

FINANCIAL RESULTS, FIRST QUARTER 2006

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2006

(Rs. in Thousands)				
Sr. No.	Particulars	For the Quarter ended 30.06.2006	For the Quarter ended 30.06.2005	For the Year ended 31.03.2006
		Unaudited	Unaudited	Audited
1	Interest Earned (a+b+c+d)	737,930	703,746	2,771,414
a.	Interest / Discount on advance / bills	477,944	404,717	1,760,856
b.	Income on Investments	211,911	235,489	870,347
c.	Interest on balances with Reserve Bank of India and Other Inter Bank Funds	48,075	62,032	138,703
d.	Others	-	1,508	1,508
2	Other Income	261,384	194,666	802,902
A.	TOTAL INCOME (1+2)	999,314	898,412	3,574,316
3	Interest Expended	510,724	548,690	2,019,531
4	Operating Expenses (a+b)	402,745	427,303	1,751,439
a.	Payments to and Provisions for Employees	150,694	145,827	517,042
b.	Other Operating Expenses	252,051	281,476	1,234,397
B.	TOTAL EXPENDITURE (3+4)	913,469	975,993	3,770,970
C.	OPERATING PROFIT (A - B)	85,845	(77,581)	(196,654)
D.	Other Provisions and Contingencies	42,420	164,016	625,254
E.	(i) Provision for Taxes	-	-	-
	(ii) Deferred Tax Assets	-	-	30,700
F.	Net Profit (C - D - E)	43,425	(241,597)	(852,608)
5	Paid-up Equity Share Capital	761,322	645,788	761,322
6	Reserves excluding Revaluation Reserves	675,992	843,927	631,743
7	Analytical Ratios			
a.	Percentage of shares held by Government of India	Nil	Nil	Nil
b.	Capital Adequacy Ratio (%)	9.39	9.10	9.66
c.	Earning per share for the period / year - Basic / Diluted (Rs.)	0.57	(3.74)	(12.93)
d.	Gross NPAs to Gross Advances (%)	14.51	14.38	15.01
e.	Net NPAs to Net Advances (%)	4.05	6.36	4.50
f.	Return on Assets (%) (Annualised)	0.43	(2.08)	(2.01)
8	Aggregate of Non-promoter shareholding			
	(i) No. of shares	29,201,633	17,648,299	29,201,633
	(ii) % of shareholding	38.36	27.33	38.36

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Segment-wise Results				
(Rs. in Thousands)				
	Business Segment Particulars	For the Quarter ended 30.06.2006	For the Quarter ended 30.06.2005	For the Year ended 31.03.2006
		Unaudited	Unaudited	Audited
1	Segment Revenue			
a	Treasury Operations	309,100	361,697	1,254,582
b	Banking Operations	643,006	521,682	2,232,079
c	Others	47,207	15,033	87,656
	Income from Operations	999,313	898,412	3,574,317
2	Segment Results			
a	Treasury Operations	31,696	(22,836)	230,700
b	Banking Operations	(33,424)	(232,644)	(1,166,364)
c	Others	45,153	13,883	83,056
	Total Profit / (Loss) after Provisions & Tax	43,425	(241,597)	(852,608)
3	Capital Employed (Segment Assets - Segment Liabilities)			
a	Treasury Operations	8,523,609	5,418,136	5,230,590
b	Banking Operations	(7,834,874)	(3,863,379)	(4,522,000)
c	Others	-	-	-
	Total	688,735	1,554,757	708,590

Notes:

- 1 These results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on 25th July, 2006, in respect of which a Limited Review has been conducted by the Statutory Auditors of the Bank.
- 2 Disclosure about investor complaints:

Complaints at the beginning of the quarter	Received during the quarter	Disposed of during the quarter	Unresolved as on 30.06.2006
NIL	1	1	NIL
- 3 During the quarter, the Bank has written back excess bonus provision for the previous year of Rs. 19,000 thousands, which is no longer required.
- 4 During the quarter, the Bank has changed its policy of accounting for recoveries of Non - performing advances, in that recoveries affected against Sub - standard assets, that were hitherto adjusted against overdue interest and then against principal are now adjusted initially against the principal and then against overdue interest. Consequent thereto, profit for the quarter before tax is lower by Rs. 1,533 thousands.
- 5 Previous period figures have been regrouped / rearranged wherever necessary.

Place: Mumbai
Date: July 25, 2006

Mr. Gautam Vir
Managing Director &
Chief Executive Officer

Mr. Nasser Munjee
Chairman