auditors' report

To the Board of Directors of ICICI Bank Limited on the Consolidated Financial Statements of ICICI Bank Limited and its Subsidiaries

1. We have examined the attached Consolidated Balance Sheet of ICICI Bank Limited and its subsidiaries ("the Group") as at March 31, 2002 and the Consolidated Profit and Loss Account of the Group for the year then ended.

2. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

3. We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs. 479521 lacs as at March 31, 2002 and total revenues of Rs. 75586 lacs for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiaries, is based solely on the report of the other auditors.

4. We report that the consolidated financial statements have been prepared by the Bank in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the Bank and its subsidiaries included in the consolidated financial statements.

5. On the basis of the information and explanation given to us and on the consideration of the separate audit reports on individual audited financial statements of the Bank and its aforesaid subsidiaries, we are of the opinion that:

   (a) the Consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of the Group as at March 31, 2002; and

   (b) the Consolidated Profit and Loss Account gives a true and fair view of the consolidated results of operations of the Group for the year then ended.

For S.B. BILLIMORIA & CO.
Chartered Accountants

P. R. RAMESH
Partner

Mumbai, May 3, 2002

consolidated balance sheet

ICICI Bank

as on March 31, 2002

	Schedule	(Rs. in '000s)
CAPITAL AND LIABILITIES		
Capital	1	963,03,14
Reserves and Surplus	2	5419,48,78
Minority Interest		60,85,80
Deposits	3	32217,11,70
Borrowings	4	51614,00,58
Other Liabilities and Provisions	5	16546,21,67
TOTAL		**106820,71,67**
ASSETS		
Cash and balance with Reserve Bank of India	6	1778,03,48
Balances with banks and money at call and short notice	7	11089,42,79
Investments	8	37274,84,16
Advances	9	47907,25,19
Fixed Assets	10	4415,19,19
Other Assets	11	4355,96,86
TOTAL		**106820,71,67**
Contingent liabilities	12	43800,85,28
Bills for collection		1323,41,84
Cash Flow Statement	18	
Significant Accounting Policies and Notes to Accounts	19	

The Schedules referred to above form an integral part of the Balance Sheet.

As per our Report of even date

For S.B. BILLIMORIA & CO.
Chartered Accountants

P. R. RAMESH
Partner

Place : Mumbai
Date : May 3, 2002

JYOTIN MEHTA
General Manager & Company Secretary

For and on behalf of the Board of Directors

N. VAGHUL
Director

K. V. KAMATH
Managing Director & CEO

H. N. SINOR
Joint Managing Director

LALITA D. GUPTE
Joint Managing Director

CHANDA D. KOCHHAR
Executive Director

KALPANA MORPARIA
Executive Director

NACHIKET MOR
Executive Director

S. MUKHERJI
Executive Director

G. VENKATAKRISHNAN
General Manager

BALAJI SWAMINATHAN
Chief Financial Officer

consolidated profit and loss account

for the year ended March 31, 2002

	Schedule	(Rs. in '000s)
I. INCOME		
Interest earned	13	2153,90,54
Other income	14	579,12,61
TOTAL		**2733,03,15**
II. EXPENDITURE		
Interest expended	15	1560,31,76
Operating expenses	16	625,48,01
Provisions and contingencies	17	288,74,64
TOTAL		**2474,54,41**
III. PROFIT/LOSS		
Net profit for the year before minority interest		258,48,74
Minority Interest in loss of subsidiaries		(391)
Profit brought forward		82,94
TOTAL		**259,35,59**
IV. APPROPRIATIONS		
Statutory Reserve		65,00,00
Investment Fluctuation Reserve		16,00,00
Special Reserve		14,00,00
Revenue and other Reserves		96,00,00
Interim Dividend paid		44,07,17
Interim Dividend tax paid		4,49,53
Balance carried over to Balance Sheet		19,78,89
TOTAL		**259,35,59**
Cash Flow Statement	18	
Significant Accounting Policies and Notes to Accounts	19	
Earning per Share (Refer Note C.8)		
Basic and Diluted (Rs.)		11.62

The Schedules referred to above form an integral part of the Profit and Loss Account.

As per our Report of even date

For S.B. BILLIMORIA & CO.
Chartered Accountants

P. R. RAMESH
Partner

Place : Mumbai
Date : May 3, 2002

JYOTIN MEHTA
General Manager & Company Secretary

For and on behalf of the Board of Directors

N. VAGHUL
Director

K. V. KAMATH
Managing Director & CEO

H. N. SINOR
Joint Managing Director

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Executive Director

NACHIKET MOR
Executive Director

S. MUKHERJI
Executive Director

G. VENKATAKRISHNAN
General Manager

BALAJI SWAMINATHAN
Chief Financial Officer

(Rs. in '000s)

SCHEDULE 1 – CAPITAL

Authorised Capital		
30,00,00,000	Equity shares of Rs.10 each[1]	300,00,00
Issued, Subscribed and Paid-up Capital		
22,03,58,680	(Previous year 19,68,18,880) equity shares of Rs.10 each including 3,18,18,180 underlying equity shares consequent on USD 175 million ADS issue in March 2000 and 2,35,39,800 equity shares issued to shareholders of Bank of Madura Limited on amalgamation.	220,35,87
Less: Calls unpaid		—
Add: Forfeited shares		—
Share Capital Suspense [Represents face value of 39,26,72,724 shares to be issued to shareholders of ICICI Limited on amalgamation]		392,67,27
Preference Share Capital Suspense[2] [Represents face value of 350 preference shares to be issued to shareholders of ICICI Limited on amalgamation redeemable at par on April 20, 2018]		350,00,00
TOTAL		**963,03,14**

1 Pursuant to the Scheme of Amalgamation of ICICI Limited, ICICI Capital Services Limited and ICICI Personal Financial Services Limited with ICICI Bank Limited, the authorised capital has increased from Rs. 300 crores to Rs. 2,250 crores.

2 As per the notification received from Ministry of Finance the restriction of Section 12 (1) of the Banking Regulation Act, 1949, prohibiting banks established after 1944 from holding preference shares, is not applicable to the Bank for a specified period.

forming part of the Consolidated Balance Sheet as on March 31, 2002 *Continued*

(Rs. in '000s)

SCHEDULE 2 – RESERVES AND SURPLUS

I.	Statutory Reserve	
	Opening balance	184,43,07
	Additions during the year (includes Rs. 133 million relating to subsidiaries)	78,30,30
	Deductions during the year	—
	Closing balance	262,73,37
II.	Debenture Redemption Reserve	
	Opening balance	—
	Additions during the year [on amalgamation]	10,00,00
	Deductions during the year	—
	Closing balance	10,00,00
III.	Special Reserve	
	Opening balance	—
	Additions during the year (includes Rs.108000.00 lacs on amalgamation and Rs. 330.30 lacs relating to subsidiaries)	1097,30,30
	Deductions during the year	—
	Closing balance	1097,30,30
IV.	Share Premium	
	Opening balance	804,54,36
	Additions during the year	—
	Deductions during the year	—
	Closing balance	804,54,36
V.	Investment Fluctuation Reserve	
	Opening balance	11,33,50
	Additions during the year	16,00,00
	Deductions during the year	—
	Closing balance	27,33,50
VI.	Revenue and other Reserves	
	Opening balance*	91,12,06
	Additions during the year**	3106,66,30
	Deductions during the year	—
	Closing balance	3197,78,36
VII.	Balance in Profit and Loss Account	19,78,89
	TOTAL	**5419,48,78**

* Includes (a) amount transferred on amalgamation of Bank of Madura Limited with the Bank Rs. 207.05 lacs, and
(b) Rs. 1176.99 lacs being excess of face value of shares issued over net assets and reserves of Bank of Madura Limited on amalgamation.

** Comprises (a) Rs. 321082.23 lacs on amalgamation of ICICI Limited, ICICI Capital Services Limited and ICICI Personal Financial Services Limited with the Bank.
(b) Rs. 3272.95 lacs being deferred tax credit for earlier years on adoption of Accounting Standard 22.
(c) Rs. 9600.00 lacs transferred from Profit and Loss Account.
(d) Net decremental effect of Rs. 23288.88 lacs on consolidation.

ICICI Bank **forming part of the Consolidated Balance Sheet as on March 31, 2002** *Continued*

(Rs. in '000s)

SCHEDULE 3 – DEPOSITS

A. I. Demand Deposits	
i) From banks	108,99,78
ii) From others	2608,81,39
II. Savings Bank Deposits	2497,00,29
III. Term Deposits	
i) From banks	4456,57,84
ii) From others	22545,72,40
TOTAL	**32217,11,70**
B. I. Deposits of branches in India	32217,11,70
TOTAL	**32217,11,70**

SCHEDULE 4 – BORROWINGS

I. Borrowings in India	
i) Reserve Bank of India	140,89,00
ii) Other banks	2687,75,35
iii) Other institutions and agencies	
a) From Government of India	600,93,57
b) From Financial Institutions	2184,20,92
II. Borrowings in the form of	
a) Deposits taken over from ICICI Limited	4249,98,95
b) Commercial Paper	702,28,86
c) Bonds and Debentures (excluding subordinated debt)	
1) Debentures and Bonds guaranteed by the Government of India	1824,00,00
2) Tax free Bonds	80,00,00
3) Non convertible portion of partly convertible notes	133,19,36
4) Borrowings under private placement of bonds carrying maturity of one to thirty years from the date of placement	19356,93,77
5) Bonds Issued under multiple option/safety bonds series	
– Regular Interest Bonds	3417,52,31
– Deep Discount Bonds	621,41,22
– Bonds with premium warrants	50,60,78
– Encash Bonds	249,30,30
– Tax Saving Bonds	7493,31,63
– Easy Instalment Bonds	3,13,59
– Pension Bonds	5,17,29
6) Application Money pending allotment	537,44,95
III. Borrowings outside India	
i) From Multilateral/Bilateral Credit Agencies (guaranteed by the Government of India equivalent of Rs. 221988.43 lacs)	2521,36,94
ii) From International Banks, Institutions and Consortiums	2934,76,59
iii) By way of Bonds and Notes	1819,75,20
TOTAL	**51614,00,58**

forming part of the Consolidated Balance Sheet as on March 31, 2002 *Continued*

(Rs. in '000s)

SCHEDULE 5 – OTHER LIABILITIES AND PROVISIONS

I. Bills payable	817,34,72
II. Inter-office adjustments (net)	33,04,59
III. Interest accrued	2292,78,12
IV. Unsecured Redeemable Debentures/Bonds [Subordinated for Tier II Capital]	9751,31,41
V. Others	
a) Security Deposits from Clients	81,39,04
b) Sundry creditors	1256,76,57
c) Received for disbursements under special program	254,72,97
d) Swap Suspense (Refer Note C. 5 b)	25,39,10
e) ERAS Exchange Fluctuation Account	67,93,48
f) Other Liabilities (including provisions)	1965,51,67
TOTAL	**16546,21,67**

SCHEDULE 6 – CASH AND BALANCES WITH RESERVE BANK OF INDIA

I. Cash in hand (including foreign currency notes)	249,26,57
II. Balances with Reserve Bank of India	
i) In Current Accounts	1528,56,91
ii) In Other Accounts	20,00
TOTAL	**1778,03,48**

SCHEDULE 7 – BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE

I. In India	
i) Balances with banks	
a) in Current Accounts	949,59,56
b) in Other Deposit Accounts	1942,16,14
ii) Money at call and short notice	
a) with banks	3924,10,81
b) with other institutions	234,00,00
TOTAL	**7049,86,51**
II. Outside India	
i) in Current Accounts	150,33,23
ii) in Other Deposit Accounts	1288,19,05
iii) Money at call and short notice	2601,04,00
TOTAL	**4039,56,28**
GRAND TOTAL (I+II)	**11089,42,79**

(Rs. in '000s)

SCHEDULE 8 – INVESTMENTS

I. Investments in India	
i) Government securities	24304,85,21
ii) Other approved securities	70,46,45
iii) Shares *	2597,08,06
iv) Debentures and Bonds	6959,09,99
v) Others (CPs, Mutual Fund Units, etc.)	3332,67,66
TOTAL	**37264,17,37**
II. Investments outside India	
i) Subsidiaries and/or joint ventures abroad	—
ii) Others	10,66,79
TOTAL	**10,66,79**
GRAND TOTAL (I+II)	**37274,84,16**

* Includes investment in associates of Rs. 3325.11 lacs accounted as per equity method of accounting.

SCHEDULE 9 – ADVANCES

A. i) Bills purchased and discounted	1654,12,23
ii) Cash credits, overdrafts and loans repayable on demand	2402,50,73
iii) Term loans	43020,04,53
iv) Securitisation, Finance lease and Hire Purchase receivables	830,57,70
TOTAL	**47907,25,19**
B. i) Secured by tangible assets [includes advances against Book Debt]	44604,24,64
ii) Covered by Bank/Government Guarantees	1029,36,12
iii) Unsecured	2273,64,43
TOTAL	**47907,25,19**
C. I. Advances in India	
i) Priority Sector	1985,91,44
ii) Public Sector	4356,20,87
iii) Banks	179,44,97
iv) Others	41323,63,70
TOTAL	**47845,20,98**
II. Advances outside India	
i) Due from banks	—
ii) Due from others	
a) Bills purchased and discounted	—
b) Syndicated loans	—
c) Others	62,04,21
TOTAL	**62,04,21**
GRAND TOTAL (C. I and II)	**47907,25,19**

(Rs. in '000s)

SCHEDULE 10 – FIXED ASSETS

I.	Premises	
	At cost as on March 31 of preceding year	203,08,68
	Additions during the year	131,85,56
	Additions on amalgamation	1237,78,06
	Deductions during the year	(14,27,91)
	Depreciation to date	(39,09,37)
II.	Other Fixed Assets (including Furniture and Fixtures)	
	At cost as on March 31 of preceding year	253,52,45
	Additions during the year	173,13,28
	Additions on amalgamation	341,33,58
	Deductions during the year	(98,26)
	Depreciation to date	(148,05,52)
III.	Assets given on Lease	
	At cost as on March 31 of preceding year*	133,06,63
	Additions during the year	6,91,90
	Additions on amalgamation	2227,05,82
	Deductions during the year	(22,36,40)
	Depreciation to date, accumulated lease adjustment and provisions	(67,79,31)
	TOTAL	**4415,19,19**

* Includes repossessed Leased Asset Rs. 960.00 lacs

SCHEDULE 11 – OTHER ASSETS

I.	Inter-office adjustments (net)	—
II.	Interest accrued	1865,42,84
III.	Tax paid in advance/tax deducted at source (net)	1015,62,51
IV.	Stationery and Stamps	50,34
V.	Non-banking assets acquired in satisfaction of claims	206,77,95
VI.	Others	
	a) Advance for Capital Assets	205,86,67
	b) Outstanding Fees and Other Income	173,25,39
	c) Exchange Fluctuation Suspense with Government of India (Refer Note C. 5 a)	111,19,19
	d) Others*	777,31,97
	TOTAL	**4355,96,86**

* Includes Rs. 12444.96 lacs (representing 1013,95,949 equity shares) transferred to The Western India Trustee & Executor Company Limited being shares held by ICICI Limited in ICICI Bank Limited.

ICICI Bank

forming part of the Consolidated Balance Sheet as on March 31, 2002 *Continued*

(Rs. in '000s)

SCHEDULE 12 – CONTINGENT LIABILITIES

I.	Claims against the Bank not acknowledged as debts	1023,62,07
II.	Liability for partly paid investments	261,51,61
III.	Liability on account of outstanding forward exchange contracts	15254,59,16
IV.	Guarantees given on behalf of constituents in India	9351,60,16
V.	Acceptances, endorsements and other obligations	1739,10,49
VI.	Currency Swaps	2041,46,75
VII.	Interest Rate Swaps	12204,15,65
VIII.	Other items for which the Bank is contingently liable	1924,79,39
	TOTAL	**43800,85,28**

schedules

forming part of the Consolidated Profit and Loss Account for the year ended March 31, 2002

(Rs. in '000s)

SCHEDULE 13 – INTEREST EARNED

I.	Interest/discount on advances/bills	772,50,58
II.	Income on investments	1234,94,22
III.	Interest on balances with Reserve Bank of India and other inter-bank funds	122,62,99
IV.	Others	23,82,75
	TOTAL	**2153,90,54**

SCHEDULE 14 – OTHER INCOME

I.	Commission, exchange and brokerage	230,88,87
II.	Profit on sale of investments (net)	305,71,34
III.	Profit/(Loss) on revaluation of investments (net)	(12,64,32)
IV.	Loss on sale of land, buildings and other assets (net)	(627)
V.	Profit on exchange transactions (net)	37,22,00
VI.	Miscellaneous Income	18,00,99
	TOTAL	**579,12,61**

forming part of the Consolidated Profit and Loss Account for the year ended March 31, 2002 *Continued*

(Rs. in '000s)

SCHEDULE 15 – INTEREST EXPENDED

I.	Interest on deposits	1389,61,90
II.	Interest on Reserve Bank of India/inter-bank borrowings	47,83,87
III.	Others	122,85,99
	TOTAL	**1560,31,76**

SCHEDULE 16 – OPERATING EXPENSES

I.	Payments to and provisions for employees	147,54,64
II.	Rent, taxes and lighting	66,46,85
III.	Printing and stationery	35,30,22
IV.	Advertisement and publicity	7,96,57
V.	Depreciation on Bank's property	64,17,91
VI.	Directors' fees, allowances and expenses	15,69
VII.	Auditors' fees and expenses (including branch auditors)	31,05
VIII.	Law Charges	1,51,49
IX.	Postages, Telegrams, Telephones, etc.	37,77,03
X.	Repairs and maintenance	78,39,16
XI.	Insurance	14,15,33
XII.	Other expenditure*	171,72,07
	TOTAL	**625,48,01**

* Includes Rs. 915.40 lacs amortisation of ADS issue expenses.

SCHEDULE 17 – PROVISIONS AND CONTINGENCIES

I.	Income Tax – Current period Tax Rs. 121,33.00 lacs – Deferred Tax adjustment (Rs. 90,33,.00 lacs)	31,00,00
II.	Wealth Tax	50,00
III.	Additional depreciation/ (write-back of depreciation) on investments	(13,74,36)
IV.	Provision for non-performing assets (net) [incl. Provision for standard assets and after accounting for provisions required on certain accounts stated in Note B.3 (a) (ii)]	268,29,00
V.	Others	2,70,00
	TOTAL	**288,74,64**

Particulars		(Rs. in '000s)
SCHEDULE 18 – CONSOLIDATED CASH FLOW STATEMENT		
Cash flow from Operating Activities		
Net profit before taxes		28,99,874
Adjustments for :		
Depreciation on fixed assets		6,41,791
Net (appreciation)/depreciation on investments		(1,37,436)
Provision in respect of non-performing assets (including prudential provision on standard assets)		26,82,900
Provision for contingencies and others		27,000
Loss on sale of fixed assets		627
		61,14,756
Adjustments for :		
(Increase)/Decrease in Investments		(1531,27,918)
(Increase)/Decrease in Advances		230,33,299
Increase/(Decrease) in Borrowings		(147,04,085)
Increase/(Decrease) in Deposits		1570,69,033
(Increase)/Decrease in Other Assets		(50,70,756)
Increase/(Decrease) in Other Liabilities and Provisions		103,95,316
		175,94,889
Direct taxes paid		(12,75,280)
Net Cash Generated from Operating Activities	**(A)**	224,34,365
Cash Flow from Investing Activities		
Purchase of fixed assets		(2,44,184)
Proceeds from sale of fixed assets		7,307
Net Cash Generated from Investing Activities	**(B)**	(2,36,877)
Cash Flow from Financing Activities		
Proceeds from issue of share capital		
Proceeds from issue of subordinated debt		22,85,354
Dividend and dividend tax paid		(9,71,340)
Net Cash Generated from Financing Activities	**(C)**	13,14,014
Cash and Cash Equivalents on Amalgamation	**(D)**	684,37,439
Net Cash and Cash Equivalents coming from Consolidation	**(E)**	7,88,802
Net Increase/(Decrease) in Cash and Cash Equivalents	**(A)+(B)+(C)+(D)+(E)**	927,37,743
Cash and Cash Equivalents as at April 1		359,36,884
Cash and Cash Equivalents as at March 31		1286,74,627

For and on behalf of the Board of Directors

N. VAGHUL
Director

K. V. KAMATH
Managing Director & CEO

H. N. SINOR
Joint Managing Director

LALITA D. GUPTE
Joint Managing Director

CHANDA D. KOCHHAR
Executive Director

KALPANA MORPARIA
Executive Director

NACHIKET MOR
Executive Director

S. MUKHERJI
Executive Director

Place : Mumbai
Date : May 3, 2002

JYOTIN MEHTA
General Manager & Company Secretary

G. VENKATAKRISHNAN
General Manager

BALAJI SWAMINATHAN
Chief Financial Officer

SCHEDULE 19

A. SIGNIFICANT ACCOUNTING POLICIES

1. Overview

ICICI Bank Limited ("ICICI Bank" or "the Bank") together with its subsidiaries provides a wide range of banking and financial services including commercial lending, trade finance, treasury products, retail banking and broking business. ICICI Bank is a banking company governed by the Banking Regulation Act, 1949.

In fiscal 2001, ICICI Bank acquired and merged Bank of Madura into itself in an all-stock deal. Effective March 30, 2002, ICICI Bank acquired 100% of the outstanding equity shares of ICICI Limited ("ICICI") and ICICI's interest in its subsidiaries in an all-stock deal accounted for under the purchase method of accounting.

2. Principles of Consolidation

The consolidated financial statements include the accounts of ICICI Bank and all its subsidiaries. The consolidated Balance Sheet includes the assets and liabilities of ICICI Bank and all its subsidiaries as on March 31, 2002 and Profit and Loss Account for the entire year for ICICI Bank and two days for the subsidiaries.

The financial statements of the Bank and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions.

Investment in Associate Companies is accounted as per Accounting Standard 23 (AS 23) "Accounting for Investments in Associates in Consolidated Financial Statements" issued by The Institute of Chartered Accountants of India.

Minority interest in the net assets of subsidiaries consists of:

a) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made and

b) the minorities' share of movements in equity since the day on which parent subsidiary relationship came into existence.

3. Basis of Preparation

The financial statements have been prepared under the historical cost convention and on accrual basis of accounting. The accounts of the Bank and its subsidiaries have been prepared in accordance with Accounting Standards issued by the Institute of Chartered Accountants of India, guidelines issued by respective regulatory authorities from time to time and generally accepted accounting principles.

The preparation of financial statements requires that management makes estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates.

The consolidated financial statements includes the results of the following entities :

Sr. No.	Name of the Company	Country/ Residence	Relation	Ownership Interest
1.	ICICI Securities and Finance Company Limited	India	Subsidiary	99.92%
2.	ICICI Brokerage Services Limited	India	Subsidiary	99.92%
3.	ICICI Securities Inc.	USA	Subsidiary	99.92%
4.	ICICI Securities Holding Inc.	USA	Subsidiary	99.92%
5.	ICICI Venture Funds Management Company Limited	India	Subsidiary	99.99%
6.	ICICI Home Finance Company Limited	India	Subsidiary	100.00%
7.	ICICI Trusteeship Services Limited	India	Subsidiary	100.00%
8.	ICICI Investment Management Company Limited	India	Subsidiary	100.00%
9.	ICICI International Limited	Mauritius	Subsidiary	100.00%
10.	ICICI Prudential Life Insurance Company Limited	India	Subsidiary	74.00%
11.	ICICI Lombard General Insurance Company Limited	India	Subsidiary	74.00%
12.	ICICI Web-Trade Limited	India	Other related party	100.00%
13.	ICICI Property Trust	India	Other related party	100.00%
14.	ICICI Properties Private Limited	India	Other related party	100.00%
15.	ICICI Real Estate Company Private Limited	India	Other related party	100.00%

Sr. No.	Name of the Company	Country/ Residence	Relation	Ownership Interest
16.	ICICI Realty Private Limited	India	Other related party	100.00%
17.	ICICI West Bengal Infrastructure Development Corporation Limited	India	Other related party	75.95%
18.	ICICI KINFRA Limited	India	Other related party	75.99%
19.	ICICI Knowledge Park	India	Other related party	100.00%
20.	ICICI Technology Incubator Fund	India	Other related party	100.00%
21.	ICICI Eco-net Internet and Technology Fund	India	Other related party	92.12%
22.	ICICI Information Technology Fund	India	Other related party	*98.49%
23.	ICICI Equity Fund	India	Other related party	**100.00%

* Application money for 11,710,000 shares of Rs. 100 each which has been subsequently allotted on April 26, 2002 have been considered for calculation of ownership interest

** Application money for 42,593,433 shares of Rs. 100 each which has been subsequently allotted on April 26, 2002 have been considered for calculation of ownership interest

The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Parent Company, i.e. period ended March 31, 2002.

ICICI Infotech Services Limited along with its subsidiaries and ICICI OneSource Limited are excluded from consolidation as ICICI Bank's control in these companies is intended to be temporary.

Following Associate Companies are accounted under equity method as per Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statements" issued by The Institute of Chartered Accountants of India:

Sr. No.	Name of the Company	Country/ Residence	Relation	Ownership Interest
1.	TCW/ICICI Investment Partner LLC.	USA	Associate	50.00%
2.	Prudential ICICI Asset Management Company Limited	India	Associate	44.99%
3.	Prudential ICICI Trust Limited	India	Associate	44.80%

Since the appointed date of the merger of ICICI is March 30, 2002 the financials include the results of the operations for the full year of ICICI Bank and from the appointed date for ICICI. As more fully explained in part B the results of operations of ICICI, ICICI Personal Financial Services Limited and ICICI Capital Services Limited up to the appointed date are accounted in accordance with the scheme of amalgamation and Accounting Standard 14 on 'Accounting for Amalgamations' issued by the Institute of Chartered Accountants of India. The accounting policies described below have to be read together with the aforesaid note.

4. Revenue Recognition

a) Interest income is recognised in the Profit and Loss Account as it accrues except in the case of non-performing assets where it is not reckoned as income in the accounts unless realised in cash.

b) Income on hire purchase operations is accrued in a manner so as to provide a fixed return on outstanding investments.

c) Income from leases is calculated by applying the interest rate implicit in the lease to the net investment outstanding on the lease over the primary lease period. In respect of leases effected from April 1, 2001, finance leases have been accounted as per Accounting Standard 19 issued by the Institute of Chartered Accountants of India.

d) Income on discounted instruments is recognised over the tenure of the instrument.

e) Dividend is accounted on an accrual basis when the Bank's right to receive the dividend is established.

f) Front end fees, premium earned on prepayment of loans, fee income arising from sell down of assets and fees earned on restructured (including realignment of interest rates) loans are recognised upfront on their becoming due.

g) Guarantee commission is recognised over the period of the guarantee.

h) In case of non-fund based activities such as issue management, loan syndication, financial advisory services etc., the revenue is recognised based on the stage of completion of assignments and the bills raised for the recovery of fees.

i) Income from brokerage activities is recognised as income on the trade date of the transaction. Related Expenditure incurred for procuring business is accounted for as procurement expenses.

j) Contago transactions are treated as secured lending transactions and accordingly disclosed in the financial statements. The difference between the purchase and the sale values on such transactions is recognised in other income.

k) Insurance premium is recognised when due. Premium deficiency is recognised if based on actuarial assessment, the sum of expected claim costs, related expenses and maintenance costs exceeds related unearned premiums.

5. Investments

ICICI Bank :

Investments are valued in accordance with the extant Reserve Bank of India ("RBI") guidelines on investment classification and valuation as under:

a) All investments are classified under three categories, viz., 'Held to Maturity', 'Available for Sale' and 'Trading'. Under each category the investments are further classified under (a) Government Securities (b) Other approved securities (c) Shares (d) Bonds and Debentures (e) Subsidiaries and Joint Ventures and (f) Others.

b) 'Held to Maturity' securities are carried at acquisition cost or at amortised cost if acquired at a premium over the face value. A provision is made for diminution other than temporary.

c) 'Available for Sale' and 'Trading' securities are valued periodically as per RBI guidelines.

The market value of SLR securities for the purpose of periodical valuation of investments included in the Available for Sale and Trading categories is as per the rates put out by Fixed Income Money Market and Derivatives Association ("FIMMDA").

The valuation of non-SLR securities other than quoted on the stock exchanges, wherever linked to the YTM rates, is with a mark-up (reflecting associated credit risk) over the YTM rates for government securities put out by FIMMDA.

d) Depreciation/Appreciation for each basket within 'Available for Sale' and 'Trading' category is aggregated. Net appreciation in each basket if any, being unrealised, is ignored, while net depreciation is provided for.

e) Costs such as brokerage, commission etc., pertaining to investments, paid at the time of acquisition, are charged to revenue.

f) Broken period interest on debt instruments is treated as a revenue item.

g) Profit on sale of investment in the 'Held to Maturity' category is credited to the revenue account and thereafter is appropriated to Capital Reserve.

Insurance Subsidiaries :

ICICI Prudential Life Insurance Company Limited and ICICI Lombard General Insurance Company Limited are governed by Insurance Act, 1938 which value their investments in accordance with the provisions of Insurance Regulatory and Development Authority Regulation, 2002. Total investments of these two subsidiaries amount to Rs. 30460.84 lacs.

Other Subsidiaries :

ICICI Equity Fund, ICICI Information Technology Fund, ICICI Technology Incubator Fund, ICICI Eco-net Internet and Technology Fund (schemes of ICICI Venture Capital Fund) value their investments as per Securities and Exchange Board of India ("SEBI") guidelines issued from time to time. Total investments of these funds amount to Rs. 89103.00 lacs.

ICICI International Limited values their investments in accordance with International Accounting Standard (IAS) 39 (Financial Instruments : Recognition and Measurement). Total investment of the Company is Rs. 146.45 lacs.

Other subsidiaries value their investments as per Accounting Standard 13 "Accounting for Investments" issued by The Institute of Chartered Accountants of India. Total investments of such subsidiaries amount to Rs. 10821.00 lacs.

6. Provision/write-offs on Loans and other Credit Facilities

a) As per RBI guidelines, general provision of 0.25% is made on standard assets. The Bank has a policy of making an additional general provision of 0.25%, thus making total general provision of 0.50% on standard assets. As a result of fair valuation done on ICICI's performing assets, the Bank currently holds Rs. 217100.00 lacs of provision on customer assets taken over from ICICI amounting to 4.55% provision on acquired performing customer assets, which is in excess of the Bank's policy of 0.50% provision.

b) All credit exposures are classified as per the RBI guidelines into performing and non-performing assets. Further, non-performing assets are classified into sub-standard, doubtful and loss assets for income recognition and provisioning based on the criteria stipulated by the RBI. Provisions are made on substandard and doubtful assets at rates higher than those prescribed by RBI. The secured portion of the substandard and doubtful assets is provided at 50% over a three-year period instead of five and a half years as prescribed by RBI. Loss assets and unsecured portion of doubtful assets are fully provided/written off. Additional provisions are made against specific non-performing assets over and above what is stated above, if in the opinion of the management, increased provisions are necessary.

c) For restructured/rescheduled assets, provision is made in accordance with the guidelines issued by RBI, which require that the difference between the present values of the future interest as per the original loan agreement and the present values of future interest on the basis of rescheduled terms be provided at the time of restructuring.

d) Amounts recovered against debts written off in earlier years and provisions no longer considered necessary in the context of the current status of the borrower are written back to the revenue account.

To the extent future provisions are required on the assets taken over from ICICI, the general provision credited on fair valuing the assets at the time of the amalgamation will be used.

7. Fixed Assets and Depreciation

ICICI Bank:

Premises and other fixed assets are carried at cost. Depreciation is charged over the estimated useful life of a fixed asset on a "straight line" basis. The rates of depreciation for fixed assets are:

Asset	Depreciation Rate
Premises owned by the Bank	1.63%
Improvements to leasehold premises	1.63% or over the lease period, whichever is higher
ATMs	16.67%
Plant and Machinery like Air conditioners, Xerox machines, etc.	10%
Furniture and Fixtures	15%
Motor vehicles	20%
Computers	33.33%
Others (including Software and system development expenses)	25%

a) Depreciation on leased assets is made on a straight-line basis at the higher of the rates determined with reference to the primary period of lease and the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on additions is provided on a pro-rata basis.

b) Assets purchased during the year are depreciated on the basis of actual number of days the asset has been put to use in the year.

c) Items costing less than Rs. 5,000/- are fully depreciated in the year of purchase.

Subsidiaries:

Some of the subsidiaries of ICICI Bank follow written down value method for computation of depreciation at the rates prescribed by the Companies Act, 1956. The aggregate net block of such companies amounts to Rs. 2383.50 lacs.

8. Foreign Currency Transactions

a) Monetary assets and liabilities of the Bank are translated at closing exchange rates notified by the Foreign Exchange Dealers' Association of India ("FEDAI").

b) Unrealised gains/losses on outstanding forward contracts of the Bank as at the end of the year are taken as current income/expense in accordance with the RBI/FEDAI guidelines. Contingent Liabilities at the balance sheet date on account of foreign exchange contracts of the Bank are reported at contracted rates.

c) Financial statements of foreign subsidiaries – ICICI Securities Holding Inc., ICICI Securities Inc. and ICICI International Limited have been converted at the year end rates.

9. Accounting for Swaps

The Bank enters into derivative contracts such as currency swaps and interest rate swaps to hedge on-balance sheet assets and liabilities and for trading purposes. The swap contracts entered to hedge on-balance assets and liabilities are structured such that they bear an opposite and offsetting impact with the underlying on-balance sheet items. The impact of such derivative instruments are correlated with the movement of the underlying assets and liabilities and accounted pursuant to the principles of hedge accounting. The related amount receivable from and payable to the swap counter parties is included in the other assets or other liabilities in the balance sheet. When there is no correlation of movements between derivative and the underlying asset or liability, or if the underlying asset or liability specifically related to a derivative instrument is matured, sold or terminated, the derivative instrument is closed out or marked to market as an element of non-interest income on an out-going basis.

10. Staff Benefits

For employees of the Bank covered under group gratuity scheme and group superannuation scheme of LIC, gratuity and superannuation charged to Profit and Loss Account is on the basis of premium demanded by LIC. Provision for gratuity and pension (for certain category of employees of the Bank) and leave encashment liability is determined as per actuarial valuation. Defined contributions for Provident Fund are charged to the Profit and Loss account based on contributions made in terms of the scheme by the Bank. Retirement benefits for employees taken over from erstwhile Bank of Madura and ICICI are different from those applicable to other employees.

11. Deferred Tax

The Bank accounts for income taxes as per Accounting Standard 22 (AS 22) "Accounting for Taxes on Income". Accounting Standard 22 requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method deferred tax assets and liabilities are determined based on the difference between the financial reporting and tax basis of assets and liabilities using substantively enacted tax rates expected to apply to taxable income in the years when temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the Profit and Loss Account in the period of change. Deferred tax assets are recognised subject to a valuation allowance based upon management's judgement as to whether realisation is considered reasonably certain.

12. Other Significant Accounting Policies

These are set out in the Notes to Accounts under Significant Accounting Policies for financial statements of the entities considered for Consolidated Financial Statements.

B. AMALGAMATION OF ICICI LIMITED, ICICI CAPITAL SERVICES LIMITED (ICICI CAPITAL) AND ICICI PERSONAL FINANCIAL SERVICES LIMITED (ICICI PFS) WITH THE BANK

1. ICICI, ICICI PFS and ICICI Capital were amalgamated with the Bank with effect from March 30, 2002 in terms of the Scheme of Amalgamation approved by the Reserve Bank of India on April 26, 2002 and the High Court of Gujarat on March 7, 2002 and High Court of Judicature at Mumbai on April 11, 2002. ICICI was a financial services company offering a wide range of products and services to corporate and retail customers in India through a number of business operations, subsidiaries and affiliates. ICICI PFS, a subsidiary of ICICI, was acting as a focal point for marketing, distribution and servicing the retail product portfolio of ICICI including auto loans, commercial vehicle loans, credit cards, consumer loans, etc. ICICI Capital, a subsidiary of ICICI, was engaged in sales and distribution of various financial and investment products like ICICI Bonds, Fixed Deposits, Demat Services, Mutual Funds, etc.

2. The following are the Salient Features of the Scheme:

a) The consideration for the amalgamation is in the form of one equity share of ICICI Bank of Rs. 10 each issued for two equity shares of ICICI of the face value of Rs. 10 each. No shares would be issued pursuant to the amalgamation of ICICI PFS and ICICI Capital, both of which are wholly owned subsidiaries of ICICI.

b) ICICI would transfer prior to the appointed date, the shares held by it in ICICI Bank to an individual trustee or a board of trustees or a corporate trustee.

c) ICICI Bank shall issue to the holders of 0.001% preference shares of Rs. 10,000,000 each of ICICI, one preference share of Rs. 10,000,000 fully paid up on the same terms and conditions.

d) In respect of Stock Options issued by ICICI under the Employees' Stock Option Scheme to its Directors and employees and employees of ICICI PFS and ICICI Capital or any other subsidiary or associates and which have not been exercised and are therefore outstanding, the said Directors and employees, would in lieu of the options held by them in ICICI receive, options in ICICI Bank in the ratio of one equity share of Rs. 10 for every two equity shares of Rs. 10 each granted in ICICI. The exercise price of the said options shall be twice the price payable by said Directors and employees for the exercise of ICICI stock options.

3. In accordance with the Scheme of amalgamation the fair value of the assets (net of existing provisions) and liabilities of ICICI had to be determined for incorporation in the books of the Bank. In this context, the following procedures were adopted by the Bank:

a) (i) The auditors of ICICI have in their report confirmed that the valuation and provisioning requirements in respect of assets of ICICI have been carried out consistent with the prudential norms applicable to banks and provisioning requirements have been fully met out of existing provisions/reserves of ICICI, except to the extent of:

- further provisioning required arising out of the report of the fair valuation exercise carried out by an independent firm of Chartered Accountants and
- additional provision required in respect of certain performing loan accounts of ICICI which are non-performing in the books of ICICI Bank.

(ii) In respect of loans and all investments deemed to be credit substitutes and Venture Capital Investments the fair values have been determined by Deloitte Haskins & Sells, an independent firm of Chartered Accountants, which valuation resulted in an aggregate shortfall when compared with the carrying values. This shortfall has not been adjusted in the books of ICICI before amalgamation as required by the Reserve Bank of India. However, as permitted by Accounting Standard 14 on 'Accounting for Amalgamations', the said assets have been incorporated in the books of the Bank at carrying values as appearing in the books of ICICI with further provisions made in the books of the Bank as follows:

- Rs. 243005.36 lacs, based on the fair values determined by Deloitte Haskins & Sells on the total portfolio basis without allocating to individual assets and other adjustments.
- Rs. 15460.40 lacs in respect of performing loans which would be considered as non performing assets in the books of the Bank.

(iii) Investments other than investments in Venture Capital Funds, subsidiaries and investments deemed to be credit substitutes have been valued in accordance with RBI guidelines on Valuation of Investments.

(iv) No adjustment has been made to the carrying values in respect of investments in subsidiaries where the management does not have an established intent to sell or has regulatory constraints in reducing stakes.

(v) Fixed assets have been recorded as per their fair values in ICICI books prior to the amalgamation as determined by independent valuers. Hence no further adjustment was considered necessary.

(vi) It has not been considered necessary to make any adjustment to the values of the liabilities as appearing in the books of ICICI.

(vii) Subject to the above, the assets and liabilities of ICICI have been incorporated in the books of the Bank on the basis of Trial Balance as at the close on March 29, 2002 certified by the auditors of ICICI.

(viii) It has not been considered necessary to make any adjustment to the values of the assets and liabilities of ICICI Capital and ICICI PFS and these assets and liabilities have been incorporated based on Trial Balances certified by the auditors of ICICI Capital and ICICI PFS.

b) The excess of the fair value of the net assets of ICICI over the paid up value of the shares issued by the Bank has been dealt with as follows:

(i) The balances in 'Special Reserve Account' and 'Debenture Redemption Reserve Account' have been transferred to similar accounts in the books of the Bank.

(ii) The aggregate balances in 'Capital Reserve Account', 'Capital Redemption Reserve Account', 'Share Premium Account', 'General Reserve Account', 'Profit and Loss Account' and any other reserves as reduced by the provisions referred to in para 3(a)(ii) and such other adjustments considered necessary have been transferred to 'General Reserve Account'.

Accordingly, the acquisition of ICICI has resulted into a net accretion to General Reserve of Rs. 321082.23 lacs.

The computation of this amount is detailed in the table below:

		Rupees in lacs
Assets at Book Values	7127157.14	
Less: Fair value and other adjustments	258465.76	
Fair value of assets	6868691.38	
Less: Liabilities taken over	6364341.88	
Net Assets at fair value		**504349.50**
Less: Consideration payable		
(392,672,724 equity shares of Rs. 10 each)	39267.27	
Preference Shares	35000.00	
Special Reserve	108000.00	
Debenture Redemption Reserve	1000.00	**183267.27**
Amount taken to General Reserve in Bank's books		**321082.23**

C. NOTES FORMING PART OF THE ACCOUNTS

1. Preference Shares

Certain Government Securities amounting to Rs. 13045.75 lacs have been earmarked against redemption of preference share capital, which falls due for redemption on April 20, 2018.

2. Employee Stock Option Scheme

At the Extraordinary General Meeting on February 21, 2000, the shareholders approved an Employee Stock Option Scheme. Under the Scheme, up to 5% of the issued equity shares, including the ADS issue, can be allocated to Employee Stock Options. In terms of the Scheme, 63,27,825 options granted to eligible employees were outstanding as at March 31, 2002.

In terms of the Scheme of Amalgamation of ICICI Limited (ICICI), ICICI Capital Services Limited (ICICI Capital) and ICICI Personal Financial Services Limited (ICICI PFS) with ICICI Bank Limited (ICICI Bank), Directors and employees to whom stock options were granted by ICICI under the employees' stock option scheme, would receive options in ICICI Bank in the ratio of one equity share of Rs. 10 for every two equity shares of Rs. 10 each granted in ICICI. The exercise price of the said options shall be twice the price payable by said Directors and employees for the exercise of ICICI stock options. As on March 31, 2002, 1,40,31,600 options issued by ICICI were outstanding.

Upon the coming into effect of the Scheme of Amalgamation, Section IV Part I of the Employee's Stock Option Scheme stands amended in the following manner:

"The maximum number of Options granted to any Eligible Employee in a financial year shall not exceed 0.05% of the issued equity shares of the Bank at the time of grant of the options and aggregate of all such options granted to the Eligible Employees shall not exceed five percent of the aggregate number of the issued equity shares of the Bank after coming into effect of the amalgamation of ICICI, ICICI Capital and ICICI PFS with the Bank and the issuance of equity shares by the Bank pursuant to the aforesaid amalgamation of ICICI, ICICI Capital and ICICI PFS with the Bank."

3. Subordinated Debt

Bank has raised subordinated debt amounting to Rs.22853.54 lacs during the year (Previous year Rs. NIL).

Subordinated debt acquired from ICICI includes Index bonds amounting to Rs. 879.60 lacs, which carry a detachable warrant entitling bondholders to a right to receive an amount linked to the BSE Sensitive Index ("Sensex") per terms of the issue. The liability of the Bank arising out of changes in the Sensex has been hedged by earmarking its investments of an equivalent amount in the UTI Index Equity Fund whose value is based on the Sensex.

4. Fixed Assets and Depreciation

Arising from the merger of ICICI with the Bank, the Bank reviewed the estimated useful life of certain categories of fixed assets to align the depreciation rates followed by ICICI and the Bank. Accordingly, the Bank has changed its rates of depreciation on the following categories of its fixed assets with effect from April 1, 2001:

Premises from 5% to 1.63%
Furniture and Fixtures from 20% to 15%
Motor Car from 25% to 20%

Accordingly, the depreciation charged for the current year was less by Rs. 643.00 lacs.

5. Other Liabilities

a) Exchange Fluctuation

Exchange Fluctuation aggregating Rs. 11119.19 lacs, which arises on account of Rupee-tying Agreements with the Government of India, is held in "Exchange Fluctuation Suspense with Government Account" pending adjustment at maturity on receipt of payments from the Government for repayments to foreign lenders.

b) Swap Suspense (net)

Swap Suspense (net) aggregating Rs. 2539.10 lacs (credit), which arises out of conversion of foreign currency swaps, is held in "Swap Suspense Account" and will be reversed at conclusion of swap transactions with swap counter parties.

c) Exchange Risk Administration Scheme

Under the Exchange Risk Administration Scheme ("ERAS"), the Government of India has agreed to extend support to the Exchange Risk Administration Fund ("ERAF"), when it is in deficit and recoup its contribution in the event of surplus. The Bank can claim from the positive balance in the ERAF account maintained by the Industrial Development Bank of India (IDBI) to the extent of the deficit in the ERAS Exchange Fluctuation Account. If the balance in the ERAF account with IDBI is insufficient, a claim will be made on the Government of India through the IDBI.

6. Contingencies

In January 2001, certain international banks filed a claim against ICICI before the English Courts in London challenging certain transactions between ICICI and a borrower to whom both ICICI and the litigants are lenders. These transactions relate to certain lease, brand-financing and investment agreements between ICICI and the borrower. Such transactions aggregate approximately Rs. 57000 lacs. The plaintiffs allege that such specified transactions breach the Security Agent and Trust Agreement between ICICI and the plaintiffs, whereby ICICI was appointed as a Security Agent and Trustee for the plaintiffs.

The plaintiffs have sought

- a declaration that the specified transactions are void;
- damages and / or compensation equal to the sum of money sufficient to compensate each of the plaintiffs for the loss of security;
- interest in equity computed in quarterly rests and / or pursuant to Section 35A of the UK Supreme Court Act of 1981; and
- costs of litigation.

The litigation is in its early stages and as the claims are unparticularised, no estimate of the interest, damages and costs claimed can be quantified currently. ICICI has denied all claims of the plaintiffs and is contesting the jurisdiction of the English Courts to hear the matter. The proceedings have been adjourned till the final outcome of the restructuring scheme filed by the borrower in the Gujarat High Court. The Gujarat High Court has since approved the restructuring scheme filed by the borrower. Subsequently one of the plaintiffs has filed an appeal against the said order and the same is pending. Further, one of the plaintiffs has filed a criminal complaint with similar allegations against ICICI and some of its Directors and Officers. ICICI and its Directors have filed writ petitions in the Gujarat High Court for quashing the criminal complaint and the Gujarat High Court has granted interim stay of the criminal proceedings till further order. Judgement is awaited in the said writ petitions.

Management believes that the ultimate resolution of the above litigation will not have a material adverse effect on the Bank's results of operations, financial condition, or liquidity. However, the final outcome of the litigation cannot be predicted with certainty, and accordingly, no assurance can be given about the ultimate outcome of the litigation and its impact.

7. Information about Business and Geographical Segments

a) Business segments

The Bank alongwith its subsidiaries has organised its business in Strategic Business Units ('SBUs') namely Retail Banking, Corporate Banking, Treasury and Corporate office and Others. The divisions are on the basis on which the Bank reports its primary segment information. SBU-Retail Banking mobilises funds from retail depositors and offers consumer lending services mainly credit cards, loan against deposits and securities etc. SBU-Corporate Banking provides financial products and services to Corporates, Institutions and Government organisations. SBU-Treasury and Corporate Office manages the central funding operations of the Bank through market operations. SBU Others represents the business carried out by the subsidiaries of the Bank and the amalgamated companies. Financial information on business segments is provided in the table below:

(Rupees in lacs)

	SBU-Retail Banking	SBU-Corporate Banking	SBU-Treasury and Corporate Office	Others	Total
Revenue :					
Revenues from external customers					
Interest Revenue	43467.05	117741.32	49822.11	4360.06	215390.54
Other Revenue	10711.56	20517.60	25686.64	996.81	57912.61
Revenue from other Operating segments					
Inter-Segment Revenue	94320.44	—	—	—	94320.44
Total Revenue	148499.05	138258.92	75508.75	5356.87	367623.59
Inter segment payments	—	(62557.89)	(31762.55)	—	(94320.44)
Total Revenue (Net)					**273303.15**
Results :					
Segment Result	7596.64	7603.92	12789.50	958.68	28948.74
Unallocated corporate expenses					3100.00
Net Profit					**25848.74**
Other Information :					
Segment assets	688501.28	1085825.58	2019740.98	6786441.33	10580509.17
Unallocated Assets					101562.50
Total assets					**10682071.67**
Segment Liabilities	1792029.46	1168506.88	702353.14	6367954.18	10030843.66
Unallocated Liabilities					651228.01
Total Liabilities					**10682071.67**
Capital Expenditure	8956.35	3640.91	1008.74	*54.00	13660.00
Depreciation	4043.52	1702.08	439.00	233.31	6417.91
Non-Cash Expenses	1837.00	25231.00	(1531.73)	194.64	25730.91

* Represents the capital expenditure of subsidiaries, which got consolidated for two days.

Segment Revenue and Expense

The Interest Income and Interest expenses have been allocated to the individual segments on the basis of the funds utilised by them and funds raised by them or from customers or other segments. Other Income and Operating Expenses have been allocated between the segments on a reasonable basis.

SBU-Treasury and Corporate office acts as the central funding department for other segments. It accepts funds from SBU-RB and provides funds to SBU-CB. These inter-segment transfer are based on cost plus basis.

Segment Assets and Liabilities

Segment assets include all operating assets used by a segment and consist primarily of operating cash, investments, loans and fixed assets, net of allowances and provisions which are reported as direct offsets in the Balance Sheet. While most of the assets can be attributed directly to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segmental Liabilities include all operating liabilities.

Geographic Distribution

The business operations of the Bank are largely concentrated in India. Activities outside India are restricted to resource mobilisation in the international markets. The assets and net income from foreign operations are immaterial.

8. Earnings Per Share ("EPS")

The computation of Earnings per share is set out below:

Basic and Diluted	**FY 2002**
Weighted Average No. of equity shares Outstanding (Nos)	* 222,510,311
Net Profit (Rs. in lacs)	25848.74
Earning Per Share (Rs.)	11.62

* 392,672,724 shares to be issued on amalgamation of ICICI Limited have been considered for computation of weighted average number of shares.

9. Related Party Transactions

ICICI Bank has entered into transactions with the following related parties:

- Subsidiaries and Associates of the Bank (refer note A.3 for the list of these entities);
- Employees' Provident Fund Trust; and
- Directors and employees of the Group

The details of transactions with related parties are as follows:

Rs. in lacs

Sr. No.	**Description**	**Associates[1]**
1.	Investment	3325.11
2.	Interest paid/provided	17.46
3.	Current and Fixed Deposit Account	3842.21
4.	Dues receivable	22.48

[1] Comprises of Prudential ICICI Asset Management Company Limited and Prudential ICICI Trust Limited.

The Bank has paid compensation to its key management personnel of Rs. 219.75 lacs for services rendered by them during the year.

Signatures to Schedules 1 to 19

For and on behalf of the Board of Directors

N. VAGHUL
Director

K. V. KAMATH
Managing Director & CEO

H. N. SINOR
Joint Managing Director

LALITA D. GUPTE
Joint Managing Director

CHANDA D. KOCHHAR
Executive Director

KALPANA MORPARIA
Executive Director

NACHIKET MOR
Executive Director

S. MUKHERJI
Executive Director

Place : Mumbai
Date : May 3, 2002

JYOTIN MEHTA
General Manager & Company Secretary

G. VENKATAKRISHNAN
General Manager

BALAJI SWAMINATHAN
Chief Financial Officer