

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2005

(Rs. in Lacs)

	Particulars	Quarter ended 31-3-2005	Quarter ended 31-3-2004	Year ended 31-3-2005	Year ended 31-3-2004
1	Interest earned (a) + (b) + (c) + (d)	86721	66582	309349	254893
a	Interest / discount on advances / bills	48800	29030	166370	110866
b	Income on investments	34779	33175	130636	132222
c	Interest on balances with Reserve Bank of India and other inter bank funds	2860	4167	11403	11096
d	Others	282	210	940	709
2	Other income	22006	14049	65134	48003
A	Total income (1+2)	108727	80631	374483	302896
3	Interest expended	35363	30525	131556	121105
4	Operating expenses (e) + (f)	32870	21672	108540	81000
e	Payment to and provision for employees	8393	4606	27667	20409
f	Other operating expenses	24477	17066	80873	60591
B	Total expenditure (3) + (4) (excluding provisions & contingencies)	68233	52197	240096	202105
C	Operating profit (A – B) (Profit before provisions and contingencies)	40494	28434	134387	100791
D	Other provisions and contingencies	10707	7192	36493	28895
E	Provision for taxes	9550	5770	31338	20946
F	Net profit (C-D-E)	20237	15472	66556	50950
5	Paid up equity share capital (face value Rs. 10)	30988	28479	30988	28479
6	Reserves excluding revaluation reserve			420997	240709
7	Analytical Ratios:				
(i)	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil
(ii)	Capital adequacy ratio	12.2%	11.7%	12.2%	11.7%
(iii)	Earnings per share (par value Rs. 10/- each)				
	Basic	6.7	5.4	22.9	18.0
	Diluted	6.3	5.0	21.6	16.6
8	Aggregate of Non Promoter Shareholding				
	-No. of shares	241014308	215930713	241014308	215930713
	-Percentage of shareholding	77.8%	75.8%	77.8%	75.8%

Segment information in accordance with the Accounting Standard on Segment Reporting (AS17) of the three operating segments of the Bank is as under:

	(Rs in lacs)			
	Quarter ended 31-3-2005	Quarter ended 31-3-2004	Year ended 31-3-2005	Year ended 31-3-2004
1. Segment Revenue				
a) Retail Banking	105132	66408	353627	253197
b) Wholesale Banking	51647	44389	205635	176145
c) Treasury	10068	13340	28689	44060
Total	166847	124137	587951	473402
Less: Inter Segment Revenue	58120	43506	213468	170506
Income from Operations	108727	80631	374483	302896
2. Segment Results				
a) Retail Banking	15898	7297	52064	22221
b) Wholesale Banking	15155	9598	53936	34826
c) Treasury	(1266)	4347	(8106)	14849
Total Profit Before Tax	29787	21242	97894	71896
3. Capital Employed (Segment assets – Segment liabilities)				
a) Retail Banking	(289153)	(285890)	(289153)	(285890)
b) Wholesale Banking	1002995	182223	1002995	182223
c) Treasury	(269913)	366010	(269913)	366010
d) Unallocated	8056	6845	8056	6845
Total	451985	269188	451985	269188

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 Institute of Chartered Accountants of India (ICAI).

The Bank operates in three segments: retail banking, wholesale 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.

NOTES:

1. The above results have been taken on record by the Board at its meeting held on April 13, 2005.
2. The Board of Directors at their meeting proposed a dividend of Rs. 4.5 per share, subject to the approval of the members at the ensuing Annual General Meeting. Dividend paid will be tax free in the hands of the shareholder.
3. The bank raised capital in the form of add-on American Depository Shares (ADS) which was listed on the New York Stock Exchange on January 21, 2005 at a price of USD 39.26 per ADS. Each ADS represents 3 equity shares. The issue size was USD 261 million plus a green shoe over allotment option of 15% (USD 39million), which was exercised. Net of issue expenses, the Bank received USD 291 million. Consequent to this issue, the share capital of the Bank has increased by Rs. 22,92 lacs and the reserves of the bank have increased by Rs. 1,251,84 lacs as share premium after charging off issue related expenses.
4. During the quarter and year ended March 31, 2005, the Bank allotted 408,400 shares and 2,159,500 shares respectively pursuant to the exercise of stock options by certain employees.
5. Other income relates to income from non-fund based banking activities including commission, fees, foreign exchange earnings, earnings from derivative transactions and profit and loss (including revaluation) from investments.
6. During the year ended March 31, 2005, the Bank transferred a portion of its Government (SLR) Securities held in the "Available for Sale" category to the "Held to Maturity" category at the least of cost/book value/market price, pursuant to enabling regulatory guidelines. The loss resulting from the transfer, amounting to, Rs. 87,11 lacs has been taken to the Profit and Loss Account.
7. As on March 31, 2005, the total number of branches (including extension counters) and the ATM network stood at 467 branches and 1147 ATMs respectively.
8. Information on investor complaints pursuant to Clause 41 of the listing agreement for the quarter ended March 31, 2005:

Opening: nil; Additions: 147; Disposals: 147; Closing: nil
9. Previous period figures have been regrouped / reclassified wherever necessary to conform to current period's classification.
10. Rs. 10 lacs = Rs. 1 million
Rs. 10 million = Rs. 1 crore

Place : Mumbai
Date : April 13, 2005

Aditya Puri
Managing Director

Summarised Balance Sheet as at March 31

	Rs. Lacs	
	As at 31-Mar-05	As at 31-Mar-04
CAPITAL AND LIABILITIES		
Capital	30988	28479
Reserves and Surplus	420997	240709
Employees' Stock Options (Grants) Outstanding	43	145
Deposits	3635425	3040886
Borrowings	479001	230782
Subordinated Debt	50000	60000
Other Liabilities and Provisions	526446	629698
Total	5142900	4230699
ASSETS		
Cash and Balances with Reserve Bank of India	265013	254198
Balances with Banks and Money at Call and Short notice	182387	100890
Investments	1934981	1936346
Advances	2556630	1774451
Fixed Assets	70832	61691
Other Assets	133057	103123
Total	5142900	4230699

The Board has also taken on record the unaudited results for the year ended March 31, 2005, prepared as per USGAAP. The reconciliation of net incomes as per Indian GAAP and US GAAP is as follows:

(Rs. in Lacs)		
Particulars	<u>Year ended</u> <u>31- 03-2005</u>	<u>Year ended</u> <u>31- 03-2004</u>
Net Profit as per Indian GAAP	66556	50950
<u>Adjustment for</u>		
Investments	10707	(4833)
Loans	(12858)	(5610)
Affiliates	1882	612
Stock Options	(3102)	(1351)
Loan acquisition cost write back	4964	6970
Others	(2136)	(1751)
Taxes	84	2558
Net Profit as per US GAAP	66097	47545

Note on the reconciliation of net incomes as per Indian GAAP and US GAAP

The net difference between profits computed in accordance with Indian GAAP and US GAAP is primarily due to differences in accounting treatment for amortization of premia on investments held in the “Available for Sale” category, loan loss provisions, deferred stock compensation expense, tax provisions and amortisation of acquisition costs on retail loans.

- Note: (i) Rs. = Indian Rupees
(ii) 10 lacs = 1 million
(iii) All figures and ratios are in accordance with Indian GAAP except where specifically mentioned.

Certain statements in this release which contains words or phrases such as “will”, “remains”, “should”, etc., and similar expressions or variation of these expressions or those concerning our future prospects are forward looking statements. Actual results may differ materially from those suggested by the forward looking statements due to a number of risks or uncertainties associated with the expectations. These risks and uncertainties include, but are not limited to, our ability to successfully implement our strategy, manage our rapid growth, volatility of interest rates, future levels of non-performing loans, the adequacy of our allowances for investment and credit losses, technological changes, volatility in income from treasury operations, concentrations of funded exposures, our exposure to market risks, as well as other risks detailed in the reports filed with the United State Securities and Exchange Commission. The bank may, from time to time, make additional written and oral forward looking statements, including statements contained in the bank’s filings with the Securities and Exchange Commission and our reports to shareholders. The bank does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the bank.