0
Actuarial gain/(loss) on plan assets	(57)	(13)	0
Actual return on plan assets	165	110	0

V) Actuarial Gain / Loss recognized

Particulars	Gratuity (Funded)	Pension (Funded)	Leave Encashment (Unfunded)
Actuarial gain/(loss) for the Period - Obligation	(51)	(167)	(130)
Actuarial gain/(loss) for the Period - Plan Assets	(57)	(13)	0
Total (gain)/loss for the period	108	180	130
Actuarial gain/(loss) recognised in the period	108	180	130
Unrecognised actuarial (gain)/loss at the end of the year	0	0	0

VI) Amount recognized in Balance Sheet

Particulars	Gratuity (Funded)	Pension (Funded)	Leave Encashment (Unfunded)
Present value of the Obligation	2,896	2,176	2,047
Fair value of plan assets	2,681	1,528	0
Difference	215	648	2,047
Unrecognised Transitional liability	(50)	(76)	(468)
Unrecognised past service cost (non vested benefits)	0	0	0
Liability recognised in the Balance Sheet	165	572	1,579

VII) Expenses Recognized in Profit & Loss Account

Particulars	Gratuity (Funded)	Pension (Funded)	Leave Encashment (Unfunded)
Current Service Cost	135	289	96
Interest Cost	208	139	137
Expected return on Plan assets	(222)	(123)	0
Net actuarial(gain)/loss recognised in the year	108	180	130
Transitional Liability recognised in the year	17	25	156
Past service cost (non-vested benefits)	0	0	0
Past service cost (vested benefits)	0	0	0
Expenses Recognized in Profit & Loss Account	246	510	519

VIII) Movements in the Liability Recognised in the balance Sheet

Particulars	Gratuity (Funded)	Pension (Funded)	Leave Encashment (Unfunded)
Opening net Liability	0	334	1,126
Opening amount determined under para 55 of AS15R	(81)	0	0
Expense as Above	(246)	510	519
Contribution paid	0	(272)	(66)
Closing Net Liability	165	572	1,579

IX) Amount for the Current Period

Particulars	Gratuity (Funded)	Pension (Funded)	Leave Encashment (Unfunded)
Present value of Obligation	2,896	2,176	2,047
Plan Assets	2,681	1,528	0
Surplus/(Deficit)	(215)	(648)	(2,047)
Experience adjustments on Plan Liabilities - (loss)/gain	36	(101)	(69)
Experience adjustments on Plan Assets - (loss)/gain	(57)	(13)	0

X) Major categories of Plan Assets

(As % of Total Plan Assets)

Particulars	Gratuity (Funded)	Pension (Funded)
Government of India Securities	18.28%	13.30%
State Government Securities	11.08%	8.19%
High Quality Corporate Bonds	43.38%	30.60%
Equity Share of listed companies	0.00%	0.00%
Property	0.00%	0.00%
Special Deposit Scheme	16.10%	0.00%
Funds managed by Insurer	0.00%	15.49%
Others (to specify)	11.16%	32.42%
Total	100.00%	100.00%

XI) Enterprises Best Estimate

Particulars	Gratuity (Funded)	Pension (Funded)
Enterprises Best Estimate of Contribution during next year	300	450

XII) Other Long Term Employee benefit (Un-Funded)

	Sick leave
Liability as on 01-04-2008	991.82
Liability as on 31-03-2009	1,105.43
Transitional Liability debited to Profit & Loss Account (cumulative)	396.72
Amount debited to Profit & Loss Account	113.61

5. Accounting Standard 17 - Segment Reporting (As complied by the management)

Part A: Business segments

(Rs. in crore)

Business Segments	3 months ended 31/03/2009 (Audited)	12 months ended 31/03/2009 (Audited)	12 months ended 31/03/2008 (Audited)
Segment Revenue			
Treasury	40.42	166.58	137.31
Wholesale Banking	43.75	171.01	133.62
Retail Banking	140.81	424.79	316.64
Unallocated	1.04	2.22	0.97
Total	226.02	764.60	588.54
Segment Result			
Treasury	8.83	25.83	19.33
Wholesale Banking	19.43	54.64	87.14
Retail Banking	30.42	89.50	97.57
Unallocated	0.21	1.90	0.69
Total	58.89	171.87	204.72
Unallocated expenses	25.73	63.03	114.55
Operating Profit - Before Extraordinary items	33.16	108.84	90.17
Provisions & Contingencies	13.47	27.34	37.05
Income Tax	(0.30)	31.20	27.85
Extraordinary Profit / (Loss)	0.00	0.00	0.00
Net Profit	19.99	50.30	25.27
OTHER INFORMATION			
Segment Assets			
Treasury	2661.92	2661.92	1732.61
Wholesale Banking	2268.34	2268.34	1318.23
Retail Banking	2977.48	2977.48	2546.68
Unallocated Assets	409.50	409.50	923.08
Total Assets	8317.25	8317.25	6520.60
Segment Liabilities			
Treasury	395.06	395.06	110.25
Wholesale Banking	1782.03	1782.03	903.03
Retail Banking	5295.15	5295.15	4715.46
Unallocated Liabilities	391.30	391.30	374.18
Total Liabilities	7863.54	7863.54	6102.92

Part B: Geographic segments

Since the bank is having domestic operations only, no reporting is necessary under this segment.

6. Accounting Standard 18 - Related Party disclosures

The disclosure under AS-18 is furnished in Note no.2 in respect of remuneration to Key Management Personnel.

7. Accounting Standard 20 - Earnings Per Share (EPS):

EPS calculation in accordance with the AS-20 issued by the ICAI is as under:

[Rs. In lacs]

	2008-09	2007-08
Net profit after Tax (Rs. in 000)	5029.53	2526.91
No. of shares	48776176	48772189
Earnings per share - Basic & diluted (Rs.)	10.31	5.18

Note: There are no potential dilutive equity shares.

8. Accounting Standard 22 - Accounting for Taxes on Income

The bank has accounted for Income Tax in compliance with AS 22. Accordingly, Deferred Tax Assets & Liabilities are recognized. The major components of Deferred Tax are as under:

[Rs. In Crore]

Components	Deferred Tax Assets	Deferred Tax Liability
Leave Encashment	3.26 (1.95)	-
Depreciation on Fixed Assets	--	3.52 (2.64)
Carried forward Loss	- (24.34)	--
Depreciation on investments	-	2.45 (17.81)
Others	13.83 (11.36)	-
Net Deferred Tax Asset/Liability	11.11 (17.20)	-

Figures in brackets pertain to previous year.



9. Intangible Assets AS 26:

The Bank has followed the AS 26 - Intangible asset issued by ICAI and the guidelines issued by the RBI and has consistent with the compliance.

10. Accounting Standard 28 - Impairment of Assets:

A substantial portion of the bank's assets comprises financial assets to which Accounting Standard 28 is not applicable. In the opinion of the bank, there is no impairment of other assets to any material extent as at 31st March 2009 requiring recognition in terms of the said standard.

11. Break up of 'Provisions & Contingencies' shown under the head in Profit & Loss Account

(Rs.in Crore)

Particulars	31.03.2009	31.3.2008
Provisions for Standard assets	0.75	9.00
Bad and Doubtful Debts	1.84	18.28
Taxation (Net of Deferred Tax)/ FBT/ Int. Tax	31.20	27.85
Investment Depreciation	7.71	6.01
Transitional Termination Benefits under revised AS15.	3.96	3.96
Provision for Sick Leave	1.14	0.00
Provision for leave encashment	3.62	1.35
Provision for other Assets	0.25	0.25
MAT Tax Credit entitlement	0.00	-4.81
Floating Provision	5.62	3.00
Provision for Economic sacrifice	2.46	-
Total	58.55	64.89

12. Details of movement in provisions in accordance with Accounting Standard 29:

(Rs.in Crore)

Particulars	Opening as on 01.04.2008	Provision made during the year	Provisions reversed/ adjusted	Closing as on 31.03.2009
Prov. for Standard Assets	23.45	0.75	0.00	24.20
Prov. for Bad and Doubtful debts	72.30	1.84	0.19	73.95
Investments	50.36	7.71	31.41	26.66
Income Tax	3.62	30.50	6.09	28.03
Floating Provision	3.00	5.62	1.62	7.00
Interest Tax	0.10	0.00	0.00	0.10
Fringe Benefit Tax	1.20	0.70	0.00	1.90
Prov. for Dividend (incl. Div.Tax)	8.56	14.27	8.56	14.27
Prov. for Loss assets (excl.adv)	1.87	0.25	0.00	2.12
Prov. for Leave encashment (including Transitional Liability)	11.26	3.62	0.65	15.79
Prov. for Sick Leave (including Transitional Liability)	1.98	1.14	0.00	5.10

Provision for interest sacrifice	1.89	-	0.19	1.70
Provision for Economic Sacrifice	-	2.66	-	2.66
Others				
Prov. for Bonus.	0.18	0.42	0.15	0.45
Prov. for pension. (including Transitional Liability)	3.35	5.82	3.45	5.72
Prov. for Gratuity. (including Transitional Liability)	NIL	4.64	2.17	2.47
Wage arrears	3.00	9.20	0.0	12.20

13. The Bank earned a profit of Rs. 18.79 Crores on sale of securities under HTM category in the year 2008-09. As per the guidelines of the Reserve Bank of India, this profit has to be transferred to Capital Reserve.

14. Previous year's figures have been regrouped / reclassified wherever considered necessary to conform to the current year's classification.

15. A. Customer Complaints:

(a)	No. of complaints pending at the Beginning of the year	30
(b)	No. of complaints received during the year	134
(c)	No. of complaints redressed during the year	145
(d)	No. of complaints pending at the end of the year	19

15. B. Awards passed by the Banking Ombudsman.

(a)	No. of unimplemented Awards at the beginning of the year	0
(b)	No. of Awards Passed by the Banking Ombudsmen during the year	0
(c)	No. of Awards implemented during the year	0
(d)	No. of unimplemented Awards at the end of the year	0

Movement Floating provisions

(Rs. in crores)

Particulars	2008-09	2007-08
Floating Provisions at the beginning of the year	3.00	--
Floating Provisions made during the year	5.62	3.00
Floating Provisions utilization during the year	1.62	--
Floating Provisions at the end of the year	7.00	3.00

Letter of Comforts (LOCs) Disclosure

Letter of comfort issued in earlier years and outstanding as on 01.04.08	NIL
ADD: LoC issued during the year	NIL
LESS: LoC expired during the year	NIL
LoC outstanding as on 31.03.2009	NIL



BASEL II - PILLAR 3 DISCLOSURES

Table DF- 1
Scope of application

Qualitative Disclosures

- a) The name of the bank to which the Framework applies.

THE LAKSHMI VILAS BANK LTD

- b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (i) that are fully consolidated; (ii) that are pro-rata consolidated; (iii) that are given a reduction treatment; and (iv) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).

No group affiliation

Quantitative Disclosures

- c) The aggregate amount of capital deficiencies in all subsidiaries not included in the consolidation i.e. that are deducted and the name(s) of such subsidiaries.

Not Applicable

- d) The aggregate amounts (e.g. current book value) of the bank's total interests in insurance entities, which are risk-weighted as well as their name, their country of incorporation or residence, the proportion of ownership interest and, if different, the proportion of voting, power in these entities. In addition, indicate the quantitative impact on regulatory capital of using this method versus using the deduction.

Not Applicable

Table DF- 2
Capital Structure

Qualitative Disclosures

- a) Tier 1 capital includes Equity share capital, Reserves comprising of statutory reserves, capital and other revenue reserves, share premium and Balance in profit and loss account and Deferred Tax Asset.
- b) Tier 2 Capital consists of the general provisions, Tier II bonds – subordinated Debt (Discounted value) as on 31.03.09.

Quantitative Disclosures

- a) The amount of Tier 1 capital as on 31.03.09

	Rs. in Crs
Paid up Equity Share Capital	48.78
Reserves & Surplus	398.69
Less: Deferred Tax Asset	-13.24
Total Tier 1 Capital	434.23

- b) The total amount of Tier 2 capital (net of deductions from Tier 2 capital).

	Rs. in Crs
General Provisions (including floating provisions)	33.31
Tier II Bonds (Eligible for Tier II capital) at different rates and different maturities)	40.00
Total Tier 2 Capital	73.31

- c) Debt capital instruments eligible for inclusion in Upper Tier 2 capital **- NIL**
- d) Subordinated debt eligible for inclusion in Lower Tier 2 capital **- Rs.40.00**
- e) Other deductions from capital, if any **(-) Rs.13.24**
- f) **Total eligible capital (Tier 1 & Tier 2) Rs. 507.54**

Table DF- 3

Capital Adequacy – may include measurement of economic capital

Qualitative Disclosures

Bank maintains CRAR of more than 9% and Tier 1 CRAR of more than 6%.

The Bank maintains the minimum capital required as per Revised Framework above the prudential floor viz higher of

- a) Minimum capital required as per the Revised Framework;
- b) 100% of the minimum capital required as per Basel 1 framework.

Quantitative Disclosures

- a) Capital requirements for credit risk:
- Portfolio subject to standardized approach **Rs. 345.36 Cr**
 - Securitisation exposures **Nil**
- b) Capital requirements for market risk:
- Standardised duration approach:
 - Interest rate risk **Rs.14.03 Cr**
 - Foreign exchange risk (including gold) **Rs.0.98 Cr**
 - Equity risk **Rs.3.66 Cr**
- c) Capital requirements for operational risk:
- Basic indicator approach **Rs.25.47 Cr**
- d) Tier 1 Capital ratio (Basel II) **8.81%**
- e) Target capital ratio – optional

As per Basel II, the Tier 1 Capital Ratio – 8.81% is higher than Basel I Tier 1 Capital Ratio of 8.63%.

Table DF- 4
Credit Risk – General Disclosures

Qualitative Disclosures

Bank has adopted the definitions of the past due and impaired (for accounting purposes) as defined by the regulator for Income Recognition and Asset Classification norms.

The Bank has put in place Credit Risk Management Policy where all the credit aspects have been included. The policy stipulates prudential limits on large credit exposures, standards for loan collateral, portfolio management, loan review mechanism, risk concentrations, risk monitoring and evaluation, provisioning and regulatory / legal compliance.

The Bank identifies the risks to which it is exposed and applies rating models to measure, monitor and control these risks.

While the Board / IRMC (E) devises the policy and fixes various credit risk exposures, Risk Management Committee implements these policies and strategies approved by the Board / IRMC (E), monitors credit risks on a bank wide basis and ensures compliance of risk limits.

The Bank studies the concentration risk by (a) fixing exposure limits for single and group borrowers (b) rating grade limits (c) industry wise exposure limits and (d) the geographical distribution of credit.

Bank considers rating of a borrowal account as an important tool to measure the credit risk associated with any borrower and accordingly 'a two dimensional credit rating system' was introduced in the Bank. A software driven rating / scoring models for different segments have been customized to suit the Bank's requirements.



Quantitative Disclosures

a) Total gross credit risk exposures, Fund based and Non-fund based separately.

Rs. in Crs

Gross Credit Risk Exposure	
Fund Based	
Loans and Advances	5319.78
Investments	1359.48
Other Assets	326.95
Total Fund based	7006.21
Non fund based including contingent credit	673.08
Total Credit risk exposure	7679.29*

* Total excludes Cash & Bank balance outstanding and exposure under Trading Book.

- Geographic distribution Fund based of exposures
- Overseas
- Domestic

NIL

Rs. in Crs

State	Amount	%
Tamilnadu	2457.06	46.19
Maharashtra	1122.42	21.10
Andhra Pradesh	661.38	12.43
Karnataka	531.95	10.00
Other states	546.97	10.28
Gross Advances	5319.78	100.00

c) Residual contractual maturity breakup of advances and investments

Rs. in Crs

Details	Overdue to 1 Day	2-7 Days	8-14 Days	15-28 Days	29 D-3 M	3 M-6 M	6 M-1 Y	1 Y-3 Y	3 Y-5Y	Above 5 Y	Total
Advances	63.36	75.53	78.29	198.31	558.74	565.92	624.36	2350.85	451.42	279.05	5245.83
Investments	47.55	53.75	0.00	34.21	72.04	28.96	21.41	154.20	166.86	1284.08	1863.06

d) Amount of NPAs (Gross)

Rs. in Crs

Substandard	31.60
Doubtful 1	11.09
Doubtful 2	44.54
Doubtful 3	48.25
Loss	8.57
Total	144.05

e) Net NPAs

Rs. 64.85 Cr

f) NPA Ratios

Gross NPAs to gross advances	2.71%
Net NPAs to net advances	1.24%

g) Movement of NPAs (Gross)

Rs. in Crs

Opening balance	137.98
Additions	36.49
Reductions	30.42
Closing balance	144.05

b) Industry type distribution Fund based exposures

Rs. in Crs

Industry	Amount	%
Spinning Mills	480.74	9.04
Pharmaceuticals & chemicals	611.33	11.49
NBFCs (including leasing & HP companies)	312.05	5.87
Engineering	62.43	1.17
Timber & wood	214.12	4.02
Rice Mills	116.57	2.19
Iron & Steel	756.15	14.21
Paper & Paper products	158.27	2.98
Wind Mills	208.44	3.92
Infrastructure Projects	405.59	7.62
Others	1994.09	37.48
Gross Credit	5319.78	100.00

h) Movement of provisions for NPAs

Rs. in Crs

Opening balance	72.30
Provisions made during the period	1.84
Write-off	0.19
Write-back of excess provisions	0.00
Closing balance	73.95

i) Amount of Non-performing investments **Rs. 8.72 Cr**

j) Amount of provisions held for non-performing investments **Rs. 6.88 Cr**

k) Movement of provisions for depreciation on investments

Rs. in Crs

Opening balance	50.36
Provisions made during the period	7.71
Write-off	31.41
Write-back of excess provisions	0.00
Closing balance	26.66

Table DF- 5

Credit Risk: Disclosures for portfolios subject to the standardized approach

Qualitative Disclosures

a) For portfolios under the standardized approach:

The Board has approved four Rating Agencies identified by Reserve Bank of India namely (i) CRISIL (ii) ICRA (iii) CARE (iv) FITCH to facilitate the borrower customers to solicit the ratings.



Quantitative Disclosures

The total credit risk exposure (as in Table 4) bifurcated after the credit risk mitigation under:

Rs. in Cr

Particulars	Below 100% Risk Weight		100% Risk Weight		More than 100% Risk Weight		Grand Total	
	BV	RWA	BV	RWA	BV	RWA	BV	RWA
Fund Based								
Loans & Advances	4426.57	2558.57	633.81	633.81	259.40	324.48	5319.78	3516.86
Investments	1358.37	0.26	1.11	1.11	0.00	0.00	1359.48	1.37
Other Assets	216.73	0.45	110.22	110.22	0.00	0.00	326.95	108.54
Total Fund Based	6001.67	2559.28	745.14	745.14	259.4	324.48	7006.21	3626.77
Non Fund Based inc.								
Contingent credit	652.29	296.98	10.04	10.04	10.75	13.44	673.08	320.46
Total Credit Risk Exposures	6653.96	2856.26	755.18	755.18	270.15	337.92	7679.29*	3947.23

* Total excludes Cash & Bank balance outstanding and exposure under Trading Book.

Table DF- 6

Credit risk mitigation: Disclosures for standardized approach

Qualitative Disclosures

The Bank has put in place Credit Risk Mitigation & Collateral Management Policy with the primary objective of (i) Mitigation of credit risks and enhancing awareness on identification of appropriate collateral taking into account the spirit of Basel II / RBI guidelines and (ii) Optimizing the benefit of credit risk mitigation in computation of capital charge as per approaches laid down in Basel II / RBI guidelines.

The Bank generally relies on Risk Mitigation techniques like Loan Participation, Ceiling on exposures, Escrow mechanism, forward cover, higher margins, loan covenants, collateral and insurance cover.

Valuation methodologies are detailed in the Credit Risk Management Policy.

Bank accepts guarantees from individuals with considerable network and the corporates. Only guarantees issued by entities with a lower risk weight than the counterparty shall be accepted to get the protection for the counter party exposure.

Concentration risk in credit risk mitigation - All types of securities eligible for mitigation are easily realizable financial securities. As such, presently no limit / ceiling have been prescribed to address the concentration risk in credit risk mitigants recognized by the Bank.

Quantitative Disclosures

- a) For disclosed credit risk portfolio under the standardized approach, the total exposure that is covered by:
 - Eligible financial collateral, after the application of haircuts.

Rs. in Cr

Deposits	509.59
Gold	677.70
Securities	0.00
KVP / NSC	0.00
Life Insurance Policies	0.00
Debt Securities	0.00
Mutual Funds	0.00

Table DF- 7

Securitisation: Disclosures for standardized approach

Qualitative Disclosures

The Bank has not undertaken any securitization activity.

Quantitative Disclosures

NIL

Table DF- 8

Market risk in trading book

Qualitative Disclosures

Market Risk in trading book is assessed as per the Standardized duration method. The capital charge for HFT and AFS is computed as per Reserve Bank of India prudential guidelines.

Quantitative Disclosures

- a) The capital requirements for:
 - Interest rate risk **Rs. 14.03 Cr**
 - Equity position risk **Rs. 3.66 Cr**
 - Foreign exchange risk **Rs. 0.98 Cr**

Table DF- 9
Operational risk

Qualitative Disclosures

The Bank has put in place important policies like Operational Risk Management, Information System Security, Know your Customer (KYC) and Anti Money Laundering (AML), Business Continuity and Disaster Recovery Management. The updated manuals on all important functional areas have been circulated to the branches. Risk Based Internal Audit is introduced in 150 branches in our Bank.

The Operational Risk Management Policy outlines the Organisation structure and covers the process of identification, assessment / measurement and control of various operational risks. Internal control mechanism is in place to control and minimize the operational risks.

Capital charge for operational risk is computed as per the Basic Indicator Approach. The average of the gross income, as defined in the New Capital Adequacy Framework guidelines, for the previous 3 years i.e 2007-08, 2006-07, 2005-06 is considered for computing the capital charge. The required capital is **Rs. 25.47 Cr**.

Table DF- 10

Interest rate risk in the banking book (IRRBB)

Qualitative Disclosures

Embedded Option Risk (Foreclosure of deposits) is studied and factored in the interest rate sensitivity analysis. Based on the interest rate sensitivity, interest rate risk in the Banking Book is studied on a Monthly basis. Earnings at Risk (EAR) are computed based on the Traditional Gap Analysis on a static position. Market Value of Equity (MVE) is computed adopting the Duration Gap Analysis.

Quantitative Disclosures

- b) The increase (decline) in earnings and economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method of measuring IRRBB, broken down by currency (where the turnover is more than 5% of the total turnover).
- (i) **Earnings at Risk** – A parallel shift of 200 bps has been considered as leading to a fall of Nil at 2.62% of Net worth.
- (ii) **Market Value of Equity**- A '200 bps shock' is adopted as the standardized interest rate shock for arriving the MVE under the standardized stress scenario. The market values of above portfolios are calculated with respect to the 'shifted yield curves'. The MVE under the standardized shock is calculated as the difference between 'MV of assets under stress' and 'MV of liabilities under stress'.

Accordingly Change in Market Value of Equity (MVE) 200 bps interest rate shock leading to fall in MVE at 7.25% of Net worth.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009

(Rs. in 000')

	31.03.2009	31.03.2008
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit as per Profit & Loss Account	502953	252690
ADJUSTMENTS FOR:		
Provisions & Contingencies	585464	648983
Depreciation	127158	85770
Loss on sale of assets	782	290
Income Tax / T D S paid	(295530)	(209885)
Net cash flow before changes in Working Capital	920827	777848
CHANGES IN WORKING CAPITAL :		
LIABILITIES : Increase/Decrease in		
Deposits	17424148	5986159
Refinances	(201842)	(269614)
Other Liabilities	(369085)	102941
	16853221	5819486
ASSETS : Increase/Decrease in		
Investments	1693785	3843753
Advances	13870414	2460845
Leased-out Assets	0	0
Other Assets	(795418)	644958
	(14768781)	(6949556)
CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(271026)	(132881)
Sale of Fixed Assets	2693	2459
	(268333)	(130422)
CASH FLOW FROM FINANCING ACTIVITIES:		
Share issue including share premium net of forfeited shares	107	48789
Tier II Bonds	0	208000
Dividends paid	(71939)	(39721)
	(71832)	217068
Cash flow for the year	2665102	(265576)
Cash & Cash equivalents at the beginning of the year	6149029	6414605
Cash & Cash equivalents at the end of the year	8814131	6149029

Note: Cash, Balances with Other Banks, Balances with R B I, and Money at Call and Short Notice have been considered as cash and cash equivalents.

AUDITORS' CERTIFICATE

We have verified the Cash Flow Statement of The Lakshmi Vilas Bank Limited, Karur for the year ended March 31,2009. This cash flow statement is the responsibility of the Management of the Bank in accordance with clause 32 of the listing agreement entered into with the Stock Exchange and is in agreement with the Balance Sheet as at March 31, 2009 and the Profit & Loss Account for the year ended March 31, 2009 dealt with in our report dated 28.05.2009 to the members of The Lakshmi Vilas Bank Limited.

 For **SUNDARAM & SRINIVASAN**
 CHARTERED ACCOUNTANTS

 For **ABARNA & ANANTHAN**
 CHARTERED ACCOUNTANTS

C.NARESH
 PARTNER
 MEMBERSHIP NO. 28684

C.S. GOPALAKRISHNA
 PARTNER
 MEMBERSHIP NO. 14706

 KARUR - 639 006.
 28.05.2009

Auditors' Certificate on Corporate Governance

To,
The Members of
The Lakshmi Vilas Bank Limited
Karur.

We have examined the compliance of conditions of Corporate Governance by The Lakshmi Vilas Bank Limited for the year ended 31st March, 2009 as stipulated in clause 49 of the Listing Agreement of the said Bank with Stock Exchanges.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Bank for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Bank.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Bank has complied with the Conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Notes issued by the Institute of Chartered Accountants of India, we have to state that no investor grievance is pending for a period exceeding one month against the Bank and as per the records maintained by the Share Transfer and Investors' Grievances Committee.

We further state that such compliance is neither an assurance as to the future viability of the Bank nor the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

For **M/s.Sundaram & Srinivasan**
Chartered Accountants

C.Naresh
Partner
Membership No. 28684
Place: Karur
Date : 28th May, 2009

For **M/s. ABARNA & ANANTHAN**
Chartered Accountants

C.S. GOPALAKRISHNA
Partner
Membership No. 14706

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER SCHEDULE VI, PART IV OF THE COMPANIES ACT 1956 (Rs IN 000'S)

A REGISTRATION DETAILS	
Registration	1377
State	18
Balance Sheet Date	31.03.2009
B CAPITAL RAISED DURING THE YEAR	
Public Issue	NIL
Bonus Issue	NIL
Rights Issue	NIL
Private Placement	NIL
C POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS	
Total Liabilities	83172547
Total Assets	83172547
SOURCES OF FUNDS	
Paid up capital	487762
Reserves and Surplus	4049397
Secured Loans	NIL
Unsecured Loans	326043
D APPLICATION OF FUNDS	
Net Fixed Assets	539798
Investment	18630562
Net Current Assets	6843583
Miscellaneous Expenses	NIL
Accumulated Losses	NIL
PERFORMANCE OF THE COMPANY	
Total Income	7646004
Total Expenditure	7143051
Profit Before Tax	814953
Profit After Tax	502953
Earning per share (Rs.)	10.31
Dividend Rate	25%
GENERAL NAMES OF THREE PRINCIPAL PRODUCTS OF THE COMPANY (AS PER MONETARY TERMS)	
Items Code	N.A
Product Description	Banking Company



Annexure A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments

The year 2008-09 has witnessed global recession in which several advanced economies were experiencing their sharpest declines. Purchasing Power Parity of the general public was greatly disturbed due to inflationary impacts and consistent price fluctuations in the crude oil, fall in the market points, lower agricultural produce, reduction in head counts by the companies etc. The bank rates in terms of PLR and interest remained floating throughout the fiscal. The global slowdown had its own impact on Indian economy too. The central bank of the country has responded aptly to counteract the money supply and to keep in control the financial crisis.

Export operations took a major hit due to the fluctuations in the exchange rate as a result of downfall in the US economy. Despite the manipulating downfalls, India continued to retain its coveted position of a long-term investment platform as a result of the positive development in the FDI inflows (US \$ 31.7 billion in April -February 2008-09).

The continued challenge of preserving the stability of our financial system rests with the Reserve Bank of India. However, notwithstanding several challenges from the global economy, Brand India displayed magenta, remained relatively resilient, its financial institutions and private corporate sector remained sound and recorded its solvency.

The Central Statistical Organization estimated in February 2009 a real GDP growth at 5.3% during the third quarter of 2008-09 as compared with 8.9% during the corresponding quarter of the previous year, reflecting deceleration in growth of all its constituent sectors.

The financial year 2008-09 has aggregated total deposit of Rs. 5,14,524 crores marking 18.4% as against Rs. 5,80,208 crores with 21.2% in the year ending 2007-08.

The Reserve Bank took adequate steps to restore the normal functioning of the market in terms of facilitating adequate flow of credit to the productive sectors of the economy. 6.0% is the GDP growth rate envisaged for the financial year 2009-10 by RBI hoping the banks will come out with great consistency to withstand the monetary problems that may be faced in the fiscal.

Our Bank has closed the financial year 2008-2009 with a 33% growth rate aggregating a total business of Rs.12606.73 crores, which is well above the growth recorded by the banking industry.

Opportunities and Threats

The post election stock market scenario showed its greater recovery as the UPA government was formed on its own majority this time. The government is expected to come out with some major economic reforms in the country. The interest waiver scheme as made in the election manifesto may play a significant role in the banking sector.

The bank as one among the equals is absorbing the new technologies to utilize it to the best of its usage. Successful implementation of Core Banking Solutions is a milestone in the functioning of the bank.

Cashtree and NFS network of ATMs enables the customers of the bank to utilize the facility with its presence over 44000 ATMs across the country.

The Repo and Reverse Repo rates were reduced by 25 basis points as an initiative to encourage the banks to extend their credit hands to the productive sectors. The banks have been instructed to place credit in a diversified manner.

Four challenges must be addressed before success can be achieved. First, the market is seeing discontinuous growth driven by new products and services that include opportunities in credit cards, consumer finance and wealth management on the retail side, and in fee-based income and investment banking on the wholesale banking side. These require new skills in sales &

marketing, credit and operations. Second, banks will no longer enjoy windfall treasury gains that the decade-long steep decline in interest rates provided. This will expose the weaker banks. Third, with increased interest in India, competition from foreign banks will only intensify. Fourth, given the demographic shifts resulting from changes in age profile and household income, consumers will increasingly demand enhanced institutional capabilities and service levels from banks.

The interplay between policy and regulatory interventions and management strategies will determine the performance of Indian banking over the next few years. Legislative actions will shape the regulatory stance through six key elements: industry structure and sector consolidation; freedom to deploy capital; regulatory coverage; corporate governance; labour reforms and human capital development; and support for creating industry utilities and service bureaus. Management success will be determined on three fronts: fundamentally upgrading organizational capability to stay in tune with the changing market; adopting value-creating M&A as an avenue for growth; and continually innovating to develop new business models to access untapped opportunities.

Through these scenarios, we paint a picture of the events and outcomes that will be the consequence of the actions of policy makers and bank managements. These actions will have dramatically different outcomes; the costs of inaction or insufficient action will be high. Specifically, at one extreme, the sector could account for over 7.7 per cent of GDP with over Rs.7, 500 billion in market cap, while at the other it could account for just 3.3 per cent of GDP with a market cap of Rs. 2,400 billion. Banking sector intermediation, as measured by total loans as a percentage of GDP, could grow marginally from its current levels of 30 per cent to 45 per cent or grow significantly to over 100 per cent of GDP. In all of this, the sector could generate employment to the tune of 1.5 million compared to 0.9 million today. Availability of capital would be a key factor - the banking sector will require as much as Rs. 600 billion (US\$ 14 billion) in capital to fund growth in advances, non-performing loan (NPL) write offs and investments in IT and human capital up gradation to reach the high-performing scenario.

Business Segmentation

The segment wise performance of the bank, both in deposits and advances are furnished below:

Deposits	Rs.in Crs.	%	Advances	Rs.in Crs	%
Demand Deposits	492.08	6.69	Bills purchased & discounted.	425.03	8.10
Savings Deposits	743.22	10.10	Cash Credits, Overdrafts & Demand Loans.	2776.94	52.94
Term Deposits	6125.60	83.21	Term Loans	2043.86	38.96
Total	7360.90	100.00	Total	5245.83	100.00

Outlook

It is a common thought to be in a safer side always and for this, banks were not an exception. As the credit absorbing capacity had shrunk in the fourth quarter, services fell, unemployment in key sectors, bond market lost their momentum, and the surplus money in the Indian banks came to be parked in the treasury. These funds may be leveraged in a slow phase by having a functional game plan.

Infrastructure developments may have a major role in the financial year 2009-10. Steel industry is surveyed to have a prosperous fiscal, which showed



recovery in the month of April 2009, after a crisis in the end quarters of the financial year 2008-09. With the increase of banks finance the car market showed a growth rate of 4% in April 2009.

The bank is confident to achieve a minimum growth of 35 % in total Business, duly crossing the mile stone mark of Rs. 17,000/- Cr. The operating profits are targeted at Rs.247Cr. To achieve this, an aggressive marketing effort of Current and Savings Bank A/cs is planned. The CASA percentage in the deposit is targeted at 18 %. Thus the bank is planning to increase the clientele by 4 Lacs of which CASA client will be 3.3 Lacs.

Further, the bank is aiming to reduce the Net NPA to less than 1%. Branch Network to go up by 23 New Branches to make 273 branches. Total ATM (including off site ATMs) to be target at 150. Special focus will be given on retail business. Increase in Non Interest Income is targeted to cover entire establishment charges.

Risk and Concerns

The bank has adopted suitable risk management practices for managing market risk, credit risk and operational risk taking into consideration the volume and nature of business activities.

The Integrated Risk Management Committee of the Board ensures that risks are appropriately managed in the Bank. The policies put in by the Bank help to meet the dynamic challenges in the external and internal environments in which the bank operates and also to comply with the regulatory requirements. The present capital adequacy ratio places the bank in a satisfactory level as per Basel II norms.

During the current year the bank migrated to Basel II as per RBI guidelines and calculated capital adequacy ratios under Basel II. The bank is maintaining CRAR well above the minimum level of 9%. Internal Capital Adequacy Assessment Process (ICAAP) document has been prepared for the bank as per RBI guidelines.

Internal Controls

The bank has organized an Audit & Inspection cell with the audit committee of the board as its apex body to look after the internal controls and the adherence to the laid down policies and procedures.

The department is to go beyond the books of account and records to appraise the quality of various activities of the organization. The department is bringing to light the defects and loopholes in the existing methods and actively participate in the establishment of improved controlling operations.

Subsistence of frauds in the nature of manipulation of passwords, embezzlement of cash and many more is inevitable as a result of increase in

business, workforce and technology. The department to predict and detect the frauds in all case, conducts well defined firewall procedures and audit operations.

All departments and branches were involved in the process of internal audit function to oversee their functioning, compliance with the related statutes, books maintenance, accuracy and timeliness in filing of returns. Concurrent audit is conducted at the key branches at periodic intervals and its reports are duly placed to the board for their perusal.

Risk Based Internal Audit is conducted based on the internal ratings and risk zones provided and the high-risk branches are monitored as per the guideline of RBI.

To sum up, our branches working under core banking system are subjected to systems audit at such intervals. As a preventive measure, the area of risk and theft are ascertained and adequate steps are initiated to quash the same.

Financial Performance Vs. Operational Performance

The bank continued to emphasis on "Operating Profit Approach". The performance of the bank is based on the following key financial parameters.

Deposits increased by 31%

Advances increased by 36%

Total Income increased by 29%

Net Interest Income increased by 29%

Operating profit increased by 20.72%

Net Profit increased by 99%

Number of branches increased to 252 from 239

Staff strength: 2433

Human Resources Development / Industrial Relations

The banks head count went upto 2433 at the end of the financial year 2008-09. Persons are selected after due process and are moulded in the Staff Training College by briefing about the bank, their work environment and the morale they shall exhibit while discharging their duty before inducting them in to the Bank.

Training is an on going process. Providing training to the new recruits, training programmes for the senior employees are also conducted regularly by inviting specialized faculties and experts to share their experiences and knowledge. LVBians are insisted to pursue great patience while discharging their duty. Offsite training programmes in the reputed institutions such as NIBM, IDBRT, CAB, IMAGE, IFBA etc., were also conducted to make them gain knowledge about the changing economic scenario.

Annexure B
BOARD OF DIRECTORS AND COMMITTEES

The composition of the Board of Directors, headed by Non-Executive Chairman is governed by the provisions of the Companies Act, 1956, Banking Regulation Act, 1949 and Listing Agreement entered with National Stock Exchange, Mumbai. The Board consists of 12 Directors as on 31.03.2009. The Board consists of eminent persons with considerable professional expertise and experience in Banking, Law, Accountancy, Engineering, Small Scale Industry, Agriculture, Consultancy and Business including Exports. Details of name of the Managing Director and the Directors of the Board, number of meetings held and attendance during the year are provided in annexure C.

The Bank has not entered into any materially significant transaction which could have a potential conflict of interest with its promoters, directors, management or relatives etc., except the transactions entered into in the normal course of banking business.

Committees of Directors

The Board has constituted Committees of Directors to deal with matters, which need special focus and timely monitoring of the activities falling within the terms of reference of the Committees. The Board Committees are as follow:

Audit Committee

Audit Committee of the Board is chaired by Shri.B.K.Manjunath, an Independent Director who is a Chartered Accountant by profession. Audit Committee provides direction and oversees the operation of total audit function in the Bank as per RBI guidelines. Details of name of members and chairman, meetings and attendance during the year under review, are provided in annexure C. The terms of reference of Audit are in accordance with Provisions of Companies Act, 1956, Banking Regulation Act, 1949 and clause 49 of listing agreement interalia includes the following:

- Overseeing the Bank's financial reporting process and ensuring correct, adequate and credible disclosure of financial information.
- Recommending appointment and removal of external auditors and fixing of their fees.
- Reviewing with management the annual financial statements before submission to the Board with special emphasis on accounting policies and practices, compliance with accounting standards and other legal requirements concerning financial statements and
- Reviewing the adequacy of the Audit and Compliance function, including their policies, procedures, techniques and other regulatory requirements.

Share Transfer and Investors' Grievances committee

The Share Transfer and Investors' Grievances Committee approves and monitors share transfers, transmission, issue of duplicate shares , physical shares on remat requests, fixing book closure / record date etc., The Committee monitors the redressal of complaints of investors like Complaints on Share transfer, non-receipt of dividend declared, non-receipt of annual report & other related matters. The Committee also reviews the compliance of provisions and requirements of Reserve Bank of India, SEBI, Stock Exchanges, Registrar of Companies, Depositories, and other statutory bodies.

During the year the Bank received 'NIL' complaints from shareholders. Details of name of the Chairman & members of the Committee, Compliance officer, meetings and attendance during the year are provided in annexure C.

Infrastructure Development committee

The committee approves purchase of all computer software & hardware and also maintenance & services thereto.

Risk Management Committee

The Integrated Risk Management Committee constituted as per RBI guidelines, formulates Bank's credit and Market risk policies and reviews the Assets and Liabilities of the Bank based on periodical structural liquidity and dynamic liquidity statements on outflows and inflows and also analyses the interest rate sensitivity of assets and liabilities.

Remuneration Committee

No committee has been formed as the remuneration of whole time Director and sitting fees payable to other directors is decided only by the Board of Directors. The remuneration of Managing Director was approved by RBI on the recommendations of the Board, details of which is given in the Schedule 17 (under B.2 - Notes on Accounts) of the Annual accounts. The other directors were paid Rs. 10,000/- as sitting fees for Board / Committee of Board meetings which is within the limits prescribed under the Companies Act 1956.

Fraud Monitoring Committee

Pursuant to the Directions of the Reserve Bank of India, the Bank has constituted a Fraud Monitoring Committee, exclusively dedicated to the monitoring and following up of cases of fraud involving amounts of Rs.1 crore and more. The objective of this Committee is the effective detection of frauds and ensuring of prompt reporting thereof to regulatory and enforcement agencies.

Customer Service Committee

Pursuant to the Directions of the Reserve Bank of India, the Bank has constituted a Customer Service Committee exclusively dedicated to bring about improvement in the quality of customer service provided by the bank.

Management Committee

Pursuant to the Directions of the Reserve Bank of India, the Bank has constituted a Management Committee of the Board which is vested with full powers for sanction / ratification of all kinds of loans and advances normally falling within the purview of the lending policies framed by the Board from time to time and full powers for approving compromise proposals in respect of loans and advances normally falling within the purview of the compromise policy framed by the bank from time to time.

Nomination Committee

Pursuant to the Directions of the Reserve Bank of India, the Bank has constituted a Nomination Committee of the Board for conducting due diligence process to determine the suitable and other fit and proper criteria before inducting any individual to the Board.

Disclosure

There was no penalty or strictures passed on the bank by any regulatory authority for non- compliance of any laws.

ANNEXURE - C

Composition of the Board of Directors together with the attendance at meetings of the Board, its Committees and Annual General Meeting and directorship held

Name of the Director & No. of Shares held by them	Chairman of the Committee	Representation as per Banking Regulation Act	Category as per Listing Agreement	Board (18 meetings)	Audit Committee (ACB) (6 meetings)	Share Transfer & Investors' Grievance Committee (4 meetings)	Management Committee of the Board (MCB) (33 meetings)	Integrated Risk Management Committee (IRMC) (6 meetings)	Infrastructure Development Committee (IDC) (9 meetings)	Fraud Monitoring Committee (FMC) (1 meetings)	Customer Service Committee (CSC) (2 meetings)	Annual General Meeting	No. of Other Directorships held	Other Companies Name in which he is the Directors	Other Companies in which he is the Chairman of any Committee
Dr.S.Narayan Non-Executive Chairman (From 29 01 2009) (No of shares : Nil)	Chairman - Board	Majority - Strategic Planning	Non Independent / Non-executive	3	NA	NA	NA	NA	NA	NA	NA	NO	5	M/s Apollo Tyers Ltd., M/s Dabur India Ltd., M/s Seshasayee Paper & Board Ltd., M/s Teesta Urja Ltd., M/s. Godrej Properties Ltd.,	Nil
Mr.V.S.Reddy, Managing Director (No of shares: 500)	Chairman - MCB, NCB	Majority - Banking	Executive - Director/Non Independent	18	NA	NA	33	6	9	1	2	YES	Nil	Nil	Nil
Mr.M.P.Shyam (No of shares: 96488)	Chairman - Share Transfer & Investors' Grievances Committee	Minority-Business	Non Independent / Non-executive	15	1	3	NA	5	7	NA	NA	YES	7	M/s Advait Marketing (P) Ltd., M/s Cauvery Motors (P) Ltd., M/s Advait Motors (P) Ltd., M/s Ananya Software Systems (P) Ltd., M/s Mysore Vegetable Oil Ltd., M/s Advait Automobile (P) Ltd., M/s. Akshara Motors (P) Ltd.,	Nil
Mr.K.Balaji (No of shares: 27925)		Majority-SSI	Independent / Non-executive	17	3	NA	NA	NA	NA	NA	1	YES	Nil	Nil	Nil
Mr.E.Sreedhar (Til 27.11.2008)		Majority -Systems & Technology	Independent / Non-executive	9	1	NA	NA	NA	4	NA	NA	YES	1	M/s.Shell Networks (P) Ltd	Nil
Mr.N.Saiprasad (No of shares:47258)		Minority-Business	Non Independent / Non-executive	18	4	4	33	6	8	NA	1	YES	Nil	Nil	Nil
Mr.G.Sudhakara Gupta (Til 15.06.2009) (No of shares:470)		Minority-Consultancy	Non Independent / Non-executive	16	1	4	NA	NA	7	NA	2	YES	4	M/s Holzwerk Interior (P) Ltd. M/s.XS International Sale (P) Ltd. M/s. Magenta Ceramic Systems (P) Ltd. M/s. Pristine Prop Services Pvt Ltd	Nil
Mr.K.Ravindrakumar (No of shares: 12651)		Minority-Business	Non Independent / Non-executive	18	4	4	32	5	8	1	2	YES	Nil	Nil	Nil
Mr.R.Mohan (Til 23.06.2009) (No of shares:5566)		Majority-Agriculture & SSI	Independent / Non-executive	17	6	NA	31	6	3	1	NA	YES	1	M/s.KMC Speciality Hospitals India Ltd.,	Nil
Mr.S.L.Sivashanmugam (Til 23.02.2009)		Majority - Accountancy	Independent / Non-executive	14	6	NA	24	4	NA	1	NA	YES	Nil	Nil	Nil
Mr.Kusuma R Mumaraju (From 25.06.2008) (No of Shares : 86134)		Majority -Law	Independent / Non-executive	11	NA	NA	14	NA	NA	NA	NA	YES	Nil	Nil	Nil
Mr.D.L.N.Rao (From 14.08.2008) (No of shares: 200)		Majority - Law	Independent / Non-executive	5	NA	NA	NA	NA	NA	NA	NA	YES	Nil	Nil	Nil
Mr.B.K.Manjunath (From 14.08.2008) (No of shares: 500)		Majority - Accountancy	Independent / Non-executive	8	2	NA	15	1	NA	NA	NA	YES	1	M/s.South Star Distilleries And Breweries (P) Ltd.,	Nil
Mr.K.R.Pradeep (From 27.02.2009) (No of Shares : 807018)		Minority - Consultancy	Non Independent / Non-executive	2	NA	NA	NA	NA	NA	NA	NA	NO	3	M/s.Pranava Electronics (P) Ltd., M/s.Kare Electronics And Developments (P) Ltd., M/s.Sanath Exports (P) Ltd.,	Nil

The Bank pays sitting fees at the rate of Rs.10,000/- for each meeting of the Board and Sub-committees attended by them.

ATTENDANCE AT AUDIT COMMITTEE MEETINGS

Name of the Committee Members (Sarvashree)	Category of Director	Meeting details			Whether attended last AGM (Y/N)
		Held during the tenure of director/invitee	Attended	% of total	
S.L. Sivashanmugam	Chairman - NED / Independent	6	6	100%	YES
M.P.Shyam	NED / Non Independent	2	1	50%	YES
K.Balaji	NED / Independent	4	3	75%	YES
E.Sreedhar	NED / Independent	2	1	50%	YES
N.Saiprasad	NED / Non-Independent	4	4	100%	YES
G.Sudhakara Gupta	NED / Non-Independent	2	1	50%	YES
K.Ravindrakumar	NED / Non-Independent	4	4	100%	YES
R. Mohan	NED / Independent	6	6	100%	YES
B.K. Manjunath	NED / Independent	2	2	100%	NO

INFORMATION ABOUT SHARE TRANSFER WORK TO A DELEGATED AUTHORITY

Description of delegated authority	Full Address of delegated authority	Telephone Numbers	Fax Numbers	E-Mail IDs
Name and designation of officer of the Company	S.Venkateswaran Company Secretary / Compliance Officer Lakshmi Vilas Bank Ltd., Regd. & Admn. Office, Salem Road, Kathapara, Karur - 639 006	04324 - 220051-60	04324 - 220068 220069	secretarial@lvbank.in
Name of Board Committee and Chairman's name	Share Transfer & Investors' Grievances Committee Mr.M.P.Shyam, Director Lakshmi Vilas Bank Ltd., Regd. & Admn. Office, Salem Road, Kathapara, Karur - 639 006	04324 - 220051-60	04324 - 220068 220069	shyamshetty@yahoo.com
The Registrar and Share Transfer Agent	M/s.Integrated Enterprises (India) Ltd., II Floor, "Kences Towers" No.1, Ramakrishna St, North Usman Road, T.Nagar, Chennai - 600 017	044 - 28140801 28140802 28140803	044 - 28142479 28143378	lvb@ieplndia.com



Annexure D
GENERAL SHAREHOLDERS' INFORMATION

Means of Communication

The Bank publishes its financial - quarterly and annual results in Business Line (all editions- English) and Dinamalar (Vernacular) The results are displayed on the Bank's website at www.lvbank.com.

Management discussion and analysis forms part of the Annual Report, which is posted to the shareholders of the Bank.

Financial Calendar 2008-2009 (tentative):**82nd Annual General Meeting**

Date & Time : 28th August, 2009 at 10.00 a.m.

Venue : Registered Office, Salem Road, Kathapara, Karur - 639006, Tamilnadu.

Information of last three Annual General Meetings held

The 79th, 80th and 81st AGM were held on 14th August, 2006 and 26th September 2007, and 14th August, 2008 respectively.

Special Resolution passed during the last three AGMs.

79th AGM - 14/08/2006 - 10.30 a.m. - A.O.Karur.

Special Resolution passed : NIL

80th AGM - 26/09/2007 - 10.00 a.m - A.O.Karur.

Special Resolution passed:

to increase the Authorized Capital from Rs. 100 Crores to Rs.150.00 Crores, to amend the existing Article 3 of Articles of Association of the Bank with respect to increasing of Authorized Capital.

to amend the existing Article 2 with insertion of sub clause (f) that a "Chairman" appointed by the board under Article 14 either as an "Executive Chairman or as a Non-executive Chairman".

to amend the existing Article 10 (e) that the "Executive or Non Executive Chairman", if any of the Board shall preside as "Chairman" at every general meeting of the company, if there is no such "Executive or Non Executive Chairman".

to amend the existing Article 14, the Board of Directors of the bank shall elect or appoint a whole time Chairman and Chief Executive Officer of its Board.

to amend the existing Article 15, that every whole time Chairman and Chief Executive Officer or alternatively Non-Executive Chairman or Managing Director / CEO of the bank shall hold office for such period, not exceeding five years, as decided by the Board of Directors.

to amend the existing Article 16 with the words that the Executive or Non-Executive Chairman or Managing Director / CEO shall not be required to hold any qualification shares.

to amend the existing Article 23 (b) for the word "Chairman" with the words "Executive or Non Executive Chairman or Managing Director".

to amend the existing Article 26 for the word "Chairman" with the words other than "Executive or Non Executive Chairman".

to amend the existing Article 26 (a) for the words other than "Whole Time Chairman" with the words other than "Executive or Non Executive Chairman or Managing Director / CEO".

to amend the existing Article 28 (b), 28 (C) and 30 for the words "Chairman" with the words "Executive or Non Executive Chairman or Managing Director / CEO".

Pursuant to the provisions of the Section 31 of the Companies Act, 1956, the Articles of the Association is amended with Article 17 (d) that the Nomination Committee or such other Committee of the Board or the Board shall undertake a process of due diligence to determine the suitability of the person for appointment / re-appointment as a Director based upon qualification, expertise, track record, integrity and other fit and proper criteria.

Pursuant to the provisions of the Section 31 of the Companies Act, 1956, the Articles of the Association is amended with Article 5 (B) that in case of physical shares, the Bank will obtain acknowledgement from RBI before effecting transfer of shares when the transfer makes the shareholding of individual / group equivalent to 5% or more of the total paid up capital of the Bank. In case of demat shares as the Bank will come to know only post facto by way of downloads from the depositories at frequent intervals, the onus of obtaining prior permission acknowledgment from RBI rests with the applicant / acquirer before such acquisition and he / they shall duly report to the Bank for conducting "Fit and Proper Criteria" to determine the desirability of such applicant / acquirer or group of acquirers to hold equity shares of the Bank by a process of due diligence as per RBI guidelines.

81st AGM - 14/08/2008 - 10.00 a.m - A.O.Karur.

Special Resolution passed:

Subject to the applicable provisions of the Foreign Exchange Management Act, 1999 (FEMA), the Companies Act, 1956 and all other applicable laws, rules, guidelines (including any statutory modification or re-enactment thereof for the time being in force) and subject to all applicable approvals and permissions and sanctions and subject to such conditions as any be prescribed by the concerned authorities while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the bank, consent of the bank be accorded for acquiring shares of the company by permitted foreign investors including FII's FDI's and NRI's by purchase or acquisition on the recognized stock exchanges, subject to the condition that the individual holding of the above investors shall not exceed 5% of the paid up capital and the total holding of all the Foreign Investors together shall not exceed 26% of the paid up equity share capital of the Bank or such other maximum limit as may be prescribed from time to time.

the Board be and is hereby authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the object of the above resolution.

Pursuant to Section 81 (1A) and all other applicable provisions , if any, of the Companies Act 1956 (including any amendment thereto or re-enactment thereof), Banking Regulation Act, 1949, Foreign Exchange Management Act, 1999, SEBI (Disclosure and Investor Protection) Guidelines, 2000 (the Guidelines), applicable listing agreements and in accordance with the provisions of the Memorandum and Articles of Association of the Bank, the Board of Directors of the Bank, or a Committee of Directors (Committee) constituted / to be constituted by the Board to exercise its powers including the powers conferred by this Resolution be and is hereby authorized, to offer, issue and allot, by way of Qualified Institutions Placement (QIP), to Qualified Institutional Buyers (QIB's) in terms of Chapter XIII-A of the Guidelines, whether or not such investors are existing Members of the Bank, through one or more tranches, such number of equity shares of face value of Rs.10 each as may be decided by the Board at the appropriate time at such price or prices including premium on each share, as the Board or the Committee of the Board may determine in accordance with the Guidelines and where necessary in consultation with the Lead Mangers and such that aggregate amount to be raised from the issue and allotment of such equity shares shall not exceed Rs.250.00 Crores.

the QIP issue shall be completed within 12 months from the date of this resolution.

the allotment to each Qualified Institutional Buyer (QIB) in the proposed QIP issue will not exceed 5% of the post issue paid up capital of the Bank.

the relevant date for determination of the floor price of the Equity Shares to be issued by way of a QIP issue shall be as per the guidelines in force at the time of issue. However the offer price shall be determined at a price atleast 2.5 to 3 times of the book value of the equity share.



the equity shares to be offered and allotted under the QIP shall be in dematerialized form.

the Equity shares so issued shall rank pari passu with the existing Equity Shares of the bank in all respects including dividend.

for the purpose of giving effect, to any offer, issue or allotment of Equity shares, the Board or a Committee be and is hereby authorized on behalf of the Bank to do all such acts, deeds, matters and things as it may, in its absolute discretion, deems necessary or desirable for such purpose, including without limitation, signing of any agreement, the determination of the terms thereof, for entering into arrangements, for managing, underwriting, marketing, listing and trading, to issue placement documents, and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Bank to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

All the Directors were present in the last AGM.

No special resolutions were passed through postal ballot in the last AGM.

Annual General Meeting (Next Year) August, 2010

Board Meetings

- Results for the quarter ending June 2009 - Last week of July 2009
- Results for the quarter ending September 2009 - Last week of October 2009
- Results for the quarter ending December 2009 - Last week of January 2010
- Results for the quarter ending March 2010 - Last week of June 2010

Code of Conduct

The Board of Directors at its meeting held on 15.04.2005, approved the Code of Conduct for all the Directors and Senior Management Personnel. The said Code of Conduct has been placed on the website of the Company www.lvbank.com. The Annual Report contains a declaration signed by CEO.

Disclosure

Directors Shri.M.P.Shyam, Shri.K.Balaji and Shri.N.Saiprasad are retiring by rotation and being eligible, offer themselves for reappointment. Pursuant to the Listing Agreement pertaining to Corporate Governance a brief resume about the retiring directors seeking re-election is furnished in the Notice to the Shareholders.

CEO/CFO Certification

CEO/CFO Certification under the Corporate Governance Guidelines prescribed by SEBI has been submitted to the Board by the CEO and CFO. The certificate on compliance is furnished separately.

Unclaimed Dividend:

Information in respect of unclaimed dividend and last date for making claim is given below:

Financial Year	Date of Declaration	Amount as on 31.03.2009 in Rs.	Last date for claim
2001-02	14.08.2002	10,38,625.00	13.08.2009
2002-03	07.08.2003	13,05,349.50	06.08.2010
2003-04	29.07.2004	16,05,189.80	28.07.2011
2004-05	29.09.2005	Dividend not declared	NA
2005-06	29.07.2006	11,41,343.40	28.07.2013
2006-07	26.09.2007	8,05,019.21	25.09.2014
2007-08	17.08.2008	17,28,504.00	13.08.2015

Compliance with clause 32 of the Listing Agreement

Name and address of the Stock Exchange where equity shares of Lakshmi Vilas Bank Limited is listed:

The National Stock Exchange of India Limited
Exchange Plaza, 5th floor, Plot No.C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051.

Bank confirms that the Annual Listing Fee has been paid to the National Stock Exchange.

Compliance with Clause 47 (f) of the Listing Agreement

SEBI has advised the listed companies to designate an exclusive email ID for Redressal of Investor Complaints. Pursuant to amendment to the listing agreement under clause 47(f), a separate e-mail id **www.investorgrievances@lvbank.in** was designated exclusively for redressal of investors' complaints.

Dematerialization

Bank has 43884 shareholders as on 31.03.2009. Of this 22236 folios representing 3,94,07,688 (80.79%) shares are in Demat Form.

Bank Code (NSE) : LAKSHVILAS

ISIN NO.

Fully paid shares of Rs.10/- each : INE694C01018

The shares of the Bank are admitted under demat mode with both the depositories of the country i.e., National Securities Depository Limited and Central Depository Services (India) Limited.

Stock Market Data

Month	Listed with NSE on 21.06.2000		No of shares Traded
	High	Low	
April 2008	124.00	96.00	1790032
May	111.90	88.20	897768
June	93.30	71.50	972274
July	95.95	71.10	838735
August	101.00	88.00	1000413
September	114.70	88.70	831776
October	94.75	67.50	1016577
November	80.90	63.20	392898
December	89.65	65.00	332502
January 2009	73.00	57.00	612109
February	76.00	53.65	502261
March	65.40	51.30	587214

Distribution of Shareholding in break up as on 31.03.2009 is given below.

CATEGORY	NUMBERS	%	SHARES	% to capital
UPTO 500	32347	73.71	4923751	10.10
501 TO 1000	5475	12.48	3918156	8.03
1001 TO 2000	3497	7.97	4967266	10.18
2001 TO 3000	1113	2.54	2686333	5.51
3001 TO 4000	438	1.00	1521505	3.12
4001 TO 5000	274	0.62	1226420	2.51
5001 TO 10000	443	1.01	2991505	6.13
10001 & ABOVE	297	0.68	26541240	54.42
TOTAL	43884	100.00	48776176	100.00



Nomination Facility

Shareholders may avail of the Nomination Facility under Section 109A of the Companies Act, 1956.

Bank Account Details

In order to avoid fraudulent encashment of dividend warrants, the members are requested to write their Bank Account details to the Office of our Registrar and Share Transfer Agent.

Shares held in Electronic form

All instructions regarding bank account details, which the shareholders wish to be incorporated in their dividend, warrant will have to be submitted to their depository participants.

Instructions already given by them in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form and the Bank or STA will not entertain any request for deletion / change of Bank details already printed on dividend warrants as per information received from both the depositories.

All instructions regarding change of address, nomination, power of attorney etc., shall be given directly to their Depository participants and the bank or STA will not entertain any such requests directly. Shareholders having the holdings partly in demat form and partly in physical form, should follow the steps narrated above separately.

Share Transfer Process

Bank ensures physical shares are processed by the Registrar and Share Transfer Agent - M/s. Integrated enterprises (India) Limited and approved by Share Transfer & Investor's Grievances Committee and the certificates are

dispatched to the transferees with in a maximum period of 4 weeks from the date of receipt of the transfer documents by M/s. Integrated enterprises (India) Limited, provided if the share documents are valid in all respects.

Share transfers, dividend payments, demat requests and all other investor related activities are attended to and processed at the office of our Registrar and Share Transfer Agent.

Shareholders' Correspondence should be addressed to :

M/s Integrated Enterprises (India) Limited
II floor , "Kences Towers" No.1 Ramakrishna Street
North Usman Road, T.Nagar, Chennai - 600 017
Ph: 044-28140801/2/3 Fax: 28142479/28143378
Email: lvb@ieindia.com

Compliance status of Clause 49 of Listing Agreement

The Bank has complied with all mandatory recommendations prescribed in Clause 49 of the Listing Agreement. A Certificate to this effect from the Bank's Statutory Auditors is annexed.

The Bank at present has not adopted the Non-Mandatory requirement in regard to Remuneration Committee, Sending of half yearly performance to the shareholders to their residence, Mechanism for evaluating non-executive Board Members, Whistle Blower Policy.

DECLARATION BY CHAIRMAN & CEO

The Board of Directors and the Senior Management Personnel of the Bank have affirmed conforming to the code of conduct of the Bank for the year ended 31.03.2009.

STATEMENT OF PROGRESS (AMOUNT IN LAKHS OF RUPEES)

Year	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Paid-up Capital	1150.88	1150.88	1150.88	1150.89	1150.89	1150.89	1953.46	4780.51	4877.22	4877.62
Reserve Fund & Other Reserves	11023.06	13126.82	15290.57	18057.72	21513.39	21847.83	27151.90	34828.36	36890.54	40493.97
Deposits	196340.65	227764.40	247692.23	277050.16	329581.91	349592.51	433638.00	501987.23	561848.82	736090.00
Advances	115004.68	148023.33	156525.19	176369.82	203870.40	231771.14	295281.97	361270.30	385878.75	524583.00
Investments	76756.97	78203.92	90420.57	103657.52	133816.81	118086.14	127986.68	130930.24	169367.77	186306.00
Net Profit	2635.61	2674.48	3022.11	3416.33	4104.85	334.44	2247.02	1758.43	2526.91	5030.00
Number of Branches	205	209	211	215	224	225	227	236	239	251
Staff Position	1930	1936	1933	1983	1946	1928	1873	1926	2078	2433
Earning Per Share	22.90	23.24	26.25	29.68	35.67	2.91	11.50	3.60	5.18	10.31
Book Value	105.78	124.06	142.86	166.90	196.93	199.83	149.00	81.18	85.63	93.02
Market Price	38.12	44.42	46.17	65.98	98.72	138.20	105.16	77.70	97.95	63.50
Dividend Per Share (Rs.)	4.50	4.50	5.00	5.00	5.00	Nil	2.50	0.70	1.50	2.50

Statewise Branch List

ANDHRA PRADESH		
1	Adilabad *	
2	Adoni	
3	Ananthapur *	
4	Chittoor	
5	Eluru	
6	Guntur *	
7	Hyderabad-Hubsiguda	
8	Hyderabad-Kothapeta *	
9	Hyderabad-Kukatpalli	
10	Hyderabad-Main	
11	Hyderabad-Malkajigiri *	
12	Hyderabad-Secunderabad	
13	Kakinada	
14	Karimnagar	
15	Khammam *	
16	Nandiyal	
17	Nellore *	
18	Ongole	
19	Proddattur *	
20	Rajamundri	
21	Suryapet *	
22	Tanuku	
23	Tirupathi *	
24	Vijayawada	
25	Vijayawada II *	
26	Visakapatnam-Gajuwaka	
27	Visakapatnam-Gopalpatnam *	
28	Visakapatnam-Main	
29	Warangal *	
GUJARAT		
30	Ahmedabad *	
31	Anand	
32	Gandhidham	
33	Gandhinagar	
34	Jamnagar	
35	Rajkot	
36	Surat	
37	Vadadora *	
HARYANA		
38	Gurgaon	
39	Panipat *	
JHARKHAND		
40	Ranchi *	
KARNATAKA		
41	Bangalore -Cantonment	
42	Bangalore -Citymarket *	
43	Bangalore -Jalahalli *	
44	Bangalore -Jayanagar *	
45	Bangalore -Koramangala *	
46	Bangalore -Main	
47	Bangalore -Ulsoor	
48	Bellary	
49	Chitradurga *	
50	Davangere	
51	Hospet	
52	Hubli	
53	Mandya	
54	Mysore	
55	Raichur	
56	Ranebennur	
57	Shimoga	
KERALA		
58	Calicut *	
59	Ernakulam (Cochin)	
60	Palakkad	
61	Thrissur	
62	Tiruvananthapuram *	
MADHYAPRADESH		
63	Indore	
MAHARASHTRA		
64	Mumbai -Andheri *	
65	Mumbai -Borivali *	
66	Mumbai -Fort	
67	Mumbai -Ghatkopar *	
68	Mumbai -Kalyan *	
69	Mumbai -Kharghar *	
70	Mumbai -Matunga *	
71	Mumbai -Vashi *	
72	Nagpur	
73	Pune *	
NEW DELHI		
74	New Delhi -Karol Bagh *	
75	New Delhi -Rohini *	
76	New Delhi -Janpath	
ORISSA		
77	Bhubaneshwar *	
PONDICHERRY		
78	Ambagarathur	
79	Karaikal	
80	Pondicherry	
RAJASTHAN		
81	Bhilwara *	
TAMILNADU		
82	Alathur	
83	Ambilikkai *	
84	Ambur	
85	Anbil (S.O)	
86	Arakandanallur	
87	Arantangi	
88	Ariyalur *	
89	Arni *	
90	Attur *	
91	Avalpoondurai	
92	Balasamudram	
93	Bhuvanagiri	
94	C.Pudupatti (S.O)	
95	Chennai -Adyar *	
96	Chennai -Annanagar *	
97	Chennai -Cathedral Road	
98	Chennai -G.N.Street	
99	Chennai -Karanodai *	
100	Chennai -Kodambakkam	
101	Chennai -Main	
102	Chennai -Mount Road *	
103	Chennai -Mylapore *	
104	Chennai -Nungambakkam	
105	Chennai -Purasawalkam *	
106	Chennai -Royapuram	
107	Chennai -Selaiyur *	
108	Chennai -T.Nagar *	
109	Chennai -Triplicane	
110	Chennai -Valasarawalkam *	
111	Chennai -Velacherry *	
112	Chennai -West Tambaram	
113	Chinnasalem	
114	Chinnadharapuram	
115	Chittode	
116	Coimbatore -Eachanari *	
117	Coimbatore -Ganapathy	
118	Coimbatore -Gandhipuram	
119	Coimbatore -Kovaipudur *	
120	Coimbatore -Kovundampalayam *	
121	Coimbatore -Main *	
122	Coimbatore -R.S.Puram *	
123	Coimbatore-Ramanadhapuram *	
124	Coimbatore - Uppilipalayam	
125	Cuddalore	
126	Cumbam	
127	Dharmapuri *	
128	Dindigul *	
129	Erode *	
130	Gobichettipalayam *	
131	Gopalapatti	
132	Hosur	
133	Idyakottai	
134	Iyyampalayam	
135	Jalakandapuram	
136	Kadambuliur *	
137	Kallakurichi *	
138	Kancheepuram	
139	Kandili	
140	Kangayam *	
141	Kanjampatti	
142	Karaikudi *	
143	Karur -Kathaparai *	
144	Karur -Main *	
145	Karur -Vengamedu *	
146	Karur - West *	
147	Kattugudalur	
148	Kattuputhur	
149	Kaveripattinam *	
150	Kovilpatti *	
151	Krishnagiri *	
152	kulithalai *	
153	Kumbakonam	
154	Kurumbapatti	
155	Lakkapuram	
156	Lalgudi *	
157	Modukkur North	
158	Madurai -Main *	
159	Madurai -Thallakulam	
160	Mahadhanapuram	
161	Manamedu	
162	Mannargudi	
163	Marandahalli	
164	Mathur	
165	Mayiladuthurai *	
166	Melur	
167	Mettupalayam *	
168	Mettur Dam *	
169	Moolangudi	
170	Muthugapatti	
171	Muthupet	
172	Muthur	
173	Nagapattinam *	
174	Nagercoil	
175	Namakkal *	
176	Nathakadaiyur	
177	Nerinjipettai	
178	Neyveli *	
179	Oddanchatram *	
180	Olapalayam	
181	Palani *	
182	Pallipalayam *	
183	Panruti *	
184	Papanad	
185	Papanasam	
186	Pattukkottai	
187	Pennagaram	
188	Perambalur *	
189	Peravurani	
190	Periyakulam	
191	Podakudy	
192	Pollachi	
193	Pugalur *	
194	R.Pudupatti	
195	Rajapalayam	
196	Rajendram	
197	Rasipuram *	
198	Salem -Ayothiyapatnam	
199	Salem -C.K.Street *	
200	Salem -Gugai	
201	Salem -Kondalampatti *	
202	Salem -Shevapet	
203	Salem -Swarnapuri *	
204	Salem -Town	
205	Sankarapuram	
206	Sankari *	
207	Sattur	
208	Seevalaperi (S.O)	
209	Sendarapatti	
210	Sivakasi *	
211	Sriperambudur *	
212	Sunderapandiyam *	
213	M.N.Palayam *	
214	Tanjore *	
215	Tenkasi *	
216	Theni *	
217	Thirukkattupalli	
218	Thiruvaiyaru	
219	Thiruvallur *	
220	Thiruvarur	
221	Thittagudi	
222	Thokkavadi *	
223	Thottiyam *	
224	Tindivanam	
225	Tiruchengode *	
226	Thirukadaiyur *	
227	Tirukoilur	
228	Tirunelveli Town	
229	Tirupur *	
230	Tiruthuraiipoondi	
231	Tiruvannamalai	
232	Trichy -Main *	
233	Trichy -Srirangam *	
234	Trichy -Thillainagar *	
235	Turaiyur *	
236	Tuticorin	
237	Udumalpet *	
238	Ulipuram	
239	Unjalur	
240	Vadugapalayam	
241	Vellakoil	
242	Velliyanai	
243	Vellore	
244	Vellur (Namakkal) *	
245	Vettavalam	
246	Vilangudi *	
247	Villupuram *	
248	Virudhunagar *	
249	Virudhachalam	
250	Yethapur	
UTTARPRADESH		
251	Noida	
WEST BENGAL		
252	Kolkatta	

* On-site / Off-site ATMs available

CORPORATE VISION

“To be a sound and dynamic banking entity providing financial services of excellence with pan India presence”



LAKSHMI VILAS BANK

REGD. & ADMN. OFFICE

Salem Road, Kathaparai, Karur-639 006, Tamilnadu

Phone: 04324-220051 to 220060 (10 lines)

Website: www.lvbank.com

E.Mail: secretarial@lvbank.in

CORPORATE MISSION

“To develop a range of quality financial services and products to create value for customers, shareholders and the society; to motivate people to achieve excellence in performance leading to sustained profitable growth and build a vibrant organization”