PROSPECTUS
Dated December 8, 2005
Please read Section 60B of the Companies Act, 1956
100% Book Building Issue

ICICI BANK LIMITED

Registered Office: 'Landmark', Race Course Circle, Vadodara - 390 007
Corporate Office: ICICI Bank Towers, Bandra-Kurla Complex, Mumbai 400 051 Tel: (022)2653 1414 Fax: (022) 2653 1122 Website: www.icicibank.com
Contact Person: Jyotin Mehta; e-mail: jyotin.mehta@icicibank.com
(We were originally incorporated as ICICI Banking Corporation Limited on January 5, 1994 and subsequently renamed as ICICI Bank Limited on September 10, 1999.)

PUBLIC ISSUE OF 97,155,388 EQUITY SHARES OF Rs. 10 EACH FOR CASH AT A PRICE OF Rs. 525 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF Rs. 515 PER EQUITY SHARE) AGGREGATING, AFTER CONSIDERING THE PRICE PAYABLE BY EXISTING RETAIL SHAREHOLDERS AND RETAIL BIDDERS, Rs. 50,000.0 MILLION REFERRED TO HEREIN AS THE "ISSUE". THE ISSUE COMPRISES A NET ISSUE TO THE PUBLIC OF 92,142,857 EQUITY SHARES OF Rs. 10 EACH AGGREGATING Rs. 47,500.0 MILLION (THE "NET ISSUE") AND A RESERVATION FOR EXISTING RETAIL SHAREHOLDERS OF THE BANK OF 5,012,531 EQUITY SHARES OF Rs. 10 EACH AGGREGATING Rs. 2,500.0 MILLION ("EXISTING RETAIL SHAREHOLDERS RESERVATION PORTION"). THE ISSUE SHALL HAVE A GREEN SHOE OPTION OF 14,285,714 EQUITY SHARES OF Rs. 10/- EACH AT A PRICE OF Rs. 525 PER EQUITY SHARE FOR CASH AGGREGATING Rs. 7,500.0 MILLION. THE ISSUE WOULD CONSTITUTE 11.6% OF THE FULLY DILUTED POST ISSUE PAID-UP CAPITAL OF ICICI BANK LIMITED ("BANK" OR "ISSUER"), ASSUMING NO EXERCISE OF THE GREEN SHOE OPTION AND 13.1% ASSUMING THE GREEN SHOE OPTION IS FULLY EXERCISED.

ISSUE PRICE Rs. 525 PER EQUITY SHARE OF FACE VALUE Rs. 10.

THE FACE VALUE OF THE SHARES IS Rs. 10 AND THE ISSUE PRICE IS 52.5 TIMES OF THE FACE VALUE

THE PRICE PAYABLE BY THE EXISTING RETAIL SHAREHOLDER AND RETAIL BIDDERS SHALL BE Rs. 498.75 PER EQUITY SHARE

ICICI Bank has obtained the approval of its shareholders through postal ballot to issue Equity Shares up to an aggregate face value of Rs. 2,000.0 million (including a green shoe option) being 20% of ICICI Bank's authorised equity share capital. ICICI Bank proposes to undertake this Issue and an issue of American Depositary Shares of up to Rs. 23,000.0 million including a green shoe option ("ADS Offering"). This Issue and the ADS Offering are part of a consolidated capital raising exercise being undertaken by ICICI Bank. ICICI Bank at its discretion may decide to withdraw the ADS Offering at any time up to the time of pricing of the ADS Offering.

This Prospectus may not be distributed to any U. S. person or into the United States of America or any other jurisdiction outside India where such distribution would be unlawful. Any public offering and sale of American Depositary Shares to investors in the United States of America will be registered with the United States Securities and Exchange Commission and made by means of a U.S. prospectus that will contain financial statements in accordance with U.S. GAAP. The Issue is being made through the 100% book building process where upto 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") (including 5% of the QIB portion that would be specifically reserved for Mutual Funds). Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. The Bank has, in consultation with the Book Running Lead Managers ("BRLMs") and the Co-Book Running Lead Managers ("CBRLMs"), decided to allot the Equity Shares to Existing Retail Shareholders and Retail Individual Bidders at a differential lower price as compared to the price for QIBs and Non Institutional Bidders. .

Amount Payable:	Retail Bidders	Non-Institutional Bidders	QIBs
On Application :			
Payment Method - 1[@]	Rs. 150/- per Equity Share irrespective of the Bid	Not Applicable	Not Applicable
(OR)			
Payment Method - 2	100% of the Bid	100% of the Bid	10% of the Bid on Application and Balance on Allocation
By Due Date for payment of Balance Amount Payable	Issue Price less amount already paid , net of refund, if any	Not Applicable	Not Applicable

Note: Under Payment Method -1, of the Amount Payable on Application, Rs. 9/- is towards face value and Rs. 141/- is towards premium.
[@] See page xii for risks associated with Payment Method - 1

RISK IN RELATION TO THE ISSUE

The face value of the shares is Rs. 10 and the Issue Price is 52.5 times of the face value. The Issue Price (as determined by the Bank in consultation with the BRLMs and the CBRLMs on the basis of assessment of market demand for the Equity Shares by way of book building) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Bank and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page i of this Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

ICICI Bank having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to the Bank and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited, where the Bank's existing equity shares are listed. ICICI Bank has received in principle approval from the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited, for the listing of the Equity Shares.

BOOK RUNNING LEAD MANAGERS (In Alphabetical Order)		REGISTRAR TO THE ISSUE
DSP Merrill Lynch Limited Mafatlal Centre, 10th Floor Nariman Point, Mumbai 400 021 Tel: 91-22-5632 8000, Fax: 91-22-2204 8518 Email: icicibank_issue@ml.com Contact Person: Sohit Kapoor Website: www.dspml.com	**JM Morgan Stanley Pvt. Limited** 141, Maker Chambers III Nariman Point, Mumbai 400 021 Tel: 91-22-5630 3030, Fax: 91-22-2202 8224 **Email:**icicibank.fpo@jmmorganstanley.com Contact Person: Abhishek Goel/ Chandan Khanna Website: www.jmmorganstanley.com	Karvy Computershare Private Limited Karvy House, 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad 500 034 Tel: +91-40-2331 2454 Fax: +91-40-2331 1968 Email: icici_issue@karvy.com Contact Person: Murali Krishna Website: www.karvy.com

ISSUE PROGRAMME

BID/ISSUE OPENS ON : DECEMBER 01, 2005	BID/ISSUE CLOSES ON : DECEMBER 06, 2005

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DEFINITIONS AND ABBREVIATIONS

Certain Definitions

ICICI Limited, ICICI Personal Financial Services Limited and ICICI Capital Services Limited amalgamated with and into ICICI Bank Limited, effective March 30, 2002 for accounting purposes under Indian GAAP. In this Prospectus, all references to "ICICI Bank", "the Company", "the Bank", "we", "our" and "us" are, as the context requires, to ICICI Bank Limited on an unconsolidated basis subsequent to the amalgamation, to ICICI Bank Limited on an unconsolidated basis prior to the amalgamation, or to both. References to specific data applicable to particular subsidiaries, joint ventures, associates and other consolidated entities are made by reference to the name of that particular company or entity. References to "ICICI" are to ICICI Limited on an unconsolidated basis prior to the amalgamation. References to "ICICI Personal Financial Services" are to ICICI Personal Financial Services Limited. References to "ICICI Capital Services" are to ICICI Capital Services Limited. References to the "amalgamation" are to the amalgamation of ICICI, ICICI Personal Financial Services and ICICI Capital Services with and into ICICI Bank. References to the "Scheme of Amalgamation" are to the Scheme of Amalgamation of ICICI, ICICI Personal Financial Services and ICICI Capital Services with ICICI Bank.

In the financial statements contained in this Prospectus and the notes thereto, all references to "the Bank" are, as the context requires, to ICICI Bank Limited on an unconsolidated basis subsequent to the amalgamation, to ICICI Bank Limited on an unconsolidated basis prior to the amalgamation, or to both. All references to "the Group" are to ICICI Bank, its subsidiaries, joint ventures and associates on a consolidated basis.

Abbreviations

Issue Related Terms

Term	Description
ADR	American Depositary Receipts.
American Depositary Shares/ ADS	American Depositary Shares representing two Equity Shares.
ADS Offering	Issue of American Depositary Shares including, the ADS Green Shoe Option, aggregating up to Rs. 23,000.0 million by ICICI Bank being offered to investors in the international markets including the United States of America and Japan, in compliance with applicable laws.
ADS Green Shoe Option	An option to allocate ADSs in excess of the ADSs included in the base ADS Offering and operate a post-listing price stabilisation mechanism in accordance with applicable laws.
AGM	Annual General Meeting.
Allocation Amount	The amount payable by a Bidder on or prior to the Pay-in Date after deducting any Bid Amounts that may already have been paid by such Bidder.
Amount Payable on Application	The amount specified under Payment Method-1 or Payment Method-2 for Retail Bidders and Existing Retail Shareholders and Payment Method-2 for Non-Institutional Bidders and QIBs.
Articles / Articles of Association	Our Articles of Association.
Auditors	Our statutory auditors, S.R. Batliboi & Co., Chartered Accountants. The auditors commenced their audit engagements with us in fiscal 2003 as joint statutory auditors. They became our sole statutory auditors in fiscal 2004.
Balance Amount Payable	Issue Price less amount already paid, net of refund, if any.
Banker to the Issue/ Escrow Collection Bank	ICICI Bank Limited
Bid	An offer made during the Bidding Period by a prospective investor to subscribe to our Equity Shares at a price at or above the Floor Price, including all revisions and modifications thereto.
Bid Amount	The highest value of the optional Bids indicated in the Bid-cum-Application Form.

Bid / Issue Closing Date	The date after which the Syndicate will not accept any Bids for the Issue, which shall be notified in a widely circulated English national newspaper, a Hindi national newspaper and a Gujarati newspaper.
Bid-cum-Application Form	The form in which the Bidder shall make an offer to purchase our Equity Shares in terms of the Red Herring Prospectus.
Bid / Issue Opening Date	The date on which the Syndicate shall start accepting Bids for the Issue, which shall be the date notified in a widely circulated English national newspaper, a Hindi national newspaper and a Gujarati newspaper.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this Prospectus.
Bidding Period / Issue Period	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date inclusive of both days and during which prospective Bidders may submit their Bids.
Board of Directors / Board	Our Board of Directors or a committee thereof.
Book-Building Process / Method	Book-building route as provided in Chapter XI of the SEBI Guidelines, in terms of which this Issue is being made.
BRLMs	Book Running Lead Managers to the Issue, being DSP Merrill Lynch Limited and JM Morgan Stanley Private Limited.
BSE	The Bombay Stock Exchange Limited.
CAN / Confirmation of Allocation Note	Means the note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process.
CDSL	Central Depository Services (India) Limited.
CBRLMs	Co-Book Running Lead Managers, being ICICI Securities Limited, Enam Financial Consultants Private Limited and Kotak Mahindra Capital Company Limited.
Co Manager	Co Manager being Karvy Investor Services Limited
Corporate Office	ICICI Bank Towers, Bandra Kurla Complex, Mumbai 400 051.
Cut-off Price	The issue price finalised by us in consultation with the BRLMs and CBRLMs.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.
Depository Participant	A depository participant as defined under the Depositories Act.
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account after the Prospectus is filed with the RoC, following which the Board of Directors shall allot Equity Shares to successful Bidders.
Designated Stock Exchange	The National Stock Exchange of India Limited
Directors	Our directors.
Draft Red Herring Prospectus	Draft Red Herring Prospectus issued in accordance with Section 60B of the Companies Act, which does not contain complete particulars on the price at which the Equity Shares are issued and the size (in terms of the number of Equity Shares) of the Issue.
DSPML	DSP Merrill Lynch Limited.
Due Date for Payment of Balance Amount Payable	Last date for payment of the Balance Amount Payable, which is a date falling 21 days from the date of allotment. This is not applicable to Payment Method-2.

Equity Shares	Our equity shares of face value of Rs. 10/- each.
Escrow Account	Account opened with Escrow Collection Bank and in whose favour the Bidder will issue cheques or drafts in respect of the Bid Amount when submitting a Bid and the Allocation Amount thereafter.
Escrow Agreement	Agreement to be entered into by us, the Registrar to the Issue, BRLMs and CBRLM, and the Syndicate Members and the Escrow Collection Bank for collection of the Bid Amounts, and where applicable, refunds of the amounts collected to the Bidders.
Existing Retail Shareholders	Bidders who are holders of Equity Shares of the Bank as of November 25, 2005 and who hold Equity Shares worth up to Rs. 100,000 determined on the basis of the closing price of the Equity Shares on the NSE on the same day.
Existing Retail Shareholders 2,500.0 Reservation Portion	The portion of the Issue being a maximum of 5,012,531 Equity Shares aggregating Rs. million, being 5% of the Issue, available for allocation to Existing Retail Shareholders.
FCNR Account	Foreign Currency Non Resident Account.
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed thereunder.
FERA	Foreign Exchange Regulation Act, 1973, now repealed.
FII/ Foreign Institutional Investor	Foreign institutional investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995) registered with SEBI under applicable laws in India.
FIPB	Foreign Investment Promotion Board, Ministry of Finance, Government of India.
First Bidder	The Bidder whose name appears first in the Bid-cum-Application Form or Revision Form.
Floor Price	The price advertised by us prior to the Bid Opening Date and below which the Issue Price will not be finalised and below which the Bidder cannot bid.
GIR Number	General Index Registry Number.
Green Shoe Option	An option to the BRLMs and CBRLM / Issuer in consultation with the Stabilising Agent, to allocate Equity Shares in excess of the Equity Shares included in the public issue and operate a post-listing price stabilisation mechanism in accordance with Chapter VIII-A of the SEBI Disclosure & Investor Protection Guidelines, which is granted to a company to be exercised through a stabilising agent.
Green Shoe Option Portion	14,285,714 Equity Shares of Rs. 10 each aggregating upto Rs. 7,500.0 million.
Green Shoe Amount	The maximum amount of funds to be received by us in case of further allotment pursuant to a final document to be filed with RoC.
Green Shoe Lender	Life Insurance Corporation of India.
GSO Bank Account	The bank account opened by the Stabilising Agent under the Stabilising Agreement.
GSO Demat Account	The demat account opened by the Stabilising Agent under the Stabilising Agreement.
HUF	Hindu Undivided Family.
ICICI Securities or I-Sec	ICICI Securities Limited.
Issue	The issue of 97,155,388 Equity Shares of Rs. 10/- each at a price of Rs. 525 each for cash by us aggregating Rs. 50,000.0 million.
Issue Price	The final price at which Equity Shares will be issued and allotted in terms of this Red Herring Prospectus. The Issue Price will be decided by us in consultation with the BRLMs and CBRLMs on the Pricing Date.

JMMS	JM Morgan Stanley Private Limited.
Margin Amount	The amount paid by the Bidder at the time of submission of his/her Bid.
Member of the Syndicate	The BRLMs, CBRLMs and the Syndicate Members.
Memorandum/ Memorandum of Association	Our Memorandum of Association.
Mutual Funds	Mutual funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996.
Net Issue/Net Issue to the public	The Issue less the allocation to the Existing Retail Shareholders.
Non-Institutional Bidders	All Bidders that are not Qualified Institutional Buyers or Retail Bidders and who have made a Bid for Equity Shares for an amount more than Rs. 100,000.
Non-Institutional Portion	The portion of the Net Issue being 13,571,429 Equity Shares of Rs. 10/- each at the Issue Price of Rs. 525 each aggregating at least Rs. 7,125.0 million and available for allocation to Non-Institutional Bidders.
Non-Residents	All Bidders who are not NRIs or FIIs and are not persons resident in India.
NRE Account	Non Resident External Account.
NRI/ Non-Resident Indian	A person resident outside India, as defined in FEMA, and who is a citizen of India or a Person of Indian origin, as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB	An Overseas Corporate Body, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000.
Over Allotment Shares	Equity Shares allotted pursuant to the Green Shoe Option.
Pay-in Date	Bid Closing Date or the last date specified in the CAN sent to Bidders, as applicable.
Pay-in Period	This term means (i) with respect to Bidders whose payment has not been waived by the Syndicate and who are therefore required to pay the maximum Bid Amount into the Escrow Account, the period commencing on the Bid/Issue Opening Date and extending until the Bid/Issue Closing Date, and (ii) with respect to Bidders whose payment has been initially waived by the Syndicate and who are therefore not required to pay the Bid Amount into the Escrow Account on or prior to the Bid/Issue Closing Date, the period commencing on the Bid/Issue Opening Date and extending until the closure of the Pay-in Date(s).
Payment Method-1	Amount Payable on Application irrespective of the Bid, in case of Retail Bidders and Existing Retail Shareholders is Rs. 150. Payment Method-1 is not available to Non-Institutional Bidders and QIB Bidders.
Payment Method-2	Amount Payable on Application in case of Retail Bidders, Existing Retail Shareholders and Non-Institutional Bidders is 100% of Bid, and in case of QIBs is 10% of the Bid with balance being payable on allocation.
Price Band	Price band of a minimum price (floor of the price band) of Rs. 505 and a maximum price (cap of the price band) of Rs. 545 and including revisions thereof.
Pricing Date	The date on which we in consultation with the BRLMs and CBRLM finalise the Issue Price.
Prospectus	The Prospectus to be filed with the RoC containing, *inter alia*, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information.
Public Issue Account	Account opened with the Banker to the Issue to receive monies from the Escrow Account for the Issue on the Designated Date.

Qualified Institutional Buyers or QIBs	Public financial institutions as specified in Section 4A of the Companies Act, FIIs registered with SEBI, scheduled commercial banks, mutual funds registered with SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, foreign venture capital investors registered with SEBI, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with minimum corpus of Rs. 250.0 million and pension funds with minimum corpus of Rs. 250.0 million.
QIB Portion	The portion of the Net Issue being 45,238,095 Equity Shares of Rs. 10/- each at an Issue Price of Rs. 525 each aggregating upto Rs. 23,750.0 million and available for allocation to QIBs.
RHP or Red Herring Prospectus	The Red Herring Prospectus which will be filed with RoC at least three days before the Bid/ Issue Opening Date.
Registered Office	Our registered office, being 'Landmark', Race Course Circle, Vadodara 390 007.
Registrar to the Issue	Registrar to the Issue, in this case being Karvy Computershare Private Limited having its registered office as indicated on the cover page of this Prospectus.
Retail Bidder(s)	Individual Bidders (including HUFs and NRIs) who have Bid for Equity Shares for a cumulative Amount Payable on Application and Balance Amount Payable (as the case may be, based on the Payment Method selected) of not more than Rs. 100,000.
Retail Portion	The portion of the Net Issue being upto 33,333,333 Equity Shares of Rs. 10/- each at an Issue Price of Rs. 498.75 each aggregating Rs. 16,625.0 million and available for allocation to Retail Bidder(s).
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid price in any of their Bid-cum-Application Forms or any previous Revision Form(s).
RoC	Registrar of Companies, Gujarat at Ahmedabad.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Guidelines	SEBI (Guidelines for Disclosure and Investor Protection) 2000 issued by SEBI effective from January 27, 2000, as amended, including instructions and clarifications issued by SEBI from time to time.
Securities Act	United States Securities Act of 1933, as amended from time to time.
Stabilising Agent or SA	JMMS
Stabilising Agreement	Agreement to be entered into by us, the Green Shoe Lender and the Stabilising Agent on November 21, 2005 in relation to the Green Shoe Option.
Stabilisation Period	The period not exceeding 30 days from the date of obtaining trading permission from the NSE for the Equity Shares under the Issue.
Stock Exchanges	BSE and NSE.
Syndicate Agreement	Agreement between the Members of the Syndicate and us.
Syndicate Members	JM Morgan Stanley Retail Services Private Limited, Kotak Securities Limited, Enam Securities Private Limited, ICICI Brokerage Services Limited.
TRS/ Transaction Registration Slip	The slip or document issued by the Syndicate to the Bidder as proof of registration of the Bid.
Underwriters	The BRLMs, CBRLMs and Syndicate Members.
Underwriting Agreement	The Agreement between the Underwriters and us to be entered into on the Pricing Date.

Technical and Industry Terms

Term	Description
ATM	Automated Teller Machine.
DRT	Debt Recovery Tribunal.
GDP	Gross Domestic Product.
IRR	Internal rate of return.
NPA	Non-Performing Asset(s).
OTCEI	Over the Counter Exchange of India.
RBI	The Reserve Bank of India.
Securitisation Act	The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, as amended from time to time.
Statutory Liquidity Ratio or SLR	Statutory Liquidity Ratio prescribed by RBI under the Banking Regulation Act.
CRR	Cash Reserve Ratio

Conventional/General Terms

Term	Description
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
Banking Regulation Act	The Banking Regulation Act, 1949, as amended from time to time.
Companies Act	The Companies Act, 1956, as amended from time to time.
EGM	Extraordinary General Meeting.
EPS	Earnings per Equity Share.
Financial year/fiscal/FY	The 12 months ended March 31 of a particular year.
Indian GAAP	Generally accepted accounting principles in India.
US GAAP	Generally accepted accounting principles in the United States.

CERTAIN CONVENTIONS; USE OF MARKET DATA

Unless stated otherwise, the financial data in this Prospectus is derived from our unconsolidated financial statements prepared in accordance with Indian GAAP and included in this Prospectus. Our current fiscal year commenced on April 1, 2005 and ends on March 31, 2006. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off.

For definitions, please see the section titled "Definitions and Abbreviations" on page a of this Prospectus.

All references to "India" contained in this Prospectus are to the Republic of India, all references to the "US" or the "U.S." or the "USA", or the "United States" are to the United States of America, and all references to "UK" are to the United Kingdom. All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India.

Unless stated otherwise, industry data used throughout this Prospectus has been obtained from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified.

FORWARD-LOOKING STATEMENTS

We have included statements in this Prospectus, that contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions that are "forward-looking statements".

All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others:

- General economic and business conditions in India and other countries;
- Our ability to successfully implement our strategy, our growth and expansion plans and technological changes;
- Changes in the value of the Rupee and other currency changes;
- Changes in Indian or international interest rates;
- Changes in laws and regulations that apply to banks in India;
- Changes in political conditions in India; and
- Changes in the foreign exchange control regulations in India.

For further discussion of factors that could cause our actual results to differ, see the section titled "Risk Factors" on page i of this Prospectus. By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. We, the members of the Syndicate and their respective affiliates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, we, the BRLMs and the CBRLMs will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.

RISK FACTORS

Prospective investors should carefully consider the risks described below, in addition to the other information contained in this Prospectus before making any investment decision relating to our Equity Shares. The occurrence of any of the following events could have a material adverse effect on our business, results of operation, financial condition and prospects and cause the market price of our Equity Shares to fall significantly and you may lose all or part of your investment.

Prior to making an investment decision, prospective investors should carefully consider all of the information contained in this Prospectus, including the financial statement prepared in accordance with Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines included in this Prospectus beginning on page 179.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein.

INTERNAL RISKS AND RISKS RELATED TO OUR BUSINESS

Our business is particularly vulnerable to interest rate risk and volatility in interest rates could adversely affect our net interest margin, the value of our fixed income portfolio, our income from treasury operations and our financial performance.

As a result of certain reserve requirements of the Reserve Bank of India, we are more structurally exposed to interest rate risk than banks in many other countries. See "Regulations and Policies – Legal Reserve Requirements" on page 132. These requirements result in our maintaining a large portfolio of fixed income Government of India securities, and we could be materially adversely impacted by a rise in interest rates, especially if the rise were sudden or sharp. These requirements also have a negative impact on our net interest income and net interest margin because we earn interest on a portion of our assets at rates that are generally less favourable than those typically received on our other interest-earning assets. If our cost of funds does not decline at the same time or to the same extent as the yield on our interest-earning assets, or if the yield on our interest-earning assets does not increase at the same time or to the same extent as our cost of funds, our net interest income and net interest margin would be adversely impacted. See "Selected Financial Data" on page 11 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 331. We are also exposed to interest rate risk through our treasury operations and our subsidiary ICICI Securities, which is a primary dealer in Government of India securities. A rise in interest rates or greater interest rate volatility could adversely affect our income from treasury operations or the value of our fixed income securities portfolio.

A large proportion of ICICI's loans consisted of project finance assistance, a substantial portion of which is particularly vulnerable to completion and other risks.

Long-term project finance assistance constituted a significant proportion of ICICI's asset portfolio and, despite the growth of our retail loan portfolio, continues to be a significant proportion of our loan portfolio. Project finance loans represented approximately 49.3% of our net advances at year-end fiscal 2002, 14.9% of our advances at year-end fiscal 2005 and approximately 12.6% of our advances at September 30, 2005. Our advances to projects under implementation represented 5.8% of our advances at September 30, 2005. The viability of these projects depends upon a number of factors, including market demand, government policies and the overall economic environment in India and the international markets. These projects are particularly vulnerable to a variety of risks, including completion risk and counterparty risk, which could adversely impact their ability to generate revenues. We cannot be sure that these projects will perform as anticipated. Over the last several years, we experienced a

high level of impaired loans in our project finance loan portfolio as a result of the downturn in certain global commodity markets and increased competition in India. Future project finance losses or high levels of loan impairment could have a materially adverse effect on our profitability and the quality of our loan portfolio.

We have a high concentration of loans to certain customers and sectors and impairment of a substantial portion of these loans could adversely affect the overall quality of our loan portfolio, our business and the price of our equity shares.

Our loan portfolio and non-performing asset portfolio have a high concentration in certain customers and sectors. At September 30, 2005, our exposure to our largest borrower accounted for approximately 17.5% of our total capital funds (comprising Tier-1 and Tier-2 capital as defined in the Reserve Bank of India guidelines. See "Regulations and Policies – Reserve Bank of India Regulations – Capital Adequacy Requirements" on page 121). The exposure to the largest borrower group at September 30, 2005 accounted for approximately 32.3% of our total capital funds. At that date, the five largest industry sectors (excluding retail) in our loan portfolio were iron and steel, crude petroleum & refining, services, roads, ports, railways & telecom and chemicals and constituted 15.3% our total advances. In respect of 15 industries representing 21.9% of our total advances, the top five borrowers in each industry represented 50.0% or more of our advances to that industry. See "Business – Asset Composition and Classification" on page 92. In the past, certain of these borrowers and sectors have been adversely affected by economic conditions in varying degrees. Credit losses due to financial difficulties of these borrowers and sectors in the future could adversely affect our business, our financial performance, our stockholders' equity and the price of our Equity Shares.

If we are not able to control the level of non-performing assets in our portfolio, our business will suffer.

At September 30, 2005 our net non-performing assets were Rs. 10.80 billion, representing 0.97% of our net customer assets, compared to Rs. 19.83 billion representing 2.03% of our net customer assets at year-end fiscal 2005. We have experienced rapid growth in our retail loan portfolio. Various factors, including a rise in unemployment, prolonged recessionary conditions, a sharp and sustained rise in interest rates, developments in the Indian economy, movements in global commodity markets and exchange rates and global competition could cause an increase in the level of non-performing assets and have a material adverse impact on the quality of our loan portfolio. In addition, under the directed lending norms of the Reserve Bank of India, we are required to extend 50.0% of our residual net bank credit (excluding the advances of ICICI at year-end fiscal 2002) to certain eligible sectors, which are categorized as "priority sectors". See "Business – Asset Composition and Classification – Directed Lending" on page 94. We may experience a significant increase in non-performing assets in our directed lending portfolio, particularly loans to the agriculture sector and small-scale industries, where we are less able to control the portfolio quality and where economic difficulties are likely to affect our borrowers more severely. We may not be able to control or reduce the level of non-performing assets in our project and corporate finance portfolio. We may not be successful in our efforts to improve collections and foreclose on existing non-performing assets. At September 30, 2005, we also had investments of Rs. 25.50 billion in security receipts arising out of the sale of non-performing assets by us to Asset Reconstruction Company (India) Limited. See "Business – Asset Composition and Classification" on page 92. The payment of income or principal on these security receipts by Asset Reconstruction Company (India) Limited depends on the recovery of the underlying assets. There can be no assurance that Asset Reconstruction Company (India) Limited will be able to recover these assets and redeem our investments in security receipts and that there will be no reduction in the value of these investments. If we are not able to control or reduce the level of non-performing assets, the overall quality of our loan portfolio may deteriorate and our business, our future financial performance, our shareholders' funds and the price of our Equity Shares may be adversely affected.

Further deterioration of our non-performing asset portfolio and an inability to improve our provisioning coverage as a percentage of gross non-performing assets could adversely affect the price of our Equity Shares.

Although we believe that our total provisions will be adequate to cover all known losses in our asset portfolio, we cannot assure you that there will be no deterioration in the provisioning coverage as a percentage of gross non-performing assets or otherwise or that the percentage of non-performing assets that we will be able to recover will be similar to our and ICICI's past experience of recoveries of non-performing assets. In the event of any further deterioration in our non-performing asset portfolio, there could be an adverse impact on our business, our future financial performance, our shareholders' funds and the price of our Equity Shares.

The value of our collateral may decrease or we may experience delays in enforcing our collateral when borrowers default on their obligations to us which may result in failure to recover the expected value of collateral security exposing us to a potential loss.

A substantial portion of our loans to corporate and retail customers are secured by collateral. We may not be able to realize the full value of our collateral as a result of delays in bankruptcy and foreclosure proceedings, defects in the perfection of collateral, fraudulent transfers by borrowers and other factors. There can be no assurance that any further legislation in this area will have a favourable impact on our efforts to resolve non-performing assets. See also "The Indian Financial Sector – Recent Structural Reforms – Legislative Framework for Recovery of Debts Due to Banks" on page 78. Failure to recover the expected value of collateral could expose us to potential losses, which could adversely affect our business, our future financial performance, our shareholders' funds and the price of our Equity Shares.

The failure of our restructured loans to perform as expected or a significant increase in the level of restructured loans in our portfolio could affect our business.

Our net standard assets of Rs. 1,104.34 billion at September 30, 2005 included net restructured standard loans of Rs. 57.13 billion (constituting 5.12% of net customer assets), compared to Rs. 62.63 billion (constituting 6.40% of net customer assets) at year-end fiscal 2005. Our borrowers' need to restructure their loans can be attributed to several factors, including increased competition arising from economic liberalisation in India, variable industrial growth, a sharp decline in commodity prices, the high level of debt in the financing of projects and capital structures of companies in India and the high interest rates in the Indian economy during the period in which a large number of projects contracted their borrowings. These factors reduced profitability for certain of our borrowers and also resulted in the restructuring of certain Indian companies in sectors including iron and steel, textiles and cement. The failure of these borrowers to perform as expected or a significant increase in the level of restructured loans in our portfolio could adversely affect our business, our future financial performance, our shareholders' funds and the price of our Equity Shares.

We face greater credit risks than banks in developed economies.

Our credit risk is higher because most of our borrowers are based in India. Unlike several developed economies, a nation-wide credit bureau has become operational in India only recently. This may affect the quality of information available to us about the credit history of our borrowers, especially individuals and small businesses. In addition, the credit risk of our borrowers, particularly small and middle market companies, is higher than borrowers in more developed economies due to the greater uncertainty in the Indian regulatory, political, economic and industrial environment and the difficulties of many of our borrowers to adapt to global technological advances. Also, several of our borrowers suffered from low profitability because of increased competition from economic liberalization, a

sharp decline in commodity prices, a high debt burden and high interest rates in the Indian economy at the time of their financing, and other factors. This may lead to an increase in the level of our non-performing assets and there could be an adverse impact on our business, our future financial performance, our shareholders' funds and the price of our Equity Shares.

Our funding is primarily short-term and if depositors do not roll over deposited funds upon maturity, our business could be adversely affected.

Most of our incremental funding requirements, including replacement of maturing liabilities of ICICI (which generally had longer maturities), are met through short-term funding sources, primarily in the form of deposits including inter-bank deposits. Our customer deposits generally have a maturity of less than one year. However, a large portion of our assets, primarily the assets of ICICI and our home loan portfolio, have medium or long-term maturities, creating the potential for funding mismatches. High volumes of deposit withdrawals or failure of a substantial number of our depositors to roll over deposited funds upon maturity or to replace deposited funds with fresh deposits, could have an adverse effect on our liquidity position, our business, our future financial performance, our shareholders' funds and the price of our Equity Shares. See also "Financial difficulty and other problems in certain financial institutions in India could adversely affect our business and the price of our Equity Shares" on page xiv.

Regulatory changes or enforcement initiatives in India or any of the jurisdictions in which we operate may adversely affect our business and the price of our Equity Shares.

We are subject to a wide variety of banking and financial services laws and regulations and a large number of regulatory and enforcement authorities in each of the jurisdictions in which we operate. The laws and regulations or the regulatory or enforcement environment in any of those jurisdictions may change at any time and may have an adverse effect on the products or services we offer, the value of our assets or our business in general. Also, the laws and regulations governing the banking and financial services industry have become increasingly complex governing a wide variety of issues, including interest rates, liquidity, capital adequacy, securitization, investments, ethical issues, money laundering, privacy, record keeping, and marketing and selling practices, with sometimes overlapping jurisdictional or enforcement authorities. In its mid-term review of the annual policy statement for fiscal 2005, the Reserve Bank of India increased the risk weight for the computation of capital adequacy from 50% to 75% in the case of housing loans and from 100% to 125% in the case of consumer credit (including personal loans and credit cards) as a temporary counter-cyclical measure. This had a negative impact of approximately 104 basis points on our capital adequacy ratio at year-end fiscal 2005. In April 2005, the Reserve Bank of India issued draft guidelines on securitization of standard assets implemented in their present form would require a significantly higher level of capital to be maintained for securitized assets and may have an adverse impact on our business, capital adequacy and financial performance. In July 2005, the Reserve Bank of India increased the risk weight for capital market exposure and exposure to commercial real estate from 100% to 125%. See "Selected Financial Data – Financial Ratios" on page 19. In October 2005, in its mid-term review of the annual policy statement for fiscal 2005, the Reserve Bank of India increased the requirement of general provisioning for standard advances from 0.25% to 0.40%. Any change in the directed lending norms may result in our inability to meet the priority sector lending requirements as well as require us to increase our lending to relatively riskier segments and may result in an increase in non-performing assets in the directed lending portfolio. Future changes in laws and regulations and failure or the apparent failure to address any regulatory changes or enforcement initiatives could have an adverse impact our business, our future financial performance and our stockholders' equity, harm our reputation, subject us to penalties, fines, disciplinary actions or suspensions of any kind, or increase our litigation risk and have an

adverse effect on the price of our Equity Shares.

There are a number of restrictions under the Banking Regulation Act, which impede our operating flexibility and affect or restrict investors' rights. These include the following:

- Section 15(1) of the Banking Regulation Act, states that "no banking company shall pay any dividend on its shares until all its capitalised expenses (including preliminary expenses, organisation expenses, share-selling commission, brokerage, amounts of losses incurred and any other item of expenditure not represented by tangible assets) have been completely written off".
- Section 12(2) of the Banking Regulation Act, states that "no person holding shares in a banking company shall exercise voting rights on poll in excess of 10.0% of the total voting rights of all the shareholders of the banking company".
- The forms of business in which we and our subsidiaries may engage are specified and regulated by the Banking Regulation Act. Pursuant to the provisions of Section 8 of Banking Regulation Act, we cannot directly or indirectly deal in the buying, selling or bartering of goods by ourselves or for others, except in connection with the realisation of security given to us or held by us, or in connection with bills of exchange received for collection or negotiation, or in connection with the administration of estates as executor, trustee or otherwise, or in connection with any business specified under Section 6(1)(o) of the Banking Regulation Act. Goods for this purpose means every kind of movable property, other than actionable claims, stocks, shares, money, bullion and specie and all instruments referred to in section 6(1)(a) of Banking Regulation Act. Unlike a company incorporated under the Companies Act which may amend the objects clause of its Memorandum of Association to commence a new business activity, banking companies may only carry on business activities permitted by Section 6 of the Banking Regulation Act or specifically permitted by the Reserve Bank of India. This may restrict our ability to pursue profitable business opportunities as they arise.
- Section 17(1) of the Banking Regulation Act requires every banking company to create a Reserve Fund and to transfer out of the balance of the profit of each year as disclosed in the profit and loss account a sum equivalent to not less than 20% of such profit before paying any dividend.
- We are required to obtain approval of the Reserve Bank of India for the appointment and remuneration of our Chairman, Managing Director and other wholetime directors. The Reserve Bank of India has powers to remove managerial and other persons from office, and to appoint additional directors. We are also required to obtain approval of the Reserve Bank of India for the creation of floating charges for our borrowings, thereby hampering leverage. The Banking Regulation Act also contains provisions regarding production of documents and availability of records for inspection.
- A compromise or arrangement between us and our creditors or any class of them or between us and our shareholders or any class of them or any modification in such arrangement or compromise will not be sanctioned by any High Court unless such compromise or arrangement or modification, as the case may be, is certified by the RBI in writing as not being incapable of being implemented and as not being detrimental to the interests of our depositors. Our amalgamation with any other banking company will require the sanction of the RBI and shall be in accordance with the provisions of the Banking Regulation Act. The provisions for winding-up of banking companies as specified in the Banking Regulation Act are at variance with the provisions of the Companies Act. Further, the RBI can also apply for winding-up of a banking company in certain circumstances and can also be appointed as the liquidator and the Government of India has powers to acquire the undertakings of banking companies in certain cases.

- We are required to prepare our balance sheet and profit and loss account in the forms set out in the Third Schedule to the Banking Regulation Act or as near thereto and subject to and in accordance with the other provisions of the Banking Regulation Act read with the Companies Act, 1956. Subject to and on account of laws governing banking companies, the financial disclosures in the offer document may not be available to the investors on a continuous basis after listing.

For more information see "Regulations and Policies" on page 121.

At September 30, 2005, we had contingent liabilities of Rs. 3,109.85 billion. A determination against us in respect of disputed tax assessments of Rs. 26.46 billion may adversely impact our financial performance.

At September 30, 2005, we had contingent liabilities of Rs. 3,109.85 billion, which included Rs. 3,033.80 billion on account of items such as guarantees issued, acceptances, letters of credit, forward contracts and other derivatives which are normal for the banking business. Our contingent liabilities included Rs. 26.46 billion demanded in additional taxes by the Government of India's tax authorities in excess of our provisions. See "Outstanding Litigation and Material Developments" on page 355. We have appealed all of these demands. While we expect that no additional liability will arise out of these disputed demands, there can be no assurance that these matters will be settled in our favour or that no further liability will arise out of these demands. Any additional tax liability may adversely impact our financial performance and the price of our Equity Shares.

We are involved in approximately 797 litigations (not including tax claims) having an aggregate claim amount of approximately Rs. 95.1 billion (to the extent quantifiable and including amounts claimed jointly and severally from us and other parties) and any final judgment awarding material damages against us could have a material adverse impact on our future financial performance, our stockholders' equity and the price of our Equity Shares.

At September 30, 2005 there were approximately 60 criminal cases or complaints pending in various forums in India, at different stages of investigation, against us, our directors, senior management and other employees.

We are often involved in litigations for a variety of reasons, which generally arise because we seek to recover our dues from borrowers or because customers seek claims against us. At September 30, 2005, there were 20 litigations (not including tax claims) against us, involving a claim of Rs. 10.0 million and more, in the aggregate amount of approximately Rs. 95 billion (to the extent quantifiable and including amounts claimed jointly and severally from us and other parties), and approximately 777 litigations (not including tax claims) against us, involving an amount of less than Rs. 10.0 million, in an aggregate amount of approximately Rs 191.5 million (to the extent quantifiable and including amounts claimed jointly and severally from us and other parties), which together aggregate to approximately 797 litigations (not including tax claims) having an aggregate amount of approximately Rs. 95.1 billion (to the extent quantifiable and including amounts claimed jointly and severally from us and other parties). At September 30, 2005, approximately 462 litigations were pending against our subsidiaries and other group companies in an aggregate amount of approximately Rs. 71.8 million (to the extent quantifiable) and two litigations in which monetary claims are sought against our Directors in an aggregate amount of Rs. 56.3 billion (to the extent quantifiable). For details of these litigations, please see "Outstanding Litigation or Defaults" on page 355. For details of regulatory actions against us, our subsidiaries and other group companies, please see "Outstanding Litigation and Material Developments" on page 355. The majority of these cases arise in the normal course and we believe, based on the facts of the cases and consultation with counsel, that these cases generally do not involve the risk of a material adverse impact on our financial performance or shareholders' equity. Where we assess that there is a probable risk of loss, it is our policy to make provisions for the loss. However, we do not make provisions or disclosures in our financial statements where our assessment is that the risk is insignificant. We cannot guarantee that the judgments

in any of the litigation in which we are involved would be favourable to us and if our assessment of the risk changes, our view on provisions will also change.

Our inability to grow further or succeed in retail products and services may adversely affect our business.

We are a relatively new entrant in the retail loan business and have achieved significant growth in this sector. See "Business – Asset Composition and Classification" on page 92. While we anticipate continued significant demand in this area, we cannot assure you that our retail portfolio will continue to grow as expected. Our inability to grow further or succeed in retail products and services may adversely affect our business, our future financial performance, our shareholders' funds and the price of our Equity Shares. See also "If we are not able to control the level of non-performing assets in our portfolio, our business will suffer" on page ii, "There is operational risk associated with our industry which may have an adverse impact on our results" on page ix and "We depend on the accuracy and completeness of information about customers and counterparties" on page x.

Our inability to succeed in our new business areas or to manage the new challenges and risks that we face, may have a material adverse impact on our future financial performance, our shareholders' funds and the price of our Equity Shares.

Our subsidiaries ICICI Prudential Life Insurance Company and ICICI Lombard General Insurance Company provide a wide range of insurance products and services. Recently, we have also pursued an international expansion strategy establishing subsidiaries or opening branches or representative offices in various countries, including the United Kingdom, Canada, Russia, Singapore, Bahrain and the United States. This international expansion strategy exposes us to a new variety of regulatory and business challenges and risks, including cross-cultural risk. The skills required for this business could be different from those required for our Indian business and we may not be able to attract the required talented professionals. Our inability to manage these new challenges and risks, our failure to raise the substantial capital required for our international expansion or our insurance business or any adverse developments concerning our joint venture partners in the insurance business, may have a material adverse effect on our business, our reputation, our future financial performance, our shareholders' funds and the price of our Equity Shares.

Certain of our subsidiaries have incurred losses, which may adversely affect our results of operation.

Certain of our subsidiaries have incurred losses in recent years, as set forth in the table below:

(Rs. in millions)

Subsidiary	Year ended March 31,			Unaudited six-month period ended September 30,
	2003	2004	2005	2005
ICICI Securities Inc.	(5.5)	-	-	-
ICICI Securities Holding Inc.	-	-	(13.3)	-
ICICI Prudential Life Insurance Company Limited	(1,471.8)	(2,215.7)	(2,116.2)	(1,292.1)
ICICI Bank UK Limited	-	(98.9)	-	-
ICICI Bank Canada	-	(34.9)	(269.2)	(142.4)

Although these losses can be primarily attributed to initial set-up and start-up costs and, particularly in the insurance industry, to a high level of operating expenses and reserving requirements in the initial years of expansion, any further losses in these subsidiaries may adversely affect our business, our future financial performance, our shareholders' funds and the price of our Equity Shares. In addition, certain venture capital and private equity and trust funds in which we are the sole or majority unit-holder or contributory have also incurred losses which are not significant in the context of our overall operations.

The accounts of our subsidiaries, for the six-month period ended September 30, 2005, are unaudited.

The accounts of ICICI Securities Limited, ICICI Brokerage Services Limited, ICICI Securities Holdings Inc., ICICI Securities Inc., ICICI International Limited, ICICI Trusteeship Services Limited, ICICI Home Finance Company Limited, ICICI Investment Management Company Limited, ICICI Prudential Life Insurance Company Limited, ICICI Lombard General Insurance Company Limited, ICICI Venture Funds Management Company Limited, ICICI Bank UK Limited and ICICI Bank Canada for the six-month period ended September 30, 2005 are unaudited. Since ICICI Bank Canada follows the calender year for financial reporting, the financial information for fiscal years 2003 and 2004 included in this Prospectus is unaudited as permitted by accounting standards.

We are exposed to fluctuations in foreign exchange rates.

As a financial intermediary we are exposed to exchange rate risk. See "Business - Risk Management –Market Risk – Exchange Rate Risk" on page 113. Adverse movements and volatility in foreign exchange rates may adversely affect our borrowers, the quality of our exposure to our borrowers, our business, our future financial performance, our shareholders' funds and the price of our Equity Shares.

Our business is very competitive and our growth strategy depends on our ability to compete effectively.

We face intense competition from Indian and foreign commercial banks in all our products and services. Foreign banks also operate in India through non-banking finance companies. Further liberalization of the Indian financial sector, could lead to a greater presence or new entries of foreign banks offering a wider range of products and

services, which would significantly toughen our competitive environment. In addition, the Indian financial sector may experience further consolidation, resulting in fewer banks and financial institutions, some of which may have greater resources than us. The Government of India has indicated its support for consolidation among government-owned banks. The Reserve Bank of India has announced a roadmap for the presence of foreign banks in India that would, after a review in 2009, allow foreign banks to acquire up to 74.0% shareholding in an Indian private sector bank. See "Business - Competition" on page 100 and "The Indian Financial Sector – Commercial Banks" on page 73. Due to competitive pressures, we may be unable to successfully execute our growth strategy and offer products and services at reasonable returns and this may adversely impact our business, our future financial performance, our shareholders' funds and the price of our Equity Shares.

Fraud and significant security breaches in our computer system and network infrastructure could adversely impact our business.

Our business operations are based on a high volume of transactions. Although we take adequate measures to safeguard against system-related and other fraud, there can be no assurance that we would be able to prevent fraud. Our reputation could be adversely affected by fraud committed by employees, customers or outsiders. Physical or electronic break-ins, security breaches, other disruptive problems caused by our increased use of the Internet or power disruptions could also affect the security of information stored in and transmitted through our computer systems and network infrastructure. Although we have implemented security technology and operational procedures to prevent such occurrences, there can be no assurance that these security measures will be successful. A significant failure in security measures could have a material adverse effect on our business, our future financial performance and the price of our Equity Shares.

System failures could adversely impact our business.

Given the increasing share of retail products and services and transaction banking services in our total business, the importance of systems technology to our business has increased significantly. Our principal delivery channels include ATMs, Call Centers and the Internet. Any failure in our systems, particularly for retail products and services and transaction banking, could significantly affect our operations and the quality of customer service and could result in business and financial losses and adversely affect the price of our Equity Shares.

There is operational risk associated with our industry which may have an adverse impact on our results.

We, like all financial institutions, are exposed to many types of operational risk, including the risk of fraud or other misconduct by employees or outsiders, unauthorized transactions by employees or operational errors, including clerical or recordkeeping errors or errors resulting from faulty computer or telecommunications systems. We use direct marketing associates for marketing our retail credit products. We also outsource some functions such as collections to other agencies. Given our high volume of transactions, certain errors may be repeated or compounded before they are discovered and successfully rectified. In addition, our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect. We may also be subject to disruptions of our operating systems, arising from events that are wholly or partially beyond our control (including, for example, computer viruses or electrical or telecommunication outages), which may give rise to a deterioration in customer service and to loss or liability to us. We are further exposed to the risk that external vendors may be unable to fulfill their contractual obligations to us (or will be subject to the same risk of fraud or operational errors by their respective employees as are we), and to the risk that its (or its vendors') business continuity and data security systems prove not to be sufficiently adequate. We also face the risk that the design of our controls and procedures

prove inadequate, or are circumvented, thereby causing delays in detection or errors in information. Although we maintain a system of controls designed to keep operational risk at appropriate levels, like all banks we have suffered losses from operational risk and there can be no assurance that we will not suffer losses from operational risks in the future that may be material in amount. For a discussion of how operational risk is managed see "Business - Risk Management – Operational Risk" on page 115.

We are subject to credit, market and liquidity risk which may have an adverse effect on our credit ratings and our cost of funds.

To the extent any of the instruments and strategies we use to hedge or otherwise manage our exposure to market or credit risk are not effective, we may not be able to mitigate effectively our risk exposures in particular market environments or against particular types of risk. Our balance sheet growth will be dependent upon economic conditions, as well as upon our determination to securitize, sell, purchase or syndicate particular loans or loan portfolios. Our trading revenues and interest rate risk are dependent upon our ability to properly identify, and mark to market, changes in the value of financial instruments caused by changes in market prices or rates. Our earnings are dependent upon the effectiveness of our management of migrations in credit quality and risk concentrations, the accuracy of our valuation models and our critical accounting estimates and the adequacy of our allowances for loan losses. To the extent our assessments, assumptions or estimates prove inaccurate or not predictive of actual results, we could suffer higher than anticipated losses. See also "Further deterioration of our non-performing asset portfolio and an inability to improve our provisioning coverage as a percentage of gross non-performing assets, could adversely affect the price of our Equity Shares" on page iii. The successful management of credit, market and operational risk is an important consideration in managing our liquidity risk because it affects the evaluation of our credit ratings by rating agencies. Rating agencies may reduce or indicate their intention to reduce the ratings at any time. See also "Any downgrading of India's debt rating by an international rating agency could adversely affect our business and the price of our Equity Shares" on page xiv. The rating agencies can also decide to withdraw their ratings altogether, which may have the same effect as a reduction in our ratings. Any reduction in our ratings may increase our borrowing costs, limit our access to capital markets and adversely affect our ability to sell or market our products, engage in business transactions, particularly longer-term and derivatives transactions, or retain our customers. This, in turn, could reduce our liquidity and negatively impact our operating results and financial condition. For more information relating to our ratings, see "Business – Risk Management – Market Risk - Liquidity Risk" on page 114.

We depend on the accuracy and completeness of information about customers and counterparties.

In deciding whether to extend credit or enter into other transactions with customers and counterparties, we may rely on information furnished to us by or on behalf of customers and counterparties, including financial statements and other financial information. We may also rely on certain representations as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors. For example, in deciding whether to extend credit, we may assume that a customer's audited financial statements conform with generally accepted accounting principles and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer. Our financial condition and results of operations could be negatively affected by relying on financial statements that do not comply with generally accepted accounting principles or other information that is materially misleading.

Any inability to attract and retain talented professionals may adversely impact our business.

Attracting and retaining talented professionals is a key element of our strategy and we believe it to be a significant

source of competitive advantage. See "Business – Strategy" on 83 and "Business – Employees" on page 119. Our inability to attract and retain talented professionals or the loss of key management personnel could have an adverse impact on our business, our future financial performance and the price of our Equity Shares.

Certain shareholders own a large percentage of our equity shares and their actions could adversely affect the price of our equity shares and ADSs.

Life Insurance Corporation of India and General Insurance Corporation of India, each of which is directly or indirectly controlled by the Indian Government, are among our principal shareholders. Our other large shareholders include Allamanda Investments Pte. Limited, a subsidiary of Temasek Holdings Pte. Limited, the government of Singapore, Crown Capital Limited, HWIC Asia Fund, an affiliate of Fairfax Financial Holdings Limited, and Bajaj Auto Limited, an Indian private sector company. See "Capital Structure – Notes to Capital Structure" on page 29. Any substantial sale of our equity shares by these or other large shareholders could adversely affect the price of our Equity Shares.

Your holdings may be diluted by additional issuances of equity and any dilution may adversely affect the market price of our Equity Shares.

We propose to conduct an ADS Offering in the United States aggregating Rs. 23,000.0 million (including ADS green shoe option of Rs. 3,000 million) as part of the consolidated capital raising issue comprising the Issue and the ADS Offering aggregating Rs. 70,000.0 million, each with a green shoe option together aggregating to Rs. 10,500.0 million, being conducted by us. The ADS Offering will result in a dilution of your shareholding. We may conduct future additional equity offerings or offerings of convertible securities to fund the growth of our business, including our international operations, our insurance business or our other subsidiaries. In addition, up to 5.0% of our issued equity shares, may be issued in accordance with our Employee Stock Option Scheme. Any concurrent or future issuance of equity shares or offerings of convertible securities would dilute the positions of investors in Equity Shares and could adversely affect the market price of our Equity Shares.

Pursuant to the terms of our American Depositary Shares, Deutsche Bank Trust Company Americas which as depositary holds the Equity Shares represented by the American Depositary Shares votes in accordance with the directions of our Board of Directors.

Deutsche Bank Trust Company Americas holds the Equity Shares represented by approximately 100 million American Depositary Shares outstanding, as depositary on behalf of the holders of the American Depositary Shares. The American Depositary Shares are listed on the New York Stock Exchange. The depositary votes on the Equity Shares represented by the American Depositary Receipts as directed by our Board of Directors. However, under the Banking Regulation Act, no person holding shares in a banking company can exercise more than 10.0% of the total voting power. This means that Deutsche Bank Trust Company Americas which as depositary owned approximately 27.2% of our Equity Shares at September 30, 2005, could vote only 10.0% of our Equity Shares. See "The Indian Financial Sector – Recent Structural Reforms – Proposed Amendments to the Banking Regulation Act" on page 78.

If we are required to change our accounting policies with respect to the expensing of stock options, our earnings could be adversely affected.

We currently deduct the expense of employee stock option grants from our income based on the intrinsic value method and not on the fair value method. Had compensation cost for our employee stock options been determined in a manner consistent with the fair value approach, our profit after tax for the six-month period ended September

30, 2005 as reported would have been reduced to the proforma amount of Rs. 10.83 billion from Rs. 11.10 billion and for fiscal 2005, to Rs. 19.57 billion from Rs. 20.05 billion.

Subject to the changes in Indian Accounting Standards or even otherwise we may change our accounting policies in the future and it might not always be possible to determine the effect on Profit and Loss account of these changes in each of the accounting years preceding the change.

In such cases our profit/loss for the preceding years might not be strictly comparable with the profit/loss for the period for which such accounting policy changes are being made. Effective April 01, 2004, we have accounted for unrealized gains on rupee derivatives (net of provisions) as compared to our earlier policy of ignoring the unrealized gains. As a result profit after tax for fiscal 2005 was higher by Rs. 296.3 milion.

If investors who opt for Payment Method-1 do not pay the Balance Amount Payable, the amount raised through the Issue will be lower than the proposed Issue size. Further, shares issued to investors who opt for Payment Method-1 will not be traded till the time these shares become fully paid.

The Balance Amount Payable, if any, may not be paid and the amount raised through the Issue may be lower than the proposed Issue. Further, shares, if any, issued pursuant to Payment Method-1, will, not be traded after the date of allotment until the Balance Amount Payable is received and corporate action for appropriation of the amounts received towards Balance Amount payable on allotment is taken and the shares are made fully paid-up, In this issue investors opting for Payment Method-1 shall be required to make the payment of the Balance Amount Payable by the Due Date for payment of Balance Amount Payable. You shall be notified of the Balance Amount Payable simultaneously with the approval of the Basis of Allotment by the Stock Exchanges. The process of corporate action may take about two weeks from the date of payment of the Balance Amount Payable. During this period shareholders who pay the Balance Amount Payable for the partly paid shares will not be able to trade in those shares. See “The Issue” on page 3.

You will not receive the Equity Shares you purchase in this Issue until several days after you pay for them, which will subject you to market risk.

The Equity Shares you purchase in this Issue will not be credited to your demat account with depository participants until approximately 15 working days from the Bid/Issue Closing Date (or approximately 10 working days from the date that you make payment for the equity shares). You can start trading your equity shares only after receipt of listing and trading approvals in respect of these shares which will require additional time after the credit of shares into your demat accounts. Since our equity shares are already listed on the stock exchanges, you will be subject to market risk from the date you pay for the equity shares to the date they are listed.

EXTERNAL RISK FACTORS

A slowdown in economic growth in India could cause our business to suffer.

Any slowdown in the Indian economy or volatility of global commodity prices, in particular oil and steel prices, could adversely affect our borrowers and contractual counterparties. Because of the importance of our commercial banking operations for retail customers and the increasing importance of our agricultural loan portfolio to our business, any slowdown in the growth of the housing, automobiles and agricultural sectors could adversely impact our business, including our ability to grow our asset portfolio, the quality of our assets, our financial performance, our shareholders’ funds, our ability to implement our strategy and the price of our Equity Shares.

A significant increase in the price of crude oil could adversely affect the Indian economy, which could adversely affect our business.

India imports approximately 70.0% of its requirements of crude oil, which constituted approximately 27.9% of total imports in fiscal 2005. The sharp increase in global crude oil prices during fiscal 2001 adversely affected the Indian economy in terms of volatile interest and exchange rates. This adversely affected the overall state of liquidity in the banking system leading to intervention by the Reserve Bank of India. Over the last year, there has been a sharp increase in global crude oil prices which has been due to both increased demand and pressure on production and refinery capacity. The full burden of the oil price increase has not yet been passed to Indian consumers and has been largely absorbed by the Government and Government-owned oil marketing companies. Sustained high levels, further increases or volatility of oil prices and the pass-through of recent increases to Indian consumers could have a material negative impact on the Indian economy and the Indian banking and financial system in particular, including through a rise in inflation and market interest rates and a higher trade deficit. This could adversely affect our business including our liquidity, our ability to grow, the quality of our assets, our financial performance, our shareholders' funds, our ability to implement our strategy and the price of our Equity Shares.

A significant change in the Indian Government's economic liberalization and deregulation policies could adversely affect our business and the price of our Equity Shares.

Our assets and customers are predominantly located in India. The Indian Government has traditionally exercised and continues to exercise a dominant influence over many aspects of the economy. Government policies could adversely affect business and economic conditions in India, our future financial performance, our shareholders' funds and the price of our Equity Shares.

Financial instability in other countries, particularly emerging market countries and countries where we have established operations, could adversely affect our business and the price of our Equity Shares.

The Indian economy is influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. We have also established operations in several other countries. A loss of investor confidence in the financial systems of other emerging markets and countries where we have established operations or any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector, our business, our future financial performance, our shareholders' funds and the price of our Equity Shares.

If regional hostilities, terrorist attacks or social unrest in some parts of the country increase, our business and the price of our Equity Shares could be adversely affected.

India has from time to time experienced social and civil unrest and hostilities both internally and with neighbouring countries. In the past, there have been military confrontations between India and Pakistan. India has also experienced terrorist attacks in some parts of the country. These hostilities and tensions could lead to political or economic instability in India and adversely affect our business, our future financial performance and the price of our Equity Shares.

Trade deficits could adversely affect our business and the price of our Equity Shares.

India's trade relationships with other countries and its trade deficit, driven to a major extent by global crude oil prices, may adversely affect Indian economic conditions. If trade deficits increase or are no longer manageable because of the rise in global crude oil prices or otherwise, the Indian economy, and therefore our business, our

financial performance, our shareholders' funds and the price of our Equity Shares could be adversely affected.

Natural calamities could adversely affect the Indian economy, our business and the price of our Equity Shares.

India has experienced natural calamities like earthquakes, floods and drought in the past few years. The extent and severity of these natural disasters determine their impact on the Indian economy. For example, in fiscal 2003, many parts of India received significantly less than normal rainfall. As a result of the drought conditions in the economy during fiscal 2003, the agricultural sector recorded a negative growth of 7.0%. Also, the erratic progress of the monsoon in fiscal 2005 adversely affected sowing operations for certain crops and resulted in a decline in the growth rate of the agriculture sector from 9.1% in fiscal 2004 to 1.1% in fiscal 2005. Further prolonged spells of below or above normal rainfall or other natural calamities could adversely affect the Indian economy, our business and the price of our Equity Shares.

Financial difficulty and other problems in certain financial institutions in India could adversely affect our business and the price of our Equity Shares.

As an Indian bank, we are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business, our future financial performance, our shareholders' funds and the price of our Equity Shares. See also "The Indian Financial Sector" on page 73. As the Indian financial system operates within an emerging market, it faces risks of a nature and extent not typically faced in more developed economies, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme. For example, in April 2003, unsubstantiated rumours, believed to have originated in Gujarat, a state in India, alleged that we were facing liquidity problems. Although our liquidity position was sound, we witnessed higher than normal deposit withdrawals on account of these unsubstantiated rumours for several days in April 2003. We successfully controlled the situation in this instance, but any failure to control such situations in the future could result in high volumes of deposit withdrawals which would adversely impact our liquidity position.

A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy which could adversely impact us.

A decline in India's foreign exchange reserves could result in reduced liquidity and higher interest rates in the Indian economy, which could adversely affect our business, our future financial performance, our shareholders' funds and the price of our Equity Shares. See also "Internal Risk Factors" on page i.

Any downgrading of India's debt rating by an international rating agency could adversely affect our business and the price of our Equity Shares.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our business, our future financial performance, our shareholders' funds and the price of our Equity Shares.

Conditions in the Indian and international securities market may affect the price or liquidity of the Equity Shares.

The Equity Shares offered pursuant to the Issue will be listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited. Pursuant to Indian law, certain actions must be completed before the Equity Shares can be listed and trading may commence. We intend to issue the Equity Shares underlying the ADS Offering prior to the listing and trading of the Equity Shares being offered in this Issue. Trading in the Equity Shares is expected to commence within seven working days of the date on which the basis of allotment is approved by the National Stock Exchange of India Limited which may be up to 15 days after the issue of the Equity Shares underlying the ADS Offering and the commencement of trading of the ADSs outside India. Investors' reactions to market and economic developments in the US and other international markets may have an adverse effect on the market price of our ADSs and equity shares. Therefore, the market price of our Equity Shares could decline as a result of volatility in the price of our ADSs.

Notes:

- Our name was changed from ICICI Banking Corporation Limited to ICICI Bank Limited on September 10, 1999. The change of name was effected on account of our being widely known by the name "ICICI Bank".
- The Reserve Bank of India conducts regular inspections of banking companies under the provisions of the Banking Regulation Act. The reports of the Reserve Bank of India are strictly confidential. We are in dialogue with the Reserve Bank of India in respect of observations made by the Reserve Bank of India in their report for prior periods. The Reserve Bank of India does not permit disclosure of its inspection report and all the disclosures in this Prospectus are on the basis of our management and audit reports.
- The book value per equity share of Rs. 10 each computed from our unconsolidated financial statements was Rs. 183.7 at September 30, 2005 and Rs. 168.6 at year-end fiscal 2005.
- Our net worth (including preference share capital of Rs. 3.50 billion) at September 30, 2005 was Rs. 138.97 billion which was net of unamortised Early Retirement Option expenses of Rs. 1.08 billion and intangible assets of Rs. 0.61 billion.
- We had entered into certain related party transactions in fiscal 2005, prominent amongst them being payment for rendering of services of Rs. 432.8 million and deposits of Rs. 6.63 billion. For details see "Related Party Transactions" on page 171.
- None of our directors has, either directly or indirectly, undertaken transactions in our Equity Shares in the six months preceding the date of this Prospectus except as stated on page 62**.**
- You may contact the BRLMs and the CBRLMs for any complaints pertaining to the Issue.
- You are advised to refer to "Basis for The Issue Price" on page 67.
- You are free to contact the BRLMs and the CBRLMs for any clarification or information relating to the Issue. The BRLMs and CBRLMs are obliged to provide the same to you.
- You may note that in case of over-subscription in the Issue, allotment to Bidders shall be on a proportionate basis subject to compliance with total foreign and foreign institutional investor shareholding limits. For more information, see "Basis of Allocation" on page 410.
- The financial statements included in this Prospectus are prepared for the domestic Indian market on an unconsolidated basis and presented in accordance with Indian GAAP, the Indian Companies Act, 1956 and SEBI Guidelines. Investors in the Equity Shares should be aware that ICICI Bank's financial information prepared for its annual report on Form 20-F filed with the SEC have been prepared on a consolidated basis in accordance with U.S. GAAP which differs significantly from Indian GAAP.

SUMMARY

You should read the following summary together with the risk factors and the more detailed information about us and our financial results included elsewhere in this Prospectus.

Overview

We are a leading Indian private sector commercial bank offering a variety of products and services. We were incorporated in India in 1994. In 2002, ICICI, a non-bank financial institution, and two of its subsidiaries, ICICI Personal Financial Services and ICICI Capital Services, were amalgamated with us. As of September 30, 2005 we were the largest private sector bank in India and the second largest bank in India, in terms of assets. See "Business – History" on page 82.

Our commercial banking operations span the corporate and the retail sector. We offer a suite of products and services for both our corporate and retail customers. We offer a range of retail credit and deposit products and services to retail customers. The implementation of our retail strategy and the growth in our commercial banking operations for retail customers has had a significant impact on our business and operations in recent years. At September 30, 2005, retail finance represented 63.6% of our total loans and advances compared to 60.9% at year-end fiscal 2005 and 51.0% at year-end fiscal 2004. We have approximately 15.8 million retail customer accounts. Our corporate customers include India's leading companies as well as growth-oriented small and middle market businesses, and the products and services offered to them include loan and deposit products and fee and commission-based products and services. Through our treasury operations, we manage our balance sheet and strive to optimize profits from our trading portfolio by taking advantage of market opportunities. We believe that the international markets present a major growth opportunity and have, therefore, expanded to countries other than India to serve our customers' cross border needs and offer our commercial banking products to international customers.

At September 30, 2005 our principal network consisted of 531 branches, 52 extension counters and 2,030 automated teller machines, or ATMs, in 371 centers across several Indian states. We offer our customers a choice of delivery channels, and we use technology to differentiate our products and services from those of our competitors. We remain focused on changes in customer needs and technological advances to remain at the forefront of electronic banking in India, and seek to deliver high quality and effective services.

Strategy

Our objective is to enhance our position as a provider of banking and other financial services in India and to leverage our competencies in financial services and technology to develop an international business franchise. The key elements of our business strategy are to:

Focus on Quality Growth Opportunities: We believe that the Indian retail financial services market is likely to continue to experience sustained growth. With upward migration of household income levels, affordability and availability of retail finance and acceptance of use of credit to finance purchases, retail credit has emerged as a rapidly growing opportunity for banks that have the necessary skills and infrastructure to succeed in this business. We have capitalized on the growing retail opportunity in India and believe that we have emerged as a market leader in retail credit. From fiscal 2003, we have achieved significant growth in our commercial banking operations for retail customers. Our retail loan portfolio grew by approximately 69.1% during fiscal 2005 and 22.1% during the six-month period ended September 30, 2005. We aim to focus on quality growth opportunities by building on our leadership position in retail credit and focusing on leveraging our corporate relationships to increase our market share in non-fund-based working capital products and fee-based services. We aim to provide comprehensive and integrated services, and to increase the cross-selling of our products and services and maximize the value of our corporate relationships through the effective use of technology, speedy response times, quality service and the provision of products and services designed to meet specific customer needs.

Build an International Presence: We believe that the international markets present a major growth opportunity. We have therefore expanded to countries other than India to cater to our customers' cross border needs and offer our commercial banking products in select international markets, and aim to develop an international presence.

Build a Rural Banking Franchise: Our rural banking strategy seeks to adopt a holistic approach to the financial services needs of various segments of the rural population, by delivering a comprehensive product suite encompassing credit, transaction banking, deposit, investment and insurance, through a range of channels. Our rural delivery channels include branches, internet kiosks, franchisees and micro-finance institution partners.

Strengthen Our Insurance and Asset Management Businesses: We believe that the insurance and asset management sectors have significant growth potential. We believe that our subsidiaries, ICICI Prudential Life Insurance Company Limited, ICICI Lombard General Insurance Company Limited and Prudential ICICI Asset Management Company have built a platform for continued growth, high market share and profitability in the medium term based on extensive distribution efforts, brand recall and portfolio, underwriting and portfolio management capabilities. According to statistics published by the Insurance Regulatory & Development Authority, ICICI Prudential Life Insurance Company had a market share of 32% in new business written (excluding group business and including 10% of single premium)

by private sector life insurance companies in India during the six-month period ended September 30, 2005. ICICI Lombard General Insurance had a market share of 31% among the private sector general insurance companies in India during the six-month period ended September 30, 2005. Prudential ICICI Asset Management Company had a market share of about 11% in assets under management of the mutual fund industry at September 30, 2005. We seek to leverage the synergies we have with our insurance and asset management subsidiaries.

Emphasize Conservative Risk Management Practices and Enhance Asset Quality: We believe that conservative credit risk management policies and procedures are critical to maintain competitive advantages in our business, and we continue to build on our credit risk management tools, and aim to mitigate credit risk by adopting various measures.

Use Technology for Competitive Advantage: We seek to be at the forefront of technology usage in the financial services sector. Technology is a strategic tool for our business operations to gain competitive advantage and to improve overall productivity and efficiency of the organisation.

Attract and Retain Talented Professionals: We have been successful in building a team of talented professionals with relevant experience. We believe a key to our success will be our ability to continue to maintain and grow a pool of strong and experienced professionals. We intend to continuously develop our management and organizational structure to allow us to respond effectively to changes in the business environment and enhance our overall performance.

THE ISSUE

Issue	Rs. 50,000.0 million
Of which[1]	
Reservation for Existing Retail Shareholders	Up to Rs. 2,500.0 million
Net Issue to the public	Minimum of Rs. 47,500.0 million
Of which[2]:	
Qualified Institutional Buyers portion	Up to Rs. 23,750.0 million
Non-Institutional portion	At least Rs. 7,125.0 million
Retail portion	At least Rs. 16,625.0 million
Green Shoe Option portion	14.29 million Equity Shares of face value Rs. 10 each aggregating Rs. 7,500.0 million.
Equity Shares outstanding prior to the Issue	740.89 million Equity Shares of Rs. 10 each
Equity Shares outstanding after the Issue (assuming the Green Shoe Option is fully exercised)	852.33 million Equity Shares
Equity Shares outstanding after the Issue (assuming the Green Shoe Option is not exercised)	838.05 million Equity Shares
Objects of the Issue	The objects of the Issue are to augment our capital base to meet the capital requirements arising out of growth in our assets, primarily our loan and investment portfolio due to the growth of the Indian economy, compliance with regulatory requirements and for other general corporate purposes including meeting the expenses of the Issue.

(1) Undersubscription, if any, in the Reservation for Existing Retail Shareholders, would first be allowed to be met with spill over from the Retail Portion and thereafter from any of the other categories, at our discretion, in consultation with the BRLMs and the CBRLMs.

(2) Undersubscription, if any, in any of the categories, would be allowed to be met with spill over from any of the other categories, at our discretion, in consultation with the BRLMs and the CBRLMs.

ADS Offering

We have obtained the approval of our shareholders through postal ballot to issue Equity Shares (including Equity Shares to be issued to investors as part of the ADS Offering) up to an aggregate face value of Rs. 2,000 million, including green shoe options, being 20% of our authorised equity share capital. We propose to undertake this Issue and the ADS Offering aggregating Rs. 70,000 million, each with a green shoe option together aggregating to Rs. 10,500 million. This Issue and the ADS Offering are part of the consolidated capital raising exercise being undertaken by us. We at our discretion may decide to withdraw the ADS Offering at any time up to the time of pricing of the ADS Offering. We in consultation with the BRLMs and CBRLMs shall decide the Issue Price prior to or simultaneously with the determination of the price of the ADS in the ADS Offering. The Equity Shares underlying the ADS Offering shall be held at depositary for the holders of ADS by Deutsche Bank Trust Company Americas and we have sought the Reserve Bank of India's acknowledgement for the shareholding of the depositary in excess of 5% of our paid-up equity share capital, as required by the Reserve Bank of India's guidelines.

This Prospectus or the Red Herring Prospectus is not an offer of Equity Shares or ADSs for sale or an invitation to subscribe to Equity Shares or ADSs to any person in any jurisdiction where it is unlawful to make such offer or invitation. Each purchaser of our equity shares in the Issue is deemed to have acknowledged, represented and agreed as follows:

(1) It is not in the United States nor a U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended).

(2) The equity shares offered in the Indian public offering have not been registered under the Securities Act.

(3) It is purchasing those equity shares in an offshore transaction meeting the requirements of Rule 903 of Regulation S.

Offshore investors will not be permitted to deposit equity shares into the ADR facility until 40 days after the earlier of (i) the date the securitiesare first offered to the public and (ii) the closing date for the offering. Offshore investors would have to comply with the procedures set out under Indian law for the deposit of equity shares in the ADR facility.

Any public offering or sale of ADSs in the United States will be registered and made by means of a U.S. prospectus that may be obtained from us when it becomes available and that will contain detailed information about us and our management, as well as financial statements in accordance with U.S. GAAP. No money, securities, or other consideration is being solicited, and, if sent in response to the information contained herein, will not be accepted. We have filed a registration statement in the United States for an offering of ADSs.

The Red Herring Prospectus or this Prospectus may not be distributed to any US person or into the United States or any other jurisdiction outside India where such distribution would be unlawful.

Payment Methods

The payment methods available to the investors for applying in this issue are as follows:

Amount Payable*	**Payment Method -1**			**Payment Method -2**		
	Existing Retail Shareholders and Retail Individual Bidders			**Any Category*** **		
	Face Value (per share)	**Premium**	**Total**	**Face Value (per share)**	**Premium**	**Total**
On Application	9.00	141.00	150.00	10.00	515.00	525.00
By Due Date for payment of Balance Amount Payable **	1.00	347.75	348.75	-	-	-
Total	**10.00**	**488.75**	**498.75**	**10.00**	**515.00**	**525.00**

***** The Bank, in consultation with the BRLMs and the CBRLMs may decide to allot the Equity Shares to Existing Retail Shareholders and Retail Individual Bidders at a differential lower price as compared to the price for QIBs and Non Institutional Bidders. The price payable by the Existing Retail Shareholders and Retail Individual Bidders shall be Rs. 498.75 per Equity Share, which is at a 5% discount compared to the Issue Price for the QIBs and Non Institutional Bidders . Such differential amount shall be adjusted against the Balance Amount Payable or be refunded to the Existing Retail Shareholders and Retail Individual Bidders as the case may be.

****** Existing Retail Shareholders and Retail Individual Bidders opting for Payment Method 1 shall be required to make the payment of the Balance Amount Payable by the Due Date for payment of Balance Amount Payable. You shall be notified of the Balance Amount Payable simultaneously with the approval of the Basis of Allotment by the Stock Exchanges.

******* Bidders in QIB category will be required to make payment of 10% of the Bid Amount multiplied by the number of Equity Shares bid, with the balance being payable on allocation.

Key Features of the Payment Methods

1) Payment Method 1 ("Payment Method -1")

   a) Only Existing Retail Shareholders and Retail Individual Bidders are eligible for this method.

   b) While bidding, the Bidder shall make a payment of Rs. 150 per Equity Share, irrespective of the Bid.

   c) Under Payment Method-1, of the Rs. 150 paid while bidding, Rs. 9 would be adjusted towards face value of the Equity Shares and Rs. 141 shall be towards share premium.

   d) At the time of allotment

      i) If the amount paid by the Bidder is equal to or higher than the total amount payable (being the Issue Price multiplied by the number of shares allotted) by the Bidder on the Equity Shares allotted to the Bidder, we reserve the right to adjust the excess amount towards the Balance Amount Payable and issue fully paid Equity Shares only. The excess amount, if any, after adjusting the Balance Amount Payable shall be refunded to the Bidder (i.e, Refund = Total amount paid on bidding minus the total amount payable on the shares allotted).

ii) If the amount paid by the Bidder is less than the total amount payable by the Bidder (being the Issue Price multiplied by the number of shares allotted) on the Equity Shares allotted to the Bidder, we reserve the right to adjust the excess of the amount received from the Bidder over the Amount Payable on Application towards the Balance Amount Payable.

e) Equity Shares in respect of which the Balance Amount Payable remains unpaid may be forfeited, at any time after the Due Date for payment of Balance Amount Payable. In the event the Bank decides to allot the Equity Shares to Existing Retail Shareholders and Retail Individual Bidders at a discount, such discount shall be adjusted against the Balance Amount Payable.

f) Indicative timetable for payment and corporate action with respect to Balance Amount Payable under d(ii) above:

Sr. No	Event	Indicative Time Period (On or around)
a.	(a) Basis of Allotment finalised with the Stock Exchanges (b) Allotment Notice, including a statement of Balance Amount Payable per allotted share, issued to the shareholders opting for Payment Method-1	Day X – 2
b.	Listing of shares	Day X
c.	Period (21 days) during which shareholders may make payment for the Balance Amount Payable (at the designated bank branches to be announced)	Day X + 19
d.	Corporate action for appropriation of Balance Amount Payable and for credit of fully paid shares to the demat accounts of shareholders who have paid the amount **	Day X + 33

** **INVESTORS PLEASE NOTE THAT THESE SHARES WILL NOT BE TRADED UNTIL THE DATE OF CORPORATE ACTION FOR APPROPRIATION OF BALANCE AMOUNT PAYABLE IS RECEIVED FROM THE ALLOTTEES. SEE RISK FACTOR ON PAGE xii OF THIS PROSPECTUS.**

2) Payment Method 2 ("Payment Method - 2")

a) Bidders under any category can choose this method.

b) While bidding, the Bidder shall have to make the full payment (Bid Amount multiplied by number of Equity Shares bid) for the shares bid. Bidders in QIB category will be required to make payment of 10% of the Bid Amount multiplied by the number of Equity Shares bid, with the balance being payable on allocation.

c) In the event the Bank decides to allot the Equity Shares at a discount to Existing Retail Shareholders and Retail Individual Bidders, such differential amount shall be refunded to such Bidders.

3) Illustration of Payment Methods *(Investors should note that the following is solely for the purpose of illustration and is not specific to this Issue)*

a) Assumptions:

- Issue Price Rs. 100 per Equity Share
- Discount of 5% to Retail Individual Bidders including Existing Retail Shareholders
- We exercise the option to adjust the excess amount received on application

- Under Payment Method–1, Rs. 10 per share is payable on Application

Amount Payable*	Payment Method -1			Payment Method - 2		
	Existing Retail Shareholders and Retail Individual Bidders			Any Category***		
	Face Value (per share)	Premium	Total	Face Value (per share)	Premium	Total
Amount Payable per Equity Share						
On Application	Rs. 9	Rs. 1	Rs. 10	Rs. 10	Rs. 90**	Rs. 100**
On Allotment	Rs. 1	Rs. 84*	Rs. 85*	-	-	-
Total	**Rs. 0**	**Rs. 85***	**Rs. 95***	**Rs. 10**	**Rs. 90****	**Rs. 100****

* Net of discount for Existing Retail Shareholders and Retail Individual Bidders.

** In the event the Bank decides to allot the Equity Shares at a discount to Existing Retail Shareholders and Retail Individual Bidders, such differential amount shall be refunded to such Bidders who chose Payment Method 2.

******* Bidders in QIB category will be required to make payment of 10% of the Bid Amount multiplied by the number of Equity Shares bid, with the balance being payable on allocation.

b) Comparison of Payment Methods (for Retail Individual Bidders including Existing Retail Shareholders):

Payment	**1**	**2**	**1**	**2**	**1**	**2**	**1**	**2**	**1**	**2**
Method	**Illustration 1**		**Illustration 2**		**Illustration 3**		**Illustration 4**		**Illustration 5**	
Application (no. of Equity Shares)	150		100		200		300		500	
Subscription (times)	3.00		2.00		1.33		1.50		10.00	
Allotment (no. of Equity Shares)*	**50**		**50**		**150**		**200**		**50**	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Amount Paid on Application	1,500	15,000	1,000	10,000	2,000	20,000	3,000	30,000	5,000	50,000
Refund, if any**	Nil	10,250	Nil	5,250	Nil	5,750	Nil	11,000	250	45,250
By Due Date for payment of Balance Amount Payable**	3,250	Nil	3,750	Nil	12,250	Nil	16,000	Nil	Nil	Nil
Total Amount	4,750	4,750	4,750	4,750	14,250	14,250	19,000	19,000	4,750	4,750
Type of share issued	Not tradable till corporate action for appropriation of Balance Amount Payable	Fully paid-up and tradable	Not tradable till corporate action for appropriation of Balance Amount Payable	Fully paid-up and tradable	Not tradable till corporate action for appropriation of Balance Amount Payable	Fully paid-up and tradable	Not tradable till corporate action for appropriation of Balance Amount Payable	Fully paid-up and tradable	Fully paid-up and tradable	Fully paid-up and tradable

* Assuming allotment arrived based on the Basis of Allocation and as per the mechanism described on page 410 and approved by the Stock Exchanges.

** We, in consultation with the BRLMs and the CBRLMs, may decide to allot the Equity Shares to Existing Retail Shareholders and Retail Individual Bidders at a differential lower price as compared to the price for QIBs and Non Institutional Bidders.

This discount shall be decided by us in consultation with the BRLMs and CBRLMs and shall be notified before the Issue Opening Date. Such differential amount shall be adjusted against the Balance Amount Payable or be refunded to the Existing Retail Shareholders and Retail Individual Bidders as the case may be.

c) In the event the Issue under the retail category is oversubscribed by 10 or more times as explained in the Illustration 5 above, no further amount will be payable on allotment. Excess amount after adjusting the full amount payable for the shares allotted will be refunded along with the discount, if any.

d) In the event the Issue under the retail category is subscribed less than 10 times as explained in Illustration 1 to 4 above, the successful bidders under Payment Method-1 will be required to pay the Balance Amount Payable. Excess amount after adjusting the Balance Amount Payable for the allotted shares will be refunded. The balance amount shall have to be paid by the Due Date for payment of the Balance Amount Payable. The Balance Amount Payable shall be net of the discount given by the Bank.

4) Every Bidder should indicate the choice of Payment Method (i.e. Payment Method-1 or Payment Method-2 as applicable) in the Bid cum-Application Form, subject to the Bidder's eligibility for the Payment Method. Once the choice is indicated, the Bidder should not revise the selection. No Bidder can select both the Methods in a Bid-cum-Application Form

5) **Important note**:

If investors who opt for Payment Method-1 do not pay the Balance Amount Payable, the amount raised through the Issue will be lower than the proposed Issue size. Further, shares issued to investors who opt for Payment Method-1 will not be traded till the corporate action for credit of fully paid shares is completed.

The Balance Amount Payable as per the allotment notice issued by us, if any, may not be paid and the amount raised through the Issue may be lower than the proposed Issue. Further, shares, if any, issued pursuant to Payment Method-1, will, unless the over-subscription amount is equal to or in excess of the Balance Amount Payable, not be traded after the allotment has been made until the Balance Amount Payable is received and corporate action for appropriation of the amounts received towards Balance Amounts Payable is taken. In this issue investors opting for Payment Method-1 shall be required to make the payment of the Balance Amount Payable by the due date for payment of Balance Amount Payable. We shall issue the allotment notice simultaneously with the approval of the Basis of Allotment by NSE. The process of corporate action may take about two weeks from the date of payment of the Balance Amount Payable. During this period shareholders who pay the Balance Amount Payable for the partly paid shares will not be able to trade in those shares.

The notice of the Balance Amount Payable will be published in two widely circulated newspapers (one each in English and Hindi) and a regional newspaper along with the statutory advertisement for the Basis for Allotment.

GREEN SHOE OPTION

We intend to establish an option for allocating Equity Shares in excess of the Equity Shares that are included in the Issue in consultation with the BRLMs and CBRLMs and the Stabilising Agent to operate a price stabilisation mechanism in accordance with the applicable DIP Guidelines. The Green Shoe Lender will lend the Equity Shares to the Stabilising Agent. Upon exercise of the Green Shoe Option, we shall issue the Over Allotment Shares.

We have appointed JMMS as the Stabilising Agent, for performance of the role of Stabilising Agent as envisaged in Chapter VIIIA of the DIP Guidelines, including price stabilisation post-listing, if required. There is no obligation to conduct stabilising measures. If commenced, stabilisation will be conducted in accordance with applicable laws and regulations and such stabilisation may be discontinued at any time and will not continue for a period exceeding 30 days from the date when trading permission is given by the NSE. The Stabilising Agent will borrow Equity Shares from Green Shoe Lender. The Equity Shares borrowed from Green Shoe Lender or purchased in the market for stabilising purposes will be in demat form only. On November 21, 2005, the Bank entered into a Stabilisation Agreement with the Green Shoe Lender and JMMS as the Stabilising Agent. The Green Shoe Lender has agreed to lend the following number of Equity Shares for the purpose of Green Shoe Option:

Name of the Green Shoe Lender	**No. of Equity Shares**
Life Insurance Corporation of India	14,285,715

The terms of the Stabilisation Agreement provide that:

Stabilisation Period

"Stabilisation Period" shall mean the period commencing from the date the Bank is given trading permission from the Stock Exchanges and ending 30 days thereafter, unless terminated earlier by the Stabilising Agent.

Procedure for Over Allotment and Stabilisation

((i) The monies received from the applications for Equity Shares in the Issue against the over allotment shall be kept in the GSO Bank Account, which is a distinct account separate from the Public Issue Account and shall be used only for the purpose of stabilisation of the post-listing price of the Equity Shares.

(ii) The allocation of the Over-Allotment Shares shall be done in conjunction with the allocation of Issue so as to achieve pro-rata distribution.

(iii) Upon such allocation, the Stabilising Agent shall transfer the Over-Allotment Shares from the GSO Demat Account to the respective depository accounts of successful Bidders.

(iv) For the purpose of purchasing the Equity Shares from the market, the Stabilising Agent shall use the funds lying to the credit of GSO Bank Account.

(v) The Stabilising Agent shall solely determine the timing of buying the Equity Shares, the quantity to be bought and the price at which the Equity Shares are to be bought from the market for the purposes of stabilisation of the post-listing price of the Equity Shares.

(vi) The Equity Shares purchased from the market by the Stabilising Agent, if any, shall be credited to the GSO Demat Account and shall be returned to the Green Shoe Lender immediately on the expiry of the Stabilisation Period but in no event later than the expiry of two working days thereafter.

(vii) In the event the Equity Shares lying to the credit of the GSO Demat Account at the end of the Stabilisation Period but before the transfer to the Green Shoe Lender is less than the Over Allotment Shares, upon being notified by the Stabilising Agent and the equivalent amount being remitted to the Bank from the GSO Bank Account, the Bank shall within four (4) days of the receipt of notice from the Stabilising Agent of the end of the Stabilisation Period allot new Equity Shares in dematerialised form in an amount equal to such shortfall to the credit of the GSO Demat Account. The newly issued Equity Shares shall be returned by the Stabilising Agent to the Green Shoe Lender in final settlement of Equity Shares borrowed, within two working days of them being credited into the GSO Demat Account, time being of essence in this behalf.

(viii) Upon the return of Equity Shares to the Green Shoe Lender pursuant to and in accordance with sub-clauses (vi) and (vii) above, the Stabilising Agent shall close the GSO Demat Account.

(ix) The Equity Shares returned to the Green Shoe Lender under this clause shall be subject to remaining lock-in-period, if any, as provided in the DIP Guidelines.

GSO Bank Account

The Stabilising Agent shall remit from the GSO Bank Account to the Bank, an amount, in Indian Rupees, equal to the number of Equity Shares to be allotted by the Bank to the GSO Demat Account at Issue Price. The amount left in this account, if any, after this remittance and deduction of expenses including depository, brokerage and transfer fees and net of taxes, if any, incurred by the Stabilising Agent in connection with the activities under the Stabilization Agreement, shall be transferred to the Investor Protection Fund of the Stock Exchanges in equal parts. Upon the return of Equity Shares to the Green Shoe Lender, the Stabilising Agent will close the GSO Bank Account.

Reporting

During the Stabilisation Period, the Stabilising Agent will submit a report to the Stock Exchanges on a daily basis. The Stabilising Agent will also submit a final report to SEBI in the format prescribed in Schedule XXIX of the DIP Guidelines. This report will be signed by the Stabilizing Agent and the Bank and be accompanied by the depository statement for the GSO Demat Account for the Stabilisation Period indicating the flow of shares into and from the GSO Demat Account. If applicable, the Stabilising Agent will, alongwith the report give an undertaking countersigned, if required by the respective depositories of the GSO Demat Account and the Green Shoe Lender regarding confirmation of lock-in on the Equity Shares returned to the Green Shoe Lender in lieu of the Over-Allotment Shares.

Rights and obligations of the Stabilising Agent

(i) Open a special bank account "Special Account for GSO Proceeds of ICICI Bank Limited" or GSO Bank Account and deposit the money received against the over-allotment in the GSO Bank Account.

(ii) Open a special account for securities "Special Account for GSO Shares of ICICI Bank Limited" or GSO Demat Account and receive the Equity Shares lent by the Green Shoe Lender and allocate to applicants to the Issue and credit the Equity Shares bought by the Stabilising Agent, if any, during the Stabilisation Period to the GSO Demat account.

(iii) Stabilise the market price only in the event of the market price falling below the Issue Price as per DIP Guidelines, including determining the price at which Equity Shares to be bought, timing etc.

(iv) On exercise of Green Shoe Option at the end of the Stabilisation Period, to request the Bank to issue Equity Shares and to transfer funds from the GSO Bank Account to the Bank within a period of five working days of close of the Stabilisation Period.

(v) On expiry of the Stabilisation Period, to return the Equity Shares to the Green Shoe Lender either through market purchases or issued by the Bank on exercise of Green Shoe Option as part of stabilising process.

(vi) To submit daily reports to the Stock Exchanges during the Stabilisation Period and to submit a final report to SEBI.

(vii) To maintain a register of its activities and retain the register for three years. Net gains on account of market purchases in the GSO Bank Account to be transferred net of all expenses and net of taxes, if any, equally to the Investor Protection Fund of the Stock Exchanges.

Rights and obligations of the Green Shoe Lender

(i) The Green Shoe Lender undertakes to execute and deliver all necessary documents and give all necessary instructions to procure that all rights, title and interest in the Equity Shares lent shall pass to the Stabilising Agent/GSO Demat Account free from all liens, charges and encumbrances.

(ii) On receipt of notice from the Stabilising Agent, to transfer the Equity Shares lent to the GSO Demat account.

(iii) The Green Shoe Lender will not recall or create any lien or encumbrance on the Equity Shares lent until the transfer of Equity Shares to the GSO Demat Account under the terms of the Stabilisation Agreement.

Fees and Expenses

(i) The Bank shall pay to the Green Shoe Lender a fee of 0.45% of the product of the number of Equity Shares lent and the Issue Price, for lending the Over Allotment Shares.

(ii) The Bank will pay the Stabilising Agent a fee of Re. 1 plus applicable service tax for providing the stabilising services.

Procedure for exercise of Green Shoe Option

The primary objective of the Green Shoe mechanism is stabilisation of the market price of Equity Shares after listing. Towards this end, after listing of Equity Shares, in case the market price of the Equity Shares fall below the Issue Price, then the Stabilisation Agent, at its sole and absolute discretion, may start purchasing Equity Shares from the market with the objective of stabilisation of the market price of the Equity

Shares. The Stabilising Agent, at its sole and absolute discretion, would decide the quantity of Equity Shares to be purchased, the purchase price and the timing of purchase. The Stabilisation Agent, at its sole and absolute discretion, may spread orders over a period of time or may not purchase any Equity Shares under certain circumstances where it believes purchase of Equity Shares may not result in stabilisation of market price.

Further, the Stabilisation Agent does not give any assurance that it would be able to maintain the market price at or above the Issue Price through stabilisation activities.

The funds lying to the credit of the GSO Bank Account would be utilised by the Stabilisation Agent to purchase the Equity Shares from the market and such Equity Shares would be credited to GSO Demat Account. The operations of the GSO Demat Account and GSO Bank Account are explained in the paragraphs above.

Example of working of green shoe option *(Investors should note that the following is solely for the purpose of illustration and is not specific to this Issue):*

For example, in case of a public issue of 100,000 equity shares at a price of Rs. 100 each where a Green Shoe Option of 10% of the issue size is given:

Issue size	- 100,000 equity shares aggregating Rs. 10,000,000
Green shoe	- 10,000 equity shares aggregating Rs. 1,000,000

In this case 10,000 shares corresponding to the green shoe will be borrowed from a green shoe lender.

After the issue has closed and assuming bids have been received for 110,000 equity shares the issuer company in consultation with the book running lead managers will allot a total of 110,000 equity shares aggregating Rs. 11,000,000 to valid applicants.

After listing of the equity shares on the exchanges the following two cases that may arise:

Market price of equity shares falls below the issue price of Rs. 100 during the stabilisation period:

In such a case the stabilising agent at its discretion may buy shares from the market to stabilise the price. The stabilising agent can buy shares up to the total number of shares borrowed from the green shoe lender which is the size of the green shoe i.e. 10,000 equity shares, as the stabilising agent deems fit. The stabilising agent will by shares at its discretion during the period the green shoe option is valid. The stabilising agent may in certain instances decide not to buy shares from the market.

In the current illustration, say the green shoe period is 30 days in which the stabilising agent bought 2,345 shares. After the stabilisation period has ended the stabilising agent will return the shares bought from the market to the green shoe lender viz. 2,345 shares and the company will issue fresh shares to the green shoe account for the balance shares which have to be returned to the lender viz. 7,655 equity shares (10,000 less 2,345). Therefore, the 10,000 shares which were borrowed from the lender will be duly returned.

In this case the total shares issued by the company will be 107,655 shares and the issue size will be Rs. 10,765,500.

Market price of equity shares rises above the issue price during the stabilisation period:

In such a case the stabilising agent will not need to stabilise the price and will not buy any equity shares from the market. At the end of the stabilization period, the company will issue 10,000 fresh shares to the green shoe account which will be duly returned to the green shoe lender.

In this case the total shares issued by the company will be 110,000 shares and the issue size will be Rs. 11,000,000.

SELECTED FINANCIAL DATA

(as per Unconsolidated Financial statements under Indian GAAP)

Our financial and other data for fiscal 2001 through fiscal 2005 and the six-month periods ended September 30, 2004 and 2005 included in this Prospectus have been derived from our unconsolidated financial statements prepared in accordance with generally accepted accounting principles in India, or Indian GAAP, guidelines issued by the Reserve Bank of India from time to time and practices generally prevailing in the banking industry in India. The financial statements for fiscal 2001 and 2002 were audited by S. B. Billimoria & Co., Chartered Accountants, for fiscal 2003 jointly by N. M. Raiji & Co., Chartered Accountants and S. R. Batliboi & Co., Chartered Accountants and for fiscal 2004, 2005 and the six-month periods ended September 30, 2004 and 2005 by S. R. Batliboi & Co., Chartered Accountants. You should read the following discussion and analysis of our selected financial and operating data with the more detailed information contained in our audited unconsolidated financial statements. The following discussion is based on our audited unconsolidated financial statements and accompanying notes prepared in accordance with Indian GAAP.

The amalgamation of ICICI, ICICI Personal Financial Services and ICICI Capital Services with us was accounted for using the purchase method of accounting. The effective date of the amalgamation was May 3, 2002. However, the date of the amalgamation for accounting purposes under Indian GAAP was the Appointed Date under the Scheme of Amalgamation approved by the High Courts of Bombay and Gujarat and the Reserve Bank of India, which was March 30, 2002. Accordingly, our profit and loss account (hereinafter referred to as income statement) for fiscal 2002 includes the results of operations of ICICI, ICICI Personal Financial Services and ICICI Capital Services for only two days i.e. March 30 and 31, 2002, although our balance sheet for fiscal 2002 reflects the full impact of the amalgamation. As a result of the above, the income statement for fiscal 2003 is not comparable with the income statements for fiscal 2002 and prior years. The balance sheets at year-end fiscal 2001 and year-end fiscal 2002 are also not comparable, as the fiscal 2002 balance sheet reflects the amalgamation, which is not reflected in the fiscal 2001 balance sheet.

In fiscal 2001, we acquired Bank of Madura. The effective as well as appointed date of the merger of Bank of Madura with us was March 10, 2001. Accordingly, our income statement for fiscal 2001 included the results of operations of Bank of Madura for only 21 days. Our income statement for fiscal 2002 is therefore not comparable with the income statement for fiscal 2001.

Operating results data

The operating results data for fiscal 2003, 2004 and 2005 and the six-month periods ended September 30, 2004 and September 30, 2005 are not comparable with the operating results data for fiscal 2001 and 2002 due to the amalgamation.

(in billions, except per share data)

	Year ended March 31,					Six-month period ended September 30,	
	2001	**2002**	**2003**	**2004**	**2005**	**2004**	**2005**
Interest income							
Interest on advances [1]	Rs. 5.71	Rs. 7.72	Rs. 60.16	Rs. 60.74	Rs. 67.53	Rs. 31.58	Rs. 43.20
Income on investments [2]	5.56	12.34	29.10	25.40	22.29	10.48	16.86
Interest on balances with RBI, other inter-bank funds and others	1.15	1.46	4.42	3.88	4.28	2.20	2.05
Total interest income	**12.42**	**21.52**	**93.68**	**90.02**	**94.10**	**44.26**	**62.11**
Interest expense							
Interest on deposits	(7.25)	(13.89)	(24.80)	(30.23)	(32.52)	(14.58)	(26.29)
Interest on RBI / inter-bank borrowings	(0.32)	(0.48)	(1.83)	(2.29)	(2.53)	(0.92)	(3.87)
Others (including interest on borrowings of erstwhile ICICI Limited) [3]	(0.81)	(1.22)	(52.81)	(37.63)	(30.66)	(15.61)	(13.90)
Total interest expense	**(8.38)**	**(15.59)**	**(79.44)**	**(70.15)**	**(65.71)**	**(31.11)**	**(44.06)**
Net interest income	**4.04**	**5.93**	**14.24**	**19.87**	**28.39**	**13.15**	**18.05**

(in billions, except per share data)

	Year ended March 31,					Six-month period ended September 30,	
	2001	2002	2003	2004	2005	2004	2005
Other income							
Commission, exchange and brokerage	1.40	2.30	7.92	10.72	19.21	8.83	12.52
Profit/ (loss) on sale of investments (net)	0.19	3.06	4.92	12.25	5.46	1.55	3.65
Profit/ (loss) on foreign exchange transactions (net)	0.42	0.37	0.10	1.93	3.15	1.32	1.83
Profit/ (loss) on revaluation of investments (net)	0.14	(0.15)	-	-	-	(0.01)	(0.06)
Lease income	0.04	0.11	5.37	4.21	4.08	2.19	1.74
Profit on sale of shares of ICICI Bank held by ICICI	-	-	11.91	-	-	-	-
Miscellaneous income [4]	0.01	0.06	1.37	1.54	2.26	1.05	2.34
Total other income	**2.20**	**5.75**	**31.59**	**30.65**	**34.16**	**14.93**	**22.02**
Total income	6.24	11.68	45.83	50.52	62.55	28.08	40.07
Operating expenses [5][6][7]	(3.32)	(5.97)	(15.35)	(19.98)	(25.17)	(11.51)	(15.87)
Direct market agency expense [8]	-	(0.14)	(1.62)	(2.94)	(4.85)	(1.97)	(2.77)
Depreciation on leased assets	(0.02)	(0.12)	(3.15)	(2.79)	(2.97)	(1.53)	(1.28)
Operating profit before provisions	**2.90**	**5.45**	**25.71**	**24.81**	**29.56**	**13.07**	**20.15**
Provisions and contingencies	(0.64)	(2.55)	(17.91)	(5.79)	(4.29)	(2.40)	(6.02)
Profit before tax	2.26	2.90	7.80	19.02	25.27	10.67	14.13
Tax	(0.65)	(0.32)	4.26	(2.65)	(5.22)	(1.94)	(3.03)
Profit after tax	**Rs. 1.61**	**Rs. 2.58**	**Rs. 12.06**	**Rs. 16.37**	**Rs. 20.05**	**Rs. 8.73**	**Rs. 11.10**
Dividend per share (Rs.)	2.00	2.00	7.50	7.50	8.50	-	-
Dividend tax per share (Rs.)	0.20	0.20	0.96	0.96	1.19	-	-
Earnings per share (basic) [9]	8.13	11.61	19.68	26.66	27.55	12.13	15.02
Earnings per share (diluted)[9]	8.13	11.61	19.65	26.44	27.33	12.03	14.87

ICICI Bank

(in billions, except per share data)

	Year ended March 31,					Six-month period ended September 30,	
	2001	**2002**	**2003**	**2004**	**2005**	**2004**	**2005**
Adjustments as per SEBI Guidelines							
Profit after tax	Rs. 1.61	Rs. 2.58	Rs. 12.06	Rs. 16.37	Rs. 20.05	Rs. 8.73	Rs. 11.10
Add/(less):-							
1) Adjustment for change in accounting policy relating to depreciation on premises and other fixed assets [5]	(0.09)	-	-	-	-	-	-
2)Adjustment for change in rates of depreciation on premises and other fixed assets [6]	-	-	(0.06)	-	-	-	-
3) Adjustment for change in methodology for ascertaining carrying cost of investments, accounting for repurchase transactions and review of useful life of ATMs [10]	-	-	(0.16)	-	-	-	-
4) Adjustment for change in accounting policy relating to unrealised gains on rupee derivatives (net of provisions) [11]	-	-	-	-	(0.47)	(0.33)	-
5) Tax effect for the above adjustments	0.04	0.02	0.06	-	0.17	0.12	-
Adjusted profit after tax	Rs. 1.56	Rs. 2.54	Rs. 11.96	Rs. 16.37	Rs. 19.75	Rs. 8.52	Rs. 11.10

(1) Interest on advances represents interest on rupee and foreign currency loans and advances (including bills) and hire purchase activity and gains on sell-down of loans. We deduct from interest income the commissions paid to direct marketing agents or associates in connection with sourcing our automobile loans, on upfront basis.

(2) Interest income from investments represents interest income on government securities investments, debentures, bonds and dividend income from equity and other investments in companies other than subsidiaries.

(3) Other interest expense includes interest expense on fixed deposits taken over from ICICI, bonds and debentures, subordinated debt, bills rediscounted and borrowings outside India.

(4) Miscellaneous income primarily includes dividend income from subsidiaries and affiliates.

(5) With effect from fiscal 2001, premises and other fixed assets have been depreciated over their estimated useful life on a straight-line basis instead of on written down value basis.

(6) With effect from fiscal 2002, consequent to the amalgamation, the useful lives of certain categories of fixed assets were reviewed to align the depreciation rates followed by ICICI and us. Accordingly, the rates of depreciation on certain categories of fixed assets were changed from fiscal 2002.

(7) Operating expense for the six month periods ended September 30, 2004 and September 30, 2005 also includes Rs. 192.0 million on account of amortisation of expenses related to Early Retirement Option Scheme over a period of five years as approved by the Reserve Bank of India.

(8) Includes commissions paid to direct marketing agents or associates in connection with sourcing our retail assets (other than automobile loans).

(9) Earnings per share ("EPS") is computed based on weighted average number of shares. EPS is not annualised for six-month periods ended September 30, 2004 and 2005.

(10) Effective fiscal 2002, the methodology for ascertaining the carrying cost of fixed income earning securities was changed from weighted average method to first-in-first-out method. ATMs were depreciated over their useful life estimated at six years or over lease period for ATMs taken on lease. From fiscal 2003, the useful lives of the ATMs was revised to eight years based on an evaluation undertaken by management.

(11) Effective April 1, 2004 the Bank has accounted for unrealised gains on rupee derivatives (net of provisions) as compared to the earlier policy of ignoring unrealised gains.

(12) It has not been possible to determine the effect on profits if changes in accounting policies stated above had been made in each of the accounting years preceding the change and accordingly adjustments to profits for those items have not been made.

(13) Consequent to Accounting Standard 22 on "Accounting for Taxes on Income" becoming mandatory effective April 1, 2001, the deferred tax effect of timing differences arising during fiscal 2002 has been recognised in the income statement for the period. The deferred tax adjustment for fiscal 2001 have not been determined and consequently, no adjustments have been carried out in the financial statements.

(14) Figures of the previous year/period (fiscal 2004 and six-month period ended September 30, 2004) have been regrouped to conform to the current year presentation.

For other notes to accounts please refer to audited financial statements included on page 194 in this Red Herring Prospectus.

Balance sheet data

The balance sheet data at March 31, 2001 is not comparable with the balance sheet data for later periods due to the amalgamation.

(in billions)

	At March 31,					At September 30,	
	2001	**2002**	**2003**	**2004**	**2005**	**2004**	**2005**
Assets:							
Cash in hand and balance with RBI	Rs. 12.32	Rs. 17.74	Rs. 48.86	Rs. 54.08	Rs. 63.45	Rs. 50.54	Rs. 79.32
Balance with banks and money at call and short notice	23.62	110.12	16.03	30.63	65.85	52.76	50.55
Investments (net of provisions)							
Government and other approved securities	41.12	227.93	255.83	299.18	344.82	287.77	415.67
Debentures and bonds	30.70	64.36	56.90	55.49	28.54	43.18	15.81
Others[1]	10.05	66.62	41.89	79.69	131.51	86.72	121.69
Total investments	**81.87**	**358.91**	**354.62**	**434.36**	**504.87**	**417.67**	**553.17**
Advances[2]	70.31	470.35	532.79	626.48	914.05	684.79	1,070.71
Fixed and leased assets	3.85	42.39	40.61	40.56	40.38	38.93	39.60
Other assets[3]	5.40	41.55	75.21	66.18	87.99	83.11	98.83
Total assets	**Rs.197.37**	**Rs.1,041.06**	**Rs.1,068.12**	**Rs.1,252.29**	**Rs. 1,676.59**	**Rs.1,327.80**	**Rs.1,892.18**
Liabilities and capital:							
Deposits							
Demand deposits	Rs. 26.22	Rs. 27.36	Rs. 36.89	Rs. 72.59	Rs. 128.37	Rs. 80.91	Rs. 125.84
Saving deposits	18.81	24.97	37.93	83.72	113.92	95.28	145.32
Term deposits	118.76	268.52	406.87	524.78	755.90	539.79	933.36
Total deposits	**163.79**	**320.85**	**481.69**	**681.09**	**998.19**	**715.98**	**1,204.52**
Borrowings[4]	10.33	492.19	343.02	307.40	335.44	302.94	341.19
Unsecured redeemable debenture/bonds (subordinated debt)[5]	1.68	97.51	97.50	91.06	82.09	85.06	80.52
Other liabilities and provisions[6]	8.45	64.55	73.07	89.14	131.87	99.39	125.29
Preference share capital suspense[7]	-	3.50	-	-	-	-	-
Preference share capital[7]	-	-	3.50	3.50	3.50	3.50	3.50
Equity capital[8]	2.20	6.13	6.13	6.16	7.37	7.34	7.41

ICICI Bank

(in billions)

	At March 31,					At September 30,	
	2001	2002	2003	2004	2005	2004	2005
Reserves and surplus							
Statutory reserves	1.84	2.50	5.52	9.61	14.63	9.61	14.63
Debenture redemption reserve	-	0.10	-	-	-	-	-
Special reserve	-	10.94	11.44	11.69	11.94	11.69	11.94
Capital reserves	-	-	2.00	4.65	4.85	4.65	4.85
Share premium	8.05	8.01	8.02	8.52	39.89	39.53	40.49
Investment fluctuation reserve	0.11	0.27	1.27	7.30	5.16	7.30	7.30
Foreign currency translation reserve	-	-	-	-	-	-	(0.04)
Revenue & other reserves	0.91	34.31	34.91	31.64	39.78	31.64	37.63
Balance in profit & loss account	0.01	0.20	0.05	0.53	1.88	9.17	12.95
Total reserves and surplus	**10.92**	**56.33**	**63.21**	**73.94**	**118.13**	**113.59**	**129.75**
Total liabilities and capital	**Rs.197.37**	**Rs.1,041.06**	**Rs.1,068.12**	**Rs.1,252.29**	**Rs.1,676.59**	**Rs.1,327.80**	**Rs.1,892.18**
Contingent liabilities							
Claims against bank not acknowledged as debts	Rs. 0.55	Rs. 10.23	Rs. 20.25	Rs. 25.02	Rs. 27.46	Rs. 23.50	Rs. 26.46
Liability for partly paid investments	0.34	2.62	1.80	1.24	0.17	0.17	0.17
Liability on account of outstanding forward exchange contracts	88.47	152.55	251.03	557.04	714.85	533.63	797.88
Guarantees given on behalf of constituents	13.46	93.52	106.35	120.29	156.41	124.29	169.07
Acceptances, endorsements & other obligations	12.87	17.39	43.25	65.14	74.12	95.37	73.52
Currency swaps	8.71	20.41	29.01	44.49	112.96	63.65	139.27
Interest rate swaps & currency options	11.38	78.54	413.54	1,177.64	1,519.22	1,408.94	1,854.05
Other items for which ICICI Bank is contingently liable	2.70	19.21	29.14	38.56	76.35	70.06	49.43
Total	**Rs.138.48**	**Rs. 394.47**	**Rs. 894.37**	**Rs.2,029.42**	**Rs.2,681.54**	**Rs. 2,319.61**	**Rs. 3,109.85**
Bills for collection	**12.30**	**13.23**	**13.37**	**15.11**	**23.92**	**18.57**	**32.43**

(1) Includes investment in Government securities issued outside India.

(2) Includes rupee / foreign currency loans, assistance by way of securitisation, loans under retail finance operations and receivables under finance lease.

(3) Primarily includes interest accrued but not due at period end, advances paid for capital assets, advance taxes paid, deposits for utilities, fees and other income receivable, exchange fluctuation suspense with Government of India, inter office adjustments (net), non-banking assets acquired in satisfaction of claims and deferred tax assets.

(4) Borrowings include call borrowings and refinance from the RBI, banks and other financial institutions, fixed deposits taken over from ICICI, bonds and debentures, commercial paper, borrowings outside India from multilateral and bilateral credit agencies, international banks, institutions and consortiums.

(5) Represents unsecured borrowings eligible for inclusion in Tier-II capital for capital adequacy purposes.

(6) Other liabilities primarily include bills payable, interest payable, creditors for expenses, unclaimed refunds, brokerage and interest, deferred tax liabilities, proposed dividend, dividend tax thereon, inter-office adjustments (net), prudential provision on standard assets as per the RBI guidelines and security deposits from clients.

(7) At March 31, 2002, preference share capital suspense represents face value of 350 preference shares to be issued to preference shareholders of ICICI on amalgamation redeemable at par on April 20, 2018. The notification from Ministry of Finance has currently exempted us from the restriction of section 12(1) of the Banking Regulation Act, which prohibits issue of preference shares by banks. These shares were subsequently issued on June 11, 2002.

(8) At March 31, 2001, equity capital includes Rs. 0.24 billion to be allotted to the equity shareholders of Bank of Madura, pursuant to its merger, effective March 10, 2001. These shares were subsequently issued on April 17, 2001. At March 31, 2002, equity capital includes Rs. 3.93 billion to be allotted to the equity shareholders of ICICI, pursuant to the amalgamation, effective March 30, 2002. These shares were subsequently issued on June 11, 2002.

Average Balance Sheet

For fiscal 2003, 2004 and 2005, the average balances are the average of quarterly balances outstanding at the end of March of the previous fiscal year and June, September, December and March of that fiscal year. For the six-month periods ended September 30, 2004 and September 30, 2005, the average balances are the average of quarterly balances outstanding at the end of March of the previous fiscal year and June and September of that six-month period. The following table sets forth, for the periods indicated, the average balances of the assets and liabilities outstanding, along with the related interest income and interest expense. The average balances of assets include non-performing assets and are net of loan loss provisions.

(in billions, except percentages)

	Year ended March 31,								
	2003			**2004**			**2005**		
	Average balance	**Interest income/ expense**	**Avg. yield/ cost**	**Average balance**	**Interest income/ expense**	**Avg. yield/ cost**	**Average balance**	**Interest income/ expense**	**Avg. yield/ cost**
Advances	Rs. 502.37	Rs.60.16	12.0%	Rs. 567.51	Rs. 60.74	10.7%	Rs. 720.26	Rs. 67.53	9.4%
Investments	316.53	27.81	8.8	330.48	24.40	7.4	337.76	21.49	6.4
Others	86.27	4.42	5.1	81.70	3.79	4.6	95.22	4.27	4.5
Total interest-earning assets	**905.17**	**92.39**	**10.2**	**979.69**	**88.93**	**9.1**	**1,153.24**	**93.29**	**8.1**
Fixed assets	21.03			23.98			24.26		
Other assets	124.08			134.69			168.99		
Total assets	**Rs. 1,050.28**	**Rs. 92.39**		**Rs. 1,138.36**	**Rs. 88.93**		**Rs. 1,346.49**	**Rs. 93.29**	
Deposits	Rs. 366.31	Rs.24.80	6.8%	Rs. 559.96	Rs. 30.23	5.4%	Rs. 728.90	Rs. 32.52	4.5%
Saving deposits	29.86	0.92	3.1	52.21	1.35	2.6	92.64	2.18	2.4
Other demand deposits	30.11	-	-	52.11	-	-	78.51	-	-
Term deposits	306.34	23.88	7.8	455.64	28.88	6.3	557.75	30.34	5.4
Borrowings	525.31	54.64	10.4	429.70	39.92	9.3	409.35	33.19	8.1
Total interest-bearing liabilities	**891.62**	**79.44**	**8.9**	**989.66**	**70.15**	**7.1**	**1,138.25**	**65.71**	**5.8**
Capital and reserves[1]	76.03			82.35			119.83		
Other liabilities	82.63			66.35			88.41		
Total liabilities	**Rs. 1,050.28**	**Rs. 79.44**		**Rs. 1,138.36**	**Rs. 70.15**		**Rs. 1,346.49**	**Rs. 65.71**	

(in billions, except percentages)

	Six-month period ended September 30,					
	2004			2005		
	Average balance	Interest income/ expense	Avg. yield / cost [2]	Average balance	Interest income/ expense	Avg. yield / cost [2]
Advances	**Rs. 651.05**	**Rs. 31.58**	**9.7%**	**Rs. 983.38**	**Rs. 43.20**	**8.8%**
Investments	318.12	10.13	6.4	430.64	15.82	7.3
Others	103.44	2.25	4.3	107.29	3.09	5.8
Total interest-earning assets	**1,072.61**	**43.96**	**8.2**	**1,521.31**	**62.11**	**8.1%**
Fixed assets	23.96			26.36		
Other assets	167.57			221.34		
Total assets	**Rs. 1,264.14**	**Rs. 43.96**		**Rs. 1,769.01**	**Rs. 62.11**	
Deposits	Rs. 663.75	Rs. 14.58	4.4%	Rs. 1,054.30	Rs. 26.29	5.0%
Saving deposits	82.38	0.96	2.3	118.78	1.58	2.7
Other demand deposits	71.79	-	-	103.62	-	-
Term deposits	509.58	13.62	5.3	831.90	24.71	5.9
Borrowings	404.47	16.53	8.1	456.96	17.77	7.8
Total interest-bearing liabilities	**1,068.22**	**31.11**	**5.8**	**1,511.26**	**44.06**	**5.8**
Capital and reserves[1]	111.89			129.22		
Other liabilities	84.03			128.53		
Total liabilities	**Rs. 1,264.14**	**Rs. 31.11**		**Rs. 1,769.01**	**Rs. 44.06**	

(1) Excludes preference share capital.

(2) Average yield and average cost for the six-month periods ended September 30, 2004 and 2005 are annualised.

Yields, Spreads and Margins

The following table sets forth, for the periods indicated, the yields, spreads and net interest margins on interest-earning assets.

(in billions, except percentages)

	Year ended March 31,					Six-month period ended September 30,	
	2001	**2002**	**2003**	**2004**	**2005**	**2004**	**2005**
Average interest-earning assets	Rs.113.88	Rs.222.39	Rs. 905.17	Rs. 979.69	Rs. 1,153.24	Rs.1,072.61	Rs. 1,521.31
Average interest-bearing liabilities	104.30	207.37	891.62	989.66	1,138.25	1,068.22	1,511.26
Average total assets	120.49	233.93	1,050.28	1,138.36	1,346.49	1,264.14	1,769.01
Average interest-earning assets as a percentage of average total assets (%)	94.5	95.1	86.2	86.1	85.6	84.8	86.0
Average interest-bearing liabilities as a percentage of average total assets (%)	86.6	88.7	84.9	86.9	84.5	84.5	85.4
Average interest-earning assets as a percentage of average interest-bearing liabilities (%)	109.2	107.2	101.5	99.0	101.3	100.4	100.7
Yield[1] (%)	10.9	9.7	10.2	9.1	8.1	8.2	8.1
Cost of funds[1] (%)	8.0	7.5	8.9	7.1	5.8	5.8	5.8
Spread[1][2](%)	2.87	2.16	1.30	1.99	2.32	2.37	2.33
Net interest margin[1][3] (%)	3.6	2.7	1.4	1.9	2.4	2.4	2.4

(1) Yield, cost of funds, spread and net interest margin are annualised for the six-month periods ended September 30, 2004 and 2005.

(2) Spread is the difference between yield on average interest-earning assets and cost of average interest-bearing liabilities. Yield on average interest-earning assets is the ratio of interest income to average interest-earning assets. Cost of average interest-bearing liabilities is the ratio of interest expense to average interest-bearing liabilities.

(3) Net interest margin is the ratio of net interest income to average interest-earning assets. The difference in net interest margin and spread arises due to the difference in amount of average interest-earning assets and average interest-bearing liabilities. If average interest-earning assets exceed average interest-bearing liabilities, net interest margin is greater than spread and if average interest-bearing liabilities exceed average interest-earning assets, net interest margin is less than spread.

Financial Ratios

(in percentages)

	Year ended March 31,					Six-month period ended September 30,	
	2001	**2002**	**2003**	**2004**	**2005**	**2004**	**2005**
Return on average equity [1][2]	13.0	17.8	18.3	21.8	17.9	16.8	17.1
Return on average assets[1][3]	1.3	1.1	1.2	1.4	1.5	1.4	1.3
Dividend payout ratio [4]	24.6	17.2	38.1	33.2	31.6	-	-
Cost to average assets[1][5]	2.8	2.6	1.5	1.8	1.9	1.8	1.8
Tier I capital adequacy ratio	10.4	7.5	7.1	6.1	7.6	9.4	7.2
Tier II capital adequacy ratio	1.2	3.9	4.0	4.3	4.2	5.8	4.3
Total capital adequacy ratio	11.6	11.4	11.1	10.4	11.8	15.2	11.5
Net non-performing assets ratio [6]	1.49	4.73	4.92	2.87	2.03	2.60	0.97
Allowance as a % of gross non-performing assets[7]	63.9	63.6	62.6	69.7	61.4	69.1	73.3
Average net worth to total average assets	10.30	6.22	6.27	6.59	8.34	8.23	7.35
Book value per share[8]	59.11	101.92	113.10	127.27	168.63	162.60	183.68

(1) Annualised for the six-month periods ended September 30, 2004 and 2005.

(2) Return on average equity is the ratio of the net profit after tax to the average net worth.

(3) Return on average assets is the ratio of the net profit after tax to the average assets.

(4) Dividend payout ratio is the ratio of total dividend payouts (excluding dividend distribution tax) to profit after tax.

(5) Cost to average assets is the ratio of the operating expenses, excluding direct marketing agency expenses and lease depreciation, to the average assets.

(6) Net non-performing assets ratio is the ratio of net non-performing assets to the net customer assets.

(7) Allowance as a percentage of gross non-performing assets is the ratio of provisions and write-offs made to the gross non-performing assets (gross of provisions and write-offs).

(8) Book value per share is calculated by dividing the sum of equity share capital, reserves and surplus less unamortised Early Retirement Option expense, by the total number of shares outstanding at the end of the year/period.

GENERAL INFORMATION

Our Registered Office

ICICI Bank Limited
'Landmark',
Race Course Circle
Vadodara 390 007
Tel: 91-265-2339923/4/5
Fax: 91-265-2339926 / 2341661
Registration Number: 04-21012 of 1993-1994

We are registered with the Registrar of Companies, Ahmedabad situated at RoC Bhavan, Opposite Rupal Park, Near Ankur Bus Stand, Naranpura, Ahmedabad 380013.

Board of Directors

1. Mr. Narayanan Vaghul, Chairman
2. Mr. Sridar Iyengar
3. Mr. Ram Kishore Joshi
4. Mr. Lakshmi Niwas Mittal
5. Mr. Anupam Pradip Puri
6. Mr. Vinod Rai
7. Mr. Somesh Ramchandra Sathe
8. Mr. Mahendra Kumar Sharma
9. Mr. Priya Mohan Sinha
10. Prof. Marti Gurunath Subrahmanyam
11. Mr. T.S. Vijayan
12. Mr. V. Prem Watsa
13. Mr. Kundapur Vaman Kamath, Managing Director & CEO
14. Ms. Lalita Dileep Gupte, Joint Managing Director
15. Ms. Kalpana Morparia, Deputy Managing Director
16. Ms. Chanda Kochhar, Executive Director
17. Dr. Nachiket Mor, Executive Director

For further details of our Chairman, Managing Director and other whole-time Directors, refer to the section titled "Our Management" on page 171 of this Prospectus.

Company Secretary and Compliance Officer

Mr. Jyotin Mehta
General Manager and Company Secretary
ICICI Bank Limited
ICICI Bank Towers, Bandra-Kurla Complex
Mumbai 400 051
Tel: 91-22-2653 1414
Fax: 91-22-2653 1122
E-mail: jyotin.mehta@icicibank.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

Legal Advisors to the Company

Domestic Legal Counsel to ICICI Bank
Amarchand & Mangaldas & Suresh A. Shroff & Co.
Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai – 400 013
Tel: 91-22-2496 4455
Fax: 91-22-2496 3666

International Legal Counsel to ICICI Bank

Davis Polk & Wardwell
15 Avenue Matignon
75008 Paris, France
Tel: 33-1-56 59 3614
Fax: 33-1-56 59 3690

Domestic Legal Counsel to BRLMs and CBRLMs

M/s. Khaitan & Co.
Advocates and Notaries
Meher Chambers, 4th & 5th Floors,
RK Marg, Ballard Estate,
Mumbai 400 038.
Tel: +91 22 5636 5000
Fax: +91 22 5636 5050
Email: bom@khaitanco.com

International Legal Counsel to BRLMs and CBRLMs

Latham & Watkins LLP
80 Raffles Place, #14-20 UOB Plaza 2
Singapore 048624
Tel: + 65 6536 1161
Fax: + 65 6536 1171

Book Running Lead Manager (BRLMs)

DSP Merrill Lynch Limited
Mafatlal Centre, 10th Floor,
Nariman Point,
Mumbai 400 021
Tel: 91-22-5632 8000
Fax: 91-22-2204 8518
Email: icicibank_issue@ml.com
Contact Person: Mr. Sohit Kapoor
Website: www.dspml.com

JM Morgan Stanley Private Limited
141 Maker Chambers III,
Nariman Point,
Mumbai 400 021
Tel: +91 22 5630 3030
Fax: +91 22 5630 1694
E-mail: icici.fpo@jmmorganstanley.com
Contact Person: Mr. Abhishek Goel/ Mr. Chandan Khanna
Website: www.jmmorganstanley.com

Co-Book Running Lead Manager (CBRLMs)

Enam Financial Consultants Private Limited,
801/802, Dalamal Towers,
Nariman Point
Mumbai 400 021, India
Tel: 91 22 5638 1800
Fax: 91 22 2284 6824
Website: www.enam.com

ICICI Securities Limited
ICICI Centre,
H. T. Parekh Marg,
Mumbai 400 020
Tel: +91 22 2288 2460
Fax: +91 22 2282 6580
Website: www.iseconline.com

Kotak Mahindra Capital Company Limited,
3rd Floor, Bakhtawar, 229,
Nariman Point
Mumbai 400 021
Tel: 91 22 5634 1100
Fax: 91 22 2284 0492
Website: www.kotak.com

Co Manager

Karvy Investor Services Limited
Karvy House, 46, Avenue 4, Street No.1,
Banjara Hills,
Hyderabad - 500 034.
Tel: 91-40-2332 0251
Fax: 91-40-2337 4714
Website: www.karvy.com

Syndicate Members

Enam Securities Private Limited
Khatau Building, II Floor
44B, Bank Street
Off Shahid Bhagat Singh Road
Fort, Mumbai 400 001
Tel: 91 22 2267 7901
Fax: 91 22 2266 5613
Contact Person: Mr M Natarajan

ICICI Brokerage Services Limited
ICICI Centre,
H.T. Parekh Marg, Churchgate,
Mumbai – 400 020
Tel: 91 22 2288 2460
Fax: 91 22 2282 6455
Contact Person: Mr. Anil Mokashi

JM Morgan Stanley Retail Services Private Limited
141, Maker Chambers III
Nariman Point
Mumbai 400 021
Tel: 91 22 5504 3184 / 3185
Fax: 9122 5654 1511
Contact Person: Mr T N Kumar / Mr Deepak Vaidya

Kotak Securities Limited
Bhaktawar, 1st Floor
229, Nariman Point
Mumbai 400 021
Tel: No. : 91 22 5634 1100
Fax: 91 22 2283 3322
Contact Person: Mr. Ulhas Sawant

Registrar to this Issue

Karvy Computershare Private Limited
Karvy House, 46, Avenue 4, Street No.1,
Banjara Hills,
Hyderabad 500 034
Tel : 91-40-2331 2454
Fax : 91-40-2331 1968
Email: icici_issue@karvy.com
Contact Person: Mr. Murali Krishna
Website: www.karvy.com

Stabilising Agent

JM Morgan Stanley Private Limited
141 Maker Chambers III,
Nariman Point,
Mumbai 400 021
Tel: +91 22 5630 3030
Fax: +91 22 5630 1694
E-mail: icici.fpo@jmmorganstanley.com
Contact Person: Mr. Abhishek Goel/ Mr. Chandan Khanna
Website: www.jmmorganstanley.com

Banker to the Issue and Escrow Collection Bank

ICICI Bank Limited
Capital Market Division,
30, Mumbai Samachar Marg,
Fort, Mumbai - 400 001.
Tel No : 91-22-2265 5285 / 06
Fax No: 91-22-2261 1138

Statutory Auditors

S. R. Batliboi & Co.
Chartered Accountants
Express Tower, 6th floor
Nariman Point
Mumbai 400 021
Tel: 91-22-2287 6485 / 86
Fax: 91-22-2287 6401 / 0141

Statement of Inter Se Allocation of Responsibilities amongst the BRLM and the CBRLM

Book Running Lead Managers: DSP Merrill Lynch Limited ("DSPML") and JM Morgan Stanley Private Limited ("JMMS")

Co-Book Running Lead Managers: ICICI Securities Limited ("I-Sec"), Kotak Mahindra Capital Company Limited (Kotak), Enam Financial Consultants Private Limited (Enam)

No	Activities	Responsibility	Coordinator
1.	Capital structuring with relative components and formalities etc.	DSPML, JMMS	JMMS
2.	Due diligence of the Issuer's operations/ management/ business plans/ legal etc. Drafting and design of Red Herring Prospectus and of statutory advertisement including memorandum containing salient features of the Prospectus. (The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing)	DSPML, JMMS	JMMS
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (2) above including corporate advertisement, brochure, etc.	DSPML, JMMS, I-Sec	I-Sec
4.	Appointment of other intermediaries viz., Registrar, printers, advertising agency and banker to the Issue	DSPML, JMMS, I-Sec	I-Sec
5.	Domestic institutions / banks / mutual funds marketing strategy, road show marketing presentation • Finalise the list and division of investors for one-on-one meetings, institutional allocation in consultation with the Company the Issuer	DSPML, JMMS, I-Sec	JMMS
6.	International institutional marketing strategy • Finalise the list and division of investors for one-on-one meetings, institutional allocation in consultation with the Company the Issuer	DSPML, JMMS, I-Sec	DSPML
7.	Non-institutional (ex- retail) marketing strategy • Finalise centres for holding conference for brokers etc. • Finalise media, marketing and public relations strategy • Follow up on distribution of publicity and issue materials including form, prospectus and deciding on the quantum of the Issue material • Finalise collection orders	DSPML, JMMS, I-Sec Kotak, Enam	JMMS
8.	Retail marketing strategy • Finalise centres for holding conference for brokers etc. • Finalise media, marketing and public relations strategy • Follow up on distribution of publicity and issue materials including form, prospectus and deciding on the quantum of the Issue material • Finalise collection orders	DSPML, JMMS, I-Sec Kotak, Enam	DSPML
9	The post-bidding activities including management of escrow accounts, co-ordinate non-institutional allocation, intimation of allocation and dispatch of refunds to bidders etc.	DSPML, JMMS, I-Sec	DSPML
10.	Managing the Book, coordination with stock exchanges, pricing and allotment	DSPML, JMMS, I-Sec	DSPML
11.	The post-issue activities for the Issue will involve essential follow up steps, which include the finalisation of trading and dealing of instruments and dispatch of certificates and demat of delivery of shares, with the various agencies connected with the work such as the Registrar(s) to the Issue and Bankers to the Issue and the bank handling refund business. (The BRLMs and CBRLMs shall be responsible for ensuring that these agencies fulfil their functions and enable it to discharge this responsibility through suitable agreements with the Company the Issuer)	DSPML, JMMS, I-Sec	DSPML

Credit Rating

As this is an Issue of Equity Shares there is no credit rating for this Issue.

Trustees

As this is an Issue of Equity Shares, the appointment of Trustees is not required.

Book Building Process

Book Building refers to the process of collection of bids from investors, on the basis of the Red Herring Prospectus including the Price Band. The Issue Price is fixed after the Bid/Issue Closing Date. The principal parties involved in the Book Building Process are:

((1) ICICI Bank;

(2) Book Running Lead Managers, in this case being DSP Merrill Lynch Limited and JM Morgan Stanley Private Limited

(3) Co-Book Running Lead Managers, in this case being Enam Financial Consultants Private Limited, ICICI Securities Limited and Kotak Mahindra Capital Company Limited,

(4) Syndicate Members who are intermediaries registered with SEBI or registered as brokers with BSE/NSE and eligible to act as underwriters, in this case being Enam Securities Private Limited, ICICI Brokerage Services Limited, JM Morgan Stanley Retail Services Private Limited and Kotak Securities Limited.

(5) Registrar to the Issue, in this case being Karvy Computershare Private Limited.

SEBI, through its guidelines, has permitted an Issue of securities to the public through the 100% Book Building Process, wherein up to 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (QIBs), which includes reservation amounting to 5% of the QIB Portion for Mutual Funds. Further, at least 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and at least 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. The allocation shall be subject to applicable restrictions on foreign ownership.

QIBs are not allowed to withdraw their Bid after the Bid/ Issue Closing Date. For details see the section titled "Terms of the Issue" on page 390 in this Prospectus.

Steps to be taken by the Bidders for bidding:

- Check whether he/ she is eligible for bidding;
- Bidder necessarily needs to have a demat account;
- Ensure that the Bid cum Application Form is duly completed as per instructions given in the Red Herring Prospectus and in the Bid cum Application Form; and
- Ensure that the Bid cum Application Form is accompanied by the Permanent Account Number or by Form 60 or Form 61 as may be applicable together with necessary documents providing proof of address. For details please refer to our Section titled "IssueProcedure" on page 395 of this Prospectus. Bidders are specifically requested not to submit their General Index Register number instead of the Permanent Account Number as the Bid is liable to be rejected.

Illustration of Book Building and Price Discovery Process *(Investors should note that the following is solely for the purpose of illustration and is not specific to this Issue)*

Bidders can bid at any price within the price band. A graphical representation of the consolidated demand and price would be made available at the website of the BSE (www.bseindia.com) and NSE (www.nseindia.com) during the bidding period. For instance, assuming a price band of Rs. 20 to Rs. 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, the illustrative book as

shown below shows the demand for the shares of a company at various prices and is collated from bids from various investors.

Number of equity shares Bid for	Bid Price (Rs.)	Cumulative equity shares Bid for	Subscription
500	24	500	16.67%
1000	23	1500	50.00%
2000	21	5000	166.67%
2500	20	7500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired quantum of shares is the price at the cut-off price i.e., Rs. 21 in the above example. The issuer, in consultation with the book running lead managers finalisez the issue price at or below such cut off price i.e. at or below Rs. 21. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective category.

Underwriting Agreement

After the determination of this Issue Price and allotment of our Equity Shares but prior to filing of the Prospectus with the RoC we will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued through this Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLMs and CBRLMs shall be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfill their underwriting obligations.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name and Address of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Maximum Amount Underwritten (Rs.)
DSP Merrill Lynch Limited, Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400 021	48,577,654	25,503,268,350
JM Morgan Stanley Private Limited, 141 Maker Chambers III, Nariman Point, Mumbai 400 021	48,577,654	25,503,268,350
Enam Financial Consultants Private Limited, 801/802, Dalamal Towers, Nariman Point, Mumbai 400 021,	10	5,250
ICICI Securities Limited, ICICI Centre, H. T. Parekh Marg, Mumbai 400 020	10	5,250
Kotak Mahindra Capital Company Limited, 3rd Floor, Bakhtawar, 229, Nariman Point, Mumbai 400 021	10	5,250
Karvy Investor Services Limited, Karvy House, 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500 034.	10	5,250
Enam Securities Private Limited, Khatau Building, II Floor , 44B, Bank Street , Fort, Mumbai 400 001	10	5,250
ICICI Brokerage Services Limited, ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai – 400 020	10	5,250
JM Morgan Stanley Retail Services Private Limited 141, Maker Chambers III, Nariman Point , Mumbai 400 021	10	5,250
Kotak Securities Limited, Bhaktawar, 1st Floor, 229, Nariman Point , Mumbai 400 021	10	5,250

The above-mentioned amount is indicative underwriting and would be finalized after pricing and actual allocation. The above underwriting agreement is dated December 7, 2005.

In the opinion of our Board of Directors (based on a certificate given by the Underwriters) and the BRLMs and the CBRLMs, the resources of all the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. All the above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act.

Notwithstanding the above table, the BRLMs, the CBRLMs and the Syndicate Members shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default, the respective underwriter in addition to other obligations to be defined in the Underwriting Agreement, will also be required to procure/subscribe to the extent of the defaulted amount. Allotment to QIBs is proportionate as per the terms of the Red Herring Prospectus. For further details about Allotment please refer to "Issue Procedure" on page 395 of this Prospectus.

ICICI Bank

CAPITAL STRUCTURE

(Rs. billion)

As of September 30, 2005		Aggregate nominal value	Aggregate value at Issue Price
A.	**Authorised Capital**		
1,000	million Equity Shares of Rs. 10/- each	10.00	
55	million Preference Shares of Rs. 100/- each	5.50	
350	Preference Shares of Rs. 10 million each	3.50	
B.	**Issued, Subscribed And Paid-Up Capital**		
736.72	million Equity Shares of Rs. 10/- each	7.37	
	Less: Calls unpaid	-	
	Add: Forfeited 67,323 equity shares	0.00	
	Add: Issued 4,165,023 equity shares of Rs. 10 each on exercise of employee stock options	0.04	
	Total (740.89 million Equity Shares)	7.41	
C.	**Issued, Subscribed and Paid-up Preference Share Capital**		
350	Preference Shares of Rs. 10 million each	3.50	
D.	**Present Issue in terms of this Prospectus**		
97.16	million Equity Shares of Rs. 10/- each fully paid-up #	0.97	50.00
Of which:			
5.01	million Equity Shares of Rs. 10/- each fully paid-up to be offered to Existing Retail Shareholders	0.05	2.50
92.14	million Equity Shares of Rs. 10/- each fully paid-up	0.92	47.50
E.	**Green Shoe Option in terms of this Prospectus**		
14.29	million Equity Shares of Rs. 10/- each fully paid-up shares	0.14	7.50
F.	**ADS Offering being undertaken with this Issue #**		
32.38	million Equity Shares of Rs. 10/- each fully paid-up shares underlying 16.19 million ADS	0.32	23.00
G.	**ADS Green Shoe Option included in the above ADS Offering#**		
4.86	million Equity Shares of Rs. 10/- each fully paid-up shares underlying 2.43 million] ADS	0.05	3.00
H.	**Equity Capital after the Issue**		
852.33	million Equity Shares of Rs. 10/- each fully paid-up shares (assuming Green Shoe Option is exercised)	8.52	
838.05	million Equity Shares of Rs. 10/- each fully paid-up shares (assuming Green Shoe Option is not exercised)	8.38	
I.	**Equity Capital after the Issue and the ADS Offering**		
889.57	million Equity Shares of Rs. 10/- each fully paid-up shares (assuming Green Shoe Option and ADS Green Shoe Option are exercised)	8.90	
870.43	million Equity Shares of Rs. 10/- each fully paid-up shares (assuming Green Shoe Option and ADS Green Shoe Option are not exercised)	8.70	
J.	**Share Premium Account**		
	Before the Issue	40.49	
	After the Issue and the ADS Offering (assuming Green Shoe Option and the ADS Green Shoe Option are exercised)	119.48	
	After the Issue and the ADS Offering (assuming Green Shoe Option and the ADS Green Shoe Option are not exercised)	109.17	

We have obtained the approval of our shareholders through postal ballot to issue Equity Shares (including Equity Shares to be issued to investors as part of the ADS Offering) up to an aggregate face value of Rs. 2,000 million, including green shoe options, being 20% of our authorised equity share capital. We propose to undertake this Issue and the ADS Offering aggregating Rs. 70,000 million, each with a green shoe option together aggregating to Rs. 10,500 million. This Issue and the ADS Offering are part of the consolidated capital raising exercise being undertaken by us. We at our discretion may decide to withdraw the ADS Offering at any point of time up to the date of pricing of the ADS Offering. We in consultation with the BRLMs and CBRLMs shall decide the Issue Price prior to or simultaneously with the determination of the price of the ADS in the ADS Offering. The Equity Shares underlying the ADS Offering shall be held as depositary for the holders of ADS by Deutsche Bank Trust Company Americas and we have sought the Reserve Bank of India's acknowledgement for the shareholding of the depositary in excess of 5% of our paid-up equity share capital, as required by the Reserve Bank of India's guidelines.

a) Category B above includes:

i. 31,818,180 underlying equity shares consequent to the previous ADS issue of the Bank in March 31, 2000;

ii. 23,539,800 equity shares issued to the equity shareholders of Bank of Madura Limited on merger in April 17, 2001;

iii. 264,465,582 equity shares issued to the equity shareholders, excluding ADS holders, of ICICI on amalgamation in June 11, 2002;

iv. 128,207,142 underlying equity shares issued to the ADS holders of ICICI on amalgamation in June 19, 2002.

At September 30, 2005, 201,367,018 Equity Shares represented 100,683,509 ADSs outstanding.

b) Category C represents face value of 350 preference shares of Rs. 10.0 million each issued to preference shareholders of ICICI on amalgamation, redeemable at par on April 20, 2018.

c) With respect to preference share capital of the Company representing 350 preference shares of Rs.10.0 million each issued to preference shareholders by erstwhile ICICI Limited on merger with ICICI Bank the Ministry of Finance has by notification F. No. 13/3/2002-BOA dated April 17, 2002, currently exempted us from the restriction of Section 12(1) of the Banking Regulation Act, which prohibits issue of preference shares by banks.

d) Our authorised capital has been sub-divided into 10.00 billion equity shares of Rs. 10 each, 55 million preference shares of Rs.100 each and 350 preference shares of Rs. 10.0 million with the approval of our shareholders at the Annual General Meeting held on August 20, 2005.

e) On March 31, 2000, we issued approximately 31.8 million Equity Shares represented by American Depositary Receipts listed on the New York Stock Exchange. Pursuant to the amalgamation, we issued approximately 128.2 million Equity Shares represented by American Depositary Receipts issued to the American Depositary Receipt holders of ICICI and listed on the New York Stock Exchange. As of the date of the Red Herring Prospectus approximately 100.7 million American Depositary Receipts are outstanding.

f) We made a public issue of Equity Shares in India of 115,920,758 Equity Shares (including 6,920,758 Equity Shares under the green shoe option). This resulted in an increase of 18.8% in our equity share capital.

g) In March 2005, we sponsored an offering of ADSs by our shareholders, resulting in the issuance of 20,685,700 ADSs representing 41,371,500 Equity Shares sold by our shareholders.

The Red Herring Prospectus or this Prospectus is not an offer of Equity Shares of ADSs for sale or an invitation to subscribe to Equity Shares or ADSs to any person in any jurisdiction where it is unlawful to make such offer or invitation. Each purchaser of our equity shares in the Issue is deemed to have acknowledged, represented and agreed as follows:

(1) It is not in the United States nor a U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended).

(2) The equity shares offered in the Indian public offering have not been registered under the Securities Act.

(3) It is purchasing those equity shares in an offshore transaction meeting the requirements of Rule 903 of Regulation S.

Offshore investors will not be permitted to deposit equity shares into the ADR facility until 40 days after the earlier of (i) the date the securities are first offered to the public and (ii) the closing date for the offering.

Any public offering or sale of ADSs in the United States will be registered and made by means of a U.S. prospectus that may be obtained from us when it becomes available and that will contain detailed information about us and our management, as well as financial statements in accordance with U.S. GAAP. No money, securities, or other consideration is being solicited, and, if sent in response to the information contained herein, will not be accepted. We have filed a registration statement in the United States for an offering of ADSs.

The Red Herring Prospectus or this Prospectus may not be distributed or made available in the United States or any other jurisdiction outside India where such distribution would be unlawful.

ICICI Bank

Notes to Capital Structure

1. Share capital history of ICICI Bank

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
January 27, 1994	700	10.00	10.00	Signatories to the Memorandum of Association.
April 28, 1994	150,000,000	10.00	10.00	Promoter's contribution.
June 7, 1997	15,000,000	10.00	35.00	Promoter's contribution.
March 31, 2000	31,818,180	10.00	239.91	ADR Issue.
April 17, 2001	23,539,800	10.00	10.00	Issue of shares to shareholders of Bank of Madura upon merger with ICICI Bank in ratio of 2:1
June 11, 2002	392,672,724	10.00	10.00	Issue of shares to shareholders of ICICI upon amalgamation with ICICI Bank in the ratio of 1:2
December 11, 2002	3,000	10.00	105.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 30, 2003	970	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 30, 2003	600	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 22, 2003	11,550	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 22, 2003	16,950	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 5, 2003	3,000	10.00	105.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 5, 2003	29,000	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 5, 2003	29,680	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 26, 2003	9,110	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 26, 2003	7,550	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 1, 2003	43,020	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 1, 2003	31,950	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 1, 2003	375	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 8, 2003	9,670	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 8, 2003	28,100	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 8, 2003	925	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 8, 2003	1,250	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 15, 2003	18,180	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 15, 2003	7,450	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
September 22, 2003	15,670	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 22, 2003	38,445	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 22, 2003	10,000	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 22, 2003	5,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 22, 2003	2,500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 29, 2003	40,720	10.00	120.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 29, 2003	24,900	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 29, 2003	4,125	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 29, 2003	375	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 6, 2003	18,750	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 6, 2003	34,850	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 6, 2003	4,000	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 6, 2003	1,975	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 13, 2003	3,000	10.00	105.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 13, 2003	163,864	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 13, 2003	48,450	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 13, 2003	34,124	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 13, 2003	19,625	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 13, 2003	1,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 13, 2003	17,711	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 20, 2003	61,715	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 20, 2003	41,555	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 20, 2003	40,100	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 20, 2003	10,837	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
October 20, 2003	2,900	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 20, 2003	9,750	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 27, 2003	21,820	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 27, 2003	10,400	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 27, 2003	5,350	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 27, 2003	4,474	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 27, 2003	3,350	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 27, 2003	4,939	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 3, 2003	24,376	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 3, 2003	10,500	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 3, 2003	6,625	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 3, 2003	6,625	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 3, 2003	500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 3, 2003	10,525	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 10, 2003	6,000	10.00	105.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 10, 2003	55,043	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 10, 2003	21,150	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 10, 2003	40,960	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 10, 2003	51,849	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 10, 2003	22,200	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 10, 2003	32,525	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 17, 2003	46,440	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 17, 2003	19,600	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 17, 2003	15,565	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
November 17, 2003	10,803	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 17, 2003	21,950	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 17, 2003	13,425	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 24, 2003	21,330	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 24, 2003	31,600	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 24, 2003	30,350	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 24, 2003	10,524	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 24, 2003	65,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 24, 2003	6,550	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 1, 2003	18,130	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 1, 2003	51,280	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 1, 2003	16,250	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 1, 2003	5,625	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 1, 2003	12,450	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 1, 2003	9,020	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 8, 2003	33,312	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 8, 2003	13,650	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 8, 2003	44,050	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 8, 2003	46,445	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 8, 2003	21,250	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 8, 2003	79,425	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 15, 2003	10,940	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 15, 2003	3,500	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 15, 2003	39,875	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
December 15, 2003	7,893	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 15, 2003	27,150	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 15, 2003	14,925	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 15, 2003	1,000	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 22, 2003	27,350	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 22, 2003	18,400	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 22, 2003	13,575	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 22, 2003	15,794	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 22, 2003	13,300	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 22, 2003	31,525	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 22, 2003	5,500	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 29, 2003	16,800	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 29, 2003	5,600	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 29, 2003	11,125	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 29, 2003	5,455	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 29, 2003	4,310	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 29, 2003	27,940	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 29, 2003	2,750	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 5, 2004	28,980	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 5, 2004	24,480	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 5, 2004	47,450	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 5, 2004	103,232	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 5, 2004	66,140	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 5, 2004	140,725	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
January 5, 2004	18,650	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 13, 2004	28,870	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 13, 2004	39,950	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 13, 2004	49,075	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 13, 2004	22,466	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 13, 2004	7,400	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 13, 2004	46,536	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 13, 2004	21,750	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 19, 2004	13,930	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 19, 2004	350	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 19, 2004	16,475	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 19, 2004	15,487	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 19, 2004	29,900	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 19, 2004	14,985	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 19, 2004	10,750	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 27, 2004	14,846	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 27, 2004	8,200	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 27, 2004	15,500	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 27, 2004	5,337	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 27, 2004	1,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 27, 2004	11,230	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 27, 2004	200	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 2, 2004	6,390	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 2, 2004	2,000	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
February 2, 2004	1,875	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 2, 2004	375	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 2, 2004	17,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 2, 2004	9,830	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 9, 2004	5,280	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 9, 2004	4,465	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 9, 2004	3,000	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 9, 2004	14,349	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 9, 2004	5,750	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 9, 2004	35,160	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 9, 2004	11,300	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 16, 2004	13,510	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 16, 2004	5,000	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 16, 2004	8,740	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 16, 2004	15,399	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 16, 2004	45,750	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 16, 2004	26,845	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 16, 2004	21,750	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
March 2, 2004*	-13,103	10.00	-	Forfeiture of equity shares for non-payment of allotment/call money
March 5, 2004	7,510	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
March 5, 2004	5,700	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
March 5, 2004	11,100	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
March 5, 2004	15,550	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
March 5, 2004	11,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
March 5, 2004	39,869	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
March 5, 2004	10,625	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
March 8, 2004	3,980	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
March 8, 2004	400	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
March 8, 2004	1,525	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
March 8, 2004	9,245	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
March 8, 2004	1,975	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
March 8, 2004	250	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
April 21, 2004	100,157,271	10.00	280.00	Fully paid shares under public issue – April 2004
April 21, 2004	8,771,300	10.00	280.00	Partly paid equity shares of face value of Rs. 10/- each, on which Rs. 150 paid up (Rs. 5/- towards share capital and Rs. 145/- towards share premium) issued under the public issue. The balance amount of Rs. 130/- (Rs. 5/- towards share capital and Rs. 125/- towards share premium) payable on Call
April 27, 2004	73,328	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
April 27, 2004	93,137	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
April 27, 2004	3,120	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
April 27, 2004	1,600	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
April 27, 2004	3,287	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
April 27, 2004	2,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
April 27, 2004	7,200	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
April 27, 2004	2,750	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 4, 2004	90,370	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 4, 2004	54,270	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 4, 2004	149,750	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 4, 2004	6,750	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 4, 2004	19,624	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 4, 2004	17,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
May 4, 2004	23,875	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 4, 2004	5,600	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 10, 2004	85,475	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 10, 2004	60,075	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 10, 2004	113,150	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 10, 2004	14,325	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 10, 2004	36,040	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 10, 2004	11,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 10, 2004	16,305	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 10, 2004	625	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 17, 2004	54,365	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 17, 2004	66,600	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 17, 2004	75,510	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 17, 2004	34,075	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 17, 2004	15,768	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 17, 2004	1,000	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 24, 2004	6,992,187	10.00	280.00	Fully paid equity shares of face value of Rs. 10/- each issued under the Green Shoe Option of public issue
May 25, 2004	5,235	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 25, 2004	10,800	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 25, 2004	25,940	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 25, 2004	24,725	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 25, 2004	5,688	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 25, 2004	5,850	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 31, 2004	14,015	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
May 31, 2004	5,825	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 31, 2004	21,140	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 31, 2004	4,375	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 31, 2004	2,058	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
May 31, 2004	8,000	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 7, 2004	12,265	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 7, 2004	15,450	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 7, 2004	28,460	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 7, 2004	15,550	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 7, 2004	2,750	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 7, 2004	2,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 7, 2004	800	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 14, 2004	4,545	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 14, 2004	14,100	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 14, 2004	18,140	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 14, 2004	4,750	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 14, 2004	3,425	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 14, 2004	1,500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 21, 2004	17,525	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 21, 2004	28,050	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 21, 2004	32,800	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 21, 2004	31,250	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 21, 2004	2,763	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 21, 2004	1,830	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
June 28, 2004	5,995	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 28, 2004	34,125	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 28, 2004	17,130	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 28, 2004	7,125	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 28, 2004	8,991	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
June 28, 2004	1,250	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 6, 2004	5,405	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 6, 2004	11,750	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 6, 2004	16,280	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 6, 2004	700	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 6, 2004	2,450	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 6, 2004	500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 12, 2004	3,350	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 12, 2004	8,675	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 12, 2004	7,100	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 12, 2004	5,750	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 12, 2004	2,340	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 12, 2004	2,350	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 12, 2004	825	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 19, 2004	4,510	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 19, 2004	3,250	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 19, 2004	12,730	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 19, 2004	625	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 19, 2004	375	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
July 19, 2004	325	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 26, 2004	5,440	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 26, 2004	3,000	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 26, 2004	12,690	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 26, 2004	3,500	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 26, 2004	2,100	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
July 26, 2004	1,250	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 2, 2004	5,865	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 2, 2004	8,850	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 2, 2004	9,160	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 2, 2004	4,000	10.00	157.03	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 2, 2004	8,750	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 2, 2004	700	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 2, 2004	17,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 2, 2004	14,500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 9, 2004	7,350	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 9, 2004	16,475	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 9, 2004	38,430	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 9, 2004	3,000	10.00	157.03	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 9, 2004	7,475	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 9, 2004	18,573	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 9, 2004	7,975	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 16, 2004	20,755	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 16, 2004	4,850	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
August 16, 2004	56,250	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 16, 2004	5,000	10.00	157.03	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 16, 2004	1,650	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 16, 2004	11,413	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 16, 2004	5,510	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 23, 2004	18,900	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 23, 2004	22,775	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 23, 2004	20,460	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 23, 2004	12,525	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 23, 2004	14,163	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 23, 2004	4,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 23, 2004	3,575	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 30, 2004	21,983	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 30, 2004	50,845	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 30, 2004	66,490	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 30, 2004	13,105	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 30, 2004	11,888	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 30, 2004	5,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
August 30, 2004	8,850	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 3, 2004	5,000	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 3, 2004	30,680	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 3, 2004	10,530	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 3, 2004	5,425	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 3, 2004	6,563	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
September 3, 2004	1,200	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 21, 2004	8,205	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 21, 2004	4,125	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 21, 2004	14,080	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 21, 2004	10,125	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 21, 2004	9,820	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 21, 2004	50	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 27, 2004	10,412	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 27, 2004	3,725	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 27, 2004	5,810	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 27, 2004	16,625	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 27, 2004	18,587	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 27, 2004	2,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
September 27, 2004	1,000	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 4, 2004	6,345	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 4, 2004	920	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 4, 2004	8,120	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 4, 2004	2,500	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 4, 2004	5,045	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 4, 2004	600	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 4, 2004	2,500	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 11, 2004	11,505	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 11, 2004	3,950	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 11, 2004	12,490	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
October 11, 2004	8,425	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 11, 2004	4,550	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 11, 2004	1,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 11, 2004	15,250	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 18, 2004	2,870	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 18, 2004	11,500	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 18, 2004	15,440	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 18, 2004	10,000	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 18, 2004	5,125	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 18, 2004	6,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 18, 2004	7,500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 25, 2004	1,075	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 25, 2004	300	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 25, 2004	10,870	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 25, 2004	1,000	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 25, 2004	2,278	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
October 25, 2004	3,500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 1, 2004	9,345	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 1, 2004	4,500	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 1, 2004	8,230	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 1, 2004	11,050	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 1, 2004	13,354	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 1, 2004	6,600	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 8, 2004	12,555	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
November 8, 2004	21,305	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 8, 2004	29,930	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 8, 2004	31,775	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 8, 2004	38,289	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 8, 2004	31,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 8, 2004	36,475	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 8, 2004	1,200	10.00	222.40	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 8, 2004	6,000	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 16, 2004	10,530	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 16, 2004	10,500	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 16, 2004	10,930	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 16, 2004	10,900	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 16, 2004	17,550	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 16, 2004	4,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 16, 2004	24,950	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 16, 2004	7,500	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 22, 2004	21,210	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 22, 2004	32,625	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 22, 2004	66,970	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 22, 2004	14,270	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 22, 2004	25,263	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 22, 2004	9,800	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 22, 2004	15,400	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 22, 2004	11,450	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
November 29, 2004	6,420	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 29, 2004	4,459	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 29, 2004	9,260	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 29, 2004	15,307	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 29, 2004	11,400	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 29, 2004	1,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 29, 2004	14,950	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
November 29, 2004	1,250	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 6, 2004	10,875	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 6, 2004	18,741	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 6, 2004	5,950	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 6, 2004	1,000	10.00	157.03	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 6, 2004	24,950	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 6, 2004	20,123	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 6, 2004	9,200	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 6, 2004	16,650	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 6, 2004	7,850	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 13, 2004	9,575	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 13, 2004	10,950	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 13, 2004	29,020	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 13, 2004	11,585	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 13, 2004	19,418	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 13, 2004	5,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 13, 2004	5,500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
December 13, 2004	12,800	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 20, 2004	1,015	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 20, 2004	900	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 20, 2004	38,870	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 20, 2004	16,365	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 20, 2004	8,968	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 20, 2004	5,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 20, 2004	8,000	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 20, 2004	14,250	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 27, 2004	12,395	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 27, 2004	7,825	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 27, 2004	23,060	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 27, 2004	8,400	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 27, 2004	26,625	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 27, 2004	6,200	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 27, 2004	15,250	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
December 27, 2004	5,500	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 3, 2005	1,950	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 3, 2005	3,450	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 3, 2005	11,400	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 3, 2005	10,550	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 3, 2005	7,125	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 3, 2005	4,975	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 3, 2005	14,475	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
January 3, 2005	15,750	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 10, 2005	3,270	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 10, 2005	800	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 10, 2005	7,140	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 10, 2005	3,750	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 10, 2005	7,325	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 10, 2005	10,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 10, 2005	9,650	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 10, 2005	3,750	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 17, 2005	6,835	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 17, 2005	4,000	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 17, 2005	7,220	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 17, 2005	1,100	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 17, 2005	2,088	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 17, 2005	2,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 17, 2005	2,850	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 17, 2005	1,950	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 24, 2005	7,900	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 24, 2005	10,785	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 24, 2005	17,150	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 24, 2005	18,750	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 24, 2005	1,125	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 24, 2005	6,000	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 24, 2005	4,250	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
January 31, 2005	6,375	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 31, 2005	300	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 31, 2005	3,800	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
January 31, 2005	2,500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000
February 7, 2005	4,255	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 7, 2005	5,030	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 7, 2005	5,791	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 7, 2005	10,000	10.00	165.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 7, 2005	2,000	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 7, 2005	10,000	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 14, 2005	15,000	10.00	105.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 14, 2005	6,615	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 14, 2005	800	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 14, 2005	18,910	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 14, 2005	2,250	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 14, 2005	11,100	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 14, 2005	3,750	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 14, 2005	15,500	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 21, 2005	4,700	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 21, 2005	7,000	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 21, 2005	11,280	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 21, 2005	5,625	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 21, 2005	2,875	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 21, 2005	1,000	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
February 21, 2005	5,250	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 28, 2005	7,025	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 28, 2005	200	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 28, 2005	2,570	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 28, 2005	8,400	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 28, 2005	2,938	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 28, 2005	1,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
February 28, 2005	2,825	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 7, 2005	6,405	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 7, 2005	8,750	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 7, 2005	4,050	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 7, 2005	4,975	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 7, 2005	2,700	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 7, 2005	11,000	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 14, 2005	8,805	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 14, 2005	22,500	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 14, 2005	5,280	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 14, 2005	13,125	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 14, 2005	1,250	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 14, 2005	2,250	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 14, 2005	5,350	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 14, 2005	700	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 21, 2005	2,430	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 21, 2005	4,250	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
March 21, 2005	12,240	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 21, 2005	5,100	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 21, 2005	1,000	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 21, 2005	9,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 21, 2005	1,275	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 21, 2005	8,475	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 28, 2005	7,735	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 28, 2005	81,375	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 28, 2005	6,980	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 28, 2005	6,900	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 28, 2005	25,650	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 28, 2005	2,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 28, 2005	13,150	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 28, 2005	14,100	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 28, 2005*	-54,220	10.00	-	Forfeiture of equity shares for non-payment of allotment/call money
March 31, 2005	73,170	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 31, 2005	60,075	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 31, 2005	2,160	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 31, 2005	3,050	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 31, 2005	3,713	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 31, 2005	2,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 31, 2005	770	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
March 31, 2005	400	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 4, 2005	47,330	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
April 4, 2005	44,550	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 4, 2005	3,410	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 4, 2005	1,590	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 4, 2005	4,500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 4, 2005	3,625	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 11, 2005	72,927	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 11, 2005	90,160	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 11, 2005	7,200	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 11, 2005	4,250	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 11, 2005	2,013	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 11, 2005	300	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 11, 2005	4,800	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 11, 2005	9,250	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 18, 2005	52,563	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 18, 2005	64,550	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 18, 2005	8,840	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 18, 2005	1,250	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 18, 2005	6,385	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 18, 2005	2,500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 18, 2005	5,100	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 25, 2005	33,685	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 25, 2005	12,650	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 25, 2005	37,190	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 25, 2005	8,900	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
April 25, 2005	2,000	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
April 25, 2005	500	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 2, 2005	13,012	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 2, 2005	4,875	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 2, 2005	91,205	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 2, 2005	2,500	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 2, 2005	1,000	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 2, 2005	250	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 2, 2005	1,250	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 2, 2005	2,650	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 9, 2005	85,115	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 9, 2005	89,925	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 9, 2005	200,440	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 9, 2005	1,525	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 9, 2005	8,313	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 9, 2005	3,200	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 9, 2005	5,450	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 9, 2005	68,330	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 16, 2005	27,100	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 16, 2005	48,688	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 16, 2005	79,840	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 16, 2005	12,425	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 16, 2005	3,513	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 16, 2005	2,350	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
May 16, 2005	20,450	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 23, 2005	31,515	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 23, 2005	49,325	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 23, 2005	80,265	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 23, 2005	3,050	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 23, 2005	3,300	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 23, 2005	500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 23, 2005	21,555	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 30, 2005	22,075	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 30, 2005	16,250	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 30, 2005	31,615	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 30, 2005	1,000	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 30, 2005	900	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 30, 2005	5,000	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 30, 2005	2,000	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 30, 2005	1,500	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
May 30, 2005	11,505	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 6, 2005	10,315	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 6, 2005	14,975	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 6, 2005	38,215	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 6, 2005	3,000	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 6, 2005	2,500	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 6, 2005	7,750	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 13, 2005	17,240	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 13, 2005	31,050	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 13, 2005	30,615	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
June 13, 2005	1,250	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 13, 2005	3,075	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 13, 2005	500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 13, 2005	24,350	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 13, 2005	23,675	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 20, 2005	76,055	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 20, 2005	48,100	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 20, 2005	114,285	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 20, 2005	9,600	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 20, 2005	8,850	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 20, 2005	18,275	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 20, 2005	24,900	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 20, 2005	24,350	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 20, 2005	15,735	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 27, 2005	29,225	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 27, 2005	61,750	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 27, 2005	37,290	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 27, 2005	200	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 27, 2005	2,375	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 27, 2005	3,225	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 27, 2005	17,850	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
June 27, 2005	14,990	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 4, 2005	25,100	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 4, 2005	45,950	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 4, 2005	34,450	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 4, 2005	2,000	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
July 4, 2005	12,125	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 4, 2005	100	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 4, 2005	2,000	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 4, 2005	6,600	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 4, 2005	15,400	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 11, 2005	49,025	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 11, 2005	32,150	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 11, 2005	79,425	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 11, 2005	8,860	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 11, 2005	6,025	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 11, 2005	10,625	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 11, 2005	29,244	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 18, 2005	30,900	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 18, 2005	74,600	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 18, 2005	46,420	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 18, 2005	7,467	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 18, 2005	1,400	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 18, 2005	5,250	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 18, 2005	29,000	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 18, 2005	19,925	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 25, 2005	12,841	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 25, 2005	42,440	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 25, 2005	59,525	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 25, 2005	13,500	10.00	157.03	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 25, 2005	1,875	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
July 25, 2005	3,900	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 25, 2005	1,570	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 25, 2005	2,875	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
July 25, 2005	32,771	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 2, 2005	39,730	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 2, 2005	50,210	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 2, 2005	89,130	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 2, 2005	6,000	10.00	157.03	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 2, 2005	11,550	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 2, 2005	5,050	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 2, 2005	5,690	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 2, 2005	4,500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 2, 2005	3,200	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 2, 2005	26,630	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 5, 2005	22,855	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 5, 2005	105,625	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 5, 2005	57,155	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 5, 2005	3,750	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 5, 2005	5,288	10.00	170.00	Allotment of shares issued on exercise of options, under the
August 5, 2005	1,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 5, 2005	7,700	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 5, 2005	4,800	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 5, 2005	10,570	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 22, 2005	29,839	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 22, 2005	27,650	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 22, 2005	39,845	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
August 22, 2005	2,500	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 22, 2005	7,475	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 22, 2005	1,750	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 22, 2005	8,850	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 22, 2005	27,185	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 29, 2005	13,425	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 29, 2005	3,750	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 29, 2005	16,690	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 29, 2005	100	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 29, 2005	3,750	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
August 29, 2005	16,175	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 5, 2005	10,120	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 5, 2005	11,040	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 5, 2005	1,041	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 5, 2005	6,545	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 12, 2005	4,000	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 12, 2005	15,725	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 12, 2005	1,250	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 12, 2005	875	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 12, 2005	6,163	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 19, 2005	19,465	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 19, 2005	12,050	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 19, 2005	79,100	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 19, 2005	2,500	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 19, 2005	4,840	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 19, 2005	7,500	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
September 19, 2005	4,375	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 19, 2005	30,845	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 26, 2005	18,340	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 26, 2005	14,250	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 26, 2005	30,450	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 26, 2005	1,000	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 26, 2005	8,330	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 26, 2005	4,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 26, 2005	8,700	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 26, 2005	13,300	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 26, 2005	20,550	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 30, 2005	7,880	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 30, 2005	21,750	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 30, 2005	41,065	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 30, 2005	19,875	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 30, 2005	1,100	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 30, 2005	16,075	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
September 30, 2005	12,825	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 7, 2005	5,800	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 7, 2005	6,755	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 7, 2005	650	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 7, 2005	3,000	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 7, 2005	50	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 7, 2005	5,000	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 7, 2005	21,175	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 10, 2005	8,993	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment
October 10, 2005	4,125	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 10, 2005	33,605	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 10, 2005	1,000	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 10, 2005	2,500	10.00	171.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 10, 2005	1,000	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 10, 2005	1,100	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 10, 2005	10,586	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 17, 2005	4,900	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 17, 2005	5,875	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 17, 2005	3,495	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 17, 2005	1,100	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 17, 2005	50	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 17, 2005	4,920	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 24, 2005	2,000	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 24, 2005	11,290	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 24, 2005	1,250	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
October 24, 2005	6,950	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
November 17, 2005	9,384	10.00	120.35	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
November 17, 2005	210	10.00	120.50	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
November 17, 2005	8,495	10.00	132.05	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
November 17, 2005	130	10.00	164.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
November 17, 2005	4,665	10.00	170.00	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
November 17, 2005	5,375	10.00	171.90	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
November 17, 2005	250	10.00	266.80	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
November 17, 2005	7,250	10.00	300.10	Allotment of shares issued on exercise of options, under the Employee Stock Option Scheme 2000.
Total	**741,064,045**			

* Date of forfeiture

i Prior to the amalgamation, ICICI was our promoter. There are now no identifiable promoters, hence the details regarding the shareholding of the promoters and details of the transactions by them in

2. Prior to the amalgamation, ICICI was our promoter. There are now no identifiable promoters, hence the details regarding the shareholding of the promoters and details of the transactions by them in our securities are not applicable.

3. The following tables set forth, for the details indicated, our top 10 shareholders and their holdings.

a. November 18, 2005

	Name	Shares held	% Shareholding
1	Deutsche Bank Trust Company Americas as depositary for American Depositary Share holders#	201,367,018	27.17
2	Life Insurance Corporation of India	69,271,287	9.35
3	Allamanda Investments Pte. Ltd	66,234,627	8.94
4	Crown Capital Limited	36,275,141	4.90
5	HWIC Asia Fund	27,320,361	3.69
6	Bajaj Auto Limited	22,844,320	3.08
7	Government of Singapore	22,256,229	3.00
8	The New India Assurance Company Limited	17,246,338	2.33
9	Copthall Mauritius Investment Ltd	16,063,999	2.17
10	The Growth Fund of America, Inc	14,230,000	1.92

#: Deutsche Bank Trust Company Americas holds the equity shares represented by 100.68 million ADSs outstanding, as depositary on behalf of the holders of the ADSs. The ADSs are listed on the New York Stock Exchange. The depositary has the right to vote on the equity shares represented by the ADSs as directed by our Board of Directors. Under the Banking Regulation Act, no person holding shares in a banking company can exercise more than 10.0% of the total voting power. This means that Deutsche Bank Trust Company Americas (as depositary), which owned approximately 27.2% of our equity shares as of November 18, 2005, can only vote 10.0% of our equity shares. Except as stated above, no shareholder has differential voting rights. The above shareholding of Deutsche Bank Trust Company Americas does not include the Shares being issued pursuant to the ADS Offering

b. At November 11, 2005

	Name	Shares held	% Shareholding
1	Deutsche Bank Trust Company Americas as depositary for ADS holders#	201,367,018	27.17
2	Life Insurance Corporation of India	69,271,287	9.35
3	Allamanda Investments Pte. Ltd	66,234,627	8.94
4	Crown Capital Limited	36,275,141	4.90
5	HWIC Asia Fund	27,320,361	3.69
6	Bajaj Auto Limited	22,844,320	3.08
7	Government of Singapore	22,256,229	3.00
8	The New India Assurance Company Limited	17,296,338	2.33
9	Copthall Mauritius Investment Ltd	15,814,451	2.13
10	The Growth Fund of America, Inc	14,230,000	1.92

The above shareholding of Deutsche Bank Trust Company Americas does not include the Shares being issued pursuant to the ADS Offering.

c. At November 21, 2003

	Name	Shares held	% Shareholding
1	Deutsche Bank Trust Company Americas as depositary for ADS holders#	159,882,118	26.02
2	Life Insurance Corporation of India	47,942,810	7.80
3	HWIC Asia Fund	45,968,861	7.48
4	Government of Singapore	33,931,761	5.52
5	Bajaj Auto Limited	19,911,024	3.24
6	The New India Assurance Company Limited	16,623,796	2.71
7	M And G Investment Management Ltd A/C The Prudential Assurance Co. Ltd	16,250,729	2.64
8	Emerging Markets Growth Fund Inc.	13,193,690	2.15
9	Templeton Global Advisors Ltd A/C Templeton Funds Inc (Templeton Foreign Fund)	11,341,987	1.85
10	Copthall Mauritius Investment Ltd	11,005,891	1.79

The above shareholding of Deutsche Bank Trust Company Americas does not include the Shares being issued pursuant to the ADS Offering.

4. The following table sets forth, at November 18, 2005, certain information regarding the total ownership of our equity shares.

Particulars	Shares	%
Government-controlled shareholders		
Life Insurance Corporation of India	69,271,287	9.35
General Insurance Corporation of India and government-owned general insurance companies	40,454,263	5.46
Unit Trust of India	655,523	0.09
Other government-controlled institutions, corporations and banks	1,165,340	0.16
Total Government-controlled shareholders	111,546,413	15.05
Other Indian investors		
Individual domestic investors	44,595,193	6.02
Bajaj Auto Limited	22,844,320	3.08
Indian corporates and others (excluding Bajaj Auto Limited)	6,984,312	0.94
Mutual funds and banks (other than Government-controlled banks)	18,564,918	2.51
Total other Indian investors	92,988,743	12.55
Total Indian investors	204,535,156	27.60
Foreign investors		
Deutsche Bank Trust Company Americas, as depositary for ADS holders	201,387,018	27.18
Allamanda Investments Pte. Ltd.	66,234,627	8.94
Other Foreign Institutional Investors, foreign banks, overseas corporate bodies foreign companies, foreign nationals, ioreign Institutional investors DR and non-resident Indians	268,907,244	36.29
Total foreign investors	536,528,889	72.40
Total	**741,064,045**	**100.00**

The above shareholding of Deutsche Bank Trust Company Americas does not include the Shares being issued pursuant to the ADS Offering.

Relationship with the Government of India

We operate as an autonomous commercial enterprise, making decisions and pursuing strategies that are designed to maximise shareholder value. Prior to the amalgamation, ICICI was our promoter. We now have no identifiable promoters. The Government of India has never directly held any of our or ICICI's shares. Reflecting the dominant role of the Indian government in the Indian economy and pursuant to the nationalisation of Indian insurance companies, which were among ICICI's largest shareholders, in the 1950s and the 1960s, ICICI's principal shareholders were Government-controlled. They included the Life Insurance Corporation of India, the General Insurance Corporation of India, Government-owned general insurance companies and the Unit Trust of India. Consequent to the amalgamation of ICICI with us, these Government-controlled shareholders have received our shares in exchange for their shareholding in ICICI. To the best of our knowledge, there is no shareholders' agreement or voting trust relating to the ownership of the shares held by the Government-controlled shareholders.

5. None of the Directors have, either directly or indirectly, undertaken transactions in the shares of ICICI Bank in the last six months preceding the date on which the Draft Red Herring Prospectus was filed with SEBI except the transactions (excluding allotment of shares issued on exercise of options) stated below.

Date of Transaction [(1)]	Transferor	Shares	Price	Mode
May 20, 2005	Ms. Chanda Kochhar	200	Market Sale	Electronic
May 27, 2005	Ms. Chanda Kochhar	500	Market Sale	Electronic
Jun 3, 2005	Ms. Lalita Gupte	2,400	Market Sale	Electronic
Jun 3, 2005	Ms. Chanda Kochhar	500	Market Sale	Electronic
Jun 10, 2005	Ms. Lalita Gupte	2,000	Market Sale	Electronic
Jun 10, 2005	Ms. Chanda Kochhar	5,000	Market Sale	Electronic
June 17, 2005	Ms. Chanda Kochhar	26,000	Market Sale	Electronic
June 17, 2005	Dr. Nachiket Mor	56,000	Market Sale	Electronic
June 24, 2005	Ms. Chanda Kochhar	900	Market Sale	Electronic
June 30, 2005	Ms. Chanda Kochhar	1,600	Market Sale	Electronic
July 8, 2005	Ms. Chanda Kochhar	500	Market Sale	Electronic
August 5, 2005	Ms. Lalita Gupte	1,800	Market Sale	Electronic
August 5, 2005	Dr. Nachiket Mor	8,000	Market Sale	Electronic
September 22, 2005	Ms. Lalita Gupte	2,550	Market Sale	Electronic
September 22, 2005	Ms. Chanda Kochhar	5,775	Market Sale	Electronic
September 22, 2005	Dr. Nachiket Mor	6,000	Market Sale	Electronic

(1) Information received from the depositories on the dates mentioned.

6. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into our equity shares, as on date other than the stock options granted to employees.

7. **Employee Stock Option Scheme**

We have since fiscal 2000 instituted an ESOS to enable our employees, including wholetime Directors and employees deputed to other companies, to participate in our future growth and financial success. ICICI had also granted stock options to its wholetime Directors and employees. As per the ESOS as amended till date, the maximum number of options granted to any employee in a financial year is limited to 0.05% of our issued Equity Shares at the time of the grant, and the aggregate of all such options is limited to 5.0% of our issued Equity Shares on the date of the grant. In accordance with the Scheme of Amalgamation, Directors and employees of ICICI and its subsidiaries and affiliate companies have received stock options in us equal to half the number of their outstanding unexercised stock options in ICICI. The exercise price of these ICICI Bank options is twice the exercise price for the ICICI stock options. All other terms and conditions are similar to those applicable under ESOS.

The following table sets forth, the particulars of options granted under ESOS at September 30, 2005:

a.	Options granted	33,933,755
b.	Exercise Price	The closing market price on the stock exchange, which records the highest trading volume on the date of grant. [1]
c.	Options vested	17,371,486
d.	Options exercised	12,013,228
e.	Total number of Equity Shares arising as a result of exercise of options	12,013,228
f.	Options forfeited / lapsed	3,242,190
g.	Extinguishment or modification of options	Nil
h.	Money realised by exercise of options (Rs.)	1,803,101,744
i.	Total number of options in force	18,678,337
j.	Person-wise details of options granted to	
	(i) Directors and key managerial employees	Details as below
	(ii) Any other employee who has received a grant in a year of options amounting to 5% or more of options granted during that year	None
	(iii) Identified employees who are granted options, during any one year equal to or exceeding 1% of our issued equity shares (excluding outstanding warrants and conversions) at the time of grant	None
k.	Dilution in EPS	Rs. 0.15[2]
l.	Vesting schedule	The options granted for fiscal 2003 and earlier years vest annually in a graded manner over a three-year period, with 20.0%, 30.0% and 50.0% of the grants vesting each year, commencing not earlier than 12 months from the date of grant. Options granted for fiscal 2004 and subsequent years vest in a graded manner over a four-year period with 20.0%, 20.0%, 30.0% and 30.0% of grants vesting each year, commencing from the end of 12 months from the date of grant.
m.	Lock-in	30 days from the date of allotment

(1) The price for options granted by ICICI Bank on or after June 30, 2003, but before July 22, 2004 is equal to the average of the high and low market price of the equity shares in the two week period preceding the date of grant of the options, on the stock exchange which recorded the highest trading volume during the two week period. The price of options granted on or after July 22, 2004 is equal to the closing price on the stock exchange which recorded the highest trading volume preceding the date of grant of options.

(2) Diluted EPS for the six-month period ended September 30, 2005 was Rs. 14.87 and basic EPS for the six-month period ended September 30, 2005 was Rs. 15.02. Basic and diluted EPS are not annualised.

The following table sets forth details of options granted to senior managerial personnel at September 30, 2005 and our Equity Shares held by them at September 30, 2005:

Name	Position	Stock options granted	Shares held[1]	Options Outstanding
Mr. K. V. Kamath	Managing Director & Chief Executive Officer	1,025,000	68,500	9,36,000
Ms. Lalita D. Gupte	Joint Managing Director	795,000	118,887	637,500
Ms. Kalpana Morparia	Deputy Managing Director	640,000	21,190	620,000
Ms. Chanda Kochhar	Executive Director	505,000	160,575	294,000
Dr. Nachiket Mor	Executive Director	502,000	0	275,000
Mr. Balaji Swaminathan[2]	Senior General Manager	330,000	33,500	187,500
Mr. Bhargav Dasgupta	Senior General Manager	248,475	16,900	222,475
Mr. K. Ramkumar	Senior General Manager	180,000	0	147,000
Ms. Madhabi Puri-Buch	Senior General Manager	279,900	1,411	222,450
Mr. Nagesh Pinge	Senior General Manager	202,500	35,583	141,300
Mr. P. H. Ravikumar[3]	Senior General Manager	154,700	11,000	22,000
Mr. Pravir Vohra	Senior General Manager	139,500	14,000	124,500
Ms. Ramni Nirula	Senior General Manager	282,000	52,300	193,500
Mr. Sanjiv Kerkar	Senior General Manager	223,000	37,344	183,000
Mr. V. Vaidyanathan	Senior General Manager	259,900	39,610	153,750
Ms. Vishakha Mulye	Senior General Manager	210,975	33,955	167,520

(1) As per records of our Registrar.

(2) Mr. Balaji Swaminathan has decided to leave ICICI Bank to explore other professional opportunities.

(3) Mr. P.H. Ravikumar is on deputation to National Commodities & Derivatives Exchange of India Limited.

9. We have not entered into any standby, buyback or similar arrangements for this Issue.

10. We may, at our discretion, raise a bridge loan against the proceeds of the Issue.

12. We have not issued any shares or debentures or agreed to issue any shares or debentures for consideration other than cash other than that mentioned elsewhere in the Red Herring Prospectus, within the two years preceding the date of the Red Herring Prospectus.

13. At any given time there shall be only one denomination for the shares of ICICI Bank and ICICI Bank shall comply with such disclosure and accounting norms as specified by SEBI from time to time.

14. A total of up to 5% of the Issue size, i.e., up to Rs. 2,500.0 million, has been reserved for allocation to the Existing Retail Shareholders on a proportionate basis, subject to valid Bids being received at or above the Issue Price and subject to the maximum Bid in this portion being Rs. 100,000. Only Existing Retail Shareholders as on November 25, 2005 would be eligible to apply in this Issue under Reservation for Existing Retail Shareholders. Existing Retail Shareholders may bid in the Net Issue to the public portion as well and such Bids shall not be treated as multiple Bids. Undersubscription, if any, in the Reservation for Existing Retail Shareholders, would first be allowed to be met with spill over from the Retail Portion and thereafter from any of the other categories, at our discretion, in consultation with the BRLMs and the CBRLMs in the manner detailed in the section titled "Issue Procedure" on page 395.

    Undersubscription, if any, in any of the categories, would be allowed to be met with spill over from any of the other categories, at our discretion, in consultation with the BRLMs and the CBRLMs.

15. As per Chapter VIII - A of the SEBI Guidelines, we have availed of the Green Shoe Option for stabilising the post-listing price of the shares. We have appointed JMMS as the Stabilising Agent. The Green Shoe Option consists of option to overallot up to 14,285,714 shares of Rs. 10/- each at a price of Rs. 525] per share aggregating Rs. 7,500.0 million representing 15% of the Issue, exercisable during

the period commencing from the date of obtaining trading permission from the BSE for the Equity Shares under the Issue, and ending 30 days thereafter unless terminated earlier by the Stabilising Agent.

The terms of the Green Shoe Option are as follows:

The maximum number of shares	14,285,714 Equity Shares of Rs. 10 each at a price of Rs. 525 per Equity Share aggregating Rs. 7,500.0 million representing 15% of the Issue Size
The maximum increase in paid-up capital in case of full exercise of the Green Shoe Option	Rs. 7,500.0 million
Stabilisation Period	The period commencing from the date of obtaining trading permission from the NSE for the Equity Shares under the Issue, and ending 30 days thereafter unless terminated earlier by the Stabilising Agent.

16. The capital raising exercise being undertaken by us includes this Issue and the ADS Offering. There would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of the Prospectus with SEBI until the Equity Shares issued have been listed, other than issue of options to our employees pursuant to an employee stock option plans and issue of Equity Shares pursuant to exercise of stock options granted to employees.

17. Except for the ADS Offering, we presently do not have any intention or proposal to alter our capital structure for a period of six months commencing from the date of opening of this Issue, by way of split/ consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or otherwise. However, during such period or at a later date, we may undertake an issue of shares or securities linked to equity shares to finance an acquisition, merger or joint venture by us or as consideration for such acquisition, merger or joint venture, or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by our Board to be in the interest of the Bank.

18. The number of shareholders of ICICI Bank at November 18, 2005 was 410,411.

OBJECTS OF THE ISSUE

We are a banking company regulated by the RBI. The RBI guidelines require us to maintain a minimum ratio of capital to risk adjusted assets and off-balance sheet items of 9.0%, at least half of which must be Tier-1 capital. See "Regulations and Policies – Reserve Bank of India Regulations – Capital Adequacy Requirements" on page 121. Our total capital adequacy ratio was 11.5% at September 30, 2005 including Tier-1 capital adequacy ratio of 7.2% and Tier-2 capital of 4.3% of risk-weighted assets. Additional capital is required for future asset growth and compliance with regulatory requirements. The objects of the Issue are to augment our capital base to meet the capital requirements arising out of growth in our assets, primarily our loan and investment portfolio due to the growth of the Indian economy, compliance with regulatory requirements and for other general corporate purposes including meeting the expenses of the Issue.

Requirement and Sources of Funds

Requirement of Funds	**(in Rs. million)**
Augment our capital base to meet our future capital adequacy requirements arising out of growth in our businesses and for other general corporate purposes	Rs. 49,350.0 to 56,850.0
Estimated Issue expenses	650.0
Total	Rs. 50,000.0 to 57,500.0

(1) Subject to approval of the Reserve Bank of India.

Sources of Funds	**(in Rs. million)**
Proceeds of the Issue and the Green Shoe Option	Rs. 50,000.0 to 57,500.0
Total	Rs. 50,000.0 to 57,500.0

The main objects clause and the objects incidental or ancillary to the main objects clause of our Memorandum of Association enable us to undertake our existing activities and the activities for which the funds are being raised by us in the Issue.

Augment our capital base to meet our future capital adequacy requirements arising out of growth in our businesses and for other general corporate purposes.

We are engaged in the business of banking and our subsidiaries are engaged in banking and other financial services businesses. We are seeking to strengthen our capital base to support the future growth in our assets and comply with capital adequacy requirements applicable to us. Other general corporate purposes would include development of channel infrastructure to support our business growth and service our customers.

Estimated Issue Expenses

Activity	**(in Rs. million)**
Estimated lead management, underwriting and selling commission[(1)]	320.0
Estimated other expenses (including advertising, registrar's fee, legal fee, printing and stationery and listing fee)	330.0
Total	Rs. 650.0

((1) Subject to approval of the Reserve Bank of India.

BASIS FOR ISSUE PRICE

Qualitative Factors

1. We are India's largest private sector bank, and the second largest bank in India in terms of total assets, with total assets of Rs. 1,892.18 billion at September 30, 2005.

2. Along with our subsidiaries, we offer the complete spectrum of financial products and services to our customers. We believe we are the market leader in retail credit, based on publicly available data and our own estimates, with retail assets of Rs. 685.37 billion at September 30, 2005. Our subsidiaries in life and non-life insurance have achieved leadership positions among private sector life and non-life insurance companies with market shares of 32% and 31% respectively among private sector companies in their sectors, in the six-month period ended September 30, 2005.

3. Our retail assets increased 73.0% to Rs. 685.37 billion at September 30, 2005 from Rs. 396.09 billion at September 30, 2004. Our deposits increased 68.2% to Rs. 1,204.52 billion at September 30, 2005 from Rs. 715.98 billion at September 30, 2004. We have about 15.8 million retail customer accounts.

4. Our Net NPA Ratio has declined to Rs. 0.97% at September 30, 2005 from 2.60% at September 30, 2004.

5. We believe we are a technology leader in the Indian banking sector, with over 70% of our customer induced retail banking transactions occurring through technology channels.

6. We are now seeking to expand internationally by leveraging our domestic capabilities to capitalise on the opportunities created by the Indian diaspora and the global expansion of Indian business. We currently have subsidiaries in the United Kingdom, Canada and Russia, branches in Singapore, Hong Kong and Bahrain and representative offices in the United States, China, United Arab Emirates, Bangladesh and South Africa. During the six month period ended September 30, 2005, we acquired Investment Credit Bank, a Russian bank with total assets of approximately US$ 4.4 million at year-end fiscal 2005. We have received approvals to set up branch offices in Sri Lanka and Dubai from the respective regulatory authorities and have applied for a branch license in the United States.

7. For the six-month period ended September 30, 2005, we earned a profit after tax of Rs. 11.10 billion compared to Rs. 8.73 billion for the six-month period ended September 30, 2004 and Rs. 20.05 billion for fiscal 2005.

Quantitative Factors

Information presented in this section is derived from our unconsolidated financial statements prepared in accordance with Indian GAAP.

1. Average earning per share (EPS)

Year	EPS (Rs.)	Weight
Year ended March 31, 2003	19.7	1
Year ended March 31, 2004	26.7	2
Year ended March 31, 2005	27.6	3
Six months period ended September 30, 2005 (annualised)	30.0	4
Weighted Average	27.6	

2. Price/Earning (P/E) ratio in relation to Issue Price of Rs. 525

   a. Based on six months period ended September 30, 2005 EPS (annualised) is Rs. 30.0.

   b. P/E based on six months ended September 30, 2005 (annualised) is 17.5.

   c. Industry P/E[(1)]

      i) Highest 83.4

      ii) Lowest 5.4

      iii) Average (composite) 21.9

      (1) Source: "Capital Market" Volume XX/16 dated Oct. 10-23, 2005, for the Category titled 'Banking – Private Sector'. The figures are in respect of fiscal 2005.

3. Average Return on Equity (RoE)

Year	RoE (%)	Weight
Year ended March 31, 2003	18.3	1
Year ended March 31, 2004	21.8	2
Year ended March 31, 2005	17.9	3
Six months period ended September 30, 2005 (annualised)	17.1	4
Weighted Average	18.4	

4. Minimum Return on Increased Net Worth Required to Maintain Pre-Issue EPS

The minimum return on increased net worth required to maintain pre-Issue EPS is 15.7% if the Green Shoe Option is fully exercised .and 15.6% if the Green Shoe Option is not exercised.

5. Net Asset Value per Equity Share at September 30, 2005 is Rs. 183.7 and at March 31, 2005 is Rs. 168.6.

6. Net Asset Value per Equity Share

	NAV
As of September 30, 2005	183.7
After the Domestic Issue assuming Green Shoe is not exercised	222.1
After the Domestic Issue assuming Green Shoe is fully exercised	227.1
After the ADS Issue assuming both Green Shoe Option and ADS Green Shoe Option are not exercised	236.7
After the ADS Issue assuming both Green Shoe Option and ADS Green Shoe Option are fully exercised	243.4
Domestic Issue Price	Rs. 525
ADS Issue Price	USD 26.75

7. Comparison of Accounting Ratios

Particulars	Price Per Share[1]	NAV (Rs.)[2]	EPS (Rs.)[3]	P/E (times)
ICICI Bank	497	169.5	28.7	17.3
State Bank of India	868	457.4	84.9	10.2
Punjab National Bank	399	248.9	45.8	8.7
Canara Bank	198	146.1	23.4	8.5
Union Bank	113	68.2	16.3	6.9
Bank of Baroda	212	190.2	18.3	11.6
HDFC Bank	644	169.5	22.7	28.4
Bank of India	104	88.0	7.1	14.6
Peer Group (Simple) Average				**13.3**

(1) Price per share has been taken as the closing price on October 20, 2005.

(2) NAV has been calculated as per latest fiscal year which is year ended March 31, 2005.

(3) Annualised EPS for three-month period ended June 30, 2005.

Source: Our EPS, RONW and Book Value Per Share have been calculated from our audited financial statements. Source for other information is "Capital Market" Volume XX/16 dated Oct 10-23, 2005.

STATEMENT OF TAX BENEFITS

S. R. Batliboi & Co., Chartered Accountants, our statutory auditors, have advised us vide their report dated November 17, 2005 that the following tax benefits would be available to us and our shareholders under the provisions of the current direct tax laws.

A. INCOME-TAX

I. To the Bank

1. In accordance with and subject to the provisions of Section 10(23G) of the Income-tax Act, 1961 (hereinafter referred to as the 'Income-tax Act'), our taxable income would not include dividend (other than dividends exempt under Section 10(34) of the Income-tax Act), interest or long-term capital gains from investment made by way of shares or long-term finance in specified enterprises wholly engaged in the business of (i) developing, (ii) maintaining and operating or (iii) developing, maintaining and operating specified infrastructure facility. However, such income would be considered in computing book profits under Section 115JB of the Income-tax Act.

2. Our taxable income would not include dividend income in accordance with and subject to the provisions of Section 10(34) read with Section 115-O of the Income-tax Act. Also, Section 94(7) of the Income-tax Act provides that losses arising from the sale/ transfer of shares purchased up to three months prior to the record date and sold within three months after such date, will be disallowed to the extent dividend on such shares are claimed as tax exempt by the shareholder.

3. Under Section 36(1)(vii) of the Income-tax Act, any bad debts or part thereof written off as irrecoverable, would be allowed as a deduction from our total income in accordance with and subject to the provisions contained therein.

4. Under Section 36(1)(viia) of the Income-tax Act, and subject to the conditions specified therein, deduction in respect of any provision for bad and doubtful debts made by us is allowed at 7.5% of the total income (computed before making any deduction under this Section and Chapter VI A) and 10% of the aggregate average advances made by our rural branches.

   As per the third proviso of Section 36(1)(viia) and subject to the conditions specified therein, we shall at our option be allowed further deduction in excess of the specified limits, for an amount not exceeding the income derived from redemption of securities in accordance with the scheme framed by the Central Government.

5. Under the provisions of Section 36(1)(viii) of the Income-tax Act, we, being a financial corporation are allowed deduction at 40% of the profits derived from the business of providing long-term finance computed in the manner specified under the Section and carried to a Special Reserve account created and maintained by us. The deduction is allowed subject to the aggregate of the amounts transferred to the Special Reserve Account for this purpose from time to time not exceeding twice our paid-up share capital and general reserves. The amount withdrawn from such a Special Reserve Account would be chargeable to income tax in the year of withdrawal, in accordance with the provisions of Section 41(4A) of the Income-tax Act.

6. Under Section 43D of the Income-tax Act, interest on certain categories of bad and doubtful debts as specified in Rule 6EA of the Income-tax Rules, 1962, shall be chargeable to tax only in the year of receipt or credit to our Profit and Loss Account, whichever is earlier.

7. Long-term capital gains arising from transfer of eligible equity shares purchased by us on or after March 1, 2003 and before March 1, 2004 are exempt from tax subject to and in accordance with the provisions of Section 10(36) of the Income-tax Act.

8. Capital gains arising on transfer of long-term capital assets, being equity shares in a company or units of equity oriented mutual fund on sale on which securities transaction tax is paid, is exempt under Section 10(38) of the Income-tax Act whereas short-term capital gains is subject to a concessional rate of tax under Section 111A of the Income-tax Act at the rate of 10% (plus applicable surcharge and education cess).

   If the shares or units on which securities transaction tax has been paid are treated as stock-in-trade liable to tax as business profits, rebate can be claimed from the income tax payable by the Bank in accordance with provisions of Section 88E of the Income-tax Act towards such securities transaction tax.

9. The benefit of exemption from tax under Section 10(38) of the Income-tax Act on long-term capital gains, or, concessional rate of tax under Section 111A of the Income-tax Act on short-term capital gains will not be available where no securities transactions tax is applicable. In such cases, under the provisions of Section 112 of the Income-tax Act, taxable long-term capital gains, if any, on sale of listed securities or units would be charged to tax at the concessional rate of 20% (plus applicable surcharge and education cess) after considering indexation benefits or at 10% (plus applicable surcharge and education cess) without indexation benefits in accordance with and subject to the provision of Section 48 of the Income-tax Act. Under Section 48 of the Income-tax Act, the long-term capital gains arising out of sale of capital assets excluding bonds and debentures (except Capital Indexed

Bonds issued by the Government) will be computed after indexing the cost of acquisition/improvement.

10. As per Section 54EC and Section 54ED of the Income-tax Act, subject to the conditions specified therein, tax on capital gains arising from the transfer of a long-term capital asset is exempt from tax, provided that the Bank has at any time within a period of six months after the date of the transfer, invested the whole of the capital gains in any specified long-term asset for the purposes of Section 54EC of the Income-tax Act or in acquiring shares of a public company offered for subscription by way of a public issue for the purposes of Section 54ED of the Income-tax Act. If only a portion of capital gains is so invested, then the exemption is available proportionately.

11. As per the provisions of Section 80LA of the Income-tax Act where our gross total income, in any previous year, includes specified income from an offshore banking unit (OBU) in a special economic zone with an undertaking located in a special economic zone or any other undertaking which develops, or develops and operates, or operates and maintains a special economic zone, shall, subject to the fulfillment of the conditions specified in Section 80LA of the Income tax Act, be entitled to 100% deduction of such income for three consecutive assessment years, beginning with the assessment year relevant to the previous year in which the RBI's permission to open the offshore unit shall have been obtained, and after those three years, 50% deduction of such income for the next two consecutive assessment years.

    The SEZ Act, 2005 have extended the benefit of Section 80LA of the Income-tax Act to all income of OBU, by way of deduction of the income @ 100% for a period of 5 consecutive years beginning with the year in which permission under Banking Regulation Act, 1949 is obtained and 50% deduction for a period of 5 consecutive years thereafter in accordance with and subject to the conditions prescribed therein. The above provisions of SEZ Act, 2005 are yet to come into force from a date to be notified.

II. To Our Resident Shareholders

1. Dividend income of shareholders is exempt from income tax under Section 10(34) read with Section 115-O of the Income-tax Act. Also, Section 94(7) of the Income-tax Act provides that losses arising from the sale/transfer of shares purchased up to three months prior to the record date and sold within three months after such date, will be disallowed to the extent dividend on such shares are claimed as tax exempt by the shareholder.

2. As per Section 54EC and Section 54ED of the Income-tax Act, subject to the conditions specified therein, tax on capital gains arising from the transfer of a long-term capital asset (including our Equity Shares) is exempt from tax, provided that the shareholder has at any time within a period of six months after the date of the transfer, invested the whole of the capital gains in any specified long-term asset for the purposes of Section 54EC or in acquiring shares of a public company offered for subscription by way of a public issue for the purposes of Section 54ED of the Income-tax Act. If only a portion of capital gains is so invested, then the exemption is available proportionately.

3. As per the provisions of Section 54F of the Income-tax Act, subject to the conditions specified therein, long-term capital gains arising to an individual or a Hindu undivided family on transfer of long-term capital asset (including our Equity Shares) shall be exempt from tax, provided that the net consideration is utilised in the purchase of a residential house within a period of one year before or two years after the date of transfer, or in the construction of a residential house within a period of three years after the date of transfer of the long-term capital asset. If only a portion of the net consideration is so invested, then the exemption is available proportionately.

4. Long-term capital gains would accrue to resident shareholders where the Equity Shares are held for a period of more than 12 months prior to the date of transfer of the shares. In accordance with and subject to the provisions of Section 48 of the Income-tax Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:

    (i) Cost of acquisition/improvement of the shares as adjusted by the Cost Inflation Index notified by the Central Government and

    (ii) Expenditure incurred wholly and exclusively in connection with the transfer of the shares.

5. Capital gains arising on transfer of long-term capital assets, being equity shares in a company on sale of which securities transaction tax is paid, is exempt under Section 10(38) of the Income-tax Act whereas short-term capital gains is subject to tax under Section 111A of the Income-tax Act at the rate of 10% (plus applicable surcharge and education cess).

    If the shares or units on which securities transaction tax has been paid are treated as stock-in-trade liable to tax as business profits at the maximum marginal rate, rebate can be claimed in accordance with provisions of Section 88E of the Income-tax Act towards such securities transaction tax.

6. The benefit of exemption from tax under Section 10(38) of the Income-tax Act on long-term capital gains, or, concessional rate of tax under Section 111A of the Income-tax Act on short-term capital gains will not be available where no securities transactions

tax is applicable. In such cases, under the provisions of Section 112 of the Income-tax Act, taxable long-term capital gains, if any, on sale of listed securities or units would be charged to tax at the concessional rate of 20% (plus applicable surcharge and education cess) after considering indexation benefits or at 10% (plus applicable surcharge and education cess) without indexation benefits in accordance with and subject to the provision of Section 48 of the Income-tax Act. Under Section 48 of the Income-tax Act, the long-term capital gains arising out of sale of capital assets excluding bonds and debentures (except Capital Indexed Bonds issued by the Government) will be computed after indexing the cost of acquisition/improvement.

III. To non-resident shareholders including NRIs, OCBs and FIIs

1. Dividend income of shareholders is exempt from income tax under Section 10(34) of the Income-tax Act read with Section 115-O of the Income-tax Act. Also, sub-section 7 of Section 94 of the Income-tax Act provides that losses arising from the sale/transfer of shares purchased up to three months prior to the record date and sold within three months after such date, will be disallowed to the extent of income distribution on such shares (i.e. dividends) claimed as tax exempt by the shareholder.

2. As per Section 54EC and Section 54ED of the Income-tax Act, subject to the conditions specified therein, tax on capital gains arising from the transfer of a long-term capital asset (including our Equity Shares) is exempt from tax, provided that the shareholder has at any time within a period of six months after the date of the transfer, invested the whole of the capital gains in any specified long-term asset for the purposes of Section 54EC or in acquiring shares of a public company offered for subscription by way of a public issue for the purposes of Section 54ED of the Income-tax Act. If only a portion of capital gains is so invested, then the exemption is available proportionately.

3. As per the provisions of Section 54F of the Income-tax Act, subject to the conditions specified therein, long-term capital gains arising to an individual or a Hindu undivided family on transfer of long-term capital asset (including our Equity Shares) shall be exempt from tax, provided that the net consideration is utilised in the purchase of a residential house within a period of one year before or two years after the date of transfer, or in the construction of a residential house within a period of three years after the date of transfer of the long-term capital asset. If only a portion of the net consideration is so invested, then the exemption is available proportionately.

4. Long-term capital gains would accrue to non-resident shareholders where the equity shares are held for a period of more than 12 months prior to the date of transfer of the shares. In accordance with and subject to the provisions of Section 48 of the Income-tax Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:

   (i) Cost of acquisition/improvement of the shares as adjusted by the Cost Inflation Index notified by the Central Government and

   (io) Expenditure incurred wholly and exclusively in connection with the transfer of the shares

   As per the provisions of the first proviso to Section 48 of the Income-tax Act, capital gains arising from the transfer of equity shares acquired by non-residents in foreign currency are to be computed by converting the cost of acquisition/improvement, expenditure incurred wholly and exclusively in connection with such transfer and the full value of the consideration received or accruing into the same foreign currency as was initially utilised in the purchase of equity shares and the capital gains so computed in such foreign currency shall then be re-converted into Indian currency. Cost indexation benefits will not be available in such case.

   Further, the aforesaid manner of computation of capital gains shall be applicable in respect of every reinvestment thereafter in and sale of, shares in, or debentures of an Indian company.

5. Capital gains arising on transfer of long-term capital assets, being equity shares in a company on sale of which securities transaction tax is paid, is exempt under Section 10(38) of the Income-tax Act whereas short-term capital gains is subject to tax under Section 111A of the Income-tax Act at the rate of 10% (plus applicable surcharge and education cess).

   If the shares or units on which securities transaction tax has been paid are treated as stock-in-trade liable to tax as business profits, liable to tax at the maximum marginal rate, rebate can be claimed in accordance with provisions of Section 88E of the Income-tax Act towards such securities transaction tax.

6. The benefit of exemption from tax under Section 10(38) of the Income-tax Act on long-term capital gains, or, concessional rate of tax under Section 111A of the Income-tax Act on short-term capital gains will not be available where no securities transactions tax is applicable. In such cases, under the provisions of Section 112 of the Income-tax Act, taxable long-term capital gains, if any, on sale of listed securities or units would be charged to tax at the concessional rate of 10% (plus applicable surcharge and education cess).

7. Capital gains arising to Non-Resident Indians (NRIs) on sale of shares on which securities transaction tax is not paid, is governed by Chapter XII-A of the Income-tax Act, subject to fulfilling the conditions stipulated therein:

(i) In accordance with and subject to the provisions of Section 115E of the Income-tax Act, long-term capital gains arising on transfer of specified capital assets (including our Equity Shares) acquired out of convertible foreign exchange, are taxable at the rate of 10% (plus applicable surcharge and education cess). Cost indexation benefits will not be available in such case.

(ii) In accordance with and subject to the provisions of Section 115F of the Income-tax Act, long-term capital gains arising on sale of shares acquired by a NRI shareholder out of convertible foreign exchange shall be exempt from income tax entirely/ proportionately, if the entire/part of the net consideration is invested for a period of three years in any savings certificates specified under Section 10(4B) or specified assets as defined in Section 115C(f) of the Income-tax Act, within six months from the date of transferring the shares.

The amount so exempted will be chargeable to tax under the head 'Capital Gains' if these new assets are transferred or converted (otherwise than by way of transfer) into money within three years from the date of its acquisition in accordance with the provisions of Section 115F(2) of the Income-tax Act.

(iii) As per Section 115G of the Income-tax Act, a NRI would not be required to file a return of income under Section 139(1) of the Income-tax Act, where the total income consists only of investment income and/or long-term capital gains and tax deductible at source has been deducted from such income.

(iv) As per the provision of Section 115I of Income-tax Act, a NRI may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under Section 139 of the Income-tax Act, declaring therein that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the provisions of the Income-tax Act.

8. Capital gains arising to FIIs on sale of shares on which securities transaction tax is not paid is governed by Section 115AD of the Income-tax Act. As per Section 115AD of the Income-tax Act, long-term capital gains arising on transfer of shares purchased by FIIs, are taxable at the rate of 10% (plus applicable surcharge and education cess). Short-term capital gains are however, taxable at the rate of 30% (plus applicable surcharge and education cess). Cost indexation benefits will not be available. Further, the provisions of the first proviso of Section 48 of the Income-tax Act as stated above will not apply.

9. In accordance with and subject to the provisions of Section 196D(2) of the Income-tax Act, no deduction of tax at source will be made in respect of capital gains arising from the transfer of the equity shares referred to in Section 115AD from sale proceeds payable to FIIs.

10. In the case of all non-resident shareholders, the above tax rates are subject to the benefits, if any, available under the double taxation avoidance agreements signed by India with the country of which the non-resident shareholder may be a tax resident.

IV. To Mutual Funds

As per the provisions of Section 10(23D) of the Income-tax Act, tax exemption is available on income of a mutual fund registered under the Securities and Exchange Board of India Act, 1992 and Regulations made thereunder, or, mutual funds set up by the public sector banks or public financial institutions / authorised by the RBI and subject to the conditions as the Central Government may specify by notification in the Official Gazette.

B. WEALTH TAX

Shares are not treated as assets within the meaning of Section 2(ea) of the Wealth Tax Act, 1957, accordingly, shares purchased in the Issue are not liable to Wealth-tax in the hands of the shareholders.

C. GIFT TAX

The Gift-tax Act, 1958, ceased to apply to gifts made on or after October 1, 1998. Gifts of shares purchased in the Issue would therefore, be exempt from gift-tax.

INDIAN FINANCIAL SECTOR

The information in this section has been extracted from publicly available documents from various sources, including officially prepared materials from the Government of India and its various ministries and the Reserve Bank of India, and has not been prepared or independently verified by us. This is the latest available information to our knowledge at November 19, 2005.

Introduction

The Reserve Bank of India, the central banking and monetary authority of India, is the central regulatory and supervisory authority for the Indian financial system. A variety of financial intermediaries in the public and private sectors participate in India's financial sector, including the following:

- commercial banks;
- long-term lending institutions;
- non-bank finance companies, including housing finance companies;
- other specialised financial institutions, and state-level financial institutions;
- insurance companies; and
- mutual funds.

Until the early 1990s, the Indian financial system was strictly controlled. Interest rates were administered, formal and informal parameters governed asset allocation, and strict controls limited entry into and expansion within the financial sector. The Government of India's economic reform programme, which began in 1991, encompassed the financial sector. The first phase of the reform process began with the implementation of the recommendations of the Committee on the Financial System, the Narasimham Committee I. The second phase of the reform process began in 1999. See ''—Banking Sector Reform—Committee on Banking Sector Reform (Narasimham Committee II)'' on page 78 .

This discussion presents an overview of the role and activities of the Reserve Bank of India and of each of the major participants in the Indian financial system, with a focus on the commercial banks. This is followed by a brief summary of the banking reform process along with the recommendations of various committees that have played a key role in the reform process. A brief discussion on the impact of the liberalisation process on long-term lending institutions and commercial banks is then presented. Finally, reforms in the non-banking financial sector are briefly reviewed.

Reserve Bank of India

The Reserve Bank of India, established in 1935, is the central banking and monetary authority in India. The Reserve Bank of India manages the country's money supply and foreign exchange and also serves as a bank for the Government of India and for the country's commercial banks. In addition to these traditional central banking roles, the Reserve Bank of India undertakes certain developmental and promotional roles.

The Reserve Bank of India issues guidelines on exposure limits, income recognition, asset classification, provisioning for non-performing and restructured assets, investment valuation and capital adequacy for commercial banks, long-term lending institutions and non-bank finance companies. The Reserve Bank of India requires these institutions to furnish information relating to their businesses to it on a regular basis. For further discussion regarding the Reserve Bank of India's role as the regulatory and supervisory authority of India's financial system and its impact on us, see ''Regulations and Policies'' on page 121.

Commercial Banks

Commercial banks in India traditionally focused only on meeting the short-term financial needs of industry, trade and agriculture. At year-end fiscal 2005, there were 284 scheduled commercial banks in the country, with a network of 68,116 branches serving approximately Rs. 17.53 trillion in deposit accounts. Scheduled commercial banks are banks that are listed in the schedule to the Reserve Bank of India Act, 1934, and are further categorised as public sector banks, private sector banks and foreign banks. Scheduled commercial banks have a presence throughout India, with approximately 69.5% of bank branches located in rural or semi-urban areas of the country. A large number of these branches belong to the public sector banks.

Public Sector Banks

Public sector banks make up the largest category in the Indian banking system. They include the State Bank of India and its seven associate

banks, 19 nationalised banks and 196 regional rural banks. Excluding the regional rural banks, the remaining public sector banks have 47,320 branches, and accounted for 70.4% of the outstanding gross bank credit and 74.0% of the aggregate deposits of the scheduled commercial banks at year-end fiscal 2005. The public sector banks' large network of branches enables them to fund themselves out of low cost deposits.

The State Bank of India is the largest bank in India. At year-end fiscal 2005, the State Bank of India and its seven associate banks had 13,722 branches. They accounted for 24.2% of aggregate deposits and 23.1% of outstanding gross bank credit of all scheduled commercial banks.

Regional rural banks were established from 1976 to 1987 by the central government, state governments and sponsoring commercial banks jointly with a view to develop the rural economy. Regional rural banks provide credit to small farmers, artisans, small entrepreneurs and agricultural labourers. The National Bank for Agriculture and Rural Development is responsible for regulating and supervising the functions of the regional rural banks. In 1986 the Kelkar Committee made comprehensive recommendations covering both the organizational and operational aspects of regional rural banks. Several of these were incorporated as amendments to the Regional Rural Banking Act, 1976 such as: (a) enhancement of authorised capital of regional rural banks from Rs. 10 million to Rs. 50 million and paid-up share capital from Rs. 2.5 million to Rs. 10 million; (b) appointment of Chairman of regional rural banks by the concerned sponsor bank in consultation with the National Bank for Agriculture and Rural Development; (c) provision of assistance to regional rural banks in greater measure by sponsor banks in training regional rural bank staff and giving financial assistance to regional rural banks in the first five years of their existence; (d) provision for amalgamation of regional rural banks in consultation with all the concerned parties; and (e) empowering the sponsor banks to monitor the progress of regional rural banks and also to arrange for their inspection and internal audit. As part of a comprehensive restructuring programme, recapitalisation of the regional rural banks was initiated in the fiscal 1995, a process which continued till fiscal 2000 and covered 187 regional rural banks with aggregate financial support of Rs. 21.88 billion. Simultaneously, prudential norms on income recognition, asset classification and provisioning for loan-losses following customary banking benchmarks were introduced.

At year-end fiscal 2005, there were 196 regional rural banks with 14,433 branches, accounting for 3.5% of aggregate deposits and 2.8% of gross bank credit outstanding of scheduled commercial banks.

Private Sector Banks

After the first phase of bank nationalisation was completed in 1969, public sector banks made up the largest portion of Indian banking. The focus on public sector banks was maintained throughout the 1970s and 1980s. In addition, existing private sector banks which showed signs of an eventual default were merged with state-owned banks. In July 1993, as part of the banking reform process and as a measure to induce competition in the banking sector, the Reserve Bank of India permitted entry of the private sector into the banking system. This resulted in the introduction of private sector banks, including us. These banks are collectively known as the ''new'' private sector banks. At the end of June 2005, there were nine "new" private sector banks. A merger between two of these banks, Centurion Bank and Bank of Punjab, has come into effect from October 1, 2005. In addition, 21 private sector banks existing prior to July 1993 were operating at year-end fiscal 2005.

At year-end fiscal 2005, private sector banks accounted for approximately 18.1% of aggregate deposits and 20.0% of gross bank credit outstanding of the scheduled commercial banks. Their network of 6,143 branches accounted for 9.0% of the total branch network of scheduled commercial banks in the country. At year-end fiscal 2005, we accounted for approximately 5.3% of aggregate deposits and 8.0% of non-food credit outstanding of the scheduled commercial banks.

Foreign Banks

At year-end fiscal 2005, there were 31 foreign banks with 220 branches operating in India. Foreign banks accounted for 4.4% of aggregate deposits and 6.7% of outstanding gross bank credit of scheduled commercial banks at year-end fiscal 2005. As part of the liberalisation process, the Reserve Bank of India has permitted foreign banks to operate more freely, subject to requirements largely similar to those imposed on domestic banks. The primary activity of most foreign banks in India has been in the corporate segment. However, some of the larger foreign banks have made consumer financing a larger part of their portfolios. These banks offer products such as automobile finance, home loans, credit cards and household consumer finance. Foreign banks operate in India through branches of the parent bank. Certain foreign banks also have wholly-owned non-bank finance company subsidiaries for both corporate and retail lending. In a circular dated July 6, 2004, the Reserve Bank of India stipulated that banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeded 5.0% of the investee bank's equity capital. This also applies to holdings of foreign banks with a presence in India, in Indian banks.

The Reserve Bank of India issued a notification on "Roadmap for presence of foreign banks in India" on February 28, 2005, announcing the following measures with respect to the presence of foreign banks:

- During the first phase (up to March 2009), foreign banks will be allowed to establish a presence by setting up wholly-owned subsidiaries or by converting existing branches into wholly-owned subsidiaries.
- In addition, during the first phase, foreign banks would be allowed to acquire a controlling stake in a phased manner only in private sector banks that are identified by the Reserve Bank of India for restructuring.
- For new and existing foreign banks, it has been proposed to go beyond the existing World Trade Organization commitment of allowing increases of 12 branches per year. A more liberal policy will be followed for under-banked areas.

During the second phase (from April 2009 onwards), after a review of the first phase, foreign banks would be allowed to acquire up to 74.0% in private sector banks in India. The Hongkong and Shanghai Banking Corporation currently has a 12.2% stake in UTI Bank, a new private sector bank. Certain foreign banks have also proposed to acquire equity stakes in non-bank finance companies.

Cooperative Banks

Cooperative banks cater to the financing needs of agriculture, small industry and self-employed businessmen in urban and semi-urban areas of India. The state land development banks and the primary land development banks provide long-term credit for agriculture. In the light of liquidity and insolvency problems experienced by some cooperative banks in fiscal 2001, the Reserve Bank of India undertook several interim measures, pending formal legislative changes, including measures related to lending against shares, borrowings in the call market and term deposits placed with other urban cooperative banks. Presently the Reserve Bank of India is responsible for supervision and regulation of urban cooperative banks, and the National Bank for Agriculture and Rural Development for state cooperative banks and district central cooperative banks. The Banking Regulation (Amendment) and Miscellaneous Provisions Act, 2004 provides for the regulation of all cooperative banks by the Reserve Bank of India. See also "— Recent Structural Reforms - Proposed Amendments to the Banking Regulation Act" on page 78. In its Annual Policy Statement for fiscal 2005, the Reserve Bank of India announced that it proposed to consider issuance of fresh licenses to urban cooperative banks only after a comprehensive policy on urban cooperative banks was in place, including an appropriate legal and regulatory framework for the sector. In the mid-term review of the annual policy statement for fiscal 2005, the Reserve Bank of India announced that a vision document for the future role of urban cooperative banks was being evolved to ensure depositors' interests and avoid contagion while providing useful service to local communities. With respect to structural issues, the Reserve Bank of India has stated that it would be encouraging growth of strong and viable entities within this sector through consolidation. A task force appointed by the Government of India to examine the reforms required in the cooperative banking system submitted its report in December 2004. It recommended several structural, regulatory and operational reforms for cooperative banks, including the provision of financial assistance by the government for revitalizing this sector. In the Union Budget for fiscal 2006, the Finance Minister accepted the recommendations of the Task Force in principle and proposed to call state governments for consultation and begin to implement the recommendations in the states willing to do so. In its Annual Policy Statement for fiscal 2006, the Reserve Bank of India has stated that it is in the process of preparing a medium-term framework for urban cooperative banks.

Long-Term Lending Institutions

The long-term lending institutions were established to provide medium-term and long-term financial assistance to various industries for setting up new projects and for the expansion and modernization of existing facilities. These institutions provided fund-based and non-fund-based assistance to industry in the form of loans, underwriting, direct subscription to shares, debentures and guarantees. The primary long-term lending institutions included Industrial Development Bank of India (now a bank), IFCI Limited, Industrial Investment Bank of India as well as ICICI prior to the amalgamation.

The long-term lending institutions were expected to play a critical role in Indian industrial growth and, accordingly, had access to concessional government funding. However, in recent years, the operating environment of the long-term lending institutions has changed substantially. Although the initial role of these institutions was largely limited to providing a channel for government funding to industry, the reform process required them to expand the scope of their business activities, including into:

- fee-based activities like investment banking and advisory services; and
- short-term lending activity including making corporate finance and working capital loans.

Pursuant to the recommendations of the Narasimham Committee II and the Khan Working Group, a working group created in 1999 to harmonise the role and operations of long-term lending institutions and banks, the Reserve Bank of India, in its mid-term review of monetary and credit policy for fiscal 2000, announced that long-term lending institutions would have the option of transforming themselves into banks subject to compliance with the prudential norms as applicable to banks. In April 2001, the Reserve Bank of India issued guidelines on several operational and regulatory issues which were required to be addressed in evolving the path for transition of a long-term lending institution into a universal bank. See " Recent Structural Reforms – Universal Banking Guidelines" on page 79. In April 2002, ICICI merged with us. The Industrial Development Bank (Transfer of Undertaking and Repeal) Act, 2003 converted the Industrial Development

Bank of India into a banking company incorporated under the Companies Act, 1956 on September 27, 2004, with exemptions from certain statutory and regulatory norms applicable to banks, including an exemption for a period of five years from the statutory liquidity ratio. IDBI Bank Limited, a new private sector bank that was a subsidiary of the Industrial Development Bank of India, was merged with the Industrial Development Bank of India in April 2005.

Non-Bank Finance Companies

There are over 10,000 non-bank finance companies in India, mostly in the private sector. All non-bank finance companies are required to register with the Reserve Bank of India. The non-bank finance companies may be categorised into entities which take public deposits and those which do not. The companies which take public deposits are subject to strict supervision and capital adequacy requirements of the Reserve Bank of India. ICICI Securities Limited, our subsidiary, is a non-bank finance company, which does not accept public deposits. The primary activities of the non-bank finance companies are consumer credit, including automobile finance, home finance and consumer durable products finance, wholesale finance products such as bill discounting for small and medium-sized companies, and fee-based services such as investment banking and underwriting. In 2003, Kotak Mahindra Finance Limited, a large non-bank finance company was granted a banking license by the Reserve Bank of India and converted itself into Kotak Mahindra Bank.

Over the past few years, certain non-bank finance companies have defaulted to investors and depositors, and consequently actions (including bankruptcy proceedings) have been initiated against them, many of which are currently pending. See also " Reforms of the Non-Bank Finance Companies" on page 81.

Housing Finance Companies

Housing finance companies form a distinct sub-group of the non-bank finance companies. As a result of the various incentives given by the government for investing in the housing sector in recent years, the scope of this business has grown substantially. Until recently, Housing Development Finance Corporation Limited was the premier institution providing housing finance in India. In recent years, several other players including banks have entered the housing finance industry. We are a major housing finance provider and also have a housing finance subsidiary, ICICI Home Finance Company Limited. The National Housing Bank and the Housing and Urban Development Corporation Limited are the two government-controlled financial institutions created to improve the availability of housing finance in India. The National Housing Bank Act provides for securitisation of housing loans, foreclosure of mortgages and setting up of the Mortgage Credit Guarantee Scheme.

Other Financial Institutions

Specialised Financial Institutions

In addition to the long-term lending institutions, there are various specialised financial institutions which cater to the specific needs of different sectors. They include the National Bank for Agricultural and Rural Development, Export Import Bank of India, Small Industries Development Bank of India, Risk Capital and Technology Finance Corporation Limited, Tourism Finance Corporation of India Limited, National Housing Bank, Power Finance Corporation Limited and the Infrastructure Development Finance Corporation Limited.

State Level Financial Institutions

State financial corporations operate at the state level and form an integral part of the institutional financing system. State financial corporations were set up to finance and promote small and medium-sized enterprises. The state financial institutions are expected to achieve balanced regional socio-economic growth by generating employment opportunities and widening the ownership base of industry. At the state level, there are also state industrial development corporations, which provide finance primarily to medium-sized and large-sized enterprises.

Insurance Companies

Currently, there are 29 insurance companies in India, of which 14 are life insurance companies, 14 are general insurance companies and one is a re-insurance company. Of the 14 life insurance companies, 13 are in the private sector and one is in the public sector. Among the general insurance companies, eight are in the private sector and six are in the public sector including Export Credit Guarantee Corporation of India Limited and Agriculture Insurance Company of India Limited. The re-insurance company, General Insurance Corporation of India, is in the public sector. Life Insurance Corporation of India, General Insurance Corporation of India and public sector general insurance companies also provide long-term financial assistance to the industrial sector. We have joint ventures in each of the life insurance and the general insurance sectors. Our life insurance joint venture, ICICI Prudential Life Insurance Company Limited and our general insurance joint venture, ICICI Lombard General Insurance Company Limited, are both major players in their respective segments. During fiscal 2005, the gross premiums underwritten by all general insurance companies and the total new premiums of all life insurance companies amounted to Rs. 181.0 billion and Rs. 253.4 billion respectively.

The insurance sector in India is regulated by the Insurance Regulatory and Development Authority. In December 1999, the Indian Parliament passed the Insurance Regulatory and Development Authority Act, 1999. This Act opened up the Indian insurance sector for foreign and private investors. This Act allows foreign equity participation in new insurance companies of up to 26.0%. The new company should have a minimum paid up equity capital of Rs. 1.0 billion to carry on the business of life insurance or general insurance or Rs. 2.0 billion to carry on exclusively the business of reinsurance.

In its monetary and credit policy for fiscal 2001, the Reserve Bank of India issued guidelines governing the entry of banks and financial institutions into the insurance business. The guidelines permit banks and financial institutions to enter the business of insurance underwriting through joint ventures provided they meet stipulated criteria relating to their net worth, capital adequacy ratio, profitability track record, level of impaired loans and the performance of their existing subsidiary companies.

The promoters of insurance companies have to divest in a phased manner their shareholding in excess of 26.0% (or such other percentage as may be prescribed), after a period of 10 years from the date of commencement of business or within such period as may be prescribed by the government. The government, while presenting its budget for fiscal 2005, proposed an increase in the limit on foreign equity participation in private sector insurance companies from 26.0% to 49.0%. However, this requires an amendment to the Insurance Regulatory and Development Authority Act 1999 and has not yet been implemented.

Mutual Funds

At the end of September 2005, there were 29 mutual funds in India with total assets under management of Rs. 2,016.7 billion. From 1963 to 1987, Unit Trust of India was the only mutual fund operating in the country. It was set up in 1963 at the initiative of the government and the Reserve Bank of India. From 1987 onwards, several other public sector mutual funds entered this sector. These mutual funds were established by public sector banks, the Life Insurance Corporation of India and General Insurance Corporation of India. The mutual funds industry was opened up to the private sector in 1993. The industry is regulated by the SEBI (Mutual Fund) Regulation, 1996. At the end of September 2005 there were 23 private sector mutual funds with a 79.2% market share in terms of total assets under management. Prudential ICICI Asset Management Company had a market share of about 11% in assets under management of the mutual fund industry at September 30, 2005.

In 2001, Unit Trust of India, with a high level of investment in equity securities, started to face difficulties in meeting redemption and assured return obligations due to a significant decline in the market value of its securities portfolio. In response, the Government of India implemented a package of reform measures for Unit Trust of India, including guaranteeing redemption and assured return obligations to the unit holders, subject to restrictions on the maximum permissible redemption amount. As part of the reforms, Unit Trust of India was divided into two mutual funds structured in accordance with the regulations of the Securities and Exchange Board of India, one comprising assured return schemes and the other comprising net asset value based schemes.

Impact of Liberalisation on the Indian Financial Sector

Until 1991, the financial sector in India was heavily controlled and commercial banks and long-term lending institutions, the two dominant financial intermediaries, had mutually exclusive roles and objectives and operated in a largely stable environment, with little or no competition. Long-term lending institutions were focused on the achievement of the Government's various socio-economic objectives, including balanced industrial growth and employment creation, especially in areas requiring development. Long-term lending institutions were extended access to long-term funds at subsidised rates through loans and equity from the Government and from funds guaranteed by the Government originating from commercial banks in India and foreign currency resources originating from multilateral and bilateral agencies.

The focus of the commercial banks was primarily to mobilise household savings through demand and time deposits and to use these deposits to meet the short-term financial needs of borrowers in industry, trade and agriculture. In addition, the commercial banks provided a range of banking services to individuals and business entities.

However, since 1991, there have been comprehensive changes in the Indian financial system. Various financial sector reforms, implemented since 1991, transformed the operating environment of the banks and long-term lending institutions. In particular, the deregulation of interest rates, emergence of a liberalised domestic capital market, and entry of new private sector banks, along with the broadening of long-term lending institutions' product portfolios, progressively intensified the competition between banks and long-term lending institutions. The Reserve Bank of India permitted the transformation of long-term lending institutions into banks subject to compliance with the prudential norms applicable to banks.

Banking Sector Reform

Most large banks in India were nationalised in 1969 and thereafter were subject to a high degree of control until reform began in 1991. In addition to controlling interest rates and entry into the banking sector, these regulations also channeled lending into priority sectors. Banks

were required to fund the public sector through the mandatory acquisition of low interest-bearing government securities or statutory liquidity ratio bonds to fulfill statutory liquidity requirements. As a result, bank profitability was low, non-performing assets were comparatively high, capital adequacy was diminished, and operational flexibility was hindered.

Committee on the Financial System (Narasimham Committee I)

The Committee on the Financial System (The Narasimham Committee I) was set up in August 1991 to recommend measures for reforming the financial sector. Many of the recommendations made by the committee, which addressed organisational issues, accounting practices and operating procedures, were implemented by the Government of India. The major recommendations that were implemented included the following:

- with fiscal stabilisation and the government increasingly resorting to market borrowing to raise resources, the statutory liquidity ratio or the proportion of the banks' net demand and time liabilities that were required to be invested in government securities was reduced from 38.5% in the pre-reform period to 25.0% in October 1997;
- similarly, the cash reserve ratio or the proportion of the bank's net demand and time liabilities that were required to be deposited with the Reserve Bank of India was reduced from 15.0% in the pre-reform period to 4.5%. In a circular dated September 11, 2004, the Reserve Bank of India has raised the cash reserve ratio to 4.75% with effect from September 18, 2004 and 5.0% with effect from October 2, 2004;
- special tribunals were created to resolve bad debt problems;
- most of the restrictions on interest rates for deposits were removed. Commercial banks were allowed to set their own level of interest rates for all deposits except savings bank deposits; and
- substantial capital infusion to several state-owned banks was approved in order to bring their capital adequacy closer to internationally accepted standards. By the end of fiscal 2002, aggregate recapitalisation amounted to Rs. 217.5 billion. The stronger public sector banks were given permission to issue equity to further increase capital.

Committee on Banking Sector Reform (Narasimham Committee II)

The second Committee on Banking Sector Reform (Narasimham Committee II) submitted its report in April 1998. The major recommendations of the committee were in respect of capital adequacy requirements, asset classification and provisioning, risk management and merger policies. The Reserve Bank of India accepted and began implementing many of these recommendations in October 1998.

Recent Structural Reforms

Proposed Amendments to the Banking Regulation Act

Legislation seeking to amend the Banking Regulation Act has been introduced in the Indian Parliament. As presently drafted, the main amendments propose to:

- permit banking companies to issue preference shares that will not carry any voting rights;
- make prior approval of the Reserve Bank of India mandatory for the acquisition of more than 5.0% of a banking company's paid up capital or voting rights by any individual or firm or group;
- remove the minimum statutory liquidity ratio requirement of 25.0%, giving the Reserve Bank of India discretion to reduce the statutory liquidity ratio to less than 25.0%. See also "Regulations and Policies - Legal Reserve Requirements - Statutory Liquidity Ratio" on page 132; and
- remove the limit of 10.0% on the maximum voting power exercisable by a shareholder in a banking company.

Legislative Framework for Recovery of Debts due to Banks

In fiscal 2003, the Indian Parliament passed the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. This Act provides that a secured creditor may, in respect of loans classified as non-performing in accordance with the Reserve Bank of India guidelines, give notice in writing to the borrower requiring it to discharge its liabilities within 60 days, failing which the secured creditor may take possession of the assets constituting the security for the loan, and exercise management rights in relation thereto, including the right to sell or otherwise dispose of the assets. This Act also provides for the setting up of asset reconstruction companies regulated by the Reserve Bank of India to acquire assets from banks and financial institutions. The Reserve Bank of India has issued guidelines for asset reconstruction companies in respect of their establishment, registration and licensing by the Reserve Bank of India, and operations. Asset Reconstruction Company (India) Limited, set up by us, Industrial Development Bank of India, State Bank of India and certain other banks and institutions, has received registration from the Reserve Bank of India and commenced operation in August 2003.

Foreign direct investment is now permitted in the equity capital of asset reconstruction companies and investment by Foreign Institutional Investors registered with the Securities and Exchange Board of India is permitted in security receipts issued by asset reconstruction companies, subject to certain conditions and restrictions.

Several petitions challenging the constitutional validity of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 were filed before the Supreme Court. The Supreme Court, in April 2004, upheld the constitutionality of the Act, other than the requirement originally included in the Act that the borrower deposit 75.0% of the dues with the debt recovery tribunal as a pre-condition for appeal by the borrower against the enforcement measures. In November 2004, the Government of India issued an ordinance amending the Securitisation Act. The Parliament has subsequently passed this ordinance as an Act. This Act, as amended, now provides that a borrower may make an objection or representation to a secured creditor after a notice is issued by the secured creditor to the borrower under the Act demanding payment of dues. The secured creditor has to give reasons to the borrower for not accepting the objection or representation. The Act also introduces a deposit requirement for borrowers if they wish to appeal the decision of the debt recovery tribunal. Further, the Act permits a lender to take over the business of a borrower under the Securitisation Act under certain circumstances (unlike the earlier provisions under which only assets could be taken over). See "Regulations and Policies – Reserve Bank of India Regulations – Regulations relating to Sale of Assets to Asset Reconstruction Companies." on page 124.

Earlier, following the recommendations of the Narasimham Committee, the Recovery of Debts due to Banks and Financial Institutions Act, 1993 was enacted. This legislation provides for the establishment of a tribunal for speedy resolution of litigation and recovery of debts owed to banks or financial institutions. The Act creates tribunals before which the banks or the financial institutions can file a suit for recovery of the amounts due to them. However, if a scheme of reconstruction is pending before the Board for Industrial and Financial Reconstruction, under the Sick Industrial Companies (Special Provision) Act, 1985, no proceeding for recovery can be initiated or continued before the tribunals. This protection from creditor action ceases if the secured creditor takes action under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act. While presenting its budget for fiscal 2002, the Government of India announced measures for the setting up of more debt recovery tribunals and the eventual repeal of the Sick Industrial Companies (Special Provision) Act, 1985. To date, however, this Act has not been repealed.

Corporate Debt Restructuring Forum

To put in place an institutional mechanism for the restructuring of corporate debt, the Reserve Bank of India has devised a corporate debt restructuring system. The objective of this framework is to ensure a timely and transparent mechanism for the restructuring of corporate debts of viable entities facing problems, outside the purview of the Board of Industrial and Financial Rehabilitation, debt recovery tribunals and other legal proceedings. In particular, this framework aims to preserve viable corporates that are affected by certain internal and external factors and minimise the losses to the creditors and other stakeholders through an orderly and coordinated restructuring programme. The corporate debt restructuring system is a non-statutory mechanism and a voluntary system based on debtor-creditor and inter-creditor agreements.

Universal Banking Guidelines

Universal banking in the Indian context means the transformation of long-term lending institutions into banks. Pursuant to the recommendations of the Narasimham Committee II and the Khan Working Group, the Reserve Bank of India, in its mid-term review of monetary and credit policy for fiscal 2000, announced that long-term lending institutions would have the option of transforming themselves into banks subject to compliance with the prudential norms as applicable to banks. If a long-term lending institution chose to exercise the option available to it and formally decided to convert itself into a universal bank, it could formulate a plan for the transition path and a strategy for smooth conversion into a universal bank over a specified time frame. In April 2001, the Reserve Bank of India issued guidelines on several operational and regulatory issues which were required to be addressed in evolving the path for transition of a long-term lending institution into a universal bank.

Pension Reforms

Currently, there are three categories of pension schemes in India: pension schemes for government employees, pension schemes for employees in the organised sector and voluntary pension schemes. In case of pension schemes for government employees, the government pays its employees a defined periodic benefit upon their retirement. Further, the contribution towards the pension scheme is funded solely by the government and not matched by a contribution from the employees. The Employees Provident Fund, established in 1952, is a mandatory programme for employees of certain establishments. It is a contributory programme that provides for periodic contributions of 10% to 12% of the basic salary by both the employer and the employees. The contribution is invested in prescribed securities and the accumulated balance in the fund (including the accretion thereto) is paid to the employee as a lump sum on retirement. Besides these, there are voluntary pension schemes administered by the government (the Public Provident Fund, to which contribution may be made up to a maximum of Rs. 70,000) or offered by insurance companies, where the contribution may be made on a voluntary basis. Such voluntary contributions are often driven by tax benefits offered under the scheme.

In 1998, the government commissioned the Old Age Social and Income Security (OASIS) project and nominated an expert committee to suggest changes to the existing policy framework. The committee submitted its report in January 2000, recommending a system for

private sector management of pension funds to provide market-linked returns. It also recommended the establishment of a separate pensions regulatory authority to regulate the pensions system. Subsequently, in the budget for fiscal 2001, the government announced that a high level committee would be formulated to design a contribution-based pension scheme for new government recruits. The government also requested the Insurance Regulatory and Development Authority to draw up a roadmap for implementing the OASIS Report. The Insurance Regulatory and Development Authority submitted its report in October 2001. The report suggested that pension fund managers should constitute a separate legal entity to conduct their pension business. In August 2003, the government announced that it would be mandatory for its new employees (excluding defence personnel) to join a new defined contribution pension scheme where both the government and the employee would make monthly contributions of 10% of the employee's salary. The government also announced that a Pension Fund Development and Regulatory Authority would be set up to regulate the pension industry. The government constituted the interim Pension Fund Development and Regulatory Authority on October 11, 2003. In December 2003, the government announced that the new pension scheme would be applicable to all new recruits to Indian Government service (excluding defence personnel) from January 1, 2004. Further, on December 30, 2004, the government promulgated an ordinance establishing the statutory regulatory body, Pension Fund Regulatory and Development Authority to undertake promotional, developmental and regulatory functions with respect to the pension sector. In March 2005, the Government tabled the Pension Fund and Development Authority Bill in Parliament. The Union Budget for fiscal 2006 has recognised the opportunities for foreign direct investment in the pension sector and it has also announced that the government would issue guidelines for such investment.

Credit Policy Measures

As part of its effort to continue bank reform, the Reserve Bank of India has announced a series of measures in its monetary and credit policy statements aimed at deregulating and strengthening the financial system.

Annual Policy Statement for Fiscal 2005

In its annual policy statement for fiscal 2005 announced in May 2004, the Reserve Bank of India kept the bank rate and reverse repo rate (the annualised interest earned by the lender in a repurchase transaction between a bank and the Reserve Bank of India) unchanged at 6.0% and 4.5% respectively and introduced the following key measures:

- banks were permitted to raise long-term bonds with a minimum maturity of five years to the extent of their exposure of residual maturity of more than five years to the infrastructure sector;
- the scope of definition of infrastructure lending was expanded to include construction relating to projects involving agro-processing and supply of inputs to agriculture, construction of preservation and storage facilities for processed agro-products and construction of educational institutions and hospitals;
- measures were announced to facilitate the flow of credit to agricultural and related sectors by including loans for storage facilities and securitised agricultural loans as priority sector advances;
- resident individuals were permitted to remit freely up to US$ 25,000 per calendar year, for any current or capital account transaction or a combination of these. Indian corporates and partnership firms are allowed to invest up to 100.0% of their net worth overseas;
- banks were permitted, under exceptional circumstances, with the approval of their Boards, to consider enhancement of the exposure to the borrower up to a maximum of 5.0% of capital funds, subject to the borrower consenting to the bank making appropriate disclosures in its annual report; and
- a graded higher provisioning requirement according to the age of non-performing assets, which are included under "doubtful for more than three years' category, was introduced with effect from March 31, 2005. See "Regulations and Policies – RBI Regulations – Asset Classification and Provisioning" on page 122.

Mid-term Review of the Annual Policy Statement for Fiscal 2005

In the mid-term review of the annual policy statement announced in October 2004, the Reserve Bank of India raised the reverse repo rate by 25 basis points to 4.75% with effect from October 27, 2004. The bank rate, however, was kept unchanged at 6.0%. The following measures were also introduced:

- ceiling on non-resident external deposit rates were raised to LIBOR/SWAP rates of US Dollar of corresponding maturities plus 50 basis points from the existing level of USD LIBOR/SWAP rates; and
- as a temporary counter-cyclical measure, the risk weight was increased from 50.0% to 75.0% in the case of housing loans and from 100.0% to 125.0% in the case of consumer credit including personal loans and credit cards.

Annual Policy Statement for Fiscal 2006

In its annual policy statement for fiscal 2006 announced in April 2005, the Reserve Bank of India:

- raised the reverse repo rate by 25 basis points to 5.0% and reduced the spread between the reverse repo and the repo rate to 100 basis points from 125 basis points;

- proposed to issue guidelines for voluntary mergers between private sector banks and non-banking finance companies (see "Regulations and Policies – Reserve Bank of India Regulations" on page 121); and
- proposed that in consultation with banks, primary dealers and the Government, the permitted structures of primary dealer business would be expanded to include banks which fulfil certain minimum criteria; and
- urged banks to refocus on deposit mobilisation and to empower depositors. It also proposed to set up an independent Banking Codes and Standards Board of India in order to (i) ensure a comprehensive code of conduct for fair treatment of customers; (ii) issue guidelines prescribing card issuing banks to ensure transparency and disclosure of information; and (iii) widen the authority of the Banking Ombudsman to cover individual grievances relating to non-adherence to the fair practices code evolved by Indian Banks Association.

Mid-Term Review of the Annual Policy Statement for Fiscal 2006

In its mid-term review announced in October 2005, the Reserve Bank of India has raised the reverse repo rate by 25 basis points to 5.25% with effect from October 26, 2005. The bank rate remained unchanged at 6.0%. The following measures were also proposed:

- aggregate capital market exposure of a bank would be limited to 40.0% of its net worth on a standalone and consolidated basis and the consolidated direct capital market exposure would be limited to 20.0% of the consolidated net worth; and
- the requirement of general provisioning on standard advances would be increased from 0.25% to 0.40%, except on direct advances to the agriculture and small and medium enterprise sectors.

Reforms of the Non-Bank Finance Companies

Standards relating to income recognition, provisioning and capital adequacy were prescribed for non-bank finance companies in June 1994. Registered non-bank finance companies were required to achieve a minimum capital adequacy of 6.0% by year-end fiscal 1995 and 8.0% by year-end fiscal 1996 and to obtain a minimum credit rating. To encourage companies complying with the regulatory framework, the Reserve Bank of India announced in July 1996 certain liberalization measures under which non-bank finance companies registered with it and complying with the prudential norms and credit rating requirements were granted freedom from the ceiling on interest rates on deposits and amount of deposits. Other measures introduced include requiring non-bank finance companies to maintain a certain percentage of liquid assets and to create a reserve fund. The percentage of liquid assets to be maintained by non-bank finance companies has been revised uniformly upwards and since April 1999, 15.0% of public deposits must be maintained. From January 1, 2000 the requirement should not be less than 10.0% in approved securities and the remaining in unencumbered term deposits in any scheduled commercial bank, the aggregate of which shall not be less than 15.0%. of the "public deposit" outstanding at the close of business on the last working day of the second preceding quarter. The maximum rate of interest that non-bank finance companies could pay on their public deposits was reduced from 12.5% per annum to 11.0% per annum effective March 4, 2003.

Efforts have also been made to integrate non-bank finance companies into the mainstream financial sector. The first phase of this integration covered measures relating to registrations and standards. The focus of supervision has now shifted to non-bank finance companies accepting public deposits. This is because companies accepting public deposits are required to comply with all the directions relating to public deposits, prudential norms and liquid assets. A task force on non-bank finance companies set up by the Government of India submitted its report in October 1998, and recommended several steps to rationalise the regulation of non-bank finance companies. Accepting these recommendations, the Reserve Bank of India issued new guidelines for non-bank finance companies, which were as follows:

- a minimum net owned fund of Rs. 2.5 million is mandatory before existing non-bank finance companies may accept public deposits;
- a minimum investment grade rating is compulsory for loan and investment companies accepting public deposits, even if they have the minimum net owned funds;
- permission to accept public deposits was also linked to the level of capital to risk assets ratio. Different capital to risk assets ratio levels for non-bank finance companies with different ratings were specified; and
- non-bank finance companies were advised to restrict their investments in real estate to 10.0% of their net owned funds.

In the monetary and credit policy for fiscal 2000, the Reserve Bank of India stipulated a minimum capital base of Rs. 20 million for all new non-bank finance companies. In the Government of India's budget for fiscal 2002, the procedures for foreign direct investment in non-bank finance companies were substantially liberalised.

During fiscal 2003, the Reserve Bank of India introduced a number of measures to enhance the regulatory and supervisory standards of non-bank finance companies, especially in order to bring them at par with commercial banks, in select operations, over a period of time. Other regulatory measures adopted and subsequently revised in November 2004 included aligning interest rates in this sector with the rates prevalent in the rest of the economy, tightening prudential norms and harmonizing supervisory directions with the requirements of the Companies Act, procedural changes in nomination facilities, issuance of a Know Your Customer policy and allowing non-bank finance companies to take up insurance agency business.

BUSINESS

Overview

We are a private sector commercial bank and, together with our subsidiaries, offer products and services in the areas of commercial banking to retail and corporate customers (both domestic and international), treasury and investment banking and other products like insurance. We were incorporated in India in 1994. We were the surviving entity in an all-stock amalgamation of ICICI, a long-term financial institution and two of its subsidiaries, ICICI Personal Financial Services and ICICI Capital Services, with us, which was effective March 30, 2002 for accounting purposes under Indian GAAP. As of September 30, 2005 we were the largest private sector bank in India and the second largest bank in India in terms of assets, with total assets of Rs. 1,892.19 billion.

Our commercial banking operations for retail customers consist of retail lending and deposits, private banking, distribution of third party investment products and other fee-based products and services, as well as issuance of unsecured redeemable bonds. We provide a range of commercial banking products and services to India's leading corporations, growth-oriented middle market companies and small and medium enterprises, including loan products, fee and commission-based products and services, deposits and foreign exchange and derivatives products. We also offer project finance and agricultural and rural banking products. Our treasury operations include maintenance and management of regulatory reserves, proprietary trading in equity and fixed income, a range of products and services for corporate customers, such as forward contracts and interest rate and currency swaps, and foreign exchange products and services.

We believe that the international markets present a major growth opportunity and have, therefore, expanded the range of our commercial banking products for international customers. We currently have subsidiaries in the United Kingdom, Canada and Russia, branches in Singapore, Hong Kong and Bahrain and representative offices in the United States, China, United Arab Emirates, Bangladesh and South Africa. During the six month period ended September 30, 2005, we acquired Investment Credit Bank, a Russian bank with total assets of approximately US$ 4.4 million at year-end fiscal 2005. The value of this transaction is not material to our overall results. We have received approvals to set up branch offices in Sri Lanka and Dubai from the respective regulatory authorities and have applied for a branch license in the United States.

Our subsidiary, ICICI Securities, offers investment banking services including corporate advisory services, primary dealership in government securities and equity underwriting and brokerage. Our venture capital and private equity fund management subsidiary ICICI Venture Funds Management Company manages venture capital and private equity funds which provide venture capital funding to start-up companies and make private equity investments in a range of companies. Our subsidiaries ICICI Prudential Life Insurance Company and ICICI Lombard General Insurance Company provide a wide range of life and general insurance products and services respectively to retail and corporate customers. We have an asset management joint venture with Prudential plc of the United Kingdom through Prudential ICICI Asset Management Company and Prudential ICICI Trust. During the six-month period ended September 30, 2005, we acquired an additional 6% of the share capital of the joint venture from Prudential, which increased our shareholding in the joint venture to 51%. The value of this transaction is not material to our overall results. We cross-sell the products of our insurance companies and asset management company to our corporate and retail customers.

We deliver our products and services through a variety of channels, ranging from bank branches and ATMs to call centers and the Internet. At September 30, 2005 we had a network of 531 branches, 52 extension counters and 2,030 ATMs in 371 locations across several Indian states.

History

ICICI was formed in 1955 at the initiative of the World Bank, the Government of India and Indian industry representatives. The principal objective was to create a development financial institution for providing medium-term and long-term project financing to Indian businesses. Until the late 1980s, ICICI primarily focused its activities on project finance, providing long-term funds to a variety of industrial projects. With the liberalisation of the financial sector in India in the 1990s, ICICI transformed its business from a development financial institution offering only project finance to a diversified financial services provider that, along with its subsidiaries and other group companies, offered a wide variety of products and services. As India's economy became more market-oriented and integrated with the world economy, ICICI capitalised on the new opportunities to provide a wider range of financial products and services to a broader spectrum of clients. ICICI Bank was incorporated in 1994 as a part of the ICICI group. ICICI Bank's initial equity capital was contributed for 75.0% by ICICI and for 25.0% by SCICI Limited, a diversified finance and shipping finance lender of which ICICI owned 19.9% at December 1996. Pursuant to the merger of SCICI into ICICI, ICICI Bank became a wholly-owned subsidiary of ICICI. Effective March 10, 2001, ICICI Bank acquired Bank of Madura, an old private sector bank, in an all-stock merger.

The issue of universal banking, which in the Indian context means conversion of long-term lending institutions such as ICICI into commercial banks, had been discussed at length over the past few years. Conversion into a bank offered ICICI the ability to accept low-cost demand deposits and offer a wider range of products and services, and greater opportunities for earning non-fund based income in the form of banking fees and commissions. ICICI Bank also considered various strategic alternatives in the context of the emerging competitive scenario in the Indian banking industry. ICICI Bank identified a large capital base and size and scale of operations as key success factors in the Indian banking industry. In view of the benefits of transformation into a bank and the Reserve Bank of India's pronouncements on universal banking, ICICI and ICICI Bank decided to merge.

At the time of the merger, both ICICI Bank and ICICI were publicly listed in India and on the New York Stock Exchange. The amalgamation was approved by each of the boards of directors of ICICI, ICICI Personal Financial Services, ICICI Capital Services and ICICI Bank at the respective board meetings held on October 25, 2001. The amalgamation was approved by ICICI Bank's and ICICI's shareholders at their extraordinary general meetings held on January 25, 2002 and January 30, 2002, respectively. The amalgamation was sanctioned by the High Court of Gujarat at Ahmedabad on March 7, 2002 and by the High Court of Judicature at Bombay on April 11, 2002. The amalgamation was approved by the Reserve Bank of India on April 26, 2002. The amalgamation became effective on May 3, 2002 and the date of the amalgamation for accounting purposes under Indian GAAP was March 30, 2002.

Strategy

Our objective is to enhance our position as a premier provider of banking and other financial services in India and to leverage our competencies in financial services and technology to develop an international business franchise. The key elements of our business strategy are to:

- focus on quality growth opportunities by:
  - maintaining and enhancing our strong retail franchise;
  - maintaining and enhancing our strong corporate franchise;
  - building an international presence;
  - building a rural banking franchise; and
  - strengthening our insurance and asset management businesses.
- emphasise conservative risk management practices and enhance asset quality;
- use technology for competitive advantage; and
- attract and retain talented professionals.

Focus on Profitable, Quality Growth Opportunities by:

Maintaining and Enhancing our Strong Retail Franchise

We believe that the Indian retail financial services market is likely to continue to experience sustained growth. At year-end fiscal 2005, the Indian banking sector's total retail credit outstanding was, according to our estimates, approximately between 10 and 11% of India's GDP, which was relatively lower than its peer group countries such as Thailand, Indonesia, Malaysia and South Korea. With upward migration of household income levels, affordability and availability of retail finance and acceptance of use of credit to finance purchases, retail credit has emerged as a rapidly growing opportunity for banks that have the necessary skills and infrastructure to succeed in this business. We have capitalised on the growing retail opportunity in India and believe that we have emerged as a market leader in retail credit. The key dimensions of our retail strategy are a wide range of products, parity pricing, customer convenience, wide distribution, strong processes, prudent risk management and customer focus. We are also focusing on growth in our retail deposit base to diversify our funding towards more stable and lower cost funding sources. We earn fee income from our commercial banking services to retail customers, including retail loan processing fees, credit card and debit card fees, and retail transaction fees. Cross selling of the entire range of credit and investment products and banking services to our customers is a key aspect of our retail strategy. We securitise a portion of the retail assets originated by us.

We have integrated our strategy with regard to small and medium enterprises with our strategy for retail products and services. Our focus is on offering working capital, deposit accounts and other banking products and services to small and medium enterprises, including those of selected suppliers of our existing corporate clients. We are also involved in financing based on a cluster or community based approach, that is, financing of small enterprises that have a homogeneous profile such as apparel manufacturers and manufacturers of pharmaceuticals.

Maintaining and Enhancing our Strong Corporate Franchise

Our commercial banking services to corporate customers will continue to focus on leveraging our strong corporate relationships and increased capital base to increase our market share in non-fund based working capital products and fee-based services. Our corporate lending activities will continue to focus on structured finance, corporate finance and working capital lending to highly rated corporations. The Government policy focus on infrastructure development, including resolution of certain issues through legislation, and the repositioning and emerging global competitiveness of Indian industry offer growth opportunities in the area of project financing. We believe that a number of Indian companies in both the public and private sector have significant investment plans for setting up infrastructure facilities as well as industrial production capacities. We will continue to focus on structuring and syndication of financing for large projects by leveraging our expertise in project financing, and on actively managing our project finance portfolio to reduce portfolio concentration and to manage portfolio risk. We view ourselves not only as a provider of project finance but also as an arranger and facilitator, creating appropriate financing structures that may serve as financing and investment vehicles for a wider range of market participants. We aim to increase the cross selling of our products and services and maximise the value of our corporate relationships through the effective use of technology, speedy response times, quality service and the provision of products and services designed to meet specific customer needs.

Building an International Presence

We believe that the international markets present a major growth opportunity and have therefore expanded the range of our commercial banking products in international markets. Our initial strategy for growth in international markets is based on leveraging home country links for international expansion by capturing market share in select international markets. The focus areas are supporting Indian companies in raising corporate and project finance overseas for their investments in India and abroad (including financing of overseas acquisitions by Indian companies), trade finance and personal financial services (including remittance and deposit products) for non-resident Indians and international alliances to support domestic businesses. We are also building an international private banking franchise and leveraging our technological capabilities and relative cost efficiencies in international markets. We have entered into alliances with existing banks in various markets, to leverage our complementary capabilities, primarily the banks' existing physical distribution network in the overseas markets and our India-linked products and services for the Indian community. We have entered into alliances with Lloyds TSB in the United Kingdom, Bank of Montreal in Canada, DBS Bank in Singapore, Emirates Bank in the United Arab Emirates and Wells Fargo in the United States. We aim to expand our offering to include local banking to non-resident Indians as well as to the broader local market.

Building a Rural Banking Franchise

Our rural banking strategy seeks to adopt a holistic approach to the financial services needs of various segments of the rural population, by delivering a comprehensive product suite encompassing credit, transaction banking, deposit, investment and insurance, through a range of channels. Our rural delivery channels include branches, third party kiosks, franchisees and micro-finance institution partners.

Strengthening Our Insurance and Asset Management Businesses

Following the deregulation of the insurance sector in India, private sector companies were allowed to enter the insurance business. According to a study by Swiss Re, India's total insurance premium as a percentage of GDP was 3.3% in 2003 which was relatively lower than countries such as the United Kingdom, Singapore and Malaysia. We have a joint venture partnership with Prudential plc of the United Kingdom for the life insurance business. We have a 74.0% interest in this joint venture. This joint venture company, ICICI Prudential Life Insurance Company Limited commenced business operations in December 2000 and is the largest private sector life insurance company in India, with a market share of approximately 32% in the private sector based on new business premiums (excluding group insurance and including 10% of individual single premiums) during the six-month period ended September 30, 2005. In the non-life insurance sector, we have a joint venture with Fairfax Financial Holdings, through its subsidiary Lombard Canada Limited. We have a 74.0% interest in this joint venture. The joint venture company, ICICI Lombard General Insurance Company Limited, obtained the license to conduct general insurance business in August 2001 and is the largest private sector general insurance company in India, with a market share of approximately 31% in the private sector during the six-month period ended September 30, 2005. The key dimensions of our strategy for growth in the insurance business are innovative products, a wide distribution network, a prudent portfolio mix and sound risk management practices. In addition, we are focused on leveraging our corporate and retail customer base for cross selling insurance products.

The mutual fund sector in India is relatively under-penetrated with total assets under management of Rs. 2.0 trillion constituting only 11% of total bank deposits. We have a joint venture partnership with Prudential plc of the United Kingdom for the asset management business. We have a 51.0% interest in this joint venture. This joint venture company, Prudential ICICI Asset Management Company manages the largest private sector mutual fund in India, with total assets of approximately Rs. 215.00 billion and a market share of approximately 11% at September 30, 2005.

Emphasise Conservative Risk Management Practices and Enhance Asset Quality

We believe that conservative risk management policies, processes and controls are critical for long-term sustainable competitive advantages in our business. Our Risk Management Group is an independent, centralised group responsible for establishing and implementing

company-wide risk management policies, with an increasing focus on enhancing asset quality. An independent, centralised Compliance and Audit Group and a Middle Office Group monitor adherence to regulations, policies and procedures. We continue to build on our credit risk management procedures, credit evaluation and rating methodology, credit risk pricing models, proprietary analytics and monitoring and control mechanisms. We seek to control credit risk in the retail loan portfolio, the small enterprises loan portfolio and the agricultural financing portfolio through carefully designed approval criteria and credit controls and efficient collection and recovery systems. We have placed emphasis on recruiting experienced retail credit professionals to staff our retail credit approval function. We have also established standards and investigative verification procedures for selection of our marketing and processing agents. We seek to lower the credit risk profile of the project and corporate loan portfolio through the use of financing structures based on a security interest in the cash flows generated from the business of the borrower and increased collateral, including additional security in the form of liquid assets, such as investment securities and readily marketable real property. We are also trying to mitigate project risk through the allocation of risk to various project counterparties, such as construction contractors, operations and maintenance contractors and raw material and fuel suppliers, by entering into rigorous project contracts with those counterparties. We expect to enter new product markets only after conducting detailed risk analysis and pilot testing programs.

Use Technology for Competitive Advantage

We seek to be at the forefront of technology usage in the financial services sector. Information technology is a strategic tool for our business operations to gain a competitive advantage and to improve overall productivity and efficiency of the organisation. All of our technology initiatives are aimed at enhancing value, offering customer convenience and improving service levels while optimising costs. We expect to continue with our policy of making investments in technology to achieve a significant competitive advantage. The key objectives behind our information technology strategy continue to be:

- building a cost-efficient distribution network to accelerate the development of our retail franchise;
- enhancing cross selling and client segmenting capability by using analytical tools and efficient data storage and retrieval systems;
- improving credit risk and market risk management;
- improving product and client profitability analysis; and
- leveraging our technology competencies and cost efficiencies in international markets.

Attract and Retain Talented Professionals

We believe a key to our success will be our ability to continue to maintain and grow a pool of strong and experienced professionals. We have been successful in building a team of talented professionals with relevant experience, including experts in credit evaluation, risk management, retail consumer products, treasury, technology and marketing. Recruitment is a key management activity and we continue to attract graduates from the premier Indian business schools as well as employees with other professional qualifications. Recruitment and assimilation of talented professionals from other organizations is a key element of our strategy. We believe we have created the right balance of performance bonuses, stock options and other economic incentives for our employees so that they will be challenged to develop business, achieve profitability targets and control risk. We intend to continuously re-engineer our management and organisational structure to allow us to respond effectively to changes in the business environment and enhance our overall profitability.

Overview of Our Operations

We offer products and services in the areas of commercial banking to corporate and retail customers, both domestic and international. We also undertake treasury operations and offer treasury related products and services to our customers. Our subsidiaries are engaged primarily in insurance, asset management, investment banking and venture capital and private equity fund management.

Commercial Banking Products and Services for Retail Customers

Our commercial banking operations for retail customers consist of retail lending and deposits, credit cards, depositary share accounts, distribution of third party investment and insurance products, other fee-based products and services and issuance of unsecured redeemable bonds. At September 30, 2005, we had approximately 15.8 million retail customer accounts.

Retail Lending Activities

We offer a range of retail asset products, including home loans, automobile loans, commercial vehicle loans, two wheeler loans, personal loans, credit cards, loans against time deposits and loans against shares. We also fund dealers who sell automobiles, two wheelers, consumer durables and commercial vehicles. We have capitalised on the growing retail opportunity in India and believe that we have emerged as a market leader in retail credit, with an outstanding retail finance portfolio of Rs. 685.37 billion at September 30, 2005. Our

principal retail credit products are:

Home Finance

Our home finance business involves giving long-term housing loans to individuals and corporations and construction finance to builders. These loans are secured by a mortgage of the property financed. These loans are extended for maturities generally ranging from five to 20 years and a large proportion of these loans are at floating rates of interest. This reduces the interest rate risk that we assume, since our funding is generally of shorter maturity.

Automobile Finance

Automobile finance generally involves the provision of retail consumer credit for an average maturity of three to five years to acquire specified new and used automobiles. Automobile loans are secured by a charge on the purchased automobile. We have a strong external distribution network and a strong in-house team to manage the distribution network which has been instrumental in achieving this leadership position. We also have strong relationships with automobile manufacturers and are a "preferred financier" with several automobile manufacturers in India.

Commercial Business

We fund commercial vehicles, utility vehicles and construction and farm equipment sold through manufacturer-authorised dealers. The finance is generally for a maximum term of five to seven years through loans, hire purchase agreements or a lease.

Personal Loans

Personal loans are unsecured loans provided to customers who use these funds for various purposes such as higher education, medical expenses, social events and holidays.

Credit Cards

We have a credit card base of over 3.5 million cards. As the Indian economy develops, we expect that the retail market will seek short-term credit for personal uses, and our offering of credit cards will facilitate further extension of our retail credit business. We also expect that as credit usage increases, we will be able to leverage our customer relationships to cross-sell additional retail and consumer-oriented products and services.

Dealer Funding

We fund dealers who sell automobiles, two wheelers, consumer durables and commercial vehicles. These loans are generally given for a short term.

For details of the composition of our outstanding retail finance portfolio, see "Business - Asset Composition and Classification" on page 92.

Lending to Small and Medium Enterprises

We are seeking to extend our reach to the growing small and medium enterprises sector without the accompanying high credit risks, which are normally associated with advances to small enterprises. We provide supply chain financing, including financing of selected customers of our corporate clients. We also provide financing on a cluster-based approach, that is, financing of small enterprises that have a homogeneous profile such as apparel manufacturers and manufacturers of pharmaceuticals.

Retail Deposits

Our retail deposit products include the following:

- time deposits including:
  - recurring deposits, which are periodic deposits of a fixed amount over a fixed term that accrue interest at a fixed rate and may be withdrawn before maturity by paying penalties; and
  - certificates of deposit;
- savings accounts, which are demand deposits that accrue interest at a fixed rate set by the RBI (currently 3.5% per annum) and upon which cheques can be drawn; and
- current accounts, which are non-interest bearing demand deposits.

In addition to deposits from Indian residents, we accept time and savings deposits from non-resident Indians, foreign nationals of Indian origin and foreign nationals working in India. These deposits are accepted on a repatriable and a non-repatriable basis and are maintained in rupees and select foreign currencies. See also "Commercial Banking Products and Services for International Customers" on page 89 . For a description of the RBI's regulations applicable to deposits in India and required deposit insurance, see "Regulations and Policies - Regulations Relating to Deposits" on page 128 and "Regulations and Policies — Deposit Insurance" on page 131.

Following a strategy focused on customer profiles and product segmentation, we offer differentiated liability products to various categories of customers depending on their age group, such as Young Star Accounts for children below the age of 18 years, Student Banking Services for students, Salary Accounts for salaried employees and Senior Citizens Account for individuals above the age of 60 years. We have also micro-segmented various categories of customers to offer targeted products, like Private Banking for high net worth individuals, Defence Banking Services for defence personnel, Special Savings Accounts for trusts and Roaming Current Account for businesses.

See also "Business - Funding" on page 101.

Bond Issues

We have issued a variety of unsecured redeemable bonds to the Indian public. These bonds, which are not insured by any authority, are designed to address various investor needs, such as the need for regular income, liquidity and tax saving. During fiscal 2005, we raised Rs. 16.27 billion through these bond issuances. We had about 3.3 million bondholder accounts at March 31, 2005. While deposits will continue to be our primary source of funding, we may conduct other similar bond issues in the future.

*Other Fee-Based Products and Service**s***

Mutual Fund Sales

We have entered into arrangements with select mutual funds to distribute their products through our distribution network, for which we earn up-front and trailing commissions.

Depositary Share Accounts

SEBI has made it mandatory for the 10 largest stock exchanges of the country to settle securities transactions in a dematerialised mode. We are a depository participant of the NSDL and CDSL and offer depositary share accounts.

Government of India Relief Bond Sales

We have been permitted by the RBI to sell Government of India Relief Bonds. This includes the receipt of applications for Relief Bonds, the issue of Relief Bonds in the form of bond ledger accounts and the servicing of bondholders. Relief Bonds are sold across all of our branches. We seek to capitalise on this opportunity by effectively distributing Relief Bonds through our distribution network and earning fee income in the process.

Bureau de Change

We launched "bureau de change" in April 2001 with an objective to cater to all travel-related foreign exchange needs, including business travel and leisure travel. Bureau de change is offered in nearly 215 branches. As an authorised foreign exchange dealer, we offer services, such as providing internationally valid travellers cheques issued by Thomas Cook and American Express in all major currencies. Apart from travellers cheques, we also provide major foreign currencies at competitive rates.

Web Broking

ICICI Web Trade Limited provides web-broking services. This service involves the online integration of a customer's depositary share accounts and bank accounts with us and securities brokerage accounts with ICICI Web Trade. This service has assisted us in our efforts to acquire new customers and low-cost savings deposits, as each e-brokering customer is required to open a bank account. ICICI Web Trade currently has over 700,000 customer accounts.

Insurance Policy Referral and Lead Generation

We have contractual arrangements with ICICI Prudential Life Insurance Company and ICICI Lombard General Insurance Company for generating leads from our banking customers for the life and general insurance products of ICICI Prudential Life Insurance and ICICI Lombard General Insurance Company respectively and referring these leads to these companies. The insurance policy is issued by the specific companies and we do not underwrite any insurance risks on our own balance sheet. We collect fees for generating leads and providing referrals.

Distribution of equity offerings

We distribute public offerings of equity shares by companies through our distribution network.

Online Bill Payment

We have tie-ups with leading telecommunication companies, utility providers, insurance companies and Internet shopping portals for online payment of bills by our Internet banking customers. Currently, we have tied up with over 100 service providers (for utility bill payments) and 95 online shopping portals. We currently offer this service free to our customers with the intention of building a base of users. This service is based on cost sharing arrangements with most of these companies, where we either charge the company a fixed fee per bill or the company maintains a balance with us before the funds are used by the company, resulting in short-term low cost deposits with us.

Commercial Banking Products and Services for Corporate Customers

We provide a range of commercial banking products and services to India's leading corporations and growth-oriented middle market companies, including loan products, fee and commission-based products and services, deposits and foreign exchange and derivatives products. We serve our corporate clients through corporate relationship groups such as the Corporate Banking Group, the Financial Institutions Group and the Government Banking Group and product groups such as the Product and Technology Group, the Structured Products Group, the Project Finance Group and the Global Markets Group. The Rural, Micro-banking and Agri-business Group manages our rural and agricultural banking operations

Corporate Loan Portfolio

Our corporate loan portfolio consists of project and corporate finance, working capital financing and agricultural financing. Our corporate loan portfolio primarily consists of term loans for project and corporate finance, and working capital credit facilities. For details on our loan portfolio, see "Asset Composition and Classification" on page 92. For a description of our credit rating and approval system, see "Business - Risk Management – Credit Risk – Credit Risk Assessment Procedures for Corporate Loans" on page 105.

Project and Corporate Finance

Our project finance business consists principally of extending medium-term and long-term rupee loans to the manufacturing and infrastructure sectors. Project and corporate finance is provided generally through term loans repayable over a period of typically between one and ten years. We also provide financing by way of investment in marketable instruments such as fixed rate and floating rate debentures. We generally have a security interest and first charge on the fixed assets of the borrower. Our Structured Products Group focuses specifically on the application of securitisation techniques to credit enhance our traditional lending products. We have played a leading role in the growth and development of the securitisation market in India. We are also focusing on selling down our loans to better utilise capital, manage portfolio concentrations and provide additional flexibility and liquidity.

Working Capital Finance

Our working capital financing consists mainly of cash credit facilities and bill discounting. Under the cash credit facility, a line of credit is provided up to a pre-established amount based on the borrower's projected level of inventories, receivables and cash deficits. Up to this pre-established amount, disbursements are made based on the actual level of inventories and receivables. The facility is generally given for a period of up to 12 months, with a review after that period. Our cash credit facility is generally fully secured with full recourse to the borrower. In most cases, we have a first charge on the borrower's current assets, which normally are inventory and receivables. Bill discounting involves the financing of short-term trade receivables through negotiable instruments. These negotiable instruments can then be discounted with other banks if required, providing us with required liquidity.

Agricultural Finance

Under the Reserve Bank of India's directed lending norms, we are require to lend 18.0% of our net bank credit on the residual portion of our advances (i.e., our total advances excluding the advances of ICICI at year-end fiscal 2002) to the agricultural sector. Our agricultural lending portfolio includes loans to farmers and to co-operatives and companies in eligible sectors such as seeds, poultry and fisheries as well as micro-finance loans to borrowers in rural areas. For details of our directed lending portfolio, refer "Business - Loan Portfolio – Directed Lending" on page 94.

Fee and Commission-Based Activities

Letters of Credit and Guarantees

We provide letter of credit facilities to our customers both for meeting their working capital needs as well as for capital equipment purchases. Lines of credit for letters of credit are approved as part of a working capital loan package provided to a borrower. These

facilities, like cash credit facilities, are generally given for a period up to 12 months, with review after that period. We provide guarantees, which can be drawn down any number of times up to the committed amount of the facility. We issue guarantees on behalf of our borrowers in favour of corporations and Government authorities domestically and internationally where gurarantees may be in favour of local banks. Guarantees are generally issued for the purpose of bid bonds, guaranteeing the performance of our borrowers under a contract as security for advance payments made to our borrowers by project authorities and for deferral of and exemption from the payment of import duties granted to our borrowers by the Government against fulfillment of certain export obligations by our borrowers. The term of these guarantees is generally up to 36 months though in specific cases, the term could be higher. In addition, as a part of our project financing activity, we issue guarantees to foreign lenders, export credit agencies and domestic lenders on behalf of our clients.

Other Fee-Based Activities

We also offer cash management services (such as collection, payment and remittance services), escrow, trust and retention account facilities, online payment facilities, custodial services and tax collection services on behalf of the Government of India and the governments of Indian states. Under cash management services, we offer our corporate clients custom-made collection, payment and remittance services allowing them to reduce the time period between collections and remittances, thereby streamlining their cash flows. Our cash management products include physical cheque-based clearing in locations where settlement systems are not uniform, electronic clearing services, central pooling of country-wide collections, dividend and interest remittance services and internet-based payment products. We also act as bankers to corporates for their dividend pay out to their shareholders, as also for interest pay out to the company's investors and depositors which results in interest-free float balances for us. We also offer custodial services to clients. At year-end fiscal 2005, total assets held in custody on behalf of our clients (mainly foreign institutional investors, offshore funds, overseas corporate bodies and depositary banks for GDR investors) was Rs. 945.7 billion. As a registered depositary participant of National Securities Depository Limited and Central Depository Services (India) Limited, the two securities depositaries operating in India, we also provide electronic depositary facilities to investors. Further, we generate fee income from our syndication and securitisation activities.

Corporate Deposits

We take deposits from our corporate clients with terms ranging from 15 days (seven days in respect of deposits over Rs. 1.5 million with effect from April 19, 2001) to 10 years but predominantly from 15 days to one year. The RBI regulates the term of deposits in India, but not the interest rates, with some minor exceptions. Banks are not permitted to pay interest for periods less than seven days. Also, pursuant to the current regulations, we are permitted to vary the interest rates on our corporate deposits based upon the size range of the deposit so long as the rates offered are the same for every customer of a deposit of a certain size range on a given day. Our deposit products for corporations include:

- current accounts — non-interest-bearing demand deposits;
- time deposits — fixed term deposits that accrue interest at a fixed rate and may be withdrawn before maturity by paying penalties; and
- certificates of deposit — a type of time deposit.

We also act as a banker to the market offerings of select companies on account of raising of equity or debt, buy back of equity and takeovers. These companies are required to maintain the subscription funds with the bankers to the offering until the allotment of shares/buy back of shares and the refund of excess subscription is completed. This process generally takes about 15 to 30 days, resulting in short-term deposits with us. We act as a banker to corporates for their dividend payout to their shareholders and interest payout to investors and depositors, which results in mobilising interest-free, float balances to us.

Commercial Banking Products and Services for International Customers

Many of the commercial banking products that we offer to international customers, such as trade finance and letters of credit, are similar to the products offered to our corporate customers in India. Some of the products and services that are unique to international customers are:

- Money2India: a Internet-based wire transfer remittance facility. According to Reserve Bank of India data, the aggregate private transfers to and from India during fiscal 2005 were US$ 20.4 billion. For easy transfer of funds to India, we offer a suite of online as well as offline money transfer products featured on our website www.money2India.com. These speedy, cost effective and convenient products enable non-resident Indians to send money to any bank at over 1,760 locations in India. In fiscal 2005, the total inward remittances through this service were Rs. 131.46 billion, translating into a market share of approximately 15%.

- TradeWay: an Internet-based documentary collection product to provide correspondent banks access to real-time on-line information on the status of their export bills collections routed through us.
- Remittance Tracker: an Internet-based application that allows a correspondent bank to query on the status of their payment instructions and also to get various information reports online.
- Offshore banking deposits: multi-currency deposit products in US dollar, pound sterling and euro.
- Foreign currency non-resident deposits: foreign currency deposits offered in four main currencies – US dollar, pound sterling, euro and yen.
- Non-resident external fixed deposits: deposits maintained in Indian rupees.
- Non-resident external savings account: savings accounts maintained in Indian rupees.
- Non-resident ordinary savings accounts and non-resident ordinary fixed deposits.

We offer foreign currency loans to Indian corporates that wish to raise debt in offshore markets under the External Commercial Borrowings guidelines of the Reserve Bank of India. We offer bilateral facilities and also arrange the financing from the offshore syndicated loan market. Foreign currency credit is arranged through commercial loans, syndicated loans, bonds and floating rate notes, lines of credit from foreign banks and financial institutions, and loans from export credit agencies. These loans are typically denominated in US dollars and their maturity varies from three to seven years.

We currently have subsidiaries in the United Kingdom, Canada and Russia, branches in Singapore, Hong Kong and Bahrain and representative offices in the United States, China, United Arab Emirates, Bangladesh and South Africa. We have received approvals to set up branch offices in Sri Lanka and Dubai and have applied for a branch license in the United States. Our subsidiaries in the United Kingdom and Canada offer local banking products and services in those countries. In Canada and the United Kingdom, we have also launched direct banking offerings using the Internet as the access channel.

Delivery Channels

We deliver our products and services through a variety of distribution outlets, ranging from traditional bank branches to ATMs, call centres, franchisees and the Internet. We believe that currently, more than 70.0% of our retail customer-induced banking transactions take place through non-branch channels.

At September 30, 2005, we had a network of 531 branches and 52 extension counters in 321 centres across several Indian states. Extension counters are small offices primarily within office buildings or on factory premises that provide commercial banking services. Our branch locations are largely leased rather than owned. Our back office operations are centralised at regional processing centres, enabling us to create a more efficient branch network. As a part of its branch licencing conditions, the RBI has stipulated that at least 25.0% of our branches must be located in semi-urban and rural areas. The following table sets forth, at the date indicated, the number of branches and extension counters broken down by area.

	At September 30, 2005	
	Number of branches and extension counters	**% of total**
Metropolitan/urban	339	63.8%
Semi-urban/rural	192	36.2
Total	531	100.0%

We have direct marketing agents or associates who deliver our retail credit products. These agencies help us achieve deeper penetration by offering door-step service to the customer. We make all credit and risk management decisions pertaining to any customer and no agency can extend credit to any customer without our approval. These agencies receive a fee based on the volume of business originated through them. At September 30, 2005, we offered one or more retail credit products in about 1,150 centres.

At September 30, 2005, we had 2,030 ATMs, of which 618 were located at our branches and extension counters. Through our website www.icicibank.com, we offer our customers online access to account information and payment and fund transfer facilities. We provide Internet banking services to our corporate clients through ICICI e-business, a finance portal which is the single point web-based interface for all our corporate clients. We provide telephone banking services through our call center. At September 30, 2005, our call center had 1,911 service workstations pan India. We offer mobile phone banking services to our customers using any cellular telephone service operator in India.

Treasury

Through our treasury operations, we seek to manage our balance sheet including the maintenance of required regulatory reserves and to optimise profits from our trading portfolio by taking advantage of market opportunities. Our trading and securities portfolio includes our regulatory reserve portfolio, as there is no restriction on active management of our regulatory reserve portfolio. Our treasury operations include a range of products and services for corporate customers, such as forward contracts and interest rate and currency swaps, and foreign exchange products and services.

General

Under the Reserve Bank of India's statutory liquidity ratio requirement, we are required to maintain a minimum of 25.0% of our demand and time liabilities by way of approved securities, such as Government of India securities and state government securities. Amendments to the Banking Regulation Act have been proposed in Parliament to remove the lower and upper bounds to the statutory liquidity ratio and to provide flexibility to the Reserve Bank of India to prescribe prudential norms. We maintain the statutory liquidity ratio through a portfolio of Government of India securities that we actively manage to optimise the yield and benefit from price movements. Under the Reserve Bank of India's cash reserve ratio requirements, we are currently required to maintain a minimum of 5.0% of our net demand and time liabilities in a current account with the Reserve Bank of India. The Reserve Bank of India pays no interest on these cash reserves up to 3.0% of the net demand and time liabilities and pays interest at 3.5% on the remaining eligible balance.

For further discussion of these regulatory reserves, see "Regulations and Policies — Legal Reserve Requirements." on page 132.

Our treasury undertakes liquidity management by seeking to maintain an optimum level of liquidity and complying with the cash reserve ratio. The objective is to ensure the smooth functioning of all our branches and at the same time avoid the holding of excessive cash. Our treasury maintains a balance between interest-earning liquid assets and cash to optimise earnings. The treasury undertakes reserve management by maintaining statutory reserves, including the cash reserve ratio and the statutory liquidity ratio.

Our treasury engages in domestic and foreign exchange operations from a centralised trading floor in Mumbai. As part of our treasury activities, we also maintain proprietary trading portfolios in domestic debt and equity securities and in foreign currency assets. Our board approves our treasury investment policy and asset liability management policy which govern the management of market risk of our treasury portfolio.

The following table sets forth, for the periods indicated, the break-up of our investment portfolio.

(in billions)

	At March 31,					At September 30,	
	2001	**2002**	**2003**	**2004**	**2005**	**2004**	**2005**
Government and other approved securities	Rs. 41.12	Rs. 227.93	Rs. 255.83	Rs. 299.18	Rs. 344.82	Rs. 287.77	Rs. 415.67
Debentures and bonds	30.70	64.36	56.90	55.49	28.54	43.18	15.81
Shares	1.25	19.09	16.42	16.84	19.15	14.89	14.88
Others[1]	8.80	47.53	25.47	62.85	112.36	71.83	106.81
Total	**Rs. 81.87**	**Rs. 358.91**	**Rs.354.62**	**Rs. 434.36**	**Rs. 504.87**	**Rs. 417.67**	**Rs. 553.17**

(1) Others includes investments in subsidiaries and joint ventures, commercial paper, mutual fund units and investments outside India.

At year-end fiscal 2005, 83.2% of our government securities portfolio was in the Held to Maturity category. We have a limited equity portfolio because of the restrictions imposed by the Reserve Bank of India on investments by a bank in equity securities. A significant portion of ICICI's investments in equity securities was related to projects financed by it. The Reserve Bank of India has permitted us to exclude these investments for determining compliance with the restriction on investments by banks in equity securities, for a period of five years from the amalgamation. In addition, the Reserve Bank of India also approves the exclusion, on a case by case basis, of equity investments acquired by conversion of loans under restructuring schemes approved by the Corporate Debt Restructuring Forum. The Reserve Bank of India has also announced that it will permit banks to have a higher level of capital market exposure subject to specific approval of the Reserve Bank of India on fulfillment of certain criteria. See also "Regulations and Policies – Regulations relating to Investments and Capital Market Exposure Limits" on page 125. To ensure compliance with the Securities and Exchange Board of India's insider trading regulations, all dealings in our equity investments in listed companies are undertaken by the equity and corporate bonds dealing desks of our treasury, which are segregated from our other business groups as well as the other groups and desks in the treasury, and which do not have access to unpublished price sensitive information about these companies that may be available to us as lenders.

We deal in several major foreign currencies and take deposits from non-resident Indians in four major foreign currencies. We also manage onshore accounts in foreign currencies. We control market risk and credit risk on our foreign exchange trading portfolio through an internal model which sets counterparty limits, stop-loss limits and limits on the loss of the entire foreign exchange trading operations and exception reporting.

Customer Foreign Exchange

We provide customer specific products and services and risk hedging solutions in several currencies to meet the trade and service-related requirements of our corporate clients. The products and services offered include:

- spot foreign exchange for the conversion of foreign currencies without any value restrictions;
- forward foreign exchange for hedging future receivables and payables, without any value restriction, up to a maximum period of three years; and
- foreign exchange and interest rate derivatives for hedging long-term exposures.

We earn commissions on these products and services from our corporate customers.

Forward Contracts, Interest Rate Swaps and Currency Swaps

We provide forward contracts to our customers for hedging their short-term exchange rate risk on foreign currency denominated receivables and payables. We generally provide this facility for a term of up to six months and occasionally up to 12 months. We also offer interest rate and currency swaps to our customers for hedging their medium and long-term risks due to interest rate and currency exchange rate movements. We offer these swaps for a period ranging from three to 10 years. Our customers pay a commission for this product that is included in the price of the product and is dependent upon market conditions. We also hedge our own exchange rate risk related to our foreign currency trading portfolio with products from banking counterparties. Our risk management products are currently limited to foreign currency forward transactions and currency and interest rate swaps for selected approved clients. We believe, however, that the demand for risk management products will grow, and we are building the capabilities to grow these products. We are focusing particularly on setting up sophisticated infrastructure and internal control procedures that are critical to these products.

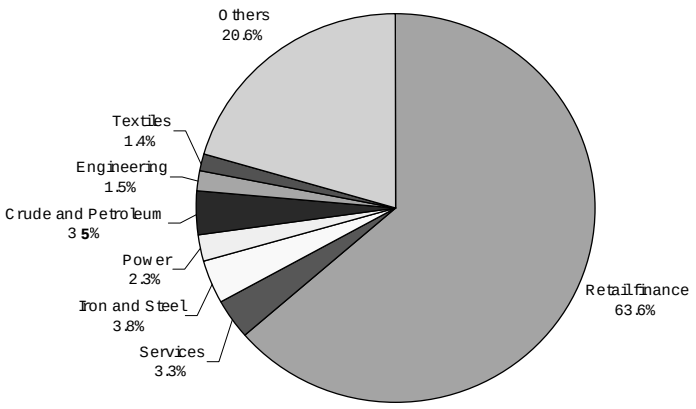
Asset Composition and Classification

Loan Concentration

We follow a policy of portfolio diversification and evaluate our total financing in a particular sector in light of our forecasts of growth and profitability for that sector. We identified retail finance as an area with potential for growth and sought to increase our financing to retail finance. We believe that retail finance offers significant risk diversification benefits as the credit risk is spread over a large number of relatively small individual loans. The growth of our retail finance portfolio has been the principal driver of our portfolio diversification strategy. Our loans and advances to retail finance constituted 63.6% of our total loans and advances at September 30, 2005 compared to 60.9% at year-end fiscal 2005 and 51.0% at year-end fiscal 2004. We expect that our retail finance portfolio will continue to grow and the share of retail finance in our total portfolio will increase.

Our Risk Management Audit Group monitors all major sectors of the economy and specifically follows sectors to which we have loans outstanding. We seek to respond to any economic weakness in an industrial segment by restricting new exposures to that segment and any growth in an industrial segment by increasing new exposures to that segment, resulting in active portfolio management.

The following diagram represents the composition of advances at September 30, 2005:



The following table sets forth, at the dates indicated, the composition of our gross advances (net of write-offs):

(in billions, except percentages)

Industry	At March 31,						At September 30,		
	2004			2005			2005		
	Total advances	% of total advances	Total advances to top 5 companies as a % of industry advances	Total advances	% of total advances	Total advances to top 5 companies as a % of industry advances	Total advances	% of total advances	Total advances to top 5 companies as a % of industry advances
Retail finance	Rs.335.06	51.0%	-	Rs.566.52	60.9%	-	Rs.691.73	63.6%	-
Iron & steel	49.33	7.5	75.8	47.43	5.1	63.0	41.23	3.8	61.1
Crude petroleum/ refining	19.72	3.0	97.3	42.86	4.6	96.0	38.77	3.5	94.2
Services	24.25	3.7	34.1	26.87	2.9	26.8	35.37	3.3	30.3
Road/port/ railways/ telecom	27.96	4.3	69.4	35.54	3.8	62.3	26.35	2.4	71.4
Chemicals	33.58	5.1	29.3	28.03	3.0	33.4	24.86	2.3	38.3
Power	23.76	3.6	80.2	17.75	1.9	68.3	24.55	2.3	74.9
Metal & metal products	15.66	2.4	72.2	17.43	1.9	72.4	22.11	2.0	69.2
Engineering	24.00	3.7	61.0	17.17	1.8	57.6	16.58	1.5	58.1
Cement	12.59	1.9	56.5	10.08	1.1	73.5	9.89	0.9	81.9
Cotton textiles	11.73	1.8	36.5	11.33	1.2	45.3	9.74	0.9	50.6
Food processing	1.22	0.2	100.0	6.81	0.7	50.5	9.30	0.8	65.5
Beverages	-	0.0	0.0	1.00	0.1	100.0	8.63	0.8	100.0
Shipping	3.79	0.6	71.1	4.77	0.5	76.6	8.23	0.8	86.8
Automobiles	8.98	1.4	72.8	7.08	0.8	39.1	7.99	0.7	48.9
Other textiles	4.88	0.7	52.4	4.21	0.5	53.9	5.40	0.5	54.1
Paper & paper products	6.85	1.0	67.4	5.43	0.6	78.1	5.25	0.5	88.6
Sugar	5.58	0.8	45.7	4.54	0.5	50.0	5.22	0.5	60.5
Other industries	48.01	7.3	15.2	75.60	8.1	11.3	96.78	8.9	13.0
Total	Rs. 656.95	100.0%		Rs. 930.45	100.0%		Rs.1,087.98	100.0%	

Our loans and advances at September 30, 2005 increased by 16.9% compared to year-end fiscal 2005. Retail finance constituted 63.6% of total advance at September 30, 2005 compared to 60.9% at year-end fiscal 2005 and 51.0% at year-end fiscal 2004. We see retail products and services as the primary driver of our growth. Retail products and services are a critical component of our projections of earnings (See " Risk factors – Internal Risk Factors and Risks relating to Our Business - Our inability to grow further or succeed in retail products and services may adversely affect our business on page vii). Our advances to the iron & steel sector as a percentage of total advances decreased to 3.8% at September 30, 2005 compared to 5.1% at year-end fiscal 2005 and 7.5% at year-end fiscal 2004. Our advances to the crude, petroleum and refining as a percentage of total advances was 3.5% at September 30, 2005 compared to 4.6% at year-end fiscal 2005 and 3.0% at year-end fiscal 2004. Our advances to the services sector increased to 3.3% at September 30, 2005 compared to 2.9% at year-end fiscal 2005.

The following table sets forth, at the dates indicated, the composition of our gross (gross of provisions) outstanding retail finance portfolio.

(in billions)

	At March 31,		At September 30,
	2004	**2005**	**2005**
Home loans	Rs. 166.48	Rs. 284.76	Rs. 364.33
Automobile loans	79.81	121.15	152.35
Commercial business	49.61	85.59	85.14
Two-wheeler loans	9.77	12.42	13.00
Personal loans	9.79	24.95	32.17
Credit cards	10.45	20.64	26.73
Loans against securities & others	9.16	17.02	18.01
Total retail finance portfolio	Rs. 335.06	Rs. 566.52	Rs. 691.73

Pursuant to the guidelines of the Reserve Bank of India, our credit exposure to individual borrowers must not exceed 15.0% of our capital funds, comprising Tier 1 and Tier 2 capital calculated pursuant to the guidelines of the Reserve Bank of India. Credit exposure to individual borrowers may exceed 15.0% of a bank's capital funds by an additional 5.0% (i.e. up to 20.0%) provided the additional credit exposure is on account of infrastructure financing. Our exposure to a group of companies under the same management control must not exceed 40.0% of our capital funds unless the exposure is in respect of an infrastructure project. In that case, the exposure to a group of companies under the same management control may be up to 50.0% of our capital funds. With effect from June 1, 2004, banks may, in exceptional circumstances, with the approval of their boards, enhance the exposure by 5.0% of capital funds (i.e., 20.0% of capital funds for an individual borrower and 45.0% of capital funds for a group of companies under same management), making appropriate disclosures in their annual reports. Exposure for funded facilities is calculated as the total committed credit and investment sanctions or the outstanding funded amount, whichever is higher (for term loans, as undisbursed commitments plus the outstanding amount). Exposure for non-funded facilities is calculated as 100.0% of the committed amount or the outstanding non-funded amount whichever is higher. At September 30, 2005, we were in compliance with these guidelines.

The following tables set forth, at the date indicated below, our top 10 borrower exposures as a % of the total capital funds.

		At September 30, 2005
Borrower No.	**Industry**	**As % of total capital**
1	Engineering	17.5%
2	Crude petroleum/refining	16.0
3	Services	16.0
4	Engineering	14.7
5	Crude petroleum/refining	12.6
6	Telecom	11.1
7	Power	9.9
8	Petrochemicals	9.7
9	Metal & metal products	8.9
10	Power	8.7

Directed Lending

The Reserve Bank of India requires banks to lend to certain sectors of the economy. Such directed lending comprises priority sector lending, export credit and housing finance.

Priority Sector Lending

The Reserve Bank of India guidelines require banks to lend 40.0% of their net bank credit (total domestic loans less marketable debt instruments and certain exemptions permitted by the Reserve Bank of India from time to time) to certain specified sectors called priority sectors. Priority sectors include small-scale industries, the agricultural sector, food and agri-based industries, small businesses and housing finance up to certain limits. Out of the 40.0%, banks are required to lend a minimum of 18.0% of their net bank credit to the agriculture sector and the balance to certain specified sectors, including small scale industries (defined as manufacturing, processing and services businesses with a limit on investment in plant and machinery of Rs. 10 million), small businesses, including retail merchants, professional and other self employed persons and road and water transport operators, housing loans up to certain limits and to specified state financial corporations and state industrial development corporations.

In its letter dated April 26, 2002 granting its approval for the amalgamation, the Reserve Bank of India stipulated that since ICICI's loans transferred to us were not subject to the priority sector lending requirement, we are required to maintain priority sector lending of 50.0% of our net bank credit on the residual portion of our advances (i.e. the portion of our total advances excluding advances of ICICI at year-end fiscal, 2002, henceforth referred to as residual net bank credit). This additional 10.0% priority sector lending requirement will apply until such time as our aggregate priority sector advances reach a level of 40.0% of our total net bank credit. The RBI's existing instructions on sub-targets under priority sector lending and eligibility of certain types of investments/ funds for qualification as priority sector advances apply to us.

We are required to comply with the priority sector lending requirements on the last reporting Friday (alternate Fridays are designated by the Reserve Bank of India as "reporting Fridays") of each fiscal year. Any shortfall in the amount required to be lent to the priority sectors may be required to be deposited with Government sponsored Indian development banks like the National Bank for Agriculture and Rural Development and the Small Industries Development Bank of India. These deposits have a maturity of up to five years and carry interest rates lower than market rates.

The following table sets forth, for the periods indicated, our priority sector loans, classified by the type of borrower, as at the last reporting Friday of fiscal 2005.

	At March 18, 2005	**% of residual net bank credit at March 18, 2005**
Small scale industries[1]	Rs. 2.33	0.7%
Others including housing loans and small businesses	Rs. 121.10	34.5
Agricultural sector[2]	67.63	19.3
Total	Rs. 191.06	54.5

(1) Small scale industries are defined as manufacturing, processing and services businesses with a limit of Rs. 10.0 million on investment in plant and machinery.

(2) Includes direct agriculture Rs. 45.88 billion constituting 13.1% of our residual net bank credit against the requirement of 13.5%.

Export Credit

As part of directed lending, the Reserve Bank of India also requires banks to make loans to exporters at concessional rates of interest. Export credit is provided for pre-shipment and post-shipment requirements of exporter borrowers in rupees and foreign currencies. At the end of any fiscal year, 12.0% of a bank's net bank credit is required to be in the form of export credit. This requirement is in addition to the priority sector lending requirement but credits extended to exporters that are small scale industries or small businesses may also meet part of the priority sector lending requirement. The Reserve Bank of India provides export refinancing for an eligible portion of total outstanding export loans at the bank rate prevailing in India from time to time. At March 18, 2005 (last reporting Friday for March 2005), our export credit was Rs. 6.40 billion, constituting 1.8% of our residual net bank credit.

Housing Finance

The Reserve Bank of India requires banks to lend up to 3.0% of their incremental deposits in the previous fiscal year for housing finance. This can be in the form of home loans to individuals or investments in the debentures and bonds of the National Housing Bank and housing development institutions recognised by the Government of India. At March 18, 2005 (last reporting Friday for March 2005), our housing finance advances qualifying as priority sector advances were Rs.111.86 billion.

Classification of Assets

We classify our assets as performing and non-performing in accordance with the Reserve Bank of India's guidelines. Under these guidelines, an asset is classified as non-performing if any amount of interest or principal remains overdue for more than 90 days (180 days until fiscal 2003), in respect of term loans. In respect of overdraft or cash credit, an asset is classified as non-performing if the account remains out of order for a period of 90 days (180 days until fiscal 2003) and in respect of bills, if the account remains overdue for more than 90 days (180 days until fiscal 2003).

Asset Classification

Assets are classified as described below:

Standard assets:	Assets that do not disclose any problems or which do not carry more than normal risk attached to the business are classified as standard assets.
Sub-standard assets:	Sub-standard assets comprise assets that are non-performing for a period not exceeding 12 months (18 months until fiscal 2003)
Doubtful assets:	Doubtful assets comprise assets that are non-performing for more than 12 months. (18 months until fiscal 2003)
Loss assets:	Loss assets comprise assets (i) the losses on which are identified or (ii) that are considered uncollectible.

Our non-performing assets include loans and advances as well as credit substitutes, which are funded credit exposures. In compliance with regulations governing the presentation of financial information by banks, we report only non-performing loans and advances in our financial statements.

Restructured Loans

The Reserve Bank of India has separate guidelines for restructured loans. A fully secured standard asset can be restructured by rescheduling of principal repayments and/or the interest element, but must be separately disclosed as a restructured asset. The amount of sacrifice, if any, in the element of interest, measured in present value terms, is either written off or provision is made to the extent of the sacrifice involved. Similar guidelines apply to sub-standard loans. The sub-standard accounts which have been subjected to restructuring, whether in respect of principal installment or interest amount are eligible to be upgraded to the standard category only after the specified period, i.e., a period of one year after the date when first payment of interest or of principal, whichever is earlier, falls due, subject to satisfactory performance during the period.

Provisioning and Write-Offs

The Reserve Bank of India guidelines on provisioning and write-offs are as follows:

Standard assets:	A general provision of 0.25% is required for all standard assets. In its mid-term review of its annual policy statement for fiscal 2006, the Reserve Bank of India has proposed to increase the general provisioning requirement from 0.25% to 0.40% (excluding direct advances to the agriculture and small and medium enterprise sectors).
Sub-standard assets:	A provision of 10% is required for all sub-standard assets. An additional provision of 10% is required for accounts that are *ab initio* unsecured.
Doubtful assets:	A 100% provision/write-off is required in respect of the unsecured portion of the doubtful asset. Until year-end fiscal 2004, a 20% to 50% provision was required for the secured portion as follows: Up to one year: 20% provision; One to three years: 30% provision; and More than three years: 50% provision. Effective the quarter ended June 30, 2004, a 100% provision is required for assets classified as doubtful for more than three years on or after April 1, 2004. In respect of assets classified as doubtful for more than three years at March 31, 2004, 60% to 100% provision on such secured portion is required as follows: By March 31, 2005: 60% provision; By March 31, 2006: 75% provision; and By March 31, 2007: 100% provision.
Loss assets:	The entire asset is required to be written off or provided for.
Restructured loans:	A provision equal to the difference between the present values of the future interest as per the original loan agreement and the present values of future interest on the basis of rescheduled terms at the time of restructuring, is required to be made.

Our policy

Until fiscal 2004 we made provisions aggregating 50.0% of the secured portion of corporate non-performing assets over a three-year period instead of the five-and-a-half year period prescribed by the Reserve Bank of India. Effective the quarter ended June 30, 2004, we provide for corporate non-performing assets in line with revised Reserve Bank of India guidelines requiring 100% provision over a five-

year period. Loss assets and the unsecured portion of doubtful assets are fully provided for or written off. Additional provisions are made against specific non-performing assets if considered necessary by the management. We make specific provisions/ write-offs for retail non-performing loans in accordance with the Reserve Bank of India guidelines and currently make additional floating provisions for retail non-performing loans such that all retail non-performing loans (other than home loans) are fully written-off or provided for over a period of 180 days and non-performing home loans are fully written-off or provided for over a period of two years. Non-performing assets acquired from ICICI in the amalgamation were fair valued and additional provisions were recorded to reflect the fair valuation. We do not distinguish between provisions and write-offs while assessing the adequacy of our loan loss coverage, as both provisions and write-offs represent a reduction of the principal amount of a non-performing asset. In compliance with regulations governing the presentation of financial information by banks, we report non-performing assets net of cumulative write-offs in our financial statements.

For restructured loans, provisions are made in accordance with the guidelines issued by the Reserve Bank of India, which require that the difference between the present values of the future interest as per the original loan agreement and the present values of future interest on the basis of rescheduled terms be provided at the time of restructuring.

The following table sets forth, at the dates indicated, data regarding the classification of our gross assets (net of write-offs and unpaid interest on non-performing assets).

(in billions, except percentages)

	At March 31,										At September 30,	
	2001		2002		2003		2004		2005		2005[1]	
Standard	Rs. 106.48	96.3%	Rs. 551.98	91.2%	Rs. 630.50	91.5%	Rs. 705.98	94.6%	Rs. 964.08	96.6%	Rs.1,107.85	97.8%
of which:												
Restructured loans.	0.00	0.0	50.43	8.3	92.87	13.4	75.45	10.1	65.62	6.6	59.79	5.3
Non- performing assets.	4.03	3.7	53.25	8.8	58.39	8.5	40.14	5.4	34.37	3.4	25.27	2.2
of which:												
Sub-standard	2.51	2.3	19.08	3.2	18.69	2.7	14.93	2.0	10.20	1.0	9.48	0.8
Doubtful assets	1.47	1.3	34.11	5.6	39.40	5.7	24.87	3.3	23.68	2.4	15.16	1.3
Loss assets	0.05	0.1	0.06	0.0	0.30	0.1	0.34	0.1	0.49	0.0	0.63	0.1
Total loan assets	Rs. 110.51	100.0%	Rs. 605.23	100.0%	Rs. 688.89	100.0%	Rs. 746.12	100.0%	Rs. 998.45	100.0%	Rs. 1,133.12	100.0%

(1) Excludes preference shares

The following table sets forth, at the dates indicated, data regarding our non-performing assets, or NPAs.

(in billions, except percentages)

At	Gross NPA[1][2]	Net NPA	Net customer assets	% of Net NPA to Net customer assets
March 31, 2001[3]	4.03[3]	1.61	108.09	1.49%
March 31, 2002[4]	53.25[4]	27.21	575.26	4.73%
March 31, 2003	58.39	31.51	640.51	4.92%
March 31, 2004	40.14	20.37	710.02	2.87%
March 31, 2005	34.37	19.83	978.94	2.03%
September 30, 2005[5]	25.27	10.80	1,115.14	0.97%

(1) The information at March 31, 2002 and subsequent dates is not comparable with earlier periods due to the amalgamation.
(2) Net of write-offs and interest suspense.
(3) Includes additions of Rs. 2.52 billion to non-performing assets due to merger of Bank of Madura.
(4) Includes additions of Rs. 45.12 billion to non-performing assets due to the amalgamation.
(5) Excludes preference shares

The ratio of net non-performing assets to net customer assets decreased to 0.97% at September 30, 2005 compared to 2.03% at March 31, 2005. At September 30, 2005, the gross non-performing assets (net of write-offs and unpaid interest) were Rs. 25.27 billion compared to Rs. 34.37 billion at March 31, 2005. Including technical write-offs, the gross non-performing assets at September 30, 2005 were Rs. 40.40 billion compared to Rs. 51.40 billion at March 31, 2005. The coverage ratio (i.e. total provisions and technical write-offs made against non-performing assets as a percentage of gross non-performing assets) at September 30, 2005 was 73.3% compared to 61.4% at March 31, 2005.

In 1991, India commenced a programme of industrial liberalisation involving, among other things, the abolition of industrial licensing, reduction in import tariff barriers and greater access for foreign companies to the Indian markets. In the period following the opening up of the economy, a number of Indian companies commenced large projects in expectation of growth in demand in India. These projects generally had relatively high levels of debt relative to equity, given the inadequate depth in the equity capital markets in India at that time. However, the negative trends in the global marketplace in the late 1990s, particularly the South-east Asian economic crisis, a downturn in the commodities markets and recessionary conditions in various economies impaired the operating environment for the Indian industrial sector. The manufacturing sector was also impacted by increased competition arising from economic liberalization in India and volatility in industrial demand and growth. These factors led to stress on the operating performance of Indian corporations in certain sectors and the impairment of a significant amount of assets in the financial system, including assets of ICICI and us. Certain Indian corporations have come to terms with this new competitive reality through a process of restructuring and repositioning, including rationalization of capital structures and production capacities. The increase in commodity prices since fiscal 2003 has had a favorable impact on the operations of corporations in several sectors.

To create an institutional mechanism for the restructuring of corporate debt, the Reserve Bank of India has devised a corporate debt restructuring system. The objective of this framework is to ensure a timely and transparent mechanism for the restructuring of corporate debts of viable entities facing problems. The operation of this system has led to the approval of restructuring programmes for a large number of companies, which led to increase in the level of restructured loans in the Indian financial system, including us. The restructured loans continue to be classified as such until they complete one year of satisfactory performance. Our net restructured standard loans decreased from Rs. 62.63 billion at year-end fiscal 2005 and Rs. 57.13 billion at September 30, 2005.

Sector-wise Analysis of Gross Non-Performing Assets

The following table sets forth, at the dates indicated, the composition of gross non-performing assets by industry sector.

(in billions, except percentages)

	At March 31,				At September 30,	
	2004		2005		2005	
	Amount	%	Amount	%	Amount	%
Chemicals (including fertilisers & pesticides)	Rs. 8.49	20.9%	Rs. 4.02	11.6%	Rs. 3.46	13.6%
Textiles	4.26	10.5	3.24	9.4	3.30	12.9
Agriculture	0.22	0.5	0.27	0.8	0.89	3.5
Services – others	0.83	2.0	0.67	1.9	0.82	3.2
Iron and steel	1.66	4.1	0.67	1.9	0.82	3.2
Electronics	1.02	2.5	1.41	4.1	0.70	2.8
Engineering	2.14	5.3	1.42	4.1	0.63	2.5
Food processing	0.99	2.4	0.72	2.1	0.42	1.6
Cement	1.54	3.8	0.20	0.6	0.24	0.9
Other metal & metal products	1.98	4.9	0.38	1.1	0.23	0.9
Paper and paper products	0.60	1.5	0.35	1.0	0.19	0.8
Automobile (including trucks)	0.69	1.7	0.68	2.0	0.11	0.4
Road/port/railways- Other Infra	-	-	2.14	6.2	-	-
Power	6.20	15.3	7.37	21.3	-	-
Services – finance	0.84	2.1	0.77	2.2	-	-
Other Industries (including retail portfolio)	9.18	22.5	10.30	29.7	13.68	53.7
Total	**Rs. 40.64**	**100.0%**	**Rs. 34.61**	**100.0%**	**Rs. 25.49**	**100.0%**
Interest suspense	(0.50)		(0.24)		(0.22)	
Gross NPAs	Rs. 40.14		Rs. 34.37		Rs. 25.27	

The net non-performing assets in the retail portfolio at September 30, 2005 were 0.56% of net retail assets.

The following table sets forth the 10 largest net non-performing assets at September 30, 2005.

(in billions)

Borrower	Industry Segment	Gross Principal	Net Outstanding[1]
Borrower A	Chemicals (including fertilisers & pesticides)	Rs. 1.85	Rs. 0.49
Borrower B	Services – others	0.56	0.49
Borrower C	Textiles	0.52	0.46
Borrower D	Textiles	0.59	0.41
Borrower E	Textiles	0.39	0.35
Borrower F	Textiles	0.39	0.35
Borrower G	Chemicals (including fertilisers & pesticides)	0.88	0.29
Borrower H	Textiles	0.19	0.17
Borrower I	Textiles	0.18	0.16
Borrower J	Chemicals (including fertilisers & pesticides)	0.20	0.14

(1) Net of cumulative provisions and write-offs.

Competition

We face competition in all our principal areas of business from Indian and foreign commercial banks, housing finance companies, mutual funds and investment banks. We are the largest private sector bank in India and the second largest bank among all banks in the country, in terms of total assets, with total assets of Rs. 1,892.19 billion at September 30, 2005. We seek to gain competitive advantage over our competitors by offering innovative products and services, use of technology, building customer relationships and developing a team of highly motivated and skilled employees. We evaluate our competitive position separately in respect of our products and services for retail and corporate customers.

Retail products and services

In the retail markets, competition is primarily from foreign and Indian commercial banks and housing finance companies. Foreign banks have product and delivery capabilities but are likely to focus on limited customer segments and geographical locations since they have a smaller branch network than Indian commercial banks. Foreign banks in aggregate had only 220 branches in India at year-end fiscal 2005. Indian commercial banks have wide distribution networks but relatively less strong technology and marketing capabilities. We seek to compete in this market through a full product portfolio, effective distribution channels, which include agents, robust credit processes and collection mechanisms, experienced professionals and superior technology.

Commercial banks attract the majority of retail bank deposits, historically the preferred retail savings product in India. We have sought to capitalise on our corporate relationships to gain individual customer accounts through payroll management products and will continue to pursue a multi-channel distribution strategy utilising physical branches, ATMs, telephone banking call centres and the Internet to reach customers. Further, following a strategy focused on customer profiles and product segmentation, we offer differentiated liability products to customers of various ages and income profiles. Mutual funds are another source of competition to us. Mutual funds offer tax advantages and have the capacity to earn competitive returns and hence, have increasingly become a viable alternative to bank deposits.

Corporate products and services

In products and services for corporate customers, we face strong competition primarily from public sector banks, foreign banks and other new private sector banks. Our principal competition in these products and services comes from public sector banks, which have built extensive branch networks that have enabled them to raise low-cost deposits and, as a result, price their loans and fee-based services very competitively. Their wide geographical reach facilitates the delivery of banking products to their corporate customers located in most parts of the country. We have been able, however, to compete effectively because of our efficient service and prompt turnaround times that we believe are significantly faster than public sector banks. We seek to compete with the large branch networks of the public sector banks through our multi-channel distribution approach and technology-driven delivery capabilities.

Traditionally, foreign banks have been active in providing trade finance, fee-based services and other short-term financing products to top tier Indian corporations. We effectively compete with foreign banks in cross-border trade finance as a result of our wider geographical reach relative to foreign banks and our customised trade financing solutions. We have established strong fee-based cash management services and compete with foreign banks due to our technological edge and competitive pricing strategies.

Other new private sector banks also compete in the corporate banking market on the basis of efficiency, service delivery and technology. However, we believe our size, capital base, strong corporate relationships, wider geographical reach and ability to use technology to provide innovative, value-added products and services provide us with a competitive edge.

In project finance, ICICI's primary competitors were established long-term lending institutions. In recent years, Indian and foreign commercial banks have sought to expand their presence in this market. We believe that we have a competitive advantage due to our strong market reputation and expertise in risk evaluation and mitigation. We believe that our in-depth sector specific knowledge and capabilities in understanding risks, policy related issues as well as our advisory, structuring and syndication has allowed us to gain credibility with project sponsors, overseas lenders and policy makers.

Other business areas

Our international strategy is focused on India-linked opportunities in the initial stages. In our international operations, we face competition from Indian public sector banks with overseas operations, foreign banks with products and services targeted at non-resident Indians and Indian businesses and other service providers like remittance services. We are seeking to position ourselves as an Indian bank offering globally-benchmarked products and services with an extensive distribution network in India to gain competitive advantage. We seek to leverage our technology capabilities developed in our domestic businesses to offer convenience and efficient services to our international customers. We also seek to leverage our strong relationships with Indian corporates in our international business.

Our insurance and asset management joint ventures face competition from existing dominant public sector players as well as new private sector players. We believe that the key competitive strength of our insurance joint ventures is the combination of our experience in the Indian financial services industry with the global experience and skills of our joint venture partners. We believe that ICICI Prudential Life Insurance, ICICI Lombard General Insurance and Prudential ICICI Asset Management have built strong product, distribution and risk management capabilities, achieving market leadership positions in their respective businesses. ICICI Prudential Life Insurance had a retail market share of 32% in new business written (excluding group insurance and including 10% of individual single premiums) by private sector life insurance companies during the six-month period ended September 30, 2005. ICICI Lombard General Insurance had a market share of 31% among the private sector general insurance companies during the six-month period ended September 30, 2005. Prudential ICICI Asset Management Company was the largest private sector mutual at September 30, 2005 with a market share of about 11%.

Funding

Our funding operations are designed to ensure stability of funding, minimise funding costs and effectively manage liquidity. Subsequent to the amalgamation, our primary source of funding is deposits raised from both retail and corporate customers. We also raise funds through short-term rupee borrowings and public issuance of bonds. As a financial institution, ICICI was not allowed to raise banking deposits and so its primary sources of funding, prior to the amalgamation, were rupee borrowings from a wide range of institutional investors, and retail bonds. ICICI also obtained funds through foreign currency borrowings from multilateral institutions like the Asian Development Bank and the World Bank, which were guaranteed by the government of India, as well as through commercial foreign currency borrowings. We continue to raise foreign currency commercial borrowings for our operations in India, to the extent permitted under the Reserve Bank of India's regulations, and for our international operations.

The composition of our liabilities has changed significantly pursuant to the amalgamation. Our deposits constituted 63.7% of our total liabilities at September 30, 2005 and 59.5% of our total liabilities at year-end fiscal 2005 and 54.4% at year-end fiscal 2004. Borrowings (including subordinated debt) constituted 22.3% of our total liabilities at September 30, 2005, 24.9% of our total liabilities at year-end fiscal 2005 and 31.8% at year-end fiscal 2004. Our borrowings (including subordinated debt) were Rs. 421.71 billion at September 30, 2005 compared to Rs. 417.53 billion at year-end fiscal 2005 and Rs. 398.46 billion at year-end fiscal 2004. At year-end fiscal 2002, ICICI's borrowings transferred to us pursuant to the amalgamation were Rs. 582.10 billion, which declined to Rs. 193.48 billion at year-end fiscal 2005 and Rs. 154.11 bn at September 30, 2005.

Our deposits were Rs. 1,204.52 billion at September 30, 2005 compared to Rs. 998.19 billion at year-end fiscal 2005 and Rs. 681.09 billion at year-end fiscal 2004. This significant growth in deposits was achieved primarily through increased focus on retail and corporate customers by offering a wide range of products designed to meet varied individual and corporate needs and leveraging on our network of branches, extension counters and ATMs.

The following table sets forth, at the dates indicated, our outstanding deposits and the percentage composition by each category of deposits.

(in billions, except percentages)

	March 31, 2004		March 31, 2005		September 30, 2005	
	Amount	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**
Current account deposits	Rs. 72.59	10.7%	Rs. 128.37	12.9%	Rs. 125.84	10.4%
Savings deposits	83.72	12.3	113.92	11.4	145.32	12.1
Time deposits	524.78	77.0	755.90	75.7	933.36	77.5
Total deposits	**Rs. 681.09**	**100.0%**	**Rs. 998.19**	**100.0%**	**Rs. 1,204.52**	**100.0%**

Time deposits at September 30, 2005 included current and savings account linked deposits of approximately Rs. 133.26 billion which were 11.1% of total deposits. Time deposits at year-end fiscal 2005 included current and savings linked account deposits of approximately Rs. 114.45 billion and at year-end fiscal 2004 included current and savings account linked deposits of approximately Rs. 100.42 billion.

The following table sets forth, for the periods indicated, the average daily balance and average cost of deposits by type of deposit.

(in billions, except percentages)

	Year ended March 31,				Six-month period ended September 30,	
	2004		2005		2005	
	Amount	**Cost[1]**	**Amount**	**Cost**	**Amount**	**Cost**
Interest-bearing deposits:						
Savings deposits	Rs. 52.21	2.6%	Rs. 92.64	2.4%	Rs. 118.78	2.7%
Time deposits	455.64	6.3	557.75	5.4	831.90	5.9
Non-interest-bearing deposits						
Current account deposits	52.11	-	78.51	-	103.62	-
Total deposits	**Rs. 559.96**	**5.4%**	**Rs. 728.90**	**4.5%**	**Rs. 1,054.30**	**5.0%**

(1) Represents interest expense divided by the average balance.

Our average deposits for the six-month period ended September 30, 2005 were Rs. 1,054.30 billion at an average cost of 5.0% compared to average deposits of Rs. 728.90 billion at an average cost of 4.5% for fiscal 2005. Our average time deposits for the six-month period ended September 30, 2005 were Rs. 831.90 billion at an average cost of 5.9% compared to average time deposits of Rs. 557.75 billion at an average cost of 5.4% in fiscal 2005. The average cost of deposits increased primarily due to systemic rise in interest rates in India since the second half of fiscal 2005.

The following table sets forth the maturity profile of deposits by type of deposit at September 30, 2005.

(in billions)

	Up to one year	After one year and within three years	After three years	Total
Interest-bearing deposits:				
Savings deposits	Rs. 7.27	Rs. 138.06	Rs. -	Rs. 145.33
Time deposits	721.86	181.11	30.39	933.36
Non-interest-bearing deposits:				
Current account deposits	13.30	112.53	-	125.83
Total deposits	**Rs. 742.43**	**Rs. 431.71**	**Rs. 30.39**	**Rs. 1,204.52**

The following table sets forth, for the periods indicated, average outstanding rupee borrowings based on quarterly balance sheets and by category of borrowing and the percentage composition by category of borrowing. The average cost (interest expense divided by average of quarterly balances) for each category of borrowings is provided in the footnotes.

(in billions, except percentages)

	Year-ended March 31,[1]				Six month period ended September 30,[2]	
	2004		2005		2005	
	Amount	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**
SLR bonds[3]	Rs. 14.82	4.4%	Rs. 14.82	5.1%	Rs. 14.82	5.5%
Borrowings from Indian Government[4]	5.63	1.7	4.53	1.5	3.62	1.4
Other borrowings[5][6]	318.40	94.0	273.22	93.4	250.23	93.1
Total[6]	**Rs. 338.85**	**100.0%**	**Rs. 292.56**	**100.0%**	**Rs. 268.67**	**100.0%**

(1) For fiscal 2004 and 2005 average balances are the average of quarterly balances outstanding at the end of June, September, December and March.

(2) For six-month period ended September 30, 2005 average balances are the average of quarterly balances outstanding at the end of June and September.

(3) With an average cost of 9.24% in fiscal 2004, 11.39% in fiscal 2004, and 11.66% in the six-month period ended September 30, 2005.

(4) With an average cost of 10.25% in fiscal 2004, 10.64% in fiscal 2005, and 11.35% in the six-month period ended September 30, 2005.

(5) With an average cost of 11.09% in fiscal 2004, 9.86% in fiscal 2005, and 10.30% in the six-month period ended September 30, 2005.

(6) Includes publicly and privately placed bonds, borrowings from institutions and wholesale deposits such as inter-corporate deposits, certificate of deposits and call borrowings. Does not include fixed deposits.

The following table sets forth, for the periods indicated, average outstanding volume of foreign currency borrowings based on quarterly balance sheets by source and the percentage composition by source. The average cost (interest expense divided by average of quarterly balances) for each source of borrowing is provided in the footnotes.

(in billions, except percentages)

	Year-ended March 31,[1]				Six month period ended September 30,[2]	
	2004		2005		2005	
	Amount	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**
Commercial borrowings[3]	Rs. 47.94	65.7%	Rs. 85.78	77.3%	Rs. 131.73	84.7%
Multilateral borrowings[4]	24.99	34.3	25.25	22.7	23.81	15.3
Total	**Rs. 72.93**	**100.0%**	**Rs. 111.03**	**100.0%**	**Rs. 155.54**	**100.0%**

(1) For fiscal 2004 and 2005, the average balances are the average of quarterly balances outstanding at the end of June, September, December and March.

(2) For September 30, 2005 average balances are the average of quarterly balances outstanding at the end of June and September.

(3) With an average cost of 3.02% in fiscal 2004 and 3.46% in fiscal 2005, and 4.14% in the six month period ended September 30, 2005.

(4) With an average cost of 3.04% in fiscal 2004 and 3.20% in fiscal 2005, and 3.81% in the six month period ended September 30, 2005.

At September 30, 2005, our outstanding subordinated debt was Rs. 80.52 billion of which Rs. 54.16 billion is classified as Tier-2 capital in the computation of the capital adequacy ratio. Under the Reserve Bank of India's capital adequacy requirements, we are required to maintain a minimum ratio of capital to risk adjusted assets and off-balance sheet items of 9.0% effective March 31, 2000, at least half of which must be Tier-1 capital. Total subordinated debt classified as Tier-2 capital cannot exceed 50.0% of Tier-1 capital.

The following table sets forth our 25 largest borrowings at September 30, 2005.

Sr. No.	Category[1]	Outstanding balance (Rs. in billion)	Interest Rate (%)	Tenor
1	Borrowing A	13.21	4.75	5 years
2	Borrowing B	13.21	5.00	5 years
3	Borrowing C	11.89	6.90 - 7.25	3 Yrs - 5 Yrs & 4 Months
4	Borrowing D	11.01	4.16	1 year
5	Borrowing E	11.01	3.39	1 year
6	Borrowing F	9.00	5.75	3 years
7	Borrowing G	7.87	6.70 - 6.75	3 Yrs - 7 Yrs
8	Borrowing H	7.83	6.00 - 7.25	5 Yrs - 10 Yrs
9	Borrowing I	6.00	10.00	11 Yrs
10	Borrowing J	5.67	4.0213	18 years 8 months
11	Borrowing K	5.38	5.50	3 Yrs - 5 Yrs
12	Borrowing L	5.34	6.00 - 7.25	5 Yrs - 10 Yrs
13	Borrowing M	5.13	7.55	10 years
14	Borrowing N	5.09	6.70 - 6.75	3 Yrs - 7 Yrs
15	Borrowing O	5.00	5.60 - 5.75	3 Yrs - 7 Yrs
16	Borrowing P	4.60	6.45	3 years
17	Borrowing Q	4.40	5.34	5 years
18	Borrowing R	4.00	6.40	7 months
19	Borrowing S	4.00	11.90	5 Yrs & 1 month
20	Borrowing T	4.00	10.00	11 Yrs
21	Borrrowing U	3.53	5.75 - 6.00	3 Yrs - 7 Yrs
22	Borrowing V	3.30	4.32	5 years
23	Borrowing W	3.27	5.80 - 7.25	5 Yrs - 10 Yrs
24	Borrowing X	3.08	4.10	3 years
25	Borrowing Y	3.06	4.46	22 years 9 months
	Total	**159.87**		

[1] Any tranche of a public issue or a private placement of bonds is as considered a single borrowing.

The 25 largest borrowings at September 30, 2005 constituted 37.9% of our total borrowings and unsecured redeemable debentures and bonds (including subordinated debt) at that date.

Developmental Activities

ICICI had sought to broaden the scope of its activities by examining all sectors of the economy and by introducing new concepts, new instruments and, in some cases, new institutions in response to perceived needs. In this regard, ICICI's developmental activities encompassed such diverse areas as technology financing, science parks, rural development, vocational training and skill development for handicapped, education of the underprivileged and health care for the weaker sections of society. ICICI had also been a pioneer in setting up specialised institutions in certain key sectors, singly or jointly with other institutions, banks and governments, including Housing Development Finance

Corporation Limited, National Stock Exchange, The Credit Rating Information Services of India Limited and the OTC Exchange of India. We have, along with other institutions, set up the National Commodities & Derivatives Exchange Limited which has received accreditation from the Forward Markets Commission, the regulator for commodity exchanges, and is a national level commodity exchange. Further, following the enactment of the Securitisation Act, which has created a facilitative environment for resolution of distressed debt in India, we have, together with other institutions, set up the Asset Reconstruction Company (India) Limited, which has been registered with the RBI as an asset reconstruction company. We have also invested in the Credit Information Bureau of India Limited which is the first national credit bureau in India. While we have varying levels of shareholding in the above mentioned entities, organisations and institutions, ranging from no equity holding to up to 30.0% equity holding, on account of our being a banking company and the development role played in establishment or setting up of such entities, organisations and institutions, we are not promoters or sponsors of such entities, organisations and institutions.

Risk Management

As a financial intermediary, we are exposed to risks that are particular to our lending, transaction banking and trading businesses and the environment within which we operate. Our goal in risk management is to ensure that we understand, measure and monitor the various risks that arise and that the organization adheres strictly to the policies and procedures which are established to address these risks.

We are primarily exposed to credit risk, market risk, liquidity risk, operational risk and legal risk. We have two centralised groups, the Risk Management Group and the Compliance and Audit Group with a mandate to identify, assess and monitor all of our principal risks in accordance with well-defined policies and procedures. The Risk Management Group reports to the Chief Financial Officer and Treasurer and through her to the Deputy Managing Director. The Compliance and Audit Group reports directly to the Deputy Managing Director and to the Managing Director & CEO in respect of internal audit of other groups that report to the Deputy Managing Director. The internal audit function is also responsible to the Audit Committee of our board of directors. Both the groups are independent of the business units and coordinate with representatives of the business units to implement our risk management methodologies. Committees of the board of directors have been constituted to oversee the various risk management activities. The Audit Committee provides direction to and also monitors the quality of the internal audit function. The Risk Committee reviews risk management policies in relation to various risks including portfolio, liquidity, interest rate, investment policies and strategy, and regulatory and compliance issues in relation thereto. The Credit Committee reviews developments in key sectors and our exposure to these sectors as well as to large borrower accounts. The Asset Liability Management Committee is responsible for managing the balance sheet and reviewing the asset-liability position to manage our liquidity and market risk exposure. For a discussion of these and other committees, see “Our Management” on Page 158.

The Risk Management Group is further organised into the Credit Risk Management Group, Market Risk Management Group, Retail Risk Management Group and Risk Analytics Group. The Risk Management Group has a separate team for risk management in respect of small and medium enterprises. The Compliance and Audit Group is further organised into the Compliance and Anti-Money Laundering Group and the Internal Audit Group.

The Risk Management Group is also responsible for assessing risks pertaining to international operations, including review of policies and setting sovereign and counterparty limits.

Credit Risk

Our credit policy is approved by our Board of Directors. In our lending operations, we are principally exposed to credit risk. Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any financial contract with us, principally the failure to make required payments on loans due to us. We currently measure, monitor and manage credit risk for each borrower and also at the portfolio level. We have a structured and standardised credit approval process, which includes a well-established procedure of comprehensive credit appraisal.

Credit Risk Assessment Procedures for Corporate Loans

In order to assess the credit risk associated with any financing proposal, we assess a variety of risks relating to the borrower and the relevant industry. We evaluate borrower risk by considering:

- the financial position of the borrower by analyzing the quality of its financial statements, its past financial performance, its financial flexibility in terms of ability to raise capital and its cash flow adequacy;
- the borrower’s relative market position and operating efficiency; and
- the quality of management by analyzing their track record, payment record and financial conservatism.

We evaluate industry risk by considering:

- certain industry characteristics, such as the importance of the industry to the economy, its growth outlook, cyclicality and government

policies relating to the industry;

- the competitiveness of the industry; and
- certain industry financials, including return on capital employed, operating margins and earnings stability.

After conducting an analysis of a specific borrower's risk, the Credit Risk Management Group assigns a credit rating to the borrower. We have a scale of 10 ratings ranging from AAA to B, an additional default rating of D and short-term ratings from S1 to S8. Credit rating is a critical input for the credit approval process. We determine the desired credit risk spread over our cost of funds by considering the borrower's credit rating and the default pattern corresponding to the credit rating. Every proposal for a financing facility is prepared by the relevant business unit and reviewed by the appropriate industry specialists in the Credit Risk Management Group before being submitted for approval to the appropriate approval authority. The approval process for non-fund facilities is similar to that for fund-based facilities. The credit rating for every borrower is reviewed at least annually and is typically reviewed on a more frequent basis for higher risk credits and large exposures. We also review the ratings of all borrowers in a particular industry upon the occurrence of any significant event impacting that industry.

Working capital loans are generally approved for a period of 12 months. At the end of the 12 month validity period, we review the loan arrangement and the credit rating of the borrower and take a decision on continuation of the arrangement and changes in the loan covenants as may be necessary.

Project Finance Procedures

We have a strong framework for the appraisal and execution of project finance transactions. We believe that this framework creates optimal risk identification, allocation and mitigation, and helps minimise residual risk.

The project finance approval process begins with a detailed evaluation of technical, commercial, financial, marketing and management factors and the sponsor's financial strength and experience. Once this review is completed, an appraisal memorandum is prepared for credit approval purposes. As part of the appraisal process, a risk matrix is generated, which identifies each of the project risks, mitigating factors and residual risks associated with the project. The appraisal memorandum analyses the risk matrix and establishes the viability of the project. Typical risk mitigating factors include the commitment of stand-by funds from the sponsors to meet any cost over-runs and a conservative collateral position. After credit approval, a letter of intent is issued to the borrower, which outlines the principal financial terms of the proposed facility, sponsor obligations, conditions precedent to disbursement, undertakings from and covenants on the borrower. After completion of all formalities by the borrower, a loan agreement is entered into with the borrower.

In addition to the above, in the case of structured project finance in areas such as infrastructure and oil, gas and petrochemicals, as a part of the due diligence process, we appoint consultants, wherever considered necessary, to advise the lenders, including technical advisors, business analysts, legal counsel and insurance consultants. These consultants are typically internationally recognised and experienced in their respective fields. Risk mitigating factors in these financings generally also include creation of debt service reserves and channeling project revenues through a trust and retention account.

Our project finance credits are generally fully secured and have full recourse to the borrower. In most cases, we have a security interest and first lien on all the fixed assets and a second lien on all the current assets of the borrower. Security interests typically include property, plant and equipment as well as other tangible assets of the borrower, both present and future. Typically, it is our practice to lend between 60.0% and 80.0% of the appraised value of these types of collateral securities. Our borrowers are required to maintain comprehensive insurance on their assets where we are recognised as payee in the event of loss. In some cases, we also take additional collateral in the form of corporate or personal guarantees from one or more sponsors of the project and a pledge of the sponsors' equity holding in the project company. In certain industry segments, we also take security interest in relevant project contracts such as concession agreements, off-take agreements and construction contracts as part of the security package. In limited cases, loans are also guaranteed by commercial banks and, in the past, have also been guaranteed by Indian state governments or the Government of India.

It is our current practice to normally disburse funds after the entire project funding is committed and all necessary contractual arrangements have been entered into. Funds are disbursed in tranches to pay for approved project costs as the project progresses. When we appoint technical and market consultants, they are required to monitor the project's progress and certify all disbursements. We also require the borrower to submit periodic reports on project implementation, including orders for machinery and equipment as well as expenses incurred. Project completion is contingent upon satisfactory operation of the project for a certain minimum period and, in certain cases, the establishment of debt service reserves. We continue to monitor the credit exposure until our loans are fully repaid.

Corporate Finance Procedures

As part of the corporate loan approval procedures, we carry out a detailed analysis of funding requirements, including normal capital expenses, long-term working capital requirements and temporary imbalances in liquidity. Our funding of long-term core working capital

requirements is assessed on the basis, among other things, of the borrower's present and proposed level of inventory and receivables. In case of corporate loans for other funding requirements, We undertake a detailed review of those requirements and an analysis of cash flows. A substantial portion of our corporate finance loans are secured by a lien over appropriate assets of the borrower.

The focus of our structured corporate finance products is on cash flow based financing. We have a set of distinct approval procedures to evaluate and mitigate the risks associated with such products. These procedures include:

- carrying out a detailed analysis of cash flows to accurately forecast the amounts that will be paid and the timing of the payments based on an exhaustive analysis of historical data;
- conducting due diligence on the underlying business systems, including a detailed evaluation of the servicing and collection procedures and the underlying contractual arrangements; and
- paying particular attention to the legal, accounting and tax issues that may impact any structure.

Our analysis enables us to identify risks in these transactions. To mitigate risks, we use various credit enhancement techniques, such as over-collateralization, cash collateralization, creation of escrow accounts and debt service reserves and performance guarantees. The residual risk is typically managed by complete or partial recourse to the borrowing company whose credit risk is evaluated as described above. We also have a monitoring framework to enable continuous review of the performance of such transactions.

Working Capital Finance Procedures

We carry out a detailed analysis of our borrowers' working capital requirements. Credit limits are established in accordance with the approval authorization approved by our board of directors. Once credit limits are approved, we calculate the amounts that can be lent on the basis of monthly statements provided by the borrower and the margins stipulated. Quarterly information statements are also obtained from borrowers to monitor the performance on a regular basis where considered appropriate. Monthly cash flow statements are obtained where considered necessary. Any irregularity in the conduct of the account is reported to the appropriate authority on a monthly basis. Credit limits are reviewed on a periodic basis.

Working capital facilities are primarily secured by inventories and receivables. Additionally, in certain cases, these credit facilities are secured by personal guarantees of directors, or subordinated security interests in the tangible assets of the borrower including plant and machinery.

Credit Monitoring Procedures for Corporate Loans

The Credit Middle Office Group monitors compliance with the terms and conditions for credit facilities prior to disbursement. It also reviews the completeness of documentation, creation of security and insurance policies for assets financed. All borrower accounts are reviewed at least once a year. Larger exposures and lower rated-borrowers are reviewed more frequently.

Retail Loan Procedures

Our customers for retail loans are typically middle and high-income, salaried or self-employed individuals, and, in some cases, partnerships and corporations. Except for personal loans and credit cards, we require a contribution from the borrower and our loans are secured by the asset financed.

Our retail credit product operations are sub-divided into various product lines. Each product line is further sub-divided into separate sales and credit groups. The Risk Management Group, which is independent of the business groups, approves all new retail products and product policies and credit approval authorizations. All products and policies require the approval of the Committee of Directors. All credit approval authorizations require the approval of our board of directors.

We use direct marketing associates as well as our own branch network and employees for marketing retail credit products. However, credit approval authority lies only with our credit officers who are distinct from the business teams. The delegation of credit approval authority is linked, among other factors, to the size of the credit and the authority delegated to credit officers varies across different products.

Our credit officers evaluate credit proposals on the basis of the product policy approved by the Committee of Directors and the risk assessment criteria defined by the Risk Management Group. These criteria vary across product segments but typically include factors such as the borrower's income, the loan-to-value ratio, demographic parameters and certain stability factors. In case of credit cards, in order to limit the scope of individual discretion, we have implemented a credit-scoring program that is an automated credit approval system that assigns a credit score to each applicant based on certain demographic attributes like income, educational background and age. The credit score then forms the basis of loan evaluation. External agencies such as field investigation agencies and credit processing agencies are used to facilitate a comprehensive due diligence process including visits to offices and homes in the case of loans to individual borrowers. Before disbursements are made, the credit officer checks a centralised delinquent database and reviews the borrower's profile. We avail

the services of certain private agencies operating in India to check applications before disbursement as a formal national credit bureau has only recently become operational in India. A centralised retail credit team undertakes review and audit of credit quality and processes across each credit approval team.

We have established centralised operations to manage operating risk in the various back office processes of our retail loan business except for a few operations which are decentralised to improve turnaround time for customers.

We have a collections unit structured along various product lines and geographical locations, to manage delinquency levels. The collections unit operates under the guidelines of a standardised recovery process. We also make use of external collection agencies to aid us in collection efforts, including collateral repossession in accounts that are overdue for more than 90 days. External agencies for collections are governed by standardised process guidelines.

A fraud prevention and control department has been set up to manage levels of fraud, primarily through fraud prevention in the form of forensic audits and also through recovery of fraud losses. The fraud control department is aided by specialised agencies involved in verification of income documents. The fraud control department also evaluates the various external agencies involved in the retail finance operations, including direct marketing associates, external verification associates and collection agencies.

Small Enterprises Loan Procedures

The Small and Medium Enterprises Group finances dealers and vendors of companies by implementing structures to enhance the base credit quality of the vendor / dealer, that involve an analysis of the base credit quality of the vendor / dealer pool and an analysis of the linkages that exist between the vendor / dealer and the company.

The group is also involved in financing based on a cluster-based approach, that is, financing of small enterprises that have a homogeneous profile such as apparel manufacturers and manufacturers of pharmaceuticals. The risk assessment of such cluster involves identification of appropriate credit norms for target market, use of scoring models for enterprises that satisfy these norms and applying pre-determined exposure limits to enterprises that are awarded a minimum required score in the scoring model. The assessment also involves setting up of portfolio control norms, individual borrower approval norms and stringent exit triggers to be followed while financing such clusters or communities.

Credit Approval Authorities

Our credit approval authorisation framework is laid down by our Board of Directors. We have established several levels of credit approval authorities for our corporate banking activities - the Credit Committee of the board of directors, the Committee of Directors, the Committee of Executives (Credit) and the Regional Committee (Credit). Retail Credit Forums and Small Enterprise Group Forums have been created for approval of retail loans and credit facilities to small enterprises.

The Credit Committee has the power to approve all financial assistance. Our board of directors has delegated the authority to the Committee of Directors, consisting of our wholetime directors, to the Committee of Executives (Credit), to the Regional Committee (Credit), Retail Credit Forums and Small Enterprise Group Forums, all consisting of our designated executives, and to individual executives in the case of retail and agricultural loans, to approve financial assistance within certain individual and group exposure limits set by our Board of Directors.

The following table sets forth the composition and the approval authority of these committees / forums at July 31, 2005.

Committee / Forum

Composition	Approval Authority	

Credit Committee of the board of directors	Chaired by an independent director and consisting of a majority of independent directors.	• All approvals to borrowers (excluding agriculture sector and small and medium enterprise borrowers) in the following categories:
		  • Borrowers rated below BBB;
		  • New borrowers rated BBB with exposure exceeding Rs. 0.5 billion;
		  • Existing borrowers rated BBB with additional exposure exceeding 10% of the existing exposure or Rs. 0.1 billion, whichever is higher;
		  • New borrowers rated A- and above, with exposure exceeding Rs. 5.0 billion; or
		  • Existing borrowers rated A- and above with existing exposure above Rs. 5.0 billion, where proposed incremental exposure exceeds Rs. 1.0 billion.
		• Credit / investment proposals for subsidiaries / companies using "ICICI" as a part of their name.
		• Proposals exceeding 15% of capital funds for a single borrower (20% in case of infrastructure) and 40% of capital funds for a borrower group (50% in case of infrastructure).
		• Credit / investment proposal relating to a borrower rated A or below which is in default to us for a period in excess of 60 days.
		• Approvals to companies identified by the Credit Committee where the company or the borrower group requires close monitoring.

Committee of Directors (Lending)	Consisting of all five wholetime directors.	• All approvals above the prescribed authority of lower authorities, other than specific categories of proposals that require approval of the Credit Committee. • The Committee of Directors is empowered to approve all program sanctions. Powers to approve individual proposals within the approved program norms has been delegated to certain individuals. These powers can be exercised either singly or jointly by such individuals subject to the limits specified in the credit authorization approved by the board of directors.
Committee of Executives (Credit)	Consisting of designated executives as members or permanent invitees, including representatives of Risk Management Group and Compliance and Audit Group.	• Approval authority linked to the rating of the borrower. Limits range between Rs. 0.2 billion for a BBB rated borrower to Rs. 5.0 billion for a AAA rated borrower. For borrowers in agriculture sector rated BB, limits up to Rs. 0.1 billion can be approved by the Committee of Executives (Credit).
Regional Committee (Credit)	Consisting of designated executives as members or permanent invitees, including representatives of Risk Management Group and Compliance and Audit Group.	• Approval authority linked to the rating of the borrower. Limits range between Rs. 0.3 billion for a A rated borrower to Rs. 3.5 billion for a AAA rated borrower. Approvals to borrowers rated below A can be given only if the borrower is from agriculture sector. For these borrowers with credit rating of BB to A-, limits of Rs. 50 million to Rs. 0.2 billion can be approved by the Regional Committee (Credit).

Small Enterprise Group Forum 1	Consisting of designated executives as members or permanent invitees, including representative of Risk Management Group.	Approval authority up to Rs. 0.2 billion provided the proposal meets the minimum criteria as stipulated by the Committee of Directors.
Small Enterprise Group Forum 2	Consisting of designated executives.	Approval authority up to Rs. 0.1 billion provided the proposal meets the minimum criteria as stipulated by the Committee of Directors.
Small Enterprise Group Forum 3	Consisting of designated executives.	Approval authority up to Rs. 0.1 billion provided the proposal meets all the criteria as stipulated by the Committee of Directors.
Retail Credit Forum 1	Consisting of Executive Director, Head – Retail Products and Distribution Group and Head - Risk Management Group.	Full approval authority for all retail loans. In respect of corporate exposures on retail products, limits up to Rs. 0.5 billion to Rs. 1.0 billion for various products like vehicle loans, consumer durable loans and corporate credit cards.
Retail Credit Forum 2	Consisting of Executive Director and designated executives including representative of Risk Management Group.	Approval authority for all retail credit products with varying limits for each product subject to a maximum of Rs. 0.25 billion.
		In all cases, subject to adherence to limits on ICICI Bank's capital funds[1] imposed by Reserve Bank of India as mentioned above.

(1) Capital funds consist of Tier 1 and Tier 2 capital, as defined in the Reserve Bank of India regulations. See "Regulation and Policies – Reserve Bank of India Regulations – Capital Adequacy Requirements" on page 121.

All new loans must be approved by the above committees / forums in accordance with their respective powers. In respect of retail and agricultural loans, powers have been delegated to individual executives subject to certain criteria and limits. Certain designated executives are also authorised to approve:

- ad-hoc/additional working capital facilities not exceeding the lower of 10.0% of existing approved facilities and Rs. 20 million;
- temporary accommodation facilities not exceeding Rs. 20 million;
- intra-day limits not exceeding Rs.10.0 billion; and
- facilities fully secured by deposits, cash margin, letters of credit of approved banks or approved sovereign debt instruments not exceeding Rs. 5.0 billion.

Market Risk

Market risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The prime source of market risk for us is the interest rate risk we are exposed to as a financial intermediary. In addition to interest rate risk, we are exposed to other elements of market risk such as liquidity or funding risk, price risk on trading portfolios, and exchange rate risk on foreign currency positions.

Market Risk Management Procedures

Our Board of Directors reviews and approves the policies for the management of market risk. The board has delegated the responsibility for market risk management on the banking book to the Asset Liability Management Committee and for the trading book to the Committee of Directors, within the broad parameters laid down by policies approved by the board. The Asset Liability Management Committee is responsible for managing interest rate risk on the banking book and liquidity risks reflected in the balance sheet. The Committee of Directors is responsible for formulating policies and risk controls for the trading book.

The Asset Liability Management Committee is chaired by the Joint Managing Director. The Deputy Managing Director and Executive Directors are the other members of the Committee. The Committee generally meets on a monthly basis and reviews the interest rate and liquidity gap positions on the banking book, formulates a view on interest rates, sets deposit and benchmark lending rates, reviews the business profile and its impact on asset liability management and determines the asset liability management strategy, as deemed fit, in light of the current and expected business environment. The Structural Rate Risk Management Group and Balance Sheet Management Group are responsible for managing interest rate risk and liquidity risk, under the supervision of the Asset Liability Management Committee, on a day to day basis.

The Risk Management Group recommends changes in risk policies and controls and the processes and methodologies for quantifying and assessing market risks. Risk limits including position limits and stop loss limits for the trading book are monitored on a daily basis by the Treasury Middle Office Group and reviewed periodically.

Interest Rate Risk

Since our balance sheet consists predominantly of rupee assets and liabilities, movements in domestic interest rates constitute the main source of interest rate risk. The value of our portfolio of traded and other debt securities is negatively impacted by an increase in interest rates, while our net interest income is generally positively impacted by an increase in interest rates. Exposure to fluctuations in interest rates is measured primarily by way of gap analysis, providing a static view of the maturity and re-pricing characteristics of balance sheet positions. An interest rate gap report is prepared by classifying all assets and liabilities into various time period categories according to contracted maturities or anticipated re-pricing date. The difference in the amount of assets and liabilities maturing or being re-priced in any time period category, would then give an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. We prepare interest rate risk reports on a fortnightly basis. These reports are submitted to the Reserve Bank of India on a monthly basis. Interest rate risk is further monitored through interest rate risk limits approved by the Asset Liability Management Committee.

Our core business is deposit taking and lending in both rupees and foreign currencies, as permitted by the Reserve Bank of India. These activities expose us to interest rate risk. As the rupee market is significantly different from the international currency markets, gap positions in these markets differ significantly.

Our primary source of funding is deposits and to a smaller extent, borrowings. In the rupee market, most of our deposit taking is at fixed rates of interest for fixed periods, except for savings deposits and current deposits, which do not have any specified maturity and can be withdrawn on demand. We usually borrow for a fixed period with a one-time repayment on maturity, with some borrowings having European call/put options, exercisable only on specified dates, attached to them. However, we have a mix of floating and fixed interest rate assets. Our loans generally are repaid more gradually, with principal repayments being made over the life of the loan. Our housing loans at September 30, 2005 were primarily floating rate loans where the rates are reset every quarter. Until December 31, 2003, we followed a four-tier prime rate structure, namely, a short-term prime rate for one-year loans or loans that re-price at the end of one year, a medium-term prime rate for one to three year loans, a long-term prime rate for loans with maturities greater than three years and a prime rate for cash credit products. Effective January 1, 2004, we have moved to a single benchmark prime rate structure for all loans other than specific categories of loans advised by the Indian Banks' Association (which include, among others, loans to individuals for acquiring residential properties, loans for purchase of consumer durables, non-priority sector personal loans and loans to individuals against shares, debentures, bonds and other securities), with lending rates comprising the benchmark prime rate, term premia and transaction-specific credit and other charges. Interest rates on loans outstanding at December 31, 2003 continue to be based on the four-tier prime rate structure. We seek to eliminate interest rate risk on undisbursed commitments by fixing interest rates on rupee loans at the time of loan disbursement.

In contrast to our rupee loans, a large proportion of our foreign currency loans are floating rate loans. These loans are generally funded with floating rate foreign currency funds. Our fixed rate foreign currency loans are generally funded with fixed rate foreign currency funds. We generally convert all our foreign currency borrowings and deposits into floating rate dollar liabilities through the use of interest rate and currency swaps with leading international banks. The foreign currency gaps are generally significantly lower than rupee gaps, representing a considerably lower exposure to fluctuations in foreign currency interest rates.

We use the duration of our Government securities portfolio as a key variable for interest rate risk management. We increase or decrease the duration of government securities portfolio to increase or decrease our interest rate risk exposure. In addition, we also use interest rate derivatives to manage asset and liability positions. We are an active participant in the interest rate swap market and are one of the largest counterparties in India.

The following table sets forth our asset-liability gap position at September 30, 2005.

(in billions)

Maturity buckets	<1 year	1 to 3 years	3 to 5 years	> 5 years	Not sensitive	Total
Inflows						
Loans & advances	Rs. 735.37	Rs. 180.84	Rs. 64.53	Rs. 75.56	Rs. 14.41	Rs. 1,070.71
Investments	149.09	105.23	53.56	156.38	88.90	553.16
Cash/Reserve Bank of India balances	27.92	-	-	-	51.40	79.32
Balances with banks, call and term money[1]	28.50	0.19	-	-	21.87	50.56
Fixed assets[2]	3.17	7.76	6.30	(5.33)	27.71	39.61
Others	19.26	0.00	0.64	0.48	78.44	98.82
Total inflows	**Rs. 963.31**	**Rs. 294.02**	**Rs. 125.03**	**Rs. 227.09**	**Rs. 282.73**	**Rs. 1,892.18**
Outflows						
Capital	Rs. -	Rs. -	Rs. -	Rs. -	Rs. 10.91	Rs. 10.91
Reserves & surplus	-	-	-	-	129.75	129.75
Deposits	950.36	62.15	21.30	8.54	162.17	1,204.52
Borrowings	208.17	61.94	54.14	16.92	0.02	341.19
Others (including subordinated debt)	15.56	14.27	8.79	39.80	127.39	205.81
Total outflows	**Rs. 1,174.09**	**Rs. 138.36**	**Rs. 84.23**	**Rs. 65.26**	**Rs. 430.24**	**Rs. 1,892.18**
Total gap before risk management positions	Rs. (210.78)	Rs. 155.66	Rs. 40.80	Rs. 161.83	Rs. (147.51)	Rs. -
Risk management positions	(7.57)	28.40	(19.23)	(1.60)	-	-
Total gap after risk management positions	(218.35)	184.06	21.57	160.23	(147.51)	-

(1) Includes balances in current accounts with banks, money at call and short notice, term deposits and other placements.

(2) Includes leased assets.

(3) The maturity profile has been computed based on relevant asset-liability management guidelines of the Reserve Bank of India and policies approved by our Asset-Liability Management Committee.

(4) In computing the information of maturity profile, certain estimates and assumptions have been made by us.

Price Risk (Banking Book)

The following table sets forth, using the balance sheet at September 30, 2005 as the base, one possible prediction of the impact of adverse changes in interest rates on net interest income for the year ending September 30, 2006, assuming a parallel shift in the yield curve.

(in billions)

	At Septemebr 30, 2005 Change in interest rate (in basis points)			
	(100)	(50)	50	100
Rupee portfolio	Rs. (0.10)	Rs. (0.05)	Rs. 0.05	Rs. 0.10
Foreign currency portfolio	0.07	0.03	(0.03)	(0.07)
Total	Rs. (0.03)	(0.02)	0.02	0.03

Based on our asset and liability position at September 30, 2005 the sensitivity model shows that net interest income from the banking book for the year ending September 30, 2006 would increase by Rs. 0.03 billion if interest rates increased by 100 basis points. Conversely, the sensitivity model shows that if interest rates decreased by 100 basis points, net interest income for the year ending September 30, 2006 would fall by an equivalent amount of Rs. 0.03 billion.

Sensitivity analysis, which is based upon a static interest rate risk profile of assets and liabilities, is used for risk management purposes only and the model above assumes that during the course of the year no other changes are made in the respective portfolios. Actual changes in net interest income will vary from the model.

Price Risk (Trading book)

The following tables sets forth, using the fixed income portfolio at September 30, 2005 as the base, one possible prediction of the impact of changes in interest rates on the value of our rupee fixed income trading portfolio the year ending September 30, 2006, assuming a parallel shift in the yield curve.

(in billions)

	At Septemebr 30, 2005 Change in interest rate (in basis points)				
	Porfolio Size	**(100)**	**(50)**	**50**	**100**
Government of India securities[1]	7.12	0.54	0.27	(0.27)	(0.54)

(1) Excludes Government Securities in Liquidity Adjustment Facility with RBI amounting to Rs. 29.50 billion.

At September 30, 2005, the total value of our rupee fixed income trading portfolio was Rs. 7.12 billion. The sensitivity model shows that if interest rates increase by 100 basis, the value of the trading portfolio would fall by Rs. 0.54 billion. Conversely, if interest rates fell by 100 basis points, under the model, the value of this portfolio would rise by Rs. 0.54 billion.

As noted above, sensitivity analysis is used for risk management purposes only and the model used above assumes that during the course of the year no other changes are made in the respective portfolios. Actual changes in the value of the fixed income portfolio will vary from the model above.

We revalue our trading portfolio on a daily basis and recognise aggregate re-valuation losses in our profit and loss account. The asset liability management policy stipulates an interest rate risk limit which seeks to cap the risk on account of the mark-to-market impact on the mark-to-market book and the earnings at risk on the banking book, based on a sensitivity analysis of a 100 basis points parallel and immediate shift in interest rates.

In addition, the Risk Management Group stipulates risk limits including position limits and stop loss limits for the trading book. These limits are monitored on a daily basis and reviewed periodically. In addition to risk limits, we also have risk monitoring tools such as Value-at-Risk models for measuring market risk in our trading portfolio.

Our available for sale investments included Rs. 56.44 billion of government of India securities held for compliance with the liquidity ratio requirements. These are not included in the trading book analysis presented above.

The following table sets forth, for the period indicated, our fixed and floating rate assets and liabilities:

(in billions)

At September 30, 2005	**Fixed**	**Floating**	**Total**
Deposits and borrowings (including subordinated debt)	Rs. 1,554.27	Rs. 71.67	Rs. 1,625.94
Advances and investments	1,076.64	547.24	1,623.88

Equity Risk

We assume equity risk both as part of our investment book and our trading book. On the investment book, investments in equity shares and preference shares are essentially long-term in nature. Nearly all the investment in equity securities have been driven by our project financing activities. The decision to invest in equity shares during project financing activities has been a conscious decision to participate in the equity of the company with the intention of realizing capital gains arising from the expected increases in market prices, and is separate from the lending decision.

Exchange Rate Risk

We offer foreign currency hedge instruments like swaps, forwards, and currency options to clients, which are primarily banks and highly rated corporate customers. We actively use cross currency swaps, forwards, and options to hedge against exchange risks arising out of these transactions. Trading activities in the foreign currency markets expose us to exchange rate risks. This risk is mitigated by setting counterparty limits, stipulating daily and cumulative stop-loss limits, and engaging in exception reporting.

The Reserve Bank of India has authorised the dealing of foreign currency-rupee options by banks for hedging foreign currency exposures including hedging of balance sheet exposures. We have been offering such products to corporate clients and other inter-bank counterparties and are one of the largest participants in the currency options market accounting for a significant share of daily trading volume. All the options are maintained within the specified limits.

In addition, foreign currency loans are made on terms that are similar to foreign currency borrowings, thereby transferring the foreign exchange risk to the borrower. Foreign currency cash balances are generally maintained abroad in currencies matching with the underlying borrowings. In addition, there is an open foreign exchange position limit to minimise exchange rate risk.

Liquidity Risk

Liquidity risk arises in the funding of lending, trading and investment activities and in the management of trading positions. It includes both the risk of unexpected increases in the cost of funding an asset portfolio at appropriate maturities and the risk of being unable to liquidate a position in a timely manner at a reasonable price. The goal of liquidity management is to be able, even under adverse conditions, to meet all liability repayments on time and fund all investment opportunities.

We maintain diverse sources of liquidity to facilitate flexibility in meeting funding requirements. Incremental operations are principally funded by accepting deposits from retail and corporate depositors. The deposits are augmented by borrowings in the short-term inter-bank market and through the issuance of bonds. Loan maturities and sale of investments also provide liquidity. Most of the funds raised are used to extend loans or purchase securities. Generally, deposits are of a shorter average maturity than loans or investments.

Most of our incremental funding requirements, including replacement of maturing liabilities of ICICI which generally had longer maturities, are met through short-term funding sources, primarily in the form of deposits including inter-bank deposits. However, a large portion of our assets, primarily the assets of ICICI and our home loan portfolio, have medium or long-term maturities, creating a potential for funding mismatches. We actively monitor our liquidity position and attempt to maintain adequate liquidity at all times to meet all requirements of all depositors and bondholders, while also meeting the requirement of lending groups. From time to time, we may buy back some of our outstanding bonds at our discretion in the open market or in privately negotiated transactions depending on market conditions, interest rates and other factors. We seek to establish a continuous information flow and an active dialogue between the funding and borrowing divisions of the organization to enable optimal liquidity management. A separate group is responsible for liquidity management.

Another source of liquidity risk is the put options written by us on the loans that we have securitised. These options are binding on us and require us to purchase, upon request of the holders, securities issued in such securitisation transactions. The options seek to provide liquidity to the security holders. If exercised, we will be obligated to purchase the securities at the pre-determined exercise price.

Under the Reserve Bank of India's statutory liquidity ratio requirement, we are required to maintain 25.0% of our total demand and time liabilities by way of approved securities, such as Government of India securities and state government securities. We maintain the statutory liquidity ratio through a portfolio of Government of India securities that we actively manage to optimise the yield and benefit from price movements. Under the Reserve Bank of India's cash reserve ratio requirements, we are currently required to maintain 5.0% of our demand and time liabilities in a current account with the Reserve Bank of India.

We also have recourse to the liquidity adjustment facility and the refinance window, which are short-term funding arrangements provided by the Reserve Bank of India. We maintain a substantial portfolio of liquid high quality securities that may be sold on an immediate basis to meet our liquidity needs.

We also have the option of managing liquidity by borrowing in the inter-bank market on a short-term basis. The overnight market which is a significant part of the inter-bank market, is susceptible to volatile interest rates. These interest rates on certain occasions, have touched historical highs of 100.0% and above. To curtail reliance on such volatile funding, our liquidity management policy has stipulated daily limits for borrowing and lending in this market. The limit on daily borrowing is more stringent than the limit set by the Reserve Bank of India. ICICI Securities, like us, relies for a certain proportion of its funding on the inter-bank market for overnight money and is therefore also exposed to similar risk of volatile interest rates.

We are required to submit gap analysis on a monthly basis to the Reserve Bank of India. Pursuant to the Reserve Bank of India guidelines, the liquidity gap (if negative) must not exceed 20.0% of outflows in the 1-14 day and the 15-28 day time category. We prepare fortnightly maturity gap analysis to review our liquidity position. Static gap analysis is also supplemented by a dynamic analysis for the short-term, to enable the liability raising units to have a fair estimate of the short-term funding requirements. In addition, we also monitor certain liquidity ratios on a fortnightly basis.

Our bonds are rated AAA by two Indian credit rating agencies, ICRA Limited and Credit Analysis & Research Limited. Our term deposits are rated AAA by ICRA Limited. Our long-term foreign currency borrowings are rated Baa3 by Moody's Investors Service and BB+ by Standard and Poor's. Our short-term foreign currency ratings are Ba2/ Not Prime by Moody's Investors Service and B by Standard and

Poor's. The outlook from Standard and Poor is stable. Moody's has a positive outlook on our Baa3 foreign currency senior debt rating, a stable outlook on our Baa3 subordinated debt rating and also a stable outlook on our Ba2 ratings on foreign currency deposits. Any downgrade in these credit ratings, or any adverse change in these ratings relative to other banks and financial intermediaries, could adversely impact our ability to raise resources to meet our funding requirements, which in turn could adversely impact our liquidity position.

In April 2003, unsubstantiated rumours, believed to have originated in Gujarat, alleged that we were facing liquidity problems, although our liquidity position was sound. We witnessed higher than normal deposit withdrawals during the period April 11 to 13, 2003, on account of these unsubstantiated rumours. We successfully controlled the situation, but if such situations were to arise in the future, any failure to control such situations could result in large deposit withdrawals, which would adversely impact our liquidity position.

Operational Risk

We are exposed to many types of operational risk. Operational risk can result from a variety of factors, including failure to obtain proper internal authorizations, improperly documented transactions, failure of operational and information security procedures, computer systems, software or equipment, fraud, inadequate training and employee errors. We attempt to mitigate operational risk by maintaining a comprehensive system of internal controls, establishing systems and procedures to monitor transactions, maintaining key back–up procedures and undertaking regular contingency planning.

Operational Controls and Procedures in Branches

We have operating manuals detailing the procedures for the processing of various banking transactions and the operation of the application software. Amendments to these manuals are implemented through circulars sent to all offices.

We have a scheme of delegation of financial powers that sets out the monetary limit for each employee with respect to the processing of transactions in a customer's account. Withdrawals from customer accounts are controlled by dual authorization. Senior officers have been delegated power to authorise larger withdrawals. Our operating system validates the check number and balance before permitting withdrawals. Cash transactions over Rs. 1 million are subject to special scrutiny to avoid money laundering. Our banking software has multiple security features to protect the integrity of applications and data.

Operational Controls and Procedures for Internet Banking

In order to open an Internet banking account, the customer must provide us with documentation to prove the customer's identity, such as a copy of the customer's passport, a photograph and specimen signature of the customer. After verification of this documentation, we open the Internet banking account and issue the customer a user ID and password to access his account online.

Operational Controls and Procedures in Regional Processing Centers & Central Processing Centers

To improve customer service at our physical locations, we handle transaction processing centrally by taking away such operations from branches. We have centralised operations at regional processing centers located at 15 cities in the country. These regional processing centers process clearing checks and inter-branch transactions, make inter-city check collections, and engage in back-office activities for account opening, standing instructions and auto-renewal of deposits.

In Mumbai, we have centralised transaction processing on a nation-wide basis for transactions like the issue of ATM cards and PIN mailers, reconciliation of ATM transactions, monitoring of ATM functioning, issue of passwords to Internet banking customers, depositing postdated checks received from retail loan customers and credit card transaction processing. Centralised processing has been extended to the issuance of personalised check books, back-office activities of non-resident Indian accounts, opening of new bank accounts for customers who seek web brokering services and recovery of service charges for accounts for holding shares in book-entry form.

Operational Controls and Procedures in Treasury

We use technology to monitor risk limits and exposures. Our front office, back office and accounting and reconciliation functions are fully segregated in both the domestic treasury and foreign exchange treasury. The respective middle offices use various risk monitoring tools such as counterparty limits, position limits, exposure limits and individual dealer limits. Procedures for reporting breaches in limits are also in place.

Our front office treasury operations for rupee transactions consist of operations in fixed income securities, equity securities and inter-bank money markets. Our dealers analyse the market conditions and take views on price movements. Thereafter, they strike deals in conformity with various limits relating to counterparties, securities and brokers. The deals are then forwarded to the back office for settlement.

Trade strategies are discussed frequently and decisions are taken based on market forecasts, information and liquidity considerations. Trading operations are conducted in conformity with the code of conduct prescribed by internal and regulatory guidelines.

The Treasury Middle Office Group monitors counterparty limits, evaluates the mark-to-market impact on various positions taken by dealers and monitors market risk exposure of the investment portfolio and adherence to various market risk limits.

Our back office undertakes the settlement of funds and securities. The back office has procedures and controls for minimizing operational risks, including procedures with respect to deal confirmations with counterparties, verifying the authenticity of counterparty checks and securities, ensuring receipt of contract notes from brokers, monitoring receipt of interest and principal amounts on due dates, ensuring transfer of title in the case of purchases of securities, reconciling actual security holdings with the holdings pursuant to the records and reports any irregularity or shortcoming observed.

Anti-money Laundering Controls

The Indian Parliament passed the Prevention of Money Laundering Act in 2002. Effective July 1, 2005, the provisions of this Act (as subsequently amended) have come into force. The Reserve Bank of India issued detailed guidelines to the banks on Know Your Customer and Anti-Money Laundering in November 2004 which superseded their prior instructions and were based on the recommendations of the Financial Action Task Force and the paper issued on Customer Due Diligence for banks by the Basel Committee on Banking Supervision. Banks are required to comply with these Reserve Bank of India guidelines by December 31, 2005.

Our board of directors approved a group anti-money laundering policy in January 2004, which established the standards of anti-money laundering compliance. The group anti-money laundering policy was revised in December 2004 in view of the requirements of the November 2004 Reserve Bank of India guidelines. The group anti-money laundering policy is applicable to all our activities. The anti-money laundering regulatory requirements for overseas units are required to be provided separately. Our anti-money laundering standards are primarily based on two pillars, namely, know your customer and monitoring/reporting of suspicious transactions. The group anti-money laundering policy specifies a risk-based approach in implementing the anti-money laundering framework. The strategic business units are required to undertake risk profiling of various customer segments and products, and classify them into high, medium and low-risk categories. The anti-money laundering framework seeks to institute a process of customer identification and verification depending on the nature or status of the customer and the type of transaction. In respect of unusual or suspicious transactions or when the customer moves from a low-risk to high-risk profile, appropriate enhanced due-diligence measures are required to be adopted. The policy also requires that reports of suspicious transactions be submitted to the regulatory and law enforcement authorities. The Audit Committee of our board of directors supervises the implementation of the anti-money laundering framework. A money laundering reporting officer has been designated to monitor the day-to-day implementation of the anti-money laundering policy and procedures. Our committee of directors has also approved a customer acceptance policy, product and customer-specific Know Your Customer procedures and appropriate transaction monitoring procedures. Suitable training programs on awareness of anti-money laundering are organised for the employees on a periodic basis.

Global risk management framework

We have adopted a global risk management framework for our international banking operations, including overseas branches, offshore banking units and subsidiaries. Under this framework, our credit, investment, asset liability management and anti-money laundering policies apply to all our overseas branches and offshore banking units, with modifications to meet local regulatory or business requirements. These modifications may be made only with the approval of our board of directors. All overseas banking subsidiaries are required to adopt risk management policy frameworks to be approved by their board of directors or an appropriate committee of their board of directors, based on applicable laws and regulations as well as our corporate governance and risk management framework. The overseas banking subsidiaries are required to adopt a process for formulation of policies which involves seeking the guidance and recommendations of the related groups in ICICI Bank.

The Compliance and Audit Group plays an oversight role in respect of regulatory compliance. Key risk indicators pertaining to our international banking operations are presented to the Risk Committee of our board of directors on a quarterly basis.

Audit

The Internal Audit Group, which is part of the Compliance and Audit Group, undertakes a comprehensive audit of all business groups and other functions, in accordance with a risk-based audit plan. This plan allocates audit resources based on an assessment of the operational risks in the various businesses. The audit plan for every fiscal year is approved by the Audit Committee of our board of directors.

The Internal Audit Group also has a dedicated team responsible for information technology security audits. The annual audit plan covers various components of information technology including applications, databases, networks and operating systems.

The Reserve Bank of India requires banks to have a process of concurrent audits at branches handling large volumes, to cover a minimum of 50.0% of business volumes. ICICI Bank has a process of concurrent audits, using external accounting firms. Concurrent audits are also carried out at centralised and regional processing centers operations to ensure existence of and adherence to internal controls.

The Internal Audit Group has formed a separate International Banking Audit Group for audit of international branches, representative offices and subsidiaries.

Legal Risk

The uncertainty of the enforceability of the obligations of our customers and counter-parties, including the foreclosure on collateral, creates legal risk. Changes in laws and regulations could adversely affect us. Legal risk is higher in new areas of business where the law is often untested by the courts. We seek to minimise legal risk by using stringent legal documentation, employing procedures designed to ensure that transactions are properly authorised and consulting internal and external legal advisors.

Derivative Instruments Risk

We enter into interest rate and currency derivative transactions primarily for the purpose of hedging interest rate and foreign exchange mismatches and also engage in trading of derivative instruments on our own account. We provide derivative services to selected major corporate customers and other domestic and international financial institutions, including foreign currency forward transactions and foreign currency and interest rate swaps. Our derivative transactions are subject to counterparty risk to the extent particular obligors are unable to make payment on contracts when due.

Risk management in key subsidiaries

ICICI Securities provides investment banking services, including corporate advisory, fixed income and equity services, to corporate customers. All investment banking mandates, including underwriting commitments, are approved by the Commitments Committee comprising the Managing Director and CEO and relevant group heads, of ICICI Securities. ICICI Securities is a primary dealer and has government of India securities as a significant proportion of its portfolio. It has a corporate risk management group for managing principally the credit and market risks arising out of the various activities of the company.

ICICI Prudential Life Insurance is exposed to business risks arising out of the nature of products and underwriting, and market risk arising out of the investments made out of the corpus of premiums collected and the returns guaranteed to policyholders. ICICI Prudential Life Insurance believes it has a well-developed framework for assessing and managing these risks. We believe it has the largest team of underwriters among private sector insurance companies in India. The key risks and the risk management framework are periodically reviewed by the Risk Management and Audit Committee of its board of directors. The Investment Committee oversees investment-related risk management by approving and reviewing the implementation of the investment policy within the norms stipulated by the Insurance Regulatory and Development Authority. ICICI Prudential Life Insurance has an asset-liability management framework for its investment related risks. At September 30, 2005, linked insurance plans were 77% of the portfolio. These are exposed to low market risk for ICICI Prudential Life Insurance as the returns are linked to the value of underlying investments. In order to manage the interest rate risk on the non-linked portfolio, ICICI Prudential Life Insurance has hedged the single premium non-participating portfolio by duration matching, re-balanced at monthly intervals. For the participating portfolio, ICICI Prudential Life Insurance has adopted an asset allocation strategy which includes investments in equities. The equity portfolio is benchmarked to a stock market index. ICICI Prudential Life Insurance follows a disciplined approach to portfolio construction to manage the volatility of equity investments and achieve superior equity asset class returns over the long term. The portfolio largely comprises index stocks and is constructed with small limits for sector and stock deviation vis-à-vis index stock weighs. In addition, there are limits on exposures to companies, groups and industries.

ICICI Lombard General Insurance is principally exposed to risks arising out of the nature of business underwritten and credit risk on its investment portfolio. In respect of business risk, ICICI Lombard General Insurance seeks to diversify its insurance portfolio across industry sectors and geographical regions. It focuses on product segments that have historically experienced low loss ratios. It also has the ability to reduce the risk retained on its own balance sheet by re-insuring a part of the risks underwritten. Its investments are governed by the investment policy approved by its board of directors within the norms stipulated by the Insurance Regulatory and Development Authority. The Investment Committee oversees the implementation of this policy and reviews it periodically. Exposure to any single entity is normally restricted to 5.0% of the portfolio and to any industry to 10.0% of the portfolio. Investments in debt instruments are generally restricted to instruments with a domestic credit rating of AA or higher.

Technology

We continue to endeavor to be at the forefront of usage of technology in the financial services sector. We strive to use information technology as a strategic tool for our business operations, to gain a competitive advantage and to improve our overall productivity and efficiency. Our technology initiatives are aimed at enhancing value, offering customers enhanced convenience and improved service while optimizing costs. Our focus on technology emphasises:

- Electronic and online channels to:
  - offer easy access to our products and services;
  - reduce distribution and transaction costs;
  - reach new target customers;
  - enhance existing customer relationships; and
  - reduce time to market.
- Application of information systems to:
  - manage our large scale of operations efficiently;
  - effectively market to our target customers;
  - monitor and control risks;
  - identify, assess and capitalise on market opportunities; and
  - assist in offering improved products to customers.

We also seek to leverage our domestic technology capabilities in our international operations.

Technology Organization

While we have dedicated technology groups for our products and services for retail and corporate customers, our enterprise-wide technology initiatives are coordinated by the Technology Management Group. The retail and corporate technology groups review the individual requirements of the various business groups while the technology management group aggregates the requirements of various business groups to ensure enterprise-wide consistency.

Banking Application Software

We use a banking application software that is flexible and scaleable and allows us to effectively and efficiently serve our growing customer base. Our upgraded core banking software is enabled with multi-currency features. A central stand-in server provides services all days of the week, throughout the year, to delivery channels. The server stores the latest customer account balances, which are continuously streamed from the core-banking database. We have a data center in Mumbai for centralised data base management, data storage and retrieval.

Electronic and Online Channels

We use a combination of physical and electronic delivery channels to maximise customer choice and convenience, which has helped the differentiation of our products in the marketplace. Our branch banking software is flexible and scaleable and integrates well with its electronic delivery channels. Our ATMs are sourced from some of the world's leading vendors. These ATMs work with the branch banking software. At September 30, 2005 we had 2,030 ATMs across India. We were one of the first banks to offer online banking facilities to our customers. We now offer a number of online banking services to our customers for both corporate and retail products and services. Our telephone banking call centers employ approximately 3,034 phone banking officers, across two locations, at Mumbai and Hyderabad, which are operational round the clock. These telephone banking call centers use an Interactive Voice Response System. The call centers are based on the latest technology and provide an integrated customer database that allows the call agents to get a complete overview of the customer's relationship with us. The database enables customer segmentation and assists the call agent in identifying cross-selling opportunities.

We offer mobile banking services in India in line with our strategy to offer multi-channel access to our customers. This service has now been extended to all mobile telephone service providers across India and non-resident Indian customers.

High-Speed Electronic Communications Infrastructure

We have a nationwide data communications network linking all our channels and offices. The network design is based on a mix of dedicated leased lines and satellite links to provide for reach and redundancy, which is imperative in a vast country like India. The communications network is monitored 24 hours a day using advanced network management software. We are moving towards multi protocol label switching (MPLS) as an alternative to lease lines, thus ensuring redundancy.

Operations relating to Commercial Banking for Corporate Customers

We have successfully centralised our corporate banking back office operations and rolled out a business process management solution to automate our activities in the areas of trade services and general banking operations. Through integration of the workflow system with the imaging and document management system, we have achieved substantial savings and practically eliminated the use of paper for these processes.

We have centralised the systems of the treasuries of all our international branches and subsidiaries. As a result, the processing of transactions as well as the applications used for deal entry are now centrally located and maintained out of India.

Customer Relationship Management

We have implemented a customer relationship management solution for automation of customer handling in all key retail products. The solution helps in tracking and timely resolution of various customer queries and issues. The solution has been deployed at the telephone banking call centers as well as a large number of branches.

Data Warehousing and Data Mining

We have a data warehouse for customer data aggregation. This data warehouse also provides a platform for data mining initiatives. We have implemented an Enterprise Application Integration initiative across our retail and corporate products and services, to link various products, delivery and channel systems. This initiative underpins our multi-channel customer service strategy and seeks to deliver customer related information consistently across access points. It is also aimed to provide us with the valuable information to compile a unified customer view and creates various opportunities associated with cross-selling other financial products.

Data center and disaster recovery system

While our primary data center is located in Mumbai, a separate disaster recovery data center has been set up in another city and is connected to the main data center in Mumbai. The disaster recovery data center can host critical banking applications in the event of a disaster at the primary site.

Employees

At September 30, 2005, we had 22,992 employees, of whom 10,360 employees were professionals in business management, accountancy, engineering, law, computer science or economics. Management believes that it has good relationship with its staff.

We rely extensively on our human capital and continue to attract the best graduates from the premier business schools of the country. We dedicate a significant amount of senior management time to ensure that employees remain highly motivated and perceive the organisation as a place where opportunities abound, innovation is fuelled, teamwork is valued and success is rewarded. Employee compensation is clearly tied to performance and we encourage the involvement of all our employees in our overall performance and profitability through profit sharing incentive schemes based largely on the financial results and other quantitative and qualitative factors. A performance management system has been implemented to assist management in career development and succession planning. We have an employee stock option scheme to encourage and retain high performing employees. Up to 5.0% of our equity share capital can be issued as stock options under this scheme. The stock option entitles eligible employees to apply for equity shares. The Board Governance and Remuneration Committee determines the eligibility of each employee based on an evaluation of the employee including employee's work performance, technical knowledge and leadership qualities.

We have a training centre at Khandala, near Mumbai which conducts a series of training programmes designed to meet the changing skill requirements of our employees. These training programmes include orientation sessions for new employees and management development programmes for mid-level and senior executives. The training centre regularly offers courses conducted by faculty, both national and international, drawn from industry, academia and from our own employees. Training programmes are also conducted for developing functional as well as managerial skills. We also depute our employees to various specialised training programmes held in India and abroad.

In July 2003, we offered an Early Retirement Option to our employees. All employees who were 40 years of age and had completed seven years of service with us (including periods of service with Bank of Madura, ICICI, ICICI Personal Financial Services and ICICI Capital Services which were amalgamated with and into us) as of July 31, 2003 were eligible for the Early Retirement Option. Out of approximately 2,350 eligible employees, 1,495 employees exercised the Option. The total cost of the Early Retirement Option including these provisions was Rs. 1.91 billion, which is being amortised over a period of five years in line with the Reserve Bank of India's approval.

Properties

Our registered office is located at Landmark, Race Course Circle, Vadodara 390 007, Gujarat, India. Our corporate headquarters are located at ICICI Bank Towers, Bandra-Kurla Complex, Mumbai 400 051, Maharashtra, India.

We had a principal network consisting of 531 branches, 52 extension counters and 2,030 ATMs at September 30, 2005. These facilities are located throughout India. 40 of these facilities are located on properties owned by us, while the remaining facilities are located on leased properties. In addition to the branches, extension counters and ATMs, We have 18 controlling/administrative offices including the registered office at Vadodara and the corporate headquarters at Mumbai, 22 regional processing centers in various cities and three central processing center at Mumbai. We also have one offshore banking unit each at Mumbai, Singapore, Hong Kong and Bahrain. We have 858 apartments for our employees. We also provide residential and holiday home facilities to employees at subsidised rates.

REGULATIONS AND POLICIES

The main legislation governing commercial banks in India is the Banking Regulation Act. Other important laws include the Reserve Bank of India Act, the Negotiable Instruments Act and the Banker's Books Evidence Act. Additionally, the Reserve Bank of India, from time to time, issues guidelines to be followed by banks. Compliance with all regulatory requirements is evaluated with respect to financial statements under Indian GAAP.

Reserve Bank of India Regulations

Commercial banks in India are required under the Banking Regulation Act to obtain a license from the Reserve Bank of India to carry on banking business in India. Before granting the license, the Reserve Bank of India must be satisfied that certain conditions are complied with, including (i) that the bank has the ability to pay its present and future depositors in full as their claims accrue; (ii) that the affairs of the bank will not be or are not likely to be conducted in a manner detrimental to the interests of present or future depositors; (iii) that the bank has adequate capital and earnings prospects; and (iv) that the public interest will be served if such license is granted to the bank. The Reserve Bank of India can cancel the license if the bank fails to meet the above conditions or if the bank ceases to carry on banking operations in India.

We, being licensed as a banking company, are regulated and supervised by the Reserve Bank of India. The Reserve Bank of India requires us to furnish statements, information and certain details relating to our business. It has issued guidelines for commercial banks on recognition of income, classification of assets, valuation of investments, maintenance of capital adequacy and provisioning for impaired assets. The Reserve Bank of India has set up a Board for Financial Supervision, under the chairmanship of the Governor of the Reserve Bank of India. The appointment of the auditors of banks is subject to the approval of the Reserve Bank of India. The Reserve Bank of India can direct a special audit in the interest of the depositors or in the public interest.

Regulations relating to the Opening of Branches

Section 23 of the Banking Regulation Act provides that banks must obtain the prior approval of the Reserve Bank of India to open new branches. Permission is granted based on factors such as the financial condition and history of the company, its management, adequacy of capital structure and earning prospects and the public interest. The Reserve Bank of India may cancel the license for violations of the conditions under which it was granted. Under the banking license granted to us by the Reserve Bank of India, we are required to have at least 25.0% of our branches located in rural and semi-urban areas. A rural area is defined as a center with a population of less than 10,000. A semi-urban area is defined as a center with a population of greater than 10,000 but less than 100,000. These population figures relate to the 1991 census conducted by the Government of India. In September 2005, the Reserve Bank of India issued a new branch authorization policy in terms of which the existing system of granting authorizations for opening individual branches from time to time will be replaced by a system of aggregated approvals on an annual basis. The Reserve Bank of India will discuss with individual banks their branch expansion strategies and plans over the medium term. The term "branch" for this purpose has been defined to also include extension counters, offsite ATMs, administrative offices and back offices as well as call centers where banking transactions are undertaken. While processing authorization requests, the Reserve Bank of India will give importance to the availability of banking services in under-banked areas, credit flow to the priority sector and efforts to promote financial inclusion, the need to induce enhanced competition in the banking sector, the bank's regulatory compliance, quality of governance, risk management and relationships with subsidiaries and affiliates.

Capital Adequacy Requirements

We are subject to the capital adequacy requirements of the Reserve Bank of India, which, based on the guidelines of the Basel Committee on Banking Regulations and Supervisory Practices, 1998, require ICICI Bank to maintain a minimum ratio of capital to risk adjusted assets and off-balance sheet items of 9.0%, at least half of which must be Tier 1 capital.

The total capital of a banking company is classified into Tier 1 and Tier 2 capital. Tier 1 capital, the core capital, provides the most permanent and readily available support against unexpected losses. It comprises paid-up capital and reserves consisting of any statutory reserves, free reserves and capital reserve pursuant to the Income-tax Act as reduced by equity investments in subsidiaries, intangible assets and losses in the current period and those brought forward from the previous period. In fiscal 2003, the Reserve Bank of India issued a guideline requiring a bank's deferred tax asset to be treated as an intangible asset and deducted from its Tier 1 capital.

Tier 2 capital consists of undisclosed reserves, revaluation reserves (at a discount of 55.0%), general provisions and loss reserves (allowed up to a maximum of 1.25% of risk weighted assets), hybrid debt capital instruments (which combine certain features of both equity and debt securities) and subordinated debt. Any subordinated debt is subject to progressive discounts each year for inclusion in Tier 2 capital and total subordinated debt considered as Tier 2 capital cannot exceed 50.0% of Tier 1 capital. Tier 2 capital cannot exceed Tier 1 capital.

Risk adjusted assets and off-balance sheet items considered for determining the capital adequacy ratio are the risk weighted total of specified funded and non-funded exposures. Degrees of credit risk expressed as percentage weighting have been assigned to various balance sheet asset items and conversion factors to off-balance sheet items. The value of each item is multiplied by the relevant weight or

conversion factor to produce risk-adjusted values of assets and off-balance-sheet items. Standby letters of credit and guarantees are treated as similar to funded exposure and are subject to similar risk weight. All foreign exchange open positions carry a 100.0% risk weight. Capital requirements have also been prescribed for open positions in gold. In December 2004, the Reserve Bank of India increased the risk weights on housing loans from 50.0% to 75.0% and on consumer credit including personal loans and credit card receivables from 100.0% to 125.0% as a temporary counter-cyclical measure given the rapid growth of these segments. In July 2005, the Reserve Bank of India increased the risk weights on capital market exposure and exposure to commercial real estate from 100.0% to 125.0%. In April 2005, the Reserve Bank of India issued draft guidelines on securitization, which if implemented in their present form would require a significantly higher level of capital to be maintained for securitised assets.

Effective March 31, 2001, banks and financial institutions were required to assign a risk weight of 2.5% in respect of the entire investment portfolio to cover market risk, over and above the existing risk weights for credit risk in non-government and non-approved securities. In fiscal 2002, with a view to building up adequate reserves to guard against any possible reversal of the interest rate environment in the future due to unexpected developments, the Reserve Bank of India advised banks to build up an investment fluctuation reserve of a minimum of 5.0% of the bank's investment portfolio within a period of five years, by fiscal 2006. This reserve has to be computed with respect to investments in Held for Trading and Available for Sale categories. Investment fluctuation reserve is included in Tier 2 capital. In June 2004, the Reserve Bank of India issued guidelines on capital for market risk. The guidelines prescribed the method of computation of risk-weighted assets in respect of market risk. The aggregate risk weighted assets are required to be taken into account for determining the capital adequacy ratio. Banks were required to maintain a capital charge for market risk in respect of their trading book exposure (including derivatives) by year-end fiscal 2005 and securities included under available for sale category by year-end fiscal 2006. In October 2005, the Reserve Bank of India has specified that banks that have maintained capital for both credit risk and market risk for both held for trading and available for sale category at year-end fiscal 2006 would be permitted to treat the entire balance in the investment fluctuation reserve as Tier 1 capital.

In February 2005, the Reserve Bank of India issued draft guidelines for the implementation of the revised capital adequacy framework of the Basel Committee. These draft guidelines, which are proposed to be effective from April 1, 2006, specify that all banks in India will adopt the standardised approach for credit risk and the basic indicator approach for operational risk with effect from March 31, 2007. After adequate expertise has been developed, both at the banks and at the supervisory levels, some banks may be allowed to migrate to the internal ratings based approach after obtaining the approval of the Reserve Bank of India. The guidelines also prescribe a 75.0% risk weight for retail credit exposures, differential risk weights for other credit exposures linked to their credit rating, and a capital charge for operational risk based on a factor of 15.0% of the sum of a bank's net interest income and non-interest income (excluding extraordinary income).

Asset Classification and Provisioning

In April 1992, the Reserve Bank of India issued formal guidelines on income recognition, asset classification, provisioning standards and valuation of investments applicable to banks, which are revised from time to time.

The principal features of these Reserve Bank of India guidelines, which have been implemented with respect to our loans, debentures, lease assets, hire purchases and bills are set forth below.

The RBI guidelines stipulate the criteria for determining and classifying a non-performing assets set forth below:

Asset Classification

A non-performing asset is an asset in respect of which any amount of interest or principal is overdue for more than 90 days (180 days until year-end fiscal 2003). In particular, an advance is an impaired asset where:

- interest and/or installment of principal remains overdue for a period of more than 90 days in respect of a term loan;
- the account remains "out-of-order" for a period of more than 90 days in respect of an overdraft or cash credit;
- the bill remains overdue for a period of more than 90 days in case of bills purchased and discounted;
- interest and/or principal remains overdue for two harvest seasons but for a period not exceeding two half years in the case of an advance granted for agricultural purposes; and
- any amount to be received remains overdue for a period of more than 90 days in respect of other accounts.

Interest in respect of non-performing assets is not recognised or credited to the income account unless collected.

Non-performing assets are classified as described below.

Sub-Standard Assets. Assets that are non-performing assets for a period not exceeding 12 months (18 months until year-end fiscal 2004). In such cases, the current net worth of the borrower / guarantor or the current market value of the security charged is not enough to ensure recovery of dues to the banks in full. Such an asset has well-defined credit weaknesses that jeopardise the liquidation of the debt and are characterised by the distinct possibility that the bank will sustain some loss, if deficiencies are not corrected.

Doubtful Assets. Assets that are non-performing assets for more than 12 months (18 months until year-end fiscal 2004). A loan classified as doubtful has all the weaknesses inherent in assets that are classified as sub-standard, with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently known facts, conditions and values, highly questionable and improbable.

Loss Assets. Assets on which losses have been identified by the bank or internal or external auditors or the Reserve Bank of India inspection but the amount has not been written off fully.

There are separate guidelines for projects under implementation which are based on the achievement of financial closure and the date of approval of the project financing.

The Reserve Bank of India also has separate guidelines for restructured loans. A fully secured restructured standard asset can be restructured by reschedulement of principal repayment and/or the interest element, but must be separately disclosed as a restructured asset. The amount of sacrifice, if any, in the element of interest, measured in present value terms, is either written off or provision is made to the extent of the sacrifice involved. Similar guidelines are applicable to sub-standard assets. The sub-standard accounts which have been subjected to restructuring, whether in respect of principal installment or interest amount, by whatever modality, are eligible to be upgraded to the standard category only after the specified period, i.e., a period of one year after the date when first payment of interest or of principal, whichever is earlier, falls due, subject to satisfactory performance during the period.

To put in place an institutional mechanism for the restructuring of corporate debt, the Reserve Bank of India has devised a corporate debt restructuring system. See “The Indian Financial Sector – Recent Structural Reforms — Corporate Debt Restructuring Forum” on page 79.

Provisioning and Write-Offs

Provisions are based on guidelines specific to the classification of the assets. The following guidelines apply to the various asset classifications:

- *Standard Assets.* A general provision of 0.25% is required. In its mid-term review of its annual policy statement for fiscal 2006, the Reserve Bank of India has proposed to increase the general provisioning requirement from 0.25% to 0.40% (excluding direct advances to the agriculture and small and medium enterprise sectors).
- *Sub-Standard Assets.* A general provision of 10.0% of the total outstanding is required to be made. However, unsecured exposures which are identified as sub-standard would attract an additional provision of 10.0%, i.e., a total of 20.0% on the outstanding balance.
- *Doubtful Assets.* A 100.0% write-off is required to be taken against the unsecured portion of the doubtful asset and charged against income. The value assigned to the collateral securing a loan is the amount reflected on the borrower’s books or the realizable value determined by third party appraisers. Until year-end fiscal 2004, in cases where there was a secured portion of the asset, depending upon the period for which the asset remained doubtful, a 20.0% to 50.0% provision was required to be taken against the secured asset as follows:
    - Up to one year: 20.0% provision
    - One to three years: 30.0% provision
    - More than three years: 50.0% provision

In July 2004, the Reserve Bank of India introduced additional provisioning requirements for non-performing assets classified as ‘doubtful for more than three years’. Effective year-end fiscal 2005, 100.0% provision is required for the secured portion of assets classified as doubtful for more than three years on or after April 1, 2004. For the secured portion of assets classified as doubtful for more than three years at year-end fiscal, 2004, a provision of 60.0% is required to be made by year-end fiscal 2005, 75.0% by year-end fiscal 2006 and 100.0% by year-end fiscal 2007.

- *Loss Assets.* The entire asset is required to be written off or provided for, i.e. a 100.0% provision.
- *Restructured Loans.* The amount of sacrifice, if any, in the element of interest, measured in present value terms, is either written off or provision is made to the extent of the sacrifice involved.

Regulations relating to Making Loans

The provisions of the Banking Regulation Act govern the making of loans by banks in India. The Reserve Bank of India issues directions covering the loan activities of banks. Some of the major guidelines of Reserve Bank of India, which are now in effect, are as follows:

- The Reserve Bank of India has prescribed norms for bank lending to non-bank financial companies and financing of public sector disinvestment.
- Banks are free to determine their own lending rates but each bank must declare its prime lending rate as approved by its board of directors. Banks are required to declare a benchmark prime lending rate based on various parameters including cost of funds, operating expenses, capital charge and profit margin. Each bank should also indicate the maximum spread over the prime lending rate for all credit exposures other than retail loans. The interest charged by banks on advances up to Rs. 200,000 to any one entity (other than certain permitted types of loans including loans to individuals for acquiring residential property, loans for purchase of consumer durables and other non-priority sector personal loans) must not exceed the prime lending rate. Banks are also given freedom to lend at a rate below the prime lending rate in respect of creditworthy borrowers and exposures. Interest rates for certain categories of advances are regulated by the Reserve Bank of India.
- In terms of Section 20(1) of the Banking Regulation Act, a bank cannot grant any loans and advances against the security of its own shares, a banking company is prohibited from entering into any commitment for granting any loans or advances to or on behalf of any of its directors, or any firm in which any of its directors is interested as partner, manager, employee or guarantor, or any company (not being a subsidiary of the banking company or a company registered under Section 25 of the Companies Act, 1956, or a government company) of which, or the subsidiary or the holding company of which any of the directors of the bank is a director, managing agent, manager, employee or guarantor or in which he holds substantial interest, or any individual in respect of whom any of its directors is a partner or guarantor. There are certain exemptions in this regard as the explanation to the section provides that 'loans or advances' shall not include any transaction which Reserve Bank of India may specify by general or special order as not being a loan or advance for the purpose of such section.

There are guidelines on loans against equity shares in respect of amount, margin requirement and purpose.

In June 2005, the Reserve Bank of India issued guidelines requiring banks to put in place a policy for exposure to real estate with the approval of their boards. The policy is required to include exposure limits, collaterals to be considered, collateral cover and margins and credit authorization. The Reserve Bank of India has also permitted banks to extend financial assistance to Indian companies for acquisition of equity in overseas joint ventures or wholly owned subsidiaries or in other overseas companies, new or existing, as strategic investment. Banks are not permitted to finance acquisitions by companies in India.

Regulations relating to Sale of Assets to Asset Reconstruction Companies

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (as subsequently amended) provides for sale of financial assets by banks and financial institutions to asset reconstruction companies. The Reserve Bank of India has issued guidelines to banks on the process to be followed for sales of financial assets to asset reconstruction companies. These guidelines provide that a bank may sell financial assets to an asset reconstruction company provided the asset is a non-performing asset. These assets are to be sold on 'without recourse' basis only. A bank may sell a standard asset only if the borrower has a consortium or multiple banking arrangement, at least 75.0% by value of the total loans to the borrower are classified as non-performing and at least 75.0% by value of the banks and financial institutions in the consortium or multiple banking arrangement agree to the sale. The banks selling financial assets should ensure that there is no known liability devolving on them and that they do not assume any operational, legal or any other type of risks relating to the financial assets sold. Further, banks may not sell financial assets at a contingent price with an agreement to bear a part of the shortfall on ultimate realization. However, banks may sell specific financial assets with an agreement to share in any surplus realised by the asset reconstruction company in the future. While each bank is required to make its own assessment of the value offered in the sale before accepting or rejecting an offer for purchase of financial assets by an asset reconstruction company, in consortium or multiple banking arrangements where more than 75.0% by value of the banks or financial institutions accept the offer, the remaining banks or financial institutions are obliged to accept the offer. Consideration for the sale may be in the form of cash, bonds or debentures or security receipts or pass through certificates issued by the asset reconstruction company or trusts set up by it to acquire the financial assets. See also "The Indian Financial Sector – Recent Structural Reforms – Legislative Framework for Recovery of Debts Due to Banks" on page 78.

Guidelines on Sale and Purchase of Non-performing Assets

In July 2005, the Reserve Bank of India issued guidelines on sales and purchases of non-performing assets between banks, financial institutions and non-bank finance companies. These guidelines require that the board of directors of the bank must establish a policy for purchases and sales of non-performing assets. Purchases and sales of non-performing assets must be without recourse to the seller and on a cash basis, with the entire consideration being paid upfront. An asset must have been classified as non-performing for at least two years

by the seller to be eligible for sale. The purchasing bank must hold the non-performing asset on its books for at least 15 months before it can sell the asset to another bank. The asset cannot be sold back to the original seller.

Directed Lending

Priority Sector Lending

The Reserve Bank of India requires commercial banks to lend a certain percentage of their net bank credit to specific sectors (the priority sectors), such as agriculture, small-scale industry, small businesses and housing finance. Total priority sector advances should be 40.0% of net bank credit with agricultural advances required to be 18.0% of net bank credit and advances to weaker sections required to be 10.0% of net bank credit, and 1.0% of the previous year's net bank credit required to be lent under the Differential Rate of Interest scheme. Any shortfall in the amount required to be lent to the priority sectors may be required to be deposited with the National Bank for Agriculture and the Rural Development. These deposits can be for a period of one year or five years.

Prior to the amalgamation, the advances of ICICI were not subject to the requirement applicable to banks in respect of priority sector lending. Pursuant to the terms of the Reserve Bank of India's approval of the amalgamation, we are required to maintain a total of 50.0% of our net bank credit on the residual portion of our advances (i.e., the portion of our total advances excluding advances of ICICI at year-end fiscal 2002) in the form of priority sector advances. This additional requirement of 10.0% by way of priority sector advances will apply until such time as the aggregate priority sector advances reach a level of 40.0% of our total net bank.

Export Credit

The Reserve Bank of India also requires commercial banks to make loans to exporters at concessional rates of interest. This enables exporters to have access to an internationally competitive financing option. Pursuant to existing guidelines, 12.0% of a bank's net bank credit is required to be in the form of export credit. ICICI Bank provides export credit for pre-shipment and post-shipment requirements of exporter borrowers in rupees and foreign currencies.

Credit Exposure Limits

As a prudent measure aimed at better risk management and avoidance of concentration of credit risk, the Reserve Bank of India has prescribed credit exposure limits for banks and long-term lending institutions in respect of their lending to individual borrowers and to all companies in a single group (or sponsor group).

The limits currently set by the Reserve Bank of India are as follows:

- The exposure ceiling for a single borrower is 15.0% of capital funds and group exposure limit is 40.0% of capital funds. In case of financing for infrastructure projects, the exposure limit to a single borrower is extendable by another 5.0%, i.e., up to 20.0% of capital funds and the group exposure limit is extendable by another 10.0%, i.e., up to 50.0% of capital funds. Banks may, in exceptional circumstances, with the approval of their board of directors, consider enhancement of the exposure to a borrower up to a maximum of further 5.0% of capital funds, subject to the borrower consenting to the banks making appropriate disclosures in their annual reports.
- Capital funds is the total capital as defined under capital adequacy norms (Tier 1 and Tier 2 capital).
- Non-fund based exposures are calculated at 100.0% and in addition, banks include forward contracts in foreign exchange and other derivative products, like currency swaps and options, at their replacement cost value in determining individual or group borrower exposure ceilings, effective April 1, 2003.

To ensure that exposures are evenly spread, the Reserve Bank of India requires banks to fix internal limits of exposure to specific sectors. These limits are subject to periodical review by the banks. We have fixed a ceiling of 15.0% on its exposure to any one industry (other than retail loans) and monitors our exposures accordingly.

Regulations relating to Investments and Capital Market Exposure Limits

Pursuant to the Reserve Bank of India guidelines, the exposure of banks to capital markets by way of investments in shares, convertible debentures, units of equity oriented mutual funds and loans to brokers, should not exceed 5.0% of total advances (including commercial paper) at March 31 of the previous fiscal year and investments in shares, convertible debentures and units of equity oriented mutual funds should not exceed 20.0% of the bank's net worth. However the exposure to capital markets in excess of 5.0% is permitted by the Reserve Bank of India on a case by case basis. In its mid-term review of its annual policy statement for fiscal 2006, the Reserve Bank of India has proposed to restrict a bank's capital market exposure 40.0% of its net worth (both standalone and consolidated) and the consolidated direct capital market exposure to 20.0% of the consolidated networth. Pursuant to the terms of the Reserve Bank of India's approval for the amalgamation, ICICI's project finance related investments are excluded from the computation of these limits for a period of five years from

the amalgamation. In addition, the Reserve Bank of India has approved the exclusion of specific equity investments acquired by conversion of debt under restructuring schemes approved by the Corporate Debt Restructuring Forum.

In November 2003, Reserve Bank of India issued guidelines on investments by banks in non-Statutory Liquidity Ratio securities issued by companies, banks, financial institutions, central and state government sponsored institutions and special purpose vehicles. These guidelines apply to primary market subscriptions and secondary market purchases. Pursuant to these guidelines, banks are prohibited from investing in non-Statutory Liquidity Ratio securities with an original maturity of less than one year, other than commercial paper and certificates of deposits. Banks are also prohibited from investing in unrated securities. A bank's investment in unlisted non-Statutory Liquidity Ratio securities may not exceed 10.0% of its total investment in non-Statutory Liquidity Ratio securities as at the end of the preceding fiscal year with a sub-ceiling of 5.0% for investments in bonds of public sector undertakings. These guidelines do not apply to investments in security receipts issued by securitization or reconstruction companies registered with Reserve Bank of India and asset backed securities and mortgage backed securities with a minimum investment grade credit rating. These guidelines were effective April 1, 2004, with provision for compliance in a phased manner by January 1, 2005.

In April 1999, the Reserve Bank of India, in its monetary and credit policy, stated that the investment by a bank in subordinated debt instruments, representing Tier 2 capital, issued by other banks and financial institutions should not exceed 10.0% of the investing bank's capital including Tier 2 capital and free reserves. In July 2004, the Reserve Bank of India imposed a ceiling of 10.0% of capital funds (Tier 1 plus Tier 2 capital) on investments by banks and financial institutions in equity shares, preference shares eligible for capital status, subordinated debt instruments, hybrid debt capital instruments and any other instrument approved as in the nature of capital, issued by other banks and financial institutions. Investments in the instruments which are not deducted from Tier 1 capital of the investing bank or financial institution, are subject to a 100.0% risk weight for credit risk for capital adequacy purposes. The risk weight for credit risk exposure in capital markets has been increased to 125.0% from 100.0% in July 2005. Further, banks and financial institutions cannot acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's or financial institution's holding exceeds 5.0% of the investee bank's equity capital. Banks with investments in excess of the prescribed limits were required to apply to the Reserve Bank of India with a roadmap for reduction of the exposure. We have equity shareholding in excess of the prescribed limits in two Indian private sector banks, Federal Bank Limited and South Indian Bank Limited, and are in dialogue with the Reserve Bank of India for reduction of our shareholding.

Consolidated Supervision Guidelines

In fiscal 2003, the Reserve Bank of India issued guidelines for consolidated accounting and consolidated supervision for banks. These guidelines became effective April 1, 2003. The principal features of these guidelines are:

Consolidated Financial Statements. Banks are required to prepare consolidated financial statements intended for public disclosure.

Consolidated Prudential Returns. Banks are required to submit to the Reserve Bank of India, consolidated prudential returns reporting their compliance with various prudential norms on a consolidated basis, excluding insurance subsidiaries. Compliance on a consolidated basis is required in respect of the following main prudential norms:

- Single borrower exposure limit of 15.0% of capital funds (20.0% of capital funds provided the additional exposure of up to 5.0% is for the purpose of financing infrastructure projects);
- Borrower group exposure limit of 40.0% of capital funds (50.0% of capital funds provided the additional exposure of up to 10.0% is for the purpose of financing infrastructure projects);
- Deduction from Tier 1 capital of the bank, of any shortfall in capital adequacy of a subsidiary for which capital adequacy norms are specified; and
- Consolidated capital market exposure limit of 2.0% of consolidated total assets and 10.0% of consolidated net worth.

We are in compliance with these guidelines, except for the consolidated capital market exposure limits. ICICI Bank has submitted to the Reserve Bank of India that the limit of 2.0% of consolidated total assets and 10.0% of consolidated net worth effectively reduces the standalone capital market exposure limit of 5.0% of advances and 20.0% of net worth. See also "— Credit Exposure Limits" on page 125. In its mid-term review of its annual policy statement for fiscal 2006, the Reserve Bank of India has proposed to restrict a bank's capital market exposure 40.0% of its net worth (both standalone and consolidated) and the consolidated direct capital market exposure to 20.0% of the consolidated networth.

In June 2004, the Reserve Bank of India published the report of a working group on monitoring of financial conglomerates, which proposed the following framework:

- identification of financial conglomerates that would be subjected to focused regulatory oversight;
- monitoring intra-group transactions and exposures and large exposures of the group to outside counter parties;

- identifying a designated entity within each group that would collate data in respect of all other group entities and furnish the same to its regulator; and
- formalising a mechanism for inter-regulatory exchange of information.

The proposed framework covers entities under the jurisdiction of the Reserve Bank of India, the Securities and Exchange Board of India, the Insurance Regulatory and Development Authority and the National Housing Bank and would in due course be extended to entities regulated by the proposed Pension Fund Regulatory and Development Authority. The Reserve Bank of India has identified us and our related entities as a financial conglomerate with us as the designated entity responsible for reporting to the Reserve Bank of India.

Banks' Investment Classification and Valuation Norms

The key features of the Reserve Bank of India guidelines on categorization and valuation of banks' investment portfolio are given below.

- The entire investment portfolio is required to be classified under three categories: (a) held to maturity, (b) held for trading and (c) available for sale. Held to maturity includes securities acquired with the intention of being held up to maturity; held for trading includes securities acquired with the intention of being traded to take advantage of the short-term price/interest rate movements; and available for sale includes securities not included in held to maturity and held for trading. Banks should decide the category of investment at the time of acquisition.
- Held to maturity investments compulsorily include (a) recapitalization bonds, (b) investments in subsidiaries and joint ventures and (c) investments in debentures deemed as advance. Held to maturity investments also include any other investment identified for inclusion in this category subject to the condition that such investments cannot exceed 25.0% of the total investment excluding recapitalization bonds and debentures.
- Profit on the sale of investments in the held to maturity category is appropriated to the capital reserve account after being taken in the income statement. Loss on any sale is recognised in the income statement.
- The market price of the security available from the stock exchange, the price of securities in subsidiary general ledger transactions, the Reserve Bank of India price list or prices declared by Primary Dealers Association of India jointly with the Fixed Income Money Market and Derivatives Association of India serves as the "market value" for investments in available for sale and held for trading securities.
- Investments under the held for trading category should be sold within 90 days; in the event of inability to sell due to adverse factors including tight liquidity, extreme volatility or a unidirectional movement in the market, the unsold securities should be shifted to the available for sale category.
- Profit or loss on the sale of investments in both held for trading and available for sale categories is taken in the income statement.
- Shifting of investments from or to held to maturity may be done with the approval of the board of directors once a year, normally at the beginning of the accounting year; shifting of investments from available for sale to held for trading may be done with the approval of the board of directors, the Asset Liability Management Committee or the Investment Committee; shifting from held for trading to available for sale is generally not permitted.

In September 2004, the Reserve Bank of India announced that it would set up an internal group to review the investment classification guidelines to align them with international practices and the current state of risk management practices in India, taking into account the unique requirement applicable to banks in India of maintenance of a statutory liquidity ratio equal to 25.0% of their demand and time liabilities. In the meanwhile, the Reserve Bank of India has permitted banks to exceed the limit of 25.0% of investments for the held to maturity category provided the excess comprises only statutory liquidity ratio investments and the aggregate of such investments in the held to maturity category do not exceed 25.0% of the demand and time liabilities. The Reserve Bank of India permitted banks to transfer additional securities to the held to maturity category as a one time measure, in addition to the transfer permitted under the earlier guidelines. The transfer has to be done at the lower of acquisition cost, book value or market value on the date of transfer.

Held to maturity securities are not marked to market and are carried at acquisition cost or at an amortised cost if acquired at a premium over the face value.

Available for sale and held for trading securities are valued at market or fair value as at the balance sheet date. Depreciation or appreciation for each basket within the available for sale and held for trading categories is aggregated. Net appreciation in each basket, if any, that is not realised is ignored, while net depreciation is provided for.

Investments in security receipts or pass through certificates issued by asset reconstruction companies or trusts set up by asset reconstruction companies should be valued at the net asset value announced periodically by the asset reconstruction company based on the valuation of the underlying assets.

Limit on Transactions through Individual Brokers

Guidelines issued by the Reserve Bank of India require banks to empanel brokers for transactions in securities. These guidelines also required that a disproportionate part of the bank's business should not be transacted only through one broker or a few brokers. The Reserve Bank of India specifies that not more than 5.0% of the total transactions through empanelled brokers can be transacted through one broker. If for any reason this limit is breached, the Reserve Bank of India has stipulated that the board of directors of the bank concerned should ratify such action.

Prohibition on Short-Selling

The Reserve Bank of India does not permit short selling of securities by banks. The Reserve Bank of India has permitted banks to sell Government of India securities already contracted for purchase provided the purchase contract is confirmed and the contract is guaranteed by Clearing Corporation of India Limited or the security is contracted for purchase from the Reserve Bank of India. Each security is deliverable or receivable on a net basis for a particular settlement cycle.

Subsidiaries and Other Financial Sector Investments

We need the prior permission of the Reserve Bank of India to incorporate a subsidiary. We are required to maintain an "arms' length" relationship with our subsidiaries and with mutual funds sponsored by us in regard to business parameters such as taking undue advantage in borrowing/lending funds, transferring/selling/buying of securities at rates other than market rates, giving special consideration for securities transactions, in supporting/financing the subsidiary and financing our clients through them when we are not able or not permitted to do so ourselves. We have to observe the prudential norms stipulated by the Reserve Bank of India, from time to time, in respect of our underwriting commitments. Pursuant to such prudential norms, our underwriting or the underwriting commitment of our subsidiaries under any single obligation shall not exceed 15.0% of an issue. We also need the prior specific approval of the Reserve Bank of India to participate in the equity of financial services ventures including stock exchanges and depositories notwithstanding the fact that such investments may be within the ceiling (lower of 30.0% of the paid-up capital of the investee company and 30.0% of the investing bank's own paid up capital and reserves) prescribed under Section 19(2) of the Banking Regulation Act. Our investment in a subsidiary, financial services company or financial institution cannot exceed 10.0% of our paid-up capital and reserves and our aggregate investments in all such companies and financial institutions together cannot exceed 20.0% of our paid-up capital and reserves.

Regulations relating to Deposits

The Reserve Bank of India has permitted banks to independently determine rates of interest offered on term deposits. However, banks are not permitted to pay interest on current account deposits. Further, banks may only pay interest of up to 3.5% per annum on savings deposits. In respect of savings and time deposits accepted from employees, we are permitted by the Reserve Bank of India to pay an additional interest of 1.0% over the interest payable on deposits from the public.

Domestic time deposits have a minimum maturity of seven days. Time deposits from non-resident Indians denominated in foreign currency have a minimum maturity of one year and a maximum maturity of three years. Starting April 1998, the Reserve Bank of India has permitted banks the flexibility to offer varying rates of interests on domestic deposits of the same maturity subject to the following conditions:

- Time deposits are of Rs. 1.5 million and above; and
- Interest on deposits is paid in accordance with the schedule of interest rates disclosed in advance by the bank and not pursuant to negotiation between the depositor and the bank.

We stipulate a minimum balance of Rs. 10,000 for a non-resident rupee savings deposit. Interest rates on non-resident rupee term deposits of one to three years maturity are not permitted to exceed the LIBOR/SWAP rates for US dollar of corresponding maturity plus 50 basis points. Interest rates on non-resident rupee savings deposits are not permitted to exceed the LIBOR/SWAP rate plus 50 basis points for six months maturity on US dollar deposits and are fixed quarterly on the basis of the LIBOR/SWAP rate of US dollar on the last working day of the preceding quarter. On Novemebr 17, 2005 the Reserve Bank of India revised the interest rate on non-resident rupee term deposits of one to three years to LIBOR/SWAP rate plus 75 basis points. The interest rate on non-resident savings deposits will be at rate applicable to domestic savings deposits.

Regulations relating to Knowing the Customer and Anti-Money Laundering

The Reserve Bank of India issued a notification dated November 29, 2004 prescribing guidelines for Know Your Customer and anti-money laundering procedures. Banks are required to have a customer acceptance policy laying down explicit criteria for acceptance of customers and defining risk parameters. A profile of the customers should be prepared based on risk categorization. Banks have been advised to apply enhanced due diligence for high-risk customers. The guidelines provide that banks should undertake customer identification

procedures while establishing a banking relationship or carrying out a financial transaction or when the bank has a doubt about the authenticity or the adequacy of the previously obtained customer identification data. Banks need to obtain sufficient information necessary to establish the identity of each new customer and the purpose of the intended banking relationship. The guidelines also provide that banks should monitor transactions depending on the account's risk sensitivity.

In August 2005, the Reserve Bank of India has simplified the KYC procedure for opening accounts for those persons who intend to keep balances not exceeding Rs. 50,000 in all their accounts taken together and the total credit in all the accounts taken together is not expected to exceed Rs. 100,000 in a year in order to ensure that the implementation of the KYC guidelines do not result in the denial of the banking services to those who are financially or socially disadvantaged.

The Parliament had enacted the Prevention of Money Laundering Act in 2002. Effective July 1, 2005, the provisions of this Act have come into force. The Act seeks to prevent money laundering and to provide for confiscation of property derived from, or involved in, money laundering. In addition the applicable exchange control regulations prescribe reporting mechanisms for transactions in foreign exchange and require authorised dealers to report identified suspicious transactions to the Reserve Bank of India. In December 2004, the Parliament passed the Unlawful Activities (Prevention) Amendment Ordinance/Act, 2004 incorporating the provisions considered necessary to deal with various facets of terrorism. The Narcotic Drugs and Psychotropic Substances Act, 1985 deals with proceeds of drug related crime.

Regulations on Asset Liability Management

At present, the Reserve Bank of India's regulations for asset liability management require banks to draw up asset-liability gap statements separately for rupee and for four major foreign currencies. These gap statements are prepared by scheduling all assets and liabilities according to the stated and anticipated re-pricing date, or maturity date. These statements have to be submitted to the Reserve Bank of India on a quarterly basis. The Reserve Bank of India has advised banks to actively monitor the difference in the amount of assets and liabilities maturing or being re-priced in a particular period and place internal prudential limits on the gaps in each time period, as a risk control mechanism. Additionally, the Reserve Bank of India has asked banks to manage their asset-liability structure such that the negative liquidity gap in the 1-14 day and 15–28 day time periods does not exceed 20.0% of cash outflows in these time periods. This 20.0% limit on negative gaps was made mandatory with effect from April 1, 2000. In respect of other time periods, up to one year, Reserve Bank of India has directed banks to lay down internal norms in respect of negative liquidity gaps.

Foreign Currency Dealership

The Reserve Bank of India has granted us a full-fledged authorised dealers' license to deal in foreign exchange through our designated branches. Under this license, we have been granted permission to:

- engage in foreign exchange transactions in all currencies;
- open and maintain foreign currency accounts abroad;
- raise foreign currency and rupee denominated deposits from non resident Indians;
- grant foreign currency loans to on-shore and off-shore corporations;
- open documentary credits;
- grant import and export loans;
- handle collection of bills, funds transfer services;
- issue guarantees; and
- enter into derivative transactions and risk management activities that are incidental to its normal functions authorised under its organizational documents.

Further, we are permitted to hedge foreign currency loan exposures of Indian corporations and schemes of mutual funds in the form of interest rate swaps, currency swaps and forward rate agreements, subject to certain conditions.

Our foreign exchange operations are subject to the guidelines specified by the Reserve Bank of India in the exchange control manual. As an authorised dealer, we are required to enroll as a member of the Foreign Exchange Dealers Association of India, which prescribes the rules relating to foreign exchange business in India. Authorised dealers, like us, are required to determine their limits on open positions and maturity gaps in accordance with the Reserve Bank of India's guidelines and these limits are approved by the Reserve Bank of India.

Ownership Restrictions

The Government of India regulates foreign ownership in Indian banks. The total foreign ownership in a private sector bank, like us, cannot

exceed 74.0% of the paid-up capital and shares held by foreign institutional investors under portfolio investment schemes through stock exchanges cannot exceed 49.0% of the paid-up capital.

The Reserve Bank of India's acknowledgement is required for the acquisition or transfer of a bank's shares which will take the aggregate holding (both direct and indirect, beneficial or otherwise) of an individual or a group to equivalent of 5.0% or more of its total paid up capital. The Reserve Bank of India, while granting acknowledgement, may take into account all matters that it considers relevant to the application, including ensuring that shareholders whose aggregate holdings are above specified thresholds meet fitness and propriety tests. In determining whether the acquirer or transferee is fit and proper to be a shareholder, Reserve Bank of India may take into account various factors including, but not limited to the acquirer or transferee's integrity, reputation and track record in financial matters and compliance with tax laws, proceedings of a serious disciplinary or criminal nature against the acquirer or transferee and the source of funds for the investment.

While granting acknowledgement for acquisition or transfer of shares that takes the acquirer's shareholding to 10.0% or more and up to 30.0% of a private sector bank's paid-up capital. The Reserve Bank of India may consider additional factors, including but not limited to:

- the source and stability of funds for the acquisition and ability to access financial markets as a source of continuing financial support for the bank,
- the business record and experience of the applicant including any experience of acquisition of companies,
- the extent to which the acquirer's corporate structure is in consonance with effective supervision and regulation of its operations; and
- in case the applicant is a financial entity, whether the applicant is a widely held entity, publicly listed and a well established regulated financial entity in good standing in the financial community.

While granting acknowledgment for acquisition or transfer of shares that takes the acquirer's shareholding to 30.0% or more of a private sector bank's paid-up capital, the Reserve Bank of India may consider additional factors, including but not limited to whether or not the acquisition is in the public interest and shareholder agreements and their impact on the control and management of the bank's operations.

In February 2005, the Reserve Bank of India issued guidelines on ownership and governance in private sector banks. The key provisions of the guidelines on ownership are:

- No single entity or group of related entities would be permitted to directly or indirectly hold or control more than 10.0% of the paid, up equity capital of a private sector bank and any higher level of acquisition would require the Reserve Bank of India's prior approval;
- In respect of corporate shareholders, the objective will be to ensure that no entity or group of related entities has a shareholding in excess of 10.0% in the corporate shareholder. In case of shareholders that are financial entities, the objective will be to ensure that it is widely held, publicly listed and well regulated;
- The Reserve Bank of India may permit a higher level of shareholding in case of restructuring of problem banks or weak banks or in the interest of consolidation in the banking industry;
- Banks would be responsible for compliance of the "fit and proper" criteria for shareholders on an ongoing basis; and
- Banks with shareholders with holdings in excess of the prescribed limit would have to indicate a plan for compliance.

The Reserve Bank of India has recently announced guidelines stating that these regulations would also apply in the event an existing shareholder's shareholding exceed the specified limit as a result of a rights issue of shares where other shareholders do not subscribe to the issue.

Legislation introduced in the Parliament to amend the Banking Regulation Act provides that prior approval of the RBI shall be mandatory for the acquisition of more than 5.0% of a banking company's paid up capital or voting rights by any individual or firm or group.

Restrictions on Payment of Dividends

In May 2005, the Reserve Bank of India issued guidelines stating that a bank may declare dividends only if all of the following conditions are met:

- Capital adequacy ratio is at least 9.0% for the preceding two completed years and the accounting year for which the bank proposes to declare a dividend.
- Net non-performing asset ratio is less than 7.0%.
- The bank is in compliance with the prevailing regulations and guidelines issued by the Reserve Bank of India, including the creation of adequate provision for the impairment of assets, staff retirement benefits, transfer of profits to statutory reserves, etc.

- The proposed dividend will be paid out of the current year's profit.
- The Reserve Bank of India has not placed any explicit restrictions on the bank for declaration of dividends.

In case the bank does not meet the capital adequacy norms, but has a capital adequacy ratio of at least 9.0% for the accounting year for which it proposes to declare a dividend, it would be eligible to do so if its net non-performing asset ratio is less than 5.0%.

Banks that are eligible to declare dividends under the above rules can do so subject to the following:

- The dividend payout ratio (calculated as a percentage of dividend payable in a year to net profit during the year) must not exceed 40.0%. The maximum permissible dividend payout ratio would vary from bank to bank, depending on the capital adequacy ratio in each of the last three years and the net non-performing asset ratio.
- In case the profit for the relevant period includes any extraordinary income, the payout ratio must be calculated after excluding that income for compliance with the prudential payout ratio.
- The financial statements pertaining to the financial year for which the bank is declaring a dividend should be free of any qualification by the statutory auditors, which might have an adverse effect on the profit during that year. In case there are any such qualifications, the net profit should be suitably adjusted while computing the dividend payout ratio.

Regulations on Mergers of Private Sector Banks and Banks and Non-banking Finance Companies

In May 2005, the Reserve Bank of India issued guidelines to facilitate mergers between private sector banks and between banks and non-banking finance companies. The guidelines particularly emphasise the examination of the rationale for amalgamation, the systemic benefits arising from it and the advantages accruing to the merged entity. With respect to a merger between two private sector banks, the guidelines require the draft scheme of amalgamation to be approved by the shareholders of both banks with a two-thirds majority after approval by the board of directors of the two banks concerned. The draft scheme should also consider the impact of amalgamation on the valuation, profitability and capital adequacy ratio of the amalgamating bank and verify that the reconstituted board conforms to the Reserve Bank of India norms. The approved scheme needs to be submitted to the Reserve Bank of India for valuation and sanction in accordance with the Banking Regulation Act, along with other documentation such as the draft document of proposed merger, copies of all relevant notices and certificates, swap ratio, share prices, etc. With respect to a merger of a bank and a non-banking company, the guidelines specify that the non-banking finance company has to comply with Know Your Customer norms for all accounts and all relevant norms issued by the Reserve Bank of India and the Securities and Exchange Board of India. The non-banking finance company should also conform to insider trading norms issued by the Securities and Exchange Board of India, whether it is listed or not, in order to regulate the promoter's trading of shares before and after the amalgamation discussion period.

Credit Information Bureaus

The Parliament of India has enacted the Credit Information Companies (Regulation) Act, 2005, pursuant to which every credit institution, including a bank, has to become a member of a credit information bureau and furnish to it such credit information as may be required of the credit institution by the credit information bureau about persons who enjoy a credit relationship with it. Other credit institutions, credit information bureaus and such other persons as the Reserve Bank of India specifies may access such disclosed credit information.

Deposit Insurance

Demand and time deposits of up to Rs. 100,000 accepted by Indian banks have to be mandatorily insured with the Deposit Insurance and Credit Guarantee Corporation, a wholly-owned subsidiary of the Reserve Bank of India. Banks are required to pay the insurance premium for the eligible amount to the Deposit Insurance and Credit Guarantee Corporation on a semi-annual basis. The cost of the insurance premium cannot be passed on to the customer.

Statutes Governing Foreign Exchange and Cross-Border Business Transactions

The foreign exchange and cross border transactions undertaken by banks are subject to the provisions of the Foreign Exchange Management Act. All branches should monitor all non-resident accounts to prevent money laundering.

The Reserve Bank of India issued guidelines on External Commercial Borrowings vide its Master Circular in July 2004, which stated that no financial intermediary, including banks, will be permitted to raise such borrowings or provide guarantees in favor of overseas lenders for such borrowings. Eligible borrowers may raise such borrowings to finance the import of equipment and to meet foreign exchange needs of infrastructure projects. In a guideline dated August 1, 2005 the Reserve Bank of India has announced that external commercial borrowing proceeds can be utilised for overseas direct investment in joint ventures/wholly owned subsidiaries subject to the existing guidelines on Indian Direct Investment in joint ventures/wholly owned subsidiaries abroad. Further utilization of external commercial borrowing proceeds is not permitted for lending, capital market investments or acquisitions in India or real estate investments.

Legal Reserve Requirements

Cash Reserve Ratio

A bank is required to maintain a specified percentage of its net demand and time liabilities, excluding inter-bank deposits, by way of cash reserve with itself and by way of balance in current account with the Reserve Bank of India. The cash reserve ratio can be a minimum of 3.0% and a maximum of 20.0% pursuant to section 42 of the Reserve Bank of India Act. Effective October 2, 2004, the cash reserve ratio is 5.0%.

The following liabilities are excluded from the calculation of the demand and time liabilities to determine the cash reserve ratio:

- inter-bank liabilities;
- liabilities to primary dealers; and
- refinancing from the Reserve Bank of India and other institutions permitted to offer refinancing to banks.

The Reserve Bank of India pays no interest on the cash reserves up to 3.0% of the demand and time liabilities and pays interest on the balance at 3.5% per annum.

The cash reserve ratio has to be maintained on an average basis for a fortnightly period and should not be below 70.0% of the required cash reserve ratio on any day of the fortnight.

Statutory Liquidity Ratio

In addition to the cash reserve ratio, a bank is required to maintain a specified percentage of its net demand and time liabilities by way of liquid assets like cash, gold or approved unencumbered securities. The percentage of this liquidity ratio is fixed by the Reserve Bank of India from time to time, and it can be a minimum of 25.0% and a maximum of 40.0% pursuant to section 24 of the Banking Regulation Act. At present, the Reserve Bank of India requires banking companies to maintain a liquidity ratio of 25.0%. The Banking Regulation (Amendment) Bill, 2005 recently introduced in the Indian Parliament proposes to amend section 24 of the Banking Regulation Act to remove the minimum Statutory Liquidity Ratio stipulation, thereby giving the Reserve Bank of India the freedom to fix the Statutory Liquidity Ratio below this level. See also "The Indian Financial Sector - Recent Structural Reforms - Proposed Amendments to the Banking Regulation Act" on page 78.

Requirements of the Banking Regulation Act

Prohibited Business

The Banking Regulation Act specifies the business activities in which a bank may engage. Banks are prohibited from engaging in business activities other than the specified activities.

Reserve Fund

Any bank incorporated in India is required to create a reserve fund to which it must transfer not less than 25.0% of the profits of each year before dividends. If there is an appropriation from this account, the bank is required to report the same to the Reserve Bank of India within 21 days, explaining the circumstances leading to such appropriation. The Government of India may, on the recommendation of the Reserve Bank of India, exempt a bank from requirements relating to its reserve fund.

Payment of Dividend

Pursuant to the provisions of the Banking Regulation Act, a bank can pay dividends on its shares only after all its capitalised expenses (including preliminary expenses, share selling commission, brokerage, amounts of losses and any other item of expenditure not represented by tangible assets) have been completely written off. The Indian Government may exempt banks from this provision by issuing a notification on the recommendation of the Reserve Bank of India. We have been exempted from this provision in respect of expenses relating to the Early Retirement Option offered by us in fiscal 2004. We have obtained permission from the Reserve Bank of India to write off these expenses over a five-year period in our Indian GAAP accounts. Further, the payment of the dividend by banks is subject to the eligibility criteria specified by the Reserve Bank of India from time to time.

Restriction on Share Capital and Voting Rights

Banks can issue only ordinary shares. The Banking Regulation Act specifies that no shareholder in a banking company can exercise voting rights on poll in excess of 10.0% of total voting rights of all the shareholders of the banking company.

Only banks incorporated before January 15, 1937 can issue preference shares. Prior to the amalgamation, ICICI had preference share

capital of Rs. 3.5 billion. The Government of India, on the recommendation of the Reserve Bank of India, has granted an exemption to ICICI Bank which allows the inclusion of preference capital in the capital structure of ICICI Bank for a period of five years, though ICICI Bank is a bank incorporated after January 15, 1937.

Legislation recently introduced in the Indian Parliament proposes to amend the Banking Regulation Act to remove the limit of 10.0% on the maximum voting power exercisable by an shareholder in a banking company and allow banks to issue redeemable and non-redeemable preference shares. See also "The Indian Financial Sector - Recent Structural Reforms - Proposed Amendments to the Banking Regulation Act" on page 78.

Restrictions on Investments in a Single Company

No bank may hold shares in any company exceeding 30.0% of the paid up share capital of that company or 30.0% of its own paid up share capital and reserves, whichever is less.

Regulatory Reporting and Examination Procedures

The Reserve Bank of India is empowered under the Banking Regulation Act to inspect a bank. The Reserve Bank of India monitors prudential parameters at quarterly intervals. To this end and to enable off-site monitoring and surveillance by the Reserve Bank of India, banks are required to report to the Reserve Bank of India on aspects such as:

- assets, liabilities and off-balance sheet exposures;
- the risk weighting of these exposures, the capital base and the capital adequacy ratio;
- the unaudited operating results for each quarter;
- asset quality;
- concentration of exposures;
- connected and related lending and the profile of ownership, control and management; and
- other prudential parameters.

The Reserve Bank of India also conducts periodical on-site inspections on matters relating to the bank's portfolio, risk management systems, internal controls, credit allocation and regulatory compliance, at intervals ranging from one to three years. We are subject to the on-site inspection by the Reserve Bank of India at yearly intervals. The inspection report, along with the report on actions taken by us, has to be placed before our board of directors. On approval by our board of directors, we are required to submit the report on actions taken by us to the Reserve Bank of India. The Reserve Bank of India also discusses the report with the management team including the Managing Director & CEO.

The Reserve Bank of India also conducts on-site supervision of selected branches with respect to their general operations and foreign exchange related transactions.

Appointment and Remuneration of the Chairman, Managing Director and Other Directors

We are required to obtain prior approval of the Reserve Bank of India before we appoint our chairman and managing director and any other wholetime directors and fix their remuneration. The Reserve Bank of India is empowered to remove an appointee to the posts of chairman, managing director and wholetime directors on the grounds of public interest, interest of depositors or to ensure our proper management. Further, the Reserve Bank of India may order meetings of our board of directors to discuss any matter in relation to us, appoint observers to such meetings and in general may make such changes to the management as it may deem necessary and may also order the convening of a general meeting of our shareholders to elect new directors. We cannot appoint as a director any person who is a director of another banking company. In July 2004, the Reserve Bank of India issued guidelines on 'fit and proper' criteria for directors of banks.

Penalties

The Reserve Bank of India may impose penalties on banks and its employees in case of infringement of regulations under the Banking Regulation Act. The penalty may be a fixed amount or may be related to the amount involved in any contravention of the regulations. The penalty may also include imprisonment. A press release has been issued by the Reserve Bank of India giving details of the circumstances under which the penalty is imposed on the bank along with the communication on the imposition of the penalty in public domain. The bank is also required to disclose the penalty in its annual report.

Assets to be Maintained in India

Every bank is required to ensure that its assets in India (including import-export bills drawn in India and Reserve Bank of India approved securities, even if the bills and the securities are held outside India) are not less than 75.0% of its demand and time liabilities in India.

Restriction on Creation of Floating Charge

Prior approval of the Reserve Bank of India is required for creating floating charge on our undertaking or property. Currently, all our borrowings including bonds are unsecured.

Secrecy Obligations

Our obligations relating to maintaining secrecy arise out of common law principles governing our relationship with our customers. We cannot disclose any information to third parties except under clearly defined circumstances. The following are the exceptions to this general rule:

- where disclosure is required to be made under any law;
- where there is an obligation to disclose to the public;
- where we need to disclose information in our interest; and
- where disclosure is made with the express or implied consent of the customer.

We are also required to disclose information if ordered to do so by a court. The Reserve Bank of India may, in the public interest, publish the information obtained from the bank. Under the provisions of the Banker's Books Evidence Act, a copy of any entry in a bankers' book, such as ledgers, day books, cash books and account books certified by an officer of the bank may be treated as prima facie evidence of the transaction in any legal proceedings.

Every bank has to furnish to a credit information bureau of which it is a member, such credit information as may be required by the credit information bureau about persons who enjoy a credit relationship with it. See also "Regulation and Policies– Credit Information Bureaus", on page 131 of this Prosppectus.

Regulations governing Offshore Banking Units

The Government and Reserve Bank of India have permitted banks to set up Offshore Banking Units in Special Economic Zones, which are specially delineated duty free enclaves deemed to be foreign territory for the purpose of trade operations, duties and tariffs. We have an Offshore Banking Unit located in the Santacruz Electronic Exports Promotion Zone, Mumbai. The key regulations applicable to offshore bank units include, but are not limited to, the following:

- No separate assigned capital is required. However, the parent bank is required to provide a minimum of US$ 10 million to its offshore banking unit.
- Offshore Banking Units are exempt from cash reserve ratio requirements.
- Reserve Bank of India may exempt a bank's offshore banking unit from statutory liquidity ratio requirements on specific application by the bank.
- An offshore banking unit may not enter into any transactions in foreign exchange with residents in India, unless such a person is eligible to enter into or undertake such transactions under the Foreign Exchange Management Act, 1999.
- All prudential norms applicable to overseas branches of Indian banks apply to Offshore Banking Units.
- Offshore banking units are required to adopt liquidity and interest rate risk management policies prescribed by Reserve Bank of India in respect of overseas branches of Indian banks as well as within the overall risk management and asset and liability management framework of the bank subject to monitoring by the bank's board of directors at prescribed intervals.
- Offshore banking units may raise funds in convertible foreign currency as deposits and borrowings from non-residents including non-resident Indians but excluding overseas corporate bodies.
- Offshore banking units may operate and maintain balance sheets only in foreign currency.
- The loans and advances of Offshore Banking Units would not be reckoned as net bank credit for computing priority sector lending obligations.

- Offshore banking units must follow the Know Your Customer guidelines and must be able to establish the identity and address of the participants in a transaction, the legal capacity of the participants and the identity of the beneficial owner of the funds.

Regulations and Guidelines of the Securities and Exchange Board of India

The Securities and Exchange Board of India was established to protect the interests of public investors in securities and to promote the development of, and to regulate, the Indian securities market. We and our subsidiaries and affiliates are subject to Securities and Exchange Board of India regulations for our public capital issuances, as well as our underwriting, custodial, depositary participant, investment banking, registrar and transfer agents, brokering and debenture trusteeship activities. These regulations provide for our registration with the Securities and Exchange Board of India for each of these activities, functions and responsibilities. We and our subsidiaries are required to adhere to a code of conduct applicable for these activities.

Public Financial Institution Status

ICICI was a public financial institution under the Indian Companies Act, 1956. The special status of public financial institutions is also recognised under other statutes including the Indian Income-tax Act, 1961, Sick Industrial Companies (Special Provisions) Act, 1985 and Recovery of Debts Due to Banks and Financial Institutions Act, 1993. We are not a public financial institution. As a public financial institution, ICICI was entitled to certain benefits under various statutes. These benefits included the following:

- For income tax purposes, ICICI's deposits and bonds were prescribed modes for investing and depositing surplus money by charitable and religious trusts. Since we are a scheduled bank, our deposits and bonds are also prescribed modes for investment by religious and charitable trusts.
- The Government of India had permitted non-government provident, superannuation and gratuity funds to invest up to 40.0% of their annual accretion of funds in bonds and securities issued by public financial institutions. Further, the trustees of these funds could at their discretion invest an additional 20.0% of such accretions in these bonds and securities. These funds can invest up to only 10.0% of their annual accretion in bonds and securities issued by private sector banks, such as us.
- Indian law provides that a public financial institution cannot, except as provided by law or practice, divulge any information relating to, or to the affairs of, its customers. We have has similar obligations relating to maintaining secrecy arising out of common law principles governing its relationship with its customers.
- The Recovery of Debts Due to Banks and Financial Institutions Act, 1993 provides for establishment of debt recovery tribunals for recovery of debts due to any bank or public financial institution or to a consortium of banks and public financial institutions. Under this Act, the procedures for recoveries of debt were simplified and time frames were fixed for speedy disposal of cases. Upon establishment of the debt recovery tribunal, no court or other authority can exercise jurisdiction in relation to matters covered by this Act, except the higher courts in India in certain circumstances. This Act applies to banks as well as public financial institutions and therefore applies to us.

ICICI's cessation as a public financial institution would have constituted an event of default under certain of ICICI's loan agreements related to its foreign currency borrowings. Prior to the amalgamation becoming effective, such event of default was waived by the respective lenders pursuant to the terms of such foreign currency borrowing agreements.

Special Status of Banks in India

The special status of banks is recognised under various statutes including the Sick Industrial Companies Act, 1985, Recovery of Debts Due to Banks and Financial Institutions Act, 1993, and the Securitisation Act. As a bank, we are entitled to certain benefits under various statutes including the following:

- The Recovery of Debts Due to Banks and Financial Institutions Act, 1993 provides for establishment of Debt Recovery Tribunals for expeditious adjudication and recovery of debts due to any bank or Public Financial Institution or to a consortium of banks and Public Financial Institutions. Under this Act, the procedures for recoveries of debt have been simplified and time frames been fixed for speedy disposal of cases. Upon establishment of the Debt Recovery Tribunal, no court or other authority can exercise jurisdiction in relation to matters covered by this Act, except the higher courts in India in certain circumstances.
- The Sick Industrial Companies Act, 1985, provides for reference of sick industrial companies, to the Board for Industrial and Financial Reconstruction. Under the Act, other than the Board of Directors of a company, a scheduled bank (where it has an interest in the sick industrial company by any financial assistance or obligation, rendered by it or undertaken by it) may refer the company to the BIFR.
- The Securitisation Act focuses on improving the rights of banks and financial institutions and other specified secured creditors as well as asset reconstruction companies by providing that such secured creditors can take over management control of a borrower company upon default and/or sell assets without the intervention of courts, in accordance with the provisions of the Securitisation Act.

Income Tax Benefits

As a banking company, we are entitled to certain tax benefits under the Indian Income-tax Act including the following:

- We are allowed a deduction of up to 40.0% of our taxable business income derived from the business of long-term financing (defined as loans and advances extended for a period of not less than five years) which is transferred to a special reserve, provided that the total amount of this reserve does not exceed two times the paid-up share capital and general reserves. We are entitled to this benefit because we are a financial corporation. Effective fiscal 1998, if a special reserve is created, it must be maintained and if it is utilised, it is treated as taxable income in the year in which it is utilised.
- We are entitled to a tax deduction on the provisioning towards bad and doubtful debts equal to 7.5% of our total business income, computed before making any deductions permitted pursuant to Chapter VI A of the Indian Income-tax Act, and to the extent of 10.0% of the aggregate average advances made by our rural branches computed in the manner prescribed. We have the option of claiming a deduction in respect of the provision made by us for any assets classified pursuant to the Reserve Bank of India's guidelines as doubtful or loss assets to the extent of 10.0% of the amount of such assets as on the last day of the year.
- We are eligible to issue tax saving bonds approved in accordance with the provisions of the Income-tax Act. The subscription to such bonds by certain categories of investors is a prescribed mode of investing for the purposes of availing of a tax rebate.
- For income tax purposes, our deposits and bonds are prescribed modes of investing and depositing surplus money by charitable and religious trusts.

Regulations governing Insurance Companies

ICICI Prudential Life Insurance Company and ICICI Lombard General Insurance Company, our subsidiaries offering life insurance and non-life insurance respectively, are subject to the provisions of the Insurance Act, 1938 and the various regulations prescribed by the Insurance Regulatory and Development Authority. These regulations regulate and govern, among other things, registration as an insurance company, investment, solvency margin requirements, licensing of insurance agents, advertising, sale and distribution of insurance products and services and protection of policyholders' interests. In May 2002, the Indian Parliament approved the Insurance (Amendment) Act 2002, which facilitates the appointment of corporate agents by insurance companies and prohibits intermediaries and brokers from operating as surrogate insurance agents. The Indian Government, while presenting its budget for fiscal 2005, has proposed an increase in the limit on foreign equity participation in private sector insurance companies from 26.0% to 49.0%. However, this would require an amendment to the Insurance Regulatory and Development Authority Act 1999 and has not been implemented as yet.

Regulations governing International Operations

Our international operations are governed by regulations in the countries in which we have a presence.

Overseas Banking Subsidiaries

Our wholly-owned subsidiary in the United Kingdom, ICICI Bank UK Limited is authorised by the Financial Services Authority, which granted our application under Part IV of the Financial Services and Markets Act, 2000 on August 8, 2003. Our wholly-owned subsidiary in Canada, ICICI Bank Canada, was incorporated on September 12, 2003 as a Schedule II Bank in Canada. ICICI Bank Canada has obtained the approval of the Canada Deposit Insurance Corporation (CDIC) for deposit insurance and is regulated by the Office of the Superintendent of Financial Institutions. Our wholly-owned subsidiary in Russia, Investment Credit Bank Limited Liability Company, is regulated by the Central Bank of the Russian Federation.

Branches

In Singapore, we have an offshore branch, regulated by the Monetary Authority of Singapore. The Branch is allowed to accept deposits from Singapore residents with a minimum size of US$ 100,000 or S$ 250,000. It is also subject to minimum reserve requirements with respect to its Domestic Banking Unit book. The Asian Currency Unit book is not subject to reserve requirements, but the Branch is required to maintain minimum adjusted capital funds of S$ 10 million. In Bahrain, we have an offshore branch, regulated by the Bahrain Monetary Agency. The branch is permitted to transact banking business with approved financial institutions within Bahrain and individuals or institutions outside Bahrain. It is also permitted to offer banking services to non-resident Indians in Bahrain. Our branch in Hong Kong is regulated by the Hong Kong Monetary Authority.

Representative Offices

Our representative office in New York in the United States is licensed and regulated by the State of New York Banking Department and the Federal Reserve Board. Our representative office in Dubai in the United Arab Emirates is regulated by the Central Bank of the United Arab Emirates. Our representative office in Shanghai in China is regulated by the China Banking Regulatory Commission. Our representative office in Bangladesh is regulated by the Bangladesh Bank. Our representative office in South Africa is regulated by the South African Reserve Bank.

CERTAIN CORPORATE MATTERS

Our Main Objects

Our main objects as contained in our Memorandum of Association are:

1. To establish and carry on business of banking in any part of India or outside India.

2. To carry on the business of accepting, for the purpose of lending or investment, of deposits of money repayable on demand or otherwise and withdrawable by cheque, draft, order or otherwise.

3. To borrow, raise or take up money, lend or advance money with or without interest either upon or without security.

4. To draw, make, execute, issue, endorse, negotiate, accept, discount, buy, sell, collect and deal in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, debentures, bonds, mortgage-backed securities, letters of credit or obligations, certificates, scrips and other instruments and securities whether transferable or negotiable or mercantile or not.

5. To grant and issue letters of credit, traveller's cheques and circular notes, buy, sell and deal in bullion and specie.

6. To receive all kinds of bonds, scrips or valuables on deposit or for safe custody or otherwise, provide safe deposit vaults, collect and transmit money, negotiable instruments and all securities.

7. To buy, acquire, issue on commission, deal, sell, dispose of, exchange, convert, underwrite, subscribe, participate, invest in and hold whether on its own account or on behalf of any person, body corporate, company, society, firm or association of persons whether incorporated or not, shares, stocks, funds, debentures, debenture stocks, units, promissory notes, bills of exchange, bonds, warrants, participation certificates or participation units, other money market or capital market instruments, obligations and securities and investments of all kinds issued or guaranteed by any government, state, dominion, sovereign body, commission, public body or authority, supreme, local or municipal or company or body, whether incorporated or not or by any person or association.

7A. To securitise, purchase, acquire, invest in, transfer, sell, dispose of or trade in any financial asset whatsoever, receivables, debts, whether unsecured or secured by mortgage of immoveables or charge on movables or otherwise, securitised debts, asset or mortgaged backed securities or mortgage backed securitised debts and to manage, service or collect the same and to appoint managing, servicing or collection agent therefor and to issue certificates or other instruments in respect thereof to public or private investors and to guarantee and insure the due payment, fulfillment and performance of obligations in respect thereof or in connection therewith and to promote, establish, undertake, organise, manage, hold or dispose of any special purpose entity, body corporate or vehicle for carrying on all or any such activities.

8. To act as foreign exchange dealer and to buy, sell or otherwise deal in all kinds of foreign currencies including foreign bank notes, foreign currency options, forward covers, swaps of all kinds and to transact for itself or on behalf of any person, body corporate, company, society, firm or association of persons whether incorporated or not, all transactions in foreign currencies.

9. To carry on the activities of bill discounting, rediscounting bills, marketing, factoring, dealing in commercial paper, treasury bills, certificate of deposits and other financial instruments.

10. To act as agents for any Government or local authority or any other person or persons, carry on agency business of any description including clearing and forwarding of goods, give receipts and discharges and otherwise act as an attorney on behalf of customers, but excluding the business of a managing agent or secretary and treasurer of a company.

11. To contract for public and private loans and advances and negotiate and issue the same.

12. To form, constitute, promote, act as managing and issuing agents, brokers, sub-brokers, prepare projects and feasibility reports for and on behalf of any company, association, society, firm, individual and body corporate.

13. To carry on and transact every kind of guarantee and indemnity business.

14. To undertake and execute trusts and the administration of estates as executor or trustee.

15. To act as registrar and transfer agents and registrar to the issue, issue agents and paying agents.

16. To provide custodial and depository services and to do all such things as may be advised, permitted or required for this purpose.

17. To effect, insure, guarantee, underwrite, participate in managing and carrying out of any issue, public or private, of state, municipal or other loans or of shares, stock, debentures or debenture stock of any company, corporation or association and the lending of

money for the purpose of any such issue.

18. To provide credit, charge, debit, saving, investment or other facilities to any person or persons (whether individuals, firms, companies, bodies, corporate or other entities), whether in the private or public sector by issuance of credit, charge, debit, stored value, prepaid, smart or other cards whether private label, co-branded, affinity or otherwise and to establish and maintain card acceptance network (including physical, electronic, computer or automated machines network) and make payments or provide settlement service to the merchants or issuing banks on accout of usage by the cardholders of the credit, charge, debit, stored value, prepaid, smart or other cards whether private label, co-branded, affinity or otherwise.

19. To provide or assist in obtaining, directly or indirectly, advice or services in various fields such as management, finance, investment, technology, administration, commerce, law, economics, labour, human resources development, industry, public relations, statistics, science, computers, accountancy, taxation, fund management, foreign exchange dealings, quality control, processing, strategic planning and valuation.

20. To do any other form of business which the Government of India may specify as a form of business in which it is lawful for a banking company to engage.

20A . To carry on the business of assisting industrial, infrastructure and commercial enterprises :

in general by

i. assisting in the creation, expansion and modernisation of such enterprises;

ii. encouraging and promoting the participation of capital, both internal and external in such enterprises; and in particular by

iii. providing finance in the form of long, medium or short term loans or equity participations;

iv. sponsoring and underwriting new issues of shares and securities;

v. guaranteeing loans from other investment sources;

vi. making funds available for re-investment by revolving investments as rapidly as prudent;

vii. performing and undertaking activities pertaining to leasing, giving on hire or hire-purchase, bill marketing, factoring and related fields.

20B. To lend money, with or without interest, (with or without security) for any maturity, in any form whatsoever including by way of loans, advances, instalment credit, trade finance, hire or otherwise to any person or persons (whether individuals, firms, companies, bodies corporate, Government, State, Sovereign, public body or authority, supreme, local or otherwise or other entities), whether in the private or public sector, for any purpose whatsoever, including agriculture, industry, infrastructure, export-import, housing, consumer or others.

20C. To lend money, with or without interest, (with or without security) for any maturity, in any form whatsoever, to any person or persons (whether individuals, firms, companies, bodies corporate, Government, State, Sovereign, public body or authority, supreme, local or otherwise or other entities), whether in the private or public sector, for:

(i) Purchasing or acquiring any freehold or leasehold lands, estate or interest in any land or property,

(ii) Taking demise for any term or terms of years of any land or property or

(iii) Constructions, erection, purchase, extension, alteration, renovation, development or repair any house or building or any form of real estate or any part or portion thereof.

20D. To provide financial assistance to any person or persons (whether individuals, firms, companies, bodies corporate, Government, State, Sovereign, public body or authority, supreme, local or otherwise or other entities), whether in the private or public sector for any purpose whatsoever by means of leasing, giving on hire or hire-purchase, lending, selling, reselling, or otherwise disposing of all forms of immoveable and moveable properties and assets of any kind, nature or use, whatsoever and for the purpose, purchasing or otherwise acquiring dominion over the same, whether new or used.

20E. To purchase, acquire, sell, dispose of, deal or trade in bullion and specie and/or to issue, subscribe to, acquire, purchase, sell, dispose of, deal or trade in derivative financial instruments including futures, forwards options, swaps, caps, collars, floors, swap options, bond options or other derivative instruments whether traded on any market or exchange or otherwise, for proprietary trading activities or for any person or persons (whether individuals, firms, companies, bodies corporate, Government, State, Sovereign, public body or authority, supreme, local or otherwise or other entities), whether in the private or public sector.

20F. To promote, organise, manage or undertake the activities of insurance intermediaries including insurance or reinsurance brokers, consultants, surveyors, loss assessors, loss control engineers, risk managers, actuarial analyst and to promote organise, manage or undertake, marketing, trading, distribution or servicing of insurance and assurance products of all kinds, whether life or general; financial, investment or other products including (without limitation) securities, stocks, shares, debentures, bonds, units, certificates or services offered by the Company and/or by any person, firm, company, body corporate, mutual fund, Government, State, public body or authority, supreme, municipal, local or otherwise, through the Company's branches, or offices.

20G. To promote, organise or manage funds or investments on a discretionary or non-discretionary basis on behalf of any person or persons (whether individual, firms, companies bodies, corporate, public body or authority, supreme, local or otherwise, trusts, pension funds, offshore funds, charities, other associations or other entities), whether in the private or public sector.

20H. To act as Trustee of any deeds, constituting or securing any debentures, debenture stock, or other securities or obligations and to undertake and execute any other trusts, and also to undertake the office of or exercise the powers of executor, administrator, receiver, treasurer, custodian and trust corporation.

20I. To provide financial services, advisory and counselling services and facilities of every description capable of being provided by share and stock brokers, share and stock jobbers, share dealers, investment fund managers and to arrange and sponsor public and private issues or placement of shares and loan capital and to negotiate and underwrite such issues.

The main objects clause and the objects incidental or ancillary to the main objects of our Memorandum of Association enable us to undertake our existing activities and the activities for which the funds are being raised through this Issue.

For details of the capital raised by us, see "Capital Structure" on page 27.

History and Major Events

We were incorporated in 1994 as a part of the ICICI group. Our initial equity capital was contributed 75.0% by ICICI and 25.0% by SCICI Limited, a diversified finance and shipping finance lender of which ICICI owned 19.9% at December 1996. Pursuant to the merger of SCICI into ICICI, we became a wholly owned subsidiary of ICICI.

The chronology of events since we were incorporated in 1994 is as follows:

Change of name

Our name was changed from ICICI Banking Corporation Limited to ICICI Bank Limited on September 10, 1999. The change of name was effected on account of our being widely known by the name "ICICI Bank".

Merger of Bank of Madura

Bank of Madura was merged with us effective March 10, 2001. The share exchange ratio fixed for the transaction was two of our equity shares of Rs. 10 each for every equity share of Bank of Madura of Rs. 10 each.

Amalgamation of ICICI

ICICI, ICICI Capital Services and ICICI Personal Financial Services amalgamated with us with effect from May 3, 2002. The Appointed Date for the merger specified in the Scheme of Amalgamation, which was the date of the amalgamation for accounting purposes under Indian GAAP, was March 30, 2002. The amalgamation was approved by the High Court of Judicature at Bombay vide its order dated April 11, 2002 and by the High Court of Gujarat at Ahmedabad vide its order dated March 7, 2002. The share exchange ratio was one of our equity shares of Rs. 10 each for every two equity shares of ICICI of Rs. 10 each.

Board of Directors and Management

The Board of Directors consisting of 17 members at November 19, 2005 is responsible for the management of our business. Our Articles of Association provide for a minimum of three directors and a maximum of 21, excluding the Government Director (appointed by the Government of India under the terms of its loan and guarantee facilities to us) and the Debenture Director (who may be appointed by trustees for our debenture issuances). The Government Director and the Debenture Director are not liable to retire by rotation. The Government Director may be removed from office only by the President of India. The Debenture Director may be removed from office only as provided in the relevant trust deed. Mr. Vinod Rai, Additional Secretary, Ministry of Finance, is the Government Director. There is currently no Debenture Director.

Mr. N. Vaghul is the non-executive Chairman of our Board of Directors. Mr. Vaghul was Chairman and Managing Director of ICICI from 1985 to 1992, executive Chairman from 1992 to 1996 and non-executive Chairman from 1996 to 2002. He has been previously Chairman and

Managing Director of Bank of India from 1981 to 1984, and has also been Chairman of the Indian Banks' Association. The Board of Directors, at its Meeting held on April 30, 2005 has re-appointed Mr. Vaghul as Chairman on expiry of his term on May 2, 2005 for a period up to April 30, 2009. His appointment has been approved by the Reserve Bank of India.

The Board of Directors have five wholetime Directors. The following table sets forth the names, designations and tenure of appointment of our wholetime Directors.

Name	Designation	Date of appointment	Tenure of appointment
K. V. Kamath	Managing Director & CEO	May 3, 2002	Till April 30, 2006
Lalita D. Gupte	Joint Managing Director	May 3, 2002	Till October 31, 2006
Kalpana Morparia	Deputy Managing Director*	May 3, 2002	Till April 30, 2006
Chanda D. Kochhar	Executive Director	April 1, 2001	Till March 31, 2006
Nachiket Mor	Executive Director	April 1, 2001	Till March 31, 2006

* Appointed as Executive Director and elevated as Deputy Managing Director effective February 1, 2004

The Board of Directors, at its Meeting held on April 30, 2005 and the Members at their Annual General Meeting held on August 20, 2005 have approved the re-appointments of the wholetime Directors on expiry of their current tenures, subject to the approval of the Reserve Bank of India, as set out in the following table:

Name	Designation	Date of appointment	Tenure of appointment
K. V. Kamath	Managing Director & CEO	April 30, 2005	Till April 30, 2009
Kalpana Morparia	Deputy Managing Director	April 30, 2005	Till May 31, 2007
Chanda D. Kochhar	Executive Director	April 30, 2005	Till March 31, 2011
Nachiket Mor	Executive Director	April 30, 2005	Till March 31, 2011

Ms. Lalita D. Gupte is responsible for our international business strategy. Ms. Kalpana Morparia is responsible for the Corporate Centre. Ms. Chanda D. Kochhar is responsible for our commercial banking operations for retail customers and Dr. Nachiket Mor is responsible for our commercial banking operations for corporate customers, project finance and rural and agricultural banking and microfinance. In order to comply with the Companies Act, and the Articles of Association, Ms. Lalita D. Gupte and Ms. Kalpana Morparia will be liable to retire by rotation if at any time the number of non-rotational Directors exceeds one-third of the total number of Directors. If they are re-appointed as Directors immediately on retirement by rotation, they will continue to hold their offices and the retirement by rotation and re-appointment shall not be deemed to constitute a break in their appointment.

Stock Market Data

Stock Market Data of Our Equity Shares

The following table sets forth, the high and low of daily closing prices of our Equity Shares on the BSE, for a period of three years, for the periods indicated:

Period	High (Rs.)	Low (Rs.)	Average[1] (Rs.)
Fiscal 2003	161.80	110.90	137.61
Fiscal 2004	345.75	120.80	211.97
Fiscal 2005	413.05	230.35	309.70

(1) Daily average of the closing share price for the period.

The following table sets forth, the high and low of daily closing prices of our Equity Shares on BSE and the number of shares traded, in the last six months, for the periods indicated:

Period	High (Rs.)	Low (Rs.)	Average(1) (Rs.)
May 2005	402.70	361.50	388.95
June 2005	432.55	392.25	412.77
July 2005	536.00	421.30	455.20
August 2005	533.30	471.75	496.25
September 2005	600.35	481.75	543.15
October 2005	593.30	480.65	520.01

(1) Average of the daily closing share price for the period.

The following table sets forth, for the period indicated, the number of Equity Shares traded on the days high and low prices of our Equity Shares was recorded on BSE for the last six months preceding the date of the Red Herring Prospectus.

Period	High Date	Number of shares traded	Low Date	Number of shares traded
May 2005	May 30, 2005	61,778	May 2, 2005	162,307
June 2005	June 15, 2005	266,983	June 2, 2005	54,925
July 2005	July 29, 2005	886,808	July 1, 2005	89,026
August 2005	August 1, 2005	417,842	August 29, 2005	100,029
September 2005	September 30, 2005	253,642	September 2, 2005	225,062
October 2005	October 3, 2005	177,803	October 27, 2005	337,015

The following table sets-forth, for the period indicated, total volume of Equity Shares traded on the BSE during the six months preceding the date of the Red Herring Prospectus.

Month	Number of shares traded
May 2005	2,557,788
June 2005	3,500,082
July 2005	5,681,634
August 2005	3,942,206
September 2005	4,989,201
October 2005	9,215,849

* Source: BSE

As on October 14, 2004, the day after our Board approved this Issue, the market price of our Equity Shares on the BSE was Rs. 507.20.

The Equity Shares of the Bank are actively traded on the BSE and the NSE. The ADSs of the Bank are traded on the New York Stock Exchange where they are listed.

Details of other Listings

The following US dollar denominated bond issue made by ICICI in August 1997 has been listed on the Luxembourg Stock Exchange:

- US$ 150.0 million 7.55% Medium Term Notes due August 15, 2007

The following US dollar denominated Euro Bond Issue by ICICI Bank in October 2003 has been listed on the Singapore Stock Exchange:

- US$ 300.0 million 4.75% Fixed Rate Notes due October 22, 2008

The following US dollar denominated Medium Term Notes issued by our Singapore branch in August 2004 have been listed on the Luxembourg Stock Exchange:

- US$ 300 million 5.00% Fixed Rate Notes issued by our Singapore branch under the Medium-Term Notes Programme due August 18, 2009

The following US dollar denominated Fixed Rate Notes issued by our Singapore branch in November 2005 have been listed on the Singapore Stock Exchange:

- US$ 500 million 5.75% Fixed Rate Notes issued by our Singapore branch due November 16, 2010

Promise vs. Performance

We have not made any projections in the offer document of any of our previous capital issues during the last five years. The funds raised from these capital issues have been utilised as mentioned in the respective Prospectuses.

Servicing Behaviour

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SUBSIDIARIES AND GROUP COMPANIES

We have 16 subsidiaries - ICICI Securities Limited, ICICI Brokerage Services Limited, ICICI Securities Holdings Inc., ICICI Securities Inc., ICICI Prudential Life Insurance Company Limited, ICICI Lombard General Insurance Company Limited, ICICI Venture Funds Management Company Limited, ICICI Home Finance Company Limited, ICICI Bank UK Limited, ICICI Bank Canada, ICICI International Limited, ICICI Trusteeship Services Limited, ICICI Investment Management Company Limited, Investment Credit Bank Limited Liability Company, Prudential ICICI Asset Management Company Limited and Prudential ICICI Trust Limited. In addition, we are the sponsors or co-sponsors of Prudential ICICI Mutual Fund, the asset management company of which is Prudential ICICI Asset Management Company Limited and the trustee of which is Prudential ICICI Trust Limited, and of ICICI Securities Fund, the asset management company of which is ICICI Investment Management Company Limited and the trustee of which is ICICI Trusteeship Services Limited. None of our subsidiaries have equity shares listed on any stock exchange.

We also own the entire or majority of the units and/or have made entire or majority of the contributions in certain trust funds, private equity funds and venture capital funds, namely, ICICI Property Trust, ICICI Eco-net Internet & Technology Fund, ICICI Emerging Sectors Fund, ICICI Strategic Investments Fund and ICICI Equity Fund. Such trust funds, private equity funds and venture capital funds and/or their investee companies are not our subsidiaries under the Companies Act or group companies under the SEBI guidelines. These trust funds, private equity funds and venture capital funds are treated as associates under Indian GAAP.

ICICI had equity holdings in certain companies namely 3i Infotech Limited, (formerly called ICICI Infotech Limited), ICICI OneSource Limited, ICICI Webtrade Limited, ICICI KINFRA Limited, ICICI West Bengal Infrastructure Development Corporation Limited and ICICI Knowledge Park which, due to the role of ICICI in their establishment and also pursuant to trademark license agreements between ICICI and such companies, are permitted (along with their subsidiaries, if any) to use "ICICI" in their name. 3i Infotech Limited listed its equity shares on the NSE and the BSE on the April 23, 2005 after making an initial public offering of shares. Pursuant to a request by 3i Infotech Limited we agreed to be named as one of its promoters in its prospectus filed with SEBI for the initial public offering of its equity shares. As a result of the same 3i Infotech is a group company within the meaning of the SEBI Guidelines. ICICI OneSource Limited, ICICI Webtrade Limited, ICICI KINFRA Limited, ICICI West Bengal Infrastructure Development Corporation Limited and ICICI Knowledge Park do not have any equity shares listed on any stock exchange. The above-mentioned entities are not consolidated under Indian GAAP.

ICICI OneSource Limited and its subsidiaries carry out IT-enabled outsourcing activities like inbound/outbound call processing, transaction processing, outbound telemarketing, inbound customer care and back office transaction processing, collections, billing, remittances, investment and business research and financial analytics. They service clients from the banking, financial services, insurance, telecommunications and media sectors. ICICI Web Trade Limited is registered with SEBI as a stock broker and portfolio manager and is a member of BSE on equity segment, a member of NSE on the equity and derivatives segments and a dealer of the Over the Counter Exchange of India Limited. It provides internet based broking services through its website www.icicidirect.com. It also provides these services over the telephone through a facility called CallNTrade. ICICI Comm Trade Limited, a subsidiary of ICICI Web Trade Limited, has been established to provide web and telephone based broking services in the commodities and commodity derivatives market and is a member of the National Commodities and Derivatives Exchange Limited. ICICI KINFRA Limited was established to develop infrastructure projects in Kerala. ICICI West Bengal Infrastructure Development Corporation Limited was established to develop infrastructure projects in West Bengal. ICICI Knowledge Park was established with the object of providing world class infrastructure to corporates for research and emerging technology related activities.

Currently, we directly hold equity shares in ICICI OneSource Limited, 3i Infotech and ICICI Webtrade Limited to the extent of 29.9%, 17.3% and 0.002% respectively and have no direct equity shareholding in ICICI KINFRA Limited, ICICI West Bengal Infrastructure Development Corporation Limited and ICICI Knowledge Park. All of these companies are professionally managed companies under the supervision of their respective board of directors. These companies are not our related parties for accounting purposes under Indian GAAP and we exercise no control over these companies other than to the extent of our shareholding, if any, in such companies or in terms of the trademark licensing agreements entered into with them. Separately, there may be independent commercial transactions in the ordinary course of business between one or more of these companies and us. We do not enjoy any other special rights or privileges vis-à-vis any of these companies, other than those available to us in terms of the trademark licensing agreements entered into with the aforesaid companies and additionally in case of ICICI OneSource, in terms of a shareholder agreement amongst us, ICICI OneSource and other key shareholders the provisions of which are also reflected in its Articles of Assocation. Our rights under the trademark licensing agreements allow us to terminate the use of 'ICICI' if our holding falls below such levels as we determine and/or upon serving of notice of a certain period.

In the event any of the aforesaid companies seeks our consent to specify us as its promoter, and we do provide such consent, and such company in its prospectus names us as its promoter, we shall then constitute such company's promoters, and such company would then constitute our affiliate.

ICICI Securities Limited (formerly ICICI Securities and Finance Company Limited)

ICICI Securities Limited was incorporated on February 22,1993. ICICI Securities has three main business lines - corporate advisory and mergers and acquisitions, fixed income and equities. ICICI Securities is a merchant banker, underwriter and portfolio manager registered with the SEBI. ICICI Securities has an equity research team, which identifies investment opportunities and provides investment advice to clients. ICICI Securities is registered with the Reserve Bank of India as a primary dealer in Government of India securities. It is actively involved in money market operations, and trading in debt securities. We own 99.90% of the share capital of ICICI Securities. ICICI Securities has been adjudged as the "Best Bond House" in India by Asiamoney and Finance Asia during 2004 and 2005. According to Bloomberg, it ranked second in mergers and acquisitions and managed the highest number of equity issuances in fiscal 2005. It was adjudged as the 'Top regional and domestic brokerage house in Asia-2005' by The Asset magazine

The following table sets forth, for the periods indicated, a summary of the financial performance of ICICI Securities.

(Rupees in millions)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total income	3,053.2	3,211.5	1,823.3	1,898.2
Expenditure	1,559.6	1,309.2	978.7	773.5
Profit before tax	1,493.6	1,902.3	844.6	1,124.7
Profit after tax	1,029.4	1,439.0	564.0	758.4
Equity share capital	2,030.0	2,030.0	2,030.0	1,658.8[(1)]
Reserves[(2)]	1,480.8	1,895.0	2,160.5	2,118.2
Face value per share (Rs.)	10.0	10.0	10.0	10.0
Book value per share (Rs.)	17.3	19.3	20.6	22.8
Earnings per share - basic & diluted (Rs.)[3]	5.1	7.1	2.8	3.7

(1) During the six-month period ended September 30, 2005, ICICI Securities bought back 37,118,700 equity shares of face value of Rs. 10.00 each at Rs. 20.64 per share, aggregating Rs. 766.1 mn (which was within 25% of the company's paid-up capital and free reserves) in accordance with the Companies (Amendment) Act, 2002 and the Private Limited Company and Unlisted Public Limited Company (Buyback of Securities) Rules, 1999.

(2) Miscellaneous expenditure not written off or adjusted has been deducted from reserves.

(3) EPS is not annualised for the six-month period ended September 30,2005.

Board of Directors

1. Mr. K. V. Kamath (Chairman)
2. Ms. Lalita D. Gupte
3. Ms. Kalpana Morparia
4. Dr. Nachiket Mor
5. Mr. S. Mukherji (Managing Director & CEO)

ICICI Brokerage Services Limited ("ICICI Brokerage")

ICICI Brokerage Services Limited was incorporated on March 9,1995. ICICI Brokerage is a wholly-owned subsidiary of ICICI Securities. It is a member of the NSE and BSE. ICICI Brokerage provides broking services primarily, to institutional investor clients.

The following table sets forth, for the periods indicated, a summary of the financial performance of ICICI Brokerage.

(Rupees in millions)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total Income	135.2	376.0	468.6	300.8
Expenditure	46.4	77.3	331.0	182.6
Profit /(loss) before tax	88.8	298.7	137.6	118.2
Profit /(loss) after tax	54.8	190.8	84.4	77.4
Equity share capital	45.0	45.0	45.0	45.0
Reserves [1]	144.1	334.8	419.2	496.6
Face value per share (Rs.)	10.0	10.0	10.0	10.0
Book value per share (Rs.)	42.0	84.4	103.2	120.3
Earnings per share Basic & Diluted (Rs.)[2]	12.2	42.4	18.8	17.2

(1) Miscellaneous expenditure not written off or adjusted has been deducted from reserves.
(2) EPS is not annualised for the six-month period ended September 30,2005.

Board of Directors

1. Mr. S. Mukherji (Chairman)
2. Mr. Nitin Jain
3. Mr. Devesh Kumar
4. Mr. Paresh Shah
5. Mr. T.S. Baskaran

ICICI Securities Holdings Inc.

ICICI Securities Holdings Inc. was incorporated in the United States on June 12, 2000 and is a wholly-owned subsidiary of ICICI Securities Limited. ICICI Securities Holdings Inc. was incorporated to render corporate advisory services for cross border transactions.

The following table sets forth, for the periods indicated, a summary of the financial performance of ICICI Securities Holdings Inc.

(Rupees in millions)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total income	30.6	26.8	23.1	20.7
Expenditure	27.6	26.3	36.4	18.6
Profit /(loss) before tax	3.0	0.5	(13.3)	2.1
Profit /(loss) after tax	3.0	0.5	(13.3)	9.4
Equity share capital	75.0	75.0	75.0	210.4
Reserves [1]	(7.1)	(8.1)	(21.1)	(11.5)
Face value per share (US$)	1.0	1.0	1.0	1.0
Book value per share (Rs.)	42.4	41.8	33.7	42.3
Earnings Per share Basic & Diluted (Rs.)[2]	1.9	0.3	(8.4)	2.0

(1) Miscellaneous expenditure not written off or adjusted has been deducted from reserves.
(2) EPS is not annualised for the six-month period ended September 30,2005.

Board of Directors

1. Mr. Sripat Pandey (President)
2. Mr. Nitin Jain
3. Mr. Joseph H. Bosco

ICICI Securities Inc.

ICICI Securities Inc. was incorporated in the United States on June 13,2000 to provide brokerage, research and investment banking services to investors who wish to invest in the Indian financial markets. ICICI Securities Inc. is a wholly-owned subsidiary of ICICI Securities Holdings Inc. ICICI Securities Inc. is registered with the United States Securities Exchange Commission and is a member of the National Association of Securities Dealers in the United States. ICICI Securities Inc. is permitted to deal in securities market transactions in the United States and provide research and investment advice to institutional investors based in the United States.

The following table sets forth, for the periods indicated, a summary of the financial performance of ICICI Securities Inc.

(Rupees in millions)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total income	10.0	35.3	43.7	95.7
Expenditure	15.5	19.2	42.6	43.5
Profit /(loss) before tax	(5.5)	16.1	1.1	52.2
Profit /(loss) after tax	(5.5)	16.1	1.1	31.5
Equity share capital	48.3	48.3	48.3	179.3
Reserves [(1)]	(22.0)	(8.8)	(7.8)	25.3
Face value per share (US$)	1.0	1.0	1.0	1.0
Book value per share (Rs.)	25.0	37.6	38.6	50.5
Earnings Per share Basic & Diluted (Rs.)[2]	(5.2)	15.3	1.0	7.8

(1) Miscellaneous expenditure not written off or adjusted has been deducted from reserves.
(2) EPS is not annualised for the six-month period ended September 30, 2005.

Board of Directors

1. Mr. Sripat Pandey (President)
2. Mr. Devesh Kumar
3. Mr. Nitin Jain
4. Mr. Joseph Bosco

ICICI Prudential Life Insurance Company Limited ("ICICI Prudential Life Insurance")

ICICI Prudential Life Insurance Company Limited was incorporated on July 20,2000. ICICI Prudential Life Insurance is a 74:26 joint venture between us and Prudential plc of the United Kingdom. ICICI Prudential Life Insurance is registered with the Insurance Regulatory and Development Authority. ICICI Prudential Life Insurance offers a wide range of life insurance and pension products. ICICI Prudential Life Insurance commenced operations in December 2000, becoming one of the first few private sector players in life insurance. Since then ICICI Prudential Life Insurance has registered significant growth. ICICI Prudential Life Insurance has written over 1.6 million policies and has established its position as a clear leader amongst the private life insurers in India, with a market share of 32% of retail premium written (excluding group and considering 10% of individual single premium) by private companies and over 10% of the total market during the six-month period ended September 30, 2005. It had 95 branches at 135 locations across the country and an agent network of over 57,000 agents.

The following table sets forth, for the periods, indicated, a summary of the financial performance of ICICI Prudential Life Insurance.

(Rupees in millions)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total income	4,544.7	10,670.8	24,807.9	15,410.7
Expenditure	6,016.5	12,909.8	27,032.0	16,702.8
Profit /(loss) before tax	(1,471.8)	(2,239.0)	(2,224.1)	(1,292.1)
Profit /(loss) after tax	(1,471.8)	(2,215.7)	(2,116.2)	(1,292.1)
Equity share capital	4,250.0	6,750.0	9,250.0	10,850.0
Reserves (excluding policy holders' funds)	(2,535.8)	(4,740.3)	(6,825.1)	(8,113.8)
Face value per share (Rs.)	10.0	10.0	10.0	10.0
Book value per share (Rs.)	4.0	3.0	2.6	2.5
Earnings per share Basic & Diluted (Rs.)[2]	(0.5)	(0.4)	(0.3)	(0.1)

(1) Does not include figures relating to policy holders' account (technical account).

(2) EPS is not annualised for the six-month period ended September 30,2005.

Board of Directors

1. Mr. K. V. Kamath (Chairman)
2. Mr. Mark Norbom
3. Ms. Lalita D. Gupte
4. Ms. Kalpana Morparia
5. Ms. Chanda Kochhar
6. Mr. Kevin Holmgren
7. Mr. M. P. Modi
8. Mr. R. Narayanan
9. Ms. Shikha Sharma (Managing Director)
10. Mr. N.S. Kannan (Executive Director)

ICICI Lombard General Insurance Company Limited ("ICICI Lombard General Insurance")

ICICI Lombard General Insurance Company Limited was incorporated on October 30, 2000. ICICI Lombard General Insurance is a 74:26 joint venture between us and Fairfax Financial Holdings Limited of Canada. ICICI Lombard General Insurance is registered with the Insurance Regulatory and Development Authority. ICICI Lombard General Insurance offers a wide range of general insurance products for both corporate and retail customers. ICICI Lombard General Insurance commenced operations in August 2001. ICICI Lombard General Insurance achieved financial breakeven in fiscal 2003 and an underwriting profit in fiscal 2004. It has written over 1,556,000 policies till September 30, 2005 and has established its position as a clear leader amongst the private general insurers in India, with a market share of 31% among the private sector general insurance companies during the six-month period ended September 30, 2005. It has a network of about 3,100 agents.

The following table sets forth, for the periods, indicated, a summary of the financial performance of ICICI Lombard General Insurance:

(Rupees in millions)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total income	595.4	2,063.3	3,563.1	3,098.3
Expenditure	553.5	1,640.9	3,024.4	2,747.6
Profit /(loss) before tax	41.9	422.4	538.7	350.7
Profit /(loss) after tax	33.0	317.8	483.5	288.5
Equity share capital	1,100.0	2,200.0	2,200.0	2,200.0
Reserves[1]	(63.8)	92.5	360.6	801.6
Face value per share (Rs.)	10.0	10.0	10.0	10.0
Book value per share (Rs.)	9.4	10.4	11.6	13.6
Earnings per share Basic & Diluted (Rs.)[2]	0.3	1.8	2.2	2.6

(1) Miscellaneous expenditure or preliminary expenditure not written off or adjusted has been deducted from reserves.

(2) EPS is not annualised for the six-month period ended September 30, 2005.

Board of Directors

1. Mr. K. V. Kamath (Chairman)
2. Ms. Lalita D. Gupte
3. Mr. H. N. Sinor
4. Mr. James Dowd
5. Mr. Chandran Ratnaswami
6. Ms. Kalpana Morparia
7. Mr. S. Mukherji
8. Mr. Dileep Chokshi
9. Mr. R. Athappan
10. Mr. B.V. Bhargava
11. Mr. Sandeep Bakhshi (Managing Director & CEO)

ICICI Venture Funds Management Company Limited ("ICICI Venture")

ICICI Venture Funds Management Company Limited was incorporated on January 5, 1988. ICICI Venture (formerly TDICI Limited) is a venture capital company and was founded in 1988 as a joint venture between ICICI and The Unit Trust of India. Subsequently, ICICI bought out Unit Trust of India's stake in 1998 and ICICI Venture became a subsidiary of ICICI. Pursuant to the amalgamation, ICICI Bank holds entire share capital of ICICI Venture. ICICI Venture currently oversees nine domestic and offshore funds that collectively have a corpus of over Rs. 45.00 billion. ICICI Venture has invested in over 300 companies in a wide spectrum of industries and has funds under management of approximately Rs. 34 billion. ICICI Venture launched India Advantage Fund I & II in February 2003. This fund has a corpus of Rs. 11.00 billion and has closed 15 transactions till date. In fiscal 2005, ICICI Venture signed a 50:50 joint venture with Tishman Speyer Properties for pursuing development of commercial, residential and retail properties throughout India. ICICI Venture launched India Advantage Fund III & IV (real estate funds) during the six-month period ended September 30, 2005. At second closing in September 2005, the real estate funds have received commitments of Rs. 11.90 billion. ICICI Venture has now launched India Advantage Fund V & VI with a target commitment of Rs. 33.00 billion (Rs. 45.00 billion including green shoe option).

The following table sets forth, for the periods indicated, a summary of the financial performance of ICICI Venture.

(Rupees in millions)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total income	356.6	1,067.6	745.8	533.6
Expenditure	170.9	753.7	244.7	138.3
Profit/(loss) before tax	185.7	313.9	501.1	395.3
Profit/(loss) after tax	125.0	259.7	324.0	273.9
Equity share capital	31.3	31.3	23.4	23.4
Reserves[1]	288.8	381.0	343.1	401.2
Face value per share (Rs.)	10.0	10.0	10.0	10.0
Book value per share (Rs.)	102.3	131.7	156.6	181.5
Earnings per share Basic & Diluted (Rs.)[2]	40.0	83.1	113.3	116.9

(1) Miscellaneous expenditure or preliminary expenditure not written off or adjusted has been deducted from reserves.

(2) EPS is not annualised for the six-month period ended September 30, 2005.

Board of Directors

1. Mr. K. V. Kamath (Chairman)
2. Ms. Lalita D. Gupte
3. Ms. Kalpana Morparia
4. Dr. Nachiket Mor
5. Mr. Gopal Srinivasan
6. Mr. Balu Doraisamy
7. Mr. R. Rajamani
8. Ms. Renuka Ramnath (Managing Director & CEO)

Prudential ICICI Asset Management Company Limited, the asset management company of Prudential ICICI Mutual Fund

Prudential ICICI Asset Management Company Limited, a company registered under the Companies Act, 1956, was originally incorporated on June 22, 1993 as ICICI Asset Management Company Limited by ICICI as its wholly-owned subsidiary, to act as the Investment Manager of the ICICI Mutual. Consequent to a joint venture agreement dated June 29, 1994 entered into between ICICI and Morgan Guaranty International Finance Corporation (MGIFC), a subsidiary of JP Morgan of USA, MGIFC was issued and allotted shares aggregating 40.0% of the equity capital of ICICI Asset Management Company. The management of ICICI Asset Management Company reviewed its long-term business strategy and decided to further strengthen its commitment to the individual investor segment. As a part of this plan, MGIFC and ICICI agreed to restructure their partnership. As a part of the restructuring plan, MGIFC divested its entire holdings to ICICI and the Board of ICICI Asset Management Company approved the induction of Prudential plc of UK as the new joint venture partner. Pursuant to the Amendatory Agreement for transfer of shares dated May 27, 2005 entered into between us and Prudential plc., we increased our shareholding in the company to 51% effective August 26, 2005, and it became our subsidiary.

Prudential ICICI Asset Management Company Limited is the Investment Manager for the 29 schemes of Prudential ICICI Mutual Fund – "Prudential ICICI Maturity Plan", "Prudential ICICI Gilt Fund", "Prudential ICICI Income Plan", "Prudential ICICI Advisor Series", "Prudential ICICI Aggressive Plan", "Prudential ICICI Balanced Fund", "Prudential ICICI Blended Plan", "Prudential ICICI Cautious Plan", "Prudential ICICI Child Care Plan-Gift Plan", "Prudential ICICI Child Care Plan-Study Plan", "Prudential ICICI Discovery Fund", "Prudential ICICI Dynamic Plan", "Prudential ICICI Emerging Star Fund", "Prudential ICICI Flexible Income Plan", "Prudential ICICI FMCG", "Prudential ICICI Growth Plan", "Prudential ICICI Income Multiplier Fund", "Prudential ICICI Income Plan", "Prudential ICICI Index Fund", "Prudential ICICI Infrastructure Fund", "Prudential ICICI Liquid Plan", "Prudential ICICI Long Term Floater", "Prudential ICICI MIP", "Prudential ICICI Power", "Prudential ICICI Short Term Plan", "Prudential ICICI Sweep Plan", "Prudential ICICI Tax Plan", "Prudential ICICI Technology Fund", and "Sensex Prudential ICICI Exchange Traded Fund". Prudential ICICI Asset Management Company Limited is also registered with SEBI under SEBI

(Portfolio Managers) Rules, 1993. Prudential ICICI Mutual Fund is the largest private sector mutual fund with assets under management of over Rs. 215.00 billion as on September 30, 2005.

The following table sets forth, for the periods indicated, a summary of the financial performance of Prudential ICICI Asset Management Company.

(Rupees in millions)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total income	619.7	997.3	1,020.4	553.3
Expenditure	430.6	592.7	756.8	413.5
Profit/(loss) before tax	189.1	404.6	263.6	139.8
Profit/(loss) after tax	121.5	272.8	171.7	91.6
Equity share capital	185.2	185.2	185.2	185.2
Reserves [(1)]	552.6	616.3	576.5	668.1
Face value per share (Rs.)	10.0	10.0	10.0	10.0
Book value per share (Rs.)	39.8	43.3	41.1	46.1
Earnings per share Basic & Diluted (Rs.)[2]	6.6	14.7	9.3	4.9

(1) Miscellaneous expenditure or preliminary expenditure not written off or adjusted has been deducted from reserves.

(2) EPS is not annualised for the six-month period ended September 30, 2005.

Board of Directors

1. Mr. K. V. Kamath, Chairman
2. Mr. Mark Norbom
3. Mr. Ajay Srinivasan
4. Ms. Kalpana Morparia
5. Ms. Shikha Sharma
6. Mr. Dadi Engineer
7. Mr. K. S. Mehta
8. Mr. Pradip Shah
9. Mr. B. R. Gupta
10. Dr. Swati A. Piramal
11. Mr. Pankaj Razdan (Managing Director)

Prudential ICICI Trust Limited (Prudential ICICI Trust), the trustee of Prudential ICICI Mutual Fund

Prudential ICICI Trust Limited, a company registered under the Companies Act was originally incorporated on June 22,1993 as ICICI Trust Limited by ICICI as its wholly-owned subsidiary, to act as Trustee of ICICI Mutual Fund. Subsequently this company became a joint venture between ICICI and Prudential plc of UK. Pursuant to the Amendatory Agreement for transfer of shares dated May 27, 2005 entered into between us and Prudential plc., we increased our shareholding in the company to 51% effective August 26, 2005, and it became our subsidiary.

The following table sets forth, for the periods indicated, a summary of the financial performance of Prudential ICICI Trust.

(Rupees in millions)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total income	3.7	4.0	3.6	2.1
Expenditure	0.2	2.7	2.3	1.6
Profit/(loss) before tax	3.5	1.3	1.3	0.5
Profit/(loss) after tax	2.2	0.9	0.9	0.4
Equity share capital	1.0	1.0	1.0	1.0
Reserves[1]	6.7	6.7	7.1	7.4
Face value per share (Rs.)	10.0	10.0	10.0	10.0
Book value per share (Rs.)	77.0	77.0	81.0	84.0
Earnings Per share Basic & Diluted (Rs.)[2]	21.7	9.1	8.9	3.8

(1) Miscellaneous expenditure or preliminary expenditure not written off or adjusted has been deducted from reserves.
(2) EPS is not annualised for the six-month period ended September 30, 2005.

Board of Directors

1. Mr. E. B. Desai, Chairman
2. Mr. S. P. Subhedar
3. Mr. D. J. Balaji Rao
4. Mr. Nagesh Pinge
5. Mr. M. S. Parthasarathy

ICICI Home Finance Company Limited ("ICICI Home Finance")

ICICI Home Finance Company Limited was incorporated on May 28,1999. ICICI Home Finance is our wholly owned subsidiary engaged in marketing, distribution and servicing of home loan products of ICICI Bank. During the six-month period ended September 30, 2005, our subsidiary ICICI Distribution Finance Private Limited merged with ICICI Home Finance Company Limited.

The following table sets forth, for the periods indicated, a summary of the financial performance of ICICI Home Finance.

(Rupees in millions)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total income	1,978.3	1,462.9	2,398.8	1,332.6
Expenditure	1,572.4	1,357.6	2,261.2	1,203.2
Profit/(loss) before tax	405.9	105.3	137.6	129.4
Profit/(loss) after tax	286.5	98.5	100.1	89.3
Equity share capital	1,150.0	1,150.0	1,400.0	1,837.5
Preference share capital	400.0	400.0	150.0	150.0
Reserves[1]	136.5	244.8	356.1	484.5
Face value per share (Rs.)	10.0	10.0	10.0	10.0
Book value per share (Rs.)	11.2	12.1	12.5	12.6
Earnings Per share Basic (Rs.)[2]	2.5	0.9	0.8	1.0
Earnings per share Diluted (Rs.)[2]	1.9	0.6	0.7	0.9

(1) Miscellaneous expenditure or preliminary expenditure not written off or adjusted has been deducted from reserves.
(2) EPS is not annualised for the six-month period ended September 30, 2005.

Board of Directors

1. Ms. Chanda Kochhar (Chairperson)
2. Dr. Nachiket Mor
3. Ms. Madhabi Puri Buch
4. Mr. K. Ramkumar
5. Mr. Prashant Purker
6. Mr. V. Vaidyanathan
7. Mr. Rajiv Sabharwal

ICICI Trusteeship Services Limited ("ICICI Trusteeship")

ICICI Trusteeship was incorporated on April 29, 1999 as a wholly-owned subsidiary of ICICI. The main object of ICICI Trusteeship is to act as trustee of mutual funds, off-shore funds, pension funds, provident funds, venture capital funds, insurance funds, collective or private investment schemes, employee welfare or compensation schemes etc., and to devise various schemes for raising funds in any manner in India or abroad and to deploy funds so raised and earn reasonable returns on their investments and to act as trustees generally for any purpose and to acquire, hold, manage, dispose off all or any securities or money market instruments or property or assets and receivables or financial assets or any other assets or property.

The following table sets forth, for the periods indicated, a summary of the financial performance of ICICI Trusteeship.

(Rupees)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total income	392,155	348,058	309,968	165,469
Expenditure	35,975	34,492	52,229	14,531
Profit/(loss) before tax	356,180	313,566	257,739	150,938
Profit/(loss) after tax	225,180	193,566	163,739	99,938
Equity share capital	500,000	500,000	500,000	500,000
Reserves & surplus[(1)]	410,077	621,106	807,286	907,224
Face value per share	10.0	10.0	10.0	10.0
Book value per share	18.2	22.4	26.1	28.1
Earnings per share Basic & Diluted (Rs.)[2]	14.3	3.9	3.3	2.0

(1) Miscellaneous expenditure or preliminary expenditure not written off or adjusted has been deducted from reserves.
(2) EPS is not annualised for the six-month period ended September 30, 2005.

Board of Directors

1. Mr. Sanjiv Kerkar (Chairman)
2. Mr. Girish Mehta
3. Mr. N. D. Shah
4. Dr. S. D. Israni

ICICI Investment Management Company Limited ("ICICI Investment Management")

ICICI Investment Management Company Limited was incorporated on March 9, 2000.The main object of ICICI Investment Management is to carry on the business of management of mutual funds, unit trusts, offshore funds, pension funds, provident funds, venture capital funds, insurance funds, and to act as managers, consultants, advisors, administrators, attorneys, agents, or representatives of these entities and to act as financial advisors and investment advisors.

The following table sets forth, for the periods indicated, a summary of the financial performance of ICICI Investment Management.

(Rupees in millions)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total income	10.9	7.5	7.3	3.7
Expenditure	2.8	3.3	3.8	1.5
Profit/(loss) before tax	8.1	4.2	3.5	2.2
Profit/(loss) after tax	5.2	3.0	2.1	1.5
Equity share capital	100.0	100.0	100.0	100.0
Reserves (1)	12.4	15.6	18.0	19.4
Face value per share (Rs.)	10.0	10.0	10.0	10.0
Book value per share (Rs.)	11.2	11.6	11.8	11.9
Earnings per share Basic & Diluted (Rs.)[2]	0.5	0.3	0.2	0.3

(1) Miscellaneous expenditure or preliminary expenditure not written off or adjusted has been deducted from reserves.

(2) EPS is not annualised for the six-month period ended September 30, 2005.

Board of Directors

1. Ms. Kalpana Morparia (Chairperson)
2. Mr. A. J. Advani
3. Mr. Chandrashekhar Lal
4. Mr. Ashish Dalal

ICICI Bank UK Limited

ICICI Bank UK Limited was incorporated on February 11, 2003. ICICI Bank UK Limited is our wholly-owned subsidiary and is authorised and regulated by the Financial Services Authority in the UK. It commenced operations in June 2003. ICICI Bank UK seeks to provide banking products and services to corporate and retail customers, primarily based in the United Kingdom, with trading or personal links to India. ICICI Bank UK has two offices at London and a office each at Manchester and Leicester. ICICI Bank UK also offers online deposit accounts using the Internet as the access channel for individual UK residents.

The following table sets forth, for the periods indicated, a summary of the financial performance of ICICI Bank UK Limited.

(Rupees in millions)

	Year ended March 31,		(Unaudited) Six-month period ended September 30,
	2004[2]	**2005**	**2005[3]**
Total income	68.3	1,008.6	1,398.6
Expenditure	167.2	883.6	1,104.8
Profit before tax	(98.9)	125.0	293.8
Profit after tax	(98.9)	99.9	199.6
Equity share capital	2,201.0	4,402.0	4,402.0
Preference share capital	-	2,201.0	2,201.0
Reserves	(98.9)	1.0	19.1
Face value per share (Rs.)	44.0	44.0	44.0
Book value per share (Rs.)	42.0	44.0	44.2
Earnings per share Basic & Diluted (Rs.)[4]	(3.0)	1.8	0.2

(1) All figures have been translated into Indian rupees at the closing rate of US$1 = Rs. 44.02 as on September 30, 2005.
(2) The figures are for the period starting from February 11, 2003 till March 31, 2004.
(3) During current financial year, the board has declared a dividend on preference share amounting to Rs. 181.58 million.
(4) EPS is not annualised for the six-month period ended September 30,2005.

Board of Directors

1. Mr. K. V. Kamath (Chairman)
2. Ms. Lalita D. Gupte
3. Mr. W. Michael T. Fowle
4. Mr. Richard M. J Orgill
5. Dr. M. L. Kaul
6. Mr .Bhargav Das Gupta
7. Mr. Sonjoy Chatterjee (Chief Executive Officer)
8. Mr. Martin Errington (Chief Financial Officer)

ICICI Bank Canada

ICICI Bank Canada was incorporated on September 12, 2003. ICICI Bank Canada is our wholly-owned subsidiary and has been authorised by the Office of the Superintendent of Financial Institutions in Canada. In addition, the Canada Deposit Insurance Corporation has admitted ICICI Bank Canada to its membership, giving it the ability to accept retail deposits in Canada. ICICI Bank Canada seeks to provide banking and investment products and services in Canada, focusing on customer segments with strong India linkages. ICICI Bank Canada has two branches in Toronto and a branch each in Brampton, Scarborough and Vancouver. ICICI Bank Canada has also launched a direct banking offering in Canada using the Internet as the access channel.

The following table sets forth, for the periods indicated, a summary of the financial performance of ICICI Bank Canada.

(Rupees in millions)

	(Unaudited) Year ended March 31,		**(Unaudited) Six-month period ended September 30,**
	2004[2]	**2005**	**2005**
Total income	10.8	118.1	337.4
Expenditure	60.8	498.0	539.7
Profit before tax	(50.0)	(379.9)	(202.3)
Profit after tax	(34.9)	(269.2)	(142.4)
Equity share capital	562.9	825.6	1,951.4
Preference share capital	375.3	375.3	375.3
Reserves	(34.9)	(304.1)	(446.5)
Face value per share (Rs.)	37.5	37.5	37.5
Book value per share (Rs.)	35.2	23.7	28.9
Earnings per share Basic & Diluted (Rs.)[3]	(2.3)	(16.8)	(4.4)

(1) All figures have been translated into Indian rupees at the closing rate of Canadian$ 1 = Rs. 37.5275 as on September 30, 2005.
(2) The figures are for the period starting from September 12, 2003 till March 31, 2004.
(3) EPS is not annualised for the six-month period ended September 30,2005.

Board of Directors

1. Mr. K. V. Kamath (Chairman)
2. Ms. Lalita D. Gupte
3. Mr. Bhargav Dasgupta
4. Mr. Madan Bhayana
5. Mr. Robert G. Long

6. Mr. John Thompson
7. Senator David P. Smith
8. Mr. Hari Panday (President & Chief Executive Officer)

Investment Credit Bank Limited Liability Company ("ICB")

Investment Credit Bank Limited Liability Company is our wholly-owned subsidiary and is regulated by the Central Bank of Russian Federation in Russia. We acquired the entire shareholding of this company in May 2005. The Russian Deposit Insurance agency has admitted ICB to its membership giving it the ability to mobilise retail deposits across Moscow and Kaluga regions. ICB seeks to offer a full range of personal and commercial financial services through its corporate and branch offices.

The following table sets forth, for the periods indicated, a summary of the financial performance of Investment Credit Bank Limited Liability Company.

(Rupees in millions)

	(Unaudited) Six-month period ended September 30, 2005[2]
Total income	11.4
Expenditure	11.6
Profit/(loss) before tax	(0.2)
Profit/(loss) after tax	(0.5)
Equity share capital	483.3
Reserves [3]	228.0
Face value per share (Rs.)	1.5
Book value per share (Rs.)	2.3
Earnings per share Basic & Diluted (Rs.)[4]	-

(1) All figures have been translated into Indian rupees at the closing rate of Russian RUB 1 = Rs. 1.5437 as on September 30, 2005.
(2) The figures are for the period May 18, 2005 to September 30, 2005, being the date of acquisition of ICB.
(3) Miscellaneous expenditure or preliminary expenditure not written off or adjusted has been deducted from reserves.
(4) EPS is not annualised for the six-month period ended September 30, 2005.

Board of Directors

1. Mr.K.V. Kamath, Chairman
2. Ms. Lalita D. Gupte
3. Mr. Bhargav Dasgupta
4. Mr. Sanjay Kumar Maheshka
5. Mr. Ralf Dieter Montag-Girmes

ICICI International Limited

ICICI International Limited (formerly TDICI Investment Management Company) was originally incorporated on January 18,1996 as a wholly-owned subsidiary of ICICI Venture in Mauritius to carry on the business of offshore fund management. Subsequently, ICICI Venture transferred its entire shareholding to ICICI. Pursuant to the amalgamation, ICICI International has become our wholly owned subsidiary. ICICI and TCW (Trust Company of the West, USA) had jointly set up an asset management company named "TCW/ICICI Investment Partners, L.L.C." to pursue investment management opportunities in the private equity business. TCW/ICICI Investment Partners, L.L.C. is domiciled in Mauritius and has a share capital of US$ 600,000. Pursuant to the amalgamation, we hold 50.0% of the share capital of TCW/ICICI Investment Partners, L.L.C. through ICICI International. The balance 50.0% of the share capital of TCW/ICICI Investment Partners is held by TCW.

The following table sets forth, for the periods indicated, a summary of the financial performance of ICICI International Limited.

(Rupees in millions)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total income	14.7	7.1	4.7	0.1
Expenditure	14.7	7.1	4.7	0.3
Profit/(loss) after tax	-	-	-	(0.2)
Equity share capital	17.6	17.6	17.6	17.6
Reserves [2]	5.7	5.7	5.7	5.5
Face value per share (Rs.)	440.2	440.2	440.2	440.2
Book value per share (Rs.)	582.5	582.5	582.5	577.5
Earnings per share Basic & Diluted (Rs.)[3]	-	-	-	(3.5)

(1) All figures have been translated into Indian rupees at the closing rate of US$ 1 = Rs. 44.02 as on September 30, 2005.
(2) Miscellaneous expenditure or preliminary expenditure not written off or adjusted has been deducted from reserves.
(3) EPS is not annualised for the six-month period ended September 30,2005.

Board of Directors

1. Ms. Renuka Ramnath
2. Mr. Suresh Kumar
3. Mr. Couldip Basanta Lala
4. Mr. Kapil Dev Joory

3i Infotech Limited

3i Infotech Limited (formerly known as ICICI Infotech Limited) was incorporated on October 11, 1993 as a wholly-owned subsidiary of ICICI Limited. 3i Infotech Limited is a provider of information technology products and services. 3i Infotech has six subsidiaries 3i Infotech Inc (USA), 3i Infotech Pte (Singapore), 3i Infotech SDN BHD (Malaysia), Semantik Solutions GmbH (Germany), 3i Infotech (UK) Limited (UK) and 3i Infotech (Thailand) Limited (Thailand). At September 30, 2005 we held 17.3% of the equity share capital of 3i Infotech Limited.

A summary of the financial performance of the 3i Infotech Limited (consolidated) is as follows:

(Rupees in millions)

	Year ended March 31,			(Unaudited) Six-month period ended September 30,
	2003	**2004**	**2005**	**2005**
Total Income	2,345.6	2,320.4	2,920.4	1,883.3
Expenditure	2,316.6	2,476.9	2,707.7	1,657.4
Profit /(loss) before tax	29.0	(156.5)	212.7	225.9
Profit /(loss) after tax	74.9	(118.2)	321.1	236.4
Equity share capital	309.8	309.8	310.0	528.4
Preference share capital	1,500.0	1,500.0	1,500.0	1,000.0
Reserves [1]	118.3	83.2	77.9	2,028.2
Face value per Equity share (Rs.)	5.0	5.0	10.0	10.0
Book value per Equity share (Rs.)	6.9	6.3	12.5	48.4
Earnings Per share-Basic (Rs.) [2]	(0.3)	(3.7)	6.9	3.8
Earnings per share-Diluted (Rs.) [2]	(0.2)	(3.7)	6.8	3.7

1. Miscellaneous expenditure not written off or adjusted has been deducted from reserves.
2. EPS is not annualised for the six-month period ended September 30, 2005.

Board of Directors

1. Mr. Hoshang Sinor (Chairman)
2. Mr. V Srinivasan (Managing Director and Chief Executive Officer)
3. Mr. Manoj Kunkalienkar, Executive Director
4. Mr. Hari Padmanabhan, Executive Director
5. Mr. Suresh Kumar
6. Mr. Balaji Swaminathan
7. Mr. Vincent Addonisio
8. Mr. Bruce Kogut
9. Mr. Santhanakrishnan

3i Infotech listed its equity shares on the NSE and the BSE on the April 23, 2005.

The following are the details of the last issue made by 3i Infotech

Issue Details	**Issue Size (Rs./million)**	**Time of Issue**
Initial public offering of 23 million equity shares (including the green shoe option) of Rs. 10/- each at a premium of Rs. 90	Rs. 2,300 million	Issue open date: March 30, 2005 Issue close date: April 4, 2005 Date of completion of allotment of equity shares: April 15, 2005 Date of completion of allotment of equity shares under the green shoe option: May 24, 2005

Share Quotation:

Month	**High (Rs.)**	**Low (Rs.)**
May, 2005	102.30	92.80
June, 2005	98.70	88.40
July, 2005	107.95	86.70
August, 2005	136.75	100.25
September, 2005	138.00	126.10
October, 2005	135.15	110.70

(Source: NSE Website)

Closing price on the NSE as of November 18, 2005 was Rs. 132.60.

Market capitalisation on the NSE as of November 18, 2005 was Rs. 7,006.2 million.

OUR MANAGEMENT

Board of Directors as on November 19, 2005

Name, Description, Address & Business	Age (years)	Qualifications	Particulars of other Directorship(s)
Mr. Narayanan Vaghul **Chairman** ICICI Bank Limited ICICI Bank Towers 10th Floor, No. 93, Santhome High Road Chennai 600 028 **Development Banker**	69	B.Com. (Hons), C.A.I.I.B.	**Chairman** Asset Reconstruction Company (India) Limited GIVE Foundation Himatsingka Seide Limited ICICI Knowledge Park Mahindra Industrial Park Limited Pratham India Education Initiative Pratham Tamil Nadu Education Initiative **Director** Air India Limited Air India Air Transport Services Limited Air India Engineering Services Limited Apollo Hospitals Enterprise Limited Azim Premji Foundation Hemogenomics Private Limited Mittal Steel Europe SA Mittal Steel Company NV Mittal Steel Caribbean Mahindra & Mahindra Limited Nicholas Piramal India Limited Technology Network (India) Private Limited Wipro Limited
Mr. Sridar Iyengar 85 Fair Oaks Lane Atherton CA 94027, USA **Business Advisor**	58	B. Com, F.C.A.	**Director** American India Foundation Foundation for Democratic Reforms in India Inc. Infosys Technologies Limited Progeon Limited Rediff.com India Limited Rediff Holdings Inc. TiE Inc.
Mr. Ram Kishore Joshi Chairman-cum- Managing Director General Insurance Corporation of India Suraksha, 6th Floor 170, J. Tata Road Churchgate Mumbai - 400 020 **Company Executive**	58	BE (Mech.)	**Chairman-cum-Managing Director** General Insurance Corporation of India **Director** Andhra Pradesh Paper Mills Limited Asian Reinsurance Corporation GIC Asset Management Company Limited GIC Housing Finance Limited Indian Register of Shipping Kenindia Assurance Company Limited Life Insurance Corporation of India Loss Prevention Association of India Limited The New India Assurance Company Limited

Name, Description, Address & Business	Age (years)	Qualifications	Particulars of other Directorship(s)
Mr. Lakshmi Niwas Mittal Chairman & CEO Mittal Steel, Berkeley Square House 7th Floor Berkeley Square London W1J 6DA U.K. **Industrialist**	55	B.Com. (Magna-cum -Laude)	**Director** Artha Limited Galmatias Limited Irish Ispat Limited Ispat Inland Holdings Inc. Ispat Inland Inc. Ispat Inland L.P. Ispat (US) Holdings Inc. LNM Capital Limited Lucre Limited Mittal Canada Inc. Mittal Steel Annaba Spa Mittal Steel Company N.V. Mittal Steel Company Limited Mittal Steel Europe SA Mittal Steel Galati SA Mittal Steel Holdings NV Mittal Steel Holdings BV Mittal Steel Lazaro Cardenas SA de CV Mittal Steel Mexico SA de CV Mittal Steel Ostrava a.s. Mittal Steel Point Lisas Limited Mittal Steel Poland S.A. Mittal Steel Skopje (CRM) a.d. Mittal Steel Skopje (HRM) a.d. Mittal Steel South Africa Limited Mittal Steel Tebessa Spa Mittal Steel Temirtau JSC Mittal Steel Zenica Nestor Limited Nuav Limited Pratham UK Limited Tommyfield Limited
Mr. Anupam Pradip Puri 17 East, 16 Street New York NY 10003, USA **Management Consultant**	60	BA (Eco.) BA (M.Phil.)	**Director** Dr. Reddy's Laboratories Limited Godrej Consumer Products Limited Mahindra-British Telecom Limited Mahindra & Mahindra Limited Patni Computer Systems Limited
Mr. Vinod Rai Additional Secretary (Financial Sector) Ministry of Finance Department of Economic Affairs (Banking Division) Government of India Jeevan Deep Parliament Street New Delhi 400 001 **Government Service**	57	B.A. (Eco. - Hons.) M.A. (Eco.) MPA (Harvard IAS (72-Kerala)	**Director** Bank of Baroda IFCI Limited Infrastructure Development Finance Company Limited Small Industries Development Bank of India

Name, Description, Address & Business	Age (years)	Qualifications	Particulars of other Directorship(s)
Mr. Somesh Ramchandra Sathe Managing Director Arbes Tools Private Limited B-4, Udyog Sadan No.1 MIDC Marol Andheri (East) Mumbai 400 093 **Technocrat Entrepreneur**	60	B.Sc. (Mechanical Engineering)	**Managing Director** Arbes Tools Private Limited ESSP Meditek Private Limited Sukeshan Equipments Private Limited
Mr. Mahendra Kumar Sharma Vice-Chairman Hindustan Lever Limited Hindustan Lever House 165/166, Backbay Reclamation Mumbai 400 020 **Company Executive**	58	B.A. (Hons.) LL.B, PGDM	**Vice-Chairman** Hindustan Lever Limited **Chairman** Vasishti Detergents Limited **Director** Hind Lever Trust Limited Indexport Limited Lever India Exports Limited Lever Associated Trust Limited Nepal Lever Limited Toc Disinfectants Limited
Mr. Priya Mohan Sinha B-787 Sushant Lok Phase I Gurgaon 122 002 Haryana Professional Manager	**65**	B.A.	**Chairman** Bata India Limited **Director** Azim Premji Foundation Indian Oil Corporation Limited Lafarge India Limited Wipro Limited
Prof. Marti Gurunath Subrahmanyam Professor Stern School of Business New York University 44 West 4th Street Suite 9-190, NEW YORK NY 10012-1126, U.S.A. **Professor**	59	B.Tech. PGDBA, Ph.D.	**Director** Infosys Technologies Limited Nexgen Financial Holdings Limited Nexgen Re Limited Nomura Asset Management (U.S.A.), Inc. Supply Chainge Inc. The Animi Offshore Fund Limited The Animi Offshore Concentrated Risk Fund Usha Communication Inc. **Director – Board of Governors** National Institute of Securities Market **Director – Advisory Board** Metahelix Life Sciences Private Limited Microcredit Foundation of India
Mr. T.S. Vijayan Managing Director Life Insurance Corporation of India Central Office "Yogakshema" 7th Floor West Wing Jeevan Bima Marg Mumbai 400 021 **Company Executive**	52	B.Sc, DIM	**Managing Director** Life Insurance Corporation of India **Director** LIC HFL Care Homes Limited

Name, Description, Address & Business	Age (years)	Qualifications	Particulars of other Directorship(s)
Mr. V. Prem Watsa Chairman & CEO Fairfax Financial Holdings Limited 95, Wellington Street West Suite 800 Toronto Ontario M5J 2N7 Canada **Company Executive**	55	B. Tech (Chemical Engineering) MBA Chartered Financial Analyst	**Chairman & CEO** Fairfax Financial Holdings Limited **Chairman** 4129768 Canada Inc. Crum & Foster Holdings Corp. Northbridge Financial Corporation TIG Holdings, Inc. **President** 1109519 Ontario Limited 810679 Ontario Limited FFHL Share Option 1 Corp. The Sixty Two Investment Company Limited **Vice-President** FFHL Group Limited **Vice-President & Secretary** Hamblin Watsa Investment Counsel Limited **Director** Hudson Insurance Company Lindsey Morden Acquisitions Lindsey Morden Group Inc. Odyssey Re Holdings Corp. The Sixty Four Foundation The Sixty Three Foundation
Mr. Kundapur Vaman Kamath Managing Director & CEO ICICI Bank Limited ICICI Bank Towers Bandra-Kurla Complex Mumbai 400 051 **Company Executive**	57	B.E. PGDBA	**Chairman** ICICI Bank Canada ICICI Bank UK Limited ICICI Lombard General Insurance Company Limited ICICI Prudential Life Insurance Company Limited ICICI Securities Limited ICICI Venture Funds Management Company Limited Investment Credit Bank Limited Liability Company Prudential ICICI Asset Management Company Limited **Director** Indian Institute of Management, Ahmedabad Visa International Asia Pacific Regional Board **Director - Board of Governors** Indian Institute of Information Technology **Member – Governing Board** Indian School of Business
Ms. Lalita Dileep Gupte Joint Managing Director ICICI Bank Limited ICICI Bank Towers Bandra-Kurla Complex Mumbai 400 051 **Company Executive**	57	B.A. (Hons.), MMS	**Director** ICICI Bank Canada ICICI Bank UK Limited ICICI Lombard General Insurance Company Limited ICICI Prudential Life Insurance Company Limited ICICI Securities Limited ICICI Venture Funds Management Company Limited Investment Credit Bank Limited Liability Company

Name, Description, Address & Business	Age (years)	Qualifications	Particulars of other Directorship(s)
Ms. Kalpana Morparia Deputy Managing Director ICICI Bank Limited ICICI Bank Towers Bandra-Kurla Complex Mumbai 400 051 Company Executive	56	B.Sc., LLB	**Chairperson** ICICI Investment Management Company Limited **Director** ICICI Lombard General Insurance Company Limited ICICI Prudential Life Insurance Company Limited ICICI Securities Limited ICICI Venture Funds Management Company Limited Prudential ICICI Asset Management Company Limited
Ms. Chanda Kochhar Executive Director ICICI Bank Limited ICICI Bank Towers Bandra-Kurla Complex Mumbai 400 051 **Company Executive**	43	MMS, ICWA	**Chairperson** ICICI Home Finance Company Limited **Director** ICICI Prudential Life Insurance Company Limited
Dr. Nachiket Mor Executive Director ICICI Bank Limited ICICI Bank Towers Bandra-Kurla Complex Mumbai 400 051 **Company Executive**	41	B.Sc. (Physics) PGDM (Finance) Ph.D (Financial Economics) Yale World Fellow	**Director** ICICI Home Finance Company Limited ICICI Knowledge Park ICICI Securities Limited ICICI Venture Funds Management Company Limited ICICI Venture Funds Management Company Limited Pratham India Education Initiative

(1) In terms of Section 20(1) of the Banking Regulation Act, a banking company is prohibited from entering into any commitment for granting any loans or advances to or on behalf of any of its directors, or any firm in which any of its directors is interested as partner, manager, employee or guarantor, or any company (not being a subsidiary of the banking company or a company registered under Section 25 of the Companies Act, 1956, or a Government company) of which, or the subsidiary or the holding company of which any of the directors of the bank is a director, managing agent, manager, employee or guarantor or in which he holds substantial interest, or any individual in respect of whom any of its directors is a partner or guarantor. There are certain exemptions in this regard as the explanation to the section provides that 'loans or advances' shall not include any transaction which the Reserve Bank of India may specify by general or special order as not being a loan or advance for the purpose of such section. We are in compliance with these requirements.

Key managerial personnel

The following table sets forth certain details of our senior management.

Name	Age (yrs)	Date of joining	Designation	Qualifications	Details of previous employment	Work experience (years)	Compensation (FY 2005)[1]
K.V. Kamath	57	May 1, 1996	Managing Director & CEO	B.E (Mech.), PGDBA	Advisor to the Chairman, Bakrie Group, Indonesia	34	18,340,489
Lalita D. Gupte	57	June 15, 1971	Joint Managing Director	B.A. (Hons.) MMS	—	34	11,868,324
Kalpana Morparia	56	November 5, 1975	Deputy Managing Director	B.Sc., LLB	Legal Asst., Matubhai Jamiatram & Madon	30	11,758,575
Chanda Kochhar	43	April 17, 1984	Executive Director	B.A., MMS, ICWAI	—	21	7,524,007
Nachiket Mor	41	May 4, 1987	Executive Director	B.Sc., PGDM, Ph.D, Yale World Fellow	—	18	8,673,546
Balaji Swaminathan	40	August 1, 2001	Senior General Manager	B.Com, CA, ICWA	Partner, KPMG	16	8,908,195
Bhargav Dasgupta	39	May 18, 1992	Senior General Manager	BE, PGDM	Trainee Engineer – TELCO	15	5,804,663
K. Ramkumar	44	July 2, 2001	Senior General Manager	B.Sc, PGDPM PM & IR	General Manager (HR), ICI India Limited	20	6,487,731
Madhabi Puri Buch	39	January 1, 1997	Senior General Manager	B.A., PGDM, DPR(U.K.)	Research Director, ORGMARG	16	6,319,671
Nagesh Pinge	47	April 6, 1998	Senior General Manager	B.Com, BGL, ACA	Director – Anik Financial	20	5,921,046
P. H. Ravikumar	54	July 15, 1994	Senior General Manager	B.Com, CAIIB, CAIB (London), Dip. in French	Bank of India	33	6,639,611
Pravir Vohra	51	January 28, 2000	Senior General Manager	MA, CAIIB	Vice President – Times Bank	30	6,065,497
Ramni Nirula	53	December 1, 1975	Senior General Manager	B.A., MBA	—	29	6,970,803
Sanjiv Kerkar	54	November 26, 1996	Senior General Manager	B.Tech (Chem), MFM	Director-Operations, Asian Finance and Investment Corp. Ltd.	30	6,821,831
V. Vaidyanathan	37	March 6, 2000	Senior General Manager	B.Com, MBA	Citibank N.A.	15	6,771,508
Vishakha Mulye	36	March 1, 1993	Chief Financial Officer & Treasurer	B. Com, CA	Officer – Deutsche Bank	12	5,574,405

(1) As per Section 217(2A) of the Companies Act. Includes aggregate leave travel allowance availed during the year: K.V. Kamath – Rs. 3,350,000, Ms. Lalita D. Gupte – Rs. Nil, Kalpana Morparia – Rs. 1,900,000, Chanda D. Kochhar – Rs. Nil, Nachiket Mor – Rs. 812,500 and all other key managerial personnel Rs. 4,788,750.

(2) Mr. Balaji Swaminathan has decided to leave ICICI Bank to explore other professional opportunities.

(3) All the above employees are on our rolls as permanent employees unless otherwise specified.

(4) The senior management includes those employees who have become our employees pursuant to the amalgamation. The details of previous employment of these employees relate to that of prior to joining the ICICI.

(5) Of the above employees. Mr. P. H. Ravikumar is on deputation to National Commodities & Derivatives Exchange Limited.

Changes in Key Managerial Personnel In The Last Three Years

Following are the changes in the key managerial personnel in the last three years:

- Mr. Devdatt Shah, Senior General Manager resigned from the services of ICICI Bank effective January 1, 2003.
- Mr. Ananda Mukerji, Senior General Manager ceased to be an employee of ICICI Bank with effect from April 1, 2003 consequent to his appointment as Managing Director and Chief Executive Officer of ICICI Onesource Limited.
- Mr. H. N. Sinor, Joint Managing Director, completed his term as Joint Managing Director on May 31, 2003 and retired from the services of ICICI Bank with effect from June 1, 2003.
- Mr. S. Mukherji, Executive Director stepped down from the Board of Directors pursuant to his appointment as Managing Director & CEO of ICICI Securities Limited with effect from February 1, 2004.
- Mr. A. Karati, Senior General Manager, retired from the services of ICICI Bank with effect from April 1, 2004.
- Mr. N.S. Kannan, Chief Financial Officer & Treasurer ceased to be an employee of ICICI Bank with effect from August 1, 2005 consequent to his appointment as Executive Director of ICICI Prudential Life Insurance Company Limited.
- Mr. M.N. Gopinath, Senior General Manager, has opted for early retirement from ICICI Bank effective September 1, 2005.
- Mr. Balaji Swaminathan, Senior General Manager has decided to leave ICICI Bank to explore other professional opportunities.

Corporate Governance

Our corporate governance policies recognise the accountability of the Board and the importance of making the Board transparent to all its constituents, including employees, customers, investors and the regulatory authorities, and to demonstrate that the shareholders are the ultimate beneficiaries of our economic activities.

Our corporate governance framework is based on an effective independent board, the separation of the board's supervisory role from the executive management and the constitution of board committees, generally comprising a majority of independent directors and chaired by an independent director, to oversee critical areas and functions of executive management.

Our corporate governance philosophy encompasses not only regulatory and legal requirements, such as the terms of listing agreements with stock exchanges, but also several voluntary practices aimed at a high level of business ethics, effective supervision and enhancement of value for all shareholders.

Our Board's role, functions, responsibility and accountability are clearly defined. In addition to its primary role of monitoring corporate performance, the functions of the Board include:

- approving corporate philosophy and mission;
- participating in the formulation of strategic and business plans;
- reviewing and approving financial plans and budgets;
- monitoring corporate performance against strategic and business plans, including overseeing operations;
- ensuring ethical behavior and compliance with laws and regulations;
- reviewing and approving borrowing limits;
- formulating exposure limits; and
- keeping shareholders informed regarding plans, strategies and performance.

To enable our Board of Directors to discharge these responsibilities effectively, executive management gives detailed reports on our performance on a quarterly basis.

Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. These board committees meet regularly. The constitution and main functions of the various committees are given below.

Audit Committee

The Audit Committee comprises three independent directors – Mr. Sridar Iyengar, who is a Chartered Accountant, Mr. M.K. Sharma and Mr. Somesh R. Sathe. Mr. Sridar Iyengar is the Chairman of the Committee.

The Audit Committee provides direction to the audit and risk management function and monitors the quality of the internal and statutory audit. The responsibilities of the Audit Committee include overseeing of the financial reporting process to ensure fairness, sufficiency and credibility of financial statements, recommendation of appointment and removal of central and branch statutory auditors as also Chief Internal Auditor and fixation of their remuneration, approval of payment to statutory auditors for other services rendered by them, review of functioning of Whistle Blower Policy, review of the quarterly financial statements before submission to Board, review of the adequacy of internal control systems and the internal audit function, review of compliance with the inspection and audit reports of Reserve Bank of India and reports of statutory auditors, review of the findings of internal investigations, review of statement of significant related party transactions, review of Management letters/letter of internal control weaknesses issued by statutory auditors discussion on the scope of audit with external auditors and examination of reasons for substantial defaults, if any, in payment to stakeholders. review of customer service initiatives and functioning of customer service council. The Committee provides direction to the internal audit function and monitors the quality of internal and statutory audit. The Committee is also empowered to appoint/oversee the work of any registered public accounting firm, establish procedures for receipt and treatment of complaints received regarding accounting and auditing matters, engage independent counsel as also provide for appropriate funding for compensation to be paid to any firm/advisors.

Board Governance & Remuneration Committee

The Board Governance & Remuneration Committee comprises five independent directors - Mr. N. Vaghul, Mr. Anupam Puri, Mr. M. K. Sharma, Mr. P. M. Sinha and Prof. Marti G. Subrahmanyam. Mr. N. Vaghul is the Chairman of the Committee.

The functions of the Board Governance & Remuneration Committee include recommendation of appointments to the Board, evaluation of the performance of the Managing Director & CEO and other wholetime Directors on pre-determined parameters, recommendation to the Board of the remuneration (including performance bonus and perquisites) to wholetime Directors, approving the policy for and quantum of bonus payable to the members of the staff, framing guidelines for the employees stock option scheme and recommendation of grant of stock options to the employees and the wholetime Directors and those of the subsidiary companies.

Business Strategy Committee

The Business Strategy Committee comprises five directors – Mr. N. Vaghul, Mr. Anupam Puri, Mr. M. K. Sharma, Mr. P. M. Sinha and Mr. K. V. Kamath. The majority of the members of this Committee are independent directors. Mr. N. Vaghul is the Chairman of the Committee.

The functions of the Business Strategy Committee are to approve the annual income and expenditure and capital expenditure budgets for presentation to the Board for final approval and to review and recommend to the Board our business strategy.

Credit Committee

The Credit Committee comprises five directors – Mr. N. Vaghul, Mr. Somesh R. Sathe, Mr. M. K. Sharma, Mr. P. M. Sinha and Mr. K. V. Kamath. The majority of the members of the Committee are independent directors. Mr. N. Vaghul is the Chairman of the Committee.

The functions of this Committee include review of developments in key industrial sectors and approval of credit proposals in accordance with the authorisation approved by the Board.The functions of Committee also include review of our business strategy in the agri-business and small enterprises segments and review of the quality of the agricultural lending and small enterprises finance credit portfolio.

Fraud Monitoring Committee

The Fraud Monitoring Committee comprises five directors - Mr. M.K. Sharma, Mr. Somesh R. Sathe, Mr. K.V. Kamath, Ms. Kalpana Morparia and Ms. Chanda D. Kochhar. Mr. M.K. Sharma is the Chairman of the Committee.

The functions of the Fraud Monitoring Committee include monitoring and review of all instances of frauds involving Rs.10 million and above.

Risk Committee

The Risk Committee comprises five directors – Mr. N. Vaghul, Mr. Sridar Iyengar, Prof. Marti G. Subrahmanyam, Mr. V. Prem Watsa and Mr. K. V. Kamath. The majority of the members of the Committee are independent directors. Mr. N. Vaghul is the Chairman of the Committee.

This Committee reviews the risk management policies in relation to various risks (credit, portfolio, liquidity, interest rate, off-balance sheet and operational risks), investment policies and strategy and regulatory and compliance issues in relation thereto.

Share Transfer & Shareholders'/Investors' Grievance Committee

The Share Transfer & Shareholders'/Investors' Grievance Committee comprises four directors – Mr. M.K. Sharma, Mr. Somesh R. Sathe, Ms. Kalpana Morparia and Ms. Chanda D. Kochhar. Mr. M.K. Sharma, an independent director, is the Chairman of the Committee.

The functions and powers of the Share Transfer & Shareholders'/Investors' Grievance Committee include approval and rejection of transfer or transmission of equity and preference shares, bonds, debentures and securities, issue of duplicate certificates, allotment of shares and securities issued from time to time, including those under stock options, review and redressal of shareholders' and investors' complaints, delegation of authority for opening and operation of bank accounts for payment of interest, dividend and redemption of securities and the listing of securities on stock exchanges.

Agriculture & Small Enterprises Business Committee

The Board of Directors at its Meeting held on October 13, 2005 decided to dissolve the Agriculture & Small Enterprises Business Committee ***o***f the Bank and vest its powers with the Credit Committee. Both the Committees had common Members except Mr. P.M. Sinha. The Board at the said Meeting appointed Mr. P.M. Sinha as a Member of the Credit Committee.

Committee of Directors

The Committee of Directors comprises all five wholetime Directors. Mr. K.V. Kamath, Managing Director & CEO is the Chairman of the Committee.

The powers of the Committee include credit approvals as per authorisation approved by the Board, approvals in respect of borrowing and treasury operations and premises and property related matters and review of performance against targets for various business groups.

Asset Liability Management Committee

The Asset Liability Management Committee comprises the Joint Managing Director, Deputy Managing Director and two Executive Directors. Ms. Lalita D. Gupte, Joint Managing Director is the Chairperson of the Committee.

The functions of the Committee include management of our balance sheet, review of our asset-liability profile with a view to manage the market risk exposure assumed by us and deciding our deposit rates and prime lending rate.

Changes in Key Managerial Personnel In The Last Three Years

Following are the changes in the key managerial personnel in the last three years:

- Mr. Devdatt Shah, Senior General Manager resigned from the services of ICICI Bank effective January 1, 2003.
- Mr. Ananda Mukerji, Senior General Manager ceased to be an employee of ICICI Bank with effect from April 1, 2003 consequent to his appointment as Managing Director and Chief Executive Officer of ICICI Onesource Limited.
- Mr. H. N. Sinor, Joint Managing Director completed his term as Joint Managing Director on May 31, 2003 and retired from the services of ICICI Bank with effect from June 1, 2003.
- Mr. S. Mukherji, Executive Director stepped down from the Board of Directors pursuant to his appointment as Managing Director & CEO of ICICI Securities Limited with effect from February 1, 2004.
- Mr. A. Karati, Senior General Manager retired from the services of ICICI Bank with effect from April 1, 2004.
- Mr. N.S. Kannan, Chief Financial Officer & Treasurer ceased to be an employee of ICICI Bank with effect from August 1, 2005 consequent to his appointment as Executive Director of ICICI Prudential Life Insurance Company Limited.
- Mr. M.N. Gopinath, Senior General Manager opted for early retirement from ICICI Bank effective September 1, 2005.
- Mr. Balaji Swaminathan, Senior General Manager has decided to leave ICICI Bank to explore other professional opportunities.

Compensation of our Directors

As per the requirements of listing agreements, the Members at their Annual General Meeting held on August 20, 2005 approved the payment of sitting fees up to Rs. 20,000/- to each of the non-wholetime directors (except the nominee of the Government of India) for attending each Meeting of the Board or any Committee thereof. At present, the fees payable for attending each meeting of the Board and

Committee thereof is Rs. 20,000/-. The Directors are to be paid travelling, hotel and other expenses for attending meetings of the Board/ Committee. If any Director is required to perform extra services or is called upon to go out of station for any of the purposes of ICICI Bank, ICICI Bank may remunerate such Director either by way of a fixed sum or otherwise as may be determined by the Board of Directors and such remuneration may be either in addition to or in substitution of his remuneration mentioned above.

The Board at its Meeting held on March 23, 2001 appointed Ms. Chanda D. Kochhar and Dr. Nachiket Mor as Executive Directors of ICICI Bank with effect from April 1, 2001 for a period upto March 31, 2006. The Members at their Annual General Meeting held on June 11, 2001 approved their appointments. Further, the Board at its Meeting held on April 30, 2005 re-appointed them as wholetime Directors (designated as Executive Directors) for a further period of five years i.e. from April 1, 2006 to March 31, 2011, subject to the approval of the Members and RBI. The Members approved the re-appointments of Ms. Chanda D. Kochhar and Dr. Nachiket Mor at their Annual General Meeting held on August 20, 2005.

The Board of Directors, at its Meeting held on April 26, 2002 appointed Mr. K.V. Kamath, as Managing Director & CEO and Ms. Lalita D. Gupte as Joint Managing Director, for the period from May 3, 2002 till the dates on which their respective terms as wholetime Directors of ICICI would have expired. The Board had approved the re-appointment of Ms. Lalita D. Gupte on the expiry of her current term on June 23, 2004, subject to the approval of RBI and the Members of ICICI Bank. The Members at their Meeting held on March 12, 2004, approved the said re-appointment. RBI *vide* its letter dated April 7, 2004 also approved the said re-appointment. Further, the Board at its Meeting held on April 30, 2005 re-appointed Mr. K.V. Kamath as Managing Director & CEO for a period from May 1, 2006 to April 30, 2009, subject to the approval of the Members and RBI. The Members at their Annual General Meeting held on August 20, 2005, approved the said re-appointment.

The Board also appointed Ms. Kalpana Morparia and Mr. S. Mukherji as Additional Directors and appointed them as Executive Directors for the period from May 3, 2002 till the dates on which their respective terms as whole-time Directors of ICICI would have expired. Mr. S. Mukherji has ceased to be a Director effective February 1, 2004 consequent upon his appointment as Managing Director & CEO of ICICI Securities. Ms. Kalpana Morparia was re-designated as Deputy Managing Director with effect from February 1, 2004 and the same was intimated to the Reserve Bank of India *vide* letter dated February 4, 2004. Further, the Board at its Meeting held on April 30, 2005 re-appointed Ms. Kalpana Morparia as wholetime Director (designated as Deputy Managing Director) for a period from May 1, 2006 to May 31, 2007, subject to the approval of the Members and RBI. The Members at their Annual General Meeting held on August 20, 2005, approved the said re-appointment.

The Board of Directors, at its Meeting held on April 30, 2004 revised the salary range payable to the wholetime Directors, subject to the approval of the Members. The Members, approved the same at their Annual General Meeting held on September 20, 2004. The Board or any Committee thereof may fix within the range stated below, the salary payable to the wholetime Directors. The terms of the appointment, tenure and remuneration of each of the above mentioned wholetime Director are detailed below :

Salary and Tenure

The range of salary and the tenure are given below:

Name and Designation	Salary per month (Rs.)	Tenure up to
Mr. K. V. Kamath Managing Director & CEO	600,000-1,050,000	April 30, 2006
Ms. Lalita D. Gupte Joint Managing Director	400,000-900,000	October 31, 2006
Ms. Kalpana Morparia Deputy Managing Director	300,000-900,000	April 30, 2006
Ms. Chanda D. Kochhar Executive Director	200,000-500,000	March 31, 2006
Dr. Nachiket Mor Executive Director	200,000-500,000	March 31, 2006

The Board of Directors, at its Meeting held on April 30, 2005 has approved the re-appointments of the wholetime Directors on expiry of their current tenures, subject to the approval of the Members and RBI, as follows:

Name	Date of re-appointment	Proposed tenure upto
K. V. Kamath Managing Director & CEO	April 30, 2005	April 30, 2009
Kalpana Morparia Deputy Managing Director	April 30, 2005	May 31, 2007
Chanda D. Kochhar Executive Director	April 30, 2005	March 31, 2011
Nachiket Mor Executive Director	April 30, 2005	March 31, 2011

The Members at their Annual General Meeting held on August 20, 2005, approved the said re-appointments on the same terms (including remuneration) as approved by the Members from time to time and as detailed herein above.

Changes in our Board of Directors and Auditors during the last four years

Changes in Directors

The changes that took place in the Board of Directors since April 2001 are as follows:

From April 2001 to March 2002		**Effective**
Mr. P. M. Sinha	Appointed	January 22, 2002
Mr. N. Vaghul	Appointed	March 27, 2002
From April 2002 to March 2003		
Mr. B. V. Bhargava	Ceased	April 26, 2002
Mr. R. Rajamani	Ceased	April 26, 2002
Mr. R. Seshasayee	Appointed	May 3, 2002
Mr. D. Sengupta	Appointed	May 3, 2002
Prof. Marti G. Subrahmanyam	Appointed	May 3, 2002
Mr. Lakshmi N. Mittal	Appointed	May 3, 2002
Mr. Anupam Puri	Appointed	May 3, 2002
Ms. Kalpana Morparia	Appointed	May 3, 2002
Mr. S. Mukherji	Appointed	May 3, 2002
Mr. S. K. Purkayastha	Nominated	May 3, 2002
Mr. D. Sengupta	Ceased	June 30, 2002k
Mr. S. K. Purkayastha	Ceased	July 19, 2002
Mr. D. C. Gupta	Nominated	July 19, 2002
Mr. D. C. Gupta	Ceased	October 31, 2002
Ms. Vineeta Rai	Nominated	October 31, 2002
Ms. Vineeta Rai	Ceased	January 3, 2003
Mr. Vinod Rai	Nominated	January 3, 2003
Mr. P. C. Ghosh	Appointed	January 31, 2003
Mr. M. K. Sharma	Appointed	January 31, 2003

From April 2003 to March 2004		
Mr. H. N. Sinor	Retired	June 1, 2003
Mr. R. Seshasayee	Ceased	October 31, 2003
Mr. S.B. Mathur	Appointed	January 29, 2004
Mr. V. Prem Watsa	Appointed	January 29, 2004
Mr. S. Mukherji	Ceased	February 1, 2004
From April 2004 to March 2005		
Dr. Satish C. Jha	Retired	September 20, 2004
Mr. S. B. Mathur	Ceased	March 4, 2005
From April 2005 to date		
Mr. Sridar Iyengar	Appointed	April 30, 2005
Mr. T.S. Vijayan	Appointed	April 30, 2005
Mr. P.C. Ghosh	Ceased	May 6, 2005
Mr. Uday Chitale	Retired	August 21, 2005
Mr. R. K. Joshi	Appointed	October 13, 2005

Mr. H. N. Sinor completed his term as Joint Managing Director on May 31, 2003 and retired with effect from June 1, 2003. Mr. S. Mukherji, who was appointed as Executive Director effective May 3, 2002 has ceased to be a member of the Board effective February 1, 2004, consequent to his appointment as Managing Director & CEO of ICICI Securities, subsidiary of ICICI Bank.

The Board at its Meeting held on March 23, 2001 appointed Ms. Chanda D. Kochhar and Dr. Nachiket Mor as Executive Directors of ICICI Bank with effect from April 1, 2001 for a period upto March 31, 2006. The Members at their Annual General Meeting held on June 11, 2001 approved their appointments. Further, the Board at its Meeting held on April 30, 2005 re-appointed them as wholetime Directors (designated as Executive Directors) for a further period of five years i.e. from April 1, 2006 to March 31, 2011, subject to the approval of the Members and the Reserve Bank of India. The Members approved the re-appointments of Ms. Chanda D. Kochhar and Dr. Nachiket Mor at their Annual General Meeting held on August 20, 2005.

The Board at its Meeting held on April 26, 2002 appointed Mr. K. V. Kamath as the Managing Director & Chief Executive Officer of ICICI Bank with effect from May 3, 2002 for a period upto April 30, 2006. Further, the Board at its Meeting held on April 30, 2005 re-appointed him as Managing Director & CEO for a period from May 1, 2006 to April 30, 2009, subject to the approval of the Members and the Reserve Bank of India. The Members approved the re-appointment of Mr. K.V. Kamath at their Annual General Meeting held on August 20, 2005.

The Board at its Meeting held on April 26, 2002 appointed Ms. Lalita D. Gupte as the Joint Managing Director with effect from May 3, 2002 for a period upto June 23, 2004. The Board at its Meeting held on January 29, 2004 re-appointed Ms. Lalita D. Gupte as Joint Managing Director of the Bank upto October 31, 2006 on completion of her term on June 23, 2004, subject to the approval of the Reserve Bank of India and our Members. The Members approved the re-appointment of Ms. Lalita D. Gupte at the Extraordinary General Meeting held on March 12, 2004. The Reserve Bank of India *vide* its letter dated April 7, 2004 also approved her re-appointment.

The Board at its Meeting held on April 26, 2002 appointed Ms. Kalpana Morparia as Executive Director of ICICI Bank with effect from May 3, 2002 for a period upto April 30, 2006. The Board of Directors, at its Meeting held on January 29, 2004, elevated Ms. Kalpana Morparia to the position of Deputy Managing Director effective February 1, 2004. Further, the Board at its Meeting held on April 30, 2005 re-appointed her as wholetime Director (designated as Deputy Managing Director) for a period from May 1, 2006 to May 31, 2007, subject to the approval of the Members and the Reserve Bank of India. The Members approved the re-appointment of Ms. Kalpana Morparia at their Annual General Meeting held on August 20, 2005.

Mr. K. V. Kamath, Ms. Lalita D. Gupte, Ms. Kalpana Morparia, Ms. Chanda D. Kochhar and Dr. Nachiket Mor are not liable to retire by rotation. However, in order to comply with the provisions of the Companies Act, 1956, and the Articles of Association, Ms. Lalita D. Gupte and Ms. Kalpana Morparia shall be liable to retire by rotation, if at any time the number of non-rotational Directors exceeds one-third of the total number of Directors. If Ms. Lalita D. Gupte and Ms. Kalpana Morparia are re-appointed as Directors immediately on retirement by rotation, they shall continue to hold their offices of Joint Managing Director and Deputy Managing Director, respectively, and the retirement by rotation and re-appointment shall not be deemed to constitute a break in their appointment.

The Government of India nominated Mr. S.K. Purkayastha effective May 3, 2002 and withdrew his nomination and nominated Mr. D.C. Gupta in his place effective from July 19, 2002. Subsequently, Ms. Vineeta Rai was nominated by the Government of India effective October 31, 2002 in place of Mr. D.C. Gupta. The Government of India withdrew the nomination of Ms. Vineeta Rai and nominated Mr. Vinod Rai in her place effective January 3, 2003.

Changes in Auditors

The Members at their Eighth Annual General Meeting held on September 16, 2002 appointed N. M. Raiji & Co. and S. R. Batliboi & Co., both Chartered Accountants, in place of retiring auditors S.B. Billimoria & Co., Chartered Accountants, to audit the accounts for fiscal 2003.

The Reserve Bank of India *vide* its letter dated July 4, 2003 and the Members of ICICI Bank, at their Ninth Annual General Meeting held on August 25, 2003 approved the appointment of S. R. Batliboi & Co., Chartered Accountants as Auditors to audit our accounts for fiscal 2004. The Reserve Bank of India *vide* its letter dated May 31, 2004 and the Members of ICICI Bank at their Tenth Annual General Meeting held on September 20, 2004 approved the appointment of S.R. Batliboi & Co., Chartered Accountants as Auditors to audit the accounts for fiscal 2005. The Reserve Bank of India *vide* its letter dated May 31, 2005 and the Members of ICICI Bank, at their Eleventh Annual General Meeting held on August 20, 2005 approved the appointment of S.R. Batliboi & Co., Chartered Accountants as Auditors to audit the accounts for fiscal 2006.

Interest of Directors and Key Managerial Personnel

Except as stated in "Related Party Transactions" on page 171 and to the extent of their shareholding in us, the Directors and Key Managerial Personnel do not have any other interest in our business other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of the Equity Shares held by them in ICICI Bank, if any, and options granted to them under the ESOS (for details of options granted to management, see "Capital Structure" on page 27.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreement or arrangement during the preceding two years from the date of this Information Memorandum in which the Directors are interested directly or indirectly and no payments have been made to them in respect of such contracts, agreements or arrangements or are proposed to be made to them.

RELATED PARTY TRANSACTIONS

We have transactions with our related parties comprising of subsidiaries (including joint ventures), associates (including joint ventures) and key management personnel. The following represents the significant transactions between us and our related parties.

Insurance services

During the six-month period ended September 30, 2005, we paid insurance premium to our insurance joint ventures amounting to Rs. 200.1 million (March 31, 2005: Rs. 315.4 million, September 30, 2004: Rs. 40.0 million). During the period ended September 30, 2005 we received claims from our insurance joint ventures amounting to Rs. 0.1 million (March 31, 2005: Rs. 8.4 million, September 30, 2004: Rs. 4.8 million).

Fees

During the six-month period ended September 30, 2005, we received fees from our subsidiaries and joint ventures amounting to Rs. 525.0 million (March 31, 2005: Rs. 279.8 million, September 30, 2004: Rs. 172.4 million) and commission of Rs. 6.1 million (March 31, 2005: Rs. 5.3 million, September 30, 2004: Rs. 2.6 million) on account of guarantees and letter of credit issued to them.

Lease of premises and facilities

During the six-month period ended September 30, 2005, we charged an aggregate amount of Rs. 215.5 million (March 31, 2005: Rs. 432.8 million, September 30, 2004: Rs. 197.5 million) for lease of premises, facilities and other administrative costs to our subsidiaries and joint ventures.

Sale of housing loan portfolio

During the six-month period ended September 30, 2005, we sold housing loan portfolio to our subsidiary amounting to Rs. 3,550.0 million (March 31, 2005: Rs. 3,059.7 million, September 30, 2004: Rs. 3,059.7 million).

Secondment of employees

During the six-month period ended September 30, 2005, we received Rs. 2.3 million (March 31, 2005: Rs. 8.4 million, September 30, 2004: Rs. 7.0 million) from our subsidiaries and joint ventures for secondment of employees.

Purchase of investments

During the six-month period ended September 30, 2005, we purchased certain investments from our subsidiaries and joint ventures amounting to Rs. 8,941.3 million (March 31, 2005: Rs. 32,440.1 million, September 30, 2004: Rs. 10,648.3 million) and from our associates amounting to Rs. Nil (March 31, 2005: Rs. 820.0 million, September 30, 2004: Rs. Nil).

Sale of investments

During the six-month period ended September 30, 2005, we sold certain investments to our subsidiaries and joint ventures amounting to Rs. 5,671.1 million (March 31, 2005: Rs. 22,668.5 million, September 30, 2004: Rs. 4,666.8 million) and to our associates amounting to Rs. 1,555.1 million (March 31, 2005: Rs. Nil, September 30, 2004: Rs. Nil). On the sales made to our subsidiaries and joint ventures, we accounted for a gain of Rs. 17.5 million (March 31, 2005: Loss of Rs. 12.4 million, September 30, 2004: Loss of Rs. 3.8 million) and on the sale made to our associates, we accounted for a gain of Rs. 10.1 million (March 31, 2005: Rs. Nil, September 30, 2004: Rs. Nil).

Redemption / Buyback and Conversion of investments

During the six-month period ended September 30, 2005, certain investments in our subsidiaries and joint ventures in preference shares were converted to equity shares amounting to Rs. Nil (March 31, 2005: Rs. 250.0 million, September 30, 2004: Rs. Nil). Consideration of Rs. 765.9 million (March 31, 2005: Rs. 106.9 million, September 30, 2004: Rs. Nil) was received on account of buyback of equity shares by a subsidiary and a gain amounting to Rs. 393.0 million (March 31, 2005: Rs. 67.4 million, September 30, 2004: Rs. Nil) was accounted in the books. Units in our associates amounting to Rs. 664.0 million (March 31, 2005: Rs. 2,362.8 million, September 30, 2004: Rs. 684.4 million) were redeemed during the period and a gain of Rs. Nil (March 31, 2005: Rs. 19.8 million, September 30, 2004: Rs. 7.4 million) was accounted on redemption.

Reimbursement of expenses

During the six-month period ended September 30, 2005, we reimbursed expenses to our subsidiaries amounting to Rs. 1,552.9 million (March 31, 2005: Rs. 2,596.0 million, September 30, 2004: Rs. 1,123.2 million).

Brokerage paid

During the six-month period ended September 30, 2005, we paid brokerage to our subsidiary amounting to Rs. 4.7 million (March 31, 2005: Rs. 9.1 million, September 30, 2004: Rs. 3.2 million).

Custodial charges received

During the six-month period ended September 30, 2005, we received custodial charges from our subsidiaries and joint ventures amounting to Rs. 5.8 million (March 31, 2005: Rs. 5.7 million, September 30, 2004: Rs. 2.9 million) and from our associates amounting to Rs. 4.4 million (March 31, 2005: Rs. 2.2 million, September 30, 2004: Rs. 4.0 million).

Interest paid

During the six-month period ended September 30, 2005, we paid interest to our subsidiaries and joint ventures amounting to Rs. 195.4 million (March 31, 2005: Rs. 255.7 million, September 30, 2004: Rs. 103.0 million) and to our associates amounting to Rs. Nil (March 31, 2005: Rs. 1.1 million, September 30, 2004: Rs. 1.1 million).

Interest received

During the six-month period ended September 30, 2005, we received interest from our subsidiaries and joint ventures amounting to Rs. 256.7 million (March 31, 2005: Rs. 376.7 million, September 30, 2004: Rs. 156.5 million) and from our key management personnel[1] Rs. 0.3 million (March 31, 2005: Rs. 0.3 million, September 30, 2004: Rs. 0.1 million).

Other Income

During the six-month period ended September 30, 2005, we have accounted loss on derivative transactions entered into with our subsidiaries and joint ventures amounting to Rs. 192.5 million (March 31, 2005: gain of Rs. 462.3 million, September 30, 2004:gain of Rs. 447.2 million).

Dividend received

During the six-month period ended September 30, 2005, we received dividend from our subsidiaries and joint ventures amounting to Rs. 917.4 million (March 31, 2005: Rs. 714.5 million, September 30, 2004: Rs. 246.4 million) and from our associates amounting to Rs. 1,637.4 million (March 31, 2005: Rs. 1,221.8 million, September 30, 2004: Rs. 795.6 million).

Remuneration to whole-time directors

Remuneration paid to our whole-time directors during the six-month period ended September 30, 2005 was Rs. 49.0 million (March 31, 2005: Rs. 60.5 million, September 30, 2004: Rs. 36.3 million).

Letter of Comfort

We have issued letters of comfort on behalf of our foreign subsidiaries namely, ICICI Bank UK Limited and ICICI Bank Canada. The details of the same are given in the following table:

On behalf of	To	Purpose
ICICI Bank UK Limited	Financial Services Authority, UK (FSA)	To financially support ICICI Bank UK Limited to ensure that it meets all of its financial obligations as they fall due.
ICICI Bank Canada	Office of the Superintendent of Financial Institutions, Canada (OSFI)	To infuse additional capital should ICICI Bank Canada's capital fall below the minimum requirement and provide ICICI Bank Canada ongoing financial, managerial and operational support.
ICICI Bank Canada	Canada Deposit Insurance Corporation (CDIC)	To comply with the Bank Act and the Canada Deposit Insurance Corporation Act, regulations or by-laws there under and to indemnify CDIC against all losses, damages, reasonable costs and expenses arising from failure of ICICI Bank Canada in performing the same

Related party balances

The balances payable to/ receivable from our subsidiaries/ joint ventures/ associates/ key management personnel included in the balance sheet as on September 30, 2005 are given below:

Rupees in million

Items	Subsidiaries / Joint ventures	Associates	Key management personnel [1]	Total
Deposits with ICICI Bank	15,533.6	18.3	34.6	15,586.5
Deposits of ICICI Bank[2]	5,546.5	..	..	5,546.5
Call/ Term money borrowed	1,589.3	..	..	1,589.3
Advances	1,246.9	..	16.3	1,263.2
Investments of ICICI Bank	24,072.3	14,726.8	..	38,799.1
Investments of related parties in ICICI Bank	3.2	..	4.0	7.2
Receivables	361.1	3.3	..	364.4
Payables	1,724.6	0.4	..	1,725.0
Repo	..	..	..	..
Reverse repo	..	..	..	..
Guarantees[3]	3,890.9	..	..	3,890.9
Letter of comfort[4]	30,815.7	..	..	30,815.7
Swaps/forward contracts	138,497.1	..	..	138,497.1
Participation certificate	2,215.1	..	..	2,215.1

1. Whole-time directors and relatives.
2. Includes call money lent.
3. Includes letter of undertaking.
4. Excludes letter of comfort issued on behalf of our foreign subsidiaries, details of which are given separately

The maximum balance payable to/ receivable from our subsidiaries/ joint ventures/ associates/ key management personnel during the period ended September 30, 2005 is given below.

Rupees in million

Items	Subsidiaries / Joint ventures	Associates	Key management personnel [1]	Total
Deposits with ICICI Bank	15,538.8	2,160.2	46.1	17,745.1
Deposits of ICICI Bank[2]	14,527.1	..	..	14,527.1
Call/ Term money borrowed	2,882.3	..	..	2,882.3
Advances	1,447.8	..	19.7	1,467.5
Investments of ICICI Bank	24,072.3	14,726.8	..	38,799.1
Investments of related parties in ICICI Bank	101.7	..	4.0	105.7
Receivables	361.2	4.1	..	365.3
Payables	1,820.7	0.5	..	1,821.2
Repo	400.3	..	..	400.3
Reverse repo	2,244.7	..	..	2,244.7
Guarantees[3]	5,196.3	..	..	5,196.3
Letter of comfort[4]	30,815.7	..	..	30,815.7
Swaps/forward contracts	174,463.6	..	..	174,463.6
Participation certificate	2,215.1	..	..	2,215.1

1. Whole-time directors and relatives.
2. Includes call money lent.
3. Includes letter of undertaking.
4. Excludes letter of comfort issued on behalf of our foreign subsidiaries, details of which are given separately.

The balances payable to/ receivable from our subsidiaries/ joint ventures/ associates/ key management personnel included in the balance sheet as on March 31, 2005 are given below:

Rupees in million

Items	Subsidiaries / Joint ventures	Associates	Key management personnel [1]	Total
Deposits with ICICI Bank	6,593.6	0.3	37.1	6,631.0
Deposits of ICICI Bank[2]	9,798.9	..	..	9,798.9
Call/ Term money borrowed	459.2	..	..	459.2
Advances	322.9	..	19.1	342.0
Investments of ICICI Bank	20,734.1	14,470.5	..	35,204.6
Investments of related parties in ICICI Bank	1.6	..	2.3	3.9
Receivables	202.4	..	..	202.4
Payables	885.3	..	..	885.3
Repo	..	..	..	..
Reverse repo	2,244.7	..	..	2,244.7
Guarantees[3]	4,928.3	..	..	4,928.3
Letter of comfort[4]	21,318.3	..	..	21,318.3
Swaps/forward contracts	118,137.1	..	..	118,137.1
Participation certificate	896.6	..	..	896.6

1. Whole-time directors and relatives.
2. Includes call money lent.
3. Includes letter of undertaking.
4. Excludes letter of comfort issued on behalf of our foreign subsidiaries, details of which are given separately.

The maximum balance payable to/ receivable from our subsidiaries/ joint ventures/ associates/ key management personnel during the year ended March 31, 2005 is given below:

Rupees in million

Items	Subsidiaries / Joint ventures	Associates	Key management personnel [1]	Total
Deposits with ICICI Bank	19,352.2	2,405.5	196.1	21,953.8
Deposits of ICICI Bank[2]	9,798.9	..	..	9,798.9
Call/ Term money borrowed	3,500.0	..	..	3,500.0
Advances	2,435.6	..	19.1	2,454.7
Investments of ICICI Bank	40,204.6	33,399.0	..	73,603.6
Investments of related parties in ICICI Bank	16.6	..	2.3	18.9
Receivables	202.4	..	..	202.4
Payables	1,762.1	..	..	1,762.1
Repo	128.8	..	..	128.8
Reverse repo	2,244.7	..	..	2,244.7
Guarantees[3]	4,928.3	..	..	4,928.3
Letter of comfort[4]	21,318.3	..	..	21,318.3
Swaps/forward contracts	230,905.2	..	..	230,905.2
Participation certificate	896.6	..	..	896.6

1. Whole-time directors and relatives.
2. Includes call money lent.
3. Includes letter of undertaking.
4. Excludes Letter of Comfort issued on behalf of our foreign subsidiaries, details of which are given separately.

The balances payable to/ receivable from our subsidiaries/ joint ventures/ associates/ key management personnel included in the balance sheet as on September 30, 2004 are given below:

Rupees in million

Items	Subsidiaries / Joint ventures	Associates	Key management personnel [1]	Total
Deposits with ICICI Bank	2,418.2	941.3	33.5	3,393.0
Deposits of ICICI Bank[2]	2,861.7	..	..	2,861.7
Call/ Term money borrowed	..	..	..	..
Advances	459.0		11.3	470.3
Investments of ICICI Bank	17,714.1	15,099.0	..	32,813.1
Investments of related parties in ICICI Bank	16.2	..	2.2	18.4
Receivables	144.6	6.9	..	151.5
Payables	1,120.6	0.6	..	1,121.2
Repo	..	..	..	..
Reverse repo	..	..	..	..
Guarantees[3]	1,813.6	..	..	1,813.6
Letter of comfort[4]	16,418.6	..	..	16,418.6
Swaps/forward contracts	151,932.7	..	..	151,932.7
Participation certificate	153.2	..	..	153.2

1. Whole-time directors and relatives.
2. Includes call money lent.
3. Includes letter of undertaking.
4. Excludes letter of comfort issued on behalf of our foreign subsidiaries, details of which are given separately.

The maximum balance payable to/receivable from our subsidiaries/ joint ventures/ associates/ key management personnel during the period ended September 30, 2004 is given below;

Rupees in million

Items	Subsidiaries / Joint ventures	Associates	Key management personnel [1]	Total
Deposits with ICICI Bank	4,374.9	1,995.5	41.9	6,412.3
Deposits of ICICI Bank[2]	3,712.2	..	..	3,712.2
Call/ Term money borrowed	3,000.0	..	..	3,000.0
Advances	2,435.6	..	11.5	2,447.1
Investments of ICICI Bank	17,714.1	15,942.2	..	33,656.3
Investments of related parties in ICICI Bank	16.6	..	2.4	19.0
Receivables	201.5	6.9	..	208.4
Payables	1,611.2	0.6	..	1,611.8
Repo	107.5	..	..	107.5
Reverse repo	253.4	..	..	253.4
Guarantees[3]	1,817.7	..	..	1,817.7
Letter of comfort[4]	16,418.6	..	..	16,418.6
Swaps/forward contracts	230,905.2	..	..	230,905.2
Participation certificate	153.2	..	..	153.2

1. Whole-time directors and relatives.
2. Includes call money lent.
3. Includes letter of undertaking.
4. Excludes letter of comfort issued on behalf of our foreign subsidiaries, details of which are given separately.

Subsidiaries and joint ventures

ICICI Venture Funds Management Company Limited, ICICI Securities Limited, ICICI Brokerage Services Limited, ICICI International Limited, ICICI Trusteeship Services Limited, ICICI Home Finance Company Limited, ICICI Investment Management Company Limited, ICICI Securities Holdings Inc., ICICI Securities Inc., ICICI Bank UK Limited, ICICI Bank Canada, ICICI Prudential Life Insurance Company Limited, ICICI Distribution Finance Private Limited (ICICI Distribution Finance Company Limited has merged with ICICI Home Finance Company Limited effective August 11, 2005), ICICI Lombard General Insurance Company Limited, Prudential ICICI Asset Management Company Limited, Prudential ICICI Trust Limited, Investment Credit Bank Limited Liability Company and TSI Ventures Private Limited.

Associates

ICICI Equity Fund, ICICI Eco-net Internet and Technology Fund, ICICI Emerging Sectors Fund, ICICI Strategic Investments Fund, ICICI Property Trust and TCW/ICICI Investment Partners L.L.C.

DIVIDEND POLICY

We have paid dividends consistently for every fiscal year from fiscal 1996, the second year of our operations, to fiscal 2005. For fiscal 2005, we declared a dividend, excluding dividend tax, of Rs. 8.50 per equity share (including a special dividend of Re. 1.00 per equity share) aggregating to Rs. 6.3 billion. We paid the dividend in August 2005.

The following table sets forth, for the periods indicated, the dividend per equity share and the total amount of dividend paid out by us on equity shares for the fiscal year, each exclusive of dividend tax.

Dividend paid for the fiscal year	Dividend per equity share	Total amount of dividend paid (in billions)
2001	Rs. 2.00	Rs. 0.44
2002	2.00	0.44
2003	7.50	4.60
2004	7.50	5.51
2005	8.50	6.29

Future dividends will depend upon our revenues, cash flow, fiscal condition and other factors. Pursuant to guidelines issued by the SEBI in February 2000, dividend declared is payable on all equity shares outstanding on the record date for the purpose of payment of dividend, irrespective of the date of issuance of the equity shares.

Before paying any dividend on our shares, we are required under the Banking Regulation Act to write off all capitalised expenses (including preliminary expenses, organisation expenses, share-selling commission, brokerage, amounts of losses incurred or any other item of expenditure not represented by tangible assets). Before declaring dividends, we are required to transfer at least 20.0% of the balance of profits of each year before payment of dividend to a reserve fund. The Government of India may, however, on the recommendation of RBI, exempt us from such a requirement. We require prior approval of RBI to pay a dividend of more than 25.0% of the par value of our shares. We also require prior approval from RBI to pay an interim dividend. See also “Regulations and Policies - Restrictions on Payment of Dividends” on page 130.

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ICICI Bank

FINANCIAL STATEMENTS

Auditors' Report

The Board of Directors
ICICI Bank Limited
ICICI Towers
Bandra Kurla Complex
Mumbai 400 051.

Dear Sirs,

We are engaged to report on the financial information of ICICI Bank Limited ('ICICI Bank' or the 'Bank') annexed to this report, which has been prepared in accordance with Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 (the 'Guidelines') issued by the Securities and Exchange Board of India ('SEBI') on January 19, 2000, in pursuance of section 11 of the Securities and Exchange Board of India Act, 1992, to the extent they are not inconsistent with the Banking Regulation Act, 1949. The preparation and presentation of this financial information is the responsibility of the Bank's management. This financial information is proposed to be included in the offer document of the Bank in connection with its proposed public issue of equity shares.

A. For our examination, we have placed reliance on the following:

i) The financial statements of ICICI Bank for the year ended March 31, 2004, for the year ended March 31, 2005 and for the half year ended September 30, 2005, which have been audited and reported upon by us, vide our reports dated April 30, 2004, April 30, 2005 and October 13, 2005, respectively.

ii) The financial statements of ICICI Bank for the year ended March 31, 2003, which have been audited and reported upon by us, jointly with M/s. N. M. Raiji & Co., Chartered Accountants, vide our joint audit report dated April 25, 2003.

iii) The financial statements of ICICI Bank for each of the two financial years ended March 31, 2002, which have been audited and reported upon by M/s. S. B. Billimoria & Co., Chartered Accountants.

iv) The financial statements of below mentioned subsidiaries for the year ended March 31, 2005, which have been audited and reported by us, vide our reports mentioned there against:

Name of subsidiaries	Dates of Audit report
1. ICICI Securities Ltd.	April 21, 2005
2. ICICI Brokerage Services Ltd.	April 19, 2005
3. ICICI Securities Holding Inc.	April 19, 2005
4. ICICI Securities Inc.	April 19, 2005
5. ICICI Home Finance Company Limited	April 26, 2005

v) The financial statements of the below mentioned subsidiaries of ICICI Bank which have been audited and reported upon by other auditors, the names of which and the period of their audits are mentioned thereagainst.

Name of the Subsidiary	Name of Auditors and period
1. ICICI Securities Limited (formerly ICICI Securities & Finance Company Limited)	M/s. N. M. Raiji & Co., for each of the four financial years ended March 31, 2004.
2. ICICI Brokerage Services Limited	M/s. N. M. Raiji & Co., for each of the four financial years ended March 31, 2004.
3. ICICI Home Finance Limited	M/s. S. B. Billimoria & Co. and M/s. N. M. Raiji & Co., for the financial year ended March 31, 2001 and M/s. N. M. Raiji & Co., for each of the three financial years ended March 31, 2004.
4. ICICI Securities Holdings Inc.	M/s. Grant Thronton LLP, for the financial year ended March 31, 2001 and M/s. N.M. Raiji & Co., for each of the three financial years ended March 31, 2004.
5. ICICI Securities Inc.	M/s. Grant Thronton LLP, for the financial year ended March 31, 2001 and M/s. N.M. Raiji & Co., for each of the three financial years ended March 31, 2004.
6. ICICI International Limited, Mauritius (Formerly TDICI Investment Management Co.)	M/s. Horwath Mauritius, for each of the five financial years ended March 31, 2005.
7. ICICI Trusteeship Services Limited	M/s. C. C. Chokshi & Co., for each of the five financial years ended March 31, 2005.

8. ICICI Investment Management Company Limited	M/s. V. P. Thakkar & Co. for the financial year ended March 31, 2001 and M/s. S. B. Billimoria & Co., for each of the four financial years ended March 31, 2005.
9. ICICI Prudential Life Insurance Company Limited	M/s. Bharat S. Raut & Co. for each of the two financial years ended March 31, 2002 and M/s. Bharat S. Raut & Co. and M/s. S. R. Batliboi & Co., for each of the three financial year ended March 31, 2005.
10. ICICI Lombard General Insurance Company Limited	M/s. Bharat S. Raut & Co., for each of the three financial years ended March 31, 2003 and M/s. Bharat S. Raut & Co. and M/s. Lodha & Co., for each of the two financial year ended March 31, 2005.
11. ICICI Venture Funds Management Company Limited (formerly TDICI Limited)	M/s. S. B. Billimoria & Co., for each of the five financial years ended March 31, 2005.
12. ICICI Bank UK Limited	M/s. KPMG for the period from February 11, 2003 to March 31, 2004 and for the financial year ended March 31, 2005.

vi) The unaudited financial statements of ICICI Bank Canada for the period from February 11, 2003 to March 31, 2004 and for the year ended March 31, 2005.

vii) The un-audited financial statements of below mentioned subsidiaries of ICICI Bank having total assets of Rs.188,315 million as at September 30, 2005 and total revenue of Rs.22,240 million and total net profit of Rs.387 million for the half year ended September 30, 2005.

1. ICICI Securities Limited
2. ICICI Brokerage Services Limited
3. ICICI Home Finance Limited
4. ICICI Securities Holdings Inc.
5. ICICI Securities Inc.
6. ICICI Trusteeship Services Limited
7. ICICI Investment Management Company Limited
8. ICICI Prudential Life Insurance Company Limited
9. ICICI Lombard General Insurance Company Limited
10. ICICI Bank UK Limited
11. ICICI Bank Canada
12. ICICI International Limited, Mauritius
13. ICICI Venture Funds Management Company Limited
14. Prudential ICICI Assets management Company Limited
15. Prudential ICICI Trust Limited

viii) The unaudited financial statements of Investment Credit Bank Limited Liability Company having assets of Rs. 792 million as at September 30, 2005 and revenue of Rs. 11 million and loss of Rs.1 million for period from May 19, 2005 to September 30, 2005.

B. We have performed such tests and procedures, which in our opinion were necessary for the examination. These procedures comprised comparison of the attached financial information with the Bank's audited financial statements and/or unaudited statements compiled by the Bank's management and relied upon by us.

Our audit of the financial statements, referred to in paragraph A(i), A(ii), A(iv) and A(v)(9) of this report, comprise such audit tests and procedures as were deemed necessary for the purpose of expressing an opinion or joint audit opinion, as the case may be, on such financial statements taken as a whole. For none of the periods or entities referred to in paragraph A(iii), A(v), A(vi), A(vii) and A(viii) above, did we perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions and accordingly, we express no opinion thereon.

C. In accordance with the requirements of clause B of Part II of Schedule II to the Companies Act, 1956 and the said Guidelines, we report as follows:

a. (i) The adjusted profits of ICICI Bank (as per the clause B of Part II of Schedule II mentioned above) for each of the five financial years ended March 31, 2005 and for the half year ended September 30, 2005 are as set out in Part I of Annexure A, enclosed.

(ii) M/s. S.B. Billimoria & Co., Chartered Accountants, vide their Report dated August 29, 2002, attached herewith, have confirmed that the adjusted profits of ICICI Bank for each of the two financial years ended March 31, 2002 and the assets and liabilities as at March 31, 2002 are as set out in Part I and Part II of Annexure A, and that these adjusted profits read together with the notes appearing under the Statement of Profits and Loss and Statement of Assets and Liabilities, along with accounting policies followed, have been arrived at after charging all expenses and making adjustments and regroupings and are, in their opinion, appropriate. For the purpose of our report, we have relied on their report and adjusted profits of ICICI Bank for each of the two financial years ended March 31, 2002 as set out in Part I of Annexure A of their report. These are incorporated in Part I of Annexure A in our report. These adjusted profits are without making any adjustment as referred in paragraph C (a) (iv).

(iii) M/s. N. M. Raiji & Co., Chartered Accountants, jointly with us, have confirmed, vide our report dated July 24, 2003, attached herewith, that the adjusted profits of ICICI Bank for the financial year ended March 31, 2003 and the assets and liabilities as at March 31, 2003, are as set out in Part I and Part II of Annexure A, and that these adjusted profits read together with the notes appearing under the Statement of Profits and Loss and Statement of Assets and Liabilities, along with accounting policies followed, have been arrived at after charging all expenses and making adjustments and regroupings and are, in their opinion, appropriate. For the purpose of our report, we have relied on the joint report and adjusted profits of ICICI Bank for the financial year ended March 31, 2003 as set out in Part I of Annexure A of the joint report. These are incorporated in Part I of Annexure A in our report. These adjusted profits are without making any adjustment as referred in paragraph C (a) (iv).

(iv) *As mentioned in notes appearing under the Statement of Profits and Statement of Assets and Liabilities of Annexure A, it has not been possible for the management to determine the effect on profits, if changes in accounting policies as stated in Part I of Annexure A had been made in each of the accounting years preceding the change and accordingly, adjustments to profits for those items have been made prospectively from the year of change.*

(v) *Subject to our comment in paragraph C (a) (iv) above, the effect whereof is not ascertainable*, we confirm that the adjusted profits for the each of the two financial year ended March 31, 2005 and the half year ended September 30, 2005 and the assets and liabilities as at September 30, 2005 are as set out in Part I and Part II of Annexure A, enclosed, and that these adjusted profits read together with the notes appearing under the Statement of Profits and Statement of Assets and Liabilities, along with accounting policies followed have been arrived at after charging all expenses and making adjustments and regroupings and are, in our opinion, appropriate.

(vi) The dividends (subject to deduction of tax at source where applicable) declared by ICICI Bank for the five financial years ended March 31, 2005 and for the half year ended September 30, 2005 are as set out in Part III of Annexure A enclosed.

(vii) The Cash Flow Statements of ICICI Bank for the each of the five financial years ended March 31, 2005 and for the half year ended September are as set out in Part IV of Annexure A enclosed.

(viii) The Capitalization Statement as at September 30, 2005 of ICICI Bank is as set out in Part V of Annexure A.

(ix) The Statement of Unsecured Borrowings of the Bank for the each of the five financial years ended March 31, 2005 are as set out in Part VI of the Annexure A enclosed. The Unsecured Borrowings of the Bank comprises of Borrowing as reported in Schedule 4 and Subordinated Debts as reported in Schedule 5 of the financial statements of the Bank for each of the five financial years ended March 31, 2005.

b. The Statement of Tax Shelter of the Bank for each of the three financial years ended March 31, 2005 as prepared by the management of the Bank is as set out in Part VII of the Annexure A. The preparation and presentation of this Statement is responsibility of the Bank's Management. This Statement of Tax Shelter reconciles the Bank's book profits and its taxable profits for each of the three financial years ended March 31, 2005. The reconciling items included in this Statement of Tax Shelter are reflective of estimates and judgment exercised and tax laws prevalent at the time of finalisation of respective financial statements. These items have not been updated to reflect any subsequent changes in tax law and additional information/facts obtained by the Bank. We have reviewed the Statement of Tax Shelter of the Bank for the each of the three financial years ended March 31, 2005 and report that we have not come across any observation on the Statement of Tax Shelter for each of the three financial years ended March 31, 2005.

c. (i) The profits/losses of the subsidiaries of ICICI Bank for each of the periods/years ended March 31, 2005 and for the period/half year ended September 30, 2005 and the assets and liabilities of each subsidiary company of ICICI Bank as at September 30, 2005 are set out in Part I and Part II, respectively, of Annexure B to Q, enclosed for each subsidiary.

(ii) M/s. S.B. Billimoria & Co., Chartered Accountants, vide their Report dated August 29, 2002, enclosed herewith, have confirmed that the profits/losses of each of the subsidiaries relating to the periods/years for which the financial statements till March 31, 2002 are drawn up, as aforesaid, read together with the notes appearing under the Statement of Profits and Accounting Policies followed have been arrived at, after charging all expenses and after making such adjustments and regroupings, as are appropriate, based on the reports of auditors on the aforesaid financial statements of the subsidiary companies. For the purpose of our report, we have relied on their report and profits/loss of each of the subsidiaries relating to the periods/years for which the financial statements till March 31, 2002 as set out in their report. These are incorporated in our report. These profits/losses are without making any adjustment as referred in paragraph C (c) (vi).

(iii) For the purpose of the said M/s. S.B. Billimoria & Co.'s report, the Bank had informed them that on an interpretation of provisions of Section 4 of the Companies Act, 1956, the below mentioned entities would not constitute subsidiaries of ICICI Bank and accordingly the profits/losses and assets and liabilities of the below mentioned entities have not been included in their report.

1. ICICI Web Trade Limited
2. ICICI Property Trust
3. ICICI Properties Private Limited
4. ICICI Real Estate Company Private Limited
5. ICICI Realty Private Limited

6. ICICI West Bengal Infrastructure Development Corporation Limited
7. ICICI KINFRA Limited
8. ICICI Knowledge Park
9. ICICI Technology Incubator Fund
10. ICICI Econet Internet and Technology Fund
11. ICICI Information Technology Fund
12. ICICI Equity Fund

(iv) M/s. N. M. Raiji & Co., Chartered Accountants, jointly with us, have confirmed, vide our report dated July 24, 2003, attached herewith, that the profits/losses relating to the period/year ended March 31, 2003 of each of the subsidiaries (except for ICICI Bank UK Ltd.) are drawn up, as aforesaid, read together with the notes appearing under the Statement of Profits and Accounting Policies followed and have been arrived at, after charging all expenses and after making such adjustments and regroupings, as are appropriate, based on the reports of auditors on the aforesaid financial statements of the subsidiary companies. For the purpose of our report, we have relied on their report and profits/loss of each of the subsidiaries (except for ICICI Bank UK Ltd.) relating to the period/year ended March 31, 2003 as set out in their report. These are incorporated in our report. These profits/ losses are without making any adjustment as referred in paragraph C (c) (vi).

(v) For the purpose of the said joint report of M/s. N. M. Raiji & Co., Chartered Accountants, and ourselves, the Bank had informed us that on an interpretation of provisions of Section 4 of the Companies Act, 1956, the below mentioned entities would not constitute subsidiaries of ICICI Bank and accordingly the profits/losses and assets and liabilities of the below mentioned entities have not been included in their report.

1. ICICI One Source Limited
2. 3i Infotech Limited formerly known as 'ICICI Infotech Ltd.'.

(vi) As mentioned in notes appearing under the Statement of Profits and Statement of Assets and Liabilities to Annexures B, C, D, J, K and L, it has not been possible for the management to determine the effect on profits, if changes in accounting policies as stated in Part I of Annexure B, C, D, J, K and L had been made in each of the accounting years preceding the change and accordingly, adjustments to profits for those items have been made prospectively from the year of change.

(vii) *Subject to our comment in paragraph C (c) (vi) above, the effect whereof is not ascertainable,* we report that the profits of the following subsidiary companies for the year ended March 31, 2004 and for the year ended March 31, 2005 and the assets and liabilities as at March 31, 2005 read together with the notes appearing under the Statement of Profits and Statement of Assets and Liabilities, along with accounting policies followed, have been arrived at after charging all expenses and making adjustments and regroupings and are appropriate, based on the reports of the auditors on the accounts of respective subsidiary companies:

1. ICICI Securities Limited (Formerly ICICI Securities & Finance Company Limited) (Annexure B)
2. ICICI Brokerage Services Limited (Annexure C)
3. ICICI Home Finance Limited (Annexure D)
4. ICICI Securities Holdings Inc. (Annexure E)
5. ICICI Securities Inc. (Annexure F)
6. ICICI International Limited, Mauritius (Annexure G)
7. ICICI Trusteeship Services Limited (Annexure H)
8. ICICI Prudential Life Insurance Company Limited (Annexure J)
9. ICICI Lombard General Insurance Company Limited (Annexure K)
10. ICICI Venture Funds Management Company Limited (Annexure L)
11. ICICI Bank UK Limited (Annexure M)
12. ICICI Investment Management Company Limited (Annexure Q)

(viii) The financial statements of the ICICI Bank Canada (Annexure I) have not been audited for the period ended March 31, 2004 and for the year ended March 31, 2005 by their auditors. We report that the unaudited profits for the period ended March 31, 2004 and for the year ended March 31, 2005 and the unaudited assets and liabilities as at March 31, 2005 read together with the unaudited notes appearing under the Statement of Profits and Statement of Assets and Liabilities, along with accounting policies followed, have been arrived at, after charging all expenses and making such adjustments, as deemed appropriate by the management of the Bank.

(ix) *Subject to our comment in paragraph C (c) (vi) above, the effect whereof is not ascertainable,* we report that the unaudited profits of the following subsidiary companies for the period/half year ended September 30, 2005 and the unaudited assets and liabilities as at September 30, 2005 read together with the unaudited notes appearing under the Statement of Profits and Statement of Assets and Liabilities, along with accounting policies followed, have been arrived at after charging all expenses and making adjustments and regroupings, as deemed appropriate by the management of the respective companies:

1. ICICI Securities Limited (Formerly ICICI Securities & Finance Company Limited) (Annexure B)
2. ICICI Brokerage Services Limited (Annexure C)
3. ICICI Home Finance Limited (Annexure D)
4. ICICI Securities Holdings Inc. (Annexure E)
5. ICICI Securities Inc. (Annexure F)
6. ICICI International Limited, Mauritius (Annexure G)
7. ICICI Trusteeship Services Limited (Annexure H)
8. ICICI Bank Canada (Annexure I)
9. ICICI Prudential Life Insurance Company Limited (Annexure J)
10. ICICI Lombard General Insurance Company Limited (Annexure K)
11. ICICI Venture Funds Management Company Limited (Annexure L)
12. ICICI Bank UK Limited (Annexure M)
13. Investment Credit Bank Limited Liability Company (Annexure N)
14. Prudential ICICI Asset Management Company Limited (Annexure O)
15. Prudential ICICI Trust Limited (Annexure P)
16. ICICI Investment Management Company Limited (Annexure Q)

d. For the purpose of this report, the Bank has informed us that on an interpretation of provisions of Section 4 of the Companies Act, 1956, the below mentioned entities would not constitute subsidiaries of ICICI Bank and accordingly the profits/losses and assets and liabilities of the below mentioned entities have not been included in this report.

1. ICICI Web Trade Limited
2. ICICI Property Trust
3. ICICI Properties Private Limited
4. ICICI Real Estate Company Private Limited
5. ICICI Realty Private Limited
6. ICICI West Bengal Infrastructure Development Corporation Limited
7. ICICI KINFRA Limited
8. ICICI Knowledge Park
9. ICICI Technology Incubator Fund
10. ICICI Econet Internet and Technology Fund
11. ICICI Information Technology Fund
12. ICICI Equity Fund
13. ICICI One Source Limited
14. 3i Infotech Limited formerly known as 'ICICI Infotech Limited'.

e. This report should not be in any way construed as a re-issuance or re-dating of any of the previous audit reports issued by us or by other firms of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to herein.

f. This report has been issued solely in connection with the proposed issue of the "Equity shares" covered by the Red Herring Prospectus, and it is not to be used, circulated, quoted or otherwise referred to for any other purpose.

For
S. R. Batliboi & Co.
Chartered Accountants

Per Viren H. Mehta
a Partner
Membership No.: 048749
Mumbai, November 22, 2005

Attachment 1: Auditors' Report of M/s. S.B. Billimoria & Co., Chartered Accountants, dated August 29, 2002.

Attachment 2: Auditors' Report of M/s. N.M.Raiji & Co., Chartered Accountants and M/s. S.R. Batliboi & Co., Chartered Accountants, dated July 24, 2003.

AUDITORS' REPORT

The Board of Directors
ICICI Bank Limited
ICICI Towers
Bandra-Kurla Complex
Bandra (East)
Mumbai - 400 051

Dear Sirs,

We have examined the audited accounts of ICICI Bank Limited ('the Bank') for the five financial years ended March 31, 2002.

The accounts of ICICI Bank for the four financial years ended on March 31, 2002 have been audited and reported upon by us. Further, accounts of the below mentioned subsidiaries of ICICI Bank have also been audited and reported upon by us:

1. ICICI Venture Funds Management Company Limited (formerly TDICI Limited)
2. ICICI Home Finance Limited (Jointly with M/s. N.M. Raiji & Co. up to financial year ended March 31, 2001)
3. ICICI Investment Management Company Limited

For our examination, we have accepted relevant accounts and statements in respect of:

(i) ICICI Bank Ltd. for the financial year ended March 31, 1998 which have been audited and reported upon by Lodha & Company, Chartered Accountants.

(ii) The below mentioned subsidiaries of ICICI Bank Limited (for the period of five years from the date of incorporation/ date of becoming a subsidiary) which have been audited and reported by the auditors mentioned thereagainst.

	Name of the Subsidiary Companies	Name of the Auditors
1.	ICICI Securities and Finance Company Limited	M/s. N. M. Raiji & Co.
2.	ICICI Brokerage Services Limited	M/s. N. M. Raiji & Co.
3.	ICICI Securities Holdings Inc.	M/s. Grant Thronton LLP upto March 31, 2001 and M/s. N. M. Raiji & Co. thereafter
4.	ICICI Securities Inc.	M/s. Grant Thronton LLP upto March 31, 2001 and M/s. N. M. Raiji & Co. thereafter
5.	ICICI International Limited	M/s. Horwath Mauritius
6.	ICICI Trusteeship Services Limited	M/s. C. C. Chokshi & Co.
7.	ICICI Lombard General Insurance Company Limited	M/s. Bharat S. Raut & Co.
8.	ICICI Prudential Life Insurance Company Limited	M/s. Bharat S. Raut & Co.
9.	ICICI Home Finance Limited	M/s. N. M. Raiji & Co. (for the year ended March 31, 2002)

In accordance with the requirements of clause B of Part II of Schedule II to the Companies Act, 1956, we report as follows:

(i) The profits of ICICI Bank for each of the five financial years ended March 31, 2002 and the assets and liabilities as at March 31, 2002 are as set out in Part I and Part II of Annexure A enclosed. These profits read together with the notes appearing under the Statement of Profits and Statement of Assets and Liabilities along with accounting policies followed have been arrived at after charging all expenses and making adjustments and regrouping as are, in our opinion, appropriate.

(ii) The dividends (subject to deduction of tax at source where applicable) declared by ICICI Bank for the five financial years ended March 31, 2002 are as set out in Part III of Annexure A enclosed.

(iii) The profit/losses of each subsidiary company of ICICI Bank for period/years ended March 31, 2002 and the assets and liabilities of each subsidiary company of ICICI Bank as at March 31, 2002 are as set out in Part I and Part II respectively of Annexures B to L enclosed for each Subsidiary Company.

(iv) These profits/losses relating to the periods for which the accounts are drawn up, as aforesaid, read together with the notes appearing under the Statement of Profits and Accounting Policies followed have been arrived at, after charging all expenses and after making such adjustments and regroupings, as are appropriate, based on the reports of auditors on the aforesaid accounts of the subsidiary companies.

(v) In reporting the Consolidated financial statements of ICICI Bank Limited and its subsidiaries ('the Group') for the year ended March 31, 2002 prepared in accordance with Accounting Standard 21 – 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India, the results of the following entities were included:

1. ICICI Web Trade Limited
2. ICICI Property Trust
3. ICICI Properties Private Limited
4. ICICI Real Estate Company Private Limited
5. ICICI Realty Private Limited
6. ICICI West Bengal Infrastructure Development Corporation Limited
7. ICICI KINFRA Limited
8. ICICI Knowledge Park
9. ICICI Technology Incubator Fund
10. ICICI Econet Internet and Technology Fund
11. ICICI Information Technology Fund
12. ICICI Equity Fund

For the purpose of this Report, the Bank has informed us that on an interpretation of provisions of Section 4 of the Companies Act, 1956 the above mentioned entities would not constitute subsidiaries of ICICI Bank and accordingly the profit/losses and assets and liabilities of the above mentioned entities have not been included in the report.

For S. B. BILLIMORIA & CO.
Chartered Accountants

P. R. Ramesh
Partner
Mumbai,
August 29, 2002

N. M. Raiji & Co. **S. R. Batliboi & Co.**

Auditors' Report

The Board of Directors
ICICI Bank Limited
ICICI Towers
Bandra-Kurla Complex
Bandra (East)
Mumbai 400 051.

Dear Sirs,

We have examined the financial information of ICICI Bank Limited ('ICICI Bank' or 'the Bank') which has been prepared in accordance with Part II of Schedule II to the Companies Act, 1956 (the 'Act') and Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines 2000 (the 'Guidelines') issued by the Securities and Exchange Board of India ('SEBI') on January 19, 2000 in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992 and annexed to this report. The preparation and presentation of this financial information is the responsibility of the Bank's management. This financial information is proposed to be included in the offer document of the Bank in connection with its proposed public issue of "Unsecured Redeemable Bonds in the nature of Debentures."

A. For our examination, we have placed reliance on the following:

(i) The financial statements of ICICI Bank for the year ended March 31, 2003, which have been audited and reported upon jointly by us.

(ii) The financial statements of ICICI Bank for the four financial years ended March 31, 2002, which have been audited and reported upon by M/s. S. B. Billimoria & Co., Chartered Accountants.

(iii) The financial statements of the below mentioned subsidiaries of ICICI Bank (for the period of five years ending March 31, 2003 from the date of their incorporation or the date of their becoming a subsidiary) which have been audited and reported upon by their auditors, the names of which are mentioned thereagainst.

Name of the Subsidiary Companies	Name of Auditors
1. ICICI Securities Limited (formerly ICICI Securities & Finance Company Limited)	M/s. N. M. Raiji & Co
2. ICICI Brokerage Services Limited	M/s. N. M. Raiji & Co.
3. ICICI Home Finance Limited	M/s. S. B. Billimoria & Co. and M/s. N. M. Raiji & Co. up to the financial year ended March 31, 2001 and M/s. N. M. Raiji & Co. for subsequent years.
4. ICICI Securities Holdings Inc.	M/s. Grant Thronton upto the financial year ended March 31, 2001 and M/s. N.M. Raiji & Co. for subsequent years.
5. ICICI Securities Inc.	M/s. Grant Thronton upto the financial year ended March 31, 2001 and M/s. N.M. Raiji & Co. for subsequent years.
6. ICICI International Limited, Mauritius (formerly TDICI Investment Management Co.)	M/s. Horwath Mauritius, Public Accountants
7. ICICI Trusteeship Services Limited	M/s. C. C. Chokshi & Co.
8. ICICI Investment Management Company Limited	M/s. V. P. Thakkar & Co. upto financial year ended March 31, 2001 and M/s. S. B. Billimoria & Co. for subsequent years
9. ICICI Prudential Life Insurance Company Limited	M/s. Bharat S. Raut & Co. upto financial year ended March 31, 2002 and M/s. Bharat S. Raut & Co. and M/s. S. R. Batliboi & Co. for subsequent year.
10. ICICI Lombard General Insurance Company Limited	M/s. Bharat S. Raut & Co.
11. ICICI Venture Funds Management Company Limited (formerly TDICI Limited)	M/s. S. B. Billimoria & Co.

B. We have performed such other test and procedures, which, in our opinion, were necessary for the examination. These procedures, which include comparison of the attached financial information with the Bank's audited financial statements.

Our audit of the financial statements for the period referred to in paragraph A (i) of this report comprises audit tests and procedures deemed necessary for the purpose of expressing an opinion on such financial statements taken as a whole. For none of the period referred to in paragraph A (ii) and A (iii), did we perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions such as those enumerated above and accordingly, we express no opinion thereon.

C. In accordance with the requirements of clause B of Part II of Schedule II to the Companies Act, 1956 and the said Guidelines, we report as follows:

a. (i) The profits of ICICI Bank for each of the five financial years ended March 31, 2003 are as set out in Part I of Annexure A, enclosed.

(ii) M/s. S.B. Billimoria & Co., Chartered Accountants, vide their Report dated August 29, 2002, attached herewith have confirmed that the profits of ICICI Bank for each of the four financial years ended March 31, 2002 and the assets and liabilities as at March 31, 2002 are as set out in Part I and Part II of Annexure A, and that these profits read together with the notes appearing under the Statement of Profits and Statement of Assets and Liabilities, along with accounting policies followed, have been arrived at after charging all expenses and making adjustments and regroupings and are, in their opinion, appropriate.

(iii) *As mentioned in notes appearing under the Statement of Profits and Statement of Assets and Liabilities to Annexure A, it has not been possible for the management to determine the effect on profits, if changes in accounting policies as stated in Part I of Annexure A had been made in each of the accounting years preceding the change and accordingly, adjustments to profits for those items have been made only in the year of change.*

(iv) *Subject to our comment in paragraph C (a) (iii) above,* we confirm that the profits for the year ended March 31, 2003 and the assets and liabilities as at March 31, 2003 are as set out in Part I and Part II of Annexure A, enclosed, and that these profits read together with the notes appearing under the Statement of Profits and Statement of Assets and Liabilities, along with accounting policies followed have been arrived at after charging all expenses and making adjustments and regroupings and are, in our opinion, appropriate.

(v) The dividends (subject to deduction of tax at source where applicable) declared by ICICI Bank for the five financial years ended March 31, 2003 are as set out in Part III of Annexure A enclosed.

b. (i) The profits/losses of each subsidiary company of ICICI Bank for periods/years ended March 31, 2003 and the assets and liabilities of each subsidiary company of ICICI Bank as at March 31, 2003 are as set out in Part I and Part II respectively of Annexure B to L enclosed for each Subsidiary Company.

(ii) M/s. S.B. Billimoria & Co., Chartered Accountants, vide their Report dated August 29, 2002, enclosed herewith, have confirmed that the profits/losses relating to the periods for which the financial statements of each of the subsidiaries are drawn up, as aforesaid, read together with the notes appearing under the Statement of Profits and Accounting Policies followed have been arrived at, after charging all expenses and after making such adjustments and regroupings, as are appropriate, based on the reports of auditors on the aforesaid financial statements of the subsidiary companies.

(iii) For the purpose of the said Report, the Bank had informed M/s. S.B. Billimoria & Co. that on an interpretation of provisions of Section 4 of the Companies Act, 1956, the below mentioned entities would not constitute subsidiaries of ICICI Bank and accordingly the profits/losses and assets and liabilities of the below mentioned entities have not been included in their report.

1. ICICI Web Trade Limited
2. ICICI Property Trust
3. ICICI Properties Private Limited
4. ICICI Real Estate Company Private Limited
5. ICICI Realty Private Limited
6. ICICI West Bengal Infrastructure Development Corporation Limited
7. ICICI KINFRA Limited
8. ICICI Knowledge Park
9. ICICI Technology Incubator Fund
10. ICICI Econet Internet and Technology Fund
11. ICICI Information Technology Fund
12. ICICI Equity Fund

Similarly, for the purpose of this Report, the Bank had informed us that on an interpretation of provisions of Section 4 of the Companies Act, 1956, the below mentioned entities in addition to the above mentioned entities would not constitute subsidiaries of ICICI Bank and accordingly the profits/losses and assets and liabilities of the below mentioned entities have not been included in this report.

1. ICICI One Source Limited
2. ICICI Infotech Limited

(iv) *As mentioned in notes appearing under the Statement of Profits and Statement of Assets and Liabilities to Annexure B, C, D, J and L, it has not been possible for the management to determine the effect on profits, if changes in accounting policies as stated in Part I of Annexure B, C, D, J and L had been made in each of the accounting years preceding the change and accordingly, adjustments to profits for those items have been made only in the year of change.*

(v) *Subject to our comment in paragraph C (b) (iv) above,* we report that the profits for the year ended March 31, 2003 and the assets and liabilities as at March 31, 2003 read together with the notes appearing under the Statement of Profits and Statement of Assets and Liabilities, along with accounting policies followed, have been arrived at after charging all expenses and making adjustments and regroupings and are appropriate, based on the reports of auditor on the accounts of following subsidiary companies:

1. ICICI Securities Limited (formerly ICICI Securities & Finance Company Limited (Annexure B)
2. ICICI Brokerage Services Limited (Annexure C)
3. ICICI Home Finance Limited (Annexure D)
4. ICICI Securities Holdings Inc. (Annexure E)
5. ICICI Securities Inc. (Annexure F)
6. ICICI International Limited, Mauritius (formerly TDICI Investment Management Co.) (Annexure G)
7. ICICI Trusteeship Services Limited (Annexure H)
8. ICICI Investment Management Company Limited (Annexure I)
9. ICICI Prudential Life Insurance Company Limited (Annexure J)
10. ICICI Lombard General Insurance Company Limited (Annexure K)
11. ICICI Venture Funds Management Company Limited (formerly TDICI Limited) (Annexure L)

For
N. M. Raiji & Co.
Chartered Accountants

Jayesh M. Gandhi
Partner

For
S. R. Batliboi & Co.
Chartered Accountants

per Viren H. Mehta
a Partner

Mumbai, July 24, 2003

Enclosed : Auditor's Report of M/s. S.B. Billimoria & Co., Chartered Accountants, dated August 29, 2002.

ICICI Bank

ICICI BANK LIMITED

"Part I " of "Annexure A"

STATEMENT OF PROFITS

(Rs. in million)

	Year ended March 31,					Six-month period ended September
	2001	2002	2003	2004	2005	30, 2005
Interest income						
Interest / discount on advances / bills	5,709.1	7,716.7	60,162.4	60,738.5	67,528.3	43,200.9
Income on investments	5,557.2	12,338.0	29,104.4	25,400.9	22,294.4	16,864.5
Interest on balances with Reserve Bank of India and other inter-bank funds	1,086.7	1,226.2	2,355.7	2,106.4	2,320.1	1,555.6
Others	68.3	238.4	2,058.1	1,778.1	1,956.2	489.9
Total interest income	**12,421.3**	**21,519.3**	**93,680.6**	**90,023.9**	**94,099.0**	**62,110.9**
Other Income						
Commission, exchange and brokerage	1,395.3	2,297.9	7,917.9	10,718.0	19,210.0	12,518.2
Profit / (loss) on sale of investments (net)	192.1	3,057.1	4,923.3	12,246.3	5,461.4	3,653.3
Profit / (loss) on revaluation of investments (net)	137.7	(146.0)	1.1	-	(1.0)	(66.4)
Profit / (loss) on exchange transactions (net)	416.1	373.0	102.4	1,926.3	3,146.4	1,830.0
Profit on sale of shares of ICICI Bank Limited held by erstwhile ICICI Limited	-	-	11,910.5	-	-	-
Miscellaneous income	62.2	164.6	6,733.0	5,758.6	6,344.6	4,085.4
Total other income	**2,203.4**	**5,746.6**	**31,588.2**	**30,649.2**	**34,161.4**	**22,020.5**
Total income	**14,624.7**	**27,265.9**	**125,268.8**	**120,673.1**	**128,260.4**	**84,131.4**
Interest expended						
Interest on deposits	7,254.4	13,889.2	24,797.1	30,230.2	32,520.7	26,289.8
Interest on Reserve Bank of India / inter-bank borrowings	320.5	478.4	1,833.7	2,293.7	2,527.7	3,869.9
Others (including interest on borrowings of erstwhile ICICI Limited)	801.8	1,221.6	52,809.2	37,628.6	30,660.5	13,903.9
Total interest expended	**8,376.7**	**15,589.2**	**79,440.0**	**70,152.5**	**65,708.9**	**44,063.6**
Operating expenses						
Employee expenses	517.1	1,471.8	4,030.2	5,460.6	7,374.1	4,702.0
Depreciation on fixed assets (incl. lease assets)	367.6	640.9	5,059.4	5,394.4	5,903.6	2,939.3
Establishment and other expenses	2,461.6	4,113.1	11,027.3	14,857.3	19,713.8	12,278.1
Total operating expenses	**3,346.3**	**6,225.8**	**20,116.9**	**25,712.3**	**32,991.5**	**19,919.4**
Total expenses	**11,723.0**	**21,815.0**	**99,556.9**	**95,864.8**	**98,700.4**	**63,983.0**
Net Income before provisions	**2,901.7**	**5,450.9**	**25,711.9**	**24,808.3**	**29,560.0**	**20,148.4**
Less :						
Provision for taxes (net of deferred tax) [1]	654.2	315.0	(4,257.9)	2,651.1	5,220.0	3,031.1
Provision for non-performing assets (net) and prudential provision on standard assets	635.5	2,682.9	14,749.8	4,591.2	(1,213.6)	2,481.7
Other provisions [including additional depreciation / (write-back of depreciation) on investments]	1.0	(130.0)	3,158.2	1,195.0	5,501.6	3,535.0
Total Provisions	**1,290.7**	**2,867.9**	**13,650.1**	**8,437.3**	**9,508.0**	**9,047.8**
Net profit after tax	**1,611.0**	**2,583.0**	**12,061.8**	**16,371.0**	**20,052.0**	**11,100.6**

Adjustments as per SEBI guidelines

(Rs. in million)

	For the year ended March 31,					Six month period ended September
	2001	**2002**	**2003**	**2004**	**2005**	**30, 2005**
Profit for the period	**1,611.0**	**2,583.0**	**12,061.8**	**16,371.0**	**20,052.0**	**11,100.6**
Add/(Less) :-						
1) Adjustment for change in accounting policy relating to depreciation on premises and other fixed assets (1)	(94.8)	-	-	-	-	-
2) Adjustment for change in rates of depreciation on premises and other fixed assets (2)	-	(64.3)	-	-	-	-
3) Adjustment for change in methodology for ascertaining carrying cost of investments, accounting for repurchase transactions and review of useful life of ATMs (3)	-	-	(161.2)	-	-	-
4) Adjustment for change in accounting policy relating to unrealised gains on rupee derivatives (net of provisions) (4)	-	-	-	-	(467.3)	-
5) Tax effect for the above adjustments	37.5	23.0	59.2	-	171.0	-
Adjusted profit after tax	**1,553.7**	**2,541.7**	**11,959.8**	**16,371.0**	**19,755.7**	**11,100.6**

Notes to 'Statement of Profits'

1. Includes income tax, wealth tax and fringe benefit tax.
2. Figures for the year ended March 31, 2004 have been regrouped to conform to the current period presentation.

Notes to 'Adjustments as per SEBI guidelines'

1. With effect from April 1, 2000, premises and other fixed assets have been depreciated over their estimated useful life on a straight line basis instead of on written down value basis.
2. With effect from April 1, 2001, arising from the merger of ICICI Limited with the Bank, the useful lives of certain categories of fixed assets were reviewed to align the depreciation rates followed by ICICI Limited and the Bank. Accordingly, the Bank changed its rates of depreciation on certain categories of fixed assets. This is a change in an accounting estimate.
3. Effective April 1, 2002, the Bank has changed the methodology for ascertaining the carrying cost of fixed income bearing securities from weighted average method to first-in-first-out method. Since there are a large number of transactions in the securities portfolio the impact of the change in each of the year proceeding the accounting year cannot be ascertained.
   Effective April 1, 2002, the Bank has accounted for repurchase transactions as a sale and a forward purchase or purchase and a forward sale transaction as against borrowing or lending transaction. Since there are a large number of transactions in the securities portfolio the impact of the change in each of the years preceding the accounting year cannot be ascertained.
   Effective April 1, 2002, the Bank depreciated Automated Teller Machines (ATMs) over its useful life estimated at six years or over lease period for ATMs taken on lease. Effective April 1, 2002, the Bank revised the useful lives of the ATM's to eight years based on an evaluation done by management. This is a change in an accounting estimate.
4. Effective April 1, 2004 the bank has accounted for unrealised gains on rupee derivatives (net of provisions) as compared to its earlier policy of ignoring the unrealised gains. The impact of the change in each of the years preceding the accounting year cannot be ascertained..
5. Effective April 1, 2004 the commissions paid to direct marketing agents (DMAs) of auto loans, net of subvention income received from them, is recorded upfront in the profit and loss account. For disbursements made till March 31, 2004, the gross commissions paid to direct marketing agents (DMAs) of auto loans were recorded upfront in the profit and loss account and subvention income received from them is being amortised over the life of the loan. The impact of the change is not significant.
6. It has not been possible to determine the effect on profits if changes in accounting policies stated above had been made in each of the accounting years preceding the change and accordingly adjustments to profits for those items have not been made.
7. Consequent upon Accounting Standard 22 on Accounting for Taxes on Income becoming mandatory effective April 1, 2001, the deferred tax effect of timing differences arising during the year ended March 31, 2002 has been recognised in the Profit and Loss Account for the period. The deferred tax adjustment for March 31, 2001 has not been determined and consequently, no adjustments have been carried out in the Statements of Profits shown above.

ICICI Bank

ICICI BANK LIMITED
"Part II " of "Annexure A"
STATEMENT OF ASSET AND LIABILITIES

(Rs. in million)

	As on September 30, 2005
Assets :	
Cash in hand (including foreign currency notes)	8,867.3
Balance with RBI in current accounts	70,456.7
Balance with banks and money at call and short notice	
I. In India	
i) Balances with banks	
a) in current accounts	7,093.5
b) in other deposit accounts	3,726.1
ii) Money at call & short notice	
a) with banks	2,450.0
b) with other institutions	-
Total in India	**13,269.6**
II. Outside India	
i) in Current Accounts	14,770.6
ii) in Other Deposit Accounts	22,514.2
iii) Money at call & short notice	-
Total outside India	**37,284.8**
Total balance with banks and money at call and short notice	50,554.4
Investments (net of provisions)	
I. Investments in India	
i) Government securities	415,365.8
ii) Other approved securities	300.7
iii) Shares (includes equity and preference shares)	14,886.4
iv) Debentures and bonds	15,807.9
v) Subsidiaries and/or joint ventures	14,297.1
vi) Others (CP's, Mutual Fund Units, Pass through Certificate, Security Receipts etc.)	66,965.3
Total Investments in India	**527,623.2**
II. Investments outside India	25,549.7
Total Investments (net of provisions)	**553,172.9**
Advances (net of provisions)	
I. In India	974,461.2
II. Outside India	96,248.5
Total Advances (net of provisions)	**1,070,709.7**
Fixed assets (incl. lease assets)	39,600.6
Other assets	98,823.2
Total Assets	**1,892,184.8**

(Rs. in million)

	As on September 30, 2005
Liabilities and capital	
Demand deposits	
- From banks	3,444.4
- From others	122,394.9
Saving Deposits	145,326.2
Term deposits	
- From banks	92,917.6
- From others	840,440.3
Total deposits	**1,204,523.4**
Borrowings	
I. In India	
i) Reserve Bank of India	-
ii) Other banks	31,239.6
iii) Other institutions and agencies	
a) From Government of India	3,213.0
b) From financial institutions	36,158.4
iv) Borrowings in the form of :-	
a) Deposits taken over from erstwhile ICICI Limited	2,055.9
b) Bonds & debentures (excluding subordinated debt)	
1) Debentures & bonds guaranteed by the Government of India	14,815.0
2) Borrowings under private placement of bonds carrying maturity of one to thirty years from the date of placement	25,256.3
3) Bonds issued under multiple option/safety bonds series	69,448.0
Total borrowing in India	**182,186.2**
II. Outside India	158,999.8
Total borrowing	**341,186.0**
Other liabilities & provisions	125,292.1
Unsecured redeemable debenture/bonds (subordinated debt included in Tier-II capital)	80,520.3
Total Liabilities	**1,751,521.8**
Share Capital :	
Issued, subscribed and paid up (net of calls unpaid)	7,409.2
Share capital suspense	-
Preference share capital 350 Shares of Rs. 1,00,00,000/- each (1)	3,500.0
Total Share Capital	**10,909.2**
Reserves and surplus	
Statutory reserves	14,627.3
Special reserve	11,940.0
Share Premium	40,489.7
Investment fluctuation reserve	7,303.4
Capital reserve	4,850.0
Foreign currency translation reserve	(42.1)
Revenue & other reserves	37,636.7
Balance in profit & loss account	12,948.8
Total reserves and surplus	**129,753.8**
Total liabilities, share capital and reserves	**1,892,184.8**

NOTES :

1. For these preference shares the notification from Ministry of Finance has currently exempted the Bank from the restriction of Section 12(1) of the Banking Regulation Act, 1949, which prohibits issue of preference shares by banks.

(Rs. in million)

	As on September 30, 2005
Contingent liabilities	
i) Claim against Bank not acknowledged as debts	26,459.7
ii) Liability for partly paid investments	168.5
iii) Liability on account of outstanding forward exchange contracts	797,877.8
iv) Guarantees given on behalf of constituents in India and outside India	169,075.8
v) Acceptances, endorsements & other obligations	73,522.2
vi) Currency Swaps	139,274.6
vii) Interest rate Swaps, currency options and interest rate futures	1,854,048.9
viii) Other items for which Bank is contingently liable	49,424.6
Total contingent liabilities	**3,109,852.1**
Bills for collection	**32,425.1**

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

OVERVIEW

ICICI Bank Limited ("ICICI Bank" or "the Bank"), incorporated in Vadodara, India is a publicly held bank engaged in providing a wide range of banking and financial services including commercial banking and treasury operations. ICICI Bank is a banking company governed by the Banking Regulation Act, 1949.

Basis of preparation

The accounting and reporting policies of ICICI Bank used in the preparation of these financial statements conform to Generally Accepted Accounting Principles ("GAAP") in India, the guidelines issued by Reserve Bank of India ("RBI") from time to time and practices generally prevailing within the banking industry in India. The Bank follows the accrual method of accounting, except where otherwise stated, and the historical cost convention.

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

These financial statements have been prepared in accordance with Accounting Standard 25 on "Interim Financial Reporting" issued by the Institute of Chartered Accountants of India ("ICAI"). Certain expenditure, including retirement benefits, are determined for the whole accounting year and for the interim period accounts, the same are considered on a pro-rata basis.

Equity issue

The Bank made an issue of 115,920,758 equity shares (including 6,992,187 equity shares issued by exercise of green shoe option) of Rs.10 each at a premium of Rs. 270 per share aggregating Rs. 32,457.8 million under the prospectus dated April 12, 2004. The expenses of the issue have been charged to the share premium account, in accordance with the objects of the issue stated in the prospectus.

ICICI Bank had sponsored American Depositary Shares (ADSs) Offering which opened for participation on March 7, 2005 and closed on March 11, 2005. In terms of the Offering, 20,685,750 ADSs representing 41,371,500 equity shares had been sold at a price of US$ 21.1 per ADS. The gross proceeds from the ADS Offering were approximately US$ 436.7 million (Rs.19,099.6 million). The net consideration per share (after deduction of expenses in connection with the offering) was Rs. 453.16.

A. SIGNIFICANT ACCOUNTING POLICIES

1. Revenue recognition

a) Interest income is recognised in the profit and loss account as it accrues except in the case of non-performing assets ("NPAs") where it is recognised, upon realisation, as per the prudential norms of RBI.

b) Commissions paid to direct marketing agents ("DMAs") for auto loans, is recorded upfront in the profit and loss account net of subvention income received from them.

c) Income from hire purchase operations is accrued by applying the interest rate implicit on outstanding balances.

d) Income from leases is calculated by applying the interest rate implicit in the lease to the net investment outstanding on the lease over the primary lease period. Leases effective from April 1, 2001 are accounted as advances at an amount equal to the net investment in the lease. The lease rentals are apportioned between principal and finance income based on a pattern reflecting a constant periodic return on the net investment of outstanding in respect of finance lease. The principal amount is recognised as repayment of advances and the finance income is reported as interest income.

e) Income on discounted instruments is recognised over the tenure of the instrument on a constant yield basis.

f) Dividend is accounted on an accrual basis when the right to receive the dividend is established.

g) All other fee income is recognised upfront on their becoming due.

h) Income arising from sell down/securitisation of loan assets is recognised upfront, net of future servicing cost for assets sold, expected prepayment and projected delinquencies and included in interest income.

i) Guarantee commission is recognised over the period of the guarantee.

2. INVESTMENTS

Investments are valued in accordance with the extant RBI guidelines on investment classification and valuation as given below :

a) All investments are categorised into 'Held to Maturity', 'Available for Sale' and 'Held for Trading'. Reclassifications, if any, in any category are accounted for as per RBI guidelines. Under each category, the investments are further classified under (a) government securities, (b) other approved securities, (c) shares, (d) bonds and debentures, (e) subsidiaries and joint ventures and (f) others.

b) 'Held to Maturity' securities are carried at their acquisition cost or at amortised cost, if acquired at a premium over the face value. A provision is made for other than temporary diminution.

c) 'Available for Sale' and 'Held for Trading' securities are valued periodically as per RBI guidelines. The market/fair value for the purpose of periodical valuation of quoted investments included in the 'Available for Sale' and 'Held for Trading' categories is the market price of the scrip as available from the trades/quotes on the stock exchanges, SGL account transactions, price list of RBI or prices declared by Primary Dealers Association of India jointly with Fixed Income Money Market and Derivatives Association ("FIMMDA"), periodically.

The market/fair value of unquoted SLR securities included in the 'Available for Sale' and 'Held for Trading' categories is as per the rates published by FIMMDA.

The valuation of non-SLR securities, other than those quoted on the stock exchanges, wherever linked to the Yield-to-Maturity ("YTM") rates, is with a mark-up (reflecting associated credit risk) over the YTM rates for government securities published by FIMMDA.

Unquoted equity shares are valued at the book value, if the latest balance sheet is available or at Re. 1.

Securities are valued scrip-wise and depreciation/appreciation aggregated for each category. Net appreciation, if any, in each basket, being unrealised, is ignored, while net depreciation is provided for.

d) Costs including brokerage and commission pertaining to investments, paid at the time of acquisition, are charged to the profit and loss account.

e) Broken period interest on debt instruments is treated as a revenue item.

f) Investments in subsidiaries/joint ventures are categorised as 'Held to Maturity' in accordance with RBI guidelines.

g) Profit on sale of investments in the 'Held to Maturity' category is credited to the profit and loss account and is thereafter appropriated (net of applicable taxes and statutory reserve requirements) to Capital Reserve.

h) At the end of each reporting period, security receipts issued by the asset reconstruction company are valued in accordance with the guidelines applicable to non-SLR instruments prescribed by RBI from time to time. Accordingly, in case where the security receipts issued by the asset reconstruction company are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Bank reckons the Net Asset Value ("NAV"), obtained from the asset reconstruction company from time to time, for valuation of such investments at each reporting period end.

3. Provisions/Write-offs on loans and other credit facilities

a) All credit exposures are classified as per RBI guidelines, into performing and non-performing assets ("NPAs"). Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI. Provisions are made on sub-standard and doubtful assets at rates prescribed by RBI. Loss assets and unsecured portion of doubtful assets are provided/written off as per the extant RBI guidelines. The Bank also makes additional floating provision against retail non-performing loans and additional provision against specific corporate NPAs.

b) For restructured/rescheduled assets, provision is made in accordance with the guidelines issued by RBI, which requires the present value of the interest sacrifice be provided at the time of restructuring.

c) In the case of other than restructured loan accounts classified as NPAs, the account is reclassified as "standard" account if arrears of interest and principal are fully paid by the borrower.

In respect of non-performing loan accounts subjected to restructuring, the account is upgraded to standard if the borrower demonstrates, over a minimum period of one year, the ability to repay the loan in accordance with the contractual terms.

d) Amounts recovered against other debts written off in earlier years and provisions no longer considered necessary in the context of the current status of the borrower are recognised in the profit and loss account.

e) In addition to the specific provision on NPAs, the Bank maintains a general provision on performing loans. The general provision covers the requirements of the RBI guidelines.

f) In addition to the provisions required to be held according to the asset classification status, provisions are held for individual country exposure (other than for home country). The countries are categorised into seven risk categories namely insignificant, low, moderate, high, very high, restricted and off-credit and provisioning made on exposures exceeding 90 days on a graded scale ranging from 0.25% to 100%. For exposures with contractual maturity of less than 90 days, 25% of the normal provision requirement is held. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is maintained on such country exposure.

4. Transfer and servicing of financial assets

The Bank transfers commercial and consumer loans through securitisation transactions. The transferred loans are de-recognised and gains / losses are recorded only if the Bank surrenders the rights to benefits specified in the loan contract. Recourse and servicing obligations are reduced from proceeds of the sale. Retained beneficial interests in the loans is measured by allocating the carrying value of the loans between the assets sold and the retained interest, based on the relative fair value at the date of the securitisation.

5. Fixed assets and depreciation

a) Premises and other fixed assets are carried at cost less accumulated depreciation. Depreciation is charged over the estimated useful life of a fixed asset on a straight-line basis. The rates of depreciation for fixed assets, which are not lower than the rates prescribed in Schedule XIV of the Companies Act, 1956, are given below :

Asset	Depreciation Rate
Premises owned by the Bank	1.63%
Improvements to leasehold premises	1.63% or over the lease period, whichever is higher
ATMs	12.50%
Plant and machinery like air conditioners, xerox machines, etc.	10.00%
Computers	33.33%
EDC Terminals	16.67%
Furniture and fixtures	15.00%
Motor vehicles	20.00%
Others (including Software and system development expenses)	25.00%

b) Depreciation on leased assets is made on a straight-line basis at the higher of the rates determined with reference to the primary period of lease and the rates specified in Schedule XIV to the Companies Act, 1956.

c) Assets purchased/sold during the year are depreciated on the basis of actual number of days the asset has been put to use.

d) Items costing less than Rs. 5,000/- are depreciated fully over a period of 12 months from the date of purchase.

6. Foreign currency transactions

a) Foreign currency income and expenditure items of domestic operations are translated at the exchange rates prevailing on the date of the transaction, income and expenditure items of integral foreign operations (representative offices) are translated at weekly average closing rate, and income and expenditure of non-integral foreign operations (foreign branches and off-shore banking units) are translated at quarterly average closing rate.

b) Monetary foreign currency assets and liabilities of domestic and integral foreign operations are translated at closing exchange rates notified by Foreign Exchange Dealers' Association of India ("FEDAI") at the balance sheet date and the resulting profits/losses are included in the profit and loss account.

c) Both monetary and non-monetary foreign currency assets and liabilities of non-integral foreign operations are translated at closing exchange rates notified by FEDAI at the balance sheet date and the resulting profits/losses from exchange differences are accumulated in the foreign currency translation reserve until the disposal of the net investment in the non integral foreign operations.

d) Outstanding forward exchange contracts are stated at contracted rates and are revalued at the exchange rates notified by FEDAI for specified maturities and at interpolated rates for contracts of in-between maturities. The resultant gains or losses are recognised in the profit and loss account.

e) Contingent liabilities on account of guarantees, endorsements and other obligations are stated at the exchange rates notified by FEDAI at the balance sheet date.

7. Accounting for derivative contracts

The Bank enters into derivative contracts such as foreign currency options, interest rate and currency swaps and cross currency interest rate swaps to hedge on-balance sheet/off-balance sheet assets and liabilities or for trading purposes.

The swap contracts entered to hedge on-balance sheet assets and liabilities are structured in such a way that they bear an opposite and offsetting impact with the underlying on-balance sheet items. The impact of such derivative instruments is correlated with the movement of underlying assets and accounted pursuant to the principles of hedge accounting.

Foreign currency and rupee derivatives, which are entered for trading purposes, are marked to market and the resulting gain/loss, (net of provisions, if any) is recorded in the profit and loss account.

8. Employee Stock Option Scheme ("ESOS")

The Bank has formulated an Employees Stock Option Scheme. The Scheme provides that employees are granted an option to acquire equity shares of the Bank that vests in graded manner. The options may be exercised within a specified period. The Bank follows the intrinsic value method for computing the compensation cost, if any, for all options granted. The exercise price of Bank stock option is the last closing price on the stock exchange on the day preceding the date of grant of stock options and accordingly there is no compensation cost.

9. Staff retirement benefits

ICICI Bank is required to pay a gratuity to employees who retire or resign after at least five years of continuous service. ICICI Bank makes contributions to three separate gratuity funds, for employees inducted from ICICI, employees inducted from Bank of Madura and employees of ICICI Bank other than employees inducted from ICICI and Bank of Madura.

The gratuity funds for employees inducted from ICICI and Bank of Madura are separate gratuity funds managed by ICICI Prudential Life Insurance Company. Actuarial valuation of the gratuity liability is determined by an actuary appointed by ICICI Prudential Life Insurance Company. The investments of the funds are made according to rules prescribed by the Government of India. The accounts of the funds are audited by independent auditors.

The gratuity fund for employees of ICICI Bank other than employees inducted from ICICI and Bank of Madura is administered by the Life Insurance Corporation of India. In accordance with the gratuity fund's rules, actuarial valuation of gratuity liability is calculated based on certain assumptions regarding rate of interest, salary growth, mortality and staff turnover.

ICICI Bank contributes 15.0% of the total annual salary of each employee to a superannuation fund for ICICI Bank employees. The fund is administered by the Life Insurance Corporation of India. ICICI Bank's employees get an option on retirement or resignation to receive one-third of the total balance and a monthly pension based on the remaining two-third balance. In the event of death of an employee, his or her beneficiary receives the remaining accumulated balance of 66.7%. ICICI Bank also gives a cash option to its employees, allowing them to receive the amount contributed by ICICI Bank in their monthly salary during their employment.

Subsequent to March 31, 2005, superannuation fund is being administered by Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited. Employees have the option to retain the existing balance with Life Insurance Corporation of India or seek a transfer to ICICI Prudential Insurance Company Limited.

ICICI Bank is statutorily required to maintain a provident fund as a part of its retirement benefits to its employees. There are separate provident funds for employees inducted from Bank of Madura (other than those employees who have opted for pensions), and for other employees of ICICI Bank. These funds are managed by in-house trustees. Each employee contributes 12.0% of his or her basic salary (10.0% for clerks and sub-staff of Bank of Madura) and ICICI Bank contributes an equal amount to the funds. The investments of the funds are made according to rules prescribed by the Government of India. The accounts of the funds are audited by independent auditors.

10. Income taxes

Income tax expense is the aggregate amount of current tax and deferred tax charge. Current year taxes are determined in accordance with the Income Tax Act, 1961. Deferred tax adjustments comprise of changes in the deferred tax assets or liabilities during the period.

Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences arising between the carrying values of assets and liabilities and their respective tax basis and operating carry forward losses. Deferred tax assets are recognised only after giving due consideration to prudence. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date. The impact on account of changes in the deferred tax assets and liabilities is also recognised in the profit and loss account.

Deferred tax assets are recognised and reassessed at each reporting date, based upon management's judgement as to whether realisation is considered reasonably certain. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax asset can be realised against future profits.

11. Impairment of assets

Long-lived assets and certain intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

12. Accounting for contingencies

The Bank estimates the probability of any loss that might be incurred on outcome of contingencies on the basis of information available up to the date on which the financial statements are prepared. A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements. In case of remote possibility neither provision nor disclosure is made in the financial statements.

13. Earnings Per Share ("EPS")

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the period/year attributable to equity shareholders

by the weighted average number of equity shares outstanding during the period/year. Diluted earnings per equity share has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period, except where the results are anti-dilutive.

14. Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.

B. NOTES FORMING PART OF THE ACCOUNTS

The following additional disclosures have been made taking into account RBI guidelines in this regard.

1. Capital adequacy ratio

The capital to risk weighted assets ratio (CRAR) as assessed by the Bank on the basis of the attached financial statements and guidelines issued by RBI is given in the table below :

Rupees in million

	As on September 30, 2005	As on March 31, 2005	As on September 30, 2004
Tier I capital[1]	108,317.5	102,463.2	93,977.3
Tier II capital	64,120.2	56,566.1	58,267.2
Total capital	172,437.7	159,029.3	152,244.5
Total risk weighted assets	1,496,416.2	1,350,168.1	1,001,864.5
Capital ratios (per cent)			
Tier I	7.24%	7.59%	9.38%
Tier II	4.28%	4.19%	5.82%
Total capital	11.52%	11.78%	15.20%

1. Tier I capital includes the preference shares, which are due for redemption in 2018, as reduced by the amount of corpus created in accordance with RBI guidelines.

2. Business/information ratios (Annualised)

The business/information ratios for the period ended September 30, 2005, March 31, 2005 and September 30, 2004 are given in the table below :

	Period ended September 30, 2005	Year ended March 31, 2005	Period ended September 30, 2004
(i) Interest income to working funds	7.03%	6.94%	7.03%
(ii) Non-interest income to working funds	2.49%	2.52%	2.37%
(iii) Operating profit to working funds	2.28%	2.18%	2.08%
(iv) Return on assets	1.17%	1.59%	1.31%
(v) Profit per employee	1.0	1.1	1.1

For the purpose of computing the above ratios, working funds represent the average of total assets as reported to RBI under Section 27 of the Banking Regulation Act, 1949.

Rupees in million

	As on September 30, 2005	As on March 31, 2005	As on September 30, 2004
(vi) Business per employee (average deposits plus average advances)	91.1	88.0	95.1
(vii) Net non-performing advances (funded) to net advances	0.96%	1.65%	2.00%

3. Information about business and geographical segments

The Bank reports its operations under the following business segments :

- **Consumer and Commercial Banking** comprising the retail and corporate banking operations of the Bank.
- **Investment Banking** comprising the treasury of the Bank.

Inter-segment transactions are generally based on transfer pricing measures as determined by management. Income, expenses, assets and liabilities are either specifically identified with individual segments or are allocated to segments on a systematic basis.

Based on such allocations, segmental balance sheet as on September 30, 2005 and September 30, 2004 and segmental profit & loss account for the period ended September 30, 2005 and for the period ended September 30, 2004 have been prepared.

Rupees in million

	Particulars	Consumer and commercial banking		Investment banking		Total	
		For the period ended 30.09.05	**For the period ended 30.09.04**	**For the period ended 30.09.05**	**For the period ended 30.09.04**	**For the period ended 30.09.05**	**For the period ended 30.09.04**
1.	Revenue	67,410.2	50,948.9	23,439.9	13,325.3	90,850.1	64,274.2
2.	Less: Inter-segment revenue					(6,718.7)	(5,080.1)
3.	Total revenue (1)–(2)					84,131.4	59,194.1
4.	Operating profit (i.e. Profit before unallocated expenses, and tax)	14,292.1	10,239.8	6,048.3	3,028.3	20,340.4	13,268.1
5.	Unallocated expenses					192.0	192.0
6.	Provisions (net)	2,061.5	2,425.2	3,955.2	(19.8)	6,016.7	2,405.4
7.	**Profit before tax**	**12,230.6**	**7,814.6**	**2,093.1**	**3,048.1**	**14,131.7**	**10,670.7**
8.	Income tax expenses (net) (net of deferred tax credit)					3,031.1	1,942.5
9.	**Net profit (7)-(8)**					**11,100.6**	**8,728.2**
10.	Segment assets	1,207,334.0	834,218.2	657,880.2	466,274.8	1,865,214.2	1,300,493.0
11.	Unallocated assets					26,970.6	27,313.9
12.	**Total assets (10) + (11)**					**1,892,184.8**	**1,327,806.9**
13.	Segment liabilities	1,440,845.1	1,044,053.0	451,339.7	283,753.9	1,892,184.8	1,327,806.9
14.	Unallocated liabilities					..	..
15.	**Total liabilities (13) + (14)**					**1,892,184.8**	**1,327,806.9**

The segmental balance sheet as on March 31, 2005 and segmental profit & loss account for the year ended March 31, 2005 are given below :

Rupees in million

	Particulars	Consumer and commercial banking	Investment banking	Total
		For the year ended 31.03.05	For the year ended 31.03.05	For the year ended 31.03.05
1.	Revenue	106,436.9	30,926.2	137,363.1
2.	Less: Inter-segment revenue			(9,102.7)
3.	Total revenue (1) -(2)	..	..	128,260.4
4.	Operating profit (i.e. Profit before unallocated expenses, and tax)	19,760.7	10,183.3	29,944.0
5.	Unallocated expenses	..	..	384.0
6.	Provisions (net)	814.1	3,473.9	4,288.0
7.	**Profit before tax**	**18,946.6**	**6,709.4**	**25,272.0**
8.	Income tax expenses (net) (net of deferred tax credit)			5,220.0
9.	**Net profit (7)-(8)**			**20,052.0**
10.	Segment assets	1,051,486.3	597,045.1	1,648,531.4
11.	Unallocated assets			28,062.7
12.	**Total assets (10)+(11)**			**1,676,594.1**
13.	Segment liabilities	1,291,932.4	384,661.7	1,676,594.1
14.	Unallocated liabilities			..
15.	**Total liabilities (13)+(14)**			**1,676,594.1**

The business operations of the Bank are largely concentrated in India. The assets and income from foreign operations are not significant to the overall operations of the Bank and have accordingly not been disclosed.

4. Earnings Per Share

The Bank reports basic and diluted earnings per equity share in accordance with Accounting Standard 20, "Earnings per Share". Basic earnings per share is computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the period/year. Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period / year.

The computation of earnings per share is given below :

Rupees in million except per share data

	Period ended September 30, 2005	Year ended March 31, 2005	Period ended September 30, 2004
Basic (not annualised for the period)			
Weighted average no. of equity shares outstanding	738,954,333	727,728,042	719,759,249
Net profit	11,100.6	20,052.0	8,728.2
Basic earnings per share (Rs.)	15.02	27.55	12.13
Diluted (not annualised for the period)			
Weighted average no. of equity shares outstanding	746,683,470	733,720,485	725,803,337
Net profit	11,100.6	20,052.0	8,728.2
Diluted earnings per share (Rs.)	14.87	27.33	12.03
Nominal value per share (Rs.)	10.00	10.00	10.00

The dilutive impact is mainly due to options granted to employees by the Bank.

5. Maturity pattern

- In compiling the information of maturity pattern (refer 5. (a), (b), (c), (d), (e) and (f) below), certain estimates and assumptions have been made by the management.
- Assets and liabilities in foreign currency exclude off-balance sheet assets and liabilities.

Rupee denominated assets and liabilities

a) The maturity pattern of rupee denominated assets and liabilities of the Bank as on September 30, 2005 is given below :

Rupees in million

Maturity buckets	Loans & advances	Investment securities	Deposits	Borrowings
1 to 14 days	73,879.1	48,937.5	110,757.8	9,329.7
15 to 28 days	8,842.2	38,025.0	32,905.1	2,712.3
29 days to 3 months	23,462.2	51,895.3	137,370.3	17,546.9
3 to 6 months	42,148.7	67,263.6	196,268.1	19,285.8
6 months to 1 year	86,025.5	64,620.9	213,887.9	33,559.5
1 to 3 years	341,937.3	116,228.2	425,227.0	52,935.9
3 to 5 years	124,080.7	26,371.0	15,723.6	36,597.2
Above 5 years	217,095.1	114,281.6	8,434.8	10,218.8
Total	**917,470.8**	**527,623.1**	**1,140,574.6**	**182,186.1**

b) The maturity pattern of rupee denominated assets and liabilities of the Bank as on March 31, 2005 is given below :

Rupees in million

Maturity buckets	Loans & advances	Investment securities	Deposits	Borrowings
1 to 14 days	59,136.0	76,070.3	49,629.2	561.0
15 to 28 days	4,554.5	20,350.1	26,173.0	6,798.7
29 days to 3 months	39,053.9	48,422.0	125,531.9	6,848.7
3 to 6 months	38,964.9	47,302.7	152,494.5	20,711.1
6 months to 1 year	71,963.6	59,469.5	187,367.2	35,576.9
1 to 3 years	264,250.1	113,827.6	391,052.9	88,710.7
3 to 5 years	81,015.7	22,237.7	9,783.2	18,552.0
Above 5 years	227,896.5	109,861.7	9,268.4	18,230.2
Total	**786,835.2**	**497,541.6**	**951,300.3**	**195,989.3**

c) The maturity pattern of rupee denominated assets and liabilities of the Bank as on September 30, 2004 is given below :

Rupees in million

Maturity buckets	Loans & advances	Investment securities	Deposits	Borrowings
1 to 14 days	20,636.0	28,639.6	44,062.0	604.6
15 to 28 days	3,354.9	15,912.6	12,094.9	11.0
29 days to 3 months	25,106.2	30,252.8	64,591.4	11,588.5
3 to 6 months	32,787.3	44,916.5	105,348.8	18,596.0
6 months to 1 year	64,684.3	47,633.2	126,975.9	32,669.0
1 to 3 years	183,454.5	108,420.4	311,742.4	95,241.8
3 to 5 years	81,800.2	25,662.9	4,688.4	16,624.0
Above 5 years	188,605.2	104,430.2	8,796.7	33,252.4
Total	**600,428.6**	**405,868.2**	**678,300.5**	**208,587.3**

Forex denominated assets and liabilities

d) The maturity pattern of forex denominated assets and liabilities as on September 30, 2005 is given below :

Rupees in million

Maturity buckets	Loans & advances	Investment securities	Deposits	Borrowings	Balances with banks and money at call and short notice
1 to 14 days	6,494.2	388.7	8,827.0	12,215.6	21,330.3
15 to 28 days	4,288.3	..	5,890.5	3,401.8	1,254.7
29 days to 3 months	23,528.2	491.1	11,063.9	19,739.2	2,223.1
3 to 6 months	20,007.3	..	10,799.8	36,893.8	5,916.3
6 months to 1 year	15,397.0	219.6	14,664.0	16,902.1	290.0
1 to 3 years	27,266.4	473.3	6,469.3	21,063.1	1,737.0
3 to 5 years	23,126.5	10,780.4	6,138.2	34,424.9	4,533.4
Above 5 years	33,131.0	13,196.7	96.1	14,359.4	..
Total	**153,238.9**	**25,549.8**	**63,948.8**	**158,999.9**	**37,284.8**

e) The maturity pattern of forex denominated assets and liabilities as on March 31, 2005 is given below :

Rupees in million

Maturity buckets	Loans & advances	Investment securities	Deposits	Borrowings	Balances with banks and money at call and short notice
1 to 14 days	1,382.3	213.1	4,633.0	3,447.0	20,666.0
15 to 28 days	3,514.6	53.0	6,510.8	5,512.8	3,040.3
29 days to 3 months	26,655.8	329.0	7,438.1	24,415.8	4,177.6
3 to 6 months	11,355.6	..	6,748.4	11,780.3	6,496.1
6 months to 1 year	12,124.6	962.4	8,040.3	21,409.9	743.7
1 to 3 years	30,032.0	159.2	7,773.8	22,432.7	..
3 to 5 years	13,508.8	5,380.7	5,304.3	34,771.6	436.8
Above 5 years	28,642.6	234.5	438.8	15,685.6	..
Total	**127,216.3**	**7,331.9**	**46,887.5**	**139,455.7**	**35,560.5**

f)The maturity pattern of forex denominated assets and liabilities as on September 30, 2004 is given below :

Rupees in million

Maturity buckets	Loans & advances	Investment securities	Deposits	Borrowings	Balances with banks and money at call and short notice
1 to 14 days	482.0	..	2,781.8	2,081.1	17,572.3
15 to 28 days	811.9	..	1,250.1	5,039.1	1,787.8
29 days to 3 months	5,315.4	136.8	6,951.9	8,248.0	2,768.1
3 to 6 months	10,858.8	..	5,459.0	11,274.7	3,910.9
6 months to 1 year	11,749.8	..	10,940.2	9,218.9	2,953.8
1 to 3 years	20,114.3	..	5,322.6	16,590.5	..
3 to 5 years	10,016.4	5,374.6	3,154.0	23,843.1	2,723.7
Above 5 years	25,014.3	6,296.4	1,819.8	18,060.4	..
Total	**84,362.9**	**11,807.8**	**37,679.4**	**94,355.8**	**31,716.6**

6. Related party transactions

The Bank has transactions with its related parties comprising of subsidiaries (including joint ventures), associates (including joint ventures) and key management personnel. The following represents the significant transactions between the Bank and its related parties.

Insurance services

During the period ended September 30, 2005, the Bank paid insurance premium to insurance joint ventures amounting to Rs. 200.1 million (March 31, 2005: Rs. 315.4 million, September 30, 2004: Rs. 40.0 million). During the period ended September 30, 2005 the Bank received claims from insurance joint ventures amounting to Rs. 0.1 million (March 31, 2005: Rs. 8.4 million, September 30, 2004: Rs. 4.8 million).

Fees

During the period ended September 30, 2005, the Bank received fees from its subsidiaries and joint ventures amounting to Rs. 525.0 million (March 31, 2005: Rs. 279.8 million, September 30, 2004: Rs. 172.4 million) and commission of Rs. 6.1 million (March 31, 2005: Rs. 5.3 million, September 30, 2004: Rs. 2.6 million) on account of guarantees and letter of credit issued for subsidiaries.

Lease of premises and facilities

During the period ended September 30, 2005, the Bank charged an aggregate amount of Rs. 215.5 million (March 31, 2005: Rs. 432.8 million, September 30, 2004: Rs. 197.5 million) for lease of premises, facilities and other administrative costs to subsidiaries and joint ventures.

Sale of housing loan portfolio

During the period ended September 30, 2005, the Bank sold housing loan portfolio to its subsidiary amounting to Rs. 3,550.0 million (March 31, 2005: Rs. 3,059.7 million, September 30, 2004: Rs. 3,059.7 million).

Secondment of employees

During the period ended September 30, 2005, the Bank received Rs. 2.3 million (March 31, 2005: Rs. 8.4 million, September 30, 2004: Rs. 7.0 million) from subsidiaries and joint ventures for secondment of employees.

Purchase of investments

During the period ended September 30, 2005, the Bank purchased certain investments from its subsidiaries and joint ventures amounting to Rs. 8,941.3 million (March 31, 2005: Rs. 32,440.1 million, September 30, 2004: Rs. 10,648.3 million) and from its associates amounting to Rs. Nil (March 31, 2005: Rs. 820.0 million, September 30, 2004: Rs. Nil).

Sale of investments

During the period ended September 30, 2005, the Bank sold certain investments to its subsidiaries and joint ventures amounting to Rs. 5,671.1 million (March 31, 2005: Rs. 22,668.5 million, September 30, 2004: Rs. 4,666.8 million) and sold to its associates amounting to Rs. 1,555.1 million (March 31, 2005: Rs. Nil, September 30, 2004: Rs. Nil). On the sales made to subsidiaries and joint ventures, the Bank accounted for a gain of Rs. 17.5 million (March 31, 2005: Loss of Rs. 12.4 million, September 30, 2004: Loss of Rs. 3.8 million) and on the sale made to associates, the Bank accounted for a gain of Rs. 10.1 million (March 31, 2005: Rs. Nil, September 30, 2004: Rs. Nil)

Redemption / Buyback and Conversion of investments

During the period ended September 30, 2005, certain investments in subsidiaries and joint ventures in preference shares were converted to equity shares amounting to Rs. Nil (March 31, 2005: Rs. 250.0 million, September 30, 2004: Rs. Nil). Consideration of Rs. 765.9 million (March 31, 2005: Rs. 106.9 million, September 30, 2004: Rs. Nil) was received on account of buyback of equity shares by a subsidiary and a gain amounting to Rs. 393.0 million (March 31, 2005: Rs. 67.4 million, September 30, 2004: Rs. Nil) was accounted in the books. Units in associates amounting to Rs. 664.0 million (March 31, 2005: Rs. 2,362.8 million, September 30, 2004: Rs. 684.4 million) were redeemed during the period and a gain of Rs. Nil (March 31, 2005: Rs. 19.8 million, September 30, 2004: Rs. 7.4 million) was accounted on redemption.

Reimbursement of expenses

During the period ended September 30, 2005, the Bank reimbursed expenses to its subsidiaries amounting to Rs. 1,552.9 million (March 31, 2005: Rs. 2,596.0 million, September 30, 2004: Rs. 1,123.2 million).

Brokerage paid

During the period ended September 30, 2005, the Bank paid brokerage to its subsidiary amounting to Rs. 4.7 million (March 31, 2005: Rs. 9.1 million, September 30, 2004: Rs. 3.2 million).

Custodial charges received

During the period ended September 30, 2005, the Bank received custodial charges from its subsidiaries and joint ventures amounting to Rs. 5.8 million (March 31, 2005: Rs. 5.7 million, September 30, 2004: Rs. 2.9 million) and associates amounting to Rs. 4.4 million (March 31, 2005: Rs. 2.2 million, September 30, 2004: Rs. 4.0 million).

Interest paid

During the period ended September 30, 2005, the Bank paid interest to its subsidiaries and joint ventures amounting to Rs. 195.4 million (March 31, 2005: Rs. 255.7 million, September 30, 2004: Rs. 103.0 million) and to its associates amounting to Rs. Nil (March 31, 2005: Rs. 1.1 million, September 30, 2004: Rs. 1.1 million).

Interest received

During the period ended September 30, 2005, the Bank received interest from its subsidiaries and joint ventures amounting to Rs. 256.7 million (March 31, 2005: Rs. 376.7 million, September 30, 2004: Rs. 156.5 million) and from its key management personnel[1] Rs. 0.3 million (March 31, 2005: Rs. 0.3 million, September 30, 2004: Rs. 0.1 million).

Other Income

During the period ended September 30, 2005, the Bank has accounted loss on derivative transactions entered into with subsidiaries and joint ventures amounting to Rs. 192.5 million (March 31, 2005: gain of Rs. 462.3 million, September 30, 2004: gain of Rs. 447.2 million).

Dividend received

During the period ended September 30, 2005, the Bank received dividend from its subsidiaries and joint ventures amounting to Rs. 917.4 million (March 31, 2005: Rs. 714.5 million, September 30, 2004: Rs. 246.4 million) and from its associates amounting to Rs. 1,637.4 million (March 31, 2005: Rs. 1,221.8 million, September 30, 2004: Rs. 795.6 million).

Remuneration to whole-time directors

Remuneration paid to the whole-time directors of the Bank during the period ended September 30, 2005 was Rs. 49.0 million (March 31, 2005: Rs. 60.5 million, September 30, 2004: Rs. 36.3 million).

Letter of Comfort

The Bank has issued letters of comfort on behalf of its foreign subsidiaries namely, ICICI Bank UK Limited and ICICI Bank Canada Limited. The details of the same are given in the table below :

On behalf of	To	Purpose
ICICI Bank UK Limited	Financial Services Authority, UK (FSA)	To financially support ICICI Bank UK Limited to ensure that it meets all of financial obligations as they fall due.
ICICI Bank Canada	Office of the Superintendent of Financial Institutions, Canada (OSFI)	To infuse additional capital should ICICI Bank Canada's capital fall below the minimum requirement and provide ICICI Bank Canada ongoing financial, managerial and operational support.
ICICI Bank Canada	Canada Deposit Insurance Corporation (CDIC)	To comply with the Bank Act and the Canada Deposit Insurance Corporation Act, regulations or by-laws there under and to indemnify CDIC against all losses, damages, reasonable costs and expenses arising from failure of ICICI Bank Canada in performing the same.

Related party balances

The balances payable to/ receivable from subsidiaries/ joint ventures/ associates/ key management personnel included in the balance sheet as on September 30, 2005 are given below :

Rupees in million

Items	Subsidiaries / Joint ventures	Associates	Key management personnel [1]	Total
Deposits with ICICI Bank	15,533.6	18.3	34.6	15,586.5
Deposits of ICICI Bank[2]	5,546.5	..	..	5,546.5
Call/ Term money borrowed	1,589.3	..	..	1,589.3
Advances	1,246.9	..	16.3	1,263.2
Investments of ICICI Bank	24,072.3	14,726.8	..	38,799.1
Investments of related parties in ICICI Bank	3.2	..	4.0	7.2
Receivables	361.1	3.3	..	364.4
Payables	1,724.6	0.4	..	1,725.0
Repo	..	..	..	..
Reverse repo	..	..	..	..
Guarantees[3]	3,890.9	..	..	3,890.9
Letter of comfort[4]	30,815.7	..	..	30,815.7
Swaps/forward contracts	138,497.1	..	..	138,497.1
Participation certificate	2,215.1	..	..	2,215.1

1. Whole-time directors and relatives.
2. Includes call money lent.
3. Includes letter of undertaking.
4. Excludes Letter of Comfort issued on behalf of foreign subsidiaries, details of which are given separately.

The maximum balance payable to/ receivable from subsidiaries/ joint ventures/ associates/ key management personnel during the period ended September 30, 2005 is given below :

Rupees in million

Items	Subsidiaries / Joint ventures	Associates	Key management personnel [1]	Total
Deposits with ICICI Bank	15,538.8	2,160.2	46.1	17,745.1
Deposits of ICICI Bank[2]	14,527.1	..	..	14,527.1
Call/ Term money borrowed	2,882.3	..	..	2,882.3
Advances	1,447.8	..	19.7	1,467.5
Investments of ICICI Bank	24,072.3	14,726.8	..	38,799.1
Investments of related parties in ICICI Bank	101.7	..	4.0	105.7
Receivables	361.2	4.1	..	365.3
Payables	1,820.7	0.5	..	1,821.2
Repo	400.3	..	..	400.3
Reverse repo	2,244.7	..	..	2,244.7
Guarantees[3]	5,196.3	..	..	5,196.3
Letter of comfort[4]	30,815.7	..	..	30,815.7
Swaps/forward contracts	174,463.6	..	..	174,463.6
Participation certificate	2,215.1	..	..	2,215.1

1. Whole-time directors and relatives.
2. Includes call money lent.
3. Includes letter of undertaking.
4. Excludes Letter of Comfort issued on behalf of foreign subsidiaries, details of which are given separately.

The balances payable to/ receivable from subsidiaries/ joint ventures/ associates/ key management personnel included in the balance sheet as on March 31, 2005 are given below.

Rupees in million

Items	Subsidiaries / Joint ventures	Associates	Key management personnel [1]	Total
Deposits with ICICI Bank	6,593.6	0.3	37.1	6,631.0
Deposits of ICICI Bank[2]	9,798.9	..	..	9,798.9
Call/ Term money borrowed	459.2	..	..	459.2
Advances	322.9	..	19.1	342.0
Investments of ICICI Bank	20,734.1	14,470.5	..	35,204.6
Investments of related parties in ICICI Bank	1.6	..	2.3	3.9
Receivables	202.4	..	..	202.4
Payables	885.3	..	..	885.3
Repo	..	..	..	..
Reverse repo	2,244.7	..	..	2,244.7
Guarantees[3]	4,928.3	..	..	4,928.3
Letter of comfort[4]	21,318.3	..	..	21,318.3
Swaps/forward contracts	118,137.1	..	..	118,137.1
Participation certificate	896.6	..	..	896.6

1. Whole-time directors and relatives.
2. Includes call money lent.
3. Includes letter of undertaking.
4. Excludes Letter of Comfort issued on behalf of foreign subsidiaries, details of which are given separately.

The maximum balance payable to/ receivable from subsidiaries/ joint ventures/ associates/ key management personnel during the year ended March 31, 2005 is given below.

Rupees in million

Items	Subsidiaries / Joint ventures	Associates	Key management personnel [1]	Total
Deposits with ICICI Bank	19,352.2	2,405.5	196.1	21,953.8
Deposits of ICICI Bank[2]	9,798.9	..	..	9,798.9
Call/ Term money borrowed	3,500.0	..	..	3,500.0
Advances	2,435.6	..	19.1	2,454.7
Investments of ICICI Bank	40,204.6	33,399.0	..	73,603.6
Investments of related parties in ICICI Bank	16.6	..	2.3	18.9
Receivables	202.4	..	..	202.4
Payables	1,762.1	..	..	1,762.1
Repo	128.8	..	..	128.8
Reverse repo	2,244.7	..	..	2,244.7
Guarantees[3]	4,928.3	..	..	4,928.3
Letter of comfort[4]	21,318.3	..	..	21,318.3
Swaps/forward contracts	230,905.2	..	..	230,905.2
Participation certificate	896.6	..	..	896.6

1. Whole-time directors and relatives.
2. Includes call money lent.
3. Includes letter of undertaking.
4. Excludes Letter of Comfort issued on behalf of foreign subsidiaries, details of which are given separately.

The balances payable to/ receivable from subsidiaries/ joint ventures/ associates/ key management personnel included in the balance sheet as on September 30, 2004 are given below.

Rupees in million

Items	Subsidiaries / Joint ventures	Associates	Key management personnel [1]	Total
Deposits with ICICI Bank	2,418.2	941.3	33.5	3,393.0
Deposits of ICICI Bank[2]	2,861.7	..	..	2,861.7
Call/ Term money borrowed	..	..	..	..
Advances	459.0	..	11.3	470.3
Investments of ICICI Bank	17,714.1	15,099.0	..	32,813.1
Investments of related parties in ICICI Bank	16.2	..	2.2	18.4
Receivables	144.6	6.9	..	151.5
Payables	1,120.6	0.6	..	1,121.2
Repo	..	..	..	..
Reverse repo	..	..	..	..
Guarantees[3]	1,813.6	..	..	1,813.6
Letter of comfort[4]	16,418.6	..	..	16,418.6
Swaps/forward contracts	151,932.7	..	..	151,932.7
Participation certificate	153.2	..	..	153.2

1. Whole-time directors and relatives.
2. Includes call money lent.
3. Includes letter of undertaking.
4. Excludes Letter of Comfort issued on behalf of foreign subsidiaries, details of which are given separately.

The maximum balance payable to/receivable from subsidiaries/ joint ventures/ associates/ key management personnel during the period ended September 30, 2004 is given below :

Rupees in million

Items	Subsidiaries / Joint ventures	Associates	Key management personnel [1]	Total
Deposits with ICICI Bank	4,374.9	1,995.5	41.9	6,412.3
Deposits of ICICI Bank[2]	3,712.2	..	..	3,712.2
Call/ Term money borrowed	3,000.0	..	..	3,000.0
Advances	2,435.6	..	11.5	2,447.1
Investments of ICICI Bank	17,714.1	15,942.2	..	33,656.3
Investments of related parties in ICICI Bank	16.6	..	2.4	19.0
Receivables	201.5	6.9	..	208.4
Payables	1,611.2	0.6	..	1,611.8
Repo	107.5	..	..	107.5
Reverse repo	253.4	..	..	253.4
Guarantees[3]	1,817.7	..	..	1,817.7
Letter of comfort[4]	16,418.6	..	..	16,418.6
Swaps/forward contracts	230,905.2	..	..	230,905.2
Participation certificate	153.2	..	..	153.2

1. Whole-time directors and relatives.
2. Includes call money lent.
3. Includes letter of undertaking.
4. Excludes Letter of Comfort issued on behalf of foreign subsidiaries, details of which are given separately.

Subsidiaries and joint ventures

ICICI Venture Funds Management Company Limited, ICICI Securities Limited, ICICI Brokerage Services Limited, ICICI International Limited, ICICI Trusteeship Services Limited, ICICI Home Finance Company Limited, ICICI Investment Management Company Limited, ICICI Securities Holdings Inc., ICICI Securities Inc., ICICI Bank UK Limited, ICICI Bank Canada, ICICI Prudential Life Insurance Company Limited, ICICI Distribution Finance Private Limited (ICICI Distribution Finance Company Limited has merged with ICICI Home Finance Company Limited effective August 11, 2005), ICICI Lombard General Insurance Company Limited, Prudential ICICI Asset Management Company Limited, Prudential ICICI Trust Limited, Investment Credit Bank Limited Liability Company and TSI Ventures Private Limited.

Associates

ICICI Equity Fund, ICICI Eco-net Internet and Technology Fund, ICICI Emerging Sectors Fund, ICICI Strategic Investments Fund, ICICI Property Trust and TCW/ICICI Investment Partners L.L.C.

7. Employee Stock Option Scheme

In terms of the ESOS, as amended, the maximum number of options granted to any eligible employee in a financial year shall not exceed 0.05% of the issued equity shares of the Bank at the time of grant of the options and aggregate of all such options granted to the eligible employees shall not exceed 5% of the aggregate number of the issued equity shares of the Bank on the date (s) of the grant of options.

In terms of the Scheme, 18,678,337 options (March 31, 2005: 18,215,335 options, September 30, 2004: 20,698,131 options) granted to eligible employees were outstanding at September 30, 2005.

A summary of the status of the Bank's stock option plan is given below :

	Stock Option shares outstanding		
	As on September 30, 2005	As on March 31, 2005	As on September 30, 2004
Outstanding at the beginning of the year	18,215,335	15,964,982	15,964,982
Add: Granted during the period / year	4,976,780	7,554,500	7,554,500
Less : Forfeited/lapsed during the period / year	348,755	846,496	405,335
Exercised during the period / year[1]	4,165,023	4,457,651	2,416,016
Outstanding at the end of the period / year	18,678,337	18,215,335	20,698,131

1. Excludes options exercised but not allotted.

8. Preference shares

Certain government securities amounting to Rs. 1,954.4 million (March 31, 2005: Rs. 1,952.3 million, September 30, 2004: Rs. 1,907.5 million) have been earmarked against redemption of preference share capital, which falls due for redemption on April 20, 2018, as per the original issue terms.

9. Appropriation of net profit

The Bank intends to make appropriation of net profit at year-end. Accordingly, the financial statements do not include appropriations to Statutory Reserve (Rs. 2,780.0 million), Capital Reserve (Rs. 223.6 million) and Investment Fluctuation Reserve (amount not ascertainable) out of the current period profit.

10. Transfer to Investment Fluctuation Reserve

During the period, to comply with the instructions from RBI, an amount of Rs. 2,143.4 million has been transferred back to Investment Fluctuation Reserve from Revenue and Other Reserve.

11. Subordinated debt

a) During the period ended September 30, 2005, the Bank raised subordinate debt amounting to Rs. 10,250.0 million through private placement of bonds. The details of these bonds are given below :

Rupees in million

Particulars	Date of Issue	Coupon Rate (%)	Tenure	Amount
Option I	September 28, 2005	1Yr INBMK [1] + 0.50% (To be reset semi- annually)	5 years and 7 months	2,250.0
Option III	September 28, 2005	7.50	10 years	2,750.0
Total				**5,000.0**

1. INBMK – Indian Benchmark

Rupees in million

Particulars	Date of Issue	Coupon Rate (%)	Tenure	Amount
Option I	June 29, 2005	1Yr INBMK [1] + 0.50% (To be reset semi- annually)	5 years and 10 months	1,100.0
Option II	June 29, 2005	7.25	5 years and	770.0 10 months
Option III	June 29, 2005	7.45	10 years	3,380.0
Total				**5,250.0**

1. INBMK – Indian Benchmark

b) During the year ended March 31, 2005, the Bank raised subordinate debt amounting to Rs. 4,500.0 million under private placement bonds. The details of these bonds are given below :

Rupees in million

Particulars	Date of Issue	Coupon Rate (%)	Tenure	Amount
Option I	February 28, 2005	1Yr INBMK [1] + 0.60% (To be reset semi- annually)	5 years and 3 months	2,650.0
Option II	February 28, 2005	7.00	5 years and	350.0 3 months
Option III	February 28, 2005	7.10	7 years and	550.0 3 months
Option IV	February 28, 2005	7.20	10 years and	950.0 3 months
Total				**4,500.0**

1. INBMK – Indian Benchmark

c) During the period ended September 30, 2004, the Bank has not raised subordinated debt.

12. Investments

Rupees in million

	As on September 30, 2005		As on March 31, 2005		As on September 30, 2004	
	In India	Outside India	In India	Outside India	In India	Outside India
Gross value	533,303.2	25,553.1	496,627.7	15,124.3	412,611.5	12,092.9
Less: Provision for depreciation and fair value provision	5,680.0	3.4	6,869.5	9.0	7,019.4	9.0
Net value	**527,623.2**	**25,549.7**	**489,758.2**	**15,115.3**	**405,592.1**	**12,083.9**

13. Provision for depreciation on investments

Rupees in million

	Period ended September 30, 2005	Year ended March 31, 2005	Period ended September 30, 2004
Opening balance	6,079.1	10,470.8	10,470.8
Add: Provision made during the period/year (including utilisation of fair value provision)	(395.7)	(949.1)	(52.1)
Less: Transfer from Investment Fluctuation Reserve	..	..	..
Write-off during the period/year	..	(3,442.6)	(3,392.4)
Closing balance	**5,683.4**	**6,079.1**	**7,026.3**

14. Investments in equity shares and equity like instruments

Rupees in million

	As on September 30, 2005	As on March 31, 2005	As on September 30, 2004
Equity shares[1]	11,155.0	9,231.4	8,358.2
Convertible debentures	584.4	585.0	599.8
Units of equity oriented mutual funds	2.7	252.7	127.7
Investment in venture capital funds[2]	16,164.8	11,761.6	11,625.6
Others (loans against collateral, advances to brokers)[3]	13,155.1	6,683.6	6,892.6
Total	**41,062.0**	**28,514.3**	**27,603.9**

1. Includes advance application money pending allotment of Rs. 3,590.4 million (March 31, 2005: Rs. 821.3 million, September 30, 2004: Rs. 627.6 million).
2. Includes advance application money Rs. Nil (March 31, 2005: Rs. Nil, September 30, 2004: Rs. 820.0 million)
3. Includes unutilised limits sanctioned to brokers and individuals against shares amounting to Rs. 6,804.2 million (March 31, 2005: Rs. 3,495.2 million, September 30, 2004: Rs. 2,117.7 million)

15. Investment in non-SLR securities

i) Issuer composition of non-SLR investments

a) The issuer composition of non-SLR investments of the Bank as on September 30, 2005 is given below :

Rupees in million

No.	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities [2]	Extent of 'unlisted' securities [2]
			(a)	(b)	(c)	(d)
1	PSUs	1,804.8	1,204.5	32.1	10.5	42.6
2	FIs	9,526.8	8,649.1	..	101.3	101.3
3	Banks	9,137.7	1,928.0	..	..	50.0
4	Private corporates	37,234.1	21,103.9	..	21,735.1	20,338.3
5	Subsidiaries/ Joint ventures	22,778.3	2,675.1	..	150.0	150.0
6	Others	62,651.1	25,085.5	25,085.2	0.3	..
7	Provision held towards depreciation	(5,626.5)	..	..	..	..
	Total	**137,506.3**	**60,646.1**	**25,117.3**	**21,997.2**	**20,682.2**

1. Amounts reported under columns (a), (b), (c), and (d) above are not mutually exclusive.
2. This excludes investments, amounting to Rs. 2,525.1 million, in preference shares of subsidiaries, namely ICICI Bank UK Limited and ICICI Bank Canada.

b) The issuer composition of non-SLR investments of the Bank as on March 31, 2005 is given below :

Rupees in million

No.	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities [2]	Extent of 'unlisted' securities [2]
			(a)	(b)	(c)	(d)
1	PSUs	6,250.0	4,620.5	..	20.5	2,933.6
2	FIs	3,264.3	342.3	..	101.3	101.3
3	Banks	4,684.5	2,419.8	..	..	53.1
4	Private corporates	45,210.8	30,553.2	200.0	31,362.1	29,677.4
5	Subsidiaries/ Joint ventures	20,667.0	2,661.3	..	150.0	150.0
6	Others	86,856.3	27,821.3	23,359.0	0.3	..
7	Provision held towards depreciation	(6,877.5)	..	..	..	..
	Total	**160,055.4**	**68,418.4**	**23,359.0**	**31,634.2**	**32,915.4**

1. Amounts reported under columns (a), (b), (c), and (d) above are not mutually exclusive.
2. This excludes investments, amounting to Rs. 2,551.3 million, in preference shares of subsidiaries, namely ICICI Bank UK Limited and ICICI Bank Canada and Rs. 7,189.6 million invested by overseas branches / offshore banking unit.

c) The issuer composition of non-SLR investments of the Bank as on September 30, 2004 is given below.

Rupees in million

No.	Issuer	Amount [3]	Extent of private placement [3]	Extent of 'below investment grade' securities	Extent of 'unrated' securities [2]	Extent of 'unlisted' securities [2]
			(a)	(b)	(c)	(d)
1	PSUs	7,863.2	5,541.5	..	182.0	3,199.6
2	FIs	3,698.8	521.4	..	101.3	101.3
3	Banks	3,258.2	1,140.2	..	..	53.1
4	Private corporates	68,151.1	48,564.9	200.0	41,758.3	40,164.7
5	Subsidiaries/ Joint ventures	17,647.0	3,024.6	..	400.0	400.0
6	Others	36,301.2	13,925.7	13,925.4	187.3	..
7	Provision held towards depreciation	(7,016.8)	..	..	..	..
	Total	**129,902.7**	**72,718.3**	**14,125.4**	**42,628.9**	**43,918.7**

1. Amounts reported under columns (a), (b), (c), and (d) above are not mutually exclusive.
2. This excludes investments, amounting to Rs. 2,624.6 million, in preference shares of subsidiaries, namely ICICI Bank UK Limited and ICICI Bank Canada.
3. This includes application money pertaining to foreign branches amounting to Rs. 276.1 million

ii) Non-performing non-SLR investments

The movement in non-performing non-SLR investments of the Bank as on September 30, 2005, March 31, 2005 and September 30, 2004 are given below :

Rupees in million

Particulars	As on September 30, 2005	As on March 31, 2005	As on September 30, 2004
Opening balance	8,877.3	12,334.7	12,334.7
Additions during the period /year	1,543.0	1,570.3	1,526.5
Reduction during the period /year	7,239.0	5,027.3	4,324.8
Closing balance	3,181.3	8,877.3	9,536.4
Total provisions held	**2,219.9**	**3,166.7**	**2,713.4**

16. Repurchase transactions

The details of securities sold and purchased under repos and reverse repos during the period ended September 30, 2005, March 31, 2005 and September 30, 2004 are given below :

Rupees in million

	Minimum outstanding balance during the period	Maximum outstanding balance during the period	Daily average outstanding balance during the period	Balance as on period end
Period ended September 30, 2005				
Securities sold under repurchase transaction	..	43,134.3	14,925.0	3,612.0
Securities purchased under reverse repurchase transaction	..	33,608.7	1,757.7	..
Year ended March 31, 2005				
Securities sold under repurchase transaction	..	34,842.0	9,683.6	13,076.3
Securities purchased under reverse repurchase transaction	..	14,520.0	586.7	..
Period ended September 30, 2004				
Securities sold under repurchase transaction	..	23,763.8	6,899.8	2,050.0
Securities purchased under reverse repurchase transaction	..	4,760.0	395.0	..

17. Lending to sensitive sectors

The Bank has lending to sectors, which are sensitive to asset price fluctuations. The sensitive sectors include capital market, real estate and commodities.

The net position of lending to capital market and commodities sector is given in the table below :

Rupees in million

	As on September 30, 2005	As on March 31, 2005	As on September 30, 2004
Capital market sector[1]	13,155.1	6,683.6	6,892.6
Commodities sector	16,842.1	10,061.0	2,469.4

1. Represents loans to Non Banking Financial Companies ("NBFCs"), brokers and individuals against pledge of shares and includes an amount of Rs. 102.7 million as on September 30, 2005 (March 31, 2005: Rs. 141.0 million, September 30, 2004: Rs. 2,350.0 million) pertaining to guarantee issued to a corporate for the issue of non-convertible debentures, the proceeds of which have been utilised for acquisition of shares by the corporate.

The net position of lending to real estate sector is given in the table below :

Rupees in million

		As on September 30, 2005	As on March 31, 2005
Real estate sector			
I	Direct exposure	**400,274.9**	**322,930.6**
	i) Residential mortgages of which	327,337.4	274,883.7
	- Upto Rs. 1.5 million	216,055.5	166,413.1
	ii) Commercial real estate	71,319.9	45,618.4
	iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures	1,617.6	2,428.5
	- a. Residential	1,617.6	2,428.5
	- b. Commercial Real Estate	..	..
II	Indirect exposure	**30,879.3**	**52,619.9**
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	30,879.3	52,619.9
	Total	**431,154.2**	**375,550.5**

18. Credit exposure

a) As on September 30, 2005 the Bank has taken single borrower exposure above 15% with the approval of the Board of Directors in the cases given below :

Name of Borrower	As on September 30, 2005 % to capital funds
Borrower A	17.52%
Borrower B	16.03%
Borrower C	16.02%

b) As on March 31, 2005 the Bank has taken single borrower exposure above 15% with the approval of the Board of Directors in the cases given below :

Name of Borrower	As on March 31, 2005 % to capital funds
Borrower A	19.50%
Borrower B	17.46%
Borrower C	16.73%
Borrower D	16.20%

c) As on September 30, 2004 the Bank has taken single borrower exposure above 15% with the approval of the Board of Directors in the cases given below :

Name of Borrower	As on September 30, 2004 % to capital funds
Borrower A	17.0%
Borrower B	16.8%
Borrower C	16.4%

19. Risk category-wise country-wise exposure

As per the extant RBI guidelines, the country exposure of the Bank is categorised into various risk categories listed in the following table. Since the funded country exposure (net) of the Bank in respect of each country does not exceed 1% of the total assets, no provision is required to be maintained on country exposures.

Rupees in million

Risk category	Exposure (net) as on September 30, 2005	Exposure (net) as on March 31, 2005	Exposure (net) as on September 30, 2004
Insignificant	85,606.0	54,349.8	41,560.4
Low	20,721.7	11,408.4	11,420.1
Moderate	12,052.2	4,592.1	1,089.1
High	2,150.1	..	28.7
Very High	..	..	..
Restricted	..	..	..
Off-Credit	..	656.2	..
Total	**120,530.0**	**71,006.5**	**54,098.3**
- of which funded	77,571.4	38,885.7	27,883.8

20. Advances

i) Movement of gross non-performing advances (during the period/year)

Rupees in million

	Period ended September 30, 2005	Year ended March 31, 2005	Period ended September 30, 2004
Opening balance	27,704.3	30,475.9	30,475.9
Add: Additions during the period /year[1]	4,377.3	11,157.9	5,496.0
Less: Reductions during the period /year	7,824.4	13,929.5	5,161.1
Closing balance [2]	**24,257.2**	**27,704.3**	**30,810.8**

1. Excludes cases added to and deleted from NPAs in the same period/year amounting to Rs. 484.0 million (March 31, 2005: Rs. 13,759.9 million, September 30, 2004: Rs. 815.4 million).
2. Includes suspended interest and claims received from ECGC/DICGC of Rs. 262.3 million (March 31, 2005: Rs. 283.7 million, September 30, 2004: Rs. 367.1 million) on working capital loan.

ii) Provision for non-performing advances

The movement of provisions during the period/year is as given below :

Rupees in million

	Period ended September 30, 2005	Year ended March 31, 2005	Period ended September 30, 2004
Opening balance[1]	12,368.5	16,250.1	16,250.1
Add: Provisions made during the period /year (including utilisation of fair value provisions)	3,042.2	18,002.1	3,937.6
Less: Write-offs /recovery during the period /year	1,740.9	21,883.7	3,337.1
Closing balance [1]	**13,669.8**	**12,368.5**	**16,850.6**

1. Excludes technical write-off amounting to Rs. 14,565.3 million (March 31, 2005: Rs. 15,763.6 million, September 30, 2004: Rs. 22,667.7 million).

iii) Financial assets transferred during the period/year to Securitisation Company (SC) / Reconstruction Company (RC)

The Bank has transferred certain assets to an asset reconstruction company (ARC) in terms of the guidelines issued by RBI governing such transfer. For the purpose of the valuation of the underlying security receipts issued by ARC, the security receipts were valued at their respective NAVs as advised by the ARC. The details of the assets transferred for the relevant period/year are given in the table below :

Rupees in million

		Period ended September 30, 2005	Year ended March 31, 2005	Period ended September 30, 2004
A	No. of accounts	7	82	56
B	Aggregate value (net of provisions) of accounts sold to ARC	2,635.9	13,279.3	2,539.7
C	Aggregate consideration	2,195.0	10,862.3	2,324.2
D	Additional consideration realised in respect of accounts transferred in earlier years [1]	..	..	..
E	Aggregate gain/(loss) over net sale value	(440.9)	(2,417.0)	(215.5)

1. During the period ended September 30, 2005, ARCIL fully redeemed security receipts of three trusts. The Bank realised Rs. 60.1 million over the gross book value in respect of these trusts.

21. Information in respect of restructured assets

a) The Bank has restructured borrower accounts in standard, sub-standard and doubtful category. The gross amounts (net of write-off) of restructuring during the period in respect of these accounts are given below :

Rupees in million

	Period ended September 30, 2005	Year ended March 31, 2005	Period ended September 30, 2004
Standard assets subjected to restructuring	..	15,745.2	9,195.6
Sub-standard assets subjected to restructuring	..	558.7	52.5
Doubtful assets subjected to restructuring	..	182.5	421.7
Total amount	**..**	**16,486.4**	**9,669.8**

The above details include accounts restructured under the Corporate Debt Restructuring "CDR" scheme during the period/year, other than cases that were restructured and disclosed in earlier periods/years by the Bank and subsequently referred to and admitted under the CDR scheme during the current period/year.

b) The gross amounts (net of write-offs) of restructuring under the CDR schemes during the period are given below :

Rupees in million

	Period ended September 30, 2005	Year ended March 31, 2005	Period ended September 30, 2004
Standard assets subjected to CDR	3,838.2	17,501.4	9,709.1
Sub-standard assets subjected to CDR	..	558.7	52.5
Doubtful assets subjected to CDR	..	..	..
Total amount	**3,838.2**	**18,060.1**	**9,761.6**

Above details exclude cases that were approved by CDR Forum and disclosed in the earlier periods/years by the Bank and in which certain terms and conditions have been modified by CDR Forum during the current period/year.

22. Fixed Asset

Fixed asset includes certain softwares acquired by the Bank. The movement in software assets is given below :

Rupees in million

Particulars	As on September 30, 2005	As on March 31, 2005
At cost as on March 31st of preceding year	2,422.6	2,057.7
Additions during the period/year	191.6	364.9
Deductions during the period/year	..	..
Depreciation to date	(1,700.3)	(1,396.5)
Net block	913.9	1,026.1

23. Assets under lease

23.1 Assets under operating lease

The future lease rentals are given below :

Rupees in million

Period	As on September 30, 2005	As on March 31, 2005	As on September 30, 2004
Not later than one year	126.6	234.4	231.8
Later than one year and not later than five years	600.4	999.5	986.1
Later than five years	69.8	311.2	443.1
Total	**796.8**	**1,545.1**	**1,661.0**

23.2 Assets under finance lease

The future lease rentals are given below :

Rupees in million

Period	As on September 30, 2005	As on March 31, 2005	As on September 30, 2004
Total of future minimum lease payments	958.0	1,105.5	1,574.1
Present value of lease payments	802.6	913.6	1,265.9
Unmatured finance charges	155.4	191.9	308.2
Maturity profile of total of future minimum lease payments			
- Not later than one year	265.6	293.3	389.3
- Later than one year and not later than five years	692.4	804.5	1,110.8
- Later than five years	..	7.7	74.0
Total	**958.0**	**1,105.5**	**1,574.1**

23.3 The maturity profile of present value of lease payments is given below :

Rupees in million

Period	As on September 30, 2005	As on March 31, 2005	As on September 30, 2004
Not later than one year	202.7	222.8	280.6
Later than one year and not later than five years	599.9	683.3	913.7
Later than five years		7.5	71.6
Total	**802.6**	**913.6**	**1,265.9**

24. Early Retirement Option ("ERO")

The Bank had implemented an Early Retirement Option Scheme 2003 for its employees in July 2003. All employees who had completed 40 years of age and seven years of service with the Bank (including period of service with entities amalgamated with the Bank) were eligible for the ERO.

The ex-gratia payments under ERO and termination benefits and leave encashment in excess of the provision made (net of tax benefits), aggregating to Rs. 1,910.0 million is being amortised over a period of five years commencing August 1, 2003 (the date of retirement of employees exercising the Option being July 31, 2003).

On account of the above ERO scheme, an amount of Rs. 192.0 million (March 31, 2005: Rs. 384.0 million, September 30, 2004: Rs. 192.0 million) has been charged to revenue being the proportionate amount amortised for the period ended September 30, 2005.

25. Deferred Tax

As on September 30, 2005, the Bank has recorded net deferred tax asset of Rs. 612.5 million (March 31, 2005: Rs. 148.7 million, September 30, 2004: Rs. 5,156.9 million), which has been included in Other Assets. The break-up of deferred tax assets and liabilities into major items is given below :

Rupees in million

Particulars	As on September 30, 2005	As on March 31, 2005	As on September 30, 2004
Deferred tax asset			
Provision for bad and doubtful debts	6,791.9	6,990.8	13,823.4
Others	864.8	917.2	242.1
	7,656.7	7,908.0	14,065.5
Less: Deferred tax liability			
Depreciation on fixed assets	7,052.1	7,537.7	8,667.7
Others	..	221.6	240.9
	7,052.1	7,759.3	8,908.6
Add: Deferred tax asset pertaining to foreign branches	7.9	..	..
Total net deferred tax asset / (liability)	**612.5**	**148.7**	**5,156.9**

26. Others

26.1 Exchange fluctuation

Exchange fluctuation aggregating Rs. 50.4 million (March 31, 2005: Rs. 244.7 million, September 30, 2004: Rs. 433.0 million), which arises on account of rupee-tying agreements with the Government of India, is held in "Exchange Fluctuation Suspense with Government Account" pending adjustment at maturity on receipt of payments from the Government for repayments to foreign lenders.

26.2 Swap suspense (net)

Swap suspense (net) aggregating Rs. 157.7 million (debit) (March 31, 2005: Rs. 794.7 million (debit), September 30, 2004: Rs. 619.6 million (debit), which arises out of conversion of foreign currency swaps, is held in "Swap suspense account" and will be reversed at conclusion of swap transactions with swap counter parties.

27. Interest rate swaps ("IRS")

The notional principal amount of Rupee IRS contracts at September 30, 2005 is Rs. 48,150.0 million for hedging contracts (March 31, 2005: Rs. 51,100.0 million, September 30, 2004: Rs. 66,700.0 million) and Rs. 1,347,685.2 million for trading contracts (March 31, 2005: Rs. 1,114,302.0 million, September 30, 2004: Rs. 1,009,618.8 million).

The fair value represents the estimated replacement cost of swap contracts at balance sheet date. At September 30, 2005 the fair value of trading rupee interest rate swap contracts is Rs. 584.5 million (March 31, 2005: Rs. 333.6 million, September 30, 2004: Rs. 441.0 million).

Associated credit risk is the loss that the Bank would incur in case all the counter-parties to these swaps fail to fulfil their contractual obligations. At September 30, 2005, the associated credit risk on trading rupee interest rate swap contracts is Rs. 7,116.4 million (March 31, 2005: Rs. 9,865.3 million, September 30, 2004: Rs. 9,858.8 million).

Market risk is monitored as the loss that would be incurred by the Bank for a 100 basis points rise in the interest rates. At September 30, 2005 the market risk on trading rupee interest rate swap contracts amounts to Rs. (383.4) million (March 31, 2005: Rs. 137.8 million, September 30, 2004: Rs. 179.8 million).

Credit risk concentration is measured as the highest net receivable under swap contracts from a particular counter-party. At September 30, 2005 there is a credit risk concentration of Rs. 222.2 million (March 31, 2005: Rs. 274.6 million, September 30, 2004: Rs. 306.1 million) under rupee interest rate swap contracts, with Standard Chartered Bank, Mumbai. As per the prevailing market practice, the Bank does not insist on collateral from the counter-parties of these contracts.

28. Rupee and foreign currency derivatives

ICICI Bank is a leading participant in the financial derivatives market. The Bank deals in derivatives for balance sheet management and market making purposes whereby the Bank offers derivative products to its customers, enabling them to hedge their risks.

Dealing in derivatives is centralised in the treasury of the Bank. Derivative transactions are entered into by the treasury front office. Treasury middle office conducts an independent check of the transactions entered into by the front office and also undertakes activities such as confirmation, settlement, accounting, risk monitoring and reporting and ensures compliance with various internal and regulatory guidelines.

The market making and the proprietary trading activities in derivatives are governed by the investment policy of the Bank, which lays down the position limits, stop loss limits as well as other risk limits. The Risk Management Group ("RMG") lays down the methodology for computation and monitoring of risk. Risk Committee of the Board (RCB) reviews the Bank's risk management policy in relation to various risks (portfolio, liquidity, interest rate, off-balance sheet and operational risks), investment policies and strategy and regulatory and compliance issues in relation thereto. The RCB comprises of independent as well as whole time directors.

Risk monitoring on derivatives portfolio is done on a daily basis. The Bank measures and monitors risk using Value at Risk ("VAR") approach and the relevant greeks for options. Risk reporting on derivatives forms an integral part of the management information system and the marked to market position and the VAR of the derivatives portfolio is reported on a daily basis.

The use of derivatives for hedging purpose is governed by the hedge policy approved by Asset Liability Management Committee ("ALCO"). Subject to prevailing RBI guidelines, the Bank deals in derivatives for hedging fixed rate, floating rate or foreign currency assets/ liabilities. Transactions for hedging and market making purposes are recorded separately. For hedge transactions, the Bank identifies the hedged item (asset or liability) at the inception of the transaction itself. The Bank uses different methodologies for measuring the hedge effectiveness such as duration and price value of basis point (PVBP). The effectiveness is assessed at the time of inception of the hedge and periodically thereafter.

Hedge derivative transactions are accounted for pursuant to the principles of hedge accounting. Derivatives for market making purpose are marked to market and the resulting gain/ loss is recorded in the profit and loss account. Premia on options are accounted for at the expiry of the options. The Bank makes provisions on the outstanding positions in trading derivatives for possible adverse movements in underlying. Derivative transactions are covered under International Swap Dealers Association (''ISDA'') master agreements with the respective counterparties. The credit exposure on account of derivative transactions is computed as per RBI guidelines and is marked against the credit limits approved for the respective counterparties.

Rupees in million

Sr No.	Particular	As on September 30, 2005	
		Currency derivatives [1]	Interest rate derivatives [2]
1	**Derivatives (Notional principal amount)**		
	a) For hedging	6,142.8	94,781.9
	b) For trading	325,438.9	1,655,335.6
2	**Marked to market positions** [3]		
	a) Asset (+)	509.6	(790.6)
	b) Liability (-)	..	..
3	**Credit exposure**	**15,627.8**	**18,445.3**
4	**Likely impact of one percentage change in interest rate (100*PV01)** [4]		
	a) on hedging derivatives [5]	(69.6)	155.4
	b) on trading derivatives	770.7	(493.1)
5	**Maximum and minimum of 100*PV01 observed during the period** [4]		
	a) on hedging[5]		
	Maximum	(53.2)	838.4
	Minimum	(74.4)	134.2
	b) on trading		
	Maximum	939.1	357.6
	Minimum	641.7	(1,439.1)

1. Options & CCIRS are included in currency derivatives.
2. Foreign currency IRS, FRAs and Swaptions are included in interest rate derivatives.
3. MTM on trading portfolio.
4. Impact of one percent increase in interest rates.
5. The swap contracts entered for hedging purpose would have an opposite and offsetting impact with the underlying on-balance sheet items.

Rupees in million

Sr. No.	Particular	As on March 31, 2005	
		Currency derivatives [1]	Interest rate derivatives
1	**Derivatives (Notional principal amount)**		
	a) For hedging	8,083.1	106,428.6
	b) For trading	274,325.6	1,335,689.1
2	**Marked to market positions**		
	a) Asset (+)	442.0	564.7
	b) Liability (-)	..	..
3	**Credit exposure**	**9,373.9**	**18,124.4**
4	**Likely impact of one percentage change in interest rate (100*PV01)** [2]		
	a) on hedging derivatives [3]	(79.4)	(22.1)
	b) on trading derivatives	880.7	(534.5)
5	**Maximum and minimum of 100*PV01 observed during the year** [2]		
	a) on hedging[3]		
	Maximum	(38.2)	2.8
	Minimum	(101.5)	(1,675.1)
	b) on trading		
	Maximum	1,280.6	180.8
	Minimum	156.6	(1,081.3)

1. Foreign currency IRS & FRAs are included in interest rate derivatives.
2. Impact of one percent increase in interest rates.
3. The swap contracts entered for hedging purpose have an opposite and offsetting impact with the underlying on-balance sheet items.

29. Comparative figures

Figures of the previous period have been regrouped to conform to the current period presentation.

ICICI BANK LIMITED

"Part III "of "Annexure A"

DIVIDEND DATA

On Equity Shares	Year ended March 31,					Six-month period ended September 30, 2005
	2001	2002	2003	2004	2005	
Number of equity shares (Face value of Rs. 10/- each)	196,818,880	220,358,680	613,034,404	616,391,905	736,716,094	740,881,117
Number of equity shares deemed issued on merger of erstwhile Bank of Madura (Face value of Rs. 10/- each)	23,539,800	-	-	-	-	-
Number of equity shares deemed issued on merger of erstwhile ICICI Limited, erstwhile ICICI Personal Financial Services Limited and erstwhile ICICI Capital Services Limited (Face value of Rs. 10/- each)	-	392,672,724	-	-	-	-
Number of equity shares representing application money received on exercise of employee stock options (Face value of Rs. 10/- each)	-	-	-	-	22,470	-
Dividend Rate (Note 1 & 2)	20%	20%	75%	75%	85%	-
Amount of dividend (Rupees in million) (Note 3, 4 & 5)	440.7	440.7	4,598.5	5,507.4	6,291.9	-
Amount of dividend tax (Rupees in million) (Note 6)	45.0	45.0	589.2	719.8	882.5	-
Amount of total dividend (Rupees in million)	**485.7**	**485.7**	**5,187.7**	**6,227.2**	**7,174.4**	**-**

Note:-

1. On a pro rata basis wherever applicable.
2. Represents interim dividend for year ended March 31, 2002.
3. Dividend for the year ended, March 31, 2001 represents dividend on 220,358,680 shares including 23,539,800 shares issued on merger of erstwhile Bank of Madura.
4. For the year ended March 31, 2004 amount of dividend includes Rs. 67.5 million of dividend on Green Shoe Options and Employee Stock Options exercised subsequent to March 31, 2004 till September 4, 2004.
5. Includes dividend paid on Employee Stock Options exercised subsequent to March 31 till the book closure date.
6. Includes dividend tax on account of the point (4) and (5) above.

ICICI BANK LIMITED

"Part IV" of "Annexure A"

CASH FLOW STATEMENT

Rs. in million

PARTICULARS	Year ended March 31,					Six month period ended September 30,	
	2001	2002	2003	2004	2005	2004	2005
Cash flow from operating activities							
Net profit before taxes	2,265.2	2,898.0	7,803.9	19,022.2	25,272.0	10,670.7	14,131.7
Adjustments for:							
Depreciation and amortisation	367.5	640.9	5,059.4	9,268.5	9,424.5	4,859.5	4,425.2
Net (appreciation) / depreciation on investments	(64.9)	(157.0)	3,094.3	987.1	5,416.5	143.8	3,372.7
Provision in respect of non-performing assets (including prudential provision on standard assets)	635.5	2,682.9	14,749.8	4,591.2	(1,213.6)	2,203.4	2,481.7
Provision for contingencies & others	66.0	27.0	63.9	207.9	86.0	58.4	228.7
Income from subsidiaries	-	-	(1,094.2)	(1,261.7)	(1,880.8)	(986.3)	(2,101.4)
(Profit)/Loss on sale of fixed assets	1.3	0.6	65.0	19.1	20.8	85.0	(43.8)
	3,270.6	**6,092.4**	**29,742.1**	**32,834.3**	**37,125.4**	**17,034.5**	**22,494.8**
Adjustments for:							
(Increase) / decrease in Investments	(24,834.2)	(153,127.9)	55,305.1	(47,269.0)	(43,133.9)	5,113.7	(57,996.9)
(Increase) / decrease in Advances	(18,618.4)	23,033.3	(74,578.8)	(90,899.8)	(287,949.8)	(60,318.4)	(158,739.1)
Increase / (decrease) in Borrowings	4,593.0	(14,704.1)	(36,519.6)	11,401.5	54,169.1	8,862.2	24,349.8
Increase / (decrease) in Deposits	30,518.4	157,069.0	160,841.9	199,392.8	317,101.9	34,894.0	206,335.6
(Increase) / decrease in Other assets	899.7	(5,070.7)	(24,500.1)	(7,914.6)	(20,735.0)	(15,929.0)	(11,942.0)
Increase / (decrease) in Other liabilities and provisions	1,568.7	10,395.3	3,266.6	14,154.3	43,226.8	15,464.9	(78.8)
	(5,872.8)	**17,594.9**	**83,815.1**	**78,865.2**	**62,679.1**	**(11,912.6)**	**1,928.6**
Refund / (payment) of direct taxes	(1,338.0)	(1,275.3)	(6,438.2)	(8,531.2)	(8,487.4)	(3,413.2)	(2,121.8)
Net cash generated from operating activities (A)	**(3,940.2)**	**22,412.0**	**107,119.0**	**103,168.3**	**91,317.1**	**1,708.7**	**22,301.6**

Rs. in million

PARTICULARS	Year ended March 31,					Six month period ended September 30,	
	2001	2002	2003	2004	2005	2004	2005
Cash flow from investing activities							
Investments in subsidiaries and/or joint ventures (including application money)	-	-	(1,739.4)	(6,415.2)	(6,430.4)	(3,410.5)	(3,377.8)
Income received on such investments	-	-	1,094.2	1,261.7	1,880.7	986.3	2,101.4
Purchase of fixed assets	(785.4)	(244.1)	(4,516.9)	(4,838.3)	(3,795.3)	(1,070.9)	(2,824.4)
Proceeds from sale of fixed assets	1.5	7.3	102.1	337.9	262.9	109.9	888.7
(Purchase) / Sale of held to maturity securities	-	-	(52,372.2)	(11,715.3)	(26,370.4)	14,832.2	9,730.2
Net cash generated from investing activities (B)	**(783.9)**	**(236.8)**	**(57,432.2)**	**(21,369.2)**	**(34,452.5)**	**11,447.0**	**6,518.1**
Cash flow from financing activities							
Proceeds from issue of share capital (other than ESOPs)	-	-	-	-	31,922.9	31,855.5	-
Amount received on exercise of stock options	-	-	0.3	539.0	649.9	330.5	638.8
Repayment of bonds (including subordinated debt)	-	2,285.3	(112,660.6)	(57,334.1)	(38,616.9)	(21,243.7)	(21,663.3)
Dividend and dividend tax paid	(274.7)	(971.3)	-	(5,187.6)	(6,227.2)	(5,507.5)	(7,174.4)
Net cash generated from financing activities (C)	**(274.7)**	**1,314.0**	**(112,660.3)**	**(61,982.7)**	**(12,271.3)**	**5,434.8**	**(28,198.9)**
Effect of exchange fluctuation on translation reserve (D)	**-**	**-**	**-**	**-**	**-**	**-**	**(42.1)**
Cash and cash equivalents on amalgamation (E)	**6,784.1**	**68,437.4**	**-**	**-**	**-**	**-**	**-**
Net increase / (decrease) in cash and cash equivalents (A)+ (B) + (C) + (D) + (E)	**1,785.3**	**91,926.6**	**(62,973.5)**	**19,816.4**	**44,593.3**	**18,590.5**	**578.7**
Cash and cash equivalents – Opening	**34,151.6**	**35,936.9**	**127,863.5**	**64,890.0**	**84,706.4**	**84,706.4**	**129,299.7**
Cash and cash equivalents - Closing	**35,936.9**	**127,863.5**	**64,890.0**	**84,706.4**	**129,299.7**	**103,296.9**	**129,878.4**

ICICI BANK LIMITED

"Part V" of "Annexure A"

CAPITALISATION STATEMENT

The following table sets out our capitalisation at September 30, 2005 prepared in accordance with Indian GAAP. For additional information, see our financial statements and accompanying schedules included elsewhere in this offering memorandum.

Rs. in million

	As of September 30, 2005
Borrowings(1):	
Short-Term Debt(2)	182,947.8
Long Term Debt(3)	238,758.5
Total Debts (A)	**421,706.3**
Shareholders' Funds :	
Share capital(4)	10,909.2
Reserves	129,753.8
Less : Unamortised deferred revenue expenditure (5)	1,078.0
Total shareholders' funds (B)	**139,585.0**
Total capitalization (A) + (B)	**561,291.3**
Long-term Debt /Equity ratio	1.71

(1) Borrowings do not include deposits.

(2) Short-term debt is debt maturing within the next one year from the date of above statement, which includes bonds in the nature of subordinated debt (excluded from Tier-II capital) of Rs. 11,361.1 million.

(3) Includes Rs. 69,159.2 million of unsecured redeemable debentures and bonds in the nature of subordinated debt eligible for inclusion in Tier-II capital.

(4) Includes preference share capital of Rs. 3,500 million.

(5) Unamortised expenses on account of the early retirement option scheme offered to the employees.

ICICI BANK LIMITED
"Part VI" of "Annexure A"
STATEMENT OF UNSECURED BORROWINGS

Rs. in million

	As on March 31,				
	2001	**2002**	**2003**	**2004**	**2005**
I. Borrowings in India					
i) Reserve Bank of India	3,012.4	1,408.9	-	-	-
ii) Other banks	3,978.0	26,876.0	24,469.1	16,568.8	20,779.3
iii) Other institutions and agencies					
a) From Government of India	-	6,009.4	5,210.4	4,411.4	3,612.5
b) From financial institutions	3,251.4	13,882.6	25,658.5	40,531.0	45,185.6
iv) Borrowings in the form of					
a) Deposits taken over from erstwhile ICICI Limited	-	42,507.6	5,062.8	3,098.4	2,070.5
b) Commercial paper	-	5,495.3	-	-	-
c) Bonds & debentures (excluding subordinated debt)					
1) Debentures & bonds guaranteed by the Government of India	-	18,240.0	14,815.0	14,815.0	14,815.0
2) Tax free bonds	-	800.0	800.0	-	-
3) Non-convertible portion of partly convertible notes.	-	1,331.9	-	-	-
4) Borrowings under private placement of bonds carrying maturity of one to thirty years from the date of placement	-	179,096.8	91,339.1	48,150.6	30,948.1
5) Bonds issued under multiple option/safety bonds series	-	118,404.7	105,513.6	102,085.8	75,168.1
d) Application money pending allotment	-	5,374.5	11,238.9	-	6,160.9
Total borrowings in India	10,241.8	419,427.7	284,107.4	229,661.0	198,740.0
II. Borrowings Outside India	86.2	72,758.9	58,916.8	77,741.4	136,704.9
III. Unsecured redeemable debentures/bonds (Subordinated debt included in Tier II Capital)	1,680.0	97,513.1	97,495.3	91,058.6	82,089.0
Total borrowings including subordinated debt.	**12,008.0**	**589,699.7**	**440,519.5**	**398,461.0**	**417,533.9**

ICICI BANK LIMITED

"Part VII" of "Annexure A"

STATEMENT OF TAX SHELTER

Rs. in million

	Year ended March 31,		
	2003	**2004**	**2005**
Tax at marginal rate on income	**Rs. 2,859.7**	**Rs. 6,815.6**	**Rs. 9,236.7**
Adjustments			
Difference in book and tax depreciation	(170.0)	495.8	1,800.0
Bad debts written off	16,824.0	1,241.9	(13,839.5)
Special reserve under section 36(1)(viii)	-	-	-
Surplus on sale of property/assets	70.0	18.5	20.8
Dividend, exempt income and other income	(710.0)	(2,876.6)	(3,240.0)
Dividend exempt under section 80M	(1,830.0)	-	-
Capital gains on sale of shares	(12,910.0)	(4,013.4)	(3,940.0)
Fair value utilisation	(11,830.0)	(8,663.8)	(2,510.0)
Other adjustments	5,010.0	1,152.2	1,728.0
Net adjustments	(5,546.0)	(12,645.4)	(19,980.8)
Tax (savings)/outgo thereon - other than capital gains	(2,038.2)	(4,536.5)	(7,311.5)
Capital gains on sale of shares	910.0	211.4	204.9
Tax (savings)/outgo thereon	(1,128.2)	(4,325.1)	(7,106.6)
Add/(less) : Deferred taxes and other tax provisions	(6,011.4)	136.7	3,059.9
Total income tax	**Rs. (4,279.9)**	**Rs. 2,627.2**	**Rs. 5,190.0**
Wealth tax	22.5	24.0	30.0
Interest tax	-	-	-
Total taxation	**Rs. (4,257.4)**	**Rs. 2,651.2**	**Rs. 5,220.0**
Notes			
Adjusted profit before taxation	Rs. 7,781.4	Rs. 18,998.2	Rs. 25,242.0
Marginal rates of tax - other than long term capital gains	36.75%	35.88%	36.59%
Long term capital gains	10.50%	10.25%	10.46%

ICICI Bank

ICICI Securities Limited (formerly ICICI Securities and Finance Company Limited)

"Part I" of "Annexure B"

Statement of Profits

(Rs. in million)

	For the year ended March 31,					Six month period ended September 30, 2005
	2001	**2002**	**2003**	**2004**	**2005**	**(Unaudited)**
Income from operations						
Income from services	151.7	100.1	144.3	266.5	564.8	415.7
Interest income	2,101.1	1,669.1	1,298.9	1,123.9	984.0	718.6
Profit/(loss) on securities	617.8	1,615.4	1,231.8	1,337.2	227.9	751.7
Other income	183.7	403.5	378.2	483.9	46.6	12.2
	3,054.3	**3,788.1**	**3,053.2**	**3,211.5**	**1,823.3**	**1,898.2**
Less: Financial charges and operating expenses	1,745.1	1,349.2	933.6	711.8	610.7	543.7
	1,309.2	**2,438.9**	**2,119.6**	**2,499.7**	**1,212.6**	**1,354.5**
Less: Expenditure						
Payment to and provisions for employees	112.7	228.5	231.2	299.2	169.4	124.5
Establishment and other expenses	239.8	320.7	379.5	393.1	185.3	97.8
Interest tax	-	-	-	-	-	-
Depreciation Assets leased out	34.6	-	-	-	-	-
Depreciation: On other owned assets	14.1	13.5	15.3	13.9	13.3	7.5
Other expenses	-	-	-	-	-	-
	401.2	**562.7**	**626.0**	**706.2**	**368.0**	**229.8**
Profit/(loss) before taxation & extraordinary items	**908.0**	**1,876.2**	**1,493.6**	**1,793.5**	**844.6**	**1,124.7**
Interest tax reversal of earlier years	-	-	-	108.7	-	-
Profit/(loss) before taxation	**908.0**	**1,876.2**	**1,493.6**	**1,902.2**	**844.6**	**1,124.7**
Less: Provision for taxation	370.0	617.7	460.0	465.0	279.8	375.0
Fringe benefit tax	-	-	-	-	-	1.8
Deferred tax adjustment	-	(20.4)	4.2	(1.8)	0.8	(10.5)
Profit after taxation	**538.0**	**1,278.9**	**1,029.4**	**1,439.0**	**564.0**	**758.4**
Extent of interests of so far as it concerns members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank thereafter, the holding company, in the capital of the Subsidiary	99.92%	99.92%	99.92%	99.92%	99.92%	99.90%
Amount of profit so far as it concerns the members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank thereafter, the holding company.	**537.6**	**1,277.9**	**1,028.6**	**1,437.8**	**563.5**	**757.6**

Notes:

1. Provision for taxation for the year ended March 31, 2002 includes Rs. 84.7 million pertaining to earlier years. The effect on earlier years, however, cannot be determined.
2. The management decided to charge off the balance of deferred revenue expenditure as of March 31, 2002. On account of this, deferred revenue expenditure written off in that year is higher by Rs. 29.0 million and the profit for the year is lower to that extent. The effect on earlier years, however, cannot be determined.
3. Consequent upon Accounting Standard 22 'Accounting for Taxes on Income' becoming mandatory effective April 1, 2001, the deferred tax on timing differences has been recognised during the year ended March 31, 2002. The deferred tax adjustments for the year ended March 31, 2001 has not been determined and consequently no adjustments have been carried out in the 'Statement of Profits' shown above.
4. The management decided to capitalise expenditure incurred on software from the year ended March 31, 2003. As a result of this change, profit for the year is higher by Rs. 4.5 million. The effect of the same for each of the years ended March 31, 2001 and 2002 has not been determined and consequently, no adjustments have been carried out in the 'Statement of Profits' shown above.
5. From the year ended March 31, 2005, the Company has started recognising gains on all open IRS positions. However, there is no impact on the profits for the year ended March 31, 2005 since the Company does not have mark-to-market gains on open IRS positions as at March 31, 2005. The effect on the earlier years, however, cannot be determined.

ICICI Securities Limited (formerly ICICI Securities and Finance Company Limited)

"Part II" of "Annexure B"

Statement of Assets and Liabilities

(Rs. in million)

	As on September 30, 2005 (Unaudited)
Assets:	
Fixed assets, net of depreciation	114.1
Investments	255.4
Interest accrued	164.1
Securities held as stock-in-trade	5,497.2
Sundry debtors	521.8
Cash and bank balances	1,971.1
Loans and advances	175.7
Deferred tax asset	14.6
Total assets	**8,714.0**
Liabilities:	
Loan funds :	
Unsecured loans	3,767.2
Current liabilities and provisions :	
Current liabilities	1,158.8
Provisions	11.0
Total liabilities	**4,937.0**
Net worth	**3,777.0**
Represented by	
(A) Share Capital:	
165,884,100 equity shares of Rs.10/- each fully paid-up	
Of the above 165,724,500 equity shares of Rs.10/- each are held by	
ICICI Bank Ltd. (the holding company)	1,658.8
(B) Reserves and Surplus:	
Share premium account	112.8
General reserve	75.8
Special reserve (maintained under section 451C of the RBI Act, 1935)	1,277.3
Capital redemption reserve	371.2
Profit and loss account	281.1
	2,118.2
	3,777.0
Net assets so far as it concerns the members of ICICI Bank Ltd. the holding company and its nominees (99.90%)	**3,773.2**

1. On September 29, 2005 the Company bought back 37,118,700 equity shares at Rs. 20.64 per share at a premium of Rs. 10.64 per share aggregating to Rs. 766.1 million in accordance with Private Limited and Unlisted Public Limited Company (Buyback of Securities) Rules 1999.

   In accordance with Section 77AA of the Companies Act 1956, the company has transferred to capital redemption reserve a sum of Rs. 371.2 million equivalent to the nominal value of equity shares bought back. The number of shares outstanding post buy-back is 165,884,100.

Contingent Liabilities:

1. Income tax matters disputed by the Company is Rs. 308.6 million.

2. Interest Rate Swaps

a. As the swaps are entered into with counter parties having high credit rating, no counter party default is expected. In case the counter party to the swaps fails to fulfill their commitments, there will be no loss.

b. The notional principal amount of IRS, which are valued on 'marked-to-market' basis as at September 30, 2005, aggregates to Rs. 496,730.0 million and the fair value of these IRS as at September 30, 2005 is Rs. (171.3) million.

c. In accordance with the market practice and considering the credit qualities of the counter parties, the Company has not taken any collateral at the time of entering into the swaps.

3. Outstanding counter guarantee for subsidiary company, as at September 30, 2005 is Rs.50.0 million.

4. Outstanding bank guarantees taken by the company as at September 30, 2005 is Rs.0.4 million.

Significant Accounting Policies:

1. **Method of Accounting**

The financial statements are prepared under the historical cost convention on the accrual basis of accounting and in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and referred to in Section 211 (3C) of the Companies Act, 1956.

2. **Revenue Recognition**

In case of non-fund based activities such as issue management, loan syndication, financial advisory services etc., the revenue is recognised based on the stage of completion of assignments and terms of agreement with the client gains and losses on dealing with securities are recognised on trade date.

Interest income is accounted on an accrual basis except for non performing / doubtful assets, interest with respect of which is recognised, considering prudential norms for income recognition issued by Reserve Bank of India for non-banking financial companies on a cash basis.

3. **Stock-in-trade and Investments**

a. The securities acquired with the intention of short-term holding and trading positions are considered as stock-in-trade and shown as current assets. Other securities acquired with the intention of long-term holding are considered as 'Investments'.

b. Commission earned in respect of securities acquired upon devolvement is reduced from the cost of acquisition.

c. The securities held as stock-in-trade under current assets are valued at lower of cost arrived at on weighted average basis or market/fair value, computed category-wise. In case of investments transferred to stock-in-trade, carrying amount on the date of transfer is considered as cost. Fair value of unquoted shares is taken at break-up value of shares as per the latest audited balance sheet of the concerned company. In case of debt instruments, fair value is worked out on the basis of yield to maturity rate selected considering quotes where available and credit profile of the issuer and market related spreads over the government securities.

d. Discounted instruments like commercial paper/treasury bills/zero coupon instruments are valued at carrying cost. The difference between the acquisition cost and the redemption value of discounted instruments is accounted for on a straight-line basis over the period of holding and recognised as interest income.

e. Units of mutual fund are valued at lower of cost and net asset value.

f. Investments are carried at cost arrived at on weighted average basis. Appropriate provision is made for other than temporary diminution in the value of investments.

4. **Repurchase and Resale Transactions (Repo)**

Repo transactions are treated as purchase and sale of the securities as per RBI Guidelines and accordingly disclosed in the financial statements. The difference between purchase and sale consideration is treated as interest income or expenditure, as the case may be, over the period of the contract.

The difference between the sale price of the security offered under repo and its book value are shown under Current Assets/ Liabilities in the Balance Sheet, as the case may be. In case, the sale price is lower than the book value the same is provided as loss on security. In case, the sale price is higher than the book value, the differential gain is not recognised. Securities under Repo/ Reverse Repo are marked to market.

5. **Fixed Assets and Depreciation**

(a) Fixed assets are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for intended use.

(b) Depreciation on fixed assets, other than improvement to leasehold property, is provided on written down value method at the rate and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

(c) The carrying amounts are reviewed at each balance sheet date to ascertain whether the carrying value is in excess of their recoverable amounts and in case carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount.

6. **Deferred Tax**

Tax expense comprises both current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year/period timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

7. **Provision for Doubtful Loans and Advances**

The policy of provisioning against non-performing loans and advances has been decided by the management considering prudential norms issued by the Reserve Bank of India for non banking financial companies except that amounts recovered subsequent to the balance sheet date have not been considered for provisioning. As per the policy adopted, the provisions against sub-standard assets are fixed on a conservative basis, taking into account management's perception of the higher risk associated with the business of the company. Certain non-performing loans and advances are considered as loss assets and full provision has been made against such assets.

8. **Foreign Currency Transactions**

Expenses and income are recorded at the exchange rate prevailing on the date of transaction. Assets and liabilities at the balance sheet date are restated at the exchange rate prevailing on the Balance Sheet date. Exchange differences arising on settlement of the transaction and on account of restatement of assets and liabilities are dealt with in the profit and loss account.

9. **Retirement Benefits**

Retirement benefits to employees comprise gratuity and provident fund. The company's employees are covered under the Employees' Gratuity Scheme & contribution is made to the Life Insurance Corporation of India (LIC). The provision for gratuity has been made as per the actuarial valuation at the year end. Contributions for provident fund is accounted on accrual basis and deposited with a Provident Fund Commissioner.

10. **Derivatives Transactions**

a. All open positions are marked to market.

b. Gains are recognised only on settlement / expiry of the derivative instruments except for interest rate derivatives where even mark-to-market gains are recognised.

c. Debit/ credit balance on open position are disclosed as current assets / current liabilities, as the case may be.

11. **Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

12. **Segment Reporting**

Segment information is disclosed in the consolidated financial statement and hence not furnished in the separate financial statement.

ICICI Brokerage Services Limited

"Part I" of "Annexure C"

Statement of Profits

(Rs. in million)

	For the year ended March 31,					Six month period ended September 30, 2005
	2001	**2002**	**2003**	**2004**	**2005**	**(Unaudited)**
Income from operations						
Brokerage income	166.0	87.9	127.7	311.7	471.3	294.0
Interest income	-	6.7	8.6	9.9	12.0	7.8
Other income	33.0	1.7	1.4	0.7	1.2	-
Profit/(loss) on securities	7.3	(0.5)	(2.5)	53.7	(15.9)	(1.0)
	206.3	95.8	135.2	376.0	468.6	300.8
Less: Financial charges & operating expenses	147.6	65.1	31.6	62.9	110.0	63.4
	58.7	**30.7**	**103.6**	**313.1**	**358.6**	**237.4**
Expenditure:						
Payments to and provisions for employees	0.3	0.9	1.5	1.0	94.7	65.5
Establishment and other expenses	11.9	11.5	11.7	11.9	125.0	51.5
Depreciation	1.3	1.8	1.6	1.5	1.3	2.2
	13.5	14.2	14.8	14.4	221.0	119.2
Profit/(loss) before taxation	**45.2**	**16.5**	**88.8**	**298.7**	**137.6**	**118.2**
Less: Provision for taxation	17.5	5.3	34.0	108.0	53.3	39.3
Fringe benefit tax	-	-	-	-	-	1.2
Deferred tax adjustment	-	0.2	-	(0.1)	(0.1)	0.3
Profit/(loss) after taxation	**27.7**	**11.0**	**54.8**	**190.8**	**84.4**	**77.4**
Extent of interest so far as it concerns members of ICICI Securities Limited, the holding company, in the capital of the subsidiary	100%	100%	100%	100%	100%	100%
Extent of interest so far as it concerns members of ICICI Ltd. upto March 29, 2002 and ICICI Bank thereafter, the holding company, in the capital of ICICI Securities Limited, the subsidiary company	99.92%	99.92%	99.92%	99.92%	99.92%	99.90%
Resultant interest so far as it concerns members of ICICI Ltd. upto March 29, 2002 and ICICI Bank thereafter, in the capital of ICICI Brokerage Services Limited	99.92%	99.92%	99.92%	99.92%	99.92%	99.90%
Amount of profit so far as it concerns the members of ICICI Ltd. upto March 29, 2002 and ICICI Bank thereafter, the holding company	**27.7**	**11.0**	**54.8**	**190.6**	**84.3**	**77.3**

1. Consequent upon Accounting Standard 22 'Accounting for Taxes on Income' becoming mandatory effective April 1, 2001, the deferred tax on timing differences has been recognised during the year ended March 31, 2002. The deferred tax adjustments for the year ended March 31, 2001 has not been determined and consequently no adjustments have been carried out in the 'Statement of Profits' shown above.

2. The management decided to capitalise expenditure incurred on software from March 2003. As a result of this change, profit for the year is higher by Rs. 0.1 million. The effect of the same for each of the year ended March 31, 2001 and 2002 has not been determined and consequently, no adjustments have been carried out in the "Statement of Profits" shown above.

ICICI Bank

ICICI Brokerage Services Limited

"Part II" of "Annexure C"

Statement of Assets and Liabilities

(Rs. in million)

	As on September 30, 2005 (Unaudited)
Assets :	
Cash and bank balances	534.7
Securities held as Stock-in-trade	0.4
Interest accrued	7.3
Loans and advances	342.3
Sundry debtors	208.9
Fixed assets	15.7
	1,109.3
Less: Liabilities	
Current liabilities and provisions	466.5
Deferred tax liability	1.2
Secured loans	100.0
Net worth	**541.6**
Represented By	
Share Capital:	
4,500,700 equity shares of Rs. 10/- each fully paid up.	
The entire share capital of the company is held by ICICI Securities Limited (the holding company) and its nominees	45.0
Reserves and Surplus :	496.6
	541.6
Net Assets so far as it concerns the members of ICICI Securities Limited, the holding company (100.0%)	541.6
Net Assets so far as it concerns the members of ICICI Bank, the holding company of ICICI Securities Limited, the subsidiary company (99.90%)	
Resultant interest so far as it concerns, the members of ICICI Bank, in the net assets of ICICI Brokerage Services Limited (99.90%)	541.06
	541.06

Notes:

1. Contingent liabilities

Income tax matters disputed by the Company as at September 30, 2005 is Rs. 68.7 million (March 31, 2005 : Rs. 68.7 million).

2. Retirement benefits

At present, there is no liability towards retirement benefits.

3. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. Nil (March 31, 2005: Rs. 0.7 million).

4. Fixed deposits

Fixed deposits under lien with stock exchanges Rs. 93.1 million (September 30, 2004: Rs.76.0 million, March 31, 2005: Rs.36.0 million) and collateral security towards bank guarantees issued Rs. 184.2 million (September 30, 2004: Rs.182.0 million, March 31, 2005: Rs.183.2 million)

Significant Accounting Policies

1. Method of accounting

The financial statements are prepared under the historical cost convention on the accrual basis of accounting and in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and referred to in Section 211 (3C) of the Companies Act, 1956.

2. Revenue recognition

(a) Brokerage income in relation to stock broking activity is recognised on the trade date of transaction. Amounts receivable from and payable to clients for broking transactions are disclosed separately as trades executed but not settled. Brokerage income in relation to public issues/ other securities is recognised based on mobilization and intimation received from clients/ intermediaries.

(b) Gains/ losses on dealing in securities are recognised on trade date.

3. Investments and stock-in-trade

(a) The securities acquired with the intention of short-term holding and trading are classified as stock-in-trade.

The securities held as stock-in-trade under current assets are valued at lower of cost arrived at on weighted average basis or market/ fair value, computed category-wise.

(b) The securities acquired with the intention of holding till maturity or for a longer period are classified as investments. The investments are shown in balance sheet at cost on a weighted average basis. Appropriate provision is made for other than temporary diminution in the value of investments.

4. Derivatives

(a) Gains are recognised only on settlement/ expiry of the derivative instruments.

(b) All open positions are marked to market.

(c) Receivables/ Payables on open position are disclosed as current assets/ current liabilities, as the case may be.

5. Fixed assets and depreciation / amortisation

Fixed assets are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost bringing the asset to its working condition for intended use. Depreciation on fixed assets and membership rights of The Stock Exchange, Mumbai (BSE), is provided on written down value method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. Membership rights of stock exchanges are treated as an asset and the value paid to acquire such rights is amortised over a period of 10 years. The carrying amounts are reviewed at each balance sheet date to assess whether the carrying value is in excess of their recoverable amounts and when carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount.

6. Deferred tax

Tax expense comprises both current and deferred taxes. Current income- tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

7. Foreign currency transactions

Expenses and income are recorded at the exchange rate prevailing on the date of transaction. Assets and liabilities at the balance sheet date are restated at the exchange rate prevailing on the Balance Sheet date. Exchange differences arising on settlement of the transaction and on account of restatement of assets and liabilities are dealt with in the profit and loss account.

8. Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ICICI Bank

ICICI Home Finance Company Limited
"Part I" of "Annexure D"
Statement of Profits

(Rs. in million)

	For the year ended March 31,					Six month period ended September 30, 2005
	2001	**2002**	**2003**	**2004**	**2005**	**(Unaudited)**
Income						
Income from operations	577.6	1,767.6	1,953.0	1,400.4	2,314.8	1,276.7
Other income	0.5	154.5	25.3	62.5	84.0	55.9
Total income	**578.1**	**1,922.1**	**1,978.3**	**1,462.9**	**2,398.8**	**1,332.6**
Less: Expenses						
Interest and other financial charges	331.8	1,292.5	1,465.4	1,093.8	1,690.6	894.0
Staff expenses	30.5	124.5	5.7	157.9	243.6	228.3
Establishment and other expenses	191.3	358.8	30.7	1,936.8	2,379.6	1,346.1
Depreciation	0.7	4.0	4.3	15.3	15.3	7.5
Provision for contingencies	-	-	-	177.3	209.9	7.4
Provision and write off against non performing assets	3.1	14.2	36.5	17.2	56.1	21.3
Provision for standard assets	-	-	28.0	33.3	(1.8)	4.4
Preliminary expenses written off	1.3	1.8	1.8	1.8	1.8	0.9
	558.7	**1,795.8**	**1,572.4**	**3,433.4**	**4,595.1**	**2,509.9**
Less: Expenses recovered	-	-	-	2,075.8	2,333.9	1,306.7
Total expenses	**558.7**	**1,795.8**	**1,572.4**	**1,357.6**	**2,261.2**	**1,203.2**
Profit before tax	**19.4**	**126.3**	**405.9**	**105.3**	**137.6**	**129.4**
Less: Provision for taxation	4.4	23.2	211.5	87.1	109.9	14.6
Fringe benefit tax	-	-	-	-	-	4.9
Deferred tax	-	7.4	(92.1)	(80.2)	(72.4)	20.6
Profit after tax	**15.0**	**95.7**	**286.5**	**98.4**	**100.1**	**89.3**
Extent of interest so far as it concerns members of erstwhile ICICI Ltd upto March 29, 2002 and ICICI Bank thereafter, the Holding Company, in the capital of the subsidiary	100%	100%	100%	100%	100%	100%
Amount of profit so far as it concerns the members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank the Holding company thereafter.	**15.0**	**95.7**	**286.5**	**98.4**	**100.1**	**89.3**

Notes:

1. Consequent upon Accounting Standard 22 'Accounting for Taxes on Income' becoming mandatory effective April 1, 2001, the Deferred Tax on timing differences has been recognised during the year ended March 31, 2002. The deferred tax adjustments for the year ended March 31, 2001 has not been determined and consequently no adjustments have been carried out in the 'Statement of Profits' shown above.
2. Expenses for the year ended March 31, 2001, 2002 and 2003 are reported net off amounts recovered from ICICI Bank.
3. Interest expenses include Rs. 0.2 million (March 31, 2005 – Rs. 5.5 million) being (gain)/ loss booked on the interest rate swaps (IRS). The notional principal of hedge IRS as on September 30, 2005 is Rs. 9500.0 million (March 31, 2005: Rs. 6,600.0 million).

ICICI Home Finance Company Limited

"Part II" of "Annexure D"

Statement of Assets and Liabilities

(Rs. in million)

	As on September 30, 2005 (Unaudited)
Assets :	
1. Fixed assets	17.6
2. Investments	640.8
3. Loans & other credit facilities	25,823.8
4. Current assets, loans & advances	
A. Current assets	
- Interest accrued	184.5
- Sundry debtors	-
- Securities held in stock in trade	-
- Cash & bank balance	10,149.9
	10,334.4
B. Loans & advances	3,200.7
	13,535.1
5. Deferred tax asset	266.1
	40,283.4
Less: **Liabilities**	
6. Unsecured loan	35,972.2
7. Current liabilities and provisions	1,839.2
Net worth	**2,472.0**
Represented by:	
Share capital:	
183,750,000 equity shares of Rs 10/- each fully paid-up	1,837.5
(All the above shares are held by ICICI Bank limited the holding company and its nominees). (Refer note 2)	
15,000,000 0.01% fully convertible cumulative preference shares of Rs. 10/- each fully paid-up	150.0
(All the above shares are held by ICICI Bank limited the holding company and its nominees). (Refer note 3)	
Reserves and surplus:	
General reserves	122.5
Surplus in profit and loss account	1.1
Special reserve created and maintained in terms of section 36(1)(viii) of the Income Tax Act, 1961	369.3
Less: Miscellaneous expenditure (To the extent not written off or adjusted)	8.4
	2,472.0
Net assets so far as it concerns the members of ICICI Bank, the holding company and its nominees. (100%)	**2,472.0**

Notes:

1. Commitment towards part disbursement of sanctions amounted to Rs. 32.0 million as on September 30, 2005 (as on March 31, 2005 at Rs. 33.6 million).
2. During the period ended September 30, 2005, the Company has issued 43,750,000 equity shares of Rs.10/- each, to the equity shareholders of ICICI Distribution Finance Private Ltd (IDFL) on account of the amalgamation of IDFL into the Company. ICICI Distribution Finance Private Limited has been amalgamated with the Company vide the order dated June 30, 2005 of the Bombay High Court, effective August 11, 2005.

3. The preference shares were issued in two tranches. The first tranch of preference shares for Rs.250.0 million was allotted on December 28, 2001 and are convertible into equity shares at the option of the preference shareholder after completion of one year but before completion of three years from the date of allotment in the ratio of 1:1. However, the said preference shares shall be compulsorily and automatically convertible into one fully paid-up equity share of Rs. 10 each for every one preference share of Rs.10 held on December 27, 2004. Accordingly, the said Preference Shares have been converted into one fully paid-up equity share for every one preference share of Rs.10 on December 27, 2004. The second tranche of preference shares for Rs.15.00 crores was allotted on March 14, 2002 and are convertible into equity shares at the option of the preference shareholder after completion of one year but before completion of seven years from the date of allotment in the ratio of 1:1. However, the said preference shares shall be compulsorily and automatically convertible into one fully paid-up Equity Share of Rs. 10 each for every one preference share of Rs.10 held on March 14, 2009.

4. (a) Home Loans given by the company are secured by the underlying property.

   (b) As per the terms of appointment, the Managing Director and whole time director draw their remuneration and other benefits from the holding company, ICICI Bank.

5. **Contingent liability:-**

   (a) in respect of the difference between the cash collateral and expenses provided for the future cost in respect of the securitisation is Rs. 4.9 million (March 31, 2005: Rs. 67.1 million).

   (b) Income Tax matters in appeals Rs. 2.5 million.

   (c) Disputed Sales Tax Demands of Rs. 68.2 million.

6. Provision for Servicing expenses of loans securitised is done upfront by the Company. At each Balance Sheet date, the Company assesses the liability of servicing of securitised pool and differential amounts are written back in the books of account. The provision of the delinquencies and conversion risk as well as provision for prepayment risk on the loan portfolio sold by the Company is also made upfront and reduced from the gross capital gains on the securitisation transaction. At each balance sheet date, the Company assesses the delinquencies, prepayment and conversion risk of securitised pool and differential amounts are written back/ provided in the books of account.

7. **Loans and other credit facilities includes:**

   (a) Pass through certificates (PTC) amounting to Rs. 1,022.0 million (March 31, 2005: Rs. 1,129.9 million) issued by the Mortgage Backed Securitisation Trust series I, II & IV. These PTCs represent the security interest in the underlying trust property of housing loans.

   (b) Rs. 435.6 million (March 31, 2005: Rs. 450.6 million) subordinated interest in the underlying trust property of housing loans of Mortgage Backed Securitisation trust series VI & VII.

Significant Accounting Policies

The accounts are prepared in accordance with the accounting principles generally accepted in India and the directions issued by the National Housing Bank (NHB) from time to time.

1. Revenue Recognition

Interest income/ fees on housing loan is accounted for on accrual basis, other than interest on non-performing assets and charges for delayed payments and cheque bouncing, if any, which is accounted for on cash basis. Dividend is accounted on an accrual basis when the right to receive the dividend is established.

2. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and market value. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

Cost such as brokerage, commission etc., pertaining to investment, paid at the time of acquisition, are included in investment cost.

3. Preliminary and Share Issue Expenses

Preliminary and share issue expenses are amortised over a period of 10 years.

4. Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The carrying amounts are reviewed at each balance sheet date when required to assess whether they are recorded in excess of their recoverable amounts, and where carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount.

5. Depreciation

Depreciation on assets is charged on straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956, except in case of computer software where depreciation is provided @ 20% per annum.

6. Deferred Tax

Tax expense comprises both current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

7. Provisions/ write-offs on loans and other credit facilities

Loans and other credit facilities are classified as per the NHB guidelines, into performing and non- performing assets. Further non-performing assets classified into sub-standard, doubtful and loss assets based on criteria stipulated by NHB. Additional provisions are made against specific non-performing assets over and above what is stated above, if in the opinion of the management, increased provisions are necessary.

The Company maintains general provisions to cover potential credit losses which are inherent in any loan portfolio but not identified. For standard assets, additional general provisions are determined having regard to overall portfolio quality, asset growth, economic conditions and other risk factors.

8. Accounting for Swaps

The Company enters into derivative contracts such as interest rate swaps to hedge on balance sheet assets and liabilities. The swap contracts entered to hedge on balance sheet assets and liabilities are structured such that they bear an opposite and offsetting impact with the underlying on-balance sheet items. The impact of such derivative instruments are correlated with the movements of the underlying assets and liabilities and accounted pursuant to the principles of hedge accounting whereby interest differential received/ paid adjusted from/ to interest expenses. The related amount receivable from and payable to the swap counter parties is included in the other assets or other liabilities in the balance sheet.

9. Impairment

i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceed its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

ii. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

iii. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

10. Provision

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

11. Retirement Benefits

i. Retirement benefits in the form of Provident Fund and Pension Schemes are charged to the Profit & Loss account of the year when the contributions to the respective funds are due.

ii. Gratuity liability under the Payment of Gratuity Act and provision for leave encashment is accrued and provided for on the basis of actuarial valuation made at the end of each financial year.

12. Transfer and servicing of Financial Assets

The Company transfers loans to a bankruptcy remote special purpose vehicles through a securitization transactions. The transferred loans are derecognized from the books of the Company and gains / losses are recorded only if the Company surrender the rights to benefits specified in the loan contract. Credit provisions and servicing obligations are debited separately to the Profit & Loss account. Retained beneficial interest in the loan is evaluated by allocating the carrying values of the loans between the assets sold and retained interest, based on the relative fair value measured at the end of each reporting period. The resultant gains/ losses if any are recorded in to the Profit and Loss account.

ICICI Bank

ICICI Securities Holdings Inc.

"Part I" of "Annexure E"

Statement of Profits

(Rs. in thousands)

	For the year ended March 31,					Six month period ended September 30, 2005
	2001	**2002**	**2003**	**2004**	**2005**	**(Unaudited)**
Income from operations						
Income from Services	-	-	16,062.64	12,934.12	6,892.41	11,574.14
Interest income	-	-	28.10	104.93	-	-
Other income	4,798.50	20,046.60	14,547.30	13,808.67	16,179.37	9,171.96
Less: Financial charges and operating expenses	0.04	131.27	1,093.59	184.86	1,099.44	80.46
	4,798.46	**19,915.33**	**29,544.45**	**26,662.86**	**21,972.34**	**20,665.64**
Less: Expenditure						
Payments to and provisions for employees	977.80	9,979.92	14,324.31	15,206.58	22,676.35	11,230.55
Establishment and other expenses	13,103.49	9,643.57	11,998.02	10,746.68	12,543.56	7,304.72
Depreciation - On other owned assets	-	112.01	162.48	171.38	114.01	55.46
	14,081.29	**19,735.50**	**26,484.81**	**26,124.64**	**35,333.92**	**18,590.73**
Profit/(loss) before taxation	**(9,282.83)**	**179.83**	**3,059.64**	**538.22**	**(13,361.58)**	**2,074.91**
Less: Provision for taxation	-	-	-	-	-	(7,363.77)
Profit/(loss) after taxation	**(9,282.83)**	**179.83**	**3,059.64**	**538.22**	**(13,361.58)**	**9,438.68**
Extent of interest so far as it concerns members of ICICI Securities Limited, the holding company, in the Capital of the Subsidiary	100%	100%	100%	100%	100%	100%
Extent of interest so far as it concerns members of ICICI Ltd. , upto March 29, 2002, and ICICI Bank thereafter the holding company, in the capital of ICICI Securities Limited, the subsidiary company	99.92%	99.92%	99.92%	99.92%	99.92%	99.90%
Resultant interest so far as it concerns members of ICICI Ltd., upto March 29, 2002 and ICICI Bank the holding company thereafter, in the capital of ICICI Securities Holding Inc.	99.92%	99.92%	99.92%	99.92%	99.92%	99.90%
Amount of profit/loss so far as it concerns the members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank thereafter, the holding company	**(9,275.40)**	**179.69**	**3,057.19**	**537.79**	**(13,350.89)**	**9,429.24**

Note:

ICICI Securities Holding Inc. was incorporated as a wholly owned subsidiary of ICICI Securities on June 12, 2000.

ICICI Securities Holdings Inc.

"Part II" of "Annexure E"

Statement of Assets and Liabilities

(Rs. in thousands)

	As on September 30, 2005 (Unaudited)
Assets:	
Cash and cash equivalents	1,571.14
Loans and Advances	19,834.53
Fixed Assets	253.50
Investments	179,324.55
Total assets	200,983.72
Less: Liabilities	
Current Liabilities and Provisions	2,103.88
Net worth	**198,879.84**
Represented By :	
Share Capital :	
Common Stock USD 1 par value; 4,700,000 shares	210,393.00
Reserves and Surplus	
Profit and Loss Account	(9,428.05)
Translation Reserve	(2,085.11)
	198,879.84
Net Assets so far as it concerns the members of ICICI Bank the holding company and its nominees (99.90%)	**198,680.96**

Notes:

1. The Company is a wholly owned subsidiary of ICICI Securities Limited.
2. Deferred Tax asset resulting from accumulated losses have not been accounted because of uncertainty of availability of sufficient future taxable income.
3. For the purpose of conversion of the local currency (USD) into Indian Currency (Indian Rupees) the exchange rate applied as per para 4 of the significant accounting policies.

Significant Accounting Policies:

1. Method of accounting

The financial statements are prepared under the historical cost convention on the accrual basis of Accounting and in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and referred to in Section 211(3C) of the Companies Act, 1956.

2. Revenue recognition

Revenue from issue management, loan syndication, financial advisory services etc., is recognised based on the stage of completion of assignments and terms of agreement with the client.

3. Investments

(a) The securities acquired with the intention of holding till maturity or for a longer period are classified as investments.

(b) Investments are carried at cost arrived at on weighted average basis. Commissions earned in respect of securities acquired upon devolvement are reduced from the cost of acquisition. Appropriate provision is made for other than temporary diminution in the value of investments.

4. Conversion to Indian Rupees

For the purpose of the accounts during the year/period all income and expense items are converted at the average rate of exchange applicable for the year/period. All assets and liabilities are translated at the closing rate as on the balance sheet date. The exchange difference arising out of the year/period end translation is being debited or credited to Translation Reserve.

The Equity Share Capital and Investments in subsidiary is carried forward at the rate of exchange prevailing on the transaction date. The resulting exchange difference on account of translation at the year/period end are transferred to Translation Reserve account and the said account is being treated as “Reserves and Surplus”.

5. Fixed Assets and depreciation

Fixed assets are stated at historical cost.

Depreciation on fixed assets is provided on written down value method at the rates, which are equal or higher than the rates prescribed in Schedule XIV of the Companies Act, 1956. Such rates are fixed after considering applicable laws in the United States of America and management estimation of the useful life of the asset.

Depreciation of Assets	Estimate Life
Office Equipment & Computers	3 Years
Furniture & Fixtures	7 Years

6. Deferred tax

Tax expense comprises both current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

7. Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ICICI Securities Inc.

"Part I" of "Annexure F"

Statement of Profits

(Rs. in thousands)

	For the year ended March 31,					Six month period ended September 30, 2005
	2001	**2002**	**2003**	**2004**	**2005**	**(Unaudited)**
Income for operations :						
Income from services	-	6,994.02	9,841.49	35,312.59	43,319.15	90,957.24
Interest income	1,233.66	854.18	194.87	22.54	97.58	3,654.36
Other income	-	-	-	-	246.53	1,092.05
	1,233.66	7,848.20	10,036.36	35,335.13	43,633.26	95,703.65
Less: Financial charges and operating expenses	4.57	29.51	-	345.83	16,110.41	23,302.54
	1,229.09	**7,818.69**	**10,036.36**	**34,989.30**	**27,552.85**	**72,401.11**
Expenditure:						
Less: Administrative expenditure - Establishment and other expenses	5,170.22	22,011.05	15,525.58	18,877.42	26,522.62	20,249.54
	5,170.22	**22,011.05**	**15,525.58**	**18,877.42**	**26,522.62**	**20,249.54**
Profit/(loss) before taxation	**(3,941.13)**	**(14,192.36)**	**(5,489.22)**	**16,111.88**	**1,030.23**	**52,151.57**
Less: Provision for taxation	-	-	-	-	-	20,658.74
Profit/(loss) after taxation	**(3,941.13)**	**(14,192.36)**	**(5,489.22)**	**16,111.88**	**1,030.23**	**31,492.83**
Extent of interest so far as it concerns members of ICICI Securities Holdings Inc., the holding company, in the capital of the subsidiary	100%	100%	100%	100%	100%	100%
Extent of interest so far as it concerns members of ICICI Ltd. upto March 29, 2002, and ICICI Bank thereafter the holding company, in the capital of ICICI Securities Limited, the subsidiary company	99.92%	99.92%	99.92%	99.92%	99.92%	99.90%
Resultant interest so far as it concerns members of ICICI Ltd. upto March 29, 2002 and ICICI Bank the holding company thereafter, in the capital of ICICI Securities Inc.	99.92%	99.92%	99.92%	99.92%	99.92%	99.90%
Amount of profit so far as it concerns the members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank thereafter, the holding company	(3,937.98)	(14,181.01)	(5,484.83)	16,098.99	1,029.41	31,461.34

Note :

ICICI Securities Inc. was incorporated as a wholly owned subsidiary of ICICI Securities Holding Inc. on June 13, 2000.

ICICI Securities Inc.

"Part II" of "Annexure F"

Statement of Assets and Liabilities

(Rs. in thousands)

	As on September 30, 2005 (Unaudited)
Assets:	
Fixed assets	312.52
Cash and Bank Balances	35,194.25
Loans and Advances	10,242.10
Securities held as Stock-in-trade	462,777.95
Sundry Debtors	76,849.96
	585,376.78
Less: Liabilities	
Current Liabilities and Provisions	50,655.70
Unsecured loans	330,150.00
Net worth	**204,571.08**
Represented By :	
Share Capital :	
Common Stock USD 1 par value; 4,050,000 shares authorized	179,324.55
	179,324.55
Reserves And Surplus	
Profit and Loss Account	25,012.22
Translation Reserve	234.31
	204,571.08
Net Assets so far as it concerns the members of	
ICICI Bank Ltd. the holding company and its nominees (99.90%)	**204,366.51**

Notes:

1. The Company is a wholly owned subsidiary of ICICI Securities Holdings Inc.
2. Deferred Tax asset resulting from accumulated losses have not been accounted because of uncertainty of availability of sufficient future taxable income.
3. For the purpose of conversion of the local currency (USD) into Indian Currency (Indian Rupees) the exchange rate applied as per para 3 of the accounting policies.

Significant Accounting Policies:

1. Method of accounting

The financial statements are prepared under the historical cost convention on the accrual basis of Accounting and in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and referred to in Section 211(3C) of the Companies Act, 1956.

2. Revenue recognition

Revenue from issue management, loan syndication, financial advisory services etc., the revenue is recognised based on the stage of completion of assignments and terms of agreement with the client.

3. Conversion to Indian Rupees

For the purpose of the accounts during the year/period all income and expense items are converted at the average rate of exchange applicable for the year/period. All assets and liabilities are translated at the closing rate as on the balance sheet date. The exchange difference arising out of the year/period end translation is being debited or credited to Translation Reserve.

The Equity Share Capital and is carried forward at the rate of exchange prevailing on the transaction date. The resulting exchange difference on account of translation at the year/period end are transferred to Translation Reserve account and the said account is being treated as “Reserves and Surplus”.

4. Deferred tax

Tax expense comprises both current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

5. Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ICICI International Limited

"Part I" of "Annexure G"

Statement of Profits

(Amount in US$)

	For the year ended March 31,					Six month period ended September 30, 2005
	2001	**2002**	**2003**	**2004**	**2005**	**(Unaudited)**
Revenue:						
Management fees	1,116,165	944,273	330,302	159,491	103,000	736
Interest income	10,534	7,857	3,694	1,207	3,125	2,404
Profit on redemption of shares	8,538	-	-	-	-	-
	1,135,237	**952,130**	**333,996**	**160,698**	**106,125**	**3,140**
Expenditure:						
Advisory fees	900,000	815,000	322,300	146,400	95,000	-
License fees	1,500	1,500	1,500	1,500	1,500	860
Administration & professional fees	49,232	7,922	4,610	6,785	4,399	3,000
Audit fees	2,200	2,240	2,300	2,300	2,300	1,150
Directors fees	-	1,063	1,250	1,250	1,250	626
Secretarial fees	-	1,063	1,250	1,250	1,250	626
Bank charges	-	63	300	365	340	115
Provision for investments written off	-	100	-	-	-	-
General expenses	-	-	210	848	-	-
Total expenses	**952,932**	**828,951**	**333,720**	**160,698**	**106,039**	**6,377**
Profit/ (loss) from operations	**182,305**	**123,179**	**276**	**-**	**86**	**(3,237)**
Previous year expenses written back (net)	-	32,462	-	-	-	-
Net profit/(loss)	**182,305**	**155,641**	**276**	**-**	**86**	**(3,237)**
Extent of interest so far as it concerns members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank thereafter, the holding company, in the capital of the subsidiary	100%	100%	100%	100%	100%	100%
Amount of profit so far as it concerns the members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank, the holding company thereafter.	**182,305**	**155,641**	**276**	**-**	**86**	**(3,237)**

Note:

The Company became subsidiary of erstwhile ICICI Ltd. with effect from October 21, 1997 & of ICICI Bank with effect from March 29, 2002.

ICICI International Limited

"Part II" of "Annexure G"

Statement of Assets and Liabilities

(Amount in US Dollars)

	As on September 30, 2005 (Unaudited)
Assets:	
Investments in associates	300,000
Current assets	232,431
	532,431
Less: Current liabilities	6,490
Net worth	**525,941**
Represented by:	
Share capital:	
40,000 ordinary shares of US $ 10 each. (The entire share capital of the company is held by ICICI Bank Limited, the holding company)	400,000
Reserves and surplus:	
Accumulated profit	125,941
	525,941
Net assets so far as it concerns the members of ICICI Bank Limited, the holding company 100%	**525,941**

Notes :

I. Taxation

Income tax

The Company is a tax incentive company in Mauritius and under current laws and regulations it is liable to pay income tax on its net income at a rate of 15%. The Company is however entitled to a tax credit equivalent to the higher of actual foreign tax suffered and 80% of Mauritius tax payable in respect of its foreign source income tax thus reducing its maximum effective tax rate to 3%. At September 30, 2005, the Company has accumulated tax loss of USD 7,961 (March 31, 2005: USD 7,664) and therefore no provision for taxation has been made.

The Company has received a certificate from the Mauritian authorities that it is a resident of Mauritius. In the absence of a permanent establishment in India, the Company should not be subject to capital gains tax in India on the sale or redemption of securities.

No Mauritian capital gain tax is payable on profits arising from sale of securities, and any dividends and redemption proceeds paid by the Company to its Shareholders will be exempt in Mauritius from any withholding tax.

Deferred tax

A deferred tax asset has not been recognised in respect of the tax losses carried forward as the directors consider that it is not probable that future taxable profit will be available against which the unused tax losses can be utilised.

II. Reporting currency

The financial statements are presented in US Dollar, which is considered to be the Company's principal trading currency.

III. Significant Accounting Policies

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards. The preparation of financial statements in accordance with International Financial Reporting Standards requires the directors to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Basis of accounting

The financial statements are prepared under the historical cost convention.

1. Investments

The investment in the joint venture entity, TCW/ICICI Investment Partners, L.L.C. is viewed as a "strategic investment" and has, as a result, been recorded at cost.

Available-for-sale investments are valued at fair value and the resulting temporary unrealised (gains) / losses (including unrealised foreign exchange (gains) / losses on retranslation at the closing rate, if any) are reported as a separate component of equity as "Investment Revaluation Reserve", till the underlying investment is sold or permanently written off, when the total realised (gains) / losses are included in the Income Statement.

2. Foreign currencies

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions. Monetary gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Such balances are translated at the year-end/quarter end exchange rates unless hedged by forward exchange contracts, in which case the rates specified in such contracts are used.

3. Deferred tax

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax.

The principal temporary differences arise from tax losses carried forward. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

4. Income tax

Income taxes currently payable are provided for in accordance with the existing legislation of the various countries in which the Company operates.

5. Receivables

Receivables are stated at original invoice amount less allowance made for doubtful receivables based on a review of all outstanding amounts at the period end. An allowance for doubtful receivables is made when there is objective evidence that the Company will not be able to collect all amounts due according to original terms of receivables. Bad debts are written off when identified.

6. Share capital

Ordinary shares are classified as equity.

7. Cash and cash equivalents

Cash comprises cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

8. Revenue recognition

Revenue is recognised on the following basis:

Interest income and management fees as they accrue unless collectibility is in doubt.

9. Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

10. Financial instruments

Financial instruments carried on the balance sheet include investments, receivables, cash and cash equivalents, and trade and other payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

11. Unquoted securities

(a) Investments consist of 50% of the issued share capital of TCW/ICICI Investment Partners LLC, a company incorporated in Mauritius. The investments were acquired for USD 300,000.

Particulars	September 30, 2005
Directors' valuation (US$)	300,000

(b) Investments which exceeds 10% of the issued share capital are:

Name of Company	Description	Proportion Held
TCW / ICICI Investment Partners LLC	**Ordinary shares**	50%

12. Agreements

Administration Agreement

The Company has entered into an agreement with International Financial Services Limited (the "Mauritian Administrator"), a company incorporated under the laws of Mauritius. In consideration of the services to be performed by the Mauritian Administrator, the latter shall be entitled to receive from the Company a fee based on hours worked by the Mauritian Administrator in the performance of its duties.

ICICI Trusteeship Services Limited

"Part I" of "Annexure H"

Statement of Profits

(in Rupees)

	For the year ended March 31,					Six month period ended September 30, 2005
	2001	**2002**	**2003**	**2004**	**2005**	**(Unaudited)**
Income :						
Trusteeship fees	150,000	251,100	390,100	300,100	250,100	125,050
Interest income	-	-	1,255	46,828	58,618	37,383
Dividend	-	-	800	1,130	1,250	500
Profit on sale of investment	-	-	-	-	-	2,536
	150,000	**251,100**	**392,155**	**348,058**	**309,968**	**165,469**
Less: Expenses						
Audit fees	6,300	6,300	11,814	10,800	28,700	7,163
Director fees	-	9,000	5,000	4,000	5,000	3,000
Profession tax	-	4,900	2,500	2,500	2,500	2,500
Preliminary expenses written off	14,529	14,529	14,529	14,529	14,529	-
Interest-Others	-	-	-	2,663	-	868
Other expenses	-	500	2,132	-	1,500	1,000
	20,829	**35,229**	**35,975**	**34,492**	**52,229**	**14,531**
Profit before tax	**129,171**	**215,871**	**356,180**	**313,566**	**257,739**	**150,938**
Less: Provision for taxation	51,087	80,000	131,000	120,000	94,000	51,000
Profit after tax	**78,084**	**135,871**	**225,180**	**193,566**	**163,739**	**99,938**
Add: Excess provision for income tax of earlier years	-	-	-	2,934	7,912	-
Net profit	**78,084**	**135,871**	**225,180**	**196,500**	**171,651**	**99,938**
Extent of interest so far as it concerns members of erstwhile ICICI Ltd upto March 29, 2002 and ICICI Bank thereafter, the holding company, in the capital of the subsidiary	100%	100%	100%	100%	100%	100%
Amount of profit so far as it concerns the members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank, the holding company thereafter	**78,084**	**135,871**	**225,180**	**196,500**	**171,651**	**99,938**

Notes

The Company was incorporated on April 29, 1999.

ICICI Trusteeship Services Limited

"Part II" of "Annexure H"

Statement of Assets and Liabilities

(in Rupees)

	As on September 30, 2005 (Unaudited)
Assets:	
Investments	**-**
Current assets, loans & advances:	
Cash & bank balances	1,357,788
Sundry Debtors	130,077
Loans and advances	279,389
	1,767,254
Less: Liabilities	
Current liabilities and provisions	349,030
Net worth	**1,418,224**
Represented by:	
Share capital:	
50,000 equity shares of Rs.10/- each fully paid-up	
All the above equity shares are held by ICICI Bank Limited - the holding company and its nominees	500,000
Reserves and surplus	907,224
Corpus fund (refer note 1)	11,000
Less: Miscellaneous expenditure	
(To the extent not written off or adjusted)	-
	1,418,224
Net assets so far as it concerns the members of ICICI Bank Ltd, the holding company and its nominees. (100%)	**1,418,224**

Notes:

1. The company in the earlier years, in terms of the Indenture of Trust, received Rs. 1,000/- as corpus fund from ICICI Prudential Life Insurance Company Ltd. and Rs. 10,000/- from erstwhile ICICI Limited (ICICI), for setting up ICICI Securities Fund, which had been deposited in the bank account and is included under Cash and Bank Balances.
2. Tax expenses for the six month period ended September 30, 2005 is on the basis of current tax since there are no timing differences resulting into tax expenses/tax saving on the deferred tax basis.

Significant accounting policies

1. Basis of preparation of financial statements:

The accompanying financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles and the provisions of the Companies Act, 1956 and the applicable Accounting Standards issued by the Institute of Chartered Accountants of India.

2. Use of Estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/materialise.

3. Revenue Recognition:

Income from trusteeship fees is accounted / accrued on the basis of the understanding / agreements with the concerned parties.

4. Income Taxes:

Tax expense represents the aggregate of the current tax and deferred tax. The deferred tax is computed in accordance with the requirements of the Accounting Standard AS- 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.

5. Investments:

Investments classified as long-term investments are stated at cost. Provision is made to recognize a decline if any, other than temporary in the value of investments.

6. Contingent liabilities:

These, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts in respect of those contingencies, which are likely to materialise into liabilities after the year/period end till the finalisation of accounts and have a material effect on the position stated in the Balance sheet.

ICICI Bank Canada

"Part I" of "Annexure I"

Statement of Profits

(Canadian Dollars in thousands)

	For the year ended March 31,		Six month period ended September 30, 2005
	2004	2005	
	(Unaudited)	(Unaudited)	(Unaudited)
Income			
Interest and non-interest income	289	3,148	8,990
Less: Expenditure:			
Interest and administrative expenses	1,621	13,270	14,381
Profit/(loss) before tax	(1,332)	(10,122)	(5,391)
Less: Provision for federal capital tax and future income tax benefit	402	2,949	1,596
Profit/(loss) after tax	(930)	(7,173)	(3,795)
Extent of interest so far as it concerns members of ICICI Bank, the holding company, in the capital of the subsidiary	100%	100%	100%
Amount of profit so far as it concerns the members of ICICI Bank, the holding company	(930)	(7,173)	(3,795)

Note:

The Bank is a wholly-owned subsidiary of ICICI Bank Limited (the "Parent"). Office of the Superintendent of Financial Institutions, Canada granted the Bank its Letters Patent of Incorporation on September 12, 2003, and an Order to Commence and Carry on Business (the "Order") on November 25, 2003. The Bank launched its operations on December 19, 2003.

ICICI Bank Canada

"Part II" of "Annexure I"

Statement of Assets and Liabilities

(Canadian Dollars in thousands)

	As at September 30, 2005 (unaudited)
Assets:	
Cash and deposits with regulated financial institutions	43,350
Loans	294,420
Fixed assets	3,467
Investments	136,312
Other assets	14,155
	491,704
Less: Liabilities	
Deposits	403,147
Current liabilities and provisions	38,455
	441,602
Net worth	**50,102**
Represented By:	
(A) Share Capital:	
52,000,000 Common Stock Shares of Canadian Dollar 1 each fully paid-up	52,000
All the above equity shares are held by ICICI Bank Limited, the holding Company and its nominees	
10,000,000 Preference shares of Canadian Dollar 1 each fully paid-up	10,000
All the above preference shares are held by ICICI Bank Limited, the holding company and its nominees.	
(B) Reserves and surplus:	
Profit & loss account	(11,898)
	50,102
Net assets so far as it concerns the members of ICICI Bank Ltd, the holding company and its nominees	**50,102**

Significant accounting policies

(All figures in the notes to accounts below are in Canadian dollars in thousands)

1. Nature of operations

Pursuant to the Bank Act, the financial statements of ICICI Bank Canada (the "Bank") have been prepared in accordance with Canadian generally accepted accounting principles (GAAP), including the accounting requirements of the Office of the Superintendent of Financial Institutions, Canada (OSFI). GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

The Bank is a wholly-owned subsidiary of ICICI Bank Limited (the "Parent"). OSFI granted the Bank its Letters Patent of Incorporation on September 12, 2003, and an order to commence and carry on business on November 25, 2003. The Bank launched its operations on December 19, 2003.

The significant accounting policies used in the preparation of these financial statements are summarized below:

2. Cash and cash equivalents

The Bank considers cash and cash equivalents to represent cash balances on hand and non-interest bearing deposits with regulated financial institutions due on demand.

3. Securities

Securities are classified, based on management's intentions, as investment account securities or trading account securities.

Investment account securities comprise debt and equity securities, originally purchased with the intention of holding to maturity or for a pre-determined period of time, which may be sold in response to changes in investment objectives arising from changing market conditions or to meet liquidity requirements. Debt securities are carried at amortized cost and equity securities are carried at cost. The straight-line method is used for the amortization of premiums and discounts on debt securities. Interest income is recorded on an accrual basis.

The fair values of securities are based on quoted market process where applicable; otherwise, fair values are estimated using quoted market values for similar securities or other third party evidence, as available.

Trading account securities, purchased for resale in the near term, are reported at estimated fair value. No trading account securities were held at the balance sheet date.

4. Loans

Loans are stated net of an allowance for credit losses. Interest income is accounted for on an accrual basis and included in other assets.

Loans are classified as impaired when there is no longer reasonable assurance of the timely collection of the full amount of principal or interest. An allowance for credit losses is maintained at a level that management considers adequate to absorb identified credit related losses as well as losses that have been incurred but not yet identifiable. This allowance relates primarily to loans, but also to other credit instruments such as letters of credit, and is either specific or general.

The general allowance is provided for losses which management estimates are in the portfolio, not relating to loans specifically identified as impaired and not yet captured by a specific allowance.

Loan (refundable or non-refundable) fees received from the commercial clients for term loans, demand loans, mortgages, and operating lines of credit are deferred and recognized over the life of the loan. Upon approval of the credit facility, fees income is amortized over the term of the loan or 12 months period for demand loans. Non-refundable loan fee received from commercial clients are booked directly to non-interest income if credit facility is not approved. The unamortised portion of the loan fees is shown as other liabilities including those fees received from those commercial clients for whom credit facility application is still in process. At September 30, 2005, unamortized loan fees were $1,031.

Commitments for credit related arrangements include an unused portion of commercial and personal lines of credit, letters of credit facility to commercial clients, imports bills for collection, and standby letter of guarantee.

5. Fixed assets

Fixed assets are carried at cost less accumulated depreciation, which is calculated by using the straight-line method over the estimated useful life of the asset.

6. Other assets

Other assets are comprised of future income tax asset of $4,999 (note 9), unamortised prepaid expenses and deposits of $ 1,410, accrued interest on loans and investment income of $ 2,225 and other assets of $ 5,521.

7. Share capital

The Bank is authorized to issue an unlimited number of common shares without par value and an unlimited number of non-voting preferred shares without par value.

8. Non interest income

Non-interest income includes loan fees, personal and commercial service charges, safety deposit rentals, trade finance fees, gains on foreign exchange transactions, and capital gain on sale of securities. Income is accounted for on accrual basis.

	Six-month period ended September 30, 2005 (Unaudited)
Loan fees, safety deposit boxes rent, and service charges	186
Trade finance and remittance fees	161
Capital gains on sale of mortgages	1,245
Foreign exchange and capital gains on securities	763
Total non-interest income	**2,355**

9. Income taxes

The Bank uses the asset and liability method of accounting for income taxes whereby income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities for book purposes compared with their carrying amounts for tax purposes. Accordingly, a future income tax asset or liability is determined for each temporary difference based on the tax rates that are expected to be in effect when the underlying items of income or expense are expected to be realized. Net future income taxes accumulated as a result of these temporary differences are included in other assets or other liabilities.

A valuation allowance is established to reduce future income tax assets to an amount that is more likely than not to be realized. A future income tax asset of $4,999 has been recorded, net of a valuation allowance of $785, using the enacted tax rate of 36.12%.

10. Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars using the Bank of Canada exchange rates at the balance sheet date. Revenue and expense amounts denominated in foreign currencies are translated using an average monthly exchange rate. Realized and unrealized gains and losses resulting from translation are included in the statement of income.

11. Guarantee facility

The Parent has provided a guarantee of $10,000 to Royal Bank of Canada, securing the credit facilities that it may extend to the Bank.

12. Estimated fair value of financial instruments

The estimated fair values of assets and liabilities approximate their book values except investment securities and loans where general and specific provision is created based upon management's best estimate.

ICICI Bank

ICICI Prudential Life Insurance Co. Ltd

"Part I" of "Annexure J"

Statement of Profits- Shareholders

(Rs. in thousands)

	For the year ended March 31,					Six month period ended September 30, 2005
	2001	**2002**	**2003**	**2004**	**2005**	**(Unaudited)**
Amount transferred to:						
Policyholders' Account (Technical) Participating	-	927,171	706,428	464,766	-	-
Policyholders' Account (Technical) Non-Participating	-	124,697	30,027	93,396	3,630	(13,073)
Policyholders' Account (Technical) Annuities Participating	-	175,169	221,272	92,378	-	25,456
Policyholders' Account (Technical) Linked	-	14,769	362,573	1,292,142	1,698,927	1,221,332
Policyholders' Account (Technical) Linked Pension	-	-	263,484	425,064	630,917	133,029
(A)	**-**	**1,241,806**	**1,583,784**	**2,367,746**	**2,333,474**	**1,366,744**
Income from investments						
(a) Interest/Dividend [Gross]	61,330	107,292	62,019	97,455	96,303	57,040
(b) Profit on sale of investments (net)	4,622	112,347	57,172	45,941	15,657	17,540
(c) Transfer / gain on revaluation / change in fair value	-	-	-	89	451	-
Fees for professional services	1,000	1,011	1,397	1,098	1,002	-
Other income	-	58	19	-	53	1,088
(B)	**66,952**	**220,708**	**120,607**	**144,583**	**113,466**	**75,668**
Operating Expenses						
Employees' remunerations and welfare benefits	7,662	2,974	1,648	2,334	668	552
Travel, conveyance and vehicle running expenses	2,876	341	49	70	13	9
Sales promotion	14,625	692	4,543	10,151	10	-
Rents, rates and taxes	5,983	5	-	-	-	-
Legal and professional charges	1,504	6,057	22	560	364	-
Sale/write off of fixed assets	-	-	802	829	-	-
Others	1,506	861	1,527	1,851	3,001	473
Depreciation	717	142	47	61	31	8
Preliminary expenses written off	29,820	-	-	-	-	-
(C)	**64,693**	**11,072**	**8,638**	**15,856**	**4,087**	**1,042**
Profit/(loss) before tax						
(B-A-C)	**2,259**	**(1,032,170)**	**(1,471,815)**	**(2,239,019)**	**(2,224,095)**	**(1,292,118)**
Less: Provision for taxation						
(a) Current tax expense	-	-	-	-	-	-
(b) Deferred tax income	-	(18,811)	-	23,336	107,885	-
	-	(18,811)	-	23,336	107,885	-

(Rs. in thousands)

	For the year ended March 31,					Six month period ended September 30, 2005
	2001	2002	2003	2004	2005	(Unaudited)
Profit / (loss) after tax	**2,259**	**(1,050,981)**	**(1,471,815)**	**(2,215,683)**	**(2,116,210)**	**(1,292,118)**
Extent of interest so far as it concerns members of erstwhile ICICI Ltd upto March 29, 2002 and ICICI Bank thereafter, the holding company, in the Capital of the Subsidiary	74%	74%	74%	74%	74%	74%
Amount of profit so far as it concerns the members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank, the holding company thereafter.	**1,672**	**(777,726)**	**(1,089,143)**	**(1,639,605)**	**(1,565,995)**	**(956,167)**

Notes:

1. The Company was incorporated on July 20, 2000.
2. Consequent upon Accounting Standard 22 "Accounting for Taxes on Income" becoming mandatory effective April 1, 2001, the deferred tax on timing differences has been recognised during the year ended March 31, 2002.The deferred tax adjustments for the year ended March 31, 2001 has not been determined and consequently no adjustments have been carried out in the "Statement of Profits" shown above.
3. Till the year ended March 31, 2002 the company capitalized all improvements to software applications. However in view of the rapid advancement in technology and faster obsolescence the Company has changed the policy, in year ended March 31, 2003, of capitalization and only significant improvements to software are capitalized with the insignificant improvements being charged off as software expenses. Had the company followed previous year's accounting policy the net deficit for the year ended March 31, 2003 would have been lower by Rs.1.45 million and the net block of fixed assets as at March 31, 2003 would have been higher by Rs.1.45 million. The effect of the same for each of the year ended March 31, 2001 and 2002 has not been determined and consequently, no adjustments have been carried out in the "Statement of Profits" shown above.
4. During the year ended March 31, 2003 the company has changed its accounting policy for provision of leave encashment from arithmetical basis to actuarial basis. The impact on account of change in accounting policy is an additional liability of Rs.0.48 million. The effect of the same for each of the year ended March 31, 2001 and 2002 has not been determined and consequently, no adjustments have been carried out in the "Statement of Profits" shown above.

ICICI Bank

ICICI Prudential Life Insurance Co. Ltd

"Part II" of "Annexure J"

Statement of Assets and Liabilities

(Rs. in thousands)

	As on September 30, 2005 (Unaudited)
Assets:	
Investments	12,354,333
Asset held for linked business	39,726,270
Fixed assets (including capital WIP)	609,878
Loans	10,128
Cash & bank balances	1,821,446
Advances & other assets	587,311
Deferred tax asset	107,885
	55,217,251
Current liabilities & provisions	3,268,877
Policyholders' Funds:	
Policy Liabilities	
- Participating business	5,691,657
- Non-participating business	1,259,668
- Annuities participating	1,880,301
- Linked	233,956
- Linked pension	103,372
- Linked group gratuity	1,004
Insurance Reserves :	
-Provision for linked liabilities	39,726,270
	52,165,105
Net worth	**3,052,146**
Represented By:	
(A) Share Capital:	
1,085,000,000 Equity Shares of Rs 10/- each fully paid-up	10,850,000
Of the above 802,899,993 Equity Shares of Rs.10/- each are held by ICICI Bank Ltd. (The Holding Company) and 7 shares through its nominees	
Credit/(Debit) Fair value Change Account- net	
(B) Reserves and Surplus :	
Profit and Loss account	(8,149,084)
Fund for future appropriation	351,230
	3,052,146
Net Assets so far as it concerns the members of ICICI Bank, the holding company and its nominees. (74%)	**2,258,588**

1. Contingent Liabilities

Contingent Liabilities at March 31, 2005: Rs. Nil (March 2004: Rs. Nil)

2. Actuarial method and assumptions

The actuarial valuation liability on both participating and non-participating policies is calculated using the gross premium method.

The gross premium reserves are calculated using assumptions for interest, mortality, expense, and inflation and in the case of participating policies, the future bonuses together with allowance for taxation and allocation of profits to shareholders. These assumptions are determined as prudent estimates at the date of valuation with allowances for adverse deviations.

For the participating policies and non participating term insurance policies, the interest rates used for valuation are in the range of 4% to 7% per annum (Previous year - 4 to 6 % per annum). For non participating single premium investment policies which are maintained as a hedged portfolio, the interest rates used for valuation range from 4.7 % to 10% per annum (Previous year – 4.7% to 10% per annum).

The valuation has been carried out without assuming lapses or policies becoming paid up. Mortality rates used are based on the published L.I.C. (1994 – 96) Ultimate Mortality Table, adjusted to reflect expected experience and allowances for adverse deviation. The method of unearned premium for the unexpired portion of the risk has been adopted for the general fund liabilities of linked business and riders there under, and one year renewable group term insurance.

The unit liability in respect of linked business has been valued on the basis of the units, to the credit of policyholders, as on the valuation date. The adequacy of charges under unit-linked policies to meet future expenses has been tested and provision has been made as appropriate. Provision has also been made for the cost of guarantee under unit-linked products that carry a guarantee.

3. Encumbrances on assets

The assets of the company are free from all encumbrances as at March 31, 2005 (Previous year: Rs. Nil).

4. Capital Commitments

Commitments made and outstanding for loans and investment as at March 31, 2005 is Rs. Nil. (Previous year: Rs. Nil).

Estimated amount of contracts remaining to be executed on fixed assets to the extent not provided for (net of advance) as at March 31, 2005 is Rs. 3,596 thousand (Previous year Rs. 25,145 thousand).

5. Claims

Claims settled and remaining unpaid, pending receipt of succession certificates, for a period of more than six months as at March 31, 2005 amount to Rs. 2,512 thousand (Previous year: Rs. Nil).

6. Taxation

Deferred tax assets and liabilities are determined as the tax effect of timing differences at the substantially effected tax rates. The effect on deferred tax assets and liabilities of the change in tax rates is recognised in the profit and loss account in the year of change. Deferred tax asset are recognised subject to Management's consideration of prudence in respect of their realisabilities.

Deferred tax asset as at March 31, 2005 of Rs. 107,885 thousand represents asset on carry forward unabsorbed losses (Previous year: Rs. Nil).

Significant Accounting Policies:

1. Background

ICICI Prudential Life Insurance Company Limited ('the Company') was incorporated on July 20, 2000 as a company under the Companies Act, 1956. The Company is registered with the Insurance Regulatory and Development Authority ('IRDA') and is in the business of underwriting life insurance policies.

The Company's life insurance business comprises of individual life & group business, including participating, non-participating, annuities, pension products and linked policies. Some of these policies have riders attached to them such as Accident and Disability Benefit, Level Term, Critical Illness and Major Surgical Assistance.

2. Summary of significant accounting policies

2.1 Basis of preparation

The accompanying financial statements have been prepared under the historical cost convention, on the accrual basis of accounting, in compliance with the accounting standards issued by the Institute of Chartered Accountants of India ('ICAI'), to the extent applicable, and in accordance with the provisions of the Insurance Act, 1938, Insurance Regulatory and Development Authority Act, 1999, and the regulations framed thereunder and the Act to the extent applicable and the practices prevailing within the insurance industry in India.

2.2 Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities as on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Revenue recognition

2.3.1 Premium income

Premium is recognised as income when due. Premium on lapsed policies is recognised as income when such policies are reinstated. For linked business, premium income is recognized when the associated units are allotted.

2.3.2 Income from Linked Fund

Income from linked funds, which includes, fund management charges, administrative charges, mortality charges, etc are recovered from the linked fund in accordance with terms and conditions of policy and are accounted on accrual basis.

2.3.3 Income earned on investments

Interest income on investments is recognised on an accrual basis. Accretion of discount and amortisation of premium relating to debt securities is recognised over the holding/maturity period on a straight line basis.

Dividend income is recognised when the right to receive dividend is established.

Realised gain / loss on debt securities for other than linked business is the difference between the sale consideration and the amortised cost, which is computed on a weighted average basis, as on the date of sale.

In case of listed equity shares / mutual funds units, the profit or loss on actual sale of investment includes the accumulated changes in the fair value previously recognised under "Fair Value Change Account".

Realised gain / loss on debt securities for linked business is the difference between the sale consideration and the book value, which is computed on weighted average basis, as on the date of sale. Sale consideration for the purpose of realised gain / loss is net of brokerage and taxes, if any, and excludes interest received on sales.

2.3.4 Income earned on loans

Interest income on loans is recognized on an accrual basis.

2.3.5 Income from operating Leases

Leases where the lessor, effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease rentals are recognized as an income when due.

2.4 Reinsurance premium

Reinsurance premium ceded is accounted in accordance with the treaty or in-principle arrangement with the reinsurer.

2.5 Benefits Paid (Including Claims)

Claims other than maturity claims are accounted for on receipt of intimation. Maturity claims are accounted when due for payment. Reinsurance recoveries on such claims are accounted for, in the same period as the related claims. Withdrawals under linked policies are accounted in the respective schemes.

2.6 Acquisition Costs

Acquisition costs are costs that vary, with and are primarily related to the acquisition of new and renewal insurance contracts. Such costs are expensed in the year in which they are incurred.

2.7 Liability for life policies in force

Liability for life policies in force and also policies in respect of which premium has been discontinued but a liability exists, is

determined by the Appointed Actuary on the basis of an annual review of the life insurance business, as per the gross premium method in accordance with accepted actuarial practice, requirements of the IRDA and the Actuarial Society of India. The linked policies sold by the Company carry two types of liabilities – unit liability representing the fund value of policies and non-unit liability for future expenses, meeting death claims, income taxes and cost of any guarantees.

2.8 Investments

Investments are recorded at cost on the date of purchase, which includes brokerage, if any and excludes interest paid on purchases.

2.8.1 Classification

Investments maturing within twelve months from the balance sheet date and investments made with the specific intention to dispose off within twelve months from the balance sheet date are classified as short-term.

Investments other than short term are classified as long-term investments.

2.8.2 Valuation – shareholders' investments and non-linked policyholders' investments

All debt securities are considered as 'held to maturity' and accordingly stated at historical cost, subject to amortisation of premium or accretion of discount in the revenue account or the profit and loss account over the period of maturity/holding on a straight line basis.

Listed equity shares as at the balance sheet date are stated at fair value being the last quoted closing price on the National Stock Exchange ('NSE'). Mutual fund units as at the balance sheet date are valued at the previous day's net asset values. Equity shares awaiting listing are stated at historical cost subject to provision for diminution, if any, in the value of such investment determined separately for each individual investment.

Unrealised gains/ losses arising due to changes in the fair value of listed equity shares and mutual fund units are taken to "Fair Value Change Account" and carried forward in the balance sheet.

Investment in real estate is valued at historical cost, subject to provision for impairment, if any. Revaluation of investment in real estate is done at least once in every three years.

2.8.3 Valuation-linked business

Government securities are valued at prices obtained from Credit Rating Information Services of India Ltd. ('CRISIL'). Government securities issued by various State Governments of India are valued at historical cost, subject to amortisation of premium or accretion of discount in the revenue account of linked funds over the period of maturity/holding on a straight-line basis. Debt securities other than Government securities are valued on the basis of CRISIL Bond Valuer.

Listed equity shares are valued at fair value, being the last quoted closing price on the NSE. Mutual fund units are valued at the previous day's net asset values.

Unrealized gains and losses are recognized in the scheme's revenue account.

2.8.4 Transfer of investments

Transfer of investments from Shareholder's Fund to the Policyholder's Fund is at cost or market price; whichever is lower, except for Policyholder's fund where fund size does not exceed Rs.500 million. Such transfers are carried out at market price.

Prior to receipt of circular dated October 29, 2003 on "Transfer of funds by life insurance companies" issued by IRDA, such transfers were carried out at market value. The change in accounting policy did not have material impact on the financial statements for the financial year ended March 31, 2004.

Inter fund transfer of investments between unit linked funds is done at market price.

Until the previous year, transfer of debt securities was made at net amortised cost, in the current year as per circular issued by IRDA, such transfer of debt securities have been effected at lower of amortised cost and market price.

2.9 Loans

Loans are stated at historical cost, subject to provision for impairment.

2.10 Fixed assets, Intangibles and impairment

2.10.1 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes the purchase price and any cost directly attributable to bringing the asset to its working condition for its intended use. Assets costing upto Rs 20,000 (Rupees twenty thousand) are fully depreciated in the year of acquisition. The rates of depreciation prescribed under the Act are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition or of the remaining life on a subsequent review is shorter than that envisaged as per the Act, depreciation is provided at a higher rate based on Management's estimate of the useful life or remaining useful life. Pursuant to this policy, depreciation is provided on straight-line method ('SLM') prorated from the date of acquisition / upto the date of sale, based on estimated useful life for each class of asset, as stated below:

Asset	Estimated useful life
Leasehold improvements	Renewable period of respective leases, subject to a maximum of 9 years.
Communication networks and servers	4 years
Computers and peripheral equipments	3 years
Office equipment	4 years
Furniture and fixtures	4 years

2.10.2 Intangibles

Intangible assets comprising of software are stated at cost less amortization. Significant improvements to software are capitalized with the insignificant improvements being charged off as software expenses. Software expenses are amortized on straight-line method over a period of three years from the date of put to use, being the Management's estimate of the useful life of such intangibles.

2.10.3 Impairment of assets

Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above.

2.11 Accounting for leases

Operating leases

Leases where the lessor, effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease rentals are recognized as an income/expense, as applicable, over the lease period.

2.12 Staff benefits

The Company has incorporated a Provident Fund trust. The contribution to which is under defined contribution plan. Company's liability towards the same is at the rate specified in the trust deed and is charged to the revenue account and profit & loss account.

The Company has incorporated a gratuity trust. The trust has taken a group policy from the Company to cover the liability towards gratuity. The Company's liability towards gratuity - a defined benefit plan, is accounted for on the basis of an independent actuarial valuation done at the year end and is charged to the revenue account and the profit & loss account.

The Company's liability towards leave encashment benefits is accounted for on the basis of an independent actuarial valuation done at the year end and is charged to the revenue account and the profit & loss account.

2.13 Foreign exchange transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing at the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognised in the revenue account or the profit and loss account. Current assets and liabilities in foreign currency, if any, are translated at the year-end closing rates. The resulting exchange gain or loss, if any, is reflected in the revenue account or the profit and loss account.

2.14 Segment Reporting Policies

The segmental information has been disclosed based on the primary segment identified under the IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002 ('the Regulations').

There are no reportable geographical segments, since all policies are written in India.

Allocation of expenses

Operating expenses relating to insurance business are allocated to specific business segments in the following manner, which is applied on a consistent basis:

Expenses that are directly identifiable to the segment are allocated on actual basis.

Depreciation and amortisation are allocated on weighted annualized first year premium income.

Other expenses, that are not directly identifiable, are allocated on either of the following basis:

- Number of policies;
- Weighted annualized first year premium income;
- Sum assured;
- Total premium income; and
- Medical cases
- Custody charges and other investment management expenses are allocated to policyholders and shareholders on the basis of funds under management.

The method of allocation has been decided based on the nature of the expense and its logical co-relation with various business segments.

2.15 Taxation

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably or virtually certain to be realized.

2.16 Contingencies

The Company creates a provision for claims (other than insurance claims), litigation, assessment, fines, penalties, etc when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.17 Service tax un-utilized credit

Service tax on risk premium has been introduced effective September 10, 2004. Service tax paid on taxable services received is recognized as service tax unutilized credit for future set-off. Corresponding provision is created based on estimated realization of the un-utilized credit.

2.18 Employee Stock Option Scheme ("ESOS")

The Company has formulated an Employee Stock Option Scheme ("the Scheme"). The Scheme provides that eligible employees are granted options to acquire equity shares of the Company that vests in graded manner. The options may be exercised within a specified period. The Company follows the intrinsic value method for computing the compensation cost, if any, for all options granted.

3. Investments

The investments are effected from the respective funds of the policyholders and shareholders and income thereon has been accounted accordingly.

ICICI Bank

ICICI Lombard General Insurance Co. Ltd

"Part I" of "Annexure K"

Statement of Profits

(Rs. in thousands)

	For the year ended March 31,					Six month period ended September 30, 2005 (Unaudited)
	2001	2002	2003	2004	2005	
Operating profit/(loss)						
Fire insurance	-	(571)	(47,099)	383,131	523,534	296,488
Marine insurance	-	(3)	(14,395)	(70,244)	(81,873)	(62,233)
Miscellaneous insurance	-	(130,120)	(8,921)	(43,007)	(177,344)	(10,826)
Income from investments						
Interest & dividend [gross]	-	51,996	88,825	119,904	116,568	72,269
Profit /(loss) on sale of investments (net)	-	643	27,239	46,251	159,583	57,016
Interest	-	14	-	-	-	-
Other income	-	-	479	408	767	10
Total income	**-**	**(78,041)**	**46,128**	**436,441**	**541,235**	**352,724**
Less: Other expenses						
Expenses other than those related to insurance business						
Employees' remunerations and welfare benefits	4,503	12,595	2,654	2,193	1,915	1,683
Travel, conveyance and vehicle running expenses	1,297	3,065	-	-	-	-
Training expenses	1,204	1,574	-	-	-	-
Rents, rates and taxes	2,089	9,704	-	-	-	-
Legal and professional charges	1,093	2,196	-	-	-	-
Others	1,822	2,538	63	90	602	363
Preliminary expenses written off	653	1,558	1,558	4,020	-	-
Share issue expenses	-	-	-	7,700	-	-
Total expenses	**12,661**	**33,230**	**4,275**	**14,003**	**2,517**	**2,046**
Profit / (loss) before tax	**(12,661)**	**(111,271)**	**41,853**	**422,438**	**538,718**	**350,678**
Less: Provision for taxation						
(a) Current tax expense	-	2,750	3,600	111,000	54,500	102,100
(b) Deferred tax income	-	(29,200)	5,273	(6,400)	750	(49,900)
(c) Fringe benefit tax	-	-	-	-	-	10,000
	-	(26,450)	8,873	104,600	55,250	62,200
Profit/ (loss) after tax	(12,661)	(84,821)	32,980	317,838	483,468	288,478
Extent of interest so far as it concerns members of erstwhile ICICI Ltd., upto March 29, 2002 and ICICI Bank thereafter, the holding company, in the capital of the subsidiary	100%	74%	74%	74%	74%	74%
Amount of profit so far as it concerns the members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank, the holding company thereafter.	**(12,661)**	**(62,768)**	**24,405**	**235,201**	**357,766**	**213,474**

Notes :

1. The company was incorporated on October 30, 2000.

2. During the year ended March 31, 2003, the company had changed its accounting policy relating to recognition of reinsurance commission income. In the earlier year, the Company used to recognise commission income upfront on cession of reinsurance business. Consequent to the change in accounting policy, the commission income, transfer to shareholders account are lower by Rs. 182,500 thousands, operating loss is higher by Rs. 182,500 thousands, profit before taxes is lower by Rs. 182,500 thousands. The effect of the same for each of the year ended March 31, 2001 and 2002 has not been determined and consequently, no adjustments have been carried out in the Statement of Profits shown above.

3. During the year ended March 31, 2004, the company has changed its accounting policy for preliminary expenses. Preliminary expenses to the extent not written off have been fully written off as compared to the earlier policy of being amortized over a period of five years, resulting in preliminary expenses to the extent not written off and profit for the year before tax being lower by Rs. 2,462 thousand. The effect of the same for each of the year ended March 31, 2001, 2002 and 2003 has not been determined and consequently, no adjustments have been carried out in the Statement of Profits shown above.

4. During the year ended March 31,2004, the company has changed its accounting policy relating to reinsurance commission income. In the previous year, the company recognized commission on reinsurance ceded over the contract period. Had the company continued to follow the accounting policy followed in the previous year, the commission income, transfer to shareholders' account, operating profit, profit before tax would have been lower by Rs. 335,936 thousand and unearned commission would have been higher by Rs. 335,936 thousand. The effect of the same for each of the year ended March 31, 2001, 2002 and 2003 has not been determined and consequently, no adjustments have been carried out in the Statement of Profits shown above.

5. During the year ended March 31, 2004, the company has changed its accounting policy for leave encashment. Leave encashment liability has been provided for on the basis of actual leave balance as at the year-end as against the earlier policy of being provided for on the basis of actuarial valuation. The impact of the change is presently not quantifiable, but in the opinion of the management, it is not expected to be material. The effect of the same for each of the year ended March 31, 2001, 2002 and 2003 has not been determined and consequently no adjustments have been carried out in the Statement of Profits shown above.

6. During the year ended March 31, 2005, the company has changed its accounting policy relating to depreciation on computer software acquired on or after April 1, 2004. In the previous period, depreciation on computer software was provided @ 20 percent except for expenditure less than Rs. 500,000 which were fully depreciated in the year in which incurred. Had the company continued to follow the accounting policy followed in previous period, the amount transferred to shareholder's account, operating profit, profit before tax and net block of fixed assets would have been lower by Rs. 20,030 thousand and accumulated depreciation would have been higher by Rs. 20,030 thousand. The effect on the earlier years, however cannot be determined.

ICICI Bank

ICICI Lombard General Insurance Co. Ltd

"Part II" of "Annexure K"

Statement of Assets and Liabilities

(Rs. in thousands)

	As on September 30, 2005 (Unaudited)
Assets:	
Investments	6,997,635
Fixed assets	398,525
Deferred tax asset	84,150
Cash and bank balances	364,545
Advances and other assets	5,035,186
	12,880,041
Less: Current liabilities & provisions	9,878,400
	3,001,641
Represented by:	
(A) Share Capital:	
220,000,000 equity shares of Rs.10/- each fully paid-up	2,200,000
Of the above 162,799,300 equity shares of Rs.10/- each are held by ICICI Bank Ltd. (the holding company) and 700 shares through its nominees	
(B) Reserves and Surplus:	
Profit and loss account	457,091
Fair value change account	344,550
	3,001,641
Net Assets so far as it concerns the members of ICICI Bank Ltd, the holding company and its nominees (74.00%)	**2,221,214**

Notes :

1. Contingent liabilities at September 30, 2005 is Rs. Nil (March 31, 2005: Rs. Nil).
2. The assets of the Company are free from all encumbrances.
3. Estimated amount of commitments pertaining to contracts remaining to be executed on fixed assets (net of advances) is Rs. 6,391 thousands (March 31, 2005: Rs. 24,296 thousands).
4. Claims

   Claims, less reinsurance, paid to claimants in / outside India are as under:

(Rs. in thousands)

	Six month period ended September 30, 2005
In India	1,245,669
Outside India	Nil

The company does not have any liability relating to claims, where the claim payment period exceeds four years.

Ageing of claims

Ageing of claims is as set out below:

(Rs. in thousands)

	As on September 30, 2005
More than six months	792,272
Others	3,345,307

Claims settled and remaining unpaid for more than six months is Rs. Nil (March 31, 2005: Rs. Nil).

Significant Accounting Policies:

1. Background

ICICI Lombard General Insurance Company Limited ('the Company') was incorporated on October 30, 2000. The company obtained regulatory approval to undertake General Insurance business on August 3, 2001 from the Insurance Regulatory and Development Authority ('IRDA').

2. Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting, and comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India ('ICAI'), and in accordance with the provisions of the Insurance Act, 1938, Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies Regulations), 2002 ('the Regulations') and orders / directions issued by the IRDA in this behalf , the Companies Act, 1956 to the extent applicable in the manner so required and current practices prevailing within the insurance industry in India.

3. Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

4. Revenue recognition

Premium income

Premium earned is recognised as income over the period of risk or the contract period based on 1/365 method, whichever is appropriate on a gross basis net of service tax. Any subsequent revision to premium is recognised over the remaining period of risk or contract period.

Adjustments to premium income arising on cancellation of policies are recognised in the period in which it is cancelled.

Income from reinsurance business

Commission on reinsurance business is recognised as income in the year of ceding the risk.

Profit commission under re-insurance treaties is recognised as income in the period of determination of profits.

Income earned on investments

Interest income on investments is recognised on an accrual basis. Accretion of discount and amortisation of premium relating to debt securities is recognised over the holding/maturity period on a straight-line basis.

Dividend income is recognised when the right to receive dividend is established.

Realised gain / loss on securities, which is the difference between the sale consideration and the carrying value in the books of the Company is recognised on the trade date. In determining the realised gain / loss, cost of securities is arrived at on 'Weighted average cost' basis. However in case of listed equity shares and mutual fund units the profit or loss also includes the accumulated changes in the fair value previously recognised in the Fair Value Change Account in respect of the particular security, which is transferred to the profit and loss account on the trade date.

5. Premium received in Advance

This represents premium received during the period, where the risk commences subsequent to the balance sheet date.

6. Reinsurance premium

Insurance premium on ceding of the risk is recognised in the period in which the risk commences. Any subsequent revision to premium ceded is recognised in the period of such revision. Adjustment to reinsurance premium arising on cancellation of policies is recognised in the period in which it is cancelled.

7. Reserve for unexpired risk

Reserve for unexpired risk is recognised net of reinsurance ceded and represents premium written that is attributable and to be allocated to succeeding accounting periods for risks to be borne by the Company under contractual obligations on a contract period basis or risk period basis, whichever is appropriate. It is calculated on a daily pro-rata basis subject to a minimum of 50% of the premium, written during the twelve months preceding the balance sheet date for fire, marine cargo and miscellaneous business and 100% for marine hull business, in accordance with Section 64 V (1) (ii) (b) of the Insurance Act, 1938.

8. Claims

Claims incurred comprise claims paid, estimated liability for outstanding claims made following a loss occurrence reported and estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER'). Further, claims incurred also include specific claim settlement costs such as survey / legal fees and other directly attributable costs.

Claims (net of amounts receivable from reinsurers/coinsurers) are recognised on the date of intimation of the loss.

Estimated liability for outstanding claims at balance sheet date is recorded net of claims recoverable from/payable to co-insurers/ reinsurers and salvage to the extent there is certainty of realisation. Estimated liability for outstanding claims is determined by management on the basis of ultimate amounts likely to be paid on each claim based on past experience. These estimates are progressively revalidated on availability of further information.

IBNR represents that amount of claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims IBNER. Estimated liability for claims IBNR and claims IBNER is based on internal estimates by the management.

9. Acquisition Costs

Acquisition costs are those costs that vary with, and are primarily costs related to the acquisition of new and renewal insurance contracts viz. commission, policy issue expenses, etc. These costs are expensed in the period in which they are incurred.

10. Premium deficiency

Premium deficiency is recognised when the sum of expected claim costs and related expenses exceed the reserve for unexpired risks and is computed at a business segment level. The adjustment for premium deficiency would be done at the end of the financial year.

11. Investments

Investments are recorded at cost on trade date and include brokerage, transfer charges, stamps etc, if any, and excludes interest accrued up to the date of purchase.

Classification

Investments maturing within 12 months from balance sheet date and investments made with the specific intention to dispose off within twelve months are classified as 'short term investments'.

Investments other than 'short term investments' are classified as 'long term investments'.

Valuation

In accordance with the Regulations, investments are valued as follows:

Debt securities

All debt securities including government securities are considered as 'held to maturity' and accordingly stated at historical cost subject to amortization of premium or accretion of discount on a straight line basis over the holding/maturity period.

Equity shares

Listed equity shares as at the balance sheet date are stated at fair value, being the lowest of last quoted closing price on the National Stock Exchange or The Stock Exchange, Mumbai.

Mutual fund units

Mutual fund investments are stated at fair value, being the closing net asset value as at balance sheet date.

In accordance with the Regulations, unrealized gain / loss arising due to changes in fair value of listed equity shares and mutual fund investments are not taken to profit and loss account but are taken to the Fair value change account. This balance in the fair value change account is not available for distribution, pending realisation.

12. Fixed assets and Intangibles

Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes the purchase price and any cost directly attributable to bringing the asset to its working condition for its intended use.

Depreciation on assets added/disposed off during the period is provided on pro rata basis with reference to the month of additions / deductions.

Depreciation is provided on a straight-line basis, pro-rata for the period of use at the rates prescribed in Schedule XIV to the Companies Act, 1956 except in the case set out below where depreciation is provided at a rate higher than those prescribed under Schedule XIV to the Companies Act, 1956.

Depreciation on information technology equipment is provided @ 25 percent.

Intangibles

Intangible assets comprising computer software are stated at cost less amortisation. Computer software including improvements are amortised over a period of five years, being the management's estimate of the useful life of such intangibles.

All assets including intangibles individually costing less than Rs. 5,000 are fully depreciated/amortised in the period in which acquired.

Impairment of assets

The company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is charged to profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

13. Retirement benefits

Provident fund

This is a defined contribution scheme and contributions payable to the Regional Provident Fund Authority is provided on the basis of specified percentage of salary and is charged to Profit and Loss account and Revenue account(s).

Gratuity

Gratuity, which is a defined benefit scheme is provided on the basis of actuarial valuation at year-end and is charged to Profit and Loss account and Revenue account(s).

Basis of allocation

Retirement benefit expense is allocated to profit and loss account and revenue account(s) on the basis as explained in paragraph 19.

14. Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the rates prevailing on the date of the transaction. Foreign exchange denominated current assets and liabilities, are translated at the rates prevalent at the date of the Balance Sheet. The resultant gains/ losses are recognised in the Profit and Loss Account and Revenue Account(s).

15. Taxation

Current tax

The company provides for income tax on the basis of estimated taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the accounting income as per the company's financial statements and the taxable income for the period.

Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets.

Deferred tax assets are reviewed as at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/ virtually certain to be realised.

16. Contingencies

Contingent losses arising from claims other than insurance claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

A disclosure for a contingent liability other than those under policies is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

17. Premium

Premium, less reinsurance, written from business in/outside India is given below:

(Rs. in thousands)

Particulars	Six month period ended September 30, 2005
In India	3,144,773
Outside India	Nil

18. Investments

Value of contracts in relation to investments for:

Purchases where deliveries are pending Rs. 48,725 thousand (Previous year Rs. 62,251 thousand); and

Sales where payments are overdue Rs. Nil (Previous year Rs. Nil).

Historical cost of investments that are valued on fair value basis is Rs. 1,969,237 thousand (Previous year Rs. 623,041 thousand).

All investments are made in accordance with the Insurance Act, 1938 and Insurance Regulatory and Development Authority (Investment) Regulations, 2000 and are performing investments.

The investments as at the quarter end have not been allocated into policyholders and shareholders, as the same are not earmarked separately.

The company does not have any investment property as at September 30, 2005 (Previous year: Rs. Nil).

19. Allocation of income and expenses

Allocation of investment income

Investment income has been allocated between revenue account(s) and profit and loss account on the basis of the ratio of average policyholders funds to average shareholders funds respectively, average being the balance at the beginning of the quarter and that at the end of the quarter.

Further, investment income across segments within the revenue account(s) has also been allocated on the basis of segment-wise policyholders funds.

Allocation of expenses

Operating expenses relating to insurance business are allocated to specific classes of business on the following basis:

Expenses that are directly identifiable to a business class are allocated on actuals.

Other expenses, that are not directly identifiable, are broadly allocated on the basis of gross written premium earned in each business class.

Depreciation expenditure has been allocated on the assessment that the use of assets is proportionate to gross written premium of the respective segments.

20. An amount of Rs. 23,809 thousand (Previous year: Rs. 16,822 thousand) collected towards Environment Relief fund under Public Liability policies has been disclosed under current liabilities and the same is invested in Government Securities.

ICICI Bank

ICICI Venture Funds Management Company Limited

"Part I" of "Annexure L"

Statement of Profits

(Rs. in million)

	For the year ended March 31,					Six month period ended September 30,2005 (Unaudited)
	2001	2002	2003	2004	2005	
Income:						
Income from operations	344.2	188.4	338.2	1,041.3	676.3	502.7
Profit on sale of investments	-	12.4	14.5	19.6	20.7	17.2
Provision for doubtful debts, advances & expenses written back	16.3	1.5	0.7	1.1	-	-
Profit on sale of asset (net)	-	-	0.2	-	29.0	-
Other income	3.1	0.8	3.0	5.1	19.8	13.7
Total Income	**363.6**	**203.1**	**356.6**	**1,067.1**	**745.8**	**533.6**
Less: Expenditure:						
Cost of sales of securities held as stock-in-trade	49.3	-	-	592.0	13.3	-
Staff expenses	31.0	45.5	62.2	65.4	84.6	54.8
Establishment expenses	10.3	18.8	20.9	28.3	28.0	16.0
Other expenses	64.7	35.9	75.5	55.4	104.0	59.8
Provision for contingencies	10.0	-	-	-	-	-
Depreciation	13.6	13.4	12.3	12.1	14.8	7.7
Total expenses	**178.9**	**113.6**	**170.9**	**753.2**	**244.7**	**138.3**
Profit before taxation	**184.7**	**89.5**	**185.7**	**313.9**	**501.1**	**395.3**
Less: Provision for taxation	80.2	30.0	65.2	52.5	185.0	120.0
Fringe benefit tax	-	-	-	-	-	2.5
Deferred tax	-	3.7	(4.5)	1.7	(7.9)	(1.1)
Profit after taxation	**104.5**	**55.8**	**125.0**	**259.7**	**324.0**	**273.9**
Extent of interest so far as it concerns members of erstwhile ICICI Ltd upto March 29, 2002 and ICICI Bank thereafter, the holding company, in the capital of the subsidiary	99.99%	99.99%	99.99%	99.99%	99.99%	100%
Amount of profit so far as it concerns the members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank, the holding company thereafter.	**104.5**	**55.8**	**125.0**	**259.7**	**324.0**	**273.9**

Note :

1. Consequent upon Accounting Standard 22 'Accounting for Taxes on Income becoming mandatory effective April 1, 2001, the deferred tax on timing differences has been recognized during the year ended March 31, 2002. The deferred tax adjustments for the year ended March 31, 2001 has not been determined and consequently no adjustments have been carried out in the 'Statement of Profits' shown above.

ICICI Venture Funds Management Company Limited

"Part II" of "Annexure L"

Statement of Assets and Liabilities

(Rs. in million)

	As on September 30, 2005 (Unaudited)
Assets:	
Fixed assets (net of depreciation)	85.0
Investments	255.6
Current assets & advances	351.2
Less: Liabilities	
Loan funds	11.4
Current liabilities and provisions	245.8
Deferred tax liability	9.9
Net worth	**424.7**
Represented by :	
Share capital :	
2,343,827 equity shares of Rs.10/- each fully paid-up	
(Of the above 2,343,821 shares have been subscribed by ICICI Bank Limited-the holding company)	23.4
Reserves & surplus:	
Capital redemption reserve	7.8
General reserve	270.3
Surplus in profit & loss account	123.2
	424.7
Net Assets so far as it concerns the members of ICICI Bank Ltd., the holding company (100%)	**424.7**

Note :

1. The company had filed a petition in High Court of Karnataka for reduction of paid up capital by canceling 1,343,827 equity shares of Rs. 10 each and cancellation of General Reserve of upto Rs. 200.6 million. In its order dated August 29, 2005, Karnataka High Court has confirmed reduction of capital, by canceling 1,343,827 equity shares of Rs. 10 each and General Reserve aggregating to Rs. 200.6 million. Pending registration of the said order with Registrar of Companies, Karnataka, no effect has been given in the accounts in respect of the above order.

2. Provision for tax of Rs.118.9 million includes deferred tax amounting to Rs. (1.2) million.

Significant Accounting Policies

The following paragraphs describe the nature of operations, the basis of presentation and the main accounting policies adopted by the company.

1. Nature of Operations

The company is a public financial institution and provides venture capital assistance to a wide spectrum of industrial sectors. The assistance is extended through the Venture Funds and the Private Equity Funds managed/advised by the company. The accounts of these Funds are maintained separately and do not form part of the company's financial statements.

2. Basis of Presentation

ICICI Venture Funds Management Company Limited maintains the Books of Account in accordance with Section 209 of the Companies Act, 1956. The accounting and reporting policies of the company are in conformity with the provisions of the Companies Act, 1956 and the Accounting Standards issued by the Institute of Chartered Accountants of India. The company's assets and liabilities are principally recorded on the historical cost basis and the accrual method of accounting is followed, except where otherwise noted. The principal accounting policies followed are consistent with those followed in the previous year.

3. Income Recognition

i. As Fund Manager, the company is entitled to an annual management fee and a performance fee, which is contingent on the payouts to the Fund investors. In respect of the Private Equity Funds advised by the company, the company is entitled to an advisory fee. The annual management fee, performance fee and the advisory fee are recognized as revenue when they contractually accrue except where the management believes that the collectability is in doubt.

ii. Dividend income from investment in units of mutual fund is recognized on cash basis. Dividend from shares of corporate bodies is accrued when such dividend has been declared by the corporate body in its Annual General Meeting and the company's right to receive the dividend payment is established.

iii. Income on securities classified as stock-in-trade is recognised on trade date.

iv. Interest is recognised, except where collectability is in doubt, on time proportionate basis taking into account the amount outstanding and the interest rates implicit in the transaction. Revenue recognition on loans placed in non-accrual status is resumed and the suspended income is recognised when the investment becomes contractually current and incomes are actually realised.

v. No credit is taken for interest and other dues in respect of (a) decreed debts, (b) where suits have been filed, (c) where loans have been recalled and (d) where accounts are considered bad or doubtful.

4. Foreign Exchange Transactions

Transactions in foreign currency, to the extent not covered by forward contracts, are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign currency transactions are recognised as income or expense in the period in which they arise.

Monetary items (other than those relating to fixed assets) are restated at the rates prevailing at the year-end. The difference between the year-end rate and the exchange rate at the date of the transaction is recognised as income or expense in the profit and loss account.

5. Investments

Long-term Investments are carried at cost. Provision for diminution, if any, in the value of long-term investments is made to recognise a decline, which is not temporary. The said diminution is determined for each investment individually. Current Investments are stated at lower of cost or fair value.

6. Stock-in-trade

Units and securities held for trading purposes are classified as stock-in-trade. Stock-in-trade is stated at lower of cost or market value.

7. Leasing Business

Lease income is recognized on accrual basis, except where collectability is in doubt. In respect of assets leased, all of which were leased prior to Accounting Standard 19 – Leases, issued by the Institute of Chartered Accountants of India becoming mandatory, the company has followed the recommendations contained in the guidance note on Accounting for Leases issued by the Institute of Chartered Accountants of India. The corresponding assets are depreciated at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956.

8. Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation. Additions, major renewals and improvements are capitalized, while maintenance and repairs are expensed. Upon disposition, the net book value of assets is relieved and resultant gains and losses are reflected in the Profit and Loss Statement. The basis of depreciation is as follows:

a) In respect of leased assets (other than vehicles leased to third parties), depreciation is provided on straight-line method at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956.

b) In respect of all other assets, depreciation is provided on written-down value method at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956.

9. Employee Benefits

The company has a superannuation fund and a gratuity fund maintained and administered by Life Insurance Corporation of India to which transfers are made annually based on advises received from the Life Insurance Corporation of India. Additionally, the company also makes monthly contributions to the Employees Provident Fund Scheme managed by a trust constituted for the purpose and to the Family Pension Scheme administered by the Central Government. Contributions to retirement benefit schemes are booked under staff expenses. Provision for unutilised leave benefits has been made on the basis of management estimates.

10. Income Tax

Income tax comprises the current tax provision and the net change in the deferred tax asset or liability during the year.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of the assets and liabilities and their respective tax bases. Deferred tax assets are recognized subject to the management's judgment that realization is virtually certain.

Deferred tax assets and liabilities are measured using enacted tax rates applicable on the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the income statement in the period of enactment of the change.

11. Marketing & Distribution Expenses

Marketing & distribution expenses are incurred by the company towards securing & servicing the investors of fund. In consideration, the distributor renders service during fund raising period and investment period. Accordingly, expenses incurred are charged to Profit and Loss account over the relevant period.

ICICI Bank UK Limited

"Part I" of "Annexure M"

Statement of Profits

(US Dollars in thousands)

	Period from February 11, 2003 to March 31, 2004	Year ended March 31,2005	Six month period ended September 30,2005 (Unaudited)
Income			
Operating income	1,552	22,913	31,771
Less: Expenditure:			
Interest expended	187	9,447	18,239
Salaries and employee benefits	1,636	4,787	3,236
Other administrative expenses	1,976	5,839	3,622
Profit before tax	**(2,247)**	**2,840**	**6,674**
Less: Provision for income tax	-	570	2,140
Profit after tax	**(2,247)**	**2,270**	**4,534**
Extent of interest so far as it concerns members of ICICI Bank the holding company, in the capital of the subsidiary.	100%	100%	100%
Amount of profit so far as it concerns the members of ICICI Bank, the holding company.	**(2,247)**	**2,270**	**4,534**

ICICI Bank UK Limited

"Part II" of "Annexure M"

Statement of Assets and Liabilities

(US Dollars in thousands)

	As on September 30, 2005 (Unaudited)
Assets:	
Cash and cash equivalents	169,844
Fixed assets	2,951
Loans	689,255
Investments	202,359
Other assets	47,578
	1,111,987
Less:Liabilities:	
Borrowings	508,073
Deposits	417,509
Current liabilities and provisions	35,972
	961,554
Net worth	**150,433**
Represented By :	
(A) Share Capital	
100,000,000 Equity Shares of US dollar 1 each fully paid-up	100,000
50,000,000 Preference Shares	50,000
All the above equity shares are held by ICICI Bank Limited, the holding company and its nominees.	
(B) Reserves and Surplus :	
Profit & Loss Account	433
	150,433
Net Assets so far as it concerns the members of ICICI Bank Ltd, the holding company and its nominees. (100%)	**150,433**

Notes :

1. ICICI Bank UK Limited (ICICI Bank UK) was incorporated on February 11, 2003 as a 100% subsidiary of ICICI Bank Limited for banking operations in the United Kingdom. The Company was incorporated as a private company with the Registrar of Companies for England and Wales.

2. Fees and commissions receivable consist of non-refundable arrangement and other fees earned by the Company on credit facilities granted during the period. In accordance with the accounting policy, these fees have been recognised up-front.

3. As at September 30, 2005, there were no deferred tax assets in respect of general provision for bad and doubtful debts (March 31, 2005: USD 287,000 in respect of losses carried forward). The Directors have considered it prudent not to recognise these assets based on current profitability levels.

4. Contingent liabilities and commitments

(a) Other commitments

	September 30, 2005 USD in thousands
Commitments	
Undrawn formal standby facilities, credit lines and other commitments to lend	**29,456**
Contingent liabilities	
Guarantees and letters of credit	**21,687**

(b) Significant concentrations of contingent liabilities and commitments

Approximately 73% (March 31, 2005: 32%) of total contingent liabilities and commitments relate to counter parties in India.

5. Risk management

Through its banking services the company is exposed to a range of risks. The company's goal in risk management is to ensure that it understands, measures and monitors the various risks that arise and that the company adheres to the policies and procedures, which are established to address these issues. As a Bank, the company is primarily exposed to credit risk, interest rate risk, liquidity risk, foreign exchange risk and operational risk. Committees of the Board of Directors have been constituted to oversee risk management. Additionally, the Board of Directors has delegated authority to the Chief Executive Officer, who is assisted by executive management committees and a risk function, which is independent from the company's business operations. In turn, this is supplemented by internal audit.

Major risks

Credit risk

Credit risk arises principally on the lending activities of the company. Credit risk policies are applied by the Executive Credit Committee, which operates within the authority granted to it by the Board Risk and Credit Committee. Country and counterparty limits are established and monitored on a daily basis, with a detailed review at least once a year. Management receives regular reports on the utilisation of these limits.

Interest rate risk

Interest rate risk primarily arises on the mis-matching of the company's assets with its funding. This is monitored daily and is managed by the Asset and Liability Committee. Principal limits have been established for the company's assets and liabilities when allocated to time bands by reference to the next contractual repricing date.

Liquidity risk

Liquidity risk arises on the mis-matching of the residual maturity of the company's assets and funding. This is also monitored daily, and is managed by the Asset and Liability Committee. Limits have been established for each time band and incorporate FSA agreed limits where necessary.

Foreign exchange risk

Foreign exchange risk is managed within the treasury function. Policies and procedures are detailed in an operational procedures manual. This incorporates FSA agreed limits where necessary, and other regulatory bodies requirements and best practices. It is subject to periodic review by Internal Audit, and is approved by the Board. Senior management also regularly monitors the positions taken on a daily basis.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal process, people and systems or from external events. The company's operational risk framework is subject to procedural policies and best practice standards, with senior management being responsible for their implementation and maintenance. Adherence to these policies is also subject to periodic review by Internal Audit.

Market risk

The Company uses a value at risk ('VAR') measure as the primary mechanism for controlling market risk. The Bank's trading activities principally comprise trading in foreign exchange derivative financial instruments, which include forwards, swaps and options. Positions in such instruments are reported at fair value.

The company's VAR, calculated on a variance/covariance basis, uses a one-day time horizon and a 95% confidence level.

6. Derivative and exchange rate contracts

The company enters into various financial instruments as principal to manage balance sheet interest rate and foreign exchange rate risk. At the period end, the principal amounts of the instruments were:

	September 30, 2005 USD in thousands
Interest rate related contracts:	
Interest rate swaps	174,130
Futures	81,640
Forward rate agreements bought	
Exchange rate related contracts	208,710

Interest related contracts include swaps and forward rate agreements. Exchange rate related contracts include spot, currency swaps, forward and options transactions.

The contract or notional principal amounts of these instruments are not indicative of the amounts at risk, which are smaller amounts payable under the terms of these instruments and upon the basis of the contract or notional principal amount. Derivatives contracts in the non-trading book are used for hedging purposes only and are accounted for on this basis and are executed with bank counter parties for whom volume and settlement limits have been approved. Group limits are approved for connected exposures.

Significant accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements:

1. Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the special provisions of Part VII, Chapter II of the Companies Act 1985 relating to banking companies, applicable accounting standards and the British Bankers' Association Statements of Recommended Accounting Practice.

2. Cash flow statement

As a wholly-owned subsidiary whose parent produces publicly available accounts, the Company has taken advantage of the exemption available within FRS 1 (revised), "Cash Flow Statements", and does not produce a cash flow statement.

3. Loans and advances

Loans and advances are stated at cost after deduction of amounts, which in the opinion of the directors are, required as specific or general provisions. Where loans have been acquired at a premium or discount, these premiums and discounts are amortised through the profit and loss account from the date of acquisition to the date of maturity on a straight-line basis.

Loans are designated as non-performing as soon as management has doubts as to the ultimate collectibility of the principal or interest. Loans are also considered to be non-performing if principal or interest is 90 days overdue. When a loan is designated as non-performing, interest will be suspended and a specific provision raised if required.

Specific provisions

Specific provisions represent the quantification of the actual or expected losses from identified accounts and are deducted from loans and advances on the balance sheet. The amount of the specific provision raised is assessed on a case-by-case basis. The amount of specific provision raised is the Company's conservative estimate of the amount needed to reduce the carrying value of the asset to its expected net realisable value.

General provisions

General provisions augment specific provisions and provide cover for loans which are impaired at the balance sheet date but which will not be identified as such until some time in the future. The general provision is determined by taking into account the structure and risk of the company's loan portfolio. General provisions are deducted from loans and advances in the balance sheet.

4. Foreign currencies

The financial statements are prepared in US Dollars, which represents the currency of the primary economic environment in which the Company operates since a significant proportion of the banking assets and liabilities, revenues and expenses are transacted in US Dollars.

Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the exchange rates ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account. Income and expenses denominated in foreign currencies are converted into US Dollars at the rate of exchange ruling at the date of the transaction. Forward foreign exchange contracts are valued at the market rates applicable to their respective maturities at the balance sheet date, and the resulting profits or losses included in the profit and loss account for the year.

5. Depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets on a straight-line basis over their estimated useful economic lives as follows:

Leasehold improvements	Over the lease period
Office equipment	6 – 7 years
Furniture, fixtures and fittings	6 – 7 years
Computer hardware and software	3 – 4 years

6. Interest receivable and payable

Interest receivable and payable is accrued over the period of the related loans and deposits.

7. Fees and commissions receivable

Fees and commissions are taken to income once the related service has been provided and the right to receive the associated fees has been established.

8. Debt securities

Debt securities are held for investment purposes and are stated at cost (as adjusted for discounts and premiums) less provision for impairment.

9. Taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and for accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19 "Deferred Tax". Deferred tax assets are recognised to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

10. Pension costs

The company operates a stakeholder pension scheme. Contributions to the scheme are charged to the profit and loss account when paid. USD 21,985 in contributions were made during the period.

11. Leases

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the period of the lease.

12. Off-balance sheet financial derivatives

Off-balance sheet financial derivatives are entered into by the company for hedging purposes to reduce the risks arising on transactions entered into in the normal course of business. The income and expense arising from off-balance sheet financial derivatives entered into for hedging purposes is recognised in the accounts in accordance with the accounting treatment of the underlying transactions or transactions being hedged. All off-balance sheet financial derivatives are held for the period in which the underlying hedge matures. To qualify as a hedge, a derivative must effectively reduce the price or interest rate risk of the asset, liability or anticipated transaction to which it is linked and be designated as a hedge at inception of the derivative contract. Accordingly, changes in the market value of the derivative must be highly correlated with changes in the market value of the underlying hedged item at inception of the hedge and over the life of the hedge contract.

Investment Credit Bank Limited Liability Company

"Part I" of "Annexure N"

Statement of Profits

(RUB in thousands)

	Period from May 19, 2005 to September 30, 2005 (Unaudited)
Income	
Interest income	2,203
Other income	5,187
Less: Expenditure:	
Interest expended	816
Salaries and employee benefits	4,055
Other administrative expenses	2,629
Profit before tax	**(110)**
Less: Provision for tax	**205**
Profit after tax	**(315)**
Extent of interest so far as it concerns members of ICICI Bank the holding company, in the capital of the subsidiary	100%
Amount of profit so far as it concerns the members of ICICI Bank, the holding company.	**(315)**

ICICI Bank

Investment Credit Bank Limited Liability Company

"Part II" of "Annexure N"

Statement of Assets and Liabilities

(RUB in thousands)

	As on September 30, 2005 (Unaudited)
Assets	
Cash and cash equivalents	3,521
Balance with banks	460,635
Fixed assets	2,247
Loans	32,596
Other assets	13,957
	512,956
Less: Liabilities	
Borrowings	25,783
Deposits	26,083
Current liabilities and provisions	271
	52,137
Net worth	**460,819**
Represented by :	
(A) Share capital :	
313,100,000 equity shares of 1 RUB each fully paid-up	313,100
All the above equity shares are held by ICICI Bank Limited, the holding company and its nominees	
(B) Reserves and surplus :	
Share premium	146,480
Capital reserve	1,139
Profit & loss account	100
	460,819
Net Assets so far as it concerns the members of ICICI Bank Ltd, the holding company and its nominees. (100%)	**460,819**

Prudential ICICI Asset Management Company Limited

"Part I" of "Annexure O"

Statement of Profits

(Rs. in thousands)

	Six month period ended September 30,2005 (Unaudited)
Income:	
Fees from mutual fund and PMS operations	537,505
Dividend	4,329
Profit on sale of investment (net)	11,218
Miscellaneous income	210
Total income	553,262
Expenditure:	
Employee costs	146,377
Administrative and other expenses	243,468
Depreciation	23,605
Total expenditure	413,450
Profit before taxation and prior period items	139,812
Add: Prior period item	4,017
Profit before taxation after prior period items	143,829
Provision for current tax	45,681
Deferred tax income	2,566
Fringe benefit tax	4,002
Profit for the period	91,580
Extent of interest so far as it concerns members of erstwhile ICICI Ltd upto March 29, 2002 and ICICI Bank thereafter, the holding company, in the capital of the subsidiary.	50.99%
Amount of profit so far as it concerns the members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank, the holding company thereafter.	46,697

ICICI Bank

Prudential ICICI Asset Management Company Limited

"Part II" of "Annexure O"

Statement of Assets and Liabilities

(Rs. in thousands)

	As on September 30, 2005 (Unaudited)
Assets:	
Fixed assets, net of depreciation	81,600
Investments	678,356
Deferred tax asset	24,231
Loans and advances	132,453
Sundry debtors	154,377
	1,071,017
Less:	
Current liabilities & provisions	217,750
Net worth	**853,267**
Represented by:	
(A) Share Capital :	
18,521,111 equity shares of Rs. 10/- each fully paid-up	185,211
Of the above 9,445,667 equity shares of Rs.10/- each are held by ICICI Bank Ltd. (the holding company)	
(B) Reserves and Surplus:	668,056
	853,267
Net assets so far as it concerns the members of ICICI Bank Ltd, the holding company and its nominees. (50.99%)	**435,081**

Significant Accounting Policies:

1. Basis of preparation

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956 to the extent applicable. The financial statements are presented in Indian rupees rounded off to the nearest thousand.

2. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

3. Fixed assets and depreciation

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes all expenses incidental to the acquisition of the fixed assets. Depreciation on fixed assets other than leasehold improvements and software development and licensing costs is provided on written down value method based on the economic lives of the assets as estimated by the management.

The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as minimum rates. If the management's estimate of the useful life of the fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid Schedule XIV, depreciation is provided at a higher rate based on the management's estimate of the useful life / remaining useful life. Pursuant to this policy depreciation is provided based on the economic lives of assets as estimated by management, which are as follows:

Furniture and fixtures	8 years
Office equipment	5 years
Computers	3 years
Vehicles	4 years

Leasehold improvements are amortised over the primary period of the lease on straight-line basis.

Intangible assets comprising of software purchased / developed and licensing costs are depreciated on straight line basis over the useful life of the software up to a maximum of three years commencing from the month in which such software is first utilised.

Assets individually costing rupees five thousand or less are fully depreciated in the year of purchase/ acquisition.

The company provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

4. Impairment of assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

5. Investments

Investments are classified as long-term or current based on intention of the management at the time of purchase.

Long-term investments are carried at carrying cost less any other than temporary diminution in value, determined separately for each individual investment.

Current investments are valued at the lower of cost or net realisable value. The comparison of cost and net realisable value is done separately in respect of each individual investment.

Purchase and sale of investments are recorded on trade date. The gains/ losses on sale of investments are recognised in the profit and loss account on the trade day. Profit or loss on sale of investments is determined on the basis of first in first out ('FIFO') basis.

6. Revenue recognition

Management Fees

Investment management and portfolio management fees (inclusive of service tax) are recognised on an accrual basis in accordance with the respective terms of contract between the company and Prudential ICICI Trust Limited and Portfolio Management Scheme ('PMS') Clients and Securities Exchange Board of India ("SEBI") regulations.

Income on Asset Shield products under PMS is accrued over the term. The unaccrued portion of income is carried forward as a current liability.

7. Other Income

Interest income is accounted on an accrual basis. Dividend income is recognised when the right to receive dividend is established.

8. Transactions in foreign currency

Transactions in foreign currency are recorded at the exchange rate prevailing on the dates of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the profit and loss account of the period.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the profit and loss account.

9. Retirement benefits

The company expenses its contribution to the Statutory Provident Fund, a defined contribution scheme, made at 12% of the basic salary of each employee. Benefits in respect of gratuity, a defined benefit scheme, and superannuation, a defined contribution scheme, as applicable to employees of the company are annually funded with the Life Insurance Corporation of India ('LIC'). The Profit and Loss account charge on an annual basis is based on an actuarial valuation determined by the LIC.

10. Initial public offer expenses

Expenses relating to initial public offer for no load schemes are charged to profit and loss account in the year in which these are incurred. Similarly, expenses incurred by the company for initial public offers for load schemes in excess of the entry load collected are also charged to the profit and loss account in the year in which such expenses are incurred.

11. Brokerage and incentives

Brokerage and incentives paid on the subscriptions raised during the initial offer period of the first three open ended schemes of the Fund offering benefits under Section 54EB of the Income Tax Act, 1961 are charged to profit and loss account over the period of 84 months.

Brokerage on Asset Shield products under PMS are amortised over the term. The unamortised portion of the brokerage is carried forward as prepaid expense.

All other brokerage and incentive payments are accounted for when incurred.

12. Pru points

The company has accounted for the Pru points (included under administrative and other expenses) compiled by each agent on sales generated by them during the year on an accrual basis.

13. Long-term incentive plan ('LTIP')

The company allocates LTIP cost to the expenses of each accounting period between the date of grant and the exercise date. For the purposes of allocating, LTIP cost is estimated as of the end of each accounting year by multiplying the number of units awarded in the respective plan by the increase in price of the respective LTIP unit and the same is apportioned on a pro rata basis over the life of the plan.

In the interim financial statements this amount is calculated based on the budget for the current calendar year.

14. Taxation

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Provision for income tax is recognised on an annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with Indian Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the company accepts the said liabilities.

In the interim financial statements, provision for income tax is made based on the best estimate of the weighted average annual effective tax rate expected for the full financial year.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future: however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

15. Fund expenses

Expenses incurred (inclusive of advertisement/brokerage expenses) on behalf of schemes of Prudential ICICI Mutual Fund are debited to the Profit and Loss Account unless considered recoverable from the schemes of the Mutual Fund in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996.

16. Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as Operating Leases. Operating lease rentals are recognised as an expense over the lease period.

17. Earnings per Share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share, only potential equity shares that are dilutive are included.

18. Contingencies

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Prudential ICICI Trust Limited

"Part I" of "Annexure P"

Statement of Profits

(in Rupees)

	Six month period ended September 30, 2005 (Unaudited)
Income:	
Income from operations	1,750,000
Other income	106,831
Profit on sale of investment (net)	291,463
	2,148,294
Expenditure:	
Directors Fees	140,000
Professional Fees	1,300,101
Other expenses	172,492
	1,612,593
Profit before taxation	535,701
Provision for current tax	156,517
Profit for the period	379,184
Extent of interest so far as it concerns members of erstwhile ICICI Ltd upto March 29, 2002 and ICICI Bank thereafter, the holding company, in the capital of the subsidiary	50.80%
Amount of profit so far as it concerns the members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank, the holding company thereafter.	192,625

Prudential ICICI Trust Limited

"Part II" of "Annexure P"

Statement of Assets and Liabilities

(in Rupees)

	As on September 30, 2005 (Unaudited)
Assets:	
Investments	6,378,778
Loans and advances	2,133,371
Cash and bank balances	1,507,829
Interest accrued	96,064
	10,116,042
Less:	
Current liabilities & provisions	1,671,097
Net worth	**8,444,945**
Represented by:	
(A) Share capital:	
100,700 equity shares of Rs. 10/- each fully paid-up	1,007,000
Of the above 51,156 equity shares of Rs.10/- each are held by ICICI Bank Ltd. (the holding company)	
(B) Reserves and surplus:	7,437,945
	8,444,945
Net assets so far as it concerns the members of ICICI Bank Ltd, the holding company and its nominees (50.80%)	**4,290,032**

Significant Accounting Policies :

1. The financial statements are prepared under the historical cost convention, on the accrual basis of accounting, and in accordance with the provisions of the Companies Act, 1956 and generally accepted accounting principles and practices in India.

2. Revenue recognition

(i) Trusteeship fees are recognised on accrual basis as per the Trusteeship Agreement.

(ii) Interest income is accounted on accrual basis

3. Preliminary Expenses are being amortised in accordance with Section 35 D of the Income Tax Act, 1961, i.e., written off over a period of 10 years.

4. Investments are stated at cost less any permanent diminution in value.

ICICI Bank

ICICI Investment Management Co. Ltd.

"Part I" of "Annexure Q"

Statement of Profits

(Rs. in thousands)

	For the year ended March 31,					Six month period ended September 30, 2005 (Unaudited)
	2001	2002	2003	2004	2005	
Income:						
Interest income	10,944	11,179	10,340	7,193	7,271	3,683
Dividend income	-	73	591	315	1	1
Other income	-	-	11	-	-	-
Profit on sale of investment	-	-	-	9	-	2
	10,944	**11,252**	**10,942**	**7,517**	**7,272**	**3,686**
Less: Expenditure						
Professional fees	-	8,779	-	-	-	-
Establishment and other expenses	-	-	2,217	2,727	2,734	1,220
Annual fees – SEBI	-	-	250	250	750	250
Other expenses	6	15	12	12	12	7
Auditor's remuneration	6	53	37	38	63	15
Misc. expenditure w/off	257	257	257	257	257	-
Interest on income tax	-	-	30	50	-	-
	269	**9,104**	**2,803**	**3,334**	**3,816**	**1,492**
Profit before tax	**10,675**	**2,148**	**8,139**	**4,183**	**3,456**	**2,194**
Less: Provision for current taxation [net]	4,450	750	2,897	1,182	1,361	717
Profit after tax	**6,225**	**1,398**	**5,242**	**3,001**	**2,095**	**1,477**
Extent of interest so far as it concerns members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank thereafter, the holding company, in the capital of the subsidiary.	100%	100%	100%	100%	100%	100%
Amount of profit so far as it concerns the members of erstwhile ICICI Ltd. upto March 29, 2002 and ICICI Bank, the holding company thereafter.	**6,225**	**1,398**	**5,242**	**3,001**	**2,095**	**1,477**

Note :

The Company was incorporated on March 9, 2000.

ICICI Investment Management Co. Ltd.

"Part II" of "Annexure Q"

Statement of Assets and Liabilities

(Rs. in thousands)

	As on September 30, 2005 (Unaudited)
Assets	
Investments	14,375
Current Assets	
Interest accrued on fixed deposits	13,946
Bank balance & deposits	90,276
Other current assets	5,956
Less: Liabilities	
Current liabilities and provisions	5,108
Net worth	**119,445**
Represented by	
Share capital :	
10,000,700 equity shares of Rs.10/- each fully paid-up	
All the above equity shares are held by ICICI Bank Limited, the holding company and its nominees.	100,007
Reserves and surplus:	
Profit & loss account	19,438
	119,445
Net assets so far as it concerns the members of ICICI Bank Ltd., the holding company and its nominees. (100%)	**119,445**

Note :

1. There is no deferred tax liability in case of the Company.

Significant Accounting Policies :

1. Method of accounting :

The accounts are prepared in accordance with accounting principles generally accepted in India. The Company follows the accrual method of accounting.

2. Preliminary expenses :

Preliminary Expenses towards the incorporation of the Company are treated as Miscellaneous Expenditure and are written off to the Profit and Loss Account over a period of five years.

3. Revenue recognition :

Interest income and other dues are accounted on accrual basis. Dividend is recognised when declared.

4. Investments:

Long term investments are carried at cost less diminution, other than temporary.

ICICI Bank

Auditor's Report on the Consolidated Financial Statements of ICICI Bank Limited and its Subsidiaries and Associates

To

The Board of Directors

ICICI Bank Limited

We have audited the attached Consolidated Balance Sheet of ICICI Bank Limited and its subsidiaries and associates (the 'Group') as at September 30, 2005, and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the half year ended on that date annexed thereto. These financial statements are the responsibility of the ICICI Bank Limited's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of certain subsidiaries whose financial statements reflect total assets of Rs. 7,236 million as at September 30, 2005, the total revenues of Rs.60 million and cash flows amounting to Rs.8 million for the half year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.

We have also relied on the un-audited financial statements of certain subsidiaries and associates whose financial statements reflect total assets of Rs.149,377 million as at September 30, 2005, total revenues of Rs. 22,133 million and cash flows amounting to Rs. 1,494 million for the half year then ended.

We report that the consolidated financial statements have been prepared by the ICICI Bank Limited's management in accordance with the requirements of Accounting Standard 21, Consolidated Financial Statements and Accounting Standard 23 Accounting for Investments in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India, *subject to non transfer of profit to various reserves as stated in the note number 5 in schedule 18.*

Based on our audit and on consideration of reports of other auditors on separate financial statements and on the consideration of the un-audited financial statements and on the other financial information of the components, and to the best of our information and according to explanations given to us, we are of the opinion that the attached consolidated financial statements gives a true and fair view in conformity with the accounting principles generally accepted in India:

a. in the case of the consolidated balance sheet, of the state of affairs of the Group as at September 30, 2005;

b. in the case of the consolidated profit and loss account, of the profit for the half year ended on that date; and

c. in the case of the consolidated cash flow statement, the cash flows for the half year ended on that date.

For S.R. Batliboi & Co.
Chartered Accountants

per Viren H. Mehta
a Partner
Membership No.:048749
Mumbai: October 13, 2005

ICICI BANK LIMITED

Consolidated Balance Sheet as on September 30, 2005

Rupees in million

		As on 30.09.2005	As on 31.03.2005	As on 30.09.2004
CAPITAL AND LIABILITIES	**Schedule**			
Capital	1	10,909.2	10,867.8	10,844.6
Reserves and surplus	2	125,327.3	115,376.0	109,287.5
Minority interest		2,143.9	1,524.8	1,377.0
Deposits	3	1,220,577.1	1,011,086.3	718,589.5
Borrowings	4	392,041.9	383,690.2	340,910.3
Liabilities on policies in force		48,896.2	34,475.9	19,572.2
Other liabilities and provisions	5	230,844.2	227,315.3	193,389.1
TOTAL CAPITAL AND LIABILITIES		**2,030,739.8**	**1,784,336.3**	**1,393,970.2**
ASSETS				
Cash and balance with Reserve Bank of India	6	79,370.1	63,701.4	51,144.3
Balances with banks at call and short notice	7	55,068.5	72,566.9	56,774.3
Investments	8	606,104.3	546,527.3	437,575.5
Advances	9	1,133,606.0	964,099.6	718,555.4
Fixed assets	10	41,101.5	41,781.9	40,056.1
Other assets	11	115,489.4	95,659.2	89,864.6
TOTAL ASSETS		**2,030,739.8**	**1,784,336.3**	**1,393,970.2**
Contingent liabilities	12	3,363,831.5	2,961,013.6	2,600,724.6
Bills for collection		32,425.1	23,972.0	18,577.9
Significant accounting policies and notes to accounts	18			

The Schedules referred to above form an integral part of the Balance Sheet.

ICICI Bank

ICICI BANK LIMITED

Consolidated Profit and Loss Account for the period ended September 30, 2005

Rupees in million

	Schedule	Half year ended 30.09.2005	Year ended 31.03.2005	Half year ended 30.09.2004
I. INCOME				
Interest earned	13	65,001.0	98,337.4	46,172.8
Other income	14	46,916.3	70,971.9	25,926.6
Share in affiliates		(0.3)	—	0.1
TOTAL INCOME		**111,917.0**	**169,309.3**	**72,099.5**
II. EXPENDITURE				
Interest expended	15	46,017.6	68,043.8	32,161.7
Operating expenses	16	45,567.7	72,852.0	28,027.1
Provisions and contingencies	17	10,066.5	10,313.1	4,683.6
TOTAL EXPENDITURE		**101,651.8**	**151,208.9**	**64,872.4**
III. PROFIT/LOSS				
Net profit for the period/year		10,265.2	18,100.4	7,227.1
Less: Minority interest		(206.5)	(422.9)	(260.0)
Net profit after minority interest		10,471.7	18,523.3	7,487.1
Profit brought forward		(908.8)	(336.0)	(335.8)
TOTAL PROFIT / (LOSS)		**9,562.9**	**18,187.3**	**7,151.3**
IV. APPROPRIATIONS/TRANSFERS				
Statutory reserve		—	5,023.2	—
Capital reserve		—	200.0	—
Special reserve		25.4	359.2	13.0
Revenue and other reserves		227.5	6,185.0	1.9
Proposed equity share dividend		29.8	6,329.6	67.5
Corporate dividend tax		99.8	999.1	47.7
Balance carried over to balance sheet		9,180.4	(908.8)	7,021.2
TOTAL		**9,562.9**	**18,187.3**	**7,151.3**
Significant accounting policies and notes to accounts	18			
Earning per share (Refer note B. 1) (not annualised for period end)				
Basic (Rs.)		14.17	25.45	10.40
Diluted (Rs.)		14.03	25.25	10.32
Face value per Share (Rs.)		10.00	10.00	10.00

The schedules referred to above form an integral part of the Profit and Loss Account.

Consolidated cash flow statement for the period ended September 30, 2005

Rupees in million

PARTICULARS	Half year ended 30.09.2005	Year ended 31.03.2005	Half year ended 30.09.2004
Cash flow from operating activities			
Net profit before taxes	14,262.9	24,207.1	9,628.8
Adjustments for :			
Depreciation and amortisation	4,627.4	9,778.9	5,038.9
Net (appreciation)/depreciation on investments	3,549.8	5,287.5	163.3
Provision in respect of non-performing assets (including prudential provision on standard assets)	2,538.3	(889.8)	2,326.3
Provision for contingencies & others	228.7	86.0	58.4
(Profit)/loss on sale of fixed assets	(69.3)	9.2	95.4
	25,137.8	38,478.9	17,311.1
Adjustments for :			
(Increase) / decrease in investments	(67,229.1)	(50,851.8)	12,350.7
(Increase) / decrease in advances	(172,049.5)	(313,691.8)	(71,175.9)
Increase / (decrease) in borrowings	26,960.4	60,236.0	4,651.1
Increase / (decrease) in deposits	209,490.8	330,298.9	37,802.1
(Increase) / decrease in other assets	(21,798.1)	(28,306.1)	(25,125.2)
Increase/(decrease) in other liabilities and provisions	16,774.7	74,907.1	29,492.7
	(7,850.8)	72,592.3	(12,004.5)
(Payment) / Refund of taxes (net)	(2,902.9)	(9,475.5)	(3,725.8)
Net cash generated from operating activities (A)	**14,384.1**	**101,595.7**	**1,580.8**
Cash flow from investing activities			
Purchase of fixed assets	(3,102.2)	(5,914.6)	(1,477.6)
Proceeds from sale of fixed assets	890.5	323.2	109.9
(Purchase)/Sale of long term investment	4,082.3	(37,444.2)	12,435.8
Net cash generated from investing activities (B)	**1,870.6**	**(43,035.6)**	**11,068.1**
Cash flow from financing activities			
Proceeds from issue of share capital	—	31,922.9	31,855.5
Amount received on exercise of stock option & calls in arrears	638.8	649.8	330.5
Repayment of bonds (including subordinated debts)	(18,531.4)	(38,366.9)	(21,247.0)
Dividend and dividend tax paid	(132.4)	(6,381.7)	(5,553.4)
Net cash generated from financing activities (C)	**(18,025.0)**	**(12,175.9)**	**5,385.6**
Effect on account of Foreign Exchange Fluctuation (D)	**(59.4)**	**—**	**—**
Net increase/(decrease) in cash and cash equivalents (A) + (B) + (C) + (D)	(1,829.7)	46,384.2	18,034.5
Cash and cash equivalents as at 1st April	136,268.3	89,884.1	89,884.1
Cash and cash equivalents as at 30th September / 31st March	134,438.6	136,268.3	107,918.6

Significant Accounting Policies and Notes to Accounts (refer Schedule 18)
The Schedules referred to above form an integral part of the consolidated balance sheet

ICICI Bank

Schedules forming part of the consolidated balance sheet

Rupees in million

	As on 30.09.2005	As on 31.03.2005	As on 30.09.2004
SCHEDULE 1 - CAPITAL			
Authorised capital			
1,000,000,000 equity shares of Rs. 10 each [March 31, 2005: 1,550,000,000 equity shares of Rs. 10 each; September 30, 2004: 1,550,000,000 equity shares of Rs. 10 each]	10,000.0	15,500.0	15,500.0
55,000,000 preference shares of Rs. 100 each [March 31, 2005: Nil; September 30, 2004: Nil]	5,500.0	—	—
350 preference shares of Rs. 10 million each	3,500.0	3,500.0	3,500.0
Equity share capital			
Issued, subscribed and paid-up capital			
736,716,094 equity shares (March 31, 2005: 616,391,905 equity shares; September 30, 2004: 616,391,905 equity shares) of Rs. 10 each	7,367.2	6,163.9	6,163.9
Less : Calls unpaid	—	—	(2.8)
Add: Forfeited 67,323 equity shares (March 31, 2005: 67,323 equity shares; September 30,2004: Nil)	0.4	0.4	0.1
Add : Issued 4,165,023 equity shares (March 31, 2005: 120,324,189 equity shares; September 30,2004: 118,336,774 equity shares) of Rs. 10 each [1]	41.6	1,203.3	1,183.4
Share capital suspense (Net) (Represents application money received for Nil equity shares (March 31,2005 : 22,470 equity shares; September 30,2004 : Nil) of Rs.10 each on exercise of employee stock options)	—	0.2	—
TOTAL EQUITY CAPITAL	7,409.2	7,367.8	7,344.6
Preference share capital [2] [Represents face value of 350 preference shares of Rs. 10 million each issued to preference share holders of erstwhile ICICI Limited on amalgamation redeemable at par on April 20, 2018]	3,500.0	3,500.0	3,500.0
TOTAL CAPITAL	**10,909.2**	**10,867.8**	**10,844.6**

1. Includes 4,165,023 equity shares on exercise of employee stock options [March 31, 2005: 4,457,651 equity shares; September 30 2004: 2,416,016 equity shares].

2. For these preference shares, the notification from Ministry of Finance has currently exempted the Bank from the restriction of section 12 (1) of the Banking Regulation Act, 1949, which prohibits issue of preference shares by banks

Rupees in million

	As on 30.09.2005	As on 31.03.2005	As on 30.09.2004
SCHEDULE 2 - RESERVES AND SURPLUS			
I. Statutory reserve			
Opening balance (other than joint ventures)	14,637.2	9,772.0	9,772.0
Additions during the period / year	—	5,023.2	—
Deductions during the period / year for others	9.9	158.0	158.0
Closing balance	14,627.3	14,637.2	9,614.0
II. Special reserve			
Opening balance	12,284.1	11,924.9	11,924.9
Additions during the period / year	25.4	359.2	13.0
Deductions during the period / year	—	—	—
Closing balance	12,309.5	12,284.1	11,937.9
III. Share premium			
Opening balance (other than joint ventures)	40,005.1	8,636.1	8,636.1
Additions during the period / year)[1]	597.4	31,897.1	31,534.8
Deductions during the period / year	—	528.1	529.4
Closing balance	40,602.5	40,005.1	39,641.5
IV. Investment fluctuation reserve			
Opening balance (other than joint ventures)	6,106.1	7,803.3	7,803.3
Additions during the period / year	2,681.3	853.6	—
Deductions during the period / year	936.8	2,550.8	374.7
Closing balance	7,850.6	6,106.1	7,428.6
V. Capital reserve			
Opening balance (other than joint ventures)	5,013.2	4,813.2	4,813.2
Additions during the period / year	—	200.0	—
Deductions during the period / year	—	—	—
Closing balance	5,013.2	5,013.2	4,813.2
VI. Foreign currency translation reserve	(59.4)	—	—
VII. Revenue and other reserves			
Opening balance for joint ventures	—	227.9	227.9
Opening balance for others	37,330.3	28,217.7	28,217.8
Additions during the period / year for joint ventures	—	0.9	—
Additions during the period / year for others	1,699.8	8,990.6	385.4
Deductions during the period / year for others	3,226.9	106.8	—
Closing balance	35,803.2	37,330.3	28,831.1
VIII. Balance in profit and loss account for others	9,180.4	—	6,940.1
Balance in profit and loss account for joint ventures	—	—	81.1
TOTAL RESERVES AND SURPLUS	**125,327.3**	**115,376.0**	**109,287.5**

1. Represents Rs. 597.3 million (March 31, 2005: Rs. 602.5 million; September 30, 2004: Rs.306.4 million) on exercise of employee stock options.

Rupees in million

	As on 30.09.2005	As on 31.03.2005	As on 30.09.2004
SCHEDULE 3 - DEPOSITS			
A. I. Demand deposits			
i) From banks	3,464.8	1,976.6	1,307.7
ii) From others	120,018.7	123,914.2	77,399.2
II. Savings bank deposits	155,680.8	116,596.1	95,616.3
III. Term deposits			
i) From banks	90,675.9	64,468.0	25,334.3
ii) From others	850,736.9	704,131.4	518,932.0
TOTAL DEPOSITS	**1,220,577.1**	**1,011,086.3**	**718,589.5**
B. I. Deposits of branches/offices in India	1,135,084.2	955,299.6	687,364.7
II. Deposits of branches/offices outside India	85,492.9	55,786.7	31,224.8
TOTAL DEPOSITS	**1,220,577.1**	**1,011,086.3**	**718,589.5**

	As on 30.09.2005	As on 31.03.2005	As on 30.09.2004
SCHEDULE 4 - BORROWINGS			
I. Borrowings in India			
i) Reserve Bank of India	—	—	—
ii) Other banks	66,657.1	47,413.5	26,835.9
iii) Other institutions and agencies			
a) Government of India	3,213.0	3,612.5	4,012.0
b) Financial institutions	36,158.4	52,628.8	43,884.7
iv) Borrowings in the form of			
a) Deposits (including deposits taken over from erstwhile ICICI Limited)	2,313.7	2,335.0	3,974.1
b) Commercial paper	483.2	989.4	2,963.9
c) Bonds and debentures (excluding subordinated debt)			
- Debentures and bonds guaranteed by the Government of India	14,815.0	14,815.0	14,815.0
- Tax free bonds	—	—	—
- Borrowings under private placement of bonds carrying maturity of 1 to 30 years from the date of placement	25,256.3	30,948.1	48,155.3
Bonds issued under multiple option/safety bonds series			
- Regular interest bonds	10,071.6	9,933.5	9,403.3
- Deep discount bonds	4,210.9	4,039.1	4,061.7
- Bonds with premium warrants	861.0	797.9	739.8
- Encash bonds	1,167.2	1,170.3	1,181.4
- Tax saving bonds	53,077.1	59,167.9	69,451.1
- Pension bonds	60.2	59.4	58.2
d) Application money pending allotment	—	6,160.9	—
II. Borrowings outside India			
i) From multilateral/bilateral credit agencies (guaranteed by the Government of India for the equivalent of Rs. 19,265.8 million at September 30, 2005)	23,763.1	24,949.3	25,088.0
ii) From international banks, institutions and consortiums	118,032.7	92,955.7	53,413.6
iii) By way of bonds and notes	31,901.4	31,713.9	32,872.3
TOTAL BORROWINGS	**392,041.9**	**383,690.2**	**340,910.3**

Secured borrowings in I and II above is Rs. 99.9 million (March 31, 2005: Rs. 2,951.1 million, September 30, 2004: Rs. 920.2 million)

Rupees in million

	As on 30.09.2005	As on 31.03.2005	As on 30.09.2004
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS			
I. Bills payable	30,744.1	27,944.8	20,075.2
II. Inter-office adjustments (net)	—	5,614.2	1,392.2
III. Interest accrued	14,619.1	13,418.5	12,668.2
IV. Unsecured redeemable debentures/bonds [Subordinated for Tier II capital]	83,902.2	82,339.0	85,061.5
V. Others			
a) Security deposits from clients	10,061.2	12,034.9	7,259.5
b) Sundry creditors	66,356.8	46,734.9	46,090.0
c) Received for disbursements under special program	2,841.8	2,932.9	2,855.5
d) Provision for Standard Assets	2,722.0	2,307.6	4,065.9
e) Other liabilities[1]	19,597.0	33,988.5	13,921.1
TOTAL OTHER LIABILITIES AND PROVISIONS	**230,844.2**	**227,315.3**	**193,389.1**

1. Includes
a) Proposed dividend Rs. Nil [March 31, 2005 Rs. 6,262.1 million, September 30, 2004: Rs.Nil].
b) Corporate dividend tax payable Rs. 31.4 million [March 31, 2005: Rs. 930.9 million, September 30, 2004: Rs.744.9 million]

	As on 30.09.2005	As on 31.03.2005	As on 30.09.2004
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA			
I. Cash in hand (including foreign currency notes)	8,909.2	5,735.3	6,617.6
II. Balances with Reserve Bank of India in current and other deposit accounts	70,460.9	57,966.1	44,526.7
TOTAL CASH AND BALANCES WITH RESERVE BANK OF INDIA	**79,370.1**	**63,701.4**	**51,144.3**

	As on 30.09.2005	As on 31.03.2005	As on 30.09.2004
SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE			
I. In India			
i) Balances with banks			
a) in current accounts	7,111.6	5,176.7	5,013.1
b) in other deposit accounts	6,022.7	9,545.7	5,475.1
ii) Money at call and short notice			
a) with banks	2,890.2	16,100.0	6,850.0
b) with other institutions	—	1,900.0	4,000.0
TOTAL	**16,024.5**	**32,722.4**	**21,338.2**
II. Outside India			
i) in current accounts	15,939.8	7,555.6	5,887.6
ii) in other deposit accounts	17,552.2	8,753.9	20,527.9
iii) Money at call and short notice	5,552.0	23,535.0	9,020.6
TOTAL	**39,044.0**	**39,844.5**	**35,436.1**
TOTAL BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE	**55,068.5**	**72,566.9**	**56,774.3**

Rupees in million

	As on 30.09.2005	As on 31.03.2005	As on 30.09.2004
SCHEDULE 8 - INVESTMENTS [net of provisions]			
I. Investments in India			
i) Government securities	426,758.1	359,865.9	300,423.2
ii) Other approved securities	763.5	318.9	301.2
iii) Shares	28,047.2	32,027.9	30,639.2
iv) Debentures and bonds	22,855.5	35,035.5	48,788.7
v) Associates	13.2	13.3	14.0
vi) Others (CPs, Mutual Fund Units, Pass through Certificates, Security Receipts etc.) [1]	97,212.9	101,247.6	45,617.5
TOTAL	**575,650.4**	**528,509.1**	**425,783.8**
II. Investments outside India			
i) Government securities	344.6	378.0	220.3
ii) Others	30,109.3	17,640.2	11,571.4
TOTAL	**30,453.9**	**18,018.2**	**11,791.7**
TOTAL INVESTMENTS	**606,104.3**	**546,527.3**	**437,575.5**

1. Includes assets held to cover linked liabilities of life insurance business of Rs.39,726.3 million (March 31, 2005: Rs. 26,540.6 million, September 30, 2004 : Rs.12,712.4 million).

Rupees in million

	As on 30.09.2005	As on 31.03.2005	As on 30.09.2004
SCHEDULE 9 - ADVANCES (net of provisions)			
A. i) Bills purchased and discounted	62,587.0	43,984.2	17,076.5
ii) Cash credits, overdrafts and loans repayable on demand	132,477.3	123,344.4	74,681.0
iii) Term loans	915,071.6	772,559.1	606,020.5
iv) Securitisation, finance lease and hire purchase receivables [1]	23,470.1	24,211.9	20,777.4
TOTAL	**1,133,606.0**	**964,099.6**	**718,555.4**
B. i) Secured by tangible assets			
[includes advances against book debt]	948,223.0	827,679.6	635,434.9
ii) Covered by Bank/Government guarantees	27,559.8	10,795.9	5,788.2
iii) Unsecured	157,823.2	125,624.1	77,332.3
TOTAL	**1,133,606.0**	**964,099.6**	**718,555.4**
C. I. Advances in India			
i) Priority sector	294,466.1	215,591.4	145,102.8
ii) Public sector	4,134.3	11,154.3	5,292.2
iii) Banks	114.5	4,517.2	499.8
iv) Others	697,202.5	650,547.5	530,629.3
TOTAL	**995,917.4**	**881,810.4**	**681,524.1**
II. Advances outside India			
i) Due from banks	63,089.2	10,375.9	—
ii) Due from others			
a) Bills purchased and discounted	4,617.3	24,884.2	9,347.2
b) Syndicated loans	19,999.9	11,925.4	7,715.8
c) Others	49,982.2	35,103.7	19,968.3
TOTAL	**137,688.6**	**82,289.2**	**37,031.3**
TOTAL ADVANCES	**1,133,606.0**	**964,099.6**	**718,555.4**

1. Includes receivables under lease amounting to Rs. 802.6 million (March 31, 2005: Rs. 913.6 million, September 30, 2004 : Rs. 1,265.9 million)

Rupees in million

		As on 30.09.2005	As on 31.03.2005	As on 30.09.2004
SCHEDULE 10 - FIXED ASSETS				
I.	**Premises**			
	At cost as on 31st March of preceding year	19,584.8	17,092.0	17,092.1
	Opening adjustment	25.2	71.1	92.6
	Additions during the year /period	929.0	2,547.9	194.9
	Deductions during the year/period	(38.5)	(126.2)	(108.5)
	Depreciation to date	(1,971.8)	(1,649.8)	(1,331.1)
	Net block	18,528.7	17,935.0	15,940.0
II.	**Other fixed assets (including furniture and fixtures)**			
	At cost as on 31st March of preceding year	17,808.9	14,589.8	14,589.8
	Opening adjustment	77.2	179.8	179.8
	Additions during the year /period	2,176.0	3,300.6	1,122.3
	Deductions during the year/period	(127.9)	(261.3)	(101.8)
	Depreciation to date	(10,035.9)	(8,510.6)	(7,179.5)
	Net block	9,898.3	9,298.3	8,610.6
III.	**Assets given on Lease**			
	At cost as on 31st March of preceding year	20,424.0	20,736.5	20,736.5
	Additions during the year /period	—	212.8	2.8
	Deductions during the year/period	(149.4)	(525.3)	(171.9)
	Depreciation to date, accumulated lease adjustment and provisions	(7,600.1)	(5,875.4)	(5,061.9)
	Net block	12,674.5	14,548.6	15,505.5
TOTAL FIXED ASSETS		**41,101.5**	**41,781.9**	**40,056.1**

Rupees in million

		As on 30.09.2005	As on 31.03.2005	As on 30.09.2004
SCHEDULE 11 - OTHER ASSETS				
I.	Inter-office adjustments (net)	450.9	—	—
II.	Interest accrued	17,947.7	13,835.6	12,182.2
III.	Tax paid in advance/tax deducted at source (net)	25,434.9	26,943.1	20,755.6
IV.	Stationery and stamps	3.4	3.6	3.5
V.	Non-banking assets acquired in satisfaction of claims [1]	3,296.2	3,677.2	5,407.4
VI.	Others			
	a) Advance for capital assets	764.0	1,002.7	1,269.1
	b) Outstanding fees and other income	4,807.3	3,387.5	2,648.5
	c) Exchange fluctuation suspense with Government of India	50.4	244.8	433.0
	d) Swap suspense	364.7	794.7	619.6
	e) Deposits	19,927.3	15,020.6	10,346.9
	f) Deferred tax asset (Net)	1,285.9	702.2	5,538.2
	g) Early retirement option expenses not written off	1,078.0	1,270.0	1,462.0
	h) Others [2]	40,078.7	28,777.2	29,198.6
TOTAL OTHER ASSETS		**115,489.4**	**95,659.2**	**89,864.6**

1. Includes certain non-banking assets acquired in satisfaction of claims which are in the process of being transferred in the Bank's name.

2. Includes net debit balance in profit and loss account Rs. Nil (March 31, 2005 : Rs. 908.8 million, September 30, 2004 Rs. Nil) including credit balance in profit and loss account for joint ventures Rs.Nil (March 31, 2005 : Rs. 4.6 million, September 30, 2004 : Rs.Nil). Includes Goodwill amounting to Rs. 624.0 million (March 31, 2005:Rs. Nil, September 30, 2004 : Rs. Nil)

		As on 30.09.2005	As on 31.03.2005	As on 30.09.2004
SCHEDULE 12 - CONTINGENT LIABILITIES				
I.	Claims against the Bank not acknowledged as debts	26,459.7	27,532.7	23,499.6
II.	Liability for partly paid investments	168.5	168.4	168.4
III.	Liability on account of outstanding forward exchange contracts	802,978.6	714,653.1	535,240.5
IV.	Guarantees given on behalf of constituents			
	a) In India	150,495.2	141,495.3	114,866.9
	b) Outside India	18,910.1	16,095.1	10,485.1
V.	Acceptances, endorsements and other obligations	73,522.2	74,115.7	95,368.6
VI.	Currency swaps	142,624.8	112,834.9	63,421.4
VII.	Interest rate swaps, currency options and interest rate futures	2,095,970.6	1,793,399.9	1,685,795.0
VIII.	Other items for which the Bank is contingently liable	52,701.8	80,718.5	71,879.1
TOTAL CONTINGENT LIABILITIES		**3,363,831.5**	**2,961,013.6**	**2,600,724.6**

Rupees in million

		Half year ended 30.09.2005	Year ended 31.03.2005	Half year ended 30.09.2004
SCHEDULE 13 - INTEREST EARNED				
I.	Interest/discount on advances/bills	44,807.5	69,811.3	32,467.2
II.	Income on investments	17,713.2	23,921.9	11,382.4
III.	Interest on balances with Reserve Bank of India and other inter-bank funds	1,694.0	2,334.8	1,257.2
IV.	Others[1]	786.3	2,269.4	1,066.0
TOTAL INTEREST EARNED		**65,001.0**	**98,337.4**	**46,172.8**

1. Includes interest on income tax refund Rs. 281.5 million (March 31, 2005: Rs. 307.4 million, September 30, 2004 : Rs.51.4 million)

		Half year ended 30.09.2005	Year ended 31.03.2005	Half year ended 30.09.2004
SCHEDULE 14 - OTHER INCOME				
I.	Commission, exchange and brokerage	13,759.6	20,746.7	9,623.7
II.	Profit/(Loss) on sale of investments (net)	6,221.8	7,560.6	2,249.3
III.	Profit/(Loss) on revaluation of investments (net)	(41.5)	145.6	(6.1)
IV.	Profit/(Loss) on sale of land, buildings and other assets (net)[1]	69.3	(9.2)	(95.4)
V.	Profit/(Loss) on foreign exchange transactions (net)	1,881.0	2,781.1	944.8
VI.	Income pertaining to insurance business	23,233.3	35,354.5	10,846.7
VII.	Miscellaneous income (including lease income)	1,792.8	4,392.6	2,363.6
TOTAL OTHER INCOME		**46,916.3**	**70,971.9**	**25,926.6**

1. Includes profit/(loss) on sale of assets given on lease.

		Half year ended 30.09.2005	Year ended 31.03.2005	Half year ended 30.09.2004
SCHEDULE 15 - INTEREST EXPENDED				
I.	Interest on deposits	26,672.0	32,622.8	14,607.2
II.	Interest on Reserve Bank of India/inter-bank borrowings[1]	4,968.1	4,047.9	1,935.5
III.	Others (including interest on borrowings of erstwhile ICICI Limited)	14,377.5	31,373.1	15,619.0
TOTAL INTEREST EXPENDED		**46,017.6**	**68,043.8**	**32,161.7**

1. Includes interest paid on inter-bank deposits.

Rupees in million

		Half year ended 30.09.2005	Year ended 31.03.2005	Half year ended 30.09.2004
SCHEDULE 16 - OPERATING EXPENSES				
I.	Payments to and provisions for employees	7,305.6	10,907.6	4,938.4
II.	Rent, taxes and lighting	1,463.6	2,465.2	1,073.5
III.	Printing and stationery	584.4	1,052.9	497.0
IV.	Advertisement and publicity	1,252.1	1,838.0	627.6
V.	Depreciation on Bank's property (including non banking assets)	1,856.7	3,283.5	1,572.2
VI.	Depreciation (including lease equalisation) on leased assets	1,284.8	2,974.7	1,538.3
VII.	Directors' fees, allowances and expenses	4.4	13.8	8.3
VIII.	Auditors' fees and expenses	20.5	36.3	17.4
IX.	Law charges	467.7	338.8	410.2
X.	Postages, telegrams, telephones, etc.	1,241.1	2,216.7	954.7
XI.	Repairs and maintenance	1,451.6	2,550.9	1,205.1
XII.	Insurance	290.1	185.8	168.8
XII.	Direct marketing agency expenses	2,914.9	5,064.3	1,967.1
XIII.	Expenses pertaining to insurance business	20,619.9	32,042.4	9,825.5
XIV.	Other expenditure	4,810.3	7,881.1	3,223.0
TOTAL OPERATING EXPENSES		**45,567.7**	**72,852.0**	**28,027.1**

		Half year ended 30.09.2005	Year ended 31.03.2005	Half year ended 30.09.2004
SCHEDULE 17 - PROVISIONS AND CONTINGENCIES				
I.	Income tax			
	- Current period tax	4,153.1	2,522.1	2,974.9
	- Deferred tax adjustment	(537.4)	3,131.7	(848.2)
	- Fringe Benefit Tax	160.5	—	—
II.	Wealth tax	15.0	30.0	15.0
III.	Provision for investments (including credit substitutes) (net)	3,508.3	5,433.2	157.2
IV.	Provision for advances (net)[1]	2,538.3	(889.9)	2,326.3
V.	Others	228.7	86.0	58.4
TOTAL PROVISIONS AND CONTINGENCIES		**10,066.5**	**10,313.1**	**4,683.6**

1. Includes provision on standard assets, non-performing advances, non-performing leased assets, other receivables.

SCHEDULE 18 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

OVERVIEW

ICICI Bank Limited together with its subsidiaries, joint ventures and associates (collectively, the Group) is a diversified financial services group providing a variety of banking and financial services including project finance, working capital finance, venture capital finance, investment banking, treasury products and services, retail banking and broking.

ICICI Bank Limited ("ICICI Bank" or "the Bank"), incorporated in Vadodara, India is a publicly held bank engaged in providing a wide range of banking and financial services including commercial banking and treasury operations. ICICI Bank is a banking company governed by the Banking Regulation Act, 1949.

Principles of consolidation

The consolidated financial statements include the financials of ICICI Bank Limited, its subsidiaries, associates and joint ventures.

The Bank accounts for investments in subsidiaries as defined in Accounting Standard ("AS") 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India ("ICAI") on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The Bank accounts for investments in associates, as per the equity method of accounting and in joint ventures as per the proportionate consolidation method as defined in AS 27 "Financial Reporting of Interests in Joint Ventures." The financial statements of companies which are in the nature of jointly controlled entities have been consolidated as per AS 21 "Consolidated Financial Statements", consequent to the limited revision to AS 27 "Financial Reporting of Interests in Joint Ventures".

Basis of preparation

The accounting and reporting policies of the Group used in the preparation of these financial statements conform with the issued by ICAI, the guidelines issued by the Reserve Bank of India ("RBI"), Insurance Regulatory and Development Association ("IRDA") and National Housing Bank ("NHB") from time to time as applicable to relevant companies and generally accepted accounting principles prevailing in India.

The Group follows the accrual method of accounting except where otherwise stated and historical cost convention. In case the accounting policies followed by a subsidiary, joint venture or associate are different from those followed by ICICI Bank Limited, the same are disclosed separately.

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

These financial statements have been prepared in accordance with AS 25 on "Interim Financial Reporting" issued by ICAI. Certain expenditure, including retirement benefits, are determined for the whole accounting year and for the interim period accounts, the same are considered on a pro-rata basis.

The consolidated financial statements include the results of the following entities:

Sr. No.	Name of the company	Country/ residence	Relation	Ownership interest
1	ICICI Securities Limited	India	Subsidiary	99.90%
2	ICICI Brokerage Services Limited	India	Subsidiary	99.90%
3	ICICI Securities Inc.	USA	Subsidiary	99.90%
4	ICICI Securities Holdings Inc.	USA	Subsidiary	99.90%
5	ICICI Venture Funds Management Company Limited	India	Subsidiary	100.00%
6	ICICI Home Finance Company Limited	India	Subsidiary[1]	100.00%
7	ICICI Trusteeship Services Limited	India	Subsidiary	100.00%
8	ICICI Investment Management Company Limited	India	Subsidiary	100.00%

Sr. No	Name of the company	Country/ residence	Relation	Ownership interest
9	ICICI International Limited	Mauritius	Subsidiary	100.00%
10	ICICI Bank UK Limited	United Kingdom	Subsidiary	100.00%
11	ICICI Bank Canada	Canada	Subsidiary	100.00%
12	Investment Credit Bank Limited Liability Company	Russia	Subsidiary[2]	100.00%
13	Prudential ICICI Asset Management Company Limited	India	Subsidiary[3]	50.99%
14	Prudential ICICI Trust Limited	India	Subsidiary[3]	50.80%
15	ICICI Property Trust	India	Direct holding	100.00%
16	ICICI Eco-net Internet & Technology Fund	India	Direct holding	92.12%
17	ICICI Equity Fund	India	Direct holding	100.00%
18	ICICI Emerging Sectors Fund	India	Direct holding	98.88%
19	ICICI Strategic Investments Fund	India	Direct holding	100.00%

1. Effective August 11, 2005 ICICI Distribution Finance Private Limited has merged with ICICI Home Finance Company Limited. Post merger ICICI Distribution Finance Private ceases to be a subsidiary of the bank.

2. Investment Credit Bank Limited Liability Company has become a subsidiary of ICICI Bank Limited with effect from May 19, 2005, being the date of its acquisition.

3. During the period ended September 30, 2005, the Bank has acquired additional 6% interest in the Prudential ICICI Asset Management Company Limited and Prudential ICICI Trust Limited. Effective August 26, 2005 Prudential ICICI Asset Management Company Limited and Prudential ICICI Trust Limited have become subsidiaries of the Bank. Therefore, these entities have been accounted in accordance with the principles of AS 21 "Consolidated Financial Statements" instead of the proportionate consolidation method as defined in AS-27 "Financial Reporting of Interests in Joint Ventures" which was earlier being followed for the purposes of consolidation.

The bank holds 50% in TCW/ICICI Investment Partners LLC through its subsidiary ICICI International Limited. This investment is accounted under equity method as per AS 23 "Accounting for Investments in Associates in Consolidated Financial Statements". TCW/ICICI Investment Partners LLC is an asset and fund management company, which undertakes financial, trust, agency, investment and other operations that may arise in connection therewith.

The financial statements of the following companies which are in the nature of jointly controlled entities, have been consolidated as per AS 21 "Consolidated Financial Statements" issued by the ICAI, consequent to the limited revision to AS 27 "Financial Reporting of Interests in Joint Ventures" issued by the ICAI.

Sr. No.	Name of the company	Nature of activity	Country/ residence	Percentage holding
1	ICICI Prudential Life Insurance Company Limited	Life Insurance	India	74.00%
2	ICICI Lombard General Insurance Company Limited	General Insurance	India	74.00%

ICICI Venture Funds Management Company Limited, a subsidiary of the Bank has entered into a 50:50 joint venture with Tishman Speyers Properties (TSP), for pursuing development of commercial office, residential and retail properties in India. The joint venture, which will be called TSI Ventures Private Limited has not commenced its operations.

The companies in which ICICI Bank's holding is temporary in nature are excluded from consolidation.

The financial statements of the subsidiaries/entities used for the purposes of consolidation have been drawn up to the same reporting date as that of the Bank, i.e. period ended September 30, 2005.

Equity issue of ICICI Bank Limited

The Bank made an issue of 115,920,758 equity shares (including 6,992,187 equity shares issued by exercise of green shoe option) of Rs.10 each at a premium of Rs. 270 per share aggregating Rs. 32,457.8 million under the Prospectus dated April 12, 2004. The expenses of the issue have been charged to the share premium account, in accordance with the objects of the Issue stated in the Prospectus.

ICICI Bank had sponsored American Depositary Shares (ADSs) opened for participation on March 7, 2005 and closed on March 11, 2005. In terms of the Offering, 20,685,750 ADSs representing 41,371,500 equity shares had been sold at a price of US$ 21.1 per ADS. The gross proceeds from the ADS Offering were approximately US$ 436.7 million (Rs. 19,099.6 million). The net consideration per share (after deduction of expenses in connection with the offering) was Rs. 453.16.

A. SIGNIFICANT ACCOUNTING POLICIES

1. Revenue recognition

ICICI Bank Limited

a) Interest income is recognised in the profit and loss account as it accrues except in the case of non-performing assets where it is recognised, upon realisation, as per the prudential norms of RBI.

b) Commissions paid to direct marketing agents ("DMAs") for auto loans, is recorded upfront in the profit and loss account net of subvention income received from them.

c) Income from hire purchase operations is accrued by applying the interest rate implicit on outstanding balances.

d) Income from leases is calculated by applying the interest rate implicit in the lease to the net investment outstanding on the lease over the primary lease period. Leases effective from April 1, 2001 are accounted as advances at an amount equal to the net investment in the lease. The lease rentals are apportioned between principal and finance income based on a pattern reflecting a constant periodic return on the net investment of outstanding in respect of finance lease. The principal amount is recognised as repayment of advances and the finance income is reported as interest income.

e) Income on discounted instruments is recognised over the tenure of the instrument on a constant yield basis.

f) Dividend is accounted on an accrual basis when the right to receive the dividend is established.

g) All other fee income is recognised upfront on their becoming due.

h) Income arising from sell down/securitisation of loan assets is recognised upfront, net of future servicing cost for assets sold, expected prepayment and projected delinquencies and included in interest income.

i) Guarantee commission is recognised over the period of the guarantee.

Other entities

a) Revenue from issue management, loan syndication, financial advisory services etc., is recognised based on the stage of completion of assignments and terms of agreement with the client.

b) Income from brokerage activities is recognised as income on the trade date of the transaction. Brokerage income in relation to public issues/ other securities is recognised based on mobilization and terms of agreement with the client.

c) In case of life insurance business, insurance premium is recognised as income when due. Premium on lapsed policies is recognised as income when such policies are reinstated. For linked business, premium is recognised when units are allotted. Income from Linked Funds which includes, fund management charges, administrative charges, mortality charges, etc are recovered from the linked fund in accordance with terms and conditions of policy and are accounted on accrual basis.

In case of general insurance business, insurance premium is recognised as income over the contract period based on 1/365 method or over the period of risk whichever is appropriate on a gross basis net of service tax. Any subsequent revision to premium is recognised over the remaining period of risk or contract period. Adjustments to premium income arising on cancellation of policies is recognised in the period in which it is cancelled. Commission on reinsurance business is recognised as income in the period of ceding the risk. Profit commission under re-insurance treaties is recognised as income in the period of determination of profits.

Interest income on investments is recognised on an accrual basis. Accretion of discount and amortisation of premium relating to debt securities is recognised over the holding/maturity period on a straight-line basis. In case of listed equity shares / mutual fund units, the profit or loss on actual sale of investment includes the accumulated changes in the fair value previously recognised under "Fair Value Change Account" included in the Revenue and other Reserves in consolidated financial statements.

Insurance premium on ceding of the risk is recognised in the period in which the risk commences. Any subsequent revision to premium ceded is recognised in the period of such revision. Adjustment to reinsurance premium arising on cancellation of policies is recognised in the period in which it is cancelled. In case of life insurance business, reinsurance premium ceded is accounted in accordance with the treaty or in-principle arrangement with the reinsurer.

Premium deficiency is recognised when the sum of expected claim costs and related expenses exceed the reserve for unexpired risks and is computed at a business segment level. The adjustment for premium deficiency would be done at the end of the financial year.

d) In case of the venture funds, the annual management fee, performance fee and the advisory fee are recognised as revenue when they contractually accrue except where the management believes that the collectability is in doubt. Dividend income from investment in units of mutual fund is recognised on cash basis. Dividend from shares of corporate bodies is accrued when such dividend has been declared by the corporate body in its Annual General Meeting and the Company's right to receive the dividend payment is established. Interest is recognised, except where collectability is in doubt, on time proportionate basis taking into account the amount outstanding and the interest rates implicit in the transaction. Revenue recognition on loans placed in non-accrual status is resumed

and the suspended income is recognised when the investment becomes contractually current and incomes are actually realised.

e) In case of ICICI Equity Fund, ICICI Eco-net Internet and Technology Fund, ICICI Emerging Sectors Fund and ICICI Strategic Investments Fund (schemes of ICICI Venture Capital Fund) dividend from equity shares is recognised on ex-dividend dates in respect of quoted companies and on the respective dates of the shareholders' resolution in the case of unquoted companies. Realised gains and losses on investments and units in mutual fund and unrealized gains or losses on restatement of units in mutual fund are dealt with in the Revenue Account. The cost of investments sold is determined on weighted average basis and the cost of units in mutual fund sold is determined on first-in, first-out basis for the purpose of calculating gains or losses on sale. Provisions are made in respect of accrued income considered doubtful. Such provisions as well as any subsequent recoveries are recorded through the Revenue Account.

f) In case of Prudential ICICI Asset Management Company Limited, Investment Management and Portfolio Management Fees (inclusive of service tax) are recognised on an accrual basis in accordance with the respective terms of contract between the Company and Prudential ICICI Trust Limited and Portfolio Management Scheme ('PMS') Clients and Securities Exchange Board of India ("SEBI") regulations. Income on asset shield products under PMS is accrued over the term. The unaccrued portion of income is carried forward as a current liability.

g) In case of ICICI Trusteeship Services Ltd., income from trusteeship fees is accounted / accrued on the basis of the understanding / agreements with the concerned parties.

2. Investments

ICICI Bank Limited

Investments are valued in accordance with the extant RBI guidelines on investment classification and valuation as under:

a) All investments are categorised into 'Held to Maturity', 'Available for Sale' and 'Held to Trading'. Reclassifications, if any, in any category are accounted for as per the RBI guidelines. Under each category, the investments are further classified under (a) government securities (b) other approved securities (c) shares (d) bonds and debentures (e) subsidiaries and joint ventures and (f) others.

b) 'Held to Maturity' securities are carried at their acquisition cost or at amortised cost, if acquired at a premium over the face value. A provision is made for other than temporary diminution.

c) 'Available for Sale' and 'Held for Trading' securities are valued periodically as per RBI guidelines. The market/fair value for the purpose of periodical valuation of quoted investments included in the 'Available for Sale' and 'Held for Trading' categories is the market price of the scrip as available from the trades/quotes on the stock exchanges, SGL account transactions, price list of RBI or prices declared by Primary Dealers Association of India jointly with Fixed Income Money Market and Derivatives Association ("FIMMDA") periodically.

The market/fair value of unquoted SLR securities included in the 'Available for Sale' and 'Held for Trading' categories is as per the rates published by FIMMDA.

The valuation of non-SLR securities, other than those quoted on the stock exchanges, wherever linked to the Yield-to-Maturity ("YTM") rates, is with a mark-up (reflecting associated credit risk) over the YTM rates for government securities published by FIMMDA.

Unquoted equity shares are valued at the book value, if the latest balance sheet is available or at Re. 1.

Securities are valued scrip-wise and depreciation/appreciation aggregated for each category. Net appreciation in each basket, if any, being unrealised, is ignored, while net depreciation is provided for.

d) Costs including brokerage, commission etc., pertaining to investments, paid at the time of acquisition, are charged to profit and loss account.

e) Broken period interest on debt instruments is treated as a revenue item.

f) Investments in subsidiaries/joint ventures are categorised as Held to Maturity in accordance with RBI guidelines.

g) Profit on sale of investments in the 'Held to Maturity' category is credited to the profit and loss account and is thereafter appropriated (net of applicable taxes and statutory reserve requirements) to Capital Reserve.

h) At the end of each reporting period, security receipts issued by the asset reconstruction company are valued in accordance with the guidelines applicable to non-SLR instruments prescribed by RBI from time to time. Accordingly, in case where the security receipts issued by the asset reconstruction company are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Bank reckons the Net Asset Value ("NAV"), obtained from the asset reconstruction company from time to time, for valuation of such investments at each reporting period end.

Other entities

In case of ICICI Equity Fund, ICICI Eco-net Internet and Technology Fund, ICICI Emerging Sectors Fund and ICICI Strategic Investments Fund (schemes of ICICI Venture Capital Fund) purchase and sale of investments are accounted on the date the relevant contracts are executed. Subscriptions to/purchase of investments are accounted at the cost of acquisition inclusive of brokerage, commission and stamp duty. Front-end fee, if any received from portfolio companies on equity investment is recorded as a recovery of a part of the cost of investment. Front-end fee, if any received on loan investments is recorded through the profit and loss account. Bonus shares and right entitlements are recorded when such benefits are known. Quoted investments are valued on the valuation date at the closing market price. Quoted investments that are not traded on the valuation date but are traded during the two months prior to the valuation date are valued at the latest known closing price. An appropriate discount is applied where the AMC considers it necessary to reflect restrictions on disposal. Quoted investments not traded during the two months' prior to the valuation date are treated as unquoted. Unquoted investments are valued in good faith at their estimated fair values by applying appropriate valuation methods. Unrealised gains and temporary losses on investments are recognised as components of investors' equity and are dealt with under Unrealised Investment Reserve account included in the Investment Fluctuation Reserve in consolidated financial statements. Where there is a decline, other than temporary in the carrying amounts of investments, the resultant reduction in the carrying amount is charged to the revenue account during the period in which such decline is identified.

ICICI Venture Funds Management Company Limited values its long-term investments at cost. Provision for diminution, if any, in the value of long-term investments is made to recognise a decline, which is not temporary. The said diminution is determined for each investment individually. Current investments are stated at lower of cost or fair value. Units and securities held for trading purposes are classified as stock in trade. Stock in trade is stated at lower of cost or market value.

In case of ICICI Home Finance Company Limited, investments that are readily realisable and intended to be held for not more than a year are classified as current investments which are carried at lower of cost or market value. All other investments are classified as long-term investments, which are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments. Cost such as brokerage, commission etc. paid at the time of acquisition of investments are included in investments cost.

In case of ICICI International Limited, the investment in the joint venture entity TCW/ ICICI Investment Partners LLC is viewed as a strategic investment and has been recorded at cost. Available for sale investments are valued at fair value and the resulting temporary unrealised (gains)/losses (including unrealised foreign exchange (gains)/losses on retranslation at the closing rate, if any) are reported as a separate component of equity as "Investment Revaluation Reserve" included in the Revenue and other Reserves in consolidated financial statements.

ICICI Securities Limited, ICICI Brokerage Services Limited, ICICI Securities Inc. and ICICI Securities Holdings Inc., value the securities held as stock in trade at cost or market value whichever is lower and the securities acquired with the intention of holding till maturity or for a longer period are classified as long-term investments. Long-term investments are carried at cost arrived at on a weighted average basis. Appropriate provision is made for other than temporary diminution in the value of investments. Commission earned in respect of securities acquired upon devolvement is reduced from the cost of acquisition. ICICI Securities Limited values discounted instruments like commercial paper/ treasury bills/ zero-coupon instruments at carrying cost. The difference between the acquisition cost and the redemption value of discounted instruments is apportioned on a straight-line basis for the period of holding and recognised as interest income. Units of mutual fund are valued at lower of cost and net asset value.

In ICICI Bank UK Limited, debt securities are held for investment purposes and are stated at cost (as adjusted for discounts and premiums) less provision for impairment.

ICICI Bank Canada classifies investments into investment account securities or trading account securities. Investment account securities comprise debt and equity securities, originally purchased with the intention of holding to maturity or for a pre-determined period of time, which may be sold in response to changes in investment objectives arising from changing market conditions or to meet liquidity requirements. Debt securities are carried at amortized cost and equity securities are carried at cost. Straight-line method is used for the amortization of premiums and discounts on debt securities. The fair values of securities are based on quoted market prices wherever applicable; otherwise, fair values are estimated using quoted market values for similar securities or third party evidence, as available.

In case of Prudential ICICI Asset Management Company Limited, investments are classified as long term or current based on intention of the management at the time of purchase. Long-term investments are carried at carrying cost less any other than temporary diminution in value, determined separately for each individual investment. Current investments are valued at the lower of cost or net realisable value. Purchase and sale of investments are recorded on trade date. The gains/ losses on sale of investments are recognised in the profit and loss account on the trade date. Profit or loss on sale of investments is determined on the basis of First In First Out ('FIFO') basis. The Company allocates Long Term Incentive Plan (LTIP) cost to the expenses of each accounting period between the date of grant and the exercise date. For the purposes of allocating, LTIP cost is estimated as of the end of each accounting year by multiplying the number of units awarded in the respective plan by the increase in price of the respective LTIP unit and the same is apportioned on a pro rata basis over the life of the plan. In the interim financial statements this amount is calculated based on the budget for the current calendar year.

Other entities value their investments as per AS 13 "Accounting for Investments" issued by ICAI.

Insurance joint ventures

ICICI Prudential Life Insurance Company Limited and ICICI Lombard General Insurance Company Limited record their investments at cost on the date of purchase, which includes brokerage, transfer charges, stamps and taxes, if any and excludes interest accrued on purchases. Investments maturing within twelve months from the balance sheet date and investments made with the specific intention to dispose off within 12 months from the balance sheet date are classified as short-term investments. Investments other than short term are classified as long-term investments.

All debt securities are considered as 'held to maturity' and accordingly stated at historical cost, subject to amortisation of premium or accretion of discount in the revenue account or the profit and loss account over the period of maturity/holding on a straight line basis.

Listed equity shares as at the balance sheet date are stated at fair value being the last quoted closing price on the National Stock Exchange or the Stock Exchange, Mumbai. Mutual fund investments are stated at fair value, being the closing net asset value as at balance sheet date. Equity shares awaiting listing are stated at historical cost subject to provision for diminution, if any, in the value of such investment determined separately for each individual investment. The unrealised gain / loss arising on account of such valuation is taken to "Fair Value change account" included in the Revenue and other Reserves in consolidated financial statements and carried forward in the balance sheet. Investment in real estate is valued at historical cost, subject to provision for impairment, if any. Revaluation of investment in real estate is done at least once in every three years.

Government securities issued by Government of India are valued at prices obtained from Credit Rating Information Services of India Ltd. ('CRISIL'). Government securities issued by various State Governments of India are valued at historical cost, subject to amortisation of premium or accretion of discount in the revenue account of linked funds over the period of maturity/holding on a straight-line basis. Debt securities other than Government securities are valued on the basis of CRISIL Bond Valuer.

3. Provisions/ Write-offs on loans and other credit facilities

ICICI Bank Limited

a) All credit exposures are classified as per RBI guidelines into performing and non-performing assets ("NPAs"). Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI. Provisions are made on sub-standard and doubtful assets at rates prescribed by RBI. Loss assets and unsecured portion of doubtful assets are provided/written off as per the extant RBI guidelines. The Bank also makes additional floating provision against retail non-performing loans and additional provision against specific corporate NPAs.

b) For restructured/rescheduled assets, provision is made in accordance with the guidelines issued by RBI, which requires the present value of the interest sacrifice be provided at the time of restructuring.

c) In the case of other than restructured loan accounts classified as NPAs, the account is reclassified as "standard" account if arrears of interest and principal are fully paid by the borrower.

   In respect of non-performing loan accounts subjected to restructuring, the account is upgraded to standard if the borrower demonstrates, over a minimum period of one year, the ability to repay the loan in accordance with the contractual terms.

d) Amounts recovered against other debts written off in earlier years and provisions no longer considered necessary in the context of the current status of the borrower are recognised in the profit and loss account.

e) In addition to the specific provision on NPAs, the Bank maintains a general provision on performing loans. The general provision covers the requirements of the RBI guidelines.

f) In addition to the provisions required to be held according to the asset classification status, provisions are held for individual country exposure (other than for home country). The countries are categorised into seven risk categories namely insignificant, low, moderate, high, very high, restricted and off-credit and provisioning made on exposures exceeding 90 days on a graded scale ranging from 0.25% to 100%. For exposures with contractual maturity of less than 90 days, 25% of the normal provision requirement is held. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision will be maintained on such country exposure.

Other entities

In case of ICICI Securities Limited, the policy of provisioning against non-performing loans and advances has been decided by the management considering prudential norms prescribed by the RBI for Non Banking Financial Companies. As per the policy adopted, the provision against sub standard assets are fixed, taking into account management's perception of the higher risk associated with the business of the company. Certain non-performing loans and advances are considered as loss assets and full provision has been made against such assets.

In case of ICICI Home Finance Company Limited, loans and other credit facilities are classified as per the NHB guidelines into performing and non-performing assets. Further, non-performing assets are classified into sub standard, doubtful and loss assets based on criteria

stipulated by NHB. Additional provision is made against specific non performing assets over and above what is stated above, if in the opinion of the management, increased provisions are necessary. The company maintains general provisions to cover potential credit losses which are inherent in any loan portfolio but not identified. For standard assets, additional general provisions are determined having regard to overall portfolio quality, asset growth, economic conditions and other risk factors.

In case of ICICI Bank Canada, loans are stated net of an allowance for credit losses. Loans are classified as impaired when there is no longer reasonable assurance of the timely collection of the full amount of principal or interest. An allowance for credit losses is maintained at a level that management considers adequate to absorb identified credit related losses as well as losses that have been incurred but not yet identifiable.

4. Transfer and servicing of financial assets

The Bank transfers commercial and consumer loans through securitisation transactions. The transferred loans are de-recognised and gains / losses are recorded only if the Bank surrenders the right to benefits specified in the loan contract. Recourse and servicing obligations are reduced from proceeds of the sale. Retained beneficial interests in the loans is measured by allocating the carrying value of the loans between the assets sold and the retained interest, based on the relative fair value at the date of the securitisation.

5. Fixed assets and depreciation

ICICI Bank Limited

a) Premises and other fixed assets are carried at cost less accumulated depreciation. Depreciation is charged over the estimated useful life of a fixed asset on a straight line basis. The rates of depreciation for fixed assets, which are not lower than the rates prescribed in Schedule XIV of the Companies Act, 1956, are given below:

Asset	Depreciation rate
Premises owned by the Bank	1.63%
Improvements to leasehold premises	1.63% or over the lease period, whichever is higher
ATMs	12.50%
Plant and machinery like air conditioners, xerox machines, etc.	10.00%
Furniture and fixtures	15.00%
Motor vehicles	20.00%
Computers	33.33%
EDC Terminals	16.67%
Others (including software and system development expenses)	25.00%

b) Depreciation on leased assets is made on a straight-line basis at the higher of the rates determined with reference to the primary period of lease and the rates specified in Schedule XIV to the Companies Act, 1956.

d) Assets purchased/sold during the year are depreciated on the basis of actual number of days the asset has been put to use.

e) Items costing less than Rs. 5,000 are depreciated fully over a period of 12 months from the date of purchase.

Other entities

a) In case of ICICI Venture Funds Management Company Limited, depreciation on assets, other than leased assets, is charged on written down value method at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956.

b) In case of ICICI Securities Limited, ICICI Brokerage Services Limited, and ICICI Securities Holdings Inc., depreciation on assets, other than improvements to leased property and Membership rights of the stock exchange, Mumbai, is charged on written down value method at the rates which are greater than or equal to the provisions of Schedule XIV of the Companies Act, 1956. Membership rights of stock exchanges is treated as an asset and the value paid to acquire such rights is amortized over a period of 10 years.

c) In case of Prudential ICICI Asset Management Company Limited, fixed assets other than leasehold improvements, and software development and licensing costs are depreciated at written down value method based on economic lives of the asset as estimated by the management.

d) In case of ICICI Bank Canada and ICICI Bank UK Limited, fixed assets other than leasehold improvements are depreciated using straight-line method over the estimated useful lives of the assets as estimated by the management. In case of ICICI Bank Canada, depreciation on furniture & fixtures is charged @ 20% per annum.

e) In case of ICICI Prudential Life Insurance Company Limited, assets costing upto Rs. 20,000 (Rupees twenty thousand) are fully depreciated in the year of acquisition. Intangible assets comprising of software are stated at cost less amortization. Significant improvements to software are capitalized with the insignificant improvements being charged off as software expenses. Software expenses are amortized on Straight Line Method over a period of 3 years from the date they are put to use, being the Management's estimate of the useful life of such intangibles. Depreciation on furniture & fixtures is charged @ 25% per annum.

f) In case of ICICI Lombard General Insurance Company Limited, computer software are stated at cost less amortisation. Computer software including improvements is amortised over a period of 5 years, being the management's estimate of the useful life of such intangibles.

g) In case of ICICI Home Finance, depreciation on computer software is provided @ 20% per annum.

6. Foreign currency transactions

ICICI Bank Limited

a) Foreign currency income and expenditure items of domestic operations are translated at the exchange rates prevailing on the date of the transaction, income and expenditure items of integral foreign operations (representative offices) are translated at weekly average closing rate, and income and expenditure of non-integral foreign operations (foreign branches and off-shore banking units) are translated at quarterly average closing rate.

b) Monetary foreign currency assets and liabilities of domestic and integral foreign operations are translated at closing exchange rates notified by Foreign Exchange Dealers' Association of India ("FEDAI") at the balance sheet date and the resulting profits/losses are included in the profit and loss account.

c) Both monetary and non-monetary foreign currency assets and liabilities of non- integral foreign operations are translated at closing exchange rates notified by FEDAI at the balance sheet date and the resulting profit/loss on exchange differences are accumulated in the foreign currency translation reserve until the disposal of the net investment in the non-integral foreign operations.

d) Outstanding forward exchange contracts are stated at contracted rates and are revalued at the exchange rates notified by FEDAI for specified maturities and at interpolated rates for contracts of in-between maturities. The resultant gains or losses are recognised in the profit and loss account.

e) Contingent liabilities on account of guarantees, endorsements and other obligations are stated at the exchange rates notified by FEDAI at the balance sheet date.

Other entities

The financial statements of foreign subsidiaries/associates – ICICI Securities Holdings Inc., ICICI Securities Inc., ICICI Bank UK Limited, ICICI Bank Canada, ICICI International Limited. TCW/ICICI Investment Partners LLC and Investment Credit Bank Limited Liability Company have been converted in accordance with Accounting Standard 11 on "The effects of changes in foreign exchange rates".

In translating the financial statements of the above-mentioned non-integral foreign operations, all monetary items have been translated at the rate prevailing at the balance sheet date. All profit and loss items have been translated at the average rate prevailing during the financial year.

Share capital has been translated at the original rate when the capital was infused and the difference on account of exchange rate has been transferred to Translation Reserve. The opening block of fixed assets has been translated at the opening rate prevailing at the beginning of the year. Additions / deductions made to fixed assets have been translated at the average rate prevailing during the year. Similar treatment has been given to accumulated depreciation on fixed assets.

7. Accounting for derivative contracts

ICICI Bank Limited

The Bank enters into derivative contracts such as foreign currency options, interest rate and currency swaps and cross currency interest rate swaps to hedge on-balance sheet/off-balance sheet assets and liabilities or for trading purposes.

The swap contracts entered to hedge on-balance sheet assets and liabilities are structured in such a way that they bear an opposite and offsetting impact with the underlying on-balance sheet items. The impact of such derivative instruments is correlated with the movement of underlying assets and accounted pursuant to the principles of hedge accounting.

Foreign currency and rupee derivatives, which are entered for trading purposes, are marked to market and the resulting gain/loss, (net of provisions, if any) is recorded in the profit and loss account.

Other entities

In case of ICICI Securities Limited and ICICI Brokerage Services Limited,

1. All open positions are marked to market.
2. Gains are recognised only on settlement / expiry of the derivative instruments except for Interest Rate derivatives where even mark-to-market gains are recognised.
3. Debit/ credit balance on open position are disclosed as current assets / current liabilities, as the case may be.

In case of ICICI Bank UK Limited, trading book derivatives are carried at fair value in the balance sheet within other assets and other liabilities. Positive and negative fair values of trading derivatives are offset where contracts have been entered into under master netting agreements or other arrangements that represent legally enforceable right of set-off which will survive the liquidation of either party. Gains and losses are taken directly to the profit and loss account and reported within Foreign exchange dealing profits. The income and expense arising from off – balance sheet financial derivatives entered into for hedging purposes is recognised in the accounts in accordance with the accounting treatment of the underlying transactions or transactions being hedged. All off-balance sheet financial derivatives are held for the period in which the underlying hedge matures.

8. Employee stock option scheme ("ESOS")

The Bank has formulated an employee stock option scheme. The Scheme provides that employees are granted an option to acquire equity shares of the Bank that vests in graded manner. The options may be exercised within a specified period. The Bank follows the intrinsic value method for computing the compensation cost, if any, for all options granted.

9. Staff retirement benefits

ICICI Bank Limited

ICICI Bank is required to pay a gratuity to employees who retire or resign after at least five years of continuous service. ICICI Bank makes contributions to three separate gratuity funds, for employees inducted from ICICI, employees inducted from Bank of Madura and employees of ICICI Bank other than employees inducted from ICICI and Bank of Madura.

The gratuity funds for employees inducted from ICICI and Bank of Madura are separate gratuity funds managed by ICICI Prudential Life Insurance Company. Actuarial valuation of the gratuity liability is determined by an actuary appointed by ICICI Prudential Life Insurance Company. The investments of the funds are made according to rules prescribed by the Government of India. The accounts of the funds are audited by independent auditors.

The gratuity fund for employees of ICICI Bank other than employees inducted from ICICI and Bank of Madura is administered by the Life Insurance Corporation of India. In accordance with the gratuity fund's rules, actuarial valuation of gratuity liability is calculated based on certain assumptions regarding rate of interest, salary growth, mortality and staff turnover.

ICICI Bank contributes 15.0% of the total annual salary of each employee to a superannuation fund for ICICI Bank employees. The fund is administered by the Life Insurance Corporation of India. ICICI Bank's employees get an option on retirement or resignation to receive one-third of the total balance and a monthly pension based on the remaining two-third balance. In the event of death of an employee, his or her beneficiary receives the remaining accumulated balance of 66.7%. ICICI Bank also gives a cash option to its employees, allowing them to receive the amount contributed by ICICI Bank in their monthly salary during their employment.

Subsequent to March 31, 2005, superannuation fund is being administered by Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited. Employees have the option to retain the existing balance with Life Insurance Corporation of India or seek a transfer to ICICI Prudential Insurance Company Limited.

ICICI Bank is statutorily required to maintain a provident fund as a part of its retirement benefits to its employees. There are separate provident funds for employees inducted from Bank of Madura (other than those employees who have opted for pensions), and for other employees of ICICI Bank. These funds are managed by in-house trustees. Each employee contributes 12.0% of his or her basic salary (10.0% for clerks and sub-staff of Bank of Madura) and ICICI Bank contributes an equal amount to the funds. The investments of the funds are made according to rules prescribed by the Government of India. The accounts of the funds are audited by independent auditors.

Other entities

In case of ICICI Bank UK Limited, contributions to the pension scheme are charged to the profit and loss account when paid.

10. Income taxes

Income tax expense is the aggregate amount of current tax and deferred tax charge. Current year taxes are determined in accordance with the Income Tax Act, 1961. Deferred tax adjustments comprise of changes in the deferred tax assets or liabilities during the period.

Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences arising between the carrying values of assets and liabilities and their respective tax basis and operating carry forward losses. Deferred tax assets are recognised only after giving due consideration to prudence. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date. The impact on account of changes in the deferred tax assets and liabilities is also recognised in the profit and loss account.

Deferred tax assets are recognised and reassessed at each reporting date, based upon management's judgement as to whether realisation is considered reasonably certain. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax asset can be realised against future profits.

11. Impairment of assets

Long-lived assets and certain intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

12. Accounting for contingencies

The Bank estimates the probability of any loss that might be incurred on outcome of contingencies on the basis of information available up to the date on which the financial statements are prepared. A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements. In case of remote possibility neither provision nor disclosure is made in the financial statements.

13. Earnings per share ("EPS")

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the period/year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period/year. Diluted earnings per equity share has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period/year, except where the results are anti-dilutive.

14. Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.

15. Claims and benefits paid

In case of general insurance business, claims comprise claims paid, estimated liability for outstanding claims made following a loss occurrence reported and estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER'). Further, claims incurred also include specific claim settlement costs such as survey / legal fees and other directly attributable costs.

Claims (net of amounts receivable from reinsurers/ coinsurers) are recognised on the date of intimation of the loss.

Estimated liability for outstanding claims at balance sheet date is recorded net of claims recoverable from/ payable to co-insurers/ reinsurers and salvage to the extent there is certainty of realisation. Estimated liability for outstanding claims is determined by management on the basis of ultimate amounts likely to be paid on each claim based on past experience. These estimates are progressively revalidated on availability of further information.

IBNR represents that amount of claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims IBNER. Estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER') is based on internal estimates by the management.

In case of life insurance business, claims other than maturity claims are accounted for on receipt of intimation. Maturity claims are accounted when due for payment. Reinsurance on such claims is accounted for in the same period as the related claims. Withdrawals under linked policies are accounted in the respective schemes.

16. Reserve for unexpired risk

Reserve for unexpired risk is recognised net of reinsurance ceded and represents premium written that is attributable and to be allocated to succeeding accounting periods for risks to be borne by the company under contractual obligations on contract period basis or risk period basis, whichever is appropriate. It is calculated on a daily pro-rata basis subject to a minimum of 50% of the premium, written during the twelve months preceding the balance sheet date for fire, marine, cargo and miscellaneous business and 100% for marine hull business, in accordance with the provisions of the Insurance Act, 1938.

17. Acquisition costs

Acquisition costs are those costs that vary with, and are primarily costs related to the acquisition of new and renewal insurance contracts viz. commission, policy issue expenses, etc. These costs are expensed in the period in which they are incurred.

18. Liability for life policies in force

In respect of life insurance business, liability for life policies in force and also policies in respect of which premium has been discontinued but a liability exists, is determined by the Appointed Actuary on the basis of an annual review of the life insurance business, as per the gross premium method in accordance with accepted actuarial practice, requirements of the IRDA and the Actuarial Society of India. The linked policies sold by the company carry two types of liabilities – unit liability representing the fund value of policies and non-unit liability for future expenses, meeting death claims, income taxes and cost of any guarantees.

19. Actuarial method and valuation

In case of life insurance business, the actuarial valuation liability on both participating and non-participating policies is calculated using the gross premium method. The gross premium reserves are calculated using assumptions for interest, mortality, expense, and inflation and in the case of participating policies, the future bonuses together with allowance for taxation and allocation of profits to shareholders. These assumptions are determined as prudent estimates at the date of valuation with allowances for adverse deviations.

For the participating policies and non-participating term insurance policies, the interest rates used for valuation are in the range of 4% to 7% per annum (Previous year – 4% to 6% per annum). For non participating single premium investment policies which are maintained as a hedged portfolio, the interest rates used for valuation range from 4.7% to 10% per annum (Previous year – 4.7% to 10% per annum).

The valuation has been carried out without assuming lapses or policies becoming paid up. Mortality rates used are based on the published L.I.C. (1994 – 96) Ultimate Mortality Table, adjusted to reflect expected experience and allowances for adverse deviation. The method of unearned premium for the unexpired portion of the risk has been adopted for the general fund liabilities of linked business and riders there under, and one year renewable group term insurance.

The unit liability in respect of linked business has been valued on the basis of the units, to the credit of policyholders, as on the valuation date. The adequacy of charges under unit-linked policies to meet future expenses has been tested and provision has been made as appropriate. Provision has also been made for the cost of guarantee under unit-linked products that carry a guarantee.

20. Brokerage and incentives

In case of Prudential ICICI Asset Management Company Limited, brokerage and incentives paid on the subscriptions raised during the initial offer period of the first three open ended schemes of the Fund offering benefits under Section 54EB of the Income Tax Act, 1961 are charged to profit and loss account over the period of eighty four months.

Brokerage on asset shield products under Portfolio Management Services (PMS) are amortised over the term. The unamortised portion of the brokerage is carried forward as prepaid expense. All other brokerage and incentive payments are accounted for when incurred.

B. NOTES FORMING PART OF THE ACCOUNTS

1. Earnings per share ("EPS")

The group reports basic and diluted earnings per equity share in accordance with Accounting Standard 20, "Earnings per Share". Basic earnings per share is computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the period / year. Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period / year.

The computation of earnings per share is given below:

Rupees in million except per share data

	September 30, 2005	March 31, 2005	September 30, 2004
Basic (not annualised for the period)			
Weighted average no. of equity shares outstanding	738,954,333	727,728,042	719,759,249
Net profit	10,471.7	18,523.3	7,487.1
Basic earnings per share (Rs.)	14.17	25.45	10.40
Diluted (not annualised for the period)			
Weighted average no. of equity shares outstanding	746,683,470	733,720,485	725,803,337
Net profit	10,471.7	18,523.3	7,487.1
Diluted earnings per share (Rs.)	14.03	25.25	10.32
Nominal value per share (Rs.)	10.0	10.0	10.0

The dilutive impact is mainly due to options granted to employees by the Bank.

2. Related party transactions

The Group has transactions with its related parties comprising of joint ventures, associates and key management personnel. The following represent the significant transactions between the Group and such related parties:

Lease of premises and facilities

During the period ended September 30, 2005, the Bank charged for lease of premises, facilities and other administrative costs to joint ventures amounting to Rs. Nil (March 31, 2005: Rs. 3.4 million, September 30, 2004: Rs. 8.9 million).

Interest received

During the period ended September 30, 2005 the Bank received interest from its Key management personnel[1] amounting to Rs. 0.3 million (March 31, 2005: Rs. 0.3 million, September 30, 2004: Rs. 0.1 million).

Interest paid

During the period ended September 30, 2005, the Bank paid interest to joint ventures amounting to Rs. Nil (March 31, 2005: Rs. 18.9 million, September 30, 2004: Rs. Nil).

Remuneration to whole-time directors

Remuneration paid to the whole-time directors of the Bank during the period ended September 30, 2005 was Rs. 49.0 million (March 31, 2005: Rs. 60.5 million, September 30, 2004: Rs. 36.3 million).

Sale of investments

During the period ended September 30, 2005, the Bank sold certain investments to joint ventures amounting to Rs. Nil (March 31, 2005: Rs. 3,637.3 million, September 30, 2004: Rs. Nil). On the sales made to joint ventures the Bank accounted for a loss of Rs. Nil (March 31, 2005: Rs. 14.6 million, September 30, 2004: Rs. Nil).

Purchase of investments

During the period ended September 30, 2005, the Bank purchased certain investments from its joint ventures amounting to Rs. Nil (March 31, 2005: Rs. 5,001.2 million, September 30, 2004: Rs. Nil).

Custodial charges received

During the period ended September 30, 2005, the Bank received custodial charges from its joint ventures amounting to Rs. Nil million (March 31, 2005: Rs. 1.7 million, September 30, 2004: Rs. Nil).

Fees

During the period ended September 30, 2005, the Bank received cash management services fees from its joint ventures amounting to Rs. Nil (March 31, 2005: Rs. 14.5 million, September 30, 2004: Rs. 0.01 million).

Related party balances

The following balances payable to/receivable from the related parties are included in the balance sheet as on September 30, 2005:

Rupees in million

Items/Related Party	Joint Ventures and Associates	Key Management Personnel [1]	Total
Deposits with ICICI Bank	..	34.6	34.6
Advances	..	16.3	16.3
Investments of ICICI Bank	..	..	..
Investments of related parties in ICICI Bank	..	4.0	4.0
Receivables	..	..	..
Payables	..	..	..

The following balances represent the maximum balance payable to/receivable from related parties during the period ended September 30, 2005:

Rupees in million

Items/Related Party	Joint Ventures and Associates	Key Management Personnel [1]	Total
Deposits with ICICI Bank	..	46.1	46.1
Advances	..	19.7	19.7
Investments of ICICI Bank	..	..	..
Investments of related parties in ICICI Bank	..	4.0	4.0
Receivables	..	..	..
Payables	..	..	..

The following balances payable to/receivable from the related parties are included in the balance sheet as on March 31, 2005 :

Rupees in million

Items/Related Party	Joint Ventures and Associates	Key Management Personnel [1]	Total
Deposits with ICICI Bank	2.0	37.1	39.1
Advances	0.9	19.1	20.0
Investments of ICICI Bank	67.1	..	67.1
Investments of related parties in ICICI Bank	..	2.3	2.3
Receivables	..	..	..
Payables	..	..	..

The following balances represent the maximum balance payable to/receivable from related parties during the year ended March 31, 2005:

Rupees in million

Items/Related Party	Joint Ventures and Associates	Key Management Personnel [1]	Total
Deposits with ICICI Bank	64.5	196.1	260.6
Advances	0.9	19.1	20.0
Investments of ICICI Bank	67.1	..	67.1
Investments of related parties in ICICI Bank	..	2.3	2.3
Receivables	..	..	..
Payables	..	..	..

The following balances payable to/receivable from the related parties are included in the balance sheet as on September 30, 2004:

Rupees in million

Items/Related Party	Joint Ventures and Associates	Key Management Personnel [1]	Total
Deposits with ICICI Bank	18.4	33.5	51.9
Advances	..	11.3	11.3
Investments of ICICI Bank	67.1	..	67.1
Investments of related parties in ICICI Bank	..	2.2	2.2
Receivables	3.3	..	3.3
Payables	..	..	..

The following balances represent the maximum balance payable to/receivable from related parties during the period ended September 30, 2004:

Rupees in million

Items/Related Party	Joint Ventures and Associates	Key Management Personnel [1]	Total
Deposits with ICICI Bank	18.4	41.9	60.3
Advances	..	11.5	11.5
Investments of ICICI Bank	67.1	..	67.1
Investments of related parties in ICICI Bank	..	2.4	2.4
Receivables	3.3	..	3.3
Payables	..	..	..

1 whole time directors of the Board and their relatives.

Joint ventures and associates

For the period ended September 30, 2005, TCW/ICICI Investment Partners L.L.C have been classified under associate. For the period ended March 31, 2005 and September 30, 2004, Prudential ICICI Asset Management Company Limited and Prudential ICICI Trust Limited have been classified under Joint Venture.

3. Employee Stock Option Scheme ("ESOS")

In terms of the ESOS, as amended, the maximum number of options granted to any eligible employee in a financial year shall not exceed 0.05% of the issued equity shares of the Bank at the time of grant of the options and aggregate of all such options granted to the eligible employees shall not exceed 5% of the aggregate number of the issued equity shares of the Bank on the date (s) of the grant of options.

In terms of the Scheme, 20,645,341 options (March 31, 2005: 18,215,335 options, September 30, 2004: 20,698,131 options) granted to eligible employees were outstanding at September 30, 2005.

A summary of the status of the Bank's option plan is given below:

	Option shares outstanding		
	Period ended September 30, 2005	**Year ended March 31, 2005**	**Period ended September 30, 2004**
Outstanding at the beginning of the period / year	18,215,335	15,964,982	15,964,982
Add : Granted during the period / year	4,976,780	7,554,500	7,554,500
Less : Forfeited/lapsed during the period/ year	348,755	846,496	405,335
Exercised during the period / year [1]	4,165,023	4,457,651	2,416,016
Outstanding at the end of the period / year	18,678,337	18,215,335	20,698,131

1. Excludes options exercised but not allotted.

4. Preference shares

Certain Government Securities amounting to Rs. 1,954.4 million (March 31, 2005: Rs. 1,952.3 million, September 30, 2004: Rs. 1,907.5 million) have been earmarked against redemption of preference share capital, which falls due for redemption on April 20, 2018 as per the original issue terms.

5. Appropriation of net profit

The Bank intends to make appropriation of net profit at year- end. Accordingly, the financial statements do not include appropriations to Statutory Reserve (Rs. 2,780.0 million), Capital Reserve (Rs. 223.6 million) and Investment Fluctuation Reserve (amount not ascertainable) out of the current period profit.

6. Transfer to Investment Fluctuation Reserve

To comply with the instructions from RBI, an amount of Rs. 2,413.4 million has been transferred back to Investment Fluctuation Reserve from Revenue Reserve.

7. Subordinated debt

a) During the period ended September 30, 2005, the Bank raised subordinate debt amounting to Rs. 10,250.0 million through private placement of bonds. The details of these bonds are given below :

Rupees in million

Particulars	**Date of Issue**	**Coupon Rate (%)**	**Tenure**	**Amount**
Option I	September 28, 2005	1 Yr INBMK [1] + 0.50% (To be reset semi- annually)	5 years and 7 months	2,250.0
Option III	September 28, 2005	7.50	10 years	2,750.0
Total				**5,000.0**

1. INBMK – Indian Benchmark

During the year ended March 31, 2005, the Bank raised subordinate debt amounting to Rs. 4,500.0 million under private placement bonds issued on February 28, 2005. The details of these bonds are given below :

Rupees in million

Particulars	**Date of Issue**	**Coupon Rate (%)**	**Tenure**	**Amount**
Option I	June 29, 2005	1 Yr INBMK[1] + 0.50 % (To be reset semi- annually)	5 years and 10 months	1,100.0
Option II	June 29, 2005	7.25	5 years and 10 months	770.0
Option III	June 29, 2005	7.45	10 years	3,380.0
Total				**5,250.0**

1. INBMK – Indian Benchmark

b) During the year ended March 31, 2005, the Bank raised subordinate debt amounting to Rs. 4,500.0 million under private placement bonds.

8. Fixed Asset

Fixed asset includes certain softwares acquired by the Bank. The movement in such assets is as follows:

Rupees in million

Particulars	As on September 30, 2005	As on March 31, 2005
At cost as on March 31st of preceding year	2,737.3	2,381.0
Additions during period/year	356.3	462.2
Deductions during period/year	52.5	..
Depreciation to date	1,849.7	(1,557.3)
Net Block	1,191.4	1,285.9

9. Assets given under lease

9.1 Assets given under operating lease

The future lease rentals are given in the table below :

Rupees in million

Period	September 30, 2005	March 31, 2005	September 30, 2004
Not later than one year	131.2	239.2	236.6
Later than one year and not later than five years	600.4	1,001.8	989.9
Later than five years	69.8	311.2	443.1
Total	801.4	1,552.2	1,669.6

9.2 Assets taken under operating lease

The future lease rental commitments are given in the table below :

Rupees in million

Period	September 30, 2005	March 31, 2005	September 30, 2004
Not later than one year	459.0	369.5	2.9
Later than one year and not later than five years	1,661.1	1,386.4	27.9
Later than five years	755.4	586.4	12.2
Total	2,875.5	2,342.3	43.0

9.3 Assets given under finance lease

The future lease rentals are given below :

Rupees in million

Period	September 30, 2005	March 31, 2005	September 30, 2004
Total of future minimum lease payments	958.0	1,105.5	1,574.1
Present value of lease payments	802.6	913.6	1,265.9
Unmatured finance charges	155.4	191.9	308.2
Maturity profile of total of future minimum lease payments			
Not later than one year	265.6	293.3	389.3
Later than one year and not later than five years	692.4	804.5	1,110.8
Later than five years	..	7.7	74.0
Total	958.0	1,105.5	1,574.1

Maturity profile of present value of lease payments

Rupees in million

Period	September 30, 2005	March 31, 2005	September 30, 2004
Not later than one year	202.7	222.8	280.6
Later than one year and not later than five years	599.9	683.3	913.7
Later than five years	..	7.5	71.6
Total	**802.6**	**913.6**	**1,265.9**

10. Early retirement option ("ERO")

The Bank had implemented an Early Retirement Option scheme 2003 for its employees in July 2003. All employees who had completed 40 years of age and seven years of service with the Bank (including period of service with entities amalgamated with the Bank) were eligible for the ERO.

The ex-gratia payments under ERO and termination benefits and leave encashment in excess of the provision made (net of tax benefits), aggregating to Rs. 1,910.0 million is being amortised over a period of five years commencing August 1, 2003 (the date of retirement of employees exercising the Option being July 31, 2003).

On account of the above ERO scheme, an amount of Rs. 192.0 million (March 31, 2005: Rs. 384.0 million, September 30, 2004: Rs. 192.0 million) has been charged to revenue being the proportionate amount amortised for three month period ended September 30, 2005.

11. Deferred tax

On September 30, 2005, the Group has recorded net deferred tax asset of Rs. 1,285.9 million, (March 31, 2005: Rs. 702.2 million, September 30, 2004 : Rs. 5,538.2 million) which has been included in Other Assets.

The analysis of deferred tax assets and liabilities into major items is given below:

Rupees in million

Perticulars	September 30, 2005	March 31, 2005	September 30, 2004
Deferred tax asset			
Provision for bad and doubtful debts	7,070.1	7,285.5	14,081.4
Others	1,267.4	1,199.4	390.4
	8,337.5	8,484.9	14,471.8
Less: Deferred tax liability			
Depreciation on fixed assets	7,059.5	7,561.1	8,692.2
Others	..	221.6	241.4
	7,059.5	7,782.7	8,933.6
Add: Deferred tax asset pertaining to Foreign Branches	7.9	..	..
Net Deferred Tax Asset/ (Liability)	1,285.9	702.2	5,538.2

12. Others

a. Exchange fluctuation

Exchange fluctuation aggregating Rs. 50.4 million (March 31, 2005 : Rs. 244.7 million, September 30, 2004: Rs. 433.0 million), which arises on account of rupee-tying agreements with the Government of India, is held in "Exchange Fluctuation Suspense with Government Account" pending adjustment at maturity on receipt of payments from the Government for repayments to foreign lenders.

b. Swap suspense (net)

Swap suspense (net) aggregating Rs. 157.7 million (debit) (March 31, 2005: Rs. 794.7 million (debit), September 30, 2004: Rs. 619.6 million (debit), which arises out of conversion of foreign currency swaps, is held in "Swap suspense account" and will be reversed at conclusion of swap transactions with swap counter parties.

13. Pursuant to the resolution passed at the meeting of the Board of Directors of ICICI Venture Funds Management Company Limited (IVFMCL), held on July 21, 2004, IVFMCL has decided not to carry on activities of Non Banking Financial Companies, under section 45-1A(6)(i) and applied to Reserve Bank of India for cancellation of certificate as a Non Banking Financial Company. The Reserve Bank of India vide its order dated September 27, 2004 has cancelled as surrendered, the certificate of registration granted to the company. Consequently the Statutory Reserve, created in pursuance of Section 45-IC of the Reserve Bank of India (Amendment) Act, 1997, amounting to Rs. 210.0 million has been treated as free reserve and transferred to General Reserve.

As the company is no longer a Non Banking Financial Company, transfer from current year profits to Statutory Reserve has not been made.

14. Information about business and geographical segments

The Group reports its operations into the following segments:

- Consumer and commercial banking comprising the retail and corporate banking operations of the Bank, ICICI Home Finance Company Limited, ICICI Bank UK Limited, ICICI Bank Canada and Investment Credit Bank Limited Liability Company.
- Investment banking comprising the treasury of the Bank, the investment banking business of ICICI Securities Limited, ICICI Brokerage Services Limited, ICICI Securities Inc., and ICICI Securities Holdings Inc., ICICI Venture Funds Management Company Limited, ICICI Eco-net Internet & Technology Fund, ICICI Equity Fund, ICICI Strategic Investments Fund, ICICI Emerging Sectors Fund and ICICI International Limited.
- Others comprising ICICI Lombard General Insurance Company Limited, ICICI Prudential Life Insurance Company Limited, Prudential ICICI AMC Ltd., Prudential ICICI Trust Limited, ICICI Property Trust, ICICI Investment Management Company Limited, ICICI Trusteeship Services Limited and TCW/ICICI Investment Partners LLC whose individual business is presently not material in relation to the consolidated financials.

  Inter segment transactions are generally based on transfer pricing measures as determined by management. Income, expenses, assets and liabilities are either specifically identifiable with individual segments or have been allocated to segments on a systematic basis.

  Based on such allocations, segmental balance sheet as on September 30, 2005 and segmental profit & loss account for the period ended September 30, 2005 have been prepared.

Rupees in million

Particulars	Consumer and commercial banking			Investment banking			Others			Total		
	For the period ended 30.09.05	For the year ended 31.03.05	For the period ended 30.09.04	For the period ended 30.09.05	For the year ended 31.03.05	For the period ended 30.09.04	For the period ended 30.09.05	For the year ended 31.03.05	For the period ended 30.09.04	For the period ended 30.09.05	For the year ended 31.03.05	For the period ended 30.09.04
1 Revenue (before extraordinary profit)	67,987.3	108,779.9	51,968.0	25,559.3	32,599.2	13,763.6	25,089.2	37,033.0	11,448.0	118,635.8	178,412.1	77,179.6
2 Less: Inter segment revenue	..	..	..	..	..	..	..	..	..	(6,718.6)	(9,102.8)	(5,080.1)
3 Total revenue (1) -(2)	..	..	..	..	..	..	...	..	..	111,917.2	169,309.3	72,099.5
4 Operating profit (i.e. Profit before unallocated expenses, extraordinary profit, provision, and tax)	14,030.6	19,965.0	10,325.8	6,691.8	10,439.3	2,760.0	(198.9)	(1,606.8)	(983.1)	20,523.5	28,797.5	12,102.7
5 Unallocated expenses	..	..	..	..	..	..	..	..	..	192.0	384.0	192.0
6 Provisions	2,141.5	1,150.9	2,559.6	4,133.8	3,478.4	(277.7)	(206.2)	(422.9)	..	6,069.1	4,206.4	2,281.9
7 Profit before tax (4)-(5)-(6)	11,889.1	18,814.1	7,766.2	2,558.0	6,960.9	3,037.7	7.3	(1,183.9)	(983.1)	14,262.4	24,207.1	9,628.8
8 Income tax expenses (net) / (net deferred tax credit)	..	..	..	..	..	..	..	..	..	3,791.2	5,683.8	2,141.7
9 Net Profit (7)-(8)	..	..	..	..	..	..	..	..	..	10,471.2	18,523.3	7,487.1
Other Information												
10 Segment assets	1,291,241.9	1,118,447.3	879,146.5	641,464.3	588,286.8	457,080.0	70,234.8	47,778.1	29,987.9	2,002,941.0	1,754,512.2	1,366,214.4
11 Unallocated assets	..	..	..	..	..	..	..	..	..	27,798.8	28,915.3	27,755.8
12 Total assets (10)+(11)	..	..	..	..	..	..	..	..	..	2,030,739.8	1,783,427.5	1,393,970.2
13 Segment liabilities	1,504,259.3	1,353,714.3	1,080,717.0	463,380.9	389,689.1	292,729.5	63,099.6	40,024.1	20,523.7	2,030,739.8	1,783,427.5	1,393,970.2
14 Unallocated liabilities	..	..	..	..	..	..	..	..	..	..	..	..
15 Total liabilities (13)+(14)	..	..	..	..	..	..	..	..	..	2,030,739.8	1,783,427.5	1,393,970.2

The business operations of the Group are largely concentrated in India. The assets and income from foreign operations are not significant to the overall operations of the Bank and have accordingly not been disclosed.

15. Additional disclosures

Additional statutory information disclosed in separate financial statements of the parent and the subsidiaries having no bearing on the true and fair view of the consolidated financial statements and also the information pertaining to the items which are not material have not been disclosed in the consolidated financial statement in view of the general clarification issued by ICAI.

16. Comparative figures

Figures of the previous period have been regrouped to conform to the current period's presentation.

SELECTED FINANCIAL DATA

(as per Unconsolidated Financial statements under Indian GAAP)

Our financial and other data for fiscal 2001 through fiscal 2005 and the six-month periods ended September 30, 2004 and 2005 included in this Prospectus have been derived from our unconsolidated financial statements prepared in accordance with generally accepted accounting principles in India, or Indian GAAP, guidelines issued by the Reserve Bank of India from time to time and practices generally prevailing in the banking industry in India. The financial statements for fiscal 2001 and 2002 were audited by S. B. Billimoria & Co., Chartered Accountants, for fiscal 2003 jointly by N. M. Raiji & Co., Chartered Accountants and S. R. Batliboi & Co., Chartered Accountants and for fiscal 2004, 2005 and the six-month periods ended September 30, 2004 and 2005 by S. R. Batliboi & Co., Chartered Accountants. You should read the following discussion and analysis of our selected financial and operating data with the more detailed information contained in our audited unconsolidated financial statements. The following discussion is based on our audited unconsolidated financial statements and accompanying notes prepared in accordance with Indian GAAP.

The amalgamation of ICICI, ICICI Personal Financial Services and ICICI Capital Services with us was accounted for using the purchase method of accounting. The effective date of the amalgamation was May 3, 2002. However, the date of the amalgamation for accounting purposes under Indian GAAP was the Appointed Date under the Scheme of Amalgamation approved by the High Courts of Bombay and Gujarat and the Reserve Bank of India, which was March 30, 2002. Accordingly, our profit and loss account (hereinafter referred to as income statement) for fiscal 2002 includes the results of operations of ICICI, ICICI Personal Financial Services and ICICI Capital Services for only two days i.e. March 30 and 31, 2002, although our balance sheet for fiscal 2002 reflects the full impact of the amalgamation. As a result of the above, the income statement for fiscal 2003 is not comparable with the income statements for fiscal 2002 and prior years. The balance sheets at year-end fiscal 2001 and year-end fiscal 2002 are also not comparable, as the fiscal 2002 balance sheet reflects the amalgamation, which is not reflected in the fiscal 2001 balance sheet.

In fiscal 2001, we acquired Bank of Madura. The effective as well as appointed date of the merger of Bank of Madura with us was March 10, 2001. Accordingly, our income statement for fiscal 2001 included the results of operations of Bank of Madura for only 21 days. Our income statement for fiscal 2002 is therefore not comparable with the income statement for fiscal 2001.

Operating results data

The operating results data for fiscal 2003, 2004 and 2005 and the six-month periods ended September 30, 2004 and September 30, 2005 are not comparable with the operating results data for fiscal 2001 and 2002 due to the amalgamation.

(in billions, except per share data)

	Year ended March 31,					Six-month period ended September 30,	
	2001	**2002**	**2003**	**2004**	**2005**	**2004**	**2005**
Interest income							
Interest on advances [1]	Rs. 5.71	Rs. 7.72	Rs. 60.16	Rs. 60.74	Rs. 67.53	Rs. 31.58	Rs. 43.20
Income on investments [2]	5.56	12.34	29.10	25.40	22.29	10.48	16.86
Interest on balances with RBI, other inter-bank funds and others	1.15	1.46	4.42	3.88	4.28	2.20	2.05
Total interest income	**12.42**	**21.52**	**93.68**	**90.02**	**94.10**	**44.26**	**62.11**
Interest expense							
Interest on deposits	(7.25)	(13.89)	(24.80)	(30.23)	(32.52)	(14.58)	(26.29)
Interest on RBI / inter-bank borrowings	(0.32)	(0.48)	(1.83)	(2.29)	(2.53)	(0.92)	(3.87)
Others (including interest on borrowings of erstwhile ICICI Limited) [3]	(0.81)	(1.22)	(52.81)	(37.63)	(30.66)	(15.61)	(13.90)
Total interest expense	**(8.38)**	**(15.59)**	**(79.44)**	**(70.15)**	**(65.71)**	**(31.11)**	**(44.06)**
Net interest income	**4.04**	**5.93**	**14.24**	**19.87**	**28.39**	**13.15**	**18.05**

(in billions, except per share data)

	Year ended March 31,					Six-month period ended September 30,	
	2001	2002	2003	2004	2005	2004	2005
Other income							
Commission, exchange and brokerage	1.40	2.30	7.92	10.72	19.21	8.83	12.52
Profit/ (loss) on sale of investments (net)	0.19	3.06	4.92	12.25	5.46	1.55	3.65
Profit/ (loss) on foreign exchange transactions (net)	0.42	0.37	0.10	1.93	3.15	1.32	1.83
Profit/ (loss) on revaluation of investments (net)	0.14	(0.15)	-	-	-	(0.01)	(0.06)
Lease income	0.04	0.11	5.37	4.21	4.08	2.19	1.74
Profit on sale of shares of ICICI Bank held by ICICI	-	-	11.91	-	-	-	-
Miscellaneous income [4]	0.01	0.06	1.37	1.54	2.26	1.05	2.34
Total other income	**2.20**	**5.75**	**31.59**	**30.65**	**34.16**	**14.93**	**22.02**
Total income	**6.24**	**11.68**	**45.83**	**50.52**	**62.55**	**28.08**	**40.07**
Operating expenses [5][6][7]	(3.32)	(5.97)	(15.35)	(19.98)	(25.17)	(11.51)	(15.87)
Direct market agency expense [8]	-	(0.14)	(1.62)	(2.94)	(4.85)	(1.97)	(2.77)
Depreciation on leased assets	(0.02)	(0.12)	(3.15)	(2.79)	(2.97)	(1.53)	(1.28)
Operating profit before provisions	**2.90**	**5.45**	**25.71**	**24.81**	**29.56**	**13.07**	**20.15**
Provisions and contingencies	**(0.64)**	**(2.55)**	**(17.91)**	**(5.79)**	**(4.29)**	**(2.40)**	**(6.02)**
Profit before tax	**2.26**	**2.90**	**7.80**	**19.02**	**25.27**	**10.67**	**14.13**
Tax	**(0.65)**	**(0.32)**	**4.26**	**(2.65)**	**(5.22)**	**(1.94)**	**(3.03)**
Profit after tax	**Rs. 1.61**	**Rs. 2.58**	**Rs. 12.06**	**Rs. 16.37**	**Rs. 20.05**	**Rs. 8.73**	**Rs. 11.10**
Dividend per share (Rs)	2.00	2.00	7.50	7.50	8.50	-	-
Dividend tax per share (Rs)	0.20	0.20	0.96	0.96	1.19	-	-
Earnings per share (basic) [9]	8.13	11.61	19.68	26.66	27.55	12.13	15.02
Earnings per share (diluted)[9]	8.13	11.61	19.65	26.44	27.33	12.03	14.87

(in billions, except per share data)

	Year ended March 31,					Six-month period ended September 30,	
	2001	**2002**	**2003**	**2004**	**2005**	**2004**	**2005**
Adjustments as per SEBI Guidelines							
Profit after tax	**Rs. 1.61**	**Rs. 2.58**	**Rs. 12.06**	**Rs. 16.37**	**Rs. 20.05**	**Rs. 8.73**	**Rs. 11.10**
Add/(less):-							
1) Adjustment for change in accounting policy relating to depreciation on premises and other fixed assets [5]	(0.09)	-	-	-	-	-	-
2)Adjustment for change in rates of depreciation on premises and other fixed assets [6]	-	(0.06)	-	-	-	-	-
3) Adjustment for change in methodology for ascertaining carrying cost of investments, accounting for repurchase transactions and review of useful life of ATMs [10]	-	-	(0.16)	-	-	-	-
4) Adjustment for change in accounting policy relating to unrealised gains on rupee derivatives (net of provisions) [11]	-	-	-	-	(0.47)	(0.33)	-
5) Tax effect for the above adjustments	0.04	0.02	0.06	-	0.17	0.12	-
Adjusted profit after tax	**Rs. 1.56**	**Rs. 2.54**	**Rs. 11.96**	**Rs. 16.37**	**Rs. 19.75**	**Rs. 8.52**	**Rs. 11.10**

(1) Interest on advances represents interest on rupee and foreign currency loans and advances (including bills) and hire purchase activity and gains on sell-down of loans. We deduct from interest income the commissions paid to direct marketing agents or associates in connection with sourcing our automobile loans, on upfront basis.

(2) Interest income from investments represents interest income on government securities, investments, debentures, bonds and dividend income from equity and other investments in companies other than subsidiaries.

(3) Other interest expense includes interest expense on fixed deposits taken over from ICICI, bonds and debentures, subordinated debt, bills rediscounted and borrowings outside India.

(4) Miscellaneous income primarily includes dividend income from subsidiaries and affiliates.

(5) With effect from fiscal 2001, premises and other fixed assets have been depreciated over their estimated useful life on a straight-line basis instead of on written down value basis.

(6) With effect from fiscal 2002, consequent to the amalgamation, the useful lives of certain categories of fixed assets were reviewed to align the depreciation rates followed by ICICI and us. Accordingly, the rates of depreciation on certain categories of fixed assets were changed from fiscal 2002.

(7) Operating expense for the six month periods ended September 30, 2004 and September 30, 2005 also includes Rs. 192.0 million on account of amortisation of expenses related to Early Retirement Option Scheme over a period of five years as approved by the RBI.

(8) Includes commissions paid to direct marketing agents or associates in connection with sourcing our retail assets (other than automobile loans).

(9) Earnings per share ("EPS") is computed based on weighted average number of shares. EPS is not annualised for six-month periods ended September 30, 2004 and 2005.

(10) Effective fiscal 2002, the methodology for ascertaining the carrying cost of fixed income earning securities was changed from weighted average method to first-in-first-out method. ATMs were depreciated over their useful life estimated at six years or over lease period for ATMs taken on lease. From fiscal 2003, the useful lives of the ATMs was revised to eight years based on an evaluation undertaken by management.

(11) Effective April 1, 2004 the Bank has accounted for unrealised gains on rupee derivatives (net of provisions) as compared to the earlier policy of ignoring unrealised gains.

(12) It has not been possible to determine the effect on profits if changes in accounting policies stated above had been made in each of the accounting years preceding the change and accordingly adjustments to profits for those items have not been made.

(13) Consequent to Accounting Standard 22 on "Accounting for Taxes on Income" becoming mandatory effective April 1, 2001, the deferred tax effect of timing differences arising during fiscal 2002 has been recognised in the income statement for the period. The deferred tax adjustment for fiscal 2001 have not been determined and consequently, no adjustments have been carried out in the financial statements.

(14) Figures of the previous year/period (fiscal 2004 and six-month period ended September 30, 2004) have been regrouped to conform to the current year presentation.

For other notes to accounts please refer to audited financial statements included elsewhere in this Prospectus.

Balance sheet data

The balance sheet data at March 31, 2001 is not comparable with the balance sheet data of later periods due to the amalgamation.

(in billions)

	At March 31,					At September 30,	
	2001	**2002**	**2003**	**2004**	**2005**	**2004**	**2005**
Assets:							
Cash in hand and balance with RBI	Rs. 12.32	Rs. 17.74	Rs. 48.86	Rs. 54.08	Rs. 63.45	Rs. 50.54	Rs. 79.32
Balance with banks and money at call and short notice	23.62	110.12	16.03	30.63	65.85	52.76	50.55
Investments (net of provisions)							
Government and other approved securities	41.12	227.93	255.83	299.18	344.82	287.77	415.67
Debentures and bonds	30.70	64.36	56.90	55.49	28.54	43.18	15.81
Others[1]	10.05	66.62	41.89	79.69	131.51	86.72	121.69
Total investments	**81.87**	**358.91**	**354.62**	**434.36**	**504.87**	**417.67**	**553.17**
Advances[2]	70.31	470.35	532.79	626.48	914.05	684.79	1,070.71
Fixed and leased assets	3.85	42.39	40.61	40.56	40.38	38.93	39.60
Other assets[3]	5.40	41.55	75.21	66.18	87.99	83.11	98.83
Total assets	**Rs.197.37**	**Rs.1,041.06**	**Rs.1,068.12**	**Rs.1,252.29**	**Rs. 1,676.59**	**Rs.1,327.80**	**Rs.1,892.18**
Liabilities and capital:							
Deposits							
Demand deposits	Rs. 26.22	Rs. 27.36	Rs. 36.89	Rs. 72.59	Rs. 128.37	Rs. 80.91	Rs. 125.84
Saving deposits	18.81	24.97	37.93	83.72	113.92	95.28	145.32
Term deposits	118.76	268.52	406.87	524.78	755.90	539.79	933.36
Total deposits	**163.79**	**320.85**	**481.69**	**681.09**	**998.19**	**715.98**	**1,204.52**
Borrowings[4]	10.33	492.19	343.02	307.40	335.44	302.94	341.19
Unsecured redeemable debenture/bonds (subordinated debt)[5]	1.68	97.51	97.50	91.06	82.09	85.06	80.52
Other liabilities and provisions[6]	8.45	64.55	73.07	89.14	131.87	99.39	125.29
Preference share capital suspense[7]	-	3.50	-	-	-	-	-
Preference share capital[7]	-	-	3.50	3.50	3.50	3.50	3.50
Equity capital[8]	2.20	6.13	6.13	6.16	7.37	7.34	7.41

(in billions)

	At March 31,					At September 30,	
	2001	2002	2003	2004	2005	2004	2005
Reserves and surplus							
Statutory reserves	1.84	2.50	5.52	9.61	14.63	9.61	14.63
Debenture redemption reserve	-	0.10	-	-	-	-	-
Special reserve	-	10.94	11.44	11.69	11.94	11.69	11.94
Capital reserves	-	-	2.00	4.65	4.85	4.65	4.85
Share premium	8.05	8.01	8.02	8.52	39.89	39.53	40.49
Investment fluctuation reserve	0.11	0.27	1.27	7.30	5.16	7.30	7.30
Foreign currency translation reserve	-	-	-	-	-	-	(0.04)
Revenue & other reserves	0.91	34.31	34.91	31.64	39.78	31.64	37.63
Balance in profit & loss account	0.01	0.20	0.05	0.53	1.88	9.17	12.95
Total reserves and surplus	**10.92**	**56.33**	**63.21**	**73.94**	**118.13**	**113.59**	**129.75**
Total liabilities and capital	**Rs.197.37**	**Rs.1,041.06**	**Rs.1,068.12**	**Rs.1,252.29**	**Rs.1,676.59**	**Rs.1,327.80**	**Rs.1,892.18**
Contingent liabilities							
Claims against bank not acknowledged as debts	Rs. 0.55	Rs. 10.23	Rs. 20.25	Rs. 25.02	Rs. 27.46	Rs. 23.50	Rs. 26.46
Liability for partly paid investments	0.34	2.62	1.80	1.24	0.17	0.17	0.17
Liability on account of outstanding forward exchange contracts	88.47	152.55	251.03	557.04	714.85	533.63	797.88
Guarantees given on behalf of constituents	13.46	93.52	106.35	120.29	156.41	124.29	169.07
Acceptances, endorsements & other obligations	12.87	17.39	43.25	65.14	74.12	95.37	73.52
Currency swaps	8.71	20.41	29.01	44.49	112.96	63.65	139.27
Interest rate swaps & currency options	11.38	78.54	413.54	1,177.64	1,519.22	1,408.94	1,854.05
Other items for which ICICI Bank is contingently liable	2.70	19.21	29.14	38.56	76.35	70.06	49.43
Total	**Rs.138.48**	**Rs. 394.47**	**Rs. 894.37**	**Rs.2,029.42**	**Rs.2,681.54**	**Rs. 2,319.61**	**Rs.3,109.85**
Bills for collection	**12.30**	**13.23**	**13.37**	**15.11**	**23.92**	**18.57**	**32.43**

(1) Includes investment in Government securities issued outside India.

(2) Includes rupee / foreign currency loans, assistance by way of securitisation, loans under retail finance operations and receivables under finance lease.

(3) Primarily includes interest accrued but not due at period end, advances paid for capital assets, advance taxes paid, deposits for utilities, fees and other income receivable, exchange fluctuation suspense with Government of India, inter office adjustments (net), non-banking assets acquired in satisfaction of claims and deferred tax assets.

(4) Borrowings include call borrowings and refinance from the RBI, banks and other financial institutions, fixed deposits taken over from ICICI, bonds and debentures, commercial paper, borrowings outside India from multilateral and bilateral credit agencies, international-banks, institutions and consortiums.

(5) Represents unsecured borrowings eligible for inclusion in Tier-II capital for capital adequacy purposes.

(6) Other liabilities primarily include bills payable, interest payable, creditors for expenses, unclaimed refunds, brokerage and interest, deferred tax liabilities, proposed dividend, dividend tax thereon, inter-office adjustments (net), prudential provision on standard assets as per the RBI guidelines and security deposits from clients.

(7) At March 31, 2002, preference share capital suspense represents face value of 350 preference shares to be issued to preference shareholders of ICICI on amalgamation redeemable at par on April 20, 2018. The notification from Ministry of Finance has currently exempted us from the restriction of section 12(1) of the Banking Regulation Act, which prohibits issue of preference shares by banks. These shares were subsequently issued on June 11, 2002.

(8) At March 31, 2001, equity capital includes Rs. 0.24 billion to be allotted to the equity shareholders of Bank of Madura, pursuant to its merger, effective March 10, 2001. These shares were subsequently issued on April 17, 2001. At March 31, 2002, equity capital includes Rs. 3.93 billion to be allotted to the equity shareholders of ICICI, pursuant to the amalgamation, effective March 30, 2002. These shares were subsequently issued on June 11, 2002.

Average Balance Sheet

For fiscal 2003, 2004 and 2005, the average balances are the average of quarterly balances outstanding at the end of March of the previous fiscal year and June, September, December and March of that fiscal year. For the six-month periods ended September 30, 2004 and September 30, 2005, the average balances are the average of quarterly balances outstanding at the end of March of the previous fiscal year and June and September of that six-month period. The following table sets forth, for the periods indicated, the average balances of the assets and liabilities outstanding, along with the related interest income and interest expense. The average balances of assets include non-performing assets and are net of loan loss provisions.

(in billions, except percentages)

	Year ended March 31,								
	2003			**2004**			**2005**		
	Average balance	**Interest income/ expense**	**Avg. yield / cost**	**Average balance**	**Interest income/ expense**	**Avg. yield / cost**	**Average balance**	**Interest income/ expense**	**Avg. yield / cost**
Advances	Rs. 502.37	Rs.60.16	12.0%	Rs. 567.51	Rs. 60.74	10.7%	Rs. 720.26	Rs. 67.53	9.4%
Investments	316.53	27.81	8.8	330.48	24.40	7.4	337.76	21.49	6.4
Others	86.27	4.42	5.1	81.70	3.79	4.6	95.22	4.27	4.5
Total interest-earning assets	**905.17**	**92.39**	**10.2**	**979.69**	**88.93**	**9.1**	**1,153.24**	**93.29**	**8.1**
Fixed assets	21.03			23.98			24.26		
Other assets	124.08			134.69			168.99		
Total assets	**Rs. 1,050.28**	**Rs. 92.39**		**Rs. 1,138.36**	**Rs. 88.93**		**Rs. 1,346.49**	**Rs. 93.29**	
Deposits	Rs. 366.31	Rs.24.80	6.8%	Rs. 559.96	Rs. 30.23	5.4%	Rs. 728.90	Rs. 32.52	4.5%
Saving deposits	29.86	0.92	3.1	52.21	1.35	2.6	92.64	2.18	2.4
Other demand deposits	30.11	-	-	52.11	-	-	78.51	-	-
Term deposits	306.34	23.88	7.8	455.64	28.88	6.3	557.75	30.34	5.4
Borrowings	525.31	54.64	10.4	429.70	39.92	9.3	409.35	33.19	8.1
Total interest-bearing liabilities	**891.62**	**79.44**	**8.9**	**989.66**	**70.15**	**7.1**	**1,138.25**	**65.71**	**5.8**
Capital and reserves[1]	76.03			82.35			119.83		
Other liabilities	82.63			66.35			88.41		
Total liabilities	**Rs. 1,050.28**	**Rs. 79.44**		**Rs. 1,138.36**	**Rs. 70.15**		**Rs. 1,346.49**	**Rs. 65.71**	

(in billions, except percentages)

	Six-month period ended September 30,					
	2004			2005		
	Average balance	**Interest income/ expense**	**Avg. yield / cost [2]**	**Average balance**	**Interest income/ expense**	**Avg. yield / cost [2]**
Advances	Rs. 651.05	Rs. 31.58	9.7%	Rs. 983.38	Rs. 43.20	8.8%
Investments	318.12	10.13	6.4	430.64	15.82	7.3
Others	103.44	2.25	4.3	107.29	3.09	5.8
Total interest-earning assets	**1,072.61**	**43.96**	**8.2**	**1,521.31**	**62.11**	**8.1%**
Fixed assets	23.96			26.36		
Other assets	167.57			221.34		
Total assets	**Rs. 1,264.14**	**Rs. 43.96**		**Rs. 1,769.01**	**Rs. 62.11**	
Deposits	Rs. 663.75	Rs. 14.58	4.4%	Rs. 1,054.30	Rs. 26.29	5.0%
Saving deposits	82.38	0.96	2.3	118.78	1.58	2.7
Other demand deposits	71.79	-	-	103.62	-	-
Term deposits	509.58	13.62	5.3	831.90	24.71	5.9
Borrowings	404.47	16.53	8.1	456.96	17.77	7.8
Total interest-bearing liabilities	**1,068.22**	**31.11**	**5.8**	**1,511.26**	**44.06**	**5.8**
Capital and reserves[1]	111.89			129.22		
Other liabilities	84.03			128.53		
Total liabilities	**Rs. 1,264.14**	**Rs. 31.11**		**Rs. 1,769.01**	**Rs. 44.06**	

(1) Excludes preference share capital.

(2) Average yield and average cost for the six-month periods ended September 30, 2004 and 2005 are annualised.

Yields, Spreads and Margins

The following table sets forth, for the periods indicated, the yields, spreads and net interest margins on interest-earning assets.

(in billions, except percentages)

	Year ended March 31,					Six-month period ended September 30,	
	2001	**2002**	**2003**	**2004**	**2005**	**2004**	**2005**
Average interest-earning assets	Rs.113.88	Rs.222.39	Rs. 905.17	Rs. 979.69	Rs. 1,153.24	Rs.1,072.61	Rs. 1,521.31
Average interest-bearing liabilities	104.30	207.37	891.62	989.66	1,138.25	1,068.22	1,511.26
Average total assets	120.49	233.93	1,050.28	1,138.36	1,346.49	1,264.14	1,769.01
Average interest-earning assets as a percentage of average total assets (%)	94.5	95.1	86.2	86.1	85.6	84.8	86.0
Average interest-bearing liabilities as a percentage of average total assets (%)	86.6	88.7	84.9	86.9	84.5	84.5	85.4
Average interest-earning assets as a percentage of average interest-bearing liabilities (%)	109.2	107.2	101.5	99.0	101.3	100.4	100.7
Yield[1] (%)	10.9	9.7	10.2	9.1	8.1	8.2	8.1
Cost of funds[1] (%)	8.0	7.5	8.9	7.1	5.8	5.8	5.8
Spread[1][2](%)	2.87	2.16	1.30	1.99	2.32	2.37	2.33
Net interest margin[1][3] (%)	3.6	2.7	1.4	1.9	2.4	2.4	2.4

(1) Yield, cost of funds, spread and net interest margin are annualised for the six-month periods ended September 30, 2004 and 2005.

(2) Spread is the difference between yield on average interest-earning assets and cost of average interest-bearing liabilities. Yield on average interest-earning assets is the ratio of interest income to average interest-earning assets. Cost of average interest-bearing liabilities is the ratio of interest expense to average interest-bearing liabilities.

(3) Net interest margin is the ratio of net interest income to average interest-earning assets. The difference in net interest margin and spread arises due to the difference in amount of average interest-earning assets and average interest-bearing liabilities. If average interest-earning assets exceed average interest-bearing liabilities, net interest margin is greater than spread and if average interest-bearing liabilities exceed average interest-earning assets, net interest margin is less than spread.

Financial Ratios

(in percentages)

	Year ended March 31,					Six-month period ended September 30,	
	2001	**2002**	**2003**	**2004**	**2005**	**2004**	**2005**
Return on average equity [(1)(2)]	13.0	17.8	18.3	21.8	17.9	16.8	17.1
Return on average assets[(1)(3)]	1.3	1.1	1.2	1.4	1.5	1.4	1.3
Dividend payout ratio [(4)]	24.6	17.2	38.1	33.2	31.6	-	-
Cost to average assets[(1)(5)]	2.8	2.6	1.5	1.8	1.9	1.8	1.8
Tier I capital adequacy ratio	10.4	7.5	7.1	6.1	7.6	9.4	7.2
Tier II capital adequacy ratio	1.2	3.9	4.0	4.3	4.2	5.8	4.3
Total capital adequacy ratio	11.6	11.4	11.1	10.4	11.8	15.2	11.5
Net non-performing assets ratio [(6)]	1.49	4.73	4.92	2.87	2.03	2.60	0.97
Allowance as a % of gross non-performing assets[(7)]	63.9	63.6	62.6	69.7	61.4	69.1	73.3
Average net worth to total average assets	10.30	6.22	6.27	6.59	8.34	8.23	7.35
Book value per share[(8)]	59.11	101.92	113.10	127.27	168.63	162.60	183.68

(1) Annualised for the six-month periods ended September 30, 2004 and 2005.

(2) Return on average equity is the ratio of the net profit after tax to the average net worth.

(3) Return on average assets is the ratio of the net profit after tax to the average assets.

(4) Dividend payout ratio is the ratio of total dividend payouts (excluding dividend distribution tax) to profit after tax.

(5) Cost to average assets is the ratio of the operating expenses, excluding direct marketing agency expenses and lease depreciation, to the average assets.

(6) Net non-performing assets ratio is the ratio of net non-performing assets to the net customer assets.

(7) Allowance as a percentage of gross non-performing assets is the ratio of provisions and write-offs made to the gross non-performing assets (gross of provisions and write-offs).

(8) Book value per share is calculated by dividing the sum of equity share capital, reserves and surplus less unamortised Early Retirement Option expenses by the total number of shares outstanding at the end of the year/period.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with our audited consolidated financial statements. The following discussion is based on our audited financial statements and accompanying notes, which have been prepared in accordance with Indian GAAP.

Introduction

Our loan portfolio, financial condition and results of operations have been, and in the future are expected to be, influenced by economic conditions in India, expected growth in retail credit in India and certain global developments, particularly in commodity prices relating to the business activities of our corporate customers. For ease of understanding the discussion of our results of operations that follows, you should consider the introductory discussion of these macroeconomic factors.

Indian Economy

Overall GDP growth in India has been in the range of 4.0-8.5% in the last three years. GDP growth was 4.0% in fiscal 2003, 8.5% in fiscal 2004 and 6.9% in fiscal 2005. Growth in fiscal 2003 was impacted by a negative growth in the agriculture sector because of insufficient rainfall and resulting drought conditions prevailing in the country. The agriculture sector, which had recorded a negative growth of 7.0% in fiscal 2003 recorded a growth of 9.6% in fiscal 2004. In fiscal 2005, the rate of growth of the agriculture sector declined to 1.1% because of insufficient rainfall in many parts of the country. This was partly offset by the growth of the industrial and services sectors. The industrial sector grew by 6.4% in fiscal 2003, 6.5% in fiscal 2004 and 8.3% in fiscal 2005. The services sector grew by 7.9% in fiscal 2003, 8.9% in fiscal 2004 and 8.6% during fiscal 2005.

In the first quarter of fiscal 2006, GDP grew by 8.1% compared to 7.6% during the same period in the previous year. This pick-up in growth was primarily due to the resurgence of the industrial sector and sustained growth of services. The agricultural sector, which had grown by 1.1% in fiscal 2005, grew by 2.0% in the first quarter of fiscal 2006. The industrial sector grew by 10.1% in the first quarter of fiscal 2006. Industrial growth in the first quarter of fiscal 2006 was supported primarily by growth in manufacturing activities. The services sector grew by 9.6% in the first quarter of fiscal 2006, up from 8.6% in fiscal 2005.

During the first half of fiscal 2005, there was an increase in inflationary trends in India, primarily due to the increase in oil prices as well as prices of certain commodities. The full burden of the oil price increase has not yet been passed to the Indian consumers and has been largely absorbed by the Government and Government-owned oil marketing companies. See also "Risk Factors" on page i. The annual average rate of inflation measured by the Wholesale Price Index was 6.4% during fiscal 2005 compared to 5.4% during the previous year. The average annual rate of inflation decreased to 4.2% during fiscal 2006 (through October 1, 2005) from 7.2% during the corresponding period in the previous year. In its annual policy statement for fiscal 2006 issued on April 28, 2005, the RBI forecasted GDP growth for fiscal 2006 at around 7.0% and gave an inflation forecast range of 5.0%-5.5%. In its mid-term review of the annual policy statement, issued in October 2005, the Reserve Bank of India has revised its GDP growth projection to 7.0-7.5%. It stated that crude oil prices pose downside risks to growth and continue to be critical for the outlook on domestic inflation though inflationary pressures have been contained for the present. It has stated that it might be difficult to contain inflation in the 5.0-5.5% range without an appropriate policy response. The Indian rupee depreciated by 4.5% against the US dollar during fiscal 2006 through November 18, 2005, moving from Rs. 43.75 per US$ 1.00 at year-end fiscal 2005 to Rs. 45.74 per US$ 1.00 on November 18, 2005. During fiscal 2005, the Indian rupee depreciated by 0.8% against the US dollar. It also depreciated against the pound sterling and the euro and appreciated against the Japanese yen. Foreign exchange reserves were US$ 142.31 billion at November 11, 2005.

The impact of these and other factors and the overall growth in industry, agriculture and services during fiscal 2006 will affect the performance of the banking sector as it will affect the level of credit disbursed by banks, and the overall growth prospects of our business, including our ability to grow, the quality of our assets, the value of our investment portfolio and our ability to implement our strategy.

Banking Sector

According to the Reserve Bank of India's data, total deposits of all scheduled commercial banks increased by 12.4% in fiscal 2003, 17.7% in fiscal 2004, 14.3% in fiscal 2005 and 18.8% (on an annualised basis) in fiscal 2006 (through September 30, 2005). Growth in deposits in fiscal 2003 includes the impact of the amalgamation, as some of ICICI's liabilities which were not included in banking deposits at year-end fiscal 2002, were included at year-end fiscal 2003. Bank credit of scheduled commercial banks grew by 14.7% in fiscal 2003, 15.5% in fiscal 2004, 29.9% in fiscal 2005 and 33.8% (on an annualised basis) in fiscal 2006 (through September 30, 2005). Credit growth in fiscal 2003 included the impact of the amalgamation, as ICICI's credit was included in total banking system credit at year-end fiscal 2003 but not included at year-end fiscal 2002. The increase in credit growth during fiscal 2005 was driven by the continued growth in retail credit as well as credit to the industrial and agricultural sectors. Also, after its conversion into a scheduled commercial bank with effect from October 11, 2004, Industrial Development Bank of India Limited's credit was included in total banking sector credit at year-end fiscal 2005. Excluding Industrial Development Bank of India Limited's credit, bank credit of scheduled commercial banks grew at 26.0% during fiscal 2005.

Until fiscal 2005, there was a downward movement in interest rates, barring intra-year periods when interest rates were higher temporarily due to extraneous circumstances. This movement was principally due to the Reserve Bank of India's policy of assuring adequate liquidity in the banking system and generally lowering the rate at which it would lend to Indian banks to ensure that borrowers had access to funding at competitive rates. Banks generally followed the direction of interest rates set by the Reserve Bank of India and adjusted both their deposit rates and lending rates downwards until fiscal 2005. The inflationary trends in fiscal 2005 resulted in an increase in benchmark secondary market yields on government securities. In its mid-term review of the annual policy statement for fiscal 2005 released in October 2004, the Reserve Bank of India raised the reverse repo rate (i.e., the annualized interest earned by the lender in a repurchase transaction between a bank and the Reserve Bank of India) by 25 basis points to 4.75% in response to inflationary pressures in the economy. The Reserve Bank of India increased the cash reserve ratio to 5.0% effective October 2, 2004. The Reserve Bank of India also increased the risk weight for housing loans from 50.0% to 75.0% and for consumer credit, including personal loans and credit cards, from 100% to 125%, as a temporary counter-cyclical measure given the rapid growth in these segments. In the annual policy statement for fiscal 2006 announced in April 2005, the Reserve Bank of India further raised the reverse repo rate by 25 basis points to 5.0%. In its mid-term review of the annual policy statement, issued in October 2005, the Reserve Bank of India further raised the reverse repo rate by 25 basis points to 5.25%. As a result of these increases, banks have also raised their deposit and lending rates. The following table sets forth the bank rate, reverse repo rate, average deposit rates and average prime lending rates of five major public sector banks for the last six fiscal years.

(in percentages)

Fiscal year	Bank rate	Reverse repo rate	Average deposit rate for over one year term (range)	Average prime lending rate (range)
2001	7.0%	7.0%	8.5-10.0%	11.0-12.0%
2002	6.50	6.0	8.0-8.5	11.0-12.0
2003	6.25	5.0	5.25-8.50	10.75-12.00
2004	6.0	4.5	5.00-6.25	10.50-11.50
2005	6.0	4.75	4.25-6.25	10.25-11.00
2006 (through November 18, 2005)	6.0	5.25	5.25-6.25	10.25-10.75

Source: Reserve Bank of India: Handbook of Statistics on Indian Economy, 2002, Annual Report 2003-2004 and Weekly Statistical Supplements and Annual Policy Statement 2005-06.

Major Events Affecting Results and Financial Condition

We have recently experienced major changes and developments in our business and strategy. An understanding of these events and developments is necessary for an understanding of the periods under review and the discussion and analysis which follows. These changes are reflected in our financial statements in connection with or since the amalgamation. The first change reflects the impact of our history upon our average cost of funds. Consequent to the amalgamation, the businesses formerly conducted by ICICI became subject for the first time to various regulations applicable to banks. These include the statutory liquidity ratio which is required to be maintained in the form of Government of India securities and other approved securities, currently a minimum of 25.0% of our net demand and time liabilities and the cash reserve ratio, currently a minimum of 5.0% of our net demand and time liabilities excluding inter-bank deposits. While we have benefited from a lower cost of funding as a bank compared to ICICI as a non-bank financial institution, the imposition of the statutory liquidity ratio and the cash reserve ratio on our liabilities taken over from ICICI have impacted our spread. As the average yield on investments in Government securities and cash balances maintained with the Reserve Bank of India is typically lower than the yield on other interest-earning assets, our net interest margin has been adversely impacted. As a result, our net interest margin has been and is expected to continue to be lower than other banks in India until we repay the borrowings of ICICI. We are aggressively expanding our deposit base and changing the mix of our liabilities away from the legacy ICICI liabilities towards the lower average cost deposit liabilities. The increase in investment in government securities has substantially increased our exposure to market risk. In a declining interest rate environment, we made gains on sale of government securities. A rise in interest rates would cause the value of our fixed income portfolio to decline and adversely affect the income from our treasury operations.

The second key change reflects the implementation of our strategy to grow our retail loan portfolio. The results of our implementation of this strategy can be seen in the rapid growth in the retail loan portfolio. While we cannot guarantee that growth will continue at the same rate, we see continued significant demand for retail loans.

Third, in connection with the amalgamation, we recorded the loans and investments acquired from ICICI at fair values which represented a substantial write down of the value of those assets as compared to their value on the balance sheet of ICICI. The fair values of the assets were determined based on our judgment which we made with the assistance of independent valuers. The key areas of fair valuation included loans and all credit substitutes which were fair valued by Deloitte Haskins & Sells, Chartered Accountants and investments

(including investments in venture capital funds) which were marked to market in accordance with the RBI guidelines applicable to banks. The assets of ICICI were first reflected on our balance sheet at March 31, 2002 after taking into account these fair value write downs.

Fourth, since the amalgamation we have established operations outside India, with subsidiaries in the United Kingdom, Canada and Russia, branches in Singapore, Hong Kong and Bahrain and representative offices in the United States, Dubai. Bangladesh, South Africa and China. We have invested in the equity capital of our international banking subsidiaries to support their growth.

Fifth, since the amalgamation, our subsidiaries engaged in the insurance business, ICICI Prudential Life Insurance Company Limited and ICICI Lombard General Insurance Company Limited, have experienced rapid growth in business. We have invested in the equity capital of our insurance subsidiaries to support their growth. Our life insurance subsidiary continues to report losses in its financial statements.

All of these changes or developments have had a major impact upon our results of operation and financial condition and are critical to an understanding of the discussion which follows.

Summary for the six-month period ended September 30, 2005 compared to the six-month period ended September 30, 2004

Profit after tax increased 27.2% to Rs. 11.10 billion in the six-month period ended September 30, 2005 from Rs. 8.73 billion in the six-month period ended September 30, 2004. Profit before provisions and tax increased 54.1% to Rs. 20.15 billion in the six-month period ended September 30, 2005 from Rs. 13.07 billion in the six-month period ended September 30, 2004 primarily due to a 37.2% increase in net interest income to Rs. 18.05 billion in the six-month period ended September 30, 2005 from Rs. 13.15 billion in the six-month period ended September 30, 2004, increase in other income by 47.5% to Rs. 22.02 billion in six-month period ended September 30, 2005 from Rs. 14.93 billion in the six-month period ended September 30, 2004 offset, in part, by increase in non-interest expenses by Rs. 4.91 billion to Rs. 19.92 billion in the six-month period ended September 30, 2005 from Rs. 15.01 billion in the six-month period ended September 30, 2004. Provisions and contingencies (excluding tax provisions) increased to Rs. 6.02 billion in the six-month period ended September 30, 2005 from Rs. 2.40 billion in the six-month period ended September 30, 2004.

- Net interest income increased 37.2% to Rs. 18.05 billion in the six-month period ended September 30, 2005 from Rs. 13.15 billion in the six-month period ended September 30, 2004, reflecting an increase of 41.8% in the average volume of interest-earning assets.
- Commission, exchange and brokerage increased 41.7% to Rs. 12.52 billion in the six-month period ended September 30, 2005 from Rs. 8.83 billion in the six-month period ended September 30, 2004, primarily due to growth in retail liability product income such as account servicing charges, and transaction banking fee income from small enterprises, an increase in transaction banking and other fee income from corporate banking and increase in fee income from international banking operations.
- Income from treasury related activities increased by 89.1% to Rs. 5.42 billion in the six-month period ended September 30, 2005 from Rs. 2.86 billion in the six-month period ended September 30, 2004 primarily due to increase in the profit on sale of investments to Rs. 3.65 billion in the six-month period ended September 30, 2005 from Rs. 1.55 billion in the six-month period ended September 30, 2004.
- Non-interest expenses increased 32.7% to Rs. 19.92 billion in the six-month period ended September 30, 2005 from Rs. 15.01 billion in the six-month period ended September 30, 2004 primarily due to a 35.6% increase in employee expenses and a 43.1% increase in other administrative expenses.
- Provisions and contingencies (excluding tax provisions) increased by 150.1% to Rs.6.02 billion in the six-month period ended September 30, 2005 from Rs. 2.40 billion in the six-month period ended September 30, 2004 primarily due to an increase in the amount of amortisation of premium on government securities classified as held to maturity securities in the six-month period ended September 30, 2005.
- Total assets increased 42.5% to Rs. 1,892.18 billion at September 30, 2005 from Rs. 1,327.80 billion at September 30, 2004 primarily due to an increase in loans by 56.4% and increase in investments by 32.4%.

Net Interest Income

Net interest income increased 37.2% to Rs. 18.05 billion in the six-month period ended September 30, 2005, from Rs. 13.15 billion in the six-month period ended September 30, 2004 reflecting mainly the following:

- an increase of Rs. 448.70 billion or 41.8% in the average volume of interest-earning assets; and
- a stable net interest margin of 2.4% for the six-month periods ended September 30, 2004 and 2005.

Our spread still continues to be lower compared to other banks in India. The primary reason for the lower spread is that we now have to maintain the cash reserve ratio and the statutory liquidity ratio on ICICI legacy liabilities pursuant to the amalgamation. While our cost of deposits is generally in line with the cost of deposits of other banks in India, our total cost of funding is higher compared to other banks in

India as a result of the higher-cost borrowings of ICICI acquired pursuant to the amalgamation. We use marketing agents, called direct marketing agents or associates, for sourcing our automobile loans. We deduct the commissions paid to these direct marketing agents of automobile loans from the interest income. These commissions are expensed upfront and not amortized over the life of the loan.

The average volume of interest-earning assets increased by Rs. 448.70 billion in the six-month period ended September 30, 2005 primarily due to the increase in average advances by Rs. 332.33 billion and increase in average investments by Rs. 112.52 billion. The increase in the average advances was mainly due to increased disbursements of retail finance loans, offset, in part, by securitisation of loans and repayment of existing loans.

Total interest income increased 40.3% to Rs. 62.11 billion in the six-month period ended September 30, 2005 from Rs. 44.26 billion in the six-month period ended September 30, 2004 primarily due to an increase of 41.8% in the average interest-earning assets to Rs. 1,521.31 billion in the six-month period ended September 30, 2005 from Rs. 1,072.61 billion in the six-month period ended September 30, 2004, offset, in part, by a decline of 0.1% in yield on interest-earning assets. The average volume of interest-earning assets increased by Rs. 448.70 billion in the six-month period ended September 30, 2005 primarily due to the increase in average advances by Rs. 332.33 billion and increase in average investments by Rs. 112.52 billion. The increase in the average advances was mainly due to increased disbursements of retail finance loans, offset, in part, by securitisation of loans and repayment of existing loans. Yield on average interest-earning assets decreased to 8.1% in the six-month period ended September 30, 2005 from 8.2% in the six-month period ended September 30, 2004 primarily due to a decline in the yield on advances portfolio by 0.9% to 8.8% in the six-month period ended September 30, 2005 from 9.7% in the six-month period ended September 30, 2004. The yield on advances has declined primarily due to origination of new loans at lower rates and a reduction in higher yield loans. While the yield on average advances declined 0.9% to 8.8% in the six-month period ended September 30, 2005, the yield on average investments increased 0.9% to 7.3% in the six-month period ended September 30, 2005.

Total interest expense increased 41.7% to Rs. 44.06 billion in the six-month period ended September 30, 2005 from Rs. 31.11 billion in the six-month period ended September 30, 2004, primarily due to an increase of 41.5% in average interest-bearing liabilities to Rs. 1,511.26 billion in the six-month period ended September 30, 2005 from Rs. 1,068.22 billion in the six-month period ended September 30, 2004. Cost of funds remained at 5.8% in the six-month period ended September 30, 2005 primarily due to the reduction in cost of borrowings being offset by increase in the costs of deposits. Total deposits at September 30, 2005 constituted 74.1% of our funding (comprising deposits, borrowings and subordinated debts) compared to 64.9% at September 30, 2004. Total deposits increased 68.2% to Rs. 1,204.52 billion at September 30, 2005 from Rs. 715.98 billion at September 30, 2004. This is commensurate with our focus of increasing funding through deposits. Our cost of deposits has increased by 0.6% to 5.0% in the six-month period ended September 30, 2005 from 4.4% in the six-month period ended September 30, 2004. The cost of borrowings declined to 7.8% in the six-month period ended September 30, 2005 from 8.1% in the six-month period ended September 30, 2004 primarily due to the repayment of higher cost ICICI borrowings.

Our net interest margin remained stable at 2.4% in the six-month period ended September 30, 2005. Our net interest margin is expected to continue to be lower than other banks in India until we repay the borrowings of ICICI. The net interest margin is also impacted by the relatively lower net interest margin earned by our overseas branches, which is offset by the higher fee income that we are able to earn by leveraging our international presence and our ability to meet the foreign currency borrowing requirements of Indian companies.

Non-Interest Income

The following table sets forth, for the periods indicated, the principal components of our non-interest income.

(in millions, except percentages)

	Six-month period ended September 30,		
	2004	**2005**	**% change**
Commission, exchange and brokerage	Rs. 8,835.4	Rs. 12,518.2	41.7%
Income from treasury-related activities	2,864.3	5,416.9	89.1
Lease income	2,187.2	1,735.7	(20.6)
Other income	1,044.2	2,349.7	125.0
Total non-interest income	**Rs. 14,931.1**	**Rs. 22,020.5**	**47.5%**

Non-interest income increased by 47.5% in the six-month period ended September 30, 2005 to Rs. 22.02 billion from Rs. 14.93 billion in the six-month period ended September 30, 2004 primarily due to a 41.7% increase in commission, exchange and brokerage and a 89.1% increase in income from treasury-related activities, offset, in part by a 20.6% decline in lease income.

Commission, exchange and brokerage increased by 41.7% to Rs. 12.52 billion in the six-month period ended September 30, 2005 from Rs. 8.83 billion in the six-month period ended September 30, 2004 primarily due to growth in retail banking fee income arising from retail assets like home loans and credit cards and retail liability product income like account servicing charges, increase in transaction banking fee income from corporate banking and increase in fee income from international banking operations.

Total income from treasury-related activities increased to Rs. 5.42 billion in the six-month period ended September 30, 2005 from Rs. 2.86 billion in the six-month period ended September 30, 2004, due to capital gains realised on the sale of equity investments as we capitalised on the opportunities created by the buoyant capital markets. This level of trading profits and capital gains is the result of the specific market conditions and investors should be aware that such gains may not be repeated in future periods.

Lease income decreased by 20.6% to Rs. 1.74 billion in the six-month period ended September 30, 2005 from Rs. 2.19 billion in the six-month period ended September 30, 2004 mainly due to a reduction in lease assets since we are not entering into new lease transactions. Our total leased assets were Rs. 12.66 billion at September 30, 2005 compared to Rs. 15.46 billion at September 30, 2004.

Other income increased by 125.0% to Rs. 2.34 billion in the six-month period ended September 30, 2005 compared to Rs. 1.05 billion in the six-month period ended September 30, 2004 primarily due to higher income earned by way of dividend from subsidiaries. Dividend from subsidiaries was Rs. 2.10 billion in the six-month period ended September 30, 2005 compared to Rs. 986.3 million in the six-month period ended September 30, 2004. Other income includes profit of Rs. 43.8 million on sale of land, buildings and other assets in the six-month period ended September 30, 2005 as compared to loss of Rs. 85.0 million in the six-month period ended September 30, 2004.

Non-Interest Expense

The following table sets forth, for the periods indicated, the principal components of non-interest expense.

(in millions, except percentages)

	Six-month period ended September 30,		
	2004	**2005**	**% change**
Employee expenses	Rs. 3,468.8	Rs. 4,702.0	35.6%
Depreciation on own property (including non banking assets)	1,401.4	1,656.9	18.2
Auditors' fees and expenses	8.2	9.3	13.4
Other administrative expenditure	6,637.4	9,496.2	43.1
Total non-interest expense (excluding lease depreciation and direct marketing agency expenses)	**11,515.8**	**15,864.4**	**37.8**
Depreciation (including lease equalisation) on leased assets	1,529.7	1,282.4	(16.2)
Direct marketing agency expenses	1,967.1	2,772.6	40.9
Total non-interest expense	**Rs. 15,012.6**	**Rs. 19,919.4**	**32.7%**

Total non-interest expense increased by 32.7% in the six-month period ended September 30, 2005 to Rs. 19.92 billion from Rs. 15.01 billion in the six-month period ended September 30, 2004 primarily due to a 35.6% increase in employee expenses and a 43.1% increase in other administrative expenses.

Employee expenses increased 35.6% to Rs. 4.70 billion in the six-month period ended September 30, 2005 from Rs. 3.47 billion in the six-month period ended September 30, 2004 primarily due to a 47.0% increase in the number of employees to 22,992 at September 30, 2005 from 15,639 at September 30, 2004. The increase in employees was commensurate with the growth in our retail businesses.

Depreciation on our own property increased by 18.2% to Rs. 1.66 billion in the six-month period ended September 30, 2005 from Rs. 1.40 billion in the six-month period ended September 30, 2004 primarily due to increase in premises and other fixed assets to Rs. 26.94 billion at September 30, 2005 from Rs. 23.47 billion at September 30, 2004.

Other administrative expenses increased by 43.1% to Rs. 9.50 billion from Rs. 6.64 billion primarily due to the increased volume of business, particularly in retail banking, and includes maintenance of ATMs, credit card expenses, call centre expenses and technology expenses. The number of savings accounts increased to about 6.9 million at September 30, 2005 from about 5.8 million at September 30, 2004. The volume of credit cards in force has increased to about 3.6 million at September 30, 2005 from about 2.5 million at September 30, 2004. The number of ATMs increased to 2,030 at September 30, 2005 from 1,814 at September 30, 2004.

Depreciation on leased assets has reduced by 16.2% to Rs. 1.28 billion in the six-month period ended September 30, 2005 from Rs. 1.53 billion in the six-month period ended September 30, 2004 primarily due to the reduction in leased assets to Rs. 12.66 billion at September 30, 2005 from Rs. 15.46 billion at September 30, 2004.

We use marketing agents, called direct marketing agents or associates, for sourcing our retail assets. We include commissions paid to these direct marketing agents of our retail assets (other than automobile loans) in non-interest expense. These commissions are expensed upfront and not amortised over the life of the loan. We incurred direct marketing agency expenses of Rs. 2.77 billion on the retail asset portfolio (other than automobile loans) in the six-month period ended September 30, 2005 compared to Rs. 1.97 billion in the six-month period ended September 30, 2004. The growth in direct marketing expenses was commensurate with growth in business volumes.

Provisions and contingencies

The following table sets forth, for the periods indicated, the components of provisions and contingencies.

(in millions, except percentages)

	Six-month period ended September 30,		
	2004	**2005**	**% change**
Provision for investments (including credit substitutes) (net)	143.8	3,306.3	2,199.2%
Provision for non performing assets (including provision for standard assets)	2,203.2	2,481.7	12.6
Others	58.4	228.7	291.6
Total provisions	**2,405.4**	**6,016.7**	**150.1%**

(1) We do not distinguish between provisions and write-offs while assessing the adequacy of our loan loss coverage, as both provisions and write-offs represent a reduction of the principal amount of a non-performing asset. In compliance with regulations governing the presentation of financial information by banks, gross non-performing assets are reported gross of provisions net of cumulative write-offs in our financial statements.

We classify our assets in accordance with the RBI guidelines into performing and non-performing assets ("NPAs"). Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI. Provisions are made on sub-standard and doubtful assets at rates prescribed by RBI. Loss assets and unsecured portion of doubtful assets are provided/written off as per the extant RBI guidelines. The Bank also makes additional floating provision against retail non-performing loans and additional provisions against specific corporate NPAs.

Total provisions on investments increased by Rs. 3.16 billion to Rs. 3.31 billion in the six-month period ended September 30, 2005 from Rs. 143.8 million in the six-month period ended September 30, 2004. The increase in provisions reflects the increase in the amount of amortisation of premium on government securities classified in the held to maturity category. Investment in government securities within India in the held to maturity category has increased by Rs. 281.59 billion to Rs. 322.35 billion as at September 30, 2005 from Rs. 40.76 billion as at September 30, 2004.

Tax Expense

The following table sets forth, for the periods indicated, details of tax expense computation.

(in millions, except percentages)

	Six-month period ended September 30,	
	2004	**2005**
Tax at marginal rate on income	Rs. 3,899.2	Rs. 4,751.7
Adjustments		
Difference in book and tax depreciation	1,101.0	1,366.9
Bad debts written off	328.5	(587.0)
Special Reserve under section 36(1)(viii)	(750.0)	(400.0)
Surplus on sale of property/assets	85.0	(34.3)
Dividend, exempt interest and other income	(1,605.4)	(3,380.0)
Capital gains on sale of shares	(761.0)	(2,440.0)
Fair value utilization	(1,095.0)	-
Other adjustments	160.7	602.3
Net adjustments	(2,536.2)	(4,872.1)
Tax (savings)/outgo thereon-other than capital gains	(928.0)	(1,639.9)
Capital gains on sale of shares	5.5	67.3
Tax (savings)/outgo thereon	(922.5)	(1,572.6)
Deferred taxes and other tax provisions	(1,049.2)	(163.0)
Total income tax	**Rs. 1,927.5**	**Rs. 3,016.0**
Wealth tax	15.0	15.0
Total taxation	**Rs. 1,942.5**	**Rs. 3,031.0**
Notes:		
Adjusted profit before taxation	Rs. 10,655.7	Rs. 14,116.7
Marginal rates of tax - other than long term capital gains	36.59%	33.66%
Long term capital gains	10.46%	10.22%

Income tax expense (including wealth tax) amounted to Rs. 3.03 billion in the six-month period ended September 30, 2005 compared to Rs. 1.94 billion in the six-month period ended September 30, 2004. The effective tax expense rate was 21.4% in the six-month period ended September 30, 2005 as compared to 18.2% in the six-month period ended September 30, 2004. The effective tax expense rate has increased primarily due to utilisation of fair value provisions against ICICI's portfolio in the six-month period ended September 30, 2004 compared to the six-month period ended September 30, 2005.

Financial Condition

Our total assets increased 42.5% to Rs. 1,892.18 billion at September 30, 2005 from Rs. 1,327.80 billion at September 30, 2004 primarily due to an increase in advances and investments. Net advances increased 56.4% to Rs. 1,070.71 billion at September 30, 2005 from Rs. 684.79 billion at September 30, 2004 primarily due to increase in retail advances in accordance with our strategy to increase our retail asset portfolio, offset, in part by a reduction due to repayments and securitisation. Total investments at September 30, 2005 increased 32.4% to Rs. 553.17 billion from Rs. 417.67 billion at September 30, 2004 primarily due to a 44.4% increase in investments in government and other approved securities to Rs. 415.67 billion at September 30, 2005 from Rs. 287.77 billion at September 30, 2004. Other assets increased to

Rs. 98.83 billion at September 30, 2005 from Rs. 83.11 billion at September 30, 2004.

Total deposits increased 68.2% to Rs. 1,204.52 billion at September 30, 2005 from Rs. 715.98 billion at September 30, 2004. Our savings account deposits increased 52.5% to Rs. 145.32 billion at September 30, 2005 from Rs. 95.28 billion at September 30, 2004, while other demand deposits increased 55.5% to Rs. 125.84 billion at September 30, 2005 from Rs. 80.91 billion at September 30, 2004. Term deposits increased by 72.9% to Rs. 933.36 billion at September 30, 2005 from Rs. 539.79 billion at September 30, 2004. Total deposits at September 30, 2005 constituted 74.1% of our funding (i.e. deposit, borrowings and subordinated debts) compared to 64.9% at September 30, 2004. Borrowings (including subordinated debt) increased to Rs. 421.71 billion at September 30, 2005 from Rs. 388.00 billion at September 30, 2004.

Summary for fiscal 2005 compared to fiscal 2004

Profit after tax increased 22.5% to Rs. 20.05 billion in fiscal 2005 from Rs. 16.37 billion in fiscal 2004. Profit before provisions and tax increased 19.2% to Rs. 29.56 billion in fiscal 2005 from Rs. 24.81 billion in fiscal 2004 primarily due to a 42.9% increase in net interest income to Rs. 28.39 billion in fiscal 2005 from Rs. 19.87 billion in fiscal 2004, increase in commission, exchange and brokerage by 79.2% to Rs. 19.21 billion in fiscal 2005 from Rs. 10.72 billion in fiscal 2004 offset, in part, by a decrease in the income from treasury related activities by Rs. 5.57 billion to Rs. 8.61 billion in fiscal 2005 from Rs. 14.18 billion in fiscal 2004 and an increase in non-interest expenses by Rs. 7.28 billion to Rs. 32.99 billion in fiscal 2005 from Rs. 25.71 billion in fiscal 2004. Provisions and contingencies (excluding tax provisions) decreased by 25.9% to Rs. 4.29 billion in fiscal 2005 from Rs. 5.79 billion in fiscal 2004.

- Net interest income increased 42.9% to Rs. 28.39 billion in fiscal 2005 from Rs. 19.87 billion in fiscal 2004, reflecting an increase of 17.7% in the average volume of interest-earning assets.
- Commission, exchange and brokerage increased 79.2% to Rs. 19.21 billion in fiscal 2005 from Rs. 10.72 billion in fiscal 2004, primarily due to growth in retail liability product income such as account servicing charges, and transaction banking fee income from small enterprises, as well as an increase in transaction banking and other fee income from corporate banking.
- Income from treasury related activities decreased by Rs. 5.57 billion to Rs. 8.61 billion in fiscal 2005 from Rs. 14.18 billion in fiscal 2004 primarily due to a decrease in the profit on sale of investments to Rs. 5.46 billion in fiscal 2005 from Rs. 12.25 billion in fiscal 2004.
- Non-interest expenses increased 28.3% to Rs. 32.99 billion in fiscal 2005 from Rs. 25.71 billion in fiscal 2004 primarily due to 35.0% increase in employee expenses and a 24.7% increase in other administrative expenses.
- Provisions and contingencies (excluding tax provisions) decreased by 25.9% to Rs. 4.29 billion in fiscal 2005 from Rs. 5.79 billion in fiscal 2004 primarily due to lower additions to non-performing assets.
- Total assets increased 33.9% to Rs. 1,676.59 billion at March 31, 2005 from Rs. 1,252.29 billion at March 31, 2004.

Net Interest Income

Net interest income increased 42.9% to Rs. 28.39 billion in fiscal 2005 from Rs. 19.87 billion in fiscal 2004, reflecting mainly the following:

- an increase of Rs. 173.55 billion or 17.7% in the average volume of interest-earning assets; and
- an increase in the net interest margin by 0.5% to 2.4% in fiscal 2005 from 1.9% in fiscal 2004.

The average volume of interest-earning assets increased by Rs. 173.55 billion in fiscal 2005 primarily due to the increase in average advances by Rs.152.75 billion, and an increase in average investments and other average interest-earning assets by Rs. 20.80 billion. The increase in the average advances was mainly due to increased disbursements of retail finance loans, offset, in part, by securitisation of loans and repayment of existing loans.

Interest income increased by 4.5% to Rs. 94.10 billion in fiscal 2005 from Rs. 90.02 billion in fiscal 2004 primarily due to an increase in average interest-earning assets, offset, in part, by a 1.0% decrease in yield on average interest-earning assets. Yield on average interest-earning assets decreased by 1.0% to 8.1% in fiscal 2005 compared to 9.1% in fiscal 2004, primarily due to the decline in the yield on advances to 9.4% in fiscal 2005 from 10.7% in fiscal 2004 and the decline in yield on average investments from 7.4% in fiscal 2004 to 6.4% in fiscal 2005.

Total interest expense decreased 6.3% to Rs. 65.71 billion in fiscal 2005 from Rs. 70.15 billion in fiscal 2004, primarily due to a decline in the cost of funds to 5.8% for fiscal 2005 from 7.1% in fiscal 2004, offset, in part, by an increase of 15.0% in the volume of average interest-bearing liabilities to Rs. 1,138.25 billion for fiscal 2005. Cost of funds decreased primarily due to the impact of repayment of the higher cost borrowings of ICICI acquired on amalgamation, lower rate of interest on new borrowings as well as a reduction in cost of deposit to 4.5% in fiscal 2005 from 5.4% in fiscal 2004.

As a result of the 1.3% decline in the cost of funds, offset, in part by a 1.0% decline in yield on average interest-earning assets, net interest margin increased to 2.4% in fiscal 2005 from 1.9% in fiscal 2004.

Non-Interest Income

The following table sets forth, for the periods indicated, the principal components of our non-interest income.

(in millions, except percentages)

	Year ended March 31,		
	2004	**2005**	**2005/2004 % change**
Commission, exchange and brokerage	Rs. 10,718.0	Rs. 19,210.0	79.2
Income from treasury-related activities	14,172.6	8,606.8	(39.3)
Lease income	4,210.7	4,077.6	(3.2)
Other income	1,547.9	2,267.0	46.5
Total non-interest income	**Rs. 30,649.2**	**Rs. 34,161.4**	**11.5%**

Non-interest income increased by 11.5% in fiscal 2005 to Rs. 34.16 billion from Rs. 30.65 billion in fiscal 2004 primarily due to an increase in commission, exchange and brokerage by 79.2% to Rs. 19.21 billion in fiscal 2005 from Rs. 10.72 billion in fiscal 2004 offset, in part, by a decrease in the income from treasury related activities by 39.3% to Rs. 8.61 billion in fiscal 2005 from Rs. 14.18 billion in fiscal 2004.

Commission, exchange and brokerage increased by 79.2% primarily due to growth in fee income from retail products and services, including fees arising from retail asset products like home loans and credit cards and retail liability-related income like account servicing charges, and an increase in transaction banking fee income from small enterprises, as well as an increase in transaction banking and other fee income from corporate banking. During this period there was a significant increase in business volumes of transaction banking services such as bankers acceptances, bank guarantees and cash management services.

Total income from treasury-related activities decreased to Rs. 8.61 billion in fiscal 2005 from Rs. 14.18 billion in fiscal 2004, due to the decrease in trading profits on government securities and corporate debt securities as a result of the increasing interest rates in the fixed income market. During fiscal 2005 the yield on 10-year Government of India securities increased by 1.52% to 6.68%. During fiscal 2004, the yield on 10-year government of India securities had declined by 1.05% and we had capitalized on this decline to realize a high level of trading profits on fixed income securities. The level of trading profits is volatile as it depends on specific market conditions, which may or may not be favourable

Lease income decreased by 3.25% to Rs. 4.08 billion in fiscal 2005 from Rs. 4.21 billion in fiscal 2004 primarily due to a reduction in leased assets since we are not entering into new lease transactions. Our total leased assets were Rs. 14.53 billion at March 31, 2005 as compared to Rs. 16.63 billion at March 31, 2004.

Other income increased by 46.5% to Rs. 2.26 billion in fiscal 2005 compared to Rs. 1.54 billion in fiscal 2004 primarily due to an increase in income earned by way of dividend from subsidiaries by 49.1% to Rs. 1.88 billion in fiscal 2005 compared to Rs. 1.26 billion in fiscal 2004.

Non-Interest Expense

The following table sets forth, for the periods indicated, the principal components of non-interest expense.

(in millions, except percentages)

	Year ended March 31,		
	2004	**2005**	**2005/2004 % change**
Employee expenses	Rs. 5,460.6	Rs. 7,374.1	35.0
Depreciation on own property (including non banking assets)	2,609.3	2,933.7	12.4
Auditors' fees and expenses	16.8	17.6	4.8
Other administrative expenditure	11,903.5	14,841.7	24.7
Total non-interest expense (excluding lease depreciation and direct marketing agency expenses)	**19,990.2**	**25,167.1**	**25.9**
Depreciation (including lease equalisation) on leased assets	2,785.1	2,969.9	6.6
Direct marketing agency expenses	2,937.0	4,854.5	65.3
Total non-interest expense	**Rs. 25,712.3**	**Rs.32,991.5**	**28.3%**

Non-interest expense increased by 28.3% for fiscal 2005 to Rs. 32.99 billion from Rs. 25.71 billion for fiscal 2004 primarily due to a 35.0% increase in employee expenses and a 24.7% increase in other administrative expenses.

Employee expenses increased 35.0% to Rs. 7.37 billion from Rs. 5.46 billion primarily due to an increase in the number of employees to 18,029 at March 31, 2005 from 13,609 at March 31, 2004. The increase in employees was commensurate with the growth in our retail businesses. We had implemented an Early Retirement Option Scheme for employees in July 2003. In accordance with the treatment approved by RBI, the ex-gratia payments under the Early Retirement Option Scheme, termination benefits and leave encashment in excess of the provisions made (net of tax benefits), aggregating to Rs. 1.91 billion are being amortised over a period of five years commencing August 1, 2003 (the date of retirement of employees exercising the option being July 31, 2003). An amount of Rs. 384.0 million was expensed in fiscal 2005 compared to Rs. 256.0 million expensed in fiscal 2004 on account of the Early Retirement Option Scheme, being the proportionate amounts amortised for the respective periods.

Other administrative expense increased by 24.7% to Rs. 14.84 billion from Rs. 11.90 billion primarily due to the increased volume of business, particularly in retail banking, and includes maintenance of ATMs, credit card expenses, call centre expenses and technology expenses. The volume of credit cards issued increased to about 3.3 million at March 31, 2005 from about 2.2 million at March 31, 2004. The number of ATMs increased to 1,910 at March 31, 2005 from 1,790 at March 31, 2004. The number of branches and extension counters increased to 562 at March 31, 2005 from 469 at March 31, 2004.

We incurred direct marketing agency expenses of Rs. 4.85 billion on the retail asset portfolio (other than automobile loans) in fiscal 2005 compared to Rs. 2.94 billion in fiscal 2004 in commensuration with growth in retail business volumes.

Provisions and contingencies

The following table sets forth, for the periods indicated, the components of provisions and contingencies.

(in millions, except percentages)

	Year ended March 31,		
	2004	**2005**	**2005/2004 % change**
Provision for investments (including credit substitutes) (net)	Rs. 987.1	Rs. 5,415.6	448.6
Provision for non performing assets (including provision for standard assets)	4,591.2	(1,213.6)	(126.4)
Others	207.9	86.0	(58.6)
Total provisions	**Rs. 5,786.2**	**Rs. 4,288.0**	**(25.9)%**

(1) We do not distinguish between provisions and write-offs while assessing the adequacy of our loan loss coverage, as both provisions and write-offs represent a reduction of the principal amount of a non-performing asset. In compliance with regulations governing the presentation of financial information by banks, gross non-performing assets are reported gross of provisions net of cumulative write-offs in our financial statements.

Total provisions decreased by 25.9% to Rs. 4.29 billion in fiscal 2005 from Rs. 5.79 billion in fiscal 2004. During fiscal 2005, we had transferred investments amounting to Rs. 213.5 billion from Available for Sale category to Held to Maturity category in accordance with RBI guidelines. The difference between the book value of each investment and the lower of its acquisition cost and market value on the date of transfer, amounting to Rs. 1.83 billion is included in the provision on investments. In addition, there was an increase in provision on investment in fiscal 2005 on account of higher amount of amortisation of premium on government securities classified in the held to maturity category. There was a write-back in provision on loan losses of Rs. 1.21 billion in fiscal 2005 as compared to a provision of Rs. 4.59 billion in fiscal 2004 primarily due to lower additions to non-performing assets and write back of excess provisions.

Tax Expense

The following table sets forth, for the periods indicated, details of tax expense computation.

(in millions, except percetages)

Year ended March 31,	**2004**	**2005**
Tax at marginal rate on income	Rs. 6,815.6	Rs. 9,236.7
Adjustments		
Difference in book and tax depreciation	495.8	1,800.0
Bad debts written off	1,241.9	(13,839.5)
Special reserve under section 36(1)(viii)	-	-
Surplus on sale of property/assets	18.5	20.8
Dividend, exempt interest and other income	(2,876.6)	(3,240.0)
Dividend exempt under section 80M	-	-
Capital gains on sale of shares	(4,013.4)	(3,940.0)
Fair value utilization	(8,663.8)	(2,510.0)
Other adjustments	1,152.2	1,728.0
Net adjustments	(12,645.4)	(19,980.8)
Tax (savings)/outgo thereon -other than capital gains	(4,536.5)	(7,311.5)
Capital gains on sale of shares	211.4	204.9

(in millions, except percetages)

Year ended March 31,	2004	2005
Tax (savings)/outgo thereon	(4,325.1)	(7,106.6)
Deferred taxes and other tax provisions	136.7	3,059.9
Total income tax	**Rs. 2,627.2**	**Rs. 5,190.0**
Wealth tax	24.0	30.0
Interest tax	-	-
Total taxation	**Rs. 2,651.2**	**Rs. 5,220.0**
Notes		
Adjusted profit before taxation	Rs. 18,998.2	Rs. 25,242.0
Marginal rates of tax - other than long term capital gains	35.88%	36.59%
Long term capital gains	10.25%	10.46%

Income tax expense (including wealth tax) amounted to Rs. 5.22 billion in fiscal 2005 compared to Rs. 2.65 billion in fiscal 2004. The effective tax expense rate was 20.7% in fiscal 2005 as compared to 13.9% in fiscal 2004. The effective tax expense rate has increased primarily due to higher utilisation of fair value provisions against ICICI's portfolio in fiscal 2004 compared to fiscal 2005.

Financial Condition

Our total assets increased 33.9% to Rs. 1,676.59 billion at March 31, 2005 from Rs. 1,252.29 billion at March 31, 2004 primarily due to an increase in advances and investments. Net advances increased 45.9% to Rs. 914.05 billion at March 31, 2005 from Rs. 626.48 billion at March 31, 2004 primarily due to an increase in retail advances in accordance with our strategy to increase our retail asset portfolio, offset, in part by a reduction due to repayments and securitisation of loans. Total investments at March 31, 2005 increased 16.2% to Rs. 504.87 billion from Rs. 434.36 billion at March 31, 2004 primarily due to a 15.3% increase in investments in government and other approved securities in India to Rs. 344.82 billion at March 31, 2005 from Rs. 299.18 billion at March 31, 2004. Other assets increased to Rs. 87.99 billion at March 31, 2005 from Rs. 66.18 billion at March 31, 2004.

During fiscal 2005, we made an issue of 115,920,758 equity shares (including 6,992,187 equity shares issued pursuant to an exercise of green shoe option) of Rs. 10 each at a premium of Rs. 270 per share aggregating Rs. 32.46 billion under the Prospectus dated April 12, 2004. The expenses of the issue have been charged to the share premium account, in accordance with the objects of the Issue stated in the Prospectus. We had sponsored an American Depository Shares (ADSs) Offering, which opened for participation on March 7, 2005 and closed on March 11, 2005. In terms of the offering, 20,685,750 ADSs representing 41,371,500 equity shares was sold at a price of US$ 21.1 per ADS.

Total deposits increased 46.6% to Rs. 998.19 billion at March 31, 2005 from Rs. 681.09 billion at March 31, 2004. Our savings account deposits increased 36.1% to Rs. 113.92 billion at March 31, 2005 from Rs. 83.72 billion at March 31, 2004, while other demand deposits increased 76.8% to Rs. 128.37 billion at March 31, 2005 from Rs. 72.59 billion at March 31, 2004. Term deposits increased by 44.0% to Rs. 755.90 billion at March 31, 2005 from Rs. 524.78 billion at March 31, 2004. Total deposits at March 31, 2005 constituted 70.5% of our funding (i.e. deposit, borrowings and subordinated debts) compared to 63.1% at March 31, 2004. Borrowings (including subordinated debt) increased to Rs. 417.53 billion at March 31, 2005 from Rs. 398.46 billion at March 31, 2004.

Summary Fiscal 2004 compared to Fiscal 2003

Profit before provisions and tax increased 79.8% to Rs. 24.81 billion in fiscal 2004 from Rs. 13.80 billion (excluding capital gain on sale of our shares held by ICICI) in fiscal 2003 primarily due to a sharp increase in the income from treasury related activities by 181.9% to Rs. 14.18 billion in fiscal 2004 from Rs. 5.02 billion in fiscal 2003, an increase in net interest income by 39.5% to Rs. 19.87 billion in fiscal 2004 from Rs. 14.24 billion in fiscal 2003 and an increase in commission, exchange and brokerage by 35.4% to Rs. 10.72 billion in fiscal 2004 from Rs. 7.92 billion in fiscal 2003, offset, in part, by an increase in non-interest expenses by 27.8% to Rs. 25.71 billion in fiscal 2004 from Rs. 20.12 billion in fiscal 2003. After considering provisions and tax, profit after tax increased 35.7% to Rs. 16.37 billion in fiscal 2004 from Rs. 12.06 billion in fiscal 2003.

In accordance with the Scheme of Amalgamation, 101.4 million of our shares held by ICICI had been transferred to the ICICI Bank Shares Trust. During fiscal 2003, the ICICI Bank Shares Trust divested its shareholding in us at an average price of approximately Rs. 130 per share (the average acquisition cost of ICICI being approximately Rs. 12.27 per share), resulting in capital gains of Rs. 11.91 billion.

- Net interest income increased 39.5% to Rs. 19.87 billion in fiscal 2004 from Rs. 14.24 billion in fiscal 2003, reflecting an increase of 8.2% in the average volume of interest-earning assets and an increase in spread by 0.7% to 2.0%.
- Commission, exchange and brokerage increased 35.4% to Rs. 10.72 billion in fiscal 2004 from Rs. 7.92 billion in fiscal 2003, primarily due to growth in retail banking fee income arising from retail asset products like home loans and credit cards and retail liability related income like account servicing charges as well as an increase in transaction banking fee income from corporate clients.
- Income from treasury related activities increased sharply by 181.9% to Rs. 14.18 billion in fiscal 2004 from Rs. 5.02 billion in fiscal 2003 primarily due to an increase in the profit on sale of investments to Rs. 12.25 billion in fiscal 2004 from Rs. 4.92 billion in fiscal 2003.
- Non-interest expenses increased 27.8% to Rs. 25.71 billion in fiscal 2004 from Rs. 20.12 billion in fiscal 2003 primarily due to 35.5% increase in employee expenses.
- Provisions and contingencies (excluding tax provisions) decreased by 67.7% to Rs. 5.79 billion in fiscal 2004 from Rs. 17.91 billion in fiscal 2003 primarily due to higher additional / accelerated provisions made on portfolio primarily relating to erstwhile ICICI during fiscal 2003.
- Total assets increased 17.2% to Rs. 1,252.29 billion at year-end fiscal 2004 from Rs. 1,068.12 billion at year-end fiscal 2003.

Net Interest Income

Net interest income increased 39.5% to Rs. 19.87 billion in fiscal 2004 from Rs. 14.24 billion in fiscal 2003, reflecting mainly the following:

- an increase of Rs. 74.52 billion or 8.2% in the average volume of interest-earning assets; and
- an increase in the spread by 0.7% to 2.0% in fiscal 2004 from 1.3% in fiscal 2003.

The average volume of interest-earning assets increased by Rs. 74.52 billion in fiscal 2004 primarily due to the increase in average advances by Rs. 65.14 billion, and an increase in average investments and other average interest-earning assets by Rs. 9.38 billion. The increase in the average advances was mainly due to increased disbursements of retail finance loans, offset, in part, by securitisation of loans and repayment of existing loans.

While both interest income and interest expense declined in line with the declining interest rate trend in the market, interest expense declined more sharply than interest income. Total interest income (including dividend income) decreased by 3.9% to Rs. 90.02 billion in fiscal 2004 from Rs. 93.68 billion in fiscal 2003 primarily due to a decline in the yield on average interest-earning assets. Yield on average interest-earning assets decreased by 1.1% to 9.1% in fiscal 2004 compared to 10.2% in fiscal 2003, primarily due to the decline in the yield on investments and advances. While the yield on average advances declined by 1.3% to 10.7% in fiscal 2004, the yield on average investments declined by 1.4% to 7.4% in fiscal 2004.

Total interest expense decreased by 11.7% to Rs. 70.15 billion in fiscal 2004 from Rs. 79.44 billion in fiscal 2003, primarily due to a decline in the cost of funds to 7.1% for fiscal 2004 from 8.9% in fiscal 2003, offset, in part by an increase of 11.0% in the volume of average interest-bearing liabilities to Rs. 989.66 billion for fiscal 2004. Cost of funds decreased primarily due to the impact of repayment of the higher cost borrowings of ICICI acquired on amalgamation and due to reduction in the cost of deposits to 5.4% in fiscal 2004 from 6.8% in fiscal 2003. Total deposits at year-end fiscal 2004 constituted 63.1% of our funding (i.e. deposits, borrowings and subordinated debts) compared to 52.2% at year-end fiscal 2003.

As a result of the 1.8% decline in the cost of funds, offset, in part by a 1.1% decline in yield on average interest-earning assets, net interest margin increased to 1.9% in fiscal 2004 from 1.4% in fiscal 2003.

Non-Interest Income

The following table sets forth, for the periods indicated, the principal components of our non-interest income.

(in millions, except percentages)

	Year ended March 31,				
	2003/2002			2004/2003	
	2002	2003	% change	2004	% change
Commission, exchange and brokerage	Rs. 2,297.8	Rs. 7,917.9	244.6	Rs. 10,718.0	35.4
Income from treasury-related activities	3,284.1	5,026.8	53.1	14,172.6	181.9
Lease income	106.9	5,374.2	4,927.3	4,210.7	(21.6)
Other income[1]	57.8	1,358.8	2,250.9	1,547.9	13.9
Total non-interest income	**Rs. 5,746.6**	**Rs.19,677.7**	**242.4**	**Rs. 30,649.2**	**55.8%**

(1) Excludes capital gains of Rs. 11.91 billion realised during fiscal 2003 on sale of shares in us held by ICICI which were transferred to the ICICI Bank Shares Trust pursuant to the Scheme of Amalgamation.

For the purpose of analysis below, total non-interest income excludes capital gains of Rs. 11.91 billion in fiscal 2003 realised on sale of our shares held by ICICI which were transferred to a trust at the time of amalgamation.

Non-interest income increased by 55.8% to Rs. 30.65 billion in fiscal 2004 from Rs. 19.68 billion in fiscal 2003 primarily due to an increase of 35.4% in commission, exchange and brokerage, a 181.9% increase in income from treasury-related activities and an increase of 13.0% in other income.

The increase in commission, exchange and brokerage by 35.4% to Rs. 10.72 billion from Rs. 7.92 billion was primarily due to growth in retail banking fee income arising from retail asset products like home loans and credit cards and retail liability related income like account servicing charges.

The total income from treasury-related activities increased to Rs. 14.18 billion in fiscal 2004 from Rs. 5.02 billion in fiscal 2003 due to the increase in trading profits on government securities and corporate debt securities as a result of the declining interest rate environment

Lease income decreased by 21.6% to Rs. 4.21 billion in fiscal 2004 from Rs. 5.37 billion in fiscal 2003 primarily because of a decrease in leased assets to Rs. 16.63 billion at year-end fiscal 2004 compared to Rs. 17.70 billion at year-end fiscal 2003.

Other income increased by 13.9% to Rs. 1.54 billion for fiscal 2004 compared to Rs. 1.37 billion in fiscal 2003. Other income includes loss of Rs. 19.1 million on sale of land, buildings and other assets in fiscal 2004 compared to loss of Rs. 65.0 million in fiscal 2003. It also includes income earned by way of dividend from subsidiaries of Rs. 1.26 billion in fiscal 2004 compared to Rs. 1.09 billion in fiscal 2003.

Non-interest expense

The following table sets forth, for the periods indicated, the principal components of non-interest expense.

(in millions, except percentages)

	Year ended March 31,				
	2003/2002			2004/2003	
	2002	2003	% change	2004	% change
Employee expenses	Rs. 1,471.8	Rs. 4,030.3	173.8	Rs. 5,460.6	35.5
Depreciation on own property (including non banking assets)	526.0	1,914.7	264.0	2,609.3	36.3
Auditors' fees and expenses	3.1	15.0	383.9	16.8	12.0
Other administrative expenditure	3,973.9	9,389.1	136.3	11,903.5	26.8
Total non- interest expense (excluding lease depreciation and direct marketing agency expenses)	**5,974.8**	**15,349.1**	**156.9**	**19,990.2**	**30.2**
Depreciation (including lease equalisation) on leased assets	115.0	3,144.7	2,634.5	2,785.1	(11.4)
Direct marketing agency expenses	136.0	1,623.1	1,093.5	2,937.0	81.0
Total non-interest expense	**Rs. 6,225.8**	**Rs.20,116.9**	**223.1**	**Rs. 25,712.3**	**27.8%**

%

Non-interest expense (excluding direct marketing agency expense and lease depreciation) increased by 30.2% to Rs. 19.98 billion for fiscal 2004 from Rs. 15.35 billion in fiscal 2003, primarily due to an increase in employee expenses by 35.5% to Rs. 5.46 billion in fiscal 2004 from Rs. 4.03 billion in fiscal 2003. Depreciation on own property increased by 36.3% to Rs. 2.61 billion from Rs. 1.91 billion. There was an increase in premises and other fixed assets to Rs. 23.93 billion at March 31, 2004 from Rs. 22.91 billion at March 31, 2003. Depreciation on leased assets decreased to Rs. 2.79 billion in fiscal 2004 from Rs. 3.15 billion in fiscal 2003.

Other administrative expenses increased by 26.8% to Rs. 11.90 billion from Rs. 9.39 billion primarily due to the increased cost of business, particularly retail, including maintenance of ATMs, credit card expenses, call centre expenses and technology expenses.

Direct marketing agency expenses increased by 81.0% to Rs. 2.94 billion in fiscal 2004 from Rs. 1.62 billion in fiscal 2003 primarily due to growth in our retail business.

Provisions and contingencies

(in millions, except percentages)

	Year ended March 31,				
	2003/2002			2004/2003	
	2002	2003	% change	2004	% change
Provision for investments (including credit substitutes) (net)	Rs. (157.0)	Rs.3,094.3	2,070.9	Rs. 987.1	(68.1)
Provision for non performing assets (incl. provision for standard assets)	2,682.9	14,749.8	449.8	4,591.2	(68.9)
Others	27.0	63.9	136.7	207.9	225.4
Total provisions	**Rs.2,552.9**	**Rs.17,908.0**	**601.4**	**Rs. 5,786.2**	**(67.7%)**

Depreciation of investments and provision for non-performing assets in fiscal 2003 included additional/ accelerated provisions and write-offs against loans and investments of erstwhile ICICI Limited. As a result, the total provisions including provisions on non-performing assets and depreciation on investments decreased by 67.7% to Rs. 5.79 billion in fiscal 2004 compared to Rs. 17.91 billion in fiscal 2003.

Income Tax Expense

The following table sets forth, for the periods indicated, details of tax expense computation.

(in millions, except percentages)

	Year ended March 31,		
	2002	2003	2004
Tax at marginal rate on income	Rs. 1,032.7	Rs. 2,859.7	Rs. 6,815.6
Adjustments			
Difference in book and tax depreciation	(261.6)	(170.0)	495.8
Bad debts written off	1,083.0	16,824.0	1,241.9
Special reserve under section 36(1)(viii)	(137.2)	-	-
Surplus on sale of property/assets	0.6	70.0	18.5
Dividend, exempt interest and other income	(568.1)	(710.0)	(2,876.6)
Dividend exempt under section 80M	-	(1,830.0)	-
Capital gains on sale of shares	-	(12,910.0)	(4,013.4)
Fair value utilization	-	(11,830.0)	(8,663.8)
Other adjustments	389.1	5,010.0	1,152.2
Net adjustments	505.8	(5,546.0)	(12,645.4)
Tax (savings)/outgo thereon -other than capital gains	180.6	(2,038.2)	(4,536.5)
Capital gains on sale of shares	-	910.0	211.4
Tax (savings)/outgo thereon	180.6	(1,128.2)	(4,325.1)
Deferred taxes and other tax provisions	(903.3)	(6,011.4)	136.7
Total income tax	**Rs. 310.0**	**Rs. (4,279.9)**	**Rs. 2,627.2**
Wealth tax	5.00	22.5	24.0
Interest tax	-	-	-
Total taxation	**Rs. 315.0**	**Rs. (4,257.4)**	**Rs. 2,651.2**

(in millions, except percentages)

	Year ended March 31,		
	2002	**2003**	**2004**
Notes			
Adjusted profit before taxation	Rs. 2,892.9	Rs. 7,781.4	Rs. 18,998.2
Marginal rates of tax - other than long term capital gains	35.70%	36.75%	35.88%
Long term capital gains	10.20%	10.50%	10.25%

Income tax expense (including wealth tax) was Rs. 2.65 billion for fiscal 2004. We had an effective income tax benefit for fiscal 2003 due to deferred tax asset created on additional/accelerated provisions made during the year. Accordingly, income tax expense (including wealth tax) was a net credit of Rs. 4.26 billion for fiscal 2003. The net credit in fiscal 2003 was on account of a deferred tax asset of Rs. 6.43 billion for fiscal 2003 compared to Rs. 68.8 million for fiscal 2004, arising primarily out of provisions for loan losses made in fiscal 2003.

Financial Condition

Our total assets increased 17.2% to Rs. 1,252.29 billion at year-end fiscal 2004 from Rs. 1,068.12 billion at year-end fiscal 2003. Net advances increased 17.6% to Rs. 626.48 billion at year-end fiscal 2004 from Rs. 532.79 billion at year-end fiscal 2003 primarily due to an increase in retail advances, offset, in part, by a reduction in advances due to repayments and securitisation of loans. Cash, balances with the RBI and banks and money at call and short notice at year-end fiscal 2004 were Rs. 84.71 billion compared to Rs. 64.89 billion at year-end fiscal 2003. Total investments at year-end fiscal 2004 increased to Rs. 434.36 billion compared to Rs. 354.62 billion at year-end fiscal 2003. Other assets decreased to Rs. 66.18 billion at year-end fiscal 2004 from Rs. 75.21 billion at year-end fiscal 2003.

Total deposits increased 41.4% to Rs. 681.09 billion at year-end fiscal 2004 from Rs. 481.69 billion at year-end fiscal 2003. Our savings account deposits increased to Rs. 83.72 billion at year-end fiscal 2004 from Rs. 37.93 billion at year-end fiscal 2003, while other demand deposits increased to Rs. 72.59 billion at year-end fiscal 2004 from Rs. 36.89 billion at year-end fiscal 2003. Term deposits increased by 29.0% to Rs. 524.78 billion at year-end fiscal 2004 from Rs. 406.87 billion at year-end fiscal 2003. Total deposits at year-end fiscal 2004 constituted 63.1% of our funding (i.e. deposit, borrowings and subordinated debts). Borrowings (including subordinated debt) decreased to Rs. 398.46 billion at year-end fiscal 2004 from Rs. 440.52 billion at year-end fiscal 2003.

Summary Fiscal 2003 compared to Fiscal 2002

Our income statement for fiscal 2002 includes the results of operations of ICICI, ICICI Personal Financial Services and ICICI Capital Services for only two days i.e. March 30 and 31, 2002. The income statement for fiscal 2003 fully reflects the amalgamation. As a result, the income statement for fiscal 2002 is not comparable with the income statement for fiscal 2003 and investors should understand that increases in the income statement largely reflect this situation. The balance sheets at year-end fiscal 2002 and year-end fiscal 2003 are, however, comparable.

Operating profit before provisions increased 153.2% to Rs. 13.80 billion (excluding capital gain of Rs. 11.91 billion on sale of our shares) in fiscal 2003 from Rs. 5.45 billion in fiscal 2002 primarily due to a 242.4% increase (excluding capital gain of Rs. 11.91 billion on sale of our shares) in the non-interest income to Rs. 19.68 billion, and a 140.1% increase in the net interest income to Rs. 14.24 billion, offset, in part, by a 223.1% increase in non-interest expenses to Rs. 20.12 billion.

In accordance with the Scheme of Amalgamation, 101.4 million of our shares held by ICICI had been transferred to the ICICI Bank Shares Trust. During fiscal 2003, the ICICI Bank Shares Trust divested its shareholding in us at an average price of approximately Rs. 130 per share (the average acquisition cost of ICICI being approximately Rs. 12.27 per share), resulting in capital gains of Rs. 11.91 billion.

We made additional / accelerated provisions against loan portfolio of erstwhile ICICI Limited in fiscal 2003. Profit after tax increased to Rs. 12.06 billion in fiscal 2003 from Rs. 2.58 billion in fiscal 2002. Return on net worth increased to 18.3% in fiscal 2003 from 17.8% in fiscal 2002. Return on average assets increased to 1.15% in fiscal 2003 from 1.10% in fiscal 2002.

Total average assets increased 349.0% to Rs. 1,050.28 billion in fiscal 2003, from Rs. 233.93 billion in fiscal 2002 with average advances increasing 671.9% to Rs. 502.37 billion and average investments increasing 142.7% to Rs. 316.53 billion. As a part of our strategy to increase our retail asset portfolio, retail advances increased 215.1% to Rs. 191.60 billion at March 31, 2003 from Rs. 60.81 billion at March 31, 2002.

Net Interest Income

Net interest income increased 140.1% to Rs. 14.24 billion in fiscal 2003, from Rs. 5.93 billion in fiscal 2002, reflecting mainly the following:

- an increase of Rs. 682.78 billion or 307.0% in the average volume of interest-earning assets reflecting the amalgamation and our strategy of increasing our retail portfolio; and
- a decrease in the spread by 0.9% to 1.3% in fiscal 2003 from 2.2% in fiscal 2002.

The average volume of interest-earning assets increased by Rs. 682.78 billion in fiscal 2003 primarily due to the increase in average advances by Rs. 437.29 billion and increase in average investments by Rs. 186.09 billion. The average advances increased mainly because the results for fiscal 2003 included the operations of ICICI for the entire year whereas results for fiscal 2002 include only two days of operations of ICICI. The increase in retail advances also resulted in an increase in the average advances. As a part of our strategy to increase our retail asset portfolio, retail advances increased to Rs. 191.60 billion at year-end fiscal 2003 from Rs. 60.81 billion at year-end fiscal 2002.

The primary reason for the decline in spread in fiscal 2003 compared to fiscal 2002 is the impact of the imposition of the cash reserve ratio and the statutory liquidity ratio on ICICI's legacy liabilities consequent to the amalgamation.

Total interest income (including dividend income) increased 335.3% to Rs. 93.68 billion in fiscal 2003 from Rs. 21.52 billion in fiscal 2002, primarily due to a 307.0% increase in the average volume of interest-earning assets to Rs. 905.17 billion in fiscal 2003 from Rs. 222.39 billion in fiscal 2002. Yield on average interest-earning assets increased by 0.5% to 10.2% for fiscal 2003 compared to 9.7% for fiscal 2002, primarily due to the impact of the higher yielding advances of ICICI acquired by us pursuant to the amalgamation, substantially offset by the increase in lower yielding investments in government securities to comply with the statutory liquidity ratio and cash reserve ratio requirements imposed on the liabilities acquired from ICICI pursuant to the amalgamation. Interest income for fiscal 2003 also included Rs. 242.9 million of interest on income tax refunds.

Total interest expense increased 409.6% to Rs. 79.44 billion in fiscal 2003 from Rs. 15.59 billion in fiscal 2002, due to a 329.9% increase in average interest-bearing liabilities to Rs. 891.62 billion in fiscal 2003 from Rs. 207.37 billion in fiscal 2002. The cost of funds increased to 8.9% in fiscal 2003 from 7.5% in fiscal 2002 primarily due to the impact of the higher cost borrowings of ICICI acquired on amalgamation. This was partially offset by reduction in the cost of deposits to 6.8% in fiscal 2003 from 7.3% in fiscal 2002. Total deposits at year-end fiscal 2003 constituted 52.3% of our funding (i.e. deposits, borrowings and subordinated debts) compared to 35.2% at year-end fiscal 2002.

As a result of a 1.4% increase in the cost of funds, offset, in part by a 0.5% increase in yield on average interest-earning assets, our net interest margin decreased to 1.4% in fiscal 2003 from 2.7% in fiscal 2002.

Non-Interest Income

For the purpose of analysis below, total non-interest income excludes capital gains of Rs.11.91 billion in fiscal 2003 realised on sale of our shares held by ICICI which were transferred to a trust at the time of amalgamation.

Non-interest income increased by 242.4% to Rs. 19.68 billion in fiscal 2003 from Rs. 5.75 billion in fiscal 2002 primarily due to an increase in commission, exchange and brokerage, a 53.1% increase in income from treasury-related activities and an increase of Rs. 5.26 billion in lease income.

The increase in commission, exchange and brokerage by 244.6% to Rs. 7.92 billion from Rs. 2.30 billion was primarily due to the amalgamation. The increase was also due to growth in retail banking fee income arising from retail assets like home loans and credit cards and retail liability product income like account servicing charges.

The total income from treasury-related activities increased to Rs. 5.02 billion in fiscal 2003 from Rs. 3.28 billion in fiscal 2002 due to the increase in trading profits on government securities and corporate debt securities as a result of the declining interest rate environment. In fiscal 2003, income from treasury-related activities includes net profit on foreign exchange transactions of which Rs. 0.54 billion is in the nature of fee income.

Lease income increased to Rs. 5.37 billion in fiscal 2003 from Rs. 106.9 million in fiscal 2002 representing income on the lease portfolio of ICICI transferred to us on amalgamation.

Non-interest expense

Non-interest expense (excluding direct marketing agency expense and lease depreciation) increased by 156.9% to Rs. 15.35 billion in fiscal 2003 from Rs. 5.97 billion in fiscal 2002, primarily due to the inclusion of the operations of ICICI, ICICI Capital Services and ICICI Personal Financial Services and the growth in retail franchise. Employee expenses increased 173.8% to Rs. 4.03 billion from Rs. 1.47 billion primarily due to an increase in the number of employees to 10,617 at March 31, 2003. Depreciation on own property increased by 264.0%

to Rs. 1.91 billion from Rs. 0.53 billion primarily due to full year depreciation charge on the assets acquired from ICICI on amalgamation. There was an increase in premises and other fixed assets to Rs. 22.91 billion at March 31, 2003 from Rs. 19.69 billion at March 31, 2002.

Other administrative expenses increased by 136.3% to Rs. 9.39 billion from Rs. 3.97 billion primarily due to the amalgamation and the increased cost of business, particularly retail, including maintenance of ATMs, credit card expenses, call centre expenses and technology expenses. The number of savings accounts increased to about 4.3 million at March 31, 2003 from about 2.2 million at March 31, 2002. The credit and debit cards increased to about 4.5 million at March 31, 2003 from about 1.3 million at March 31, 2002. The number of ATMs increased to 1,675 at March 31, 2003 from 1,000 at March 31, 2002.

Depreciation on leased assets had increased by Rs. 3.03 billion to Rs. 3.15 billion in fiscal 2003 from Rs. 115.0 million in fiscal 2002 due to the lease portfolio of ICICI transferred to us on amalgamation.

Direct marketing agency expenses increased by Rs. 1.48 billion to Rs. 1.62 billion in fiscal 2003 from Rs. 0.14 billion in fiscal 2002. The increase was on account of the retail business of ICICI transferred to us on amalgamation.

Provisions and contingencies

Depreciation of investments and provision for non-performing assets in fiscal 2003 included additional/ accelerated provisions and write-offs against loans and investments. As a result, the total provisions on non-performing assets and depreciation on investments increased by 601.4% to Rs. 17.91 billion in fiscal 2003 compared to Rs. 2.55 billion in fiscal 2002.

Income Tax Expense

As a result of additional/ accelerated provisions, a deferred tax asset was created during fiscal 2003. This deferred tax asset was accounted for in accordance with the provisions of Accounting Standard 22 issued by the Institute of Chartered Accountants of India, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of the events that have been include in the financial statements or tax returns. We had an effective income tax benefit for fiscal 2003 due to deferred tax asset created on additional/ accelerated provisions made during the year. Accordingly, income tax expense (including wealth tax) was a net credit of Rs. 4.26 billion in fiscal 2003 compared to a charge of Rs. 0.32 billion in fiscal 2002. The net credit in fiscal 2003 was on account of a deferred tax asset of Rs. 6.43 billion in fiscal 2003 compared to Rs. 903.3 million in fiscal 2002, arising out of provisions made in fiscal 2003 and utilisation of fair value provisions against ICICI's portfolio created pursuant to the amalgamation. This resulted in an effective tax benefit rate of 54.6% compared to effective tax expense rate of 11.0% for fiscal 2002. The statutory tax rate in fiscal 2003 was 36.75% compared to 35.70% in fiscal 2002. The difference in the effective and statutory rates in fiscal 2003 was primarily due to exempt interest and dividend income and the charging of certain income at rates other than the statutory rate, offset, in part, by the disallowance of certain expenses for tax purposes.

Financial Condition

Our total assets increased marginally to Rs. 1,068.12 billion at March 31, 2003 from Rs. 1,041.06 billion at March 31, 2002. Net advances increased to Rs. 532.79 billion at March 31, 2003 from Rs. 470.35 billion at March 31, 2002 primarily due to increase in retail advances, offset, in part, by a reduction in advances due to repayments and securitisation of loans. Cash, balances with the RBI and banks and money at call and short notice at March 31, 2003 were Rs. 64.89 billion compared to Rs. 127.86 billion at March 31, 2002. At March 31, 2002, we had higher than usual cash balances created in anticipation of the need to meet the statutory liquidity ratio and cash reserve ratio requirements on ICICI's liabilities following the amalgamation. Following the announcement of the amalgamation in October 2001, ICICI directed a significant portion of its resources towards meeting the reserve requirements on its outstanding liabilities. ICICI also securitised and sold down its loans in the second half of fiscal 2002 to raise additional resources. Total investments at March 31, 2003 decreased marginally to Rs. 354.62 billion compared to Rs. 358.91 billion at March 31, 2002. Statutory liquidity ratio investments included in total investments were Rs. 255.83 billion at March 31, 2003 compared to Rs. 227.93 billion at March 31, 2002. Other assets increased to Rs. 75.21 billion at March 31, 2003 from Rs. 41.55 billion at March 31, 2002.

Our net worth at March 31, 2003 increased to Rs. 69.34 billion from Rs. 62.46 billion at March 31, 2002. Total deposits increased 50.1% to Rs. 481.69 billion at March 31, 2003 from Rs. 320.85 billion at March 31, 2002. Our savings account deposits increased to Rs. 37.93 billion at March 31, 2003 from Rs. 24.97 billion at March 31, 2002, while current account deposits increased to Rs. 36.89 billion at March 31, 2003 from Rs. 27.36 billion at March 31, 2002. Term deposits increased by 51.5% to Rs. 406.87 billion at March 31, 2003 from Rs. 268.52 billion at March 31, 2002. Of the term deposits, value-added savings and current account deposits totalled about Rs. 85.74 billion at March 31, 2003 compared to about Rs. 53.42 billion at March 31, 2002. Total deposits at March 31, 2003 constituted 52.2% of our funding (i.e. deposit, borrowings and subordinated debts). Borrowings (including subordinated debt) decreased to Rs. 440.52 billion at March 31, 2003 from Rs. 589.70 billion at March 31, 2002. Of the total borrowings, borrowings raised by ICICI prior to the amalgamation declined from about Rs. 582.10 billion at March 31, 2002 to about Rs. 372.50 billion at March 31, 2003. We raised about Rs. 25.00 billion through bond issues in the last quarter of fiscal 2003.

Off Balance Sheet Items

The table below sets forth, for the periods indicated, the principal components of contingent liabilities.

(in billions)

	At March 31,					At September
	2001	2002	2003	2004	2005	30, 2005
Contingent liabilities						
Claims against bank not acknowledged as debts	Rs. 0.55	Rs.10.23	Rs. 20.25	Rs. 25.02	Rs. 27.46	Rs. 26.46
Liability for partly paid investments	0.34	2.62	1.80	1.24	0.17	0.17
Liability on account of outstanding forward exchange contracts	88.47	152.55	251.03	557.04	714.85	797.88
Guarantees given on behalf of constituents	13.46	93.52	106.35	120.29	156.41	169.07
Acceptances, endorsements & other obligations	12.87	17.39	43.25	65.14	74.12	73.52
Currency swaps	8.71	20.41	29.01	44.49	112.96	139.27
Interest rate swaps and currency options	11.38	78.54	413.54	1,177.64	1,519.22	1,854.05
Other items for which bank is contingently liable	2.70	19.21	29.14	38.56	76.35	49.43
Total	**Rs. 138.48**	**Rs. 394.47**	**Rs. 894.37**	**Rs.2,029.42**	**Rs. 2, 681.54**	**Rs.3,109.85**

Contingent liabilities increased by 16.0% or Rs. 428.31 billion to Rs. 3,109.85 billion at September 30, 2005 from Rs. 2,681.54 billion at year-end fiscal 2005 primarily due to a 22.0% increase in interest rate swaps and currency options. There was an increase of 32.1% in contingent liabilities to Rs. 2,681.54 billion at year-end fiscal 2005 from Rs. 2,029.42 billion at year-end fiscal 2004 primarily due to a 29.0% increase in interest rate swaps and currency options and a 28.3% increase in liability on account of forward exchange contracts. The 126.9% increase in contingent liabilities to Rs. 2,029.42 billion at year-end fiscal 2004 from Rs. 894.37 billion at year-end fiscal 2003 was primarily due to a 184.8 % increase in interest rate swaps and currency options. There was an increase of 126.7% in contingent liabilities to Rs. 894.37 billion at year-end fiscal 2003 from Rs. 394.47 billion at year-end fiscal 2002 primarily due to a 426.5% increase in interest rate swaps and currency options and a 148.7% increase in acceptances, endorsements and other obligations. The 184.9% increase to Rs. 394.47 billion at year-end fiscal 2002 from Rs. 138.48 billion at year-end fiscal 2001 was primarily the result of the contingent liabilities of ICICI being added as a result of the amalgamation.

An interest rate swap does not entail exchange of notional principal and the cash flow arises on account of the difference between interest rate pay and receive legs of the swaps which is generally much smaller than the notional principal of the swap. A large proportion of interest rate swap, currency swap and forward exchange contracts is on account of market making which involves providing regular two-way prices to customers or inter-bank counter parties. The exposure due to these transactions is normally reduced by entering into an off-setting transaction with another counter-party. This results in generation of a higher number of outstanding transactions, and hence a large value of gross notional principal of the portfolio. For example, if a transaction entered into with a customer is covered by an exactly opposite transaction entered into with another counter-party, the net market risk of the two transactions will be zero whereas, the notional principal of the portfolio will be sum of both the transactions.

The swap and forward exchange contract market in India is a developing market. Market volumes have increased significantly in recent years. As an active player and market-maker in swap and forward exchange contract markets and due to the fact that reduction in positions is generally achieved by entering into offsetting transactions rather than termination/cancellation of existing transactions, we have seen a substantial increase in notional principal of our swap portfolio in recent years.

Capital Resources

We are subject to the capital adequacy requirements of the RBI, which are primarily based on the capital adequacy accord reached by the Basel Committee of Banking Supervision, Bank of International Settlements in 1988. We are required to maintain a minimum ratio of total capital to risk adjusted assets of 9.0%, at least half of which must be Tier I capital.

At September 30, 2005, our capital adequacy ratio calculated in accordance with the RBI guidelines was 11.5%. Using the same basis of calculation, our Tier I capital adequacy ratio was 7.2% and our Tier II capital adequacy ratio was 4.3%. Deferred tax asset amounting to Rs. 612.5 million and unamortised amount of expenses on Early Retirement Option Scheme amounting to Rs. 1.08 billion at September 30, 2005 have been reduced from Tier I capital as per the RBI guidelines. An amount of Rs. 7.30 billion of Investment Fluctuation Reserve has been considered in Tier II capital.

ICICI had outstanding preference share capital of Rs. 3.50 billion, representing 350, 0.001% preference shares of Rs. 1,00,00,000 each issued under the scheme of amalgamation of erstwhile ITC Classic Finance with ICICI. These preference shares are redeemable in the year 2018. The RBI vide letter dated April 21, 1999, permitted ICICI to include the "grant element" of such preference shares in Tier I capital subject to the creation of a corpus to be invested in Government of India securities of equivalent maturity. Subsequently, ICICI created a corpus of Rs. 0.47 billion on May 3, 1999 and invested the amount in Government of India securities. Consequent to the amalgamation, these preference shares were transferred to us, as permitted by the Government notification exempting us from the provisions of Section 12(1)(ii) of the Banking Regulation Act, 1949 for a specified period. Accordingly, the grant element of this preference share capital has now been included in our Tier I capital.

(in millions, except percentages)

	At March 31, 2005	At September 30, 2005
Tier I capital	Rs. 102,463.2	Rs. 108,317.5
Tier II capital	56,566.1	64,120.2
Total capital	**159,029.3**	**172,437.7**
On- balance sheet risk weighted assets	1,080,527.9	1,251,430.7
Off-balance sheet risk weighted assets	207,968.2	212,844.5
Risk weighted assets on trading book	61,672.0	32,141.0
Total risk weighted assets	**Rs.1,350,168.1**	**Rs. 1,496,416.2**
Tier I capital adequacy ratio	7.6%	7.2%
Tier II capital adequacy ratio	4.2%	4.3%
Total capital adequacy ratio	**11.8%**	**11.5%**

Capital Commitments

We are obligated under a number of capital contracts. Capital contracts are job orders of a capital nature, which have been committed. Estimated amounts of contracts remaining to be executed on capital account aggregated Rs. 1.64 billion at September 30, 2005 compared to Rs. 447.2 million at September 30, 2004 representing the unpaid amount for acquisition of fixed assets as per contracts entered into with suppliers. Estimated amounts of contracts remaining to be executed on capital account at year-end fiscal 2005 aggregated Rs. 704.4 million compared to Rs. 291.6 million at year-end fiscal 2004 signifying the unpaid amount for acquisition of fixed assets as per contracts entered into with suppliers.

Guarantees

As a part of our financing activities, we issue guarantees to enhance the credit standing of our customers. The guarantees are generally for a period not exceeding 10 years. The credit risk associated with these products, as well as the operating risks, are similar to those in other loan products. We have the same appraisal process, pricing methodology and collateral requirement for guarantees as that for any other credit product. Guarantees increased by 8.1% to Rs. 169.07 billion at September 30, 2005 from Rs. 156.41 billion at year-end fiscal 2005. Guarantees increased by 30.0% at year-end fiscal 2005 compared to year-end fiscal 2004, which in turn increased by 13.1% compared to year-end fiscal 2003.

The following table sets forth, at the dates indicated, guarantees outstanding.

(in billions, except percentages)

	At March 31,					At September 30,	
	2003	**2004**	**% change**	**2005**	**% change**	**2005**	**% change**
Financial guarantees[1]	Rs.68.95	Rs. 56.58	(17.9)	Rs. 58.00	2.5	Rs. 54.73	(5.6)
Performance guarantees[2]	37.40	63. 71	70.3	98.41	54.5	114.34	16.2
Total guarantees	**Rs. 106.35**	**Rs. 120.29**	**13.1**	**Rs. 156.41**	**30.0**	**Rs. 169.07**	**8.1**

(1) Consist of instruments guaranteeing the timely contractual payment of loan obligations, primarily to foreign lenders on behalf of project companies.

(2) Consist of instruments guaranteeing the performance by a company of an obligation, such as exports.

Significant Changes in accounting policies

There has been no significant change in the accounting policy in the last three years except the following:

- During the fiscal year-end 2003, we have changed our method of accounting for repurchase transactions and reverse repurchase transactions. These transactions have been accounted for as a sale and forward purchase or purchase and a forward sale transactions in fiscal 2003.
- Effective April 1, 2004 the Bank has accounted for unrealized gains on rupee derivatives (net of provisions) as compared to its earlier policy of ignoring the unrealized gains.

Capital Expenditure

The following tables set forth, for the periods indicated, certain information related to capital expenditure by category of fixed assets.

(in billions)

	Cost at April 1, 2005	**Additions**	**Additions on amalgamation**	**Deletion**	**Depreciation**	**Net assets at September 30, 2005**
Premises	Rs. 18.83	Rs. 0.86	Rs. -	Rs. 0.04	Rs. 1.78	Rs. 17.87
Other fixed assets	16.30	1.96	-	0.06	9.13	9.07
Assets on lease	20.12	-	-	0.15	7.31	12.66
Total	**Rs. 55.25**	**Rs. 2.82**	**Rs. -**	**Rs. 0.25**	**Rs. 18.22**	**Rs. 39.60**

(in billions)

	Cost at April 1, 2004	**Additions**	**Additions on amalgamation**	**Deletion**	**Depreciation**	**Net assets at March 31, 2005**
Premises	Rs. 16.67	Rs.2.25	Rs. -	Rs. 0.09	Rs. 1.52	Rs. 17.31
Other fixed assets	13.58	2.83	-	0.11	7.76	8.54
Assets on lease	20.64	-	-	0.52	5.59	14.53
Total	**Rs. 50.89**	**Rs. 5.08**	**Rs. -**	**Rs. 0.72**	**Rs. 14.87**	**Rs. 40.38**

(in billions)

	Cost at April 1, 2003	Additions	Additions on amalgamation	Deletion	Depreciation	Net assets at March 31, 2004
Premises	Rs. 16.06	Rs. 0.94	Rs. -	Rs. 0.33	Rs. 1.02	Rs. 15.65
Other fixed assets	10.61	3.12	-	0.15	5.30	8.28
Assets on lease	21.46	0.77	-	1.59	4.01	16.63
Total	**Rs. 48.13**	**Rs. 4.83**	**Rs. -**	**Rs. 2.07**	**Rs. 10.33**	**Rs. 40.56**

Our capital expenditure on property and other assets was Rs. 5.08 billion in fiscal 2005 compared to Rs. 4.06 billion in fiscal 2004. Capital expenditure in the six-month period ended September 30, 2005 includes net additions of Rs. 0.82 billion in premises and Rs. 1.90 billion in other fixed assets.

Segment Information

We consider consumer & commercial banking and investment banking as reportable segments. Consumer & commercial banking comprises retail and corporate banking business and investment banking comprises treasury.

Six-month period ended September 30, 2005 compared to six-month period ended September 30, 2004

Consumer & Commercial Banking Segment

Profit before tax of consumer and commercial banking segment increased to Rs. 12.23 billion in the six-month period ended September 30, 2005 from Rs. 7.81 billion in the six-month period ended September 30, 2004 primarily due to an increase in the operating income.

Net interest income, increased by 39.4% to Rs. 16.90 billion in the six-month period ended September 30, 2005 from Rs. 12.12 billion in the six-month period ended September 30, 2004, primarily due to an increase in the interest income on advances and on investments, a reduction in the interest expense on borrowings, offset, in part, by an increase in the interest expense on deposits.

Non-interest income increased by 31.2% to Rs. 15.55 billion in the six-month period ended September 30, 2005, from Rs. 11.85 billion in the six-month period ended September 30, 2004, primarily due to growth in commission and brokerage income. Commission and brokerage income increased mainly due to an increase in retail banking fee income arising from retail assets like housing and credit cards and retail liability services like account servicing charges.

Non-interest expenses increased by 32.2% to Rs. 18.16 billion in the six-month period ended September 30, 2005 from Rs. 13.73 billion in the six-month period ended September 30, 2004, primarily due to enhanced operations and the growth in the retail franchise, including maintenance of ATMs, credit card expenses, call centre expenses and technology expenses.

Provisions in the six-month period ended September 30, 2005 were Rs. 2.06 billion compared to Rs. 2.43 billion in the six-month period ended September 30, 2004.

Investment Banking Segment

Profit before tax of investment banking segment declined to Rs. 2.09 billion in the six-month period ended September 30, 2005 from Rs. 3.05 billion in the six-month period ended September 30, 2004 primarily due to an increase in the amount of amortisation of premium on government securities classified as held to maturity securities.

Net interest income was Rs. 1.15 billion in the six-month period ended September 30, 2005 compared to Rs. 1.04 billion in the six-month period ended September 30, 2004. Non-interest income increased by Rs. 3.39 billion to Rs. 6.47 billion in the six-month period ended September 30, 2005 from Rs. 3.08 billion in the six-month period ended September 30, 2004 primarily due to capital gains realised on sale of equity investments and dividend income from subsidiaries.

Non-interest expenses increased by 44.5% to Rs. 1.57 billion in the six-month period ended September 30, 2005 from Rs. 1.09 billion in the six-month period ended September 30, 2004 primarily due to increase in payments to and provisions for employees and other administrative expenses.

Provisions were Rs.3.96 billion in the six-month period ended September 30, 2005 compared to a write-back of Rs. 19.8 million in the six-month period ended September 30, 2004. The sharp increase in provisions reflects the increase in the amount of amortisation of premium on government securities classified in the held to maturity category.

Other matters

Unusual or infrequent events and transactions

Other than as described elsewhere in this Prospectus, particularly in "Management's Discussion and Analysis of Financial Condition and Results of Operations", to our knowledge there are no events that may be described as unusual or infrequent events and transactions.

Significant economic / regulatory changes

Other than as described elsewhere in this Prospectus, particularly in "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", to our knowledge there are no significant economic / regulatory changes that materially affect or are likely to affect the income from continuing operations.

Known trends and uncertainties

Other than as described elsewhere in this Prospectus, particularly in "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", to our knowledge there are no trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of the Company from continuing operations.

Future relationship between costs and income

Other than as described elsewhere in this Prospectus, particularly in "Management's Discussion and Analysis of Financial Condition and Results of Operations", to our knowledge there are no known factors which will have a material adverse impact on the operation and finances of the Company and its subsidiaries, taken as a whole.

Total turnover of each industry segment in which the company operates

We consider consumer & commercial banking and investment banking as reportable segments. Consumer & commercial banking comprises of retail and corporate banking business and investment banking comprises of treasury. See "Segment Information" on page 353.

New product or business segment

Other than as described elsewhere in this Prospectus, particularly in "Business" and an insurance broking company, which we may incorporate as our wholly-owned subsidiary subject to approval from the RBI, to our knowledge there are no new business segments or material new products planned.

Seasonality of business

Other than as described elsewhere in this Prospectus, particularly in "Management's Discussion and Analysis of Financial Condition and Results of Operations", the business of the Company is not seasonal.

Dependence on single or few customers

Other than as described elsewhere in this Prospectus, particularly in "Risk factors - We have high concentration of loans to certain customers and to certain sectors and if a substantial portion of these loans were to become non-performing, the quality of our loan portfolio could be adversely affected" on page ii and "Business - Asset Composition and Classification - Loan Concentration" on page 92 to our knowledge we have no dependence on a single or few customers and our business interests are spread across industries and customer segments.

Competitive conditions

We face competition in all our principal areas of business from Indian and foreign commercial banks, housing finance companies, mutual funds and investment banks. See "Business - Competition" on page 100.

Significant development after September 30, 2005 that may affect our future results of operations

Except as stated elsewhere in this Prospectus, to our knowledge no circumstances have arisen since the date of the last financial statements as disclosed in this Prospectus which materially and adversely affect or are likely to affect, our trading or profitability (including of our subsidiaries), or the value of our consolidated assets or our ability to pay our material liabilities within the next twelve months.

Except as stated elsewhere in this Prospectus, there is no subsequent development after the date of the Auditor's Report which we believe is expected to have a material impact on reserves, profits, earning per share and book value of us and our subsidiaries.

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

There are no outstanding or pending litigations or suits or proceedings (whether criminal or civil), no defaults, non-payment or overdues of statutory dues, no proceedings initiated for any economic or civil offences (including past cases if found guilty) and no disciplinary action taken by SEBI or stock exchanges, and no outstanding litigation, defaults, etc., pertaining to matters likely to affect the operations and finances (including those of our subsidiaries and other group companies) whose outcome could have a material adverse effect on our operations except as disclosed and discussed in "Risk Factors" on pages i to xv including *"We are involved in approximately 797 litigations (not including tax claims) having an aggregate claim amount of approximately Rs. 95.1 billion (to the extent quantifiable and including amounts claimed jointly and severally from us and other parties) and any final judgment awarding material damages against us could have a material adverse impact on our future financial performance, our stockholders' equity and the price of our Equity Shares" "We may experience delays in enforcing our collateral when borrowers default on their obligations to us, which may result in failure to recover the expected value of collateral security exposing us to a potential loss"* and *"At September 30 2005, we had contingent liabilities of Rs. 3,109.85 billion. A determination against us in respect of disputed tax assessments of Rs. 26.46 billion included in these contingent liabilities may adversely impact our financial performance."* However, at September 30, 2005, the following are the outstanding or pending litigations or suits or proceedings against us involving a claim of Rs. 10.0 million and more, and criminal complaints or cases, defaults, non-payment or overdues of statutory dues, proceedings initiated for any economic or civil offences (including past cases where we have been found guilty) and disciplinary action taken by SEBI or stock exchanges (during the past five years) against us, our subsidiaries and other group companies and the outstanding or pending litigations or suits or proceedings against our subsidiaries and other group companies. The compiled position of claims against us (excluding tax related matters) involving an amount of less than Rs. 10.0 million have been provided separately.

Against the Bank

1. Special Civil Suit No. 3189 of 2002 - The suit was filed by Mardia Chemicals Limited (MCL) against us and Mr. K.V. Kamath and Ms. Lalita Gupte, in their capacity as our Managing Director & CEO and Joint Managing Director, for damages amounting to Rs. 56.31 billion. On our behalf, applications were filed seeking rejection of claim on various grounds including the ground that the suit is essentially a counter claim to the suit filed by us before the Debt Recovery Tribunal (DRT), Mumbai and is required to be tried before such forum under the Recovery of Debts due to Banks and Financial Institutions Act, 1993. The plaint also does not disclose any cause of action against Mr. Kamath and Ms. Gupte. Our reply has been filed. The City Civil Court at Ahmedabad (Civil Court) allowed the Bank's contention and returned the plaint. Against the said order MCL filed an appeal before the High Court of Gujarat. A cross appeal was filed by us on the ground that the Civil Court ought to have rejected the plaint instead of returning the same. The High Court of Gujarat passed a common order holding that the suit against us would have to be filed before the DRT, Mumbai and that the suit against our Managing Director & CEO and Joint Managing Director would continue to be heard at the Civil Court. Thus, our application for rejection of MCL's plaint would now be heard by the Civil Court. Pursuant to the order of the High Court, MCL has filed an application for amendment of their original plaint. The said application is pending hearing and the rest of the proceedings shall be taken up after this application is decided. MCL's counter claim for the same amount against us is pending before the DRT, Mumbai. The suit before the City Civil Court at Ahmedabad against our Managing Director & CEO and Joint Managing Director is continuing.

2. Civil Suit No. 1431 of 2003 - The suit was filed by Rasiklal S. Mardia, Rakesh S. Mardia and Rajiv S. Mardia (RSM), in their capacity as guarantors, for damages to the tune of Rs. 20.78 billion. An application for stay of OA No. 977 of 1999, pending before the DRT, Mumbai has also been filed by us. Our pleadings under the application for stay have been completed and the written statement has been filed. The Bank has filed applications on various grounds including the ground that the suit is barred by law as the subject matter of the suit is essentially a counter claim to the suit filed by us before the DRT, Mumbai and is required to be tried before such forum under the Recovery of Debts due to Banks and Financial Institutions Act, 1993. Pleadings under the above applications have concluded. The next date of hearing will be fixed after reshuffling of the cases between judges.

3. Civil Suit No. 899 of 2005 – We had filed a suit before the DRT, Ahmedabad in January 2002 against Gujarat Telephone Cables Limited (GTCL) for default on term loans, debentures and working capital provided by us to GTCL. Our exposure as a lender to GTCL was transferred to Asset Reconstruction Company (India) Limited in March 2004. GTCL filed a suit in the Civil Court claiming damages of Rs. 10.02 billion jointly and severally from State Bank of India, Bank of Baroda, United Western Bank, UTI Bank, Bank of India, Asset Reconstruction Company (India) Limited and us. We are taking steps to file our written statement in consultation with the other defendants.

4. IFCI, ICICI and LIC had filed a joint suit (being OA 128/98) before DRT, Delhi against Foremost Ceramics and its guarantors for recovery of the dues payable. One of the guarantors, Shri H.S.Jalan, has filed a counter claim in DRT, Delhi on October 16, 2001, for an amount of Rs. 4.50 billion against IFCI, ICICI and LIC. IFCI has filed a common reply to the same. The matter is pending disposal.

5. Civil Suit No. 105 of 2001 - ICICI had filed a recovery suit (105 of 2001) before the DRT, Mumbai against Dynamic Logistics Limited (DLL) for Rs. 350 million. DLL filed a counter-claim for Rs. 1.25 billion in the DRT, Mumbai and the matter is pending disposal. ICICI

Bank has filed its written statement. The DRT, Mumbai has passed an order stating that the claim, except the interim recovery certificate, has to be tried at DRT, Pune. ICICI Bank has filed an appeal against this order and obtained a stay on the transfer of the claim to DRT, Pune. On September 29, 2004 the recovery officer has taken symbolic possession of the property. The Debt Recovery Appellate Tribunal has accepted our claim that DRT, Mumbai has jurisdiction over the matter. DLL has filed a writ petition (no. 607 of 2005) before the High Court against the order of the recovery officer and their petition is listed for hearing. DLL has paid us Rs. 20 million in March 2005. In May 2005, DLL has paid another sum of Rs. 50 million by way of demand drafts with a mandate to adjust margin money given towards the guarantee.

6. Civil Suit No. 107 of 1999 - ICICI had filed an application in the DRT, Delhi against Esslon Synthetics Limited (ESL) and its managing director (in his capacity as guarantor) for recovery of dues payable to it. The guarantor filed a counter-claim in 2001 for an amount of Rs. 1 billion against ICICI and others. ESL has moved an application for amending the counter-claim in January 2004. The Bank has filed its reply to the application for amendment. The matter is pending disposal.

7. ICICI had filed a suit against Punalpur Paper Mills Limited (PPL) for recovery of dues in Bombay High Court (since transferred to DRT, Mumbai). Subsequently, PPL and its directors filed a suit against us and other lenders claiming Rs. 266.9 million as damages, jointly & severally. The matter has to come up for hearing.

8. Civil Suit No. 192 of 2001 - ICICI had filed a suit in the DRT, Ahmedabad against Vision Organics Limited (VOL) for recovery of Rs. 312.7 million. VOL has filed a counter claim against us for Rs. 230 million to which we have filed our replies. Arguments are continuing in this matter.

9. Civil Suit No. 434 of 2001 - The Peerless General Finance & Investment Company Ltd., debenture holder of Essar Oil Limited has filed a suit against Essar Oil Limited and others in the High Court, Kolkata for non-receipt of redemption amount and interest of Rs. 112.3 million. ICICI in its capacity as debenture trustee was named as a defendant in this suit. The Bank's written statement has been filed. The suit is pending disposal.

10. Civil Suit No. 1559 of 1998 - Kalpana Lamps and Components Limited (KLCL) had availed of financial assistances from ICICI and other lenders. Anchor Electronics and Electricals Limited (AEEL) had paid the outstanding dues to ICICI and other lenders on behalf of KLCL and requested ICICI to assign the securities in their favour. AEEL filed a suit for specific performance. Subsequently, AEEL amended the specific performance suit to a money suit claiming Rs. 106.76 million with interest thereon from us and others and the same is pending before Bombay High Court. The Bank has filed its written statement. AEEL has filed an application for release of title deeds of KLCL's properties at Ranipet. The Bank has given its no-objection certificate to the above. The other charge holders are yet to give their no-objection certificate for the release. The Bank has received a letter from the office of the Official Liquidator, Chennai that a winding up order has been passed by the Chennai High Court in respect of KLCL and that they have taken possession of KLCL's properties.

11. Neelakantan and Brothers Constructions Private Limited. - The erstwhile Bank of Madura Limited (BOM) granted a bank guarantee limit for Rs. 3.62 million during the year 1972-1975. The complainant committed willful default in the repayment of dues under the various credit facilities and hence a suit was filed before the High Court for recovery of Rs. 15.17 million. In 1994, a settlement was sanctioned for Rs. 5.4 million subject to certain terms and conditions incorporated in the Memorandum of Understanding (the MoU) recording the settlement. Inspite of agreeing to the MoU, the complainant has chosen to file a complaint before the Banking Ombudsman, Chennai claiming interest of Rs. 17.34 million, which is against the terms of MoU. The Bank has filed its counter statement and is awaiting dates for further hearings.

12. Sima Hotels & Resorts Ltd. - ICICI had filed a joint suit No 3499/1993 in Bombay High Court along with other financial institutions. The debt has been transferred to ARCIL. One of the defendants, along with others, has filed a suit against us and other lenders claiming a sum of Rs. 73 million. The Bank has filed its written statement. The matter is pending for final hearing.

13. Anagram Finance Limited (Anagram), subsequently amalgamated with ICICI, filed a suit (3879 of 1998) in the City Civil Court, Ahmedabad for recovery of a sum of Rs. 68.3 million from Ezy Slide Fasteners Limited (ESFL). ESFL filed a separate suit (2243 of 1999) in the Civil Court for recovery of Rs. 71.8 million from Anagram being the loss allegedly suffered by ESFL on account of breach of a subscription agreement entered into with Anagram. The Bank is in the process of filing a written statement in the matter.

14. North Star Gems Limited (NSGL) filed a suit (53 of 2003) in the Civil Court, pertaining to an alleged transfer of funds, from the current account maintained by NSGL with BOM, of an amount of Rs. 70 million. The Bank's application for dismissal of the suit has been rejected. The Bank is in the process of filing an appeal challenging the rejection of its application. The Bank has however filed its written statement in the suit.

15. Walsons Industries Products Incorporated (WIPL) filed a suit (603711 of 2002) against ICICI in the Bombay High Court for recovery of US$ 653,000 (Rs. 28.7 million) alleging that three bills received through Bank of Nova Scotia should be paid by ICICI in terms of a letter of credit as done in the case of five previous bills since they formed part of the same transaction. ICICI, in its statement of defence, stated that all documents received through Bank of Nova Scotia were on collection basis, and each one was an independent

transaction by itself without any supporting commitment from ICICI through the letter of credit. The court has permitted us to defend the case. The suit is pending disposal.

16. The Bank had filed a suit (373 of 2002) against the CD Industries and guarantors before the DRT, Mumbai. The company and one of the guarantors Mr. Vinod Kumar Agarwal have filed set off/counter claim against us for Rs. 34.1 million. The Bank's reply has been filed against this claim of set off. The Defendants have also filed written statement in the matter. The Bank has also issued notice under the SARFAESI Act, 2002 to the Company and guarantors. The company has filed a writ petition before the Bombay High Court against the said notice, which has been dismissed. The Bank has filed an application before the Magistrate under the SARFAESI Act wherein the Magistrate has issued a notice for taking possession of the properties of the company. Shruti Agarwal, daughter-in-law of the guarantor has filed a writ petition (576 of 2005) challenging the order of the magistrate. The said writ petition was dismissed by the High Court with costs. The registrar of criminal court has to fix a date for taking possession of property.

17. Union Bank of India (UBI) filed suit O.A. No. 32 of 2005 against. Anitha Kumari, proprietrix of M/s Anand Agencies (Anand) and 14 others, including us, before DRT, Chennai for recovery of a sum of Rs. 72 million being the amount due and payable by Anand under cash credit limits granted by the Union Bank of India. A claim has also been made against us in the above matter for recovery of Rs. 30.95 million on the ground that us, in active collusion with Anand (who have their bank account with us) have been returning the cheques drawn by Anand on the grounds of insufficient funds, without any prior intimation. Due to this, the account of Anand with UBI was credited for an amount of Rs. 30.95 million which was withdrawn by Anand before the returned cheques were received by UBI. The written statement has been finalised and the matter is posted for hearing on November 9, 2005.

18. M.B. Industries Limited (MBIL) filed a suit (130A of 1997) in Kolkata High Court claiming an aggregate amount of Rs. 102.5 million from ICICI and other financial institutions, out of which approximately Rs. 20 million was claimed from ICICI. The Bank has filed its written statement. The court has not granted any relief to MBIL. However, ICICI Bank along with other financial institutions was permitted to file recovery suits against MBIL. The matter was kept pending sine die. Financial institutions including ICICI filed a joint suit in the DRT, Kolkata against MBIL. The Bank's claim in the suit is Rs. 19.1 million. The Board for Industrial and Financial Reconstruction has recently granted consent to us to continue with recovery proceedings against MBIL. The hearing of evidence has been concluded and the matter has been fixed on November 11, 2005 for judgment.

19. Mr Sunil Joshi, an ex-employee of us, filed a suit (19 of 2002) before the District Judge, Alipore for alleged wrongful dismissal from us's services, praying for a decree of Rs 15.5 million and damages of Rs. 0.04 million per day with effect from April 11, 2001 till realisation. The Bank has filed its written statement and the suit is pending disposal.

20. Bank of India has filed a suit (2 of 2001) before the Chennai High Court against KS Computers and KA Systems for an amount of Rs 11.1 million and has also made the Bank a party to the suit alleging that the Bank had collected forged instruments. The suit has been transferred to the DRT, Chennai. The Bank has filed its written statement in the matter.

21. A criminal complaint (614 of 2001) was filed before the 4th Additional Chief Metropolitan Magistrate, Bangalore against the Bank by Pelicorp Limited upon termination of a direct selling agent agreement between itself and the Bank. The Bank has filed a petition for quashing the complaint in the Karnataka High Court, which has granted interim stay in the matter. The matter is pending disposal.

22. A criminal complaint (1648 of 2001) was filed against the Bank by Rajiv Aggarwal before the Chief Judicial Magistrate, Jaipur for wrongful dishonour of cheques. The Bank has filed a revision petition in the Rajasthan High Court at Jaipur for quashing the order passed by the lower court. The Rajasthan High Court has stayed the proceedings of the lower court. On 18/7/05, the stay was lifted without any listing of the matter in the High Court and was decided ex-parte. The Bank has moved an application against the ex-parte order in view of the non-listing of the case in the Rajasthan High Court. At the hearing, the court has directed the trial court to send the record of the case to Rajasthan High Court.

23. Five criminal complaints (9419/S/2002 to 9423/S/2002) were filed against the Bank before the 39th Court of Presidency Metropolitan Magistrate at Mumbai by the Municipal Corporation of Greater Mumbai (BMC) for violation of Section 471 of the BMC Act read with Section 328-A thereof on grounds of non-payment of licence fees for the illuminated signboards at the Bank's ATM centres. The Bank has filed a writ petition (2377 of 2002) in the Bombay High Court challenging the applicability of the provisions of Sections 328 & 328-A of the BMC Act in respect of the ATM centres. The writ petition was dismissed. In appeal, the Bank has filed a special leave petition (24215 of 2002) in the Supreme Court. The Supreme Court has granted a stay against all prosecutions and proceedings by BMC in this regard. The Metropolitan Magistrate stayed the proceedings before it till the final disposal of SLP. The BMC had also filed two similar complaints (88/M/2003 and 89/M/2003) before the 27th Court of Presidency Metropolitan Magistrate at Mumbai, against the Bank. The Bank has submitted a copy of the Supreme Court order to the Magistrate. The matter is pending disposal.

24. An application was filed against 3i Infotech in the Consumer Redressal Forum, Hyderabad District, by a shareholder of the Bank regarding transfer of five shares in spite of a stop transfer request having been made by him which has since been disposed off. The complainant chose to appeal before the A.P State Consumer Disputes Redressal Commission at Hyderabad which subsequently rejected the appeal on October 29, 2003. A Revision Petition was filed by the complainant before the National Consumer Disputes

Redressal Commission, New Delhi and was again rejected on August 25, 2004. A criminal complaint was filed in the year 2001 against the Bank and 3i Infotech by the shareholder. The Magistrate has referred the matter to the local police station for investigation. 3i Infotech and the Bank have filed a petition in the Andhra Pradesh High Court for quashing this criminal complaint and the High Court has granted a stay on the investigations being undertaken by the police department against the Company till further orders.

25. Three criminal complaints (2412/S/2003, 2413/S/2003 and 2414/S/2003) were filed by Inspectors, Security Guards Board, Greater Bombay & Thane District, in the year 2000 against ICICI and Mr. K.V.Kamath, the Bank's MD, before the Metropolitan Magistrate, Mumbai, under the Maharashtra Private Security Guards Act, 1981 on the grounds that security guards were engaged from exempted security agencies even though ICICI was registered with the Security Guards' Board. The earlier notices in this regard were replied to stating that registration is only in respect of residential quarters for employees and not in respect of other establishments. The Bank has filed a writ petition in the Bombay High Court for quashing of the complaint, which is pending disposal.

26. Two criminal complaints (2415/S/2003 and 2416/S/2003) were filed by Inspectors, Security Guards Board, Greater Bombay & Thane District, in the year 2000 against the Bank before the Metropolitan Magistrate, Mumbai, under the Maharashtra Private Security Guards Act, 1981, on the grounds that security guards have been engaged from unexempted security agencies. The Bank has taken a stand that the exemption of security agencies continued on account of a previous High Court Order in the writ petition filed by certain security agencies. The complaints are pending disposal.

27. Two criminal complaints (2347/S/2003 and 2349/S/2003) were filed by Inspectors, Security Guards Board, Greater Bombay & Thane District, in the year 2001 against the Bank before the Metropolitan Magistrate, Mumbai, under the Maharashtra Private Security Guards Act, 1981 on the grounds that security guards have been engaged from unexempted security agencies. The Bank has replied stating that the Security Guards were deployed on trial basis and are being replaced by Armed Guards. The complaints are pending disposal.

28. The Bank has received show cause notices in the matter of alleged excise duty evasion to the extent of Rs. 14.8 million, 19.6 million and Rs. 13.1 million by Bannari Amman Sugars Limited (BASL), Triveni Engineering Co. Ltd (TECL) and Balrampur Chini Mills Ltd (BCML) respectively, in respect of equipments purchased for their project funded by the Bank under Asian Development Bank (ADB)/ World Bank line of credit. BASL, TECL and BCML have paid the duty under protest and sought refund thereof. The Bank has filed replies through advocates showing cause as to why the penalty is not payable and sought for personal hearing.

29. The Bank has received show cause notices in the matter of alleged customs duty evasion to the extent of Rs. 93.7 million, Rs. 39 million, Rs. 42.5 million, Rs. 7.6 million, Rs. 4.7 million and Rs. 54 million by Rashtriya Chemicals & Fertilizers Ltd., Jaypee Cements Ltd., Orient Ceramics & Industries Ltd., M/s Jindal Steel & Power Limited, BCML and MALCO respectively, in respect of equipments purchased for their projects funded by the Bank under the ADB line of credit. The Bank shall be filing its reply through its advocates.

30. The Bank has received a show cause notice dated January 31, 2005 from the RBI in relation to Anand, wherein the Bank was called upon to show cause why proceedings should not be initiated against it for non-adherence to RBI directions on the procedure for return/dispatch of dishonoured cheques, and why monetary penalty of Rs. 0.5 million should not be imposed on it. The Bank has explained its position to RBI and a written submission was also made.

31. A case (39/2002) was filed against ICICI in the Industrial Court by the Union of Security Guards at Bandra Kurla Complex claiming difference in wages on the ground that ICICI employed security guards. On dismissal of the case, the said Union preferred an industrial dispute and thereafter the dispute has been referred to the Industrial Tribunal. The reference is pending disposal.

32. Bhartiya Suraksha Rakshak Mathadi & General Kamgaar Union has filed a complaint (404 of 2005) against the Bank before the Industrial Court, Maharashtra at Mumbai on the ground of discontinuation of services of the security guards of Tri Guard Force. Hearing in the matter is continuing.

33. A writ petition has been filed by the Maharashtra Suraksha Rakshak Aghadi (Writ Petition No.3283 of 2004) challenging notification dated August 25, 2003 read with corrigendum dated July 5, 2004 granting exemption to security guards employed with Premier Security Services (PSS) and provided to the Bank. The writ petition is pending for final disposal and in the meantime status quo has been ordered.

34. A Writ Petition no 35/2005 has been filed in the Supreme Court by Dr. Harsh Pathak inter alia against mobile phone companies and 5 banks including the Bank, seeking directions for regulating unsolicited calls in the context of right of privacy and other related reliefs. The Bank is in the process of filing its affidavit in reply. The matter is pending disposal.

35. A writ petition has been filed (No (L) 382/2005) in the Bombay High Court by Satish Anant Naik and 28 others inter alia against 3 banks including the Bank challenging notification dated August 25, 2003 read with corrigendum dated July 5, 2004 granting exemption to security guards employed with Premier Security Services (PSS) and provided at the establishments of the said banks. The Bank is in the process of filing its affidavit in reply. The matter is pending disposal.

36. The Federal Bank Staff Union and 2 others have filed a writ petition in the Kerala High Court against the Bank challenging the Order dated February 4, 2005 of the Company Law Board (CLB) inter alia holding that the Bank's voting rights were wrongfully curtailed at the AGM of Federal Bank and consequently altered the result of 4 resolutions voted at the said AGM. The Bank has filed its reply and the matter is pending disposal. The CLB Order dated February 4, 2005 in Company Petition no 42/2004 filed by the Bank and Company Petition No 45 /2004 filed by UTI is based on admission of Federal Bank that its Chairman at the said AGM, wrongfully disallowed shareholders from exercising their full votes. Consequently, the election of directors opposed by the Bank was set aside and candidates supported by the Bank were declared elected as directors of Federal Bank.

37. During SEBI's inspection of ICICI's debenture trustee operations, observations on certain shortcomings were made by SEBI in its inspection report. ICICI had initiated suitable action based on SEBI report and had submitted a detailed reply to SEBI. The matter is being examined by SEBI.

38. SEBI passed an order against the Bank in 2002 in connection with matters pertaining to BOM's Ahmedabad branch prior to its amalgamation with the Bank. SEBI has stated that there were irregularities in fiscal 1996 in the operations of the account of North Star Gems Limited with this branch. SEBI noted that the Bank had taken appropriate disciplinary actions against the concerned employees in terms of imposition of financial penalties, initiation of departmental enquiries and transfer of all the concerned employees. SEBI further noted that the inspection by the RBI, regulatory authority for banks, did not indicate any malafide actions on the part of the Bank's officials. In view of these facts, SEBI concluded that the ends of justice would be met if a warning were issued to the branch. SEBI further directed that this particular branch exercise due skill, care and diligence while acting as banker to an issue.

Taxation-related matters

Dues of Rs. 6.19 billion are outstanding in respect of statutory dues such as income tax, wealth tax, interest tax, sales tax and service tax, representing amounts disputed in appeal and included in the contingent liabilities disclosed and discussed in Risk Factors - At September 30, 2005, the Bank had contingent liabilities of Rs. 3,109.85 billion. A determination against the Bank in respect of disputed tax assessments of Rs. 26.46 billion included in these contingent liabilities may adversely impact the Bank's financial performance. See risk factors on page i. Tax liabilities other than the aforesaid overdues are either stayed or paid or adjusted against previous income tax refunds.

The major disallowances disputed in appeal by the Bank and allowances disputed in appeal by the income tax authorities, are as under:

1. *Lease Depreciation: Tax Rs. 11.04 billion (including interest)*

   The tax authorities have treated lease transactions as finance transactions i.e. as loans and have disallowed the depreciation claim. In case of leasing business, the tax authorities have consistently denied depreciation to the lessor who is the legal owner. In a recent judgement, the Income Tax Appellate Tribunal has held a sale and lease back transaction between ICICI and Gujarat Electricity Board as not genuine, stating that the bonafide intention of both the parties was not present while entering into the transaction though necessary documentation was in order, and has disallowed the depreciation treating the transaction as a tax-planning tool. The appeals filed are pending disposal.

2. *Retrospective amendment for provision for bad and doubtful debts: Tax Rs. 0.35 billion (including interest)*

   ICICI was allowed a deduction for specific provision for bad and doubtful debts under section 36(1)(vii). The Finance Act retrospectively amended the section in the year 2001 with effect from April 1, 1989. The appeals filed are pending disposal.

3. *Taxability under section 41(4A) of amounts withdrawn from Special Reserve created upto Assessment Year 1997-98: Tax Rs.2.97 billion (including interest)*

   ICICI had two special reserve accounts, "Special Reserve created upto Assessment Year 1997-98" and "Special Reserve created and maintained from Assessment Year 1998-99". Withdrawal has been made from the "Special Reserve created upto Assessment Year 1997-98". The tax authorities had not taxed the withdrawals in the original assessment. The assessments were subsequently re-opened to tax the withdrawal, and these have been taxed by the income tax authorities. No withdrawals have been made from "Special Reserve created and maintained from Assessment Year 1998-99" account. The appeals filed against taxing withdrawal of special reserve are pending disposal.

4. *Allocation of expenses to earn dividend income: Rs. 2.42 billion (Including interest)*

   The disputed issue involves computation of exemption under section 10(33) and deduction under section 80 M on account of dividend income viz. the gross dividend be exempted from tax or whether interest expenses are attributable to earning the exempt dividend income. The matter is pending disposal.

5. *Appeals allowed in the Bank's favour disputed by Tax Department: Rs. 1.44 billion*

   The major issues include non-levy of interest tax on debentures/Government securities/bonds, investment allowance on leased assets and interest on interest.

6. *Broken Period Interest: Rs. 0.37 billion (Including interest)*

The broken period interest paid on purchase of securities held as stock in trade by the Company was disallowed by applying a Supreme Court decision which is later distinguished by a Bombay High court decision. The matter is pending disposal.

7. *Penalty order under section 271(1)(c) : Rs. 6.97 billion*

A penalty has been levied by the Assessing Officer on contentious additions involving judicial interpretation. The matter is pending disposal.

8. *Sales Tax: Rs. 0.90. billion (Including interest)*

The issue under dispute is the taxing of interstate / import leases by various State Government authorities in respect of lease transactions entered into by the Bank. The matter is pending disposal.

The following table sets forth the compiled position of claims (excluding tax related matters) involving an amount of less than Rs. 10.0 million, at September 30, 2005:

S. No.	Nature of Claim	Cases with Monetary Claim		Cases with no specific monetary Claim
		Number	In Millions	Number
1	Suits filed by the Bank's shareholders/bond holders	38	0.4	432
2	Suits filed by debenture holders against the Bank as Debenture Trustees	76	2.0	17
3	Suits filed by lessees/hirers seeking injunction against the Bank	146	20.7	439
4	Counter claims filed by Borrower/s or Guarantor/s	0	0.0	0
5	Counter claims filed by other persons	2	3.0	0
6	Writ Petitions filed by employees/ex employees	2	2.9	12
7	Writ Petitions filed by other persons	0	0.0	7
8	Cases filed before the Banking Ombudsman	10	2.2	8
9	Suits pertaining to fraudulent transactions	1	5.2	0
10	Suits pertaining to foreign exchange regulations	0	0.0	0
11	Suits pertaining to products /facilities provided by the Bank	133	54.9	22
12	Suits by statutory authorities	0	0.0	1
13	Suits pertaining to interest charges	0	0.0	0
14	Suits pertaining to property disputes	0	0.0	0
15	Suits where the Bank is impleaded as third party	0	0.0	0
16	Suits in respect of labour related matters	0	0.0	2
17	Criminal cases against the Bank or its Directors/Senior Management/Officials	2	0.1	31
18	Suits pertaining to economic offences including stamp duty matters	0	0.0	0
19	Suits in relation to securities law	0	0.0	0
20	Winding up petitions against the Bank	0	0.0	0
21	Miscellaneous suits/ legal proceedings in the course of business.	367	100.1	187
	Total	**777**	**191.5**	**1,158**

Against the Bank's Subsidiaries and Other Group Companies

Subsidiaries

ICICI Securities Limited (ICICI Securities)

1. The RBI reduced liquidity support limit for ICICI Securities by Rs. 0.25 billion for a period of three months from October 7, 2002 until January 6, 2003, for the delayed submission of a bid in the treasury bill auction conducted on September 25, 2002. RBI added back this amount of Rs. 0.25 billion with effect from January 7, 2003.

2. ICICI Securities was awarded one penalty point for non-submission of post-issue report in the public issue for Shree Rajasthan Texchem Limited.

3. S. R. Kulkarni (Complainant) has filed a complaint in the Consumer Disputes Redressal Forum, Mumbai alleging that he has neither received allotment in response to his application nor refund of application money in relation to his bid in the offer for sale of equity shares of GAIL (India) Limited in March, 2004. The complaint has been filed against GAIL (India) Limited, MCS Limited and ICICI Securities. ICICI Securities was acting as one of the Lead Managers to the issue. The Complainant's bank has informed him that there was a mistake on its part because of which it has wrongly dishonoured the cheque and therefore has requested the complainant to withdraw the suit. The next hearing is on December 21, 2005.

ICICI Brokerage Services Limited (ICICI Brokerage)

1. The NSE in its letter dated November 26, 2002 reprimanded ICICI Brokerage and levied a penalty of Rs. 30,000/- with respect to purported violations. However, ICICI Brokerage had made a representation to NSE requesting a waiver of the penalties, since these arose from genuine technical difficulties in internet trading systems of ICICI Web Trade Limited, which had been using ICICI Brokerage to execute the trades on NSE. ICICI Brokerage requested NSE for a review of the penalty and submitted all necessary documents in support of this. NSE has accepted ICICI Brokerage's representation and waived the above penalty.

2. SEBI had issued a show cause notice to ICICI Brokerage with regard to the agency business done on behalf of one of its clients in the shares of Global Trust Bank. The Chairman, SEBI vide order dated September 9, 2004 has discharged ICICI Brokerage from the proceedings in the said matter.

3. Sunil Kumar Gupta has filed a case before the District Consumer Dispute Redressal Forum, Jaipur against ICICI Brokerage. An order dated August 22, 2003 was received by ICICI Brokerage from the Forum directing ICICI Brokerage to pay Rs. 19,538/- within one month. ICICI Brokerage has filed an appeal before the Rajasthan State Consumer Disputes Redressal Commission, Jaipur. The appeal has been admitted and hearing is continuing in the matter.

4. During routine inspections conducted by SEBI pertaining to ICICI Brokerage's books for the period April, 2001 to March, 2003. The inspection report had brought out certain irregularities such as difference of trade details in under separate accounts maintained by ICICI Brokerage; PAN not being quoted on contract notes in some cases and non-segregation of clients and ICICI Brokerage's funds. In this regard SEBI has vide its letter dated March 23, 2004 advised ICICI Brokerage to rectify the irregularities and warned it not to repeat the same in future. ICICI Brokerage has taken note of the same and is ensuring compliance in this regard.

5. The NSE levied a penalty of Rs. 1,22,500/- on ICICI Brokerage for delayed submission of the 'WDM segment' Annual Compliance Report for 2002-2003. Whilst the fine has been paid, ICICI Brokerage has requested for review of the penalty. NSE vide letter dated February 15, 2005 has absolved ICICI Brokerage of the irregularity and has waived the penalty.

ICICI Prudential Life Insurance Company Limited (ICICI Prulife)

49 cases have been filed against ICICI Prudential Life Insurance Company with claims aggregating approximately Rs. 5.4 million. These claims have been made by different policyholders and deal with various issues relating to life insurance policies. These claims have been made in various forums including District Consumer Disputes Redressal Forum, Mylapore, Chennai, Consumer Disputes Redressal Forum-I, Union Territory Chandigarh, Court of Administrative Civil Judge, Tis Hazari Courts, Delhi, District Consumer Disputes Redressal Forum, Ludhiana, District Consumer Disputes Redressal Forum, Panipat, High Court, New Delhi, City Civil Court, Bangalore, District Consumer Disputes Redressal Forum, New Delhi, Office of Insurance Ombudsman, Chandigarh, District Consumer Forum, Lucknow, Office of Insurance Ombudsman, New Delhi, Office of Insurance Ombudsman, Mumbai, District Consumer Forum, Jalandhar, District Consumer Forum, Haryana, Civil Court, Alipore, City Civil Court, Kolkata, Civil Court, Ludhiana., City Civil Court, Hyderabad, Consumer Disputes Redressal Forum, Meerut, Ombudsman, Ahmedabad, District Consumer Redressal Forum, Ambala, Consumer Disputes Redressal Forum, Hyderabad, Consumer Disputes Redressal Forum, Mansa, Punjab, State Human Rights Commission, Thiruvananthapuram, Senior Civil Judge, Adoni, Consumer Disputes Redressal Forum, Gurgaon, Consumer Disputes Redressal Forum, Thrissur, Consumer Disputes Redressal Forum, Delhi, etc. All these matters are pending disposal.

ICICI Lombard General Insurance Company Limited (ICICI Lombard)

1. A criminal complaint was filed before the Judicial Magistrate First Class, Bhiwandi by Sheikh Mohd. Khalid Munnavar a car insurance policy holder, for the alleged non-cognizable offences of criminal intimidation etc., against three officers of ICICI Lombard. Mr. K V Kamath, the Bank's Managing Director has also been named as accused in the criminal complaint (No. 2887 of 2002) describing him as one of the officers of ICICI Lombard, and making an allegation that all four officers conspired in committing the offences. Mr. K.V. Kamath is a Non-Executive Director on the board of ICICI Lombard. A writ petition was filed before the Bombay High Court seeking quashing of the criminal complaint on various grounds. The High Court passed an Order, staying the proceedings before the Judicial Magistrate First Class, Bhiwandi.

2. Tariff Advisory Committee, a statutory body under the Insurance Act, 1938 has imposed fines as per breach of tariff norms amounting to Rs. 2,000 for fiscal 2004, Rs. 5,23,000 for fiscal 2005 and Rs. 11,00,714 for fiscal 2006 (till September 30, 2005).

3. One Hundred Ninety One (191) cases have been filed against ICICI Lombard, with claims aggregating approximately Rs. 35.2 million. These claims have been made by various policy holders and relate to Event Insurance, motor insurance and group personal accident insurance policies. These claims have been made in various forums including District Consumer Forum, Kolkata, State Consumer Forum, Jaipur, District Consumer Forum, Faridabad, District Consumer Forum, Ahmedabad, District Consumer Forum, Bharuch, District Consumer Forum, Hyderabad, District Consumer Forum, Thane, District Consumer Forum, Junagadh, District Consumer Forum, Jamshedpur, District Consumer Forum, Rajkot, District Consumer Forum, Meerut, District Consumer Forum, Valsad, District Consumer Forum, Guwahati, District Consumer Forum, Godhara, District Consumer Forum, Nadiad, Workmen Compensation Commissioner, Bellary, District Consumer Forum, Ambala, District Consumer Forum, Gandhinagar, District Consumer Forum, Rewari, District Consumer Forum, Delhi, District Consumer Forum, Chennai, District Consumer Forum Kanpur, District Consumer Forum, Sambalpur, District Consumer Forum, Mehsana, District Consumer Forum, Bokaro, District Consumer Forum, Amreli, District Consumer Forum, Gurgaon, District Consumer Forum, Shimla, District Consumer Forum, Jalandhar, District Consumer Forum, Nashik, Consumer Forum, Surendranagar, District Consumer Forum, Surat, District Consumer Forum, Thiruvanathapuram, District Consumer Forum. Davangere, District Consumer Forum, Ongole, District Consumer Forum, Bangalore, Hyderabad and State Consumer Forum, Delhi. All these matters are pending disposal.

ICICI Venture Funds Management Company Limited (ICICI Venture)

1. ICICI Equity Fund (the "Fund"), a Fund managed by the ICICI Venture was originally registered with the SEBI as a Venture Capital Fund under the SEBI (Venture Capital Funds) Regulations, 1996 (hereinafter the "Regulations"). The Fund de-registered with SEBI in the year 2002. In this process, the Fund first amended its Private Placement Memorandum (PPM) and pursued investment objectives permitted under the amended PPM before completing the de-registration formalities. During the course of its investment activity, the Fund invested in certain securities which were in excess of the limitations and restrictions imposed by the then prevailing Regulations. SEBI was of the view that the Fund should have completed the de-registration formalities before pursuing investments in the aforesaid securities. ICICI Venture represented to SEBI that investment in the aforesaid securities were done in good faith and to the best of its knowledge and belief, that such investments would not be in violation of the Regulations as there was an intention to de-register the Fund and consequent to the de-registration, no restrictions contained in the Regulations would have been applicable. Further, the Fund *suo moto* communicated to SEBI these developments and initiated a dialogue to conclude and regularize this matter. Upon consideration of the voluntary disclosures and representations made by ICICI Venture,SEBI vide its letter dated January 9, 2003 communicated that the above procedural lapse have been viewed seriously and advised the ICICI Venture to take due care in future and improve its compliance mechanisms and standards to avoid recurrence of such instances.

2. SEBI, Madras had issued a Show Cause Notice dated May 31, 2002 to ICICI Venture alleging contravention of sub-regulation 1 and sub-regulation 3 of Regulation 6 (for the year 1997) and sub-regulation 1 and sub-regulation 2 of Regulation 8 (for the years 1998, 1999, 2000 and 2001) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 for failure/delay in making the disclosure of its shareholding in Vimta Labs Limited. Adjudication proceedings were held. Based on the submissions made by ICICI Venture, SEBI vide order dated November 1, 2002 has exonerated ICICI Venture from liability arising out of violation of Regulation 6(1), 6(3) for the 1997 and Regulation 8(1) and 8(2) for the years 1998, 1999, 2000 and 2001 of the said Regulations read with Section 15A(b) of the said Act.

Prudential ICICI Mutual Fund, the asset management company of which is Prudential ICICI Asset Management Company Ltd (AMC) and trustee of which is Prudential ICICI Trust Limited (Pru ICICI)

1. Kwality Ice Cream India Pvt. Ltd. (Investor), one of the investors under Prudential ICICI Growth Plan, had made investments to the tune of Rs. 5.0 million under section 54EB, I.T. Act. The Fund was of the view that in case of investments under the I.T. Act read with CBDT notification number 10247 dated December 19, 1996 and the offer document of Prudential ICICI Growth Plan, the units had to be locked-in for a period of seven years from the date of investment. However, the Investor disputed this stand and filed a petition against

Prudential ICICI Asset Management Company Limited as one of the respondents in the Delhi High Court seeking the direction of the Court for premature redemption of units. SEBI vide its order dated September 4, 2000, rejected the petitioner's claim. The Investor subsequently approached the Securities Appellate Tribunal (Tribunal) seeking the release of money due upon the redemption of units and payment of interest thereon. The matter was heard by the Tribunal, which dismissed the petition. The Investor, once again, filed a writ in the Delhi High Court (number 1794 of 2000) challenging the order of the Tribunal and for release of its investment with interest @15% p.a. This matter is listed before Delhi High Court for final arguments in the regular hearing list. However, the company has redeemed the investment after completion of Lock-in-period and affidavit is being filed before the Court as per legal advice.

2. A warning letter was issued by SEBI on September 10, 2001 with respect to inspection report for the period April 1, 1999 to March 30, 2000, for errors and omissions in various reports submitted to SEBI and for grossly overstating the annualised return for the Fast Moving Consumer Goods (FMCG) Plan in the offer document of the Gilt Fund, under the condensed financial information for the period ended June 30, 1999. Further, the Gilt Fund was also issued a deficiency letter by SEBI for printing/ reporting errors in accounting statements for the year ended March 31, 2000.

3. SEBI, vide its letter dated November 27, 2003, has advised the AMC that while issuing performance based advertisements, performance percentages should not be used in bold font in headlines in advertisements. This advice was specifically with reference to the advertisement for "Prudential ICICI Power" Scheme.

4. A warning letter was issued by SEBI to Prudential ICICI Mutual Fund on June 22, 2004 with respect to the inspection report for the period April 1, 2000 to June 30, 2002, where the auditors were of the opinion that prior approval of the board of directors of the trust company and the AMC was not obtained before making investments in un-rated debt securities. The AMC has replied to the letter.

5. SEBI, vide its letter dated October 18, 2004, advised the AMC to take due care in adhering to the investment restriction of seventh Schedule of SEBI (Mutual Funds) Regulations, 1996.

6. SEBI vide its letter dated May 5, 2005, advised the AMC to take due care in adhering to the investment restriction of seventh Schedule of SEBI (Mutual Funds) Regulations, 1996.

7. Mr. K.S. Mehta, a director of the AMC, has been made party to cases relating to the dishonour of cheques issued by Paam Pharmaceuticals Limited in which he was a director. The dishonour occurred after Mr. Mehta had resigned from the board of directors of Paam Pharmaceuticals Limited. The matters are sub-judice.

ICICI Home Finance Company Limited (ICICI Home Finance)

1. The owner of certain premises rented to ICICI Distribution has filed a civil suit (number 617 of 2002) against ICICI Distribution in the court of the Civil Judge, Senior Division, Pune seeking possession of these premises. Hearing in the matter is continuing.

2. For the year 1999-2000, sales tax returns filed by ICICI Distribution declared the taxable turnover as 'Nil' claiming the exemption of second sale on its turnover of hire purchase transactions. The sales tax authority disallowed the exemption claimed for want of certain documents. The total tax assessed was Rs. 18.15 million and the penalty levied by the authority was Rs. 27.22 million. ICICI Distribution has paid Rs. 9.07 million of the demand raised for the admission of the appeal and has also furnished a bank guarantee for Rs. 36.3 million. The appeal filed has not yet been disposed off.

3. For the year 2000-2001, sales tax returns filed by ICICI Distribution declared the taxable turnover as 'Nil' claiming the exemption of second sale on its turnover of hire purchase transactions. The sales tax authority disallowed the exemption for want of certain documents. The total tax assessed was Rs. 9.12 million and the penalty levied by the authority was Rs. 13.67 million. ICICI Distribution has paid Rs. 4.56 million of the demand raised for admission of appeal and has also furnished a bank guarantee for Rs. 18.2 million. The appeal filed has not yet been disposed off .

4. Ms. Dipali Gopani has filed a criminal complaint (number 1472 of 2002) before the Metropolitan Magistrate's 26th Court at Borivali, Mumbai, against ICICI Home Finance, its directors and also against some of ICICI Bank's directors for the alleged wrongful recovery of Rs. 3,150/- and non-return of title deeds. A criminal application was filed on behalf of all the accused before the Bombay High Court on November 11, 2002 for quashing the complaint and in the interim for the stay of the complaint against all the directors. The High Court disposed of this application after recording the statement of the complainant that she would withdraw the complaint against all the persons except ICICI Home Finance and directors of ICICI Home Finance. Accordingly, the complaint has been withdrawn against directors of ICICI Bank. An application for discharge of the directors has been filed in the trial court, which is pending disposal. In the meanwhile ICICI Home Finance had filed a Writ Petition before the Bombay High Court and the court stayed the proceedings before the Magistrate.

5. Ms. Aparna Anil Jadhav has filed a civil suit (number 272 of 2003) in the court of the Civil Judge, Thane for declaration and injunction restraining ICICI Home Finance from taking possession of her property. ICICI Home Finance is a proforma defendant and no specific claim has been raised against ICICI Home Finance except the restraint order on the security. The matter is pending disposal.

6. Vijaya Bank has filed a suit (number 563 of 2002) against Mustaq Husain Shawl and others before the court of the Civil Judge, Thane in which ICICI Home Finance has been named as a defendant. A client of ICICI Home Finance had purchased a property from Mustaq Husain, which Mustaq Husain had mortgaged in favour of Vijaya Bank. ICICI Home Finance has filed its written statement. The matter is pending disposal.

7. Mr. Babu R. Nadumani filed a suit (number 691 of 2002) against ICICI Home Finance in the Court of Civil Judge, Junior Division, Belgaum for a permanent injunction restraining ICICI Home Finance from taking possession of his property. An order was passed in favour of ICICI Home Finance in the interlocutory application for a temporary injunction restraining ICICI Home Finance from taking possession of the plaintiff's property. Mr. Nedumani has preferred an appeal (number 28 of 2003) against the said order, which is pending for disposal.

8. Mr. Sasanka Sengupta has filed a suit (number 172 of 2003) seeking injunction restraining ICICI Home Finance from taking possession of his property after he has defaulted in paying his monthly instalments. The court has dismissed the interim injunction application. The matter has been adjourned to February 16, 2006 for show cause of plaintiff.

9. Mr. Avinash Sane who was granted a loan by ICICI Home Finance was unable to pay his monthly instalments but did not surrender the property. ICICI Home Finance proceeded to take possession of the property against which Mr. Sane filed a suit for injunction (number 77 of 2002), restraining ICICI Home Finance from taking possession of his property. The court has granted a temporary injunction in favour of the customer. ICICI Home Finance had preferred an appeal against the order of the court, which has been disposed off by the court with a liberty to file a suit for recovery. The original suit filed by the borrower is pending disposal. Appeal filed by ICICI Home Finance is rejected by the court.

10. There are 78 matters pending before various consumer redressal forums across the country.

3i Infotech Limited (3i Infotech)

1. Complaint No. 57 of 2001, was filed by an employee of a contractor of 3i Infotech, Nikhil Prabhu, before the Labour Court, Bandra, for wrongful termination of employment. He has claimed re-instatement of services and full back wages with interest. 3i Infotech has denied the claims and has sought for dismissal of the complaint. The matter is currently pending.

2. Complaint No.382 of 1998, was filed by Mr. Narendra Parmar and other employees of a contractor of 3i Infotech, before the Labour Court, Bandra for wrongful termination of their employment. They have claimed re-instatement of services and full back wages with interest. 3i Infotech estimates that in the event of an adverse ruling, such back wages as of January 31, 2005 is likely to be Rs. 19,68,000/-. The matter has been placed for hearing arguments raised by 3i Infotech and is currently pending.

3. There are 125 cases against 3i Infotech pursuant to the activities of the company as an R&T agent. In 66 of the total cases, 3i Infotech is the only respondent. In the rest, 3i Infotech are also a respondent. Out of the total of 125 cases, there are 7 cases where an amount has been claimed. Out of these 5 are against the 3i Infotech and 2 are cases where 3i Infotech has also been named as a respondent.

4. An application was filed against 3i Infotech in the Consumer Redressal Forum, Hyderabad District, by a shareholder of the Bank regarding transfer of five shares in spite of a stop transfer request having been made by him which has since been disposed off. The complainant chose to appeal before the A.P. State Consumer Disputes Redressal Commission at Hyderabad which subsequently rejected the appeal on October 29, 2003. A Revision Petition was filed by the complainant before the National Consumer Disputes Redressal Commission, New Delhi and was again rejected on August 25, 2004. A criminal complaint was filed in the year 2001 against the Bank and 3i Infotech by the shareholder. The Magistrate has referred the matter to the local police station for investigation. 3i Infotech and the Bank have filed a petition in the Andhra Pradesh High Court for quashing this criminal complaint and the High Court has granted a stay on the investigations being undertaken by the police department against the Company till further orders.

5. The Department of Income Tax has disallowed certain deductions/expenses claimed by the Company in its return of income for the assessment year 2002-03, which has resulted in demand of Rs. 17.34 million against the Company. The Company has not accepted the said assessment and consequent demand and has gone before the Appellate Commissioner of Income Tax.

6. The department of Income Tax has levied a penalty of Rs. 1.15 million on 3i Infotech for the assessment year 2001-2002 following disallowance of certain expenses claimed by 3i Infotech in its return filed with the department. 3i Infotech has gone in appeal before the Tax Tribunal in Mumbai for the redressal of the above claim of the Department.

Criminal Complaints and Claims against the Bank's Directors

There are no outstanding or pending litigations involving violation of statutory regulations or criminal offence, no proceeding pending or initiated for economic offences and no past cases for economic offences in which penalties were imposes and no prosecution under any enactment in respect of Schedule XIII to the Companies Act against the Bank's Directors except set out below:

1. A suit (3874 of 1999) was filed against Mardia Chemicals Limited (MCL) in the Bombay High Court by ICICI for recovery of an outstanding amount of approximately Rs. 1.35 billion. Thereafter, in 2002, ICICI Bank issued a notice under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Ordinance, 2002 demanding payment of an outstanding amount of Rs. 2.93 billion. Subsequently, a suit (3189 of 2003) was filed against Mr. K. V. Kamath and Ms. Lalita D. Gupte by MCL in the City Civil Court at Ahmedabad for a purported amount of Rs. 56.31 billion. An application has been filed for the dismissal of the suit on the grounds of limitation, jurisdiction and no cause of action against Mr. Kamath and Ms. Gupte. The next date of hearing will be fixed after reshuffling of the cases between judges.

2. A consumer complaint (349/03) was filed against ICICI Bank's Chairman, Managing Director Shri K.V.Kamath and all other working directors before the District Consumer Disputes Redressal Forum, Kolhapur, by Mr. Pradeep Balaso Kole claiming compensation for a sum of Rs.11, 772/- for taking back possession of his two wheeler without giving him proper notice. Hearing in this case is continuing.

3. A criminal complaint (353 of 2003) was filed before the Additional Chief Metropolitan Magistrate, New Delhi by Mr. Anoop G. Chaudhury against ICICI Bank's Managing Director & Chief Executive Officer Shri K.V.Kamath, for sale of a vehicle, which had been involved in an accident. The investigation officer has filed the investigation report in the Court. The matter is pending hearing.

4. A criminal complaint (64 of 2002) was filed against 36 individuals including Mr. K. V. Kamath before the Court of the Chief Metropolitan Magistrate, Patiala House, New Delhi by Mr. M. M. Sehgal, the promoter of Sehgal Papers Limited (SPL). ICICI as part of a consortium of lenders led with IFCI Limited as lead institution had extended financial assistance to SPL. No summons has been issued to the Bank so far. Only a copy of the complaint filed by the Complainant has been served.

5. A case (1356 of 2003) was filed against Urmil Gupta and Jyotin Mehta, the Bank's General Manager and Company Secretary, before the Chief Judicial Magistrate, Rampur, by Sudeep Kumar Aggarwal alleging inter alia, that shares held by him had been illegally transferred to Urmil Gupta. Summons had been issued to Mr. Mehta in this regard. The Bank has sought a recall of the Order issuing summons to Jyotin Mehta on the ground that he was not in the employment of the Bank at the time of the alleged offence. The Bank's arguments were dismissed by the court and the Bank has filed its appeal before the Allahabad High Court which granted a stay in May 2005.

6. A criminal complaint (1472 of 2002) was filed against ICICI Home Finance Company Limited (ICICI HFC) and also against some of ICICI Bank's Directors before the Metropolitan Magistrate's 26th Court at Borivli, Mumbai, by Ms. Dipali Gopani for alleged wrongful recovery of Rs. 3,150/- and non-return of title deeds. The complaint has been subsequently withdrawn against certain directors and is now pending against Ms. Lalita D. Gupte, Ms. Kalpana Morparia. An application for discharge of the Directors has been filed in the trial court, which is pending disposal. In the meanwhile the Bank had filed a Writ Petition before the Bombay High Court and the court stayed the proceedings before the Magistrate.

7. A criminal complaint was filed before the Judicial Magistrate First Class, Bhiwandi by Sheikh Mohd. Khalid Munnavar a car insurance policy holder, for the alleged non-cognizable offences of criminal intimidation etc., against three officers of ICICI Lombard. Mr. K V Kamath, the Bank's MD has also been named as accused in the criminal complaint (No. 2887 of 2002) describing him as one of the officers of ICICI Lombard, and making an allegation that all four officers conspired in committing the offences. Mr. K.V. Kamath is a Non Executive Director on the board of ICICI Lombard. A writ petition was filed before the Bombay High Court seeking quashing of the criminal complaint on various grounds. The High Court passed an Order, staying the proceedings before the Judicial Magistrate First Class, Bhiwandi.

8. Vijay Shankar Prasad as a debenture holder of Lloyds Finance & Investment Company Limited (LFICL) had filed a criminal complaint (Case No. – 2064I of 2000) for non receipt of interest and redemption amount from the aforesaid company, in the Court of Chief Judicial Magistrate, Patna (CJM). As the Bank is acting as trustees he has *inter alia,* impleaded Mr. K.V. Kamath. The CJM court had taken cognizance of the offence and issued summons for appearance. Aggrieved by such direction, a criminal revision application was filed before the Sessions Judge, Patna. Upon hearing, the revision application was admitted and directions were issued staying the proceedings before CJM court and records were also called from the lower court. Hearing in the matter is continuing.

9. Shri Madan Gopal as a debenture holder of Modern Denim Limited (MDL) had filed a criminal complaint (Case No. – 2175I of 2001) for non receipt of interest and redemption amount from the aforesaid company, in the Court of Chief Judicial Magistrate, Patna (CJM). As the Bank is acting as a trustee he has *inter alia*, impleaded Mr. Narayan Vaghul, the Chairman of the Bank. The CJM court had taken cognizance of the offence and issued summons for appearance. Aggrieved by such direction, a criminal revision application was filed before the Sessions Judge, Patna. Upon hearing, the revision application was admitted and directions were issued for staying the

proceedings before CJM court and records were also called from the lower court. However, the company has since paid the outstanding dues of the debenture holder and to this effect a Memorandum of Understanding (MOU) has also been executed between the complainant and the Company. The Bank has filed an application enclosing a copy of the MOU before the Sessions Judge for quashing of the proceedings. Hearing in the matter is continuing.

10. The Enforcement Officer (Central) had filed a criminal complaint (Case No. – C/3606/03) before the Chief Metropolitan Magistrate, Kolkata (CMM) impleading Mr. Prafulla Ranjan, Branch Manager and Mr. K V Kamath for violation of the provisions of Equal Remuneration Act 1976. The Bank has already taken up the matter and replied to Labor Enforcement Officer (Central), Kolkata (LEO) and the Chief Labor Commissioner (Central), Ministry of Labor, Government of India, New Delhi for withdrawal of the complaint upon compliance of all the observations made by the LEO. Criminal revision application has been filed before High Court, Calcutta and the proceedings before CMM Court has been stayed till further order.

11. Shri Deobrat Prasad has filed a criminal Complaint no. 153/04 before the Judicial Magistrate at Jamshedpur alleging forcible possession of his vehicle. In the complaint he has impleaded Mr. K V Kamath, the Bank's MD & CEO. Summons were issued in this regard. An application had been filed before the Jharkhand High Court at Ranchi for quashing the proceedings in the said criminal complaint. The Jharkhand High Court has passed an order staying further proceedings in the matter. Pursuant to such directions, the Judicial Magistrate, Jamshedpur has also stayed further proceedings in the matter.

12. Three criminal complaints (2412/S/2003, 2413/S/2003 and 2414/S/2003) were filed by Inspectors, Security Guards Board, Greater Bombay & Thane District, in the year 2000 against ICICI and Mr. K.V. Kamath, the Bank's MD, before the Metropolitan Magistrate, Mumbai, under the Maharashtra Private Security Guards Act, 1981 on the grounds that security guards were engaged from exempted security agencies even though ICICI was registered with the Security Guards' Board. The earlier notices in this regard were replied to stating that registration is only in respect of residential quarters for employees and not in respect of other establishments. The Bank has filed a writ petition in the Bombay High Court for quashing of the complaint, which is pending disposal.

13. Chandra Shekhar Aggarwal Vs. ICICI Bank & Ors. Before MM, Patiala House Court, Delhi.: The complainant has taken a home loan for a sum of Rs. 2.5 million. The excess amount paid by the complainant was returned to him vide a cheque. The same was dishonoured for reasons "Cheque stopped". Therefore, the complainant filed a criminal case under section 138 of the Negotiable Instruments Act against the Bank's Chairman, N. Vaghul & ors.. The matter is scheduled for hearing on January 30, 2006.

14. Dinesh Kumar Singh, an advocate has filed criminal contempt proceedings against the Directors of the Bank in Allahabad High Court. The complainant alleges that his car was repossessed enroute his journey to court and hence he was prevented from attending the court. The matter is pending disposal.

15. The Ranchi branch of the Bank received a notice from Regional Labor Commissioner, Ranchi on September 25, 2004 stating that the Bank has not registered as Principal Employer under Contract Labour (Regulation & Abolition) Act 1970 with the Regional Labour Commissioner (Central) Ranchi impleading Ms.Chanda Kochhar, the Bank's Executive Director and two of our employees. The Bank replied stating that for all the Bank's branches/offices/establishment in the eastern part of India, the Kolkata office of the Bank has obtained a Registration Certificate. Hence, the Bank claimed that there was no need of taking separate registration certificate for the Ranchi branch. Even otherwise Ranchi branch does not engage 20 contract resource at any given point of time. Ranchi branch also submitted a copy of the registration certificate. However, Assistant Labour Commissioner Ranchi, proceeded with filing of criminal case inter alia against Ms. Chanda Kochhar in the court of CJM Ranchi. Application under section 482 of Code of Criminal Procedure has already been filed before Ranchi High Court for quashing of the proceedings in the lower court matter. The court was pleased to grant stay on the proceedings.

16. Surendra Dutta has filed a criminal complaint (FIR I III dated April 9, 2001) against Mr. K.V. Kamath, Ms. Lalita D. Gupte and others, before Rajpura City Police Station, Chandigarh for alleged offence of car booking by forging his signature during 1995 by certain officers of erstwhile Anagram Finance Ltd (AFL). The Bank has made submissions to DIG, Patiala that the directors of ICICI Bank cannot be proceeded against for an alleged offence committed by AFL in 1995 as AFL was taken over by ICICI in 1998. The DIG Patiala having been convinced has directed investigating officer of Rajpura Police Station not to proceed in the matter without explaining entire details to him. The matter is pending before the Investigating Officer for the purpose of investigation. However, files relating to the same are not traceable and hence the matter is not being proceeded with.

17. There were allegations of insider trading against Hindustan Lever Limited (HLL) in connection with acquisition of 800,000 shares of Brooke Bond Lipton India Limited (BBLIL) by private negotiations with UTI, a few months before the merger of BBLIL with HLL was announced in 1996. SEBI held the company and five of the directors of HLL, including Mr. M. K. Sharma guilty of insider trading (in their vicarious capacity). On appeal, the Appellate Authority allowed the appeal and set aside the order of SEBI and absolved the company and its directors of this charge. SEBI has preferred a writ petition before the Bombay High Court challenging the order of the Appellate Authority, which is pending. SEBI has also instituted proceedings for prosecution against HLL (and five of its directors including Mr. M. K. Sharma due to vicarious liability) and these proceedings are also pending and have not progressed.

INDIAN LICENCES, APPROVALS, REGISTRATIONS AND PERMISSIONS

We have the following licences and permissions from RBI:

1. Licence to carry on banking business under section 22 of the Banking Regulation Act: Licence No. A.H. 2 dated May 17, 1994.
2. Permission to set up subsidiaries which carry out businesses outside India under section 19(b):
   - RBI permission dated August 29, 2003 for a subsidiary in Moscow, Russia;
   - RBI permission dated December 2, 2002 for a subsidiary in London, UK; and
   - RBI permission dated December 2, 2002 for a subsidiary in Toronto, Canada.
3. Permission from RBI to open new places of business/ branches outside India under section 23(1)(b) of the Banking Regulation Act:
   - OBU- RBI Licence No. 1339 for SEEPZ, Mumbai dated July 9, 2003;
   - Branch – RBI permission dated May 24, 2004 for upgradation of representative office to a branch in New York, USA
   - Branch – RBI permission dated May 24, 2004 for branch office in Colombo, Sri Lanka;
   - Branch – RBI permission dated August 29, 2003 for branch office in Manama, Bahrain;
   - Branch – RBI permission dated December 2, 2002 for setting up of a Branch in Singapore;
   - Representative Office-RBI permission dated August 29, 2003 for setting up of a representative office in Johannesburg, South Africa;
   - Representative Office -RBI permission dated August 29, 2003 for setting up of a representative office in Dhaka, Bangladesh;
   - Representative Office -RBI permission dated December 2, 2002 for setting up of a representative office in Shanghai, China; and
   - Representative Office -RBI permission dated December 2, 2002 for setting up of a representative office in Dubai, UAE.
   - Representative Office -RBI permission dated December 11, 2000 for setting up of a representative office in New York, USA.
4. We have the following other registrations:
   - As a Debenture Trustee with SEBI vide registration number IND000000004.
   - As a Custodian with SEBI vide registration number IN/CUS/005 dated January 8, 1999.
   - As an Underwriter to the Issue with SEBI vide registration number INU000000456.
   - As a Depository Participant - NSDL with SEBI vide registration number IN-DP-NSDL-2097 dated February 12, 2002.
   - As a Depository Participant - CDSL with SEBI vide registration number IN-DP-CDSL-4299 dated September 24, 2004.
   - As a Banker to the Issue with SEBI vide registration number INBI00000004.
   - As a Merchant Banker with SEBI vide registration number INM000010759 dated September 19, 2002.
   - As a Portfolio Manager with SEBI vide registration number PM/INP000000894 dated February 13, 2004.
   - As a Professional Clearing Member - BSE with SEBI vide registration number INF011133446.
   - As a Professional Clearing Member - NSE with SEBI vide registration number INF231134745.
   - As a Clearing House with BSE vide registration number Code No: 813, with NSE vide registration number Code No: ICICI and with OTC vide registration number Code No: ICICI.
5. In addition our subsidiaries, other group companies and mutual funds, sponsored/co-sponsored by us have the following registrations.

   ICICI Venture Funds Management Company Limited

   - Registered as a Stock Broker - OTCEI with SEBI vide registration number INB 200 49 8332 dated January 29, 1993.
   - ICICI Venture Funds Management Company Limited is notified as a Public Financial Institution under section 4A of the Act through S.O. 321 (E) dated April 12, 1990.

ICICI Securities Limited

- Registered as a Merchant Banker with SEBI vide registration number MB/INM 000001113 dated July 12, 2002.
- Registered as an Underwriter with SEBI vide registration number UND/INU 000001017 dated December 14, 2001.
- Registered as a Portfolio Manager with SEBI vide registration number PM/INP000000696 dated October 16, 2002.
- Registered as a NBFC with RBI vide registration number B-13.01624 dated June 18, 2002.
- Authorised by RBI to act as a Primary Dealer. Registration renewed vide letter dated June 21, 2004.

ICICI Brokerage Services Limited

- Registered as a Stock Broker with BSE vide registration number INB 010773035 (Capital Market Segment) dated March 8, 1999 and registration number INF 010773035 (Derivative Segment) dated June 8, 2000.
- Registered as a Stock Broker with NSE vide registration number INB 230773037 (Capital Market and Wholesale Debt Market Segment) dated September 14, 1995 and registration number INF 230773037 (Futures and Options Segment) dated June 8, 2000.

ICICI Securities Fund

- Registered as a Mutual Fund with SEBI vide registration number MF/043/00/3 , the trustee of which is ICICI Trusteeship Services Limited and the asset management company of which is ICICI Investment Management Company Limited.

ICICI Investment Management Company Limited

- Asset Management Company of ICICI Securities Fund, a Mutual Fund registered with SEBI, with Registration No. MF/043/00/3.
- Registered with SEBI as Portfolio Manager with Registration No.INP000001025 (validity - August 16, 2004 to August 15, 2007)

ICICI Trusteeship Services Limited

- Trustee Company of ICICI Securities Fund, a Mutual Fund registered with SEBI, with Registration No. MF/043/00/3.

ICICI Home Finance Company Limited

- Registered as a Housing Finance Company with NHB vide registration number 14-75-31.
- Registered "To carry out business of Housing Finance Institution" with NHB vide registration number 01.0007.01.

ICICI Prudential Life Insurance Company Limited

- Registered as a Life Insurance Company with Insurance Regulatory and Development Authority vide registration number 105, dated November 24, 2000.

ICICI Lombard General Insurance Company Limited

- Registered as a General Insurance Company with Insurance Regulatory and Development Authority vide registration number 115 dated August 3, 2001.

Prudential ICICI Mutual Fund

- Registered as a Mutual Fund with SEBI vide registration number MF/003/93/6, the trustee of which is Prudential ICICI Trust Limited and the asset management company of which is Prudential ICICI Asset Management Company Limited.

Prudential ICICI Asset Management Company Limited

- Registered as a Portfolio Manager with SEBI vide registration number PM/INP000000373.

3i Infotech Limited

- Certified as Registrars to an Issue and Share Transfer Agent in Category I, by SEBI vide registration code INR000001773
- Importer-Exporter Code (IEC) issued by the Ministry of Information Technology, Government of India vide IEC No. 5199003470.

6. We apply for and/or renew relevant licenses, approvals or permissions as may be required on account of our business from the relevant regulatory or other authorities, in India or abroad.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The issue of Equity Shares in the Issue by the Bank has been authorised by the resolution of the Board of Directors passed at their meeting held on October 13, 2005, subject to the approval of shareholders through a special resolution to be passed pursuant to Section 81(1A) of the Companies Act. The shareholders approved the Issue at the general meeting of the shareholders of the Bank by way of a postal ballot under Section 192A of the Companies Act and results for which were announced by the Chairman or any whole time Director authorised by the Board on November 19, 2005.

Prohibition by SEBI, RBI or governmental authorities

Neither we, nor our Directors, or companies with which our Directors are associated with as directors or promoters, have been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI.

Neither we nor our directors, subsidiaries, directors of subsidiaries or associates, have been detained as willfull defaulters by the RBI or government authorities. There are no violations of securities laws committed by any of them in the past or pending against them.

Eligibility for the Issue

As a banking company, we are exempt from eligibility norms specified by SEBI Guidelines to make public issue of equity shares. The extract of SEBI Guidelines is set out below:

"2.4 Exemption from Eligibility Norms

2.4.1 The provisions of clauses (2.2 and 2.3) shall not be applicable in case of; a banking company including a Local Area Bank (hereinafter referred to as Private Sector Banks) set up under sub-section (c) of Section 5 of the Banking Regulation Act, 1949 and which has received license from the Reserve Bank of India"

For information purposes only, clause 2.2 referred in the clause above relates to unlisted companies and Clause 2.3 relates to listed companies and are reproduced as follows:

"2.3. Public Issue by Listed Companies

2.3.1 A listed company shall be eligible to make a public issue of equity shares or any other security which may be converted into or exchanged with equity shares at a later date.

Provided that the aggregate of the proposed issue and all previous issues made in the same financial year in terms of size (i.e. offer through offer document + firm allotment + promoters' contribution through the offer document), issue size does not exceed 5 times its pre-issue net worth as per the audited balance sheet of the last financial year.

Provided further that in case there is a change in the name of the issuer company within the last 1 year (reckoned from the date of filing of the offer document), the revenue accounted for by the activity suggested by the new name is not less than 50% of its total revenue in the preceding 1 full-year period)

2.3.2. A listed company which does not fulfill the conditions given in the provisos to Clause 2.3.1 above, shall be eligible to make a public issue subject to complying with the conditions specified in Clause 2.2.2)"

Disclaimer Clause

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, DSP MERRILL LYNCH LIMITED AND JM MORGAN STANLEY PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (DISCLOSURES AND INVESTOR PROTECTION) GUIDELINES, 2000 AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS

RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, DSP MERRILL LYNCH LIMITED AND JM MORGAN STANLEY PRIVATE LIMITED HAVE FURNISHED TO SEBI, DUE DILIGENCE CERTIFICATES DATED OCTOBER 21, 2005 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992, WHICH READS AS FOLLOWS:

1. **"WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE.**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PROJECTED PROFITABILITY, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED IN THE ANNEXURE AND OTHER PAPERS FURNISHED BY THE COMPANY.**

3. **WE CONFIRM THAT:**

   - **THE DRAFT RED HERRING PROSPECTUS FORWARDED TO SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
   - **ALL THE LEGAL REQUIREMENTS CONNECTED WITH THE SAID ISSUE AS ALSO THE GUIDELINES, INSTRUCTIONS, ETC. ISSUED BY SEBI, THE GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH;**
   - **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE;**
   - **BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID; AND**
   - **WHEN UNDERWRITTEN, WE SHALL SATISFY OURSELVES ABOUT THE WORTH OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS."**

4. **WE CERTIFY THAT WRITTEN CONSENT FROM SHAREHOLDERS HAS BEEN OBTAINED FOR INCLUSION OF ITS SECURITIES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SECURITIES PROPOSED TO FORM PART OF THE PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN, WILL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**

   ALL LEGAL REQUIREMENTS PERTAINING TO THE ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE RED HERRING PROSPECTUS WITH THE DESIGNATED STOCK EXCHANGE IN ACCORDANCE WITH APPLICABLE LAW, AS ALSO ANY GUIDELINES, INSTRUCTIONS, ETC. ISSUED BY SEBI, GOI AND ANY OTHER COMPETENT AUTHORITY. ALL LEGAL REQUIREMENTS PERTAINING TO THE ISSUE WILL BE COMPLIED WITH AT THE TIME OF REGISTRATION OF THE PROSPECTUS WITH THE DESIGNATED STOCK EXCHANGE IN ACCORDANCE WITH APPLICABLE LAW, AS ALSO ANY GUIDELINES, INSTRUCTIONS, ETC., ISSUED BY SEBI, GOI AND ANY OTHER COMPETENT AUTHORITY."

   THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES IN THE NATURE OF LIABILITIES UNDER SECTION 63 AND SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Note:

The Bank, our Directors, the BRLMs and the CBRLMs accept no responsibility for statements made otherwise than in this Prospectus or in any advertisements or any other material issued by or at instance of the above mentioned entities and anyone placing reliance on any other source of information, including our website, www.icicibank.com, would be doing so at his or her own risk.

The BRLMs and the CBRLM accept no responsibility, save to the limited extent as provided in the memorandum of understanding entered into among the BRLMs, the CBRLMs and us dated October 21, 2005 and the amendment thereto dated November 30, 2005 and the Underwriting Agreement to be entered into among the Underwriters and us.

All information shall be made available by us, the BRLMs and the CBRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at Bidding centres.

We shall not be liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to Persons resident in India (including Indian nationals resident in India), who are majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to permitted non residents including FIIs, NRIs and other eligible foreign investors. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to or purchase Equity Shares offered hereby in any other jurisdiction to any Person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any Person into whose possession this Prospectus comes is required to inform himself or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Red Herring Prospectus had been filed with SEBI for observations and SEBI has given its observations. Accordingly, the Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Red Herring Prospectus or this Prospectus is not an offer of Equity Shares or ADSs or an invitation to subscribe to Equity Shares or ADSs to any person in any jurisdiction where it is unlawful to make such offer or invitation. Each purchaser of our equity shares in the Issue is deemed to have acknowledged, represented and agreed as follows:

(1) It is not in the United States nor a U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended).

(2) The equity shares offered in the Indian public offering have not been registered under the Securities Act.

(3) It is purchasing those equity shares in an offshore transaction meeting the requirements of Rule 903 of Regulation S.

Offshore investors will not be permitted to deposit equity shares into the ADR facility until 40 days after the earlier of (i) the date the securities are first offered to the public and (ii) the closing date for the offering. Offshore investors would have to comply with the procedures set out under Indian law for the deposit of equity shares in the ADR facility.

Any public offering or sale of ADSs in the United States will be registered and made by means of a U.S. prospectus that may be obtained from us when it becomes available and that will contain detailed information about us and our management, as well as financial statements in accordance with U.S. GAAP. No money, securities, or other consideration is being solicited, and, if sent in response to the information contained herein, will not be accepted. We have filed a registration statement in the United States for an offering of ADSs.

The Red Herring Prospectus or this Prospectus may not be distributed or made available in the United States or any other jurisdiction outside India where such distribution would be unlawful.

DISCLAIMER CLAUSE OF THE NSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to NSE. NSE has given in its letter dated November 21, 2005, permission to us to use NSE's name in the Prospectus as one of the stock exchanges on which our further securities are proposed to be listed, subject to the Company fulfilling the various criteria for listing including the one related to paid up capital and market capitalization (i.e., the paid up capital shall not be less than Rs. 100 million and the market capitalization shall not be less than Rs. 250 million at the time of listing). The NSE has scrutinised the Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to us. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed to mean that the Draft Red Herring Prospectus has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus; nor does it warrant that our securities will be listed or will continue to be listed on the NSE; nor does it take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.

Every Person who desires to apply for or otherwise acquires any of our securities may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE whatsoever by reason of any loss which may be suffered by such Person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER CLAUSE OF THE BSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to BSE. BSE has given vide its letter dated November 18, 2005, permission to the Company to use BSE's name in the Prospectus as one of the stock exchanges on which our further securities are proposed to be listed. BSE has scrutinised the Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to us. BSE does not in any manner:

1. Warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus; or
2. Warrant that this Company's securities will be listed or will continue to be listed on BSE; or
3. Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed to mean that the Draft Red Herring Prospectus has been cleared or approved by BSE. Every Person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such Person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI at Corporation Finance Department, Ground Floor, Mittal Court, "A" Wing, Nariman Point, Mumbai 400 021.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 60B of the Companies Act, would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 60 of the Companies Act would be delivered for registration with RoC.

Listing

Applications have been made to the NSE and BSE for permission to deal in and for an official quotation of our Equity Shares. NSE will be the Designated Stock Exchange.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges mentioned above, we will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within eight (8) days after we become liable to repay it, i.e., from the date of refusal or within 70 days from the Bid/Issue Closing Date, whichever is earlier, then the Bank and every Director of the Bank who is an officer in default shall, on and from such expiry of eight (8) days, be liable to repay the money, with interest at the rate of 15.0% per annum on application money, as prescribed under Section 73 of the Companies Act.

The Bank shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within seven working days of finalization on the basis of allocation for the Issue.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68A of the Companies Act, which is reproduced below:

"Any person who:

(a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or

(b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years."

Consents

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, the Auditors, Legal Advisors, the Banker to the Issue; and (b) Book Running Lead Managers, Co- Book Running Lead Managers, Syndicate Members, Escrow Collection Bank(s), and the Registrar to the Issue, to act in their respective capacities, have been obtained and shall be filed along with a copy of this Prospectus with SEBI and such consents have not been withdrawn up to the time of delivery of this Prospectus with SEBI.

S.R. Batliboi & Co., Chartered Accountants, our Auditors, have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report has not been withdrawn up to the time of delivery of the Prospectus for filing with SEBI.

Expert Opinion

We have not obtained any expert opinions.

Expenses of the Issue

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. The estimated Issue expenses are as follows:

Activity	Expense (in Rs. millions)
Lead management fees and underwriting commissions(1)	320.0
Other expenses (including advertising, registrars fee, legal fee and listing fee)	330.0
Total estimated Issue expenses	650.0

(1) Subject to approval of the Reserve Bank of India.

The lead management fees and the underwriting commissions shall be shared between the Bank in the proportion to the number of shares sold to the public as part of the Issue. In addition to the above, listing fees will be paid by the Bank.

Fees Payable to the BRLMs including Brokerage and Selling Commission

The total fees payable to the BRLMs including brokerage and selling commission for the Issue will, subject to the approval of the Reserve Bank of India, be 0.55% of the total issue size.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Registrar's memorandum of understanding dated November 19, 2005 copy of which are available for inspection at our Registered Office. Processing charges to the Registrar will depend on the number of applications received.

Adequate funds will be provided to the Registrar to the Issue to enable them to send refund orders or Allotment advice by registered post or speed post or under certificate of posting.

Bidding Period / Issue Period

BID / ISSUE OPENS ON : DECEMBER 1, 2005

BID / ISSUE CLOSES ON : DECEMBER 6, 2005

Bids and any revision in Bids shall be accepted **only between 10 a.m. and 3 p.m**. (Indian Standard Time) during the Bidding Period/Issue Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form except that on the Bid Closing Date, the Bids shall be accepted **only between 10 a.m. and 1 p.m.** (Indian Standard Time) and uploaded till such time as permitted by the NSE and the BSE.

The Bank reserves the right to revise the Price Band during the Bidding Period/Issue Period in accordance with SEBI Guidelines. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band disclosed in the Red Herring Prospectus.

In case of revision in the Price Band, the Bidding Period/Issue Period will be extended for three additional days after revision of Price Band subject to the Bidding Period/Issue Period not exceeding 10 days. Any revision in the Price Band and the revised Bidding Period/ Issue Period, if applicable, will be widely disseminated by notification to NSE and BSE by issuing a press release, and also by indicating the change on the websites of the BRLMs, the CBRLMs and at the terminals of the Syndicate.

Designated Date and Allotment of Equity Shares

(a) The Bank will ensure that the Allotment of Equity Shares is done within 15 days of the Bid Closing Date/Issue Closing Date. After the funds are transferred from the Escrow Accounts to the Issue Account on the Designated Date, we would ensure the credit to the successful Bidders depository account within two working days of the date of Allotment.

(b) As per SEBI Guidelines, **Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the allottees**. Allottees will have the option to re-materialise the Equity Shares, if they so desire, in the manner stated in the Depositories Act.

Letters of Allotment or refund orders

We shall give credit to the beneficiary account with Depository Participants within two working days from the date of the finalisation of basis of allocation. We shall ensure despatch of refund orders, if any, of value up to Rs. 1,500 by "Under Certificate of Posting", and shall dispatch refund orders above Rs. 1,500, if any, by registered post or speed post only at the sole or First Bidder's sole risk within 15 days of the Bid Closing Date/Issue Closing Date, and adequate funds for the purpose shall be made available to the Registrar by us.

In accordance with the requirements of the Stock Exchanges and SEBI Guidelines, we undertake that:

- Allotment shall be made only in dematerialised form within 15 days from the Issue Closing Date;
- Despatch of refund orders shall be done within 15 days from the Issue Closing Date; and
- We shall pay interest at 15.0% per annum (for any delay beyond the 15-day time period as mentioned above), if Allotment is not made, refund orders are not despatched and/or demat credits are not made to Bidders within the 15-day time prescribed above, provided that the beneficiary particulars relating to such Bidders as given by the Bidders is valid at the time of the upload of the demat credit.

We will provide adequate funds required for despatch of refund orders or Allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Bank(s) and payable at par at places where Bids are received. The bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Companies Under The Same Management

There are no companies under the same management.

Commission and Brokerage paid on Previous Issues by ICICI and Us

(in millions)

S. No.	Issue	Month and Year	Commission and brokerage
1.	Public Issue of Bonds in the nature of Debentures	December 1997	Rs. 45.8
2.	Public Issue of Bonds in the nature of Debentures	March 1998	82.7
3.	Public Issue of Bonds in the nature of Debentures	April 1998	36.7
4.	Public Issue of Bonds in the nature of Debentures	July 1998	58.5
5.	Public Issue of Bonds in the nature of Debentures	August 1998	57.2
6.	Public Issue of Bonds in the nature of Debentures	October 1998	44.5
7.	Public Issue of Bonds in the nature of Debentures	December 1998	35.7
8.	Public Issue of Bonds in the nature of Debentures	January 1999	69.0
9.	Public Issue of Bonds in the nature of Debentures	March 1999	59.9
10.	Public Issue of Bonds in the nature of Debentures	May 1999	23.9
11.	Public Issue of Bonds in the nature of Debentures	July 1999	31.8
12.	Public Issue of Bonds in the nature of Debentures	August 1999	21.5

S. No.	Issue	Month and Year	Commission and brokerage
13.	Public Issue of Equity Shares	September 1999	55.4
14.	Public Issue of Bonds in the nature of Debentures	October 1999	26.9
15.	Public Issue of Bonds in the nature of Debentures	November 1999	21.5
16.	Public Issue of Bonds in the nature of Debentures	February 2000	60.2
17.	Public Issue of Bonds in the nature of Debentures	March 2000	33.8
18.	Public Issue of Bonds in the nature of Debentures	July 2000	06.6
19.	Public Issue of Bonds in the nature of Debentures	August 2000	40.6
20.	Public Issue of Bonds in the nature of Debentures	October 2000	24.3
21.	Public Issue of Bonds in the nature of Debentures	November 2000	26.6
22.	Public Issue of Bonds in the nature of Debentures	December 2000	36.7
23.	Public Issue of Bonds in the nature of Debentures	February 2001	76.6
24.	Public Issue of Bonds in the nature of Debentures	March 2001	43.8
25.	Public Issue of Bonds in the nature of Debentures	June 2001	11.9
26.	Public Issue of Bonds in the nature of Debentures	July 2001	21.4
27.	Public Issue of Bonds in the nature of Debentures	August 2001	16.7
28.	Public Issue of Bonds in the nature of Debentures	September 2001	26.3
29.	Public Issue of Bonds in the nature of Debentures	November 2001	35.9
30.	Public Issue of Bonds in the nature of Debentures	December 2001	39.0
31.	Public Issue of Bonds in the nature of Debentures	January 2002	56.9
32.	Public Issue of Bonds in the nature of Debentures	February 2002	124.6
33.	Public Issue of Bonds in the nature of Debentures	March 2002	65.3
34.	Public Issue of Bonds in the nature of Debentures	January 2003	53.2
35.	Public Issue of Bonds in the nature of Debentures	February 2003	34.1
36.	Public Issue of Bonds in the nature of Debentures	March 2003	31.1
37.	Public Issue of Bonds in the nature of Debentures	August 2003	16.0
38.	Public Issue of Bonds in the nature of Debentures	October 2003	24.3
39.	Public Issue of Bonds in the nature of Debentures	December 2003	23.9
40.	Public Issue of Equity Shares	April 2004	46.5
41.	Public Issue of Bonds in the nature of Debentures	January 2005	59.3
42.	Public Issue of Bonds in the nature of Debentures	February 2005	41.3
43.	Public Issue of Bonds in the nature of Debentures	March 2005	24.4

(1) For all issues from December 1997 till December 2000, the Trustee is Bank of Maharashtra, "Lokmangal" 1501, Shivaji Nagar, Pune 411 005. For all issues from February 2001, the Trustee is The Western India Trustee and Executor Company Limited.

Commission and brokerage paid on foreign currency bond issues made by ICICI

S. No.	Issue	Month and Year	Commission and brokerage
1.	Floating Rate Notes	March 1997	0.60
2.	7.55% Yankee Bonds	August 1997	0.98
3.	4.75% Fixed Rate Notes	October 2003	0.75
4.	5.00% Fixed Rate Notes	August 2004	0.45
5.	5.75% Fixed Rate Notes	November 2005	0.75

For all the above foreign currency Bond issues, the Trustee was Deutsche Bank.

ICICI had incurred commission and brokerage (including selling, management and underwriting fees) of US$ 12.6 million in respect of its September 1999 ADS issue. We incurred commission and brokerage (including selling, management and underwriting fees) of US$ 6.14 million in respect of our March 2000 ADS issue.

Particulars regarding Public Issues during the last five years

Public Issue of Equity Shares (2004)

Public Issue of 108,928,571 Equity Shares of Rs.10/- each at a price of Rs.280/- for cash aggregating Rs. 30.50 bn with a green shoe option of 16,071,429 equity shares of Rs.10/- each at a price of Rs.280/- for cash aggregating Rs. 4.50 bn

Closing Date	:	April 7, 2004
Date of Allotment	:	April 21, 2004
Date of Refunds	:	April 22, 2004
Date of Listing on Stock Exchanges	:	BSE on April 21, 2004 NSE on April 22, 2004

Exercise of Green Shoe Option

Closing Date	:	N.A.
Date of Allotment	:	May 24, 2004
Date of Refunds	:	N.A.
Date of Listing on Stock Exchanges	:	BSE on May 25, 2004 NSE on May 26, 2004

Sponsored American Depository Shares Offering

ICICI Bank had sponsored an American Depositary Shares (ADS) Offering which opened for participation on March 7, 2005 and closed on March 11, 2005. In terms of the Offering, 20,685,750 ADSs representing 41,371,500 equity shares had been sold at a price of US$ 21.1 per ADS. The gross proceeds from the ADS Offering were approximately US$ 436.7 million (Rs.19.10 billion). The net consideration per share (after deduction of expenses in connection with the offering) was Rs. 453.16.

Previous Bond Issues

1. ICICI Bank

We have as yet not made any public issue of debentures, bonds or promissory notes either in India or abroad in the five years preceding the date of the Red Herring Prospectus, other than the following:

Issue Name-Date of closure of Issue	Deemed Date of Allotment	Date of completion of despatch of debenture certificates	Description	Amount Allotted (Rs. billion unless otherwise specified)	Date of Redemption	Rating at the time of Issue
January 2003 - January 27, 2003	February 26, 2003	April 1, 2003	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 4.00 billion with a right to retain oversubscription upto Rs. 4.00 billion	11.22	Tax Saving Bond Option I February 26, 2006 Option II June 26, 2006 Option III February 26, 2008 Option IV June 26, 2008	ICRA "LAAA" CARE "CARE AAA"
February 2003 - March 4, 2003	April 3, 2003	May 5, 2003	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 4.00 billion with a right to retain oversubscription upto Rs. 4.00 billion	7.40	Tax Saving Bond Option I April 3, 2006 Option II August 3, 2006 Option III April 3, 2008 Option IV August 3, 2008 Regular Income Bond April 3, 2010	ICRA "LAAA" CARE "CARE AAA"
March 2003 -March 31, 2003	April 30, 2003	May 22, 2003	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 4.00 billion with a right to retain oversubscription upto Rs. 4.00 billion	4.81	Tax Saving Bond Option I April 30, 2006 Option II August 30, 2006 Option III April 30, 2008 Option IV August 30, 2008 Regular Income Bond April 30, 2010	ICRA "LAAA" CARE "CARE AAA"
August 2003 - September 9, 2003	October 9, 2003	November 3, 2003	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 3.00 billion with a right to retain oversubscription upto Rs. 3.00 billion	3.43	Tax Saving Bond Option I October 9, 2006 Option II February 9, 2007 Option III October 9, 2008 Option IV February 9, 2009 Regular Income Bond October 9, 2010	ICRA "LAAA" CARE "CARE AAA"
October, 2003	October 22, 2003	N.A.	4.75% Fixed Rate Notes	US$ 300mn	October 22, 2008	Moody's: Baa3 S&P:BB

Issue Name-Date of closure of Issue	Deemed Date of Allotment	Date of completion of despatch of debenture certificates	Description	Amount Allotted (Rs. billion unless otherwise specified)	Date of Redemption	Rating at the time of Issue
October 2003 - November 15, 2003	December 15, 2003	January 14, 2004	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 4.00 billion with a right to retain oversubscription upto Rs. 4.00 billion	4.86	Tax Saving Bond Option I December 15, 2006 Option II June 15, 2007 Option III December 15, 2008 Option IV June 15, 2009 Regular Income Bond December 15, 2010	ICRA "LAAA" CARE "CARE AAA"
December 2003- January 6, 2004	February 5, 2004	March 13, 2004	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 1.00 billion with a right to retain oversubscription upto Rs. 1.00 billion	5.23	Tax Saving Bond Option I February 5, 2007 Option II August 5, 2007 Option III February 5, 2009 Option IV August 5, 2009	ICRA "LAAA" CARE "CARE AAA"
August 2004- August, 2004	August 18, 2004	N.A.	5.00% Fixed Rate Notes	US$ 300 mn	August 18, 2009	Moody's: Baa3, S&P: BB+
January 2005- February 9, 2005	March 11, 2005	April 7, 2005	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 6.00 billion with a right to retain oversubscription upto Rs. 6.00 billion	7.75	Tax Saving Bond Option I March 11, 2010 Option II March 11, 2010 Regular Income Bond Option I March 11, 2010 Option II March 11, 2012 Option III March 11, 2015 Children Growth Fund Option I March 11, 2012 Option II March 11, 2015	ICRA "LAAA" CARE "CARE AAA"
February 2005- March 9, 2005	April 8, 2005	May 10, 2005	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 4.00 billion with a right to retain oversubscription upto Rs. 4.00 billion	5.29	Tax Saving Bond Option I April 8, 2010 Option II April 8, 2010 Regular Income bond Option I April 8, 2010 Option II April 8, 2012 Option III April 8, 2015 Children Growth Fund Option I April 8, 2012 Option II April 8, 2015	ICRA "LAAA" CARE "CARE AAA"

Issue Name-Date of closure of Issue	Deemed Date of Allotment	Date of completion of despatch of debenture certificates	Description	Amount Allotted (Rs. billion unless otherwise specified)	Date of Redemption	Rating at the time of Issue
March 2005-March 31, 2005	April 30, 2005	May 27, 2005	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 3.50 billion with a right to retain oversubscription upto Rs. 3.50 billion	3.24	Tax Saving Bond Option I April 30, 2010 Option II April 30, 2010 Regular Income Bond Option I April 30, 2010 Option II April 30,, 2012 Option III April 30, 2015 Children Growth Fund Option I April 8, 2012 Option II April 8, 2015	ICRA "LAAA" CARE "CARE AAA"
November 2005 - November 16, 2005	November 16, 2005	N.A.	5.75% Fixed Rate Notes	US$ 500 mn	November 16, 2010	Moody's: Baa3, S&P: BB+

2. ICICI

ICICI had made debenture issues, issues of bonds in the nature of Promissory Notes, Rights issues of Convertible Debentures and several issues of foreign currency denominated bonds and notes. The details for such issues made in the five years preceding the date of this Prospectus are given below:

Issue Name-Date of closure of Issue	Deemed Date of Allotment	Date of completion of despatch of debenture certificates	Description	Amount Allotted (Rs. billion unless otherwise specified)	Date of Redemption	Rating at the time of Issue
August 1999-August 27, 1999	September 23, 1999	October 27, 1999	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 2.00 billion with a right to retain oversubscription upto Rs. 2.00 billion	2.83	Encash Bond September 23, 2002 Tax Saving Bond Option I, III, IV September 23, 2002 Option II and V December 23, 2002 Regular Income Bond Option I, II, III September 23, 2002 Money Multiplier Bond Option I September 23, 2002 Option II August 23, 2018	ICRA "LAAA" CARE "CARE AAA"
October 1999-November 2, 1999	November 30, 1999	December 30, 1999	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 3.00 billion with a right to retain oversubscription upto Rs. 3.00 billion	3.52	Encash Bond November 30, 2002 Tax Saving Bond Option I, III, IV November 30, 2002 Option II and V February 28, 2003	ICRA "LAAA" CARE "CARE AAA"

Issue Name-Date of closure of Issue	Deemed Date of Allotment	Date of completion of despatch of debenture certificates	Description	Amount Allotted (Rs. billion unless otherwise specified)	Date of Redemption	Rating at the time of Issue
					Regular Income Bond Option I, II, III November 30, 2002 Money Multiplier Bond Option I November 30, 2002 Option II October 31, 2018	
November 1999-December 2, 1999	December 24, 1999	February 1, 2000	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 3.00 billion with a right to retain oversubscription upto Rs. 3.00 billion	2.42	Gilt Rate Plus Bond December 24, 2004 Encash Bond December 24, 2002 Tax Saving Bond Option I, III, IV December 24, 2002 Option II and V March 24, 2003 Regular Income Bond Option I, II, III December 24, 2002 Money Multiplier Bond Option I December 24, 2002 Option II September 24, 2022	ICRA "LAAA" CARE "CARE AAA"
February 2000-February 24, 2000	March 24, 2000	April 28, 2000	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 3.00 billion with a right to retain oversubscription upto Rs. 3.00 billion	6.05	Tax Saving Bond Option I, III and IV March 24, 2003 Option II and V June 24, 2003	ICRA "LAAA" CARE "CARE AAA"
March 2000-March 31, 2000	April 25, 2000	May 30, 2000	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 3.00 billion with a right to retain oversubscription upto Rs. 4.00 billion	3.50	Gilt Rate Plus Bond April 25, 2005 Encash Bond April 25, 2003 Regular Income Bond Option I, II and III April 25, 2003 Money Multiplier Bond Option I April 25, 2003 Option II February 25, 2019 Tax Saving Bond Option I, III and IV April 25, 2003	ICRA "LAAA" CARE "CARE AAA"

Issue Name-Date of closure of Issue	Deemed Date of Allotment	Date of completion of despatch of debenture certificates	Description	Amount Allotted (Rs. billion unless otherwise specified)	Date of Redemption	Rating at the time of Issue
					Option II and V October 25, 2003	
July 2000-August 3, 2000	August 29, 2000	September 27, 2000	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 3.00 billion with a right to retain oversubscription upto Rs. 2.00 billion	0.89	Regular Income Bond Option I, II and III August 29, 2005 Money Multiplier Bond February 28, 2011 Tax Saving Bond Option I and II August 29, 2003 Option III November 29, 2003	ICRA "LAAA" CARE "CARE AAA"
August 2000-September 12, 2000	October 5, 2000	November 13, 2000	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 2.50 billion with a right to retain oversubscription upto Rs. 2.50 billion	4.16	Regular Income Bond Option I, II and III October 5, 2004 Money Multiplier Bond Option I April 5, 2007 Option II January 5, 2011 Option III October 5, 2015 Option IV January 5, 2022 Tax Saving Bond Option I and III October 5, 2003 Option II and IV February 5, 2004	ICRA "LAAA" CARE "CARE AAA"
October 2000-October 17, 2000	November 14, 2000	December 20, 2000	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 2.50 billion with a right to retain oversubscription upto Rs. 2.50 billion	2.52	Regular Income Bond Option I, II, III November 14, 2005 Money Multiplier Bond Option I September 14, 2004 Option II April 14, 2007 Option III November 14, 2010 Option IV July 14, 2015 Option V October 14, 2021 Tax Saving Bond Option I November 14, 2003 Option II March 14, 2004	ICRA "LAAA" CARE "CARE AAA"

Issue Name-Date of closure of Issue	Deemed Date of Allotment	Date of completion of despatch of debenture certificates	Description	Amount Allotted (Rs. billion unless otherwise specified)	Date of Redemption	Rating at the time of Issue
November 2000-November 17, 2000	December 13, 2000	January 17, 2001	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 2.00 billion with a right to retain oversubscription upto Rs. 2.00 billion	2.71	Regular Income Bond Option I, II and III December 13, 2005 Money Multiplier Bond Option I October 13, 2004 Option II June 13, 2007 Option III March 13, 2011 Option IV December 13, 2015 Option V March 13, 2022 Tax Saving Bond Option I December 13, 2003 Option II April 13, 2004	ICRA "LAAA" CARE "CARE AAA"
December 2000-December 23, 2000	January 19, 2001	February 20, 2001	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 2.50 billion with a right to retain oversubscription upto Rs. 2.50 billion	3.78	Regular Income Bond Option I, II and III January 19, 2006 Money Multiplier Bond Option I November 19, 2004 Option II July 19, 2007 Option III April 19, 2011 Option IV June 19, 2022 Tax Saving Bond Option I January 19, 2004 Option II May 19, 2004 Pension Bond Option I January 19, 2017 Option II January 19, 2019 Option III January 19, 2023	ICRA "LAAA" CARE "CARE AAA"
February 2001-February 28, 2001	March 22, 2001	May 3, 2001	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 5.00 billion with a right to retain oversubscription upto Rs. 5.00 billion	9.99	Regular Income Bond Option I, II and III March 22, 2006 Money Multiplier Bond Option I January 22, 2005 Option II September 22, 2007 Children Growth Bond	ICRA "LAAA" CARE "CARE AAA"

Issue Name-Date of closure of Issue	Deemed Date of Allotment	Date of completion of despatch of debenture certificates	Description	Amount Allotted (Rs. billion unless otherwise specified)	Date of Redemption	Rating at the time of Issue
					Option I December 22, 2017 Option II August 22, 2020 Tax Saving Bond Option I March 22, 2004 Option II July 22, 2004 Pension Bond Option I March 22, 2012 Option II March 22, 2016 Option III March 22, 2019	
March 2001 March 31, 2001	April 26, 2001	May 29, 2001	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 4.00 billion with a right to retain oversubscription upto Rs. 4.00 billion	5.73	Regular Income Bond Option I, II and III April 26, 2006 Money Multiplier Bond Option I August 26, 2005 Option II July 26, 2008 Children Growth Bond Option I January 26, 2018 Option II July 26, 2022 Tax Saving Bond Option I April 26, 2004 Option II August 26, 2004 Pension Bond Option I April 26, 2012 Option II April 26, 2016 Option III April 26, 2019	ICRA "LAAA" CARE "CARE AAA"
June 2001- June 29, 2001	July 24, 2001	August 25, 2001	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 4.00 billion with a right to retain oversubscription upto Rs. 4.00 billion	2.00	Regular Income Bond Option I, II and III July 24, 2006 Money Multiplier Bond Option I November 24, 2005 Option II September 24, 2008 Children Growth Bond Option I October 24, 2017 Option II April 24, 2022 Encash Bond July 24, 2006 Pension Bond	ICRA "LAAA" CARE "CARE AAA"

Issue Name-Date of closure of Issue	Deemed Date of Allotment	Date of completion of despatch of debenture certificates	Description	Amount Allotted (Rs. billion unless otherwise specified)	Date of Redemption	Rating at the time of Issue
					Option I July 24, 2012 Option II July 24, 2016 Option III July 24, 2019	
July 2001 August 4, 2001	August 28, 2001	September 26, 2001	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 4.00 billion with a right to retain oversubscription upto Rs. 4.00 billion	2.77	Regular Income Bond Option I, II and III August 28, 2006 Money Multiplier Bond Option I January 28, 2006 Option II October 28, 2008 Children Growth Bond Option I January 28, 2018 Option II August 28, 2022 Encash Bond August 28, 2006 Tax Saving Bond Option I August 28, 2004 Option II December 28, 2004	ICRA "LAAA" CARE "CARE AAA"
August 2001- September 5, 2001	September 27, 2001	October 17, 2001	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 4.00 billion with a right to retain oversubscription upto Rs. 4.00 billion	2.24	Regular Income Bond Option I, II and III September 27, 2006 Money Multiplier Bond Option I February 27, 2006 Option II December 27, 2008 Children Growth Bond Option I February 27, 2018 Option II September 27, 2022 Encash Bond September 27, 2006 Tax Saving Bond Option I September 27, 2004 Option II January 27, 2005 Option III March 27, 2008	ICRA "LAAA" CARE "CARE AAA"

Issue Name-Date of closure of Issue	Deemed Date of Allotment	Date of completion of despatch of debenture certificates	Description	Amount Allotted (Rs. billion unless otherwise specified)	Date of Redemption	Rating at the time of Issue
September 2001-October 16, 2001	November 12, 2001	December 3, 2001	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 4.00 billion with a right to retain oversubscription upto Rs. 4.00 billion	2.88	Regular Income Bond Option I, II and III November 12, 2006 Option IV November 12, 2004 Money Multiplier Bond Option I April 12, 2006 Option II February 12, 2009 Children Growth Bond Option I April 12, 2018 Option II November 12, 2022 Encash Bond November 12, 2006 Tax Saving Bond Option I November 12, 2004 Option II March 12, 2005 Option III May 12, 2008	ICRA "LAAA" CARE "CARE AAA"
November 2001-December 3, 2001	December 24, 2001	January 16, 2002	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 4.00 billion with a right to retain oversubscription upto Rs. 4.00 billion	4.06	Regular Income Bond Option I, II and III December 24, 2008 Money Multiplier Bond Option I July 24, 2006 Option II March 24, 2009 Children Growth Bond Option I May 24, 2018 Option II December 24, 2022 Encash Bond December 24, 2006 Tax Saving Bond Option I December 24, 2004 Option II April 24, 2005 Option III June 24, 2008 Floating Rate Bond December 24, 2007	ICRA "LAAA" CARE "CARE AAA"

Issue Name-Date of closure of Issue	Deemed Date of Allotment	Date of completion of despatch of debenture certificates	Description	Amount Allotted (Rs. billion unless otherwise specified)	Date of Redemption	Rating at the time of Issue
December 2001 December 29, 2001	January 23, 2002	February 13, 2002	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 4.00 billion with a right to retain oversubscription upto Rs. 4.00 billion	4.26	Regular Income Bond Option I, II and III January 23, 2009 Money Multiplier Bond Option I August 23, 2006 Option II May 23, 2009 Children Growth Bond Option I June 23, 2018 Option II January 23, 2023 Encash Bond January 23, 2007 Tax Saving Bond Option I January 23, 2005 Option II May 23, 2005 Option III July 23, 2008 Floating Rate Bond January 23, 2008	ICRA "LAAA" CARE "CARE AAA"
January 2002- January 24, 2002	February 19, 2002	March 11, 2002	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 6.00 billion with a right to retain oversubscription upto Rs. 6.00 billion	6.23	Regular Income Bond Option I, II and III February 19, 2009 Option IV February 19, 2007 Money Multiplier Bond Option I August 19, 2006 Option II May 19, 2009 Children Growth Bond Option I July 19, 2018 Option II February 19, 2023 Encash Bond February 19, 2007 Tax Saving Bond Option I February 19, 2005 Option II June 19, 2005 Option III August 19, 2008	ICRA "LAAA" CARE "CARE AAA"

Issue Name-Date of closure of Issue	Deemed Date of Allotment	Date of completion of despatch of debenture certificates	Description	Amount Allotted (Rs. billion unless otherwise specified)	Date of Redemption	Rating at the time of Issue
February 2002-March 4, 2002	March 27, 2002	April 22, 2002	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 6.00 billion with a right to retain oversubscription upto Rs. 6.00 billion	10.37	Monthly Income Bond March 27, 2009 Regular Income Bond Option I and II March 27, 2009 Option III March 27, 2007 Money Multiplier Bond September 27, 2009 Children Growth Bond Option I October 27, 2018 Option II March 27, 2023 Encash Bond March 27, 2007 Tax Saving Bond Option I March 27, 2005 Option II March 27, 2008 Option III July 27, 2005 Option IV September 27, 2008	ICRA "LAAA" CARE "CARE AAA"
March 2002-March 28, 2002	April 23, 2002	May 16, 2002	Public Issue of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 6.00 billion with a right to retain oversubscription upto Rs. 6.00 billion	5.37	Monthly Income Bond April 23, 2009 Regular Income Bond Option I and II April 23, 2009 Option III April 23, 2007 Money Multiplier Bond December 23, 2009 Children Growth Bond Option I February 23, 2019 Option II July 23, 2023 Encash Bond April 23, 2007 Tax Saving Bond Option I April 23, 2005 Option II April 23, 2008 Option III August 23, 2005 Option IV October 23, 2008	ICRA "LAAA" CARE "CARE AAA"

* ICICI Bank has issued notice exercising the call option due on these bonds on May 27, 2003.

Promise vs. Performance

We have not made any projections in the offer document of any of our previous capital issues during the last five years. The funds raised from these capital issues have been utilised for our business as mentioned in the respective prospectuses.

Issues otherwise than for cash

Other than as stated in "Capital Structure" on page 27 of this Prospectus, we have not issued any Equity Shares for consideration otherwise than for cash.

Purchase of Property

Except as stated in the section titled "Objects of the Issue" and elsewhere in this Prospectus, there is no property which we have purchased or acquired or propose to purchase or acquire which is to be paid for wholly, or in part, from the net proceeds of the Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus, other than property in respect of which:

- the contracts for the purchase or acquisition were entered into in the ordinary course of the business, and the contracts were not entered into in contemplation of the Issue nor is the Issue contemplated in consequence of the contracts; or
- the amount of the purchase money is not material; or
- disclosure has been made earlier in this Prospectus.

Except as stated in the section titled "Related Party Transactions" on page 171 of this Prospectus, we have not purchased any property in which any Directors, have any direct or indirect interest in any payment made thereof.

Servicing Behaviour

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Stock Market Data For Our Equity Shares

Our Equity Shares are listed on the BSE and NSE.

The following table sets forth, the high and low of daily closing prices of our Equity Shares on BSE and the NSE, for a period of three years, for the periods indicated

(In Rs.)

Period	BSE			NSE		
	High	Low	Average	High	Low	Average
Fiscal 2003	161.80	110.90	137.61	161.75	110.55	137.62
Fiscal 2004	345.75	120.80	211.97	348.25	120.80	211.93
Fiscal 2005	413.05	230.35	309.70	413.05	230.40	309.79

The following table sets forth, the number of shares traded on the days when the high and low prices were recorded of our Equity Shares on the BSE and the NSE, in the past three years, on the dates indicated:

Period	BSE				NSE			
	High		Low		High		Low	
	Date	Number of shares traded	Date	Number of shares traded	Date	Number of shares traded	Date	Number of shares traded
Fiscal 2003	11-Jun-02	242,718	13-Nov-02	1,301,004	11-Jun-02	559,873	13-Nov-02	2,286,471
Fiscal 2004	10-Feb-04	6,092,100	5-May-03	729,022	10-Feb-04	8,967,627	5-May-03	1,681,723
Fiscal 2005	18-Mar-05	569,346	31-May-04	270,905	18-Mar-05	1,668,279	31-May-04	1,013,554

The following table sets forth, the high and low of daily closing prices of our Equity Shares on BSE and the NSE and the number of shares traded, in the last six months, for the periods indicated:

Period	BSE				NSE			
	High	Low	Average*	Volume	High	Low	Average*	Volume
May 2005	402.70	361.50	388.95	2,557,788	402.55	360.35	388.75	10,167,111
June 2005	432.55	392.25	412.77	3,500,082	433.95	392.15	413.30	12,585,888
July 2005	536.00	421.30	455.20	5,681,634	534.45	421.25	455.81	21,794,366
August 2005	533.30	471.75	496.25	3,942,206	538.40	467.95	497.14	15,852,115
September 2005	600.35	481.75	543.15	4,989,201	601.70	481.50	544.11	26,420,300
October 205	593.30	480.65	520.01	9,215,849	593.40	479.90	518.64	51,382,800

* Average of the daily closing share price

The following table sets forth, the number of shares traded on the days when the highs and low prices were recorded of our Equity Shares on BSE and the NSE, in the past six months, on the dates indicated:

Period	BSE				NSE			
	High		Low		High		Low	
	Date	Number of shares traded	Date	Number of shares traded	Date	Number of shares traded	Date	Number of shares traded
May 2005	23-May-05	61,778	2-May-05	162,307	23-May-05	232,440	2-May-05	716,359
June 2005	15-Jun-05	266,983	2-Jun-05	54,925	14-Jun-05	1,257,252	2-Jun-05	205,633
July 2005	29-Jul-05	886,808	1-Jul-05	89,026	29-Jul-05	3,770,867	1-Jul-05	431,571
August 2005	1-Aug-05	417,842	29-Aug-05	100,029	1-Aug-05	1,459,516	29-Aug-05	394,834
September 2005	30-Sep-05	253,642	2-Sep-05	225,062	30-Sep-05	839,584	2-Sep-05	406,618
October 2005	3-Oct-05	177,803	27-Oct-05	377,015	3-Oct-05	566,954	27-Oct-05	1,346,397

As on October 14, 2005, the day after our Board approved this Issue, the market price of our Equity Shares on the BSE was Rs. 507.20 and the NSE was Rs. 506.25.

Mechanism for Redressal of Investor Grievances

Investor grievance will be settled expeditiously and satisfactorily by us. The agreement between the Registrar to the Issue and us, will provide for retention of records with the Registrar to the Issue for a period of at least one year from the last date of dispatch of letters of Allotment, demat credit, and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, Karvy Computershare Private Limited giving full details such as name, address of the applicant, application number, number of shares applied for, amount paid on application, Depository Participant, and the respective Syndicate Member or collection centre where the application was submitted.

Disposal of Investor Grievances

We estimate that the average time required by us or the Registrar to the Issue to address routine investor grievances shall be seven days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have appointed Jyotin Mehta, Compliance Officer and Company Secretary, as the Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue-related problems. He can be contacted at the following address:

General Manager and Company Secretary
ICICI Bank Limited,
ICICI Bank Towers,
Bandra-Kurla Complex,
Mumbai 400 051
Tel. No.: (022) 2653 1414
Fax No.: (022) 2653 1122
E-mail: jyotin.mehta@icicibank.com

Changes in Auditors

The Members at their Eighth Annual General Meeting held on September 16, 2002 appointed N. M. Raiji & Co. and S. R. Batliboi & Co., both Chartered Accountants, in place of retiring auditors S.B. Billimoria & Co., Chartered Accountants, to audit the accounts for fiscal 2003.

The Reserve Bank of India *vide* its letter dated July 4, 2003 and the Members of ICICI Bank, at their Ninth Annual General Meeting held on August 25, 2003 approved the appointment of S. R. Batliboi & Co., Chartered Accountants as Auditors to audit our accounts for fiscal 2004. The Reserve Bank of India *vide* its letter dated May 31, 2004 and the Members of ICICI Bank at their Tenth Annual General Meeting held on September 20, 2004 approved the appointment of S.R. Batliboi & Co., Chartered Accountants as Auditors to audit the accounts for fiscal 2005. The Reserve Bank of India *vide* its letter dated May 31, 2005 and the Members of ICICI Bank, at their Eleventh Annual General Meeting held on August 20, 2005 approved the appointment of S.R. Batliboi & Co., Chartered Accountants as Auditors to audit the accounts for fiscal 2006.

Capitalisation of Reserves or Profits

We have not capitalised any reserves or profits during the last five financial years.

Revaluation of Assets

We have not revalued our assets in the past five years.

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, Banking Regulation Act, our Memorandum and Articles of Association, the terms of this Prospectus, the Bid cum Application Form, the Revision Form, the CAN and other terms and conditions as may be incorporated in the allotment advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government, Stock Exchanges, the Reserve Bank of India and/or other authorities in India, the United States and other countries, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act and our Memorandum and the Articles of Association and shall rank pari passu in all respects with our existing Equity Shares, including rights in respect of dividends. See the section titled "Main Provisions of the Articles of Association" on page 417 of this Prospectus.

Face Value and Issue Price

The Equity Shares with a face value of Rs. 10 each are being offered in terms of this Prospectus at a total price of Rs. 525 per Equity Share. At any given point of time there shall be only one denomination for the Equity Shares.

We have in consultation with the BRLMs and the CBRLMs, decided to allot the Equity Shares to Existing Retail Shareholders and Retail Individual Bidders at a differential lower price as compared to the price for QIBs and Non Institutional Bidders. The price payable by the Existing Retail Shareholders and Retail Individual Bidder shall be at a discount of 5% compared to the price for QIBs and Non Institutional Bidders. The same was notified before the Issue Opening Date. Such differential amount shall be adjusted against the Balance Amount Payable or be refunded to the Existing Retail Shareholders and Retail Individual Bidders as the case may be.

The face value of the shares is Rs. 10 and the Issue Price is 52.5 times of the face value.

Rights of the Equity Shareholder

Subject to applicable laws, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and our Memorandum and Articles.

For a detailed description of the main provisions of our Articles relating to, among other things, voting rights, dividend, forfeiture and lien, transfer and transmission, see the section titled "Main Provisions of the Articles of Association" on page 417 of this Prospectus.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI Guidelines, trading in Equity Shares shall only be in dematerialised form for all investors. Since trading of our Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment through this Issue will be done only in electronic form in multiples of one Equity Share subject to a minimum allotment of 1 Equity Share.

Nomination Facility to the Investor

In the nature of the rights specified in Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidder(s), may nominate any one Person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares allotted, if any, shall vest. A Person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall have the same rights to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any Person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/ alienation of Equity Share(s) by the Person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Head Office of our Bank or at the Registrar and Transfer Agents of our Bank.

In the nature of the rights stated in Section 109B of the Companies Act, any person who becomes a nominee in the manner stated above, shall upon the production of such evidence as may be required by the Board of Directors, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with, within a period of 90 days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Notwithstanding anything stated above, since the allotment in the Issue will be made only in dematerialised mode, there is no need to make a separate nomination with the Bank. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require to change the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

If we do not receive the minimum subscription of 90% of the Issue to the public to the extent of the amount payable on application, including devolvement on Underwriters, if any, within 60 days from the Bid Closing Date, we shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after we become liable to pay the amount (i.e., 60 days from the Bid Closing Date), we shall pay interest prescribed under Section 73 of the Companies Act.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with competent courts/authorities in Mumbai, India.

Subscription by Non-Residents, NRI, FIIs

There is no reservation for any Non-Residents, NRIs, FIIs, foreign venture capital investors registered with SEBI and multilateral and bilateral development financial institutions and such Non-Residents, NRIs, FIIs, foreign venture capital investors registered with SEBI and multilateral and bilateral development financial institutions will be treated on the same basis with other categories for the purpose of allocation subject to applicable law and specific shareholding limits.

As per RBI regulations, OCBs cannot participate in the Issue.

Application in Issue

Equity Shares being issued through this Prospectus can be applied for in the dematerialized form only.

Withdrawal of the Issue

We in consultation with the BRLMs and the CBRLMs reserve the right not to proceed with the Issue at anytime including after the Bid Closing Date, without assigning any reason thereof.

The Red Herring Prospectus or this Prospectus is not an offer of Equity Shares or ADSs for sale or an invitation to subscribe to Equity Shares or ADSs to any person in any jurisdiction where it is unlawful to make such offer or invitation. Each purchaser of our equity shares in the Issue is deemed to have acknowledged, represented and agreed as follows:

(1) It is not in the United States nor a U.S. person (as defined inRegulation S under the U.S. Securities Act of 1933, as amended).

(2) The equity shares offered in the Indian public offering have not beenregistered under the Securities Act.

(3) It is purchasing those equity shares in an offshore transactionmeeting the requirements of Rule 903 of Regulation S.

Offshore investors will not be permitted to deposit equity shares into the ADR facility until 40 days after the earlier of (i) the date the securities are first offered to the public and (ii) the closing date for the offering. Offshore investors would have to comply with the procedures set out under Indian law for the deposit of equity shares in the ADR facility.

Any public offering or sale of ADSs in the United States will be registered and made by means of a U.S. prospectus that may be obtained from us when it becomes available and that will contain detailed information about us and our management, as well as financial statements in accordance with U.S. GAAP. No money, securities, or other consideration is being solicited, and, if sent in response to the information contained herein, will not be accepted. We have filed a registration statement in the United States for an offering of ADSs.

The Red Herring Prospectus or this Prospectus may not be distributed or made available in the United States or any other jurisdiction outside India where such distribution would be unlawful.

Allotment Reconciliation

Subject to approval from SEBI, we shall do an allocation for allotment on the basis of the electronic book that will be prepared by the Registrar on the basis of applications received. However, certain applications may be rejected due to cancellation of cheques, cheque bouncing, incorrect details, technical rejections, etc. We will come to know of these rejected applications a few days after the allotment has been done on the basis of the electronic book. The Registrar shall incorporate these rejections and prepare a physical book which contains the list of all valid applicants and their bids. The difference between the electronic book and the physical book will be due to shares which had been allocated for allotment to applicants whose bids are rejected due to any of the reasons as mentioned above.

The allocation of these shares will be cancelled and this small number of shares will be available for allotment by us, at our discretion, in consultation with the BRLMs and CBRLMs.

ISSUE STRUCTURE

The present Issue of 97,155,388 Equity Shares of Rs. 10/- each at a price of Rs. 525 for cash, aggregating, after considering the price payable by existing retail shareholders and retail bidders, Rs. 50,000 million is being made through the Book Building Process. The present Issue of 97,155,388 Equity Shares comprises of Net Issue to the public of upto 92,142,857 Equity Shares and a reservation for Existing Retail Shareholders of up to 5,012,531 Equity Shares. The Issue will have a Green Shoe Option of up to 14,285,714 Equity Shares of Rs. 10/- each for cash at a price of Rs. 525 per Equity Share aggregating to Rs. 7,500 million. The Issue and the Green Shoe Option aggregate Rs. 57,500 million. The price payable by the Existing Retail Shareholder and Retail Bidders shall be Rs. 498.75 per Equity Share

	QIBs	Non-Institutional Bidders	Retail Individual Bidders	Existing Retail Shareholders
Number of Equity Shares*	Up to 45,238,095 Equity Shares.	Minimum of 13,571,429 Equity Shares or Net Issue less allocation to QIB Bidders and Retail Individual Bidders.	Upto Minimum of 33,333,333 Equity Shares or Net Issue less allocation to QIB Bidders and Non-Institutional Bidders.	Upto 5,012,531 Equity Shares
Percentage of Net Issue size available for Allocation	Upto 50% of the Net Issue or the Issue less allocation to Non-Institutional Bidders and Retail Individual Bidders. However, upto 5% of the QIB Portion shall be available for allocation proportionately to Mutual Funds only.	Minimum of 15% of the Net Issue or the Net Issue less allocation to QIB Bidders and Retail Individual Bidders.	Minimum of 35% of the Net Issue or the Net Issue less allocation to QIB Bidders and Non-Institutional Bidders.	Upto 5% of size of the Issue
Basis of Allocation if respective category is over-subscribed (subject to sectoral cap and specified investment limits)	Proportionate as follows: (a) Equity Shares shall be allocated on a proportionate basis to Mutual Funds in the Mutual Funds Portion; (b) Equity Shares shall be allocated on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate.	Proportionate.	Proportionate
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds Rs. 100,000 and in multiples of 10 Equity Shares.	Such number of Equity Shares that the Bid Amount exceeds Rs. 100,000 and in multiples of 10 Equity Shares.	10 Equity Shares and in multiples of 10 Equity Shares	10 Equity Shares and in multiples of 10 Equity Share thereafter
Maximum Bid	Such number of Equity Shares not exceeding the Net Issue, subject to applicable limits.	Such number of Equity Shares not exceeding the Net Issue subject to applicable limits.	Such number of Equity Shares whereby the Bid Amount does not exceed Rs. 100,000.	Such number of Equity Shares such that the Bid Amount does not exceed Rs. 100,000
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised mode
Bid/ Allotment lot	10 Equity Shares and in multiples on 1 Equity Shares	10] Equity Shares and in multiples on 1 Equity Shares	10 Equity Shares and in multiples on 1 Equity Shares	10 Equity Shares and in multiples on 1 Equity Shares

	QIBs	Non-Institutional Bidders	Retail Individual Bidders			Existing Retail Shareholders		
Trading Lot	One Equity Share	One Equity Share	One Equity Share			One Equity Share		
Who can Apply**	Public financial institutions, as specified in Section 4A of the Companies Act: scheduled commercial banks, Mutual Funds, foreign institutional investors registered with SEBI, multilateral and bilateral development financial institutions, and State Industrial Development Corporations, permitted insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with minimum corpus of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million in accordance with applicable law	Resident Indian individuals, NRIs, HUF (in the name of Karta), companies, bodies corporate, scientific institutions societies and trusts.	Individuals, including NRIs and HUF (in the name of Karta), such that the Bid Amount does not exceed Rs. 100,000.			Existing Retail Shareholders as on November 25, 2005		
Terms of Payment	Margin Amount applicable to QIB Bidders shall be payable at the time of submission of Bid cum Application Form to the members of the Syndicate.	Margin Amount applicable to Non-Institutional Bidders shall be payable at the time of submission of Bid cum Application Form to the members of the Syndicate.	Margin Amount applicable to Retail Individual Bidders shall be payable at the time of submission of Bid cum Application Form to the members of the Syndicate.			Margin Amount applicable to Retail Individual Bidders shall be payable at the time of submission of Bid cum Application Form to the members of the Syndicate.		
Margin Amount	At least 10% of the Bid Amount on bidding.	Full Bid Amount on bidding.	Full Bid Amount on bidding.			Full Bid Amount on bidding.		
Amount per Equity Share#								
Payment Method-1	Not Applicable	Not Applicable	Face Value	Premium	Total	Face Value	Premium	Total
On Application			9	141	150	9	141	150
By Due Date for payment of Balance Amount Payable (net of discount)			1	347.75	348.75	1	347.75	348.75
Total			10	488.75	498.75	10	488.75	498.75
Payment Method-2 Payable on Application	10% of the Bid on Application and Balance on Allocation	100% of the Bid Amount	100% of the Bid Amount			100% of the Bid Amount		

* Subject to valid Bids being received at or above the Issue Price. Undersubscription, if any, in the Reservation for Existing Retail Shareholders, would first be allowed to be met with spill over from the Retail Portion and thereafter from any of the other categories, at our discretion, in consultation with the BRLMs and the CBRLMs. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at our discretion, in consultation with the BRLMs, the CBRLMs and the Designated Stock Exchange. However, if the aggregate demand by Mutual Funds is less than 2,261,904 Equity Shares (assuming QIB Portion is 50% of the Net Issue size, i.e.45,238,095 Equity Shares), the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders. In the event that the aggregate demand in the QIB Portion has been met, under-subscription, if any, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Bank, in consultation with the BRLMs, the CBRLMs and the Designated Stock Exchange.

** In case the Bid cum Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form.

\# We have, in consultation with the BRLMs and the CBRLMs, decided to allot the Equity Shares to Existing Retail Shareholders and Retail Individual Bidders at a differential lower price as compared to the price for QIBs and Non Institutional Bidders. The price payable by the Existing Retail Shareholders and Retail Individual Bidders is Rs. 498.75 per Equity Shares. Such differential amount shall be adjusted against the Balance Amount Payable or be refunded to the Existing Retail Shareholders and Retail Individual Bidders as the case may be.

\# \# In the event we decide to allot the Equity Shares at a discount, any excess amount shall be refunded to the Existing Retail Shareholders and Retail Individual Bidders.

As per Chapter VIIIA of the DIP Guidelines, the Green Shoe Option will be utilised for stabilising the post-listing price of the Equity Shares. We have appointed JMMS as the Stabilising Agent. The Green Shoe Option consists of the option to overallot up to 14,285,714 Equity Shares of Rs. 10 each at a price of Rs. 525 per share aggregating Rs. 7,500 million representing 15% of the Issue, exercisable during the period commencing from the date of obtaining trading permission from the NSE for the Equity Shares of the Bank and ending 30 days thereafter, unless terminated earlier by the Stabilising Agent. The Green Shoe Option will be exercised at the discretion of the BRLMs, the CBRLMs and us. Life Insurance Corporation of India as the Green Shoe Lender has agreed to lend 14,285,714 Equity Shares to the Stabilising Agent, in the event that the Green Shoe Option is exercised.

ISSUE PROCEDURE

Book Building Procedure

The Issue is being made through the 100% Book Building Process wherein 5% of the Issue will be available for allocation on a proportionate basis to Existing Retail Shareholders and up to 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs (including upto 5% of the QIB Portion which shall be available for allocation to Mutual Funds only). Further, not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price.

Bidders are required to submit their Bids through the Syndicate. We, in consultation with the BRLMs and the CBRLMs, may reject any Bid procured from QIBs, by any or all members of the Syndicate, for reasons to be recorded in writing provided that such rejection shall be made at the time of acceptance of the Bid and the reasons therefor shall be disclosed to the Bidders. In case of Existing Retail Shareholder Bidders, Non-Institutional Bidders and Retail Individual Bidders, we would have a right to reject the Bids only on technical grounds.

Investors should note that the Equity Shares would be allotted to all successful Bidders only in dematerialised form. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of this Prospectus. The Bidder shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids. Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the ROC, the Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the Bid cum Application Form to a member of the Syndicate, the Bidder is deemed to have authorised the Bank to make the necessary changes in the Red Herring Prospectus and the Bid cum Application Form as would be required for filing the Prospectus with the ROC and as would be required by ROC after such filing, without prior or subsequent notice of such changes to the Bidder.

The prescribed colour of the Bid cum Application Form for various categories, is as follows:

Category	Colour of Bid cum Application Form
Indian public, NRIs applying on a non-repatriation basis	White form with blue stripe
Non-Residents, NRIs or FIIs applying on a repatriation basis	Light blue form with dark blue stripe
Existing Retail Shareholders	Light orange form with maroon stripe

Who can Bid

1. Indian nationals resident in India who are majors, or in the names of their minor children as natural/legal guardians, in single or joint names (not more than three);
2. HUFs in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs would be considered at par with those from individuals;
3. Insurance companies registered with the Insurance Regulatory and Development Authority;
4. As permitted by the applicable laws, provident funds with minimum corpus of Rs. 250 million and who are authorised under their constitution to invest in equity shares;
5. Pension funds with a minimum corpus of Rs. 250 million and who are authorised under their constitution to invest in equity shares;
6. Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares;
7. Mutual Funds registered with SEBI;
8. Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to the RBI regulations and the SEBI guidelines and regulations, as applicable);
9. Multilateral and bilateral development financial institutions;

10. State Industrial Development Corporations;

11. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their constitution to hold and invest in equity shares;

12. Eligible Non-Residents including NRIs and FIIs on a repatriation basis or a non-repatriation basis subject to applicable laws; and

13. Scientific and/or industrial research organisations authorised to invest in equity shares.

Note: Further, the BRLMs, the CBRLMs and Syndicate Members shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligation.

Maximum and Minimum Bid Size

(a) **For Bidders in the Existing Retail Shareholder Reservation Portion:** The Bid must be for a minimum of 10 Equity Shares and in multiples of 10 Equity Shares thereafter. The maximum Bid in this portion cannot exceed Rs. 100,000. Bidders in the Existing Retail Shareholders Reservation Portion applying for a maximum Bid in any of the Bidding Options not exceeding Rs. 100,000 may bid at 'cut-off'.

(b) **For Retail Individual Bidders:** The Bid must be for a minimum of 10 Equity Shares and in multiples of 10 Equity Shares thereafter and it must be ensured that the Bid Amount payable by the Bidder does not exceed Rs. 100,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 100,000. In case the Bid Amount is over Rs. 100,000 due to revision of the Bid or revision of the Price Band or on exercise of option to bid at Cut-off Price, the Bid would be considered for allocation under the Non Institutional Portion. The option to bid at Cut-off Price is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process. The Bank has, in consultation with the BRLMs and the CBRLMs, decided to allot the Equity Shares to Retail Individual Bidders at a differential lower price as compared to the price for QIBs and Non Institutional Bidders. The price payable by the Retail Individual Bidders is Rs. 498.75 per Equity Shares. Such differential amount shall be adjusted against the Balance Amount Payable or be refunded to the Retail Individual Bidders as the case may be.

(c) **For Non-Institutional Bidders and QIB Bidders**: The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of 10 Equity Shares. A Bid cannot be submitted for more than the Net Issue size. Under existing SEBI guidelines, a QIB Bidder cannot withdraw its Bid after the Bid /Issue Closing Date.

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs. 100,000 for being considered for allocation in the Non Institutional Portion. In case the Bid Amount reduces to Rs. 100,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non Institutional Bidders and QIB Bidders are not entitled to the option of bidding at Cut-off Price.

Information for the Bidders:

(a) We will have filed the Red Herring Prospectus with the ROC at least three days before the Bid /Issue Opening Date.

(b) The members of the Syndicate will circulate copies of the Red Herring Prospectus along with the Bid cum Application Form to potential investors.

(c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus and/or the Bid cum Application Form can obtain the same from our registered office or from any of the members of the Syndicate.

(d) The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms should bear the stamp of a member of the Syndicate. Bid cum Application Forms, which do not bear the stamp of a member of the Syndicate will be rejected.

No Bidder under this Issue should rely on the offer document filed under the ADS Offering for the purpose of making an application under this Issue. All Residents are prohibited from participating in the ADS Offering.

Method and Process of Bidding

(a) We, the BRLMs and the CBRLMs shall declare the Bid /Issue Opening Date and the Bid /Issue Closing Date at the time of filing the Red Herring Prospectus with ROC and also publish the same in two widely circulated newspapers (one each in English and Hindi) and a regional newspaper. This advertisement shall contain the minimum disclosures as specified under Schedule XX-A of the SEBI Guidelines. The Syndicate Members shall accept Bids from the Bidders during the Issue Period in accordance with the terms of the Syndicate Agreement.

(b) Investors who are interested in subscribing to our Equity Shares should approach any of the members of the Syndicate or their authorised agent(s) to register their Bid.

(c) The Bidding Period shall be a minimum of three working days and shall not exceed seven working days. In case the Price Band is revised, the revised Price Band and Bidding Period will be published in two national newspapers (one each in English and Hindi) and the Bidding Period may be extended, if required, by an additional three days, subject to the total Bidding Period not exceeding 13 days.

(d) Each Bid cum Application Form will give the Bidder the choice to bid for up to three optional prices (for details please see section titled "Issue Procedure - Bids at Different Price Levels" beginning on page 397) within the Price Band and specify the demand (i.e. the number of Equity Shares bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation and the rest of the Bid(s), irrespective of the Bid Price, will become automatically invalid.

(e) The Bidder cannot bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to any member of the Syndicate. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate will be treated as multiple Bids and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the section titled "Issue Procedure - Build up of the Book and Revision of Bids" beginning on page 400.

(f) The Syndicate Members will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip ("TRS"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.

(g) During the Bidding Period, Bidders may approach the members of the Syndicate to submit their Bid. Every member of the Syndicate shall accept Bids from all clients/investors who place orders through them and shall have the right to vet the Bids.

(h) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled "Issue Procedure - Terms of Payment" beginning on page 399.

Bids at different price levels

(a) The Price Band has been fixed at Rs. 505 to Rs. 545 per Equity Share of Rs. 10 each, Rs. 505 being the Floor Price and Rs. 545 being the Cap Price. The Bidders can bid at any price within the Price Band, in multiples of Re. 1.

(b) In accordance with the SEBI Guidelines, the Bank reserves the right to revise the Price Band during the Bidding Period. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band.

(c) In case of revision in the Price Band, the Issue Period will be extended for three additional days after revision of Price Band subject to a maximum of 13 days. Any revision in the Price Band and the revised Bidding /Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a public notice in two national newspapers (one each in English and Hindi) and a regional newspaper, and also by indicating the change on the websites of the BRLMs, and the CBRLMs and at the terminals of the members of the Syndicate.

(d) We in consultation with the BRLMs and the CBRLMs can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation to, the Bidders.

(e) The Bidder can bid at any price within the Price Band. The Bidder has to bid for the desired number of Equity Shares at a specific price. **Existing Retail Shareholders and Retail Individual Bidders may bid at Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB Bidders and Non Institutional Bidders in excess of Rs. 100,000 and such Bids from QIBs and Non Institutional Bidders shall be rejected.**

(f) Existing Retail Shareholders and Retail Individual Bidders who bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Existing Retail Shareholders and Retail Individual Bidders bidding at Cut-Off Price shall deposit the Bid Amount based on the Payment Method selected by the Bidder in the Escrow Account. The Bidders, shall receive the refund of the excess amounts from the Escrow Account as applicable.

(g) In case of an upward revision in the Price Band announced as above, Existing Retail Shareholders and Retail Individual Bidders who have Bid, who had bid at Cut-off Price can revise their Bid. Only those Bidders who opted for the Payment Method -2 shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e. original Bid Amount plus additional payment does not exceed Rs. 100,000 if the Bidder wants to continue to bid at Cut-off Price), with the Syndicate Member to whom the original Bid was submitted. In case the total amount (i.e. original Bid Amount plus additional payment) exceeds Rs. 100,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of this Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares bid for shall be adjusted downwards for the purpose of allotment, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.

(h) In case of a downward revision in the Price Band, announced as above, Existing Retail Shareholders and Retail Individual Bidders who have bid at Cut-off Price, could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Escrow Account.

(i) In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size shall remain 10 Equity Shares irrespective of whether the Bid Amount payable on such minimum application is not in the range of Rs. 5,000 to Rs. 7,000.

Application in the Issue

Equity Shares being issued through this Prospectus can be applied for in the dematerialised form only.

Bids by Mutual Funds

An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand is greater than 2,261,904 Equity Shares, full allocation shall be made to Mutual Funds, to the extent of the Mutual Funds Portion. The remaining demand by Mutual Funds shall, as part of the aggregate demand by QIBs, be made available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Fund Portion.

Multiple Bids

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made.

As per the current regulations, the following restrictions are applicable for investments by Mutual Funds:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up capital carrying voting rights.

The above information is given for the benefit of the Bidders. The Bank, the BRLMs and the CBRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may happen after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares bid for do not exceed the applicable limits under laws or regulations.

Bids by NRIs

NRI Bidders to comply with the following:

1. Individual NRI Bidders can obtain the Bid cum Application Forms from our Registered Office, our corporate office, members of the Syndicate or the Registrar to the Issue.

2. NRI Bidders may please note that only such Bids as are accompanied by payment in free foreign exchange shall be considered for allotment. NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the Bid cum Application Form meant for resident Indians (White in color).

Escrow Mechanism

We shall open Escrow Account with the Escrow Collection Bank in whose favour the Bidders shall make out the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the Bid Amount (as applicable to the Payment Method opted by the Bidder) from Bidders in a certain category would be deposited in the Escrow Account. The Escrow Collection Bank will act in terms of the Red Herring Prospectus and the Escrow Agreement. The monies in the Escrow Account shall be maintained by the Escrow Collection Bank for and on behalf of the Bidders. The Escrow Collection Bank shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Banksshall transfer the monies from the Escrow Account to the Issue Account as per the terms of the Escrow Agreement. Payments of refund to the Bidders shall also be made from the Escrow Account as per the terms of the Escrow Agreement and the Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between us, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Bidders.

Terms of Payment and Payment into the Escrow Accounts

Each Bidder, shall pay the applicable Margin Amount, with the submission of the Bid cum Application Form draw a cheque or demand draft for the maximum amount of his/ her Bid in favour of the Escrow Account of the Escrow Collection Bank(s) (for details please see the section titled "Issue Procedure - Payment Instructions" beginning on page 406) and submit the same to the member of the Syndicate to whom the Bid is being submitted. Bid cum Application Forms accompanied by cash shall not be accepted. The maximum Bid price has to be paid at the time of submission of the Bid cum Application Form based on the highest bidding option of the Bidder. An illustrative table of the two Payment Methods is provided herein:

a) Assumptions:

- Issue Price Rs. 100 per Equity Share
- Discount of 5% to Retail Individual Bidders including Existing Retail Sharholders

	Payment Method 1			**Payment Method 2**		
	Existing Retail Shareholders and Retail Individual Bidders			**Any Category*** **		
Amount Payable per	**Face Value**	**Premium**	**Total**	**Face Value**	**Premium**	**Total**
Equity Share On Application	Rs. 9	Re. 1	Rs. 10	Rs. 10	Rs. 90**	Rs. 100**
By Due Date for payment of Balance Amount Payable	Re. 1	Rs. 84*	Rs. 85*	-	-	-
Total	**Rs. 10**	**Rs. 85***	**Rs. 95***	**Rs. 10**	**Rs. 90****	**Rs. 100****

* Net of discount for Existing Retail Shareholders and Retail Individual Bidders

* In the event we decide to allot Equity Shares at a discount to Existing Retail Shareholders and Retail Individual Bidders, such differential amount shall be refunded to Bidders who chose Payment Method 2.

*** Bidders in QIB category will be required to make payment of 10% of the Bid Amount multiplied by the number of Equity Shares bid, with the balance being payable on allocation.

The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Bank, which will hold the monies for the benefit of the Bidders till the Designated Date. On the Designated Date, the Escrow Collection Bank shall transfer the funds equivalent to the size of the Issue from the Escrow Account, as per the terms of the Escrow Agreement, into the Issue Account of the Bank with the Banker to the Issue. The balance amount after transfer to the Issue Account of the Bank shall be held for the benefit of the Bidders who are entitled to refunds on the Designated Date, and no later than 15 days from the Bid /Issue Closing Date, the Escrow Collection Bank shall refund all monies to unsuccessful Bidders and also the excess amount paid on bidding, if any, after adjustment for allotment to the Bidders.

Each category of Bidders i.e. QIB Bidders, Non Institutional Bidders, Existing Retail Shareholders and Retail Individual Bidders would be required to pay their applicable Margin Amount at the time of the submission of the Bid cum Application Form. The Margin Amount payable by each category of Bidders is mentioned in the section titled "Issue Structure" beginning on page 392. Where the Margin Amount

applicable to the Bidder is less than 100% of the Bid Amount, any difference between the amount payable by the Bidder for Equity Shares allocated at the Issue Price and the Margin Amount paid at the time of Bidding, shall be payable by the Bidder no later than the Pay-in-Date, which shall be a minimum period of two days from the date of communication of the allocation list to the members of the Syndicate by the BRLMs and the CBRLMs. If the payment is not made favouring the Escrow Account within the time stipulated above, the Bid of the Bidder is liable to be cancelled. However, if the members of the Syndicate do not waive such payment, the full amount of payment has to be made at the time of submission of the Bid cum Application Form.

Where the Bidder has been allocated lesser number of Equity Shares than he or she had bid for, the excess amount paid on bidding, if any, after adjustment for allotment, will be refunded to such Bidder within 15 days from the Bid /Issue Closing Date, failing which we shall pay interest at 15% per annum for any delay beyond the periods as mentioned above.

Electronic registration of Bids

(a) The Syndicate Members will register the Bids using the on-line facilities of the BSE and the NSE. There will be at least one on-line connectivity in each city, where a stock exchange is located in India and where Bids are being accepted.

(b) The BSE and the NSE will offer a screen-based facility for registering Bids for the Issue. This facility will be available on the terminals of the Syndicate Members and their authorised agents during the Bidding/Issue Period. The Syndicate Members can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently download the off-line data file into the on-line facilities for book building on a regular basis. On the Bid /Issue Closing Date, the Syndicate Members shall upload the Bids till such time as may be permitted by the Stock Exchanges.

(c) The aggregate demand and price for Bids registered on the electronic facilities of the BSE and the NSE will be downloaded on a regular basis, consolidated and displayed on-line at all bidding centers. A graphical representation of consolidated demand and price would be made available at the bidding centers during the bidding period.

(d) At the time of registering each Bid, the members of the Syndicate shall enter the following details of the investor in the on-line system:

- Name of the investor
- Investor category – individual, corporate, NRI, FII, or Mutual Fund etc.
- Numbers of Equity Shares bid for
- Bid price
- Bid cum Application Form number
- Whether payment is made upon submission of Bid cum Application Form
- Depository participant identification no. and client identification no. of the beneficiary account of the Bidder

(e) A system generated TRS will be given to the Bidder as a proof of the registration of each of the bidding options. **It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate.** The registration of the Bid by the member of the Syndicate does not guarantee that the Equity Shares shall be allocated either by the members of the Syndicate or our Bank.

(f) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

(g) It is to be distinctly understood that the permission given by the BSE and the NSE to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Bank or the BRLMs and the CBRLMs are cleared or approved by the BSE and the NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Bank, our Promoters, our management or any scheme or project of our Bank.

(h) It is also to be distinctly understood that the approval given by the BSE and the NSE should not in any way be deemed or construed that this Draft Red Herring Prospectus has been cleared or approved by the BSE and the NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that our Equity Shares will be listed or will continue to be listed on the BSE and the NSE.

Build up of the book and revision of Bids

(a) Bids registered by various Bidders through the Syndicate Members shall be electronically transmitted to the BSE or the NSE mainframe on a regular basis.

(b) The book gets built up at various price levels. This information will be available with the BRLMs and the CBRLMs on a regular basis.

(c) During the Bidding Period/Issue Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form which is a part of the Bid cum Application Form.

(d) Revisions can be made in both the desired number of Equity Shares and the Bid price by using the Revision Form. Apart from mentioning the revised options in the revision form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and he is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being changed in the Revision Form. Incomplete or inaccurate Revision Forms will not be accepted by the members of the Syndicate.

(e) The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate through whom he or she had placed the original Bid. **Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.**

(f) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of this Prospectus. In case of QIB Bidders, the members of the Syndicate shall collect the payment in the form of cheque or demand draft for the incremental amount in the QIB Margin Amount, if any, to be paid on account of upward revision of the Bid at the time of one or more revisions by the QIB Bidders.

(g) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. **It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.**

(h) Only Bids that are uploaded on the online IPO system of the NSE and BSE shall be considered for Allocation. In case of discrepancy of data between the BSE or the NSE and the members of the Syndicate, the decision of the BRLMs and the CBRLMs, based on the physical records of Bid cum Application Forms, shall be final and binding on all concerned.

(i) While revising the Bid, the Bidder shall not change the Payment Method indicated originally.

Price discovery and Allocation

(a) After the Bid /Issue Closing Date, the BRLMs and the CBRLMs will analyse the demand generated at various price levels and discuss pricing strategy with us.

(b) We in consultation with the BRLMs and the CBRLMs, shall finalise the "Issue Price", and the number of Equity Shares to be allotted in to various categories, subject to applicable regulations.

(c) The allocation under the Existing Retail Shareholders Reservation Portion for up to 5% of the Issue would be on proportionate basis, in the manner specified in the SEBI Guidelines, in consultation with the Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price. The allocation to Non-Institutional Bidders and Retail Individual Bidders of not less than 15% and 35% of the Net Issue respectively, and the allocation to QIBs for up to 50% of the Net Issue, would be on proportionate basis, in the manner specified in the SEBI Guidelines, subject to the foreign shareholding limits and other ownership restrictions applicable to us and this Prospectus, in consultation with the Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price.

(d) Undersubscription, if any, in any category would be allowed to be met with spill over from any of the other categories at the discretion of our Bank in consultation with the BRLMs and the CBRLMs. However, if the aggregate demand by Mutual Funds is less than 2,26,904 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders. In the event that the aggregate demand in the QIB Portion has been met, under-subscription, if any, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Bank, in consultation with the BRLMs, the CBRLMs and the Designated Stock Exchange.

(e) The BRLMs and the CBRLMs, in consultation with us, shall notify the members of the Syndicate of the Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.

(f) Allocation to Non-Residents applying on repatriation basis will be subject to the applicable law.

(g) We reserve the right to cancel the Issue any time after the Bid /Issue Opening Date but before the Allotment without assigning any reasons whatsoever.

(h) In terms of the SEBI Guidelines, QIBs shall not be allowed to withdraw their Bid after the Bid /Issue Closing Date.

Signing of Underwriting Agreement and ROC Filing

(a) We, the BRLMs, the CBRLMs and the Syndicate Members shall enter into an Underwriting Agreement on finalisation of the Issue Price and allocation(s) to the Bidders.

(b) After signing the Underwriting Agreement, we would update and file the updated Prospectus with ROC, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price and Issue size and would be complete in all material respects.

Advertisement regarding Issue Price and Prospectus

A statutory advertisement will be issued by the Bank after the filing of the Prospectus with the ROC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the date of Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of CAN

(a) Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLMs, the CBRLMs or the Registrar to the Issue shall send to the members of the Syndicate a list of their Bidders who have been allocated Equity Shares in the Issue. The approval of the basis of allocation by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or prior to the approval of the basis of allocation for the Existing Retail Shareholders, Retail and Non-Institutional Bidders. However, Bidders should note that the Bank shall ensure that the date of Allotment of the Equity Shares to all Bidders, in all categories, shall be done on the same date.

(b) The BRLMs, the CBRLM or the members of the Syndicate would then send the CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares Allocated to such Bidder. Those Bidders who have not paid into the Escrow Account at the time of bidding shall pay in full the amount payable into the Escrow Account by the Pay-in Date specified in the CAN.

(c) Bidders who have been allocated Equity Shares and who have already paid into the Escrow Account at the time of bidding shall directly receive the CAN from the Registrar to the Issue subject, however, to realisation of their cheque or demand draft paid into the Escrow Account. The dispatch of a CAN shall be deemed as a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares to be allotted to such Bidder.

Designated Date and Allotment of Equity Shares

(a) The Bank will ensure that the Allotment of Equity Shares is done within 15 days of the Bid /Issue Closing Date. After the funds are transferred from the Escrow Account to the Issue Account on the Designated Date, the Bank would ensure the credit to the successful Bidders' depository accounts of the allotted Equity Shares to the allottees within two working days of the date of Allotment.

(b) As per the SEBI Guidelines, **Equity Shares will be issued and allotted only in the dematerialised form to the allottees**. Allottees will have the option to re-materialise the Equity Shares so allotted, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated to them pursuant to this Issue.

GENERAL INSTRUCTIONS

Do's:

a) Check if you are eligible to apply.

b) Read all the instructions carefully and complete the Bid cum Application Form (white, light blue or light orange in colour) as the case may be.

c) Ensure that the details about your Depository Participant and beneficiary account are correct as Equity Shares will be allotted in the dematerialized form only.

d) Ensure that the Bids are submitted at the bidding centers only on forms bearing the stamp of a member of the Syndicate.

e) Ensure that you have been given a TRS for all your Bid options.

f) Submit Revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS.

g) Where Bid(s) is/are for Rs. 50,000 or more, you or in the case of a Bid in joint names, each of the Bidders, should mention your/his/her Permanent Account Number (PAN) allotted under the IT Act. The copy of the PAN card or PAN allotment letter should be submitted with the application form.

h) If you have mentioned "Applied For" or "Not Applicable", in the Bid cum Application Form in the section dealing with PAN number, ensure that you submit Form 60 or 61, as the case may be, together with permissible documents as address proof.

i) Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form.

Don'ts:

(a) Do not Bid for lower than the minimum Bid size.

(b) Do not Bid/revise Bid price to less than the lower end of the Price Band or higher than the higher end of the Price Band.

(c) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate.

(d) Do not pay the Bid amount in cash.

(e) Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate only.

(f) Do not Bid at Cut-off Price (for QIB Bidders and Non-Institutional Bidders).

(g) Do not fill up the Bid cum Application Form such that the Equity Shares bid for exceeds the Issue size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations.

(h) Do not submit Bid accompanied with Stockinvest.

(i) **Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.**

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

Bidders can obtain Bid cum Application Forms and/or Revision Forms from the members of the Syndicate.

Bids and Revisions of Bids

Bids and revisions of Bids must be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable (white, light blue or light orange colour).

(b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected.

(c) The Bids from the Retail Individual Bidders must be for a minimum of 10 Equity Shares and in multiples of 10 Equity Shares thereafter subject to a maximum Bid Amount of Rs. 100,000.

(d) For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of 10 Equity Shares. Bids cannot be made for more than the Net Issue size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of shares that can be held by them under the applicable laws or regulations.

(e) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Bids by Existing Retail Shareholders

For the sake of clarity, the term "Existing Retail Shareholders" shall mean the natural persons, who are holders of Equity Shares of the Bank as of November 25, 2005 and who hold Equity Shares worth up to Rs. 100,000 determined on the basis of closing price of the Equity Shares in the NSE on the same day.

1. Bids by Existing Retail Shareholders shall be made only in the prescribed pre-printed Bid cum Application Form or Revision Form.

2. Existing Retail Shareholders should mention their Registered Folio Number/DP and Client ID number at the relevant place in the Bid cum Application Form.

3. The sole/First Bidder should be an Existing Retail Shareholder. In case the Bid cum Application Form is submitted in joint names, it should be ensured that the Depository Account is also held in the same joint names and in the same sequence in which they appear in the Bid cum Application Form.

4. Only Existing Retail Shareholders of the Bank as on November 25, 2005 would be eligible to apply in this Issue under reservation for Existing Retail Shareholders on a competitive basis.

5. Existing Retail Shareholders will have to Bid like any other Bidder. Only those Bids, which are received at or above the Issue Price, would be considered for allotment under the Existing Retail Shareholders Reservation Portion.

6. The maximum Bid in this category can be for Rs. 100,000.

7. If the aggregate demand in this category is less than or equal to 5,012,531 Equity Shares at or above the Issue Price, full allocation shall be made to the Existing Retail Shareholders to the extent of their demand.

8. If the aggregate demand in this category is greater than 5,012,531 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis subject to a minimum of **10** Equity Shares. For the method of proportionate basis of allocation, refer to section titled "**Statutory and other Information - Basis of Allocation**" on page 410.

9. **Bidding at Cut-off Price is allowed only for Existing Retail Shareholders whose Bid Amount is less than or equal to Rs. 100,000.**

Bidder's bank details

Bidders should note that on the basis of name of the Bidders, Depository Participant's name and identification number and the beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the details of the Bidder's bank account. **These bank account details would be printed on the refund order, if any, to be sent to Bidders. Hence, Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant**. Please note that failure to do so could result in delays in credit of refunds to Bidders at the Bidders sole risk and neither the BRLMs, the CBRLMs nor the Bank shall have any responsibility and undertake any liability for the same.

Bidder's depository account details

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THE EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name and identification number and beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository demographic details of the Bidders such as address, bank account details for printing on refund orders and occupation ("Demographic Details"). Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the refund orders/CANs/allocation advices and printing of bank particulars on the refund orders.

Hence, Bidders are advised to update their Demographic Details as provided to their Depository Participants and ensure that they are true and correct.

By signing the Bid cum Application Form, the Bidder would be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund orders/allocation advices/CANs would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/allocation advice/CANs may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk and neither the Escrow Collection Bank(s) nor the BRLMs nor the CBRLMs shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary account number, then such Bids are liable to be rejected.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Bank reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In case of the Bids made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Bank reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In case of the Bids made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form. Failing this, our Bank reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In case of the Bids made by provident funds, subject to applicable law, with minimum corpus of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, our Bank reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

We, in our absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that we/the BRLMs or the CBRLMs may deem fit.

We, in our absolute discretion, reserve the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/CANs/allocation advice, the Demographic Details given on the Bid cum Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar shall use Demographic Details as given in the Bid cum Application Form instead of those obtained from the depositories.

Bids by Non-Residents, NRIs and FIIs on a repatriation basis

Bids and revision to the Bids must be made:

1. On the Bid cum Application Form or the Revision Form, as applicable (light blue in colour), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.
2. In a single name or joint names (not more than three).
3. NRIs for a Bid Amount of up to Rs. 100,000 would be considered under the *Existing Retail Shareholders* Portion *and* Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than Rs. 100,000 would be considered under Non-Institutional Portion for the purposes of allocation; by other eligible Non-Resident Bidders for a minimum of such number of Equity Shares and in multiples of 10 thereafter that the Bid Amount exceeds Rs. 100,000. For further details please see section titled "Issue Procedure - Maximum and Minimum Bid Size" beginning on page 396.
4. In the names of individuals, or in the names of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only, net of bank charges and/or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their Non-Resident External (NRE) accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. We will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

It is to be distinctly understood that there is no reservation for Non-Residents, NRIs and FIIs and all Non-Residents, NRI and FII applicants will be treated on the same basis with other categories for the purpose of allocation.

As per the existing policy of the government of India, OCBs cannot participate in this Issue.

The Red Herring Prospectus or this Prospectus is not an offer of Equity Shares or ADSs or an invitation to subscribe to Equity Shares or ADSs to any person in any jurisdiction where it is unlawful to make such offer or invitation. Each purchaser of our equity shares in the Issue is deemed to have acknowledged, represented and agreed as follows:

(1) It is not in the United States nor a U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended).

(2) The equity shares offered in the Indian public offering have not been registered under the Securities Act.

(3) It is purchasing those equity shares in an offshore transaction meeting the requirements of Rule 903 of Regulation S.

Offshore investors will not be permitted to deposit equity shares into the ADR facility until 40 days after the earlier of (i) the date the securities are first offered to the public and (ii) the closing date for the offering. Offshore investors would have to comply with the procedures set out under Indian law for the deposit of equity shares in the ADR facility.

Any public offering or sale of ADSs in the United States will be registered and made by means of a U.S. prospectus that may be obtained from us when it becomes available and that will contain detailed information about us and our management, as well as financial statements in accordance with U.S. GAAP. No money, securities, or other consideration is being solicited, and, if sent in response to the information contained herein, will not be accepted. We have filed a registration statement in the United States for an offering of ADSs.

The Red Herring Prospectus or this Prospectus may not be distributed or made available in the United States or any other jurisdiction outside India where such distribution would be unlawful.

PAYMENT INSTRUCTIONS

We shall open Escrow Accounts with the Escrow Collection Bank(s) for the collection of the Bid Amounts payable upon submission of the Bid cum Application Form and for amounts payable pursuant to allocation in the Issue.

Each Bidder shall draw a cheque or demand draft for the amount payable on the Bid and/or on allocation as per the following terms:

Payment into Escrow Account

(i) The Bidders for whom the applicable margin is equal to 100% shall, with the submission of the Bid cum Application Form draw a payment instrument for the Bid Amount in favour of the Escrow Account and submit the same to the members of the Syndicate.

(ii) In case the above Margin Amount paid by the Bidders during the Bidding Period is less than the Issue Price multiplied by the Equity Shares allocated to the Bidder, the balance amount shall be paid by the Bidders into the Escrow Account within the period specified in the CAN which shall be subject to a minimum period of two days from the date of communication of the allocation list to the members of the Syndicate by the BRLMs and the CBRLMs.

(iii) The payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident QIB Bidders: "**Escrow Account-ICICI Bank Public Issue 2005 – Resident QIB**"

(b) In case of non resident QIB Bidders: "**Escrow Account-ICICI Bank Public Issue 2005 – NR QIB**"

(c) In case of Resident Bidders: **"Escrow Account-ICICI Bank Public Issue 2005 – Resident** "

(d) In case of Non-Resident Bidders: **"Escrow Account-ICICI Bank Public Issue 2005 – NR**"

(e) In case of Existing Retail Shareholders: **"Escrow Account-ICICI Bank Public Issue 2005 – Shareholders**"

- In case of Bids by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE accounts or Foreign Currency Non-Resident (FCNR) accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE or FCNR account.
- In case of Bids by FIIs, the payment should be made out of funds held in Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to a Special Rupee Account.

(iv) Where a Bidder has been allocated a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on bidding, after adjustment towards the balance amount payable on the Equity Shares allocated, will be refunded to the Bidder from the Escrow Account.

(v) The monies deposited in the Escrow Account will be held for the benefit of the Bidders till the Designated Date.

(vi) On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Issue Account.

(vii) On the Designated Date and not later than 15 days from the Bid /Issue Closing Date, the Escrow Collection Banks shall refund all amounts payable to unsuccessful Bidders and the excess amount paid on Bidding, if any, after adjusting for allocation to the Bidders.

Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub member of the banker's clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/stockinvest/moneyorders/postal orders will not be accepted.

Payment by Stockinvest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the option to use the stockinvest instrument in lieu of cheques or bank drafts for payment of Bid money has been withdrawn.

SUBMISSION OF BID CUM APPLICATION FORM

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate at the time of submission of the Bid. Each member of the Syndicate may, at its sole discretion, waive the requirement of payment at the time of submission of the Bid cum Application Form and the Revision Form. However, for QIB Bidders the Syndicate Members shall collect the margin amount.

Separate receipts shall not be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection center of the members of the Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

OTHER INSTRUCTIONS

Joint Bids in case of Individuals

Bids may be made in single or joint names (not more than three). In case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communication will be addressed to the first Bidder and will be dispatched to his or her address.

Multiple Bids

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple Bids if the sole or First Bidder is one and the same.

Bids made by Existing Retail Shareholders both under Existing Retail Shareholders Reservation Portion as well as in the Net Issue shall not be treated as multiple Bids.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made.

The Bank reserves the right to reject, in our absolute discretion, all or any multiple Bids in any or all categories.

'PAN' or 'GIR' Number

Where Bid(s) is/ are for Rs. 50,000 or more, the Bidder or in the case of a Bid in joint names, each of the Bidders, should mention his/ her PAN allotted under the I.T. Act. **The copy of the PAN card or PAN allotment letter is required to be submitted with the application form.** Applications without this information and documents will be considered incomplete and are liable to be rejected. **It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN, as the Bid is liable to be rejected on this ground.** In case the sole/ First Bidder and joint Bidder(s) is/ are not required to obtain PAN, each of the Bidder(s) shall mention "Not Applicable" and in the event that the sole Bidder and/ or the joint Bidder(s) have applied for PAN which has not yet been allotted each of the Bidder(s) should mention "Applied for" in the Bid cum Application Form. Further, where the Bidder(s) has mentioned "Applied for" or "Not Applicable", the sole/ First Bidder and each of the joint Bidder(s), as the case may be, would be required to submit Form 60 (form of declaration to be filed by a person who does not have a permanent account number and who enters into any transaction specified in Rule 114B of the Income Tax Rules, 1962), or, Form 61 (form of declaration to be filed by a person who has agricultural income and is not in receipt of any other income chargeable to income-tax in respect of transactions specified in Rule 114B of the Income Tax Rules, 1962), as may be applicable, duly filled along with a copy of any one of the following documents in support of the address: (a) ration card (b) passport (c) driving licence (d) identity card issued by any institution (e) copy of the electricity bill or telephone bill showing residential address (f) any document or communication issued by any authority of the Central Government, state government or local bodies showing residential address (g) any other documentary

evidence in support of address given in the declaration. **It may be noted that Form 60 and Form 61 have been amended by a notification issued on December 1, 2004 by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance. All Bidders are requested to furnish, where applicable, the revised Form 60 or Form 61 as the case may be.**

Right to reject Bids

In case of QIB Bidders, the Bank, in consultation with the BRLMs and the CBRLMs may reject a bid placed by a qualified QIB for reasons to be recorded in writing, provided that such rejection shall be made at the time of acceptance of the Bid and the reasons therefore shall be disclosed to the QIB Bidders. In case of Existing Retail Shareholder Bidders, Non-Institutional Bidders and Retail Individual Bidders, we have a right to reject Bids based on technical grounds. Consequent refunds shall be made by cheque or pay order or draft and will be sent to the Bidder's address at the Bidder's risk.

Grounds for technical rejections

Bidders are advised to note that Bids are liable to be rejected on, *inter alia*, the following technical grounds:

1. Amount paid does not tally with the amount payable for the highest value of Equity Shares bid for;
2. Age of first Bidder not given;
3. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no such partnership firm, shall be entitled to apply;
4. NRIs, except eligible NRIs and Non-Residents;
5. Bids by minors;
6. **PAN not stated if Bid is for Rs. 50,000 or more and GIR number furnished instead of PAN;**
7. Bids for lower number of Equity Shares than specified for that category of investors;
8. Bids at a price less than lower end of the Price Band;
9. Bids at a price more than the higher end of the Price Band;
10. Bids at Cut-off Price by Non-Institutional Bidders and QIB Bidders;
11. Bids for number of Equity Shares, which are not in multiples of 10;
12. Category not ticked;
13. Multiple Bids as defined in the Red Herring Prospectus and this Prospectus;
14. In case of Bid under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
15. Bids accompanied by stockinvest/money order/postal order/cash;
16. Signature of sole and/or joint Bidders missing;
17. Bid cum Application Form does not have the stamp of the BRLMs, the CBRLMs or the Syndicate Members;
18. Bid cum Application Form does not have the Bidder's depository account details;
19. Bid cum Application Form is not delivered by the Bidder within the time prescribed as per the Bid cum Application Form, Bid /Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Form;
20. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the depositary participant's identity (DP ID) and the beneficiary account number;
21. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations. See the details regarding the same in the section titled "Issue Procedure – Bids at Different Price Levels" beginning on page 397;
22. Bids by OCBs;
23. Bids by U.S. persons; and

24. Bids under Existing Retail Shareholders Reservation Portion for the amounts greater than Rs. 100,000.

Equity Shares in dematerialised form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Equity Shares in this Issue shall be allotted only in a de-materialised form, (i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among our Bank, the respective Depositories and 3i Infotech Limited:

a) an agreement dated June 23, 1997 between NSDL, us and 3i Infotech Limited;

b) an agreement dated April 23, 1999 between CDSL, us and 3i Infotech Limited.

All Bidders can seek Allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

a) A Bidder applying for Equity Shares must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the Bid.

b) The Bidder must necessarily fill in the details (including the beneficiary account number and Depository Participant's identification number) appearing in the Bid cum Application Form or Revision Form.

c) Equity Shares allotted to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.

d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details with the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details with the Depository.

e) If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.

f) The Bidder is responsible for the correctness of his or her demographic details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.

g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

h) The trading of the Equity Shares would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.

COMMUNICATIONS

All future communication in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, details of Depository Participant, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof.

PRE-ISSUE AND POST ISSUE RELATED PROBLEMS

We have appointed Mr. Jyotin Mehta, General Manager & Company Secretary as the Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue-related problems. He can be contacted at the following address:

ICICI Bank Limited
ICICI Bank Towers
Bandra-Kurla Complex
Mumbai 400 051
Tel no: 91 22 2653 1414
Fax no: 91 22 2653 1122
e-mail: jyotin.mehta@icicibank.com

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS

We shall ensure dispatch of allotment advice, refund orders and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the allotment to the Stock Exchanges within 2 (two) working days of date of finalisation of allotment of Equity Shares. We shall dispatch refund orders, if any, of value up to Rs. 1,500, "Under Certificate of Posting", and shall dispatch refund orders above Rs. 1,500, if any, by registered post or speed post at the sole or First Bidder's sole risk.

We shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed, are taken within 7 (seven) working days of finalisation of the basis of allotment.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Guidelines we further undertake that:

- allotment of Equity Shares shall be made only in dematerialised form within 15 (fifteen) days of the Bid /Issue Closing Date;
- dispatch of refund orders within 15 (fifteen) days of the Bid /Issue Closing Date would be ensured; and
- we shall pay interest at 15% (fifteen) per annum (for any delay beyond the 15 (fifteen)-day time period as mentioned above), if Allotment is not made and refund orders are not dispatched and/or demat credits are not made to investors within the 15 (fifteen)-day time prescribed above as per the guidelines issued by the Government of India, Ministry of Finance pursuant to their letter No. F/8/S/79 dated July 31, 1983, as amended by their letter No. F/14/SE/85 dated September 27, 1985, addressed to the stock exchanges, and as further modified by SEBI's Clarification XXI dated October 27, 1997, with respect to the SEBI Guidelines.

Refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

"Any person who:

(a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or

(b) otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years."

Basis of Allocation

The Basis of Allocation shall be subject to the following:

- Our ensuring that the shareholding of FIIs in aggregate does not exceed 49% or such percentage of the total issued share capital as may be prescribed and individual shareholding of each FII does not exceed 10% or such percentage of the total issued share capital as may be prescribed and the total foreign shareholding does not exceed 74% or such percentage as may be prescribed of the total issued share capital; and
- We shall comply with the requirements of the Government of India and the Reserve Bank of India for ensuring that the foreign shareholding limit of 74% of our total issued share capital, is not breached due to the allotment of shares in this Issue and the ADS Offering. We shall allot equity shares to foreign investors in this Issue and the ADS Offering up to 72% of our total issued share capital. As we require the approval of the RBI for allotting any further equity shares beyond 72%, we shall make such an application for approval for further allotments above 72% of our total issued share capital at our sole discretion and any such allotment of equity shares shall be subject to the conditions specified by the RBI.
- Our ensuring that the shareholding of Non Resident Indians does not exceed in aggregate 10% or such percentage as may be prescribed of our total issued share capital and individual shareholding of each Non Resident Indian does not exceed 5% or such percentage as may be prescribed of our total issued share capital;
- The shareholding of any Person, whether direct or indirect, beneficial or otherwise (together with the existing shareholding) and/ or the shareholding of any "Associated Enterprise" (as defined under Section 92A of the Income-tax Act, 1961) should not exceed 5% of our total issued share capital post this Issue and the ADS Offering or such percentage prescribed under the RBI circular dated February 3, 2004 without having obtained the acknowledgement from RBI for the same in terms of the RBI circular dated February 3, 2004;
- In the event, that the allocation on a proportionate basis results in breaching of applicable sectoral or person specific caps, as above, or the aggregate shareholding of any person after the allotment exceeding 5% of such total issued share capital or such percentage as prescribed by the Reserve Bank of India, without such person having obtained the acknowledgment of the Reserve Bank of India in terms of the Reserve Bank of India's circular dated February 3, 2004, then that category of persons or such specific persons shall receive such lower proportion of the allocation so as to comply with applicable regulations. Such additional Equity Shares would be allocated to the remaining bidders in the category to which the Bidder belonged for further allocation on a proportionate basis.

A. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Retail Individual Bidders will be made at the Issue Price.
- The Issue size less allocation to Non-Institutional Bidders and QIB Bidders shall be available for allocation to Retail Individual Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to 33,333,333 Equity Shares at or above the Issue Price, full allotment shall be made to the Retail Individual Bidders to the extent of their demand.
- If the aggregate demand in this category is greater than 33,333,333 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis up to a minimum of 10 Equity Shares and in multiples of 10 Equity Shares thereafter. For the method of proportionate basis of allocation, refer below.
- In the event, that the allocation to Retail Individual Bidders on a proportionate basis results in us breaching applicable sectoral caps, Non Resident Indians shall receive such lower proportion of the allocation such as to comply with the applicable sectoral caps. Such additional Equity Shares would be allocated to the remaining Retail Individual Bidders on a proportionate basis.

B. For Non-Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.
- The Issue size less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation to Non-Institutional Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to 13,571,429 Equity Shares at or above the Issue Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.
- In case the aggregate demand in this category is greater than 13,571,429 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis up to a minimum of 10 Equity Shares and in multiples of 10 Equity Shares thereafter. For the method of proportionate basis of allocation refer below.
- In the event, allocation to Non Institutional Bidders on a proportionate basis results in us breaching applicable sectoral caps, Non Resident Indians shall receive such lower proportion of the allocation such as to comply with the applicable sectoral caps. Such additional Equity Shares would be allocated to the remaining Non Institutional Bidders on a proportionate basis.

C. For QIBs

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the QIB Bidders will be made at the Issue Price.
- The Issue size less allocation to Non-Institutional Portion and Retail Portion shall be available for proportionate allocation to QIB Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- However, eligible Bids by Mutual Funds only shall first be considered for allocation proportionately in the Mutual Fund Portion. After completing proportionate allocation to Mutual Funds for an amount of upto 2,261,904 Equity Shares (the Mutual Fund Portion), the remaining demand by Mutual Funds, if any, shall then be considered for allocation proportionately, together with Bids by other QIBs, in the remainder of the QIB Portion (i.e. after excluding the Mutual Fund Portion). For the method of allocation in the QIB Portion please see the paragraph titled "Illustration of Allotment to QIBs" appearing below. If the aggregate demand by Mutual Funds is less than 2,261,904 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and allocated proportionately to the QIB Bidders. In the event that the aggregate demand in the QIB Portion has been met, under-subscription, if any, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Bank, in consultation with the BRLMs, the CBRLMs and the Designated Stock Exchange. For the purposes of this paragraph it has been assumed that the QIB Portion for the purposes of the Issue amounts to 50% of the Net Issue size, i.e. 45,238,095 Equity Shares.
- Subject to the applicable limits on shareholding of various categories of shareholders, allotment shall be undertaken in the following manner:

  (a) In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:

(i) In the event that Mutual Fund Bids exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion.

(ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full allotment to the extent of valid bids received above the Issue Price.

(iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available to all QIB Bidders as set out in (b) below;

(b) In the second instance allocation to all QIBs shall be determined as follows:

(i) In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.

(ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.

(iii) Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis;

(iv) In the event, allocation to remaining QIB Bidders on a proportionate basis results in us breaching applicable sectoral caps, FIIs shall receive such lower proportion of the allocation such as to comply with the applicable sectoral caps. Such additional Equity Shares would be allocated to the remaining QIB Bidders on a proportionate basis.

- Except for any Equity Share allocated to QIB Bidders due to undersubscription in the Retail Portion and/or Non Institutional Portion, the aggregate allocation to QIB Bidders shall be made on a proportionate basis up to a maximum of 10 Equity Shares and in multiples of 10 Equity Shares thereafter. For the method of proportionate basis of allocation refer below.

D. For Existing Retail Shareholders

- Bids received from the Existing Retail Shareholders at or above the Issue Price shall be grouped together to determine the total demand in this portion. The Allotment to all the Existing Retail Shareholders who Bid successfully will be made at the Issue Price.
- If the aggregate demand in this portion is less than or equal to 5,012,531 Equity Shares at or above the Issue Price, full Allotment shall be made to the Existing Retail Shareholders to the extent of their demand.
- If the aggregate demand in this portion is greater than 5,012,531 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis subject to a minimum of 10 Equity Shares. For the method of proportionate basis of allocation, please refer below.

E. COMPLIANCE WITH FOREIGN OWNERSHIP NORMS FOR PRIVATE SECTOR BANKS

Notwithstanding anything contained in this Prospectus, we shall undertake the following steps to ensure that we comply with the requirements of the Government of India and the Reserve Bank of India for ensuring that the foreign shareholding limit of 74% of our total issued share capital, is not breached due to the allotment of shares in this Issue and the ADS Offering:

(a) We shall allot equity shares to foreign investors in this Issue and the ADS Offering up to 72% of bur total issued share capital. As we require the approval of the RBI for allotting arty further equity shares beyond 72%, we shall make such an application for approval for further allotments above 72% of our total issued share capital at our sole discretion and any such allotment of equity shares shall be subject to the conditions specified by the RBI.

(b) Subject to the condition specified in (a) above, we shall undertake the following steps:

(i) After the Bidding Period the Bank along with the BRLMs, the CBRLMs and the Registrar shall finalise the basis of allocation for QIB Bidders on a proportionate basis; (ii) the Bank would identify one or more Indian QIBs who have bid in the Issue and are eligible for allotment ("Selected QIBs").

(iii) the CAN based on the electronic book would be dispatched to all QIBs including the Selected QIBs; (iv) the Selected QIBs shall be asked to deposit the balance amounts payable on their Bids immediately in the Escrow Account; (v) the Bank and the BRLMs shall apply to the Designated Stock Exchange for approval of the basis of allocation to the Selected QIBs;

(vi) the Bank shall thereafter allot the specified number of Equity Shares to the Selected QIBs; (vii) the Equity Shares allotted to the Selected QIBs shall not be traded until the completion of the allotment of the Equity Shares to the remaining investors in the Issue.

The above procedure will be in addition to the normal process for allocation and allotment of Equity Shares in this Issue. All other Bidders shall be allocated and allotted shares in this Issue! in the manner as specified in this Prospectus.

Method of Proportionate basis of allocation in the Issue

Bidders will be categorized according to the number of Equity Shares applied for by them.

(a) The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.

(b) Number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.

In all Bids where the proportionate allotment is less than 10 Equity Shares per Bidder, the allotment shall be made as follows:

- The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and
- Each successful Bidder shall be allotted a minimum of 10 Equity Shares.

If the proportionate allotment to a Bidder is a number that is more than 10 but is not a multiple of one (which is the market lot), the decimal would be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5, it would be rounded off to the lower whole number. All Bidders in such categories would be allotted Equity Shares arrived at after such rounding off.

If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Bidders in that category, the remaining Equity Shares available for allotment shall be first adjusted against any other category, where the allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

Illustration of Allotment to QIBs and Mutual Funds ("MF")

A. Issue details

Sr. No.	Particulars	Issue details
1	Issue size	100 million Equity Shares
2	Allocation to QIB (50% of the Net Issue) Of which: a. Reservation for Mutual Funds, (5%) b. Balance for all QIBs including Mutual Funds	50 million Equity Shares 2.5 million Equity Shares 47.5 million Equity Shares
3	Number of QIB applicants	10
4	Number of Equity Shares applied for	250 million Equity Shares

B. Details of QIB Bids

S.No.	Type of QIB bidders#	No. of shares bid for (in million)
1	A1	25
2	A2	10
3	A3	65
4	A4	25
5	A5	25
6	MF1	20
7	MF2	20
8	MF3	40
9	MF4	10
10	MF5	10
	TOTAL	**250**

 # A1-A5: (QIB Bidders other than Mutual Funds), MF1-MF5 (QIB Bidders which are Mutual Funds)

C. Details of Allotment to QIB Bidders/Applicants

(Number of equity shares in million)

Type of QIB bidders	Shares bid for	Allocation of 5 million Equity Shares to MF proportionately (please see note 2 below)	Allocation of balance 95 million Equity Shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs
(I)	(II)	(III)	(IV)	(V)
A1	25	0	4.80	0
A2	10	0	1.92	0
A3	65	0	12.48	0
A4	25	0	4.80	0
A5	25	0	4.80	0
MF1	20	0.5	3.74	4.24
MF2	20	0.5	3.74	4.24
MF3	40	1	7.48	8.48
MF4	10	0.25	1.87	2.12
MF5	10	0.25	1.87	2.12
	250	**2.5**	**47.5**	**21.2**

Please note:

1. The illustration presumes compliance with the requirements specified in this Prospectus in the section titled "Issue Structure" beginning on page 392.
2. Out of 50 million Equity Shares allocated to QIBs, 2.5 million (i.e. 5%) will be allocated on proportionate basis among five Mutual Fund applicants who applied for 100 million shares in the QIB Portion.
3. The balance 47.5 million Equity Shares (i.e. 50-2.5 (available for Mutual Funds only)) will be allocated on proportionate basis among 10 QIB Bidders who applied for 250 Equity Shares (including 5 Mutual Fund applicants who applied for 100 Equity Shares).
4. The figures in the fourth column titled "Allocation of balance 95 million Equity Shares to QIBs proportionately" in the above illustration are arrived as under :
   - For QIBs other than Mutual Funds (A1 to A5)= Number of Equity Shares Bid for X 47.5/ 247.5
   - For Mutual Funds (MF1 to MF5)= [(No. of shares bid for (i.e. in column II of the table above) less Equity Shares allotted (i.e., olumn III of the table above)] X 47.5/247.5
   - The numerator and denominator for arriving at allocation of 47.5 million Equity Shares to the 10 QIBs are reduced by 2.5 million shares, which have already been allotted to Mutual Funds in the manner specified in column III of the table above.

LETTERS OF ALLOTMENT OR REFUND ORDERS

We shall give credit to the beneficiary account with Depository Participants within two working days from the date of the finalisation of basis of allocation. We shall ensure dispatch of refund orders, if any, of value up to Rs. 1,500 by "Under Certificate of Posting", and shall dispatch refund orders above Rs. 1,500, if any, by registered post or speed post at the sole or First Bidder's sole risk within 15 days of the Bid /Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and SEBI Guidelines, we undertake that:

- Allotment shall be made only in dematerialised form within 15 days from the Bid Closing Date/Issue Closing Date;
- Dispatch of refund orders shall be done within 15 days from the Bid /Issue Closing Date; and
- We shall pay interest at 15% per annum (for any delay beyond the 15 day time period as mentioned above), if Allotment is not made, refund orders are not dispatched and/or demat credits are not made to investors within the 15 day time prescribed above.

Undertaking by our Bank

We undertake as follows:

- that the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;

- that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within seven working days of finalisation of the basis of allotment;
- that the funds required for dispatch of refund orders or allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
- that the refund orders or allotment advice to the NRIs or FIIs shall be dispatched within specified time; and
- that no further issue of Equity Shares shall be made till the Equity Shares offered through this Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.

Utilisation of Issue proceeds

Our Board of Directors certify that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;
- details of all monies utilised out of Issue referred above shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilised;
- details of all unutilised monies out of the Issue, if any shall be disclosed under the appropriate head in our balance sheet indicating the form in which such unutilised monies have been invested;
- we shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. As per current foreign investment policies, foreign investment in the private banking sector is permitted up to 74% under the automatic route. The aggregate FII holding in a private sector bank cannot exceed 24% of the total issued capital. With the approval of the Board of Directors and the shareholders by way of a special resolution, the aggregate FII holding can go up to 49%. By way of Circular No. 53 dated December 17, 2003, RBI has permitted FIIs to subscribe to shares of an Indian company in a public offer without prior RBI approval, so long as the price of equity shares to be issued is not less than the price at which equity shares are issued to residents. Further, the shareholding of Non Resident Indian should not exceed 10% of our total issued share capital.

MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association of ICICI Bank.

The regulations contained in Table 'A' of Schedule I to the Companies Act (Act I of 1956) shall apply only in so far as the same are not provided for or are not inconsistent with these Articles and the regulations for the management of ICICI Bank and for observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of ICICI Bank with reference to repeal or alteration of or addition to, its regulations by Special Resolution, as prescribed by the Companies Act, be such as are contained in these Articles.

Pursuant to Schedule II of the Companies Act and the SEBI Guidelines, the main provisions of the Articles of Association of ICICI Bank are detailed below:

Rights of Members

As to Capital

Article 73 provides that

The Company may from time to time increase its share capital by issuing new shares, subject to the provisions of the Banking Regulation Act.

Article 76 provides that

In addition to and without derogating from the powers for the purpose conferred on the Directors under Article 15 of the Company in General Meeting may, in accordance with the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or holders of debentures of the Company or not) in such proportion and on such terms and conditions and either at a premium or at par, or at a discount, subject to compliance with the provisions of Section 79 of the Act), as such General Meeting shall determine.

Article 211 provides that

If the Company shall be wound up and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up, on the shares held by them, respectively. And, if in a winding up, the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the shares held by them, respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

As to Dividend

Article 35 provides that

No Member shall be entitled to receive any dividend or to exercise any privilege as a Member until he shall have paid all calls for the time being due and payable on every share held by him whether alone or jointly with any person, together with interest and expenses, if any.

Article 173 provides that

The profits of the Company, subject to the provisions of the Act, the Memorandum and these presents, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them, respectively.

Article 181 provides that

Subject to the provisions of the said Acts, no Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other person or persons and the Directors may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company.

Voting Rights

Article 113 provides that

(a) On a show of hands, every Member present in person shall have one vote ; and

(b) On a poll, the voting rights of Members shall be as provided in Section 87 of the Act, but will be subject to the ceiling of ten per cent of the total voting rights or such other percentage as may be stipulated by Section 12(2) of the Banking Regulation Act.

Article 115 provides that

A Body Corporate (whether a company within the meaning of the Act or not) may, if it is a Member, by a resolution of its Board of Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company, in accordance with the provisions of Section 187 of the Act. The production at the meeting of a copy of such resolution duly signed by one Director of such Body Corporate or by a Member of its governing body and certified by him as being a true copy of the resolution shall, on production at the meeting, be accepted by the Company as sufficient evidence of the validity of his appointment.

Article 116 provides that

Any person entitled under the Transmission Clause to transfer any shares may vote at General Meetings in respect thereof as if he was the registered holder of such shares provided that at least 48 hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Article 117 provides that

(a) Any Member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself; but a proxy so appointed shall not have any right to speak at the meeting;

(b) In every notice calling a meeting of the Company, there shall appear, with reasonable prominence, a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a Member.

Article 118 provides that

Votes may be given either personally or by attorney or by proxy or in the case of a Body Corporate, by a representative duly authorised as aforesaid.

Buy Back of shares

Article 80A provides that

The Company may purchase its own shares in the manner provided for in Section 77A of the Act.

Modification of Class Rights

Article 81 provides that

(a) If at any time, the share capital of the Company is divided into different classes of shares, the rights and privileges attached to the shares of any class may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied, modified, commuted, affected or abrogated with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class.

(b) This Article is not to derogate from any power the Company would have had if this Article were omitted and the right of the dissentient shareholders being holders of not less in the aggregate than 10 per cent of the issued shares of that class being persons who did not consent to or vote in favour of the Resolution for the variation, to apply to the Court to have the variations or modifications cancelled as provided in Section 107 of the Act.

Forfeiture and Lien

Article 33 provides that

Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any money shall preclude the forfeiture of such shares as herein provided.

Article 37 provides that

If any Member fails to pay the whole or any part of any call or installment or any money due in respect of any share(s) either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may at any time thereafter during such time

as the call or installment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part serve a notice on such Member or on the person (if any) entitled to the share(s) by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.

Article 38 provides that

The notice shall name a day not being less than 14 days from the date of the notice and the place or places on and at which such call or instalment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the share(s) in respect of which the call was made or instalment is payable, will be liable to be forfeited.

Article 49 provides that

The Company shall have no lien on its fully paid shares. In the case of partly paid-up shares, the Company shall have a first and paramount lien on every share for all moneys that remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of non-payment of calls. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

Restriction on Transfer of Shares

Article 59 (a) provides that

Notwithstanding anything contained in Articles 54, 55 and 56, but subject to the provisions of Section 111 of the Act and subject to the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules and Regulations made thereunder and other applicable laws and the Banking Act, the Directors may, at their absolute and uncontrolled discretion, decline to register or acknowledge any transfer of shares and by giving reasons for such refusal and in particular may so decline in respect of the shares upon which the Company has a lien or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid and such refusal shall not be affected by the fact that the proposed transferee is already a Member. Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

Article 59 (b) provides that

Without prejudice to the foregoing provisions and without limiting in any manner the generality of the above provisions, the Directors of the Company may, at their absolute and uncontrolled discretion, refuse to register the transfer of any shares or other securities of the Company, being shares or securities issued by the Company, in favour of any transferee whether individual, firm, group, constituent of a group, Body Corporate or Bodies Corporate under the same management or otherwise and whether in his or its own name or in the name of any other person if the total nominal value of the shares or other securities intended to be so transferred, exceeds, or together with the total nominal value of any shares or other securities already held in the Company by such individual, firm, group, constituent of a group, Body Corporate or Bodies Corporate under the same management or otherwise will exceed one per cent of the paid-up equity share capital of the Company or if the Directors are satisfied that as a result of the proposed transfer of any shares or securities or block of shares or securities of the Company, a change in the composition of the Board of Directors or change in the controlling interest of the Company is likely to take place and that such change would be prejudicial to the interest of the Company or to the public interest. For the purpose of this Article, the Directors of the Company shall be entitled, *inter alia*, to rely upon this Article to form its own opinion as to whether such registration of transfer of any of its shares or other securities exceeding one per cent of the paid-up equity share capital of the Company should be refused or not.

Article 59 (c) provides that

Notwithstanding anything to the contrary, the restrictive provisions contained in the preceding sub-article (b) shall not apply to the transfer of any shares or other securities made to and representing the own investment of any of the following:

i. Public Financial Institutions within the meaning of Section 4A of the Act;

ii. Public Sector Banks;

iii. Multilateral Agencies, Foreign Banks and Institutions; and

iv. Public Sector Mutual Funds being Mutual Funds sponsored, promoted or managed by a Public Financial Institution or a Public Sector Bank.

Article 56 (d) provides that

Acquisition of shares by a person/group which would take in the aggregate his/her/its holding to a level of 5 per cent or more of the total issued capital of the Bank (or such other percentage as may be prescribed by the RBI from time to time) should be effected by such buyer(s) after obtaining prior approval of the RBI. The term 'group' will have the same meaning as contained in Section 2(e) of the Monopolies and Restrictive Trade Practices Act, 1969.

Article 60 provides that

If the Company refuses to register the transfer of any shares it shall within two months from the date on which the instrument of transfer is delivered to the Company , send to the transferee and the transferor notice of the refusal.

Article 61 provides that

Subject to the provisions of the Act, no transfer shall be made to a person who is of unsound mind. The Directors may, at their absolute discretion, approve a minor becoming a Member of the Company on such terms as the Directors may stipulate.

Article 68 provides that

The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by the apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

Indemnity and Responsibility

Article 215 provides that

(a) Subject to the provisions of Section 201 of the Act, every Director of the Company or Officer (whether Managing Director, Manager, Secretary or other Officer) or employee or any person employed by the Company as Auditor shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, Officer, other employee or Auditor may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Officer, other employee or Auditor or in any way in the discharge of his duties.

(b) Subject as aforesaid, every Director, Officer, other employee or Auditor of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or discharged in connection with any application under Section 633 of the Act in which relief is given to him by court.

Chairman

Article 159 (a) provides that

All meetings of the Directors shall be presided over by the Chairman, if present, but if at any meeting of Directors, the Chairman be not present, at the time appointed for holding the same, then and in that case the Managing Director shall be entitled to be the Chairman of such meeting, failing which the Board shall choose one of the Non-Rotational Directors then present to preside at the meeting.

Directors' Remuneration and Powers

Article 132 provides that

The fees payable to a Director for attending a meeting of the Board or Committee thereof shall be decided by the Board of Directors, from time to time, within the limits as may be prescribed by the Act or the Central Government. No Director who is a Government servant shall be entitled to receive any remuneration under this Article or other provisions of these presents except as authorised by the Government.

Article 132A provides that

Subject to the provisions of Article 132, in the case of a Government servant, the Directors may allow and pay to any Director who is not a bona fide resident of the place where a meeting is held and who shall come to such place for the purpose of attending a meeting, such sum as the Directors may consider fair compensation for travelling, hotel and other expenses in addition to his remuneration as above

specified and the Directors may, from time to time, fix the remuneration to be paid to any Member or Members of their body constituting a committee appointed by the Directors in terms of these presents and may pay the same.

Article 132B provides that

Subject to the provisions of Article 132, in the case of a Government servant if any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going out or residing at a particular place or otherwise for any of the purposes of the Company , the Company may remunerate such Director either by a fixed sum or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration above provided.

Article 134 provides that

Subject to the provision of the said Acts, if any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going out or residing at a particular place or otherwise for any of the purposes of the Company , the Company may remunerate such Directors either by a fixed sum or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration above provided.

Powers of the Directors

Article 166(a) provides that

Subject to the provisions of the said Acts, the Board of Directors shall be entitled to exercise all such powers and to do all such acts and things, as the Company is authorised to exercise and do.

Provided that the Board shall not exercise any power to do any act or thing which is directed or required, by any act or by the Memorandum or Articles of the Company or otherwise, to be exercised or done by the Company in General Meeting.

Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in any Act or in the Memorandum or Articles of the Company or in any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in General Meeting.

No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

Borrowing Powers

Article 83 provides that

Subject to the relevant provisions of the Act, the Board of Directors may from time to time, by a resolution passed at a meeting of the Board, borrow moneys and may generally raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable debentures or debenture stock or any mortgage or charge or other security on the undertaking or the whole or any part of the property of the Company both present and future) including its uncalled capital for the time being.

Provided that the Directors shall not borrow moneys, where moneys to be borrowed together with the moneys borrowed by the Company, apart from temporary loans obtained in its ordinary course of business and except as otherwise provided hereafter, shall exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

Provided, however, that:

(a) nothing contained hereinabove shall apply to any sums of moneys borrowed by the Company from any other banking companies or from the RBI, State Bank of India or any other bank established by or under any law for the time being in force;

(b) acceptance by the Company in the ordinary course of business of deposits of moneys shall not be deemed to be borrowing of moneys by the Company for the purpose aforesaid.

Provided, further, that ICICI Bank shall not create:

(a) charge upon any unpaid capital of the company; and

(b) a floating charge on the undertaking or any property of the Company or any part thereof unless the creation of such floating charge is certified in writing by the RBI as provided in the Banking Act.

Pursuant to Section 293(1)(d) and other applicable provisions of the Act, the Members of ICICI Bank passed a resolution at their Annual General Meeting held on June 15, 1998, giving their consent to the borrowing by the Directors of ICICI Bank from time to time subject to any

restrictions imposed by the terms of Agreements as may have been entered into or may be entered into from time to time for grant of assistance to ICICI Bank, of all deemed by them to be requisite or proper for the purpose of carrying on the business of ICICI Bank, however that the total amount of such borrowing outstanding at any time shall not exceed Rs. 30.00 billion, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by ICICI Bank (apart from temporary loans, if any, obtained from ICICI Bank's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of ICICI Bank and its free reserves that is to say, reserves that are not set apart for any specific purpose.

Pursuant to the Scheme of Amalgamation of ICICI, ICICI Capital Services Limited and ICICI Personal Financial Services Limited (Transferor companies) with us, our borrowing powers in terms of Section 293(1)(d) of the said Act, shall without further act, instrument or deed stand enhanced by an amount aggregating to Rs. 1,005.50 billion being the aggregate borrowing limits of the Transferor companies, such limits being incremental to the pre-merger existing limit of Rs. 30.00 billion of ICICI Bank.

With the addition of Rs. 1,005.50 billion to the existing limit of Rs. 30.00 billion, the post merger borrowing powers of the Board of Directors of the Bank stand at Rs. 1,035.50 billion.

Article 84 provides that

Any bonds, debentures, debenture stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Article 85 provides that

Debentures, debenture stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Article 86 provides that

Subject to the provision of the said Acts, any bonds, debentures, debenture stock or other securities may be issued at a discount, premium or at par and with any special privileges as to redemption, surrender, drawing, allotment of shares, appointment of Directors or otherwise.

Delegation of Powers

Article 157 provides that

The Directors may subject to the provisions of the Act delegate any of their powers to Committees consisting of Directors and/or such other person or persons as they think fit, and they may from time to time revoke and substitute such delegation. Any Committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of its appointment but not otherwise, shall have the force and the effect as if done by the Board."

Interest of Directors and Promoters

Article 139 provides that

(a) Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern or interest at a Meeting of the Board of Directors.

(b) (i) In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under sub-article (a) above shall be made at the meeting of the Board at which the question of entering into contract or arrangement is first taken into consideration or if the Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement at the first meeting of the Board held after he becomes so concerned or interested;

(ii) in the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.

(c) (i) For the purpose of sub-articles (a) and (b) above, a general notice given to the Board by a Director, to the effect that he is a Director or a Member of a specified Body Corporate or is a partner of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that Body Corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made;

(ii) any such general notice shall expire at the end of the financial year in which it is given, but may be renewed for further periods of one financial year at a time, by a fresh notice given in the last month of the financial year in which it would otherwise expire;

(iii) no such general notice and no renewal thereof shall be of effect unless it is either given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

(d) Nothing in this Article shall be taken to prejudice the operation of any rule of law restricting a Director of the Company from having any concern or interest in any contracts or arrangements with the Company.

(e) Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two per cent of the paid-up share capital in the other company.

Article 140 provides that

(a) No Director of the Company shall, as a Director, take part in the discussion of, or vote on, any contract or arrangement entered into or to be entered into, by Board's proceedings or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in the contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void.

(b) Sub-article (a) above shall not apply to:

(i) any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or a surety for the Company;

(ii) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company, in which the interest of the Director aforesaid consists solely :

(1) in his being a Director of such company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company, or

(2) in his being a member holding not more than two per cent of the paid-up share capital of such other company.

None of the Directors of the Company are interested in any property acquired by the Company. No Director is interested or concerned in the Issue except so far as he or she may be issued Equity Shares out of the Issue in case he or she decides to subscribe thereto or except in case of issue of Equity Shares to a company/body corporate/firm/concern/bank in which the Director is concerned or his or her relative might be directly or indirectly interested to hold any office of profit or receive any commission/brokerage or remuneration.

The Directors of the Company are deemed to be interested only directly or indirectly, to the extent to which they are Directors in (a) bodies corporate which have obtained financial assistance from the Company in the normal course of business, (b) banks which are Bankers to the Issue or (c) any other contract or arrangement with the Company in the ordinary course of business or in connection with the Issue.

All Directors of the Company are or may be deemed to be interested to the extent of remuneration, sitting fees for attending meetings of the Board and reimbursement of expenses, if any, payable to them by the Company. Directors of the Company are or may be deemed to be interested to the extent of remuneration, sitting fees for attending meetings of the Board, commission and reimbursement of expenses, if any, payable to them by the subsidiaries/associate companies of the Company. Subject to the above, no Director is interested in the promotion of ICICI Bank, or in any property acquired by the Company within two years of the date of the Prospectus or proposed to be acquired by it.

Managing Director

Article 151(a) provides that

Subject to the provisions of the said Acts and these presents, the Board of Directors of the Company shall be entitled to appoint from time to time, one or more of the Non-Rotational Directors to act as the Whole-time or Executive Chairman and Managing Director or Part-time Chairman or Whole-time Chairman (hereinafter referred to as the "Executive Chairman") or a Managing Director or Managing Director(s) and/or Whole-time Director or Whole-time Director(s) of the Company (hereinafter referred to as the "Managing Director") for such term not exceeding five years at a time as the Board of Directors may think fit to manage the affairs and business of the Company and may from time to time (subject to provisions of any contract between him and ICICI Bank) may remove or dismiss him or them from office and appoint another in his place.

Retirement of Directors

Article 142 provides that

At every Annual General Meeting of the Company, one third of such Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, then the number nearest to one third, shall retire from office. The Debenture Directors, the Government Directors and the Non Rotational Directors, subject to Article 151, shall not be subject to retirement under this Article.

Number of Directors

Article 126 provides that

Until otherwise determined by a General Meeting, the number of Directors shall not be less than three or more than twenty one excluding the Government Director (referred to in Article 128A) and the Debenture Director (referred to in Article 129), (if any).

Alternate Director

Article 130 provides that

(a) The Board of Directors may appoint an Alternate Director to act for a Director (hereinafter in this Article called "the Original Director") at his suggestion or otherwise, during his absence for a period of not less than three months from the state in which meetings of the Board are ordinarily held;

(b) An Alternate Director appointed under sub-article (a) above shall not hold office as such for a period longer than permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to the state in which meetings of the Board are ordinarily held;

(c) If the term of office of the Original Director is determined before he so returns to the state aforesaid any provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original, and not to the Alternate Director.

Non Rotational Directors

Article 128 provides that

Not more than one third of the total number of Directors shall be non-rotational Directors and, except for the Debenture Director and the Government Director, such non-rotational Directors (hereinafter referred to as the 'Non-Rotational Directors') shall be appointed by the Board of Directors of ICICI Bank. The remaining Directors shall be persons whose period of office is liable to determination by rotation and subject to the provisions of the Act shall be appointed by the Company in General Meeting.

Government Director

Article 128 A (a) provides that

During such time as the Guarantee Agreement dated March 14, 1955 or the Guarantee Agreement dated July 15, 1959 or the Guarantee Agreement dated October 28, 1960 or the Guarantee Agreement dated February 28, 1962, between the President of India and the International Bank for Reconstruction and Development shall remain in force, the President of India shall have the right from time to time, to appoint one person as a Director of the Company and to remove such person from office and on a vacancy being caused in such office from any cause whether by resignation, death, removal or otherwise to appoint a Director in the vacant place. The Company shall be entitled to agree with the President of India for the appointment of a Director of the Company by the President of India as contemplated by this Article in respect of any future advance or advances by the Government of India or in respect of any guarantee or guarantees that may be given by the Government of India in connection with the Company's future borrowings from The International Bank for Reconstruction and Development or any other financial institution. The Director appointed under this Article is herein referred to as "the Government Director" and the term "Government Director" means the Director for the time being in office under this Article. The Government Director shall not be liable to retire by rotation or be removed from office except by the President of India as aforesaid. Subject as aforesaid, the Government Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

Debenture Director

Article 129 provides that

Any trust documents covering the issue of debentures or bonds of the Company may provide for the appointment of a Director (in these presents referred to as the "Debenture Director") for and on behalf of the holders of debentures or bonds for such period as is therein provided not exceeding the period for which the debentures/bonds or any of them shall remain outstanding and for the removal from office

of such Debenture Director and on a vacancy being caused whether by resignation, death, removal or otherwise for appointment of a Debenture Director in the vacant place. The Debenture Director shall not be liable to retire by rotation or be removed from office except as provided as aforesaid.

Additional Directors and Casual Vacancy

Articles 135 / 136 provide that

The Directors shall have the power at any time and from time to time to appoint, subject to the provisions of these presents, any person as an Additional Director to the Board either to fill a casual vacancy or as an addition to the Board but so that the total number shall not, at any time, exceed the maximum number fixed for the Board, but any Director so appointed shall hold office only up to the date of the next Annual General Meeting of ICICI Bank and shall then be entitled for re-election.

If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.

Article 137 provides that

Subject to the provisions of the Act, the continuing Directors may act notwithstanding any vacancy in their body; but so that if the number falls below the minimum number fixed, the Directors shall not except in emergencies or for the purpose of filling up vacancies or for summoning a General Meeting of the Company act so long as the number is below the minimum and they may so act notwithstanding the absence of a necessary quorum.

Reconstitution of the Board

Article 165 provides that

a) If the requirements as to the constitution of the Board as laid down in any of the Companies Act, 1956 and the Banking Regulation Act are not fulfilled at any time, the Board shall reconstitute such Board so as to ensure that such requirements are fulfilled.

b) If, for the purpose of reconstituting the Board under sub-article (a) above, it is necessary to retire any Director or Directors, the Board shall, by lots drawn at a Board Meeting, decide which Director or Directors shall cease to hold office and such decision shall be binding on every Director.

c) Every Director, if he is appointed under any casual or other vacancy, shall hold office until the date up to which his predecessor would have held office, if the election had not been held or, as the case may be, the appointment had not been made.

d) No act or proceeding of the Board of Directors of the Company shall be invalid by reason only of any defect in the composition thereof or on the ground that it is subsequently discovered that any of its Members did not fulfil the requirements of this Article.

Share Qualification of Directors

The Directors of the Company are not required to hold any qualification shares.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Bank or entered into more than two years before the date of the Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Bank. These contracts, copies of which had been attached to the copy of the Red Herring Prospectus, delivered to the RoC for registration and also the documents for inspection referred to hereunder, could have been inspected at the Registered Office of our from the Bank between 10.00 am to 4.00 pm on working days from the date of the Red Herring Prospectus until the Bid Closing Date/Issue Closing Date.

Material Contracts

1. Copies of letters from the Bank dated October 14, 2005 appointing DSP Merrill Lynch Limited and, JM Morgan Stanley Private Limited as BRLMs and ICICI Securities Limited, Kotak Mahindra Capital Company Limited and Enam Financial Consultants Private Limited as CBRLMs and Karvy Investor Services Limited as Co-Manager and Enam Securities Private Limited, ICICI Brokerage Services Limited, JM Morgan Stanley Retail Services Private Limited and Kotak Securities Limited as Syndicate Members to the Issue.
2. A copy of our Bank's letter dated October 14, 2005 appointing M/s. Amarchand & Mangaldas & Suresh A. Shroff & Co. as Domestic Legal Advisors to the Bank for the Issue.
3. A copy of our Bank's letter dated October 14, 2005 appointing M/s. Davis, Polk & Wardwell as International Legal Advisors to the Bank for the Issue.
4. A copy of the Bank's letters dated November 9, 2005 appointing M/s. Karvy Computershare Private Limited as Registrar to the Issue.
5. Copy of the Memorandum of Understanding ("MOU") executed between our Bank and M/s. Karvy Computershare Private Limited, Registrar to the Issue dated November 19, 2005.
6. Copy of the Memorandum of Understanding ("MOU") executed between our Bank , DSP Merill Lynch Limited, JM Morgan Stanley Private Limited (BRLMs) and ICICI Securities Limited dated October 21, 2005 and the amendment thereto executed between our Bank, DSP Merill Lynch Limited, JM Morgan Stanley Private Limited (BRLMs) and ICICI Securities Limited, Kotak Mahindra Capital Company Limited and Enam Financial Consultants Private Limited (CBRLMs) dated November 20, 2005
7. Copy of Escrow Agreement dated November 30, 2005 between the Bank, the BRLMs, Escrow Collection Bank and the Registrar to the Issue.
8. Copy of the Syndicate Agreement dated November 30, 2005] between the Bank, the BRLMs and the Syndicate Members.
9. Copy of the Underwriting Agreement dated December 7, 2005 between the Bank, the BRLMs and the Syndicate Members.
10. Stabilisation Agreement dated November 21, 2005 between the Bank, Life Insurance Corporation of India and JM Morgan Stanley Private Limited.

Material Documents

1. Certified true copies of the Memorandum and Articles of Association of the Bank, as amended from time to time.
2. Copy of the Certificate of Incorporation of the Bank dated January 5, 1994.
3. Copy of Certificate of Commencement of Business dated February 24, 1994.
4. Copy of Fresh Certificate of Incorporation consequent to the change of name dated September 10, 1999.
5. Scheme of amalgamation of ICICI Limited, ICICI Capital Services Limited and ICICI Personal Financial Services Limited with ICICI Bank.
6. Modification of the authorised share capital of ICICI Bank as per the Scheme of Amalgamation.
7. Certified true copy of the Resolution of the Members of ICICI Bank passed at the Annual General Meeting held on August 20, 2005 re-classifying the Authorised Share Capital of the Bank.
8. Certified true of the Resolution passed by the Members of ICICI Bank through Postal Ballot process on November 19, 2005 in relation to the Issue and other related matters.
9. Certified true copy of the Resolution passed by the Board of Directors of ICICI Bank at its Meeting held on October 13, 2005 in relation to the Issue and other related matters.
10. Reports of the Auditors dated November 22, 2005 prepared as per Indian GAAP and disclosed elsewhere in this Prospectus.

11. Copies of annual reports of our Bank for the last five financial years.

12. A copy of the tax benefit report dated November 17, 2005 .

13. Consents of the Auditors for inclusion of their report on accounts in the form and context in which they appear in this Prospectus.

14. Attested General Power of Attorney executed by the Directors of our Bank in favour of Person(s) for signing and making necessary changes to this Prospectus and other related documents.

15. Certified true copy of the Resolution(s) of the Members of ICICI Bank passed at the Annual General Meeting held on September 20, 2004 and August 20, 2005 appointing M/s. S. R. Batliboi & Co. as Auditors for the year 2004-2005 and 2005-2006 respectively.

16. Consents of BRLMs, Syndicate Members, Registrar to the Issue, Escrow Collection Bank, Banker to the Issue, Domestic Legal Counsel to the Bank, International Legal Counsel to the Bank, Directors, Company Secretary and Compliance Officer, as referred to, in their respective capacities.

17. Certified true copy of the Resolution(s) of the Members of ICICI Bank passed at the Annual General Meeting(s) held on September 16, 2002, September 20, 2004 and August 20, 2005 approving the appointment/re-appointment of Mr. K. V. Kamath, Managing Director & CEO and payment of remuneration to him/revision in his remuneration.

18. Certified true copy of the Resolution(s) of the Members of ICICI Bank passed at the Annual General Meeting(s) held on September 16, 2002, August 25, 2003 and September 20, 2004 and the Extra Ordinary General Meeting held on March 12, 2004 approving the appointment/re-appointment of Ms. Lalita Dileep Gupte, Joint Managing Director and payment of remuneration to her/revision in her remuneration.

19. Certified true copy of the Resolution(s) of the Members of ICICI Bank passed at the Annual General Meeting(s) held on September 16, 2002, September 20, 2004 and August 20, 2005 approving the appointment/re-appointment of Ms. Kalpana Morparia, Deputy Managing Director and payment of remuneration to her/revision in her remuneration.

20. Certified true copy of the Resolution of the Board of ICICI Bank passed at the Meeting held on January 29, 2004 regarding elevation of Ms. Kalpana Morparia as the Deputy Managing Director of the Bank.

21. Certified true copy of the Resolution(s) of the Members of ICICI Bank passed at the Annual General Meeting(s) held on June 11, 2001, September 16, 2002, September 20, 2004 and August 20, 2005 approving the appointment/re-appointment of Ms. Chanda Kochhar, Executive Director and payment of remuneration to her/revision in her remuneration.

22. Certified true copy of the Resolution(s) of the Members of ICICI Bank passed at the Annual General Meeting(s) held on June 11, 2001, September 16, 2002, September 20, 2004 and August 20, 2005 approving the appointment/re-appointment of Dr. Nachiket Mor, Executive Director and payment of remuneration to him/revision in his remuneration.

23. In-principle listing approvals dated November 21, 2005, and November 18, 2005 from NSE and BSE respectively.

24. Copy of tripartite agreement dated June 23, 1997 between ICICI Bank, 3i Infotech (formerly known as ICICI Infotech) and National Securities Depository Limited.

25. Copy of tripartite agreement dated April 23, 1999 between ICICI Bank, 3i Infotech (formerly known as ICICI Infotech) and Central Depository Services (India) Limited

26. Due diligence certificate dated October 21, 2005 to SEBI from the BRLMs.

27. SEBI observation letter(s) dated November 22, 2005

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of the Bank or if required by the other parties, without reference to the shareholders subject to compliance of the applicable laws.

DECLARATION

We, the Directors of the Bank, hereby declare that all relevant provisions of the Companies Act, 1956 and the guidelines issued by the Government or the guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 1956 or the Securities and Exchange Board of India Act, 1992 or rules made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS*

Mr. Narayanan Vaghul, *(Chairman)*

Mr. Sridar Iyengar
Mr. Ram Kishore Joshi
Mr. Lakshmi Niwas Mittal
Mr. Anupam Pradip Puri
Mr. Vinod Rai
Mr. Somesh Ranchandra Sathe
Mr. Mahendra Kumar Sharma
Mr. Priya Mohan Sinha
Prof. Marti Gurunath Subrahmanyam
Mr. Thai Salas Vijayan
Mr. V. Prem Watsa
Mr. Kundapur Vaman Kamath *(Managing Director & Chief Executive Officer)*
Ms. Lalita Dileep Gupte *(Joint Managing Director)*
Ms. Kalpana Morparia *(Deputy Managing Director)*
Ms. Chanda Kochhar *(Executive Director)*
Dr. Nachiket Mor *(Executive Director)*

* (Through their Constituted attorney Mr. Jyotin Mehta/Nilesh Trivedi)

Ms. Vishakha Mulye *(Chief Financial Officer & Treasurer)*

Date: December 7, 2005
Place : Mumbai

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