Auditors' Certificate on Corporate Governance

To the Members of ICICI Bank Limited

We have examined the compliance of conditions of corporate governance by ICICI Bank Limited ('Bank'), for the year ended on March 31, 2004, as stipulated in clause 49 of the Listing Agreements entered into by the said Bank with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Bank for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Bank.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Bank has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreements.

We state that no investor grievances are pending for a period exceeding one month against the Bank as per the records placed before the Share Transfer & Shareholders'/Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Bank nor the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

S.R. Batliboi & Co.
Chartered Accountants

per Viren H. Mehta
Partner
Membership No.: 048749

Mumbai : July 23, 2004

ECONOMIC OVERVIEW

The Indian economy recorded strong growth during fiscal 2004, in an environment of resurgent industrial performance, agricultural recovery supported by a good monsoon, sustained services sector growth and a global economic revival. The Central Statistical Organisation has estimated overall GDP growth at 8.2% for fiscal 2004. While the agriculture sector grew by 9.1% in fiscal 2004 compared to a negative growth of 5.2% in fiscal 2003, the industrial sector also recorded a higher growth of 6.8% against 6.2% in the previous year. Industrial recovery was primarily driven by the manufacturing sector, especially textiles, steel, cement and transport equipment. The services sector, which now accounts for 56% of India's GDP, grew by 8.5% in fiscal 2004 compared to 7.2% in fiscal 2003.

The above growth trends were accompanied by continued macro-economic stability, moderate inflation, orderly currency market conditions and comfortable foreign exchange reserves. Exports in dollar terms rose by 17.3% and exceeded US$ 60.00 billion in fiscal 2004. During April 2004, exports rose by 19.9%. The current account recorded a surplus for the third consecutive year in fiscal 2004. The current account showed a surplus of US$ 8.72 billion during fiscal 2004. The growth in exports was largely driven by manufactured goods, particularly engineering goods, chemicals and related products and gems and jewellery. Import of capital goods registered higher growth in fiscal 2004, reflecting revival of investment demand in the economy. The growth in merchandise and services exports led to a healthy current account position and was partially responsible for the rapid increase in foreign exchange reserves, which stood at US$ 120.78 billion as of July 9, 2004. Non-debt capital inflows also contributed significantly to the increase in foreign exchange reserves. The Indian rupee appreciated by 8.7% vis-à-vis the US Dollar during fiscal 2004 and then depreciated by 6.4% during the current fiscal year, through July 22, 2004.

The year also witnessed buoyant capital markets, with improving valuations and renewed primary market activity. The markets also saw significant structural changes and developments. Trading in interest rate futures, which provides a mechanism for banks and financial institutions to hedge their positions in a volatile interest rate regime, was introduced. Rolling settlement in the equity markets was introduced in fiscal 2004.

The average annual rate of inflation in terms of the Wholesale Price Index (WPI) was 5.2% at the end of March 2004. In view of India's resilience to shocks, reasonable level of food stocks and the comfortable foreign exchange reserves, Reserve Bank of India (RBI), in its Annual Policy Statement for fiscal 2005, stated that the price situation is unlikely to cause concern to macro stability in fiscal 2005. RBI has kept key interest rates unchanged and has announced measures to increase flow of credit to agriculture, small and medium enterprises and infrastructure and develop credit delivery mechanisms. The Union Budget for fiscal 2005 has focused on stimulating investment in infrastructure and holistic development of the rural economy, supported by revenue measures to address fiscal priorities. While agricultural growth will depend on the monsoon, the growth prospects for fiscal 2005 based on the continued growth momentum in industry and services, appear to be favourable.

FINANCIAL SECTOR OVERVIEW

Fiscal 2004 saw significant developments in the financial sector. In terms of credit growth, the banking system continued to witness robust growth in retail credit, with indications of revival in corporate credit demand as well. The year also saw significant growth in securitisation of debt, which is positive for the future of financial intermediation in India. Liquidity in the system continues to be strong supported by steady deposit growth, with excess liquidity being absorbed by RBI's Liquidity Adjustment Facility and the newly-introduced Market Stabilisation Scheme.

The year witnessed an improvement in the financial position of banks, with large provisions being made against non-performing loans by utilising treasury gains arising from the declining interest rate environment. The bond buyback scheme of the Government of India also provided banks an opportunity to realise gains and cushion the impact of credit losses. Asset Reconstruction Company (India) Limited was operationalised during the year and commenced acquisition of non-performing assets. The Honourable Supreme Court has upheld the constitutional validity of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002, thus paving the way for speedy recovery of distressed secured debt.

The Indian banking system continued to make rapid progress towards international benchmarks and best practices, with the adoption of the 90-day rule for recognition of non-performing assets effective fiscal 2004, the accelerated provisioning norms announced recently and the introduction of capital charge for market risk. Efficiency in the banking system, which plays a pivotal role in economic activity was sought to be enhanced by the introduction of the Real Time Gross Settlement System.

As a result of the process of reform, the Indian banking system now operates in an increasingly more efficient and competitive environment and is well-placed to support the larger economy to achieve sustained growth.

ORGANISATION STRUCTURE

Our organisational structure is designed to be flexible and customer-focused, while seeking to ensure effective control and supervision and consistency in standards across the organisation and align all areas of operations to overall organisational objectives. The organisation structure is divided into four principal groups - Retail Banking, Wholesale Banking, International Business and Corporate Centre.

The Retail Banking Group (RBG) is responsible for our products and services for retail customers and small enterprises including various credit products, liability products (including our own products as well as distribution of third party products) and transaction banking services.

The Wholesale Banking Group (WBG) is responsible for our products and services for corporate clients, including credit and treasury products, project finance, structured finance and transaction banking services. This group is also responsible for our securitisation activities. The Rural, Micro-banking & Agri-business Group (RMAG) forms part of WBG. A separate dedicated team within WBG is responsible for our proprietary trading activities. The Special Assets Management Group (SAMG) is responsible for non-performing and restructured loans.

The International Business Group is responsible for our international operations, including our operations in various overseas markets as well as our products and services for non-resident Indians (NRIs) and our international trade finance and correspondent banking relationships.

The Corporate Centre comprises all shared services and corporate functions, including finance and balance sheet management, secretarial, investor relations, risk management, legal, human resources and corporate branding and communications.

In addition to the above, there are certain specialised groups namely, Technology Management Group (TMG) which is responsible for enterprise-wide technology initiatives, Organisational Excellence Group (OEG) which is responsible for quality initiatives and Social Initiatives Group (SIG) which is responsible for our social and community development activities.

BUSINESS REVIEW

During fiscal 2004, ICICI Bank continued to diversify its asset base and increase its market share in key target areas by leveraging the synergies arising from the merger of ICICI with ICICI Bank and capitalising on emerging opportunities. Focus on innovation in products, processes and distribution continued to underpin all our initiatives.

Retail Banking

Retail banking is a key element of our growth strategy. Over the past few years, the Indian retail finance market has witnessed a paradigm shift in consumer preferences and expectations from the banking industry. There has been an upward movement of household income levels, thereby increasing the saving potential of households, as also the increased acceptance of retail finance and the use of credit to finance purchases.

We have capitalised on the growing retail opportunity in India and have emerged as a market leader in retail credit. We follow a two-fold strategy: acquiring new customers by offering high value products through a wide distribution network as well as cross-selling to existing customers and increasing relationship sizes through customer-centric, innovative products and services. Our retail strategy is backed by strong credit and operating processes and technology capabilities.

In fiscal 2004, we extended our market leadership to various segments of the retail credit business, including home loans, car loans, personal loans and credit cards. Our total retail disbursements in fiscal 2004 (excluding vehicle inventory financing and increase in credit card receivables) were approximately Rs. 288.00 billion. Our total retail portfolio increased from Rs. 191.60 billion at March 31, 2003 to Rs. 334.24 billion at March 31, 2004, constituting 54% of loans and 47% of customer assets. Cross-selling has emerged as one of the significant drivers of retail credit growth. In fiscal 2004, cross-sell accounted for approximately 20% of home loans and auto loans approved and approximately 50% of credit cards issued. We continued our focus on retail deposits, which reduced our funding cost and enabled us to create a stable funding base. Our deposit customer base in fiscal 2004 increased to 6.4 million.

At March 31, 2004, we had 413 branches and 56 extension counters across India. We continued to expand our electronic channels, namely Internet banking, mobile banking, call centres and ATMs, and migrate customer transaction volumes to these channels. During fiscal 2004, about 70% of customer induced transactions took place through these channels. We increased our ATM network to 1,790 ATMs in fiscal 2004, and entered into ATM sharing arrangements with other banks. Our call centers, with a seating capacity of 1,750, handle more than 0.15 million customer contacts per day. At the same time, we have focused on leveraging our physical infrastructure and offering customers enhanced convenience and flexibility with the introduction of extended branch banking hours from 8 a.m. to 8 p.m., six days a week. This pioneering “8-to-8” initiative has so far been rolled out in 245 of our branches. With the foundation of a strong multi-channel distribution network, we have successfully developed a robust model for distribution of third party products like mutual funds, Government of India relief bonds, foreign exchange and insurance products, with market leadership in these areas. The third party distribution model also enables us to offer the customer a complete basket of financial products, while leveraging our distribution capability to earn fee income from third parties. www.ICICIdirect.com (ICICIdirect) provides Internet-based share trading, with complete end-to-end integration for seamless electronic trading on stock exchanges. ICICIdirect has a rating of “TxA1” from CRISIL, indicating highest ability to service broking transactions.

We are also rolling out our strategy with regard to small enterprises, with a focus on liability products and transaction banking services, as well as working capital loans to suppliers or dealers of large corporations, and clusters of small enterprises that have a homogeneous profile. Our “Roaming Current Account” product for small enterprises has been highly successful and we are seeking to widen our product offering and client coverage in this segment.

Wholesale Banking

Our corporate banking strategy is based on providing comprehensive and customised financial solutions to our corporate customers. In addition to growth in revenues and market share, we are focused on generating adequate return on capital through risk-based pricing models and proactive portfolio management.

Fiscal 2004 saw us building on our competencies in structured finance and leveraging them in path-breaking securitisation deals of both corporate and retail asset pools. The focus in structured finance in fiscal 2004 was also to develop the market for syndication and securitisation of loans. Our ability to take large exposures, coupled with our deal structuring capabilities, made it possible for us to record significant volumes of securitised assets in fiscal 2004. We have concluded the two largest auto-pool securitisations in India.

With a view to further strengthen our sustainable sources of income, we increased our focus on trade finance and cash management services. We have successfully used technology, both as an enabler and a differentiator, to achieve high penetration levels in the transaction banking business. The centralisation of processing facilities in fiscal 2003 was followed by enhanced focus on process improvements and compliance resulting in over 70% of our processes being six-sigma compliant.

The corporate markets business focused on delivery of market solutions such as foreign exchange products, derivatives and market-making in corporate bonds to our corporate clients. There was significant growth in foreign exchange transactions, swaps and loan syndication. A key activity of this business was continuous, broad-based market-making in various markets. A significant milestone was achieved in the market making activity by expanding the product suite to include foreign exchange options against Indian Rupee as RBI allowed them to be traded with effect from July 7, 2003. The Bank has emerged as one of the largest market-makers in merchant as well as inter-bank markets for this product.

We have strengthened our corporate relationships in fiscal 2004, gaining entry into lending consortia of a number of large public sector units. We have achieved success in our public sector relationships while keeping up momentum in the private sector that saw us consolidate on the foundations laid in the previous years to become a key financial solutions provider for leading corporates. Our dedicated

Government Banking Group focused on building and strengthening relationships with central and state governments. We obtained the mandate for income tax collection across the country and sales tax collection in two states.

The focus of our proprietary trading operations was to maximise profits from positions across key markets including corporate bonds, government securities, interest-rate swap, equity and foreign exchange markets.

Project Finance

The infrastructure sector in India is expected to witness significant growth. The road sector has witnessed significant activity, particularly on account of the highway projects of National Highways Authority of India (NHAI). The Government of India has embarked on a project for development of 10,000 kilometres of national highways, which envisages significant private sector participation. The NHAI is also in the process of awarding projects on Build-Own-Transfer (BOT) basis as part of the second phase of development of the North-South, East-West Corridor. In the port sector, significant investments are expected to create additional container terminal and bulk cargo-handling capacities in the country, including modernisation of existing major ports and setting up of green field ports. In the airport sector, there are currently two green-field international airports proposed in Hyderabad and Bangalore, as well as modernisation of Mumbai and Delhi airports. The power sector is expected to benefit from implementation of comprehensive reforms both at the national and the state levels which are likely to result in business opportunities across the power supply chain. In the oil and gas sector, the fourth round of bidding for exploration blocks under New Exploration Licensing Policy has been completed. The recent gas discovery in the Krishna-Godavari basin has generated significant interest among multinational oil majors in the upstream oil sector in the country. Gas Authority of India Limited (GAIL) has conceptualised a National Gas Grid project in phases linking various gas sources and potential markets.

Fiscal 2004 was marked by significant industrial recovery driven by increased global demand and improved competitive strength of Indian industry. The buoyancy in Index of Industrial Production was contributed mainly by improved performance achieved by the metals, cement, automobile and consumer durables sectors in the manufacturing and core industry segments. The core and the manufacturing sector are expected to witness significant activity going forward.

We have, over the years, developed project-financing expertise across all the major sectors and are well positioned to leverage the emerging opportunities in both infrastructure and manufacturing sectors. We continue to maintain a leadership role in new policy initiatives in the project finance sector. ICICI Bank was a member of the Task Forces on Power Sector Investments and Reforms and Interlinking of Rivers, advised the Ministry of Communications and Telecom Regulatory Authority of India on the steps needed for catalysing investments in the telecom sector and proactively formulated a new approach with the Indian Railways for developing projects in public-private partnership. We are a member of the inter-institutional group set up for evaluation and financial closure of infrastructure projects. Our project finance business is focused on identifying and investing in attractive project finance opportunities and on structuring and syndication of finance for large projects by leveraging our expertise in project financing, and churning our project finance portfolio to prevent portfolio concentration and to manage portfolio risk. We view our role not only as providers of project finance but also as arrangers and facilitators, creating appropriate financing structures that serve as financing and investment vehicles for a wider range of market participants.

Rural banking and agri-business

In rural banking, our objective is to build an integrated and sustainable model for delivery of financial services to rural India. We have achieved significant success in this area, meeting our agricultural lending obligations as directed by RBI for two years in succession. Our agricultural finance portfolio at March 19, 2004 was Rs. 42.06 billion, compared to about Rs. 22.67 billion at March 21, 2003. Our focus in agricultural finance is to work towards efficiency across the entire value chain, to ensure value realisation for the farmer while mitigating the credit risk assumed by us. We have created innovative structured financial products such as water harvesting structures to enable continuous irrigation for sugar farmers and retail focused products such as warehouse receipt based financing through third party warehouses. We have successfully launched a multi channel strategy comprising mandi branches targeting agri-intermediaries, micro finance institutions and cooperatives targeting focused agri clusters, as well as the trader channel. During fiscal 2004 we concluded a pioneering micro-credit securitisation and our subsidiary, ICICI Lombard General Insurance Company Limited successfully piloted a weather insurance product. Going forward, we will seek to expand our rural outreach through the development of cost-effective delivery channels. We have launched a successful pilot of low cost channels with rural Internet kiosks and are the first Bank to build such a technology-based channel for rural India. We have also developed a low cost ATM. We view the rural markets as a growth opportunity, rather than targeting them only for meeting regulatory requirements. There is a need for an integrated approach to rural banking, that will improve access to financial services and facilitate wider participation in the mainstream economy, while earning sustainable returns and delivering value to our stakeholders.

Special Assets Management

The Special Assets Management Group (SAMG) was setup to focus exclusively on resolution of large non-performing assets and accounts under watch. SAMG has achieved significant success in this role, through successful restructuring of several large projects and settlement of non-performing assets, supported by the improving economic and industrial environment. Asset Reconstruction Company (India) Limited (ARCIL) is now operational and acquired net non-performing assets aggregating Rs. 12.51 billion from us in fiscal 2004.

International Business

We set up our international banking group in fiscal 2002 to cater to the cross-border needs of clients and leverage on our domestic banking strengths to offer products internationally. The group has adopted an organic and alliance-based strategy for facilitating a phased and progressive international expansion. The initial focus was to tap the non-resident Indian (NRI) market segment across key geographies, namely, the United States, Canada, the United Kingdom, South-East Asia and the Middle East. Having established a strong franchise in the NRI business, the key objectives for fiscal 2004 were to roll out operations across key overseas locations, build the ICICI Bank brand overseas, increase market share in trade finance by leveraging and further strengthening correspondent banking relationships and expand and strengthen franchise in NRI products.

Business Overview

ICICI Bank currently has representative offices in the United States, United Arab Emirates, China and Bangladesh, subsidiaries in the United Kingdom and Canada and branches in Singapore and Bahrain. The Bank has also received regulatory approval to set up a representative office in South Africa and is currently awaiting approval from the host country regulator to set up a subsidiary in Russia. ICICI Bank has also received the approval of RBI for setting up branches in Sri Lanka and the United States.

Our overseas subsidiaries and branches launched several products during the financial year including NRI banking products such as deposits, savings accounts and remittances, retail products such as deposits and loans, cash-backed lending to small and medium enterprises and high net worth individuals, trade finance and loan syndication. We have undertaken significant brand-building initiatives in international markets and have emerged as one of the most recognised financial services brands for NRIs, for a banking relationship in India. Over fiscal 2004, we have further built on our key strengths in the NRI services business, which include strong customer relationships, competitive pricing, comprehensive product suite, distribution and branch network in India and overseas partnerships and alliances. We have over 160,000 NRI customers today. We are also exploring opportunities in the international private banking segment to service the wealth management needs of the large and growing population of affluent and high networth NRIs.

In order to increase our distribution reach overseas and capture a larger market share of the NRI segment, we have forged alliances with several leading international banks. These alliances have enabled us to provide greater value to our NRI customers by seamlessly catering to their local and India-related banking needs.

We have also extensively expanded relationships with banks in new regions in fiscal 2004. We made a foray into new markets, in particular the SAARC countries to capture the remittance and trade flows with Nepal, Sri Lanka and Bangladesh. We also successfully raised US$ 300.00 million through an issue of Euro bonds. International Financial Review rated this transaction as “Emerging Asia Bond Deal of the Year”.

CREDIT RATING

ICICI Bank's credit ratings from various credit rating agencies are given below:

Agency	Rating
Moody’s Investor Service (Moody’s)	Baa3
Standard & Poors (S&P)	BB
Credit Analysis & Research Limited (CARE)	CARE AAA
Investment Information and Credit Rating Agency (ICRA)	LAAA

RISK MANAGEMENT

Risk is an integral part of the banking business and we aim at the delivery of superior shareholder value by achieving an appropriate trade-off between risk and returns. We are exposed to various risks, including credit risk, market risk and operational risk. Our risk management strategy is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with international best practices. The risk management function is supported by a comprehensive range of quantitative and modeling tools developed by a dedicated risk analytics team.

We have set up two dedicated groups, the Risk Management Group (RMG) and the Compliance & Audit Group (CAG) which are responsible for assessment, management and mitigation of risk in ICICI Bank. These groups form part of the Corporate Centre, are completely independent of all business operations and are accountable to the Risk and Audit Committees of the Board of Directors. RMG is further organised into Credit Risk Management Group, Market Risk Management Group, Retail Risk Management Group and Risk Analytics Group. CAG is further organized into the Credit Policies, RBI Inspection & Anti-Money Laundering Group and the Internal Audit Group.

Credit Risk

Credit risk is the risk that a borrower is unable to meet its financial obligations to the lender. In respect of corporate credit products, we measure, monitor and manage credit risk for each borrower and also at the portfolio level. We have standardised credit approval processes, which include a well-established procedure of comprehensive credit appraisal and rating. We have developed internal credit rating methodologies for rating obligors as well as for products/ facilities. The rating factors in quantitative and qualitative issues and credit enhancement features specific to the transaction. The rating serves as a key input in the approval as well as post-approval credit processes. Credit rating, as a concept, has been well internalised within the Bank. The rating for every borrower is reviewed at least annually and for higher risk credits and large exposures on a more regular basis. Industry knowledge is constantly updated through field visits, interactions with clients, regulatory bodies and industry experts. In respect of retail credit products, we have a system of centralised approval of all products and policies and monitoring of the retail portfolio. We continuously refine our retail credit parameters based on portfolio analytics.

Market Risk

Market risk is the risk of loss resulting from changes in interest rates, foreign currency exchange rates, equity prices and commodity prices. Our exposure to market risk is a function of our trading and asset-liability management activities and our role as a financial intermediary in customer-related transactions. The objective of market risk management is to minimise the impact of losses due to market risk, on earnings and equity capital.

Market risk policies include asset-liability management (ALM) policies and policies for the investment portfolio. ALM policies are approved by the Asset-Liability Management Committee (ALCO) of the Board of Directors. ALCO's role encompasses stipulating liquidity and interest-rate risk limits, monitoring risk levels by adherence to set limits, articulating the organisation's interest rate view and determining business strategy in the light of the current and expected business environment. These sets of policies and processes are articulated in the ALM policy. A separate set of policies for the investment portfolio address issues related to investments in various investment products and are approved by the Committee of Directors (COD) of the Board. RMG exercises independent control over the process of market risk management and recommends changes in processes and methodologies for measuring market risk.

Interest rate risk is measured through the use of re-pricing gap analysis and duration analysis. Liquidity risk is measured through gap analysis. We ensure adequate liquidity at all times through systematic funds planning and maintenance of liquid investments as well as by focusing on more stable funding sources such as retail deposits. We mitigate our exposure to exchange rate risk by stipulating daily stop-loss limits and position limits.

The Treasury Middle Office Group monitors the asset-liability position under the supervision of the ALCO. It also monitors treasury activities, including determining compliance with various exposure and dealing limits, verifying the appropriateness and accuracy of various transactions, confirming these transactions, tracking the daily funds position and all treasury-related management and regulatory reporting.

Operational Risk

Operational risk can result from a variety of factors, including failure to obtain proper internal authorisations, 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. Processes have been categorised based on the frequency and impact of the operational risk that they carry. Based on this classification, mitigants have been outlined to reduce the risk. We have initiated work on modelling the impact of losses arising out of operational risk inherent in different processes as part of our approach towards the new Basel Capital Accord.

The Middle Office Group monitors adherence to credit and investment procedures. The Internal Audit Group undertakes a comprehensive audit of 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. We have been a pioneer in the implementation of a risk-based audit methodology in the Indian banking sector. The Internal Audit Group conceptualises and implements improved systems of internal controls to minimize operational risk.

TREASURY

Effective fiscal 2004, we restructured our treasury operations to separate the balance sheet management function (which now forms part of the Finance Group), the corporate markets business and the proprietary trading activity (both of which are now part of the Wholesale Banking Group, as described earlier). In fiscal 2004, the balance sheet management function managed interest rate sensitivity by actively using rupee interest rate swaps as well as by rebalancing the duration of the government securities portfolio held for compliance with statutory liquidity reserve (SLR) norms. During the year, we also introduced the ICICI Bank Advance Rate (I-BAR), a benchmark prime lending rate in line with the RBI and Indian Banks' Association (IBA) guidelines for pricing new loans.

In line with the expansion of international business of the bank, the treasury also expanded its functioning across geographies internationally. A treasury function was set up at Singapore for supporting operations of the Singapore branch. Similarly treasury operations were set up to support operations of the Offshore Banking Unit at Mumbai.

INFORMATION TECHNOLOGY

We are at the forefront of usage of technology in the financial services sector in India. We use information technology as a strategic tool for our business operations, to gain competitive advantage and to improve overall productivity and efficiency of the organisation. All the technology initiatives are aimed at enhancing value, offering customers enhanced convenience and improved service while optimizing costs. Our focus on technology emphasises enhanced level of customer services like 24/7 access and multi-channel banking; cost efficiency through automation and workflow management, wider and focused market reach and opportunities for cross-selling; and the use of application of information systems to effectively monitor and control risks. ICICI Bank has three technology groups, namely, the Wholesale Product & Technology Group, the Retail Technology Group and the Technology Management Group. The Wholesale and Retail Technology Groups are dedicated to the planning and management of technology requirements for corporate and retail products, respectively. These groups are embedded within the Retail and Wholesale Banking Groups to ensure effective synergy between business operations and technology. The Technology Management Group, which reports to the Managing Director & CEO, is responsible for enterprise-wide technology initiatives and policy and plays a key role in identifying technologies for the future.

We use a combination of physical and electronic delivery channels to maximise customer choice and convenience, which has helped differentiation of products in the marketplace. We have one of the largest ATM networks in the country with 1,790 ATMs, and have also entered into ATM sharing arrangements with other banks. We offer a wide range of information and transactional services to our customers through our website on a 24/7 basis. We offer a secure and user-friendly platform for forex trading through the Internet that makes it easy for customers to get live prices for the deals and transact from virtually anywhere in the world.

HUMAN RESOURCES

At March 31, 2004 we had 13,609 employees. In fiscal 2004, we continued our focus on talent management, in India and across other geographies where we are present, as an essential element of our strategy and as a key management focus. Our talent management initiative involves enhancing our talent pool through recruitment and capability development to support our commitments to our stakeholders.

We undertake talent acquisition to bring new skills, competencies and experience into the organisation and meet the requirements of rapidly growing businesses. We are a preferred employer, both in top business schools and other educational institutions and in lateral recruitment. The wide range of career opportunities offered across the entire spectrum of financial services and our focus on capability development have ensured attraction of quality talent. We ensure high quality in our talent pool through a stringent selection process with rigorous testing and profile matching procedures.

We believe that building a learning organisation is critical for being competitive in products and services and meeting customer expectations. Classroom training programmes at a dedicated training facility train, on an average, 1,600 employees a month. Advanced e-learning solutions are used by over 95% of employees and promote “anytime anywhere learning”. The share of e-learning in total training is approximately 50%, compared to a global benchmark, as per a study by American Society for Training & Development (ASTD) in 2002, of 20%. We build capability through encouraging cross-functional movement, thereby leveraging talent across the organisation and providing new opportunities to employees. We focus on leadership development as an integral part of talent management. A study conducted by Hewitt Associates in 2003 places us in the top five “Companies for Leaders” in the Asia-Pacific, in terms of building and managing talent. Various tools such as capability profiling, 360-degree feedback mechanisms, coaching and mentoring initiatives provide the base for building leadership capabilities. Leadership development is also aligned with the performance management system to identify, develop and nurture potential. The performance management system, based on the balanced score card philosophy, also provides a structured platform to reinforce the organisation's achievement-oriented culture. ICICI Bank has clearly defined performance parameters and employee empowerment for achievement of goals.

ORGANISATIONAL EXCELLENCE

The Organisational Excellence Group, headed by a Senior General Manager who reports to the Managing Director & CEO, is engaged in institutionalising quality in the Bank by building skills and capabilities in various quality frameworks. The Group has evolved a holistic workplace transformation model encompassing various quality methodologies including Five S and Six Sigma. This initiative is aimed at improving workplaces, processes and customer touchpoints through a step-wise, structured approach. A key initiative undertaken by the Group is the implementation of Five S, which endeavours to address process and service issues through active involvement and participation at all levels in the organisation. We are rolling out Five S across our offices and branches. The Group partners with business units to help align quality initiatives with business targets. The Group also supports other ICICI group companies in their quality initiatives.

COMMUNITY DEVELOPMENT

Our social initiatives are designed to improve the capacities of the poorest of the poor to participate in the larger economy. We believe that optimising child health in the early years, providing universal elementary education and maximising access to micro financial services are critical for facilitating effective participation.

Early Child Health

Through our work in Early Child Health, we aim to maximise the proportion of infants born healthy and ensure optimal growth and development outcomes in the first three years of life. In fiscal 2004, we initiated projects to achieve these goals in urban areas. We entered into a partnership with the Society for Nutrition Education and Health Action, Mumbai to (a) develop a scalable strategy for timely and appropriate maternal and neonatal referrals (b) develop effective 'models' for delivery of antenatal, postnatal and neonatal care services in urban areas and (c) innovate strategies of involving urban slum communities to ensure timely access to and appropriate quality of services.

On the rural front, we consolidated our partnerships with the Government of Jharkhand and our various non-government organization (NGO) partners including Krishi Gram Vikas Kendra, Ranchi and Child In Need Institute, Kolkata. These partnerships have been formulated to pilot community based strategies for converging the design and delivery of existing health and nutrition services and improving the quality of Behaviour Change Communication.

Elementary Education

The aim of our work in elementary education is to maximise the number of 14 year-olds who have a basic level of education. We believe education should at the very least enable every individual to participate meaningfully in social, political and economic processes, and to avail of opportunities to learn advanced skills throughout life. During fiscal 2004, as a continuation of our strategy to improve teacher performance, we focused on establishing / supporting resource organisations to build the capacity of educational structures. Two resource organisations, Digantar and Vidya Bhawan Society, were supported.

In fiscal 2004, we also initiated work with the Government of Chhattisgarh and with the resource groups supported by it. The work involved several rounds of intensive workshops for training of the state functionaries. The direct outcomes of this association are the preparation of curriculum, syllabus, and textbooks for certain schooling levels.

Micro Financial Services

In this area, we have been working towards increasing the access of the poorest of the poor to financial services including banking, credit, savings and insurance. The main elements of our strategy in micro finance are creating interfaces between mainstream financial service providers/markets and community-based organisations to maximise outreach, leveraging technology to reduce the costs of micro finance delivery and catalysing the development of appropriate financial products for poor households.

In fiscal 2004, we focussed on increasing access to micro financial services through a variety of approaches. These include development of low cost Internet kiosks and entrepreneur channels. We also entered into a partnership with SEWA Bank to increase its outreach from two hundred thousand to a million poor women. A joint venture with Grameen Foundation USA was established with the objective of increasing capital flows to micro finance institutions, which in turn would enable them to expand their reach.

PUBLIC RECOGNITION

During fiscal 2004, we received several prestigious awards in recognition of our business strategies, customer service levels, technology focus and human resource practices, including:

- “Best domestic commercial bank in India” by Asiamoney
- “Best emerging bank in India” by Global Finance
- “Best multi-channel strategy 2003” by the Banker Magazine, UK
- “Bank of the Year 2003, in India” by The Banker Magazine of UK
- “Excellence in Retail Financial Services 2003” award by Asian Bankers Journal

FINANCIALS AS PER INDIAN GAAP

Summary

ICICI Bank's operating profit before provisions increased 71.9% to Rs. 23.72 billion in fiscal 2004 from Rs. 13.80 billion (excluding capital gain on sale of ICICI Bank shares held by erstwhile ICICI Limited) in fiscal 2003, due to a 55.8% increase in non-interest income (excluding capital gain on sale of ICICI Bank shares held by erstwhile ICICI Limited) to Rs. 30.65 billion and 32.0% increase in net interest income to Rs. 18.79 billion, offset, in part, by a 27.8% increase in total non-interest expense to Rs. 25.71 billion.

Prior to the merger of erstwhile ICICI Limited (ICICI) with ICICI Bank, in accordance with the Scheme of Amalgamation, 101.4 million shares of ICICI Bank held by ICICI were transferred to the ICICI Bank Shares Trust to be divested by the Trust with ICICI Bank as the beneficiary of the proceeds of this divestment. In fiscal 2003, the ICICI Bank Shares Trust divested its shareholding in ICICI Bank at an average price of approximately Rs.130 per share (the average acquisition cost for ICICI being approximately Rs. 12.27 per share), resulting in capital gains of Rs. 11.91 billion. In fiscal 2003, ICICI Bank made additional/accelerated provisions of Rs. 16.86 billion against loans and investments, primarily relating to ICICI's portfolio.

Profit after provisions and tax increased 35.7% to Rs. 16.37 billion in fiscal 2004 from Rs. 12.06 billion in fiscal 2003. Return on average equity increased to 21.8% in fiscal 2004 from 18.3% in fiscal 2003. Return on average assets increased to 1.4% in fiscal 2004 from 1.1% in fiscal 2003.

Total assets increased 17.2% to Rs. 1,252.29 billion at March 31, 2004 from Rs. 1,068.12 billion at March 31, 2003 with advances increasing 16.5% to Rs. 620.96 billion and investments increasing 20.5% to Rs. 427.43 billion. Reflecting ICICI Bank's strategy of growth in its retail portfolio, retail advances increased 74.7% to Rs. 334.24 billion at March 31, 2004, constituting 53.8% of total advances compared to 35.9% at March 31, 2003. Total deposits increased 41.4% to Rs. 681.09 billion at March 31, 2004, constituting 63.1% of the total funding compared to 52.2% at March 31, 2003.

Operating results data

The following table sets forth, for the periods indicated, the operating results data.

Rs. billion, except percentages

	Fiscal 2003	Fiscal 2004	% change
Interest income	93.68	88.94	(5.1)
Interest expense	79.44	70.15	(11.7)
Net interest income	14.24	18.79	32.0
Non - interest income	19.67	30.65	55.8
- Fee income[1]	8.47	11.75	38.7
- Treasury income[2]	4.47	13.14	194.0
- Lease income	5.37	4.22	(21.4)
- Others	1.36	1.54	13.2
Operating income	33.91	49.44	45.8
Operating expense	15.35	19.99	30.2
Direct marketing agency expense[3]	1.62	2.94	81.5
Lease depreciation	3.14	2.79	(11.4)
Operating profit	13.80	23.72	71.9
Profit on sale of ICICI Bank shares	11.91	-	-
Provisions (including additional/ accelerated provisions), net of write backs	17.91	4.70	(73.8)
Tax, net of deferred tax	(4.26)	2.65	-
Profit after tax	12.06	16.37	35.7

(1) Includes merchant foreign exchange income (2) Excludes merchant foreign exchange income

(3) Other than on car loans, which is reduced from the interest income.

All amounts have been rounded off to the nearest Rs. 10.0 million.

Key ratios

The following table sets forth, for the periods indicated, the key ratios.

	Fiscal 2003	Fiscal 2004
Return on equity (%)	18.30	21.81
Return on assets [1]	1.15	1.44
Earnings per share (Rs.)	19.68	26.66
Book value (Rs.)	113.10	127.27
Cost to income (%) [2]	49.88	42.85

[1] Return on assets is based on average daily assets.
[2] Cost includes operating expense excluding direct marketing agency expense and lease depreciation. Total income includes net interest income and non-interest income (excluding gain on sale of ICICI Bank shares) and is net of lease depreciation.

Net interest income and spread analysis

The following table sets forth, for the periods indicated, the net interest income and spread analysis.

Rs. billion, except percentages

	Fiscal 2003	Fiscal 2004	% change
Average interest - earning assets	905.16	979.69	8.2
Average interest - bearing liabilities	891.62	989.66	11.0
Net interest margin [1]	1.4%	1.8%	26.3
Average yield[1]	10.2%	9.0%	(12.1)
Average cost of funds	8.9%	7.1%	(20.4)
Yield spread[1]	1.3%	1.9%	44.5

[1] Excludes dividend income.
All amounts have been rounded off to the nearest Rs. 10.0 million.

Net interest income increased 32.0% to Rs. 18.79 billion in fiscal 2004 from Rs. 14.24 billion in fiscal 2003, reflecting mainly the following:

- an increase of Rs. 74.53 billion or 8.2% in the average volume of interest-earning assets; and
- an increase in the spread to 1.9% in fiscal 2004 from 1.3% in fiscal 2003.

ICICI Bank's spread is lower than that of other Indian banks due to the high-cost liabilities of ICICI and the maintenance of Statutory Liquidity Ratio (SLR) and Cash Reserve Ratio (CRR) on these liabilities, which were not subject to these ratios prior to the merger. While ICICI Bank's cost of deposits (5.4% in fiscal 2004) is comparable to the cost of deposits of other banks in India, ICICI Bank's total cost of funding (7.1% in fiscal 2004) is higher compared to other banks as a result of these high-cost liabilities. Further, ICICI Bank has to maintain SLR and CRR on these liabilities, resulting in a negative impact on the spread.

The average volume of interest-earning assets increased by Rs. 74.53 billion during fiscal 2004 primarily due to the increase in average advances by Rs. 65.14 billion, and increase in average investments and other interest-earning assets by Rs. 9.39 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. Retail advances increased by 74.7% to Rs. 334.24 billion at March 31, 2004 from Rs. 191.32 billion at March 31, 2003.

While both interest income and interest expense declined in line with the declining interest rate trend in the economy, interest expense declined more sharply than interest income. Total interest income decreased 5.1% to Rs. 88.94 billion in fiscal 2004 from Rs. 93.68 billion in fiscal 2003 primarily due to a decline of 1.2% in yield on interest-earning assets, offset, in part, by an increase of 8.2% in the average interest-earning assets to Rs. 979.69 billion. Yield on average interest-earning assets decreased to 9.0% in fiscal 2004 from 10.2% in fiscal 2003 primarily due to the generally declining interest rate environment. While the yield on average advances declined 1.3% to 10.7% in fiscal 2004, the yield on average investments declined 1.7% to 7.1% in fiscal 2004.

Total interest expense decreased 11.7% to Rs. 70.15 billion in fiscal 2004 from Rs. 79.44 billion in fiscal 2003, primarily due to a decline of 1.8% in the cost of funds offset, in part, by a 11.0% increase in average interest-bearing liabilities to Rs. 989.66 billion. Cost of funds decreased to 7.1% for fiscal 2004 from 8.9% for fiscal 2003 primarily due to the increased proportion of deposits in ICICI Bank's funding on account of repayments of higher cost borrowings of ICICI as well as a reduction in the cost of deposits to 5.4% from 6.8%. Total deposits at March 31, 2004 constituted 63.1% of ICICI Bank's funding (comprising deposits and borrowings) compared to 52.2% at March 31, 2003. The cost of borrowings also declined to 9.2% for fiscal 2004 from 10.2% during fiscal 2003 primarily due to the repayment of higher cost ICICI borrowings and the lower rate of interest on new borrowings. As ICICI's higher cost borrowings mature, ICICI Bank's cost of funds is expected to decline further.

As a result of the 1.8% decline in the cost of funds, offset, in part by a 1.2% decline in yield on average interest-earning assets, net interest margin increased to 1.8% for fiscal 2004 from 1.4% for fiscal 2003. Net interest margin is, however, expected to continue to be lower than other banks in India until the borrowings of ICICI are repaid.

Non-interest income

For the purpose of analysis below, total non-interest income excludes capital gains of Rs. 11.91 billion realised in fiscal 2003 on sale of ICICI Bank shares held by ICICI which were transferred to a trust at the time of the merger.

Non-interest income increased by 55.8% in fiscal 2004 to Rs. 30.65 billion from Rs. 19.67 billion in fiscal 2003 primarily due to increase in income from treasury-related activities by 194.0% to Rs. 13.14 billion in fiscal 2004 and 38.7% increase in fee income (including merchant foreign exchange income, which is profit on foreign exchange transactions in the nature of fee income), offset, in part by a 21.4% decline in lease income.

Fee income increased by 38.7% 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 corporate clients. Fee income includes merchant foreign exchange income amounting to Rs. 0.90 billion in fiscal 2004 and Rs. 0.53 billion in fiscal 2003.

Total income from treasury-related activities increased to Rs. 13.14 billion in fiscal 2004 from Rs. 4.47 billion in fiscal 2003, primarily due to the increase in trading profits on government securities and corporate debt securities as a result of the declining interest rate environment and capital gains realised on the sale of investments relating to ICICI's project finance portfolio. Capital gains on shares was Rs. 3.97 billion for fiscal 2004 compared to Rs. 1.41 billion for fiscal 2003, as ICICI Bank capitalised on the opportunities created by the buoyant capital markets. These shares were acquired primarily at the time of the initial project finance assistance as well as on conversion of loans into shares as a part of restructuring of debt.

Lease income decreased by 21.4% to Rs. 4.22 billion in fiscal 2004 from Rs. 5.37 billion in fiscal 2003 mainly due to a reduction in lease assets since ICICI Bank is not entering into new lease transactions. ICICI Bank's total lease assets were Rs. 16.63 billion at March 31, 2004 compared to Rs. 17.70 billion at March 31, 2003.

Other income increased by 13.2% to Rs. 1.54 billion for fiscal 2004 compared to Rs. 1.36 billion for fiscal 2003. Other income includes income earned by way of dividend from subsidiaries of Rs. 1.26 billion for fiscal 2004 compared to Rs. 1.09 billion for fiscal 2003.

Non-interest expense

The following table sets forth, for the periods indicated, the principal components of non-interest expense.

Rs. billion, except percentages

	Fiscal 2003	Fiscal 2004	% change
Employee expenses	4.03	5.46	35.5
Depreciation	1.91	2.61	36.6
Rent, taxes & lighting	1.12	1.49	33.0
Printing & stationery	0.75	0.86	14.7
Postage & courier	1.04	1.42	36.5
Repairs & maintenance	1.45	1.90	31.0
Insurance	0.25	0.33	32.0
Bank charges	0.23	0.25	8.7
Others	4.57	5.67	24.1
Total non-interest expense (excluding lease depreciation and direct marketing agency expenses)	15.35	19.99	30.2
Depreciation (including lease equalisation) on leased assets	3.14	2.79	(11.4)
Direct marketing agency expenses	1.62	2.94	81.5
Total non-interest expense	20.11	25.71	27.8

All amounts have been rounded off to the nearest Rs. 10.0 million.

Non-interest expense (excluding direct marketing agency expense and lease depreciation) increased by 30.2% for fiscal 2004 to Rs. 19.99 billion from Rs. 15.35 billion for fiscal 2003 primarily due to 35.5% increase in employee expenses and 28.4% increase in other administrative expenses.

Employee expenses increased 35.5% to Rs. 5.46 billion from Rs. 4.03 billion primarily due to a 28.2% increase in the number of employees to 13,609 at March 31, 2004 from 10,617 at March 31, 2003. The increase in employees was commensurate with the growth in ICICI Bank's retail businesses and also reflected the absorption of the employees of ICICI Home Finance Company, a wholly-owned subsidiary, by the Bank during fiscal 2004. ICICI Bank had implemented an Early Retirement Option Scheme for employees in July 2003. In accordance with the treatment approved by Reserve Bank of India (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. 256.0 million has been charged to revenue in fiscal 2004 on account of the Early Retirement Option Scheme, being the proportionate amount amortised for the period.

Depreciation on own property increased by 36.6% to Rs. 2.61 billion from Rs. 1.91 billion primarily due to additions to premises of Rs. 0.94 billion and other fixed assets of Rs. 3.12 billion in fiscal 2004.

Other operating expenses increased 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 5.8 million at March 31, 2004 from about 4.2 million at March 31, 2003. The volume of credit and debit cards issued increased to about 10.1 million at March 31, 2004 from about 6.5 million at March 31, 2003. The number of ATMs increased to 1,790 at March 31, 2004 from 1,675 at March 31, 2003.

Depreciation on leased assets reduced by 11.4% to Rs. 2.79 billion in fiscal 2004 from Rs. 3.14 billion in fiscal 2003 primarily due to the reduction in leased assets to Rs. 16.63 billion at March 31, 2004 from Rs. 17.70 billion at March 31, 2003.

ICICI Bank uses marketing agents, called direct marketing agents or associates, for sourcing retail assets. These commissions are expensed upfront and not amortised over the life of the loan. Commissions paid to these direct marketing agents for retail assets are included in non-interest expense (other than commissions in respect of car loans, which are deducted from interest income). ICICI Bank incurred direct marketing agency expenses of Rs. 2.94 billion on the retail asset portfolio (other than car loans) in fiscal 2004 compared to Rs. 1.62 billion in fiscal 2003, with the increase being commensurate with growth in business volumes.

Provisions and contingencies

The following table sets forth, for the periods indicated, the components of provisions and contingencies.

Rs. billion, except percentages

	Fiscal 2003	Fiscal 2004	% change
Additional depreciation/ (write-back of depreciation) on investments	3.09	(0.10)	-
Provision for loan assets (including provision for standard assets)	14.75	4.59	(68.9)
Others	0.06	0.21	225.4
Total provisions	17.91	4.70	(73.8)

All amounts have been rounded off to the nearest Rs. 10.0 million.

Depreciation of investments and provision for loans in fiscal 2003 included additional provisions and write-offs of Rs. 16.86 billion against loans and investments, primarily relating to ICICI's portfolio. Total provisions decreased by 73.8% to Rs. 4.70 billion in fiscal 2004 from Rs. 17.91 billion in fiscal 2003 reflecting the additional/ accelerated provision of Rs. 16.86 billion made on ICICI's portfolio in fiscal 2003.

Income tax expense

Income tax expense amounted to Rs. 2.65 billion in fiscal 2004 compared to a net credit of Rs. 4.26 billion in fiscal 2003. The net credit in fiscal 2003 was attributable to deferred tax asset created on additional/accelerated provisions made 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 asset and liabilities for expected future tax consequences of the events that have been included in the financial statements or tax returns. This resulted in an effective tax benefit rate of 54.6% in fiscal 2003. The statutory tax rate for fiscal 2004 was 35.9% with effective tax expense rate being 13.9%. The difference in the effective and statutory rates for fiscal 2004 was primarily due to exempt interest and dividend income and the charging of certain income at rates other than the statutory rate, as well as recognition of deferred tax asset on allocation to specific assets of fair value provisions made at the time of the merger, off-set in part, by the disallowance of certain expenses for tax purposes.

Financial condition

The following table sets forth, for the periods indicated, the summarised balance sheet of ICICI Bank.

Rs. billion, except percentages

	March 31, 2003	March 31, 2004	% change
Assets:			
Cash, balances with banks & SLR	320.72	383.89	19.7
- Cash & balances with RBI & banks	64.89	84.71	30.5
- SLR investments	255.83	299.18	16.9
Advances	532.79	620.96	16.5
Debentures & bonds	56.90	55.49	(2.5)
Other investments	41.89	72.76	73.7
Fixed assets	40.61	40.56	(0.1)
Other assets	75.21	78.63	4.5
Total assets	1,068.12	1,252.29	17.2
Liabilities:			
Equity capital and reserves	69.33	80.10	15.5
- Equity capital	6.13	6.16	0.5
- Reserves	63.20	73.94	17.0
Preference capital	3.50	3.50	-
Deposits	481.69	681.09	41.4
- Savings deposits	37.93	83.72	120.7
- Current deposits	36.89	72.59	96.8
- Term deposits	406.87	524.78	29.0
Borrowings	440.52	398.46	(9.5)
Of which : Subordinated debt[1]	*97.50*	*91.06*	*(6.6)*
- Erstwhile ICICI borrowings	372.50	283.52	(23.9)
- Other borrowings	68.02	114.94	69.0
Other liabilities	73.08	89.15	22.0
Total liabilities	1,068.12	1,252.29	17.2

[1] Included in 'other liabilities' in schedule 5 of the balance sheet.
All amounts have been rounded off to the nearest Rs. 10.0 million.

ICICI Bank's total assets increased 17.2% to Rs. 1,252.29 billion at March 31, 2004 from Rs. 1,068.12 billion at March 31, 2003. Net advances increased 16.5% to Rs. 620.96 billion at March 31, 2004 from Rs. 532.79 billion at March 31, 2003 primarily due to increase in retail advances in accordance with ICICI Bank's strategy of growth in its retail asset portfolio, offset, in part by a reduction in advances due to repayments and securitisation. Retail assets increased 74.7% to Rs. 334.24 billion at March 31, 2004 from Rs. 191.32 billion at March 31, 2003. Total investments at March 31, 2004 increased 20.5% to Rs. 427.43 billion from Rs. 354.62 billion at March 31, 2003. SLR investments at March 31, 2004 increased 16.9% to Rs. 299.18 billion from Rs. 255.83 billion at March 31, 2003, in line with the growth in the balance sheet. Other investments at March 31, 2004 increased 73.7% to Rs. 72.76 billion from Rs. 41.89 billion at March 31, 2003, reflecting increase in investments in insurance and international subsidiaries and investment in security receipts issued by Asset Reconstruction Company (India) Limited.

ICICI Bank's net worth at March 31, 2004 increased to Rs. 78.45 billion (net of unamortised early retirement option expenses of Rs. 1.65 billion) from Rs. 69.33 billion at March 31, 2003. Total deposits increased 41.4% to Rs. 681.09 billion at March 31, 2004 from Rs. 481.69 billion at March 31, 2003. ICICI Bank's savings account deposits increased 120.7% to Rs. 83.72 billion at March 31, 2004 from Rs. 37.93 billion at March 31, 2003, while current account deposits increased 96.8% to Rs. 72.59 billion at March 31, 2004 from Rs. 36.89 billion at March 31, 2003. Savings and current deposits as a percentage of total deposits increased to 22.9% in fiscal 2004 from 15.5% in fiscal 2003 with savings and current deposits accounting for 41.0% of the incremental deposits during the year. Term deposits increased by 29.0% to Rs. 524.78 billion at March 31, 2004 from Rs. 406.87 billion at March 31, 2003. Of the term deposits, value-added savings and current account deposits totalled about Rs. 100.42 billion at March 31, 2004 compared to about Rs. 85.74 billion at March 31, 2003. The sharp increase in deposits reflects the execution of ICICI Bank's retail strategy and its objective of replacing the maturing high cost borrowings of ICICI with low-cost deposits, thereby increasing the proportion of deposits in its balance sheet. Total deposits at March 31, 2004 constituted 63.1% of total funding (i.e. deposit and borrowings) compared to 52.2% at March 31, 2003. Borrowings (including subordinated debt) decreased to Rs. 398.46 billion at March 31, 2004 from Rs. 440.52 billion at March 31, 2003.

Capital adequacy

Rs. billion, except percentages

	March 31, 2003		March 31, 2004	
	Amount	% of Risk weighted assets	Amount	% of Risk weighted assets
Tier I capital[(1)(2)]	58.07	7.05%	55.25	6.09%
Tier II capital[(3)]	33.39	4.05%	37.76	4.27%
Total capital	91.46	11.10%	94.01	10.36%
Risk-weighted assets	823.81		907.34	

(1) Deferred tax asset of Rs. 4.43 billion at March 31, 2004 and Rs. 4.88 billion at March 31, 2003 netted off as per RBI guidelines.

(2) Unamortised Early Retirement Option expense of Rs. 1.65 billion is deducted from Tier-I capital at March 31,2004

(3) Includes general provisions of Rs. 3.82 billion in fiscal 2004 and Rs. 3.08 billion in fiscal 2003.

All amounts have been rounded off to the nearest Rs. 10.0 million.

ICICI's Bank's total capital adequacy at March 31, 2004 was 10.36%, comprising Tier-I capital adequacy of 6.09% and Tier-II capital adequacy of 4.27%. RBI requires banks to create Investment Fluctuation Reserve amounting to 5.0% of investments (excluding held to maturity securities) by March 31, 2006 to guard against any possible reversal of interest rate environment in future due to unexpected developments. ICICI Bank has increased its Investment Fluctuation Reserve to Rs. 7.30 billion at March 31, 2004 (amounting to 3.0% of its fixed income investments, excluding securities classified as held to maturity) from Rs. 1.27 billion at March 31, 2003. In line with RBI guidelines, Investment Fluctuation Reserve is considered in Tier-II capital, and not in Tier-I capital. Deferred tax asset of Rs. 4.43 billion and unamortised Early Retirement Option expense of Rs. 1.65 billion have also been reduced from Tier-I capital at March 31,2004 in compliance with RBI guidelines. In accordance with RBI guidelines, Tier-I capital includes Rs. 2.04 billion out of the face value of Rs. 3.50 billion of 20 year non-cumulative preference shares issued to ITC Limited as a part of the scheme for merger of ITC Classic Finance Limited with ICICI.

ICICI Bank has raised additional Tier-I capital through a public issue of equity shares aggregating Rs. 32.46 billion, after March 31, 2004.

CONSOLIDATED ACCOUNTS

The consolidated profit after tax was Rs. 15.80 billion including the results of operations of ICICI Bank's subsidiaries and other consolidating entities. Future bonus provisions and non-amortisation of expenses by ICICI Prudential Life Insurance Company in line with insurance company accounting norms had a negative impact of Rs. 1.64 billion on the Bank's consolidated profits. Life insurance companies worldwide require five to seven years to achieve break-even, in view of the business set-up and customer acquisition costs in the initial years as well as reserving for actuarial liability. The deficit in the initial years is usually higher for faster growing companies; the profit streams, after break-even is achieved, are expected to be correspondingly higher.

The following table sets forth, for the periods indicated, the profit/(loss) of the principal subsidiaries of ICICI Bank.

Rs. billion

	Fiscal 2003	Fiscal 2004
ICICI Securities Limited	1.08	1.65
ICICI Prudential Life Insurance Company Limited	(1.47)	(2.22)
ICICI Lombard General Insurance Company Limited	0.03	0.32
ICICI Venture Funds Management Company Limited	0.13	0.26
ICICI Home Finance Company Limited	0.29	0.10

All amounts have been rounded off to the nearest Rs. 10.0 million.

RECONCILIATION OF PROFITS AS PER INDIAN GAAP AND US GAAP

There are significant technical differences in the basis of accounting between US GAAP and Indian GAAP. In the merger of ICICI with ICICI Bank, the Bank was the legal acquirer. Under Indian GAAP, the Bank is the accounting acquirer. Under US GAAP, ICICI is deemed to have acquired ICICI Bank. Therefore, the financial statements under US GAAP and Indian GAAP for the Bank are not comparable and these differences are expected to continue in future years.

ICICI's assets were fair valued while accounting for the merger under Indian GAAP. The primary impact of the fair valuation was the creation of additional provisions against ICICI's loan and investment portfolio, reflected in the Indian GAAP balance sheet at March 31, 2002. Under US GAAP, ICICI Bank's assets were fair valued while accounting for the merger. The impact of the key differences is set out below:

a. ICICI Bank's net worth as per US GAAP on March 31, 2004 was Rs. 94.53 billion, which was significantly higher than the consolidated net worth as per Indian GAAP of Rs. 75.57 billion.

b. Total additional provisions of Rs. 12.52 billion were charged to the profit and loss account under US GAAP in fiscal 2004, of which Rs. 6.65 billion was due to the difference in the basis of computation of provision for restructured loans under US GAAP, which discounts expected cash flows at historical interest rates, unlike Indian GAAP, under which current interest rates are used.

c. Under US GAAP, early retirement option expense (ERO) of Rs. 1.91 billion was fully expensed in fiscal 2004 while the same is amortised over five years under Indian GAAP.

As a result of the significant differences in the basis of accounting under US GAAP and Indian GAAP, the Bank's US GAAP accounts showed a profit of Rs. 5.22 billion as compared to Rs. 15.80 billion under Indian GAAP in fiscal 2004. In fiscal 2003, the Bank's US GAAP accounts showed a loss of Rs. 7.98 billion. A condensed reconciliation of consolidated profit after tax as per Indian GAAP with net income as per US GAAP for fiscal 2004 is set out in the following table:

Rs. billion

Audited consolidated profit after tax as per Indian GAAP	15.80
Adjustments [1]:	
Higher provision through profit & loss account in US GAAP as compared to Indian GAAP	(12.52)
Lower treasury income, already reflected in US GAAP stockholders' equity due to fair valuation of ICICI Bank's securities on merger	(0.61)
Early Retirement Option (ERO) expense	(1.65)
Amortisation of debt issue cost	(0.88)
Net impact of fee and expense amortisation	3.07
Other adjustments (including deferred taxation)	2.01
Audited net income as per US GAAP	5.22

[1] Certain items have been aggregated/ combined as considered appropriate.
All amounts have been rounded off to the nearest Rs. 10.0 million.

ASSET QUALITY AND COMPOSITION

Loan Portfolio

ICICI Bank follows a strategy of building a diversified and de-risked asset portfolio and limiting or correcting concentrations in particular sectors.

ICICI Bank limits its exposure to any particular industry to 15.0% of its total exposure. The following table sets forth the composition of ICICI Bank's exposure at March 31, 2003 and at March 31, 2004.

Rs. billion, except percentages

	March 31, 2003		March 31, 2004	
	Exposure[1]	% of total	Exposure[1]	% of total
Retail loans [2]	191.32	22.8	334.24	31.9
Iron & steel	80.42	9.6	78.29	7.5
Power	85.01	10.1	76.17	7.3
Services - Financial	32.30	3.8	64.61	6.2
Engineering	28.93	3.4	55.06	5.3
Telecommunications	44.03	5.2	52.03	5.0
Services - Others	39.31	4.7	38.26	3.7
Crude petroleum & refining	34.11	4.1	31.75	3.0
Petrochemicals	17.83	2.1	27.50	2.6
Textiles	41.06	4.9	24.25	2.3
Metal & metal products	20.04	2.4	22.99	2.2
Roads, ports & railways	16.28	1.9	22.37	2.1
Electronics	22.41	2.7	21.09	2.0
Cement	19.31	2.3	17.35	1.6
Automobiles	13.50	1.6	14.53	1.4
Fertilisers	13.08	1.6	13.60	1.3
Chemicals	13.96	1.7	12.69	1.2
Paper& paper products	12.56	1.5	12.23	1.2
Shipping	6.98	0.8	9.79	0.9
Hotels	10.10	1.2	8.76	0.8
Non - banking finance companies	5.92	0.7	8.26	0.8
Man - made fibres	11.52	1.4	8.17	0.8
Food processing	11.83	1.4	7.86	0.7
Plastics	8.57	1.0	7.32	0.7
Sugar	8.60	1.0	6.62	0.6
Drugs & pharmaceuticals	5.53	0.7	4.50	0.4
Rubber & rubber products	2.91	0.3	2.18	0.2
Mining	2.62	0.3	1.80	0.2
Other infrastructure	1.87	0.2	0.93	0.1
Miscellaneous	38.68	4.6	62.99	6.0
Total	840.59	100.0	1,048.19	100.0

(1) Includes principal outstanding, charges and non-fund-based exposures

(2) Includes home loans, automobile loans, commercial business loans, two-wheeler loans, personal loans, credit cards and others.

All amounts have been rounded off to the nearest Rs. 10.0 million.

At March 31, 2004, the three largest industry exposures were iron & steel (7.5%), power (7.3%) and financial services (6.2%).

As per applicable RBI guidelines, the exposure ceiling for a single borrower is 15.0% of total capital funds and for a group of borrowers is 40.0% of total capital funds. However, in the case of financing for infrastructure projects, the limit for a single borrower may be extended to 20.0% of total capital funds and for a group may be extended to 50.0% of total capital funds. RBI has recently announced that banks may, with the approval of their Boards, enhance the exposure to a borrower up to further 5.0% of total capital funds, subject to certain disclosure requirements. Total capital funds comprise Tier-I and Tier-II capital as defined for determining capital adequacy.

The largest borrower at March 31, 2004 accounted for approximately 2.2% of ICICI Bank's total exposure and 24.9% of ICICI Bank's total capital funds. RBI had permitted the Bank to exceed the exposure limit for this borrower. The largest borrower group at March 31, 2004 accounted for approximately 4.6% of ICICI Bank's total exposure and 53.1% of ICICI Bank's total capital funds, which is within the prescribed limit taking into account infrastructure financing. RBI had permitted the Bank to exceed the exposure limit for this borrower group.

Directed lending

In its letter dated April 26, 2002 granting its approval for the merger, RBI had stipulated that since ICICI's advances transferred to the Bank were not subject to the priority sector lending requirement, the Bank was required to maintain priority sector lending of 50.0% of the Bank's net bank credit on the residual portion of its advances (i.e. the portion of its 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 the bank's aggregate priority sector advances reach a level of 40.0% of its total net bank credit. 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 the Bank.

At March 19, 2004, which was the last reporting Friday for the quarter-ended March 31, 2004, the Bank's priority sector loans were Rs. 144.57 billion, constituting 79.5% of its residual net bank credit against the requirement of 50.0%. Of the total priority sector loans, advances to the agricultural sector were Rs. 42.06 billion (Previous year: Rs. 22.67 billion) which constituted 23.1% of the Bank's residual net bank credit against the requirement of 18.0%.

Classification of loan assets

All loans are classified as per RBI guidelines into performing and non-performing assets. Under these guidelines, effective year-end fiscal 2004, a term loan is classified as non-performing if any amount of interest or principal remains overdue for more than 90 days (as against the period of 180 days stipulated earlier). Similarly, an overdraft or cash credit facility is classified as non-performing if the account remains out of order for a period of 90 days and a bill is classified as non-performing if the account remains overdue for more than 90 days. Further, non-performing assets are classified into sub-standard, doubtful and loss assets. The Bank had classified an asset as non-performing if any amount remained overdue for more than 90 days, effective June 30, 2003.

All non-performing retail loans (other than home loans) are fully written-off or provided for over a period of 180 days. Non-performing home loans are fully written-off or provided for over a period of two years. In respect of corporate assets, till fiscal 2004 the Bank had adopted a provisioning policy whereby provisions aggregating 50.0% of the secured portion of corporate non-performing assets were made over a three-year period instead of a five-and-a-half year period prescribed by RBI. Effective quarter ended June 30, 2004, the Bank provides for corporate non-performing assets in line with the revised RBI guidelines applicable from March 31, 2005 requiring 100.0% 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. Non-performing assets acquired from ICICI in the merger were fair valued and additional provisions were recorded to reflect the fair valuation. The Bank does not distinguish between provisions and write-offs while assessing the adequacy of the Bank's loan loss coverage, as both provisions and write-offs represent a reduction of the principal amount of a non-performing asset. The Bank reports non-performing assets net of cumulative write-offs in its financial statements.

The Bank has adopted a conservative general provisioning policy for its standard asset portfolio. While RBI's guidelines require only a 0.25% general provision against standard assets, the Bank makes additional general provisions against standard assets having regard to overall portfolio quality, asset growth, economic conditions and other risk factors. The corporate and project finance portfolio acquired from ICICI in the merger were fair valued and additional provisions were recorded to reflect the fair valuation. During fiscal 2003, the Bank also made additional/accelerated provisions against loans and other assets, primarily relating to ICICI's portfolio. For restructured assets, provisions are made in accordance with guidelines issued by RBI.

The following table sets forth classification of net customer assets (net of write-offs and provisions) of ICICI Bank at March 31, 2003 and at March 31, 2004.

Rs. billion

	March 31, 2003	March 31, 2004
Standard assets	609.00	689.65
Of which: restructured standard assets	89.43	66.29
Non-performing assets	31.51	20.37
Of which: Loss assets[1]	-	-
Doubtful assets	19.90	13.22
Sub-standard assets	12.52	8.62
Less: General provision on non-performing assets	(0.91)	(1.47)
Net customer assets	640.51	710.02

[1] All loss assets have been written off or provided for.
All amounts have been rounded off to the nearest Rs. 10.0 million.

The following table sets forth, for the dates indicated, data regarding the non-performing assets.

Rs. billion, except percentages

At	Gross NPA[1]	Net NPA	Net customer assets	% of Net NPA to net customer assets
March 31, 2002	53.25	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

1) Net of write-offs, interest suspense and claims received from ECDG/DICGC
All amounts have been rounded off to the nearest Rs. 10.0 million.

The ratio of net non-performing assets to net customer assets decreased to 2.87% at March 31, 2004 from 4.92% at March 31, 2003. At March 31, 2004, the gross non-performing assets (net of write-offs) were Rs. 40.14 billion compared to Rs. 58.39 billion at March 31, 2003. Including technical write-offs, the gross non-performing loans at March 31, 2004 were Rs. 67.15 billion compared to Rs. 84.14 billion at March 31, 2003. The coverage ratio (i.e. total provisions and write-offs against non-performing assets as a percentage of gross non-performing assets) at March 31, 2004 was 69.7% compared to 62.6% at March 31, 2003.

In addition to the cumulative provisions and write-offs against non-performing assets, the Bank has made provisions against standard assets pursuant to the RBI norms for provisions for restructured standard assets, the Bank's general provisioning policy, the provisions recorded on fair valuation of ICICI's corporate and project finance portfolio while accounting for the merger and the additional/accelerated provisions, primarily relating to ICICI's portfolio, made during fiscal 2003. At March 31, 2004, the total cumulative provisions against standard assets were Rs. 20.16 billion, including provisions against restructured standard assets pursuant to the RBI norms and general provisions against the Bank's retail finance portfolio. The provision cover against the performing corporate portfolio, including provisions for restructured standard assets, was 4.4% at March 31, 2004.

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act and guidelines issued by RBI have permitted the setting up of asset reconstruction companies to acquire financial assets by banks and financial institutions. RBI 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. During the year ended March 31, 2004, the Bank sold net non-performing assets of Rs.12.51 billion to Asset Reconstruction Company (India) Limited, a reconstruction company registered with RBI.

Classification of Non-Performing Loans by Industry

The following table sets forth the classification of gross non-performing loans (net of write-offs) by industry sector at March 31, 2003 and March 31, 2004:

Rs. billion, except percentages

	March 31, 2003		March 31, 2004	
	Amount	% of total	Amount	% of total
Chemicals	15.13	25.6	8.49	20.9
Power	0.62	1.1	6.20	15.3
Textiles	9.81	16.7	4.26	10.5
Engineering	4.11	7.0	2.14	5.3
Other metal & metal products	3.21	5.5	1.98	4.9
Iron & steel	7.67	13.0	1.66	4.1
Cement	1.62	2.7	1.54	3.8
Ceramics, granites & related	1.56	2.7	1.42	3.5
Electronics	1.05	1.8	1.02	2.5
Food processing	1.50	2.6	0.99	2.4
Services - Finance	1.54	2.6	0.84	2.1
Services - Others	0.80	1.4	0.83	2.0
Automobile (including trucks)	0.74	1.3	0.69	1.7
Paper & paper products	1.73	2.9	0.60	1.5
Rubber & rubber products	0.41	0.6	0.43	1.0
Sugar	0.86	1.5	0.26	0.6
Non-banking finance companies	0.64	1.1	0.25	0.6
Agriculture	0.24	0.4	0.22	0.5
Shipping	0.24	0.4	0.19	0.5
Petroleum	0.01	0.0	0.01	0.0
Miscellaneous & others[1]	5.39	9.1	6.63	16.3
Total of above	58.88	100.0	40.64	100.0
Less: Interest suspense	0.49		0.50	
Gross non-performing loans (net of write offs)	58.39		40.14	

[1] Net non-performing assets in the retail portfolio at March 31, 2004 were 0.71% of net retail assets.
All amounts have been rounded off to the nearest Rs. 10.0 million.

Section 217

Statement pursuant to Section 217 (2A) of the Companies Act,1956 read with the Companies (Particulars of Employees) Rules ,1975 (forming part of the Directors' Report for the year ended March 31, 2004) in respect of employees of ICICI Bank Limited

Name, Qualifications and Age (in years)	Desig./ Nature of Duties***	Gross (Rs.)	Net (Rs.)	Experience (in years)	Date of Commencement of Employment	Last Employment
Agarwal Alok, BE, PGDM, (36)	DGM	2502087	1873424	13	23-Apr-93	Engineer, Reliance Industries Ltd.
Aggarwal Smita, (Ms.), B.Com CA, (35)	JGM	2970597	2149741	13	06-Jun-91	—
Annigeri M.S., B.Sc., JAIIB, (49)*	DGM	1146677	351300	28	06-Feb-96	Chief Manager, State Bank of India
Arora Rajiv, BE, MBA, (37)	DGM	2522975	1865823	15	23-Apr-93	Project Officer, IFCI
Ashok Alladi, B.Sc., (53)	GM	3404670	2572391	31	19-Feb-96	Asst. General Manager, State Bank of India
Bagchi Anup, B.Tech, PGDM, (33)	JGM	2955917	2206316	12	26-May-92	—
Batra Mohit, BE, MS, (38)	JGM	3224417	2400589	12	24-Apr-92	—
Bharadwaj Shree (Ms.), MA, DAM, (55)*	DGM	1189223	372023	34	16-Jul-73	Social Scientist, CIDCO
Bharathan Krishnamurthy, B.Com, ACA, (53)*	GM	1760475	549555	27	16-Dec-81	Manager, Lakshmi Vilas Bank Ltd.
Bisht Subir, BE, MBA, (40)	DGM	2583606	1886645	16	01-Dec-92	Research Assistant, Pace University
Chakraborty Suvalaxmi (Ms.), B.Com, CA, (37)	GM	4108864	3081870	16	01-Feb-89	Junior Officer, Price Waterhouse
Chandok Vijay, B.Tech, MMS, (36)	JGM	2986636	2190092	13	31-May-93	Prodn. Executive, ITC Group - VST Industries
Chaturvedi Amitabh, B.Com, CA, (35)*	GM	2474404	1824624	13	28-Jul-98	AVP. Llyods Finance
Chaudhry Ajay, BE, MBA, (47)	JGM	3779432	2723376	25	03-Dec-81	Officer, HMV
Chougule Sanjay, (Dr.), BE, MMS, LLB, Ph.D, (40)	JGM	2836396	2084399	17	01-Jun-87	Junior Engineer, RCF Ltd.
Daruwala Zarin (Ms.), B.Com, CA, CS, (39)	JGM	2881363	2083656	15	21-Jun-89	—
Dasgupta Bhargav, BE, PGDM, (37)	SGM	4993917	3668924	14	18-May-92	Gr, Eng. Trainee, TELCO
Dhamodaran S., B.Sc., CAIIB, (49)	JGM	2737937	1929784	29	04-Apr-94	Manager, State Bank of India
Gopinath M. N, B.Com, MBA, CAIIB, (55)	SGM	4536776	3155809	35	01-Jun-95	Asst. General Manager, Bank of India
Gune Smita (Ms.), B.Com, CA, CIA, (45)	JGM	2765891	1940616	20	12-Oct-98	Asst. General Manager, Tata Finance
Gupta Ajay, B.Com, CA, (37)	DGM	2731010	2076221	13	25-Nov-91	Article Clerk, A.F. Ferguson & Co.
Gupte D. Lalita (Ms.), BA(Hons.), MMS, (55)+	JMD	12318771	8809982	33	15-Jun-71	—
Jain Mukesh, B.Com, CAIIB, PGDBM, DBANKM, (44)	JGM	2939458	2127642	24	29-Mar-94	Officer, Canara Bank
Jayarao K .M, BE, (48)	GM	4165645	3020011	24	22-Mar-82	Junior Executive, BHEL, Hyderabad
Jha Rakesh, BE, PGDM, (32)	DGM	2439853	1795730	8	03-Jun-96	—
Juneja Maninder, BE, PGDM, (38)	DGM	2417708	1665209	13	05-Apr-99	Head Agency Business, DGP Windsor
Kamath K .V , BE, PGDBA, (56)+	MD&CEO	14668116	10533777	33	01-May-96	Adviser to Chairman, Bakrie Group, Indonesia
Kannan N .S, BE, CFA, PGDM, (38)	CFO&TR	5393608	3960118	16	02-May-91	Executive, SRF Ltd.
Kannan Ramanathan, M.Tech, DFM, CFA, (56)*	GM	801376	245176	32	01-Jun-77	Process Design Engineer, Southern Nitro Chemical Ltd.
Karati Achintya, B.Com, LLB, (58)	SGM	7197723	5154692	40	01-Aug-78	Indian Machinery Co. Ltd.
Kaul Anil, B.Sc., MBA, (38)	DGM	2555927	1925129	15	04-Jan-99	Zonal Manager, Standard Chartered Bank
Kerkar Sanjiv, B.Tech, MFM, (53)	SGM	6125936	4562258	28	26-Nov-96	Director-Operations, Asian Finance & Investment
Khasnobis Sudhamoy, BE, (49)	GM	4412239	3275660	24	12-Jan-81	Asst. Industr. Eng. Hindustan Motors Ltd.
Kikani Kalpesh, BE, MBA, CFA, (31)	DGM	2557403	1885705	9	01-Jun-95	—
Kishore S, ME, MBA, (38)	DGM	2568089	1913095	15	24-Feb-93	Engineer Product Eng, Lucas TVS Ltd.
Kochhar Chanda (Ms.), BA, MMS, ICWAI, (42)+	ED	6135383	4239506	20	17-Apr-84	—
Krishnan R., B.Sc., CA, CPA, (44)*	DGM	770727	229497	16	15-Jun-87	—
Kumar Ritesh, B.Com, MBA, (34)	DGM	2483485	1850724	12	04-May-92	—
Kumar Shilpa (Ms.), B.Com, PGDM, (37)	JGM	2554024	1816678	15	01-Jun-89	—
Kusre Anand, M.Tech, (54)	GM	4246356	3144394	30	04-Jan-80	Officer, State Bank of Hyderabad
Maheshka Sanjay, B.Tech, PGDBM, (34)	JGM	3202970	2371116	11	03-May-93	—
Malhotra Sandeep, M.Tech, (38)	GM	4452068	3175696	17	18-Nov-91	Siemens India Ltd.
Mehta Jyotin, B.Com, ICWA, CA, CS, (46)	GM&CS	3050189	2149177	21	01-Mar-00	Vice President -Finance & CS, Bharat Shell
Mhatre Sangeeta V., (Ms.), B.Com, CA, (40)	JGM	3374279	2409328	15	12-Jun-89	Junior Officer, Price Waterhouse
Mor Nachiket (Dr.), B.Sc., PGDM, Ph.D., (40)+	ED	6151568	4351857	17	04-May-87	—
Morparia Kalpana (Ms.), B.Sc., LLB, (54)+	DMD	7876735	5679380	28	05-Nov-75	Legal Asst., Malubhai Jamiatram & Madon
Mukerji Ananda, B.Tech, PGDM, (44)*	SGM	2125148	1462819	19	15-Jan-02	CFO, BPL Communications Ltd.
Mukerji Neeta (Ms.), BA, PGDM, (38)	JGM	3391912	2513900	15	01-Jun-89	—
Mukherji Subrata, BA, MMS, MSc., (London) (51)*+	ED	7695258	5545110	26	02-Jan-78	Research Associate, London School of Economics
Mulye Vishakha, (Ms.) B.Com, CA, (35)	GM	4131275	2979716	12	01-Mar-93	Officer, Deutsche Bank
Muralidharan R, B.Sc., MA, CAIIB, (42)	JGM	2634179	1872097	21	16-May-94	Branch Manager, State Bank of India
Nachiappan V, B.Sc., DBM, CAIIB, PGDBA, (50)	GM	2840189	2042513	30	01-May-00	General Manager, Bank of Madura Ltd.

Name,Qualifications and Age (in years)	Desig./ Nature of Duties***	Gross (Rs.)	Net (Rs.)	Expe- rience (in years)	Date of Commence- ment of Employment	Last Employment
Nambiar Suvek, BE, MBA, (33)*	DGM	1618877	1176293	10	02-May-94	Executive, Wipro Infotech
Nirantar R.B., B.Com, DIRPM, CAIIB, BGL, (49)	GM	3208573	2161678	29	23-May-94	Manager, Union Bank of India
Nirula Ramni (Ms.), BA, MBA, (51)	SGM	6561076	4612412	28	01-Dec-75	—
Pal D.K., B.Com, ACA, (48)	DGM	2532600	1863156	24	02-Mar-81	Probationary Officer, State Bank of India
Patankar Madhukar, B.Com, LLB, ACA, ACS, (43)*	AGM	838498	251651	19	11-Mar-91	Accounts Manager, Hotel Corp. of India
Pinge N.D., B.Com, BGL, ACA, (45)	GM	5492916	3891476	20	06-Apr-98	Director, Anik Financial
Prasad Hari, B.Com, CAIIB, PGDIBM, MA, (48)*	GM	1387990	417666	26	01-Jun-95	Officer SMIV, State Bank of India
Puri-Buch Madhabi (Ms.), BA (Hons.), PGDM, DPR (UK) (38)	SGM	5575805	3962771	16	02-Jan-97	Research Director, MARG
Ramkumar Krishnaswamy, B.Sc., PGDPM & IR, (42)	GM	5048878	3604043	19	02-Jul-01	General Manager (HR), ICI India Ltd.
Ravikumar P. H., B.Com, CAIIB, (52)	SGM	4749534	3505949	30	15-Jul-94	Chief Manager, Bank of India
Sabharwal Rajiv, B.Tech, PGDM, (38)	JGM	3193610	2286325	14	21-Dec-98	Times Bank
Sarma PJV, B.Tech, DFM, AICWA, (46)*	GM	1140991	355763	24	14-Jul-80	—
Seshadri Vishwanath, B.Com, ACA, (42)	JGM	3069445	2220999	16	19-Aug-98	Manager Finance, Countrywide
Shah Shalini (Ms.), B.Com, FCA, (56)*	GM	1290555	406591	32	25-Apr-77	Chartered Accountant
Singh Saurabh, MA, MMS, (37)	DGM	2494202	1801730	13	31-Dec-99	Manager HRD, Tata Liebert
Sinor H.N., B.Com, LLB, JAIIB, (59)+*	JMD	4977817	3425111	38	01-Jul-97	Executive Director, Central Bank of India
Srinivas G, B.Tech, PGDM, (36)	DGM	2464711	1729270	13	08-Jun-93	Management Trainee, IFCI
Srivastava O.P., MSc., PGDM, CAIIB, (49)	GM	4223988	3094009	27	03-May-93	Sr. Vice President, PNB Capital Services Ltd.
Swaminathan Balaji, B.Com, CA, ICWAI, (39)	SGM	6976576	5047687	15	01-Aug-01	Partner, KPMG
Vaidyanathan V, B.Com, MBA, (36)	SGM	5373467	3853180	14	06-Mar-00	Citibank, N.A.
Vedasagar R, B.Sc., BL, (51)	GM	3295520	2382978	26	04-Jul-80	Advocate
Venkatakrishnan G, Msc, ICWAI, PGDBM, CAIIB, (53)	GM	3242264	2340846	29	15-Dec-97	Officer SMV, State Bank of India
Vohra Pravir, MA, CAIIB, (49)	GM	4156563	3084938	29	28-Jan-00	Vice President, Times Bank

* Indicates part of the year

\+ Nature of employment contractual

*** Designation/Nature of Duties - Abbreviations

MD&CEO - Managing Director & Chief Executive Officer	JMD - Joint Managing Director	DMD - Deputy Managing Director
ED -Executive Director	CFO&TR - Chief Financial Officer & Treasurer	SGM - Senior General Manager
GM -General Manager	GM&CS - General Manager & Company Secretary	JGM - Joint General Manager
DGM - Deputy General Manager	AGM - Assistant General Manager	

Other employees are in the permanent employment of the Company,governed by its rule and conditions of service.

Notes:

1. Gross remuneration includes Salary, Bank's contribution to Provident and Superannuation Funds, etc.
2. Net remuneration is shown after deduction from gross remuneration of contribution to Provident and Superannuation Fund, Profession Tax & Income Tax.
3. None of the employees mentioned above is a relative of any Director.
4. Designation,Nature of Duties and Remuneration are as on March 31, 2004.

For and on behalf of the Board

N. VAGHUL
Chairman

Mumbai, July 23, 2004

ICICI Group 50 years in Finance

ICICI Bank

financials