

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED SEPTEMBER 30, 2006

(Rs. in lacs)

	Particulars	Unaudited results for the quarter ended 30-09-2006	Unaudited results for the quarter ended 30-09-2005	Unaudited results for the half year ended 30-09-2006	Unaudited results for the half year ended 30-09-2005	Audited results for the year ended 31-03-2006
1	Interest Earned (a) + (b) + (c) + (d)	163566	102290	313995	191703	447534
a	Interest / discount on advances / bills	99581	61278	190161	114649	270020
b	Income on investments	59332	37605	111283	70082	163166
c	Interest on balances with Reserve Bank of India and other inter bank funds	4567	3404	12391	6948	14255
d	Others	86	3	160	24	93
2	Other Income	39771	26015	74850	52370	112398
A	Total Income (1+2)	203337	128305	388845	244073	559932
3	Interest Expended	79006	41077	147672	78121	192950
4	Operating Expenses (e) + (f)	57913	40164	113185	75965	169109
e	Payment to and provision for employees	18133	11516	34769	22426	48682
f	Other operating expenses	39780	28648	78416	53539	120427
B	Total Expenditure (3) + (4) (excluding provisions & contingencies)	136919	81241	260857	154086	362059
C	Operating Profit (A – B) (Profit before provisions and contingencies)	66418	47064	127988	89987	197873
D	Other Provisions and Contingencies	30571	18062	56958	34647	72522
E	Provision for Taxes	9553	9038	20806	17023	38273
F	Net Profit (C-D-E)	26294	19964	50224	38317	87078
5	Paid up equity share capital (face value Rs. 10)	31437	31193	31437	31193	31314
6	Reserves excluding revaluation reserve					498639
7	Analytical Ratios:					
A	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil
B	Capital adequacy ratio	12.1%	10.4%	12.1%	10.4%	11.4%
C	Earnings per share (par value Rs. 10/- each)					
	Basic	8.4	6.4	16.0	12.3	27.9
	Diluted	8.3	6.0	15.8	11.6	26.3
8	Aggregate of Non-promoter shareholding					
	-No. of shares	245513808	243073108	245513808	243073108	244281408
	-Percentage of shareholding	78.1%	77.9%	78.1%	77.9%	78.0%

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)

Particulars	Unaudited results for the quarter ended 30-09-2006	Unaudited results for the quarter ended 30-09-2005	Unaudited results for the half year ended 30-09-2006	Unaudited results for the half year ended 30-09-2005	Audited results for the year ended 31-03-2006
1. Segment Revenue					
a) Retail Banking	190550	110925	359134	222464	517384
b) Wholesale Banking	116361	67474	227602	124671	285338
c) Treasury	17962	23484	33769	34462	77389
Total	324873	201883	620505	381597	880111
Less: Inter Segment Revenue	121536	73578	231660	137524	320179
Income from Operations	203337	128305	388845	244073	559932
2. Segment Results					
a) Retail Banking	24742	11602	47647	25334	70167
b) Wholesale Banking	10804	16586	24554	29986	53787
c) Treasury	301	814	(1171)	20	1397
Total Profit Before Tax	35847	29002	71030	55340	125351
3.Capital Employed (Segment Assets-Segment Liabilities)					
a) Retail Banking	(285587)	(141045)	(285587)	(141045)	(1316)
b) Wholesale Banking	863295	843481	863295	843481	207260
c) Treasury	(25537)	(232970)	(25537)	(232970)	302572
d) Unallocated	32869	27295	32869	27295	21437
Total	585040	496761	585040	496761	529953

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 approved by the Board at its meeting held on October 17, 2006.
2. During the quarter and the half-year ended September 30, 2006, the Bank allotted 524,900 shares and 1,232,400 shares respectively pursuant to the exercise of stock options by certain employees. The Bank allotted 2,46,200 shares on October 16, 2006 pursuant to the exercise of stock options by certain employees during the month of September 2006.
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. Provision for Taxes includes Rs. 325 lacs and Rs. 825 lacs towards provision for fringe benefit tax (FBT) for the quarter and the half-year ended September 30, 2006, respectively.
5. During the quarter ended September 30, 2006, the Bank raised Rs. 300 crores as Upper Tier II capital and Rs. 241 crores as Lower Tier II capital, both in the form of subordinated bonds. The bank also raised Rs. 200 crores as unsecured non-convertible subordinated perpetual bonds in the nature of debentures for inclusion as Tier I capital.
6. As on September 30, 2006, the total number of branches (including extension counters) and the ATM network stood at 535 branches and 1382 ATMs respectively.
7. Information on investor complaints pursuant to Clause 41 of the listing agreement for the quarter ended September 30, 2006:

Opening: nil; Additions: 57; Disposals: 57; Closing: nil.
8. Previous period figures have been regrouped/reclassified wherever necessary to conform to current period's classification.
9. The above results for the quarter and the half-year ended September 30, 2006, have been subjected to a "Limited Review" by the auditors of the Bank, as per the listing agreements with Bombay Stock Exchange Limited (erstwhile The Stock Exchange, Mumbai) and The National Stock Exchange of India Limited.
10. Rs. 10 lac = Rs. 1 million
Rs. 10 million = Rs. 1 crore

Place: Mumbai
Date: October 17, 2006.

Aditya Puri
Managing Director

(Rs. in lacs)

Summarised Balance Sheet	As at 30-09-2006	As at 30-09-2005
CAPITAL AND LIABILITIES		
Capital	31437	31193
Reserves and Surplus	553603	465568
Employees' Stock Options (Grants) Outstanding	4	24
Deposits	6344681	4544609
Borrowings	298035	456284
Other Liabilities and Provisions*	1208550	541145
Total	8436310	6038823
ASSETS		
Cash and balances with Reserve Bank of India	439170	278921
Balances with Banks and Money at Call and Short notice	191507	163500
Investments	3107443	2132800
Advances	4277933	3170564
Fixed Assets	92282	74287
Other Assets	327975	218751
Total	8436310	6038823

*Includes Subordinated Debt of Rs. 261200 lacs (previous year: Rs. 50000 lacs) and Rs. 20000 lacs (previous year: nil) of unsecured non-convertible subordinated perpetual bonds as on September 30 2006.