

ANNUAL REPORT 2004-2005

IndusInd
Bank



Your single window
to products and services
for every stage of life



Testimony of Progress



ROHIT KHERA
Officer on Special Duty
Tele: 23015655
Fax: 23016857

2004-05-09
23015655
Prime Minister's Office
New Delhi, India-110001

D.O. No. 82(23784)/2004-PMF

May 09, 2005

Dear Shri Pai,

We acknowledge with thanks the generous contribution made by IndusInd Bank Limited and its employees to the Prime Minister's National Relief Fund.

2. The Prime Minister appreciates the thoughtful gesture and conveys his gratitude. The amount will be of immense help in rehabilitating those affected by the tsunami.

3. Formal receipts are enclosed.

With regards,

Yours sincerely,

(Rohit Kherra)
(Rohit Kherra)

Encl: As stated.

Best Banks survey 2004-Where do we stand ?

In December 2004, KPMG and Business Today announced their annual list of India's Best Banks. These included public sector Banks, old private sector Banks, new-generation private sector Banks and foreign Banks. IndusInd Bank was placed in the 19th position (with a total score of 3615) as opposed to 35th place in 2003.



Highlights

- Improvement in overall rankings from 35 to 19
- Best in terms of Asset Liability Management
- 1st amongst private sector banks in terms of Employee Profitability (4th in top 10 banks)
- 1st amongst new private sector banks in terms of Return on Average Assets (4th amongst 59 banks)
- 1st amongst new private sector banks in terms of Cost to Income ratio (6th amongst 59 banks)
- Only private sector bank in top 10 banks in terms of Return On Capital Employed (2nd in top 10 banks)
- 2nd amongst 59 banks in terms of growth in Profit After Tax (PAT)
- 4th in top 10 banks in terms of Business Growth

IndusInd features in ET500 Top 10 Banks IndusInd Bank to focus on retail

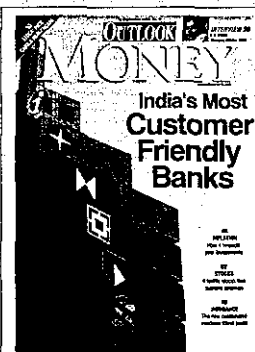
Our Bureau
Kochi, Feb. 8

WITH a renewed focus on the retail sector, IndusInd Bank plans to balance its retail/corporate credit portfolio at 50:50 by March 2006. Currently, the bank has just 30 per cent of its credit portfolio in the retail sector, while the wholesale sector constitutes the remaining 70 per cent, said Mr Varghese Thampi, Head of Retail Banking and Senior Vice-President. With the change in strategy, the bank is on a branch expansion spree to reach out to more customers. The bank's network of 61 branches is poised to more than double to 132 at the end of the current year. The bank has already increased its branch network to 103 and another 29 more branches will be added in the coming months. The accelerated pace in branch expansion was rendered possible by the merger of Ashok Leyland Finance with the bank and acquisition of their premises, Mr Thampi added.

The merger of the profit-making NBFC has also added on to the customer base of the bank substantially, from three lakh jumped to eight lakh post-merger. As a part of its branch expansion, the bank opened its Kottayam and Alappuzha branches in Kerala on Monday, while the Kannur branch was opened couple of days ago.

IndusInd Q4 net jumps 29%
Our BANKING BUREAU
Mumbai, 29 June
IndusInd Bank today announced a 29.08 per cent increase in Q4 net profit over the previous quarter.

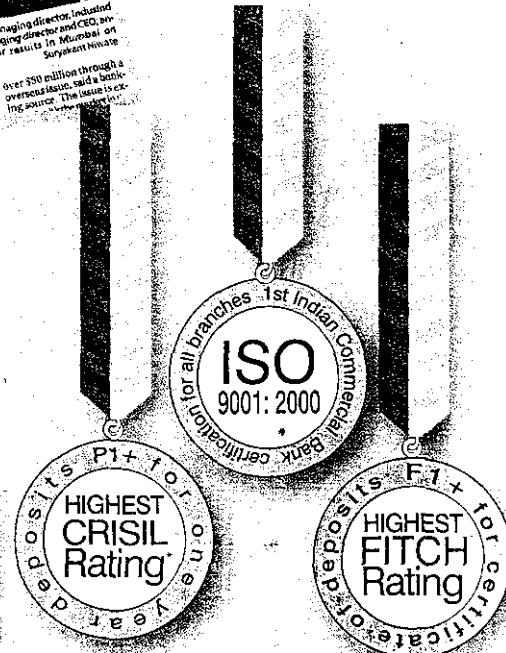
IndusInd Bank today announced a dividend of 18 paise for 2004-05, against 22.50 paise for the previous year. On the Bombay Stock Exchange (BSE), the bank's share price rose 4.5 per cent to Rs 65.90 against Rs 63.15 on the previous day. The bank's annual income for the year was Rs 373.13 crore against Rs 320.54 crore in the corresponding quarter last year. Total income for the year ended March 2005 stood at Rs 1,365.12 crore against Rs 1,251.06 crore in March 2004. Its other income has grown to Rs 230 crore from Rs 144.33 crore in the corresponding quarter. The implementation of Basel II will have a 50 basis point impact on the bank's cost. The implementation of Basel II will have a 50 basis point impact on the bank's cost. The implementation of Basel II will have a 50 basis point impact on the bank's cost.



Outlook Money -C Fore survey

In September 2004, Outlook Money along with a market research agency did a survey on India's most customer-friendly Banks, wherein IndusInd Bank was placed 8th in the overall list with a score of 6.36. Among private sector banks, IndusInd Bank ranked 4th. Under various parameters IndusInd Bank scored as under:

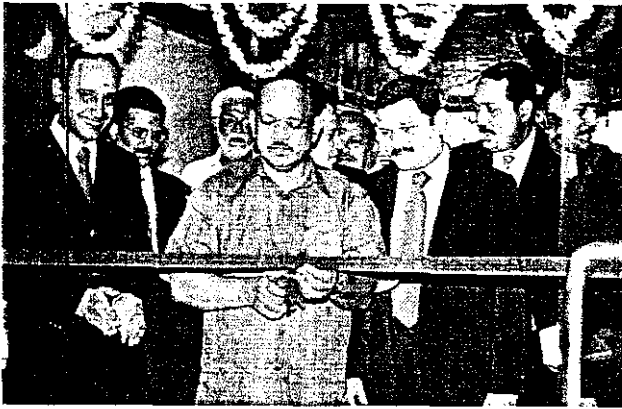
Category	Score	Topper Bank Score	Overall Ranking in Top 10	Ranking among Private Sector Banks
Branch Facilities	8.38	8.95	4	1
Service Quality	7.23	7.81	6	3
ATM Service	5.36	8.42	-	9
Card Service	5.44	8.46	-	4
Home Loans	4.88	8.53	-	8
Phone/Net Banking	6.37	7.75	10	5





CARE AT EVERY STAGE OF LIFE

Branch Inaugurations ... Cherished Moments



February 2005

Shri Babu Divakaran, Honourable Minister for Labour, Kerala, inaugurating our Kollam Branch. Looking on are Mr. Bhaskar Ghose, Managing Director and Mr. G. Unnikrishnan, Regional Head, Kerala



February 2005

Shri Virbhadra Singh, Honourable Chief Minister of Himachal Pradesh inaugurating our Shimla branch. Looking on is Mr. Suresh Pai, Executive Vice President



February 2005

Shri R.R. Patil, Honourable Deputy Chief Minister of Maharashtra inaugurating the 100th branch of the Bank at Dadar, Mumbai. Looking on are Shri Jagannathrao Hegde, then Sheriff of Mumbai, Mr. Bhaskar Ghose, Managing Director and Mr. Suresh Pai, Executive Vice President



February 2005

100 balloons go up at the inauguration of the 100th Branch at Dadar, Mumbai



December 2004

Mr. Suresh Pai, Executive Vice President with Shri N.D. Tiwari, Honourable Chief Minister of Uttaranchal during the inauguration of our Dehradun branch



June 2004

Shri Lal Tolani, our Director inaugurating the London Representative office. Looking on is Mr. Sharukh Wadia, Senior Vice President (the then Chief Representative Officer)

Board of Directors

Mr. R. J. Shahaney, Chairman
Mr. Vijay Vaid
Mr. Anil Harish
Mr. Ram Buxani
Mr. O. P. Sodhani
Mr. R. Sundararaman
Mrs. Kanchan U. Chitale
Mr. T. Anantha Narayanan
Mr. Bhaskar Ghose, Managing Director
Mr. S. Nagarajan, Joint Managing Director

Company Secretary

Mr. Suresh T. Viswanathan

Auditors

M/s. S. R. Batliboi & Co.
Express Towers, 6th Floor
Nariman Point
Mumbai - 400 021.

Solicitors

M/s. Crawford Bayley & Co.
Solicitors and Advocates
State Bank Building
NGN Vaidya Marg
Mumbai - 400 023.

Registrar and Share Transfer Agent

Intime Spectrum Registry Limited
C-13 Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (West)
Mumbai - 400 078.
Tel: 5555 5454

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Registered Office

2401, Gen. Thimmayya Road
(Cantonment),
Pune - 411 001.

Corporate Office

701, Solitaire Corporate Park,
167 Guru Hargovindji Marg,
Chakala, Andheri (East),
Mumbai - 400 093.

DIRECTORS' REPORT

To All Members,

Your Directors have pleasure in presenting the Eleventh Annual Report on the business and operations of your Bank, together with the audited accounts for the year ended March 31, 2005.

Financial Performance

(Rs. in crores)

	As on March 31, 2005	As on March 31, 2004
Deposits	13114.28	11200.26
Advances	8999.75	7301.15
Operating Profit (before depreciation and provisions and contingencies)	446.10	481.41
Net Profit	210.14	262.07

Your Directors recommend appropriation of profit as under:

Rs. in crores

Operating Profit before Depreciation	446.10
Less: Depreciation on Fixed Assets	44.87
Less: Provisions and Contingencies	191.09
Net Profit	210.14
Less: Tax Adjustment for previous year	4.63
Add: Transfer from contingency reserve	118.02
Less: Provision for contingencies	118.02
Amount available for Appropriation	205.51
Transfer to Statutory Reserve	52.54
Transfer to Capital Reserve	4.05
Transfer to Investment Fluctuation Reserve	9.03
Proposed Dividend	52.26
Tax on Dividend	6.83
Balance carried over to Balance Sheet	80.80
Total Appropriations	205.51

Profit

Operating Profit and Net Profit were lower during the year under review (compared to the last year) on account of substantially lower profit from trading in securities (Rs. 57.95 crores compared to Rs. 226.83 crores in the previous year), which was a phenomenon observed for the entire banking industry, due to the hardening of interest rates. The Return on Assets (ROA) for the year was 1.35%.

Dividend

Your Directors recommend a dividend of 18%, for the year ended March 31, 2005. (Dividend for the year 2003-04 was 17.5% plus a special dividend of 5% to mark the successful completion of ten years by your Bank.)

The Bank will be liable to pay tax on the amount of dividend paid, while it will be tax free in the hands of the shareholders.

Share Capital

As at March 31, 2004 the equity capital of your Bank consisted of 22,02,26,983 shares of Rs. 10 each. Ashok Leyland Finance Ltd. (ALFL) was merged with your Bank during the year through orders of the Hon'ble High Courts of Judicature at Bombay and Madras and 7,04,74,853 equity shares of Rs. 10 each of the Bank were issued to the shareholders of ALFL, the exchange ratio being 9 shares of the Bank for every 4 shares of ALFL. During the year 3,84,200 shares, upon which calls remained unpaid despite repeated call/forfeiture notices, were forfeited. Accordingly, as on March 31, 2005 the paid up capital of your Bank consisted of 29,03,17,636 equity shares of Rs. 10 each.

Tier II Capital

Your Bank successfully mobilised Rs. 268 crores by way of Tier-II Bonds, constituting subordinated debt, during the year under review.

Capital Adequacy

The Capital to Risk-weighted Assets Ratio (CRAR) of your Bank as at March 31, 2005 was at a comfortable 11.62%, well above the regulatory minimum of 9%. Of this, Tier I CRAR was 7.24%.

Ratings

Your Bank received high ratings for various instruments during the year, from several rating agencies of repute. Among these were the ratings of 'P1+' from CRISIL (on short-term fixed deposits and certificates of deposit), 'F1+' from Fitch Ratings (on certificates of deposit), 'AAA (so)' from CRISIL (on securitisation transactions), 'A+ (ind)' from Fitch Ratings (on Tier-II bonds) and 'LA+' from ICRA (on Tier-II bonds).

Economic Scenario

The Indian economy witnessed GDP growth rate of 6.9% on top of a high 8.5% growth achieved in the preceding year. The resilience that the economy has achieved was demonstrated by the fact that this growth of 6.9% took place in the face of deficient monsoons, steep hikes globally in oil and steel prices, the tragic and calamitous tsunami that hit India, and a change of Government at the Centre.

The latest World Bank report places India, for the first time, among the top ten economies in the world, in terms of absolute GDP size. If purchasing power parity is taken into consideration, India jumps to the fourth position among all countries.

While the industrial sector registered a growth of 8.3% (6.5% previous year) reflecting buoyancy in manufacturing activities, services sector maintained its earlier growth momentum and grew by 8.6%. However, for the agricultural sector, growth increased by only 1.1% due to erratic monsoons. In spite of a deceleration in the overall growth rate, the continuing momentum in the growth of industry and services sectors has kept business confidence at a high level.

Inflation, which registered a sharp increase during the first half from 4.6% (March 2004) to 8.7% (August 2004) slid back to 5% (March 2005) in the second half. The average inflation rate at 6.4% reflected a reversal of the benign situation obtaining in the earlier years. This necessitated the initiation of certain monetary measures by Reserve Bank of India (RBI) – viz., increase in the Cash Reserve Ratio and Reverse Repo Rate. There was consequently an impact on the overall interest rate situation; the downward trend in interest rates of the last few years halted, and interest rates started firming up during the year.

Exports were buoyant with an increase of 24.4% (in US Dollar terms) during the year. However, as imports increased at a higher rate of 35.6%, the trade deficit widened to US\$ 26.5 billion. Capital inflows, however, continued and the country's foreign exchange reserves stood at US\$ 141.5 billion at the end of March 2005, with a net accretion of US\$ 28.6 billion during the year.

The capital market has also been lively and turnover on both the NSE and the BSE increased substantially. Foreign Institutional Investors (FIIs) remained net buyers almost throughout the year. The market indices (SENSEX and NIFTY) touched new highs and market capitalisation reached higher levels due to substantial increases in stock prices.

The domestic financial markets remained stable although the hardening of interest rates had an impact on the profitability of banks. Credit offtake, especially non-food credit, increased significantly and outstripped deposit growth in the banking system. The trend of high growth in retail credit continued during the year. Retail lending (especially mortgage financing) accounted for a significant portion of the portfolio for most banks. There was also sizeable growth in industrial credit.

Issues of long-term impact including mergers and acquisitions among banks and the criteria for entry for foreign banks continued to engage the attention of the authorities. RBI unveiled a road-map for foreign banks in India, both existing and prospective, and also issued guidelines for ownership in private sector banks. The Finance Minister in his Budget Speech in February 2005 referred to the need to have banks in India that match the size of international banks. The days ahead promise to be eventful for the banking industry.

Management Discussions and Analysis

Post-Merger Developments

The merger of ALFL with your Bank became effective from June 11, 2004 (with April 1, 2003 as the appointed date). The benefits of the merger started flowing in during the year under review. The most visible signs have been the spectacular branch expansion that your Bank has witnessed, coupled with an exceptional rise in disbursement of relatively high-yielding advances (commercial vehicle loans, etc.) and a simultaneous decrease in borrowings. This resulted in an improvement in operating results from lending activities on account of improved net interest income and more stable income streams. Thus your Bank in the post-merger scenario has emerged as a financially-

strong entity with an enlarged branch network and an enhanced asset portfolio, both in corporate and retail businesses, along with a pool of experienced and skilled human resources with the requisite infrastructure.

Operating Performance

The salient features of your Bank's operating performance during the year 2004-05 are summarised in the table below:

	(Rs. in crores)		
	2004-05	2003-04	YOY growth %
Interest earned	1134.39	986.15	15.03
Interest expended	718.89	669.25	7.42
Net Interest Income	415.50	316.90	31.11
Other Income:			
Profit on sale of investments	57.95	226.83	(74.46)
Commission & others including bad debts recovery	192.80	118.10	63.25
Total Operating income	666.25	661.83	0.67
Operating Expenses (excluding depreciation)	220.15	180.43	22.01
Operating Profit before depreciation & provisions	446.10	481.41	(7.33)
Less: Depreciation on Fixed Assets	44.87	36.72	22.19
Less: Provisions & Contingencies	191.09	182.62	4.64
Net Profit	210.14	262.07	(19.82)

As will be seen, the performance during the year reflected a positive shift in your Bank's income streams, which enabled your Bank to reduce its reliance on profit on sale of investments as a major source of earnings. Operating expenses increased by 22%, mainly because of expenditure on new branches opened during the year. The increase in provisions and contingencies could be contained at 4.64%, thanks to the improvement in the quality of the loan book. Owing to the drop in profit on sale of investments consequent to firming up of interest rates, both operating and net profits earned during the year were lower than those in the previous year.

Deposits and Advances

The total deposits of your Bank as on March 31, 2005 aggregated Rs. 13,114 crores, registering a growth of 17% over the level of deposits as on March 31, 2004.

The share of current and savings account deposits in the total deposits of your Bank continued at 11%, while the balance 89% was in the form of term deposits as shown in the table below. In tune with its retail orientation, your Bank is endeavouring to increase the share of current and savings account deposits in its total deposits by broadening the deposit base through its wider network.

	(Rs. in crores)		
Deposits	As on 31.03.2005	As on 31.03.04	Growth %
Current	893.44 (7%)	856.78 (8%)	4.28
Savings	508.62 (4%)	394.74 (3%)	28.85
Term	11712.21 (89%)	9948.75 (89%)	17.73
Total	13114.27 (100%)	11200.27 (100%)	17.09

The net advances of your Bank (net of securitisation) stood at Rs. 9000 crores as on March 31, 2005 as compared to Rs. 7301 crores as on March 31, 2004, recording a growth of 23%.

Retail Banking

Retail Banking now occupies centre-stage in your Bank's plans and strategies. This is in line with the retail revolution that is currently sweeping across India and the huge surge that the retail segment of the Indian banking industry has witnessed over the last few years. Apart from network expansion, the merger with ALFL has positioned the Bank to 'leap-frog' several stages in the process of expansion and diversification of business spread over a wider asset base.

Your Bank has a unique retail loan portfolio among all banks, made up largely of high-yielding retail assets such as commercial vehicle loans, car loans, two / three-wheelers loans, etc. During the year, your Bank succeeded in steeply increasing disbursements of such loans. Even within these, a conscious shift was effected towards such higher-yielding assets as two-wheeler and three-wheeler loans, used car loans, utility vehicle loans, etc. Disbursements aggregating Rs. 3710 crores (as against Rs. 2620 crores during the previous year) were made during the year for

financing the acquisition of commercial vehicles, two-wheelers and three-wheelers, used cars, utility vehicles etc. The year under review also witnessed a large increase in the securitisation of retail assets by your Bank.

Your Bank also continued its initiative of disbursing loans to small traders and small businesses. In the months to come, your Bank intends to build up a strong portfolio of loans to this segment of borrowers. In the area of liabilities, the focus has been on mobilising low-cost deposits (current accounts and savings bank accounts). To this end, a number of new and attractive products were developed, with an eye on every age group and every segment of the society. Efforts were also made to further strengthen the alternate delivery channels of your Bank (such as Internet Banking and ATMs) and, in keeping with the times, various innovative products and services including International Mahila Card, Mobile Top-ups, Utility Bill Payment, etc., were offered by your Bank to its clients.

With a view to increasing its customers reach, besides putting in place additional offsite ATMs, your Bank has entered into bilateral arrangements with other banks - the Bank's customers can now utilise 2473 ATMs across the country under bilateral tie-up with Corporation Bank and with UTI Bank. Similar arrangements with more banks are under active negotiation.

To cater to the investment needs of its customers, your Bank is active in the distribution of third party products, including mutual funds and insurance products.

Corporate Banking

During 2004-05, your Bank's efforts in the area of corporate banking have been directed towards building long-term relationships with customers. Extending the association with customers through more than one product or service was one of the strategies adopted for strengthening such relationships. While nurturing the relationships developed with large industrial houses, profitable Public-Sector Undertakings and Multi-national Corporations in the earlier years, your Bank revisited its core customer segment of Small and Medium Enterprises (SMEs) and focussed attention was paid on developing relationships with SME firms, thereby diversifying your Bank's credit risk, improving its yield on advances, and achieving an optimal risk-yield profile.

Our Corporate Banking business is driven primarily through specialised Corporate Banking Branches strategically spread across the major commercial locations across the country. Corporate advances aggregating about Rs 4200 crores were disbursed during the period under review. A heartening feature was that a substantial proportion of this growth was generated from branches located in such smaller towns as Coimbatore, Ahmedabad and Indore.

Priority Sector Banking

Priority-sector advances at Rs. 2793 crores as at the end of March 2005 represented 34.95% of your Bank's Net Bank Credit (NBC). The thrust initiated during the year for the growth of direct agricultural advances saw your Bank finance over 18000 agriculturists during the year, leading to an increase in credit to the agricultural sector from 4.5% (as at March 2004) to 7.1% (as at March 2005) of its NBC.

Treasury

Treasury continued to retain its dominance in the marketplace during the year under review, both in the foreign exchange and the Money Market segments. A full-fledged Bullion Desk became functional. Your Bank's trading desk handles the proprietary trading positions of the Bank across different markets including foreign exchange, fixed income securities, and derivatives. The year saw considerable volatility in USD / INR rates as well as G7 currency movements, and the trading desk used the opportunity to generate trading gains for your Bank. On the Fixed Income side the opportunities in the first half of the year were fully encashed, while in the second half, the trading desk shifted focus to interest rate swaps in an increasingly hardening interest rate situation.

Treasury Department's balance sheet desk is primarily responsible for managing interest rate sensitivity by rebalancing the duration of the investments portfolio and by active using rupee interest-rate swaps. During the year, the interest rate cycle reversed, with yields rapidly hardening following the shift in RBI's Monetary Policy. The 10-year benchmark yield moved from a low of 5.06% p.a. to a high of 7.31% p.a. during the year. Your Bank anticipated the reversal in the interest rate situation well ahead of the market and accordingly reduced the duration of its entire SLR book. This exercise insulated the Bank from adverse interest rate movements and significantly reduced the provisioning that the Bank would otherwise have been required to make in shifting securities to the 'Held To Maturity' category. The net contribution to profits for the year 2004-05, on account of SLR investments (trading gains net of depreciation) remained positive, despite an adverse interest rate situation. This notable achievement was made by few banks during the year under review. Your Bank also achieved an Investment Fluctuation Reserve (IFR) of over 6% as at end- March 2005, exceeding the RBI's prescription of 5%. The corporate sales desk of Treasury

Department concentrated on increasing its presence in the market by considerably enhancing the volume of customer-driven transactions with special thrust on customer relationships. This group will continue to play a key role in establishing customer contact and building new relationships with target customers.

International Division

The International Division of your Bank plays an active role in business development in the areas of International trade finance, trade remittances and Non-Resident Indian (NRI) business, in addition to acting as a support unit to all branches conducting foreign exchange business. The division also provides business strategies, rolls out new products and services, and establishes business relationships with banks, financial institutions, and exchange houses. The objective is to increase your Bank's market share in international trade and NRI business, generate fee-based income, and extend specialised support to branches for creating new customer relationships and leveraging higher business volumes from existing customers.

Your Bank achieved a 60% growth in merchant foreign exchange business with a total business turnover of Rs. 14883 crores during the year as against Rs. 9014 crores during the previous financial year.

The Representative Offices in Dubai and London have enhanced your Bank's international presence.

Investment Banking - Capital and Commodity Markets

The capital market related activities of the Bank witnessed high growth during the year. Even as opportunities arising from the increased activity in the market were tapped, care and caution were exercised in entering into new relationships. Business segments which received special attention during the year include depository services, IPO financing, loans against shares, issue of guarantees (and other services) to brokers, etc.

Your Bank aims to extend its reach to the Commodities sector by offering solutions to participants in the commodity market. Having secured clearing and settlement bank status with the National Commodity and Derivatives Exchange Ltd. (NCDEX) and the Multi Commodity Exchange (MCX), your Bank is among just a handful of banks to have such a tie-up with the principal stock and commodity exchanges in the country (NSE, BSE, NCDEX and MCX). With commodity markets expected to grow rapidly, this activity will add significant value to the operations of your Bank in the coming years.

Asset Management

For managing its non-performing assets (NPAs), your Bank has had a well-documented recovery and compromise policy since 1998, which is updated from time to time. This policy covers the process of identification of potential NPAs, their classification as NPAs, monitoring and follow-up action, and preparing strategies for recovery / rehabilitation / restructuring of assets, including exit routes where necessary. Your Bank participates in the Corporate Debt Restructuring Scheme, which was initiated by RBI.

Besides legal action in Debt Recovery Tribunals (DRTs) in respect of various accounts, your Bank makes use of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 as an effective tool. During the year under review, your Bank concentrated on recovery of written off debts and recovered Rs. 90.97 crores of written off assets.

As a result of initiatives taken by your Bank in improving asset quality, the ratio of net Non Performing Assets (NPA) to net advances as on March 31, 2005 stood at 2.71% as against 2.72% of the last year.

Branch Network

The distribution network of your Bank as on March 31, 2004 consisted of 61 branches, 12 extension counters, 80 offsite ATMs, and one Representative Office at Dubai. During the year under review, with the merger of ALFL, and with the conversion of a number of ALFL branches into your Bank's branches, the Bank added 54 new branches, taking the total number of outlets as at end-March 2005 to 204, consisting of 115 Branches, 9 Extension Counters and, 80 Offsite ATMs (excluding 115 on-site ATMs), and opened a new Representative Office at London.

Publicity

During the year 2004-05 your Bank unveiled its updated corporate logo with vibrant colours, reflecting its reinforced strength and renewed retail focus, consequent upon the merger of Ashok Leyland Finance Ltd. The communication and publicity strategy for the year was built around the launch of the revised logo, new products, and new branches. The opening of the 100th branch of your Bank at Dadar (in Mumbai) in February 2005 was a landmark event and its inauguration was appropriately celebrated.

Your Bank also associated itself with a number of major health events across the country with the objective of spreading awareness about "quality health", a cause that is congruous with its business philosophy, "Care at every stage of life".

Inspection and Audit

There has been a significant increase in the number, nature, and operational scope of the business units of your Bank during the year under review. The Bank has taken appropriate measures to continuously assess and monitor its level of efficiency vis-à-vis internal control processes.

Your Bank also continuously evaluates its level of adherence to established guidelines in all aspects of its banking operations and ensures that the standards prescribed by RBI for the inspection and audit of branches are maintained. Your Bank has evolved comprehensive checklists for its concurrent auditors and inspecting officials to ensure that all facets of its operations are subject to thorough periodic scrutiny. Your Bank has ably coped with the task of monitoring the increased volume of business consequent to the merger of ALFL, and appropriate steps have been taken to integrate the inspection process of ALFL into that of the Bank.

Your Bank continues to emphasise the speedy rectification of irregularities, loan review mechanism, and scrutiny of operations at branches on a daily basis. All these measures have helped the Bank identify deficiencies in loans as well as in the house-keeping area, and have enabled initiation of suitable corrective measures in time. In accordance with RBI guidelines, your Bank has changed the focus in its audits from the transaction-based approach to a risk-based supervision approach.

Your Bank's extensive internal controls, including restricted access to computer systems and strong audit trails, have helped to mitigate operational risks. Your Bank follows the best practices within the legal/regulatory framework. The Audit Committee of the Board periodically reviews the effectiveness of controls as well as compliance with regulatory guidelines.

Risk Management

Your Bank follows a strong enterprise-wide risk management system, the framework for which was put in place with the help of KPMG, international consultants of repute. Your Bank has set up an Integrated Risk Management department responsible for Bank-wide risk management, independent of business segments. All facets of credit risk, market risk, and operational risk are monitored continuously and pre-emptive measures as warranted are taken to mitigate such risks in advance.

Your Bank has implemented an effective ALM (Asset Liability Management) system to support its liquidity and interest rate risk analysis. Your Bank covers 100% of its assets and liabilities for ALM functions. A high-powered Asset Liability Management Committee (ALCO) reviews on a regular basis all matters relating to liquidity risk, interest rate risk, pricing of assets and liabilities, funding and investment activities, and balance sheet management.

The Basel II accord stipulates specific timelines for adoption of improved practices in the area of capital requirements, market discipline, and the risk management framework. Your Bank is keen to adopt the best International practices and fully comply with RBI requirements so as to achieve effective Risk Management. Your Bank has initiated meaningful initiatives in this regard well in time and hopes to be one of the front-runners amongst Indian banks in the adoption of the Basel II framework.

Information Technology

Your Bank has continued to focus on the offer of technology-based differentiated products to its customers. It is one of the very few banks to offer RTGS services from all its branches.

Other technology-based services recently introduced include cash management, on-line payment of utility bills, etc. A major accomplishment during the year under review was the integration of the IT systems of ALFL with the IT infrastructure of the Bank. Another important project completed during the year was the establishment of the disaster recovery site in Hyderabad with on-line real-time data replication capabilities (vis-a-vis the main production server in Mumbai), to ensure uninterrupted services to the Bank's customers.

Your Bank is currently in the process of implementing a payment switch for handling e-commerce transactions for its customers. It is considering the launch of electronic remittance products for NRIs through the RTGS mechanism. Visa Money Transfer Facility is also being put in place shortly, through all ATMs of your Bank.

Your Bank aims to be a front-runner in adopting various technology initiatives of Reserve Bank of India, including cheque truncation to facilitate faster clearance of cheques and instruments, prevention of money laundering, etc.

Banking Operations

Your Bank has laid down a policy framework on "Know Your Customer" (KYC) norms and "Anti Money Laundering Measures" (AML) with the approval of its Board of Directors. The policy has

been framed on the basis of the recommendations of the Financial Action Task Force and the document issued on Customer Due Diligence for Banks by the Basel Committee on Banking Supervision.

In accordance with RBI's recommendations, an Ad Hoc Committee on Procedures and Performance Audit on Public Services in Banks (ACPPAPS), comprising senior functional heads of the Bank and a few customers has been established. Your Bank has also constituted a Customer Service Committee of Directors (CSCOD) to review the performance of ACPPAPS.

Your Bank has framed a Citizen's Charter outlining the following aspects :

- Common practices followed by our Branches,
- Common areas of Customer-Banker relationships – viz., Savings accounts, Current accounts, Term Deposits, Safe Deposit Lockers, and Remittances,
- Obligations on the part of customers for healthy banking practices,
- Complaint redressal mechanism,

During the year under review, your Bank has formulated the "Banker's Fair Practice Code", a voluntary code which sets standards of fair banking practices, to be followed by all the branches in their dealings with individual customers.

Your Bank has maintained its quality certification ISO 9001: 2000 for all its branches for the third year in succession.

Your Bank has also put in place a transparent and comprehensive Deposit Policy, setting out the rights of the depositors in general and small depositors in particular. The policy covers all aspects of operations of deposit accounts, charges leviable, and other related issues to facilitate interaction with depositors at the branch level.

Your Bank maintains a dedicated page for customer care on its website www.indusind.com where information on customer service and on the Banking Ombudsman Scheme 2002 is provided and updated periodically.

Human Resources

The Human Resources Department has been an active participant in supporting the expansion plan of the organisation and ensuring the inflow of required manpower, through both internal and external sources. To ensure efficiency and effectiveness of manpower acquisition process, training sessions and workshops were conducted across various locations to impart skills in selection and recruitment to the middle management of your Bank.

In order to bridge the gap between knowledge and implementation, "on-the-job training" in Credit and Internal Audit was organised for employees across various levels. Special training programmes were organised on specialised topics in co-ordination with RBI's Bankers Training College, Mumbai to enhance the skill levels of the executives.

The Human Resources Department continues to lay emphasis on evolving a vibrant and customer-centric Bank.

Corporate Social Responsibility

Your Bank is alive to Corporate Social Responsibility. During the year 2004-05 it donated Rs. 1.18 crores, (including Rs.1 crore to Prime Minister's National Fund for Tsunami Victims) towards various social and philanthropic causes.

Directors

Consequent upon the merger of ALFL with the Bank, Mr. S. Nagarajan, the erstwhile Managing Director of ALFL, has been appointed Joint Managing Director of the Bank with the approval of RBI.

Mr. Vijay Vaid, Mr. Anil Harish, and Mr. O. P. Sodhani, Directors, retire by rotation at the forthcoming Annual General Meeting. Mr. O.P. Sodhani will attain 70 years of age on November 22, 2005, and has expressed his desire to retire at the Annual General meeting without re-appointment. Mr. Vijay Vaid and Mr. Anil Harish, being eligible, offer themselves for reappointment.

Your Directors wish to place on record their deep and sincere appreciation for the valuable services rendered by Mr. Sodhani during his tenure as Director of the Bank.

Auditors

M/s S.R. Batliboi & Co., Chartered Accountants and Statutory Central Auditors of the Bank, who have audited the accounts of the Bank for the year 2004-05, will retire at the ensuing Annual General Meeting and are eligible for re-appointment. Members are requested to consider their re-appointment and authorise the Board to fix their remuneration. The appointment of the Statutory Auditors will be subject to the approval of Reserve Bank of India. The members are further

requested to authorise the Board to appoint branch auditors of the Bank in consultation with the Statutory Auditors and to fix their remuneration.

Auditors' Report

Your attention is drawn to paragraphs 6(b)(i), (ii) and (g) of the Auditors' Report. In this connection, please refer to Note No. 8, Note No. 1(iii) and Note No. 7 respectively of Notes on Accounts in Schedule XVIII, the contents of which are self-explanatory.

Statutory Disclosure of Particulars

Information, wherever required under the Banking Regulation Act, 1949, or the Companies Act, 1956 as applicable to a banking company, has been laid out in the schedules attached and forms part of the Balance Sheet and Profit and Loss Account.

There are no material changes and commitments affecting the financial position of the Bank, which have occurred between the end of the financial year ending March 31, 2005 to which the balance sheet relates and the date of this report.

Considering the nature of activities as an entity in the financial services sector, the provisions of Section 217 (1) (e) of the Companies Act 1956 relating to conservation of energy and technology absorption do not apply to the Bank.

The statement containing particulars as required under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, is given in the Annexure appended hereto and forms part of this report. In terms of Section 219 (1) (b) (iv) of the Companies Act 1956, this Report and the Accounts are being sent to the shareholders excluding the aforesaid information. Any shareholder interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Bank.

Corporate Governance

Your Bank continues its endeavour to adopt the best prevalent corporate-governance practices. A separate report on the status of implementation of Corporate Governance, as required under Clause 49 of the Listing Agreements with the relevant Stock Exchanges, is annexed to the Report. The Bank has obtained a certificate from M/s Bhandari & Associates, Company Secretaries, regarding compliance of conditions of Corporate Governance. The Certificate is attached to the Section on Corporate Governance.

Directors' Responsibility Statement

Pursuant to the provisions of section 217(2AA) of the Companies Act, 1956, your Directors hereby certify and confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the directors selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Bank as at March 31, 2005 and of the profit of the Bank for the year ended March 31, 2005.
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities; and
- (iv) the annual accounts have been prepared on a going concern basis.

Acknowledgement

Your Directors place on record their appreciation for the commendable contribution made by the employees towards the growth of your Bank during the year.

The Directors are grateful to the shareholders of the Bank for their continued support and goodwill. The Directors are also grateful to Reserve Bank of India, the Stock Exchanges, the Department of Company Affairs, and Securities and Exchange Board of India for their guidance and support extended to the Bank.

The Board gratefully thanks the Bank's valued customers for their support and confidence in the organisation and looks forward to the continuance of this mutually supportive relationship in future.

For and on behalf of the Board of Directors

R. J. Shahaney
Chairman

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

To the Members of IndusInd Bank Limited

1. We have examined the implementation of Corporate Governance procedures by IndusInd Bank Limited ('the Bank'), for the year ended 31st March 2005 with the relevant records and documents maintained by the Bank and the report on Corporate Governance as approved by the Board of Directors.
2. 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 compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Bank.
3. We further state that such compliance is neither an assurance as to future viability of the Bank nor the efficiency or effectiveness with which the Management has conducted the affairs of the Bank.
4. We state that in respect of investor grievances received during the year ended 31st March 2005, no investor grievances are pending against the Bank for a period exceeding one month as per records maintained by the Bank and presented to the Stakeholders Relation Committee (Shareholders and Investors Grievance Committee) and certificate given by the Registrar and Transfer Agents of the Bank.
5. In our opinion and to the best of our information and according to the explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) with the Stock Exchange(s) have been complied with by the Bank.

For Bhandari & Associates
Company Secretaries

S. N. Bhandari
Proprietor
C.P. 366

Mumbai, June 30, 2005.

QUALITY POLICY

"IndusInd Bank is committed to meet and strive to exceed customer requirements through timely, error free and courteous service. We shall continually improve the effectiveness of our work process through training, customer feedback and review of systems."

THE MISSION

"To emerge as an international bank, acquiring global capabilities, providing world class services and maintaining the highest standards of professionalism and integrity."

CORPORATE GOVERNANCE

The Bank's philosophy on the code of Corporate Governance

- The Bank believes that consistent implementation of good Corporate Governance contributes towards developing and sustaining the best operating systems and procedures.
- Systems have been developed in such a way that they allow sufficient freedom to the Board to make decisions, and the Management to take actions towards the growth of the Bank, and simultaneously remain within the framework of effective accountability. To meet the requirements of good Corporate Governance, the Bank's Directors have formed various committees of the Board to achieve specific objectives.
- The Bank is committed to operate on commercial principles, ensuring at the same time the need to remain accountable, transparent and responsive to its stakeholders.

Profile of Directors

Name of Director	Qualifications	Date of Appointment	Occupation	Shareholding in the Bank as on 31.3.05 (%)	Interest in the Bank other than as Director	Nature of Representation in the Board	Special Knowledge
Mr. R.J. Shahaney	BSc Engineering from London	29-Jul-02	Chairman of Ashok Leyland Limited	0.0013	NIL	Non Executive Chairman	General Management
Mr. Vijay Vaid	B.Com	11-Jun-98	Industrialist	NIL	NIL	Independent, Non Executive Director	SSI
Mr. Anil Harish	BA, LLB, LLM (USA)	22-Jul-98	Practising Advocate	0.0031	NIL	Independent, Non Executive Director	Law
Dr. Ram Buxani	PhD	14-Jan-00	Business	NIL	NIL	Non Executive Director	International Business
Mr. O. P. Sodhani	MA, CAIIB	29-May-00	Retired Executive Director of RBI, Former Banking Ombudsman, Rajasthan	NIL	NIL	Independent, Non Executive Director	Banking
Mr. R. Sundararaman	M.Com, CAIIB	30-Oct-02	Former Dy. Managing Director of SBI	NIL	NIL	Independent, Non Executive Director	Banking
Mrs. Kanchan U. Chitale	B.Com, FCA	31-Jan-03	Practising Chartered Accountant	NIL	NIL	Independent, Non Executive Director	Accounting & Auditing
Mr. T. Anantha Narayanan	B.Com, ACA, AICWA	18-Mar-04	Retired Executive Director (Finance) of Ashok Leyland	0.0002	NIL	Independent, Non Executive Director	Agriculture and Rural Economy
Mr. S. Nagarajan	B.Com, ACA, ACS	28-Aug-04	Service	NIL	Wholetime Director	Joint Managing Director	Banking
Mr. Bhaskar Ghose	BA, MBA (IIM Calcutta)	3-Apr-01	Service	NIL	Wholetime Director	Managing Director	Banking

- Notes**
- The Nomination Committee of the Board in its 6th meeting held on December 22, 2004 undertook due diligence exercise in respect of Mr. Anil Harish, Dr. Ram Buxani, Mr. O.P. Sodhani, Mr. R. Sundararaman, Mrs. Kanchan Chitale and Mr. T. Anantha Narayanan for determining their eligibility for appointment and continuance in the Board as Directors and found them to satisfy the 'Fit and Proper Person Criteria' stipulated by RBI to hold the position of Director in the Bank.
 - The observations of the Nomination Committee as above were approved by the Board in its 116th meeting held on January 28, 2005.
 - The Board in its 116th meeting held on January 28, 2005 undertook due diligence exercise in respect of the members of Nomination Committee namely, Mr. R. J. Shahaney and Mr. Vijay Vaid for determining their eligibility for appointment and continuance in the Board as Directors and found them to satisfy the 'Fit and Proper Person Criteria' stipulated by RBI to hold the position of Director in the Bank.
 - The appointments of Mr. Bhaskar Ghose and Mr. S. Nagarajan, being whole time directors, were approved by RBI.

Remuneration of Directors

The details of sitting fees paid to the Non-Executive Directors during the year 2004-2005 are as follows:

Name the Director	Salary of *(including perquisites & allowances	Sitting Fee (Rs.)	Total (Rs.)
Mr. R. J. Shahaney	-	3,02,500	3,02,500
Mr. Vijay Vaid	-	1,77,000	1,77,000
Mr. Anil Harish	-	2,10,000	2,10,000
Mr. Ram Buxani	-	1,70,000	1,70,000
Mr. Lal Tolani ¹	-	32,500	32,500
Mr. O. P. Sodhani	-	2,87,500	2,87,500
Mr. R. Sundararaman	-	2,17,500	2,17,500
Mrs. Kanchan U. Chitale	-	3,15,000	3,15,000
Mr. T. Anantha Narayanan	-	3,22,500	3,22,500

(* Mr. Lal Tolani retired at the last Annual General Meeting held on 13th August, 2004.)

Attendance of Directors at Board Meetings

During the year ended March 31, 2005, **7 meetings** of the Board were held on June 14, 2004, June 29, 2004, July 28, 2004, August 13, 2004, October 28, 2004, December 7, 2004 and January 28, 2005. Details of attendance at the Board Meetings and previous Annual General Meeting, Directorship, Membership and Chairmanship of Committees of other companies, of each Director are as follows:

Name of the Director	No. of Board Meetings attended	No. of other public Cos. (excluding the Bank in which Director ¹	No. of Committees (excluding the Bank) of which a Member	Whether attended last A.G.M. held on August 13, 2004
Mr. R. J. Shahaney	7	5	4 (of which 2 as Chairman)	YES
Mr. Vijay Vaid	5	1		YES
Mr. Anil Harish	6	13	10 (of which 2 as Chairman)	YES
Dr. Ram Buxani	6	0		YES
Mr. O. P. Sodhani	7	2	2 (both as Chairman)	YES
Mr. Lal Tolani ²	2	-		NO
Mr. R. Sundararaman	7	1	1	YES
Mrs. Kanchan U. Chitale	5	-		NO
Mr. T. Anantha Narayanan	7	6	2	YES
Mr. Bhaskar Ghose	7	0		YES
Mr. S. Nagarajan ³	7	1		YES

¹Excludes Private Limited Companies, Foreign Companies etc.

²Mr. Lal Tolani retired at the last Annual General Meeting held on 13th August, 2004.

³Mr. Nagarajan was appointed as Additional Director with effect from 28th August, 2004.

Committees of the Board

The Board has constituted various Committees of Directors, to take decisions and monitor the activities falling within their terms of reference. The Board's committees are as follows:

Committee of Directors

Terms of reference: The Committee of Directors will exercise the powers delegated to it by the Board, for managing the affairs of the Bank; for efficient control over operational areas; and for ensuring speedy disposal of matters requiring immediate approval.

Composition: The Committee comprises eight members. The Chairman of the Committee is Mr. R.J. Shahaney. Other members are Mrs. Kanchan Chitale, Mr. O P Sodhani, Mr. R. Sundararaman, Mr. Vijay Vaid, Mr. T. Anantha Narayanan, Mr. S. Nagarajan, and Mr. Bhaskar Ghose.

Meetings: The Committee of Directors met four times during the financial year 2004-05 on the following dates: May 11, 2004, May 24, 2004, September 14, 2004, and March 9, 2005. Mr. R. J. Shahaney, Mrs. Kanchan Chitale, Mr. O P Sodhani, Mr. T. Anantha Narayanan, Mr. Bhaskar Ghose and Mr. S. Nagarajan attended four meetings each. Mr. R. Sundararaman attended three and Mr. Vijay Vaid attended one.

Audit Committee

Terms of reference: The terms of reference of the Committee, inter alia, include the following namely, Overseeing the Bank's financial reporting process, and ensuring the accurate and adequate disclosure of financial information; Reviewing the Bank's internal audit and inspection systems, with special emphasis on their quality and effectiveness and monitoring the activities of the Bank's internal audit department and its liaison with external Auditors; Recommending the appointment of statutory auditors, and determining their fees and ensuring compliance with issues raised by the Bank's statutory auditors, and by Reserve Bank of India in their inspection reports.

Composition: The Committee comprises six members. The Chairman of the Committee is Mr. Anil Harish. Other members are Mr. Vijay Vaid, Dr. Ram Buxani, Mr. O.P. Sodhani, Mrs. Kanchan Chitale, and Mr. T. Anantha Narayanan.

Meetings: The Committee met six times during the financial year 2004-05 on the following dates: June 28, 2004, July 28, 2004, September 28, 2004, October 27, 2004, January 28, 2005, and March 29, 2005. Mr. Anil Harish, Mr. T. Anantha Narayanan and Mr. O P Sodhani attended all the six meetings. Dr. Ram Buxani attended four, Mrs. Kanchan Chitale attended five and Mr. Vijay Vaid attended two.

Credit Committee of Directors

Terms of reference: The Credit Committee of Directors approves credit exposures which are beyond the power delegated to the Executives of the Bank. This facilitates speedy sanctioning of credit proposals.

Composition: The Committee comprises six members. The Chairman of the Committee is Mr. R. J. Shahaney. Other members are Mr. R. Sundararaman, Mrs. Kanchan Chitale, Mr. T. Anantha Narayanan, Mr. S. Nagarajan, and Mr. Bhaskar Ghose.

Meetings: The Committee met four times during the financial year 2004-05 on the following dates: December 22, 2004, January 11, 2005, February 19, 2005, and March 24, 2005. Mr. R. J. Shahaney, Mrs. Kanchan Chitale, Mr. Bhaskar Ghose and Mr. S. Nagarajan attended all the four meetings. Mr. T. Anantha Narayanan attended three and Mr. R. Sundararaman attended two.

Nomination Committee

Terms of reference: The Committee recommends the names for appointment of Non-Executive/Independent Directors on the Board.

Composition: The Committee comprises three members. The Chairman of the Committee is Mr. R.J. Shahaney. Other members are Mr. Vijay Vaid and Mr. Bhaskar Ghose.

Meetings: The Committee met twice during the financial year 2004-05 on the following dates: August 13, 2004 and December 22, 2004. The meetings were attended by all the members.

Stakeholders Relation Committee

Terms of reference: The objective of the Committee is the redressal of stakeholders' complaints. The Company Secretary discharges the responsibilities of a compliance officer.

Composition: The Committee comprises three members. A Non-Executive Director is elected as the Chairman by the members present at the meeting. The members of the Committee are Mr. Vijay Vaid, Dr. Ram Buxani and Mr. Bhaskar Ghose.

Meetings: The Committee met twice during the year on the following dates: June 14, 2004 and January 28, 2005. The meetings were attended by all the members.

Special Committee for Prevention of Frauds

Terms of reference: A Special Committee for monitoring and follow up of cases of fraud involving amounts of Rs. 1 crore and above was formed in the Board meeting held on March 18, 2004, as per the direction of Reserve Bank of India.

Composition: The Committee comprises five members. The Chairman of the Committee is Mr. Vijay Vaid. Other members of the Committee are Mr. Anil Harish, Mr. R. Sundararaman, Mrs. Kanchan Chitale, and Mr. Bhaskar Ghose.

Meetings: During the financial year under review the Committee met once on 28 January 2005. The meeting was attended by all the members.

Customer Service Committee

Terms of reference: A Committee for monitoring the customer service extended by the Banks and attending to the needs of customers was constituted in the Board meeting held on October 28, 2004.

Composition: The Committee comprises four members namely Mr. Vijay Vaid, Mrs. Kanchan Chitale, Mr. Bhaskar Ghose, and Mr. S. Nagarajan.

Meetings: The Committee met once on January 28, 2005 during the financial year under review, which was attended by all the members.

Shares Forfeiture Committee

Terms of reference: To review the status of the receipt of allotment/call money after the last date stipulated, analyse and redress general grievances of investors pertaining to proposed forfeiture, to pass appropriate resolutions for effecting forfeiture and issue of forfeiture notices, to authorise accounting entries for forfeiture, take decisions on the re-issue of forfeited shares, exercise all powers vested in the Board pertaining to forfeiture as per the Articles of Association and all other things as may deem fit.

Composition: The Committee comprises three members. The Chairman of the Committee is Mr. R.J. Shahaney. Other members of the committee are Mr. Bhaskar Ghose and Mr. S. Nagarajan.

Meetings: The committee met once on March 24, 2005 during the financial year under review, which was attended by all the members.

Risk Management Committee

Terms of reference: To examine risk policies and procedures developed by the Bank and to verify adherence to various risk parameters and prudential limits by the various operating departments.

Composition: The Committee comprises four members namely Mr. R. Sundararaman, Mr. T. Anantha Narayanan, Mr. Bhaskar Ghose, and Mr. S. Nagarajan.

Meetings: The Committee met once on November 23, 2004 during the financial year under review, which was attended by all the members.

Previous Three Annual General Meetings*

AGM	Day, Date and Time	Venue	Whether Special Resolution
8 th AGM	Saturday September 28, 2002 2.30 p.m.	Hotel Taj Blue Diamond 11, Koregaon Road Pune-400 001	NO
9 th AGM	Monday September 29, 2003 2.30 p.m.	Hotel Taj Blue Diamond 11, Koregaon Road Pune-400 001	YES
10 th AGM	Friday August 13, 2004 2.30 p.m.	Hotel Taj Blue Diamond 11, Koregaon Road Pune-400 001	YES

* No Postal Ballot was conducted at any of these three AGMs.

Material Disclosures

- During the year, there was no materially significant related-party transaction that could have had any potential for conflict with the interests of the Bank at large.
- Neither the Securities and Exchange Board of India (SEBI) nor any of the stock exchanges on which the Bank's shares are listed imposed any penalty or stricture on the Bank.
- As on March 31, 2005, none of the directors of the Bank was disqualified under section 274(1)(g) of the Companies Act, 1956.

Details of directors seeking appointment / re-appointment in the forthcoming Annual General Meeting (In pursuance of clause 49 of the Listing Agreement)

Name of Director	Mr. Vijay Vaid	Mr. Anil Harish	Mr. S. Nagarajan
Qualifications	B.Com.	B.A., LL.B., LLM (USA)	B.Com., ACA, ACS
Expertise in specific functional areas	Industrialist	Practising Advocate	Banking
Date of Appointment	June 11, 1998	July 22, 1998	August 28, 2004
List of other companies in which Director	Vaid Elastomer Processors Ltd., Vaid Overseas Pvt. Ltd., Vijay Elastomer Processors Pvt. Ltd., Nine Enterprises Pvt. Ltd.	(Please see List below: *)	IndusInd Information Technology Limited
Number of Committees of other companies in which Member	Nil	10 (of which 2 as Chairman)	Nil

* Valecha Engineering Ltd., Tolani Shipping Company Ltd., Hinduja TMT Ltd., K.C. Maritime (India) Ltd., Advani Hotels & Resorts (India) Ltd., Hotel Leelaventure Ltd., Tower Insurance and Reinsurance Services (India) Ltd., Prebon Yamane India Ltd., Mukta Arts Ltd., Unitech Ltd., Pantaloon Retail (India) Ltd., Mahindra Gesco Developers Ltd., Ador Welding Ltd., Trans Atlantic Consultants Pvt. Ltd., Trans Atlantic Trading Pvt. Ltd., Oasis Construction (Overseas) Pvt. Ltd., Sherbrook International Pvt. Ltd., Pune Software Park Pvt. Ltd., Quantum Advisors Pvt. Ltd., Helpyourngo.com India Pvt. Ltd., Freight Connection India Pvt. Ltd., Ges India Pvt. Ltd., Orinoco Marine Consultancy India Pvt. Ltd., Eurasia Travel Services Pvt. Ltd., Paramount Shipping & Management Pvt. Ltd., Bernhard Schulte Shipping (India) Pvt. Ltd., Reza Progetti India Pvt. Ltd., Cenmar Maritime Agencies (India) Pvt. Ltd.

Means of Communication

- Besides communicating to the stock exchanges on which the Bank's shares are listed, the Bank's financial results are also published on a quarterly basis in leading newspapers, and displayed on the Bank's website at www.indusind.com.
- In accordance with the requirements of publishing financial and other data in the Electronic Data Information Filing And Retrieval (EDIFAR) database, the Bank has disclosed relevant data on the specified website maintained for Securities and Exchange Board of India, (www.sebiedifar.nic.in) the financial statements comprising quarterly and half-yearly results, and statement on shareholding pattern.
- All information relevant to Investors are published in the Bank's website and updated on a regular basis.
- Press releases are made at appropriate times, on the performance of the Bank on various fronts.

GENERAL INFORMATION FOR SHAREHOLDERS

Financial Calendar

Particulars	Date
• Board meeting for adoption of audited financial accounts	June 30, 2005
• Posting of Annual Report 2004-05	July 23, 2005
• Day, Date and Time of 11 th Annual General Meeting	At 2.30 p.m. on Saturday, September 3, 2005
• Venue	Hotel Taj Blue Diamond 11, Koregaon Road Pune-400 001
• Financial Calendar	April 1 to March 31
• Book Closure dates	Saturday, August 20, 2005 to Saturday, September 3, 2005 (both days inclusive).
• Dividend Payment date	September 10, 2005
• Registrar & Share Transfer Agent and its address for correspondence	Intime Spectrum Registry Ltd. C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai - 400 078. Tel: 5555 5454, Fax: 5555 5353 Email: isrl@intimespectrum.com
• Bank's website	www.indusind.com

Listing details of the Bank's Equity Shares:

The Bank's shares are listed on the following stock exchanges in India.

Name of the Stock Exchange	Address of the Stock Exchange	Stock Code No.
The Stock Exchange, Mumbai (BSE)	Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai 400001	532187
National Stock Exchange of India Ltd. (NSE)	Exchange Plaza 5 th Floor, Plot No. C/1G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051	INDUSINDBK Normal- EQ (physical) Depository-AE (manual lots) Depository-BE (odd lots)

Market Price Data of the Bank's shares:
National Stock Exchange of India Ltd, Mumbai

Month	Price		Volume
	High	Low	
April 2004	53.25	40.00	2200401
May 2004	63.70	38.50	68050803
June 2004	58.90	47.75	25331431
July 2004	52.50	43.00	13161022
Aug 2004	49.20	36.55	5729566
Sept 2004	42.55	38.85	7738455
Oct 2004	42.60	36.05	6155885
Nov 2004	49.35	37.75	12881359
Dec 2004	69.00	42.60	46492053
Jan 2005	64.85	52.15	36201338
Feb 2005	61.15	53.90	13727922
Mar 2005	60.75	49.00	16460792

Source: Website of the NSE

The Stock Exchange, Mumbai (BSE)

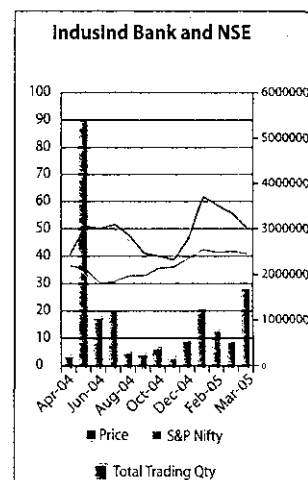
Month	Price		Volume
	High	Low	
April 2004	53.00	39.60	14024886
May 2004	63.60	38.45	38365577
June 2004	58.90	47.55	17644232
July 2004	52.70	43.55	6909766
Aug 2004	49.00	36.60	2938782
Sept 2004	42.50	38.50	3905348
Oct 2004	42.90	36.00	2705684
Nov 2004	49.30	37.70	6466781
Dec 2004	64.35	44.50	22565923
Jan 2005	64.70	52.25	15778655
Feb 2005	61.75	53.70	5438598
Mar 2005	60.15	48.65	13655444

Source: Website of the BSE

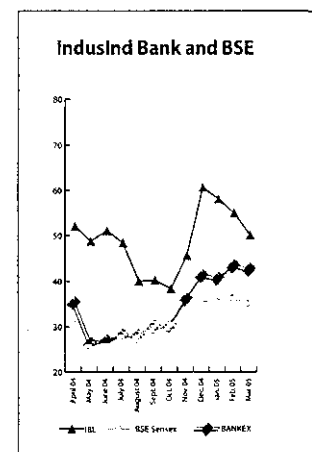
Share Transfer System

A Share Transfer Committee comprising the Bank's executives has been formed to deal with matters relating to transfer of shares, issue of duplicate share certificates in lieu of mutilated share certificates or those which are misplaced/lost, and other related matters. The approvals granted by the Share Transfer Committee are confirmed at subsequent Board meetings.

Trading in the Bank's shares now takes place compulsorily in dematerialised form. However, members holding share certificates in physical form are entitled to transfer their shareholding by forwarding the share certificates along with valid, duly executed and stamped transfer deed signed by the member (or on his/her behalf) and the transferee to the Bank or to the Bank's Registrar & Share Transfer Agent, M/s. Intime Spectrum Registry Ltd.



(Actual values of index have been factored for the purpose of comparison. NSE Nifty has been divided by 50)



(Actual values of indices have been factored for the purpose of comparison. BSE 30 Sensex have been divided by 185 and Bankex by 90)

Distribution of the Bank's Shareholding as on March 31, 2005

Category	No. of shares held	% of shareholding
A. Promoters holding		
1 Promoters*		
a Indian Promoters	-	-
b Foreign Promoters	90999984	31.34
2 Persons acting in Concert #		
Sub Total	90999984	31.34
B. Non-Promoters Holding		
3 Institutional Investors		
a Mutual Funds and UTI	5299238	1.83
b Banks, Financial Institutions, Insurance Companies (Central/State Gov. Institutions/ Non-government Institutions)	3171231	1.09
c FIIs	22344232	7.70
Sub Total	30814701	10.61
4 Others		
a Private Corporate Bodies	64606975	22.25
b Indian Public**	76478595	26.34
c NRIs/OCBs**	19134806	6.59
d Any other (please specify) Clearing Members	8282575	2.86
Sub Total	168502951	58.04
GRAND TOTAL	290317636	100.00

* As defined in Regulation 2(h) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997. The Promoters' holding includes all entities in the promoters' group - individual or body corporates.

As defined in Regulation 2(e) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

** Category B (4)(b) 'Indian Public' includes 13518 shares held by Resident Directors, and Category B (4)(c) 'NRIs/OCBs' includes 393202 shares held by Non-Resident Directors.

Dematerialisation of shares:

With effect from January 4, 1999, trading in the Bank's shares on the Stock Exchanges are compulsorily required to be settled only in dematerialised form. The equity shares of the Bank have been allotted International Securities Identification Number (ISIN) INE 095A01012. As on March 31, 2005, 91% of the Bank's shares stood converted into dematerialised form. Members who seek further details may establish contact with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) at the following addresses:

National Securities Depository Ltd.

Trade World, 4th Floor
 Kamla Mills Compound
 Lower Parel, Mumbai 400 013

Central Depository Services (India) Ltd.

Phiroze Jeejeebhoy Towers
 Stock Exchange Building
 28th Floor, Dalal Street, Mumbai 400 023

The shareholders of the Bank may approach any of the depository participants of NSDL and CDSL, including any branch of the Bank, for dematerialising their shareholding.

One-time Payment of Custodial Fee to NSDL

As an investor-friendly measure, your Bank has paid a one-time custodial fee to National Securities Depository Ltd., to ensure that its shareholders need not pay custody charges to their respective Depository Participants.

AUDITORS' REPORT

To the Members of IndusInd Bank Limited

1. We have audited the attached balance sheet of IndusInd Bank Limited (the 'Bank') as at March 31, 2005 and also the profit and loss account and cash flow statement for the year ended on that date annexed thereto. 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.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The balance sheet and profit and loss account are drawn up in conformity with Forms A and B (revised) of the Third Schedule to the Banking Regulation Act, 1949, (the 'Act'), read with Section 211 of the Companies Act, 1956 (the 'Companies Act').
4. The reports on accounts of 58 branches audited by branch auditors and the accounts of overseas representative offices at Dubai and London, as submitted by the management of the Bank, have been dealt with in preparing our report in the manner considered appropriate by us.
5. We draw attention to the following:
 - a. The Bank has acquired certain properties in satisfaction of debts aggregating Rs. 37.84 crores as at March 31, 2005 (previous year Rs. 31.91 crores) in respect of which the Bank has entered into memoranda of understanding/settlement agreements. The execution of ownership documents and registration in respect of such properties is pending.
6. We report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit and have found them to be satisfactory;
 - b) In our opinion, the transactions of the Bank which have come to our notice have been within its powers *except that*
 - (i) *as mentioned in Note No. 8 on Schedule XVIII, the Bank's equity investments in Alfin Wind Energy Limited, Alfin Services and Solutions Pvt. Limited and IndusInd Information Technology Limited, which became subsidiaries of the Bank pursuant to the schemes of arrangement and amalgamation, in excess of the limits prescribed under section 19(2) of the Act has been brought down and at March 31, 2005, the Bank's equity ownership in the aforesaid companies is within the prescribed limits;*
 - (ii) *as mentioned in Note No. 1(iii) on Schedule XVIII, pursuant to the scheme of arrangement, during the year the Bank's hire purchase stock was in excess of the permissible limits established by Reserve Bank of India. The Bank had discontinued hire purchase transactions with effect from April 1, 2003 and accordingly at March 31, 2005, the Bank's hire purchase stock is within permissible limits;*
 - c) In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us. The Branch Auditor's Report have been forwarded to us and have been appropriately dealt with;
 - d) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of accounts and with the audited returns received from the branches;
 - e) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, read with the guidelines issued by Reserve Bank of India, insofar as they apply to the Bank;
 - f) On the basis of written representations received from the directors, as on March 31, 2005, and taken on record by the Board of Directors, we report that none of the directors are disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - g) In our opinion and to the best of our information and according to the explanations given to us, *subject to the utilization of reserves, to the extent indicated in Note No. 7 on Schedule XVIII, for writing off non-performing advances in accordance with the regulator's permission*, the said accounts give the information required by the Companies Act in the manner so required for banking companies, and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i. in case of the balance sheet, of the state of the affairs of the Bank as at March 31, 2005;
 - ii. in case of the profit and loss account, of the profit for the year ended on that date; and
 - iii. in case of cash flow statement, of the cash flows for the year ended on that date.

For **S. R. Batliboi & Co.**
 Chartered Accountants

per Viren H. Mehta
 a Partner

Membership No. 048749

Mumbai
 June 30, 2005

BALANCE SHEET AS AT MARCH 31, 2005

	SCHEDULE	As at 31.3.05 Rs.	Rupees in 000s As at 31.3.04 Rs.
CAPITAL AND LIABILITIES			
Capital	I	290,50,97	290,41,68
Reserves and Surplus	II	538,73,15	509,99,62
Deposits	III	13114,27,62	11200,26,22
Borrowings	IV	610,61,99	2310,35,38
Other Liabilities and Provisions	V	1067,86,79	775,42,76
TOTAL		15622,00,52	15086,45,66
ASSETS			
Cash and Balances with Reserve Bank of India	VI	636,08,39	1334,64,47
Balances with Banks and Money at Call and Short Notice	VII	518,51,01	836,34,51
Investments	VIII	4069,17,08	4482,75,82
Advances	IX	8999,75,30	7301,15,49
Fixed Assets	X	324,49,57	298,39,21
Other Assets	XI	1073,99,17	833,16,16
TOTAL		15622,00,52	15086,45,66
Contingent Liabilities	XII	10752,27,43	5283,58,37
Bills for Collection		1620,37,85	1010,92,85
Principal Accounting Policies	XVII		
Notes on Accounts	XVIII		

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

The Balance Sheet has been prepared in conformity with Form "A" of the Third Schedule to the Banking Regulation Act, 1949.

This is the Balance Sheet referred to in our report of even date.

For INDUSIND BANK LTD.

For and on behalf of
S.R. Batliboi & Co.
Chartered Accountants

R. J. Shahaney
Chairman

Vijay Vaid
Director

Anil Harish
Director

Ram Buxani
Director

per **Viren H. Mehta**
a Partner
Membership Number: 048749

O. P. Sodhani
Director

R. Sundararaman
Director

Kanchan Chitale
Director

T. Anantha Narayanan
Director

Bhaskar Ghose
Managing Director

S. Nagarajan
Jt. Managing Director

S. V. Zaregaonkar
EVP & CFO

Suresh T. Viswanathan
Company Secretary

Place : Mumbai
Date : June 30, 2005

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2005

	SCHEDULE	Year ended 31.3.05 Rs.	Rupees in 000s Year ended 31.3.04 Rs.
I. INCOME:			
Interest Earned	XIII	1134,39,43	986,14,62
Other Income	XIV	250,75,04	344,93,04
TOTAL		1385,14,47	1331,07,66
II. EXPENDITURE:			
Interest Expended	XV	718,89,33	669,25,15
Operating Expenses	XVI	265,01,90	217,14,23
Provisions and Contingencies		191,08,73	182,62,00
TOTAL		1174,99,96	1069,01,38
III. PROFIT		210,14,51	262,06,28
Add : Transfer from Contingency Reserves		118,01,88	275,90,55
Less : Provisions for Contingencies		118,01,88	275,90,55
NET PROFIT		210,14,51	262,06,28
Less : Tax Adjustments of Previous years		4,63,00	-
AMOUNT AVAILABLE FOR APPROPRIATION	TOTAL	205,51,51	262,06,28
IV. APPROPRIATIONS			
Transfer to			
a) Statutory Reserve		52,53,63	65,51,57
b) Capital Reserve		4,05,58	14,75,36
c) Investment Fluctuation Reserve		9,03,00	50,00,00
d) Dividend (Proposed)		52,25,72	65,40,79
e) Dividend - Non-Convertible Redeemable Cumulative Preference Shares (NCRCPs)		-	8,55,62
f) Corporate Dividend Tax		6,82,94	9,47,67
		124,70,87	213,71,01
Balance transferred to Balance Sheet		80,80,64	48,35,27
TOTAL		205,51,51	262,06,28
Earnings per share (basic and diluted)(Rupees)		7.07	9.02
Principal Accounting Policies	XVII		
Notes on Accounts	XVIII		

The schedules referred to above form an integral part of Profit & Loss Account.

The Profit & Loss account has been prepared in conformity with Form "B" of the Third Schedule to the Banking Regulation Act, 1949.

This is the Profit and Loss Account referred to in our report of even date.

For INDUSIND BANK LTD.

For and on behalf of
S.R. Batliboi & Co.
Chartered Accountants

R. J. Shahaney
Chairman

Vijay Vaid
Director

Anil Harish
Director

Ram Buxani
Director

per **Viren H. Mehta**
a Partner
Membership Number: 048749

O. P. Sodhani
Director

R. Sundararaman
Director

Kanchan Chitale
Director

T. Anantha Narayanan
Director

Bhaskar Ghose
Managing Director

S. Nagarajan
Jt. Managing Director

S. V. Zaregaonkar
EVP & CFO

Suresh T. Viswanathan
Company Secretary

Place : Mumbai
Date : June 30, 2005

SCHEDULES

	As at 31.3.05 Rs.	Rupees in 000s As at 31.3.04 Rs.
SCHEDULE - I CAPITAL		
Authorised Capital	300,00,00	300,00,00
30,00,00,000 (Previous year 30,00,00,000) equity shares of Rs.10/- each		
Issued, Subscribed and Called Up Capital	290,31,76	290,70,19
29,03,17,636 (Previous year 29,07,01,836) equity shares of Rs.10/- each		
Paid up Capital	290,31,76	220,22,70
29,03,17,636 (Previous year 22,02,26,983) equity shares of Rs.10/- each		
Less : Calls unpaid	-	28,51
Forfeited 3,84,200 (Previous year Nil) equity shares of Rs. 10/- each	19,21	
Share Capital Suspende	-	70,47,49
[Represents face value of Nil (Previous year 7,04,74,853) shares to be issued to share holders of erstwhile ALFL on amalgamation]		
	290,50,97	290,41,68
SCHEDULE - II RESERVES AND SURPLUS		
1 Statutory Reserve		
Opening balance	65,51,57	133,48,94
Additions during the year on amalgamation	-	41,06,50
Additions during the year	52,53,63	65,51,57
Transfer to Contingency Reserve	64,26,57	174,55,44
	53,78,63	65,51,57
2 Capital Reserve		
Opening balance	22,33,31	7,57,95
Additions during the year	4,05,58	14,75,36
Transfer to Contingency Reserve	-	-
	26,38,89	22,33,31
3 Share Premium Account		
Opening balance	297,17,00	220,00,00
Additions during the year on amalgamation	-	38,41,36
Additions during the year	-	40,32,99
Deductions during the year - forfeiture of 3,84,200 equity shares	67,23	1,57,35
Less : Calls unpaid	-	99,79
	296,49,77	296,17,21
4 General Reserve		
Opening balance	1,35,57	-
Addition during the year on amalgamation	-	102,70,68
Transfer to Contingency Reserve	-	101,35,11
	1,35,57	1,35,57

SCHEDULES (Contd.)

		As at 31.3.05 Rs.	Rupees in 000s As at 31.3.04 Rs.
5	Investment Allowance Reserve		
	Opening balance	1,00,00	-
	Additions during the year on amalgamation	-	1,00,00
	Deduction during the year	-	-
		<u>1,00,00</u>	<u>1,00,00</u>
6	Revenue and Other Reserves		
(a)	Investment Fluctuation Reserve		
	Opening balance	69,86,65	19,86,65
	Additions during the year	9,03,00	50,00,00
		<u>78,89,65</u>	<u>69,86,65</u>
(b)	Profit and Loss account		
	Opening balance	53,75,31	5,40,04
	Additions during the year	80,80,64	48,35,27
	Transfer to Contingency Reserve	53,75,31	-
		<u>80,80,64</u>	<u>53,75,31</u>
(c)	Contingency Reserve		
	Opening balance	-	-
	Additions during the year :		
	Transfer from Statutory Reserve	64,26,57	174,55,44
	Transfer from General Reserve	-	101,35,11
	Transfer from Balance in P & L Account	53,75,31	-
	Deductions during the year :		
	Transfer to Profit & Loss Account	118,01,88	275,90,55
		<u>-</u>	<u>-</u>
		<u>159,70,29</u>	<u>123,61,96</u>
	TOTAL(1-6)	<u>538,73,15</u>	<u>509,99,62</u>

SCHEDULE - III DEPOSITS

A	1 Demand Deposits		
	i) From Banks	38,87,72	53,81,99
	ii) From Others	854,76,33	802,96,05
2	Savings Bank Deposits	508,62,02	394,73,97
3	Term Deposits		
	i) From Banks	2923,25,84	2247,55,55
	ii) From Others	8788,95,71	7701,18,66
	TOTAL (1,2 & 3)	<u>13114,27,62</u>	<u>11200,26,22</u>
B	Deposits of Branches		
1	In India	13114,27,62	11200,26,22
2	Outside India	-	-
	TOTAL	<u>13114,27,62</u>	<u>11200,26,22</u>

SCHEDULES (Contd.)

	As at 31.3.05 Rs.	Rupees in 000s As at 31.3.04 Rs.
SCHEDULE - IV BORROWINGS		
1 Borrowings in India		
i) Reserve Bank of India	-	-
ii) Other Banks	262,70,90	1458,25,38
iii) Other Institutions and Agencies	103,33,33	692,35,00
2 Borrowings outside India	244,57,76	159,75,00
TOTAL (1 & 2)	610,61,99	2310,35,38
Secured borrowings included in 1 & 2 above	210,83,33	1656,64,88
SCHEDULE - V OTHER LIABILITIES AND PROVISIONS		
1 Bills Payable	104,50,52	71,66,56
2 Interest Accrued	81,16,24	66,12,82
3 Unsecured Non-Convertible Redeemable Debentures/Bonds (Subordinated for Tier-II Capital)	472,00,00	204,00,00
4 Others (including Provisions)	410,20,03	433,63,38
TOTAL	1067,86,79	775,42,76
SCHEDULE - VI CASH AND BALANCES WITH RESERVE BANK OF INDIA		
1 Cash in hand (including foreign currency notes)	44,46,74	24,05,95
2 Balances with Reserve Bank of India		
i) In Current Accounts	591,61,65	1310,58,52
ii) In Other Accounts	-	-
TOTAL (1 & 2)	636,08,39	1334,64,47
SCHEDULE - VII BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE		
1 In India		
i) Balances with Banks		
a) In Current Accounts	467,53,58	453,02,01
b) In Other Deposit Accounts	35,19,78	319,92,35
ii) Money at Call and Short Notice	-	70,00
TOTAL (i & ii)	502,73,36	773,64,36
2 Outside India		
i) In Current Accounts	15,77,65	62,70,15
ii) In Other Deposit Accounts	-	-
iii) Money at Call and Short Notice	-	-
TOTAL (i,ii & iii)	15,77,65	62,70,15
GRAND TOTAL (1 & 2)	518,51,01	836,34,51

SCHEDULES (Contd.)

	As at 31.3.05 Rs.	Rupees in 000s As at 31.3.04 Rs.
SCHEDULE - VIII INVESTMENTS		
1 Investments in India		
Gross Value	4093,77,68	4497,22,06
Less : Provision for Depreciation (includes amortisation on HTM securities)	24,60,60	14,46,24
Net value of Investment in India	4069,17,08	4482,75,82
Comprising of :		
i) Government securities	3404,89,35	3770,21,65
ii) Other approved securities	23,88,69	22,75,36
iii) Shares	23,32,16	11,42,52
iv) Debentures and bonds	111,82,96	164,18,02
v) Subsidiaries and/or Joint Ventures	50,00	3,11,00
vi) Others - Deposit under RIDF scheme with NABARD	504,73,92	511,07,27
2 Investments Outside India	-	-
TOTAL (1 & 2)	4069,17,08	4482,75,82
SCHEDULE - IX ADVANCES		
A		
i) Bills Purchased and Discounted	1091,75,84	621,83,72
ii) Cash Credits, Overdrafts and Loans Repayable on Demand	2135,88,06	3175,05,05
iii) Term Loans	5772,11,40	3504,26,72
TOTAL	8999,75,30	7301,15,49
B		
i) Secured by Tangible Assets	7286,31,83	6041,12,99
ii) Covered by Bank / Government Guarantees	925,83,46	370,75,90
iii) Unsecured	787,60,01	889,26,60
TOTAL	8999,75,30	7301,15,49
C		
i) Advances in India		
a) Priority Sector	2115,10,87	2003,92,39
b) Public Sector	332,02,52	869,35,90
c) Banks	352,68,73	437,09,99
d) Others	6199,93,18	3990,77,21
TOTAL	8999,75,30	7301,15,49
ii) Advances Outside India	-	-
TOTAL (i & ii)	8999,75,30	7301,15,49

SCHEDULES (Contd.)

	As at 31.3.05 Rs.	Rupees in 000s As at 31.3.04 Rs.
SCHEDULE - X FIXED ASSETS		
1 PREMISES		
i) At cost as at beginning of the year	88,15,66	59,24,94
ii) Additions on Amalgamation	-	24,22,79
iii) Additions during the year	45,94,72	5,98,89
	134,10,38	89,46,62
iv) Less : Deductions during the year	56,30	1,30,96
v) Less : Depreciation to date	11,27,54	9,90,94
	122,26,54	78,24,72
2 Other Fixed Assets (including furniture & fixtures)		
i) At cost as at the beginning of the year	380,54,94	201,49,68
ii) Additions on Amalgamation	-	151,46,84
iii) Additions during the year	81,19,43	62,39,05
[includes Assets given on lease Rs. 201,66,49 (Previous year Rs. 220,97,16)]	461,74,37	415,35,57
iv) Less : Deductions during the year	23,79,95	34,80,63
v) Less : Depreciation to date	236,88,91	218,98,63
	201,05,51	161,56,31
3 Capital Work in Progress	1,17,52	58,58,18
TOTAL (1,2 & 3)	324,49,57	298,39,21
SCHEDULE - XI OTHER ASSETS		
1 Inter-office Adjustments (Net)	43,50	2,09,70
2 Interest Accrued	88,33,89	68,50,06
3 Tax Paid in Advance / tax deducted at source (net of provision)	186,44,79	155,86,07
4 Stationery and Stamps	19,31	2,31
5 Non-banking assets acquired in satisfaction of claims	79,03,65	63,32,68
6 Others [includes Deposit with banks Rs. 229,03,67 being credit enhancement against Securitised Assets (Previous year Rs.82,62,82)]	719,54,03	543,35,34
TOTAL	1073,99,17	833,16,16
SCHEDULE - XII CONTINGENT LIABILITIES		
1 Claims against the Bank not Acknowledged as Debts	397,33,62	140,19,81
2 Liability on account of Outstanding Forward Exchange Contracts	5181,80,47	4143,85,64
3 Liability on account of Outstanding Derivative Contracts	3675,00,00	-
4 Guarantees given on behalf of constituents		
a) In India	337,73,31	288,20,89
b) Outside India	-	-
5 Acceptances, Endorsements and Other Obligations	1157,69,53	678,43,80
6 Maximum amount of recourse to the Bank on assets securitised	2,46,27	32,64,00
7 Other Items for which the Bank is contingently liable	24,23	24,23
TOTAL	10752,27,43	5283,58,37

SCHEDULES (Contd.)

	Year ended 31.3.05 Rs.	Rupees in 000s Year ended 31.3.04 Rs.
SCHEDULE - XIII INTEREST EARNED		
1 Interest/Discount on Advances /Bills	811,35,64	696,93,92
2 Income on Investments	306,35,58	260,33,74
3 Interest on Balances with RBI and Other Inter-Bank Funds	11,88,88	28,48,00
4 Others	4,79,33	38,96
TOTAL	1134,39,43	986,14,62
SCHEDULE - XIV OTHER INCOME		
1 Commission, Exchange and Brokerage	31,53,06	21,03,17
2 Profit on Sale of Investments (Net) / Derivatives	57,95,33	226,83,24
3 Profit/(Loss) on Sale of Land, Buildings and other Assets	(6,32,89)	(6,45,46)
4 Profit on Exchange Transactions (Net)	14,31,38	11,13,53
5 Income earned by way of dividend from companies in India	80,80	2,01,56
6 Miscellaneous Income	152,47,36	90,37,00
TOTAL	250,75,04	344,93,04
SCHEDULE - XV INTEREST EXPENDED		
1 Interest on Deposits	570,24,14	499,92,41
2 Interest on Reserve Bank of India/ Inter-Bank Borrowings	110,99,60	93,31,22
3 Others	37,65,59	76,01,52
TOTAL	718,89,33	669,25,15
SCHEDULE - XVI OPERATING EXPENSES		
1 Payments to and Provisions for Employees	60,16,44	50,37,46
2 Rent, Taxes and Lighting (includes operating lease rentals)	24,87,81	20,78,03
3 Printing and Stationery	7,55,24	5,48,31
4 Advertisement and Publicity	5,80,78	5,95,00
5 Depreciation on Bank's Property	44,86,88	36,71,96
6 Directors' Fees, Allowances and Expenses	47,50	53,47
7 Auditors' Fees and Expenses (includes branch auditors)	66,56	84,27
8 Law Charges	9,13,35	11,23,72
9 Postage, Telegrams, Telephones, etc.	19,02,70	14,64,25
10 Repairs and Maintenance	18,85,01	14,54,70
11 Insurance	9,20,59	5,05,78
12 Other Expenditure [includes service provider fees Rs. 17,85,00 (previous year Rs. 8,35,00)]	64,39,04	50,97,28
TOTAL	265,01,90	217,14,23

SCHEDULES (Contd.)

SCHEDULE NO: XVII

PRINCIPAL ACCOUNTING POLICIES

1) General:

The accompanying financial statements have been prepared on the historical cost convention, except where otherwise stated, and in accordance with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956, read with guidelines issued by the Reserve Bank of India ('RBI') and conform to the statutory provisions and practices prevailing within the banking industry in India.

2) Transactions involving Foreign Exchange:

- 2.1 Monetary assets and liabilities denominated in foreign currency are translated at the balance sheet date at the exchange rates notified by the Foreign Exchange Dealers' Association of India ('FEDAI') and the resulting profits or losses are recognised in the profit and loss account.
- 2.2 All Foreign Exchange contracts outstanding at the balance sheet date are revalued at the rates of exchange notified by the FEDAI for specified maturities and the resulting profits or losses are recognised in the profit and loss account.
- 2.3 The Swap cost arising on account of foreign currency swap contracts to convert FCNR (B) deposits into rupee liability is charged to profit and loss account as 'Interest - Others'.
- 2.4 Income and Expenditure items are translated at the rates of exchange prevailing on the date of the transaction.
- 2.5 Contingent liability at the balance sheet date on account of outstanding forward exchange contracts are stated at the contracted rates of exchange.
- 2.6 Contingent liability at the balance sheet date on account of guarantees, acceptances, endorsements and other obligations are stated at the rates of exchange notified by FEDAI.

3) Investments:

The significant accounting policies in accordance with the RBI guidelines and subsequent circulars issued by the RBI are as follows:

3.1 Categorisation of investments:

In accordance with the guidelines issued by RBI from time to time, the Bank classifies its investment portfolio into the following three categories, at the time of acquisition.

- i) 'Held to Maturity' - Securities acquired by the Bank with the intention to hold till maturity.
- ii) 'Held for Trading' - Securities acquired by the Bank with the intention to trade.
- iii) 'Available for Sale' - Securities which do not fall within the above two categories are classified as available for sale.

3.2 Classification of investments:

For the purpose of disclosure in the Balance Sheet, investments are classified under six groups - Government Securities, Other Approved Securities, Shares, Debentures and Bonds, Investments in Subsidiaries/ Joint Ventures and Other Investments.

3.3 Valuation of Investments:

- (i) 'Held to Maturity' - These investments are carried at their acquisition cost. Any premium on acquisition is amortised over the balance period of maturity. Diminution other than temporary, if any, in the value of such investments is determined and provided for on each investment individually.
- (ii) 'Held for Trading' - Each scrip in this category is revalued at the market price or fair value and the resultant depreciation of each scrip in this category is recognised in the profit and loss account. Appreciation, if any, is ignored. Market value of government securities is determined on the basis of the prices provided by Fixed Income Money Market and Derivatives Association of India ('FIMMDA') for valuation at year-end.
- (iii) 'Available for Sale' - Each scrip in this category is revalued at the market price or fair value and the resultant depreciation of each scrip in this category is recognised in the profit and loss account. Appreciation, if any, is ignored.

Market value of government securities is determined on the basis of the prices provided by the FIMMDA for valuation at year end.

Market value of other debt securities is determined based on the yield curve and spreads provided by FIMMDA. Equity shares are valued at cost or the closing quotes on a recognised stock exchange, whichever is lower.

Treasury bills are valued at carrying cost, which includes discount amortised over the period to maturity.

Units of mutual funds are valued at the lower of cost and net asset value provided by the respective mutual funds.

- (iv) Broken period interest on debt instruments is treated as a revenue item. Brokerage, commission, etc. paid at the time of acquisition is charged to revenue.

- (v) Repurchase and reverse purchase transactions are considered as separate sale and purchase contracts. Commitments under these transactions are disclosed at contracted rates and excess of contracted rates over market value is recorded in the profit and loss account.

4) Derivatives:

Derivative contracts are designated as hedging and trading and accounted for as follows:

- (i) The hedging contracts comprise interest rate swaps and currency options undertaken to hedge interest rate risk on certain assets and liabilities. These hedges would be accounted for like the underlying asset or liability. The net interest receivable/ payable would be accounted on an accrual basis over the life of the swaps. However, where the

SCHEDULES (Contd.)

hedge is designated with an asset or liability that is carried at market value or lower of cost or market value in the financial statements then the hedge would also be marked to market with the resulting gain or loss recorded as an adjustment to the market value of designated asset or liabilities.

- (ii) The trading contracts comprise proprietary trading in interest rate swaps. The gain/ loss arising on unwinding or termination of the contracts is accounted for in the profit and loss account. Trading contracts outstanding as at the balance sheet date are measured at their fair value and resulting gains / losses are recognised in the profit and loss account.
- (iii) Premium paid and received on currency options is accounted up-front in the Profit and Loss account as all options are undertaken on a back-to-back basis.
- (iv) Provisioning of overdue customer receivable on derivative contracts, if any, are made as per RBI provisioning guidelines.

5) **Advances:**

- 5.1 Advances are classified as per the RBI guidelines into standard, substandard, doubtful and loss assets after considering subsequent recoveries to date. Provision for non-performing assets is made in conformity with the RBI guidelines and general provision of 0.25% is made on standard assets.
- 5.2 Advances are shown in the Balance Sheet, net of provisions for non-performing assets. Provisions made against standard assets are included in 'Other Liabilities and Provisions'.
- 5.3 Advances include the Bank's participation in / contributions to the asset-backed assignment of loan assets of other banks / financial institutions where the Bank has participated on risk-sharing basis.
- 5.4 Advances exclude de-recognised securitised advances.
- 5.5 Amounts recovered against debts written off in earlier years and, provisions no longer considered necessary in context of the current status of the borrower are written back to the profit and loss account to the extent such provisions were charged to the profit and loss account.
- 5.6 For re-structured / re-scheduled assets, provision is made in accordance with the guidelines issued by RBI.

6) **Securitisation Transactions:**

- 6.1 The Bank transfers commercial and consumer loans through securitisation transactions. The Bank securitises its loan receivables both through Bilateral Direct Assignment route as well as transfer to Special Purpose Vehicles ('SPV') in securitisation transactions.
- 6.2 The securitised papers are without recourse to the Bank. The transferred loans and such securitised-out receivables are de-recognised in the balance sheet as and when these are sold out and the consideration has been received by the Bank. Gains / losses are recognised only if the Bank surrenders the rights to benefits specified in the loan contracts.
- 6.3 In respect of certain transactions, the Bank provides credit enhancements in the form of cash collaterals and / or by subordination of cashflows to senior Pass Through Certificates (PTC). Retained interest and subordinated PTCs are disclosed under "Advances" in the balance sheet.
- 6.4 Gains or losses from sale of receivables, being the excess of sale consideration over book value, are recognized in the period the sale occurs. Adequate provisions are made in the books of accounts towards servicing /incidental costs and delinquency on the contracts so securitised.
- 6.5 Where the principal and part of the interest is securitised-out, the carrying amount of the securitised contracts is apportioned between the part transferred and the part retained on the basis of their fair value as on the date of their transfer which is in accordance with ICAI guidelines.
- 6.6 The gains / losses on the securitised-out assets are disclosed under "Interest Income" and the expected delinquency thereon are adequately provided for in the profit and loss account.

7) **Fixed Assets:**

- 7.1 Fixed assets (including assets given on operating lease) have been stated at cost less accumulated depreciation and impairment. Cost includes incidental expenditure incurred on the assets before it is ready for intended use. The carrying amount of fixed assets are reviewed at each balance sheet date if there are any indications of impairment based on internal / external factors.
- 7.2 Depreciation has been provided for pro rata for the period of use, on a Straight Line Method as per the rates prescribed under Schedule XIV to the Companies Act, 1956, except in respect of computers, which are depreciated at the rate of 33.33%. These rates are reflective of management's estimate of the useful lives of the related fixed assets.

8) **Revenue Recognition:**

- 8.1 Income by way of interest and discount on performing assets has been recognised on accrual basis and on non-performing assets the same is accounted for on realisation. Further income not realised on non-performing assets is provided for.
- 8.2 Interest on Government securities, debentures and other fixed income securities is recognised on accrual basis.
- 8.3 Commission, exchange and brokerage is recognised on realisation.
- 8.4 On the date of de-recognition of securitised assets, the difference between the book value and the consideration received in cash is treated as gain or loss in the profit and loss account.

SCHEDULES (Contd.)

9) **Operating Leases:**

Lease rental obligations in respect of operating leased assets are charged to profit and loss account on a straight line basis over the lease term. Initial direct costs are charged to profit and loss account.

Assets given under operating leases in respect of which all the risks and benefits of ownership are effectively retained by the Bank are classified as operating leases. Lease rentals received under operating leases are recognized in the profit and loss account on an accrual basis as per contracts.

10) **Retirement and Other Employee Benefits:**

10.1 Payments under the Group Gratuity policies of the Bank are made to Life Insurance Corporation of India as per actuarial contributions for the year as determined by the Corporation.

10.2 Payment under Group Superannuation policy to the eligible employees of the erstwhile Ashok Leyland Finance Ltd. (ALFL) is made to Life Insurance Corporation of India as per actuarial contribution for the year.

10.3 Provident fund contributions are made under trust separately established for the purpose and the scheme administered by Regional Provident Fund Commissioner (RPFC), as applicable.

10.4 Provision for leave encashment has been made in the accounts on the basis of actuarial valuation as at the balance sheet date.

11) **Segment Reporting:**

The Bank operates in two segments of business: 'Treasury' and 'Other Banking Operations'.

The segments have been identified and reported taking into account the nature, returns and risks involved. The organization structure and the internal reporting structure are taken into account for the purpose of drawing segment results.

The revenues reported under 'Treasury' segment include interest income on investment portfolio, profit/ loss on sale of investments, profit and loss on exchange transactions, equities and income from derivatives. The expenses of this segment consist of interest expenses on funds borrowed from external sources as well as internal sources.

The revenues of 'Other Banking Operations' segment consist of interest earned on loans and advances and other fee based income. The expenses mainly comprise of interest paid on deposits and other infrastructure expenses.

Certain expenses have been classified as unallocated expenses, which comprise of common expenses of both the segments, which are not specifically allocated to the segments.

12) **Income-tax:**

Tax expense comprises both current and deferred taxes. Current income- tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Unrecognized deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

13) **Earnings per Share:**

Earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

14) **Provisions:**

A provision is recognised when there is an obligation as a result of past event. It is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

15) **Others:**

Cash and cash equivalents in the cash flow statement comprise cash and balances with RBI (Schedule VI) and balances with banks and money at call and short notice (Schedule VII).

SCHEDULE NO. XVIII

NOTES ON ACCOUNTS

1. **Advances:**

- i) Advances of Rs. 43615.00 lacs (previous year Rs. 83239.73 lacs) to SRTIO, owning less than 10 vehicles and Rs. 15121.17 lacs to Agricultural Sector by the Retail Division have been classified as priority sector lending.
- ii) Advances include borrowers' accounts that have been referred to Corporate Debt Restructuring (CDR) system and provisions have been made accordingly.
- iii) Pursuant to the scheme of arrangement of Ashok Leyland Finance Ltd. (ALFL) with the Bank, the hire purchase stock of the erstwhile ALFL was in excess of the permissible limits prescribed by RBI for para-banking activities upto July 2004.

2. **Fixed Assets:**

- i) Cost of premises includes Rs.402.00 lacs (previous year Rs. 402.00 lacs) in respect of properties for which execution of documents and registration formalities are in progress.
- ii) Operating assets given on lease comprises lease of power generation equipments.

SCHEDULES (Contd.)

Transaction - I

(Rs. in lacs)

Particulars	2004-05	2003-04
Description of the asset	Wind Turbine Generator – 37 Nos.	
Gross carrying amount	2568.18	2568.18
Accumulated depreciation	270.89	134.62
Depreciation recognized during the current year	136.27	134.62
Contingent Rent recognized during the year	524.53	576.26
Minimum Lease Payments (MLP)	MLP based on the actual consumption of electricity at the contracted rates by the lessee. Accordingly, future minimum lease payments are indeterminate.	

Transaction - II

(Rs. in lacs)

Particulars	2004-05	2003-04
Description of the asset	Wind Turbine Generator–88 Nos.	
Gross carrying amount	7245.22	2212.72
Accumulated depreciation	263.42	9.74
Depreciation recognized during the current year	253.68	9.74
Minimum Lease Payments (MLP)		
Not later than one year	1150.00	-
Later than one year and not later than five years	4700.00	-
Later than five years	2500.00	-

3. Other Assets:

- 'Non-banking assets acquired in satisfaction of claims' include properties being acquired in satisfaction of debts of Rs. 3784 lacs (previous year Rs. 3191 lacs) in respect of which the Bank has entered into MOUs / settlement agreements. The stamp duty, registration charges, etc., will be accounted for on completion of legal formalities. Non-banking assets acquired in satisfaction of claims' also includes vehicles re-possessioned by the Bank, which are readily saleable aggregating Rs. 4120 lacs - (previous year Rs. 3142 lacs).
- Other assets include advances given to dealers against vehicle financing schemes to the extent of Rs. 3747.61 lacs (previous year Rs. 3074.94 lacs).

4. Other Liabilities and Provisions:

- During the year, the Bank has issued on private placement basis 26800 unsecured redeemable, non-convertible subordinated bonds of Rupees One Lac each aggregating to Rs. 26800 lacs. These bonds qualify for classification as Tier II Capital.
- Included in 'Other Liabilities – Others' are vostro accounts and credit balances in nostro accounts aggregating Rs. 1426.13 lacs.

5. Contingent Liability:

Claims against Bank not acknowledged as debts include tax demands in respect of which the Bank is in appeal – Rs. 6886.68 lacs (previous year Rs. 8605.80 lacs) and the cases sub judice Rs. 32846.94 lacs (previous year Rs. 5414.01 lacs). The above are based on the management estimate and no significant liability is expected to arise out of the same.

- Miscellaneous income includes recovery from bad debts written off Rs. 9097 lacs (previous year Rs. 2223 lacs), lease rentals Rs. 2177 lacs (previous year Rs. 2013 lacs) and other miscellaneous income of Rs. 3973 lacs (previous year Rs. 4501 lacs).
- In terms of permission from Reserve Bank of India, the Bank has utilised reserves of Rs. 11802 lacs (previous year Rs. 27591 lacs) for making additional write-off of NPAs 'below the line' after arriving at the net profit for the year.
- Pursuant to the Scheme of Arrangement (the 'Scheme') of the erstwhile Ashok Leyland Finance Limited ('ALFL') with the Bank with effect from April 1, 2003 (appointed date), Alfin Wind Energy Limited ('AWEL'), Alfin Services and Solutions Pvt. Limited ('ASSPL') and ALF Insurance Services Pvt. Ltd. ('AISPL'), subsidiaries of the erstwhile ALFL became the subsidiaries of the Bank. The erstwhile ALFL divested its 100% holding in AWEL and 70% in ASSPL prior to the effective date of the Scheme i.e. June 11, 2004.

Pursuant to the Scheme of amalgamation of the erstwhile IndusInd Enterprise & Finance Ltd. ('IEFL') with the Bank, IndusInd Information Technology Ltd. ('IITL') (an information technology company) became a subsidiary of the Bank in 2002-03. In order to comply with the provisions of Section 19(2) of the Banking Regulation Act, 1949, the Bank has

SCHEDULES (Contd.)

obtained the Foreign Investment Promotion Board approval vide letter No FC.II:105(2004)/67(2004) dated March 31, 2004 for divesting its holding in excess of 30% in favour of IndusInd International Holdings Limited ('IIHL'), a Mauritius based entity. Accordingly, on receipt of final clearance of Foreign Exchange Department of Reserve Bank of India, Bank divested in October 2004, its holding in excess of 30%.

9. Deposits placed with National Bank for Agriculture and Rural Development Bank on account of shortfall in the priority sector lending are classified as 'Available for Sale' and included under 'Investments - Others'. These are valued at cost.

10. Additional disclosures as per Reserve Bank of India guidelines are as under:

- i) Capital adequacy ratio 11.62% (previous year 12.75%).
- ii) Percentage of net non-performing advances to net advances is 2.71% (previous year 2.72%).
- iii) "Provisions and Contingencies" as charged to Profit and Loss account for the year consist of: (Rs. in lacs)

	2004-2005	2003-2004
i) Income Tax / Wealth Tax / Deferred Tax	5038.40	860.68
ii) Depreciation on Investments (including premium amortised on Held to Maturity investments)	6295.31	(299.47)
iii) Provision for non performing assets including bad debts written off	6640.16	16072.45
iv) Others including prudential provision for standard assets and contingencies	1134.86	1628.34
Total	19108.73	18262.00

iv) Investments : (Rs. in lacs)

	2004-2005	2003-2004
Gross value of investments in India	409378	398615
Less: Provision for depreciation (including premium amortised on Held to Maturity investments)	2461	1446
Net value of Investments in India	406917	397169

v) Business ratios:

	2004-2005	2003-2004
i) Capital Adequacy Ratio Tier I capital	7.24%	8.91%
ii) Capital Adequacy Ratio Tier II capital	4.38%	3.84%
Total	11.62%	12.75%
iii) Interest income to working funds	8.11%	8.29%
iv) Non-interest income to working funds	1.79%	2.90%
v) Operating profit to working funds	2.87%	3.74%
vi) Return on assets at year end	1.35%	1.74%
vii) Business (deposits and advances (gross) at year end) per employee including trainees (Rs. in lacs)	925.78	1079.95
viii) Profit per employee including trainees (Rs. in lacs)	10.12	14.98

Working funds are calculated at the average of working funds as per the Bank's monthly returns filed with the RBI.

vi) Maturity Pattern of rupee denominated assets and liabilities as at March 31, 2005:

(Rs. in lacs)

Maturity Buckets	Loans and Advances	Investment Securities	Deposits	Borrowings
1-14 Days	154386	-	195345	5875
15-28 Days	64852	5981	84586	2352
29 days to 3 months	192704	2304	258924	11628
Over 3 months to 6 months	64524	91533	161087	5250
Over 6 months to 12 months	165133	1947	191178	1500
Over 1 year to 3 years	128981	30991	249555	5500
Over 3 years to 5 years	51433	68851	80466	-
Over 5 years	32867	205310	57208	-
Total	854880	406917	1278349	32105

SCHEDULES (Contd.)

Maturity Pattern of rupee denominated assets and liabilities as at March 31, 2004:

(Rs. in lacs)

Maturity Buckets	Loans and Advances	Investment Securities	Deposits	Borrowings
1-14 Days	67615	13799	70800	18045
15-28 Days	45360	7104	36250	15180
29 days to 3 months	52584	45874	121764	65081
Over 3 months to 6 months	55337	22490	82546	26134
Over 6 months to 12 months	208761	57672	306951	39140
Over 1 year to 3 years	236738	6011	332636	38082
Over 3 years to 5 years	39885	28183	97534	-
Over 5 years	61478	216036	51131	-
Total	767758	397169	1099612	201662

vii) Maturity Pattern of forex denominated assets and liabilities as at March 31, 2005:

(Rs. in lacs)

Maturity Buckets	Loans and Advances	Deposits	Borrowings	Other assets	Other liabilities
1-14 Days	29888	1085	14445	-	-
15-28 Days	4827	11395	-	-	-
29 days to 3 months	5530	3036	12262	-	-
Over 3 months to 6 months	2800	2173	2250	-	-
Over 6 months to 12 months	2044	4632	-	-	-
Over 1 year to 3 years	6	10751	-	-	-
Over 3 years to 5 years	-	6	-	-	-
Over 5 years	-	-	-	-	-
Total	45095	33078	28957	-	-

Maturity Pattern of forex denominated assets and liabilities as at March 31, 2004:

(Rs. in lacs)

Maturity Buckets	Loans and Advances	Deposits	Borrowings	Other assets	Other liabilities
1-14 Days	416	2151	3800	-	1118
15-28 Days	594	122	4283	-	-
29 days to 3 months	5370	891	16955	-	-
Over 3 months to 6 months	6308	2080	4335	-	-
Over 6 months to 12 months	99	6140	-	-	-
Over 1 year to 3 years	678	9010	-	-	-
Over 3 years to 5 years	-	20	-	-	-
Over 5 years	-	-	-	-	-
Total	13465	20414	29373	-	1118

viii) Lending to sensitive sectors:

(Rs. in lacs)

	2004-2005	2003-2004
Capital Market Sector*	10783	6849
Real Estate Sector	14525	10375
Commodities Sector	32389	24752

*Lending to capital market sector represents fund and non-fund based facilities. Recoverability of the debts is sensitive to capital market fluctuations. The above does not include advances to individuals against pledge of equity shares for personal purposes of Rs.1133.08 lacs (previous year Rs. 564.94 lacs) in line with the guidelines issued by RBI vide its circular No. DBOD BP.BC.119/21.04.137/2000-01 dated May 11, 2001.

SCHEDULES (Contd.)

ix) Exposure to country risk:

- a) In terms of Reserve Bank of India circular No. DBOD BP.BC.96/21.04.103/ 2003-2004 dated June 17, 2004 the exposure of the Bank to country risk is as under:

(Rs. in lacs)

Sr.	Risk category	ECGC classification	2004-05	2003-04
1	Insignificant	A1	16639	18651
2	Low	A2	7685	4598
3	Moderate	B1	475	1113
4	High	B2	354	51
5	Very High	C1	53	80
6	Restricted	C2	Nil	Nil
7	Off Credit	D	Nil	Nil
Total			25206	24493

- b) No provision is considered necessary against exposure to country risk.

x) Investments in equity shares and equity like instruments and advances against shares.

(Rs. in lacs)

	2004-2005	2003-2004
Equity shares	2190.28	1343.94
Equity related mutual funds	0.00	0.00
Overdraft against shares to individuals	492.87	98.72
Overdrafts against shares to Corporates	0.00	2.67
Overdrafts to stock brokers	1161.12	1704.12
Bank Guarantees to stock brokers	7890.45	5043.75
IPO Financing	1239.00	0.00

xi) Movements in NPAs :

(Rs. in lacs)

Gross NPAs	2004-2005	2003-2004
Opening balance as at 1st April	25936	26628
Additions on amalgamation	-	5450
Additions during the year	28864	44384
Deductions during the year	22747	50526
Closing balance as at 31st March	32053	25936

Net NPAs as on 31st March 2005 is Rs. 24427 lacs (Previous year Rs. 21232 lacs)

xii) Movements in provisions for NPAs on Advances :
(Excluding provisions on standard assets)

(Rs. in lacs)

Provision for NPAs (Advances)	2004-05	2003-04
Opening balance as at 1st April	4704.11	3896.63
Add: Balance on amalgamation	-	2950.14
Add: Provisions made during the year	18529.39	43663.00
Less: *Write-off, write-back of excess provisions during the year	15607.21	45805.66
Closing balance as at 31st March	7626.29	4704.11

*Includes additional write-off of NPAs of Rs.11802 lacs (previous year Rs. 27591 lacs) charged to P&L account below the line as "Provisions for Contingencies".

SCHEDULES (Contd.)

xiii) Issuer composition of Non-SLR investments as at March 31, 2005 :

(Rs. in lacs)

No.	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities	Extent of 'unlisted' securities
1	PSUs	1879	-	-	5	5
2	FIs	2462	-	-	-	-
3	Banks	6875	6875	-	1100	1100
4	Private corporates	3031	1275	-	-	2063
5	Subsidiaries/ Joint Ventures	50	50	-	50	50
6	Others	50574	-	-	-	100
7	Provision held towards depreciation	832	-	-	-	-
	Total	64039	8200	-	1155	3318

Issuer composition of Non-SLR investments as at March 31, 2004 :

(Rs. in lacs)

No.	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities	Extent of 'unlisted' securities
1	PSUs	5795	-	-	-	-
2	FIs	5513	-	-	-	-
3	Banks	4010	4010	-	3100	3090
4	Private corporates	2420	576	-	500	562
5	Subsidiaries/ Joint Ventures	311	311	-	-	311
6	Others	494	-	-	-	150
7	Provision held towards depreciation	671	-	-	-	-
	Total	17872	4897	-	3600	4113

Information regarding maturity pattern of assets and liabilities [Ref. items 10(vi), 10(vii)], lending to sensitive sectors [Ref. item 10 (viii)] and Issuer composition of Non SLR investments [Ref item 10 (xiii)] has been compiled by the management and relied upon by the Auditors.

xiv) Non-performing Non-SLR investments :

(Rs. in lacs)

Particulars	2004-2005	2003-2004
Opening balance	136	-
Additions during the year since 1 st April	-	136
Reductions during the above period	-	-
Closing balance	136	136
Total provisions held	136	136

xv) Details of Repo / Reverse Repo deals done during the year ended March 31, 2005:

(Rs. in lacs)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	As on March 31, 2005
Securities sold under repos	- (-)	144715 (39700)	15141 (12437)	- (-)
Security purchased under reverse repo	- (-)	170000 (147000)	12187 (59157)	- (-)

Note : Amounts in brackets represent previous year figures

SCHEDULES (Contd.)

xvi) Movements in provision for depreciation on investments :

(Rs. in lacs)

Particulars	2004-2005	2003-2004
Opening balance	1446.24	1926.10
Add: Balance on amalgamation	-	54.00
Add: Provisions made during the year (including premium amortised on Held to Maturity investments)	1199.36	(299.47)
Less: Write-off, write-back of excess provisions during the year	(185.00)	234.39
Closing balance	2460.60	1446.24

xvii) Loan Assets restructured during the year (excluding CDR):

(Rs. in lacs)

Sr. No.	Particulars	2004-2005	2003-2004
1.	Standard assets	-	1309.73
2.	Non-performing assets	892.43	-
	Total	892.43	1309.73

xviii) Loan assets subject to restructuring under CDR during the year:

(Rs. in lacs)

Sr. No.	Particulars	2004-2005	2003-2004
1.	Standard assets	2180.95	16845.12
2.	Non-performing assets	-	650.57
	Total	2180.95	17495.69

xix) Disclosures on risk exposure in Derivatives:

The Bank has entered into interest rate swap contracts to hedge on – balance sheet assets and liabilities and for trading purposes.

- The Bank's Market Risk Management Policy, approved by the Board of Directors, covers both on and off – balance sheet positions including derivatives. The Bank has framed the policy for using derivative products in an efficient manner as tools for mitigating market risk, which covers dealing guidelines and prescribes exposure limits for derivative products.
- Risk Management Department independently monitors the derivative position of the Bank, and reports Marked to Market position to top management on a daily basis.
- Effectiveness of the hedge portfolio is reviewed periodically. The Basis Present Value (BPV) of the entire portfolio is also computed on a daily basis.
- Derivative contracts transacted during the current year were in accordance with the prescribed Market Risk Policy and the Funds & Investment Policy approved by the Board.

(Rs. in lacs)

Sr. No.	Particulars	Currency Derivatives	Interest rate Derivatives
1	Derivatives (Notional Principal Amount)		
	a) For hedging	-	12500
	b) For trading	-	355000
2	Marked to Market Positions		
	a) Asset (+)	-	356
	b) Liability (-)	-	-
3	Credit Exposure	-	2196
4	Likely impact of one percentage change in interest rate (100*PV01) (Note 1)		
	a) on hedging derivatives	-	449
	b) on trading derivatives	-	14
5	Maximum and Minimum of 100*PV01 observed during the year (Note 2)		
	a) on hedging	-	Max: 496 Min : 449
	b) on trading	-	Max:1552 Min : 7

Note 1 : Based on the PV01 of the outstanding derivatives as at March 31, 2005.

Note 2 : Based on the absolute value of PV01 of the derivatives outstanding during the year. Derivative contracts that are "back-to-back" have not been included herein.

SCHEDULES (Contd.)

xx) Financial assets transferred during the year to Securitisation Company (SC) / Reconstruction Company (RC).

The details of the assets transferred for the year are given in the table below :

(Rs. in lacs)

	2004-2005
A No. of accounts	1
B Aggregate value (net of provisions) of accounts sold to SC / RC	NIL
C Aggregate consideration	464.00
D Additional consideration realized in respect of accounts transferred in earlier years	NIL
E Aggregate gain/(loss) over net sale value	NIL

xx) During the year, the Bank's credit exposures to single borrowers and group borrowers were within the aforesaid limit except in a single case, wherein the limit was 19.54% of capital funds. The Bank has obtained the necessary Board approval for the same. The said exposure now stands within the norms prescribed.

11. Segment Reporting (AS-17):

The Bank operates in two business segments, viz. Treasury and Other Banking Operations. There are no significant residual operations carried by the Bank.

Summary

(Rs. in lacs)

Business Segments	Treasury		Other Banking Operations		Total	
Particulars	04-05	03-04	04-05	03-04	04-05	03-04
Revenue	40861.53	52032.98	117809.11	110412.94	158670.64	162445.92
Less : Inter-segment revenue					(20156.17)	(29338.26)
Total Income					138514.47	133107.66
Result	9216.98	17795.15	34303.31	30063.00	43520.29	47858.15
Unallocated Expenses					3397.05	3389.87
Operating Profit					40123.24	44468.28
Income Taxes and Other Provisions					19108.73	18262.00
Net Profit					21014.51	26206.28
Other Information						
Segment Assets	475037.41	540404.74	996544.98	906582.34	1471582.39	1446987.08
Unallocated Assets					90618.13	61658.58
Total Assets					1562200.52	1508645.66
Segment Liabilities	79130.54	40770.50	1359125.83	1344470.48	1438256.37	1385240.98
Unallocated liabilities					123944.15	123404.68
Total Liabilities					1562200.52	1508645.66

Geographic Segments:

The business operations of the Bank are largely concentrated in India. Activities outside India are restricted to resource mobilization in the international markets. Since the Bank does not have material earnings emanating from foreign operations, the Bank is considered to operate only in domestic segment.

SCHEDULES (Contd.)

12. Related party transactions (AS-18):

The following is the information on transactions with related parties:

Key Management Personnel:

Mr. Bhaskar Ghose, Managing Director
Mr. S. Nagarajan, Jt. Managing Director

Associates:

Ashley Holdings Limited
Ashley Investments Limited
IndusInd Information Technology Limited.
(Subsidiary from 01.04.2004 till 06.10.2004)
Allfin Services & Solutions Private Limited
(Subsidiary from 01.04.2004 till 08.06.2004)
Ashley Transport Services Private Limited
Allfin Marketing Services Private Limited
Allfin Insurance Specialities Private Limited
Allfin Distribution Private Limited

Subsidiaries:

ALF Insurance Services Private Limited
Alfin Wind Energy Limited (upto June 7, 2004)

Summarised transactions with related parties for the year ended March 31, 2005 :

(Rs. in lacs)

Items/ Related Party	Subsidiaries	Associates	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits	-	321.00	24.04	3.05	348.09
Other Payables	-	-	2.27	0.34	2.61
Other Receivables	-	580.45	-	-	580.45
Investments	50.00	850.30	-	-	900.30
Interest paid	-	13.92	2.63	0.71	17.26
Interest received	-	20.28	-	-	20.28
Receiving of Services	-	1389.45	-	-	1389.45
Rendering of services	-	449.67	-	-	449.67
Management Remuneration	-	-	89.09	-	89.09
Other payments	-	-	-	2.28	2.28

The following balances represent the maximum balance payable to/ receivable from the related parties during the year ended March 31, 2005:

(Rs. in lacs)

Items/ Related Party	Subsidiaries	Associates	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits	626.08	321.00	39.07	6.80	992.95
Other Payables	-	-	2.27	0.34	2.61
Other Receivables	-	800.76	-	-	800.76
Investments	50.00	950.30	-	-	1000.30

SCHEDULES (Contd.)

Summarised Transactions with related parties for the year ended March 31, 2004:

(Rs. in lacs)

Items/ Related Party	Subsidiaries	Associates	Total
Deposits	237.10	-	237.10
Other Payables	643.13	-	643.13
Other Receivables	31.73	0.55	32.28
Investments	311.00	490.00	801.00
Purchase of Fixed Assets	27.70	-	27.70
Interest paid	6.98	-	6.98
Receiving of Services	745.32	-	745.32

13. Earning per share: (AS-20):

The numerators and denominators used to calculate the earning per share as per AS-20 are as under :

	Year ended March 31, 2005	Year ended March 31, 2004
Profit attributable to Equity Share holders (Rs. in lacs)	20551.51	26206.28
Weighted average number of equity shares outstanding during the year	290693415	290701836
Nominal value of Equity Shares (Rs.)	10	10
Basic / Diluted Earnings per Share (Rs.)	7.07	9.02

14. ALF Insurance Services Pvt. Ltd., subsidiary of the Bank is yet to commence operations for want of necessary regulatory approvals. Accordingly, no consolidated financial statements have been drawn up as per AS-21 "Consolidated Financial Statements".

15. Taxation:

(A) Provision for tax has been made after considering contingency provision as admissible deduction.

(B) Deferred tax (AS-22) : The major components of deferred tax assets/ liabilities as on March 31, 2005 are as under:

(Rs. in lacs)

	31.03.2005 Deferred Tax		31.03.2004 Deferred Tax	
	Assets	Liabilities	Assets	Liabilities
Timing difference on account of :				
Difference between book depreciation and depreciation under the Income Tax Act, 1961	-	3694	-	2819
Difference between Provisions for doubtful debts and advances and amount allowable under Section 36(1)(viii) of the Income Tax Act 1961	3520	-	2515	-
Interest on securities	122	-	269	-
Income Recognition	-	1342	-	3998
Others	196	-	122	-
Net closing balance carried to Balance Sheet		1198		3911

16. In the opinion of the Bank there is no impairment of its Fixed Assets to any material extent as at 31st March 2005 requiring recognition in terms of Accounting Standard 28.

17. The Bank does not have any non-cancelable operating leases during the year, where it is the lessee.

18. Previous year's figures have been regrouped / reclassified wherever necessary.

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2005

	For the year ended 31.3.2005	(Rs. in lacs) For the year ended 31.3.2004
A. Cash Flow from Operating Activities		
Net Profit	21015	26206
Adjustments for non-cash charges :		
Depreciation	4487	3672
Investments	6295	(299)
Tax Provisions (Income Tax/ Wealth Tax/ Deferred Tax)	5038	861
Loan loss and Other Provisions	7775	17700
Others	(61)	32
Operating Profit before Working Capital changes	44549	48172
Adjustments for :		
Increase in trade and Other Receivables	(212312)	(242366)
Increase in Inventories (Investments)	35063	(194469)
Increase in Trade Payables	35152	490115
Others	-	-
Cash generated from Operations	(97548)	101452
Direct taxes paid	(6965)	(6701)
Cash flow before Extraordinary items	(104513)	94751
Extraordinary items	-	-
Net Cash from Operating Activities	(104513)	94751
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(6973)	(6838)
Sale of Fixed Assets	192	268
Net Cash used in Investing Activities	(6781)	(6570)
C. Cash Flow from Financing Activities		
Proceeds from unpaid Share Capital	42	301
Dividends paid	(7488)	(6384)
Proceeds from Issue of Subordinate Tier II capital	26800	6650
Redemption of NCRCPs	(9700)	-
Premium paid on redemption of NCRCPs	-	(157)
Net Cash used in Financing Activities	9654	410
D. Net increase / decrease on account of amalgamation	-	13436
Net increase in Cash and Cash Equivalents	(101640)	102027
Cash and Cash Equivalents as on the first day of the year	217099	115072
Cash and Cash Equivalents as on the last day of the year	115459	217099

Notes :

- The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India (ICAI).
- Figures in brackets indicate cash outgo.
- Refer to note 15 under Schedule No. XVII.
- Previous year's figures have been regrouped and recast to conform to the current year's classification.

This is the Cash Flow Statement referred to in our report of even date.

For INDUSIND BANK LTD.

For and on behalf of
S.R. Batliboi & Co.
Chartered Accountants

per **Viren H. Mehta**
a Partner
Membership Number: 048749

R. J. Shahaney
Chairman

O. P. Sodhani
Director

Bhaskar Ghose
Managing Director

Vijay Vaid
Director

R. Sundararaman
Director

S. Nagarajan
Jt. Managing Director

Anil Harish
Director

Kanchan Chitale
Director

S. V. Zaregaonkar
EVP & CFO

Ram Buxani
Director

T. Anantha Narayanan
Director

Suresh T. Viswanathan
Company Secretary

Place : Mumbai
Date : June 30, 2005

US DOLLARS DENOMINATED BALANCE SHEET AS AT MARCH 31, 2005

	(Millions of US\$)	
	As at 31.03.05 US\$	As at 31.03.04 US\$
1 USD = Rs. 43.75		
CAPITAL AND LIABILITIES		
Capital	66.40	66.38
Reserves and Surplus	123.14	116.57
Deposits	2997.56	2560.06
Borrowings	139.57	528.08
Other Liabilities & Provisions	244.08	177.24
TOTAL	3570.75	3448.33
ASSETS		
Cash and Balances with Reserve Bank of India	145.39	305.06
Balances with Banks & Money at Call and Short Notice	118.52	191.16
Investments	930.10	1024.63
Advances	2057.09	1668.84
Fixed Assets	74.17	68.20
Other Assets	245.48	190.44
TOTAL	3570.75	3448.33
Contingent Liabilities	2457.66	1207.68
Bills for Collection	370.37	231.07

US DOLLARS DENOMINATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2005

	(Millions of US\$)	
	Year ended 31.3.05 US\$	Year ended 31.3.04 US\$
1 USD = Rs. 43.75		
I INCOME		
Interest earned	259.29	225.40
Other Income	57.31	78.84
TOTAL	316.60	304.24
II EXPENDITURE		
Interest expended	164.31	152.97
Operating expenses	60.58	49.63
Provisions & contingencies	43.68	41.74
TOTAL	268.57	244.34
III PROFIT	48.03	59.90
Add: Transfer from Contingency Reserves	26.98	63.06
Less: Provisions for Contingencies	26.98	63.06
NET PROFIT	48.03	59.90
Less: Tax adjustment of the last year	1.06	-
AMOUNT AVAILABLE FOR APPROPRIATION	46.97	59.90
IV. APPROPRIATIONS		
Transfer to		
a) Statutory Reserves	12.01	14.98
b) Capital Reserves	0.93	3.37
c) Investment Fluctuation Reserves	2.06	11.43
d) Dividend on equity	11.94	14.95
e) Dividend - Non-Convertible Redeemable Cumulative Preference Shares (NCRCPs)	-	1.96
f) Corporate Dividend Tax	1.56	2.17
	28.50	48.86
Balance carried over to Balance Sheet	18.47	11.04
TOTAL	46.97	59.90

SUBSIDIARY COMPANY

ALF Insurance Services Private Limited

DIRECTORS' REPORT

Your Directors are pleased to present the Second Annual Report along with the audited accounts for the period ended March 31, 2005.

Financial Performance :

Particulars	(in Rupees)
Interest Income	3,38,283
Total Income	3,38,283
Establishment Expenses	2,04,462
Administrative and Other Expenses	54,141
Preliminary expenses written off	3,210
Total Expenditure	2,61,813
Net Profit Before Tax	76,470
Provision for Taxation	27,982
Profit brought forward from previous year	79,118
Profit carried to Balance Sheet	1,27,606

Business:

The Company is in the business of Insurance Corporate Broking. It has applied for license to IRDA and the license is awaited.

Outlook for the future:

Upon getting license from IRDA, we will be doing business with all the Public Sector Insurance Companies namely, New India Assurance Company Ltd., Oriental Insurance Company Limited, United India Insurance Company Limited and National Insurance Company Limited.

Board of Directors:

Mr. C. M. Sambasivam and Mr. T. Krishnakumar, Directors, retire by rotation and they being eligible, offer themselves for reappointment.

Directors' Responsibility Statement:

- In the preparation of the annual accounts for the period ended March 31, 2005 the applicable accounting standards have been followed by the Company.
- The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2005 and the profit of the company for the period ended that date.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- The accounts of the company have been prepared on a going concern basis.

Auditors:

M/s. Prasad and Srinath, Chartered Accountants, Chennai, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

None of the employees are covered under Section 217(2A) of the Companies Act read with Companies (Particulars of Employees) Rules, 1975.

Conservation of Energy, Technology absorption and Foreign exchange Earnings/Outgo.

Your Company has no activities relating to Conservation of Energy or Technology Absorption. Your Company did not have any foreign earnings or outgo.

Acknowledgement:

Your Directors wish to place on record their deep appreciation for the whole-hearted and sincere co-operation your Company has received from its Bankers. Your Directors also wish to place on record their appreciation for the unstinted co-operation and support extended by all the employees in achieving the performance of your Company.

On Behalf of the Board of Directors

C. M. Sambasivam
T. Krishnakumar
Directors

Place : Chennai
Date : June 29, 2005

AUDITOR'S REPORT

Auditor's Report to the members of ALF Insurance Services Private Limited

- We have audited the attached balance sheet of ALF Insurance Services Private Limited as at 31st March 2005, and the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- As required by the Companies (Auditor's Report) Order, 2003 issued by the Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- Further to our comments in the Annexure referred to above, we report that:
 - We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books
 - The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account
 - In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

- On the basis of written representations received from the Directors, as on 31st March 2005 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2005 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2005;
 - in the case of the Profit and Loss Account of the Profit for the year ended on that date.

For **PRASAD & SRINATH**
Chartered Accountants

S.PRASAD
Partner
M.No.12847

Place: Chennai
Date: June 02, 2005

ANNEXURE

Referred to in paragraph 3 of our report of even date,

- The Company does not have any Fixed Asset and hence maintenance of register and physical verification does not arise.
- The Company does not have any stock of inventory and hence reporting on physical verification does not arise.
- a) the Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms, or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act 1956 have been so entered.
b) None of the said transactions have exceeded Rs.5 Lakhs in value in respect of any party in one financial year.
- The company has not accepted deposits from the Public during the year.
- The company does not have separate internal audit system. However in our opinion the existing internal control procedures are sufficient considering the size and nature of business of the company.
- The Central Government has not prescribed maintenance of any cost records under Section 209 (1) (d) of the Companies Act, 1956.
- a) The Company is regular in depositing applicable undisputed statutory dues with appropriate statutory authorities.
b) According to the information and explanations given to us, no disputed amounts payable in respect of Income tax, Wealth tax, Sales tax, Customs duty, Excise duty, Service tax and Cess were in arrears as at 31.03.2005 for a period of more than six months from the date they became payable.
c) According to the information and explanation given to us, there are no disputed amounts in respect of Income tax, Wealth tax, Sales tax, Customs duty, Excise duty, Service tax and Cess.
- The company does not have accumulated losses. The company has not incurred cash losses during the year covered by our audit and the immediately preceding year.
- The company does not have any dues to a bank or to a financial institutions or to Debenture holders.
- The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- The company is not a chit fund or a *nidhi*/ *mutual benefit fund/ society*. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- The company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- The company has not given any guarantee for loans taken by others from banks or financial institutions.
- The Company does not have any term loan.
- The company has not raised funds on short-term basis.
- The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- The company has not issued any debentures.
- The company has not raised money by way of public issues.
- During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For **PRASAD & SRINATH**
Chartered Accountants

S.PRASAD
Partner
M.No.12847

Place: Chennai
Date: June 02, 2005

ALF Insurance Services Private Limited
BALANCE SHEET AS AT MARCH 31, 2005

SOURCES OF FUNDS	SCH.	2005 Rs.	2004 Rs.
Share Capital	1	50,00,000	50,00,000
Reserves & Surplus	2	1,27,606	79,118
		51,27,606	50,79,118
APPLICATION OF FUNDS			
Current Assets, Loans & Advances	3	55,64,124	52,25,891
Less: Current Liabilities & Provisions	4	4,46,148	1,59,613
Net Current Assets		51,17,976	50,66,278
Preliminary Expenses		9,630	12,840
		51,27,606	50,79,118

Schedules and Notes to the Accounts form part of this balance sheet
As per our report of even date

For and on behalf of
PRASAD & SRINATH
Chartered Accountants

S.PRASAD
Partner
M.No.12847

C.M.SAMBASIVAM
Director

T.KRISHNA KUMAR
Director

Place : Chennai
Date : June 02, 2005

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
MARCH 31, 2005**

INCOME	SCH.	2005 Rs.	2004 Rs.
Interest on Fixed Deposit [tds Rs.70,735, previous year Rs.47,259]		3,38,283	2,25,041
		3,38,283	2,25,041
EXPENDITURE			
Establishment Expenses	5	2,04,462	82,500
Administrative Expenses	6	54,141	15,950
Preliminary Exp. Written Off		3,210	3,210
		2,61,813	1,01,660
Profit before Tax		76,470	1,23,381
Less: Provision for Taxation		27,982	44,263
Profit after Tax		48,488	79,118
Profit brought forward from Previous year		79,118	
Profit carried to Balance Sheet		1,27,606	79,118

For and on behalf of
PRASAD & SRINATH
Chartered Accountants

S.PRASAD
Partner
M.No.12847

C.M.SAMBASIVAM
Director

T.KRISHNA KUMAR
Director

Place : Chennai
Date : June 02, 2005

SCHEDULES TO ACCOUNTS

	2005 Rs.	2004 Rs.
1. Share Capital Authorised 5,00,000 Equity Shares of Rs.10/- each	50,00,000	50,00,000
Issued, Subscribed and Paid-up 5,00,000 equity shares of Rs.10/- each [The entire capital is held by IndusInd Bank Ltd., and it's Nominees]	50,00,000	50,00,000
2. Reserves & Surplus Profit & Loss Account	1,27,606	79,118
3. Current Assets Interest receivable	1,39,188	-
Tax Deducted at Source	1,17,994	47,259
Bank balance (with scheduled bank)		
In Current Account	800	850
In Fixed Deposit Account	53,06,142	-
Fixed Deposit with a company	-	51,77,782
	55,64,124	52,25,891
4. Current Liabilities & Provisions		
a) Current Liabilities		
Sundry Creditors:	3,73,903	1,15,350
b) Provisions		
Provision for Taxation	72,245	44,263
Total (a + b)	4,46,148	1,59,613
5. Establishment Expenses		
Salaries	1,93,710	55,000
Conveyance	10,752	27,500
	2,04,462	82,500
6. Administrative Expenses		
Telephone Expenses	4,348	3,000
Professional tax	6,240	2,000
Travelling Expenses	32,483	-
Bank Charges	50	150
Audit fees (including service tax)	11,020	10,800
	54,141	15,950

ACCOUNTING POLICIES

- Revenue Recognition**
Interest on Fixed Deposit is accounted on accrual basis
- Retirement Benefits**
Liability towards gratuity has not accrued to the company. Encashment of leave is at present at the discretion of the management and hence no provision is considered necessary.
The Company does not have any deferred tax liability
The figures have been rounded off to nearest rupee.
Previous year figures have been regrouped wherever necessary.

For and on behalf of
PRASAD & SRINATH
Chartered Accountants

S.PRASAD
Partner
M.No.12847

C.M.SAMBASIVAM
Director

T.KRISHNA KUMAR
Director

Place : Chennai
Date : June 02, 2005

**STATEMENT PURSUANT TO SEC. 212 (1) (E) OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANY AS ON MARCH 31, 2005.**

1. Name of the Subsidiary Company	ALF Insurance Services Pvt. Ltd
2. Financial year ending of the	March 31, 2005
3. Holding company's interest	5,00,000 equity Shares of Rs. 10/- face value.
4. Extent of holding	100%
5. Profit (Loss) for the financial year of the subsidiary so far as it concerns the members of the holding company and not dealt with in the books of accounts of the holding company	Rs. 48,488/-
6. Profit (Loss) for the financial year of the subsidiary so far as it concerns the members of the holding company and dealt with in the books of accounts of the holding company	Rs. Nil
7. Profit (Loss) for the previous financial year of the subsidiary so far as it concerns the members of the holding company and not dealt with in the books of accounts of the holding company	Rs. 79,118
8. Profit (Loss) for the previous financial year of the subsidiary so far as it concerns the members of the holding company and dealt with in the books of accounts of the holding company	Rs. Nil

Definitions of Terminologies and Abbreviations in this Document

Terminology/ Abbreviation	Definition
YOY	Year on year
NPA/s	Non Performing Asset/s
ALFL	The erstwhile Ashok Leyland Finance Limited
Securitisation	Asset Backed Securitisation of the Financial Assets of IndusInd Bank Limited
PTC/s	Pass Through Certificate/s, a debt security, issued by the special purpose vehicle on behalf of IndusInd Bank
SPV	Special Purpose Vehicle
CRAR	Capital to Risk-weighted Assets Ratio
SARFAESI Act	The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
DRT/s	Debt Recovery Tribunal/s
ALM	Asset Liability Management
Forex	Foreign Exchange
USD	United States of America Dollar
INR	Indian Rupee
G7	Group of Seven Countries namely: Canada, France, Germany, Japan, Italy, United Kingdom and United States
GOI Bonds	Government of India Bonds
T-Bill/s	Treasury Bill/s
SLR	Statutory Liquidity ratio
IFR	Investment Fluctuation Reserve
SME/s	Small and Medium Enterprise/s

Branch Network

Andhra Pradesh

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10/373, Nanna Towers,
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Anantapur-515001
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Naidu Building Road
Chittoor - 517 001
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chcp@indusind.com

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Tel. 0891-2514125 / 133
Fax 2514124
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Vizag Journalist Forum Ext. Ctr.,
Seethumadhara Vizag 530 013
Tel. 0891-2707326 / 29
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Near Sobhana Hotel
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Secunderabad - 500 003
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Kurnool - 518004
Tel. 08518-223425 / 395420
Fax 248327
kuap@indusind.com

Nellore
DNO. 24-2-382, No. 10 Chandrabagh
Opp. Kasturidevi School, G.N.T. Road,
Dargamitta, Nellore - 524003
Tel. 0861-2306369
neap@indusind.com

Vijayawada
M. G. Road, Near Benz Circle
Vijayawada-520010
Tel. 0866-5549991, 2492626
Fax 27830034
viap@indusind.com

Visakhapatnam
CDR Hospital,
A. S. Raja Complex
Waltair Main Road,
Visakhapatnam 530 002
Tel. 0891-2702202 / 198
Fax 2512721
cdwa@indusind.com

Assam

Guwahati
G. S. Road, Bhongagarh,
Guwahati 781 005
Tel. 0361-2452864 / 8
Fax 2452867
gugs@indusind.com

Bihar

Patna
Showroom No. SR02,
Rajendra Ram Plaza,
Exhibition Road, Patna
Tel. 0612-2206140, 2202542, 2202938
parp@indusind.com

Chandigarh

Chandigarh
S.C.O. No.53-54
Sector 8-C,
Machya Marg
Chandigarh - 160 018
Tel. 0172-2541651 / 655
Fax 2541657
chss@indusind.com

Mohali
S.C.O. 23-24 Phase III-B-2
SAS Nagar, Mohali
Chandigarh 160 059
Tel. 0172-222 2983-5, 222 2987
Fax 2222981
moha@indusind.com

Chattisgarh

Raipur
Krishna Complex,
Lal Bahadur Shastri Square,
Jail Road, Raipur,
Chattisgarh 492 001,
Tel. 0771-5033402 / 03
Fax 5033404
raja@indusind.com

Goa

Margao
Chaze Art Gallery
Rua Abade Faria Road
Margao 403 601
Tel. 0832-2712238 / 42
Fax 2712295
goma@indusind.com

Panaji

IndusInd Bank Ltd
Shop No. 1 & 2 & 3
Landscaper Excelsior
Dayanand Bhandarkar Marg
Panaji, Goa
Tel. 0832-2429044 / 45 / 46 / 47
Fax 2427799
goa@indusind.com

Gujarat

Ahmedabad
World Business House,
M. G. Road
Nr. Parimal Garden,
Ellis Bridge
Ahmedabad - 380 015
Tel. 079-6426104 - 8
Fax 6560401
ahar@indusind.com

Bardoli

Sardar Baug, Opposite Fuwara,
Near Petrol Pump,
Bardoli 394 602
Tel. 0262-229230 / 375
Fax 229311
bard@indusind.com

Baroda

Raniya Bhavan
Racecourse Circle
Baroda 390 007
Tel. 0265-232409 / 16 / 18
Fax 2332413
baap@indusind.com

Baroda - Ext Ctr

Ground Floor,
Swami Premdas Jalaram Hospital,
Behind R. T. O.
Ring Road,
Warasda, Vadodra - 390 006
Tel. 0265-3092009
baph@indusind.com

Bhavnagar

Shop No. 1 to 7 and 13,
Madhav Hills, Waghawadi Road,
Bhavnagar - 384 002
Tel. 0278-2512055, 2512088
bhgu@indusind.com

Dharmaj

Dharmaj Co-operative
Consumers Stores Ltd,
Dharmaj, District Anand,
Gujarat 388430
Tel. 02697-245096/97
Fax 245101
dhar@indusind.com

Gandhidham

Amar Complex,
Plot No. 158, Ward 12 - B
Gandhidham 370 201
Tel. 02836-235541
Fax 233517
gagu@indusind.com

Jamnagar

Shivam Complex, Teen Batti,
Opp. Badri Complex
Jamnagar - 361 001
Tel. 0288-2664321
Fax 2664322
jagu@indusind.com

Morbi

Parmanand Complex
Sanala Road,
Morbi, Rajkot District 363 641
Tel. 02822-251808 / 760 / 260
Fax 231461
morbi@indusind.com

Rajkot

Pick Point, I Floor,
Dr Yagnik Road
Near Vivananda Statue,
Rajkot - 360 001
Tel. 0281-2461892/93/94
rara@indusind.com

Surat

G-2, Empire State Bldg.,
Near Udhana Darwaja,
Ring Road, Surat 395 002
Tel. 0261-2346473 / 2366823/27
Fax 2346469
surr@indusind.com

Valsad

IndusInd Bank Ltd
Shop No. 7 - 10,
Megh Rachana Tower,
Sheela Park, Tithal Road,
Valsad 396 001
Tel. 02632-254665 / 254666
Fax 254972
vamr@indusind.com

Vapi

Plot No. C-6-13,
Shrinathji Chambers,
Vapi Industrial Area,
Char Rasta,
Vapi 396 195
Tel. 0260-2425175 / 2428129 / 2426624
Fax 2429621
vach@indusind.com

Haryana

Gurgaon
Block A, Sushant Lok,
Phase I, Tower B, First India Place,
Gr. Floor, Mehrauli,
Gurgaon Road,
Gurgaon 122002, Haryana
Tel. 0124-238 3882 - 5
Fax 2389128
guud@indusind.com

Hissar

SCO No. 91 Red Square Market
Near Telephone Exchange,
Hissar - 125 001
hina@indusind.com

Karnal

SCO 254, Sector 12
Part 1, Karnal 132 001
Tel. 0184-2268956/57/58
Fax 2268954
kaha@indusind.com

Panchkula

SCO 28, Sector 11,
Panchkula, Haryana
Tel. 0172-565391 - 93
Fax 2565404
panc@indusind.com

Rohtak

SCO 19 & 20, Subhash Park,
Civil Lines,
Rohtak - 124 001
Tel. 01262-255940, 255942 to 44
Fax 255941
roha@indusind.com

Himachal Pradesh

Shimla
Beli Villa, The Mall, Shimla
Tel. 0177-2654187, 2652217
Fax 2651251
shhp@indusind.com

Jharkhand

Bokaro
A-16, City Centre,
Sector 4
Bokaro Steel City,
Bokaro - 827 004
Tel. 06542
Fax 233417 / 18 / 19 / 20
bojh@indusind.com

Dhanbad

Shastri Nagar,
Beside Laxmi Petrol Pump,
Bank More,
Dhanbad - 826 001
Jharkhand
Tel. 02326-2305700 / 2309888
Fax 2309802
dhbm@indusind.com

Jamshedpur

Swamy Building,
Sakchi Boulevard Shop Area
Main Road (Opp. Ram Mandir),
Bistupur,
Jamshedpur 831 001
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Ranchi

Jain Enclave Bldg.,
56/B, Main Road,
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Ranchi 834 001
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Fax 2316177
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Karnataka

Bangalore
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West Wing No.17,
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25592309
bgmg@indusind.com

Bangalore, Jayanagar
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36th Cross, V Block,
Jayanagar, Bangalore 560 041
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bgjn@indusind.com

Hubli

HR's Mahalaxmi Mansion,
Desai Cross, Pinto Road
Hubli 580 020
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Fax 5254660
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Mangalore

Premium Enclave,
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Light House Hill Road, Hampankatta,
Mangalore - 575 001
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maka@indusind.com

Mysore

No. 28, Devaraj Urs Road, Devraj
Monalla
Mysore - 570 001
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myka@indusind.com

Shimoga

Bandigadi Complex, I Floor
Nehru Road, Shimoga- 577 201
Tel. 08182-227711, 227722, 227744
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Kerala

Alappuzha
CSN Building, District Court Ward
Opp. SDV School, Alappuzha - 688 013
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alke@indusind.com

Kannur

Raaby Towers, Railway Station Road
Kannur - 670001
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kake@indusind.com

Kochi

Kakkanad
CSEZ Administrative Building,
Kakkanad,
Kochi 682 037
Tel. 0484-2413211 / 52 / 66
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Kochi - Ext Ctr

Gowrinathan, (Opp. to New
Jayalakshmi Silks),
40/8399, 8400,
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kochi@indusind.com

Kochi - Ext Ctr

VII/150, Jew Town/Mattencherry
Kochi 682 002
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koma@indusind.com

Kollam

Varijanam Towers, Residency Road
Kollam - 691 013
Tel. 0474-2766985 / 86 / 87
Fax 2366681
kike@indusind.com

Kottayam

Regency Square, K.K. Road
Near Kottayam Collectorate PO,
Kottayam - 686002
Tel. 0481-2303614, 2303615
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Malapuram

Peekay Arcade, Opp Private Bus Stand
Down Hill, Malapuram - 686 519
Tel. 0483-3956575
make@indusind.com

Palakkad

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Chandranagar, Palakkad 678 007
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Thiruvananthapuram

Module 14, Nila Bldg. Technopark
Complex, Kazhakkuttom,
Thiruvananthapuram 695 581
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kate@indusind.com

Thiruvananthapuram

Swastik Centre, M.G. Road,
Thiruvananthapuram-695001
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Thrissur

Hotel Palace Tower,
North Bus Stand
Thrissur - 680 020
Tel. 0467-2321178, 2324003
Fax 2320210
tris@indusind.com

Madhya Pradesh

Bhopal

55, Shopping Centre,
Opp. T. T. Nagar Police Station,
New Market, Bhopal
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Fax 5228093
bhnm@indusind.com

Gwalior

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44, City Centre
Madhav Rao Scindia Road,
Gwalior - 474011
Tel. 0751-2235564 / 65
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gwmp@indusind.com

Indore

Industry House
15 Agra Mumbai Road
Old Palasia,
Indore - 452 001,
Tel. 0731-2542696 / 7 / 8
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Jabalpur

Commercial Automobiles Building,
124, Napier Town
Shastri Bridge Chowk,
Jabalpur - 482 001
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Maharashtra

Aurangabad

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Opp. Jammu & Kashmir Bank
Jalna Road,
Aurangabad - 431001
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Fax 2353757
aumh@indusind.com

Kolhapur

Vasant Prabha Chambers
(Ground Floor),
1125, 'E' sykes extension area
Opp. Parekh Bridge, Near S.T. Stand,
Kolhapur - 416001
Tel. 0231-5612006-9
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komi@indusind.com

Mumbai, Andheri

Acme Plaza, C.T.S. No. 32
Opp. Sangam Talkies,
Andheri-Kurla Road,
Andheri (E), Mumbai 400 059
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Fax 28237574
boan@indusind.com

Mumbai, Andheri - Lokhandwala

Morya Estate, New Link Road,
Andheri (W), Oshiwara,
Mumbai 400 053
Tel. 022-56951107 - 10
Fax 56951106
boio@indusind.com

Mumbai, Bandra

IndusInd Centre 231,
S.V. Road, Bandra (West)
Mumbai - 400 050.
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Mumbai
Bandra - Ext Ctr I
Veer Savarkar Marg, Mahim
Mumbai 400 050
Tel. 022-24455301 / 24455563
Fax 24455091
bavs@indusind.com

Mumbai, Chembur
Unit numbers 8,9,10,
Sunny Estate (2),
Stn Trombay Road
Chembur, Mumbai - 400 071
Tel. 022-25260881-83;
Fax 25260885
boch@indusind.com

Mumbai, Dadar
607 A, Ground Floor, Dolat Manzil,
Next to Parsi Gymkhana
Dr. Ambedkar Road,
Dadar (East), Mumbai - 400 014
Tel. 022-24167911/17
Fax 24167930
boda@indusind.com

Mumbai, Fort
Premises No. 1,
Sonawala Building
57, Mumbai Samachar Marg,
Fort, Mumbai 400 001
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Fax 56366590
boms@indusind.com

Mumbai, Kandivli
Shop No. 5, Between A & B Wing,
Kamala Nagar
M G Road, Kandivli (W),
Mumbai - 400 067
Tel. 022-28022079 / 80 / 82
Fax 28022083
boka@indusind.com

Mumbai, Mulund
Marathon Max, Shop no. 12-15,
Mulund - Goregaon Link Road,
Mulund (W), Mumbai - 400 080
Tel. 022-2592 7080 / 6808 / 6833
Fax 2592 6837
bomu@indusind.com

Mumbai, Nariman Point
3rd Floor, Hoechst House
Nariman Point
Mumbai - 400 021
Tel. 022-22022404 / 407 / 415
Fax 22022387
bonp1@indusind.com

Mumbai, Opera House
IndusInd House 425,
Dadasaheb Bhadkamkar Marg
Mumbai - 400 004
Tel. 022-23857474 / 9494
Fax 23859913
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Nagpur
Showroom No. 1 & 34,
Shriram Shyam Tower, Kingsway,
S.V. Patil Marg, Nagpur 440 001
Tel. 0712-2547456 / 2534188 / 2532400
Fax 2547457
nass@indusind.com

Navi Mumbai, Panvel
Lakhani Landmark, Plot no. 19,
Sector No. 19, Shop no. S-01A,
Panvel Matheran Road,
New Panvel (East),
Navi Mumbai 410 208
Tel. 022-2748 3156/54
Fax 27483025
pamr@indusind.com

Navi Mumbai, Vashi
Showroom Nos. 3 - 5 Plot No. 21,
Sector 24, Vashi - Turbhe
Navi Mumbai 400 705
Tel. 022-27831028/6008/0026/6013/
27831827
Fax 27830034
bova@indusind.com

Pune
2401, Gen. Thimmayya Rd. (Cantonment)
Pune - 411 001
Tel. 9520-26343201 / 27 - 29 / 36 / 38
Fax 26343231
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Thane
Jinja Society, Opp.
Dhamani Estate,
L. B. S. Marg, Thane - 400 602
Tel. 022-25390387 / 92 / 93
Fax 25390376
both@indusind.com

National Capital Territory of Delhi
New Delhi, Janakpuri
B 23, Community Centre
Janakpuri, New Delhi - 110 058
Tel. 011-51000141 - 43
Fax 51000145
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New Delhi - Nehru Place
'F' Block, Gr. Fl.,
International Trade Tower,
Nehru Place New Delhi - 110 019.
Tel. 011-26481119 / 20 / 36
Fax 26236537
denp@indusind.com

Delhi-Barakhamba
Dr. Gopal Das Bhawan
28, Barakhamba Road,
New Delhi - 110 001,
Tel. 011-23738040 / 8408 / 8407
Fax 23738041
debk@indusind.com

Preet Vihar
C-61, Preet Vihar Vikas Marg
New Delhi 110 092
Tel. 011-22051623 / 32/64
Fax 22051644
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Punjab Bagh
33, North West Avenue,
Club Road, West Punjab Bagh,
New Delhi - 110026
Tel. 011-2522 9316/ 0037 / 38,
55468992-94
Fax 25220046
depb@indusind.com

Orissa
Balasore
Motilal Didwani Building, FM Circle,
Orissa Trunk Road
Balasore 756 001
Tel. 06782-268293/240274/276
Fax 240265
baor@indusind.com

Barbil
St. Mary's School Road, Barbil 758 035
Dist. Keonjhar
bror@indusind.com

Bhubaneswar
No. 78, Janpath, Kharavela Nagar,
Unit III, Bhubaneswar - 751 001
Tel. 0674-2536124 / 5
Fax 2535191
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Cuttack
Plot No. 1320, Bajrakabati Road
Cuttack 753 001
Tel. 0671-2321255
Fax 2321344
cuor@indusind.com

Punjab
Amritsar
Platinum Plaza, 39 Mall Road
Amritsar 143 001
Tel. 0183-2221055, 5066708 / 808
Fax 2221056
ampu@indusind.com

Bhatinda
2679 / C - 1 - A, Guru Kanshi Marg
Bhatinda 151 001
Tel. 0164-2240566, 5004187
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Jalandhar
289, Shaheed Udamsingh Nagar
T. V. Studio Road, Jalandhar
Tel. 0181-2403480 / 5003480 / 580
Fax 2403380
jall@indusind.com

Khanna
Surya Tower, Near Main Bus Stand,
G.T. Road, Khanna-141401
Tel. 01628-237924 - 26
Fax 237927
khgt@indusind.com

Ludhiana
S.C.O. 21, Feroze Gandhi Market,
Opp. Ludhiana Stock Exch.,
Ludhiana 141 001
Tel. 0161-2432375 - 9 / 85-86
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lufe@indusind.com

Ludhiana - Ext Ctr
UPSC Jain Public School, Chandigarh
Road, Ludhiana - 141010
Tel. 0161-2678500 / 600
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Phagwara
Banga - Ext Ctr
Swami Roopchand Jain Model High
School, Garshankar Road,
Banga - 144 505 Dist. Nava Saher
Tel. 01823-263739 / 264513
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Phagwara
Opp. S. T. Bus Stand G. T. Road,
Phagwara 144 401, Punjab
Tel. 01824-223 424/ 5 / 6
Fax 223421
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Rajasthan
Ajmer
Rang Vihar, 9/86, Kutchery Road
M. G. Road, Ajmer - 305 001
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Bikaner
Ganpati Plaza, Shopping Complex,
Kumbhedan Ji Bhargava Ka Dera
KEM Road, Bikaner - 334001
bira@indusind.com

Jaipur
Sangam Complex,
Gr. Fl. Church Road
Jaipur 302 001
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Jodhpur
Showroom No. 3&4,
Olympic Tower Bldg.,
Station Road, Jodhpur 342 003
Tel. 0291-2647738, 2622765
Fax 5105662
josr@indusind.com

Kota
412 Shopping Centre
Kota 324 007
Tel. 0744-2366578 - 80
Fax 2366681
kora@indusind.com

Udaipur
2-C, Chowgaon Yojana,
Near Lok Kala Mandal
Panchavati Choraha,
Udaipur - 313 001
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Sikkim
Gangtok
Sarda Building, Opp. SBI
Convoy Ground, Ta dong,
Gangtok, Sikkim (East) 737 102
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Tamil Nadu
Avinashi
5/132, Main Road Tirupur Circle
Avinashi 641 654
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Chennai, Adyar
Sreela Terrace, Old no. 48,
New no. 105,
1st Main Road, Gandhi Nagar,
Adyar, Chennai-600020
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Chennai, Annanagar
AL Complex, W 115 A,
3rd Avenue,
Annanagar,
Chennai 600 040
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Chennai
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Nungambakkam
Chennai - 600 034
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28259150
Fax 28235489, 28259253
manb@indusind.com

Coimbatore - Ext Ctr
Kikani Charities,
Shri Gopal das Kikani,
Diagnostic Centre, No. 1
Krishnaswamy Rd. R. S. Puram
Coimbatore
Tel. 0422-2541409 / 29
Fax 56412224
cokm@indusind.com

Coimbatore
652-662, Tristar Towers
Avinashi Road
Coimbatore 641 037
Tel. 0422-2213 551 / 72 / 73
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coav@indusind.com

Coonoor
6, Nanappa Rao Building,
Bedford, Coonoor-643101
Tel. 0423-2232010, 2232020
Fax 2232120
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Jaya Balaji Processing Works, No. 1155,
Mettur Road, Erode - 638 001
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Madurai
GP Building, No.30, Kamala Ind Street
Chinna Chokkikulam,
Madurai - 625 002
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Namakkal
New No. 60, (Old No. 29 D),
Shri Bhuvaneshwari Shopping Complex
Dr. Sankaran Salai,
Namakkal - 637 001
Tel. 04286-231722
natn@indusind.com

Salem
Santham Shopping Complex,
137 Saradha College, Main Road
Alagapuram, Salem 636 016
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satn@indusind.com

Tiruchirapalli
Premier Plaza, 122/5, Bharathiar Salai
Cantonment, Tiruchirapalli 620 001
Tel. 0431-2412237 / 17
titn@indusind.com

Tirupur
Aristo International, No. 1, Court Street
Tirupur 641 602
Tel. 0421-2242875/ 2242885
Fax 2202471
tico@indusind.com

Pondicherry
New No. 105, 107, Old No. 55
Chetti Street, Pondicherry - 605 001
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Uttar Pradesh
Agra
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Vrindavan Building
Sanjay Place, Agra - 282002
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Allahabad
Ganpati Towers,
56 Sardar Patel Marg
Civil Lines, Allahabad - 211 001
Tel. 0532-2421355
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Bareilly
C/o Hotel Mansarovar,
44/45, Civil Lines,
Bareilly - 243 001
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Hapur
Rajan Plaza, 128, Railway Road
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Kanpur
113/120, Opposite Moti Jheel Gate
Swaroop nagar, Kanpur 208 002
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Lucknow
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Lalbagh, Lucknow 226 001
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Lucknow - Ext Ctr
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Gautam Budh Nagar,
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Varanasi
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Varanasi - 221 001 Uttar Pradesh
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Uttaranchal
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Dehradun 248001
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West Bengal
Asansol
74/192, G T Road,
P C Chatterjee Market
Rambandan Tala Asansol - 713 303
Tel. 0341-2215665/66/67/68/69
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Memorable Events and Happenings



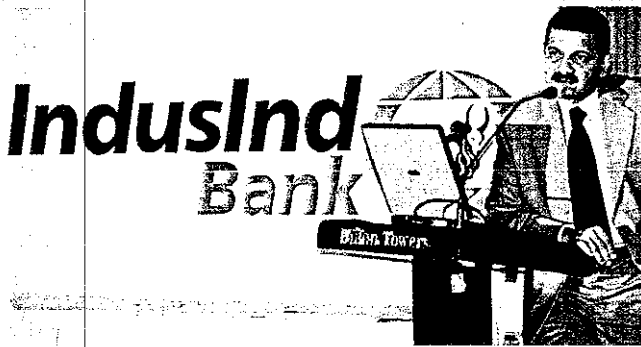
March 2005

Mrs. Geetha Sundararaman, wife of our Director Shri R. Sundararaman with Mrs. Surekha Borkar, wife of DGP and IG, Karnataka State at the launch of International Mahila Card, Bangalore



January 2005

Shri Jagdish Tytler, Honourable Minister for Overseas Indian Affairs and Chairman, Organising Committee, Pravasi Bharatiya Divas 2005, at IndusInd Bank stall, Mumbai



December 2004

Mr. Bhaskar Ghose, Managing Director at the launch of our new Corporate Identity, Mumbai



December 2004

Mr. Bhaskar Ghose, Managing Director launches the new Corporate Identity of the Bank. Looking on are Mr. S.V. Zaregaonkar, Executive Vice President and Chief Financial Officer, Ms. Preeti Vyas, Chairperson, Vyas Giannetti Creative, Mr. Suresh Pai, Executive Vice President and Mr. C.V. Bijlani, former Executive Vice President



December 2004

Shri S.M. Krishna, Honourable Governor of Maharashtra presenting the first Young Saver Certificate at the launch of Indus Young Saver Scheme



July 2004

Mr. Bhaskar Ghose, Managing Director addressing the participants during the India Calling 2004 - Asia Pacific Business Summit, Singapore



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