

ICICI Bank Limited

1999-2000 Sixth Annual Report

STOCK EXCHANGE

REPORT JUNCTION.COM



Director of *ICICI Bank Limited*
First Board Meeting
11th Floor, ICICI Bank Building
Mumbai

ACCOMPLISHMENT



March 28, 2000

Ringing the bell at the Big Board : an eventful moment for the Bank.

ADS Issue :

....Task accomplished in a record 64 days....

COMMITTEES OF THE BOARD**Audit and Risk Committee**

Uday M. Chitale
 Lalita D. Gupte
 R. Rajamani
 B. V. Bhargava
 Satish C. Jha

Committee of Directors

K. V. Kamath
 Lalita D. Gupte
 B. V. Bhargava
 Uday M. Chitale
 H. N. Sinor

Compensation Committee

Lalita D. Gupte
 Somesh R. Sathe
 Uday M. Chitale
 H. N. Sinor

Nomination Committee

K. V. Kamath
 R. Rajamani
 B. V. Bhargava
 H. N. Sinor

Share Transfer Committee

Lalita D. Gupte
 B. V. Bhargava
 Uday M. Chitale
 H. N. Sinor

Directors

R. Rajamani
 B. V. Bhargava
 Somesh R. Sathe
 Satish C. Jha
 Uday M. Chitale
 K. V. Kamath
 Lalita D. Gupte (Smt.)
 H. N. Sinor

Nominee of ICICI
Nominee of ICICI
Managing Director and Chief Executive Officer

Executives**Senior Executive Vice Presidents**

P. H. Ravikumar
 M. N. Gopinath
 Alladi Ashok

Executive Vice Presidents

E. S. Mohan
 A. V. A. Subramaniam
 G. Venkatakrishnan

Company Secretary

Bhashyam Seshan

Statutory Auditors

S. B. Billimoria and Company
 Chartered Accountants
 Meher Chambers, R. Kamani Road
 Ballard Estate
 Mumbai 400 001

Registered Office

Landmark
 Race Course Circle
 Vadodara 390 007

Senior Vice Presidents

Mohan N. Shenoi
 K. S. Harshan
 R. B. Nirantar
 A. Hari Prasad
 M. S. Annigeri
 Ashok Kumar Patni
 Sateesh D. Mahale
 R. Jayaprakash
 Ujjal Choudhury

Registrars and Share Transfer Agents

ICICI Infotech Services Limited
 Maratha Mandir Annexe
 Dr. Anand Rao Nair Road
 Near Mumbai Central Station
 Mumbai 400 008

Corporate Office

ICICI Towers
 4th floor, South Tower
 Bandra-Kurla Complex
 Bandra (East)
 Mumbai 400 051

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Sixth Annual General Meeting is scheduled to be held in the Professor Chandrayadan Mehta (Professor C. C. Mehta) Auditorium, General Education Centre, Opposite D. N. Hall Ground, The Maharaja Savajirao University, Pratapgunj, Vadodara 390 002, India, on Monday, May 29, 2000 at 3.00 p. m.

Board of Directors



Standing : Shri Somesh R. Sathe, Shri R. Rajamani, Shri Uday M. Chitale, Shri H. N. Sinor
Seated : Smt. Lalita D. Gupte, Shri K. V. Kamath, Shri B. V. Bhargava, Dr. Satish C. Jha

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On the floor of the New York Stock Exchange



Bank's team holding the first deal slip at USD 14 per ADS

Automated Delivery Channel



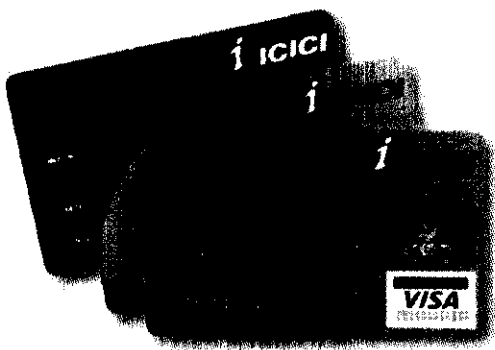
175 ATM centres for customers' convenience

We have been building the future

Report

You have the future

The power to give



The Bank launched its credit cards in
January 2000
3 variants of the credit cards :
True Blue, Sterling Silver and Solid Gold

Mobile Banking



...for people on the move



1999-2000 Sixth Annual Report

Notice to the Members

ICICI BANK LIMITED

Registered Office : Landmark, Race Course Circle, Vadodara 390 007

NOTICE is hereby given that the Sixth Annual General Meeting of the Members of the ICICI BANK LIMITED will be held in the Professor Chandravadan Mehta (Professor C. C. Mehta) Auditorium, General Education Centre, Opposite D. N. Hall Ground, The Maharaja Sayajirao University, Pratapgunj, Vadodara 390 002, India, on Monday, May 29, 2000 at 3.00 p.m., to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit and Loss Account for the financial year ended March 31, 2000 and the Balance Sheet as at March 31, 2000 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend on the equity shares.
3. To appoint a Director in place of Shri R. Rajamani who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Somesh R. Sathe who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint the Statutory Auditors for the Company and in this connection, to pass, with or without modifications, the following Resolution :

THAT pursuant to the provisions of Section 224A and other applicable provisions, if any, of the Companies Act, 1956, M/s. S. B. Billimoria and Company, Chartered Accountants, be and are hereby, re-appointed Statutory Auditors of the Company to hold office from the conclusion of this Meeting up to the conclusion of the next Annual General Meeting, on a remuneration to be fixed by the Board of Directors of the Company in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company.

THAT the Board of Directors be and is hereby authorised to appoint Auditors, as and when required, to audit the accounts in respect of the Company's branches/offices and to fix their remuneration.

By Order of the Board of Directors

Place : Vadodara
Date : April 24, 2000

Bhashyam Seshan
Company Secretary

NOTES :

- A. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Item Nos. 3, 4 and 5 set out in the Notice is annexed hereto.
- B. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND, AND ON A POLL, TO VOTE INSTEAD OF THE MEMBER. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID AND EFFECTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Annexure to the Notice

EXPLANATORY STATEMENT

(Under Section 173 (2) of the Companies Act, 1956)

Item No. 3 :

Although not strictly necessary, the Explanatory Statement is being given for Item No. 3 of the Notice dated April 24, 2000. The Resolution deals with re-appointment of Shri R. Rajamani as a Director of the Bank. Shri Rajamani was appointed as a Director of the Bank in December 1994. Shri Rajamani has specialised knowledge of banking, finance and administration. He retired as the Secretary, Ministry of Environment and Forest, Government of India in August 1994. Shri Rajamani has been regularly attending meetings of the Board, Audit and Risk Committee and Nomination Committee of the Board. During the period April 1, 1999 to March 31, 2000, Shri Rajamani attended 13 of the 15 meetings of the Board, 5 of the 6 meetings of the Audit and Risk Committee of the Board and 2 of the 3 meetings of the Nomination Committee of the Board.

The Directors recommend the re-appointment of Shri R. Rajamani as a Director of the Company.

None of the Directors is in any way concerned or interested in the Resolution at Item No. 3 of the Notice except Shri R. Rajamani.

Item No. 4 :

Although not strictly necessary, the Explanatory Statement is being given for Item No. 4 of the Notice dated April 24, 2000. The Resolution deals with re-appointment of Shri Somesh R. Sathe as a Director of the Bank. Shri Sathe was appointed as a Director of the Bank in January 1998. Shri Sathe has specialised knowledge of working of small scale industries. Shri Sathe has been regularly attending meetings of the Board and Compensation Committee of the Board. During the period April 1, 1999 to March 31, 2000, Shri Sathe attended all the 15 meetings of the Board and all the 4 meetings of the Compensation Committee of the Board.

The Directors recommend the re-appointment of Shri Somesh R. Sathe as a Director of the Company.

None of the Directors is in any way concerned or interested in the Resolution at Item No. 4 of the Notice except Shri Somesh R. Sathe.

Item No. 5 :

Although not strictly necessary, the Explanatory Statement is being given for Item No. 5 of the Notice dated April 24, 2000 as the Resolution is proposed as a Special Resolution.

Section 224A of the Companies Act, 1956 provides that in the case of companies in which not less than 25 per cent of the subscribed share capital of a company is held, whether singly or in any combination, by public financial institutions, banks, insurance companies, government companies, Central Government or state government(s), the appointment or re-appointment of an Auditor of the Company shall be made by a Special Resolution. The ICICI Limited which is a public financial institution in terms of Section 4-A of the Companies Act, 1956, holds more than 25 per cent of the subscribed equity share capital of the Company. Hence, a Special Resolution is proposed for the re-appointment of *M/s. S. B. Billimoria and Company, Chartered Accountants*, as the Company's Statutory Auditors to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting.



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Annexure to the Notice

As required M/s. S. B. Billimoria and Company have forwarded a certificate to the Company stating that the re-appointment, if made, will be within the limit specified in sub-section (1-B) of Section 224 of the Companies Act, 1956.

The Directors recommend the re-appointment of M/s. S. B. Billimoria and Company, Chartered Accountants, as the Statutory Auditors of the Company for the year 2000-2001, as per the Resolution at Item No. 5 of the Notice.

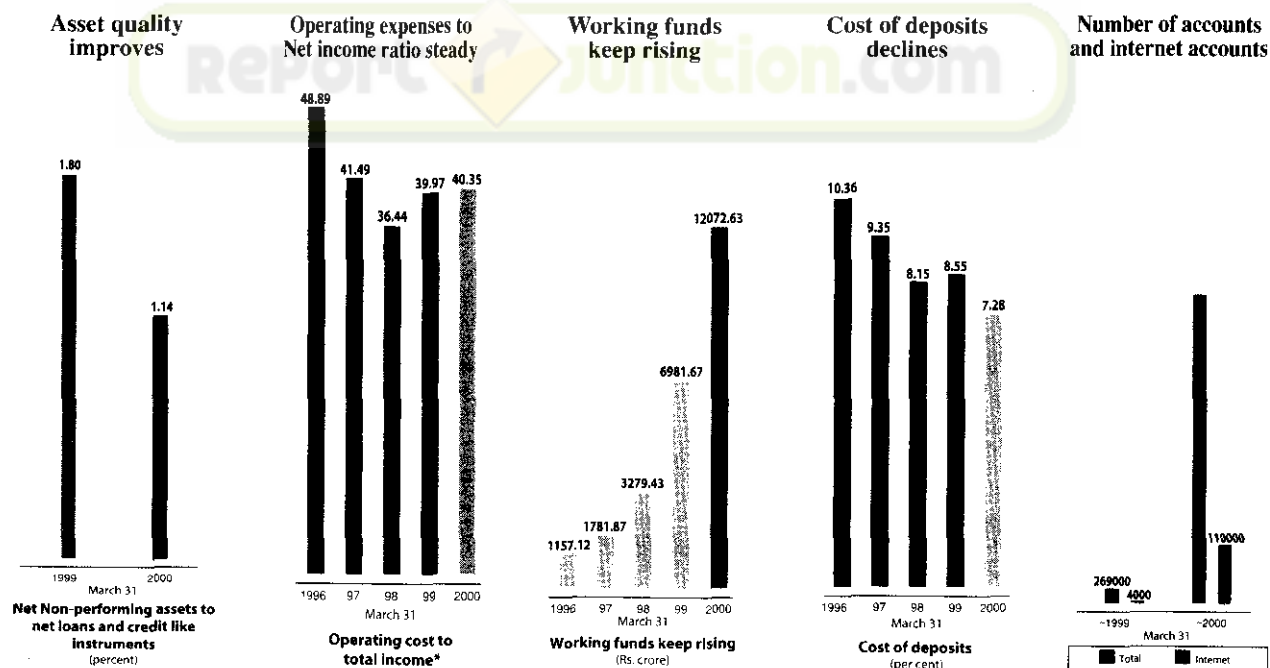
None of the Directors is in any way concerned or interested in the Resolution at Item No. 5 of the Notice.

All the documents referred to in the Notice and the Explanatory Statement will be available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturdays from the date hereof up to the date of the Meeting.

By Order of the Board of Directors

Place : Vadodara
Date : April 24, 2000

Bhashyam Seshan
Company Secretary

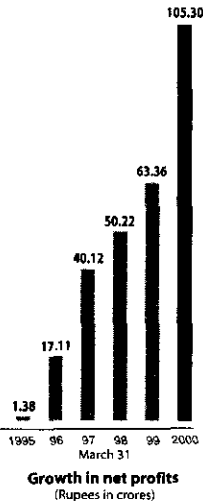


* In Rupees. Adjusted with interest expenses

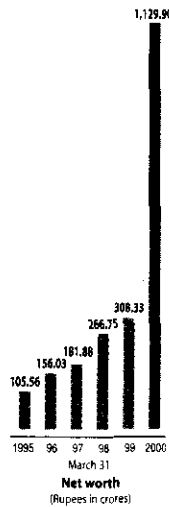
Performance Highlights

In terms of Indian Accounting Standards

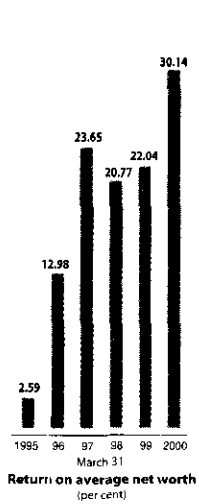
Growth in PAT on an upward trend



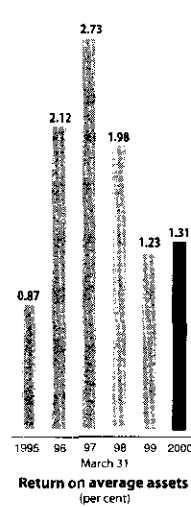
Net worth spurts in FY2000



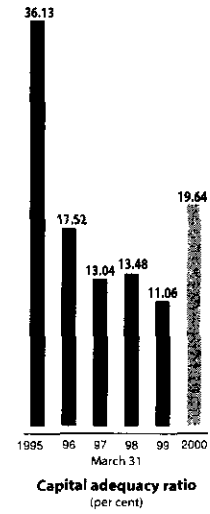
Return on average net worth increases



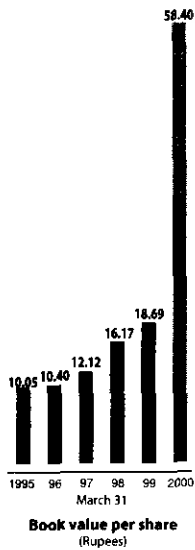
Return on average assets rises



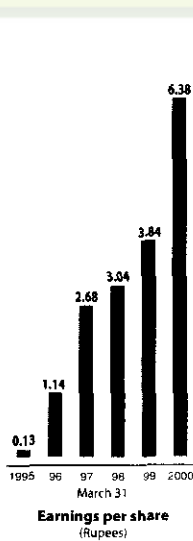
Capital adequacy in FY2000 strengthened



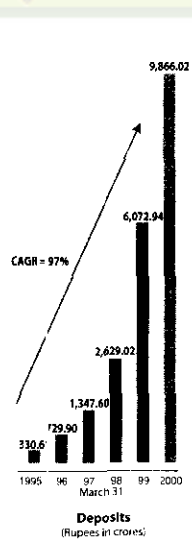
Book value of share expands



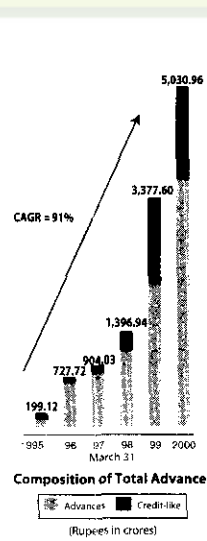
Earnings per share rises



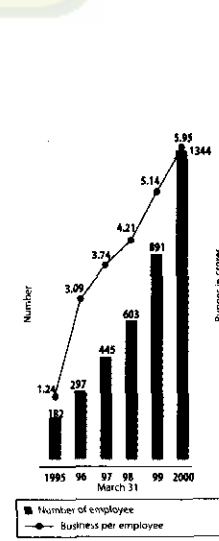
Deposits keep growing



Total advances increase commensurately



The driving force : Human resources





1999-2000 Sixth Annual Report

Report of the Directors

To the Members,

We are pleased to present the Sixth Annual Report to the Members, along with the audited Balance Sheet as on March 31, 2000, and the Profit and Loss Account and Cash Flow Statement for the financial year ended March 31, 2000.

The Bank achieved record financial results last year and more importantly was able to position itself on a strong growth platform for the coming year. Details of these have been dealt with in the Management's Discussion and Analysis section of the Report. The major highlights are briefly outlined below :

- Post tax profit of Rs. 105.30 crores, an increase of 66.19 per cent over the previous year;
- Return on average net worth was 30.14 per cent;
- Earnings per share on weighted average basis improved to Rs. 6.38 from Rs. 3.84;
- Return on average total assets was 1.31 per cent;
- Deposits stood at Rs. 9,866.02 crores, a growth of 62.46 per cent;
- Advances (including credit like instruments) stood at Rs. 5,030.96 crores, a growth of 48.51 per cent;
- Net interest income increased from Rs. 118.53 crores to Rs. 185.92 crores, growth rate of 56.85 per cent;
- Non-interest income increased to Rs. 194.05 crores and constituted 18.54 per cent of total income;
- Net non-performing loans as a percentage of net advances (including credit like instruments) came down from 1.80 per cent to 1.14 per cent;
- Number of retail deposit accounts increased from 2,61,000 to 6,37,000, a growth of 144.06 per cent;
- Number of Internet accounts increased exponentially to reach 1,10,000;
- Staff productivity remained high throughout the year;
- Each branch maintained its growth target at a high level; and
- The Bank maintained its competitive position in all aspects of operations.

The most remarkable achievement of the Bank during the year, was the successful listing of its American Depository Shares (ADS) on the New York Stock Exchange (NYSE) on March 28, 2000. With the listing, the Bank has emerged as the first Indian and second bank from Asia to list on the NYSE. The ADS are at present being actively traded at a significant premium to the offer price. Subsequent to the issue, the net worth of the Bank has increased to Rs. 1,129.90 crores, placing it among the top ten banks in India in terms of net worth. The Bank now has its own position in the global financial market.

DIVIDEND

The new technology initiatives undertaken by the Bank during the year and the strong interim financial results led to improved market perception and a significant upward re-rating on the local bourses. The equity shares, which were trading at around Rs. 27.40 per share during March 1999, improved to Rs. 267.05 per share as on March 31, 2000. Similarly, the market capitalisation of the Bank increased to Rs. 5,256.05 crores on that date, up from Rs. 452.10 crores as at March 31, 1999.