

REVIEWED FINANCIAL RESULTS
FOR THE QUARTER / NINE MONTHS ENDED 31ST DECEMBER 2006

Rs in lacs

| | | Quarter ended | | 9 months ended | | Year ended |
|--|--|----------------------|----------------------|----------------------|----------------------|---------------------|
| | | 31.12.06 Reviewed | 31.12.05 Reviewed | 31.12.06 Reviewed | 31.12.05 Reviewed | 31.03.06 Audited |
| 1 | Interest earned (a+b+c+d) | 53014 | 45976 | 153403 | 133053 | 176013 |
| | (a) Interest / discount on advances / bills | 35672 | 23677 | 99507 | 72094 | 98485 |
| | (b) Income on investment | 16774 | 18485 | 49459 | 55074 | 71409 |
| | (c) Interest on balances with Reserve Bank of India and other Inter Bank funds | 565 | 774 | 2273 | 2834 | 3687 |
| | (d) Others | 3 | 3040 | 2164 | 3051 | 2432 |
| 2 | Other income | 16332 | 14251 | 31387 | 30370 | 45899 |
| A | Total income (1+2) | 69346 | 60227 | 184790 | 163423 | 221912 |
| 3 | Interest expended | 32035 | 25618 | 91159 | 76828 | 103746 |
| 4 | Operating expenses (e+f) | 15724 | 14308 | 46311 | 42089 | 56134 |
| | (e) Payments to and provisions for employees | 9988 | 9120 | 29797 | 26857 | 35425 |
| | (f) Other operating expenses | 5736 | 5188 | 16514 | 15232 | 20709 |
| B | Total expenditure (3+4) (Excluding provisions and contingencies) | 47759 | 39926 | 137470 | 118917 | 159880 |
| C | Operating Profit (A - B) (Profit before provisions and contingencies) | 21587 | 20301 | 47320 | 44506 | 62032 |
| D | Provisions and contingencies | 12355 | 12535 | 27569 | 52800 | 56882 |
| | - of which provisions for NPAs | 9776 | 9042 | 17576 | 24008 | 23692 |
| E | Provisions for Taxes | 2179 | (-) 552 | 3974 | (-) 2546 | -2149 |
| F | Net Profit (C - D - E) | 7053 | 8318 | 15777 | (-) 5748 | 7299 |
| 5 | Paid up equity share capital | 28682 | 28682 | 28682 | 28682 | 28682 |
| 6 | Reserve excluding Revaluation Reserve (as per Balance Sheet of previous accounting year) | | | | | 77874 |
| 7. Analytical Ratios | | | | | | |
| i | Percentage of shares held by Govt. of India | 51.19 | 51.19 | 51.19 | 51.19 | 51.19 |
| ii | Capital Adequacy Ratio % | 12.04 | 9.82 | 12.04 | 9.82 | 10.62 |
| lii | Earning per share (Basic & diluted) Not Annualised - Rs. | 2.46 | 2.90 | 5.50 | (-) 2.00 | 2.54 |
| lv | (a) Amount of gross Non Performing Assets | 85783 | 100779 | 85783 | 100779 | 94940 |
| | (b) Amount of Net Non Performing Assets | 41439 | 43450 | 41439 | 43450 | 43285 |
| | (c) % of gross NPAs to gross advances | 4.99 | 7.49 | 4.99 | 7.49 | 6.44 |
| | (d) % of Net NPAs to Net advances | 2.47 | 3.37 | 2.47 | 3.37 | 3.04 |
| v | Return on Assets (Annualised) % | 0.98 | 1.32 | 0.76 | - ve | 0.29 |
| Aggregate of Non-Promoter Share holding | | | | | | |
| i | Number of shares | 140003200 | 140003200 | 140003200 | 140003200 | 140003200 |
| ii | % of share holding | 48.81 | 48.81 | 48.81 | 48.81 | 48.81 |

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SEGMENT WISE RESULTS

(Rs in crores)

| Particulars | Quarter ended | | 9 months ended | | Year ended |
|--|----------------------|----------------------|----------------------|----------------------|---------------------|
| | 31.12.06 Reviewed | 31.12.05 Reviewed | 31.12.06 Reviewed | 31.12.05 Reviewed | 31.03.06 Audited |
| Segment Revenue | | | | | |
| i) Treasury Operations | 53.40 | 123.06 | 174.32 | 301.04 | 366.98 |
| ii) Other Banking Operations | 640.02 | 448.88 | 1652.02 | 1302.85 | 1771.73 |
| Total | 693.42 | 571.94 | 1826.34 | 1603.89 | 2138.71 |
| Segment Results | | | | | |
| i) Treasury Operations | -0.88 | 64.49 | 11.62 | 41.95 | -121.74 |
| ii) Other Banking Operations | 95.71 | -14.81 | 170.86 | -147.16 | 101.02 |
| Total | 94.83 | 49.68 | 182.48 | -105.21 | -20.72 |
| Unallocated Revenue | 0.04 | 30.34 | 21.55 | 30.34 | 24.09 |
| Unallocated Expenses | 2.55 | 2.36 | 6.52 | 8.07 | 8.19 |
| Operating Profit (Net Profit before Tax) | 92.32 | 77.66 | 197.51 | -82.94 | -4.82 |
| Extra ordinary Income | 0.00 | 0.00 | 0.01 | 0.00 | 56.32 |
| Income tax (including DTA) | 21.79 | -5.52 | 39.75 | -25.46 | -21.49 |
| Net Profit | 70.53 | 83.18 | 157.77 | -57.48 | 72.99 |
| OTHER INFORMATION | | | | | |
| Segment Assets | | | | | |
| i) Treasury Operations | 2649.73 | 3348.55 | 2649.73 | 3348.55 | 2837.50 |
| ii) Other Banking Operations | 26262.69 | 20982.46 | 26262.69 | 20982.46 | 23336.62 |
| iii) Unallocated assets | 248.39 | 420.57 | 248.39 | 420.57 | 371.21 |
| Total assets | 29160.81 | 24751.58 | 29160.81 | 24751.58 | 26545.33 |
| Segment Liabilities | | | | | |
| i) Treasury Operations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| ii) Other Banking Operations | 27681.32 | 23494.39 | 27681.32 | 23494.39 | 25206.06 |
| iii) Unallocated liability | 1479.49 | 1257.19 | 1479.49 | 1257.19 | 1339.27 |
| Total Liabilities | 29160.81 | 24751.58 | 29160.81 | 24751.58 | 26545.33 |

Note : The Bank has only one geographical segment i.e. Domestic.

NOTES :

- Financial results have been prepared following generally the same Accounting Policies as those followed in preparation of financial statements in the preceding accounting periods, except with a change in the method of accounting with regard to commission and other income on guarantees / Govt. Business/ Third party products etc. which has been on cash basis, in place of merchantile system. Consequently Income and net profit of the Bank, as reflected in the reviewed accounts has increased by Rs. 16.56 crore and Rs.10.90 crore, respectively.

2. The working results for the quarter ended 31.12.2006, have been arrived at after considering provision for NPAs & Standard Assets, terminal benefits to employees, diminution in the value of investments, income tax, deferred tax, fringe benefit tax and other contingencies etc.
3. Reconciliation of entries outstanding as on 31.12.2006 in Inter Bank/ Inter Branch and other accounts are in progress and in the opinion of the management, consequential impact thereof on revenue/assets/liabilities is not material.
4. The position of Investors complaints for the quarter ended 31.12.2006 is : Complaints pending at the beginning of quarter - Nil, received & disposed off during the quarter - 6, pending at the end of quarter - NIL .
5. The above results have been taken on record by the Board of Directors on 19th January, 2007.
6. The above results for the quarter ended 31st December 2006 have been reviewed by the Auditors of the Bank, as per the listing agreement with the stock exchanges.
7. Corresponding figures have been regrouped/ reclassified, wherever necessary, to make them comparable with current results.

(U. S. Kohli)
Executive Director

(P. L. Gairola)
Chairman & Managing Director

PLACE : MUMBAI
DATE : 19th January, 2007