

News Release
February 11, 2003

SECOND BOND ISSUE BY ICICI BANK OPENS ON FEBRUARY 14, 2003

Public Issue of ICICI Bank Bonds – February 2003

Under the Umbrella Prospectus approved by the Securities and Exchange Board of India (SEBI) for the year 2002-2003, ICICI Bank is coming out with the second public offering of Unsecured Redeemable Bonds in the nature of Debentures aggregating Rs. 400 crore with a right to retain oversubscription of up to Rs. 400 crore ("ICICI Bank Bonds – February 2003"). The issue will open for subscription on February 14, 2003 and will close on March 4, 2003.

Two premier credit rating agencies have assigned AAA ratings for the bonds - "LAAA" by ICRA and "CARE AAA" by CARE. The ratings signify highest safety with regard to timely payment of principal and interest.

The Issue offers various options under two types of bonds – Tax Saving Bond and Regular Income Bond.

NRIs/OCBs are also eligible to invest in these bonds on both repatriable and non-repatriable basis.

1. Tax Saving Bond

The investor may choose any of the following options in respect of the Tax Saving Bond:

Option	I	II	III	IV
Tax Benefit Available	Sec 88	Sec 88	Sec 88	Sec 88
Issue Price (Rs.)	5000/-	5000/-	5000/-	5000/-
Tenure	3 years	3 years 4 months	5 years	5 years 4 months
Face Value (Rs.)	5000/-	6200/-	5000/-	7050/-
Interest Rate (%) p.a.*	6.75	6.7 YTM (Deep Discount Bond)	6.75	6.7 YTM (Deep Discount Bond)
Frequency of interest payment	Annual	N.A.	Annual	N.A.
Minimum Application	1 Bond	1 Bond	1 Bond	1 Bond
Maximum Application	20 Bonds	20 Bonds	20 Bonds	20 Bonds
YTM (%)*# \$ (with tax benefits)	13.5	12.3	11.0	10.1

* Subject to TDS as per the then prevailing tax laws

Rounded off to the nearest multiple of 0.1

\$ The yield has been calculated assuming that a tax rebate of 15% is available to the investor and that a surcharge of 5% of tax is payable in case of all the options.

Options I & III provide for annual payment of interest. Options II & IV are in the nature of a deep discount bond, hence, no periodic interest is payable under these options.

Full and firm allotment is assured for all valid applications for the Tax Saving Bond.

As per the Finance Act 2002, the maximum limit for taking benefit of the rebate under Section 88 of the Income Tax Act is fixed at Rs. 1,00,000/-. Out of this, Rs. 30,000/- can be invested only in such eligible issue of capital, the proceeds of which are to be utilised in infrastructure projects.

Tax Saving Bonds offered by ICICI Bank is one such eligible investment for this purpose.

This means that out of the overall limit of Rs. 1,00,000/-, Rs. 30,000/- can be invested only in such issues. Further to the Rs. 30,000/- one can also invest the balance Rs. 70,000/- in these Bonds to avail the benefit under Section 88. Thus it may be noted that the investors may put the entire amount of Rs. 1,00,000/- in these bonds for taking benefit of rebate under section 88.

Options III & IV of the Tax Saving Bond are designed to serve the dual purpose of tax benefit as well as Investment. These bonds offer tenures of 5 years and 5 years 4 months respectively, and offer yields of 11.0% and 10.1% respectively, including tax benefits.

2. REGULAR INCOME BOND

Issue Price/ Face Value (Rs.)	5000/-
Tenure	7 years
Minimum Application	10 bonds
Interest Rate (%) p.a.*	6.75
Frequency of interest payment	Annual
YTM(%) *#	6.8

* Subject to TDS as per the then prevailing tax rates

Rounded off to nearest multiple of 0.1

Under the Regular Income Bond, an investor can invest for 7 years and earn regular income on an annual basis.

All the Bonds are available in Demat mode too.

For the investors who are investing for long term, holding the investment has been made more convenient as the same can now be held in dematerialized mode. All the Bonds will be listed on VSE, BSE and NSE, and are freely transferable before maturity.

The ICICI Bank Bonds – February 2003 issue provides the investors another opportunity to save at market interest rates and offers various redemption periods and options to choose from. The investor can opt for the Regular Income Bond or invest in the Tax Saving Bond to help him plan his taxes. ICICI Bank is the first bank to come out with a public issue of bonds offering tax benefits under section 88 of the Income-tax Act.

Except for the historical information contained herein, statement in this release which 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 may constitute "forward-looking statement". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, future levels of non-performing loans, our growth and expansion, the adequacy of our allowance for credit losses, technological changes, investment income, cash flow projections, our exposure to market risks as well as other risks detailed in the reports filed by ICICI Bank Limited with the Securities and Exchange Commission of the United States. ICICI Bank undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

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