

News Release

April 25, 2002

ICICI Home Finance cuts interest rates

- Adjustable rate home loans now available at 10.5%
- Change from annual to monthly rest for fixed rate loans

ICICI Home Finance Company Limited, one of the leading home loan providers in the country, has announced an interest rate reduction on its key products today. The rates will change for both its Fixed rate and Adjustable rate home loans (ARHL) with effect from April 25, 2002.

For ARHL of tenors 1-5 years, the rates have been reduced by 100 basis points from 11.5% to 10.5%. For ARHL of tenors 6-20 years, the rates have been reduced by 50 basis points from 11.5% to 11%.

For Fixed Rate loans, the interest rates have been reduced by 25-50 basis points on the popular tenor slabs of 6-10 years, 11-20 years and 21-30 years. For the tenor slabs of 1-5 years, the rates have been raised from 10.25% to 11%, in line with the prevailing market rates.

In addition, interest rates on fixed rate loans will now be applicable on a monthly reducing balance. This will increase the end benefit to the customer in terms of his monthly installment. With this change, ICICI Home Loans for both fixed and adjustable rate options would be calculated at monthly rest basis.

Said Mr. V. Vaidyanathan, Managing Director, ICICI Home Finance, "With the announcement of reduced rates and monthly rests, we hope customers will find it more attractive to avail housing loans from us. Our balance transfer scheme also makes it possible for the customers of other banks to transfer their loans to ICICI Home Finance at the new rates and reduce the EMI, the tenure, or get an additional loan amount. We will continue to add value propositions to our products and services to make them the most competitive and comprehensive in the industry."

The reduced rates and monthly rests makes it more attractive for customers to transfer their existing housing loans to ICICI Home Finance. For example, an individual transferring his balance amount on a loan of Rs. 10 lacs taken in 1996 for 15 years at 18% could save upto Rs. 4.6 lacs in EMI payments.

The new ICICI Home Loan rates (w.e.f. April 25, 2002) are as follows:

Adjustable Rate Loans

	Tenor	Old Rate (%) per annum)	New Rate (%) per annum)
Home Loans	1-5 yrs	11.50	10.50
	6-20 yrs	11.50	11.00

Fixed rate Home loans

For Residents	Tenor	Old Rate (%) per annum)	New Rate (%) per annum)
Home Loans	1-5 yrs	10.25	11.00
	6-10 yrs	11.75	11.50
	11-20 yrs	12.00	11.50
	21-30 yrs	12.25	12.00

About ICICI Home Finance

ICICI Home Finance, a fully owned subsidiary of ICICI Limited, offers home loans for tenors upto 30 years to customers in over 150 cities/towns across the country. Loans are offered for purchase of new homes and home improvement. Besides, the Company also offers Loans for purchasing commercial property and loans against existing property. The company has introduced several customer friendly schemes and services such as 'balance transfer scheme', 'door-step' service, 'know your loan on phone' facility, free personal accident insurance and 'ICICI Home Search' - free property brokerage service.

Except for the historical information contained herein, statements in this release which contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our and ICICI Home Finance Company Limited's strategy, our growth and expansion, the adequacy of our allowance for credit losses, technological changes, investment income, cash flow projections, our exposure to market risks as well as other risks detailed in the reports filed by ICICI Limited with the Securities and Exchange Commission of the United States. ICICI undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

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