

**Addendum to the Annual Report 2007-08**

The proposed dividend has been increased from 30% to 40% on the Paid-up Equity Share Capital. Consequently the changes in the Annual Report are as follows:

Page No. & Heading	Existing	Revised & to be read as
<b>Chairman's Message</b>		
Page no. 3	Capital Adequacy Ratio stood at 12.86%	Capital Adequacy Ratio stood at 12.74%
	Earnings per share as of March 2008 was Rs.22.52 and Book value per share was Rs.100.13	Earnings per share as of March 2008 was Rs.22.52 and Book value per share was Rs.98.96
	The net worth of the Bank improved to Rs.4703.35 crore as on 31.03.2008 from 3621.32 crore as on 31.03.2007 reflecting a growth of 29.88% due to plough back of net profit.	The net worth of the Bank improved to Rs.4653.06 crore as on 31.03.2008 from 3621.32 crore as on 31.03.2007 reflecting a growth of 28.49% due to plough back of net profit.
<b>Directors' report</b>		
Page no.5	Capital Adequacy Ratio stood at 12.86%. The Bank is Basel II compliant.	Capital Adequacy Ratio stood at 12.74%. The Bank is Basel II compliant.
	Return on Net worth for 2007-08 was at 24.45% as against 27.70% for 2006-07. Average net worth increased during the year 2007-08, as the fresh equity capital was raised during the last quarter of 2006-07.	Return on Net worth for 2007-08 was at 24.51% as against 27.70% for 2006-07. Average net worth increased during the year 2007-08, as the fresh equity capital was raised during the last quarter of 2006-07.
	Earnings per share as of March 2008 was Rs.22.52 and Book value per share was Rs.100.13	Earnings per share as of March 2008 was Rs.22.52 and Book value per share was Rs.98.96
Page no.9	<b>Dividend</b> The Board of Directors is pleased to recommend a dividend of 30% for 2007-08. The dividend for financial year 2007-08 shall be subject to tax on dividend to be paid by the Bank. The total outflow on account of dividend for	<b>Dividend</b> The Board of Directors is pleased to recommend a dividend of 40% for 2007-08. The dividend for financial year 2007-08 shall be subject to tax on dividend to be paid by the Bank. The total outflow on account of dividend for



	2007-08 is Rs.191.79 crore including dividend tax. The payout ratio works out to 19.01%	2007-08 is Rs.242.07 crore including dividend tax. The payout ratio works out to 24.00%
	<b>Networth &amp; CRAR</b> ✓ The net worth of the Bank improved to Rs.4703.35 crore as on 31.03.2008 from Rs.3621.32 crore as on 31.03.2007, reflecting a growth of 29.88% due to plough back of net profit. ✓ The Capital Risk Adjusted Assets Ratio (CRAR) is 12.86% as of March 2008, compared to 14.14% as of March 2007 against the requirement of 9%. ✓ The CRAR of Tier I Capital has marginally declined from 12.28% as of March 2007 to 11.41% as of March 2008. ✓ Tier I Capital 11.41% Tier II Capital 1.45% Total 12.86%	<b>Networth &amp; CRAR</b> ✓ The net worth of the Bank improved to Rs.4653.06 crore as on 31.03.2008 from Rs.3621.32 crore as on 31.03.2007, reflecting a growth of 28.49% due to plough back of net profit. ✓ The Capital Risk Adjusted Assets Ratio (CRAR) is 12.74% as of March 2008, compared to 14.14% as of March 2007 against the requirement of 9%. ✓ The CRAR of Tier I Capital has marginally declined from 12.28% as of March 2007 to 11.29% as of March 2008. ✓ Tier I Capital 11.29% Tier II Capital 1.45% Total 12.74%
<b>Balance Sheet</b>	(Rs.thousands)	
Page no. 54 Capital & Liabilities	Reserves & Surplus - Rs. 4381,00,59 Other Liabilities and Provisions - 2967,72,42	Reserves & Surplus - Rs. 4330,72,49 Other Liabilities and Provisions - 3018,00,52
<b>Profit &amp; Loss Account</b>	(Rs.thousands)	
Page no.55 Appropriations	Revenue Reserve - 485,00,00 Proposed Equity Dividend - 128,93,10 Dividend Distribution Tax - 27,86,00	Revenue Reserve - 434,71,90 Proposed Equity Dividend - 171,90,80 Dividend Distribution Tax - 35,16,40
<b>Schedules</b>	(Rs.thousands)	
Page no.57 Schedule 2 Item IV - Revenue and Other Reserves	Tfrd from Profit & Loss a/c Rs.485,00,00 Revenue Reserve Total - 2243,40,33	Tfrd from Profit & Loss a/c Rs.434,71,90 Revenue Reserve Total - 2193,12,23



	Total of Reserves (I + II + III + IV + V) - 4381,00,59	Total of Reserves (I + II + III + IV + V) - 4330,72,49
Page no.59 Schedule 5	Others (including provisions) - 2044,34,30 Total - 2967,72,42	Others (including provisions) - 2094,62,40 Total - 3018,00,52
<b>Notes on Accounts</b>		
Page no.65 Capital	CRAR - 12.86% CRAR - Tier I Capital - 11.41% CRAR - Tier II Capital - 1.45%	CRAR - 12.74% CRAR - Tier I Capital - 11.29% CRAR - Tier II Capital - 1.45%
Page no.81 Segment Reporting Part A: Business Segment	Segment Liabilities Treasury Rs. 26800.03 crore  Corporate/wholesale Banking Rs. 19387.21 crore  Retail Banking Rs.18607.87 crore  Other Banking Operations Rs. 501.73 crore  Total Rs. 65296.85 crore	Segment Liabilities Treasury Rs. 26820.67 crore  Corporate/wholesale Banking Rs. 19402.14 crore  Retail Banking Rs.18622.20 crore  Other Banking Operations Rs. 502.12 crore  Total Rs. 65347.13 crore
	Unallocated Liabilities Total Rs. 5210.77 crore	Unallocated Liabilities Total Rs. 5160.49 crore
<b>Auditors' Report</b> Page no.93          Para 4 (a) replaced and other paragraphs renumbered	4.(a) This report supersedes our earlier report dated 23.04.2008 on these financial statements for the year ended 31.03.2008, which has been recast pursuant to enhancement of proposed dividend from 30% to 40% on the Paid-up Equity Share Capital, in the meeting of Board of Directors held on 30.06.2008 as per approval of Ministry of Finance, Government of India vide letter no. F.No.10/1/2008-BOA dated 19 <sup>th</sup> June 2008, the result whereof is that the provision for proposed dividend and dividend distribution tax is higher and balance in Reserve & Surplus is lower (as per appropriation in Profit & Loss Account) by Rs.50,28,10,000/-. Consequently, Reserve & Surplus is Rs.4330,72,49,000/- instead of Rs.4381,00,59,000/- Other Liabilities & Provision is Rs.3018,00,52,000/- instead of Rs. 2967,72,42,000/- and CRAR is 12.74% instead of 12.86%.	
<b>Consolidated Balance sheet</b>		
Page no. 96 Capital & Liabilities	Reserves & Surplus - 4472.20	(Rs. crore) Reserves & Surplus - 4421.92



	Other Liabilities and Provisions - 3013.11	Other Liabilities and Provisions - 3063.39
<b>Consolidated Profit &amp; Loss Account</b>	(Rs. crore)	
Page no.97 Appropriations	Revenue Reserves 490.00	Revenue Reserves 439.72
	Proposed Equity Dividend-135.59	Proposed Equity Dividend -178.57
	Dividend Distribution Tax 28.99	Dividend Distribution Tax 36.29
<b>Schedules</b>	(Rs. crore)	
Page no.98 Schedule 2	Revenue and other Reserves 2331.46	Revenue and other Reserves 2281.18
	Total - 4472.20	Total -4421.92
Page no.99 Schedule 5	Others (including provisions) 2089.73	Others (including provisions) - 2140.01
	Total - 3013.11	Total -3063.39
<b>Consolidated Notes on Accounts</b>	(Rs. crore)	
Page no.113 Segment Reporting Part A: Business Segment	Segment Liabilities: Treasury Rs.26800.03 crore	Segment Liabilities: Treasury Rs.26820.67 crore
	Corporate/wholesale Banking Rs.19387.21 crore	Corporate/wholesale Banking Rs.19402.14 crore
	Retail Banking Rs.18607.87 crore	Retail Banking Rs.18622.20 crore
	Other Banking Operations Rs.486.58 crore	Other Banking Operations Rs.486.96 crore
	Total Rs.65281.69 crore	Total Rs.65331.97 crore
	Unallocated Liabilities Total Rs.5321.43 crore	Unallocated Liabilities Total Rs.5271.15 crore
<b>Auditors' Report on Consolidated Financial statements</b>  Page no.133	This report supersedes our earlier report dated 17.05.2008 on these financial statements for the year ended 31.03.2008, which has been recast pursuant to enhancement of proposed dividend from 30% to 40% on the Paid-up Equity Share Capital, in the meeting of Board of Directors held on 30.06.2008 as per approval of	



Paragraph inserted after para 5.	Ministry of Finance, Government of India vide letter no. F.No.10/1/2008-BOA dated 19th June 2008, the result whereof is that the provision for proposed dividend and dividend distribution tax is higher and balance in Reserve & Surplus is lower (as per appropriation in Profit & Loss Account) by Rs.50.28 crore. Consequently, Reserve & Surplus is Rs.4,421.92 crore instead of Rs.4,472.20 crore Other Liabilities & Provision is Rs.3,063.39 crore instead of Rs.3,013.11 crore.	
<b>Basel II Disclosures</b>		
Page no.135 Table DF 2	The amount of Reserves Solo Rs.4165.77 crore	The amount of Reserves Solo Rs.4115.49 crore
	Tier - I Capital Solo Rs.4703.34 crore	Tier - I Capital Solo Rs.4653.06 crore
	Reserves Consolidated Rs.4256.97 crore	Reserves Consolidated Rs.4206.69 crore
	Tier 1 Capital Consolidated Rs.4777.18 crore	Tier1 Capital Consolidated Rs.4726.90 crore
Page No. 137 Table DF 2	Total Tier 1 and Tier 2 Capital Consolidated Rs. 5375.50 crore	Total Tier 1 and Tier 2 Capital Consolidated Rs.5325.22 crore
Page no.137 Table DF 3	Total and Tier 1 capital ratio: Solo Global 13.03% and 11.56% For the top consolidated Group: Total 13.17% and Tier I 11.70%	Total and Tier 1 capital ratio: Solo Global 12.90% and 11.43% For the top consolidated Group: Total 13.05 % and Tier I 11.58 %

