

FINANCIAL RESULTS - SEPTEMBER 2006

UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2006

(Rs. in Thousands)						
Sr. No.	Particulars	For the Quarter ended 30.09.2006 Unaudited	For the Quarter ended 30.09.2005 Unaudited	For the Half Year ended 30.09.2006 Unaudited	For the Half Year ended 30.09.2005 Unaudited	For the Year ended 31.03.2006 Audited
1	Interest Earned (a+b+c+d)	800,554	700,324	1,538,484	1,404,070	2,771,414
a.	Interest / Discount on advance / bills	522,867	451,261	1,000,811	855,978	1,760,856
b.	Income on Investments	237,550	218,198	449,461	453,687	870,347
c.	Interest on balances with Reserve Bank of India and Other Inter Bank Funds	40,137	30,865	88,212	92,897	138,703
d.	Others	-	-	-	1,508	1,508
2	Other Income	233,922	219,008	495,306	413,674	802,902
A.	TOTAL INCOME (1+2)	1,034,476	919,332	2,033,790	1,817,744	3,574,316
3	Interest Expended	532,354	524,682	1,043,078	1,073,372	2,019,531
4	Operating Expenses (a+b)	467,958	400,740	870,703	828,043	1,751,439
a.	Payments to and Provisions for Employees	158,695	117,541	307,938	261,089	508,371
b.	Other Operating Expenses	309,263	283,199	562,765	566,954	1,243,068
B.	TOTAL EXPENDITURE (3+4)	1,000,312	925,422	1,913,781	1,901,415	3,770,970
C.	OPERATING PROFIT (A - B)	34,164	(6,090)	120,009	(83,671)	(196,654)
D.	Other Provisions and Contingencies	27,531	94,493	69,951	227,809	625,254
E.	(i) Provision for Taxes	-	-	-	-	-
	(ii) Deferred Tax Assets	-	-	-	30,700	30,700
F.	Net Profit (C - D - E)	6,633	(100,583)	50,058	(342,180)	(852,608)
5	Paid-up Equity Share Capital	761,322	645,788	761,322	645,788	761,322
6	Reserves excluding Revaluation Reserves	681,229	743,344	681,229	743,344	631,743
7	Analytical Ratios					
a.	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil
b.	Capital Adequacy Ratio (%)	9.26	9.39	9.26	9.39	9.66
c.	Earning per share for the period / year - Basic (Rs.)	0.09	(1.56)	0.66	(5.30)	(12.93)
d.	Earning per share for the period / year - Diluted (Rs.)	0.08	(1.56)	0.63	(5.30)	(12.93)
e.	Gross NPAs to Gross Advances (%)	14.85	15.14	14.85	15.14	15.01
f.	Net NPAs to Net Advances (%)	4.14	6.21	4.14	6.21	4.50
g.	Return on Assets (%) (Annualised)	0.24	(1.54)	0.24	(1.54)	(2.01)
8	Aggregate of Non-promoter shareholding					
	(i) No. of shares	29,201,633	17,648,299	29,201,633	17,648,299	29,201,633
	(ii) % of shareholding	38.36	27.33	38.36	27.33	38.36

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Segment-wise Results						
(Rs. in Thousands)						
Sr. No.	Particulars	For the Quarter ended 30.09.2006 Unaudited	For the Quarter ended 30.09.2005 Unaudited	For the Half Year ended 30.09.2006 Unaudited	For the Half Year ended 30.09.2005 Unaudited	For the Year ended 31.03.2006 Audited
1	Segment Revenue					
a	Treasury Operations	325,404	324,273	634,504	685,970	1,254,582
b	Banking Operations	683,038	576,014	1,326,044	1,097,696	2,232,079
c	Others	26,034	19,045	73,242	34,078	87,655
	Income from Operations	1,034,476	919,332	2,033,790	1,817,744	3,574,316
2	Segment Results					
a	Treasury Operations	31,846	123,036	63,542	100,200	230,700
b	Banking Operations	(48,196)	(239,063)	(81,620)	(471,707)	(1,166,364)
c	Others	22,983	15,444	68,136	29,327	83,056
	Total Profit / (Loss) after Provisions & Tax	6,633	(100,583)	50,058	(342,180)	(852,608)
3	Capital Employed (Segment Assets - Segment Liabilities)					
a	Treasury Operations	6,820,993	5,462,500	6,820,993	5,462,500	5,230,590
b	Banking Operations	(6,152,035)	(4,762,700)	(6,152,035)	(4,762,700)	(4,522,000)
c	Others	-	-	-	-	-
	Total	668,958	699,800	668,958	699,800	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 18th October, 2006 and have been subjected to a Limited Review by the Statutory Auditors of the Bank.
- 2 Disclosure about investor complaints:

Complaints at the beginning of the quarter	Received during the quarter	Disposed off during the quarter	Unresolved as on 30.09.2006
NIL	1	1	NIL
- 3 During the period, the Bank made an initial public issue of 7,15,00,000 equity shares of Rs. 10 each for cash at a price band of Rs. 22 to Rs. 26 per share on 100% book building basis.
- 4 During the period, the Bank has written back excess bonus provision for the previous year of Rs. 19,000 thousands which is no longer required.
- 5 During the period, the Bank has changed its policy of accounting for recoveries of Non-performing advances (except the Retail 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 principal and then against overdue interest. Consequent thereto, profit for the period before tax is lower by Rs. 2,197 thousands.
- 6 Previous period figures have been regrouped / rearranged wherever necessary.

Place: Mumbai
Date: October 18, 2006

Mr. Gautam Vir
Managing Director &
Chief Executive Officer

Mr. Nasser Munjee
Chairman