

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2004

(Rs. in Lacs)

	Particulars	Unaudited results for the quarter ended 30-9-2004	Unaudited results for the quarter ended 30-9-2003	Unaudited results for the half year ended 30-9-2004	Unaudited results for the half year ended 30-9-2003	Audited results for the year ended 31-03-2004
1	Interest earned (a) + (b) + (c) + (d)	74470	64465	144725	122172	254893
a	Interest / discount on advances / bills	38912	26471	74212	51456	110866
b	Income on investments	32179	35273	63273	65958	132222
c	Interest on balances with Reserve Bank of India and other inter bank funds	3157	2564	6807	4446	11096
d	Others	222	157	433	312	709
2	Other income	12272	8626	23076	21845	48003
A	Total income (1+2)	86742	73091	167801	144017	302896
3	Interest expended	31913	30244	62289	60182	121105
4	Operating expenses (e) + (f)	24725	19912	47808	38107	81000
e	Payment to and provision for employees	6342	4701	12024	9856	20409
f	Other operating expenses	18383	15211	35784	28251	60591
B	Total expenditure (3) + (4) (excluding provisions & contingencies)	56638	50156	110097	98289	202105
C	Operating profit (A – B) (Profit before provisions and contingencies)	30104	22935	57704	45728	100791
D	Other provisions and contingencies	7578	6376	14478	13392	28895
E	Provision for taxes	7297	4845	14000	9894	20946
F	Net profit (C-D-E)	15229	11714	29226	22442	50950
5	Paid up equity share capital (face value Rs. 10)	28623	28348	28623	28348	28479
6	Reserves excluding revaluation reserve					240709
7	Analytical Ratios:					
(i)	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil
(ii)	Capital adequacy ratio	10.9%	10.9%	10.9%	10.9%	11.7%
(iii)	Earnings per share (par value Rs. 10/- each)					
	Basic	5.3	4.1	10.2	7.9	18.0
	Diluted	5.0	3.8	9.7	7.3	16.6
8	Aggregate of Non Promoter Shareholding					
	-No. of shares	217371913	214620013	217371913	214620013	215930713
	-Percentage of shareholding	75.9%	75.7%	75.9%	75.7%	75.8%

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 30-09-2004	Unaudited results for the quarter ended 30-09-2003	Unaudited results for the half year ended 30-09-2004	Unaudited results for the half year ended 30-09-2003	Audited results for the year ended 31-03-2004
1. Segment Revenue					
a) Wholesale Banking	48490	43945	97171	88825	176145
b) Retail Banking	84041	62199	159119	120103	253197
c) Treasury	5031	9330	8549	19476	44060
Total	137562	115474	264839	228404	473402
Less: Inter Segment Revenue	50820	42383	97038	84387	170506
Income from Operations	86742	73091	167801	144017	302896
2. Segment Results					
a) Wholesale Banking	12857	9605	24207	17188	34826
b) Retail Banking	12536	3363	25095	8068	22221
c) Treasury	-2867	3591	(6076)	7080	14849
Total Profit Before Tax	22526	16559	43226	32336	71896
3. Capital Employed (Segment assets – Segment liabilities)					
a) Wholesale Banking	716117	658879	716117	658879	215242
b) Retail Banking	(388362)	(406754)	(388362)	(406754)	(258890)
c) Treasury	(47499)	(14976)	(47499)	(14976)	366010
d) Unallocated	21260	12140	21260	12140	(53174)
Total	301516	249289	301516	249289	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: 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. Effective financial year 2003-2004, commercial vehicle loan division, which was earlier part of wholesale banking has been classified as part of retail banking in line with the change in segment focus for this product strategy. The figures for the quarter and half year ended September 30, 2003 have been regrouped to that effect to bring it in conformity with current period's classification.

NOTES:

1. The above results have been taken on record by the Board at its meeting held on October 21, 2004.
2. During the quarter and the half year ended September 30, 2004, the Bank allotted 3,89,100 shares and 14,41,200 shares respectively pursuant to the exercise of stock options by certain employees. The Bank allotted 3,09,900 shares on October 6, 2004 pursuant to the exercise of stock options by certain employees during the quarter ended September 30, 2004.
3. 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.
4. During the quarter ended September 30, 2004, the Bank transferred a portion of its government (SLR) securities held in the AFS (Available for Sale) category to the HTM (Held to Maturity) category at the least of cost/book value/market price, pursuant to enabling regulatory guidelines. The loss resulting from the transfer has been taken to the Profit and Loss Account.
5. During the quarter ended September 30, 2004, the total number of branches (including extension counters) and the ATM network increased by 49 branches and 67 ATMs respectively.
6. Information on investor complaints pursuant to Clause 41 of the listing agreement for the quarter ended September 30, 2004:

Opening: 1; Additions: 15; Disposals: 16; Closing: nil
7. Previous period figures have been regrouped / reclassified wherever necessary to conform to current period's classification.
8. The above results for the quarter and the half year ended September 30, 2004, 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 of India Limited and The Stock Exchange, Ahmedabad.
9. Rs. 10 lacs = Rs. 1 million
Rs. 10 million = Rs. 1 crore

Place : Mumbai
Date : October 21, 2004

Aditya Puri
Managing Director

The Board has also taken on record the unaudited results for the half year ended September 30, 2004, prepared as per US GAAP. The US GAAP accounts have also been subjected to a 'Limited Review' by the Bank's auditors. The reconciliation of net incomes as per Indian GAAP and US GAAP is as follows:

(Rs. in Lacs)		
Particulars	Results for the half year ended 30/09/2004	Results for the half year ended 30/09/2003
Net profit as per Indian GAAP	29226	22442
Adjustments to:		
Investments	8943	4950
Loan loss provisions	(3371)	(3285)
Stock options	(2620)	(315)
Others	2144	759
Taxes	(2527)	(887)
Net profit as per USGAAP	31795	23664

Certain statements in this release concerning our future growth prospects are forward looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward looking statements. These risks and uncertainties include, but are not limited to, our growth and expansion, the adequacy of our allowances for investment and credit losses, technological changes, volatility in investment income, our exposure to market risks as well as other risks detailed in the reports filed with the United States 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 the shareholders. The bank does not undertake to update forward looking statements that may be made from time to time by or on behalf of the bank, to reflect events or circumstances after the date thereof.

Summarised Balance Sheet as at September 30

(Rs in Crores)

	As at 30-09-2004	As at 30-09-2003
CAPITAL AND LIABILITIES		
Capital	286	283
Reserves and Surplus	2729	2209
Employees' Stock Options (Grants) Outstanding	1	3
Deposits	33466	25197
Borrowings	2318	2752
Subordinated debt	500	200
Other Liabilities and Provisions	3772	2984
Total	43072	33628
ASSETS		
Cash and balances with Reserve Bank Of India	1582	1317
Balances with Banks and Money at Call and Short notice	675	657
Investments	18451	16026
Advances	20433	13500
Fixed Assets	645	564
Other Assets	1286	1564
Total	43072	33628