

**Unaudited financial results for the quarter ended June 30, 2003**

( Rs in lacs )

	Particulars	Unaudited Results for the quarter ended 30/06/2003	Unaudited Results for the quarter ended 30/06/2002	Audited Results for the year ended 31/03/2003
<b>1</b>	<b>Interest earned ( a ) + ( b ) + ( c ) + ( d )</b>	<b>58446</b>	<b>47916</b>	<b>202297</b>
a	Interest / discount on advances / bills	25724	17600	78668
b	Income on investments	30685	26212	111295
c	Interest on balances with Reserve Bank of India and other inter bank funds	1882	4047	12044
d	Others	155	57	290
<b>2</b>	<b>Other income</b>	<b>13273</b>	<b>8132</b>	<b>47310</b>
<b>A</b>	<b>Total income ( 1+2 )</b>	<b>71719</b>	<b>56048</b>	<b>249607</b>
<b>3</b>	<b>Interest expended</b>	<b>29938</b>	<b>29067</b>	<b>119196</b>
<b>4</b>	<b>Operating expenses ( e ) + ( f )</b>	<b>19354</b>	<b>12018</b>	<b>59183</b>
e	Payment to and provision for employees	5155	3164	15195
f	Other operating expenses	14199	8854	43988
<b>B</b>	<b>Total expenditure ( 3 ) + ( 4 ) (excluding provisions &amp; contingencies )</b>	<b>49292</b>	<b>41085</b>	<b>178379</b>
<b>C</b>	<b>Operating profit ( A – B ) ( Profit before provisions and contingencies )</b>	<b>22427</b>	<b>14963</b>	<b>71228</b>
D	Other provisions and contingencies	6650	3462	14143
E	Provision for taxes	5049	3260	18325
<b>F</b>	<b>Net profit ( C-D-E)</b>	<b>10728</b>	<b>8241</b>	<b>38760</b>
5	Paid up equity share capital (face value Rs. 10)	28315	28179	28205
6	Reserves excluding revaluation reserve			196278
<b>7</b>	<b>Analytical Ratios:</b>			
( i )	Percentage of shares held by Government of India	Nil	Nil	Nil
( ii )	Capital adequacy ratio	11.79%	15.08%	11.12%
(iii)	Earnings per share (par value Rs. 10/- each)			
	Basic	3.79	2.92	13.75
	Diluted	3.51	2.73	12.79

**Segment information in accordance with the Accounting Standard on Segment Reporting (AS17) of the three operating segments of the Bank are:**

**(Rs in lacs)**

	Unaudited Results for the quarter ended 30/06/2003	Unaudited Results for the quarter ended 30/06/2002	Audited Results for the year ended 31/03/2003
<b>1.Segment Revenue</b>			
a) Wholesale Banking	48117	42660	179771
b) Retail Banking	55826	43777	193144
c) Treasury	9780	8866	42499
<b>Total</b>	<b>113723</b>	<b>95303</b>	<b>415414</b>
Less: Inter Segment Revenue	42004	39255	165807
<b>Income from Operations</b>	<b>71719</b>	<b>56048</b>	<b>249607</b>
<b>2. Segment Results</b>			
a) Wholesale Banking	8562	6512	27222
b) Retail Banking	3726	3292	14333
c) Treasury	3489	1697	15530
<b>Total Profit Before Tax</b>	<b>15777</b>	<b>11501</b>	<b>57085</b>
<b>3.Capital Employed</b> (Segment assets - Segment liabilities)			
a) Wholesale Banking	876736	675502	715704
b) Retail Banking	(624194)	(645521)	(587010)
c) Treasury	(24270)	169673	96202
<b>Total</b>	<b>228272</b>	<b>199654</b>	<b>224896</b>

**Note on segment information**

The reportable primary segments have been identified in accordance with the Accounting Standard on Segment Reporting (AS-17) issued by the ICAI.

The Bank operates in three segments: wholesale banking, retail banking and treasury services. Segments have been identified and reported taking into account, the target customer profile, the nature of products and services, the differing risks and returns, the organisation structure and the internal business reporting systems.

Segment revenue includes earnings from external customers plus earnings from funds transferred from one segment to the other based on an internal transfer price. Segment result includes revenue less interest expense (whether to customers or to the lending segment based on the internal transfer price) less operating expense and provisions, if any, for that segment.

Segment-wise income and expenses include certain allocations. Interest income is charged by a segment that provides funding to another segment, based on yields benchmarked to an internally developed composite yield curve which broadly tracks market discovered interest rates. Transaction charges are made by the retail banking segment to the wholesale banking segment for the use by its customers of the retail banking segment's branch network or other delivery channels; such transaction costs are determined on a cost plus basis.

Segment capital employed represents the net assets in that segment. It excludes capital and tax related assets.

**NOTES:**

1. The above results have been taken on record by the Board at its meeting held on July 14, 2003.
2. The Bank allotted 11,06,500 shares on April 7, 2003 and 3,28,800 shares on July 4, 2003 pursuant to the exercise of stock options by certain employees.
3. Other income relates to income from non-fund based banking activities including commission, fees, foreign exchange earnings, earnings from derivative transactions and profits from debt securities.
4. Previous period figures have been regrouped / reclassified wherever necessary to conform to current periods classification.
5. The above results for the quarter ended June 30, 2003, have been subjected to a "Limited Review" by the auditors of the bank, as per the listing agreements with The Stock Exchange, Mumbai, the National Stock Exchange and the The Stock Exchange, Ahmedabad.
6. Status of shareholder complaints received during the quarter ended June 30, 2003:

Total complaints pending for the quarter ended March 31, 2003	Nil
Total complaints received during the quarter ended June 30, 2003	37
Total complaints resolved during the quarter ended June 30, 2003	37
Total complaints pending for the quarter ended June 30, 2003	Nil

7. Rs. 10 lacs = Rs. 1 million  
Rs. 10 million = Rs. 1 crore

Place : Mumbai  
Date : July 14, 2003

**Aditya Puri**  
Managing Director

**Balance Sheet as at end of first quarter**

(Rs. crores)

	As at 30-06-2003	As at 30-06-2002
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**CAPITAL AND LIABILITIES**

Capital	283	282
Reserves and Surplus	2087	1749
Employees' Stock Options (Grants) Outstanding	4	8
Deposits	23340	17602
Borrowings	2510	383
Subordinated debt	200	200
Other Liabilities and Provisions	2455	1804
<b>Total</b>	<b><u>30879</u></b>	<b><u>22028</u></b>

**ASSETS**

Cash and balances with Reserve Bank of India	1230	989
Balances with Banks and Money at Call and Short notice	1033	1931
Investments	14449	10379
Advances	11937	7227
Fixed Assets	548	387
Other Assets	1682	1115
<b>Total</b>	<b><u>30879</u></b>	<b><u>22028</u></b>