



**NOTES ON ACCOUNTS FORMING PART OF REVIEWED UNAUDITED
FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2011**

1. The financial results for the quarter ended 30th June 2011 have been prepared following the same accounting policies and practices as those followed in the annual financial statements for the year ended March 31, 2011.
2. The above financial results have been subjected to a “Limited Review” by the Statutory Central Auditors of the Bank and .have been approved by the Board of Directors at its meeting held on July 29, 2011.
3. The Financial Results for the quarter ended June 30, 2011 have been arrived at after considering extant guidelines of Reserve Bank of India (RBI) on prudential norms for Income Recognition, Asset Classification and Provisioning on Advances/ Investments. Provision for Depreciation on Fixed Assets has been made on proportionate basis. Employee benefits, provision for taxes and other necessary provisions have been provided on estimated basis.
4. In accordance with circular No. DBOD No. BP.BC.80/21.04.018/2010-11, dated 09-02-2011, issued by Reserve Bank of India, the Bank has opted to amortise the additional liability on account of re-opening of Pension option for existing employees who have not opted for pension earlier, as well as the enhancement in the Gratuity limit over a period of five years beginning with the financial year ended 31st March 2011. Accordingly, out of the unamortized amount, the Bank has amortised ` 59.99 crore for Pension and ` 13.85 crore for Gratuity being proportionate amount for the quarter ended 30th June, 2011.

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5. RBI vide circular No., DBOD.BP .BC.94/21.04.048/2011-12 dated May 18, 2011 has enhanced the provisioning rates for non-performing advances and re-structured standard advances. Accordingly an additional provision of ` 108.53 crore has been made on Non-performing advances and ` 35.77 crore on restructured standard advances.
6. The Bank has recognized Treasury operations, Corporate/Wholesale Banking and Retail Banking as primary reporting segments. There are no secondary reporting segments.
7. Status of Investors' Complaints :

Complaints at the beginning of the Quarter	Received during the Quarter	Disposed Of during the Quarter	Pending as on 30.06.2011
NIL	11	11	NIL

8. Figures of the previous period have been regrouped/ reclassified wherever necessary to conform to current period classification.

MOHAN V. TANKSALE
CHAIRMAN & MANAGING DIRECTOR

V. R. IYER
EXECUTIVE DIRECTOR

R. K. DUBEY
EXECUTIVE DIRECTOR

Place : Mumbai,

Date : July 29, 2011.