



Regd Office : 2401, Gen. Thimmayya Road, (Cantonment), Pune 411 001

Unaudited Financial Results for the quarter ended September 30, 2007

(Rs. in crores)

| Sr. No. | | Quarter ended 30-09-2007 (Unaudited) | Quarter ended 30-09-2006 (Unaudited) | Half Year ended 30- 09-2007 (Unaudited) | Half Year ended 30- 09-2006 (Unaudited) | Year ended 31-03-2007 (Audited) |
|------------|--|--|--|--|--|---------------------------------------|
| 1. | Interest Earned | 460.48 | 360.60 | 892.32 | 694.42 | 1,500.26 |
| | (a)+(b)+(c)+(d) | | | | | |
| (a) | Interest/discount on advances/bills | 344.42 | 254.37 | 658.29 | 476.15 | 1,044.60 |
| (b) | Income on Investments | 103.06 | 94.81 | 205.72 | 189.10 | 391.95 |
| (c) | Interest on balances with Reserve | 5.30 | 3.70 | 13.29 | 14.14 | 30.86 |
| | Bank of India and other inter banks funds | | | | | |
| (d) | Others | 7.70 | 7.72 | 15.02 | 15.03 | 32.85 |
| 2. | Other Income | 64.99 | 58.57 | 128.75 | 104.84 | 244.13 |
| | | | | | | |
| 3. | TOTAL INCOME(1+2) | 525.47 | 419.17 | 1,021.07 | 799.26 | 1,744.39 |
| | | | | | | |
| 4. | Interest Expended | 374.75 | 294.85 | 749.19 | 571.63 | 1,228.85 |
| 5. | Operating Expenses (i)+(ii) | 102.82 | 85.07 | 191.93 | 161.48 | 343.96 |
| (i) | Employees Cost | 33.98 | 23.55 | 60.42 | 45.22 | 96.29 |
| (ii) | Other Operating Expenses | 68.84 | 61.52 | 131.51 | 116.26 | 247.67 |
| | | | | | | |
| 6. | TOTAL EXPENDITURE EXCLUDING PROVISIONS AND CONTINGENCIES (4+5) | 477.57 | 379.92 | 941.12 | 733.11 | 1,572.81 |
| | | | | | | |
| 7. | OPERATING PROFIT BEFORE PROVISION AND CONTINGENCIES(3-6) | 47.90 | 39.25 | 79.95 | 66.15 | 171.58 |
| | | | | | | |
| 8. | Provisions(other than tax) and Contingencies | 13.98 | 10.76 | 25.76 | 25.40 | 64.20 |
| 9. | Exceptional items | - | - | - | - | - |
| 10. | Profit(+) / Loss(-) from ordinary Activities before Tax (7-8-9) | 33.92 | 28.49 | 54.19 | 40.75 | 107.38 |
| 11. | Tax Expense | 11.58 | 11.31 | 18.63 | 15.56 | 39.16 |
| 12. | Net Profit(+)/ Loss(-) from ordinary Activities after Tax (10-11) | 22.34 | 17.18 | 35.56 | 25.19 | 68.22 |
| 13. | Extraordinary items (net of tax expense) | - | - | - | - | - |
| 14. | Net Profit / Loss for the period (12-13) | 22.34 | 17.18 | 35.56 | 25.19 | 68.22 |
| | | | | | | |

| | | | | | | |
|-------|---|-----------|-----------|-----------|-----------|-----------|
| 15. | Paid up Equity Share Capital (Face value: Rs.10/- each.) | 320.00 | 290.51 | 320.00 | 290.51 | 320.00 |
| 16. | Reserves excluding Revaluation Reserves | | | | | 736.79 |
| 17. | Analytical Ratios | | | | | |
| | | | | | | |
| (i) | Percentage of Shares held by Government of India | NIL | NIL | NIL | NIL | NIL |
| (ii) | Capital Adequacy Ratio | 11.77 | 10.31 | 11.77 | 10.31 | 12.54 |
| (iii) | Earnings Per Share (EPS) | | | | | |
| a) | Basic and diluted EPS before Extraordinary items. (not annualized) | 0.70 | 0.59 | 1.11 | 0.87 | 2.31 |
| b) | Basic and diluted EPS after Extraordinary items. (not annualized) | 0.70 | 0.59 | 1.11 | 0.87 | 2.31 |
| (iv) | NPA Ratios | | | | | |
| a) | Gross NPA | 370.10 | 252.36 | 370.10 | 252.36 | 342.74 |
| | Net NPA | 293.33 | 183.06 | 293.33 | 183.06 | 273.75 |
| b) | Gross NPA (%) | 3.05 | 2.34 | 3.05 | 2.34 | 3.07 |
| | Net NPA (%) | 2.43 | 1.71 | 2.43 | 1.71 | 2.47 |
| c) | Return on Assets (%) (annualized) | 0.41 | 0.35 | 0.33 | 0.26 | 0.34 |
| 18. | Public Shareholding | | | | | |
| | - No of Shares | 228807952 | 199317652 | 228807952 | 199317652 | 228807952 |
| | - Percentage of Shareholding | 71.55 | 68.66 | 71.55 | 68.66 | 71.55 |

Notes :

- The Bank has followed the same accounting policies in preparation of the quarterly financial statements as those followed in the annual financial statements for the year ended March 31, 2007.
- In terms of RBI guidelines vide Circular no DBOD.BP.BC.87/27.04.141/2006-07 dated April 20,2007, the Bank has reclassified amortization of premium in respect of HTM securities of Rs 9.89 crores and reported this as a deduction from "Other Income" in the current quarter which was earlier reported under "Other Provisions and Contingencies". Further Rs 9.84 crores has been reclassified in "Other Income" of corresponding prior quarter to conform to current period classification. Consequent to this, Operating Profit shown above stands reduced to the extent of such reclassification.
- The working results for the six months ended September 30, 2007 have been arrived at after considering provision for standard assets, non-performing assets (NPAs), depreciation on investments, income-tax, and other usual and necessary provisions.
- The above financial results for the quarter ended September 30, 2007 which were subjected to "Limited Review" by the Statutory Auditors of the Bank, were reviewed by the Audit Committee and subsequently have been taken on record and approved by the Board of Directors at its meeting held on October 27, 2007.
- There were no unresolved investor complaints at the beginning of the quarter. Further, during the quarter ended September 30, 2007, the Bank received 143 investor complaints. All the complaints have been suitably disposed of.
- Previous period figures have been regrouped and reclassified, where necessary to make them comparable with the current quarter figures.

Mumbai
October 27, 2007

Bhaskar Ghose
Managing Director

Segment Reporting

| Particulars | Quarter ended 30.09.2007 | Quarter ended 30.09.2006 | Half year ended 30.09.2007 | Half year ended 30.09.2006 | Year ended 31.03.2007 (Audited) |
|--|-----------------------------|-----------------------------|----------------------------------|----------------------------------|---------------------------------------|
| a) Segment Revenues | | | | | |
| i) Treasury | 117.68 | 117.42 | 233.10 | 225.98 | 453.17 |
| ii) Other Banking Operations | 496.34 | 379.03 | 986.66 | 726.99 | 1612.40 |
| Less: Inter-segment revenue | (88.55) | (77.28) | (198.69) | (153.71) | (321.18) |
| Total | 525.47 | 419.17 | 1021.07 | 799.26 | 1744.39 |
| b) Segment Results | | | | | |
| i) Treasury | (5.56) | 7.77 | (26.83) | 10.81 | (14.19) |
| ii) Other Banking Operations | 69.69 | 41.76 | 136.40 | 76.57 | 234.84 |
| Total | 64.13 | 49.53 | 109.57 | 87.38 | 220.65 |
| Unallocated Expenses | 16.23 | 10.28 | 29.62 | 21.23 | 49.07 |
| Operating Profit before Provisions & Contingencies | 47.90 | 39.25 | 79.95 | 66.15 | 171.58 |
| c) Provisions & Contingencies | | | | | |
| i) Treasury | (2.40) | (2.71) | (4.58) | 0.04 | 2.31 |
| ii) Other Banking Operations | 16.38 | 13.47 | 30.34 | 25.36 | 61.89 |
| iii) Income Tax and Others | 11.58 | 11.31 | 18.63 | 15.56 | 39.16 |
| Total | 25.56 | 22.07 | 44.39 | 40.96 | 103.36 |
| Net Profit | 22.34 | 17.18 | 35.56 | 25.19 | 68.22 |
| d) Other Information | | | | | |
| Segment Assets : | | | | | |
| i) Treasury | 7786.03 | 6610.16 | 7786.03 | 6610.16 | 7756.20 |
| ii) Other Banking Operations | 13299.27 | 11920.50 | 13299.27 | 11920.50 | 12386.56 |
| iii) Unallocated Assets | 836.38 | 959.46 | 836.38 | 959.46 | 784.38 |
| Total Assets | 21921.68 | 19490.12 | 21921.68 | 19490.12 | 20927.14 |
| Segment Liabilities | | | | | |
| i) Treasury | 1377.68 | 1922.69 | 1377.68 | 1922.69 | 616.57 |
| ii) Other Banking Operations | 19160.97 | 16355.41 | 19160.97 | 16355.41 | 18937.93 |
| iii) Unallocated Liabilities | 1383.03 | 1212.02 | 1383.03 | 1212.02 | 1372.64 |
| Total Liabilities | 21921.68 | 19490.12 | 21921.68 | 19490.12 | 20927.14 |

Mumbai
October 27, 2007

Bhaskar Ghose
Managing Director