



## CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Indbank Merchant Banking Services Limited, Chennai

We have examined the compliance of the conditions of Corporate Governance by Indbank Merchant Banking Services Limited ("the Company") for the year ended 31st March 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges, with the relevant records and documents maintained by the Company and furnished to us and the Report on Corporate Governance as approved by the Board of Directors.

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

Circular no.SEBI/CFD/DIL/CG/1/2008/08/04 dated Apr 08, 2008 requires one half of the board to consist of independent directors. Although non-complaint for the period Apr'08 to Jan'09 the company has complied with the requirement before 31st March 2009 as warranted by Circular no.SEBI/CFD/DIL/CG/2/2008/23/10 dated 23rd October, 2008. Further in the Audit Committee meetings held on 16.04.08, 29.07.08 and 21.10.08 only one independent director has attended the meeting contrary to Clause 49 II (B) stipulation of minimum two independent directors attendance.

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

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

Place : Chennai  
Date : 07.05.2009

For & on behalf of  
**R.G.N Price & Co**  
Chartered Accountants  
**S Subramanian**  
Partner  
Membership No.16252