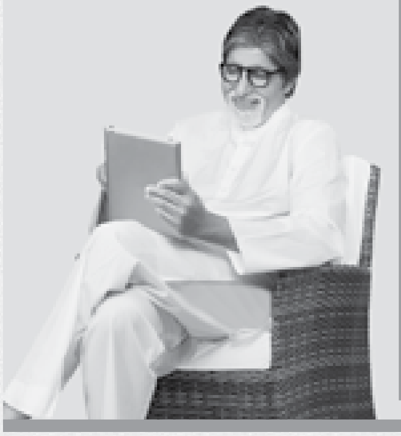
20th Annual Report and Accounts 2013-2014

Thoughtful innovations that drive convenience

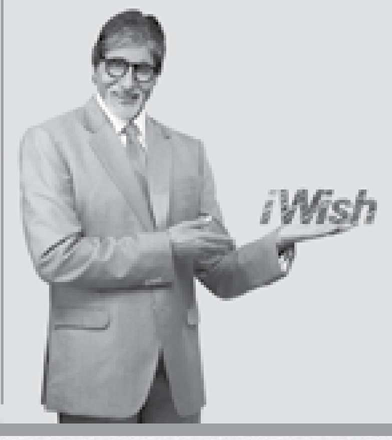
Tab Banking



Touch Banking

Pockets

iWish



ICICI Bank | khayaal aapka

Contents

ICICI Securities
Primary Dealership Limited

ICICI SECURITIES PRIMARY DEALERSHIP LIMITED

21ST ANNUAL REPORT AND ACCOUNTS 2013-2014

Directors
N. S. Kannan, *Chairman*
Uday Chitale
Shilpa Kumar
Vishakha Mulye
Subir Saha
B. Prasanna, *Managing Director & CEO*
Sundaram G. H., Executive Director

Auditors
S.R. Batliboi & Co. LLP
Chartered Accountants

Prachiti D. Lalingkar
Company Secretary

Registered Office
ICICI Centre
H. T. Parekh Marg,
Churchgate
Mumbai - 400 020

directors' report

to the members,

Your Directors have pleasure in presenting the Twenty First Annual Report of ICICI Securities Primary Dealership Limited (the Company) along with the audited statement of accounts for the year ended March 31, 2014.

INDUSTRY OVERVIEW

India's economic growth was modest in fiscal 2014 as both investment and consumption demand remained sluggish for a third consecutive year. As per the Central Statistical Organisation's advance estimates, the gross domestic product (GDP) was estimated to grow by 4.9% year-on-year (YoY) in fiscal 2014 compared to 4.5%YoY growth in fiscal 2013. The deceleration in economic activity was broad based across the industrial and services sectors although the agriculture sector growth improved.

Timely onset of south west monsoon and normal rainfall in fiscal 2014 drove agricultural growth to 4.6% YoY in fiscal 2014 compared to 1.4% YoY in fiscal 2013. Industrial production growth remained muted at 0.2% YoY compared to 0.9% YoY a year ago as weakness persisted in the mining and manufacturing sectors. The services sector expanded at a similar pace in fiscal 2014 as the previous year, at 6.3% YoY. In line with moderating aggregate demand, inflation as measured by wholesale price index (WPI) eased in fiscal 2014. The average WPI inflation in April-February 2014 declined to 5.9% YoY as compared to 7.4% YoY during fiscal 2013. However, the focus has shifted away from WPI inflation towards consumer price index (CPI) inflation as the benchmark price gauge with Reserve Bank of India (RBI) adopting the recommendations laid out by the Urjit Patel Committee. CPI inflation has also slowed but remains elevated, averaging 9.6% YoY in April-February 2014 compared to 10.2% in fiscal 2013. Moderation was observed across sub-segments including food, fuel, housing and services. Core CPI inflation as measured by non-food & fuel inflation averaged 8.1% YoY in April-February 2014 as compared to 8.7% YoY in fiscal 2013.

RBI had adopted an accommodative monetary policy stance in fiscal 2013 and eased the benchmark repo rate again early in fiscal 2014 by 25 basis points to 7.25% as WPI inflation continued to decelerate. However, after a short easing cycle that brought the repo rate lower by a cumulative 125 basis points from the peak, a tighter monetary stance was adopted by the RBI in July 2013 in order to address the strains in the currency market. The expectations of US Federal Reserve exiting from its quantitative easing policy triggered by the comments from the Chairman of the US Federal Reserve in May 2013 sparked risk aversion in global financial markets. The Indian rupee (INR) was particularly adversely affected on account of India's high fiscal and current account deficits that made the currency more vulnerable to global risk aversion. The INR moved from 54.28 to the US dollar in end-March 2013 to 68.80 to the US dollar in end-August 2013 before recovering. While the repo rate was kept unchanged at 7.25% in July 2013, the Marginal Standing Facility rate (MSF) that acts as a cap to the overnight rates was set at a spread of 300 basis points to the repo rate instead of 100 basis points. RBI modulated the liquidity conditions so as to push the overnight rates towards the MSF rate from the repo rate. Subsequently, stability in INR helped RBI normalise the monetary policy by returning the repo-MSF corridor to a spread of 100 basis points. However, the narrowing of spread has been partly achieved by lowering of the MSF rate and partly by an increase in the benchmark repo rate, now at 8%. The increase in repo rate is also intended to achieve a lower CPI inflation glide path over the next two years as recommended by the Urjit Patel Committee. RBI targets to bring CPI inflation to 8% YoY by January 2015 and to 6% YoY by January 2016. The CRR was kept unchanged at 4% in fiscal 2014.

On the external sector front, India's current account deficit (CAD) was 2.3% of GDP in the first three quarters of fiscal 2014 vis-à-vis 4.8% of GDP in fiscal 2013. The sharp moderation has been particularly led by lower gold imports following the policy curbs even as exports have also improved. Lower CAD together with RBI efforts to sustain capital flows, for instance by way of attracting long term NRI flows, resulted into a higher balance of payment (BoP) surplus. BoP surplus was US dollar 8.40 billion during first three quarters of fiscal 2014 compared to a surplus of US dollar 0.96 billion during fiscal 2013. Reflecting these improvements, the INR ended fiscal 2014 at 59.91 to the US dollar.

The central government sought to contain the fiscal deficit to 4.6% of GDP in fiscal 2014 (as against 4.8% budgeted) from 4.9% of GDP recorded in fiscal 2013. As in fiscal 2013 the government achieved a lower deficit by substantially curtailing plan expenditure from the budgeted levels. The savings on account of plan expenditure largely compensated for the subsidies over run and shortfall in tax revenue. The central government borrowed ₹ 150.00 billion less than budgeted as the government's cash position remained comfortable.

Government bond yields were very volatile in fiscal 2014 as the central bank swiftly switched to tightening monetary policy from a more accommodative stance earlier in the year. A transition to a different monetary policy framework also contributed to volatility. The market overall was surprised by the change in the operating rate of RBI. The yield on the old benchmark 10 year increased by nearly 300 basis points from 7.20% in early June to around 9.2% later in the year. The new 10 year benchmark yields closed the fiscal 2014 at 8.80%. This business environment was very difficult and required careful monitoring of risks while at the same time ensuring that opportunities were capitalised upon.

FINANCIAL HIGHLIGHTS

The financial performance for FY2014 is summarised in the following table:

(₹ in million)

	Fiscal 2013	**Fiscal 2014**
Gross income	*8,302.2*	**9,035.6**
Profit before tax	*1,817.1*	**2,020.6**
Provision for tax	*600.3*	**702.3**
Profit after tax	*1,216.8*	**1,318.3**

Appropriations

Profit after tax for the year ended March 31, 2014 was ₹ 1,318.3 million (previous year: ₹ 1.216.8 million). After taking into account the balance of ₹ 827.7 million (previous year: ₹ 717.7 million) brought forward from the previous year, the profit available for appropriation is ₹ 2,146.0 million (previous year: ₹ 1,934.5 million).

In accordance with the guidelines prescribed by Reserve Bank of India and other applicable guidelines, your Directors have recommended a final dividend of 26% for the year and have appropriated the disposable profit as follows:

(₹ in million)

	Fiscal 2013	**Fiscal 2014**
To General Reserve	*121.6*	131.8
To Special Reserve	*243.3*	263.7
To Capital Reserve	*105.9*	126.5
Dividend for the year on equity shares		
- Interim Dividend @ 11.5% (previous year: 35.0%)	*547.2*	179.8
- Proposed Dividend @ 26% (previous year: Nil)	-	406.5
Corporate Dividend tax	*88.8*	99.6
Leaving balance to be carried forward to the next year	*827.7*	938.1

OPERATIONAL REVIEW

Fixed Income

Despite the challenging business environment, the Company maintained its leadership in primary and secondary markets and attempted to capture trading opportunities. Though the Company had substantially reduced its risk positions ahead of July, the sharp upward movement in yields resulted in substantial losses. Through careful monitoring of risks as well as appropriate capitalisation on opportunities during the rest of the year, the Company was able to not only recoup the losses but also to end the year by exceeding the previous year's profits. The Company performed well in both government bonds and derivatives.

The Company successfully met its regulatory requirement of underwriting Government securities and bidding and success commitments in Treasury Bills (T-Bills) auctions. Primary market success in T-Bills was 60% of commitment in fiscal 2014 vis-à-vis 46% in fiscal 2013 (as against regulatory requirement of 40%). Secondary market turnover in Government securities was 399 times in fiscal 2014 vis-à-vis 297 times in fiscal 2013.

The interest rate swaps market witnessed very high volatility, with the first quarter dominated by interest rates moving down aided by softening of headline inflation. The Company continued to be an active player in the swap market with a market share of about 10% in Overnight Indexed Swaps. Swaps were used to execute medium term views on interest rates, especially in the second half of the year.

There were no significant regulatory changes in fiscal 2014. Though the stock exchanges have launched the trading platform for corporate bond trading, the same has not taken off due to lack of active interest from market participants. The lower single borrower and group borrower limits continued to work as a constraint on our trading activity. The activity on corporate bonds was also constrained by lower issuances in fiscal 2014 as bond yields moved up. As a result, our activity was subdued compared to the previous years.

The corporate bond market was devoid of any significant opportunities due to the interest rate hikes as well as the tight liquidity stance of RBI and the focus during the second half of the year was only on preserving capital.

Despite the drop in overall placement volumes due to adverse markets, the Company generated reasonable fees by diversifying its efforts across the credit spectrum and focusing on issuances by state level undertakings as well as private and public issues of tax free bonds. The Company also had a higher share of the private placement market at 36% and nearly ₹ 780.00 billion volumes this year against 29% and ₹ 900.00 billion last year, in spite of prioritising fee earnings over placement volumes.

The Company's clients continued to be diversified across sectors including holding companies, banks, financial institutions, public sector undertakings, NBFCs, FMCG and state level undertakings.

Some of the significant deals where the Company was Sole Arranger include Tata Sons Limited (₹ 22.70 billion across deals, holding company), Raymond Limited (₹ 1.00 billion, textiles), Tata Motors Finance Limited (₹ 1.00 billion, NBFC). The Company was also part of the ₹ 80.00 billion issuance of Central Government guaranteed debentures by Food Corporation of India which is the largest private placement deal in the country to date.

Other notable deals where the Company was involved include Jyothy Laboratories (₹ 4.00 billion, FMCG), Shriram Transport Finance Company Limited (₹ 5.50 billion, NBFC), Central Government guaranteed bonds by MTNL (₹ 27.40 billion in two deals) and Basel III complaint Tier II bond issuance by Punjab National Bank (₹ 10.00 billion). The Company was the largest arranger of tax free bonds through private placement route, being associated with mobilization of ₹ 95.14 billion (out of total ₹ 117.30 billion placement).

Portfolio Management Services

During the year, the Company acted as one of the discretionary fund managers for managing the funds belonging to the Employees Provident Fund Organisation under the Ministry of Labour.

During the year, the Company was appointed as advisors to West Bengal State Electricity Board General Provident Fund, West Bengal State Electricity Distribution Company Limited Employees Contributory Provident Fund and West Bengal State Co-operative Bank.

Overall, gross Assets Under Management on a discretionary basis were at ~ ₹ 1,031.75 million at March 31, 2014. The Company is proactively targeting new clients to increase its presence in this line of business.

Risk Management

As a financial services company, risk management forms the core of our various business operations. The Corporate Risk Management Group (CRMG) is committed to framing effective and contemporary risk management policies, addressing market and credit risk. CRMG has developed comprehensive risk management policies, which seek to minimise risks in the activities of the Company. The Group develops and maintains models to assess market risks that are constantly updated to capture the dynamic nature of the markets and, thus, participates in the evaluation and introduction of new products and business activities. The Group also advises the fixed income division by acting as an investment advisor on possible rating migration and thereby enables the Company to effectively protect its capital from possible defaults and rating revisions. CRMG closely monitors the financial profiles of counterparties (private and public sector companies, banks and institutions and others) through in-depth analysis, regular interactions with the companies and rating agencies to provide proactive recommendations to the fixed income division.

The Company has an internal Risk Management Committee comprising of members of the Board of Directors of the Company. The Risk Management Committee is responsible for analysing and monitoring the risks associated with the different business activities of the Company and ensuring adherence to the risk and investment limits set by the Board of Directors.

Achievements during the year

The Company was adjudged as the 'Best Domestic Bond House' in India at The Asset Triple A Asian awards 2013 conducted by international publication, The Asset for its contribution in primary debt placements and overall development of the domestic bond markets.

OUTLOOK

The outlook for bond markets in fiscal 2015 will be conditioned by the evolving inflation dynamics and the fiscal stance of the government. The RBI is expected to navigate its monetary policy stance towards delivering on the disinflationary glide path objectives set out by the Urjit Patel committee. Accordingly, if CPI inflation trajectory is seen deviating from the interim target of 8% in January 2015 or the terminal target of 6% in January 2016, the monetary policy is likely to be suitably altered. The status of the monsoons including the spatial distribution, government stance on food prices, persistence of sequential deceleration in Core inflation and fiscal metrics under the new political formation would be key factors affecting inflation outlook. In addition to the uncertainty around policy rates, government bond supply and liquidity constraints could also play a major role in behaviour of the sovereign yield curve. The Company would remain watchful while capitalising opportunistically on any favourable developments during the year.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee. The CSR Committee consists of three directors namely, Uday Chitale, B. Prasanna and Sundaram G. H. The Committee is chaired by Uday Chitale, an Independent Director of the Company.

PUBLIC DEPOSITS

The Company has not accepted any deposit from the public during the year under review.

DIRECTORS

In terms of the provisions of the Companies Act, 2013 and Articles of Association of the Company, Subir Saha, Non-executive Director will retire by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible, offer himself for re-appointment.

As per the provisions of the Companies Act, 2013, independent directors are not liable to retire by rotation and the terms of appointment of independent directors will be governed by the provisions of Companies Act, 2013.

The Members of the Company had in January 2009, based on the recommendations of the Board of Directors, approved the appointment of Sundaram G. H. as Executive Director for a period of five years effective April 27, 2009 up to April 26, 2014. The requisite approval was received from the Securities and Exchange Board of India (SEBI) for the aforementioned appointment.

The Board has, at its meeting held on April 15, 2014 based on the recommendation of the Governance Committee, approved the re-appointment of Sundaram G. H. as Executive Director for a further period of five years effective April 27, 2014 up to April 26, 2019, subject to the approval of the Members.

The resolution for the re-appointment is proposed to the Members in the notice of current AGM vide item no. 6 and the explanatory statement including the duration and terms of re-appointment as well as remuneration. You are requested to consider the re-appointment of Sundaram G. H. as Executive Director.

AUDITORS

The Statutory Auditors, S. R. Batliboi & Co. LLP, ICAI Firm Registration Number: 301003E (formerly known as S. R. Batliboi & Co.), Chartered Accountants, Mumbai, will retire at the ensuing AGM. On the basis of the recommendation of the Audit Committee, the Board has proposed the re-appointment of S. R. Batliboi & Co. LLP as Statutory Auditors to audit the accounts of the Company for a further period of three years. The retiring Auditors have indicated their willingness to be re-appointed. You are requested to consider their re-appointment.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

During fiscal 2014, expenditure in foreign currencies amounted to ₹ 2.7 million (previous year: ₹ 0.5 million) and earnings in foreign currencies were ₹ nil (previous year: ₹ nil).

PERSONNEL

As required by the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report.

ADDITIONAL INFORMATION

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 Company. The Company has, however, used information technology extensively in its operations.

AUDIT COMMITTEE

The Audit Committee comprises Uday Chitale, N. S. Kannan and Vishakha Mulye as its members. Uday Chitale, an Independent Director, is the Chairman of the Audit Committee. The Committee meets to review the accounts, internal control systems and significant accounting policies of the Company and to discuss the audit findings and recommendations of the internal and statutory auditors.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 217(2AA) of the Companies Act, 1956, the Directors of the Company confirm-

1. that the applicable accounting standards have been followed in preparation of the annual accounts and that there are no material departures;
2. that such accounting policies have been selected and applied consistently and such judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at March 31, 2014 and of the profit of the Company for the year ended on that date;
3. that proper and sufficient care has been taken 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; and
4. that the annual accounts have been prepared on a going concern basis.

CORPORATE PHILOSOPHY AND COMPLIANCE

The Company firmly believes that corporate governance and compliance practices are of paramount importance to maintain the trust and confidence of its stakeholders and good reputation of the Company. To ensure transparency, fairness and objectivity in an organisation's functioning, the Company has proactively adopted best practices as regards corporate governance and compliance. The Company's policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, inter alia, integrity of all personnel involved in the Company, priority to clients' interests over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

ACKNOWLEDGEMENTS

The Directors thank the clients for the confidence reposed, which has enabled the Company to successfully deliver well structured solutions through timely execution in a preferred way.

The Directors thank the Government of India, Reserve Bank of India, Securities and Exchange Board of India and other statutory authorities for their continued support to the Company. The Directors also thank the Company's bankers and lenders.

The Directors express their gratitude for the support and guidance received from ICICI Bank Limited, the holding company and other group companies.

The Directors also express their sincere appreciation to all the employees for commendable teamwork, professionalism and contribution during the year.

For and on behalf of the Board

N. S. KANNAN
Chairman

May 22, 2014

independent auditors' report

to the members of ICICI Securities Primary Dealership Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of ICICI Securities Primary Dealership Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated September 13, 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, 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 purpose of our audit;
   (b) 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;
   (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated September 13, 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013;
   (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S.R. Batliboi & Co. LLP
ICAI Firm registration number: 301003E
Chartered Accountants

per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, 15 April 2014

annexure to the independent auditors' report

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

RE: ICICI SECURITIES PRIMARY DEALERSHIP LIMITED

(i) (a) The fixed assets of the Company comprise leased fixed assets and other fixed assets. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets, except leased assets, were physically verified by the management in the year in accordance with a planned program of verifying them which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.

(c) There was no substantial disposal of fixed assets during the year.

(ii) (a) The securities held as stock in trade and in custody of the Company have been physically verified by the management at reasonable intervals. Government securities and treasury bills held in Subsidiary General Ledger Account ('SGL') with the Reserve Bank of India ('RBI') or as margin with Clearing Corporation of India ('CCIL') are verified with the confirmation statements received from the RBI and CCIL on a regular basis. The securities (other than government securities and treasury bills) held as stock in trade in dematerialized form with the custodian is verified with the confirmation statement received from the custodian on a regular basis. In our opinion, the frequency of such verification is reasonable.

(b) The procedures of physical verification of securities held as stock in trade followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of securities held as stock in trade and no discrepancies were noticed on comparing the statements (as mentioned in paragraph ii(a) above) from custodian with book records.

(iii) As informed, the Company has neither granted nor taken any loans, secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 301 of the Act and hence clause 4 (iii) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of securities held as stock in trade and fixed assets and for rendering services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

As informed, the Company has not sold goods during the year, hence adequacy of internal controls on same has not been commented upon.

(v) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.

(vi) The Company has not accepted any deposits from the public.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products and services of the Company.

(ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, wealth-tax, service tax and other material statutory dues applicable to it.

The provisions of Investor Education and Protection Fund, employees' state insurance, sales-tax, customs duty, excise duty and cess are not applicable to the Company in the current year.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

The provisions of Investor Education and Protection Fund, customs duty, excise duty and cess are not applicable to the Company in the current year.

(c) According to the records of the Company, the dues outstanding of income-tax and Service Tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of provision for expenses	7.9	AY 2008-2009	Income Tax Appellate Tribunal
Income Tax Act, 1961	Disallowance u/s 14A	3.2	AY 2011-2012	Commissioner of Income Tax
Service Tax Act, 1994	Disallowance of Input credit	6.3	October 2000 to June 2002	Commissioner of Central Excise (Appeals)

According to the information and explanation given to us, there are no dues of sales-tax, wealth tax, and cess which have not been deposited on account of any dispute.

The provisions of customs duty and excise duty are not applicable to the Company in the current year.

(x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(xii) Based on our examination of documents and records, we are of the opinion that the Company has maintained adequate records where the Company has granted loans and advances on the basis of security by way of pledge of Government Securities and Treasury Bills.

(xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.

(xiv) In respect of dealing/trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company, in its own name.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) The Company did not have any term loans outstanding during the year.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purpose.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.

(xix) The Company has unsecured debentures outstanding during the year on which no security or charge is required to be created.

(xx) The Company has not raised any money through a public issue.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For S.R. Batliboi & Co. LLP
ICAI Firm registration number: 301003E
Chartered Accountants

per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, 15 April 2014

balance sheet

as at March 31, 2014

	Notes	As at March 31, 2014	(₹ in million) As at March 31, 2013
I EQUITY AND LIABILITIES			
Shareholders' Funds			
A. Share Capital	2	**1,563.4**	*1,563.4*
B. Reserves and Surplus	3	**5,859.5**	*5,227.1*
		7,422.9	*6,790.5*
Non-Current Liabilities			
A. Long Term Borrowings	4	**3,650.0**	*3,100.0*
B. Long Term Provisions	5	**90.5**	*85.6*
		3,740.5	*3,185.6*
Current Liabilities			
A. Short Term Borrowings	6	**82,213.3**	*78,628.1*
B. Current Maturities of Long Term Borrowings	4	**800.0**	*2,000.0*
C. Trade Payables	7	**7,560.1**	*15,894.4*
D. Other Current Liabilities	8	**3,298.0**	*917.1*
E. Short Term Provisions	9	**476.7**	*56.6*
		94,348.1	*97,496.2*
		105,511.5	*107,472.3*
II ASSETS			
Non-Current Assets			
A. Fixed Assets	10		
(i) Tangible Assets		**14.6**	*11.9*
(ii) Intangible Assets		**4.9**	*8.4*
(iii) Capital Work-in-progress		**0.1**	*1.0*
B. Non-Current Investments	11	**9,633.2**	*3,170.6*
C. Deferred Tax Assets (Net)	12	**34.0**	*31.4*
D. Long Term Loans and Advances	13	**94.8**	*164.9*
		9,781.6	*3,388.2*
Current Assets			
A. Inventories - Securities Held as Stock in Trade	14	**81,224.2**	*93,864.9*
B. Trade Receivables	15	**9,609.0**	*7,602.3*
C. Cash and Cash Equivalents	16	**574.9**	279.0
D. Short Term Loans and Advances	17	**2,020.2**	324.6
E. Other Current Assets	18	**2,301.6**	2,013.3
		95,729.9	104,084.1
		105,511.5	107,472.3
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date.

S.R. Batliboi & Co. LLP
ICAI Firm Registration No.301003E
Chartered Accountants

per SHRAWAN JALAN
Partner
Membership No: 102102

Mumbai, April 15, 2014

statement of profit and loss

for the year ended March 31, 2014

	Notes	For the year ended March 31, 2014	(₹ in million) For the year ended March 31, 2013
Revenue from Operations			
(a) Interest & Dividend Income	19	**6,764.1**	*6,147.4*
(b) Profit/(Loss) on Securities (Net)	20	**1,499.7**	*1,898.6*
(c) Income from Services	21	**752.6**	*210.9*
		9,016.4	*8,256.9*
Other Income	22	**19.2**	*45.3*
Total Revenue		**9,035.6**	*8,302.2*
Less : Operating Expenditure			
(a) Interest Expenses	23	**6,106.6**	*5,636.6*
(b) Operating Expenses	24	**241.9**	*186.6*
Total Operating Expenses		**6,348.5**	*5,823.2*
		2,687.1	*2,479.0*
Less : Administrative Expenditure			
(a) Employee expenses	25	**511.4**	*519.2*
(b) Establishment and Other Expenses	26	**143.2**	*131.6*
(c) Depreciation		**11.9**	*11.1*
Total Administrative Expenses		**666.5**	*661.9*
Profit before Tax		**2,020.6**	*1,817.1*
Tax Expense			
(a) Current Tax		**705.0**	*607.0*
(b) Deferred Tax		**(2.7)**	*(6.7)*
Total Tax		**702.3**	*600.3*
Profit after Tax		**1,318.3**	*1,216.8*
Earnings per share (Basic & Diluted)	27	**84,324.9**	*77,832.1*
(Face value ₹1,00,000/- per share (Previous Year ₹1,00,000/- per share)			
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

For and on behalf of the Board of Directors

N. S. KANNAN
Chairman

UDAY CHITALE
Director

B.PRASANNA
Managing Director & CEO

ABHIJEET GUIN
CFO

PRACHITI LALINGKAR
Company Secretary

Mumbai, April 15, 2014

NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2014:

1. SIGNIFICANT ACCOUNTING POLICIES:

(i) Basis of Preparation

The financial statements have been prepared to comply in all material respects in respects with the Notified Accounting Standards by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 and circulars and guidelines issued by The Reserve Bank of India from time to time to the extent applicable. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year

(ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(iii) Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured.

(a) Revenue from issue management, loan syndication, financial advisory services is recognized based on the stage of completion of assignments and terms of agreement with the client.

(b) Gains and losses on dealing with securities are recognized on trade date.

(c) Interest income is accounted on an accrual basis except for non performing / doubtful assets, interest in respect of which is recognized, considering prudential norms for income recognition issued by Reserve Bank of India (RBI) for Non-Banking Financial Companies on a realization basis

(d) Dividend income is recognized when the shareholders' right to receive payment is established by the balance sheet date.

(e) All other incomes are recognized on accrual basis.

(iv) Stock-in-trade

(a) The securities acquired with the intention of holding for short-term and trading are classified as stock-in-trade.

(b) The securities held as stock-in-trade are valued at lower of cost arrived at on weighted average basis or market/ fair value, computed category-wise. Market/fair value is adjusted for appropriate illiquidity discount to the values prescribed by Fixed Income Money Market and Derivatives Association (FIMMDA). In case of investments transferred to stock-in-trade, carrying amount on the date of transfer is considered as cost. Commission earned in respect of securities acquired upon devolvement is reduced from the cost of acquisition. Fair value of unquoted shares is taken at break-up value of shares as per the latest audited balance sheet of the concerned company. In case of debt instruments, fair value is worked out on the basis of yield to maturity rate selected considering quotes, where available and credit profile of the issuer and market related spreads over the government securities.

(c) Discounted instruments like treasury bills/ zero coupon instruments are valued at carrying cost or market/fair value whichever is lower. The difference between the acquisition cost and the redemption value of discounted instruments is apportioned on a straight line basis for the period of holding and recognized as Interest income

(d) With effect from April 01, 2013, discounted instruments like commercial papers / certificate of deposits are valued at carrying cost. There is no impact on the Statement Of Profit And Loss For the year ended March 31, 2014 on account of this change. The difference between the acquisition cost and the redemption value of discounted instruments is apportioned on a straight line basis for the period of holding and recognized as Interest income

(e) Units of mutual fund are valued at lower of cost and net asset value.

(f) The secondary market short sale transactions in Government securities as permitted by RBI Circular no, RBI/2006-2007/243 IDMD. No./11.01.01(B)/2006-07 are grouped under other liabilities.

(v) Investments

(a) The securities acquired with the intention of holding till maturity or for a longer period are classified as investments.

(b) Investments are carried at cost arrived at on weighted average basis and includes directly attributable acquisition charges. Commissions earned in respect of securities acquired upon devolvement are reduced from the cost of acquisition. Appropriate provision is made for other than temporary diminution in the value of investments.

(c) Held to Maturity (HTM) Securities

Investments classified under HTM are carried at acquisition cost, unless it is more than the face value, in which case the premium is amortized over the period remaining over maturity and charged to Profit and Loss account. The book value of the security is reduced to the extent of the amount amortized during the relevant accounting period

The profit on sale of securities from the HTM category is first taken to Profit and Loss account and thereafter appropriated, net of taxes to the Capital Reserve Account. Loss on sale is recognized in the Profit and Loss account.

(vi) Repurchase and Resale Transactions (Repo)

Repo transactions are treated as collateralized lending and borrowing transactions, with an agreement to repurchase, on the agreed terms, as per RBI guidelines and accordingly disclosed in the financial statements. The difference between consideration amounts of the first leg and second leg of the repo are reckoned as Repo Interest. As regards repo / reverse repo transactions outstanding on the balance sheet date, only the accrued income / expenditure till the balance sheet date is taken to the Profit and Loss account. Any repo income / expenditure for the remaining period is reckoned for the next accounting period. The securities sold under repo transactions are continued to marked to market as per the investment classification of the security.

(vii) Fixed Assets (Tangible and Intangible) and Depreciation

(a) Fixed assets are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for intended use.

(b) Depreciation on fixed assets is provided using the straight line method as per the useful life of the assets estimated by the management or at the rates specified in Schedule XIV of the Companies Act, 1956 whichever is higher.

Asset	Depreciation Rate(SLM)	Schedule XIV Rate
Plant & Machinery / Electrical Installation	10.00%	4.75%
Office Equipment	10.00%	4.75%
Computers	33.33%	16.21%
Furniture & Fixtures	15.00%	6.33%
Vehicles	20.00%	9.50%
Software	25.00%	16.21%

(viii) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using the pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to that asset.

(ix) Income Taxes

Tax expense comprises of current and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects 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 there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Unrecognised 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 realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

(x) Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

(xi) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short term investments with an original maturity of three months or less.

(xii) Provision for Doubtful Loans and Advances

The policy of provisioning against non performing loans and advances has been decided by the management considering norms prescribed by the RBI under Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007. As per the policy adopted, the provision against substandard assets are fixed on a conservative basis, taking into account management's perception of the higher risk associated with the business of the Company. Certain non-performing loans and advances are considered as loss assets and full provision has been made against such assets.

(xiii) Foreign Currency Transactions

(a) **Initial recognition**: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) **Conversion**: Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(c) **Exchange Differences**: Exchange differences arising on settlement or restatement of monetary items are recognized as exchange gain/ loss in the profit and loss account.

(xiv) Retirement and Other Employee Benefits

(a) Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

(b) The Company's employees are covered under the Employees' Gratuity Scheme & contribution is made to ICICI Prudential Life Insurance Company Limited. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each reporting period.

(c) Compensated absences are provided for on the basis of actuarial valuation. The actuarial valuation is done as per projected unit credit method at the end of each reporting period. Accumulated leave which is expected to be utilized within the next twelve months is treated as short term employee benefit. These costs are measured at the additional amount expected to be paid towards the leave used from such unused entitlements.

(d) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

(xv) Derivatives Transactions

(a) All open positions are marked to market except hedge swaps which are accounted for on accrual basis.

(b) Gains are recognized only on settlement/expiry of the derivative instruments except for Interest Rate derivatives which are marked-to-market and the resulting gain or loss is accounted for in the profit & loss account.

(c) Receivables/payables on open position are disclosed as current assets/ current liabilities, as the case may be.

(xvi) Segment Reporting

The Company's primary business segments are reflected based on the principal business carried out, i.e. trading in securities.

The risk and returns of the business of the Company is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment.

(xvii) Earnings per Share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xviii) Provisions

A provision is recognised when an enterprise has a present 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.

(₹ in million)

	As at March 31, 2014	*As at March 31, 2013*
2. SHARE CAPITAL :		
50,000 (Previous year 50,000) Equity Shares of ₹1,00,000 each	**5,000.0**	*5,000.0*
Issued, Subscribed & Fully Paid Up		
15,634 (Previous year 15,634) Equity Shares of ₹ 1,00,000 each	**1,563.4**	*1,563.4*
Subscribed & Fully Paid Up:		
15,634 (Previous year 15,634) Equity Shares of ₹ 1,00,000 each fully paid up	**1,563.4**	*1,563.4*

Notes:

(1) The company has only one class of equity shares having a par value of ₹ 100,000/- per share. Each shareholder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the the number of equity shares held by the shareholder.

(2) Of the above, 15,634 (Previous year 15,634) Equity Shares of ₹ 100,000 each fully paid are held by ICICI Bank Limited (the Holding company) and its nominees.

Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at March 31, 2014		*As at March 31, 2013*	
	No of Shares	**₹ in million**	**No of Shares**	**₹ in million**
Equity Shares				
At the beginning of the year	**15,634.0**	**1,563.4**	15,634.0	1,563.4
Issued during the year	—	—	—	—
Outstanding at the end of the year	**15,634.0**	**1,563.4**	15,634.0	1,563.4

Details of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date :

(a) During the period of last five years immediately preceding the reporting date the company has not issued any bonus shares

(b) During the period of last five years immediately preceding the reporting date, the company has bought back 576 Equity shares during the year ended on March 31, 2009

(₹ in million)

	As at March 31, 2014	As at March 31, 2013
3. RESERVES AND SURPLUS		
General Reserve		
Balance as per last financial statements	617.2	495.6
Additions / transfer during the year	131.8	121.6
Closing balance	749.0	617.2
Special Reserve		
(maintained under Section 45 IC of the Reserve Bank of India (RBI) Act, 1934)		
Balance as per last financial statements	3,199.9	2,956.6
Additions / transfer during the year	263.7	243.3
Closing balance	3,463.6	3,199.9
Capital Reserve*		
Balance as per last financial statements	115.7	9.8
Additions / transfer during the year	126.5	105.9
Closing balance	242.2	115.7
Capital Redemption Reserve		
Balance as per last financial statements	466.6	466.6
Additions / transfer during the year	—	—
Closing balance	466.6	466.6

(₹ in million)

	As at March 31, 2014	As at March 31, 2013
Profit and Loss Account		
Balance as as per last financial statements	827.7	717.7
Profit for the year	1,318.3	1,216.8
Less: Appropriations		
Transfer to Special Reserve	263.7	243.3
Transfer to General Reserve	131.8	121.6
Transfer to Capital Reserve*	126.5	105.9
Interim dividend	179.8	547.2
Proposed Dividend	406.5	—
(Amount ₹ 26,000 per share (Previous year ₹ Nil per share)		
Corporate Dividend Tax	99.6	88.8
Closing balance	938.1	827.7
TOTAL	5,859.5	5,227.1

*Represents profit on sale of Held to Maturity (HTM) investments (net of tax)

	As at March 31, 2014		As at March 31, 2013	
	Non-Current Maturites	**Current Maturities**	*Non-Current Maturites*	*Current Maturities*
4. LONG TERM BORROWINGS:				
Unsecured				
Subordinated Bonds - Tier II Capital				
25 (Previous year 25) 9.90% Unsecured Bonds of ₹ 10 million each maturing on April 28, 2014	—	250.0	250.0	—
50 (Previous year 50) 9.75% Unsecured Bonds of ₹ 10 million each maturing on December 21, 2021	500.0	—	500.0	—
150 (Previous year 150) 9.65% Unsecured Bonds of ₹ 1 million each maturing on May 17, 2022	150.0	—	150.0	—
850 (Previous year Nil) 9.20% Unsecured Bonds of ₹ 1 million each maturing on April 26, 2023	850.0	—	—	—
350 (Previous year Nil) 9.35% Unsecured Bonds of ₹ 1 million each maturing on April 30, 2023	350.0	—	350.0	—
500 (Previous year Nil) 9.35% Unsecured Bonds of ₹ 1 million each maturing on June 14, 2023	500.0	— —	500.0	—
500 (Previous year Nil) 9.80% Unsecured Bonds of ₹ 1 million each maturing on May 17, 2024	500.0	—	—	—
Total Subordinated Bonds issued as Tier II Capital	2,850.0	250.0	1,750.0	—
Subordinated Bonds - Tier III Capital				
Nil (previous year 100) 10.40% Unsecured Bonds of ₹ 10 million each maturing on June 27, 2013	—	—	—	1,000.0
Nil (previous year 100) 10.00% Unsecured Bonds of ₹ 10 million each maturing on July 19, 2013	—	—	—	1,000.0
15 (previous year 15) 9.90% Unsecured Bonds of ₹ 10 million each maturing on April 21, 2014	—	150.0	150.0	—
40 (Previous year Nil) 10.15% Unsecured Bonds of ₹ 10 million each maturing on July 28, 2014	—	400.0	400.0	—
35 (previous year 35) 10.10% Unsecured Bonds of ₹ 10 million each maturing on April 06, 2015	350.0	—	350.0	—
45 (Previous year Nil) 10.15% Unsecured Bonds of ₹ 10 million each maturing on June 28, 2015	450.0		450.0	—
Total Subordinated Bonds issued as Tier III Capital	800.0	550.0	1,350.0	2,000.0
Amount disclosed under the head "B. Current Maturities of Long Term Borrowings" under "Current Liabilities" in Balance Sheet		(800.0)		(2,000.0)
TOTAL	3,650.0	—	3,100.0	—

	As at March 31, 2014	(₹ in million) *As at March 31, 2013*
5. LONG TERM PROVISIONS:		
Provision for Employee Benefits	**90.5**	*85.6*
TOTAL	**90.5**	*85.6*
6. SHORT TERM BORROWINGS:		
Secured		
Borrowings under Liquidity Adjustment Facility & Standing Liquidity Facility	**25,588.5**	*15,438.5*
(Secured by pledge of Government securities of Face Value ₹ 26,976.5 million) (Previous year ₹ 16,370.0 million)		
Collateralised Borrowings	**1,190.8**	*2,314.2*
(Secured by pledge of Government securities of Face Value ₹ 1,410.0 million) (Previous year ₹ 4,340.0 million)		
Repo Borrowings	**37,880.5**	*32,582.8*
(Secured by pledge of Government securities of Face Value ₹ 39,725.3 million) (Previous year ₹ 31,548.7 million)		
TOTAL (A)	**64,659.8**	*50,335.5*
Unsecured		
Inter-Corporate Borrowings	**480.0**	*550.0*
Money at Call, Notice and Term	**14,000.0**	*25,250.0*
Commercial Paper Borrowings	**3,073.5**	*2,492.6*
TOTAL (B)	**17,553.5**	*28,292.6*
TOTAL (A) + (B)	**82,213.3**	*78,628.1*

	As at March 31, 2014	(₹ in million) *As at March 31, 2013*
7. TRADE PAYABLES		
Trades executed but not settled	**7,560.1**	*15,894.4*
	7,560.1	*15,894.4*
8. OTHER CURRENT LIABILITIES:		
Interest accrued but not due on loans	**510.3**	*529.8*
Sundry Creditors for Expenses	**316.4**	*333.4*
TDS and Service Tax Payable	**8.9**	*8.8*
Other Liabilities	**2,462.4**	*45.1*
(Includes securities short sold having Face Value ₹ 2,450.0 million (previous year ₹ Nil)		
Unclaimed Dividends	—	—
	3,298.0	*917.1*
9. SHORT TERM PROVISIONS:		
Provision for Employee Benefits	**1.0**	*0.6*
Proposed Dividend & Corporate Dividend Tax	**475.6**	*55.8*
(Including Corporate Dividend Tax ₹ 69.1 million (Previous Year ₹ nil))		
Contingent Provision against Standard Assets	**0.1**	*0.2*
	476.7	*56.6*

10. FIXED ASSETS:

	Gross Block (at Cost)				Accumulated Depreciation/Amortisation				Net Block	
	April 1, 2013	Additions	Sale/Adj	**March 31, 2014**	*April 1 2013*	Additions	Sale/Adj	**March 31, 2014**	**March 31, 2014**	*March 31, 2013*
(i) TANGIBLE										
Plant & Machinery / Electrical Installation	*5.1*	—	—	5.1	*3.4*	0.5	—	**3.9**	**1.2**	***1.7***
Office Equipment	*20.9*	3.1	0.5	23.5	*16.3*	1.6	0.2	**17.7**	**5.8**	***4.6***
Computers	*30.3*	5.0	—	35.3	*26.7*	3.8	—	**30.5**	**4.8**	***3.6***
Furniture & Fixtures	*9.8*	2.2	—	12.0	*8.6*	1.0	—	**9.6**	**2.4**	***1.2***
Vehicles	*4.8*	—	—	4.8	*4.0*	0.4	—	**4.4**	**0.4**	***0.8***
(ii) INTANGIBLE										
Software	28.2	1.1	—	29.3	**19.8**	4.6	—	**24.4**	4.9	**8.4**
Total	*99.1*	**11.4**	**0.5**	**110.0**	*78.8*	**11.9**	**0.2**	**90.5**	**19.4**	***20.3***
(iii) Capital Work-in-Progress	*1.0*	2.8	3.7	0.1	—	—	—	—	**0.1**	***1.0***
Sub-Total	*100.1*	14.2	4.2	110.1	*78.8*	11.9	0.2	**90.5**	**19.5**	***21.3***
Assets Given on lease (Plant & Machinery)	*210.0*	—	210.0	—	*210.0*	—	210.0	—	—	—
Total	***310.1***	**14.2**	**214.2**	**110.1**	***288.8***	**11.9**	**210.2**	**90.5**	**19.5**	*21.3*
Previous Year	*331.8*	3.9	25.6	310.1	*302.7*	11.1	25.0	**288.8**	**21.3**	

	As at March 31, 2014	As at March 31, 2013
	(₹ in million)	
11. NON-CURRENT INVESTMENTS		
Investments in Government Securities (Quoted)	**9,633.2**	*3,170.6*
(Market Value ₹ 9,379.9 million (Previous Year ₹ 3,155.2))	**9,633.2**	*3,170.6*
12. DEFERRED TAX ASSETS (NET)		
The break-up of deferred tax assets into major components as on the balance sheet date is as follows:-		
Deferred Tax Assets		
Timing Difference on Depreciation on Fixed Assets	2.9	*2.0*
Expenditure disallowed under Income Tax Act, 1961		
Provision for Doubtful Debtors	**0.0**	*0.1*
Provision for Employee Retirement Benefits	**31.1**	*29.3*
	34.0	*31.4*
13. LONG TERM LOANS AND ADVANCES		
Advance Tax	**94.8**	*164.9*
(net of Provisions for Tax ₹ 8,517.3 million Previous year - ₹ 7,812.3 million)		
	94.8	*164.9*

14. QUANTITATIVE DETAILS OF SECURITIES HELD AS STOCK IN TRADE

(a) Opening and closing stock

Category	Opening Stock		Closing Stock	
	Face Value	Value	Face Value	Value
Government Securities	*38,096.3*	*38,634.6*	*19,396.9*	*18,312.2*
	(5,245.8)	*(5,205.5)*	*(38,096.3)*	*(38,634.6)*
Treasury Bills	*22,078.1*	*21,567.9*	*43,118.6*	*41,292.1*
	(42,755.0)	*(41,751.8)*	*(22,078.1)*	*(21,567.9)*
Shares	*821.6*	*791.4*	*659.9*	*808.8*
	(80.2)	*(54.5)*	*(821.6)*	*(791.4)*
Debentures/Bonds & CPs / CDs	*33,668.3*	*32,871.0*	*21,363.2*	*20,811.1*
	(31,469.9)	*(29,686.6)*	*(33,668.3)*	*(32,871.0)*
Total	94,664.2	93,864.9	84,538.5	81,224.2
	(79,551.0)	*(76,698.4)*	*(94,664.2)*	*(93,864.9)*

(b) Purchases and sales

Category	Purchases		Sales	
	Face Value	Value	Face Value	Value
Government Securities	*5,714,958.7*	*5,691,611.9*	*5,733,658.1*	*5,712,129.8*
	(3,410,371.8)	*(3,466,152.4)*	*(3,377,521.4)*	*(3,434,253.0)*
Treasury Bills	*472,048.6*	*450,028.5*	*451,008.1*	*430,429.9*
	(276,967.5)	*(268,145.5)*	*(297,644.5)*	*(288,371.7)*
Shares	*1,158.2*	*2,073.4*	*1,319.8*	*2,082.6*
	(852.8)	*(2,631.8)*	*(111.5)*	*(1,959.7)*
Debentures/Bonds & CPs / CDs	*126,159.2*	*124,663.4*	*138,464.3*	*136,842.0*
	(152,506.0)	*(150,599.0)*	*(150,307.6)*	*(147,681.6)*
Units	*63,445.5*	*116,300.0*	*63,445.5*	*116,353.0*
	(91,712.7)	*(244,500.0)*	*(91,712.7)*	*(244,587.4)*
Total	6,377,770.1	6,384,677.1	6,387,895.8	6,397,837.3
	(3,932,410.9)	*(4,132,028.6)*	*(3,917,297.6)*	*(4,116,853.3)*

Note: Figures in parenthesis pertain to previous year.

	Year ended March 31, 2014	Year ended March 31, 2013
	(₹ in million)	
15. TRADE RECEIVABLES		
Considered good	**28.1**	*57.3*
Trades executed but not settled - Considered Good	**9,580.9**	*7,545.0*
TOTAL	**9,609.0**	*7,602.3*
16. CASH AND CASH EQUIVALENTS		
Cash & Cheques on hand	**0.0**	*3.3*
Balance In Current Accounts with Scheduled Banks	**85.9**	*34.0*
In Current Accounts with Reserve Bank of India	**46.0**	*16.7*
	131.9	*54.0*
Fixed Deposits with Scheduled Banks (Under Lien)	**443.0**	*225.0*
TOTAL	**574.9**	*279.0*
17. SHORT TERM LOANS AND ADVANCES		
CBLO Lendings - Secured	**329.4**	*20.0*
Repo Lending	**1,182.7**	—
Advances and Deposits*	**508.1**	*304.6*
	2,020.2	*324.6*

* For advances to and deposits with related parties, please refer Note 32 below

	Year ended March 31, 2014	Year ended March 31, 2013
18. OTHER CURRENT ASSETS		
Interest Accrued but not due	**981.8**	*1,351.2*
MTM Receivable on Interest Rate Swaps	**1,319.8**	*662.1*
	2,301.6	*2,013.3*
19. INTEREST & DIVIDEND INCOME		
Interest On Securities Held As Stock in Trade	**2,939.7**	*3,195.7*
Interest On Securities Held As Held to Maturity	**343.2**	*247.0*
Income On Discounted Instruments	**3,218.3**	*2,610.8*
Interest On Repo and Call Lendings	**185.9**	*24.6*
Interest On Other Loans and Advances	**56.0**	*59.5*
Dividend Income from Mutual Funds / Companies	**21.0**	*9.8*
TOTAL	**6,764.1**	*6,147.4*
20. PROFIT ON SECURITIES (NET)		
Profit/(Loss) on Sale of Held to Maturity Securities	**191.7**	*156.7*
Profit/(Loss) on securities held as Stock In Trade	**495.5**	*1,999.0*
Net Gain/(Loss) from interest rate derivatives	**812.5**	*(257.1)*
TOTAL	**1,499.7**	*1,898.6*
21. INCOME FROM SERVICES		
Financial Advisory Services	**1.2**	*5.6*
Syndication Fees	**130.9**	*182.3*
Underwriting Commission	**590.7**	*2.6*
Brokerage and Commission	**29.8**	*20.4*
TOTAL	**752.6**	*210.9*

(₹ in million)

		Year ended March 31, 2014	Year ended March 31, 2013
22. OTHER INCOME			
Miscellaneous Income		**19.2**	*45.3*
TOTAL		**19.2**	*45.3*
23. INTEREST EXPENSES			
Interest on Fixed Loans and Debentures		**1,027.3**	*1,438.5*
Interest on Other Borrowings		**5,079.3**	*4,198.1*
		6,106.6	*5,636.6*
24. OPERATING EXPENSES			
Procurement Expenses		**19.2**	*10.0*
Rating Agency Fees		**4.8**	*5.0*
Brokerage, Stamp Duty & Securities Transaction Tax		**31.5**	*43.0*
Bank Charges		**6.3**	*6.9*
Custodial and Depository Charges		**178.8**	*117.3*
Doubtful Debts Written Off / Provided for the period	**1.5**		*2.0*
Less: Opening Provision as at April 1, 2013	**0.2**		*0.1*
		1.3	*1.9*
Other Operating Expenses		—	*2.5*
TOTAL		**241.9**	*186.6*
25. EMPLOYEE EXPENSES			
Salaries, Wages and Incentives		**484.6**	*473.7*
Contribution to Provident and Other Funds		**17.0**	*30.2*
Staff Welfare Expenses		**9.8**	*15.3*
TOTAL		**511.4**	*519.2*
26. ESTABLISHMENT AND OTHER EXPENSES			
Rent and Amenities		**40.1**	*36.0*
Insurance		**0.2**	*0.2*
Business Promotion, Traveling and Conveyance Expenses		**12.8**	*9.2*
Repairs, Maintenance and Upkeep - Others		**22.9**	*24.9*
Rates and Taxes		**0.0**	*0.1*
Electricity Expenses		**5.3**	*4.3*
Loss on Sale of Fixed Assets		**0.3**	*0.3*
Communication Expenses		**6.5**	*4.7*
Printing and Stationery		**2.5**	*3.2*
Subscription and Periodicals		**33.9**	*30.9*
Professional Fees [Refer Note 28]		**10.0**	*10.9*
Advertisement Expenses		**0.1**	*0.1*
Donations		**0.5**	—
Miscellaneous Expenses		**8.1**	*6.8*
TOTAL		**143.2**	*131.6*

(₹ in million)

	Year ended March 31, 2014	Year ended March 31, 2013
27. EARNINGS PER EQUITY SHARE (EPS)		
Basic and Diluted EPS (₹)	**84,324.9**	*77,832.1*
Nominal Value per share (₹)	**100,000.0**	100,000.0

EPS has been calculated based on the net profit after taxation of ₹ 1,318.3 million (previous year ₹ 1,216.8 million) and the weighted average number of equity shares outstanding during the year of 15,634 (previous year 15,634). Basic and Diluted EPS are same because there were no diluted potential equity shares outstanding during the year.

28. AUDITOR' REMUNERATION* (included in Professional Fees)		
(a) Audit Fees	**2.4**	*2.4*
(b) Tax Audit Fees	**0.2**	*0.2*
(c) Certification Fees	**0.9**	*0.9*
(d) Out of Pocket Expenses	**0.1**	*0.1*
*Excluding service tax	**3.6**	*3.6*
29. EXPENDITURE IN FOREIGN CURRENCY (on accrual basis)		
(a) Others	**2.7**	*0.5*

30. CONTINGENT LIABILITIES & COMMITMENTS

	As at March 31, 2014	As at March 31, 2013
(a) Income tax and service tax matters disputed by the Company	**176.9**	*180.1*
(b) Bank Guarantees	**100.0**	*100.0*
(c) Estimated amount of contracts to be executed on capital account	**23.6**	*4.4*
	300.5	*284.5*

31. OPERATING LEASE

Office premises are obtained on operating lease. The lease is renewable on yearly basis and the rent is decided at the time of the renewal. There are no restrictions imposed by lease arrangements. There are no subleases. As at March 31, 2014, there are no non-cancellable obligations in respect of the operating leases of the company

	Year ended March 31, 2014	Year ended March 31, 2013
Lease payments for the year	**39.8**	*35.8*

32. RELATED PARTY DISCLOSURES

Names of related parties where control exists irrespective of whether transactions have occurred or not	
-Holding Company	ICICI Bank Limited
Names of other related parties with whom transactions have taken place during the year	
Fellow Subsidiaries	ICICI Securities Limited
	ICICI Lombard General Insurance Company Limited
	ICICI Prudential Life Insurance Company Limited
	ICICI Prudential Asset Management Company Limited
	ICICI Home Finance Limited
	ICICI Venture Fund Management Company Limited
Key Management Personnel	B. Prasanna, Managing Director & CEO
	G. Sundaram, Executive Director

(₹ in million)

Name of the Related Party / Type of Transaction	Year ended March 31, 2014	Year ended March 31, 2013
ICICI Bank Limited -The Holding Company		
Income from Operations		
Income from Services	—	32.1
Interest Income	15.0	10.1
Profit / (Loss) on Interest Rate Swaps	108.4	(31.6)
Other income	—	0.5
Operating expenditure		
Payment of financial charges & operating expenses	161.6	39.0
Administrative Expenditure		
Recoveries / (Payment) to and provisions for employees (Net)	0.5	—
Payment of Establishment & other expenses	47.9	42.3
Current Assets		
Bank Balance	84.7	32.4
Fixed Deposits	363.0	120.0
Trade Receivables	—	—
Other Current Assets	8.3	5.0
Stock-in-trade	—	461.2
Short Term Loans and Advances	15.6	15.6
MTM on Interest Rate Swaps Receivable / (Payable)	51.9	(47.6)
Current Liabilities		
Short Term Borrowings	24,970.8	—
Other Current Liabilities	114.8	9.5
Shareholders' Funds		
Share Capital	1,563.4	1,563.4
Derivative		
Notional Principal amount of Interest Rate Swaps outstanding	35,381.1	47,644.4
Other transactions		
Dividend paid	179.8	598.0
Purchase of Investments	1,649.4	6,966.5
Sale of Investments	7,189.3	17,330.7
Bank Guarantee	100.0	100.0
ICICI Securities Limited - Fellow Subsidiary		
Income from Operations		
Income from Services	24.8	14.8
Receipts - Others	1.7	2.0
Operating expenditure		
Payment of financial charges & operating expenses	1.3	2.1
Administrative Expenditure		
Payment to and provisions for employees / (Recoveries) (Net)	0.8	2.6
Establishment & other expenses - Recoveries / (Payment)(Net)	8.3	11.4
Trade Receivables	9.0	13.3
Current Assets		
Short Term Loans and Advances	2.4	2.9
Other transactions		
Purchase of Investments	—	200.2
Sale of Investments	146.2	1.1
ICICI Lombard General Insurance Company Limited - Fellow Subsidiary		
Administrative Expenditure		
Payment to and provisions for employees	2.7	2.7
Payment of Establishment & other expenses	0.2	0.2
Current Assets		
Short Term Loans and Advances	3.2	3.0
Other transactions		
Purchase of Investments	1,707.6	301.1
Sale of Investments	3,270.9	2,965.3
ICICI Prudential Life Insurance Company Limited - Fellow Subsidiary		
Operating expenditure		
Payment of financial charges & operating expenses	75.3	53.9
Administrative Expenditure		
Payment to and provisions for employees	0.5	0.5
Non-Current Liabilities		
Long Term Borrowings	600.0	550.0
Current Assets		
Short Term Loans and Advances	0.2	0.2

(₹ in million)

Name of the Related Party	Year ended March 31, 2014	Year ended March 31, 2013
Current Liabilities		
Short Term Borrowings	200.0	—
Other Current Liabilities	36.0	14.5
Other transactions		
Purchase of Investments	2,064.8	5,358.0
Sale of Investments	3,330.1	5,277.9
Issue of Debentures	250.0	—
ICICI Prudential Asset Management Company Limited - Fellow Subsidiary		
Income from Operations		
Income from Services	5.0	—
ICICI Home Finance Limited - Fellow Subsidiary		
Income from Operations		
Income from Services	—	0.1
Interest Income	—	0.1
Other transactions		
Purchase of Investments	—	100.0
ICICI Venture Fund Management Company Limited – Fellow Subsidiary		
Administrative Expenditure		
Payment to and provisions for employees	0.5	0.5
Current Assets		
Short Term Loans and Advances	0.4	0.4

Key Management Personnel Disclosures:

The Compensation (including contribution to Provident Fund) for the year ended March 31, 2014 to B. Prasanna, Managing Director & CEO, and G. Sundaram, Executive Director was ₹ 34.3 million and ₹ 25.2 million (Previous year ₹ 42.6 million and ₹ 33.1 million respectively). The remuneration does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

33. DERIVATIVES

(₹ in million)

		As at March 31, 2014	2013
	Notional Principal amount of IRS Contracts		
a.	**Hedging Contracts**	—	—
b.	**Trading Contracts**	1,137,697.5	1,132,257.4
	(i) Fair Value of Trading IRS	1,319.8	662.1
	(ii) Associated Credit Risk on Trading IRS*	2,055.8	923.3
	(iii) Likely impact of one percentage change in interest rate (100*PV01)	70.8	86.6
	(iv) Credit Risk Concentration@	1,020.7	642.3
	Interest Rate Futures Contracts		
	Open Quantity in units – Long	—	—
	Short	(34,053.0)	—
	Net Long / (Short)	(34,053.0)	—
	Equity Derivatives – Trading Contracts		
a.	**Futures Contracts**		
	Open Quantity in units – Long	1,091,000.0	6,000.0
	Short	(94,000.0)	(82,750.0)
	Net Long / (Short)	997,000.0	(76,750.0)
b.	**Option Contracts**		
	Open Quantity in units – Long	206,000.0	—
	Short	—	—
	Net Long / (Short)	206,000.0	—
	MTM Gain / (loss) on Trading Derivatives	0.9	—

*Associated Credit Risk is defined as the loss that the Company would incur in case all the counterparties to these swaps fail to fulfill their contractual obligations.

@ Credit risk concentration is measured as the highest net receivable under swap contracts from top three counterparties.

34. EMPLOYEE BENEFITS (AS 15 REVISED)

The following table summarises the components of net benefit expense recognised in the profit and loss account and the amounts recognised in the balance sheet for gratuity

(₹ in million)

	Year ended March 31, 2014	*Year ended March 31, 2013*
Cost for the year		
Current Service cost	**7.8**	*6.9*
Interest cost	**8.4**	*7.6*
Expected return on plan assets	**(1.6)**	*(1.2)*
Actuarial (gain) / loss	**(10.6)**	*5.4*
Past Service Cost	**—**	—
Losses / (Gains) on "Acquisition / Divestiture"	**—**	—
Net cost	**4.0**	*18.7*
Present value of the defined benefit obligations at the end of the year	**100.8**	95.8
Less: Fair value of plan assets at the end of the year	**(21.2)**	(17.1)
Less: Unrecognised past Service Cost	**—**	—
Liability / (Asset)	**79.7**	*78.7*
Change in the present value of the defined benefit obligation liability		
Opening obligations	**95.9**	*81.0*
Service cost	**7.8**	*6.9*
Interest cost	**8.4**	*7.6*
Actuarial (gain) / loss	**(9.7)**	*5.9*
Liability extinguished on settlement	**—**	—
Benefits paid	**(1.5)**	*(5.6)*
Closing obligations	**100.9**	*95.9*
Change in fair value of plan assets		
Opening plans assets, at fair value	**17.1**	*16.0*
Expected return on plan assets	**1.6**	*1.2*
Actuarial gain / (loss)	**0.9**	*0.6*
Contributions	**3.1**	*5.0*
Assets Acquired on Acquisition / (Distributed on Divestiture)	**—**	—
Benefits paid	**(1.5)**	*(5.6)*
Closing plans assets at fair value	**21.2**	***17.2***
Expected employers contribution in next year	**8.0**	*7.0*
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investments with insurer	**100%**	100%
Investment details of plan assets		
Assumptions		
Discount rate	**9.1%**	8.2%
Salary escalation rate	**10.0%**	10.0%
Estimated rate of return on plan assets	**8.0%**	8.0%

Experience Adjustment

Particulars	**March 31, 2014**	**March 31, 2013**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**
Defined Benefit Obligation	100.8	95.9	81.0	70.4	67.3
Plan Assets	21.2	17.1	16.0	7.3	12.4
Surplus / (Deficit)	(79.7)	(78.7)	(65.0)	(63.1)	(54.9)
Exp. adj. on plan liabilities	2.6	(1.0)	0.8	3.6	6.3
Exp. adj. on plan assets	0.9	0.6	0.0	0.3	0.8

35. COMPOSITION OF INVESTMENT IN NON-GOVERNMENT SECURITIES AT MARCH 31, 2014

(Ref: RBI circular no. IDMD.PDRS.No.03/03.64.00/2003-04)

(₹ in million)

Issuer#	**Amount***	**Extent of private placement****	**Extent of unlisted securities'*****
PSUs	3,605.8	3,605.8	—
	(14,808.3)	(13,387.3)	—
FIs	750.1	750.1	—
	(1,434.9)	(1,434.9)	—
Banks	192.0	192.0	—
	(400.8)	(400.8)	—
Other PDs	—	—	—
	—	—	—
Private corporates	—	—	—
	—	—	—
Subsidiaries/ Joint ventures	—	—	—
Others	8,276.7	8,088.8	529.7
	(6,526.1)	(5,833.5)	(251.3)
Provision held towards depreciation	—	—	—
Total	**12,824.6**	**12,636.7**	**529.7**
	(23,170.0)	(21,056.5)	(251.3)

Note: Figures in parenthesis pertain to previous year.
All the investments in the above non government securities are rated and are above investment grade securities
* Represents amounts net of provision for depreciation if any
** Represents original issue
***Does not include CPs & CDs aggregating to ₹ 7,986.5 million (Previous Year- ₹ 9,700.9 million) since the same are not covered by the above circular
Does not include equity and preference shares

36. DISCLOSURE PERSUANT TO RBI CIRCULAR NO RBI/2008-09/116 DNBS (PD). CC No.125/03.05.002/2008-2009 dated August 1, 2008.

a. Capital to Risk Assets Ratio (CRAR)*

Items	**As at March 31, 2014**	*As at March 31, 2013*
i) CRAR (%)	**50.78**	*28.57*
ii) CRAR – Tier I Capital (%)	**36.64**	*23.23*
iii) CRAR – Tier II Capital (%)	**14.14**	*5.34*

*calculated as per RBI circular no.RBI/2006-2007/355 DNBS.PD/CC No.93/03.05.002/2006-07

b. Exposure to Real Estate Sector

Category	**March 31, 2014**	*March 31, 2013*
a) Direct exposure		
(i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	**—**	—
(ii) Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, among others.). Exposure would also include non-fund based (NFB) limits	**—**	—
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures-	**—**	—
b) Indirect Exposure		
Fund based – Face Value of Investments in NCDs/FRBs/CPs/Equities	**3,122.0**	*2,358.0*
Non-fund based – Notional Principal of IRS	**3,000.0**	*3,000.0*

c. Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at March 31, 2014

(₹ in million)

	1 day to 30/31 day (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—
Market Borrowings*	79,888.0	2,475.3	250.0	400.0	—	800.0	—	2,850.0	**86,663.3**
	(78,381.6)	*(246.5)*	*(1,000.0)*	*(1,000.0)*	—	*(1,600.0)*	—	*(1,500.0)*	***(83,728.1)***
Assets									
Advances**	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—
Investments***	81,224.2	—	—	—	—	—	—	9,633.2	**90,857.4**
	(93,864.9)	—	—	—	—	—	—	(3,170.6)	***(97,035.5)***

*Borrowings in Call / Notice / Term have been treated as market borrowings

**Advances represent advances in the nature of loans

*** Investments in the nature of 'Securities held as Stock in Trade' are classified in the "one month bucket" and those in the nature of 'Non Current Investments' are classified in the "Over 5years" bucket.

37. DISCLOSURE PURSUANT TO RBI CIRCULAR NO.IDMC.PDRS NO.2269/03.64.00/2002-03 -PUBLICATION OF FINANCIAL RESULTS DATED NOVEMBER 28, 2002

i) Net borrowings in call/notice: average ₹ 5,893.4 million; peak ₹ 20,000.0 million The securities held as stock-in-trade are valued at lower of cost or market value (LOCOM)

ii) Leverage ratio: average 10.46 times; peak 16.72 times

iii) CRAR (Quarterly)*

June 30, 2013	September 30, 2013	December 31, 2013	March 31, 2014
35.49%	39.84%	44.18%	42.06%

*Calculated as per RBI Circular on Capital Adequacy Standards and Risk Management Guidelines for Primary Dealers dated January 7, 2004

38. REPO/REVERSE REPO TRANSACTIONS

(Ref: Guidelines for Accounting of Repo / Reverse Repo Transactions dated March 23, 2010)

(₹ in million)

	For the year ended March 31, 2014			
	Minimum outstanding during the year	**Maximum outstanding during the year**	**Daily Average outstanding during the year**	**Outstanding as at March 31, 2014**
Securities sold under repos (Face Value)				
(i) Government Securities	9,549.2	70,131.8	39,495.2	39,725.3
	(18,615.8)	*(59,173.8)*	*(36,374.8)*	*(31,548.7)*
(ii) Corporate debt securities	—	600.0	16.4	—
	—	*(1,300.0)*	*(69.3)*	—
Securities purchased under reverse repos (Face Value)				
(i) Government Securities	—	5,850.0	2,221.9	1,151.7
	—	*(4,150.0)*	*(285.5)*	—
(ii) Corporate debt securities	—	*50.0*	*0.1*	—
	—	—	—	—

Note: Figures in parenthesis pertain to previous year.

39. DISCLOSURE PURSUANT TO CLAUSE 28 OF THE DEBT LISTING AGREEMENT

(₹ in million)

Particulars	**Outstanding as at March 31, 2014**	**Maximum amount outstanding during the year**
Loans and advances in the nature of loans to ICICI Bank Limited, Holding Company - Amount lent in Inter-bank Call / Notice	—	—
Loans and advances in the nature of loans to Associates	—	—
Loans and advances in the nature of loans where there is –	—	—
(i) no repayment schedule or repayment beyond seven years; or		
(ii) no interest or interest below section 372A of Companies Act by name and amount.		
Loans and advances in the nature of loans to firms/companies in which directors are interested	—	—

40. The Company has initiated the process of identification of suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') by obtaining confirmation from all the suppliers. Based on the information currently available with the Company no amount is payable to the Micro, Small and Medium Enterprises as per the MSMED Act, 2006 as at March 31, 2014.

41. SEGMENT REPORTING

The Company's primary operations fall under single business segment of securities trading and its allied services. Further, all the transactions and the assets of the Company are recorded/located in India. Since the Company's business activity primarily falls within a single business and geographical segment, no additional disclosure is to be provided under AS 17-Segment Reporting, other than those already provided in the financial statements.

42. PREVIOUS YEAR FIGURES

Previous period/year figures have been regrouped wherever considered necessary.

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration no.: 301003E
Chartered Accountants

per SHRAWAN JALAN
Partner
Membership no.: 102102

Mumbai, April 15, 2014

For and on behalf of the Board of Directors

N. S. KANNAN
Chairman

UDAY CHITALE
Director

B. PRASANNA
Managing Director & CEO

ABHIJEET GUIN
CFO

PRACHITI LALINGKAR
Company Secretary

cash flow statement

for the year ended March 31, 2014

		Year ended March 31, 2014	(₹ in million) Year ended March 31, 2013
A Cash Flow From Operating Activities			
Profit Before Tax	**2,020.7**		1,817.1
- (Profit)/Loss on Sale of Fixed Assets	**0.3**		0.3
- Depreciation	**11.9**		11.1
- Income from investment	**(534.9)**		(650.7)
- Bad and Doubtful Debts (Net)	**1.3**		1.9
Operating Profit before Changes in Operating Assets and Liabilities		**1,499.3**	1,179.7
Adjustments for net change in Operating Assets and Liabilities			
- Current Assets excluding Cash and Cash equivalents	**11,002.1**		(19,869.6)
- Fixed Deposits under Lien	**(218.0)**		(100.0)
- Fixed Deposits (with maturity more than three months)	**—**		—
- Loans and Advances relating to Operations	**(2,353.3)**		4,476.4
- Current Liabilities relating to Operations	**(5,948.2)**		7,066.4
		2,482.6	(8,426.8)
Cash generated from Operations		**3,981.9**	(7,247.1)
Payment of Taxes (Net)		**(634.9)**	(605.4)
Net Cash from Operating Activities		**3,347.0**	(7,852.5)
B Cash Flow From Investment Activities			
- (Purchase) / Sale of Investments (Net)		**(6,462.5)**	(3,170.6)
- Income from investment		**534.9**	650.7
- Purchase of Fixed Assets (Including capital work in progress and capital advances)		**(10.5)**	(3.7)
- Sale of Fixed Assets		**0.0**	0.0
Net cash used in Investment Activities		**(5,938.1)**	(2,523.6)
C Cash Flow From Financing Activities			
- Increase/ (Decrease) in Borrowings (Net)		**3,585.2**	10,457.0
- Issue/ (Redemption) of Debentures / Bonds (Net)		**(650.0)**	600.0
- Dividends & Dividend Tax paid		**(266.2)**	(655.7)
Net Cash used in Financing Activities		**2,669.0**	10,401.3
Net Change in Cash & Cash Equivalents		**77.9**	25.2
Cash and Cash Equivalents at the beginning of the year		**54.0**	28.8
Cash and Cash Equivalents at the end of the year		**131.9**	54.0

Cash and cash equivalents at the end of the year does not include fixed deposits under Lien ₹ 443.0 million (Previous year ₹ 225.0 million)

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

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration no.: 301003E
Chartered Accountants

per SHRAWAN JALAN
Partner
Membership no.: 102102

For and on behalf of the Board of Directors

N. S. KANNAN
Chairman

UDAY CHITALE
Director

B. PRASANNA
Managing Director & CEO

ABHIJEET GUIN
CFO

PRACHITI LALINGKAR
Company Secretary

Mumbai, April 15, 2014

ICICI Securities Primary Dealership Limited

Schedule to the Balance Sheet as at March 31, 2014
(as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(₹ in million)

	Particulars	Amount outstanding	Amount overdue
	Liabilities side :		
(1)	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**	**Amount outstanding**	**Amount overdue**
(a)	Debentures : Secured		
	: Unsecured	4,649.3	—
	(Other than falling within the meaning of public deposits)		
(b)	Deferred Credits	—	—
(c)	Term Loans	—	—
(d)	Inter-corporate loans and borrowing	484.5	—
(e)	Commercial Paper	3,073.5	—
(f)	Other Loans - CBLO - Secured	1,199.1	—
	Borrowings under LAF & Refinance - Secured	25,621.2	—
	Repo Borrowings - Secured	38,000.2	—
	Call, Notice and Term Money - Unsecured	14,127.1	—

	Assets side :	Amount outstanding
(2)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**	**Amount outstanding**
(a)	Secured	1,512.1
(b)	Unsecured	508.1

		Amount outstanding
(3)	**Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities**	**Amount outstanding**
(i)	Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	—
	(b) Operating lease	—
(ii)	Stock on hire including hire charges under sundry debtors :	
	(a) Assets on hire	—
	(b) Repossessed Assets	—
(iii)	Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	—
	(b) Loans other than (a) above	—

(4)	**Break-up of Investments**	
	Current Investments	
	1. Quoted	
	(i) Shares : (a) Equity	54.1
	(b) Preference	754.7
	(ii) Debentures and Bonds	20,811.1
	(iii) Units of mutual funds	—
	(iv) Government Securities	59,604.4
	(v) Others	—
	2. Unquoted	
	(i) Shares : (a) Equity	—
	(b) Preference	—
	(ii) Debentures and Bonds	—
	(iii) Units of mutual funds	—
	(iv) Government Securities	—
	(v) Others	—
	Long Term Investments	
	1. Quoted	
	(i) Shares : (a) Equity	—
	(b) Preference	—
	(ii) Debentures and Bonds	—
	(iii) Units of mutual funds	—
	(iv) Government Securities	—
	(v) Others	—
	2. Unquoted	
	(i) Shares : (a) Equity	—
	(b) Preference	—
	(ii) Debentures and Bonds	—
	(iii) Units of mutual funds	—
	(iv) Government Securities	
	(v) Others	

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	—	—	—
(b) Companies in the same group	—	142.7	142.7
(c) Other related parties	—	—	—
2. Other than related parties	1,512.1	365.3	1,877.5
Total	1,512.1	508.1	2,020.2

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Market Value	Book Value (Net of provisions)
1. Related Parties		
(a) Subsidiaries	—	—
(b) Companies in the same group	—	—
(c) Other related parties	—	—
2. Other than related parties	90,659.6	90,857.4
Total	90,659.6	90,857.4

(7) Other information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	—
(b) Other than related parties	—
(ii) Net Non-Performing Assets	
(a) Related parties	—
(b) Other than related parties	—
(iii) Assets acquired in satisfaction of debt	—

For and on behalf of the Board of Directors

N. S. KANNAN
Chairman

UDAY CHITALE
Director

B. PRASANNA
Managing Director & CEO

ABHIJEET GUIN
CFO

PRACHITI LALINGKAR
Company Secretary

Mumbai, April 15, 2014

ICICI Securities I-Sec

ICICI SECURITIES LIMITED

19TH ANNUAL REPORT AND ANNUAL ACCOUNTS 2013-2014

Directors
Chanda Kochhar, *Chairperson*
Uday Chitale
Narendra Murkumbi
Zarin Daruwala
Shilpa Kumar
Anup Bagchi, *Managing Director & CEO*
Ajay Saraf, *Executive Director*

Auditors
S. R. Batliboi & Co. LLP
Chartered Accountants

Raju Nanwani
Company Secretary

Registered Office
ICICI Centre
H. T. Parekh Marg,
Churchgate,
Mumbai – 400 020

directors' report

to the members

The Directors are pleased to present the 19th Annual Report of ICICI Securities Limited (the Company) with the audited statements of accounts for the year ended March 31, 2014.

INDUSTRY OVERVIEW

Equities

During fiscal 2014, overall macroeconomic indicators continued to remain weak with low growth in Gross Domestic Product (GDP), persistent inflationary concerns and volatility in financial markets. Given global developments and certain domestic structural concerns such as the high fiscal and current account deficits during the first half of the year, there was a sharp depreciation in the Indian rupee compared to the US dollar. However, measures taken by the Government and the Reserve Bank of India (RBI) to reduce imports and attract NRI deposit flows resulted in stability in the currency in the second half.

With an improvement in foreign investment flows in the second half of the year, on an overall basis, the equity markets gained 18.6% in fiscal 2014. However, institutional daily cash turnover in the equity market (NSE and BSE) increased only by 6% to ₹ 11,857 Crore in fiscal 2014. The cap on mutual fund brokerage rates for trades and shift to direct trading during fiscal 2014 resulted in a decline in revenues for the stock broking industry. The derivatives market, however, showed an improvement in the volumes over the last fiscal.

Corporate Finance

During fiscal 2014, there was a decline in the number of Qualified Institutional Placements (QIPs) for primary fund raising. The fresh equity issuances during fiscal 2014 amounted to ₹ 178 billion. During the first quarter of fiscal 2014, there was a sharp increase in number of Offer for Sale (OFS) and Institutional Private Placements (IPP) to meet SEBI's deadline for minimum public shareholding norms. On an overall basis, during fiscal 2014, the OFS volume was ₹ 62 billion and IPP volume was ₹ 48 billion. Fiscal 2014 saw significant activity from multinational companies aiming to achieve consolidation of their holdings in Indian subsidiaries with 11 delistings amounting to ₹ 8,589 million, open offer deals of ₹ 541 billion and buyback deals of ₹ 112 billion.

During fiscal 2014, activity in debt markets was driven by issuance of tax free bonds from infrastructure and infrastructure financing companies. Tax free bond issuances increased from seven issuances amounting to ₹ 145 billion in fiscal 2013 to eleven issuances amounting to ₹ 320 billion in fiscal 2014.

During fiscal 2014, USD 8.18 billion was raised in private equity deals as compared to USD 8.25 billion raised in fiscal 2013. Information technology & information technology enabled services, healthcare & life sciences, banking, financial services & insurance, manufacturing and energy were the dominant sectors by deal value in fiscal 2014. *(Source: Venture Intelligence)*

FINANCIAL HIGHLIGHTS

The financial performance for FY2014 is summarised in the following table:

	FY2013	**FY2014**
		(₹ in million)
Gross income	*7,378.4*	**8,117.4**
Profit before tax	*1,035.4*	**1,261.0**
Provision for tax	*353.3*	**511.6**
Profit after tax	*682.1*	**749.4**

APPROPRIATIONS

Profit after tax for the year ended March 31, 2014 increased to ₹ 749.4 million from ₹ 682.1 million in the previous year mainly on account of increase in secondary market brokerage income.

After taking into account the balance of ₹ 491.8 million (previous year: ₹ 306.9 million) brought forward from the previous year, the profit available for appropriation is ₹ 1,241.2 million (previous year: ₹ 988.9 million), of which ₹ 74.9 million (previous year: ₹ 68.3 million) has been transferred to General Reserve.

DIVIDEND

During the year, the Company declared three interim dividends on the 13.75% Non-Convertible Cumulative Redeemable Preference Shares amounting to ₹ 49.3 million (previous year ₹ 68.8 million). The Directors are pleased to recommend the aggregate of interim dividends at ₹ 49.3 million as final dividend for the year. The aforesaid Preference Shares were redeemed on December 18, 2013.

During the year, the Company declared three interim dividends on the equity share capital, aggregating to 24.85% (approximately) and amounting to ₹ 400.2 million (previous year ₹ 300.2 million). The Directors are pleased to recommend the aggregate of interim dividends at ₹ 400.2 million as the final dividend for the year.

OPERATIONAL REVIEW

The Company continued to expand its client base across various business segments, assisting its customers in meeting their financial goals by providing them with research, advisory and execution services.

On the retail front, the Company introduced newer products which were well received. The counter-cyclical businesses like Wealth Management and Distribution have helped in reducing the impact of adverse broking market conditions. The Corporate Finance business continued to build a deal pipeline of diverse products whereas the Institutional Broking segment enhanced corporate access through various conferences and events.

Equities

The Institutional research team increased its coverage from 132 to 150 companies, spread across 16 sectors and mid-cap stocks. The Company continued to enhance its business with its domestic and foreign institutional clients. Fiscal 2014 also saw new foreign clients being added, creating the base for future growth. During fiscal 2014, the Company hosted several conferences and delegations to provide its clients an opportunity for interaction with policy makers and corporate leaders. The 12th India Unlimited conference held during fiscal 2014 attracted over 35 corporates and experts with participation of over 100 funds. Overall the conference saw more than 650 investor meetings.

The Company has a retail research team of 40 analysts covering around 200 companies spread across sectors as well as mutual fund, technical and derivatives desks to deliver quality research to over 2.9 million customers of ICICIdirect.com. In addition to the quarterly earnings reports and regular event updates, the team published various sector reports, thematic reports, IPO recommendation, mutual fund advice and technical and derivative picks. The Company continued to strengthen its customer base and market share across the retail segment by introducing several new features in a challenging market scenario with muted retail participation.

Recognizing the needs of investors and traders, the Company offered its customers various innovative products like Stop Loss based products in the F&O segment offering discipline in customer trading and margin optimisation. The Company also introduced a new version of its trading platform named Trade Racer to enhance the customer experience. Currently, the Company has the largest retail customer account base of 2.9 million and one of the largest pan-India distribution networks of over 200 ICICIdirect offices and over 900 sub-brokers across 500 cities & towns in India.

Corporate Finance

During fiscal 2014, we saw a mix of fund raising exercises through IPOs, debt public issues, rights issues & IPPs and consolidation exercises through open offers & buyback offers. The amount raised through equity issuances (IPOs and FPOs) managed by the Company during fiscal 2014 was ₹ 74,559 million amounting to 89% market share (by amount). Some of the key deals in fiscal 2014 were the FPO of Power Grid Corporation of India Limited and Engineers India Limited. There were a series of open offers handled by the Company in fiscal 2014 including those of Alstom T&D India Limited, Wheels India Limited, Hexaware Technologies Limited, Kalindee Rail Nirman Limited, Intec Capital Limited and Thinksoft Global Services Limited. Some of the key OFS deals that the Company managed were Hindustan Copper Limited, Marathon Nextgen Realty Limited, Essar Shipping Limited, AstraZeneca Pharma India and Essar Ports Limited. The Company advised Gillete India Limited on achieving compliance with minimum public shareholding norms through OFS and also executed the IPP of Neyveli Lignite Corporation Limited, Thomas Cook (India) Limited and Alstom T&D India Limited. The Company continued to showcase its expertise in managing consolidation for multinational companies through delisting of Denso India Limited. Moreover, the Company successfully accomplished the buyback of shares by Jagran Prakashan Limited during fiscal 2014.

The Company continued to perform well in debt capital markets in fiscal 2014 with a 75% market share. The Company managed issuances with aggregate fund raising of ₹ 266 billion in fiscal 2014. The debt issuances during the year included both NCDs and tax free bonds for public and private companies. Some of the key debt issues for private companies were those of Shriram Transport Finance Company Limited, Muthoot Finance Limited and Shriram City Union Finance Limited. Some PSU deals included Rural Electrification Corporation Limited, India Infrastructure Finance Company Limited and NTPC Limited. The Company also executed ten tax free bonds out of total seventeen tax free bonds this fiscal, where total amounts raised were ₹ 235 billion and garnering 74% market share.

The Company also renewed its focus on mid-market M&A advisory deals and was ranked third among financial advisors for Indian mid-market M&A for the calendar year ended December 31, 2013 *(Source: Mergermarket)*. The Company closed several transactions during the year in sectors ranging across infrastructure, financial services, pharmaceuticals, IT & ITES and auto components.

In the advisory space, some of the transactions completed by the Company included the following:

- Advised BPL Limited on a Private Equity fund raise of ₹110 Crore from Goldman Sachs PE;
- Advisory services to Texmaco Rail & Engineering Limited on its acquisition of Kalindee Rail Nirman Limited;
- Advised ONGC Mangalore Petrochemicals Limited on a suitable strategy for equity fund raising;
- Advised Intec Capital Limited on its second tranche PE fund raise from Motilal Oswal PE;
- Advised Manappuram Finance Limited for its acquisition of Milestone Home Finance Company Limited from Jaypee Hotels; and
- Advised Indian Oil Corporation Limited for a Joint Venture formation with Coal India Limited for explosives unit.

Distribution of Retail Financial Products

In fiscal 2014, the Company further consolidated its position amongst the leading mutual fund distributors. In the life insurance space, the Company continued to grow its share of new business premium. The Company also established itself as one of the leading distributors in the retail debt market through Tax Free Bonds, Inflation Index Bonds and Corporate Bonds.

Investment Education

The Company undertook various activities towards investment education through its initiative ICICIdirect Centre for Financial Learning (ICFL). ICFL imparts investment education through multiple mediums including classroom and online training. The classroom programmes take place every month in the form of one or two day workshops conducted by experts with practical investment experience in all major cities of the country. The online learning programmes are available anywhere and anytime based on a learner's preference. These programs help enrich the learning experience for the learner through animation and interactivity.

StockMIND:

The Company launched StockMIND Season 2, a nation-wide contest aimed at college students, seeking to educate the youngsters on stock market investments. In fiscal 2014, StockMIND was conducted separately for graduate and post graduate students. StockMIND Season 2 reached out to over 550 colleges and 75,000 students.

Private Wealth Management

In fiscal 2014, the Company maintained its focus on strengthening its Private Wealth Management business with an added objective of de-risking the business by diversifying the revenue streams. The Company leveraged its strong relationship with clients and its strength in the product and advisory platform to offer innovative and best in class financial solutions to its clients and maintain the organization's competitive positioning.

Risk Management

The Company has in place a robust risk management framework that ensures identification, measurement of risks and risk mitigation controls within the Company. The Risk Management Committee (constituted by the Board of Directors of the Company) analyses and monitors various products/processes/policies of the Company and recommends risk controls to ensure that the residual risk of various business activities is always kept within the defined limits. The Committee is assisted by the Corporate Risk Management Group of the Company for framing the various risk management policies, defining the prudential limits such as VaR limits, exposure limits and concentration limits for the various products and services offered by the Company.

The Operational Risk Management function identifies operational risks in various products as well as processes and monitors the operational losses incurred by the Company. In addition, the risk based compliance monitoring helps in ensuring that various products and processes within the Company meet the regulatory requirements on an on-going basis.

OUTLOOK

Equities

Expectations of an improvement in the domestic macro scenario, a stable government post elections and positive global cues led to renewed FII interest and triggered the late rally in fiscal 2014. While the recently improving investor confidence bodes well for Indian equities market, it is also important to see sustained improvements in the macroeconomic conditions for the country. Growth and Industrial Production (IIP) data, RBI actions to balance growth and inflation, tapering by the US Federal Reserve and the outlooks for other emerging markets & China would be crucial in providing further direction to Indian equities.

We continue to invest in technology and on higher yielding business segments, while continuing to explore new segments of clients and enhance products and services to maintain our leadership position.

Corporate Finance

In light of the challenging operating conditions, businesses will need to focus on managing their existing cash and credit pools. The Company has a rich pipeline of fund raising and consolidation mandates in fiscal 2015.

Distribution of Retail Financial Products

During fiscal 2014, SEBI provided its in-principle approval for the Institution for Mutual Fund Intermediaries (IMFI), promoted by the Association of Mutual Funds of India (AMFI) to set up the country's first Self-Regulatory Organisation (SRO) for mutual fund distributors. The setting up of a SRO to monitor distributors of mutual fund products will increase product transparency and in turn will improve customer confidence. The Company is well positioned to capture a reasonable share of this business opportunity.

Private Wealth Management

The Indian market offers good scope for growth due to its long-term economic prospects, positive demographics and current low penetration. We expect that the long term growth trajectory for the country would result in increase in the overall addressable HNI market for their savings and investments needs.

The Company expects to continue to build its competitive advantage through innovative products and strong advisory services. The Company is continuously expanding its client base through a wider geographical reach. It is also focusing on acquiring large family office relationships.

SUBSIDIARY COMPANIES

The Company has two subsidiaries in the United States of America (US), namely, ICICI Securities Holdings, Inc. (ISHI) and ICICI Securities, Inc. (I-Sec. Inc.). As required under Section 212 of the Companies Act, 1956, the audited statements of accounts for the year ended March 31, 2014 together with the reports of the Directors and auditors for the year ended March 31, 2014 of these subsidiaries are attached.

During fiscal 2014, ISHI did not have any business operations. It will continue to grow its wholly owned subsidiary, namely ICICI Securities, Inc. in its efforts to increase business from the institutional segment in US and Singapore. I-Sec. Inc. is registered with the Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority. I-Sec. Inc. has its main office in New York, US and the branch office in Singapore which holds a Capital Market Services license granted by the Monetary Authority of Singapore ("MAS") for the purpose of dealing in securities in Singapore.

During fiscal 2014, I-Sec. Inc. has strengthened its positioning among its US and Singapore based institutional investors. I-Sec. Inc. has strived to continuously add value to the decision-making process of its clients by providing differentiated research, access to corporate managements as well as experts from various fields. This approach has helped I-Sec. Inc. penetrate new clients as well as strengthen its positioning among existing clients. I-Sec. Inc. has obtained approval to act as an International Dealer from the Canadian Securities Regulatory Authorities ("CSRA") which has enabled the Company to expand its reach to institutional investors in three provinces of Canada.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company continued to partner with ICICI Foundation for Inclusive Growth to support the cause of elementary education, primary health, sustainable livelihood and skill development. The Company undertook several initiatives to help underprivileged children by partnering with NGOs like Umang Foundation, SOS Children's Villages of India, *etc*.

The Company participated in the India Giving Challenge 2013 organized by Give India and helped in raising funds through various avenues like payroll option, one time payout and the Joy of Giving Tree.

PUBLIC DEPOSITS

The Company did not accept any deposits under Section 58A of the Companies Act, 1956 during the year.

ACHIEVEMENTS

During the year, the Company received several accolades for its initiatives.

During the year, the Company in association with NSE organized, 'Pragati Ki Neev' - an investor education initiative which covered over 100 cities till March 2014. These free investor education programmes were attended by more than 6,000 participants. This initiative won the Company the 'Award for Outstanding Social Impacts' at the Global Sustainability Leadership Awards 2014. These awards recognize institutions for their contribution to the society in their domain as well as businesses that deliver products and services in ways that takes full account of their responsibility towards the communities they touch.

For the ninth time, ICICIdirect.com won the Outlook Money 'Best e-Brokerage Award'.

The Company was amongst the early entrants in India to an online application for customers to trade while on the move. This widely used application won the Company the Mobbys award for the 'Best Mobile application in Mobile Trading'.

ICICI Securities Business Partners has been conferred the Franchise India Awards 2013 for being the 'Franchisor of the year' in the Financial Services category.

ICICIdirect.com won the award for Innovation at Banking Frontiers Finnoviti Awards 2013,. The award was conferred for its `Valid Till Cancel Order' (VTC) facility which was awarded amongst the top 3 innovations in BFSI industry by 'Peer Voting'.

The Company won the Outlook Smart use Technology eRetailer of the year 2013 conferred by FIHL in association with HomeShop18.com.

The Company also won the Innovation Award for Oracle Fusion Middleware. The Company has consistently demonstrated the best usage of Oracle Tuxedo as an OLTP engine. These Asia-Pacific awards honour Oracle customers for their optimum and innovative solutions using Oracle Fusion Middleware.

DIRECTORS

During the year, Mukeshkumar Jain and Ketan Patel ceased to be Directors of the Company and the Board places on record its appreciation for the valuable services rendered by them. Shilpa Kumar was nominated as a Director on the Board of Directors of the Company by ICICI Bank Limited effective March 4, 2014. Anup Bagchi, Director, will retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offer himself for re-appointment.

As per the provisions of the Companies Act, 2013, independent directors are not liable to retire by rotation and the terms of appointment of independent directors will be governed by the provisions of Companies Act, 2013.

AUDITORS

The Statutory Auditors, S. R. Batliboi & Co. LLP, ICAI Firm Registration Number: 301003E (formerly known as S. R. Batliboi & Co.), Chartered Accountants, Mumbai, will retire at the ensuing Annual General Meeting. The Board has proposed their re-appointment as Statutory Auditors to audit the accounts of the Company for a further period of three years. The retiring Auditors have indicated their willingness to be re-appointed. You are requested to consider their re-appointment.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

During fiscal 2014, expenditure in foreign currencies amounted to ₹ 255.1 million (previous year: ₹ 66.7 million) and earnings in foreign currencies amounted to ₹ 181.5 million (previous year: ₹ 114.2 million).

PERSONNEL

As required by the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report.

ADDITIONAL INFORMATION

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 Company. The Company has, however, used information technology extensively in its operations.

AUDIT COMMITTEE

The Audit Committee comprises of Uday Chitale, Shilpa Kumar and Zarin Daruwala as its members. Uday Chitale, an independent Director, is Chairman of the Audit Committee. The Committee meets, *inter alia*, to review the accounts of the Company and to discuss the audit findings and recommendations of the internal and statutory auditors.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company confirm:

i. that the applicable accounting standards have been followed in the preparation of the annual accounts and that there are no material departures;

ii. that such accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at March 31, 2014 and of the profit of the Company for the year ended on that date;

iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 to safeguard the assets of the Company and to prevent and detect fraud and other irregularities; and

iv. that the annual accounts have been prepared on a 'going concern' basis.

CORPORATE PHILOSOPHY AND COMPLIANCE

The Company firmly believes that strong corporate governance and compliance practices are of paramount importance to maintain the trust and confidence of its stakeholders and the reputation of the Company. To ensure transparency, fairness and objectivity in the organisation's functioning and unquestioned integrity of all personnel involved, the Company has proactively adopted best practices with regard to corporate governance and compliance. The Company's policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, *inter alia*, priority to clients' interests over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

ACKNOWLEDGEMENTS

The Directors thank Securities and Exchange Board of India, National Stock Exchange of India Limited, Bombay Stock Exchange Limited, National Securities Depository Limited, Central Depository Services (India) Limited and other statutory authorities and its bankers and lenders for their continued support to the Company.

The Directors express their gratitude for the support and guidance received from the Company's shareholder, ICICI Bank Limited and other group companies and also express their warm appreciation to all the employees of the Company for their commendable teamwork, professionalism and contribution during the year.

The Directors extend their sincere thanks to the clients of the Company for their support.

For and on behalf of the Board

CHANDA KOCHHAR
Chairperson

Mumbai, May 19, 2014

independent auditors' report

to the Members of ICICI Securities Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of ICICI Securities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. 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.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 read with General Circular 8/2014 dated 04 April 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, 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 purpose of our audit;

   (b) 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;

   (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the Balance Sheet and the Profit and Loss account comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 8/2014 dated 04 April 2014 issued by the Ministry of Corporate Affairs;

   (e) On the basis of written representations received from the directors, as on March 31, 2014, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number: 301003E

Per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, April 16, 2014

ICICI Securities

Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

I-Sec

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) There was no disposal of fixed assets during the year.

(ii) (a) The Company does not hold any securities in physical form. The securities held as stock in trade by the custodian are verified with the confirmation statement received from them on a regular basis. In our opinion, the frequency of such verification is reasonable.

(b) The procedures of physical verification of securities held as stock in trade followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of securities held as stock in trade and no discrepancies were noticed on comparing the statement from custodian with book records.

(iii) As informed, the Company has not granted to or taken any loans, secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 301 of the Act and hence clause 4 (iii) (a) to (g) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of securities and fixed assets and for sale of services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

As informed, the Company has not sold goods during the year, hence adequacy of internal controls on same has not been commented upon.

(v) In our opinion, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956.

(vi) The Company has not accepted any deposits from the public.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) The provision of clause (viii) of the Order is not applicable to the Company in the year under audit and hence not reported upon.

(ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax and other material statutory dues applicable to it.

The provisions of Investor Education and Protection Fund, customs duty, excise duty and cess are not applicable to the Company in the current year.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance,income-tax, sales-tax, wealth-tax, service tax and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

The provisions of Investor Education and Protection Fund, customs duty, excise duty and cess are not applicable to the Company in the current year.

(c) According to the records of the Company, the dues outstanding of income-tax and Service Tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of client introduction fees, Client Assistance Charges, Transaction and VSAT charges etc.	984	1999-2000 to 2009-2010	CIT (Appeals) and ITAT
Service Tax Act, 1994	Disallowance of Input credit	127	AY 2005-2006 to 2010-2011	Commissioner of Service Tax
Value Added Tax	Disallowance of VAT Refund	2	AY 2008-2009	Commissioner of VAT appeal

According to the information and explanation given to us, there are no dues of sales-tax, wealth tax, and cess which have not been deposited on account of any dispute.

The provisions of customs duty and excise duty are not applicable to the Company in the current year.

(x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.

(xiv) In respect of dealing/trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company, in its own name.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) The Company did not have any term loans outstanding during the year. For this purpose loans with repayment periods beyond 36 months are considered as long term loans.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purpose.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.

(xix) The Company did not have any outstanding debentures during the year.

(xx) The Company has not raised any money through a public issue.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E

Per SHRAWAN JALAN
Partner
Membership No.102102

Mumbai, April 16, 2014

balance sheet

at March 31, 2014

	Notes	March 31, 2014	(₹ in million) March 31, 2013
I EQUITY AND LIABILITIES			
(1) Shareholder's funds			
(a) Share capital	3	**1,610.7**	*2,110.7*
(b) Reserves and surplus	4	**1,385.0**	*1,157.6*
		2,995.7	*3,268.3*
(2) Non-current liabilities			
(a) Other long term liabilities	5	**404.5**	*460.2*
(b) Long-term provisions	6	**129.0**	*102.9*
		533.5	*563.1*
(3) Current liabilities			
(a) Short-term borrowings	7	**3,171.3**	*2,199.1*
(b) Trade payables	8	**8,387.6**	*2,378.9*
(c) Other current liabilities	9	**1,089.1**	*646.3*
(d) Short-term provisions	10	**26.5**	*28.9*
		12,674.5	*5,253.2*
		16,203.7	*9,084.6*
II) ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	**193.5**	*174.5*
(ii) Intangible assets		**154.1**	*154.7*
(iii) Capital work-in-progress		**6.0**	*1.8*
(iv) Intangible assets under development		**9.6**	*23.6*
		363.2	*354.6*
(b) Non-current investments	12	**605.5**	*753.7*
(c) Deferred tax assets (Net)	13	**314.5**	*259.7*
(d) Long-term loans and advances	14	**1,419.5**	*1,256.7*
(e) Other non-current assets	15	**119.9**	*121.9*
		2,822.6	*2,746.6*
(2) Current assets			
(a) Current investments	16	**1,000.0**	—
(b) Stock-in- trade	17	**277.0**	*51.1*
(c) Trade receivables	18	**5,384.1**	*970.9*
(d) Cash and bank balances	19	**5,888.1**	*4,675.3*
(e) Short-term loans and advances	20	**397.8**	*204.5*
(f) Other current assets	21	**434.1**	*436.2*
		13,381.1	*6,338.0*
		16,203.7	*9,084.6*
Summary of significant accounting policies	2		

III) The accompanying notes are an integral part of the financial statements.

profit and loss account

for the year ended March 31, 2014

	Notes	March 31, 2014	(₹ in million) March 31, 2013
I) Revenue from operations			
(a) Brokerage income		**4,960.5**	*4,470.7*
(b) Income from services		**2,534.8**	*2,326.9*
(c) Interest and other operating income	22	**588.6**	*580.8*
(d) Profit/(loss) on securities (net)		**33.5**	-
Total Revenue		**8,117.4**	*7,378.4*
II) Expenses:			
(a) Employee benefits expense	23	**3,213.4**	*2,886.9*
(b) Operating expenses	24	**1,202.6**	*1,148.3*
(c) Finance costs	25	**242.6**	*307.9*
(d) Depreciation and amortisation expense	11	**133.1**	*137.9*
(e) Other expenses	26	**2,064.7**	*1,862.0*
Total expenses		**6,856.4**	*6,343.0*
III) Profit before tax		**1,261.0**	*1,035.4*
IV) Tax expense:			
(a) Current tax		**566.4**	*438.6*
(b) Deferred tax		**(54.8)**	*(85.3)*
Total tax expense		**511.6**	*353.3*
V) Profit after tax		**749.4**	*682.1*
VI) Earnings per equity share:	27	**0.86**	*0.75*
Basic & Diluted			
(Face value ₹ 2/- per share)			
Summary of significant accounting policies	2		

VII) The accompanying notes are an integral part of the financial statements.

As per our report of even date

S. R. BATLIBOI & CO. LLP
ICAI Firm Registration No.: 301003E
Chartered Accountants

Per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, April 16, 2014

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson

UDAY CHITALE
Director

ANUP BAGCHI
Managing Director & CEO

AJAY SARAF
Executive Director

RAJU NANWANI
Company Secretary

PRASHANT MOHTA
Chief Financial Officer

1 **CORPORATE INFORMATION**

ICICI Securities Limited ("the Company"), incorporated in 1995, is a public company engaged in the business of broking (institutional and retail), merchant banking and advisory services.

2 **SIGNIFICANT ACCOUNTING POLICIES**

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP).The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company except as mentioned in note 39.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income, expenses and results during the reporting period. The estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates.

c) Revenue recognition

i) Brokerage income in relation to stock broking activity is recognised on a trade date basis.

ii) Revenue from issue management, debt syndication, financial advisory services among others, is recognised based on the stage of completion of assignments and terms of agreement with the client.

iii) Fee income in relation to public issues/ other securities is recognised based on mobilization and intimation received from clients intermediaries.

iv) Gains/ losses on dealing in securities are recognised on a trade date basis.

v) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

vi) Revenue from dividends is recognised when the shareholder's right to receive the payment is established.

vii) Training fee income from financial educational programs is recognized on accrual basis.

d) Investments

Investments in debt and equity securities are classified as current investment or long term investments.

Investments that are acquired with the intention of short term holding and trading are classified as stock-in-trade. All other investments are classified as long term investments. The securities held as stock- in- trade are carried at cost arrived at on weighted average basis or market value, whichever is lower.

Long term investments are carried at acquisition cost, inclusive of direct acquisition costs, if any. Any decline in the value of investments, which is other than temporary is reduced from its acquisition cost and provided for in the statement of profit and loss. A decline is considered as other than temporary after considering the investee company's market value, assets, results and the expected cash flows from the investment and restrictions, if any, on distribution or sale of the investee company.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

e) Fixed Assets

(i) Tangible assets

Tangible assets are carried at cost less accumulated depreciation. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the asset. Depreciation is charged over the estimated useful life of the assets on straight line basis.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the statement of Profit and Loss.

The rates of depreciation for fixed assets, which are not lower than the rates prescribed in Schedule XIV of the Companies Act, 1956, are given below:-

Asset	**Depreciation rate**
Tangible	
Leasehold improvements	Over the lease period
Office equipments comprising air conditioners, photo-copying machines	10.00% to 50.00%
Computers	16.21%
Furniture and fixtures	15.00%
Motor vehicles	20.00%

(ii) Intangible Assets

Intangible assets are carried at cost less accumulated amortization. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

The amortisation rates used are:

Intangible asset	Depreciation rate
Computer software	25.00%
CMA Membership rights	20.00%

f) Foreign exchange transactions

Foreign currency income and expenditure items of domestic operations are translated at the exchange rates prevailing on the date of the transaction. Foreign currency income and expenditure items of integral foreign operations are translated at monthly average rates.

Monetary foreign currency assets and liabilities of domestic and integral foreign operations are translated at closing rate. Non monetary foreign currency assets and liabilities of domestic and integral foreign operations are reported at historical cost.

Exchange differences arising on the settlement or restatement of monetary items are recognised as exchange gain/loss in the statement of profit and loss.

Income and expenditure of non-integral foreign operations are translated at monthly average rates. Both monetary and non-monetary foreign currency assets and liabilities of non-integral foreign operations are translated at closing exchange rates at the balance sheet date and the resultant profits/ losses from exchange differences are accumulated in the foreign currency translation reserve until the disposal of the net investment in the non-integral foreign operations.

g) Accounting for derivative transactions

The Company enters into derivative contracts such as equity index/ stock futures, equity index/stock options.

Derivative contracts entered into for trading purposes are marked to market and the resulting loss is accounted for in the profit and loss account. Gains are recognised only on settlement/expiry of the derivative contract.

Receivables/payables on the open positions are reported as current assets/ current liabilities.

h) Staff retirement and other benefits

Gratuity

The Company pays gratuity defined benefit plan to its employees who retire or resign after a minimum period of five years of continuous service and in the case of employees at overseas locations as per rules in force in the respective countries. The Company makes contributions to the ICICI Securities Employees Gratuity Fund which is managed by ICICI Prudential Life Insurance Company Limited for the settlement of gratuity liability.

The Company accounts for the gratuity liability as per an actuarial valuation by an actuary appointed by the Company. In accordance with the gratuity fund's rules, actuarial valuation of gratuity liability is calculated based on certain assumptions regarding rate of interest, staff mortality and staff attrition as per the projected unit credit method made at the end of each financial year.

With respect to Oman Branch, the Company provides end of service benefits to its expatriate employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. With respect to its national employees, the Company makes contributions to the Omani Public Authority for Social Insurance Scheme calculated as a percentage of the employees' salaries. The Company's obligations are limited to these contributions, which are expensed when due.

Compensated absence

Compensated Absences: Accumulated compensated absences, which are exceeding the allowable limit of carry forward beyond 12 months from the end of the year are treated as short term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of such unused entitlement that has accumulated at the reporting date.

Accumulated compensated absences, which are within the allowable limit for carry forward beyond 12 months from the end of the year are valued on actuarial basis. The Company's liability is actuarially determined (using the projected unit credit method) at the end of each year in respect of such leave. Actuarial losses/gains are recognized in the statement of profit and loss in the year which they arise.

Provident fund

The Company is statutorily required to contribute a specified portion of the basic salary of an employee to a provident fund as a part of retirement benefits to its employees. The contributions during the year are charged to the profit and loss account.

Long Term Incentive

The Company has a long term incentive plan which is paid in three annual tranches. The Company accounts for the liability as per an actuarial valuation. The actuarial valuation of the long term incentives liability is calculated based on certian assumptions regarding rate of interest and staff attrition. The actuarial losses / gains are recognized in the statement of profit and loss in the year in which they arise.

i) Income taxes

Income tax expense is the aggregate amount of current tax and deferred tax borne by the Company. The current tax expense and deferred tax expense is determined in accordance with the provisions of the Income Tax Act, 1961 and as per Accounting Standard 22 - Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India respectively. Deferred tax adjustments comprise of changes in the deferred tax assets or liabilities during the year.

Deferred tax assets and liabilities are recognised on a prudent basis for the future tax consequences of timing differences arising between the carrying values of assets and liabilities and their respective tax basis and carry forward losses. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. The impact of changes in the deferred tax assets and liabilities is recognised in the statement of profit and loss.

Deferred tax assets are recognised and reassessed at each reporting date, based upon management's judgment as to whether their realization is considered as reasonably certain. Deferred tax assets are recognised on carry forward of unabsorbed depreciation, tax losses and carry forward capital losses, only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In accordance with the recommendations contained in Guidance note on accounting for credit available in respect of Minimum Alternative Tax ("MAT") issued by the Institute of Chartered Accountants of India, MAT credit is recognised as an asset to the extent there is convincing evidence that the Company will pay normal income tax during the specified period in future. MAT credit is recognised as an asset by way of a credit to the profit and loss account and shown as MAT credit entitlement in the year in which MAT credit becomes eligible to be recognized as an asset.

j) Impairment of assets

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment is recognised by debiting the profit and loss account and is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

k) Provisions and contingent liabilities

Provisions : Provision is recognised when an enterprise has a present obligation as a result of a past event and 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 determined based on management estimates required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet dates and adjusted to reflect the current management estimates.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. The existence of a contingent liability is disclosed in the notes to the financial statements.

l) Earnings per share ("EPS")

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

m) Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating lease. Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.

n) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement include cash in hand, balances with the banks and short term investments with an original maturity of three months or less.

3. SHARE CAPITAL

(₹ in million)

	March 31, 2014	*March 31, 2013*
Authorised:		
1,000,000,000 (March 31, 2013: 1,000,000,000 of ₹ 2 each) equity shares of ₹ 2 each	**2,000.0**	*2,000.0*
5,000,000 (March 31, 2013 : 5,000,000 of ₹ 100 each) 13.75% Cumulative non-convertible redeemable preference shares of ₹ 100 each	**500.0**	*500.0*
	2,500.0	*2,500.0*
Issued, subscribed and fully paid-up shares:		
805,353,500 (March 31, 2013 : 805,353,500 of ₹ 2 each) equity shares of ₹ 2 each fully paid	**1,610.7**	*1,610.7*
0 (March 31, 2013 : 5,000,000 of ₹ 100 each) 13.75% Cumulative non-convertible redeemable preference shares of ₹ 100 each. These shares are redeemed on December 18, 2013.	**—**	*500.0*
Total issued, subscribed and fully paid-up share capital	**1,610.7**	*2,110.7*

a. **Reconciliation of the shares at the beginning and at the end of the reporting year**

Equity shares

(₹ in million)

	March 31, 2014		*March 31, 2013*	
	Nos.		*Nos.*	
At the beginning of the year	**805,353,500**	**1,610.7**	*805,353,500*	*1,610.7*
Issued during the year - Bonus issue	—	—	—	—
Issued during the year - ESOP	—	—	—	—
Outstanding at the end of the period	**805,353,500**	**1,610.7**	*805,353,500*	*1,610.7*

Cumulative non-convertible redeemable preference share

	March 31, 2014		*March 31, 2013*	
	Nos.		*Nos.*	
At the beginning of the year	**5,000,000**	**500.0**	*5,000,000*	*500.0*
Issued during the year - Bonus issue	—	—	—	—
Issued during the year - ESOP	—	—	—	—
Redeemed during the year	**(5,000,000)**	**(500.0)**	—	—
Outstanding at the end of the year	—	—	*5,000,000*	*500.0*

All the above, 805,353,500 (March 31, 2013: 805,353,500) Equity Shares of ₹ 2 each are held by ICICI Bank Limited (Holding Company) and its nominees. NIL (March 31, 2013: 5,000,000) 13.75% cumulative non-convertible redeemable preference shares of ₹ 100 each are held by ICICI Home Finance Company Limited (Fellow Subsidiary). The preference shares have been redeemed on December 18, 2013.

b **Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2014, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 0.50 (March 31, 2013: ₹ 0.37). In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(₹ in million)

	March 31, 2014	*March 31, 2013*
4. RESERVES AND SURPLUS		
Reserves and surplus consist of the following:		
(a) Securities premium account	**244.0**	*244.0*
(b) Investors contingency fund		
Opening balance	—	*17.8*
Add : Additions during the year (net)	—	—
Less: Transfer to general reserve	—	*17.8*
Closing balance	—	—
(c) Translation reserve		
Opening balance	**11.9**	*5.0*
Add : Additions during the year (net)	**4.0**	*6.9*
Closing balance	**15.9**	*11.9*
(d) General reserve		
Opening balance	**409.9**	*323.8*
Add : Transfer from Investors contingency fund	—	*17.8*
Add : Additions during the year (net)	**74.9**	*68.3*
Closing balance	**484.8**	*409.9*
(e) Surplus/deficit in profit & loss		
Opening balance	**491.8**	*306.9*
Add: profit for the year	**749.4**	*682.1*
	1,241.2	*989.0*
Less: Appropriations		
Dividend on preference shares	**49.3**	*68.8*
Interim dividend on equity shares	**400.3**	*300.2*
Tax on preference shares dividend	**8.4**	*11.2*
Tax on equity dividend	**68.0**	*48.7*
Transfer to general reserve	**74.9**	*68.3*
Closing balance	**640.3**	*491.8*
TOTAL	**1,385.0**	*1,157.6*

(₹ in million)

	March 31, 2014	*March 31, 2013*
5. OTHER LONG TERM LIABILITIES		
Other long term liabilities consist of the following:		
(a) Other liabilities	**404.5**	*460.2*
TOTAL	**404.5**	*460.2*
6. LONG TERM PROVISION		
Long-term provision consist of the following:		
Provision for employee benefits		
(a) Provision for gratuity	**116.6**	*91.5*
(b) Provision for compensated absence	**12.4**	*11.4*
TOTAL	**129.0**	*102.9*
7. SHORT TERM BORROWINGS		
Short-term borrowings consist of the following:		
(a) Secured loans		
Cash credit	—	*74.2*
(Secured against first charge on all receivables ,book debts, cash flows, and proceeds arising therefrom including but not limited to the Company's cash in hand both present and future)		
(b) Unsecured loans		
Commercial paper	**3,171.3**	*2,124.9*
(repayable within one year)		
TOTAL	**3,171.3**	*2,199.1*
8. TRADE PAYABLES		
Trade payables consist of the following:		
Trade payables		
(a) Micro, small and medium enterprises	—	—
(Refer note 34 for details of dues to micro and small enterprises)		
(b) Others	**8,387.6**	*2,378.9*
TOTAL	**8,387.6**	*2,378.9*

9. OTHER CURRENT LIABILITIES

Other current liabilities consist of the following:

	March 31, 2014	March 31, 2012
	(₹ in million)	
Income received in advance	**11.8**	*21.6*
Other payables to		
(a) Micro, small and medium enterprises (Refer note 35 for details of dues to micro and small enterprises)	**—**	—
(b) Others		
1) Statutory liabilities	**161.3**	*109.6*
2) Employee related liabilities	**572.0**	*427.9*
3) Other liabilities	**344.0**	*87.2*
TOTAL	**1,089.1**	*646.3*

10. SHORT TERM PROVISION

Short-term provision consist of the following:

	March 31, 2014	March 31, 2013
	(₹ in million)	
(a) Provision for employees benefits		
i) Provision for gratuity	**12.4**	*15.4*
ii) Provision for compensated absence	**14.1**	*13.5*
TOTAL	**26.5**	*28.9*

11. FIXED ASSETS

Fixed assets consist of the following: **(₹ in million)**

	Gross Block (At Cost)				Accumulated Depreciation				Net Block	
	April 01, 2013	Additions	Sale/Adj*	March 31, 2014	*April 01, 2013*	Additions	Sale/Adj*	March 31, 2014	March 31, 2014	*March 31, 2013*
TANGIBLE										
Computers	*141.8*	*32.4*	19.6	**154.6**	*95.5*	*18.7*	*19.6*	**94.6**	**60.0**	*46.3*
Furniture and fixtures	*12.6*	*5.9*	1.4	**17.1**	*7.1*	*2.5*	*(0.6)*	**10.2**	**6.9**	*5.5*
Office equipment	*19.7*	*8.7*	0.3	**28.1**	*4.1*	*4.3*	*0.2*	**8.2**	**19.9**	*15.6*
Vehicles	*82.7*	*23.6*	11.9	**94.4**	*30.3*	*17.5*	*7.6*	**40.2**	**54.2**	*52.4*
Lease hold improvements	*233.5*	*17.3*	43.6	**207.2**	*178.8*	*16.8*	*40.9*	**154.7**	**52.5**	*54.7*
TOTAL (A)	*490.3*	*87.9*	76.8	**501.4**	*315.8*	*59.8*	*67.7*	**307.9**	**193.5**	*174.5*
INTANGIBLE										
Software	*550.2*	*72.6*	104.1	**518.7**	*397.0*	*71.5*	*103.9*	**364.6**	**154.1**	*153.1*
CMA membership right	*21.0*	*0.0*	(2.2)	**23.2**	*19.3*	*1.8*	*(2.1)*	**23.2**	**0.0**	*1.6*
TOTAL (B)	*571.2*	*72.6*	101.9	**541.9**	*416.3*	*73.3*	*101.8*	**387.8**	**154.1**	*154.7*
TOTAL (A+B)	*1061.5*	*160.5*	178.7	**1043.3**	*732.1*	*133.1*	*169.5*	**695.6**	**347.6**	*329.3*
Previous Period	*928.5*	*176.1*	*43.1*	***1,061.5***	*608.7*	*137.9*	*14.4*	***732.0***	***329.3***	

* Fixed assets sale/ adjustments includes effect of foreign currency translation amounting to ₹ 0.5 million(Previous year ₹ 3.0 million).

12. NON- CURRENT INVESTMENTS

Non-current investments consist of the following: **(₹ in million)**

Name of the Company	Quantity Nos.	Face value per unit	As at March 31, 2014	*As at March 31, 2013*
Trade Investments				
In equity shares (valued at cost)				
Subsidiary Company:				
(a) ICICI Securities Holding Inc.(unquoted)	16,640,000 (16,640,000)	US $ 1	**728.2**	*728.2*
Less :Provision for investment (Refer note 40)			**(125.5)**	—
			602.7	*728.2*
Others:				
(a) Bombay Stock Exchange Limited (unquoted)	22,828 (22,828)	₹ 1	**0.0**	*0.0*
(b) Parabolic Drugs Limited (quoted)	794,000(794,000)	₹10	**45.5**	*45.5*
Less: Provision for investment			**(42.7)**	*(20.0)*
			2.8	*25.5*
			605.5	*753.7*
Non Trade Investments				
In equity shares (valued at cost)				
Others:				
(a) First Source Solutions Limited (quoted)	100 (100)	₹ 10	**0.0**	*0.0*
			0.0	0.0
TOTAL			**605.5**	*753.7*

1) Aggregate amount of quoted investments (market value ₹ 3.5 million , previous year ₹ 5.0 million)	**2.8**	*25.5*
2) Aggregate amount of unquoted investments (₹ 0 million indicates values are lower than ₹ 1 million)	**602.7**	*728.2*
3) Previous year's quantities are given in parenthesis.		

	As at March 31, 2014	(₹ in million) As at March 31, 2013
13. DEFERRED TAX ASSETS (NET)		
The break-up of deferred tax assets and liabilities is given below:		
Deferred tax asset		
(a) Provision for doubtful debt	**38.3**	*22.0*
(b) Provision for gratuity	**43.9**	*34.7*
(c) Provision for compensated absence	**9.0**	*8.1*
(d) Provision for lease rent escalation	**32.6**	*32.9*
(e) Depreciation	**21.2**	*21.9*
(f) Provision for investments	**4.6**	*2.2*
(g) Long term incentives	**164.9**	*156.4*
Total Deferred tax assets	**314.5**	*278.2*
Deferred tax liability		
(a) Amortisation of acquisition cost	**—**	*(18.5)*
Total deferred tax liability	**—**	*(18.5)*
TOTAL	**314.5**	*259.7*
14 LONG TERM LOANS AND ADVANCES		
Long-term loans and advance consist of the following:		
(a) Unsecured, considered good		
i) Security deposit for leased premises and assets	**291.2**	*294.1*
ii) Security deposit with stock exchanges	**235.8**	*28.1*
iii) Advance tax (net of provision for tax)	**875.6**	*911.7*
iv) Loans and advances to related parties	**0.1**	*0.1*
v) Other loans and advances	**—**	*—*
a) Prepaid expenses	**1.4**	*0.4*
b) Other security deposit	**11.2**	*17.2*
c) Others	**3.6**	*4.1*
vi) Capital advances	**0.6**	*1.0*
TOTAL	**1,419.5**	*1,256.7*

Loans and advances to related parties pertains to:

ICICI Lombard General Insurance Co. Limited ₹ 0.1 million (previous year : ₹ 0.1 million)

15. OTHER NON-CURRENT ASSETS		
Other non-current assets consist of the following:		
(a) Interest receivable	**1.0**	*1.2*
(b) Fixed deposits with banks *		
i) In India	**111.1**	*113.6*
ii) Outside India	**7.8**	*7.1*
	118.9	*120.7*
TOTAL	**119.9**	*121.9*

* 1) Fixed deposits under lien with stock exchanges amounted to ₹ 60.0 million (Previous year: ₹ 12.5 million) and kept as collateral security towards bank guarantees issued amounted to ₹ 8.4 million (Previous year: ₹ 7.9 million) and others ₹ 50.5 million (Previous year: ₹ 50.2 million)

2) Fixed deposits having maturity more than 90 days ₹ 0 million (Previous year: ₹ 50 million)

Name of the Company	Quantity Nos.	NAV per unit	As at March 31, 2014	(₹ in million) As at March 31, 2013
16. CURRENT INVESTMENTS:				
Current investments consist of the following				
i) HDFC FMP Series 29	10,000,000	₹ 10.03	**100.0**	
ii) HDFC FMP Series 29	25,000,000	₹ 10.12	**250.0**	
iii) ICICI Prudential FMP Series 73	25,000,000	₹ 10.13	**250.0**	
iv) ICICI Prudential FMP Series 73	15,000,000	₹ 10.03	**150.0**	
v) Reliance Flexi Horizon Fund	25,000,000	₹ 10.11	**250.0**	
			1,000.0	—
Aggregate amount of uquoted investments			**—**	—
(Face value ₹10, Previous year ₹ Nil)			**1,000.0**	—

17. STOCK-IN-TRADE

Stock-in-trade consist of the following: (₹ in million)

	As at March 31, 2014	As at March 31, 2013
(a) Equity shares (quoted)		
i) Axis Bank Limited	**—**	*0.1*
ii) India Bulls Real Estate Limited	**0.6**	*—*
	0.6	*0.1*
(b) Non-Convertible Preference Shares		
i) 9% L & T Holdings Limited	**81.9**	
	81.9	
(c) Bond		
i) 9.35% REC LIMITED	**—**	*51.0*
ii) 8.82% REC LIMITED	**95.4**	*—*
	95.4	*51.0*
(d) Non-Convertible Debentures		
i) 11.60 % ECL FINANCE LIMITED	**99.1**	
	99.1	
TOTAL	**277.0**	*51.1*

1) Current investments are valued at cost or market value whichever is lower.
2) The aggregate carrying value and market value of quoted securities as at March 31, 2014 is ₹ 277.1 million (previous year: ₹ 51.1 million) and ₹ 278.5 million (previous year ₹ 51.1 million) respectively.
3) The above include securities on the Company's account due to trading errors on behalf of the customers.
4) ₹ 0 million indicates values are lower than ₹ 1 million.

	As at March 31, 2014	(₹ in million) As at March 31, 2013
18. TRADE RECEIVABLES		
Trade receivables consist of the following:		
Secured		
(a) Receivables outstanding for a period exceeding six months:		
i) Considered good	—	—
ii) Considered doubtful	—	—
(b) Others		
i) Considered good	767.7	646.3
ii) Considered doubtful	—	—
Less: Provision for doubtful debt	0.0	0.0
TOTAL (A)	767.7	646.3
Unsecured		
(a) Receivables outstanding for a period exceeding six months:		
i) Considered good	7.5	56.4
ii) Considered doubtful	98.7	56.3
(b) Others		
i) Considered good	4,608.9	268.2
ii) Considered doubtful	2.7	1.4
Less: Provision for doubtful debt	(101.4)	(57.7)
TOTAL (B)	4,616.4	324.6
TOTAL (A) + (B)	5,384.1	970.9
19. CASH AND BANK BALANCE:		
Cash and bank balances consist of the following:		
Cash and cash equivalents		
Cash and cheques on hand	1.1	31.6
Balances with Banks		
(a) In Current accounts with banks		
i) In India with Scheduled banks	793.0	184.0
ii) Outside India	12.4	30.5
(b) Fixed Deposit with maturity less than 90 days	150.0	—
	956.5	246.1
Other bank balances		
Fixed deposits in India*	4,931.6	4,429.2
Cash and bank balances	4,931.6	4,429.2
TOTAL	5,888.1	4,675.3

*1) Fixed deposits under lien with stock exchanges amounted to ₹ 4,800.5 million (Previous year : ₹ 3,689.3 million) and kept as collateral security towards bank guarantees issued amounted to ₹ 0.2 million (Previous year: ₹ 490.0 million) and others ₹ 25.9 million (Previous year ₹ 12.0 million)

*2) Fixed deposits having maturity more than 90 days ₹ 105.0 million (Previous year ₹ 237.9 million)

	As at March 31, 2014	As at March 31, 2013
20. SHORT-TERM LOANS AND ADVANCES:		
Short-term loans and advances consist of the following:		
Unsecured, considered good		
i) Margin deposits with stock exchange	150.5	0.5
ii) Security deposit for leased premises and assets	16.0	6.6
iii) Other loans and advances		
a) Prepaid expenses	23.2	27.9
b) Advance to creditors	114.1	31.6
c) Other advances	94.0	137.8
TOTAL	397.8	204.5

	As at March 31, 2014	(₹ in million) As at March 31, 2013
21. OTHER CURRENT ASSETS		
Other current assets consist of the following:		
(a) Accrued income	264.3	298.5
(b) Interest receivable	169.8	137.7
TOTAL	434.1	436.2

22. INTEREST AND OTHER OPERATING INCOME

Interest and other operating income consist of the following:

	For the year ended March 31, 2014	For the year ended March 31, 2013
(a) Interest		
i) Fixed deposits and application money	478.4	442.9
ii) Securities held as stock-in-trade	12.3	25.5
iii) Other advances and deposits	0.3	0.2
iv) Interest on late payment	87.1	77.2
(b) Dividend Income	3.5	0.4
(c) Profit/(Loss) on sale of fixed assets (net)	—	1.4
(d) Other income	7.0	33.2
TOTAL	588.6	580.8
23. EMPLOYEE BENEFIT EXPENSE		
Employee benefits expense consist of the following:		
(a) Salaries, wages and bonus	2,848.1	2,554.2
(b) Contribution to provident and other funds	165.6	152.6
(c) Staff welfare expenses	199.7	180.1
TOTAL	3,213.4	2,886.9
24. OPERATING EXPENSES		
Operating expenses consist of the following:		
(a) Procurement expenses	645.7	310.1
(Net of recoveries ₹ Nil million, previous year ₹ 2.3 million)		
(b) Turnover fees	0.7	1.0
(c) Transaction charges and stamp duty	17.5	15.9
(d) Custodial and depository charges	217.5	259.3
(e) Call centre charges	108.4	85.4
(f) Franking charges	55.4	38.3
(Net of recoveries ₹ 39.4 million, previous year ₹ 41.1 million)		
(g) Rating agency fees	2.1	2.8
(h) Scanning Expenses	44.7	35.0
(i) (Profit) / loss on securities (net)	—	328.7
(j) Other operating expenses	110.6	71.8
TOTAL	1,202.6	1,148.3
25. FINANCE COST		
Finance cost consist of the following:		
(a) Interest expense	238.5	295.8
(b) Guarantee commission	1.4	9.7
(c) Bank charges	2.7	2.4
TOTAL	242.6	307.9

26. OTHER EXPENSES

Other expenses consist of the following:

Particulars	For the year ended March 31, 2014	*For the year ended March 31, 2013*
(a) Rent and amenities	**714.2**	*776.9*
(b) Insurance	**4.6**	*3.4*
(c) Business promotion, traveling and conveyance expenses	**265.2**	*247.8*
(d) Repairs, maintenance, upkeep and others	**287.5**	*256.5*
(e) Rates and taxes	**71.6**	*34.3*
(f) Electricity expenses	**93.3**	*87.5*
(g) Communication expenses	**168.1**	*162.7*
(h) (Profit)/loss on sale of fixed assets (net)	**4.7**	–
(i) Advertisement and publicity	**96.3**	*73.6*
(j) Printing and stationery	**41.7**	*40.7*
(k) Subscription and periodicals	**66.1**	*59.7*
(l) Professional fees	**80.7**	*74.6*
(m) Auditors' remuneration	**6.0**	*6.2*
(n) Donation	**6.6**	*6.0*
(o) Recruitment expense	**31.8**	*29.7*
(p) Foreign exchange (gain)/loss (net)	**–**	*1.2*
(q) Miscellaneous expenses	**0.8**	*1.2*
(r) Provision for diminution in value of subsidiary (Other than temporary)	**125.5**	–
TOTAL	**2,064.7**	*1,862.0*

27. EARNINGS PER SHARE

The computation of basic and diluted earnings per share is given below:-

Basic & Diluted earnings per share		
Net profit after tax, before preference dividend (₹ in million)	**749.4**	*682.1*
Preference dividend and tax on dividend (₹ in million)	**57.7**	*80.0*
Net profit after tax and preference dividend (₹ in million) (A)	**691.6**	*602.1*
Weighted average no. of equity shares outstanding (in millions) (B)	**805.4**	*805.4*
Basic & diluted earnings per share (₹) (A)/(B)	**0.86**	*0.75*
Nominal value per share (₹)	**2.00**	*2.00*

28. RELATED PARTY DISCLOSURES

As per accounting standard on related party disclosures (AS18) as notified by the Companies Accounting Standard Rules 2006 (amended), the names of the related parties of the Company are as follows:

A. Related party where control exists irrespective whether transactions have occurred or not

Holding Company: ICICI Bank Limited

Subsidiary Companies: ICICI Securities Holding Inc.; ICICI Securities Inc.

B. Other related parties where transactions have occurred during the year

Fellow Subsidiaries:

ICICI Securities Primary Dealership Limited; ICICI Prudential Life Insurance Company Limited; ICICI Lombard General Insurance Company Limited; ICICI Prudential Asset Management Company Limited; ICICI Home Finance Company Limited; ICICI Venture Funds Management Company Limited; ICICI Investment Management Company Limited; ICICI Bank Canada.

C. Key Management Personnel

a) Anup Bagchi — Managing Director & CEO

b) Ajay Saraf — Executive Director

The following transactions were carried out with the related parties in the ordinary course of business.

(₹ in million)

Nature of Transaction	Holding Company March		Subsidiary Company March		Fellow Subsidiary Company March	
	2014	*2013*	2014	*2013*	2014	*2013*
Income from services and brokerage (commission and fees)	**105.0**	*134.0*				
ICICI Home Finance Company Limited					**39.9**	*57.3*
ICICI Prudential Life Insurance Company Limited					**380.0**	*385.4*
ICICI Securities Primary Dealership Limited					**0.7**	*1.2*
ICICI Lombard General Insurance Company Limited					**10.4**	*13.9*
ICICI Prudential Asset Management Company Limited					**8.0**	*57.4*
ICICI Prudential Trust Limited					**0.8**	
ICICI Securities Inc			**1.8**			
ICICI Venture Funds Management Company Limited					**4.0**	*4.5*
Interest income	**283.4**	*182.8*				
Staff expenses	**17.2**	*18.8*				
ICICI Securities Primary Dealership Limited					**(1.3)**	*(4.3)*
ICICI Prudential Life Insurance Company Limited					**2.3**	*2.0*
ICICI Lombard General Insurance Company Limited					**69.8**	*61.7*
Operating expenses	**360.4**	*303.4*				
ICICI Securities Primary Dealership Limited					**24.7**	*13.0*
ICICI Securities Inc			**146.6**	*26.6*		
ICICI Investment Management Company Limited					**–**	*2.0*
Other expenses	**171.9**	*152.3*				
ICICI Lombard General Insurance Company Limited					**3.9**	*4.5*
ICICI Securities Primary Dealership Limited					**10.3**	*13.8*
ICICI Prudential Life Insurance Company Limited						
ICICI Venture Funds Management Company Limited					**–**	*0.0*
ICICI Securities Inc			**0.8**			
Finance cost	**9.7**	*5.7*				
ICICI Securities Inc						
Proposed dividend	**250.1**	–				
Dividend paid	**150.1**	*300.2*				
ICICI Home Finance Company Limited					**49.3**	*68.8*

(₹ in million)

Nature of Transaction	Holding Company March		Subsidiary Company March		Fellow Subsidiary Company March	
	2014	*2013*	2014	*2013*	2014	*2013*
Share capital	**1,610.7**	*1,610.7*				
Preference share capital						
ICICI Home Finance Company Limited					**–**	*500.0*
Payables	**117.1**	*67.1*				
ICICI Lombard General Insurance Company Limited					**0.4**	–
ICICI Prudential Life Insurance Company Limited						
ICICI Securities Primary Dealership Limited					**8.1**	*14.2*
ICICI Home Finance Company Limited						
ICICI Securities Inc			**21.8**	*2.2*		
Fixed assets purchases	**–**	*1.9*				
Fixed assets sold						
Investment						
ICICI Securities Holding Inc			**602.7**	*728.2*		
Cash Credit	**–**	*74.2*				
Fixed deposits	**2,308.8**	*3,051.7*				
Accrued interest Income	**70.7**	*85.9*				
Bank balance	**774.9**	*158.7*				
(Net of current liabilities of ₹ 9.2 million (Previous year ₹ 20.5 million)						
Corporate guarantee						
ICICI Securities Inc			**89.9**	*81.4*		
Deposit						
ICICI Lombard General Insurance Company Limited					**0.1**	*0.1*
Loans & advances (including prepaid expenses)	**0.2**	*0.3*				
ICICI Lombard General Insurance Company Limited					**3.3**	*4.7*
ICICI Prudential Life Insurance Company Limited					**1.5**	*0.5*
ICICI Securities Primary Dealership Limited						
Receivables	**–**					
ICICI Prudential Life Insurance Company Limited					**52.2**	*0.2*
ICICI Lombard General Insurance Company Limited					**0.1**	*0.0*
ICICI Prudential Asset Management Company Limited					**5.1**	*0.4*
ICICI Home Finance Company Limited					**–**	*4.3*
ICICI Venture Funds Management Company Limited					**–**	*4.5*
Accrued income	**13.0**	*36.1*				
ICICI Lombard General Insurance Company Limited					**1.7**	*1.3*
ICICI Prudential Life Insurance Company Limited					**9.0**	*25.9*
ICICI Prudential Asset Management Company Limited					**0.2**	*55.6*
ICICI Home Finance Company Limited					**7.9**	*10.2*

(₹ in million)

Nature of Transaction	Holding Company March		Subsidiary Company March		Fellow Subsidiary Company March	
	2014	*2013*	**2014**	*2013*	**2014**	*2013*
Purchase value of bond	**16.3**	250.2	**—**	—	**—**	—
ICICI Securities Primary Dealership Limited	**—**	—	**—**	—	**146.2**	1.1
ICICI Prudential Life Insurance Company Limited					**52.2**	
Sale value of Bond	**56.8**	—	**—**	—	**—**	—
ICICI Securities Primary Dealership Limited	**—**	—	**—**	—	**—**	200.2

Key Management Personnel
The compensation for the year ended March 31, 2014 to (1) Anup Bagchi, Managing Director & CEO and (2) Ajay Saraf, Executive Director is (1) ₹ 32.3 million (Previous year ₹ 31.9 million) and (2) ₹ 19.0 million (Previous year ₹ 17.4 million) respectively.

The compensation paid includes bonus, long term incentives and contribution to provident fund.

29. EMPLOYEE BENEFITS

a) Gratuity

The following table summarizes the components of net expenses for retirement benefits recognised in the profit and loss account and the amounts recognised in the balance sheet.

(₹ in million)

Particulars	Year ended March 31, 2014	*Year ended March 31, 2013*
Change in Defined Benefit Obligation		
Opening obligations	**146.1**	*107.8*
Service cost	**19.9**	*15.4*
Interest cost	**10.8**	*9.3*
Actuarial (gain) / loss	**16.1**	*18.7*
Past service cost		
Liabilities assumed on acquisition / (settled on divestiture)	**0.0**	*2.1*
Benefits paid	**(10.4)**	*(7.2)*
Total Obligation	**182.5**	*146.1*
Defined benefit obligation liability	**182.5**	*146.1*
Change in Fair Value of Assets		
Opening plans assets, at fair value	**41.4**	*45.0*
Expected return on plan assets	**1.9**	*2.7*
Actuarial gain / (loss)	**1.0**	*(1.3)*
Contributions by employer	**21.7**	*0.1*
Assets acquired on acquisition / (settled on divestiture)	**0.0**	*2.1*
Benefits paid	**(10.4)**	*(7.2)*
Plan assets	**55.7**	*41.4*
Fair value of plan assets at the end of the year	**(55.7)**	*(41.4)*
Present value of the defined benefit obligations at the end of the period	**182.5**	*146.1*
Unrecognised Past Service Cost	**0.0**	*0.0*
Asset / (liability)	**(126.8)**	*(104.7)*
Cost for the period		
Service cost	**19.9**	*15.4*
Interest cost	**10.8**	*9.3*
Expected return on plan assets	**(1.9)**	*(2.7)*
Actuarial (gain) / loss	**15.0**	*20.1*
Past Service Cost	**0.0**	*0.6*
Net cost	**43.8**	*42.6*
Investment details of plan assets		
Insurer Managed Funds	**99.00%**	90.00%
Others	**1.00%**	10.00%
Assumptions		
Interest rate (p.a.)	**8.70%**	7.80%
Salary escalation rate (p.a.)	**7.00%**	7.00%
Estimated rate of return on plan assets (p.a.)	**8.00%**	8.00%

The Company expects to contribute ₹ 20 million to Gratuity in 2014 - 2015

The expected rate of return on plan assets is based on our expectation of the average long term of return expected on investments of the fund during the estimated term of the obligation.

The following table summarises the experience adjustments

Particulars	Year ended March 31, 2014	*March 31, 2013*	*March 31, 2012*	*March 31, 2011*	*March 31, 2010*
Defined benefit obligation	**182.5**	*146.1*	*107.8*	*130.0*	*117.3*
Plan assets	**55.7**	*41.4*	*45.0*	*57.8*	*67.1*
Surplus/(deficit)	**(126.8)**	*(104.7)*	*(62.8)*	*(72.2)*	*(50.1)*
Experience adjustments on plan liabilities	**21.0**	*13.3*	*(16.9)*	*(15.9)*	*8.0*
Experience adjustments on plan assets	**1.0**	*(1.3)*	*(0.5)*	*(3.6)*	*10.2*

The estimates of future salary increases considered takes into account the inflation,seniority, promotion and other relevant factors.

b) Long Term Incentive Plan

Liability for the scheme is determined based on actuarial valuation which has been carried out using the projected accrued benefit method.

Particulars	For the year ended March 31, 2014	*March 31, 2013*
Discount rate	**8.90%**	–
Increase in Incentive amount	**0.00%**	–

Duriing the current year, the Company has changed its accounting estimate for recording long term incentive plan from actual basis to actuarial basis. Accordingly, during the year, the profit is higher by ₹ 43.4 million.

30. MANAGERIAL REMUNERATION

The details regarding the managerial remuneration are given in the table below.

(₹ in million)

Particulars	For the year ended March 31, 2014	*March 31, 2013*
Salary, perquisites and bonus	**48.3**	*46.7*
Contribution to provident fund and other funds	**3.0**	*2.6*
Total	**51.3**	*49.3*

As the future liability for gratuity and compensated absence is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors is not ascertainable and therefore not included above.

As there is no commission payable to the directors, the computation of profits under section 198 and 350 of the Companies Act, 1956 has not been disclosed.

31. AUDITORS REMUNERATION

The details regarding the remuneration (excluding service tax) paid to the auditors are given in the table below:

(₹ in million)

Particulars	For the year ended March 31, 2014	*March 31, 2013*
Audit fees	**4.4**	*4.4*
Tax audit	**0.7**	*0.7*
Certification fees	**1.3**	*1.0*
Out of pocket expenses	**0.2**	*0.1*
Total	**6.6**	*6.2*

32. EARNINGS AND EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

The details regarding earnings and expenditure in foreign currency (on accrual basis) is given in the table below:

(₹ in million)

Particulars	For the year ended March 31, 2014	*March 31, 2013*
Earnings:		
Income from services	**181.5**	*114.2*
Expenditure:		
Procurement & other expenses	**255.1**	*66.7*

33. CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 19.1 million (Previous year – ₹ 7.0 million).

34. CONTINGENT LIABILITIES

The following are details of contingent liabilities.

a. Direct tax matters disputed by the Company are ₹ 984.3 million (Previous year - ₹ 983.7 million).

b. Indirect tax matters disputed by the Company are ₹ 128.8 million (Previous year - ₹ 127.1 million).

c. ICICI Securities, Inc., the step down subsidiary of the Company, has sub-leased its premises. As per the prevailing practice in the New York City sub-lease market, the Company has provided guarantee in favour of sub lessee, amounting to US$ 1.5 million (Previous year - US$ 1.5 million) to secure ICICI Securities Inc's performance of its lease obligations.

d. The Company has also issued a Standby Letter of Credit (SBLC) of US$ 1 million (previous year - US$ 1 million) to US Bank National Association, the sub lessee of ICICI Securities Inc., through ICICI Bank Limited. The said SBLC is issued in favour of the sub lessee to secure ICICI Securities Inc.'s performance on its lease obligations.

35. MICRO, SMALL AND MEDIUM INDUSTRIES

There are no micro, small and medium enterprises, to which the Company owes dues, which are outstanding for more than 45 days as at March 31, 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

36. DERIVATIVE INSTRUMENTS

The following are the details of derivative position, for the periods indicated.

(₹ in million)

Particulars	**For the year ended March 31, 2014**		*For the year ended March 31, 2013*	
Type	**Quantity**	**Market Value**	*Quantity*	*Market Value*
Futures (net)	**14,500**	**97.7**	*–*	*0.0*
Options (net)	**(240,000)**	**6.3**	*(66,000)*	*1.6*
Interest rate futures	**150**	**30.0**	*–*	*0.0*

37. UN-HEDGED FOREIGN CURRENCY EXPOSURE

The following is the details of un-hedged foreign currency exposure..

Particulars	**Amount**
Receivables	US $ 0.1 million @ closing of 1 US$ = ₹ 59.92 (Previous year US $ 0.0 million @ closing rate of 1 US$ = ₹ 54.29), Euro 0.1 million @ closing of ₹ 82.18 (Previous year NIL

1) ₹ 0 million indicates values are lower than ₹ 1 million.

38. LEASE

Office premises and office equipment are obtained on operating lease. There are no restrictions imposed by lease arrangements.

The following are the details of operating leases for the periods indicated.

(₹ in million)

Particulars	**Year ended March 31, 2014**	*Year ended March 31, 2013*
Lease payments recognized in the Profit and Loss Statement during the year		
— Minimum lease payments	**655.9**	*669.7*
— Contingent Rent		
Sub-lease payments received/receivable recognized in the Profit and Loss Statement during the year	**29.4**	*29.4*
Minimum Lease Payments :		
— Not later than one year	**244.6**	*250.0*
— Later than one year but not later than five years	**557.8**	*808.7*
— Later than five years	**—**	*—*
— Total of future minimum sublease payments expected to be received as at balance sheet date	**—**	*—*

39. CHANGE IN ACCOUNTING POLICY

During the current year, the Company has revised its accounting policy for accounting of customer acquisition cost from three years amortisation to charging to statement of profit and loss as incurred. As result of this change, the profit for the year is lower by ₹ 49.4 million.

40. PROVISION FOR DIMINUTION IN THE VALUE OF INVESTMENTS

Pursuant to losses incurred by the subsidiary companies, during the year, the Company has made an assessment of impairment in value of investments. Based on business plan approved by Board of Directors of subsidiaries, an impairment charge of ₹ 125.5 million has been recorded in the statement of profit and loss.

41. SEGMENT REPORTING

The Company is presenting consolidated financial statements and hence in accordance with Accounting Standard 17 – Segment Reporting, segment information is disclosed in the consolidated financial statements.

42. The Company has regrouped / reclassified previous year figures wherever necessary.

As per our report of even date

S. R. BATLIBOI & CO. LLP
Firm Registration No.: 301003E
Chartered Accountants

Per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, April 16 ,2014

For and on behalf of the Board

CHANDA KOCHHAR
Chairperson

UDAY CHITALE
Director

ANUP BAGCHI
Managing Director & CEO

AJAY SARAF
Executive Director

RAJU NANWANI
Company Secretary

PRASHANT MOHTA
Chief Financial Officer

for the year ended March 31, 2014

I-Sec

				(₹ in million)
			March 31, 2014	March 31, 2013
A	**Cash flow from operating activities**			
	Profit before tax	**1,261.0**		*1,035.4*
	Add (less adjustments):			
	- (Profit)/loss on sale of fixed assets	**4.7**		*(1.4)*
	- Depreciation	**133.1**		*137.9*
	- (Profit)/loss on sale of Investment	**—**		*(6.6)*
	- Interest expense	**238.5**		*295.8*
	- Provision for diminution in value of investment	**148.1**		*16.0*
	- Provision for stock in trade	**—**		*—*
	- Foreign exchange (gain) / loss (net)	**(1.9)**		*1.2*
	- Exchange adjustments	**4.0**		*6.9*
	- Fixed assets written off	**—**		
	- Bad and doubtful debts (net)	**—**		*—*
	Operating profit before changes in operating assets and liabilities		**1,787.5**	*1,485.2*
	Adjustments for net change in operating assets and liabilities			
	- Current assets excluding cash and cash equivalents	**(5,529.5)**		*128.6*
	- Current liabilites relating to operations	**6,172.0**		*(762.7)*
			642.5	*(634.1)*
	Cash generated from operations		**2,430.0**	*851.1*
	Payment of taxes (net)		**(530.3)**	*(495.0)*
	Net cash from operating activities		**1,899.7**	*356.1*
B	**Cash flow from investment activities**			
	- (Purchase) / sale of investments (net)		**(1,000.0)**	*17.4*
	- (Purchase) / sale of fixed assets (net)		**(146.3)**	*(141.7)*
	Net cash used in investment activities		**(1,146.3)**	*(124.3)*
C	**Cash flow from financing activities**			
	- Increase/ (decrease) in borrowings (net)		**972.2**	*100.3*
	- Redemption of preference share capital		**(500.0)**	*—*
	- Interest paid		**(238.5)**	*(295.8)*
	- Dividends and dividend tax paid		**(276.7)**	*(424.0)*
	Net cash used in financing activities		**(43.0)**	*(619.5)*
	Net change in cash & cash equivalents (A + B + C)		**710.4**	*(387.7)*
	Cash and cash equivalents at the beginning of the year		**246.1**	*633.8*
	Cash and cash equivalents at the end of the year		**956.5**	*246.1*
	Components of cash and cash equivalents			
	Cash and cheques on hand		**1.1**	*31.6*
	In Current account with banks			
	- In India with Scheduled banks		**793.0**	*184.0*
	- Outside India		**12.4**	*30.5*
	- Fixed Deposit with maturity less than 3 months		**150.0**	*—*
	Total cash & cash equivalents (Note 19)		**956.5**	*246.1*
	Cash and cash equivalents at the end of the year excludes:			
	- Fixed deposits under lien ₹ 4,945.5 million (March 31,2013 ₹ 4,262.0 million) and			
	- Fixed deposits having maturity more than 90 days ₹ 105.0 million (March 31, 2013 ₹ 287.9 million).			

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

As per our report of even date

S. R. BATLIBOI & CO. LLP
ICAI Firm Registration No.: 301003E
Chartered Accountants

Per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, April 16, 2014

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson

UDAY CHITALE
Director

ANUP BAGCHI
Managing Director & CEO

AJAY SARAF
Executive Director

RAJU NANWANI
Company Secretary

PRASHANT MOHTA
Chief Financial Officer

ICICI Securities

Statement Pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiary Companies

I-Sec

(₹ in 000's)

Sr.No.		Name of the Subsidiary Company	ICICI Securities Holdings Inc.	ICICI Securities Inc.
1.		The financial year of the Subsidiary Company ended on	March 31, 2014	March 31, 2014
2.	(a)	Number of Equity Shares held by ICICI Securities Limited and/or its nominees in the Subsidiary as on March 31, 2014	16,640,000 Equity Shares of US$1 each fully paid-up	12,980,000 Equity Shares of US$1 fully paid-up held by ICICI Securities Holdings inc.
	(b)	Extent of interest of ICICI Securities Limited in the capital of the subsidiary	100%	100%
3.		Net aggregate amount of profits/losses of the subsidiary so far as it concerns the members of ICICI Securities Limited and is not dealt with in the accounts of ICICI Securities Limited		
	(a)	Profits/(losses) of the subsidiary for the financial year ended on March 31, 2014	Nil	34,315
	(b)	Profits/(losses) for the previous financial years of the subsidiary since it became subsidiary of ICICI Securities Limited	Nil	(553,578)
4.		Net aggregate amount of profits/losses of the subsidiary so far as dealt with or provisions made for those losses in the accounts of ICICI Securities Limited		
	(a)	Loss of the subsidiary for the financial year ended on March 31, 2014	(844.00)	Nil
	(b)	Loss for the previous financial years of the subsidiary since it became subsidiary of ICICI Securities Limited	(124,622.00)	Nil

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson

UDAY CHITALE
Director

ANUP BAGCHI
Managing Director & CEO

AJAY SARAF
Executive Director

RAJU NANWANI
Company Secretary

PRASHANT MOHTA
Chief Financial Officer

Mumbai, April 16, 2014

ICICI Securities Holdings Inc

ICICI SECURITIES HOLDINGS INC.

14TH ANNUAL REPORT AND ACCOUNTS 2013-2014

Directors
Sanker Parameswaran, *Chairman*
Sriram H. Iyer
Warren Law

Auditors
S. R. Batliboi & Co. LLP
Chartered Accountants

Registered Office
2711 Centerville Road
Suite 400 Wilmington,
DE 19808 USA

directors' report

to the members,

Your Directors have pleasure in presenting the 14th Annual Report of ICICI Securities Holdings, Inc. with the audited statement of accounts for the financial year ended March 31, 2014.

OPERATIONAL REVIEW

During fiscal 2014, the Company maintained its registration with the Division of Corporations, Secretary of State, State of Delaware in accordance with the provisions of the General Corporation Law of the State of Delaware. The Company is not currently registered with any regulatory authority, has no full–time employees and does not carry out any business in the U.S. The Company will continue to grow its wholly owned subsidiary, *viz.* ICICI Securities Inc. by increasing the business from the institutional segment in the US, Canada and Singapore.

FINANCIAL HIGHLIGHTS

(₹ in '000s)

	Fiscal 2013	**Fiscal 2014**
Gross income	*7,017*	**324**
Profit /(Loss) before tax	*(884)*	**(14)**
Provision for tax	*472*	**830**
Profit /(Loss) after tax	*(1,356)*	**(844)**

SUBSIDIARY COMPANY

The Company's wholly – owned subsidiary, ICICI Securities Inc. is a registered broker–dealer with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA"). It has its main office in New York, US and the branch office in Singapore which holds a Capital Market Services license granted by the Monetary Authority of Singapore ("MAS") for the purpose of dealing in securities in Singapore. ICICI Securities Inc. refers institutional investors in the US and Singapore who propose to deal in securities listed on the Indian Stock Exchanges to its parent company *viz.*, ICICI Securities Limited.

During fiscal 2014, ICICI Securities Inc. has strengthened its positioning among its US and Singapore based institutional investors. ICICI Securities Inc. has obtained approval to act as an International Dealer from the Canadian Securities Regulatory Authorities ("CSRA") which has enabled it to expand its reach to institutional investors in three provinces of Canada.

SHARE CAPITAL

During the year, there was no change in the paid-up equity share capital of the Company.

DIRECTORS

As at the date of this report, following are the Directors of the Company:

Sanker Parameswaran

Sriram H. Iyer

Warren Law

During fiscal 2014, the Board approved the appointment of Sanker Parameswaran as Director on the Board of the Company effective December 31, 2013 in place of Sandeep Batra.

The Board places on record its appreciation for the valuable services rendered by him.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company confirm:

i. that the applicable accounting standards have been followed in the preparation of the final accounts and that there are no material departures;

ii. that such accounting policies have been selected and applied consistently and such judgments and estimates made as are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at March 31, 2014 and of the profit/loss of the Company for the period ended on that date;

iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records to safeguard the assets of the Company and to prevent and detect fraud and other irregularities; and

iv. that the annual accounts have been prepared on a 'going concern' basis.

ACKNOWLEDGEMENTS

The Directors would like to thank the statutory authorities and the Company's bankers for their continued support.

The Directors express their gratitude for the unstinted support and guidance received from the Company's shareholders, ICICI Securities Limited, and other group companies.

For and on behalf of the Board

SANKER PARAMESWARAN
Director

April 14, 2014

ICICI Securities Holdings Inc

to the Members of ICICI Securities Holdings Inc.

We have audited the accompanying financial statements of ICICI Securities Holdings Inc., which comprise the Balance Sheet as at March 31, 2014 and also the Profit and Loss Account and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements in accordance with the recognition and measurement principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements of ICICI Securities Holdings Inc. for the year ended March 31, 2014 are prepared, in all material respects, in accordance with recognition and measurement principles generally accepted in India.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration no.301003E

SHRAWAN JALAN
Partner
Membership No.102102

Mumbai, April 15, 2014

balance sheet

at March 31, 2014

	Note	(₹ in 000's) March 31, 2014	March 31, 2013	(US$ in 000's) March 31, 2014	March 31, 2013
I. EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share capital	3	**728,206**	*728,206*	**16,640**	*16,640*
(b) Reserves & surplus	4	**(125,466)**	**(127,628)**	**(3,141)**	**(3,127)**
		602,740	*600,578*	**13,499**	*13,513*
2 Current liabilities					
Other current liabilities	5	**353**	*488*	**5**	*8*
		603,093	**601,066**	**13,504**	**13,521**
II. ASSETS					
1 Non-current assets					
(a) Non-current investments	6	**571,667**	*571,667*	**12,980**	*12,980*
(b) Long-term loans and advances	7	**27,209**	*25,467*	**454**	*469*
		598,876	*597,134*	**13,434**	*13,449*
2 Current assets					
Cash and bank balances	8	**4,217**	*3,932*	**70**	*72*
		603,093	**601,066**	**13,504**	**13,521**
Summary of significant accounting policies	2				

profit and loss account

for the year ended March 31, 2014

	Note	(₹ in 000's) March 31, 2014	March 31, 2013	(US$ in 000's) March 31, 2014	March 31, 2013
I. Revenue from operations					
(a) Income from services	9	**—**	*7,017*	**—**	*129*
(b) Other income		**324**	*—*	**5**	**—**
II. Total Revenue		**324**	*7,017*	**5**	*129*
III. Expenses:					
(a) Employee benefits expense	10	**—**	*5,481*	**—**	*101*
(b) Other expenses	11	**147**	*2,198*	**2**	*40*
(c) Depreciation		**—**	*50*	**—**	*1*
(d) Finance costs	12	**191**	*172*	**3**	*3*
		338	*7,901*	**5**	*145*
IV Profit before tax		**(14)**	*(884)*	**(0)**	*(16)*
V Tax expense:		**830**	**472**	**14**	**9**
VI Profit (Loss) for the period (IV - V)		**(844)**	*(1,356)*	**(14)**	*(25)*
Earnings per share (basic & diluted)	15	**(0.05)**	*(0.08)*	**(0.00)**	*(0.00)*
(Face value US. $1 per share)					
Summary of significant accounting policies	2				

III. The accompanying notes are an integral part of the financial statements.

As per our report of even date

S.R. Batliboi & Co. LLP
ICAI Firm Registration No: 301003E
Chartered Accountants

Per SHRAWAN JALAN
Partner
Membership No: 102102

Mumbai, April 15, 2014

For and on behalf of the Board of Directors

SANKER PARAMESWARAN
Director

SRIRAM IYER
Director

WARREN LAW
Director

Canada, April 14, 2014

1. **CORPORATE INFORMATION**

ICICI Securities Holdings, Inc. ("the Company"), a wholly owned subsidiary of ICICI Securities Limited, was incorporated in the United States since 2001. In order to assist corporate clients and institutional investors with investment banking services, the Company set up a wholly owned subsidiary in the United States viz., ICICI Securities, Inc. This wholly owned subsidiary, being a registered broker dealer with the National Association of Securities Dealers Inc., is engaged in a variety of securities transactions in the US market.

2. **SIGNIFICANT ACCOUNTING POLICIES**

a) Basis of preparation

The non-consolidated financial statements have been prepared solely for the information and use of ICICI Securities Limited, the Holding Company for consolidation in accordance with the notified accounting standards issued by Companies Accounting Standards Rules, 2006 and relevant provisions of the Companies Act, 1956. The non-consolidated financial statements have been prepared on historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and, except where otherwise stated, are consistent with those used in the previous year.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates.

c) Revenue recognition

Revenue from issue management, loan syndication and financial advisory services is recognized based on the stage of completion of assignments and terms of agreement with the client.

d) Investments

Investments in debt and equity securities are classified as stock-in-trade or long term investments.

Securities acquired with the intention of short-term holding and trading are classified as stock-in-trade. All other investments are classified as Long term investments. The securities held as stock-in-trade are grouped under current assets and are valued at cost or market value, whichever is lower.

Long term investments are carried at acquisition cost, inclusive of direct acquisition costs, if any. Any decline in the value of investments, which is other than temporary is reduced from its acquisition costs and is provided for in the statement of profit and loss. A decline is considered as other than temporary after considering the investee company's market value, assets, results and the expected cash flows from the investment and restrictions, if any, on distribution or sale of the investee company.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

e) Tangible Assets

Fixed assets are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the asset.

Depreciation on fixed assets is provided on straight line method at the rates which are equal or higher than the rates prescribed in Schedule XIV of the Companies Act, 1956. Such rates are fixed after considering applicable laws in the United States of America and management estimation of the useful life of the asset.

The rates of depreciation for fixed assets, which are not lower than the rates prescribed in Schedule XIV of the Companies Act, 1956, are given below:-

Asset	Estimated life
Tangible	
Leasehold improvements	10 years
Plant and machinery like air conditioners, photo-copying machines, among others.	3 Years
Computers	3 Years
Furniture and fixtures	7 years

f) Intangible Assets

Intangible assets are carried at cost less accumulated amortization. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

g) Income taxes

Current income- tax is measured at the amount expected to be paid to the tax authorities in accordance with the local tax rates of the United States of America. Deferred income taxes reflects 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 and reassessed at each reporting date, based upon management's judgment as to whether their realization is considered as reasonably certain. Deferred tax assets are recognised on carry forward of unabsorbed depreciation, tax losses and carry forward capital losses, only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Unrecognised 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. As there is no virtual certainty of future taxable profits, deferred tax assets is not recognized.

h) Earnings per share ("EPS")

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

i) Provisions

Provision is recognised when an enterprise has a present obligation as a result of a past event and 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 determined based on management estimates required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

j) Lease transactions

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.

k) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement include cash in hand, balances with the banks and short term investments with an original maturity of three months or less.

l) Impairment of assets

Fixed assets are reviewed for impairment whenever events or change in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset If such assets are considered to be impaired, the impairment is recognized by debiting the Profit and Loss Account and is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

	(₹ in 000's)		(US$ in 000's)	
	March 31, 2014	*March 31, 2013*	**March 31, 2014**	*March 31, 2013*
3. SHARE CAPITAL :				
Authorised:				
30,000,000 Equity shares of US$ 1 each				
(As at March 31, 2013 30,000,000 shares of US$ 1 each)				
Issued subscribed & Paid Up:				
Common stock, $1 par value; 16,640,000 shares fully paid	**728,206**	*728,206*	**16,640**	*16,640*
(As at March 31, 2014 16,640,000 shares of US$ 1 each fully paid)				
(All the above 16,640,000 (March 2013: 16,640,000) equity shares of US$ 1 each are held by holding company ICICI Securities Limited.)				

Reconciliation of the shares at the beginning and at the end of the reporting year	**March 31, 2014**		March 31, 2013	
Equity shares	**Nos.**	**₹**	**Nos.**	**₹**
At the beginning of the year	**16,640**	**728,206**	*16,640*	*728,206*
Issued during the year	**—**	**—**	—	—
Issued during the year - ESOP	**—**	**—**	—	—
Outstanding at the end of the year	**16,640**	**728,206**	*16,640*	*728,206*

Terms /rights attached to equity shares

The Company has only one class of equity shares having par value of $1 per share. Each holder of equity shares is entitled to one vote per share.

	(₹ in 000's)		(US$ in 000's)	
4. RESERVES & SURPLUS	**March 31, 2014**	*March 31, 2013*	**March 31, 2014**	*March 31, 2013*
Profit and loss account debit balance				
Balance as on April 1, 2013	**(145,252)**	*(143,896)*	**(3,127)**	*(3,102)*
Add: Additions during the year				
(Less): Deductions during the year	**(844)**	*(1,356)*	**(14)**	*(25)*
Balance as on March 31, 2014	**(146,096)**	*(145,252)*	**(3,141)**	*(3,127)*
Translation reserve				
Balance as on April 1, 2013	**17,624**	*12,878*	**—**	—
Add: Additions during the year	**3,006**	*4,746*	**—**	—
Balance as on March 31, 2014	**20,630**	*17,624*	**—**	—
TOTAL	**(125,466)**	*(127,628)*	**(3,141)**	*(3,127)*
5. OTHER CURRENT LIABILITIES				
Other current liabilities consist of the following:				
Sundry creditors for expenses	**—**	*305*	**—**	*5*
Other liabilities	**3**	—	**0**	—
Taxes payable	**350**	*183*	**5**	*3*
TOTAL	**353**	*488*	**5**	*8*

6. NON CURRENT INVESTMENT					
Non-current investments consist of the following					
Name of the company	**Quantity in thousands**				
Trade Investments					
In equity shares (valued at cost)					
Subsidiary Company:	12,980 (12,980)	**571,667**	*571,667*	**12,980**	*12,980*
ICICI Securities Inc.(Unquoted)*					
* Face value of US $ 1 per share.					
TOTAL		**571,667**	*571,667*	**12,980**	*12,980*

	(₹ in 000's)		(US$ in 000's)	
	March 31, 2014	*March 31, 2013*	**March 31, 2014**	*March 31, 2013*
7. LONG TERM LOANS AND ADVANCES				
(Unsecured, considered good unless otherwise stated)				
Due from Subsidiary	**27,209**	*25,467*	454	**469**
TOTAL	**27,209**	*25,467*	**454**	*469*
8. CASH AND BANK BALANCES				
In current accounts with banks	**4,217**	*3,932*	**70**	*72*
TOTAL	**4,217**	*3,932*	**70**	*72*

	(₹ in 000's)		(US$ in 000's)	
	For the year ended March 31,2014	*For the year ended March 31,2013*	**For the year ended March 31,2014**	*For the year ended March 31,2013*
9. INCOME FROM SERVICES				
Other Income	**—**	*7,017*	**—**	*129*
TOTAL	**—**	*7,017*	**—**	*129*
10. EMPLOYEE BENEFITS EXPENSE				
Salaries and wages	**—**	*4,349*	**—**	*80*
Staff welfare expenses	**—**	*1,132*	**—**	*21*
TOTAL	**—**	*5,481*	**—**	*101*
11. OTHER EXPENSES				
Business promotion, travelling and conveyance expenses	**—**	*165*	**—**	*3*
Communication expenses	**1**	*209*	**0**	*4*
Printing and stationery	**—**	*54*	**—**	*1*
Subscription and periodicals	**80**	*394*	**1**	*7*
Professional fees	**66**	*1,309*	**1**	*24*
Miscellaneous expenses	**—**	*14*	**—**	*0*
Repairs, maintenance, upkeep and others	**—**	*53*	**—**	*1*
TOTAL	**147**	*2,198*	**2**	*40*
12. FINANCE COST				
Bank charges	**191**	*172*	**3**	*3*
TOTAL	**191**	*172*	**3**	*3*

13 Deferred tax

Deferred tax asset resulting from accumulated losses have not been accounted in the absence of virtual certainty of availability of sufficient future taxable income.

14 Related Party Disclosures

As per accounting standard on related party disclosures (AS18) as notified by the Companies Accounting Standard Rules 2006, the names of the related parties of the Company are as follows:

A. Related party where control exists irrespective whether transactions have occurred or not

Ultimate Holding Company:	ICICI Bank Limited
Holding Company:	ICICI Securities Limited
Subsidiary Company:	ICICI Securities Inc.

B. Key Management Personnel

a) Sandeep Batra	upto December 31, 2013
b) Sanker Parameswaran	w.e.f. December 31, 2013
c) Shriram Iyer	
d) Warren Law	

The following transactions were carried out with the related parties in the ordinary course of business.

Nature of Transaction	Subsidiary Company		Ultimate Holding company		Holding Company		Fellow Subsidiary	
	(₹ in thousand)	(US$ in thousand)	(₹ in thousand)	(US$ in thousand)			(₹ In thousand)	(US$ in thousand)
Other Services Income							—	—
ICICI Prudential Asset Management Company Limited							(7,017)	(129)
Investment								
ICICI Securities Inc.	571,667	12,980					—	—
	(571,667)	(12,980)					—	—
Receivables	27,209	454						
	(25,467)	(469)						
Payables					—	—	—	—
							—	—
Share Capital					*728,206*	*16,640*	—	—
					(728,206)	*(16,640)*	—	—

(Amounts in parenthesis represent previous year figures)

Key Management Personnel
There was no payment made to the key management personnel during the year.

15 Earnings per equity share (EPS)

	(₹ in thousand)		(US$ in thousand)	
	Year ended		Year ended	
	March 31, 2014	*March 31, 2013*	**March 31, 2014**	*March 31, 2013*
Basic & Diluted				
Weighted average no. of equity shares outstanding	**16,640**	*16,640*	**16,640**	*16,640*
Net profit / (loss)	**(844)**	*(1,356)*	**(13)**	*(25)*
Basic earnings per share (₹)/ (US$)	**(0.05)**	*(0.08)*	**(0.00)**	*(0.00)*

16 Other income from services:
It represents amounts received towards marketing support activity as per terms of agreement.

17 During the year the Company was not registered with any regulatory authority and did not carry out any business.

18 Conversion to Indian Rupees
All income and expense items are converted at the average rate of exchange applicable for the year. All assets (except Investments) and liabilities (except Share Capital) are translated at the closing rate as on the Balance Sheet date.
The Equity Share Capital and Investments in subsidiary is carried forward at the rate of exchange prevailing on the transaction date. The resulting exchange difference on account of translation at the year-end are transferred to Translation Reserve account and the said account is being treated as "Reserves and Surplus". Amounts in US$ (USD) given in financial statements are stated only for the purpose of conversion.

19 Figures for the previous year have been regrouped/reclassified wherever necessary.

Signatures to Notes 1 to 19

As per our report attached

S. R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E
Chartered Accountants

Per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, April 15, 2014

For and on behalf of the Board of Directors

SANKER PARAMESWARAN
Director

SHRIRAM IYER
Director

WARREN LAW
Director

Canada, April 14, 2014

cash flow statement

for the year ended March 31, 2014

		(₹ in 000's)			(US$ in 000's)
		For the year ended March 31,2014	*For the year ended March 31,2013*	**For the year ended March 31,2014**	*For the year ended March 31,2013*
A	**Cash flow from operating activities**				
	Profit /(Loss) before tax	**(14)**	*(884)*	**(0)**	**(16)**
	- Depreciation /Amortisation/Impairment	**—**	*50*	**—**	*1*
	- Loss on sale of Fixed Assets	**—**	*16*		*0*
	- Exchange adjustments	**3,006**	*4,745*	**—**	*—*
	Operating profit before changes in operating assets and liabilities	**2,992**	*3,927*	**(0)**	*(15)*
	Adjustments for net change in operating assets and liabilities				
	- Current assets excluding cash and cash equivalents	**0**	*1,676*	**0**	*33*
	- Loans and advances relating to operations	**(1,742)**	*(2,272)*	**15**	*(13)*
	- Current liabilites relating to operations	**(302)**	*(250)*	**(5)**	*(4)*
		(2,044)	*(846)*	**10**	*16*
	Cash generated from operations	**948**	*3,081*	**10**	*1*
	Payment of taxes (net)	**(663)**	*(1,077)*	**(12)**	*(23)*
	Net cash from operating activities	**285**	*2,004*	**(2)**	*(22)*
B	**Cash flow from investment activities**				
	- Acquisition of equity investments in subsidiary companies	**—**	*(33,369)*	**—**	*(600)*
	- Purchase/Sale of Fixed Assets/Capital	**—**	*98*	**—**	*2*
	Net cash used in investment activities	**—**	*(33,271)*	**—**	*(598)*
C	**Cash flow from financing activities**	**—**	*—*		
	- Increase/ (Decrease) in Borrowings	**—**	*—*		
	- Proceeds from issue of share capital	**—**	*—*	**—**	**—**
	- Proceeds from issue of debentures	**—**	*—*		
	- Dividends & dividend tax paid	**—**	*—*		
	Net cash used in financing activities	**—**	*—*	**—**	*—*
	Net change in cash and cash equivalents	**285**	*(31,267)*	**(2)**	*(620)*
	Cash and cash equivalents at the beginning of the year	**3,932**	*35,199*	**72**	*692*
	Cash and cash equivalents at the end of the year	**4,217**	*3,932*	**70**	*72*

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

As per our report of even date.

S. R. Batliboi & Co. LLP
ICAI Firm Registration No: 301003E
Chartered Accountants

Per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, April 15, 2014

For and on behalf of the Board of Directors

SANKER PARAMESWARAN
Director

WARREN LAW
Director

SRIRAM IYER
Director

Canada, April 14, 2014

ICICI Securities Inc

ICICI SECURITIES, INC.

14TH ANNUAL REPORT AND ACCOUNTS 2013-2014

Directors
Anup Bagchi, *Chairman*
Ajay Saraf
Jaideep Goswami
Subir Saha
Robert Ng
Bishen Pertab

Auditors
S. R. Batliboi & Co. LLP
Chartered Accountants

Registered Office
2711 Centerville Road Suite 400
Wilmington, DE 19808,
United States of America

directors' report

to the members,

Your Directors have pleasure in presenting the 14th Annual Report of ICICI Securities, Inc. with the audited statement of accounts for the year ended March 31, 2014.

OPERATIONAL REVIEW

The Company is a registered broker–dealer with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA"). The Company has its main office in New York, US and the branch office in Singapore which holds a Capital Market Services license granted by the Monetary Authority of Singapore ("MAS") for the purpose of dealing in securities in Singapore. The Company refers institutional investors in the US and Singapore who propose to deal in securities listed on the Indian Stock Exchanges to its parent company *viz.*, ICICI Securities Limited.

During fiscal 2014, the Company has strengthened its positioning among its US and Singapore based institutional investors. The Company has strived to continuously add value to the decision-making process of its clients by providing differentiated research, access to corporate managements as well as experts from various fields. This approach has helped the Company penetrate new clients as well as strengthen its positioning among existing clients. The Company has obtained approval to act as an International Dealer from the Canadian Securities Regulatory Authorities ("CSRA") which has enabled the Company to expand its reach to institutional investors in three provinces of Canada.

FINANCIAL HIGHLIGHTS

(₹ in '000s)

	Fiscal 2013	**Fiscal 2014**
Gross income	*28,286*	**153,327**
Profit/(Loss) before tax	*(37,550)*	**35,190**
Provision for tax	*218*	**875**
Profit /(Loss) after tax	*(37,768)*	**34,315**

OUTLOOK FOR INDIAN EQUITIES

Expectations of an improvement in the domestic macro scenario and a stable government post elections in India as well as positive global cues led to renewed FII interest and triggered the late rally in fiscal 2014. While the recently improving investor confidence bodes well for Indian equities market, it is also important to see sustained improvements in the macroeconomic conditions for India. Growth and Industrial Production (IIP) data, RBI actions to balance growth and inflation, tapering by the US Federal Reserve and the outlooks for other emerging markets & China would be crucial in providing further direction to Indian equities.

SHARE CAPITAL

During the year, there was no change in the paid-up equity share capital of the Company.

DIRECTORS

During fiscal 2014, the Board approved the appointment of Robert Ng and Bishen Pertab as Directors on the Board of Directors of the Company effective July 23, 2013 and October 8, 2013 respectively.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company confirm:

i. that the applicable accounting standards have been followed in the preparation of the final accounts and that there are no material departures;

ii. that such accounting policies have been selected and applied consistently and such judgments and estimates made as are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at March 31, 2014 and of the profit/loss of the Company for the period ended on that date;

iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records to safeguard the assets of the Company and to prevent and detect fraud and other irregularities; and

iv. that the annual accounts have been prepared on a 'going concern' basis.

ACKNOWLEDGEMENTS

The Directors thank the Company's clients for the confidence reposed in the Company, which has enabled the Company to successfully deliver well-structured solutions through timely execution.

The Directors also thank the statutory authorities and the Company's bankers for their continued support.

The Directors express their gratitude for the unstinted support and guidance received from the Company's shareholders, ICICI Securities Holdings, Inc. and other group companies.

The Directors also express their sincere thanks and appreciation to all their employees for their commendable teamwork, professionalism and contribution during the year.

For and on behalf of the Board

ANUP BAGCHI
Chairman

May 19, 2014

auditors' report

To, The Members of ICICI Securities, Inc.

We have audited the accompanying financial statements of ICICI Securities Inc., which comprise the Balance Sheet as at 31 March 2014 and also the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements in accordance with the recognition and measurement principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements of ICICI Securities Inc. for the year ended March 31, 2014 are prepared, in all material respects, in accordance with the recognition and measurement principles generally accepted in India.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number 301003E

Per SHRAWAN JALAN
Partner
Membership Number102102

Mumbai, April 15, 2014

balance sheet

at March 31, 2014

	Note	(₹ in 000's) March 31, 2014	March 31, 2013	(US$ in 000's) March 31, 2014	March 31, 2013
I EQUITY AND LIABILITIES					
1. Shareholders' funds					
(a) Share capital	3	**571,667**	*571,667*	**12,980**	*12,980*
(b) Reserves and surplus	4	**(501,299)**	*(538,622)*	**(11,803)**	*(12,372)*
		70,368	*33,045*	**1,177**	*608*
2. Non-current liabilities					
Other long term liabilities	5	**52,778**	*55,526*	**881**	*1,023*
		52,778	*55,526*	**881**	*1,023*
3. Current liabilities					
(a) Trade payables	6	**—**	*11,166*	**—**	*207*
(b) Other current liabilities	6	**23,661**	*567*	**392**	*10*
		23,661	*11,733*	**392**	*217*
		146,807	*100,304*	**2,450**	*1,848*
II ASSETS					
1. Non-current assets					
(a) Fixed assets					
Tangible assets	7	**474**	*1,693*	**8**	*31*
(b) Long-term loans and advances	8	**45,508**	*45,684*	**759**	*842*
		45,982	*47,377*	**767**	*873*
2. Current assets					
(a) Trade receivables	9	**22,598**	2,137	**378**	*39*
(b) Cash and bank balances	10	**74,243**	49,780	**1,239**	*917*
(c) Short-term loans and advances	11	**3,984**	1,010	**66**	*19*
		100,825	52,927	**1,683**	*975*
		146,807	100,304	**2,450**	*1,848*
Summary of significant accounting policies	2				

profit and loss account

for the year ended March 31, 2014

	Note	(₹ in 000's) March 31, 2014	March 31, 2013	(US$ in 000's) March 31, 2014	March 31, 2013
I Revenue from operations					
(a) Brokerage and commission	12	**145,002**	*26,517*	**2,400**	*487*
(b) Income from services	12	**7,680**	*—*	**127**	*—*
		152,682	*26,517*	**2,527**	*487*
II. Other operating income	13	**4**	*8*	**0**	*0*
III. Other income	14	**641**	*1,761*	**11**	*32*
IV. Total revenue (I+II+III)		**153,327**	*28,286*	**2,538**	*519*
V. Expenses:					
(a) Employee benefit expense	15	**60,351**	*35,043*	**999**	*644*
(b) Operating expenses	16	**3,179**	*771*	**53**	*14*
(c) Depreciation	7	**1,657**	*1,487*	**27**	*27*
(d) Finance costs	17	**3,862**	*861*	**64**	*16*
(e) Other expenses	18	**49,088**	*27,674*	**812**	*509*
Total expenses		**118,137**	*65,836*	**1,955**	*1,210*
VI Profit before tax		**35,190**	*(37,550)*	**583**	*(691)*
VII Tax expense:		**875**	*218*	**14**	*4*
VIII Profit (Loss) for the period		***34,315***	*(37,768)*	**569**	*(695)*
IX Earnings per share (Basic and Diluted) (Face value US. $1 per share)		***2.64***	*(2.94)*	**0.04**	*(0.05)*
Summary of significant accounting policies	2				

The accompanying notes are an integral part of the financial statements.

As per our report of even date

S.R. Batliboi & Co. LLP
ICAI Firm Registration No: 301003E
Chartered Accountants

Per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, April 15, 2014

For and on behalf of the Board of Directors

BISHEN PERTAB
President

JAIDEEP GOSWAMI
Director

SUBIR SAHA
Director

AJAY SARAF
Director

New York, April 10, 2014

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS

1. **Overview**

ICICI Securities, Inc. ("the Company"), a wholly owned subsidiary of ICICI Securities Holdings, Inc., is incorporated in the United States since 2001. The Company is a registered broker dealer with the National Association of Securities Dealers Inc., and is engaged in providing brokerage and wealth management services to foreign Institutional investors.

SIGNIFICANT ACCOUNTING POLICIES

2. a) **Basis of preparation**

The financial statements have been prepared solely for the information and use of ICICI Securities Limited, the Ultimate Holding Company for consolidation in accordance with the notified accounting standards issued by Companies Accounting Standards Rules, 2006 and relevant provisions of the Companies Act, 1956. The financial statements have been prepared on historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and, except where otherwise stated, are consistent with those used in the previous year.

b) **Use of estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates.

c) **Revenue recognition**

Revenue from issue management, loan syndication and financial advisory services is recognized based on the stage of completion of assignments and terms of agreement with the client.

d) **Investments**

Investments in debt and equity securities are classified as stock-in-trade or long term investments.

Securities acquired with the intention of short-term holding and trading are classified as stock-in-trade. All other investments are classified as Long term investments. The securities held as stock-in-trade are grouped under current assets and are valued at cost or market value, whichever is lower.

Long term investments are carried at acquisition cost, inclusive of direct acquisition costs, if any. Any decline in the value of investments, which is other than temporary is reduced from its acquisition costs and is provided for in the statement of profit and loss. A decline is considered as other than temporary after considering the investee company's market value, assets, results and the expected cash flows from the investment and restrictions, if any, on distribution or sale of the investee company.

On disposal of an investment, the difference betweens its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

e) **Tangible Assets**

Fixed assets are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the asset.

Depreciation on fixed assets is provided on straight line method at the rates which are equal or higher than the rates prescribed in Schedule XIV of the Companies Act, 1956. Such rates are fixed after considering applicable laws in the United States of America and management estimation of the useful life of the asset.

The rates of depreciation for fixed assets, which are not lower than the rates prescribed in Schedule XIV of the Companies Act, 1956, are given below:-

Asset	**Estimated life**
Tangible	
Leasehold improvements	10 years
Plant and machinery like air conditioners, photo-copying machines, among others	3 Years
Computers	3 Years
Furniture and fixtures	7 years

f) **Intangible Assets**

Intangible assets are carried at cost less accumulated amortization. Intangible assets are amortised on a straight line basis over their estimated useful lives.The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

g) **Income taxes**

Current income- tax is measured at the amount expected to be paid to the tax authorities in accordance with the local tax rates of the United States of America. Deferred income taxes reflects 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 and reassessed at each reporting date, based upon management's judgment as to whether their realization is considered as reasonably certain. Deferred tax assets are recognised on carry forward of unabsorbed depreciation, tax losses and carry forward capital losses, only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Unrecognised 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. As there is no virtual certainty of future taxable profits, deferred tax assets is not recognized.

h) **Earnings per share ("EPS")**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

i) **Provisions**

Provision is recognised when an enterprise has a present obligation as a result of a past event and 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 determined based on management estimates required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet dates and adjusted to reflect the current management estimates.

j) **Lease transactions**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.

k) **Cash and cash equivalents**

Cash and cash equivalents for the purpose of cash flow statement include cash in hand, balances with the banks and short term investments with an original maturity of three months or less.

	(₹ in 000's)		(US$ in 000's)	
	March 31, 2014	*March 31, 2013*	**March 31, 2014**	*March 31, 2013*
3. SHARE CAPITAL :				
Authorised:				
15,000,000 Common stock of US$ 1 each				
(As at March 31, 2013 15,000,000 shares of US$ 1 each)				
Issued subscribed & paid up:				
Common stock, US$ 1 par value; 12,980,000 shares fully paid (As at March 31, 2013 12,980,000 shares of US$ 1 each)				
(All shares mentioned above are held by holding company ICICI Securities Holding Inc.)				
Total issued, subscribed and fully paid-up share capital	**571,667**	*571,667*	**12,980**	*12,980*

Reconciliation of the shares at the beginning and at the end of the reporting period

Equity shares	**March 31, 2014**		March 31, 2013	
	Nos.	**₹**	*Nos.*	₹
At the beginning of the period	**12,980**	**571,667**	*12,380*	*538,298*
Issued during the period			*600*	*33,369*
Issued during the period - ESOP	**—**	—	**—**	—
Outstanding at the end of the period	**12,980**	**571,667**	*12,980*	*571,667*

Terms /rights attached to equity shares
The Company has only one class of equity shares having par value of $1 per share. Each holder of equity shares is entitled to one vote per share.

	(₹ in 000's)		(US$ in 000's)	
4. RESERVES & SURPLUS				
Reserves and surplus consist of the following:				
Profit and loss account debit balance:				
Balance as on April 1, 2013	**(553,578)**	*(515,810)*	**(12,417)**	*(11,722)*
Add: Additions during the year				
Less: Deductions during the year	**34,315**	*(37,768)*	**569**	*(695)*
Balance as on March 31, 2014	**(519,263)**	*(553,578)*	**(11,848)**	*(12,417)*
Translation reserve:				
Balance as on April 1, 2013	**14,956**	*13,285*	**45**	*45*
Add: Additions during the year	**3,008**	*1,671*	**—**	—
Less: Deductions during the year	**—**	—	**—**	—
Balance as on March 31, 2014	**17,964**	*14,956*	**45**	*45*
TOTAL	**(501,299)**	*(538,622)*	**(11,803)**	*(12,372)*
5. OTHER LONG TERM LIABILITIES				
Other long term liabilities consist of the following:				
Due to parent	**27,209**	*25,467*	**454**	*469*
Liabilites for sublease	**25,569**	*30,059*	**427**	*554*
	52,778	*55,526*	**881**	*1,023*
6. OTHER CURRENT LIABILITIES				
Other current liabilities consist of the following:				
Trade payables	**0**	*11,166*	**0**	*207*
Other liabilities	**22,259**	*6*	**369**	*0*
Provision for taxes	**1,402**	*561*	**23**	*10*
TOTAL	**23,661**	*11,733*	**392**	*217*

(₹ 0 thousand indicates values are lower than ₹ 1 thousand or US$ 1 thousand)

7. FIXED ASSETS : (₹ in 000's) (US$ in 000's)

	GROSS BLOCK (at Cost)				ACCUMULATED DEPRECIATION				NET BLOCK			
	April 01, 2013	**Additions**	**Sale/Adj***	**March 31, 2014**	*April 01, 2013*	**Additions**	**Sale/Adj***	**March 31, 2014**	**March 31, 2014**	*March 31, 2013*	**March 31, 2014**	*March 31, 2013*
Computers	*5,621*	**252**	**(584)**	**6,457**	*5,544*	**73**	**(580)**	**6,197**	**260**	*77*	**4**	*1*
Software	*810*	**—**	**(84)**	**894**	*810*		**(84)**	**894**	**(0)**	*0*	**(0)**	*0*
Leasehold improvement	*10,036*	**—**	**(1,042)**	**11,078**	*8,433*	**1,571**	**(862)**	**10,866**	**212**	*1,603*	**4**	*30*
Lease hold improvement	*1,567*	**—**	**(163)**	**1,730**	*1,554*	**13**	**(161)**	**1,728**	**2**	*13*	**0**	*—*
TOTAL	*18,034*	**252**	**(1,873)**	**20,159**	*16,341*	**1,657**	**(1,687)**	**19,685**	**474**	*1,693*	**8**	*31*
Previous Year	*16,824*	**84**	**(1,128)**	*18,034*	*13,929*	**1,487**	**(926)**	*16,342*	*1,693*		*56*	

(₹ 0 thousand indicates values are lower than ₹ 1 thousand or US$ 1 thousand)
* Includes translation reserve of ₹ 186 thousand (previous year ₹ 201 thousand)

8. LONG TERM LOANS AND ADVANCES				
(Unsecured, considered good unless otherwise stated)				
Long-term loans and advance consist of the following:				
Other advances and deposits	**15,411**	*18,412*	**257**	*340*
Security deposit for leased premises	**30,097**	*27,272*	**502**	*502*
TOTAL	**45,508**	*45,684*	**759**	*842*
Other advances and deposits include				
Security deposit				
Prepaid expenses	**10,749**	*9,804*	**179**	*180*
	4,662	*8,608*	*78*	*160*
9. TRADE RECEIVABLES				
Unsecured, considered good				
Due from ICICI Securities Limited (Ultimate Holding Company)	**21,845**	*2,137*	**365**	*39*
Other receivables	**753**	—	**13**	—
TOTAL	**22,598**	*2,137*	**378**	*39*

	(₹ in 000's) March 31, 2014	March 31, 2013	(US$ in 000's) March 31, 2014	March 31, 2013
10. CASH AND BANK BALANCES				
In current accounts with banks	**74,243**	*49,780*	**1,239**	*917*
TOTAL	**74,243**	*49,780*	**1,239**	*917*
11. SHORT TERM LOANS AND ADVANCES				
(Unsecured, considered good unless otherwise stated)				
Short term loans and advances consist of following:	**3,984**	*1,010*	**66**	*19*
Other advances and deposits				
TOTAL	**3,984**	*1,010*	**66**	*19*
Other advances and deposits include:				
Prepaid Expenses	**3,432**	*905*	**57**	*17*
12. BROKERAGE, COMMISSION & INCOME FROM SERVICES				
Brokerage and commission	**145,002**	*26,517*	**2,400**	*487*
Financial advisory services	**7,680**	—	**127**	—
TOTAL	**152,682**	*26,517*	**2,527**	*487*
13. INTEREST INCOME				
Interest on other loans and advances	**4**	*8*	**0**	*0*
TOTAL	**4**	*8*	**0**	*0*
(₹ 0 thousand indicates values are lower than ₹ 1 thousand or US$ 1 thousand)				
14. OTHER INCOME				
Miscellaneous income	**641**	*1,761*	**11**	*32*
TOTAL	**641**	*1,761*	**11**	*32*
15. EMPLOYEE BENEFIT EXPENSE				
Employee benefit expenses consist of the following:				
Salaries, wages and incentive	**55,892**	*32,466*	**925**	*597*
Staff welfare expenses	**4,459**	*2,577*	**74**	*47*
TOTAL	**60,351**	*35,043*	**999**	*644*
16. OPERATING EXPENSES				
Other operating expenses	**849**	*232*	**14**	*4*
Commission expenses and transaction charges	**2,330**	*539*	**39**	*10*
TOTAL	**3,179**	*771*	**53**	*14*
17. FINANCE COST				
Finance cost consist of the following:				
Bank charges	**3,847**	*859*	**64**	*16*
Other Interest	**15**	*2*	**0**	*0*
TOTAL	**3,862**	*861*	**64**	*16*
(₹ 0 thousand indicates values are lower than ₹ 1 thousand or US$ 1 thousand)				
18. OTHER EXPENSES				
Other expenses consist of the following:				
Rent and amenities	**8,268**	*4,582*	**137**	*84*
Rates and taxes	**639**	*1,229*	**11**	*23*
Insurance	**353**	*444*	**6**	*8*
Business promotion, travelling and conveyance expenses	**7,764**	*3,065*	**128**	*56*
Subscription and periodicals	**2,570**	*1,889*	**43**	*35*
Printing and stationery	**315**	*120*	**5**	*2*
Communication expenses	**2,675**	*1,897*	**44**	*35*
Professional fees	**9,193**	*7,651*	**152**	*141*
Auditors' remuneration (statutory audit fee)	**10,111**	*5,039*	**167**	*93*
Miscellaneous expenses	**1,079**	*548*	**18**	*10*
Repairs, maintenance, upkeep and others	**1,214**	*990*	**20**	*18*
Foreign exchange translation	**4,907**	*220*	**81**	*4*
TOTAL	**49,088**	*27,674*	**812**	*509*

19. DEFERRED TAX

Deferred Tax asset resulting from accumulated losses have not been accounted in the absence of virtual certainty of availability of sufficient future taxable income.

20. EARNINGS PER EQUITY SHARE (EPS)

	(₹ in 000's)		(US$ in 000's)	
	Year ended		Year ended	
	March 31, 2014	*March 31, 2013*	**March 31, 2014**	*March 31, 2013*
Basic & Diluted				
Weighted average no. of equity shares outstanding	**12,980**	*12,850*	**12,980**	*12,850*
Net profit / (loss)	**34,315**	*(37,768)*	**569**	*(695)*
Basic earnings per share (₹)/ (US$)	**2.64**	*(2.94)*	**0.04**	*(0.05)*

21. LEASE

The Company has obligations for its office space in New York city under the term of an operating lease expiring on February 28, 2017.

	(₹ in 000's)		(US$ in 000's)	
	Year ended		Year ended	
	March 31, 2014	*March 31, 2013*	**March 31, 2014**	*March 31, 2013*
Lease payments for the year	**31,638**	*28,704*	**528**	*528*
Minimum lease payments:				
Not later than one year	**31,638**	*28,704*	**528**	*528*
Later than one year but not later than five years	**60,639**	*83,706*	**1,012**	*1,539*
Later than five years	**—**	—	**—**	—

22. SUBLEASE

The Company is having existing lease agreement for its office space in New York City. During the year 2009-2010, the Company sub-leased its office space in New York City, by entering into sublease agreement with US Bank National Association.

ICICI Securities Limited has provided a corporate guarantee on behalf of the Company to its sub lessee amounting to US$ 1,500 thousand. This guarantee has been provided as per the prevailing practice in the New York sub lease market to secure the Company's performance of its lease obligations. ICICI Securities Limited also provided Bank Letter of Credit (issued by ICICI Bank) of US$ 1,000 thousand to the sub lessee of the company.

During the year Company has received ₹ 23,707 thousand (US$ 392 thousand) as basic sub-lease rentals from US Bank National Association and paid ₹ 31,638 thousand (US$ 528 thousand) as basic lease rental to SL Green Management Company. The same has been adjusted against the lease abandonment liability.

23. RELATED PARTY DISCLOSURES

As per accounting standard on related party disclosures (AS18) as notified by the Companies Accounting Standard Rules 2006, the names of the related parties of the Company are as follows:

A. Related party where control exists irrespective whether transactions have occurred or not

Ultimate Holding Companies: ICICI Bank Limited; ICICI Securities Limited

Holding Company: ICICI Securities Holding Inc.

B. Other related parties where transactions have occurred during the year: NIL.

C. Key Management Personnel

a) Bishen Pertab — President & CEO

b) Robert N G — CEO Singapore Branch

The following transactions were carried out with the related parties in the ordinary course of business.

Nature of transaction	Ultimate Holding Company (₹ in 000's)	Ultimate Holding Company (US$ in 000's)	Holding Company (₹ in 000's)	Holding Company (US$ in 000's)
Income from Services				
ICICI Securities Limited	**145,002**	**2,400**	—	—
	(26,517)	*(487)*	—	—
Operating expenses				
ICICI Securities Limited	**1,752**	**29**		
Reimbursement of expenses				
ICICI Securities Limited	**846**	**14**		
Finance charges				
ICICI Bank Limited	**2,864**	**47**	—	—
	—	—	—	—

The balances payable to/receivable from related parties included in the balance sheet as on March 31, 2014 are given below:

Nature of transaction	Ultimate Holding Company (₹ in 000's)	Ultimate Holding Company (US$ in 000's)	Holding Company (₹ in 000's)	Holding Company (US$ in 000's)
Receivables				
ICICI Securities Limited	**21,845**	**365**	—	—
	(2,137)	*(39)*	—	—
Payables				
ICICI Securities Holdings Inc.	—	—	**27,209**	**454**
	—	—	*(25,467)*	*(469)*
Share Capital				
ICICI Securities Holdings Inc.	—	—	**571,667**	**12,980**
	—	—	*(571,667)*	*(12,980)*

Other related party transactions are given below:

Nature of transaction	Ultimate Holding Company		Holding Company	
	(₹ in 000's)	(US$ in 000's)	(₹ in 000's)	(US$ in 000's)
Guarantees given by				
ICICI Securities Limited (Corporate Guarantee)	**89,880**	**1,500**	—	—
	(81,435)	*(1,500)*	—	—
ICICI Securities Limited (Bank letter of credit)	**59,920**	**1,000**	—	—
	(54,290)	*(1,000)*	—	—

Amount in parenthesis represent previous year figures

Key Management Personnel

The compensation for the year ending March 31, 2014 to Bishen Pertab, President & CEO was ₹ 8,389 thousand (US$ 140 thousand) , Robert N G, CEO Singapore Branch ₹ 7,437 thousand (US$123 thousand)

24. CONVERSION TO INDIAN RUPEES

All income and expense items are converted at the average rate of exchange applicable for the year. All assets (except Investments) and liabilities (except Share Capital) are translated at the closing rate as on the Balance Sheet date.

The Equity Share Capital and Investments in subsidiary is carried forward at the rate of exchange prevailing on the transaction date. The resulting exchange difference on account of translation at the year-end are transferred to Translation Reserve account and the said account is being treated as "Reserves and Surplus". Amounts in US$ (US$) given in the financial statements are stated only for the purpose of conversion.

25. FIGURES FOR THE PREVIOUS YEAR HAVE BEEN HAVE BEEN REGROUPED/ RECLASSIFIED WHEREVER NECESSARY.

As per our report of even date

S.R. Batliboi & Co. LLP
ICAI Firm Registration No: 301003E
Chartered Accountants

Per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, April 15, 2014

Signature to Note 1 to 25

For and on behalf of the Board of Directors

BISHEN PERTAB
President

JAIDEEP GOSWAMI
Director

SUBIR SAHA
Director

AJAY SARAF
Director

New York, April 10, 2014

ICICI Securities Inc

for the year ended March 31, 2014

	(₹ in 000's)		(US$ in 000's)	
	Year ended March 31, 2014	*Year ended March 31, 2013*	**Year ended March 31, 2014**	*Year ended March 31, 2013*
A Cash flow from operating activities				
Profit/ (Loss) before tax	**35,190**	*(37,550)*	**583**	*(691)*
- Depreciation	**1,657**	*1,487*	**27**	*27*
- Exchange adjustments	**2,819**	*1,471*	**—**	*—*
Operating profit before changes in operating assets and liabilities	**39,666**	*(34,592)*	**610**	*(664)*
Adjustments for net change in operating assets and liabilities				
- Current assets excluding cash and cash equivalents	**(20,461)**	*11,585*	**(339)**	*231*
- Loans and advances relating to operations	**(2,798)**	*(1,217)*	**36**	*30*
- Current liabilites relating to operations	**8,342**	*(3,397)*	**20**	*(154)*
	(14,917)	*6,971*	**(283)**	*107*
Cash generated from operations	**24,749**	*(27,621)*	**327**	*(557)*
Payment of taxes (net)	**(34)**	*(372)*	**(1)**	*(0)*
Net cash used in operating activities	**24,715**	*(27,993)*	**326**	*(557)*
B Cash flow from investment activities				
- Acquisition of equity investments in subsidiary companies	**—**	*—*		
- (Purchase) / Sale of investments	**—**	*—*		
- (Purchase) / Sale of fixed assets (net)	**(252)**	*(84)*	**(4)**	*(2)*
Net cash used in investment activities	**(252)**	*(84)*	**(4)**	*(2)*
C Cash flow from financing activities				
- Increase/ (decrease) in borrowings	**—**	*—*	**—**	*—*
- Proceeds from issue of share capital	**—**	*33,369*	**—**	600
Net cash from financing activities	**—**	*33,369*	**—**	*600*
Net change in cash and cash equivalents	**24,463**	*5,292*	**322**	*43*
Cash and cash equivalents at the beginning of the year	**49,780**	*44,488*	**917**	*874*
Cash and cash equivalents at the end of the year	**74,243**	*49,780*	**1,239**	*917*

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

As per our report of even date

S.R. Batliboi & Co. LLP
ICAI Firm Registration No: 301003E
Chartered Accountants

Per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, April 15, 2014

For and on behalf of the Board of Directors

BISHEN PERTAB
President

JAIDEEP GOSWAMI
Director

SUBIR SAHA
Director

AJAY SARAF
Director

New York, April 10, 2014

ICICI Venture

ICICI VENTURE FUNDS MANAGEMENT COMPANY LIMITED

26TH ANNUAL REPORT AND ANNUAL ACCOUNTS 2013-2014

Directors
Lalita D. Gupte, *Chairperson*
H. N. Sinor
K. N. Memani
S. Mukherji
Sridar Iyengar
K. Ramkumar
Rakesh Jha
Vishakha Mulye, *Managing Director & CEO*
Prashant Purker, *Executive Director*
Mohit Batra, *Executive Director*

Auditors
Deloitte Haskins & Sells
Chartered Accountants

Madhusudhan Nair
Company Secretary

Registered Office
ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi
Mumbai – 400 025

Regional Office
10th Floor, Prestige Obelisk
Kasturba Road
Bangalore - 560 001

directors' report

to the members

Your Directors are pleased to present the Twenty Sixth Annual Report of ICICI Venture Funds Management Company Limited with the Statement of Accounts for the year ended March 31, 2014.

1. **FINANCIAL HIGHLIGHTS:**

		(₹ in million)
	Fiscal 2013	**Fiscal 2014**
Profit before taxation	*293.2*	**382.6**
Profit after taxation	*197.9*	**329.8**
Appropriations :		
General Reserve	*19.8*	**33.0**
Interim Dividend	*15.0*	**10.0**
Corporate tax on Dividend	*2.4*	**1.7**
Balance carried forward to next year	*1202.2*	**1487.3**

The Company earned profit after tax of ₹ 329.8 million for the year. After taking into account profit of ₹ 1,202.2 million brought forward, the Company's disposable profit stands at ₹ 1,532.0 million. During fiscal 2014, your Company transferred ₹ 33 million to General Reserve and paid interim dividend of ₹ 10.0 per share.

Analysis of Financial Performance:

During the year, your Company earned a total income of ₹ 1,363.4 million as compared to ₹ 1,303.9 million in the previous year. Of the total income, income from investments in venture capital funds was ₹ 165.7 million during the year, as compared to the previous year's income of ₹ 27.2 million. Fee income from funds under management (including newly established funds) was ₹ 825.1 million during the year, as compared to the previous year's income of ₹ 1,104.8 million. This decline was mainly due to the significant number of exits concluded by your Company during the year. Operating expenses were at ₹ 869.6 million as compared to ₹ 897.5 million in the previous year.

Your Company's profit before tax for the year under review was ₹ 382.6 million as compared to the previous year's profit before tax of ₹ 293.2 million. After providing for tax, including deferred tax, for the current year, profit after tax was ₹ 329.8 million as compared to the previous year's profit after tax of ₹ 197.9 million. The Earnings per Share of your Company was ₹ 329.8 per share during fiscal 2014 as compared to ₹ 197.9 per share during the previous year.

2. **OPERATIONAL REVIEW:**

Year in Retrospect:

The global economy started to recover during the year exhibiting slow but steady growth. Growth in emerging economies has slowed over the past year as new growth concerns and a modest flight of capital have pressured investments. During the year, India experienced its own macroeconomic challenges, with fiscal & current account deficit, high inflation and currency depreciation. While measures were taken to address the current account deficit, encourage foreign fund inflows and stabilize the currency, economic growth continued to moderate.

The Indian stock market remained flat through much of the year but has witnessed an increase in the last quarter of the fiscal. The rupee has stabilized on account of the macroeconomic measures taken by the Government of India. The Reserve Bank of India lowered rates in the first half of the year to give a boost to slowing economic growth, while increasing inflation was countered by increasing rates in the latter half.

In fiscal 2014, an estimated USD 8.4 billion was invested by private equity players in the country across around 390 reported transactions. Total investment value was marginally higher than the previous year, while the total number of investment transactions was lower. The average size of PE deals increased, driven by a shift to larger deal sizes including a few large investments in publicly listed companies. (Source: Industry Reports).

The Indian PE market continues to be dominated by minority investments, but there has been an increase in the number of buyouts by PE funds. The overall level of competition for deals remains high primarily due to limited good-quality deals thereby increasing the importance of proprietary sourcing of deals.

Portfolio and Fund Strategy:

As on March 31, 2014, your Company had seven funds under active management in four asset classes - Private Equity, Real Estate, Infrastructure and Special Situations.

(A) Private Equity:

India Advantage Fund Series 1 (IAF Series 1)

IAF Series 1 has been largely wound down with only one residual investment pending to be exited. The Fund has achieved a realized gross Internal Rate of Return (IRR) of approximately 48% and a Multiple of Capital Employed (MoC) of 3.3 times based on exits till date.

India Advantage Fund Series 2 (IAF Series 2)

During fiscal 2014, your Company concluded full exits from three portfolio companies and partial exits from four portfolio companies of IAF Series 2 which resulted in aggregate realizations of over ₹ 4.00 billion to the Fund. The Fund is currently focused on concluding exits from the residual portfolio companies. The extended term of the Fund comes to an end in October 2014 following which the Fund has a 12 month period ending in October 2015 for resolution of the assets held by the Fund.

India Advantage Fund Series 3 (IAF Series 3)

Your Company successfully concluded two investments from IAF Series 3 in fiscal 2014. The first investment was in a payments systems company focusing on owning, operating and managing ATMs and Point of Sales terminals in India. The company has recently received a license from the RBI to operate White Label ATMs in India. The second investment was in a company in the business of owning and operating entertainment theme park projects in India. With these two investments, the Fund has made a total of seven investments and drawn down over 60% of committed capital. The Fund is actively evaluating a number of potential new investment opportunities across various sectors.

(B) Real Estate:

India Advantage Fund III and IV (IAF III and IAF IV, and together referred to as Real Estate Series 1)

During the year, your Company continued to focus on project progress and exits from the Funds' investments. IAF III is in an advanced stage of exit from three of its investments, while IAF IV is in an advanced stage of exit from one investment.

The extended terms of IAF III and IAF IV end on June 05, 2014 and September 25, 2014 respectively, after which the Funds would enter their 12 month resolution of assets periods ending June 05, 2015 and September 25, 2015 respectively. Your Company is currently working on a proposal envisaging extension of the life of IAF III and IAF IV and in conjunction with this, a structured liquidity option for the investors in these funds.

India Advantage Fund Real Estate Series 2 (IAF RE S2)

During the year, your Company has concluded two more investments from this Fund thus cumulatively concluding five investments from this Fund. Your Company has also concluded one exit from this Fund with an IRR of 24.0%. The Fund has invested approximately 64.7% (₹1660 million) of its Corpus till March 31, 2014 and has distributed approximately 26% (₹ 514.6 million) of the Capital Called to its investors out of monies realized by the Fund.

(C) Mezzanine:

Indian Infrastructure Advantage Fund (IIAF)

In fiscal 2014, the Indian Infrastructure Advantage Fund VII had a first close. The Fund shall focus primarily on rapidly growing opportunities for private sector investment in India's infrastructure.

(D) Special Situations Fund:

AION PE Fund ("AION") is the Special Situations Fund where your company is a Strategic Advisor along with Apollo Global Management, one of the world's largest alternative asset managers with an AUM of US$ 160 billion. AION is one of the largest India focused PE funds raised in recent years and has received commitments from a number of highly reputed international investors.

AION has successfully concluded two investments from the AION Fund in this year. The first investment is in one of the country's top 3 electricity transmission tower design and manufacturing company. The company has facilities in India, UAE and the US and has a successful track record of over 30 years. The investment is predominantly structured in US dollars with strong downside protection and uncapped upside potential.

The second investment is with one of the largest Business Groups based in North India. The investment is a special credit with high quality collateral to protect the downside and upside linked to the performance of the company. The underlying company has over 8,000 employees in 9 countries and is a dominant player in all its businesses ranging from electrical consumer goods to providing large scale electrical solutions to industry.

While both the investments are early in the investment life cycle, these investments look promising and are currently performing well. The Fund has a strong pipeline of deals is actively evaluating a number of potential new investment opportunities across various sectors.

Fund Raising:

During the year, your Company concluded closings in its Special Situations and Infrastructure Funds.

- Special Situations Fund: AION is a Special Situations Fund where your company is a Strategic Advisor along with Apollo Global Management, one of the world's largest alternative asset managers with an AUM of USD 160 billion. AION has conducted an interim fund closing based on commitments raised from international LPs and concluded two investments during the year.
- Infrastructure: Your Company is currently raising the Indian Infrastructure Advantage Fund (IIAF) which seeks to make investments in India's infrastructure sector. IIAF concluded a first closing during the year. Demand for infrastructure equity funding from both private and public sources is growing rapidly in light of the large infrastructure investments envisaged in the current plan and funds such as IIAF are expected to bridge the demand supply gap for private equity funding.

Total commitments received across the Special Situations Fund and the Infrastructure Fund amounted to close to US$ 1 billion including co-invested capital in case of the Special Situations Fund.

Outlook:

Your Company has emerged as one of India's most diversified alternative asset managers with presence across private equity, real estate, infrastructure and special situations. Your Company is well positioned to participate in the increasing equity investment opportunities that would arise as capital formation and economic growth pick up in the year ahead.

3. PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any deposit under Section 58A of the Companies Act, 1956.

4. DIRECTORS:

The Board has re-appointed Vishakha Mulye as the Managing Director & CEO of the Company w.e.f. April 21, 2014 for a term of 5 years. Ms. Mulye will be liable to retire by rotation.

As per Section 152 of the Companies Act, 2013, Rakesh Jha retires by rotation and, being eligible, offers himself for re-appointment.

5. AUDITORS:

Deloitte, Haskins & Sells, Chartered Accountants (Firm Registration No. 008072S) were appointed as statutory auditors of the Company for the year 2013-2014 to hold office till the conclusion of the ensuing Annual General Meeting of the Company. The Board of Directors recommend your approval for re-appointment of Deloitte, Haskins & Sells, Chartered Accountants, as statutory auditors of the Company for the year 2014-2015.

6. FOREIGN EXCHANGE EARNING AND EXPENDITURE:

The foreign exchange earnings during the year amounted to ₹ 21.1 million. Expenditure in foreign currency amounted to ₹ 39.2 million.

7. PERSONNEL AND OTHER MATTERS:

Information required to be disclosed in accordance with Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, forming part of the Directors' Report for the year ended March 31, 2014 is enclosed as an Annexure to this Report.

Since your Company does not own any manufacturing facility, the disclosure of information on other matters required to be disclosed in terms of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are not applicable and hence have not been given.

8. AUDIT COMMITTEE:

Your Company has constituted an Audit Committee, though not mandatory, under the provisions of the Companies Act, 1956. The Audit Committee comprises of K. N. Memani as Chairman and S. Mukherji and H. N. Sinor as Members of the Committee.

9. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

As per Section 135 of the Companies Act, 2013, the Board has constituted a Corporate Social Responsibility Committee consisting of Sridar Iyengar as Chairperson, Lalita D. Gupte, Member, K. N. Memani, Member and H. N. Sinor, Member.

10. NUMBER OF MEETINGS OF THE BOARD:

During fiscal 2014, the Board of your Company meet 11 (eleven) times.

11. DIRECTORS RESPONSIBILITY STATEMENT:

The Directors confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. they 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 at the end of the financial year and of the profit or loss of the Company for that period;
3. they 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; and
4. they have prepared the annual accounts on a going concern basis.

12. ACKNOWLEDGEMENTS:

The Board of Directors of your Company wishes to acknowledge and place on record its sense of appreciation for the commitment, dedication and professionalism of the employees of the Company. The Board also wishes to thank ICICI Bank, its parent company, regulatory authorities and the Government for their co-operation and support. The Board is also grateful to the investors of the Funds managed and advised by the Company for their continued trust and support.

For and on behalf of the Board of Directors

Lalita D. Gupte
Chairperson

Mumbai, April 16, 2014

independent auditors' report

to the members of ICICI Venture Funds Management Company Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of ICICI VENTURE FUNDS MANAGEMENT COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Management is responsible for the preparation of financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

(b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, 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.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs).
   (e) On the basis of the written representations received from the directors as on March 31, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For Deloitte Haskins and Sells
Chartered Accountants
Firm Registration No.008072S

Sd/-
Sathya P. Koushik
Partner
Membership No. 206920

Mumbai, April 16, 2014

annexure to the independent auditors' report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. Having regard to the nature of the Company's business during the year, clauses ii, iii (b) to (d), (f) and (g), iv (in so far as it relates to purchase of inventory and sale of goods), vi, viii, xii, xiii, xix and xx of the Order are not applicable to the Company.
2. In respect of its fixed assets:
   (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
   (b) Some of the fixed assets of the Company were physically verified during the year by the Management in accordance with a programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
   (c) The fixed assets disposed-off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
3. The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and the sale of services. During the course of our audit, we have not observed any major weakness in such internal control system.
5. To the best of our knowledge and belief and according to the information and explanation given to us, there were no contracts or arrangements that were needed to be entered in the register maintained in pursuance of Section 301 of the Companies Act 1956.
6. In our opinion, the Company has an internal audit system which is commensurate with the size and nature of its business.
7. According to the information and explanations given to us in respect of statutory dues:
   (a) the Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and any other material statutory dues with the appropriate authorities during the year.
   (b) there were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other material statutory dues in arrears as at March 31, 2014 for a period of more than six months from the date they became payable.
   (c) Details of dues of Income-Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on March 31, 2014 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount Involved (₹ in million)
The Income Tax Act 1961	Income tax inclusive of interest	Commissioner of Income Tax, Appeals.	2008-2009 and 2009-2010	7.6

8. The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the year and in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. There are no dues to financial institutions and the Company has not issued any debentures.
10. Based on our examination of records and evaluation of the related internal controls, the Company has maintained proper records of the transactions and contracts in respect of its dealing in shares, securities, debentures and other investments and timely entries have been made therein. The aforesaid securities have been held by the Company in its own name.
11. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
12. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.
13. In our opinion and according to information and explanations given to us, and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.
14. 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.
15. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins and Sells
Chartered Accountants
Firm Registration No.008072S

Sd/-
Sathya P. Koushik
Partner
Membership No. 206920

Mumbai, April 16, 2014

balance sheet

at March 31, 2014

Particulars	Note No.	March 31, 2014	(₹ in million) March 31, 2013
A EQUITY & LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	**10.0**	*10.0*
(b) Reserves and surplus	4	**2,170.4**	*1,852.3*
		2,180.4	*1,862.3*
2 Non-current liabilities			
(a) Long-term borrowings	5	**—**	*31.9*
(b) Other long-term liabilities	6	**86.1**	*82.6*
(c) Long-term provisions	7	**49.9**	*61.3*
		136.0	*175.8*
3 Current liabilities			
(a) Trade payables	8	**523.7**	*599.7*
(b) Other current liabilities	9	**28.7**	*151.7*
(c) Short-term provisions	10	**9.7**	*12.0*
		562.1	*763.4*
Total		**2,878.5**	*2,801.5*
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	**913.3**	*1,010.8*
(ii) Intangible assets	11	**1.4**	*—*
		914.7	*1,010.8*
(b) Non-current investments	12	**11.8**	*13.0*
(c) Deferred tax assets (net)	23.6	**44.2**	*40.0*
(d) Long-term loans and advances	13	**166.3**	*129.2*
		222.3	*182.2*
2 Current assets			
(a) Current investments	14	**1,543.9**	*1,483.1*
(b) Trade Receivables	15	**62.9**	*—*
(c) Cash and cash equivalents	16	**3.2**	*0.8*
(d) Short-term loans and advances	17	**45.7**	*111.2*
(e) Other Current Assets		**85.8**	*13.4*
(Refer Note 23.1.B(ii) & (iii))			
		1,741.5	*1,608.5*
Total		**2,878.5**	*2,801.5*
Corporate Information & Significant accounting policies	1 & 2		
Notes forming part of the Financial Statements	3 - 23		

profit and loss account

for the year ended March 31, 2014

Particulars	Note No.	March 31, 2014	(₹ in million) March 31, 2013
1 Revenue from operations	18	**825.1**	*1,104.8*
2 Other income	19	**538.3**	*199.1*
3 Total revenue (1+2)		**1,363.4**	*1,303.9*
4 Expenses			
(a) Employee benefits expense	20	**572.3**	*627.3*
(b) Finance costs	21	**3.7**	*30.3*
(c) Depreciation and amortisation expense	11	**111.2**	*113.2*
(d) Other expenses	22	**293.6**	*239.9*
Total expenses		**980.8**	*1,010.7*
5 Profit before tax (3-4)		**382.6**	*293.2*
6 Tax expense :			
(a) Current tax expense for current year		**80.0**	*109.0*
(b) Current tax expense relating to prior year		**—**	*2.2*
(c) (Less): Minimum Alternate Tax Credit		**(23.0)**	*—*
(d) Deferred tax		**(4.2)**	*(15.9)*
		52.8	*95.3*
7 Profit for the year(5-6)		**329.8**	*197.9*
Earnings per equity share (of ₹10 each)			
(a) Basic (₹)	23.10	**329.8**	*197.9*
(b) Diluted (₹)	23.10	**329.8**	*197.9*
Corporate Information & Significant accounting policies	1 & 2		
Notes forming part of the Financial Statements	3 - 23		

In terms of our reports attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

SATHYA P. KOUSHIK
Partner

Mumbai, April 16, 2014

For and on behalf of Board of Directors

LALITA D GUPTE
Chairperson

VISHAKHA MULYE
Managing Director & CEO

MADHUSUDHAN NAIR
Company Secretary

BEENA M CHOTAI
Chief Financial Officer

Mumbai, April 16, 2014

1 **CORPORATE INFORMATION:**

The Company is an Asset Management Company ('AMC') and manages and advises Venture Capital and Private Equity Funds which invest in a wide spectrum of industrial sectors. The accounts of these Funds are maintained separately and do not form part of the Company's financial statements.

2 **SIGNIFICANT ACCOUNTING POLICIES:**

2.1 **Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under section 211(3c) of the Companies Act ,1956 ("the Act") which continue to be applicable in respect of Sec 133 of the Companies Act ,2013 ("the 2013 Act") in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs and the relevant provisions of the 1956 Act/2013 Act, as applicable.The financial statements have been prepared on accrual basis under the historical cost convention, except where otherwise noted.The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 **Use of estimates**

The preparation of the financial statements is in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the years in which the results are known / materialise.

2.3 **Cash flow statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.4 **Cash and cash equivalents (for the purpose of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 **Depreciation and amortisation**

Depreciation has been provided on straight-line method and the basis of depreciation is as follows:

(a) In respect of assets taken on lease & any improvements thereat, depreciation is provided over the balance lease period on straight line basis.

(b) In respect of other assets, depreciation is provided over the estimated useful life on straight line basis. The rates of depreciation and the estimated useful life are as under:

Nature of assets	Depreciation rates	Estimated useful life (in years)
Buildings	6.33% to 12.50%	8 to 16
Furniture & fixtures	15% to 19%	5 to 7
Vehicles	20%	5
Office equipment		
- Cell phone	100%	
- Others	10%	10
Computers	33%	3
Intangibles - software	40%	2.5

The estimated useful life of the intangible assets and the amortisation year are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern. Assets individually costing less than ₹ 5,000/- are fully depreciated in the year of purchase.

2.6 **Revenue recognition**

(i) As an AMC , the Company is entitled for a Fee Income which consists of management fee as per the terms of Investment Management Agreement (IMA) entered into Fund, advisory fees in respect of the Private Equity Funds advised by the Company, and any other fees as agreed with Funds under Management . The fee income is recognized as revenue when they contractually accrue except where the management believes that there are uncertainties in its ultimate realisation, in which case, they are recognised when such uncertainties cease.

(ii) Income from Investment in Units of Venture Capital Funds and Private Equity Funds is recognized when the right to receive the same is established based on declaration of distribution by the Venture Capital Fund and when no significant uncertainty to the measurability or collectability exists.

(iii) Dividend income from investment in units of Mutual Funds and from shares of corporate bodies is recognized when the right to receive the same is established based on declaration by the Mutual Funds and Corporate bodies respectively.

(iv) Rental income and other income is recognized as per contractual terms.

2.7 **Tangible fixed assets**

Fixed Assets are stated at cost less accumulated depreciation. Additions, major renewals and improvements are capitalized, while maintenance and repairs are expensed. Upon disposal, the net book value of assets is removed and resultant gains and losses are reflected in the Statement of Profit and Loss.

2.8 **Capital work-in-progress**

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.

2.9 **Intangible assets**

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

2.10 **Foreign currency transactions**

Initial recognition: Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date: Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

2.11 **Investments**

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.12 **Employee benefits**

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences.

a. Defined contribution plans

The Company's contribution to superannuation fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees.

b. Defined benefit plans

For defined benefit plans in the form of gratuity and exempt provident fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the year in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average year until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

c. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
(b) in case of non-accumulating compensated absences, when the absences occur.

d. ***Long-term employee benefits***
Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

2.13 **Segment reporting**
The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.14 **Leases**
Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

2.15 **Earnings per share**
Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the year, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.16 **Taxes on income**
Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability,is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.17 **Impairment of assets**
The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting years no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

2.18 **Provisions and contingencies**
A provision is recognised when the Company has a present obligation as a result of past events and 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 (excluding retirement benefits) are not discounted to their present value and are determined based on the 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. Contingent liabilities are disclosed in the Notes.

2.19 **Service tax input credit**
Service tax input credit is accounted for in the books in the year in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

2.20 **Operating Cycle**
Based on the nature of activities of the Company, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3 **SHARE CAPITAL**

Particulars	**March 31, 2014**		*March 31, 2013*	
	No. of shares	**₹ in million**	*No. of shares*	*₹ in miilion*
(a) Authorised				
Equity shares of ₹ 10 each	**20,000,000**	**200.0**	*20,000,000*	**10.0**
Total		**200.0**		*200.0*
(b) Issued, subscribed and fully paid-up Equity Shares of ₹ 10 each	**1,000,000**	**10.0**	*1,000,000*	*10.0*
(All the above shares are held by ICICI Bank Limited, the Holding Company and its nominees)				
Total		**10.0**		*10.0*

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	**March 31, 2014**		*March 31, 2013*	
	No. of Shares	**₹ in million**	*No. of Shares*	*₹ in million*
Opening balance	**1,000,000**	**10.0**	*1,000,000*	*10.0*
Issued/(redeemed) during year	**—**	**—**	—	—
Closing balance	**1,000,000**	**10.0**	*1,000,000*	*10.0*

(ii) Terms/rights attached to equity shares:
The Company has only one class of Equity Share, having a par value of ₹10 Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount. However, as on date no such preferential amounts exists. The distribution will be in proportion to number of equity shares held by the shareholders.

(iii) Details of shares held by each shareholder holding more than 5% of shares :

Particulars	March 31, 2014		March 31, 2013	
	No. of Shares	%	No. of Shares	%
ICICI Bank Limited, the holding company and its nominees	1,000,000	100.0%	1,000,000	100.0%

4 RESERVES AND SURPLUS

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
(a) **Capital reserve**		
Opening balance	7.8	7.8
Add : Additions during year	—	—
Closing Balance	7.8	7.8
(b) **General reserve**		
Opening balance	642.3	622.5
Add : Transferred from surplus in Statement of Profit and Loss	33.0	19.8
Closing Balance	675.3	642.3
(c) **Surplus in Statement of Profit & Loss**		
Opening balance	1,202.2	1,041.5
Add : Profit for the year	329.8	197.9
Less : Appropriations		
Interim dividend paid to equity shareholders (₹ 10/- per share) (Year Ended March 31, 2013 ₹ 15/- per share)	10.0	15.0
Tax on dividend	1.7	2.4
Transferred to general reserve	33.0	19.8
Closing balance	1,487.3	1,202.2
Total	2,170.4	1,852.3

NON-CURRENT LIABILITIES

5 (i) Long-term borrowings

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
(a) Term Loan:		
From banks		
- Secured	—	25.0
(b) Vehicle loans from banks (Secured):	—	6.9
Total	—	31.9

5 (ii) **Details of terms of repayment in respect of the secured other long-term borrowings:**

(₹ in miilion)

Particulars	No. of Instalments due after 12 months	March 31, 2014	No. of Instalments due after 12 months	March 31, 2013
Term loan from Bank:				
- Term loan 4	—	—	—	—
- Term loan 5	—	—	1	25.0
Total term loan		—		25.0
- Average rate of interest	—		12.8%	
Vehicle loan from Banks:				
- Loan amount		—	Varies from Apr 14 to Jun 15	6.9
- Average rate of interest			10.0%	
Total vehicle loan		—		6.9

5 (iii) **Details of security given for term loan & vehicle loan:**
Term loan from Bank:
- Term loans 4 & 5, were secured by first mortgage/charge on basement, 4th floor of office building situated at ICICI Venture House, Appasaheb Marathe Marg, Prabha Devi, Mumbai and a pari passu charge on all moveable and current assets of the Company. The charge was vacated on June 30, 2013

Vehicle loans were secured by hypothecation of respective Vehicle for which loan is/was availed by the Company.

6 OTHER LONG-TERM PROVISIONS

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
(a) Trade payables		
- Other than Acceptances	0.8	1.6
(b) Employee benefits		
-Gratuity (net) (Refer Note 23.7.2)	85.3	81.0
Total	86.1	82.6

7 LONG-TERM PROVISIONS

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
Provision for employee benefits:		
- Compensated absences	49.9	61.3
Total	49.9	61.3

CURRENT LIABILITIES

8 TRADE PAYABLES

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
Trade payables:		
- Other than Acceptances (Refer Note 23.12)	523.7	599.7
Total	523.7	599.7

9 OTHER CURRENT LIABILITIES

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
(a) Current maturities of long term debt		
(Refer Note (i) below)		
(i) Term Loan	—	108.5
(ii) Vehicle Loans	—	7.6
	—	116.1
(b) Other payables		
(i) Income received in advance	8.9	11.0
(ii) Security deposits		
-Related parties	0.4	0.4
-Others	0.9	1.0
(iii) Statutory dues	8.5	13.2
(iv) Others:		
Employee benefits		
-Gratuity (net) (Refer Note 23.7.2)	10.0	10.0
	28.7	35.6
Total	28.7	151.7

Note:

(i) Current maturities of long term debts, Refer Note 5 (iii) - Long-term borrowing for details of security.

10 SHORT-TERM PROVISIONS

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
Provision for employee benefits		
- Compensated absences	9.7	12.0
Total	9.7	12.0

11 FIXED ASSET

(₹ in million)

Particulars	Gross block: Balance As at April 01, 2013	Gross block: Additions	Gross block: Disposal	Gross block: Balance As at March 31, 2014	Accumulated depreciation and impairment: Balance As at April 01, 2013	Accumulated depreciation and impairment: Depreciation/ amortisation expense for the year	Accumulated depreciation and impairment: Eliminated on Disposal of Assets	Accumulated depreciation and impairment: Balance As at March 31, 2014	Net block: Balance As at March 31, 2014
Tangible assets:									
Land - Freehold	108.3	—	—	108.3	—	—	—	—	108.3
	(108.3)	—	—	(108.3)	—	—	—	—	(108.3)
Building (Refer Note 2)	1,364.6	0.3	—	1,364.9	540.6	87.6	—	628.2	736.7
	(1,366.5)		(1.9)	(1,364.6)	(453.3)	(87.7)	(0.4)	(540.6)	(824.0)
Furniture & fixtures	51.2	2.0	3.0	50.2	36.5	4.4	1.3	39.6	10.6
	(50.9)	(4.6)	(4.3)	(51.2)	(32.2)	(5.7)	(1.4)	(36.5)	(14.7)
Vehicles	57.0	10.2	15.5	51.7	32.4	8.6	13.8	27.2	24.5
	(53.7)	(13.1)	(9.8)	(57.0)	(28.3)	(9.6)	(5.5)	(32.4)	(24.6)
Office equipment	90.8	0.9	0.7	91.0	53.2	8.5	0.7	61.0	30.0
	(91.1)	(0.9)	(1.2)	(90.8)	(45.8)	(8.6)	(1.2)	(53.2)	(37.6)
Computers	33.6	3.1	0.3	36.4	32.0	1.4	0.2	33.2	3.2
	(33.8)	(0.7)	(0.9)	(33.6)	(31.6)	(1.3)	(0.9)	(32.0)	(1.6)
Total (A)	**1,705.5**	**16.5**	**19.5**	**1,702.5**	**694.7**	**110.5**	**16.0**	**789.2**	**913.3**
Previous Year (A)	(1,704.3)	**(19.3)**	**(18.1)**	**(1,705.5)**	**(591.2)**	**(112.9)**	**(9.4)**	**(694.7)**	**(1,010.8)**
Intangible assets:Others									
Software	1.0	**2.1**	**—**	**3.1**	**1.0**	**0.7**	**—**	**1.7**	**1.4**
	(1.0)	**—**	**—**	**(1.0)**	**(0.7)**	**(0.3)**	**—**	**(1.0)**	**—**
Total (B)	**1.0**	**2.1**	**—**	**3.1**	**1.0**	**0.7**	**—**	**1.7**	**1.4**
Previous Year (B)	(1.0)	**—**	**—**	**(1.0)**	**(0.7)**	**(0.3)**	**—**	**(1.0)**	**—**
Total (A+B)	**1,706.5**	**18.6**	**19.5**	**1,705.6**	**695.7**	**111.2**	**16.0**	**790.9**	**914.7**
Previous Year (A+B)	**(1,705.3)**	**(19.3)**	**(18.1)**	**(1,706.5)**	**(591.9)**	**(113.2)**	**(9.4)**	**(695.7)**	**(1,010.8)**

Note:

1. Tangible assets include a portion of office space given on operating lease and since this forms an integral part of the Building occupied/used by the Company, separate details for the space leased are not available. Other than the above, all the Fixed Assets are owned by the Company and used by the Company and employees of the Company. There are no other Fixed Assets either given or taken on lease.
2. (a) A charge has been created on the Basement and 4th Floor of ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai, in favour of HDFC Bank Limited for the Term Loans obtained from the bank. The charge was vacated on June 30, 2013
   (b) A charge has been created on the Ground and 2nd Floor of ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai, in favour of Kotak Bank Limited for the Bank Guarantee obtained from the bank.
   (c) In the Current year, the Company has given on lease 3rd and 4th Floor of ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai (Office building). Accordingly the mentioned floors in the Office building are owned by the Company but not used by the Company.
3. Previous years figures are given in brackets.

12 NON-CURRENT INVESTMENTS (AT COST)

(₹ in million)

	Particulars	March 31, 2014: Quantity	March 31, 2014: Face Value ₹ (per unit / Share)	March 31, 2014: Amount	*March 31,2013: Quantity*	*March 31,2013: Face Value ₹ (per unit / Share)*	*March 31,2013: Amount*
A	**Trade investment - Investment in units of venture capital funds, Long Term, Unquoted, fully paid**						
1	India Advantage Fund III Class A Units	**39,662**	**100**	**3.0**	*41,557*	*100*	*3.3*
2	India Advantage Fund III Class B Units	**6,000**	**100**	**0.6**	*6,000*	*100*	*0.6*
3	India Advantage Fund IV Class B Units	**6,000**	**100**	**0.6**	*6,000*	*100*	*0.6*
4	India Advantage Fund V - Class B Units	**23,413**	**100**	**2.2**	*32,648*	*100*	*3.0*
5	India Advantage Fund VI-Class B units	**14,972**	**100**	**1.3**	*20,670*	*100*	*1.8*
6	India Advantage Fund S3 I-Class C units	**5,000**	**100**	**0.5**	—	—	—
7	ICICI Venture Value Fund Trust	**—**	**—**	**—**	*100*	*100*	—
8	Rainbow Fund Trust	**—**	**100**	**—**	*100*	*100*	*0.1*
9	India Advantage Fund VII (Mezzanine Fund 1)-Class A units	**23**	**100**	**—**	*23*	*100*	—
	Total (A)			**8.2**			*9.4*
B	**Other Investments - Investment in equity instruments, Long Term, Unquoted, fully paid**						
1	Microland Limited	**2,976,812**	**100**	**3.5**	*2,976,812*	*100*	*3.5*
2	Shri Renuga Textiles Limited	**48,674**	**100**	**0.1**	*48,674*	*100*	*0.1*
	Total (B)			**3.6**			*3.6*
	Total - (A+B)			**11.8**			*13.0*
	Aggregate amount of unquoted investments			**11.8**			13.0
	Aggregate provision for diminution in value of unquoted investments			**—**			—
	Total			**11.8**			**13.0**

13 LONG-TERM LOANS AND ADVANCES

(₹ in million)

Particulars	March 31, 2014	*March 31, 2013*
Unsecured, considered good		
(a) Capital advances	**—**	*1.0*
(b) Security deposit	**12.1**	*12.1*
(c) Prepaid expense	**6.8**	*7.7*
(d) Minimum Alternate Tax Credit Entitlement	**23.0**	—
(e) Balance with government authorities: Tax paid under protest (Refer Note 23.1 A(i))	**—**	*3.4*
(f) Advance Income Tax (net of Provision for taxation ₹ 1,787.8 Million; Previous Year ₹ 1,707.8 Million)	**124.4**	*105.0*
Total	**166.3**	*129.2*

14 CURRENT INVESTMENTS

(₹ in million)

		March 31, 2014			March 31, 2013		
		Quantity	Face value ₹ (per unit)	Amount	Quantity	Face value ₹ (per unit)	Amount
A	**Current Portion of long term investments (at cost)**						
	Investment in units of venture capital funds, (Unquoted), fully paid:						
1	India Advantage Fund I- Class `C' units	5,000	100	0.5	5,000	100	0.5
2	India Advantage Fund I-Class `A' & `A1' units	924	100	0.1	924	100	0.1
3	India Advantage Fund I-Class`B' &`B1' units	438	100	0.1	438	100	0.1
4	India Advantage Fund II - Class `C' units	5,000	100	0.5	5,000	100	0.5
5	**India Advantage Fund II - Class `A',A1' & `B,`B1' units**	1,355	100	0.1	1,355	100	0.1
	Total (A)			1.3			1.3
B	**Other Current Investments**						
	Investment in mutual funds (unquoted):						
1	AXIS Fixed Term Plan	—	—	—	5,000,000	10	50.0
2	Birla Sun Life Cash Plus-Institutional Premium-Growth	66,647	100	11.5	611,673	100	104.2
3	Birla Sun Life Cash Plus-Institutional Premium-Growth-Direct Plan	714,713	100	140.6	—	—	—
4	DSP Black Rock-Liquidity Fund-IP Growth	111,955	1,000	177.2	116,573	10	184.4
5	HDFC Cash Mgmt Fund - Savings Plan - Growth	4,764,286	10	111.0	6,996,717	10	161.1
6	ICICI Prudential Liquid-Regular Plan-Growth	1,354,003	10	218.1	2,239,229	10	359.8
7	ICICI Prudential Flexible Income Plan Growth	—	—	—	702,760	10	0.7
8	IDFC Cash Fund -Direct Plan -Growth	153,980	1,000	222.2	—	—	—
9	Kotak Liquid Plan A-Growth	32,767	1,000	76.0	35,213	10	81.6
10	Kotak Liquid Plan A-Growth Direct	37,590	1,000	96.0	—	—	—
11	Reliance Liquid Fund-Cash Plan-Growth Plan	—	—	—	33,531	1,000	58.9
12	Reliance Liquid Fund-IRP	—	—	—	30,161	1,000	52.2
13	Reliance Liquidity Fund - Direct Plan Growth Option - Growth	126,678	1,000	228.3	—	—	—
14	SBI Magnum Insta Cash-Cash Option	—	—	—	40,769	1,000	101.5
15	SBI Premier Liquid Fund - DIRECT PLAN -Growth	39,770	1,000	78.2	—	—	—
16	Tata Liquid Fund- Direct Plan- Growth	51,085	1,000	113.0	—	—	—
17	TAT A Liquid Fund-Plan A-Growth	34,752	1,000	70.5	76,388	1,000	152.9
18	UTI Liquid Cash Plan Institutional - Growth Option	—	—	—	97,757	1,000	174.5
	Total (B)			1,542.6			1,481.8
	Total (A) + (B)			1,543.9			1,483.1
	Aggregate Value of Investments :						
	Aggregate amount of unquoted investments			1,543.9			1,483.1
	Aggregate provision for diminution in value of unquoted investments			—			—
	NAV of investments in Mutual Funds			1,702.8			1,580.7

15 TRADE RECEIVABLES

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
Other Trade receivables		
Unsecured, considered good	62.9	—
Total	62.9	—

16 CASH AND CASH EQUIVALENTS

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
(a) Cash on hand	—	—
(b) Balance with banks:		
(i) In current accounts	3.2	0.8
Total	3.2	0.8

Note: Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is ₹ 3.2 Million (Year ended March 31, 2013 ₹ 0.8 Million)

17 SHORT-TERM LOANS AND ADVANCES

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
Secured, considered good		
(a) Short Term Loan	—	90.0
Unsecured, considered good		
(a) Security deposits	0.6	1.1
(b) Prepaid expenses		
- To related parties	7.0	7.2
- To others	3.5	5.3
(c) Balance with government authorities	1.5	3.6
(d) Other receivables	33.1	4.0
Total	45.7	111.2

18 REVENUE FROM OPERATIONS

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
Fee income	825.1	1,104.8
Total	825.1	1,104.8

19 OTHER INCOME

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
(a) Income from long-term investments		
Distribution from investment in units of venture capital funds (including gain on sale of such units)	165.7	27.2
(b) Interest Income	1.0	0.1
(c) Net gain on sale of non-current investments	—	2.4
(d) Net gain on sale of current investments (others)	98.6	63.5
(e) Net gain on foreign currency transactions and translation	—	1.5
(f) Other non-operating income:		
(i) Rental income from operating leases (Refer Note - 23.5.1)	32.4	4.1
(ii) Miscellaneous income	0.2	3.9
(iii) Provisions no longer required written back	239.2	95.9
(g) Profit on sale of fixed assets	1.2	0.5
Total	538.3	199.1

20 EMPLOYEE BENEFITS EXPENSE

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
Salaries and wages	522.1	561.8
Contributions to provident and other funds (Refer Note - 23.7)	27.7	45.5
Staff welfare expenses	22.5	20.0
Total	572.3	627.3

21 FINANCE COSTS

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
Interest expense on borrowings	3.7	30.3
Total	3.7	30.3

22 OTHER EXPENSES

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
Power charges	**7.4**	*6.9*
Rent including lease rentals (Refer Note - 23.5.1)	**11.8**	*14.0*
Repairs and maintenance - Building	**18.6**	*18.0*
Repairs and maintenance - Others	**8.7**	*8.1*
Insurance	**2.1**	*2.0*
Rates and taxes	**2.2**	*8.2*
Communication expense	**5.2**	*5.9*
Travelling and conveyance	**14.8**	*16.9*
Printing & Stationery	**1.2**	*0.3*
Advertisement and business promotion	**4.5**	*4.2*
Seminar expenses	**3.9**	*3.4*
Marketing and distribution expenses	**76.8**	*31.9*
Legal and professional charges	**88.6**	*73.4*
Payment to auditors:		
- As auditors - statutory audit	**0.3**	*0.3*
- For taxation matters	**0.1**	*0.1*
- Other services	**0.3**	*0.3*
- Reimbursement of expenses	**0.1**	*0.1*
Recruitment and training	**3.6**	*5.6*
Memberships and subscriptions	**18.9**	*14.0*
Miscellaneous expenses	**24.5**	*26.3*
Total	**293.6**	*239.9*

23 OTHER NOTES

Contingent liabilities and commitments (to the extent not provided for)

A Contingent Liabilities

(i) Disputed Statutory Dues

As at March 31, 2014, the Company has disputed tax liabilities arising from assessment proceedings relating to earlier years from the income tax authorities and service tax authorities amounting to ₹ 7.6 Million(Year ended March 31, 2013 – ₹ 7.6 Million) and ₹ Nil (Year ended March 31, 2013 – ₹ 11.0 Million) respectively.

B Commitments

(i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances, if any) – ₹ Nil Million. (Previous Year –₹ Nil Million).

(ii) The AMC is an investor in IAF I and IAF II ("Funds"). During year ended March 31, 2012, the Funds have declared a distribution of ₹ 645.7 Million, to the AMC as the AMC's share of income from investments in units of Funds, which was recognised as income during the year ended March 31, 2012. Of the above, ₹ 125.1 Million has been received free of any encumbrances, and the balance of ₹ 520.6 Million was conditionally receivable upon the Company furnishing a Bank Guarantee and a General Indemnity to the trustees of Funds to cover present and future potential liabilities of the Funds. The Bank Guarantee of ₹ 520.6 Million and a General Indemnity has been furnished by the Company in favor of the Trustees of the Funds. The Bank Guarantee is secured by mortage of ground and 2nd Floor of ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai.

During the year ended March 31, 2014, the Funds have further declared a distribution of income of ₹ 163.4 Million, to the AMC as the AMC's share of income from investments in units of Funds, which is recognised as income during the current year . Of the above, ₹ 91.5 Million has been received free of any encumbrances, and the balance of ₹ 71.9 Million is conditionally receivable upon the Company furnishing an appropriate collateral to the trustees of Funds to cover present and future potential liabilities of the Funds. The Board of Directors of the Company have given their in-principle approval for providing collateral. As at March 31, 2014, the Company is in the process of providing the same.

(iii) The AMC is an investor in IAF VII. During year ended March 31, 2013, IAF VII had declared a distribution of capital of ₹ 63.7 Million, to the AMC as the AMC's share. Of the above, ₹ 50.3 Million has been received free of any encumbrances, and the balance of ₹ 13.4 Million is conditionally receivable upon the Company furnishing an appropriate collateral and a General Indemnity to the trustees of Funds to cover present and future potential liabilities of the Funds.

During the year ended March 31, 2014, the Funds have further declared a distribution of income of ₹ 0.7 Million, to the AMC as the AMC's share of income from investments in units of Funds, which is recognised as income during the current year ended March 31, 2014. Of the above, ₹ 0.2 Million has been received free of any encumbrances, and the balance of ₹ 0.5 Million is conditionally receivable upon the Company furnishing an appropriate collateral and a General Indemnity to the trustees of Funds to cover present and future potential liabilities of the Funds. The Board of Directors of the Company have given their in-principle approval for providing collateral. As at March 31, 2014, the Company is in the process of providing the same.

23.2 **Earnings in Foreign Currency**

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
Fee income	**21.1**	*32.9*
Total	**21.1**	*32.9*

23.3 **Expenditure in Foreign Currency**

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
Advertisement & Business Promotion	**1.5**	*1.9*
Seminar Expenses	**0.3**	*0.3*
Travelling Exepenses	**0.1**	*1.0*
Marketing & Distribution Expenses	**29.3**	*17.3*
Legal & Professional Charges	**3.4**	*1.9*
Memebership & Subscription Expenses	**2.3**	*2.8*
Others	**2.3**	*1*
Total	**39.2**	*25.2*

23.4 Miscellaneous expenses include ₹ 1.7 Million. (Year ended March 31, 2013 – ₹ 1.4 Million), being the Company's share of various common corporate expenses incurred by ICICI Bank Limited, the holding company.

23.5.1 The Company has entered into cancellable operating leases in respect of office premises. As per the terms and conditions mentioned in the renewed lease agreement effective September 2011, the leases may be renewed for a further period of 3 years after the expiry of initial lease year of 3 years on mutual consent between the parties to the lease agreement. The lease rentals charged to the Statement of Profit & Loss in respect of these leases amount to ₹ 11.8 Million (Year ended March 31, 13 ₹ 14.0 Million).

23.5.2 The Company has during the current year leased under operating lease arrangements the 3rd and the 4th floor of the office premises known as ICICI Venture House situated at A. M Marg, Prabhadevi, Mumbai, with gross carrying amount and accumulated depreciation of ₹ 414.1 Million (Year ended March 31, 2013 ₹ 414.1 Million) and ₹ 195.1 Million (Year ended March 31, 2013 ₹168.8 Million) respectively as at March 31, 2014. Depreciation expense of ₹ 26.3 Million (Year ended March 31, 2013 ₹ 26.3 Million) in respect of these assets has been charged in the Statement of Profit and Loss for the year ended March 31, 2014.

Future lease rental receipts will be recognized in the Statement of Profit and Loss of subsequent years as follows:

(₹ in million)

Particulars	March 31, 2014
Due not later than one year	**56.2**
Due later than one year but not later than five years	**84.2**
Later than five years	**—**
	140.4

23.6 **Deferred tax (Liability)/asset**

(₹ in million)

Particulars	March 31, 2014	March 31, 2013
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	**(24.7)**	*(41.1)*
Tax effect of item constituting deferred tax asset		
Provision for compensated absences and gratuity	**154.8**	*164.4*
Total	**130.1**	*123.3*
Net Deferred tax Asset/ (Liability) on above	**44.2**	*40.0*

23.7 **Employee benefit plans**

23.7.1 **Defined contribution plans**

The Company makes Superannuation Fund contributions to defined contribution plan for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 4.2 Million (Year ended March 31, 2013 ₹ 4.4 Million) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to the plan by the Company are at rates specified in the rules of the schemes.

23.7.2 **Defined benefit plans**

The Company offers the following benefit plan to its employees. The following tables sets out the funded status of the defined benefit plan and amount recognised in the financial statements:

(₹ in million)

		Particulars	March 31, 2014	March 31, 2013
A	(i)	**Gratuity**		
		Components of employer expense		
		Current service cost	**14.7**	*14.1*
		Interest cost	**12.4**	*10.6*
		Expected return on plan assets	**(4.1)**	*(3.7)*
		Curtailment cost / (credit)	**—**	—
		Settlement cost / (credit)	**—**	—
		Past service cost	**—**	—
		Actuarial losses/(gains)	**(18.4)**	*0.6*
		Total expense recognised in the Statement of Profit and Loss	**4.6**	*21.6*
		Actual contribution and benefit payments for the year		
		Actual benefit payments	**(7.4)**	*(2.1)*
		Actual contributions	**0.3**	*0.3*
		Net asset / (liability) recognised in the Balance Sheet		
		Present value of defined benefit obligation	**145.4**	*143.8*
		Fair value of plan assets	**50.1**	*52.8*
		Funded status [Surplus / (Deficit)]	**(95.3)**	*(91.0)*
		Unrecognised past service costs	**—**	—
		Net asset / (liability) recognised in the Balance Sheet	**(95.3)**	*(91.0)*
		Net liability is bifurcated as follows		
		Current	**(10.0)**	*(10.0)*
		Non-current	**(85.3)**	*(81.0)*
		Total	**(95.3)**	*(91.0)*
		Change in defined benefit obligations (DBO) during the year		
		Present value of DBO at beginning of the year	**143.8**	*116.6*
		Current service cost	**14.7**	*14.1*
		Interest cost	**12.4**	*10.6*
		Curtailment cost / (credit)	**—**	—
		Settlement cost / (credit)	**—**	—
		Plan amendments	**—**	—
		Acquisitions	**(0.3)**	*3.2*
		Actuarial (gains) / losses	**(17.8)**	*1.4*
		Past service cost	**—**	—
		Benefits paid	**(7.4)**	*(2.1)*
		Present value of DBO at the end of the year	**145.4**	*143.8*
		Change in fair value of assets during the year		
		Plan assets at beginning of the year	**52.8**	*46.9*
		Acquisition adjustment	**(0.3)**	*3.2*
		Expected return on plan assets	**4.1**	*3.7*
		Actual company contributions	**0.3**	*0.3*
		Actuarial gain /(loss)	**0.6**	*0.8*
		Benefits paid	**(7.4)**	*(2.1)*
		Plan assets at the end of the year	**50.1**	*52.8*
		Actual return on plan assets	**4.8**	*4.5*
		Composition of the plan assets is as follows:		
		Central Government Securities	**23.86%**	*31.35%*
		State Government Securities	**16.14%**	*10.71%*
		Government Guaranteed Securities	**1.21%**	*1.35%*
		Debentures & Bonds	**39.32%**	*42.86%*
		Equity Shares	**4.67%**	*5.22%*
		Fixed Deposits	**14.20%**	*8.35%*
		Mutual Fund	**0.58%**	*0.00%*
		Money Market Instruments	**0.02%**	*0.16%*
		Actuarial assumptions:		
		Discount rate	9.3%	8.0%
		Expected return on plan assets	7.5%	7.5%
		Salary escalation	10.0%	10.0%
		Estimate of amount of contribution in the immediate next year (₹ In Million)	10.0	10.0
		Attrition rate : Age in years - 21-30: 15%, 31-34: 10%, 35-44: 5%, 45-50: 3%, 51-54: 2%, 55-57: 1%		

Mortality tables: Published rate under the LIC (1994-96) mortality tables:

Experience adjustments	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Present value of DBO	**(145.4)**	*(143.8)*	*(116.6)*	*(74.3)*	*(80.4)*
Fair value of plan assets	**50.1**	*52.8*	*46.9*	*39.5*	*23.5*
Funded status [Surplus / Deficit)]	**(95.3)**	*(91.0)*	*(69.7)*	*(34.8)*	*(56.9)*
Experience gain / (loss) adjustments on plan liabilities	**3.0**	*(3.3)*	*20.0*	*(19.2)*	*(16.0)*
Experience gain / (loss) adjustments on plan assets	**0.6**	*0.8*	*0.6*	*0.3*	*(0.3)*

B Actuarial assumptions for long-term compensated absences

Particulars	March 31, 2014	March 31, 2013
Discount rate	*9.3%*	*8.0%*
Salary escalation	10.0%	10.0%
Attrition rate : Age in years - 21-30: 15%, 31-34: 10%, 35-44: 5%, 45-50: 3%, 51-54: 2%, 55-57: 1%		

Note: The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

23.7.3 **Provident Fund**

(₹ in million)

Particulars	**March 31, 2014**	*March 31, 2013*
Components of employer expense		
Current service cost	**18.3**	*18.6*
Interest cost	**26.1**	*23.9*
Expected return on plan assets	**(29.5)**	*(25.2)*
Actuarial losses/(gains)	**3.4**	*1.3*
Total expense recognised in the Statement of Profit and Loss	**18.3**	*18.6*
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	**361.5**	*326.3*
Fair value of plan assets	**361.5**	*326.3*
Funded status [Surplus / (Deficit)]	**—**	*—*
Net asset / (liability) recognised in the Balance Sheet	**—**	*—*
Net liability is bifurcated as follows		
Current	**—**	*—*
Non-current	**—**	*—*
Total	**—**	*—*
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	**326.3**	*282.0*
Current service cost	**18.3**	*18.6*
Interest cost	**26.1**	*23.9*
Actuarial (gains) / losses	**3.7**	*6.2*
Employee contribution	**27.1**	*28.7*
Liabilities assumed on acquisition / (settled on divestiture)	**(2.3)**	*(7.5)*
Benefits paid	**(37.7)**	*(25.6)*
Present value of DBO at the end of the year	**361.5**	*326.3*
Change in fair value of assets during the year :		
Plan assets at beginning of the year	**326.3**	*282.0*
Expected return on plan assets	**29.5**	*25.2*
Actuarial gain /(loss)	**0.2**	*4.9*
Employer contributions during the year	**18.3**	*18.6*
Employee contributions during the year	**27.1**	*28.7*
Assets assumed on acquisition / (distributed on divestiture)	**(2.2)**	*(7.5)*
Benefits paid	**(37.7)**	*(25.6)*
Plan assets at the end of the year	**361.5**	*326.3*
Actual return on plan assets	**29.8**	*30.1*
Expected contribution next year	**15.0**	*46.8*
Composition of the plan assets is as follows:		
Government of India securities	**164.5**	*145.6*
Corporate bonds	**181.4**	*143.4*
Special deposit scheme	**2.5**	*2.5*
Equity shares of listed companies	**—**	*13.0*
Others	**13.1**	*21.8*
Actuarial assumptions:		
Discount rate	**9.30%**	*8.00%*
Expected return on plan assets	**9.04%**	*8.95%*
Discount rate for the remaining term to maturity of the investments	**9.12%**	*7.91%*
Average historic yield on the investments	**8.86%**	*8.86%*
Guaranteed rate of returns	**8.75%**	*8.50%*

Experience adjustments	**March 31, 2014**	*March 31, 2013*	*March 31, 2012*	*March 31, 2011*
Present value of DBO	**361.5**	*326.3*	*282.0*	—
Fair value of plan assets	**361.5**	*326.3*	*282.0*	—
Funded status [Surplus / Deficit)]	**—**	—	—	—
Experience gain / (loss) adjustments on plan liabilities	**3.7**	*6.2*	—	—
Experience gain / (loss) adjustments on plan assets	**0.2**	*4.9*	—	—

23.8 **Related party disclosure**:

Name of Related Party with Relationship

Sr. No.	Category of Related Party	Name
a.	Holding Company	ICICI Bank Limited
b.	Fellow Subsidiary	ICICI Prudential Life Insurance Company Limited, ICICI Lombard General Insurance Company Limited, ICICI Securities Primary Dealership Limited, ICICI Prudential Asset Management Company Limited, ICICI Home Finance Company Limited, ICICI Investment Management Company Limited, ICICI Bank Canada, ICICI Securities Limited, ICICI Securities Holding Inc, ICICI Securities Inc.
c.	Fund in which the beneficiary is the Holding Company	ICICI Equity Fund VCF ICICI Eco-net Internet & Technology Fund
d.	Fund in which the company is a significant beneficiary.	ICICI Venture Value Fund Rainbow Fund Trust
e.	Key Management Personnel	Vishakha Mulye Prashant Purker Mohit Batra

Details of related party, transactions with related parties during the year ended March 31, 2014 and balances outstanding as at March 31, 2014:

(₹ in million)

Sl. No.	Name of the related party	Nature of relationship	Nature of transaction	March 31, 2014	*March 31, 2013*
1.	ICICI Bank Limited	Holding Company	Sale of Tangible Assets	—	1.8
			Prepaid Marketing Fee	1.8	—
			Amount receivable towards Rent	28.1	*0.1*
			Cash and cash equivalents	3.0	*0.7*
			Share capital	10.0	*10.0*
			Referral Fee Payable	5.9	*2.7*
			Custodial Charges Payable	—	—
			Payable towards common corporate expenses	0.8	*1.2*
			Other income-Rent	31.9	*3.6*
			Common corporate income	0.8	—
			Interest on fixed deposit	0.0	—
			Rent expense	0.4	*0.5*
			Marketing & Distribution Expense	6.6	—
			Referral Fee	8.4	*2.7*
			Common corporate expense	1.7	*1.4*
			Deputed Staff Cost	1.1	1.1
			Custodial Charges	0.0	*0.0*
			Finance cost	0.1	*0.3*
			Dividend paid	10.0	*15.0*
2.	ICICI Prudential Life Insurance Company Limited	Fellow subsidiary	Insurance for employees	2.6	*2.4*
			Prepaid Insurance	0.8	*0.7*
3.	ICICI Lombard General Insurance Company Limited	Fellow subsidiary	Insurance for employees	8.9	7.7
			Insurance for assets	1.5	*1.7*
			Prepaid Insurance	6.2	*6.5*
			Other Insurance	0.5	*0.3*
			Insurance claims received	0.1	—
4.	ICICI Securities Primary Dealership Limited	Fellow subsidiary	Other income	0.5	*0.5*
			Security Deposit received towards Lease Rentals	0.4	*0.4*
5.	ICICI Securities Limited	Fellow subsidiary	Marketing and distribution expense	4.4	*4.7*
			Prepaid Marketing Fee	1.2	
			Marketing and distribution expense payable	—	*4.5*
6.	ICICI Equity Fund VCF	Fund in which the beneficiary is the Holding Company	Fee income	74.6	*74.9*
			Performance Fee Income	—	—
7.	ICICI Eco-net Internet & Technology Fund	Fund in which the beneficiary is the Holding Company	Fee income	0.5	*0.7*
8.	ICICI Emerging Sector Fund	Fund in which the beneficiary is the Holding Company	Fee income	0.8	*6.5*
9.	ICICI Strategic Investment Fund	Fund in which the beneficiary is the Holding Company	Fee income	10.0	*70.5*
10.	Vishakha Mulye	Key Managerial Personnel	Remuneration to Managing Director	29.2	*25.2*
11.	Prashant Purker	Key Managerial Personnel	Remuneration to Executive Director	20.1	*19.0*
12.	Mohit Batra	Key Managerial Personnel	Remuneration to Executive Director	19.0	*19.0*

23.9 **Segment information**

The Company has identified business segments as its primary segment. Business segments are primarily Asset Management Service (AMC) and Other Activities. AMC segment consists of management fees and advisory fees from various funds managed and advised by the Company. Other Activities consists of treasury income (income from investment in mutual funds), profit on sale of investment in equity instruments and rental income. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. The Company op erates only in one geography, i.e., India, hence geographical segment disclosure is not applicable.

(₹ in million)

Particulars	**March 31, 2014**	*March 31, 2013*
Segment revenue		
Asset Management Services	**1,065.7**	*1,205.1*
Others	**297.7**	*97.3*
Total revenue	**1,363.4**	*1,302.4*
Segment results		
Asset Management Services	**88.6**	*226.2*
Others	**297.7**	*97.3*
Total operating profit	**386.3**	*323.5*
Less: Finance cost	**(3.7)**	*(30.3)*
Profit before tax	**382.6**	*293.2*
Less: Income taxes	**(52.8)**	*(95.3)*
Net profit for the year	**329.8**	*197.9*
Segment assets:		
Asset Management Services	**849.4**	*1,147.0*
Others	**1,860.5**	*1,509.5*
Unallocable Assets :		
Deferred tax assets	**44.2**	*40.0*
Advance tax and TDS (Net of provision for taxation)	**124.4**	*105.0*
Total assets	**2,878.5**	*2,801.5*
Segment liabilities:		
Asset Management Services	**698.1**	*791.2*
Others	**—**	*—*
Unallocable Liabilities :		
Loan Liability	**—**	*148.0*
Total liabilities	**698.1**	*939.2*

23.10 **Earnings per share**

Particulars	**March 31, 2014**	*March 31, 2013*
Basic		
Weighted average no. of equity shares outstanding (of ₹ 10 each)	**1,000,000**	*1,000,000*
Par value per share (₹)	**10**	*10*
Net profit (₹ In Million)	**329.8**	*197.9*
Basic earnings per share	**329.8**	*197.9*
Diluted		
Weighted average no. of equity shares outstanding (of ₹ 10 each)	**1,000,000**	*1,000,000*
Par value per share (₹)	**10**	*10*
Net profit (₹ In Million)	**329.8**	*197.9*
Diluted earnings per share	**329.8**	*197.9*

23.11 **Details on derivatives instruments and unhedged foreign currency exposures**

(i) During the year the company has not entered into any derivative contract and therefore no disclosure pertaining to the same is applicable for the current year.

(ii) The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	**March 31, 2014**		*March 31, 2013*	
	Amount (Foreign currency)	**₹ In million**	*Amount (Foreign currency)*	*₹ In million*
Liabilities:				
Payables towards various expenses	**US$ 3,109,263**	**186.3**	*US$ 2,839,483*	*154.1*
	GBP 160,256	**16.0**	*GBP 689,990*	*56.8*

23.12 There are no dues to Micro and Small Enterprises. This information disclosure with regard to Micro and Small Enterprises is based on information collected by the Management. This has been relied upon by the auditors.

23.13 The Company has domestic transactions with associated enterprises which are subject to transfer pricing regulations in India. These regulations inter alia require maintenance of prescribed information and the documents for the basis of establishing arm's length price including furnishing a report from an accountant within the due date of filing the return of Income.

The Company has undertaken necessary steps to comply with the transfer pricing regulations and the prescribed certificate from the accountant will be obtained for the year ended March 31, 2014. The management is of the opinion that its specified domestic transactions are at arm's length and hence the aforesaid legislations are not expected to have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

23.14 **Previous year's figures**

The figures of the previous year's have been re-grouped and reclassified wherever necessary so as to make them comparable with those of the current year.

In terms of our reports attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

SATHYA P. KOUSHIK
Partner

Mumbai, April 16, 2014

For and on behalf of Board of Directors

LALITA D GUPTE
Chairperson

VISHAKHA MULYE
Managing Director & CEO

MADHUSUDHAN NAIR
Company Secretary

BEENA M CHOTAI
Chief Financial Officer

Mumbai, April 16, 2014

cash flow statement

ICICI Venture **for the year ended March 31, 2014**

		For the Year Ended March 31, 2014	(₹ in Millions) For the Year Ended March 13, 2013
A	**Cash flows from operating activities**		
	Net profit before taxation	382.6	293.2
	Adjustments for:		
	Depreciation and amortisation	111.2	113.2
	Profit on sale of non-current investments	—	(2.4)
	Profit on sale of current investments	(98.6)	(63.5)
	Distribution from investment in units of venture capital funds	(165.7)	(27.2)
	Interest income	(1.0)	(0.1)
	Provisions no longer required written back	(239.2)	(95.9)
	Rental income	(32.4)	(4.1)
	Finance charges	3.7	30.3
	(Profit) / loss on sale of assets	(1.2)	(0.5)
	Operating profit before working capital changes	(40.6)	243.0
	Changes in working capital:		
	Adjustment for (increase)/ decrease in operating assets:		
	Trade Receivables	(62.9)	—
	Short-term loans and advances	97.1	(104.4)
	Long-term loans and advances	4.3	(2.6)
	Other Current Assets	(0.7)	—
	Adjustment for increase/ (decrease) in operating liabilities:		
	Trade payables	163.2	105.9
	Other long term liabilities	3.5	22.9
	Other current liabilities	(6.9)	(10.5)
	Long-term provisions	(11.4)	8.7
	Short-term provisions	(2.3)	1.3
	Cash generated from operations	143.3	264.3
	Net income taxes paid	(99.4)	(136.5)
	Net cash flow from operating activities	43.9	127.8
B.	**Cash flows from investing activities**		
	Capital expenditure on fixed assets	(17.6)	(20.3)
	Proceeds from sale of fixed assets	4.7	9.2
	Distribution from investment in units of venture capital funds	94.2	27.2
	Rental income	0.8	4.1
	Interest Income	1.0	—
	Purchase of current investments	(1,349.4)	(2,076.6)
	Sale of Investment in Equity	—	4.2
	Purchase of long-term investments	(0.5)	(1.2)
	Sale of long-term investments	1.2	80.6
	Sale of current investments	1,387.5	2,059.8
	Net cash flow (used in) / from investing activities	121.9	87.0
C.	**Cash flows from financing activities**		
	Proceeds from long-term borrowings	—	36.3
	Repayment of long-term borrowings	(148.0)	(223.5)
	Finance cost	(3.7)	(30.3)
	Dividends paid (including dividend tax)	(11.7)	(17.4)
	Net Cash flow used in financing activities	(163.4)	(234.9)
	Net increase/(decrease) in cash & cash equivalents (A+B+C)	2.4	(20.1)
	Cash & cash equivalents at the beginning of the year	0.8	20.9
	Cash & cash equivalents at the end of the year*	3.2	0.8
	* Comprises :		
	(a) Cash on hand	—	—
	(b) Balances with banks in current accounts	3.2	0.8
		3.2	0.8
	Corporate Information & Significant accounting policies	1 & 2	
	Notes forming part of the Financial Statements	3 - 23	

In terms of our reports attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

SATHYA P. KOUSHIK
Partner

Mumbai, April 16, 2014

For and on behalf of Board of Directors

LALITA D GUPTE
Chairperson

VISHAKHA MULYE
Managing Director & CEO

MADHUSUDHAN NAIR
Company Secretary

BEENA M CHOTAI
Chief Financial Officer

Mumbai, April 16, 2014

ICICI International

ICICI INTERNATIONAL LIMITED

19TH ANNUAL REPORT AND ACCOUNTS 2013-2014

Directors	Date of appointment	Date of resignation
Couldiplall Basanta Lala	January 18,1996	-
Kapildeo Joory	January 18, 1996	-
Suresh Kumar	July 23, 2001	-
Ranjit Fernando	July 30, 2007	-
Sandeep Batra	May 29, 2012	December 31, 2013
Sanker Parameswaran	January 22, 2014	-
Zakir Niamut	May 29, 2012	-
(Permanent alternate director to Couldiplall Basanta Lala)		

Auditors
Crowe Horwath (Mur) Co.
Member Crowe Horwath International
3rd Floor, C.A Building, 19,
Poudrière Street
Port-Louis, Mauritius

Administrator, Secretary & Mauritian Tax Agent
International Financial Services Limited
IFS Court TwentyEight
Cybercity, Ebene Mauritius

Bankers
Deutsche Bank (Mauritius) Limited
4th Floor, Barkly Wharf East
Caudan Waterfront, Port Louis,
Mauritius

SBI (Mauritius) Limited
7th Floor, Wing 2, SBI Tower
Mindspace Building, Ebene, Mauritius

ICICI Bank Limited
F/7 Empire Complex, 1st Floor, 414 Senapati Bapat Marg, Mumbai 400013. India

Registered Office
IFS Court TwentyEight
Cybercity, Ebene Mauritius

commentary of the directors

year ended March 31, 2014

The Directors present the audited financial statements of ICICI INTERNATIONAL LIMITED (the "Company") for the year ended March 31, 2014.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and to act as CIS Manager.

RESULTS

The results for the year are shown in the statement of profit or loss and other comprehensive income and related notes.

DIRECTORS

The present membership of the Board is set out on page 2. Sandeep Batra has resigned on December 31, 2013 and Sanker Parameswaran was appointed as new director with effect from January 22, 2014.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Crowe Horwath (Mur) Co., have indicated their willingness to continue in office until the next Annual Meeting.

CERTIFICATE FROM THE SECRETARY UNDER SECTION 166 (D) OF THE MAURITIUS COMPANIES ACT 2001

We certify, to the best of our knowledge and belief, that we have filed with the Registrar of Companies all such returns as are required for ICICI INTERNATIONAL LIMITED under the Mauritius Companies Act 2001 during the financial year ended March 31, 2014.

for International Financial Services Limited
Secretary

Registered office:
IFS Court TwentyEight
Cybercity Ebene Mauritius

April 17, 2014

independent auditors' report

to the member of ICICI International Limited

We have audited the accompanying financial statements of ICICI INTERNATIONAL LIMITED the "Company", which comprise of the statement of financial position as at March 31, 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended as set out on pages 72 to 73, and a summary of significant accounting policies and other explanatory information as set out on pages 73 to 76.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the Mauritius Companies Act 2001, and for designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error. They are also responsible for keeping proper accounting records and selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at March 31, 2014 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Mauritius Companies Act 2001.

Report on other legal and regulatory requirements

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- We have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- We have obtained all the information and explanations that we required; and
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

OTHER MATTERS

This report is made solely for the Company's shareholder, as a body, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to the shareholder in our auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder as a body, for our audit work, for this report, or for the opinion we have formed.

We do not express any opinion on the ₹ figures as they are shown as additional information for the sloe purpose of the holding company which prepares consolidated financial statements.

Crowe Horwath (Mur) Co.
Public Accountants
Port Louis, Mauritius,
April 17, 2014

K. S. Sewraz, FCCA
'Licenced by FRC'
Signing Partner

income statement

for the year ended March 31, 2014

(₹ in 000's)

	Notes	March 31, 2014 US$	March 31, 2014 ₹*	*March 31, 2013 US$*	*March 31, 2013 ₹**
Income					
Management fee	6 (a)	357,808	21,617,901	*655,876*	*35,675,719*
Consultancy income	6 (c)	1,905	115,095	*1,745*	*94,918*
Sub account income	6 (b)	47,808	2,888,445	*60,372*	*3,283,874*
Bank interest income		22,980	1,388,396	*24,184*	*1,315,465*
Difference on exchange		—	—	*3,346*	*182,002*
		430,501	26,009,837	*745,523*	*40,551,978*
Expenses					
Licence fees		4,300	259,796	*8,775*	*477,307*
Professional fees	6 (d)/15	71,045	4,292,368	*70,061*	*3,810,898*
Bank charges		2,363	142,767	*3,055*	*166,174*
Audit fees		6,900	416,881	*6,900*	*375,318*
Salaries		138,930	8,393,817	*137,057*	*7,455,078*
General expenses		49,610	2,997,317	*43,888*	*2,387,244*
Advisory fees	6 (e)	99,228	5,995,118	*190,028*	*10,336,383*
Amortisation of deferred expenses	6 (f) (i)	—	—	*84,861*	*4,615,929*
Trailer fees	6 (f) (ii)	85,224	5,149,030	*146,225*	*7,953,763*
Insurance fees		15,319	925,537	*16,421*	*893,203*
Loss on exchange		2,691	162,584	—	—
		475,610	28,735,215	*707,271*	*38,471,297*
Operating profit / (loss) for the year		(45,109)	(2,725,378)	*38,252*	*2,080,681*
Tax refund	5	-		*2,646*	*143,927*
(Loss)/profit before taxation		(45,109)	(2,725,378)	*40,898*	*2,224,608*
Taxation	5	(67)	(4048)	*(3,027)*	*(164,651)*
(Loss)/profit for the year		(45,176)	(2,729,426)	*37,871*	*2,059,957*
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss		—	—	—	—
Items that may be classified subsequently to profit or loss		—	—	—	—
Total comprehensive income for the year		(45,176)	(2,729,426)	*37,871*	*2,059,957*

* The corresponding amounts in Indian rupees ("₹") are shown as additional information for the sole purpose of the holding company which prepares consolidated financial statements.

The notes on pages 73 to 76 form an integral part of these financial statements.

balance sheet

at March 31, 2014

(₹ in 000's)

	Notes	March 31, 2014 US$	March 31, 2014 ₹*	*March 31, 2013 US$*	*March 31, 2013 ₹**
ASSETS					
Non-current assets					
Investments	7	94	5,632	*94*	*5,103*
		94	5,632	*94*	*5,103*
Current assets					
Receivables and prepayments	8	68,317	4,093,213	*44,062*	*2,391,905*
Cash and cash equivalents	9	1,599,216	95,817,027	*1,707,598*	*92,696,957*
		1,667,533	99,910,240	*1,751,660*	*95,088,862*
TOTAL ASSETS		1,667,627	99,915,872	*1,751,754*	*95,093,965*
EQUITY AND LIABILITIES					
Equity					
Stated capital	10	900,000	36,795,500	*900,000*	*36,795,500*
Retained earnings		718,093	31,524,283	*763,269*	*33,507,509*
Translation reserves		—	28,628,259	—	*19,987,548*
		1,618,093	96,948,042	*1,663,269*	*90,290,557*
Current liabilities					
Income tax payable	5	—	—	*629*	*34,145*
Payables	11	49,534	2,967,830	*87,856*	*4,769,263*
		49,534	2,967,830	*88,485*	*4,803,408*
TOTAL EQUITY AND LIABILITIES		1,667,627	99,915,872	*1,751,754*	*95,093,965*

The corresponding amounts in Indian rupees ("₹") are shown as additional information for the sole.
Approved by the Board of directors on April 17, 2014 and signed on its behalf by:

Kapildeo Joory
Director

Zakir Niamut
Director

statement of changes in equity

for the year ended March 31, 2014

	Stated capital US$	Retained earnings US$	Total US$
At April 1, 2012	900,000	725,398	*1,625,398*
Total comprehensive income for the year	—	37,871	*37,871*
At March 31, 2013	900,000	763,269	*1,663,269*
Total comprehensive loss for the year	—	(45,176)	*(45,176)*
At March 31, 2014	900,000	718,093	*1,618,093*

cash flow statement

for the year ended March 31, 2014

	March 31, 2014 US$	*March 31, 2013 US$*
Cash flows from operating activities		
(Loss))/profit before taxation	**(45,109)**	*40,898*
Adjustments for:		
Bank interest income	**(22,980)**	*(24,184)*
Amortisation of deferred expenses	**—**	*84,861*
Operating (loss)/profit before working capital changes	**(68,089)**	*101,575*
(Increase)/decrease in receivables and prepayments	**(24,255)**	*2,305*
Decrease in payables	**(38,322)**	*(33,726)*
Cash (absorbed by)/generated from operations	**(130,666)**	*70,154*
Tax paid	**(696)**	*(3,318)*
Net cash (used in)/ from operating activities	**(131,362)**	*66,836*
Cash flows from investing activities		
Interest received	**22,980**	*365*
Net cash from investing activities	**22,980**	*365*
Net (decrease)/increase in cash and cash equivalents	**(108,382)**	*67,201*
Cash and cash equivalents at beginning of year	**1,707,598**	*1,640,397*
Cash and cash equivalents at end of the year	**1,599,216**	*1,707,598*

notes to the financial statements

for the year ended March 31, 2014

1. **GENERAL**

The Company was incorporated in Mauritius on January 18, 1996 as a private company with liability limited by shares. It holds a Category 1 Global Business Licence issued by the Financial Services Commission. The Company is licensed to act as CIS Manager pursuant to the Securities Act 2005. The Company has been granted by the Securities and Exchange Board of India a Certificate of Perpetual Registration as a Foreign Institutional Investor (FII). The Company's registered office is at IFS Court, TwentyEight, Cybercity, Ebene, Mauritius.

The Company has subscribed to non-redeemable management shares of India Optima Fund (IOF) (Mauritius), India Opportunities Fund Limited (Jersey) and Emerging India Fund Company Limited (Mauritius). The Company also provides investment management services to IOF and TP Hold Co (Mauritius) Ltd and has acted as promoter to Emerging India Fund Company Limited, a company incorporated in Mauritius, and settlor to The Emerging India Fund Trust. The Company also offers sub-account services as a FII to IOF.

The financial statements of the Company are expressed in United States dollar ("US$"). The Company's functional currency is the USD, the currency of the primary economic environment in which the Company operates. The corresponding amounts in Indian rupee ("₹") are shown as additional information for the sole purpose of the holding company.

2. **ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards ("IFRS"). The preparation of the financial statements in accordance with IFRS requires the directors to make estimates and assumptions that could affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared under the historical cost convention as modified for the measurement at fair values of financial instruments carried on the statement of financial position.

Payables

Payables are stated at their nominal value.

Investments

The investments are classified as available-for-sale investments. This category determines subsequent measurement and whether any resulting income and expense is recognised in the profit or loss.

The investment is measured at fair value and the resulting temporary unrealised gains/(losses) (including unrealised foreign exchange gains/(losses) on retranslation at the closing rate, if any) are reported as a separate component of equity until the underlying investment is sold or permanently written off, when the total realised gains/(losses) are included in the profit or loss.

The valuation of investments may not necessarily represent the amounts that may eventually be realised from sales or other dispositions.

Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment of the Company (the "functional currency"). The financial statements of the Company are presented in United States dollar ("US$"), which is the Company's functional currency and presentation currency.

(ii) Transactions and balances

Transactions denominated in foreign currencies are translated in US$ at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities are translated at the rate of exchange ruling at reporting date. Exchange differences arising on translation and realised gains and losses on disposals or settlement of monetary assets and liabilities are recognised in the profit or loss.

Deferred tax

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax.

The principal temporary differences arise from tax losses carried forward. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Income tax

Income taxes currently payable are provided for in accordance with the existing legislation of the various countries in which the Company operates.

Receivables

Receivables are stated at original invoiced amount less allowances made for doubtful receivables based on a review of all outstanding amounts at the year end. An allowance for doubtful receivables is made when there is objective evidence that the Company will not be able to collect all amounts due according to original terms of receivables. Bad debts are written off when identified.

Stated capital

Ordinary shares are classified as equity.

Cash and cash equivalents

Cash comprises of cash at banks. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Revenue recognition

Interest income, management fee, sub account income and consultancy fee are recognised as they accrue unless collectibility is in doubt.

Related parties

Related parties are individuals and companies where the individuals or companies have the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs, where appropriate.

Financial instruments carried on the statement of financial position include investments, receivables, cash and cash equivalents and payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Disclosures about financial instruments to which the Company is a party are provided in note 12.

3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The accounting policies are consistent with those of the previous financial year, except for the following new and amended IFRS:

3.1 Standards affecting presentation and disclosure

- Amendments to IAS 1 - The amendments to IAS 1 previously retained the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to IAS 1 require additional disclosures to be made in other comprehensive income section such that items of other comprehensive income are grouped into two categories (a) items that will not be reclassified subsequently to profit or loss; and (b) items that will be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis.
- The amendments to IAS 1 are effective for annual periods beginning on or after July 1, 2012. The presentation of items of other comprehensive income has accordingly been modified to comply with the amendments. There has been no reclassification from other comprehensive income to profit or loss following compliance with the amendments

3.2 New standards, amendments and interpretations issued but not effective for the financial year beginning on April 1, 2013 and not early adopted

- IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories namely those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the profit or loss, unless this creates an accounting mismatch. The amendment does not result in any significant effect to the Company's financial statements during the year.
- IFRS 10, 'Consolidated financial statements' builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Company holds management shares in the funds under its management but does not control the financial and operating activities of these funds. These investments do not fall within the definition of investment entities and hence, the amendment does not result in any significant effect to the Company's financial statements during the year.
- IFRS 11, 'Joint arrangements', deals with how a joint arrangement of which two or more parties have joint control should be classified. Under IFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the right and obligation of the parties to the arrangements. Joint ventures under IFRS 11 are required to be accounted for using the equity method of accounting. The amendment does not result in any significant effect to the Company's financial statements under review
- IFRS 12, 'Disclosures of interests in other entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The amendment does not result in any significant effect to the Company's financial statements during the year.
- IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. The amendment does not result in any significant effect to the Company's financial statements during the year.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Critical accounting judgements in applying the Company's accounting policies

In the process of applying the Company's accounting policies, which are described in Note 2, the directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described in note 2, the directors have considered those factors therein and have determined that the functional currency of the Company is the United States dollar (US$).

5. TAXATION

Income tax

Under current laws and regulations, the Company is liable to pay income tax on its net income at a rate of 15%. The Company is, however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of Mauritius tax payable in respect of its foreign source income, thus reducing its maximum effective tax rate to 3%. Capital gains from sales of units and securities are exempt from income tax in Mauritius.

The Company has received tax residence certificate from the Mauritian authorities confirming that it is a tax resident of Mauritius, which is renewable on an annual basis subject to meeting certain conditions and under which the Company is eligible to obtain benefits under the double tax treaty between Mauritius and India.

The tax expense for the year ended March 31, 2014 amounted to US$ 67 (March 31, 2013: US$ 3,027.

Deferred taxation

Deferred income taxes are calculated on all temporary differences under the liability method at the rate of 3%. At March 31, 2014, no deferred tax asset had been recognised in respect of the tax losses carried forward as it is not probable that taxable profit will be available in the foreseeable future.

Income tax reconciliation

The income tax on the Company's profit before tax differs from the theoretical amount that would arise using the tax rate of 15% as follows:

	March 31, 2014 US$	March 31, 2013 US$
(Loss)/profit for the year before tax	(45,109)	40,898
Income tax at 15%	(6,766)	6,135
Tax effect of:		
Non allowable expenses	229	12,869
Exempt income	(3,447)	(3,628)
Outside scope of taxation	68	(242)
Deemed tax credit	9,983	(12,107)
Income tax expense	67	3,027
At 1 April	629	920
Income tax expense during the year	67	3,027
Paid during the year	(696)	(3,318)
At 31 March	—	629

6. AGREEMENTS

(a) Investment Management Agreements

The Company has entered into several investment management agreements with different companies to provide investment management services. Management fees accrued to the Company are included in the financial statements as per the investment management agreements. Where the companies under management are not activated, no investment management fee is accrued.

(b) Investment Facilitation Agreement

The Company has entered into an investment facilitation agreement for providing sub account services as foreign institutional investor.

c) Consultancy Services Agreement

Pursuant to a consultancy services agreement, the Company is entitled to consultancy income on expenses incurred and/or payable (or likely to be incurred) by the Company in relation to the funds under its management.

(d) Administration Agreement

The Company has entered into an administration agreement with an Administrator to procure administrative services. In consideration of the services being performed by the Administrator, the Company pays the Administrator a fee as per industry norms.

(e) Advisory Agreements

The Company has entered into advisory agreements with two leading asset management companies in India to provide non-binding investment advisory services to the Company.

(f) Global Distribution Agreements

(i) Pursuant to a global distribution agreement, the Company had paid an upfront fee to a distributor in respect of aggregate capital commitment amount raised by that distributor from all investors of IOF. The upfront fee has been amortised as deferred expenses in the statement of profit or loss and other comprehensive income over a period of 5 years, starting from the launch of the fund on August 24, 2007. The Company also pays the distributor trail fees on a quarterly basis.

(ii) The Company has also entered into other distribution agreements with distributors pursuant to which it pays the distributors trailer fees as per the agreements.

The above fees are paid on an arms' length basis and according to industry norms.

7. INVESTMENTS

Investments consist of:

(a) 49% of management shares in India Optima Fund, a company incorporated in Mauritius, for a consideration of US$ 71.

(b) 49% of management shares in India Opportunities Fund Limited, a company incorporated in Jersey, for a consideration of US$ 13.

(c) 10% of management shares of Emerging India Fund Company Limited (EIFCL), a company incorporated in Mauritius, for a consideration of US$ 1.

(d) Contribution of US$ 9 to The Emerging India Fund Trust for the acquisition of 90% of management shares of EIFCL for the benefit of the Beneficiaries of the Trust.

At directors' valuation	March 31, 2014 US$	March 31, 2013 US$
At directors' valuation		
Available for sale investments:		
India Optima Fund	71	71
India Opportunities Fund Limited	13	13
Emerging India Fund Company Limited (see note below)	1	1
	85	85
Other investments:		
The Emerging India Fund Trust	9	9
Total investments	94	94
	March 31, 2014	March 31, 2013
Investments at cost and fair value	94	94

The shareholders of Emerging India Fund Company Limited had on June 29, 2012 approved the winding up of the company. As at March 31, 2014, the winding up was still in process.

8. RECEIVABLES AND PREPAYMENTS

	March 31, 2014 US$	March 31, 2013 US$
Sundry debtors	7,410	9,782
Management fees receivable	21,595	358
Sub account income receivable	7,898	—
Interest receivable on short term bank deposits	21,834	23,819
Other prepayments	9,580	10,103
	68,317	44,062

The directors believe receivables and prepayments approximate to their fair values.

9. CASH AND CASH EQUIVALENTS

The cash and cash equivalents comprise the following:

	March 31, 2014 US$	March 31, 2013 US$
Cash at bank	71,709	707,598
Short term bank deposits (see note below)	1,527,507	1,000,000
	1,599,216	1,707,598

The bank deposits comprise of two short term fixed deposits of US$ 1,025,347 and US$ 502,160 held with SBI (Mauritius) Ltd, with interest rates of 1.75% and 0.85% per annum and having maturity dates April 23, 2014 and April 29, 2014 respectively.

10. STATED CAPITAL

	March 31, 2014 US$	March 31, 2013 US$
Issued and fully paid		
90,000 Ordinary shares of US$ 10 each	900,000	900,000

The fully paid ordinary shares carry voting rights and the holders are entitled to receive dividends.

11. PAYABLES

	March 31, 2014 US$	March 31, 2013 US$
Sundry creditors	10	3,529
Accruals	6,112	4,244
Trailer fees	16,212	35,166
Advisory fees	27,200	44,917
	49,534	87,856

The directors believe payables to approximate to their fair values.

12. FINANCIAL INSTRUMENTS

Fair values

The carrying amounts of investments, receivables, cash and cash equivalents and payables approximate their fair values.

Currency profile

The currency profile of the Company's financial assets and liabilities is summarized as follows:

	Financial assets March 31, 2014 US$	Financial liabilities March 31, 2014 US$	Financial assets March 31, *2013* US$	Financial liabilities March 31, *2013* US$
Indian rupee	**385**	**—**	*426*	—
Mauritian rupee	**27,721**	**—**	*39,024*	—
United States dollar	**1,629,941**	**49,534**	*1,702,201*	*87,856*
	1,658,047	**49,534**	*1,741,651*	*87,856*

Prepayments amounting US$ 9,580 (March 31, 2013: US$ 10,103) have not been included in financial assets.

Risk management

The Board is ultimately responsible for risk management, which includes the Company's risk governance structure and maintaining an appropriate internal control framework. Management's responsibility is to manage risk on behalf of the Board.

The Company's activities expose it to a variety of risks management policies, including:

(i) Credit risk
(ii) Liquidity risk
(iii) Foreign exchange risk
(iv) Interest rate risk
(v) Foreign currency sensitivity analysis

(i) Credit risk

With respect to credit risk arising from financial assets which comprise of investments, receivables and cash and cash equivalents, the Company's exposure to credit risk arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

	Notes	Carrying amount March 31, 2014 US$	Carrying amount March 31, *2013* US$
Investment	*7*	**94**	*94*
Receivables	*8*	**58,737**	*33,959*
Cash and cash equivalents	*9*	**1,599,216**	*1,707,598*

The Company's credit risk is primarily attributable to its management fees receivable and other receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Company's management based on prior experience and the current economic environment.

(ii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through the adequate amount of committed credit facilities.

The total below illustrates the aged analysis of the Company's financial liabilities.

	March 31, 2014 US$	*March 31, 2013 US$*	Remaining contractual maturity
Liabilities			
Payables (Note 11)	**49,534**	*87,856*	**Less than 1year**
	49,534	*87,856*	

(iii) Foreign exchange risk

The Company's assets and liabilities are mostly denominated in United States dollar and consequently, the Company is not exposed to the risk that the exchange rate of the US$ changes relative to any other currency.

(iv) Interest rate risk

Interest income from cash deposits may fluctuate in amount, in particular due to changes in the interest rates.

(v) Interest rate sensitivity analysis

The impact of a 5% fluctuation in the interest rates would be as follows:

	5% increase March 31, 2014 US$	5% decrease March 31, 2014 US$	5% increase March 31, 2013 US$	5% decrease March 31, 2013 US$
US$ denominated				
Bank interest income	**1,149**	**(1,149)**	*1,209*	*(1,209)*
Effect on profit before tax	**1,149**	**(1,149)**	*1,209*	*(1,209)*

13. CAPITAL MANAGEMENT

The principal activity of the Company is to provide investment management services and to hold investments.

The Company invests its surplus funds in short term fixed deposits with the banks, with a view to maximise interest income.

The assets of the Company are managed by its Board of Directors who also takes investments/divestments decisions.

The Company has an externally imposed capital requirement in that it should maintain a minimum stated and unimpaired capital of at least Mauritian rupees 1 million or an equivalent amount. As at March 31, 2014, the Company's stated capital is in excess of this minimum requirement.

14. RELATED PARTY TRANSACTIONS

The Company is a wholly owned subsidiary of ICICI Bank Limited. Transactions with the related parties were carried out on commercial terms and conditions and at market prices. During the year under review, the Company traded with related parties. The nature, volume of transactions and balance with the related parties are as follows:

Nature of Relationship	Nature of transaction	Volume of transactions US$	Balances US$	(Payable) or receivable
Fellow subsidiary	Advisory Fees	99,228	(27,200)	Payable
Parent Company	Trail fees	85,224	(16,212)	Payable
Secretary and Administrator	Administration, Secretary, MLRO and tax filing fees	71,045	(2,110)	Payable

The services below from International Financial Services Limited, the Administrator, are provided on commercial terms and conditions.

	31 March 2014 US$	*31 March 2013 US$*
Directors' fees	**10,000**	*10,000*
MLRO fees	**1,500**	*1,500*
Secretarial fees	**1,500**	*1,500*
Tax filing fees	**2,000**	*2,000*
Administration fees	**56,045**	*55,061*

The above fees also represent the breakdown of the professional fees as presented in the statement of profit or loss and other comprehensive income.

15. HOLDING AND ULTIMATE HOLDING COMPANY

The directors consider ICICI Bank Limited, incorporated in India as the immediate holding and ultimate holding company.

16. EVENTS AFTER THE REPORTING DATE

There have been no significant events after the reporting date which would require disclosure or adjustment to the financial statements for the year ended March 31, 2014.

ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED

14TH ANNUAL REPORT AND ACCOUNTS 2013-2014

Directors
Chanda Kochhar, *Chairperson*
N. S. Kannan
K. Ramkumar
Rajiv Sabharwal
Barry Stowe
Adrian O'Connor
Keki Dadiseth
Marti G. Subrahmanyam
Rama Bijapurkar
Vinod Kumar Dhall
V. Sridar
Sandeep Bakhshi, *Managing Director & CEO*
Puneet Nanda, *Executive Director - Business*
Sandeep Batra, Executive Director - Corporate Center

Auditors
S.R. Batliboi & Co. LLP
Chartered Accountants

S. B. BILLIMORIA & CO.
Chartered Accountants

M. Sanaulla Khan
Company Secretary

Registered & Corporate Office
ICICI PruLife Towers,
1089 Appasaheb Marathe Marg,
Prabhadevi, Mumbai – 400 025.

directors' report

to the members

ICICI Prudential Life Insurance Company Limited

Your Directors have pleasure in presenting the fourteenth Annual Report of ICICI Prudential Life Insurance Company Limited (the Company) with the audited statement of accounts for the year ended March 31, 2014.

PERFORMANCE

Industry in FY2014

The life insurance industry registered a decline of 3.4% in retail weighted new business premium (RWRP) terms for FY2014. The private sector declined by 3.4%. Some of the key trends in the industry are as follows:

- The new product regulations for linked and non-linked products came into effect from January 1, 2014. This has meant a significant transition for the industry with players having to re-build their product suite.
- The decline in the number of individual agents for the industry was arrested in FY2014 with number of agents increasing marginally from 2.17 million as at December 31, 2012 to 2.20 million as at December 31, 2013. For Private industry also the number of individual agents increased from 0.96 million in December 2012 to 1.00 million in December 2013. The percentage of business from agency for private players as of December 2013 was similar to December 2012.

Company in FY2014

The Company registered a decline of 1.7% in RWRP FY2014. The Company's market share based on RWRP is expected to be around 7.2% in FY2014. Among private players, the Company maintained its leadership position with market share of 18.9% in FY2014. However, the Company increased its gap vis-à-vis its nearest private competition from 1.06 to 1.16 times.

Total premium collected by the Company declined by 8.2% from ₹ 135.38 billion in FY2013 to ₹ 124.29 billion in FY2014 primarily on account of decline in group premium. Retail premium was flat with new business declining marginally from ₹ 36.39 billion in FY2013 to ₹ 35.85 billion in FY2014 and renewal premium increasing marginally from ₹ 80.55 billion in FY2013 to ₹ 81.00 billion in FY2014. This increase in retail renewal premium arrests the two year trend of declining renewal premiums.

The Company registered 4.7% growth in profit after tax from ₹ 14.96 billion in FY2013 to ₹ 15.67 billion in FY2014. The solvency ratio for the Company remained healthy at 372.3% for FY2014. The assets under management (AUM) increased from ₹ 741.64 billion as at March 31, 2013 to ₹ 805.97 billion as at March 31, 2014. For its unit-linked funds, the Company delivered superior fund performance and 97% of the funds have outperformed their respective internal benchmarks since inception.

The Company continued its focus on efficiency of operations. Cost to RWRP, declined from 75.4% in FY2013 to 69.3% in FY2014. Total non-unit expenses registered a decline of ₹ 2.41 billion from ₹ 24.96 billion in FY2013 to ₹ 22.55 billion in FY2014. The digitization initiatives of the Company to facilitate customer acquisition and on-boarding continues to gain momentum. Capability to issue policies in less than three hours is first of its kind in the industry. For FY2014, 80% of new business applications were initiated using the online platform. In addition, 41% of the retail renewal premium was collected through electronic mode.

The Company has been strengthening mechanisms to improve persistency including ensuring higher attachment of ECS or standing instructions at the time of sale and changes in performance management and compensation design to better align distributor and sales management to focus on persistency. These have led to increase in retail renewal premium after two years and improvement in Year 1 persistency.

A summary of the key metrics are as mentioned in the table below:

(₹ in billion)

Particulars	*FY2013*	**FY2014**
RWRP	*33.10*	**32.53**
Total retail premium	*116.94*	**116.85**
Non unit expenses	*24.96*	**22.55**
Profit after tax	*14.96*	**15.67**
Sum assured in force:		
- Basic policy	2,412.99	**2,688.01**
- Total (Basic + Riders)	2,757.71	**3,020.68**
Assets held	*741.64*	**805.97**
Cost to RWRP	*75.4%*	**69.3%**
Expense ratio*	*19.2%*	**18.8%**

* Expense ratio = Expenses (including commission and front line sales cost excluding unit expenses)/(Total premium income - 90% of single premium)

Outlook for the industry and the Company

We believe that given strong structural advantages like India's favourable demographics, high rate of financial savings and improving insurance product propositions, the life insurance industry would continue to be one of the preferred instruments for longer term savings and protection.

The Company would continue to focus on its strategic priorities, specifically:

- **Enhance market leadership:** The Company would continue to focus on growth opportunities in the market with a customised regional strategy to strengthen relative position in every geography.
- **Providing superior value proposition to customers:** The Company would continue to focus on providing superior customer value proposition through product design and service architecture.
- **Strengthen multi-channel architecture:** The Company would strengthen its mutli-channel distribution by non-linear scale up of agency and proprietary sales force, leveraging the bancassurance franchise and focussing on quality third party distribution.
- **Continued focus on efficiency of operations:** The Company would focus on cost efficiency and in particular would leverage the digital platform to improve customer experience and efficiency of operations.
- **Customer retention:** The Company would strengthen mechanisms to improve the AUM growth by increasing renewal premium and curtailing surrenders.
- **Superior risk adjusted fund performance:** The Company has in place a robust risk and investment management framework to deliver superior risk adjusted returns to customers.

OUR REACH

The Company reaches its customers through 559 offices in 489 locations at March 31, 2014. At March 31, 2014, the Company had over 10,700 employees and over 171,000 advisors and is thus well equipped to cater to the needs of customers. The Company distributes its products and renders services through its offices as well as individual agents, corporate agents, banks, brokers, proprietary sales force (PSF) and online channels. The digitization initiative has helped the Company expand its reach by making us agnostic to presence of physical offices. To further this initiative, the Company has deployed more than 6,000 handheld devices.

PRODUCTS

During the year, the Company revamped its entire portfolio of products to ensure adherence to the new product regulations issued by IRDA. These regulations covered product design of all Retail and Group products including unit linked and traditional products. The Company currently offers a range of products across unit linked and traditional platforms to meet specific customer needs. The Company has introduced unit linked life and pension products that offer equity participation while providing a capital guarantee. In FY2014, the Company had a balanced product mix with traditional products contributing to 33.9% of the retail new business premium.

DIVIDEND & TRANSFER TO RESERVES

The financial operations have resulted in a profit after tax of ₹ 15.67 billion as compared to a profit after tax of ₹ 14.96 billion for the previous year. The Board at its Meetings held on July 16, 2013, October 18, 2013 and January 16, 2014 had approved payment of interim dividend of ₹ 1.00 per share, ₹ 1.05 per share and ₹ 1.15 per share respectively. Further, the Board at its Meetings held on October 18, 2013 and January 16, 2014 had approved payment of special dividend of ₹ 1.10 per share, ₹ 1.25 per share respectively. The Board at its Meeting held on April 22, 2014 recommended a final dividend of ₹ 1.05 per share and a special dividend of ₹ 1.05 per share. Total dividend for the year is ₹ 7.65 per share aggregating to ₹ 10.93 billion for FY2014. An amount of ₹ 1.57 billion was transferred to the reserves of the Company at March 31, 2014.

CLAIMS

The Company believes that claim settlement is the ultimate promise which needs to be delivered to policyholders/beneficiaries. Towards this objective, we have designed and developed robust claims processes and systems which ensure settlement of genuine claims at the earliest, thereby protecting the interest of policyholders.

The Company has demonstrated its commitment by settling over 15,000 individual and group mortality claims in FY2014. For non-investigated individual claims, the claim settlement was completed within an average turn around time of six days from receipt of last requirement as compared to the regulatory norm of 30 days.

SUBSIDIARY

The Company's wholly owned unlisted subsidiary, ICICI Prudential Pension Funds Management Company Limited (PFM) acts as a fund manager under the National Pension System (NPS).

During the year ended March 31, 2014, the subscribers' funds managed by PFM have increased by 144.8% to ₹ 1,768.2 million (previous year: ₹ 722.3 million). PFM has registered a loss of ₹ 10.7 million (previous year: loss of ₹ 1.0 million).

The PFRDA has proposed to select and appoint afresh eight Pension Funds to manage the pension assets of the Private Sector NPS through competitive bidding. This appointment will be valid for five years.

The Company had submitted its bid for ICICI Prudential Pension Funds Management Company Limited (PFM) as per PFRDA requirement and successfully emerged as one of the lowest eight bidders. The lowest bid for Investment Management Fees was 0.01% per annum on assets under management. As per the terms and conditions of the bidding process, the entities who agree to match the lowest bid will be selected as Pension Fund Manager by the PFRDA. Further communication in this regard is awaited from PFRDA. PFRDA has extended the validity of existing license till June 30, 2014.

BOARD OF DIRECTORS

Section 149 of the Companies Act, 2013 (the Act) which defines the composition of the Board has been notified effective April 1, 2014 and provides that an independent director shall not hold office for more than two consecutive terms of five years each provided that the director is re-appointed by passing a special resolution on completion of first term of five consecutive years.

As per the explanation provided under Section 149 of the Act, any tenure of an independent Director on the date of commencement of this Section i.e. April 1, 2014 shall not be counted as a term. The tenure of every independent director to compute the period of first five consecutive years would be reckoned afresh from April 1, 2014. The independent directors viz Keki Dadiseth, Marti G. Subrahmanyam, Rama Bijapurkar, Vinod Kumar Dhall, V. Sridar will hold office for a maximum consecutive period of five years post which they will be subject to re-appointment subject to compliance with applicable provisions of the Companies Act, 2013.

Section 152 of the Act, also notified effective April 1, 2014 provides that independent directors would need to be excluded from the total number of directors for the purpose of computing the number of directors whose period of office will be liable to determination by retirement of directors by rotation.

In terms of the aforesaid provisions, N. S. Kannan and Rajiv Sabharwal would retire by rotation at the forthcoming AGM and is eligible for re-appointment. N. S. Kannan and Rajiv Sabharwal has offered himself for re-appointment.

AUDITORS

S. B. Billimoria & Co. and S. R. Batliboi & Co. LLP, Chartered Accountants, were appointed as joint statutory auditors of the Company for FY2014 at the Thirteenth Annual General Meeting to hold office upto the conclusion of the ensuing Annual General Meeting. Pursuant to circular dated July 25, 2005 regarding the appointment of statutory auditors by insurance companies, IRDA requires that the joint statutory auditors should retire after completion of five years and are eligible for reappointment after a cooling off period of two years. Accordingly, BSR & Co. LLP, retired as joint statutory auditors of the Company in FY2012 on completion of the maximum term of five years prescribed by IRDA. BSR & Co. LLP have completed the cooling off period of two years and are eligible for reappointment as joint statutory auditors. The Board proposes to appoint B S R & Co. LLP in place S. B. Billimoria & Co., retiring Auditor and re-appoint M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, as the Joint Statutory Auditor (being eligible for appointment and re-appointment) on the recommendation of the Audit Committee of the Company.

DETAILS AS PER SECTION 217(2A)

As required by the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and relevant particulars of the employees are set out in the Annexure to the Directors' Report.

RURAL AND SOCIAL BUSINESS

212,650 policies were issued in rural areas, constituting 27% of total policy issuances. The Company also covered more than 171,700 lives falling within the norm of 'social sector' business.

INCREASE IN SHARE CAPITAL

The paid-up capital of the Company increased by ₹ 3.16 million (face value) pursuant to exercise of stock options granted under the Employee Stock Option Scheme taking the paid-up capital to ₹ 14.29 billion (face value) at March 31, 2014.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits under Section 58A of the Companies Act, 1956.

CORPORATE GOVERNANCE

The corporate governance framework of the Company is based on an effective independent Board, the separation of Board's supervisory role from the executive management and the constitution of Board Committees, generally comprising a majority of independent/non-executive Directors and chaired by independent Directors, to oversee critical areas.

Philosophy of Corporate Governance

The Company is committed to adopting the highest business, governance, ethical and legal standards. The Company's corporate governance philosophy encompasses not only regulatory and legal requirements but also several voluntary practices aimed at a high level of business ethics, effective supervision and enhancement of value for all stakeholders, legally, ethically and on a sustainable basis, while ensuring fairness. The Insurance Regulatory & Development Authority (IRDA) had issued corporate governance guidelines applicable to all insurance companies. The Guidelines have come into force effective April 1, 2010. The Company had taken necessary steps and put in appropriate processes to ensure compliance with the same.

Internal audit and compliance framework

Internal Audit: The Company has in place an internal audit framework with a risk based audit approach. The basic philosophy of risk based internal audit is to provide reasonable assurance to the Board Audit Committee and top management about the adequacy and effectiveness of the risk management and control framework in the Company.

Review of controls is undertaken by internal audit through execution of internal audits as per risk based audit plan. The internal audit covers auditing of processes, transactions and systems. Key audit observations and recommendations made are reported to the Board Audit Committee every quarter. Implementation of the recommendations is actively monitored.

The internal audit function is capable of reviewing and assessing the adequacy and effectiveness of, and the Company's adherence to its internal controls as well as reporting on its policies and procedures.

Compliance: The Board Audit Committee oversees the compliance framework of the Company. The Company has formulated various internal policies/procedures and an employee code of conduct, which govern day-to-day activities to ensure compliance. The Compliance function disseminates relevant laws, regulations and circulars related to insurance, anti-money laundering and other regulatory requirements, to various functions. It also serves as a reference point for the staff of various functions for seeking clarifications on applicable laws, regulations and circulars issued by the regulatory authorities. The Compliance team also monitors the adequacy of the compliance framework across the Company. Key issues observed as part of this monitoring are reported to the Board Audit Committee, and implementation of recommendations is actively monitored. A compliance certificate signed by the Managing Director & CEO, based on the certification from respective functional heads, is placed at the Board Audit Committee on a quarterly basis.

Whistle Blower Policy

The Company has formulated a Whistle blower Policy to encourage employees to report matters without the risk of subsequent victimisation, discrimination or disadvantage. As per the Policy, employees can raise concerns related to breach of any law, statute or regulation, Issues related to accounting policies and procedures, Acts resulting in financial loss or loss of reputation, misuse of office, suspected/ actual fraud and criminal offences, non-compliance to Anti-bribery & anti-corruption policy by the Company or its employees to the Board Audit Committee through specified channels. This mechanism has been communicated and posted on the Company's intranet.

Code of Conduct for Personal Investments

The Company has a Code of Conduct for personal investments. The objective of the Code is to prohibit insider trading in any manner by the Access Persons and to maintain confidentiality of unpublished price sensitive information and access to information on a "need to know" basis. The Code is applicable to all "Access Persons" and their "Family Members" as defined in this Code.

Code of business conduct and ethics

The Board of Directors has approved a Code of Business Conduct and Ethics for Directors and employees of the Company. The Code aims at ensuring consistent standards of conduct and ethical business practices across the constituents of the Company.

The Code lays down the broad framework of general guiding principles.

Sexual Harassment Policy

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment. The Company has laid down policy on sexual harassment at work place and has appraised all its employees about the same. The Company believes in providing a safe working environment at the workplace. On an ongoing basis, the Company is taking steps measures to create awareness amongst its employee by conducting/ sending its employees for various seminars/discussion forums.

Board of Directors

The Company has a broad-based Board of Directors, constituted in compliance with the Companies Act, 1956 and in accordance with IRDA Corporate governance guideline, 2009. The Board comprises of fourteen Directors; four nominated by ICICI Bank Limited, two nominated by Prudential Plc, five independent Directors, the Managing Director & CEO and two Executive Directors. Except the Managing Director & CEO and two Executive Directors, all other Directors including the Chairperson of the Board are non-executive Directors. There is a clear segregation of responsibility and authority between the non-executive Directors and the executive management. The Board is responsible for overall corporate strategy and other responsibilities as laid down by IRDA under the Corporate Governance guidelines. The Managing Director & CEO and the Executive Directors oversee implementation of strategy, achievement of the business plan and day-to-day operations. There is an appropriate mix of executive, non-executive and independent Directors to maintain the professionalism and independence of the Board. The independent Directors are eminent personalities with significant expertise in the fields of finance, insurance, law, strategy and marketing. None of the Directors are related to any other Director or employee of the Company.

The Board functions either as a full Board or through various Committees constituted to oversee specific operational areas. The Board has constituted eight Committees, namely, Board Audit Committee, Board Risk Management Committee, Board Investment Committee, Board Customer Service & Policyholders' Protection Committee, Board Nomination and Remuneration Committee, With Profits Committee, Board Corporate Social Responsibility Committee and Share Transfer Committee. These Committees were constituted with independent/non-executive Directors and all the Committees are chaired by independent Directors.

At March 31, 2014, the Board of Directors consisted of 14 members. There were five Meetings of the Board during FY2014 - on April 18, 2013, July 16, 2013, October 18, 2013, October 30, 2013 and January 16, 2014. The names of the Directors and their attendance at Board Meetings during the year are set out in the following table:

Name of the Director	Board Meetings attended/held during the year	Number of other directorships		Number of other committee[3] memberships
		Of Indian public limited companies[1]	Of other companies[2]	
Nominee Directors				
Chanda Kochhar, Chairperson	5/5	4	3	—
N. S. Kannan	5/5	4	1	2
K. Ramkumar	4/5	2	—	—
Rajiv Sabharwal	5/5	2	—	—
Barry Stowe	2/5	—	—	—
Adrian O'Connor	4/5	—	—	—
Independent Directors				
Keki Dadiseth	4/5	8	1	5
Marti G. Subrahmanyam	3/5	3	4	—
Rama Bijapurkar	3/5	1	2	1
Vinod Kumar Dhall	5/5	5	—	7
Sridar Iyengar (upto April 18, 2013)	1/1	5	1	—
V. Sridar (appointed w.e.f April 18, 2013)	3/4	8	—	8
Executive Directors				
Sandeep Bakhshi, Managing Director & CEO	5/5	2	—	1
Puneet Nanda	5/5	1	—	1
Sandeep Batra, (appointed w.e.f January 1, 2014)	1/1	2	1	1

1. Comprises public limited companies incorporated in India.
2. Comprises private limited companies incorporated in India and foreign companies but excludes Section 25 companies and not for profit foreign companies.
3. Comprises only Audit Committee and Share Transfer & Shareholders'/ Investors' Grievance Committee of Indian public companies

Board Committees

The details of Board Committees are as follows:

a) **Board Audit Committee**

Terms of reference:

I. Accounts & Audit

- Oversee the financial statements, financial reporting, statement of cash flow and disclosure processes both on an annual and quarterly basis.
- Recommend the appointment, re-appointment and, if required, the replacement or removal; remuneration, performance and oversight of the work of the auditors (internal/statutory/concurrent).
- Oversight of the procedures and processes established to attend to issues relating to maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of the Company, whether raised by the auditors or by any other person.
- Discuss with the statutory auditors before the audit commences, about the nature and scope of audit, as well as, have post-audit discussions to address areas of concern.
- Approval of payment to statutory auditors and internal auditors or any of its associated persons or companies, for any other services rendered by them.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
- Changes, if any, in accounting policies and practices and reasons for the same.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements to the extent applicable.
- Disclosure of any related party transactions.

- To the extent applicable review with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, among others), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

II. Internal Audit

- Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Oversee the efficient functioning of the internal audit department and review its reports. The Committee will additionally monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice.
- Set-up procedures and processes to address all concerns relating to adequacy of checks and control mechanisms.
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Review with the management, performance of internal auditors, and the adequacy of the internal control systems.
- Look into the reasons for substantial defaults in the payment, if any, to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- Review the functioning of the Whistle Blower mechanism.

III. Compliance & Ethics

- Monitor the compliance function and the Company's risk profile in respect of compliance with external laws and regulations and internal policies, including the Company's code of ethics or conduct.
- Review reports on the above and on proactive compliance activities aimed at increasing the Company's ability to meet its legal and ethical obligations, on identified weaknesses, lapses, breaches or violations and the controls and other measures in place to help detect and address the same.
- Supervise and monitor matters reported using the Company's whistle blowing or other confidential mechanisms for employees and others to report ethical and compliance concerns or potential breaches or violations.
- Advise the Board on the effect of the above on the Company's conduct of business and helping the Board set the correct "tone at the top" by communicating, or supporting the communication, throughout the Company of the importance of ethics and compliance.
- Approve compliance programmes, reviewing their effectiveness on a regular basis and signing off on any material compliance issues or matters.
- Review key transactions involving conflict of interest.
- Review the Anti Money Laundering (AML)/Counter – Financing of Terrorism (CFT) policy annually and review the implementation of the Companies AML/CFT programme.
- Review compliance of Insurance Regulatory & Development Authority (IRDA) Corporate Governance guidelines.
- Monitor the directives issued/penalties imposed/penal action taken against the Company under various laws and statutes and action taken for corrective measures.

Composition

The Board Audit Committee comprises of two independent Directors and at March 31, 2014 was chaired by Keki Dadiseth, an independent Director. There were six Meetings of the Committee during the year.

The details of the composition of the Committee and attendance at its Meetings are set out in the following table:

Name of the member	Number of meetings attended/held
Keki Dadiseth – Chairman	6/6
K. Ramkumar	6/6
Adrian O'Connor	2/6
V. Sridar*	½

* Appointed w.e.f July 16, 2013.

The Board of Directors at its Meeting held on July 16, 2013 re-constituted the Board Audit Committee effective July 16, 2013 pursuant to which V. Sridar was appointed as a Member of the Committee.

b) Board Risk Management Committee

Terms of reference:

I. Risk Management:

- Assist the Board in effective operation of the risk management system by performing specialised analyses and quality reviews.
- Maintain a group wide and aggregated view on the risk profile of the Company in addition to the solo and individual risk profile.
- Report to the Board details on the risk exposures and the actions taken to manage the exposures.
- Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy and acquisitions and related matters.

II. Asset Liability Management (ALM):

- Formulate and implement optimal ALM strategies, both at product level and enterprise level and meeting risk/reward objectives.
- Lay down the risk tolerance limits.
- Monitor risk exposures at periodic intervals and revise ALM strategies where required.
- Place the ALM information before the Board at periodic intervals.

Composition

The Board Risk Management Committee comprises of two independent Directors and at March 31, 2014 was chaired by Marti G. Subrahmanyam, an independent Director. There were four Meetings of the Committee during the year.

The details of the composition of the Committee and attendance at its Meetings are set out in the following table:

Members & Attendance details:

Name of the member	Number of meetings attended/held
Marti G. Subrahmanyam – Chairman	3/4
Rama Bijapurkar	3/4
N. S. Kannan	3/4
Adrian O'Connor	2/4

c) Board Investment Committee

Terms of reference:

- Responsible for laying down an overall Investment Policy and operational framework for the investment operations of the Company. The Policy should focus on prudential Asset Liability Management (ALM) supported by robust internal control systems. The Investment Policy and operational framework should, inter alia, encompass aspects concerning liquidity for smooth operations, compliance with prudential regulatory norms on investments, risk management/mitigation strategies to ensure commensurate yield on investments and above all protection of policyholders' funds.
- Responsible for a periodic review of the Investment Policy based on the performance of investments and the evaluation of dynamic market condition.
- Put in place an effective reporting system to ensure compliance with the Policy set out by it apart from Internal/Concurrent Audit mechanisms for a sustained and on-going monitoring of Investment Operations.
- Set the Company's risk/reward objectives and assess policyholders' expectations.
- Quantify the level of risk exposure and assess the expected rewards and costs associated with the risk exposure.
- To furnish a report to the Board on the performance of Investments atleast on a quarterly basis and provide analysis of its Investment portfolio and on the future outlook.

Composition

The Board Investment Committee comprise of one independent Director and at March 31, 2014 was chaired by Marti G. Subrahmanyam, an independent Director. There were four Meetings of the Committee during the year.

The details of the composition of the Committee and attendance at its Meetings are set out in the following table:

Members & Attendance details:

Name of the member	Number of meetings attended/held
Marti G. Subrahmanyam – Chairman	3/4
N. S. Kannan	3/4
Adrian O'Connor	2/4
Sandeep Bakhshi	4/4
Puneet Nanda*	3/3
Sandeep Batra**	1/1
Avijit Chatterjee***	1/1
Manish Kumar	4/4
Satyan Jambunathan****	3/3
Binay Agarwala****	3/3

* upto December 31, 2013

** appointed from January 1, 2014

*** upto April 18, 2013

**** appointed April 18, 2013

The Board of Directors at its Meeting held on October 30, 2013 re-constituted the Board Investment Committee effective October 18, 2013 pursuant to which Sandeep Batra was appointed as a Member of the Committee in place of Puneet Nanda.

d) **Board Customer Service & Policyholders' Protection Committee**

Terms of reference:

- Putting in place proper procedures and effective mechanism to address complaints and grievances of policyholders including misselling by intermediaries
- Ensure compliance with the statutory requirements as laid down in the regulatory framework pertaining to policyholders' protection
- Review of the mechanism at periodic intervals
- Ensure adequacy of disclosure of "material information" to the policyholders. These disclosures shall, for the present, comply with the requirements laid down by the Authority both at the point of sale and at periodic intervals
- Review the status of complaints of the policyholders at periodic intervals
- Provide the details of grievances at periodic intervals in such formats as may be prescribed by the Authority
- Provide details of insurance ombudsmen to the policyholders
- Shape the customer service philosophy and policies of the organisation based on the overall environment in the financial services industry
- Oversee the functions of the customer service council
- Review measures for enhancing the quality of customer service
- Provide guidance to improve in the overall satisfaction level of customers

Composition

The Board Customer Service & Policyholders' Protection Committee comprise of one independent Director and at March 31, 2014 was chaired by Vinod Kumar Dhall, an independent Director. There were four Meetings of the Committee during the year.

The details of the composition of the Committee and attendance at its Meetings are set out in the following table:

Members & Attendance details:

Name of the member	Number of meetings attended/held
Vinod Kumar Dhall – Chairman	4/4
K. Ramkumar	4/4
Adrian O'Connor	2/4

e) **Board Nomination and Remuneration Committee**

Terms of reference:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To approve the Compensation Programme and to ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

Composition

The Board Compensation & Nominations Committee comprises of three independent Directors and at March 31, 2014 was chaired by Rama Bijapurkar, an independent Director. There were five Meetings of the Committee during the year.

The details of the composition of the Committee and attendance at its Meetings are set out in the following table:

Members & Attendance details:

Name of the member	Number of meetings attended/held
Rama Bijapurkar – Chairperson	5/5
Marti G. Subrahmanyam	3/5
Vinod Kumar Dhall	5/5
K. Ramkumar	4/5
Adrian O'Connor	4/5

f) **Share Transfer Committee**

Terms of reference:

- Approval and rejection of transfer and transmission of shares in physical form
- Approval and rejection of requests for split and consolidation of share certificates
- Approval and rejection of issue of duplicate share certificates
- Any other activities which are incidental or ancillary thereto

Members:

Vinod Kumar Dhall (Chairman)

Keki Dadiseth

Sandeep Bakhshi, Managing Director & CEO

During the year, no Meetings of the Committee were held as there were no request for the activities listed above.

g) **With Profits Committee***

Terms of reference:

- Maintaining the asset shares, at policy level, and ensuring that only the portion of expenses representing this business shall be allocated and interest rate credits to these asset shares represent the underlying assets of these funds.
- Determining the asset share for each product in accordance with the guidance or practice standards, among others issued by the Institute of Actuaries of India.
- Providing approval for the detailed working of the asset share, the expense allowed for, the investment income earned on the fund, among others which were represented in the asset share.

Composition

The With Profits Committee comprises two independent Director and at March 31, 2014 was chaired by V. Sridar, an independent Director. There were one Meeting of the Committee during the year.

The details of the composition of the Committee and attendance at its Meetings are set out in the following table:

Name of the member	Number of meetings attended
V. Sridar, Chairman	1/1
Adrian O' Connor	0/1
N. S. Kannan	0/1
N. M. Govardhan	1/1
Sandeep Bakhshi	1/1
Satyan Jambunathan	1/1

* The Committee was constituted on October 18, 2013

h) Board Corporate Social Responsibility (CSR) Committee**

Terms of reference:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company.
- To recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities.
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.

Composition

The Corporate Social Responsibility (CSR) Committee comprise of one independent Director who is also the Chairman of the Committee.

Vinod Kumar Dhall, non-executive Director

Adrian O' Connor, non-executive Director

K. Ramkumar, non-executive Director

** The Committee was constituted on April 22, 2014

Remuneration policy

The Board Compensation and Nominations Committee determines and recommends to the Board the amount of remuneration, including performance bonus and perquisites, payable to the wholetime Directors on certain parameters.

The following table sets out the details of remuneration (including perquisites and retiral benefits) paid to whole time Directors for FY2014.

(₹ '000)

FY 2014	Basic	Bonus	Retirals	Allowances/ Perquisites	LTRS[1]	Total
Sandeep Bakhshi, Managing Director & CEO	12,626	5,585	2,878	7,643	15,000	43,732
Puneet Nanda, Executive Director	7,349	4,079	1,617	7,323	12,500	32,868
Sandeep Batra, Executive Director[2]	1,556	—	187	2,301	—	4,044
Madhivanan Balakrishnan, Executive Director[3]	145	1,700	647	307	7,500	10,299
Total	**21,676**	**11,364**	**5,329**	**17,574**	**35,000**	**90,943**

[1] Long Term Reward Scheme paid during the year
[2] inducted effective January 1, 2014
[3] held office until June 30, 2012

As provided under Article 135 of the Articles of Association of the Company, the fees payable to the Non-Executive Directors (other than nominee Directors of ICICI Bank Limited and Prudential plc i.e. the promoter group) for attending a Meeting of the Board or Committee thereof are decided by the Board of Directors from time to time within the limits prescribed by the Companies Act, 1956 or the Central Government. The Board of Directors has approved the payment of ₹ 20,000 as sitting fees for each Meeting of Board or Committee attended. This amount is within the limits prescribed by the Ministry of Corporate Affairs vide its Notification dated July 24, 2003. Other than the sitting fee no other remuneration is paid to the Non-Executive Directors.

Sitting fees paid to independent Directors during the financial year ended March 31, 2014:

Name of the member	Amount (in ₹)
Keki Dadiseth	2,00,000
Marti G. Subrahmanyam	2,40,000
Rama Bijapurkar	2,20,000
Vinod Kumar Dhall	2,80,000
V. Sridar	1,20,000
Sridar Iyengar	20,000

Grievance Redressal Committee (GRC)

Grievance Redressal Committee is formed to provide effective grievance redressal to the policyholders. The Committee consists of two external members and three members from senior management team of the Company. R. Narayanan, an external member, chairs the Committee. As part of the grievance redressal mechanism, the GRC constituted as the final authority to address the policyholders' grievances before approaching the Ombudsman office. Additionally, the GRC focuses on building and strengthening customer service orientation in the Company by initiating various measures including simplifying processes for improvement in customer service levels. The Committee meets on a quarterly basis with the following terms of reference:

a) Evaluate feedback on quality of customer service and claims experience.

b) Review and approve representations received on claims repudiations.

c) Ensure that the Company follows all prescribed regulatory requirements on policyholder service.

d) Submit report on its performance to the Customer Service & Policyholder Protection Committee (CS & PPC) on a quarterly basis.

The key discussions of the GRC Meeting are put up at the Board Customer Service & Policyholders' Protection Committee for information.

General Body Meetings

The details of the last three Annual General Meetings (AGM) are given below:

Financial Year ended	Day, Date	Start time	Venue
Eleventh AGM	Tuesday, July 19, 2011	3.00 p.m.	ICICI PruLife Towers, 1089 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025
Twelfth AGM	Monday, June 18, 2012	11.00 a.m.	ICICI PruLife Towers, 1089 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025
Thirteenth AGM	Thursday, June 20, 2013	11.00 a.m.	ICICI PruLife Towers, 1089 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025

The following special resolutions were passed by the members during the last three Annual General Meeting:

Annual General Meeting held on July 19, 2011

- Revision in remuneration payable to Sandeep Bakhshi, Managing Director & CEO.
- Revision in remuneration payable to Puneet Nanda, Executive Director.
- Revision in remuneration payable to Madhivanan Balakrishnan, Executive Director.

Annual General Meeting held on June 18, 2012

- Revision in remuneration payable to Sandeep Bakhshi, Managing Director & CEO.
- Revision in remuneration payable to Puneet Nanda, Executive Director.
- Revision in remuneration payable to Madhivanan Balakrishnan, Executive Director.

Annual General Meeting held on June 20, 2013

- Revision in remuneration payable to Sandeep Bakhshi, Managing Director & CEO.
- Revision in remuneration payable to Puneet Nanda, Executive Director.

General Shareholder Information

General Body Meeting	Day, Date & Time	Venue
Fourteenth AGM	Monday, June 23, 2014, 4.30 p.m.	ICICI Prulife Towers, 1089, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025

Extra Ordinary General Meeting

The details of the last Extra Ordinary General Meeting (EGM) is given below:

Day, Date	Start time	Venue
Tuesday, December 3, 2013	4.30 p.m.	ICICI PruLife Towers, 1089 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025

The following special resolutions was passed by the members during the last Extra Ordinary General Meeting:

- Appointment & approval of remuneration payable to Sandeep Batra, Executive Director.

Share Transfer System

The Company's investor services are handled by 3i Infotech Limited (3i Infotech). 3i Infotech is a SEBI registered Category I - Registrar to an Issue & Share Transfer (R&T) Agent.

Registrar and Transfer Agent

The address of the Registrar and Transfer Agent of the Company is as follows.

3i Infotech Limited
International Infotech Park
Tower 5, 3rd Floor
Vashi Railway Station Complex
Vashi, Navi Mumbai 400 703
Maharashtra, India
Tel No. : +91-22-6792 8000
Fax No. : +91-22-6792 8099

ADDITIONAL INFORMATION

Conservation of Energy and Technology absorption

In view of the nature of business activity of the Company, the information relating to the conservation of energy and technology absorption, as required under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is not required to be given.

Foreign exchange earnings and outgo

Details of foreign exchange earnings and outgo required under above Rules are as under:

(₹ in '000)

Particulars	**FY2014**	*FY2013*
Foreign exchange earnings and outgo		
- Earnings	**52,925**	*52,781*
- Outgo	**695,007**	*432,118*

Events after Balance Sheet date

There have been no material changes and commitments, affecting the financial position of the company, which have occurred between the end of the financial year of the company to which the Balance Sheet relates and the date of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the requirements of Section 217(2AA) of the Companies Act, 1956 and the Corporate Governance Guidelines, the Board of Directors confirm:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed, alongwith proper explanation relating to material departures;
- that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- they 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; and
- the financial statements prepared represent accurately and fairly the financial condition of the Company;
- that the Company is running the business soundly and the business will be viable over the long-term; and
- that they have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS

The Directors are grateful to the Insurance Regulatory & Development Authority, Reserve Bank of India and Government of India for their continued co-operation, support and advice.

The Directors would also like to take this opportunity to express sincere thanks to its valued customers for their continued patronage.

The Directors express their gratitude for the valuable advice, guidance and support received from time to time, from the auditors and the statutory authorities. The Directors express their deep sense of appreciation to all employees and distributors, who continue to display outstanding professionalism and commitment, enabling the organisation to retain market leadership in its business operations. The Directors also wish to express their gratitude to ICICI Bank Limited and Prudential Corporation Holdings Limited for their continued trust and support.

For and on behalf of the Board

Date: April 22, 2014 CHANDA KOCHHAR
Place: Mumbai Chairperson

"Compliance with the Code of Business Conduct and Ethics"

I confirm that all Directors and members of the senior management have affirmed compliance with Code of Business Conduct and Ethics for the year ended March 31, 2014.

Date: April 22, 2014 SANDEEP BAKHSHI
Place: Mumbai Managing Director & CEO

"Certification for compliance of the Corporate Governance Guidelines"

I, M. Sanaulla Khan, hereby certify that the Company has complied with the Corporate Governance guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

Date: April 22, 2014 M. Sanaulla Khan
Place: Mumbai Company Secretary

Management Report for the year ended March 31, 2014

In accordance with the Insurance Regulatory and Development Authority ('IRDA') (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002, the following Management Report is submitted for the financial year ended March 31, 2014:

1. CERTIFICATE OF REGISTRATION

The Certificate of Registration under Section 3 of the Insurance Act, 1938 was granted by IRDA on November 24, 2000. We hereby confirm that the Company has obtained renewal of registration certificate from IRDA for the financial year ended March 31, 2015 and the registration certificate was valid as on March 31, 2014 and is in force as on the date of this report.

2. STATUTORY LIABILITIES/DUES

We hereby certify that all dues payable to the statutory authorities have been duly paid except those under dispute or disclosed under contingent liabilities.

3. SHAREHOLDING PATTERN

We hereby confirm that the shareholding pattern of the Company and any transfer of shares during the year are in accordance with the statutory requirements.

There was no capital infusion by the promoters during the year under review.

The Company has allotted 316,438 shares (FY2013: 90,125 shares) during the year under the Employees Stock Option Scheme.

The shareholding pattern of the Company was as follows:

Particulars	At March 31, 2014	*At March 31, 2013*
ICICI Bank Limited	**73.84%**	*73.85%*
Prudential Corporation Holdings Limited	**25.94%**	*25.95%*
Others	**0.22%**	*0.20%*

4. INVESTMENTS OUTSIDE INDIA

We hereby declare that no investments, directly or indirectly have been made outside India from the funds of the holders of policies issued in India.

5. SOLVENCY MARGIN

We hereby confirm that the Company has maintained adequate assets to cover both its liabilities and required solvency margin as prescribed under Section 64VA of the Insurance Act, 1938 and the IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000.

The details of the solvency ratio are as below:

Particulars	March 31, 2014	*March 31, 2013*
Actual solvency ratio	**372.3%**	*395.7%*
Required minimum solvency ratio	**150.0%**	*150.%*

6. VALUATION OF ASSETS IN THE BALANCE SHEET

We certify that the values of all assets have been reviewed on the date of the Balance Sheet and to best of our knowledge and belief the assets set forth in the Balance Sheets are shown in the aggregate at amounts not exceeding their realisable or market value under the several headings – "Loans", "Investments", "Agents Balances", "Outstanding Premiums", "Interest, Dividend and Rents outstanding", "Interest, Dividends and Rents accruing but not due", "Amounts due from other persons or Bodies carrying on insurance business", "Sundry Debtors", "Cash" and items specified under "Other Accounts" except debt securities held in non-linked and shareholder funds.

As required by IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, all debt securities and redeemable preference shares made from Policyholders' non-linked funds and Shareholders' funds are considered as 'held to maturity' and accordingly measured at historical cost, subject to amortisation of premium or accretion of discount.

The book value and the market value of these investments is as follows:

(₹ '000)

Particulars	March 31, 2014		*March 31, 2013*	
	Balance Sheet value	Market value	*Balance Sheet value*	*Market value*
Debt investments in non-linked and Shareholder funds	**166,432,925**	**160,597,928**	*141,682,196*	*142,289,088*

7. APPLICATION AND INVESTMENTS OF LIFE INSURANCE FUNDS

We certify that no part of the life insurance fund has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938, relating to the application and investments of the life insurance funds.

8. OVERALL RISK EXPOSURE AND STRATEGY ADOPTED TO MITIGATE THE SAME

The Company recognises that risk is an integral element of the business and managed acceptance of risk is essential for the generation of shareholder value. The risk governance structure of the Company consists of the Board, the Board Risk Management Committee (BRMC), the Executive Risk Committee (ERC) and its sub-committees. Board approved risk policies detail identification, measurement, monitoring and control standards relating to the various individual risks, namely investment (market, credit and liquidity), insurance and operational risks.

8.1. Investment risk

Investment risk is the risk arising out of variations in the level or volatility of market prices of assets and financial instruments, including the risk arising from any mismatch between assets and liabilities, due to external market and economic factors. The Company faces limited liquidity risk due to the nature of its liabilities. The key mitigation approaches for this risk are as follows:

(a) **Product approval process:** Launching new products can significantly alter the risk profile of the Company's Balance Sheet. Investment risks inherent in the new products or significant modifications to existing products are identified at the product design stage and products are launched only after approval by the ERC.

(b) **Asset Liability Management (ALM):** The Company has detailed Investment Specifications that govern the investment strategy and limits for each fund depending on the profile of the liability backed by those assets. For each category of products, the Investment Specifications specify limits to permissible exposures to various asset classes, duration guidelines for fixed income instruments and minimum investment in liquid assets.

(c) Exposure limits have been defined for companies, groups and industries in accordance with IRDA guidelines and the Company's internal Investment Policy. The Company restricts investments primarily to securities rated AA and above.

8.2. Insurance Risk

Insurance risk is the risk arising because of mis-estimation of the best estimate or because of random fluctuations in the frequency, size and timing of insurance liabilities. Insurance risk is composed of the following components: mortality, morbidity, persistency and expense risk. These risks are mitigated through:

(a) **Product approval process:** Insurance risks inherent in the new products or significant modifications to existing products are identified at the product design stage and products are launched only after approval by the ERC. The Company in its product design incorporates product features and uses appropriate policy wordings to mitigate insurance risk.

(b) **Reinsurance:** The Company uses appropriate reinsurances arrangements, including catastrophe reinsurance, to manage insurance risk. The arrangements are with select and financially sound reinsurers. The Company's reinsurance exposures are considered and approved by the ERC periodically.

(c) **Underwriting and claims controls:** Underwriting and claims policies and procedures are in place to assess and manage mortality and morbidity risks. The Company seeks to minimise these risks by diversifying its business portfolio and adhering to appropriate and segmented underwriting norms. The Company conducts periodic reviews of both underwriting and claims procedures.

(d) **Experience analysis:** The Company conducts its experience analysis regularly to ensure that corrective action can be initiated at the earliest opportunity and that assumptions used in product pricing, reserving and embedded value reporting are in line with experience. The Company actively monitors its claims experience, persistency levels and expense ratios.

(e) **Aligning key performance indicators:** The Company uses appropriate key performance indicators for different levels of hierarchy in sales and operations to align interests and ensure adequate focus on insurance risk specially, persistency and expense.

8.3. Operational risk:

Operational risk is the risk of loss, resulting from inadequate or failed internal processes, people and systems, or from external events. The Operational risk framework includes management of fraud risk and outsourcing risk.

The Company uses the following approaches to manage the risk:

(a) The Company develops and monitors mitigation plans for high risk items identified through the Risk Control Self-Assessment (RCSA) done by each business function or loss events or audit findings.

(b) The Company actively promotes a risk awareness culture by improving understanding through communication and education amongst management, employees, contractors and vendors.

(c) **Use of insurance:** The Company periodically evaluates the purchase of insurance to mitigate operational risk.

(d) **Fraud Management:** The Company follows both a proactive and reactive approach to manage fraud. Proactive management is done by using triggers to identify suspected frauds and through random sample checks. Reactive management is done through incident management. Investigation is done for identification of process/system failures and/ or identification of responsible internal/external parties. The Company ensures implementation of controls to prevent repeat incidents, financial recovery process and disciplinary action against involved employees in accordance to Malpractice Matrix.

(e) **Business Continuity Management (BCM):** The Company has a BCM framework to ensure resilience and continuity of key products and services at minimum acceptable level to achieve business-as usual presence in the market place and safety of human resources. This includes systems and processes including use of disaster recovery sites and business continuity drills for critical processes.

(f) **Information Security:** The Company has an information security framework that ensures all information assets are safeguarded by establishing comprehensive management processes throughout the organization.

(g) Internal policies like employee Code of Conduct that prescribes a malpractice matrix with appropriate disciplinary action based on the nature and seriousness of non-compliant behavior and whistle-blower policy that facilitates reporting of observed breaches to the Code of Conduct, legal violations in relation to work related issues, non-adherence to accounting policies and procedures, or non-compliance with the anti-bribery and anti-corruption policy.

9. OPERATIONS ABROAD

The Company has set up representative offices in the Kingdom of Bahrain and the United Arab Emirates. These representative offices do not contract liability overseas and all the policies are underwritten and issued in India. The Company has recently been granted an approval to set up a branch in the Kingdom of Bahrain.

10. CLAIMS

The average time taken by the Company from the date of submission of the final requirement by the claimant to despatch of claim payment, in respect of mortality and morbidity claims, was as follows:

Period	Average time taken for claim settlement (in days)
FY 2014	6
FY 2013	4
FY 2012	5
FY 2011	7
FY 2010	7
FY 2009	7

The ageing of mortality and morbidity claims registered and not settled at March 31, 2014 has been detailed herein below:

Linked business: (₹ in '000)

	At March 31, 2014		*At March 31, 2013*	
Period	**Number of Claims**	**Amount**	*Number of Claims*	*Amount*
Upto 30 days	**287**	**31,737**	*263*	*24,911*
Greater than 30 days and upto 6 months	**100**	**23,613**	*91*	*9,746*
Greater than 6 months and upto 1 year	**—**	**—**	—	—
Greater than 1 year and upto 5 years	**—**	**—**	—	—
Greater than 5 years	**1**	**433**	*1*	*402*

Non Linked business: (₹ in '000)

	At March 31, 2014		*At March 31, 2013*	
Period	**Number of Claims**	**Amount**	*Number of Claims*	*Amount*
Upto 30 days	**54**	**124,490**	*61*	*7,989*
Greater than 30 days and upto 6 months	**107**	**159,533**	*27*	*13,667*
Greater than 6 months and upto 1 year	**2**	**16,721**	—	—
Greater than 1 year and upto 5 years	**1**	**808**	*1*	*747*
Greater than 5 years	**—**	**—**	—	—

Claims remain unpaid for greater than 6 months for want of proof of title or the cause of death or pending other necessary documentation, to determine the claim liability.

11. VALUATION OF INVESTMENTS

11.1. Non-linked investments

We hereby certify that as prescribed under the IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, all debt securities and redeemable preference shares made from Policyholders' non-linked funds and Shareholders' funds are considered as 'held to maturity' and accordingly measured at historical cost, subject to amortisation of premium or accretion of discount in the Revenue account or the Profit and Loss account over the period of maturity/holding.

Listed equity shares and mutual fund investments are carried at fair value being the last quoted closing price on the National Stock Exchange of India Limited ('NSE') (in case the securities are not listed on NSE, the last quoted closing price on the BSE Limited ('BSE') is used). Unlisted equity shares are stated at historical cost.

Mutual fund units are valued at the latest available net asset values of the respective fund.

Unrealised gains/losses arising due to changes in the fair value of listed equity shares and mutual fund units are taken to the "Fair Value Change Account" in the Balance Sheet.

Investments in venture funds and loans are valued at historical cost.

Investment property is valued at historical cost, subject to revaluation, at least once in every three years and provision for impairment, if any.

Fixed deposits with banks are valued at cost.

11.2. Linked investments

We certify that the investments in linked business are valued on mark-to-market basis.

Central and State government securities are valued as per the valuation price provided by CRISIL.

Debt securities other than government securities with a residual maturity over 182 days are valued on a yield to maturity basis, by using spreads over the benchmark rate (based on the matrix released by the CRISIL Limited ('CRISIL') on daily basis) to arrive at the yield for pricing the security.

Debt securities with a residual maturity upto 182 days are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.

Money market instruments are valued at historical cost, subject to accretion of discount over the period of maturity/holding on a straight-line basis.

Listed equity shares are valued at market value, being the last quoted closing price on the NSE (in case of securities not listed on NSE, the last quoted closing price on the BSE is used).

Mutual fund units are valued at the latest available net asset values of the respective fund.

Venture fund units are valued at the latest available net asset value of the respective fund.

Unrealised gains and losses are recognised in the Revenue account as prescribed by IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002.

Fixed deposits with banks are valued at cost.

12. REVIEW OF ASSET QUALITY AND PERFORMANCE OF INVESTMENTS

All investments are made in accordance with the regulatory norms, Investment Policy, fund objectives of unit linked funds, asset liability management guidelines and risk profile of the respective fund.

12.1. Asset composition

The portfolio mix of assets of the Company at March 31, 2014 is as follows:

(₹ in billion)

Asset class	Total	%
Equity shares	377.58	46.8%
Government securities	140.62	17.4%
Debentures and bonds*	127.15	15.8%
Money market instruments	76.61	9.5%
Fixed deposits	54.45	6.8%
Mutual funds	11.87	1.5%
Investment property	0.85	0.1%
Loan against policies	0.12	0.0%
Net current assets and other investments	16.72	2.0%
Total	**805.97**	**100.0%**

* Includes non-convertible preference shares

The Company has a well-diversified portfolio spread across various asset classes, companies, groups and industries. Investments in equity and related instruments are targeted at long term capital appreciation with a "value-oriented" investment style to target superior long-term returns. 85.1% of the equity investments are held in companies forming part of CNX Nifty 50 and 98.0% in companies forming part of CNX 500 index.

The Company maintains a fixed income portfolio of superior asset quality at all point of time. 93.5% of the fixed income portfolio is held in highest credit rated securities (Sovereign/AAA or equivalent). The Company's investments in debt instruments are largely restricted to a minimum rating of AA and above which accounts for 99.4% of the Company's fixed income portfolio. The Company does not hold any non-performing assets in its debt portfolio.

12.2. Fund performance

Linked funds

At March 31, 2014, funds representing 77% of the linked assets performed better than the respective benchmark over trailing three year and 97% since inception.

The fund performance of major linked funds as against the benchmarks over three year and since inception period is as follows:

Fund name	SFIN	Assets held* (₹ billion)	Annualised returns			
			3 year return		Since inception return	
			Fund	Benchmark	Fund	Benchmark
Equity funds						
Maximiser Fund	ULIF 001 22/10/01 LMaximis1 105	41.55	6.75%	4.63%	19.01%	16.34%
Dynamic P/E Fund	ULIF 097 11/01/10 LDynmicPE 105	21.11	4.77%	5.76%	7.16%	6.61%
Pension Flexi Growth Fund	ULIF 029 20/03/07 PFlexiGro1 105	20.09	4.38%	4.13%	8.09%	7.89%
Pension Flexi Growth Fund II	ULIF 030 20/03/07 PFlexiGro2 105	17.25	5.47%	4.13%	9.07%	7.89%
Flexi Growth Fund	ULIF 026 20/03/07 LFlexiGro1 105	17.23	4.77%	4.13%	8.32%	7.89%
Pension Maximiser Fund II	ULIF 013 17/05/04 PMaximis2 105	17.04	8.24%	4.63%	18.10%	16.09%
Multi Cap Growth Fund	ULIF 085 24/11/09 LMCapGro 105	16.41	5.00%	4.13%	6.72%	5.27%
Pension Dynamic P/E Fund	ULIF 098 11/01/10 PDynmicPE 105	15.65	4.82%	5.76%	6.78%	6.61%
Pension RICH Fund	ULIF 052 17/03/08 PRICH1 105	14.95	3.82%	4.07%	7.53%	6.50%
Pension Multi Cap Growth Fund	ULIF 091 11/01/10 PMCapGro 105	14.20	5.13%	4.13%	6.36%	3.97%
Maximiser Fund II	ULIF 012 17/05/04 LMaximis2 105	10.49	7.98%	4.63%	17.65%	16.09%
Flexi Growth Fund II	ULIF 027 20/03/07 LFlexiGro2 105	10.41	5.25%	4.13%	8.98%	7.89%
Pension RICH Fund II	ULIF 053 17/03/08 PRICH2 105	10.34	4.77%	4.07%	8.43%	6.50%
Flexi Growth Fund IV	ULIF 038 27/08/07 LFlexiGro4 105	9.62	5.14%	4.13%	6.98%	5.92%
Maximiser Fund V	ULIF 114 15/03/11 LMaximis5 105	9.62	NA	NA	15.86%	12.14%
RICH Fund II	ULIF 049 17/03/08 LRICH2 105	8.30	3.05%	4.07%	7.68%	6.45%
Multiplier Fund	ULIF 042 22/11/07 LMultip1 105	7.94	3.93%	4.74%	2.63%	2.50%
RICH Fund	ULIF 048 17/03/08 LRICH1 105	6.56	2.20%	4.07%	6.79%	6.45%
Pension Opportunities Fund	ULIF 092 11/01/10 POpport 105	5.63	5.34%	4.07%	5.89%	4.57%
Pension Maximiser Fund	ULIF 004 03/05/02 PMaximis1 105	5.01	7.69%	4.63%	20.12%	17.19%
Debt funds						
Income Fund	ULIF 089 24/11/09 LIncome 105	18.20	8.52%	7.08%	7.85%	6.36%
Pension Protector Fund	ULIF 006 03/05/02 PProtect1 105	16.01	8.16%	7.08%	7.28%	6.18%
Group Debt Fund	ULGF 002 03/04/03 GDebt 105	14.39	8.71%	7.08%	7.63%	5.65%
Pension Income Fund	ULIF 095 11/01/10 PIncome 105	10.37	8.72%	7.08%	7.84%	6.50%
Protector Fund	ULIF 003 22/10/01 LProtect1 105	8.81	7.96%	7.08%	7.12%	6.12%
Pension Protector Fund II	ULIF 017 17/05/04 PProtect2 105	7.49	9.14%	7.08%	7.41%	5.49%
Invest Shield Cash Fund	ULIF 020 03/01/05 LInvCash 105	5.07	8.15%	7.08%	7.52%	6.02%
Balanced funds						
Highest NAV Fund B	ULIF 116 15/03/11 LHighNavB 105	32.50	2.46%	—	3.88%	—
Group Balanced Fund	ULGF 001 03/04/03 GBalancer 105	17.30	8.41%	6.89%	10.27%	7.95%
Balancer Fund	ULIF 002 22/10/01 LBalancer1 105	11.41	7.02%	6.54%	11.78%	10.21%
Pinnacle Fund	ULIF 081 26/10/09 LPinnacle 105	10.89	3.24%	—	5.73%	—
Group Growth Fund	ULGF 004 30/10/03 GGrowth 105	8.28	9.22%	6.08%	15.00%	11.45%
Pension Balancer Fund II	ULIF 015 17/05/04 PBalancer2 105	7.30	6.15%	6.54%	10.92%	9.80%
Pinnacle Fund II	ULIF 105 26/10/10 LPinnacle2 105	5.78	3.15%	—	1.63%	—
Pension Balancer Fund	ULIF 005 03/05/02 PBalancer1 105	5.51	4.76%	6.54%	11.41%	10.66%
Liquid funds						
Pension Preserver Fund	ULIF 011 17/05/04 PPreserv 105	11.79	9.25%	8.71%	7.95%	6.82%
Money Market Fund	ULIF 090 24/11/09 LMoneyMkt 105	10.73	9.23%	8.71%	8.19%	7.70%
Preserver Fund	ULIF 010 17/05/04 LPreserv1 105	7.49	9.26%	8.71%	8.08%	6.83%
Group Short Term Debt Fund	ULGF 003 03/04/03 GSTDebt 105	7.39	8.66%	8.71%	7.06%	6.36%
Pension Money Market Fund	ULIF 096 11/01/10 PMoneyMkt 105	6.96	9.25%	8.71%	8.36%	7.86%

NA – indicates that the fund was non-existent during relevant year

* Assets held at March 31, 2014

Non-linked and Shareholders' funds

The fund performance of non-linked Policyholders' and Shareholders' funds over the 1 year period are as follows:

	FY2014			*FY2013*		
Particulars	**Assets held* (₹ billion)**	**1 year return**		*Assets held* (₹ billion)*	*1 year return*	
		Market value	**Book value**		*Market value*	*Book value*
Policyholders' fund						
Participating	67.84	5.69%	8.51%	*59.45*	*12.17%*	*9.48%*
Non-participating	79.83	5.00%	8.08%	*56.72*	*11.79%*	*8.98%*
Shareholders' fund	55.19	8.36%	7.24%	*50.26*	*11.47%*	*10.03%*

* Assets held at March 31, 2014

Management Report for the year ended March 31, 2014 *Continued*

13. PAYMENTS MADE TO PARTIES IN WHICH DIRECTORS ARE INTERESTED

The details of such payments for the year ended March 31, 2014 are given below:

(₹ in '000)

Sr. No.	Name of Director	Entity in which Director is interested	Interested as	Amount paid	
				FY2014	*FY2013*
1	Chanda Kochhar	ICICI Bank Limited	Managing Director & CEO	**13,648,488**	*7,560,360*
		ICICI Lombard General Insurance Company Limited	Chairperson	**189,481**	*167,304*
		ICICI Securities Limited	Chairperson	**408,198**	*406,536*
		ICICI Foundation for Inclusive Growth	Member — Governing Council	**96,840**	*0*
		The Willingdon Sports Club	Member	**38**	*20*
		Confederation of India Industry (CII)	Member — National Council Chairperson — National Committee on Banking Member — National Committee for Financial Inclusion	**631**	*1,200*
		Indian Institute of Management, Lucknow	Member — IIM Society, Lucknow	**—**	*194*
		Associated Chambers of Commerce and Industry of India (ASSOCHAM)	Member — Managing Committee	**—**	*25*
2	Keki Dadiseth	The Indian Hotels Company Limited	Director	**11,940**	*2,198*
		PwC — Price Waterhouse Coopers Private Limited	Member, India Advisory Board	**18,535**	*23,635*
3	K. Ramkumar	ICICI Bank Limited	Executive Director	**13,648,488**	*7,560,360*
		ICICI Foundation for Inclusive Growth	Member — Governing Council	**96,840**	*0*
4	N. S. Kannan	ICICI Bank Limited	Executive Director & CFO	**13,648,488**	*7,560,360*
		ICICI Lombard General Insurance Company Limited	Director	**189,481**	*167,304*
		The Willingdon Sports Club	Corporate Member	**38**	*20*
		ICICI Foundation for Inclusive Growth	Member — Governing Council	**96,840**	*0*
5	Vinod Kumar Dhall	Schneider Electric Infrastructure Limited	Non-Executive Chairman	**171**	*167*
6	Rajiv Sabharwal	ICICI Bank Limited	Director	**13,648,488**	*7,560,360*
		ICICI Home Finance Company Limited	Chairman	**118**	*607*
		ICICI Foundation for Inclusive Growth	Member - Governing Council	**96,840**	*0*
		Khanna Hotels Private Limited (The Club)	Corporate member	**590**	*728*
		The Willingdon Sports Club	Member	**38**	*20*
7	V. Sridar	ICICI Bank Limited	Director	**13,648,488**	*7,560,360*
		Indian Institute of Management, Indore	Member - Board of Governers	**1502**	*0*
8	Sandeep Bakhshi	The Willingdon Sports Club	Member	**38**	*20*
		MCA Club	Member	**27**	*27*
		ICICI Foundation for Inclusive Growth	Member, Governing Council	**96,840**	*0*
9	Puneet Nanda	Khanna Hotels Private Limited (The Club)	Corporate member	**590**	*728*
		Khar Gymkhana	Corporate member	**71**	*76*
10	Sandeep Batra	ICICI Prudential Life Insurance Company Limited Employees Provident Fund	Trustee	**205,435**	*211,880*

14. MANAGEMENT RESPONSIBILITY STATEMENT

The Management confirms that:

i. In the preparation of financial statements, the applicable accounting standards, principles and policies are followed along with proper explanations relating to material departures, if any;

ii. The management has adopted 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 at the end of the financial year and of the operating profit and of the profit of the Company for the year;

iii. The management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 and the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. The management has prepared the financial statements on a going concern basis;

v. The management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson

V. SRIDAR
Director

K. RAMKUMAR
Director

SANDEEP BAKHSHI
Managing Director & CEO

SANDEEP BATRA
Executive Director

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Executive Vice President

Place : Mumbai
Date : April 22, 2014

to the members of ICICI Prudential Life Insurance Company Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of ICICI Prudential Life Insurance Company Limited (the "Company") which comprise the Balance Sheet as at March 31, 2014, the related Revenue Account (also called the "Policyholders' Account" or the "Technical Account"), the Profit and Loss Account (also called the "Shareholders' Account" or "Non-Technical Account") and the Receipts and Payments Account for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the Balance Sheet, the related Revenue Account, the Profit and Loss Account and the Receipts and Payments Account of the Company in accordance with accounting principles generally accepted in India, including the provisions of The Insurance Act, 1938 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority (the "IRDA") in this regard, and the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013, of the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013.,to the extent applicable. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements are prepared in accordance with the requirements of the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations and the Companies Act, 1956 to the extent applicable and in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to Insurance Companies:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

(b) in the case of Revenue Account, of the net surplus for the year ended on that date;

(c) in the case of Profit and Loss Account, of the profit for the year ended on that date; and

(d) in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

OTHER MATTER

The actuarial valuation of liabilities for life policies in force is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2014 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory Development Authority ("IRDA" / "Authority") and the Institute of Actuaries of India in concurrence with the Authority. We have relied upon Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists on financial statements of the Company.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the IRDA Financial Statements Regulations, we have issued a separate certificate dated April 22, 2014 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDA Financial Statements Regulations.
2. As required by the IRDA Financial Statements Regulations, read with section 227(3) of the Companies Act, 1956, 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 the audit and have found them to be satisfactory;

(b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been maintained by the Company, so far as appears from our examination of those books;

(c) As the Company's financial accounting system is centralized, no returns for the purposes of our audit are prepared at the branches of the Company;

(d) The Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account referred to in this report are in agreement with the books of account;

(e) The Balance sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report comply with the Accounting Standards notified under the Companies Act, 1956 and the Rules framed there under read with the General Circular 15/2013 dated September 13, 2013, of the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013 to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders / directions issued by IRDA in this regard;

(f) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, the Regulations and / or orders / directions issued by IRDA in this regard;

(g) The accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards notified under the Companies Act, 1956 and the Rules framed there under read with the General Circular 15/2013 dated September 13, 2013, of the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013 and with the accounting principles as prescribed in the IRDA Financial Statements Regulations and orders / directions issued by IRDA in this regard; and

(h) On the basis of written representations received from the Directors of the Company, as on March 31, 2014 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For S. R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration No: 301003E

per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, April 22, 2014

For S. B. Billimoria & Co.
Chartered Accountants
ICAI Firm Registration No: 101496W

SANJIV V. PILGAONKAR
Partner
Membership No.: 39826

Mumbai, April 22, 2014

independent auditors' certificate

to the members of ICICI Prudential Life Insurance Company Limited

(Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated April 22, 2014)

This certificate is issued to comply with the provisions of paragraphs 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, (the "Regulations") read with regulation 3 of the Regulations.

Management of the Company is responsible for complying with the provisions of The Insurance Act, 1938 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority (the "IRDA") which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

Our responsibility, for the purpose of this certificate, is limited to certifying matters contained in paragraphs 3 and 4 of Schedule C of the Regulations. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the 'ICAI').

In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by ICICI Prudential Life Insurance Company Limited ('the Company') for the year ended March 31, 2014, we certify that:

1. We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2014, and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements;
2. Based on management representations and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, we certify that the Company has complied with the terms and conditions of registration stipulated by Insurance Regulatory and Development Authority (IRDA);
3. We have verified the cash balances, to the extent considered necessary, and securities relating to the Company's loans and investments as at March 31, 2014, by actual inspection or on the basis of certificates / confirmations received from the Custodian and/ or Depository Participants appointed by the Company, as the case may be. As at March 31, 2014, the Company does not have reversions and life interests;
4. The Company is not a trustee of any trust; and
5. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, 1938, relating to the application and investments of the Policyholders' Funds.

For S. R. Batliboi & CO. LLP *Chartered Accountants* *ICAI Firm Registration No: 301003E*	For S. B. Billimoria & Co. *Chartered Accountants* *ICAI Firm Registration No.: 101496W*
per SHRAWAN JALAN *Partner* Membership No: 102102	SANJIV V. PILGAONKAR *Partner* Membership No: 39826
Mumbai, April 22, 2014	Mumbai, April 22, 2014

independent auditors' certificate

The Board of Directors,
ICICI Prudential Life Insurance Company Limited,
ICICI Pru Life Towers,
1089, Appasaheb Marathe Marg,
Prabhadevi,
Mumbai - 400 025

Dear Sirs,

[Ref: Certificate in accordance with the Regulation 13 (D) (7) of the IRDA (Investment) (5th Amendment) Regulations ("the Regulations"), 2013]

1. At the request of ICICI Prudential Life Insurance Company Limited ('the Company'), we have performed the procedures stated in paragraph 2 below, for the purpose of issuing a certificate in connection with the Regulations, regarding the declaration of the Net Asset Value ('NAV') of the schemes of the Company as at March 31, 2014.
2. In this connection, we have performed the following procedures:
   (a) Obtained representation from the management that the Company has declared March 31, 2014 as a business day for accepting application forms and that it has declared NAV for March 31, 2014;
   (b) Obtained the list of New Business applications, Renewal receipts, applications for Surrender, Free – Look Cancellation, Fund Switches, Withdrawal, Partial Withdrawal and Top Up received in respect of Unit Linked Products on March 31, 2014 (together referred to as "Application Forms"), from the Management;
   (c) Selected a sample of Application Forms from listing mentioned in paragraph 2(b) above and verified whether:
      (i) The applications received on Monday, March 31, 2014, upto 3.00 p.m. have been appropriately stamped; and the NAV of March 31, 2014 is applied for applications received by the Company upto 3.00 p.m. on Monday, March 31, 2014 for the selected samples; and.
      (ii) The applications received on Monday, March 31, 2014, after 3.00 p.m. hours have been appropriately stamped; and the NAV of April 1, 2014 is applied for the applications received by the Company after 3.00 p.m. hours on Monday, March 31, 2014 for the selected samples.
3. The compliance with conditions stated in the circular is the responsibility of the Company's management. Our responsibility is to perform the above-mentioned procedures on the particulars and state our findings. We performed the above-mentioned procedures, in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The above-mentioned procedures include examining evidence supporting the particulars on a test basis. Further, our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.
4. Based on the procedures performed by us, as mentioned in paragraph 2 above, according to the information and explanations provided to us and representation by the Company's management, we confirm that:
   (a) The Company had declared March 31, 2014 as a business day for accepting proposal forms;
   (b) The Company has declared NAV for March 31, 2014;
   (c) The applications received on Monday, March 31, 2014 upto 3.00 p.m. have been stamped as such and that the NAV of March 31, 2014 is applied for proposals received upto 3.00 p.m.; and
   (d) The application received on Monday, March 31, 2014 after 3.00 p.m. have been stamped as such and that the NAV of next financial year i.e. April 1, 2014 is applied for proposal received after 3.00 p.m.
5. The concurrent auditors of the Company, M/s. Maheshwari and Associates, Chartered Accountants have issued a certificate dated April 16, 2014 confirming the compliance with requirements of Regulation 13 (D) (5) of the Regulations. We have read the certificate and found the same to be in order.
6. This certificate is issued at the request of the Company solely for use of the Company for inclusion in the annual accounts as per Regulation 13 (D) (7)) of the Regulations and is not intended to be used or distributed for any other purpose. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For S. R. Batliboi & CO. LLP *Chartered Accountants* *ICAI Firm Registration No: 301003E*	For S. B. Billimoria & Co. *Chartered Accountants* *ICAI Firm Registration No: 101496W*
per SHRAWAN JALAN *Partner* Membership No: 102102	SANJIV V. PILGAONKAR *Partner* Membership No: 39826
Mumbai, April 22, 2014	Mumbai, April 22, 2014

ICICI PRUDENTIAL LIFE INSURANCE

for the year ended March 31, 2014 *Continued*

FORM A-RA
ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED
Regn.No. 105 dated 24.11.2000

Policyholders' Account (Technical Account) (₹ in '000)

Particulars	Schedule	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group	Total
Premiums earned (net of service tax)											
(a) Premium	1	12,184,130	1,585,685	24,433,749	2,281,257	189,443	62,692,450	13,997,513	1,991,223	4,931,045	**124,286,495**
(b) Reinsurance ceded		(2,081)	(26)	(749,489)	—	(42,382)	(330,026)	(110)	(335,179)	(675)	**(1,459,968)**
(c) Reinsurance accepted		—	—	—	—	—	—	—	—	—	**—**
Sub-total		**12,182,049**	**1,585,659**	**23,684,260**	**2,281,257**	**147,061**	**62,362,424**	**13,997,403**	**1,656,044**	**4,930,370**	**122,826,527**
Income from Investments											
(a) Interest, dividend & rent - Gross		3,227,242	1,469,132	2,910,319	1,296,386	49,112	11,232,350	7,518,089	144,297	3,846,247	**31,693,174**
(b) Profit on sale/redemption of investments		333,354	167,151	239,568	66,719	12,489	23,274,962	17,023,566	152,956	1,930,782	**43,201,547**
(c) (Loss) on sale/redemption of investments		(322,489)	(47,622)	(71,737)	(50,739)	—	(8,230,536)	(4,990,958)	(119,390)	(1,214,805)	**(15,048,276)**
(d) Transfer/gain on revaluation/change in fair value		—	—	—	—	—	18,410,853	9,706,779	418,898	589,856	**29,126,386**
(e) Accretion of discount/(amortisation of premium) (net)		32,660	123,045	(10,488)	4,922	7,102	1,324,059	990,333	11,448	711,525	**3,194,606**
Sub-total		**3,270,767**	**1,711,706**	**3,067,662**	**1,317,288**	**68,703**	**46,011,688**	**30,247,809**	**608,209**	**5,863,605**	**92,167,437**
Other income											
Contribution from the Shareholders' account		—	—	346,958	599,565	—	—	—	—	—	**946,523**
Fees and charges		27,611	650	27,263	—	183	671	—	—	—	**56,378**
Miscellaneous income		11,620	37,805	23,934	192	150	33,766	6,110	1,696	820	**116,093**
Sub-total		**39,231**	**38,455**	**398,155**	**599,757**	**333**	**34,437**	**6,110**	**1,696**	**820**	**1,118,994**
Total (A)		**15,492,047**	**3,335,820**	**27,150,077**	**4,198,302**	**216,097**	**108,408,549**	**44,251,322**	**2,265,949**	**10,794,795**	**216,112,958**
Commission	2	1,520,049	3,376	2,131,500	1,266	6,004	2,424,515	137,874	50,199	67	**6,274,850**
Operating expenses related to Insurance business	3	3,457,729	29,990	3,336,802	39,695	31,281	7,548,935	1,269,831	281,630	172,712	**16,168,605**
Provision for doubtful debts		1,144	(45)	14,294	(131)	(1,398)	(24,593)	(40,113)	(360)	—	**(51,202)**
Bad debts written off		3,238	20	3,400	138	1,253	32,577	40,380	838	—	**81,844**
Provisions (other than taxation)											
(a) For diminution in the value of investments (net) - Refer note 3.14 of schedule 16		58,634	5,820	20,537	—	—	—	—	—	—	**84,991**
(b) Others		—	—	—	—	—	—	—	—	—	**—**
Service tax charge on linked charges		—	—	—	—	—	1,728,767	1,105,769	135,237	96,341	**3,066,114**
Total (B)		**5,040,794**	**39,161**	**5,506,533**	**40,968**	**37,140**	**11,710,201**	**2,513,741**	**467,544**	**269,120**	**25,625,202**
Benefits paid (net)	4	2,892,201	4,449,258	1,134,462	1,015,106	34,185	50,731,467	52,103,528	273,604	8,105,814	**120,739,625**
Interim bonus paid		85,775	7,995	—	—	—	—	—	—	—	**93,770**
Change in valuation of policy liabilities											
(a) Policy liabilities (non-unit/mathematical reserves)(gross)		6,048,533	(1,685,979)	21,029,070	3,142,228	(190,995)	1,213,978	(264,227)	38,570	(11,389)	**29,319,789**
(b) Amount ceded in reinsurance		—	—	(1,470,917)	—	—	—	—	—	—	**(1,470,917)**
(c) Amount accepted in reinsurance		—	—	—	—	—	—	—	—	—	**—**
(d) Fund reserve		—	—	—	—	—	36,020,218	(17,545,525)	1,186,288	2,128,639	**21,789,620**
(e) Funds for discontinued policies		—	—	—	—	—	6,977,091	1,761	—	—	**6,978,852**
Total (C)		**9,026,509**	**2,771,274**	**20,692,615**	**4,157,334**	**(156,810)**	**94,942,754**	**34,295,537**	**1,498,462**	**10,223,064**	**177,450,739**
Surplus/(deficit) (D) =(A)-(B)-(C)		**1,424,744**	**525,385**	**950,929**	**—**	**335,767**	**1,755,594**	**7,442,044**	**299,943**	**302,611**	**13,037,017**
Provision for taxation											
(a) Current tax credit/(charge)		—	—	—	—	—	—	—	—	—	**—**
(b) Deferred tax credit/(charge) - Refer note 3.19 of schedule 16		(384,181)	—	—	—	—	(53,186)	—	—	—	**(437,367)**
Surplus/(deficit) after tax		**1,040,563**	**525,385**	**950,929**	**—**	**335,767**	**1,702,408**	**7,442,044**	**299,943**	**302,611**	**12,599,650**
Appropriations											
Transfer to Shareholders' account		188,637	115,355	—	—	335,767	2,573,560	8,813,558	312,315	302,611	**12,641,803**
Transfer to other Reserves		—	—	—	—	—	—	—	—	—	**—**
Balance being funds for future appropriations		851,926	410,030	950,929	—	—	(871,152)	(1,371,514)	(12,372)	—	**(42,153)**
Total		**1,040,563**	**525,385**	**950,929**	**—**	**335,767**	**1,702,408**	**7,442,044**	**299,943**	**302,611**	**12,599,650**
Details of surplus before tax											
(a) Interim bonuses paid		85,775	7,995	—	—	—	—	—	—	—	**93,770**
(b) Allocation of bonus to policyholders'		1,611,957	1,030,202	—	—	—	—	—	—	—	**2,642,159**
(c) Surplus shown in the Revenue Account		1,424,744	525,385	950,929	—	335,767	1,755,594	7,442,044	299,943	302,611	**13,037,017**
Total surplus		**3,122,476**	**1,563,582**	**950,929**	**—**	**335,767**	**1,755,594**	**7,442,044**	**299,943**	**302,611**	**15,772,946**
Funds for future appropriations											
Opening balance as at April 1, 2013		905,677	855,323	—	—	—	1,263,748	1,988,575	69,221	—	**5,082,544**
Add: Current period appropriation		851,926	410,030	950,929	—	—	(871,152)	(1,371,514)	(12,372)	—	**(42,153)**
Balance carried forward to Balance Sheet		**1,757,603**	**1,265,353**	**950,929**	**—**	**—**	**392,596**	**617,061**	**56,849**	**—**	**5,040,391**
Significant accounting policies & notes	16										

As required by Section 40-B(4) of the Insurance Act, 1938 we certify that all expenses of Management in respect of life insurance business in India incurred by the Company have been fully debited to the Revenue Account as expenses.

The schedules and accompanying notes referred to herein form an integral part of the Revenue Account.

As per our report of even date attached.

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.301003E

per SHRAWAN JALAN
Partner
Membership No. 102102

For S.B.Billimoria & Co.
Chartered Accountants
ICAI Firm Registration No.101496W

SANJIV V. PILGAONKAR
Partner
Membership No. 39826

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson

V. SRIDAR
Director

K. RAMKUMAR
Director

SANDEEP BAKHSHI
Managing Director and CEO

SANDEEP BATRA
Executive Director

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Executive Vice President

SANAULLA KHAN
Company Secretary

Place : Mumbai
Date : April 22, 2014

FORM A-RA
ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED
Regn.No. 105 dated 24.11.2000

Policyholders' Account (Technical Account) (₹ in '000)

Particulars	Schedule	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group	Total
Premiums earned (net of service tax)											
(a) Premium	1	7,809,797	3,100,891	25,092,400	2,540,797	216,982	55,175,774	27,327,274	2,115,208	12,003,257	**135,382,380**
(b) Reinsurance ceded		(5,197)	(33)	(645,121)	—	(45,228)	(203,628)	(149)	(309,749)	(903)	**(1,210,008)**
(c) Reinsurance accepted		—	—	—	—	—	—	—	—	—	—
Sub-total		**7,804,600**	**3,100,858**	**24,447,279**	**2,540,797**	**171,754**	**54,972,146**	**27,327,125**	**1,805,459**	**12,002,354**	**134,172,372**
Income from Investments											
(a) Interest, dividend & rent - Gross		2,784,259	1,451,290	1,403,921	1,054,784	17,115	9,946,347	7,735,540	110,524	3,488,534	**27,992,314**
(b) Profit on sale/redemption of investments		309,406	257,173	294,643	65,628	5,367	19,466,486	13,075,347	98,897	1,729,968	**35,302,915**
(c) (Loss) on sale/redemption of investments		(50,953)	(24,474)	(21,854)	(2,873)	(181)	(8,739,042)	(7,200,772)	(76,494)	(430,867)	**(16,547,510)**
(d) Transfer/gain on revaluation/change in fair value		—	—	—	—	—	4,504,296	7,163,496	134,919	177,332	**11,980,043**
(e) Accretion of discount/(amortisation of premium) (net)		68,941	175,985	50,907	21,714	440	1,086,350	955,362	17,912	797,750	**3,175,361**
Sub-total		**3,111,653**	**1,859,974**	**1,727,617**	**1,139,253**	**22,741**	**26,264,437**	**21,728,973**	**285,758**	**5,762,717**	**61,903,123**
Other income											
Contribution from the Shareholders' account		—	—	4,751,303	118,027	543,128	—	—	—	—	**5,412,458**
Fees and charges		21,768	602	12,523	—	267	1,765	—	—	—	**36,925**
Miscellaneous income		17,791	281	69,543	1,095	603	97,694	8,436	5,546	2,786	**203,775**
Sub-total		**39,559**	**883**	**4,833,369**	**119,122**	**543,998**	**99,459**	**8,436**	**5,546**	**2,786**	**5,653,158**
Total (A)		**10,955,812**	**4,961,715**	**31,008,265**	**3,799,172**	**738,493**	**81,336,042**	**49,064,534**	**2,096,763**	**17,767,857**	**201,728,653**
Commission	2	685,178	6,162	4,519,058	1,233	8,956	2,000,362	344,979	88,219	21	7,654,168
Operating expenses related to Insurance business	3	1,548,587	34,005	7,166,175	97,403	53,363	6,142,480	1,457,947	458,964	172,150	**17,131,074**
Provision for doubtful debts		10,382	139	22,838	176	39	11,272	7,620	1,123	—	**53,589**
Bad debts written off		1,388	15	3,836	20	40	9,676	1,427	305	—	**16,707**
Provisions (other than taxation)											
(a) For diminution in the value of investments (net) - Refer note 3.14 of schedule 16		58,461	12,077	28,205	—	—	—	—	—	—	**98,743**
(b) Others		—	—	—	—	—	—	—	—	—	—
Service tax charge on linked charges		—	—	—	—	—	1,672,587	1,288,221	130,834	89,493	**3,181,135**
Total (B)		**2,303,996**	**52,398**	**11,740,112**	**98,832**	**62,398**	**9,836,377**	**3,100,194**	**679,445**	**261,664**	**28,135,416**
Benefits paid (net)	4	4,089,712	4,715,274	823,637	822,403	56,150	60,155,842	51,039,166	234,595	10,941,804	**132,878,583**
Interim bonus paid		47,369	1,323	—	—	—	—	—	—	—	**48,692**
Change in valuation of policy liabilities											
(a) Policy liabilities (non-unit/mathematical reserves)(gross)		3,928,606	(315,163)	20,612,547	2,896,387	704,849	507,475	3,818	(7,388)	(9,838)	**28,321,293**
(b) Amount ceded in reinsurance		—	—	(1,425,291)	—	—	—	—	—	—	**(1,425,291)**
(c) Amount accepted in reinsurance		—	—	—	—	—	—	—	—	—	—
(d) Fund reserve		—	—	—	—	—	2,266,932	(14,222,417)	1,024,836	6,328,753	**(4,601,896)**
(e) Funds for discontinued policies		—	—	—	—	—	3,636,635	—	—	—	**3,636,635**
Total (C)		**8,065,687**	**4,401,434**	**20,010,893**	**3,718,790**	**760,999**	**66,566,884**	**36,820,567**	**1,252,043**	**17,260,719**	**158,858,016**
Surplus/(deficit) (D) =(A)-(B)-(C)		**586,129**	**507,883**	**(742,740)**	**(18,450)**	**(84,904)**	**4,932,781**	**9,143,773**	**165,275**	**245,474**	**14,735,221**
Provision for taxation											
(a) Current tax credit/(charge)		—	—	—	—	—	—	—	—	—	—
(b) Deferred tax credit/(charge) - Refer note 3.19 of schedule 16		(234,428)	—	742,740	18,450	84,904	(794,594)	—	(22,344)	(33,186)	**(238,458)**
Surplus/(deficit) after tax		**351,701**	**507,883**	—	—	—	**4,138,187**	**9,143,773**	**142,931**	**212,288**	**14,496,763**
Appropriations											
Transfer to Shareholders' account		127,548	126,938	—	—	—	5,913,266	10,552,638	73,710	212,288	**17,006,388**
Transfer to other Reserves		—	—	—	—	—	—	—	—	—	—
Balance being funds for future appropriations		224,153	380,945	—	—	—	(1,775,079)	(1,408,865)	69,221	—	**(2,509,625)**
Total		**351,701**	**507,883**	—	—	—	**4,138,187**	**9,143,773**	**142,931**	**212,288**	**14,496,763**
Details of surplus before tax											
(a) Interim bonuses paid		47,369	1,323	—	—	—	—	—	—	—	**48,692**
(b) Allocation of bonus to policyholders'		1,100,566	1,141,120	—	—	—	—	—	—	—	**2,241,686**
(c) Surplus shown in the Revenue Account		586,129	507,883	—	—	—	4,932,781	9,143,773	165,275	245,474	**15,581,315**
Total surplus		**1,734,064**	**1,650,326**	—	—	—	**4,932,781**	**9,143,773**	**165,275**	**245,474**	**17,871,693**
Funds for future appropriations											
Opening Balance as at April 1, 2012		681,524	474,378	—	—	—	3,038,827	3,397,440	—	—	**7,592,169**
Add: Current year appropriations		224,153	380,945	—	—	—	(1,775,079)	(1,408,865)	69,221	—	**(2,509,625)**
Balance carried forward to Balance Sheet		**905,677**	**855,323**	—	—	—	**1,263,748**	**1,988,575**	**69,221**	—	**5,082,544**
Significant accounting policies & notes	16										

As required by Section 40-B(4) of the Insurance Act, 1938 we certify that all expenses of Management in respect of life insurance business in India incurred by the Company have been fully debited to the Policyholders' Revenue Account as expenses.

The Schedules and accompanying notes referred to herein form an integral part of the Policyholders' Revenue Account.

As per our report of even date attached.

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.301003E

per SHRAWAN JALAN
Partner
Membership No. 102102

For S.B.Billimoria & Co.
Chartered Accountants
ICAI Firm Registration No.101496W

SANJIV V. PILGAONKAR
Partner
Membership No. 39826

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson

V. SRIDAR
Director

K. RAMKUMAR
Director

SANDEEP BAKHSHI
Managing Director and CEO

SANDEEP BATRA
Executive Director

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Executive Vice President

SANAULLA KHAN
Company Secretary

Place : Mumbai
Date : April 22, 2014

ICICI PRUDENTIAL LIFE INSURANCE

for the year ended March 31, 2014 | **at March 31, 2014**

Form A-PL
ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED
Regn.No. 105 dated 24.11.2000
Shareholders' Account (Non-Technical Account)

(₹ in '000)

Particulars	Schedule	March 31, 2014	*March 31, 2013*
Amounts transferred from Policyholders' account (Technical account)		**12,641,803**	*17,006,388*
Income from investments			
(a) Interest, dividend & rent - Gross		**3,592,152**	*3,003,955*
(b) Profit on sale/redemption of investments		**1,432,038**	*1,061,218*
(c) (Loss) on sale/redemption of investments		**(1,318,724)**	(162,617)
(d) Accretion of discount/(amortisation of premium) (net)		**169,417**	*253,310*
Other income		**99,067**	*4,764*
Total (A)		**16,615,753**	21,167,018
Expenses other than those directly related to the insurance business	3A	**114,134**	*58,462*
Bad debts written-off		**—**	—
Provisions (other than taxation)			
(a) For diminution in value of investments (net) - Refer note 3.14 of schedule 16		**263,006**	—
(b) Provision for doubtful debts		**—**	—
Contribution to Policyholders' account (Technical account)		**946,523**	**5,412,458**
Total (B)		**1,323,663**	*5,470,920*
Profit before Tax		**15,292,090**	*15,696,098*
Provision for Taxation			
(a) Current tax credit/(charge)		**—**	—
(b) Deferred tax credit/(charge) - Refer note 3.19 of schedule 16		**374,465**	*(736,706)*
Profit after Tax		**15,666,555**	**14,959,392**
Appropriations			
(a) Balance at the beginning of the year		**(11,643,468)**	*(19,466,995)*
(b) Interim dividends paid during the period - Refer note 3.39 of schedule 16		**7,931,517**	*3,429,335*
(c) Proposed final dividend - Refer note 3.39 of schedule 16		**3,001,437**	*1,413,959*
(d) Dividend distribution tax		**1,858,055**	*796,632*
(e) Transfer to general reserve - Refer note 3.39 of schedule 16		**1,566,656**	*1,495,939*
Loss carried to Balance Sheet - Refer note 3.40 of schedule 16		**(10,334,578)**	*(11,643,468)*
Earnings per equity share - Refer note 3.31 of schedule 16			
Basic earnings per equity share ₹		**10.96**	*10.47*
Diluted earnings per equity share ₹		**10.94**	*10.44*
Nominal value per equity share ₹		**10.00**	*10.00*
Significant accounting policies & notes	16		

The Schedules and accompanying notes referred to herein form an integral part of the Profit and Loss Account.

Form A-BS

(₹ in '000)

Particulars	Schedule	March 31, 2014	*March 31, 2013*
Sources of funds			
Shareholders' funds :			
Share capital	5	**14,292,557**	*14,289,392*
Share application money		**984**	—
Reserve and surplus	6	**33,663,847**	*33,645,103*
Credit/[debit] fair value change account		**1,860,657**	*477,588*
Sub - total		**49,818,045**	*48,412,083*
Borrowings	7	**—**	—
Policyholders' funds :			
Credit/[debit] fair value change account		**4,794,024**	*2,478,035*
Revaluation reserve - Investment property- Refer note 3.13 of schedule 16		**668,879**	*704,479*
Policy liabilities (A)+(B)+(C)		**740,779,201**	*684,161,856*
Non unit liabilities (mathematical reserves) (A)		**138,124,872**	*110,276,000*
Provision for linked liabilities (fund reserves) (B)		**591,373,652**	*569,584,031*
(a) Provision for linked liabilities		**523,002,342**	*530,343,030*
(b) Credit/[debit] fair value change account (Linked)		**68,371,310**	*39,241,001*
Funds for discontinued policies (C) - Refer note 3.37 of schedule 16		**11,280,677**	*4,301,825*
(a) Discontinued on account of non-payment of premium		**11,285,434**	*4,302,659*
(b) Other discontinuance		**—**	—
(c) Credit/[debit] fair value change account		**(4,757)**	*(834)*
Total linked liabilities (B)+(C)		**602,654,329**	*573,885,856*
Sub - total		**746,242,104**	*687,344,370*
Funds for Future Appropriations			
- Linked - Refer note 3.32 of schedule 16		**449,992**	*1,322,418*
- Non linked		**4,590,399**	*3,760,126*
Sub - total		**5,040,391**	*5,082,544*
Total		**801,100,540**	*740,838,997*
Application of funds			
Investments			
- Shareholders'	8	**53,527,703**	*49,199,607*
- Policyholders'	8A	**144,567,076**	*112,869,878*
Asset held to cover linked liabilities	8B	**603,104,321**	*575,208,274*
Loans	9	**119,076**	*87,469*
Fixed assets - net block	10	**2,015,439**	*1,722,384*
Deferred tax asset - Refer note 3.19 of schedule 16		**15,295**	*78,197*
Current assets			
- Cash and bank balances	11	**1,934,384**	*3,247,600*
- Advances and other assets	12	**9,642,058**	*9,846,435*
Sub-total (A)		**11,576,442**	*13,094,035*
Current liabilities	13	**16,066,435**	*18,431,052*
Provisions	14	**3,646,186**	*1,753,150*
Sub-total (B)		**19,712,621**	*20,184,202*
Net current assets (C) = (A-B)		**(8,136,179)**	*(7,090,167)*
Miscellaneous expenditure (to the extent not written-off or adjusted)	15	**—**	—
Debit Balance in Profit & Loss Account (Shareholders' account) - Refer note 3.40 of schedule 16		**5,887,809**	*8,763,355*
Total		**801,100,540**	*740,838,997*
Contingent liabilities - Refer note 3.1 of schedule 16		**1,987,821**	*1,785,214*
Significant accounting policies & notes	16		

The Schedules and accompanying notes referred to herein form an integral part of the Balance Sheet.

As per our report of even date attached.

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.301003E

per SHRAWAN JALAN
Partner
Membership No. 102102

For S.B.Billimoria & Co.
Chartered Accountants
ICAI Firm Registration No.101496W

SANJIV V. PILGAONKAR
Partner
Membership No. 39826

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson

V. SRIDAR
Director

K. RAMKUMAR
Director

SANDEEP BAKHSHI
Managing Director and CEO

SANDEEP BATRA
Executive Director

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Executive Vice President

SANAULLA KHAN
Company Secretary

Place : Mumbai
Date : April 22, 2014

receipts & payments account

for the year ended March 31, 2014

(₹ in '000)

Particulars	FY2014		FY2013	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers:				
Premium and other receipts		**146,536,074**		*160,089,949*
Cash paid towards operating activities:				
Commission paid	**(6,388,108)**		*(7,223,531)*	
Policy benefits paid	**(120,826,433)**		*(133,363,388)*	
Other expenses	**(42,212,848)**		*(45,276,629)*	
Reinsurance premium ceded (net of recovery amount)	**(704,627)**		*(456,054)*	
Advances and deposits	**(3,036)**		*59,178*	
Taxes paid	**(83,203)**	**(170,218,255)**	*(350,001)*	*(186,610,425)*
Net cash from operating activities (A)		**(23,682,181)**		*(26,520,476)*
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of fixed assets	**(786,859)**		*(345,788)*	
Sale of fixed assets	**35,455**	**(751,404)**	*20,298*	*(325,490)*
Purchase of investments		**(956,390,141)**		*(985,223,411)*
Loan		**(31,607)**		*8,271*
Sale of investments		**986,816,467**		*962,797,957*
Advance paid towards investment property		**(36,374)**		*—*
Interest & rent received (net of Tax deducted at source)		**28,637,016**		*22,544,432*
Dividend received		**6,294,042**		*6,239,115*
Investments in money market instruments and in liquid mutual funds (net)*		**(4,381,580)**		*9,722,257*
Expense related to investment		**(14,150)**		*(11,931)*
Net cash from investing activities (B)		**60,142,269**		*15,751,200*
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of share capital		**4,149**		*901*
Share premium on capital issued		**18,744**		*5,588*
Final Dividend		**(1,414,650)**		*(1,000,194)*
Interim Dividend Paid		**(7,931,517)**		*(3,429,335)*
Dividend Distribution tax paid		**(1,588,381)**		*(718,581)*
Net cash used in financing activities (C)		**(10,911,655)**		*(5,141,621)*
Effect of foreign exchange rates on cash and cash equivalents (net) (D)		**490**		*169*
Net increase in cash and cash equivalents (A+B+C+D)		**25,548,923**		*(15,910,728)*
Cash and cash equivalents at beginning of the year		**16,031,274**		*31,942,002*
Cash and cash equivalents at end of the year		**41,580,197**		*16,031,274*
Note:				
Cash and cash equivalents at the end of the year				
- Cash (Including cheques in hand and stamps in hand)		**1,515,512**		*1,689,481*
- Bank Balances and Money at call and short notice		**1,436,209**		*1,643,913*
[Including bank balance for linked business of				
₹ 1,017,337 thousands (₹ 85,794 thousands at March 31, 2013)				
- Other short term liquid investment.				
[Forming part of investments in financials]		**38,628,476**		*12,697,880*
		41,580,197		*16,031,274*

For Cash and cash equivalents - Refer note 2.19 of Schedule 16

The above Receipts and payments account has been prepared as prescribed by Insurance Regulatory and Development Authority (Preparation of financial statements and auditor's report of insurance companies) Regulations, 2002 under the "Direct method" in accordance with Accounting Standard 3 Cash Flow Statements notified under Companies (Accounting Standard) Rules, 2006.

As per our report of even date attached.

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.301003E

per SHRAWAN JALAN
Partner
Membership No. 102102

For S.B.Billimoria & Co.
Chartered Accountants
ICAI Firm Registration No.101496W

SANJIV V. PILGAONKAR
Partner
Membership No. 39826

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson

V. SRIDAR
Director

K. RAMKUMAR
Director

SANDEEP BAKHSHI
Managing Director and CEO

SANDEEP BATRA
Executive Director

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Executive Vice President

SANAULLA KHAN
Company Secretary

Place : Mumbai
Date : April 22, 2014

SCHEDULE – 1
PREMIUM (net of service tax)

For the year ended March 31, 2014 (₹ in '000)

Particulars	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group	Total
First year premiums	6,034,010	6	4,808,718	—	4,513	20,792,023	516,552	186,881	509,043	**32,851,746**
Renewal premiums	6,150,120	1,585,679	18,437,975	—	184,930	40,972,797	13,212,047	1,804,342	4,342,683	**86,690,573**
Single premiums	—	—	1,187,056	2,281,257	—	927,630	268,914	—	79,319	**4,744,176**
Total premium	**12,184,130**	**1,585,685**	**24,433,749**	**2,281,257**	**189,443**	**62,692,450**	**13,997,513**	**1,991,223**	**4,931,045**	**124,286,495**
Premium Income from business written :										
In India	12,184,130	1,585,685	24,433,749	2,281,257	189,443	62,692,450	13,997,513	1,991,223	4,931,045	**124,286,495**
Outside India	—	—	—	—	—	—	—	—	—	**—**
Total premium	**12,184,130**	**1,585,685**	**24,433,749**	**2,281,257**	**189,443**	**62,692,450**	**13,997,513**	**1,991,223**	**4,931,045**	**124,286,495**

For the year ended March 31, 2013 (₹ in '000)

Particulars	*Par Life*	*Par Pension*	*Non Par*	*Annuity Non Par*	*Health*	*Linked Life*	*Linked Pension*	*Linked Health*	*Linked Group*	*Total*
First year premiums	*2,090,030*	*921,615*	*13,260,687*	—	*11,208*	*17,238,295*	*270,042*	*451,853*	*7,597,539*	***41,841,269***
Renewal premiums	*5,719,767*	*2,179,276*	*8,915,020*	—	*205,774*	*37,342,024*	*26,865,294*	*1,663,355*	*4,405,718*	***87,296,228***
Single premiums	—	—	*2,916,693*	*2,540,797*	—	*595,455*	*191,938*	—	—	***6,244,883***
Total premium	***7,809,797***	***3,100,891***	***25,092,400***	***2,540,797***	***216,982***	***55,175,774***	***27,327,274***	***2,115,208***	***12,003,257***	***135,382,380***
Premium income from business written :										
In India	*7,809,797*	*3,100,891*	*25,092,400*	*2,540,797*	*216,982*	*55,175,774*	*27,327,274*	*2,115,208*	*12,003,257*	***135,382,380***
Outside India	—	—	—	—	—	—	—	—	—	—
Total premium	***7,809,797***	***3,100,891***	***25,092,400***	***2,540,797***	***216,982***	***55,175,774***	***27,327,274***	***2,115,208***	***12,003,257***	***135,382,380***

Note: Refer Schedule 16 Note 2.3.1 for accounting policy on Premium recognition.

SCHEDULE – 2
COMMISSION EXPENSES

For the year ended March 31, 2014 (₹ in '000)

Particulars	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group	Total
Commission										
Direct – First year premiums	1,297,549	—	1,441,015	—	1,210	1,912,818	17,828	26,755	6	**4,697,181**
– Renewal premiums	222,500	3,376	686,875	—	4,794	501,356	119,300	23,444	—	**1,561,645**
– Single premiums	—	—	3,610	1,266	—	10,341	746	—	61	**16,024**
Total	**1,520,049**	**3,376**	**2,131,500**	**1,266**	**6,004**	**2,424,515**	**137,874**	**50,199**	**67**	**6,274,850**
Add: commission on re-insurance accepted	—	—	—	—	—	—	—	—	—	**—**
Less: commission on re-insurance ceded	—	—	—	—	—	—	—	—	—	**—**
Net commission	**1,520,049**	**3,376**	**2,131,500**	**1,266**	**6,004**	**2,424,515**	**137,874**	**50,199**	**67**	**6,274,850**
Break-up of the commission by distribution network										
Individual agents	741,134	2,836	590,416	897	4,301	443,108	63,925	45,140	6	**1,891,763**
Corporate agents	626,854	526	1,221,035	350	1,450	1,950,262	54,421	2,346	—	**3,857,244**
Brokers	152,061	14	320,049	19	253	31,145	19,528	2,713	61	**525,843**
Total commission	**1,520,049**	**3,376**	**2,131,500**	**1,266**	**6,004**	**2,424,515**	**137,874**	**50,199**	**67**	**6,274,850**

For the year ended March 31, 2013 (₹ in '000)

Particulars	*Par Life*	*Par Pension*	*Non Par*	*Annuity Non Par*	*Health*	*Linked Life*	*Linked Pension*	*Linked Health*	*Linked Group*	*Total*
Commission										
Direct – First year premiums	*490,077*	*66*	*4,186,566*	—	*2,741*	*1,546,120*	*17,258*	*61,783*	*21*	***6,304,632***
– Renewal premiums	*195,101*	*6,096*	*329,198*	—	*6,215*	*449,344*	*327,186*	*26,436*	—	***1,339,576***
– Single premiums	—	—	*3,294*	*1,233*	—	*4,898*	*535*	—	—	***9,960***
Total	***685,178***	***6,162***	***4,519,058***	***1,233***	***8,956***	***2,000,362***	***344,979***	***88,219***	***21***	***7,654,168***
Add: commission on re-insurance accepted	—	—	—	—	—	—	—	—	—	—
Less: commission on re-insurance ceded	—	—	—	—	—	—	—	—	—	—
Net commission	***685,178***	***6,162***	***4,519,058***	***1,233***	***8,956***	***2,000,362***	***344,979***	***88,219***	***21***	***7,654,168***
Break-up of the commission by distribution network										
Individual agents	*510,414*	*4,808*	*1,419,693*	*500*	*6,642*	*577,541*	*172,973*	*77,576*	*21*	***2,770,168***
Corporate agents	*128,125*	*1,337*	*2,399,499*	*694*	*1,933*	*1,374,903*	*131,793*	*5,559*	—	***4,043,843***
Brokers	*46,639*	*17*	*699,866*	*39*	*381*	*47,918*	*40,213*	*5,084*	—	***840,157***
Total commission	***685,178***	***6,162***	***4,519,058***	***1,233***	***8,956***	***2,000,362***	***344,979***	***88,219***	***21***	***7,654,168***

Note: Refer Schedule 16 Note 2.4 for accounting policy on Acquisition cost.

SCHEDULE – 3
OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

For the year ended March 31, 2014 (₹ in '000)

Particulars	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group	Total
Employees' remuneration and welfare benefits	1,573,671	19,815	1,628,252	12,301	16,653	3,023,471	611,013	165,230	76,304	7,126,710
Travel, conveyance and vehicle running expenses	51,735	244	59,868	638	1,039	178,810	28,961	4,511	13,980	339,786
Agents training, recruitment and incentives	236,068	3	139,147	1,095	245	182,587	18,426	12,656	1,823	592,050
Rents, rates and taxes	144,621	800	162,909	2,450	1,371	438,006	69,810	10,284	9,612	839,863
Repairs	40,013	846	31,127	212	603	156,603	47,908	3,934	3,216	284,462
Printing and stationery	9,418	157	12,002	234	273	16,477	7,838	1,025	32,940	80,364
Communication expenses	126,011	2,163	116,230	1,448	3,930	257,721	85,518	13,275	1,561	607,857
Legal and professional charges	154,620	1,519	110,403	2,709	2,097	210,723	64,064	9,994	7,881	564,010
Medical fees	3,247	—	8,843	89	103	5,812	45	1,175	237	19,551
Auditors' fees, expenses among others :										
(a) as auditor	2,920	43	2,388	57	50	4,657	1,473	283	—	11,871
(b) as advisor or in any other capacity, in respect of										
(i) Taxation matters	—	—	—	—	—	—	—	—	—	—
(ii) Insurance matters	—	—	—	—	—	—	—	—	—	—
(iii) Management services; and	—	—	—	—	—	—	—	—	—	—
(c) in any other capacity (for certification)	36	—	38	—	2	93	50	6	—	225
Advertisement and publicity	183,745	30	231,473	1,374	377	541,513	95,348	7,427	1,013	1,062,300
Interest and bank charges	13,440	461	28,381	2,587	251	71,694	21,350	1,521	7,986	147,671
Others										
Administration support expenses	433,689	—	325,210	5,169	192	1,446,103	50,664	10,962	—	2,271,989
Business conferences and meetings	132,472	2	56,736	197	202	162,812	13,221	2,307	396	368,345
Information technology cost	113,083	725	69,980	2,535	1,519	144,433	26,839	5,683	(129)	364,668
Office running expenses	58,576	356	63,030	1,033	676	162,971	31,840	4,193	3,173	325,848
Data entry related expenses	34,065	727	32,967	492	1,142	65,247	25,221	3,743	2,876	166,480
Miscellaneous expenses	53,868	244	159,863	3,434	344	186,230	57,610	4,907	4,484	470,984
Depreciation	89,064	478	83,030	1,460	707	260,165	23,402	4,593	5,314	468,213
Service tax expenses	3,367	1,377	14,925	181	(495)	32,807	(10,770)	13,921	45	55,358
Total	**3,457,729**	**29,990**	**3,336,802**	**39,695**	**31,281**	**7,548,935**	**1,269,831**	**281,630**	**172,712**	**16,168,605**

For the year ended March 31, 2013 (₹ in '000)

Particulars	*Par Life*	*Par Pension*	*Non Par*	*Annuity Non Par*	*Health*	*Linked Life*	*Linked Pension*	*Linked Health*	*Linked Group*	*Total*
Employees' remuneration and welfare benefits	*786,591*	*22,541*	*3,415,306*	*7,439*	*26,281*	*2,431,814*	*681,261*	*256,033*	*64,103*	*7,691,369*
Travel, conveyance and vehicle running expenses	*21,397*	*301*	*130,017*	*271*	*704*	*167,881*	*34,537*	*7,608*	*12,719*	*375,435*
Agents training, recruitment and incentives	*126,659*	*470*	*923,478*	*352*	*1,300*	*485,566*	*86,048*	*23,122*	*3,407*	*1,650,402*
Rents, rates and taxes	*81,841*	*1,237*	*324,271*	*1,188*	*3,170*	*413,582*	*93,966*	*33,998*	*10,562*	*963,815*
Repairs	*27,855*	*478*	*97,156*	*399*	*1,052*	*131,237*	*37,313*	*9,867*	*3,296*	*308,653*
Printing and stationery	*11,730*	*450*	*18,330*	*79*	*878*	*39,807*	*27,588*	*2,515*	*34,867*	*136,244*
Communication expenses	*83,753*	*2,690*	*160,827*	*470*	*6,249*	*274,148*	*125,019*	*18,399*	*1,353*	*672,908*
Legal and professional charges	*56,571*	*838*	*152,586*	*588*	*2,077*	*123,194*	*42,169*	*9,566*	*3,771*	*391,360*
Medical fees	*2,744*	—	*20,184*	*142*	*327*	*7,859*	*164*	*3,391*	*96*	*34,907*
Auditors' fees, expenses among others :										
(a) as auditor	*1,495*	*21*	*3,926*	*24*	*59*	*3,772*	*933*	*339*	—	*10,569*
(b) as advisor or in any other capacity, in respect of			—	—	—					
(i) Taxation matters	—	—	—	—	—	—	—	—	—	—
(ii) Insurance matters	—	—	—	—	—	—	—	—	—	—
(iii) Management services; and	—	—	—	—	—	—	—	—	—	—
(c) in any other capacity (for certification)	*34*	—	*78*	*1*	*1*	*82*	*20*	*9*	—	*225*
Advertisement and publicity	*60,404*	*712*	*517,741*	*363*	*1,049*	*578,348*	*132,620*	*13,345*	*661*	*1,305,243*
Interest and bank charges	*6,506*	*506*	*21,824*	*2,836*	*176*	*55,612*	*30,127*	*2,132*	*16,263*	*135,982*
Others										
Administration support expenses	*52,667*	—	*388,431*	*550*	*263*	*529,012*	*16,012*	*12,775*	—	*999,710*
Business conferences and meetings	*38,652*	*152*	*335,363*	*62*	*690*	*139,698*	*29,293*	*3,915*	*5*	*547,830*
Information technology cost	*44,438*	*911*	*98,336*	*657*	*2,348*	*123,778*	*41,144*	*10,036*	—	*321,648*
Office running expenses	*29,988*	*529*	*103,800*	*415*	*1,230*	*129,571*	*40,873*	*10,344*	*2,891*	*319,641*
Data entry related expenses	*27,994*	*844*	*54,793*	*212*	*2,020*	*89,777*	*38,900*	*5,585*	*692*	*220,817*
Miscellaneous expenses	*15,893*	*340*	*143,595*	*67,760*	*1,143*	*132,241*	*(38,429)*	*6,454*	*11,930*	*340,927*
Depreciation	*34,190*	*393*	*154,081*	*507*	*1,141*	*179,850*	*20,822*	*13,900*	*4,729*	*409,613*
Service tax expenses	*37,185*	*592*	*102,052*	*13,088*	*1,205*	*105,651*	*17,567*	*15,631*	*805*	*293,776*
Total	***1,548,587***	***34,005***	***7,166,175***	***97,403***	***53,363***	***6,142,480***	***1,457,947***	***458,964***	***172,150***	***17,131,074***

SCHEDULE – 3A
EXPENSES OTHER THAN THOSE DIRECTLY RELATED TO THE INSURANCE BUSINESS

For the year ended March 31, 2014 (₹ in '000)

Particulars	March 31, 2014	*March 31, 2013*
Employees' remuneration and welfare benefits	**65,638**	*35,390*
Travel, conveyance and vehicle running expenses	**13**	*26*
Rent, rates and taxes	**290**	*385*
Printing and stationery	**4**	—
Communication expenses	**46**	*49*
Legal and professional charges	**299**	*3*
Interest and bank charges	**883**	*1,619*
Others	**46,802**	*20,811*
Depreciation	**159**	*179*
Total	**114,134**	*58,462*

SCHEDULE – 4
BENEFITS PAID [NET]

For the year ended March 31, 2014 (₹ in '000)

Particulars	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group	Total
1 **Insurance claims**										
(a) Claims by death	212,368	15,060	1,124,238	62,738	—	1,378,555	778,803	4,685	84,094	3,660,541
(b) Claims by maturity	525,074	134,486	8,197	—	—	330,513	1,036,026	—	—	2,034,296
(c) Annuities/pension payment	—	—	—	952,368	—	—	—	—	—	952,368
(d) Other benefits										
- Surrender/Withdrawal	967,032	4,298,117	329,948	—	—	49,162,625	50,285,398	—	8,022,713	113,065,833
- Survival	1,166,136	—	—	—	—	—	—	—	—	1,166,136
- Rider	21,591	1,595	24,555	—	—	42,164	3,301	—	—	93,206
- Health	—	—	9,305	—	67,946	—	—	523,728	—	600,979
Sub total (A)	**2,892,201**	**4,449,258**	**1,496,243**	**1,015,106**	**67,946**	**50,913,857**	**52,103,528**	**528,413**	**8,106,807**	**121,573,359**
2 **(Amount ceded in reinsurance)**										
(a) Claims by death	—	—	(359,706)	—	—	(182,390)	—	—	(993)	(543,089)
(b) Claims by maturity	—	—	—	—	—	—	—	—	—	—
(c) Annuities/pension payment	—	—	—	—	—	—	—	—	—	—
(d) Other benefits										
- Surrender/withdrawal	—	—	—	—	—	—	—	—	—	—
- Survival	—	—	—	—	—	—	—	—	—	—
- Rider	—	—	—	—	—	—	—	—	—	—
- Health	—	—	(2,075)	—	(33,761)	—	—	(254,809)	—	(290,645)
Sub total (B)	**—**	**—**	**(361,781)**	**—**	**(33,761)**	**(182,390)**	**—**	**(254,809)**	**(993)**	**(833,734)**
3 **Amount accepted in reinsurance**										
(a) Claims by death	—	—	—	—	—	—	—	—	—	—
(b) Claims by maturity	—	—	—	—	—	—	—	—	—	—
(c) Annuities/pension payment	—	—	—	—	—	—	—	—	—	—
(d) Other benefits	—	—	—	—	—	—	—	—	—	—
Sub total (C)	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total (A) + (B) + (C)	**2,892,201**	**4,449,258**	**1,134,462**	**1,015,106**	**34,185**	**50,731,467**	**52,103,528**	**273,604**	**8,105,814**	**120,739,625**
Benefits paid to claimants:										
In India	2,892,201	4,449,258	1,496,243	1,015,106	67,946	50,913,857	52,103,528	528,413	8,106,807	121,573,359
Outside India	—	—	—	—	—	—	—	—	—	—
Total	**2,892,201**	**4,449,258**	**1,496,243**	**1,015,106**	**67,946**	**50,913,857**	**52,103,528**	**528,413**	**8,106,807**	**121,573,359**

For the year ended March 31, 2013 (₹ in '000)

Particulars	*Par Life*	*Par Pension*	*Non Par*	*Annuity Non Par*	*Health*	*Linked Life*	*Linked Pension*	*Linked Health*	*Linked Group*	*Total*
1 **Insurance claims**										
(a) Claims by death	*135,918*	*12,505*	*845,881*	*22,900*	—	*1,182,900*	*925,603*	*3,486*	*68,320*	*3,197,513*
(b) Claims by maturity	*331,037*	*165,804*	*207,732*	—	—	*141,778*	*592,705*	—	—	*1,439,056*
(c) Annuities/pension payment	—	—	—	*799,503*	—	—	—	—	—	*799,503*
(d) Other benefits										
- Surrender/withdrawal	*2,951,446*	*4,536,452*	*195,258*	—	—	*58,852,631*	*49,517,084*	—	*10,873,611*	*126,926,482*
- Survival	*651,650*	—	—	—	—	—	—	—	—	*651,650*
- Rider	*19,661*	*513*	*11,764*	—	—	*55,862*	*3,774*	—	—	*91,574*
- Health	—	—	*16,490*	—	*104,411*	—	—	*447,470*	—	*568,371*
Sub total (A)	***4,089,712***	***4,715,274***	***1,277,125***	***822,403***	***104,411***	***60,233,171***	***51,039,166***	***450,956***	***10,941,931***	***133,674,149***
2 **(Amount ceded in reinsurance)**										
(a) Claims by death	—	—	*(450,788)*	—	—	*(77,329)*	—	—	*(127)*	*(528,244)*
(b) Claims by maturity	—	—	—	—	—	—	—	—	—	—
(c) Annuities/pension payment	—	—	—	—	—	—	—	—	—	—
(d) Other benefits										
- Surrender/withdrawal	—	—	—	—	—	—	—	—	—	—
- Survival	—	—	—	—	—	—	—	—	—	—
- Rider	—	—	—	—	—	—	—	—	—	—
- Health	—	—	*(2,700)*	—	*(48,261)*	—	—	*(216,361)*	—	*(267,322)*
Sub total (B)	**—**	**—**	***(453,488)***	**—**	***(48,261)***	***(77,329)***	**—**	***(216,361)***	***(127)***	***(795,566)***
3 **Amount accepted in reinsurance**										
(a) Claims by death	—	—	—	—	—	—	—	—	—	—
(b) Claims by maturity	—	—	—	—	—	—	—	—	—	—
(c) Annuities/pension payment	—	—	—	—	—	—	—	—	—	—
(d) Other benefits	—	—	—	—	—	—	—	—	—	—
Sub total (C)	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total (A) + (B) + (C)	***4,089,712***	***4,715,274***	***823,637***	***822,403***	***56,150***	***60,155,842***	***51,039,166***	***234,595***	***10,941,804***	***132,878,583***
Benefits paid to claimants:										
In India	*4,089,712*	*4,715,274*	*1,277,125*	*822,403*	*104,411*	*60,233,171*	*51,039,166*	*450,956*	*10,941,931*	*133,674,149*
Outside India	—	—	—	—	—	—	—	—	—	—
Total	***4,089,712***	***4,715,274***	***1,277,125***	***822,403***	***104,411***	***60,233,171***	***51,039,166***	***450,956***	***10,941,931***	***133,674,149***

Note: Refer Schedule 16 Note 2.8 for accounting policy on Benefits paid.

SCHEDULE – 5
SHARE CAPITAL

(₹ in '000)

Particulars	March 31, 2014	*March 31, 2013*
Authorised capital		
1,500,000,000 Equity shares of ₹ 10 each	**15,000,000**	*15,000,000*
Issued, subscribed and called-up capital		
1,429,255,687 Equity shares of ₹ 10 each fully paid up (Previous year: March 31, 2013 1,428,939,249 Equity shares)	**14,292,557**	*14,289,392*
Total	**14,292,557**	*14,289,392*

Out of the total share capital, 1,055,310,907 shares (Previous Year: March 31, 2013 - 1,055,310,907) of ₹ 10 each are held by the holding company, ICICI Bank Limited.

SCHEDULE – 5A
PATTERN OF SHAREHOLDING
[As certified by the Management]

Shareholder	March 31, 2014		*March 31, 2013*	
	Number of shares	% of holding	*Number of shares*	*% of holding*
Promoters				
Indian (ICICI Bank Limited)	**1,055,310,907**	**73.84**	*1,055,310,907*	*73.85*
Foreign (Prudential Corporation Holdings Limited)	**370,784,884**	**25.94**	*370,784,884*	*25.95*
Others	**3,159,896**	**0.22**	*2,843,458*	*0.20*
Total	**1,429,255,687**	**100.00**	*1,428,939,249*	*100.00*

SCHEDULE 6
RESERVES AND SURPLUS

(₹ in '000)

Particulars	March 31, 2014	*March 31, 2013*
Capital reserves	—	—
Capital redemption reserve	—	—
Share premium	**33,663,847**	*33,645,103*
Revaluation reserve	—	—
General reserve		
Opening balance	**2,880,113**	*1,384,174*
Add: Appropriations from Profit and Loss - Refer note 3.39 of schedule 16	**1,566,656**	*1,495,939*
Closing balance	**4,446,769**	*2,880,113*
Less: Debit balance in Profit and Loss Account - Refer note 3.40 of schedule 16	**(4,446,769)**	*(2,880,113)*
Less: Amount utilized for buy-back	—	—
Catastrophe reserve	—	—
Other reserves	—	—
Balance of profit in Profit and Loss Account	—	—
Total	**33,663,847**	*33,645,103*

SCHEDULE 7
BORROWINGS

(₹ in '000)

Particulars	March 31, 2014	*March 31, 2013*
Debentures / bonds	—	—
Banks	—	—
Financial institutions	—	—
Others	—	—
Total	—	—

SCHEDULE - 8
INVESTMENTS- SHAREHOLDERS

(₹ in '000)

Particulars	March 31, 2014	*March 31, 2013*
Long term investment		
Government securities[1] (Market value at March 31, 2014: ₹ 12,136,145 thousands) (Market value at March 31, 2013: ₹ 13,265,604 thousands)	**12,502,889**	*13,213,021*
Other approved securities (Market value at March 31, 2014: ₹ 1,721,809 thousands) (Market value at March 31, 2013: ₹ 2,210,664 thousands)	**1,703,767**	*2,205,313*
Other approved investments		
Equity shares (Historical value at March 31, 2014: ₹ 5,998,770 thousands) (Historical value at March 31, 2013: ₹ 6,230,713 thousands)	**7,840,062**	*6,699,157*
Debentures/bonds (Market value at March 31, 2014: ₹ 4,343,012 thousands) (Market value at March 31, 2013: ₹ 4,409,885 thousands)	**4,351,641**	*4,327,397*
Investments in subsidiary[4]	**270,000**	*270,000*
CCIL deposit (Market value at March 31, 2014: ₹ 70,029 thousands) (Market value at March 31, 2013: ₹ 60,029 thousands)	**70,029**	*60,029*
Fixed deposits (Market value at March 31, 2014: ₹ 1,140,200 thousands) (Market value at March 31, 2013: ₹ 3,011,200 thousands)	**1,140,200**	*3,011,200*
Investments in infrastructure/housing sector		
Debentures/bonds (Market value at March 31, 2014: ₹ 7,751,837 thousands) (Market value at March 31, 2013: ₹ 8,730,357 thousands)	**7,905,914**	*8,619,914*
Equity shares (Historical value at March 31, 2014: ₹ 328,048 thousands) (Historical value at March 31, 2013: ₹ 450,153 thousands)	**306,464**	*444,332*
Other investments		
Debentures/bonds (Market value at March 31, 2014: ₹ 1,051,563 thousands) (Market value at March 31, 2013: ₹ 655,606 thousands)	**1,000,000**	*612,153*
Equity shares (Historical value at March 31, 2014: ₹ 647,057 thousands) (Historical value at March 31, 2013: ₹ 553,372 thousands)	**687,195**	*568,336*
Short term investment		
Government securities (Market value at March 31, 2014: ₹ 1,844,444 thousands) (Market value at March 31, 2013: ₹ 575,216 thousands)	**1,844,616**	*575,212*
Other approved securities (Market value at March 31, 2014: ₹ 544 thousands) (Market value at March 31, 2013: ₹ Nil)	**545**	—
Other approved investments		
Debentures/bonds (Market value at March 31, 2014: ₹ 447,464 thousands) (Market value at March 31, 2013: ₹ 471,179 thousands)	**450,064**	*470,273*
Fixed deposits[2] (Market value at March 31, 2014: ₹ 4,961,979 thousands) (Market value at March 31, 2013: ₹ 3,504,190 thousands)	**4,961,979**	*3,504,189*
Certificate of deposits (Market value at March 31, 2014: ₹ 4,863,509 thousands) (Market value at March 31, 2013: ₹ 3,783,226 thousands)	**4,863,509**	*3,783,226*
Commercial Papers (Market value at March 31, 2014: ₹ 1,197,393 thousands) (Market value at March 31, 2013: ₹ Nil)	**1,197,393**	—
Collateralized borrowing and lending obligation (Market value at March 31, 2014: ₹ 80,238 thousands) (Market value at March 31, 2013: ₹ Nil)	**80,238**	—
Mutual fund (Historical value at March 31, 2014: ₹ Nil) (Historical value at March 31, 2013: ₹ 300 thousands)	—	*300*
Investments in infrastructure/housing sector		
Debentures/bonds (Market value at March 31, 2014: ₹ 839,263 thousands) (Market value at March 31, 2013: ₹ 836,546 thousands)	**840,295**	*835,555*
Other investments		
Debentures/bonds (Market value at March 31, 2014: ₹ 14,174 thousands) (Market value at March 31, 2013: ₹ Nil)	**14,137**	—
Mutual fund (Historical value at March 31, 2014: ₹ 1,495,956 thousands) (Historical value at March 31, 2013: ₹ Nil)	**1,496,766**	—
Total	**53,527,703**	*49,199,607*
In India	**53,527,703**	*49,199,607*
Total	**53,527,703**	*49,199,607*

1. Includes ₹ 102,361 thousand (Market value: ₹ 102,189 thousand) of securities under Section 7 of Insurance Act, 1938 at March 31, 2014. [At March 31, 2013: ₹ 104,595 thousand (Market value: ₹ 104,331 thousand)] - Refer note 3.5 of Schedule 16
2. Includes Fixed deposit of ₹ 1,050,200 thousand at March 31, 2014 (at March 31, 2013: ₹ 1,050,100 thousand) and ₹ 300,100 thousand at March 31, 2014 (at March 31, 2013: ₹ 100,000 thousand) deposited with National Securities Clearing Corporation Limited and Indian Clearing Corporation Limited respectively towards margin requirement for equity trade settlement - Refer note 3.3 of Schedule 16
3. Aggregate amount of Company's investments and the market value thereof

(₹ in '000)

Particulars	March 31, 2014	*March 31, 2013*
Aggregate amount of Company's investments other than equity securities, mutual fund and derivative instruments	**42,927,216**	*41,217,482*
Market value of above Investments	**42,463,603**	*41,513,702*
Aggregate amount of Company's investments in Mutual Fund, Equity and Investments in subsidiary (at Historical cost)	**8,739,831**	*7,504,538*

4. Investments in subsidiary at cost is ₹ 270,000 thousands at March 31, 2014 (at March 31, 2013: ₹ 270,000 thousand). For Investments in holding company and other related entities refer note 3.22 of schedule 16.
5. Investments made out of Catastrophe reserve is ₹ Nil at March 31, 2014 (at March 31, 2013)
6. Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent diminution in value of investments, if any.

Note: Refer Schedule 16 Note 2.11 for accounting policy related to Investments.

SCHEDULE - 8A
INVESTMENTS - POLICYHOLDERS

(₹ in '000)

Particulars	March 31, 2014									
	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group	Total
Long term investment										
Government securities[1] (Market value : ₹ 61,316,479 thousands)	21,058,528	4,056,025	25,264,433	10,696,431	495,709	2,663,595	921,930	—	265,945	**65,422,596**
Other approved securities (Market value : ₹ 10,229,683 thousands)	4,727,702	2,261,814	2,565,706	1,117,565	—	21,434	6,521	—	—	**10,700,742**
Other approved investments										
Equity shares (Historical value : ₹ 7,883,275 thousands)	5,236,980	927,194	6,431,288	—	—	—	—	—	—	**12,595,462**
Preference shares (Market value : ₹ 18,496 thousands)	9,269	—	—	—	—	—	—	—	—	**9,269**
Debentures/Bonds (Market value : ₹ 13,219,519 thousands)	4,550,646	3,474,854	3,004,064	1,432,497	80,000	485,174	279,764	15,000	216,547	**13,538,546**
Property (Historical value : ₹ 185,521 thousands)	427,200	427,200	—	—	—	—	—	—	—	**854,400**
CCIL deposit (Market value : ₹ 71 thousands)	—	—	—	—	—	51	18	—	2	**71**
Fixed deposits (Market value : ₹ 2,131,500 thousands)	715,500	293,500	544,500	356,000	—	173,000	49,000	—	—	**2,131,500**
Investments in infrastructure/housing sector										
Equity shares (Historical value : ₹ 1,896,245 thousands)	565,010	86,762	1,186,888	—	—	—	—	—	—	**1,838,660**
Debentures/bonds (Market value : ₹ 19,055,050 thousands)	6,051,696	3,547,752	5,736,365	2,133,135	150,000	1,378,846	371,544	19,802	124,601	**19,513,741**
Other investments										
Equity shares (Historical value : ₹ 456,622 thousands)	170,972	—	422,139	—	—	—	—	—	—	**593,111**
Debentures/bonds (Market value : ₹ 365,034 thousands)	349,741	—	37,500	—	—	—	—	—	—	**387,241**
Venture fund (Market value : ₹ Nil)	—	—	—	—	—	—	—	—	—	**—**
Short term investment										
Government securities (Market value : ₹ 1,003,049 thousands)	—	—	1,003,049	—	—	—	—	—	—	**1,003,049**
Other approved securities (Market value : ₹ 366,707 thousands)	—	—	370,958	—	—	—	—	—	—	**370,958**
Other approved investments										
Debentures/bonds (Market value : ₹ 605,748 thousands)	250,000	—	257,699	—	—	70,000	30,000	—	—	**607,699**
Fixed deposits (Market value : ₹ 1,086,200 thousands)	489,000	—	497,200	—	—	100,000	—	—	—	**1,086,200**
Certificate of Deposits (Market value : ₹ 4,964,564 thousands)	816,854	1,796,771	28,184	818,528	—	1,107,464	310,256	63,419	23,088	**4,964,564**
Collateralized borrowing and lending obligation (Market value : ₹ 5,885 thousands)	—	5,885	—	—	—	—	—	—	—	**5,885**
Mutual fund (Historical value : ₹ 2,089,795 thousands)	—	—	2,081,341	—	—	7,406	1,933	256	—	**2,090,936**
Investments in infrastructure/housing sector										
Debentures/bonds (Market value : ₹ 2,305,971 thousands)	391,028	170,151	1,650,268	—	—	100,000	—	—	—	**2,311,447**
Commercial paper (Market value : ₹ 922,369 thousands)	146,063	776,306	—	—	—	—	—	—	—	**922,369**
Other investments										
Mutual fund (Historical value : ₹ 3,087,006 thousands)	1,617,080	—	1,454,072	—	17,486	—	—	—	160	**3,088,798**
Venture fund (Market value : ₹ 538,000 thousands)	529,832	—	—	—	—	—	—	—	—	**529,832**
Total	**48,103,101**	**17,824,214**	**52,535,654**	**16,554,156**	**743,195**	**6,106,970**	**1,970,966**	**98,477**	**630,343**	**144,567,076**
In India	48,103,101	17,824,214	52,535,654	16,554,156	743,195	6,106,970	1,970,966	98,477	630,343	**144,567,076**
Total	**48,103,101**	**17,824,214**	**52,535,654**	**16,554,156**	**743,195**	**6,106,970**	**1,970,966**	**98,477**	**630,343**	**144,567,076**

1. Government securities of ₹ 1,321,747 thousand with market value of ₹ 1,227,178 thousand (at March 31, 2013 : ₹ 794,986 thousand with market value of ₹ 807,356 thousand) has been deposited with Clearing Corporation of India Limited (CCIL) as Settlement Guarantee Fund (SGF) deposit. Government securities of ₹ 207,303 thousand with market value of ₹ 185,182 thousand (at March 31, 2013: ₹ 207,632 thousand with market value of ₹ 203,300 thousand) has been deposited with CCIL for trades in the Collateralized borrowing and lending obligation segment - Refer note 3.3 of Schedule 16
2. Aggregate amount of Company's investments and the market value thereof

(₹ in '000)

Particulars	March 31, 2014	March 31, 2013
Aggregate amount of Company's investments other than equity securities, mutual fund & derivative instruments	**123,505,709**	100,464,714
Market value of above Investments	**118,134,325**	100,775,386
Aggregate amount of Company's investments in Mutual Fund, Equity & Investment property (at Historical cost)	**15,598,464**	9,222,652

3. For Investments in holding company and other related entities - Refer note 3.22 of schedule 16.
4. Investments made out of Catastrophe reserve is ₹ Nil.
5. Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent diminution in value of investments, if any.

Note: Refer Schedule 16 Note 2.11 for accounting policy related to Investments.

forming part of the financial statements *Continued*

SCHEDULE - 8A
INVESTMENTS - POLICYHOLDERS

(₹ in '000)

Particulars	March 31, 2013									
	Par Life	*Par Pension*	*Non Par*	*Annuity Non Par*	*Health*	*Linked Life*	*Linked Pension*	*Linked Health*	*Linked Group*	*Total*
Long term investment										
Government securities[1]	*14,581,091*	*2,983,399*	*14,034,495*	*8,087,708*	*191,529*	*1,744,726*	*491,664*	*50,963*	*161,811*	***42,327,386***
(Market value : ₹ 42,171,992 thousands)										
Other approved securities	*6,780,894*	*2,368,157*	*2,815,762*	*2,141,167*	—	*740,103*	*455,737*	—	*197,935*	***15,499,755***
(Market value : ₹ 15,640,521 thousands)										
Other approved investments										
Equity shares	*3,253,382*	*929,471*	*3,616,872*	—	—	—	—	—	—	***7,799,725***
(Historical value : ₹ 5,295,082 thousands)										
Preference shares	—	—	—	—	—	—	—	—	—	**—**
(Market value : ₹ Nil)										
Debentures/Bonds	*3,512,733*	*2,429,514*	*1,767,877*	*1,370,142*	—	*293,917*	*185,042*	—	—	***9,559,225***
(Market value : ₹ 9,693,507 thousands)										
Property	*445,000*	*445,000*	—	—	—	—	—	—	—	***890,000***
(Historical value : ₹ 185,521 thousands)										
CCIL deposit	—	—	—	—	—	*51*	*18*	—	*2*	***71***
(Market value : ₹ 71 thousands)										
Fixed deposits	*1,214,600*	*553,500*	*841,500*	*356,000*	—	*434,600*	*99,500*	—	*40,400*	***3,540,100***
(Market value : ₹ 3,540,100 thousands)										
Investments in infrastructure/housing sector										
Equity shares	*245,832*	*91,386*	*635,492*	—	—	—	—	—	—	***972,710***
(Historical value : ₹ 1,054,382 thousands)										
Debentures/bonds	*5,815,960*	*3,321,950*	*4,373,728*	*2,141,506*	*50,000*	*1,620,329*	*660,532*	*19,800*	*300,952*	***18,304,757***
(Market value : ₹ 18,485,726 thousands)										
Other investments										
Equity shares	*291,973*	—	*345,929*	—	—	—	—	—	—	***637,902***
(Historical value : ₹ 583,412 thousands)										
Debentures/bonds	*89,885*	—	*37,500*	—	—	—	—	—	—	***127,385***
(Market value : ₹ 127,385 thousands)										
Venture fund	*580,365*	—	—	—	—	—	—	—	—	***580,365***
(Market value : ₹ 590,805 thousands)										
Short term investment										
Government securities	*195,938*	*884,116*	*362,183*	—	*443,501*	*97,860*	—	—	—	***1,983,598***
(Market value : ₹ 1,983,599 thousands)										
Other approved securities	—	—	—	—	—	—	—	—	—	**—**
(Market value : ₹ Nil)										
Other approved investments										
Debentures/bonds	*250,000*	*150,175*	*50,000*	—	—	*80,000*	*70,000*	*30,000*	—	***630,175***
(Market value : ₹ 629,947 thousands)										
Fixed deposits	*820,000*	*2,596,500*	—	—	—	*400,000*	*240,000*	—	—	***4,056,500***
(Market value : ₹ 4,056,500 thousands)										
Certificate of deposits	—	*498,663*	*258,106*	—	—	—	—	—	—	***756,769***
(Market value : ₹ 756,769 thousands)										
Collateralized borrowing and lending obligation	*462,707*	*1,135,719*	—	*325,819*	—	—	—	—	—	***1,924,245***
(Market value : ₹ 1,924,244 thousands)										
Mutual fund	*150,801*	—	*1,725,468*	—	*103,469*	*89,910*	*11,783*	*17,489*	*5,907*	***2,104,827***
(Historical value : ₹ 2,104,255 thousands)										
Investments in infrastructure/housing sector										
Debentures/bonds	*150,291*	*150,000*	*150,172*	—	—	*70,094*	*64,982*	—	—	***585,539***
(Market value : ₹ 585,376 thousands)										
Commercial paper	—	—	*588,844*	—	—	—	—	—	—	***588,844***
(Market value : ₹ 588,844 thousands)										
Other investments										
Mutual Fund	—	—	—	—	—	—	—	—	—	**—**
(Historical value : ₹ Nil)										
Venture fund	—	—	—	—	—	—	—	—	—	**—**
(Market value : ₹ Nil)										
Total	***38,841,452***	***18,537,550***	***31,603,928***	***14,422,342***	***788,499***	***5,571,590***	***2,279,258***	***118,252***	***707,007***	***112,869,878***
In India	*38,841,452*	*18,537,550*	*31,603,928*	*14,422,342*	*788,499*	*5,571,590*	*2,279,258*	*118,252*	*707,007*	***112,869,878***
Total	***38,841,452***	***18,537,550***	***31,603,928***	***14,422,342***	***788,499***	***5,571,590***	***2,279,258***	***118,252***	***707,007***	***112,869,878***

1. Government securities of ₹ 1,321,747 thousand with market value of ₹ 1,227,178 thousand (at March 31, 2103 : ₹ 794,986 thousand with market value of ₹ 807,356 thousand) has been deposited with Clearing Corporation of India Limited (CCIL) as Settlement Guarantee Fund (SGF) deposit. Government securities of ₹ 207,303 thousand with market value of ₹ 185,182 thousand (at March 31, 2013: ₹ 207,632 thousand with market value of ₹ 203,300 thousand) has been deposited with CCIL for trades in the Collateralized borrowing and lending obligation segment - Refer note 3.3 of Schedule 16

2. Aggregate amount of Company's investments and the market value thereof

(₹ in '000)

Particulars	**March 31, 2014**	March 31, 2013
Aggregate amount of Company's investments other than equity securities, mutual fund & derivative instruments	**123,505,709**	100,464,714
Market value of above Investments	**118,134,325**	100,775,386
Aggregate amount of Company's investments in Mutual Fund, Equity & Investment property (at Historical cost)	**15,598,464**	9,222,652

3. For Investments in holding company and other related entities - Refer note 3.22 of schedule 16.

4. Investments made out of Catastrophe reserve is ₹ Nil.

5. Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent diminution in value of investments, if any.

Note: Refer Schedule 16 Note 2.11 for accounting policy related to Investments.

SCHEDULE - 8B
ASSETS HELD TO COVER LINKED LIABILITIES

(₹ in '000)

Particulars	March 31, 2014				
	Linked Life Funds	Linked Pension Funds	Linked Health Funds	Linked Group Funds	Total
Long term investments					
Government Securities	34,602,593	9,809,727	300,164	6,529,422	**51,241,906**
(Historical value : ₹ 51,912,462 thousands)					
Other Approved Securities	3,194,478	2,676,669	60,714	2,010,767	**7,942,628**
(Historical value : ₹ 7,845,552 thousands)					
Other Approved Investments					
Equity shares [2]	181,231,303	111,941,548	2,740,528	6,798,378	**302,711,757**
(Historical value : ₹ 227,354,351 thousands)					
Preference shares	134,318	51,036	1,585	—	**186,939**
(Historical value : ₹ 110,824 thousands)					
Debentures/bonds	9,260,561	6,829,856	153,109	6,365,824	**22,609,350**
(Historical value : ₹ 22,657,852 thousands)					
Fixed deposit	3,599,976	1,741,006	10,111	2,134,307	**7,485,400**
(Historical value : ₹ 7,485,400 thousands)					
Investments in Infrastructure/Housing Sector					
Equity shares [2*]	16,450,046	12,933,299	307,265	243,045	**29,933,655**
(Historical value : ₹ 35,625,880 thousands)					
Debenture/bonds	14,832,104	7,718,522	171,981	6,372,800	**29,095,407**
(Historical value : ₹ 29,094,566 thousands)					
Other Investments					
Equity shares	12,159,002	7,653,376	340,222	663,419	**20,816,019**
(Historical value : ₹ 21,360,717 thousands)					
Debentures/bonds	138,661	49,970	9,994	37,126	**235,751**
(Historical value : ₹ 238,054 thousands)					
Venture fund	—	—	—	—	**—**
(Historical value : ₹ Nil)					
Short term investments					
Government securities	3,921,317	336,425	1,766	4,209	**4,263,717**
(Historical value : ₹ 4,219,206 thousands)					
Other Approved Investments					
Debentures/bonds	1,588,553	1,834,710	14,897	1,322,703	**4,760,863**
(Historical value : ₹ 4,741,181 thousands)					
Certificate of deposit	13,681,873	8,389,956	234,465	6,701,098	**29,007,392**
(Historical value : ₹ 28,796,669 thousands)					
Commercial papers	5,393,870	4,110,869	69,942	2,576,546	**12,151,227**
(Historical value : ₹ 11,890,751 thousands)					
Fixed deposits	16,115,881	12,558,961	174,338	8,793,278	**37,642,458**
(Historical value : ₹ 37,642,458 thousands)					
Collateralized borrowing and lending obligation	324,129	432,254	8,879	148,287	**913,549**
(Historical value : ₹ 912,355 thousands)					
Mutual fund	1,769,565	806,014	47,681	265,036	**2,888,296**
(Historical value : ₹ 2,886,513 thousands)					
Investments in Infrastructure/Housing Sector					
Debentures/bonds	3,571,767	3,090,426	76,932	2,207,845	**8,946,970**
(Historical value : ₹ 8,925,106 thousands)					
Commercial papers	6,770,162	5,885,815	12,989	2,823,890	**15,492,856**
(Historical value : ₹ 15,045,569 thousands)					
Other Investments					
Debentures/bonds	319,137	253,654	6,021	550,210	**1,129,022**
(Historical value : ₹ 1,157,734 thousands)					
Mutual fund	1,167,983	524,975	101,325	502,932	**2,297,215**
(Historical value : ₹ 2,295,730 thousands)					
Venture fund	15,735	—	—	—	**15,735**
(Historical value : ₹ 14,294 thousands)					
Net current asset	5,967,718	2,880,478	160,540	2,327,473	**11,336,209**
Total	**336,210,732**	**202,509,546**	**5,005,448**	**59,378,595**	**603,104,321**
In India	336,210,732	202,509,546	5,005,448	59,378,595	**603,104,321**
Total	**336,210,732**	**202,509,546**	**5,005,448**	**59,378,595**	**603,104,321**

1. For Investments in holding company and other related entities - Refer note 3.22 of schedule 16.
2. Equity shares includes shares transferred under securities lending and borrowing scheme (SLB) where the Company retains all the associated risk and rewards on these securities - Refer note 3.15 of schedule 16.

* Includes rights entitlement where renouncement period has not expired as at the Balance Sheet date.

Note: Refer Schedule 16 Note 2.11 for accounting policy related to Investments.

forming part of the financial statements *Continued*

SCHEDULE - 8B
ASSETS HELD TO COVER LINKED LIABILITIES

(₹ in '000)

Particulars	March 31, 2013 Linked Life Funds	Linked Pension Funds	Linked Health Funds	Linked Group Funds	Total
Long term investments					
Government Securities	27,103,152	11,339,898	158,470	7,359,991	**45,961,511**
(Historical value : ₹ 45,950,008 thousands)					
Other Approved Securities	892,351	150,615	12,684	25,190	**1,080,840**
(Historical value : ₹ 1,076,566 thousands)					
Other Approved Investments					
Equity shares	162,107,021	125,349,783	1,973,324	5,829,233	**295,259,361**
(Historical value : ₹ 247,847,456 thousands)					
Preference shares	—	—	—	—	**—**
(Historical value : ₹ Nil)					
Debentures/bonds	10,111,342	7,784,994	137,613	6,638,434	**24,672,383**
(Historical value : ₹ 24,221,906 thousands)					
Fixed deposit	6,357,535	6,717,724	67,427	5,918,171	**19,060,857**
(Historical value : ₹ 19,060,858 thousands)					
Investments in Infrastructure/Housing Sector					
Equity shares	17,359,651	15,064,038	241,150	419,910	**33,084,749**
(Historical value : ₹ 38,053,772 thousands)					
Debenture/bonds	16,103,498	11,234,508	171,542	8,176,511	**35,686,059**
(Historical value : ₹ 35,196,026 thousands)					
Other Investments					
Equity shares	14,279,796	11,743,640	272,394	531,184	**26,827,014**
(Historical value : ₹ 30,999,936 thousands)					
Debentures/bonds	601,412	512,852	20,018	739,348	**1,873,630**
(Historical value : ₹ 1,896,008 thousands)					
Venture fund	16,258	—	—	—	**16,258**
(Historical value : ₹ 14,415 thousands)					
Short term investments					
Government Securities	245,128	—	—	—	**245,128**
(Historical value: ₹ 245,128 thousands)					
Other Approved Investments					
Debentures/bonds	2,067,633	1,960,633	9,563	1,198,787	**5,236,616**
(Historical value : ₹ 5,099,105 thousands)					
Certificate of deposit	14,778,620	10,285,230	332,620	6,549,599	**31,946,069**
(Historical value : ₹ 31,776,324 thousands)					
Commercial papers	384,515	452,417	1,885	811,037	**1,649,854**
(Historical value : ₹ 1,603,623 thousands)					
Fixed deposits	8,430,977	7,734,248	172,158	5,812,717	**22,150,100**
(Historical value : ₹ 22,150,100 thousands)					
Collateralized borrowing and lending obligation	47,938	22,726	836	3,599	**75,099**
(Historical value : ₹ 75,009 thousands)					
Mutual fund	2,013,143	1,295,717	46,297	355,079	**3,710,236**
(Historical value : ₹ 3,709,226 thousands)					
Investments in Infrastructure/Housing Sector					
Debentures/bonds	2,105,573	2,138,878	17,164	1,728,564	**5,990,179**
(Historical value : ₹ 5,877,949 thousands)					
Commercial papers	1,538,169	2,395,374	4,329	1,440,997	**5,378,869**
(Historical value : ₹ 5,268,118 thousands)					
Other Investments					
Debentures/bonds	—	—	—	—	**—**
(Historical value : ₹ Nil)					
Mutual fund	760,060	319,403	172,164	552,081	**1,803,708**
(Historical value : ₹ 1,803,219 thousands)					
Venture fund	—	—	—	—	—
(Historical value : ₹ Nil)					
Net current asset	6,285,146	4,047,559	7,522	3,159,527	**13,499,754**
Total	**293,588,918**	**220,550,237**	**3,819,160**	**57,249,959**	**575,208,274**
In India	293,588,918	220,550,237	3,819,160	57,249,959	**575,208,274**
Total	**293,588,918**	**220,550,237**	**3,819,160**	**57,249,959**	**575,208,274**

1. For Investments in holding company and other related entities - Refer note 3.22 of schedule 16.

Note: Refer Schedule 16 Note 2.11 for accounting policy related to Investments.

SCHEDULE - 9
LOANS

(₹ in '000)

Particulars	March 31, 2014	*March 31, 2013*
1. Security-wise classifications		
Secured		
(a) On mortgage of property		
(aa) In India	—	—
(bb) Outside India	—	—
(b) On Shares, Bonds, Govt Securities, among others.	—	—
(c) Loans against policies	**119,076**	*87,469*
(d) Others	—	—
Unsecured	—	—
Total	**119,076**	*87,469*
2. Borrower wise classification		
(a) Central and State Governments	—	—
(b) Banks and Financial Institutions	—	—
(c) Subsidiaries	—	—
(d) Companies	—	—
(e) Policyholders - Loans against policies	**119,076**	*87,469*
(f) Others	—	—
Total	**119,076**	*87,469*

(₹ in '000)

Particulars	March 31, 2014	*March 31, 2013*
3. Performance-Wise Classification		
(a) Loans classified as standard		
(aa) In India	**119,076**	*87,469*
(bb) Outside India	—	—
(b) Non-standard loans less provisions		
(aa) In India	—	—
(bb) Outside India	—	—
Total	**119,076**	*87,469*
4. Maturity-wise classification		
(a) Short-term	**6,513**	*4,026*
(b) Long-term	**112,563**	*83,443*
Total	**119,076**	*87,469*

Note: Refer Schedule 16 note 2.12 for accounting policy on loan.

SCHEDULE - 10
FIXED ASSETS

(₹ in '000)

Particulars	Gross Block				Depreciation				Net Block	
	At April 1, 2013	Additions	Deductions	**At March 31, 2014**	*At April 1, 2013*	For the year	Deductions	**At March 31, 2014**	**At March 31, 2014**	*At April 1, 2013*
Intangible assets										
Goodwill	—	—	—	—	—	—	—	—	—	—
Software[1]	*742,518*	127,987	—	**870,505**	*575,394*	105,211	—	**680,605**	**189,900**	*167,124*
Tangible assets										
Freehold land	*903,280*	—	—	**903,280**	—	—	—	—	**903,280**	*903,280*
Improvements to leasehold property	*1,405,205*	149,141	178,775	**1,375,571**	*1,099,397*	180,518	176,664	**1,103,251**	**272,320**	*305,808*
Office buildings on freehold land	*89,000*	—	—	**89,000**	*8,714*	1,451	—	**10,165**	**78,835**	*80,286*
Furniture and fixtures	*124,949*	38,477	12,548	**150,878**	*101,638*	42,802	11,841	**132,599**	**18,279**	*23,311*
Information technology equipment	*206,304*	228,934	30,440	**404,798**	*127,045*	77,619	17,077	**187,587**	**217,211**	*79,259*
Motor vehicles	*54,936*	3,779	3,985	**54,730**	*18,254*	10,522	1,520	**27,256**	**27,474**	*36,682*
Office equipment	*235,919*	55,314	27,254	**263,979**	*196,505*	25,327	26,259	**195,573**	**68,406**	*39,414*
Communication networks	*89,401*	201,057	570	**289,888**	*72,151*	24,922	529	**96,544**	**193,344**	*17,250*
Total	*3,851,512*	**804,689**	**253,572**	**4,402,629**	*2,199,098*	**468,372**	**233,890**	**2,433,580**	**1,969,049**	*1,652,414*
Capital work in progess including capital advances	—	—	—	—	—	—	—	—	**46,390**	*69,970*
Total	***3,851,512***	**804,689**	**253,572**	**4,402,629**	***2,199,098***	**468,372**	**233,890**	**2,433,580**	**2,015,439**	***1,722,384***
At March 31, 2013	*4,189,575*	319,663	657,726	3,851,512	*2,431,078*	409,792	641,772	2,199,098	—	—

1. All software are other than those generated internally.

Note: Refer Schedule 16 note 2.13 for accounting policy related to fixed assets.

SCHEDULE - 11

CASH AND BANK BALANCES

(₹ in '000)

Particulars	March 31, 2014	*March 31, 2013*
Cash (including cheques, drafts and stamps)	**1,515,512**	*1,689,481*
Bank Balance		
(a) Deposit Account :		
(aa) Short-term (due within 12 months of the date of balance sheet)	—	—
(bb) Others	—	—
(b) Current accounts	**418,872**	*1,558,119*
(c) Others	—	—
Money at call and short notice		
(a) With Banks	—	—
(b) With other Institutions	—	—
Others	—	—
Total	**1,934,384**	*3,247,600*
Balances with non-scheduled banks included above	**6,910**	*4,775*
CASH AND BANK BALANCES		
In India	**1,918,561**	*3,239,915*
Outside India	**15,823**	*7,685*
Total	**1,934,384**	*3,247,600*

SCHEDULE - 12
ADVANCES AND OTHER ASSETS

(₹ in '000)

Particulars	March 31, 2014	*March 31, 2013*
ADVANCES		
Reserve deposits with ceding companies	—	—
Application money for investments (including advance for investment property)	**36,374**	—
Prepayments	**180,733**	*133,361*
Advances to Directors/Officers	—	—
Advance tax paid and taxes deducted at source	**1,554,406**	*1,451,515*
Deposits		
Gross	**415,249**	*421,160*
Less:Provision for doubtful deposits	**(48,873)**	*(71,129)*
Net	**366,376**	*350,031*
Other advances		
Gross	**104,962**	*276,241*
Less:Provision for doubtful advances	**(13,479)**	*(25,718)*
Net	**91,483**	*250,523*
Other receivables		
Gross	**176,582**	*156,189*
Less:Provision for doubtful receivables	**(59,740)**	*(45,589)*
Net	**116,842**	*110,600*
Total (A)	**2,346,214**	*2,296,030*

SCHEDULE - 12 (contd.)
ADVANCES AND OTHER ASSETS

(₹ in '000)

Particulars	March 31, 2014	March 31, 2013
OTHER ASSETS		
Income accrued on investments and deposits	**4,900,399**	*4,267,753*
Outstanding premiums	**1,624,361**	*1,221,345*
Agents' balances		
Gross	**154,569**	*195,377*
Less:Provision for doubtful agents' balance	**(140,056)**	*(170,914)*
Net	**14,513**	*24,463*
Foreign agencies balances	**—**	*—*
Due from other entities carrying on insurance business (including reinsurers)	**45,933**	*16,253*
Due from subsidiary - Refer note 3.22 of Schedule 16	**29,307**	*7,954*
Deposit with Reserve Bank of India	**—**	*—*
Receivable towards investments sold	**526,027**	*1,860,289*
Service tax un-utilised credit	**155,304**	*152,348*
Total (B)	**7,295,844**	*7,550,405*
Total (A+B)	**9,642,058**	*9,846,435*

SCHEDULE - 13
CURRENT LIABILITIES

(₹ in '000)

Particulars	March 31, 2014	March 31, 2013
Agents' balances	**872,621**	*1,026,686*
Balances due to reinsurance companies	**78,561**	*127,275*
Deposits held on re-insurance ceded	**—**	*—*
Premium received in advance	**1,277,842**	*1,086,387*
Unallocated premium	**281,326**	*357,827*
Sundry creditors	**144,237**	*191,123*
Due to holding company - Refer note 3.22 of Schedule 16	**451,496**	*131,666*
Claims outstanding	**377,912**	*67,998*
Due to Officers/ Directors	**—**	*—*
Deposits	**13,243**	*13,243*
Expenses payable	**4,418,697**	*5,630,778*
TDS payable	**199,481**	*237,314*
Payable towards investments purchased	**1,012,117**	*2,157,613*
Unclaimed amount of Policyholders - Refer note 3.9 of schedule 16	**4,324,693**	*4,128,634*
Payable to unit fund	**2,322,379**	*3,188,825*
Service tax payable	**4,263**	*14,819*
Other liabilities	**287,567**	*70,864*
Total	**16,066,435**	*18,431,052*

SCHEDULE - 14
PROVISIONS

(₹ in '000)

Particulars	March 31, 2014	March 31, 2013
For taxation	**—**	*—*
For proposed dividends - Refer note 3.39 of schedule 16	**3,001,437**	*1,414,650*
For dividend distribution tax	**510,094**	*240,420*
For leave encashment and gratuity - Refer note 3.28 of schedule 16	**134,655**	*98,080*
Total	**3,646,186**	*1,753,150*

SCHEDULE - 15
MISCELLANEOUS EXPENDITURE
(To the extent not written off or adjusted)

(₹ in '000)

Particulars	March 31, 2014	March 31, 2013
Discount allowed in issue of shares / debentures	**—**	*—*
Others	**—**	*—*
Total	**—**	*—*

SCHEDULE: 16

Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2014

1. Corporate Information

ICICI Prudential Life Insurance Company Limited (`the Company'), a joint venture between ICICI Bank Limited and Prudential Corporation Holdings Limited, was incorporated on July 20, 2000 as a Company under the Companies Act, 1956 (`the Act'). The Company is licensed by the Insurance Regulatory and Development Authority (`IRDA') for carrying life insurance business in India. The license has been renewed annually and is in force as at March 31, 2014.

The Company carries on business of providing life insurance, pensions and health insurance to individuals and groups. Riders providing additional benefits are offered under some of these products. The business is conducted in participating, non-participating and unit linked lines of businesses. These products are distributed through individual agents, corporate agents, banks, brokers, the Company's proprietary sales force and the Company website.

2. Summary of significant accounting policies

2.1. Basis of preparation

The accompanying financial statements are prepared and presented under the historical cost convention, unless otherwise stated, and on the accrual basis of accounting, in accordance with accounting principles generally accepted in India (Indian GAAP), in compliance with the Accounting Standards (`AS') notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013, of the Ministry of Corporate Affairs, in respect of section 133 of the Companies Act, 2013, to the extent applicable, and in accordance with the provisions of the Insurance Act, 1938, Insurance Regulatory and Development Authority Act, 1999, and the regulations framed thereunder, various circulars issued by the IRDA and the practices prevailing within the insurance industry in India. Accounting policies applied have been consistent with previous year except where different treatment is required as per new pronouncements made by the regulatory authorities.

The management evaluates all recently issued or revised accounting pronouncements on an ongoing basis.

2.2. Use of estimates

The Company's management makes estimates and assumptions that affect the reported amounts of income and expenses for the year, reported balances of assets and liabilities, and disclosures relating to contingent liabilities as on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively.

2.3. Revenue recognition

2.3.1. Premium income

Premium is recognised as income when due from policyholders. For unit linked business, premium is recognised as income when the associated units are created.

Premium on lapsed policies is recognised as income when such policies are reinstated.

Products having regular premium paying plans with limited premium payment term and/or pre-determined policy term are treated as regular business with due classification of premium into first year and renewal. Premium income on products other than aforesaid is classified as single premium

Top up premiums paid by unit linked policyholders' are considered as single premium and recognised as income when the associated units are created.

2.3.2. Reinsurance premium ceded

Reinsurance premium ceded is accounted in accordance with the terms and conditions of the relevant treaties with the reinsurer. Profit commission on reinsurance ceded is netted off against premium ceded on reinsurance.

2.3.3. Income from investments

Interest income on investments is recognised on accrual basis. Amortisation of premium or accretion of discount on debt securities is recognised over the holding/maturity period on a straight-line basis.

Dividend income, in respect of other than unit linked business, is recognised when the right to receive dividend is established. Dividend income, in respect of unit linked business, is recognised on the `ex-dividend date'.

Fees received on lending of equity shares under Securities Lending and Borrowing scheme (SLB) is recognised as income over the period of the lending on a straight-line basis.

Lease rentals on investment property is recognised on accrual basis and include only the realised rent and does not include any notional rent, as prescribed by IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002. Costs related to operating and maintenance of investment property are recognised as expense in the Revenue Account.

Profit or loss on sale/redemption of debt securities for other than unit linked business is the difference between the sale consideration net of expenses and the weighted average amortised cost as on the date of sale. Profit or loss on sale/redemption of debt securities for unit linked business is the difference between the sale consideration net of expenses and the weighted average book cost as on the date of sale.

Profit or loss on sale/redemption of equity shares and mutual fund units is the difference between the sale consideration net of expenses and the weighted average book cost as on the date of sale. In respect of other than unit linked business, the profit or loss includes the accumulated changes in the fair value previously recognised under "Fair Value Change Account".

2.3.4. ***Income from unit linked policies***

Income from unit linked policies, which includes fund management charges, policy administration charges, mortality charges and other charges, if any, are recovered from the unit linked funds in accordance with terms and conditions of policies issued and are recognised when due.

2.3.5. ***Fees and charges***

Interest income on loans is recognised on an accrual basis. Fees and charges also include policy reinstatement fee and loan processing fee which are recognised on receipt basis.

2.4. Acquisition cost

Acquisition costs are costs that vary with and are primarily related to acquisition of insurance contracts and are expensed in the period in which they are incurred.

2.5. Employee benefits

2.5.1. ***Short term employee benefits***

All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, bonuses, short term compensated absences and other non-monetary benefits are recognised in the period in which the employee renders the related service. All short term employee benefits are accounted on undiscounted basis.

2.5.2. ***Long term employee benefits: Post-employment***

The Company has both defined contribution and defined benefit plans.

Defined contribution plan

The Company has a defined contribution scheme for Superannuation for its employees. Contributions to the Superannuation scheme are made on a monthly basis, when due, and charged to Revenue account and Profit and Loss account, as applicable. The expenses are booked on an undiscounted basis. The Company has no further obligation beyond the monthly contribution. The scheme is managed by ICICI Prudential Life Insurance Company Limited Superannuation Scheme.

Defined benefit plans

Gratuity and Provident fund are defined benefit obligations.

Gratuity: The gratuity benefit payable to the employees of the Company is as per the provisions of the Payment of Gratuity Act, 1972 or the Company's gratuity plan, whichever is higher. The gratuity liability of the Company is actuarially determined at each Balance Sheet date using projected unit credit method.

The Company contributes towards net liabilities to ICICI Prudential Life Insurance Company Limited Employees' Group Gratuity Cum Life Insurance Scheme.

The Company recognises the net obligation of the Scheme in Balance Sheet as an asset or liability, respectively in accordance with Accounting Standard (AS) 15 (revised 2005), 'Employee benefits'. The discount rate used for estimation of liability is based on Government securities yield. Gain or loss arising from change in actuarial assumptions/experience adjustments is recognised in the Revenue account and Profit or Loss account for the period in which they emerge. Expected long-term rate-of-return on assets has been determined based on historical experience and available market information.

Provident fund: The Company's defined benefit obligation towards interest rate guarantee on the exempt provident fund is actuarially determined and measured in accordance with the Guidance Note (GN 29) on Valuation of Interest Rate Guarantees on Exempt Provident Funds under AS 15 (Revised) issued by The Institute of Actuaries of India.

2.5.3. ***Other long term employee benefits***

Other long term employee benefits includes accumulated compensated absences that are entitled to be carried forward for future encashment or availment, at the option of the employee subject to the rules framed by the Company which are expected to be availed or enchased beyond 12 months from the end of the year and long term retention incentive payable to employees on fulfilment of criteria prescribed the Company. The Company's liability towards accumulated compensated absences entitlement outstanding at the close of the year and long term retention incentive are determined actuarially and are recognised as a liability at the present value of the obligation as at the Balance Sheet date.

2.5.4. ***Employee share based payments***

The Company has formulated an Employee Stock Option Scheme ('the Scheme'). The Scheme provides that eligible employees are granted options to acquire equity shares of the Company that vest in graded manner. The vested options may be exercised within a specified period. The exercise price of the option is diluted when there is a subsequent issue of shares at a price lower than the grant price.

In accordance with the Guidance Note on Accounting for Employee Share-based Payments, the Company follows the intrinsic value method to account for its share-based employee compensation plans. Compensation cost is measured as the excess, if any, of the fair market price of the underlying stock over the exercise price on the grant date and amortised over the vesting period. The fair value of the shares is determined based on an external valuation report.

2.6. Operating lease expenses

Leases where the lessor effectively retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating lease including escalations are recognised as an expense, on a straight line basis, over the lease term.

2.7. Provision for doubtful debts

The Company regularly evaluates the probability of recovery and provides for doubtful deposits, advances and others receivables.

2.8. Benefits paid

Benefits paid comprise of policy benefits and claim settlement costs, if any.

Death and rider claims are accounted for on receipt of intimation. Survival and maturity benefits are accounted when due. Withdrawals and surrenders under non linked policies are accounted on the receipt of intimation. Withdrawals and surrenders under unit linked policies are accounted in the respective schemes when the associated units are cancelled.

2.9. Actuarial liability valuation

The actuarial liabilities are calculated in accordance with accepted actuarial practice, requirements of Insurance Act, 1938, regulations notified by the Insurance Regulatory and Development Authority of India and Actuarial Practice Standards of the Institute of Actuaries of India.

2.10. Funds for Future Appropriations (FFA)

FFA (Linked)

Amounts estimated by Appointed Actuary as FFA in respect of lapsed unit linked policies, are set aside in the Balance Sheet and are not available for distribution to Shareholders until the expiry of the maximum revival period. After expiry of the revival period, the Company may appropriate as surplus on the Appointed Actuary's recommendation.

FFA (Non-linked)

Based on the recommendation of Appointed Actuary unappropriated profits are held in the Balance Sheet as Funds for Future Appropriations.

2.11. Investments

Investments are made and accounted for in accordance with the Insurance Act, 1938, Insurance Regulatory and Development Authority (Investments) Regulations, 2000 amended from time to time, Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, Investment Policy of the Company and various other circulars/notifications issued by the IRDA in this context from time to time.

Investments are recorded at cost on the date of purchase, which includes brokerage and taxes, if any, but excludes interest accrued as on the date of acquisition.

Broken period interest paid/received is debited/credited to interest receivable account.

Bonus entitlements are recognised as investments on the 'ex- bonus date'.

Rights entitlements are recognised as investments on the 'ex-rights date'.

Any front end discount on investments is reduced from the cost of such investments.

2.11.1. ***Classification***

Investments maturing within twelve months from the Balance Sheet date and investments made with the specific intention to dispose them off within twelve months from the Balance Sheet date are classified as short-term investments.

Investments other than short-term investments are classified as long-term investments.

2.11.2. ***Valuation - Other than Unit Linked business***

All debt securities including government securities and redeemable preference shares are considered as `held to maturity' and stated at historical cost, subject to amortisation of premium or accretion of discount over the period of maturity/holding on a straight line basis.

Money market instruments are valued at historical cost, subject to accretion of discount over the period of maturity/holding on a straight-line basis.

Listed equity shares at the Balance Sheet date are stated at fair value being the last quoted closing price on the National Stock Exchange of India Limited ('NSE') (in case the securities are not listed on NSE, the last quoted closing price on the BSE Limited ('BSE') is used). Unlisted equity shares are stated at historical cost. Equity shares lent under the Securities Lending and Borrowing scheme (SLB) continue to be recognised in the Balance Sheet as the Company retains all the associated risks and rewards of these securities.

Mutual fund units are valued at the latest available net asset values of the respective fund.

Unrealised gains/losses arising due to changes in the fair value of listed equity shares and mutual fund units are taken to the "Fair Value Change Account" in the Balance Sheet.

Investment property is held to earn rental income or for capital appreciation and is not occupied by the Company. Investment property is initially valued at cost including any directly attributable transaction costs. Investment property is revalued at least once in every three years. The change in carrying amount of investment property is taken to "Revaluation reserve" in the Balance Sheet.

Investments in venture fund units are valued at historical cost.

Instruments bought on `reverse repo' basis are valued at cost plus interest accrued on reverse repo rate.

Fixed deposits with banks are valued at cost.

The Company assesses at each Balance Sheet date whether there is any evidence of impairment of any investments. In case of impairment, the carrying value of such investment is reduced to its fair value and the impairment loss is recognised in the Revenue/Profit and Loss account after adjusting it with previously recognised revaluation reserve/Fair value change account. However, at the Balance Sheet date if there is any indication that a previously recognised impairment loss no longer exists, then such loss is reversed and the investment is restated to that extent.

2.11.3. Valuation - Unit Linked business

Central and State government securities are valued as per the valuation price provided by CRISIL.

Debt securities other than government securities with a residual maturity over 182 days are valued on a yield to maturity basis, by using spreads over the benchmark rate (based on the matrix released by the CRISIL Limited ('CRISIL') on daily basis) to arrive at the yield for pricing the security.

Debt securities with a residual maturity upto 182 days are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.

Money market instruments are valued at historical cost, subject to accretion of discount over the period of maturity/holding on a straight-line basis.

Listed equity shares are valued at market value, being the last quoted closing price on the NSE (in case of securities not listed on NSE, the last quoted closing price on the BSE is used). Equity shares lent under the Securities Lending and Borrowing scheme (SLB) continue to be recognised in the Balance Sheet as the Company retains all the associated risks and rewards of these securities.

Mutual fund units are valued at the latest available net asset values of the respective fund.

Venture fund units are valued at the latest available net asset value of the respective fund.

Securities with call option are valued at the lower of the value as obtained by valuing the security upto final maturity date or the call option date. In case there are multiple call options, the security is valued at the lowest value obtained by valuing the security at various call dates or upto the final maturity date.

Securities with put option are valued at the higher of the value as obtained by valuing the security upto final maturity date or the put option date. In case there are multiple put options, the security is valued at the highest value obtained by valuing the security at various put dates or upto the final maturity date.

The securities with both put and call option on the same day would be deemed to mature on the put/call date and would be valued on a yield to maturity basis, by using spreads over the benchmark rate based on the matrix released by CRISIL.

Instruments bought on `reverse repo' basis are valued at cost plus interest accrued on reverse repo rate.

Unrealised gains and losses are recognised in the Revenue account as prescribed by IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002.

Fixed deposits with banks are valued at cost.

2.11.4. Transfer of investments

Transfer of investments from Shareholders' fund to the Policyholders' fund to meet the deficit in the Policyholders' account is made at amortised/book cost or market price, whichever is lower. The transfer of investments between unit liked funds is done at the prevailing market price.

No transfer of investments is carried out between non-linked policyholders' funds.

2.12. Loans

Loans are stated at historical cost, subject to provision for impairment, if any.

2.13. Fixed assets and impairment

2.13.1. Tangible assets and depreciation

Tangible assets are stated at acquisition cost less accumulated depreciation and impairment loss, if any. Cost includes the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities) and any cost directly attributable to bring the asset to its working condition for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure incurred on tangible assets is expensed out except where such expenditure results in an increase in future benefits from the existing assets beyond it's previously assessed standard of performance.

Asset costing up to ₹ 5,000 are fully depreciated in the year of acquisition.

The rates of depreciation used by the Company for various category of assets, as detailed below, are the higher of the rates as determined based on the managements estimate of useful life or the rates prescribed in Schedule XIV to the Companies Act, 1956.

Asset	Depreciation rates
Office buildings on freehold land	1.63%
Improvement to leasehold properties	Depreciated over the lease period, subject to a maximum of 9 years
Furniture and fixtures	15%
Office equipment	25%
Information technology equipment	33.3%, except for tablets which is 50%
Communication networks and servers	25%
Motor vehicles	20%

Depreciation is provided using straight-line method ('SLM') prorated from the date of being ready to use, up to the date of sale, based on estimated useful life for each class of asset.

2.13.2. Intangibles

Intangible assets comprising software are stated at cost less amortisation. Significant expenditure on improvements to software are capitalised when it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably. Subsequent expenditures are amortised over the remaining useful life of original software. Software expenses are amortised using SLM over a period of 4 years from the date of being ready to use.

2.13.3. Capital work in progress

Assets not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.

2.13.4. Impairment of assets

Management periodically assesses, using external and internal sources, whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset unit is made. Impairment occurs where the carrying value of the asset exceeds the recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and its eventual disposal. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to a maximum of depreciable historical cost.

2.14. Taxation

2.14.1. Direct taxes

Income tax expense comprises of current tax (i.e. amount of tax for the year determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

Current tax is the amount expected to be paid to the tax authorities after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961.

The deferred tax asset and liabilities are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. However, deferred tax asset in respect of unabsorbed depreciation or carried forward loss are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonable / virtually certain (as the case may be) to be realised.

The Company allocates tax to the participating lines of business in order to ensure that the expenses pertaining to and identifiable with a particular line of business are represented as such to enable a more appropriate presentation of the financial statements. Accordingly, tax charge/credit on surplus/deficit arising from the participating line of business is disclosed separately in the Revenue account.

2.14.2. Indirect taxes

Service Tax liability on life insurance service is set-off against the service tax credits available from tax paid on input services. Unutilised credits, if any, are carried forward for future set-off, where there is reasonable certainty of utilisation.

2.15. Provisions and contingencies

Provisions are recognised in respect of present obligations as a result of a past event and it is probable that an outflow of resources will be required and a reliable estimate can be made of the amount of the obligation. A disclosure of a contingent liability is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources or it cannot be reliably estimated. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed.

2.16. Segmental reporting

Based on the primary segments identified under IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002 ('the Regulations') read with AS 17 on "Segmental Reporting" prescribed in the Companies Act, 1956 and rules thereunder, the Company has classified and disclosed segmental information separately for Shareholders' and Policyholders'. Within Policyholders', the businesses are further segmented into Participating (Life and Pension for Group and Retail segments put together), Non-Participating, Linked (Life, Pension, Health and Group), Health and Annuity.

There are no reportable geographical segments, since all business is written in India.

The allocation of revenue, expenses, assets and liabilities to specific segments is done in the following manner, which is applied on a consistent basis.

- Revenue, expenses, assets and liabilities that are directly identifiable to the segment are allocated on actual basis;
- Other revenue, expenses (including depreciation and amortisation), assets and liabilities that are not directly identifiable to a segment are allocated based on the relevant drivers which includes:
    - Number of policies
    - Weighted annualised first year premium income
    - Annualised Premiums since inception
    - Sum assured
    - Total premium income
    - Medical cases
    - Funds under management
    - Commission
    - Total operating expenses (for assets and liabilities)
    - Use of asset (for depreciation expense)

2.17. Foreign exchange transactions

Initial recognition: Foreign currency transactions are recorded in Indian Rupees, by applying to the foreign currency amount the exchange rate between the Indian Rupee and the foreign currency at the date of the transaction.

Conversion: Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences: Exchange differences are recognised as income or as expenses in the period in which they arise.

2.18. Earnings per share

Basic earnings per share are calculated by dividing the profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the profit or loss after tax for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented.

2.19. Cash and cash equivalents

Cash and cash equivalents for the purpose of Receipts and Payments account include cash and cheques in hand, bank balances, liquid mutual funds and other investments with original maturity of three months or less which are subject to insignificant risk of changes in value.

3. Notes to accounts

3.1. Contingent liabilities

(₹ in '000)

Particulars	At March 31, 2014	*At March 31, 2013*
Partly-paid up investments	—	—
Claims, other than those under policies, not acknowledged as debts comprising of:		
- Claims made by vendors for disputed payments	**101,258**	*101,038*
- Claims for damages made by landlords (of premises taken on lease)	**43,675**	*35,731*
- Claims made by employees and advisors for disputed dues and compensation	**4,086**	*2,955*
Underwriting commitments outstanding (in respect of shares and securities)	—	—
Guarantees given by or on behalf of the Company	—	—
Statutory demands/liabilities in dispute, not provided for (refer note [1])	—	*1,590*
Reinsurance obligations to the extent not provided for	—	—
Policy related claims under litigation in different consumer forums:		
- Claims for service deficiency	**155,220**	*155,916*
- Claims against repudiation	**146,586**	*137,984*
Others (refer note [2])	**1,536,996**	*1,350,000*
Total	**1,987,821**	*1,785,214*

Note:

1. ₹ 1,590 thousand pertains to a demand from Profession Tax authority, West Bengal which was settled in the Company's favour during the year ended March 31, 2014.
2. ₹ 1,536,996 thousand is on account of objections raised by office of the Commissioner of Service tax, Mumbai (through the Service Tax audit under EA-2000) on certain positions taken by the Company).

3.2. Actuarial method and assumptions

The actuarial liability in respect of both participating and non-participating policies is calculated using the gross premium method, using assumptions for interest, mortality, morbidity, expense and inflation and, in the case of participating policies, future bonuses together with allowance for taxation and allocation of profits to shareholders. These assumptions are determined as prudent estimates at the date of valuation with allowances for adverse deviations. No allowance is made for expected lapses in the future.

The liability for the unexpired portion of the risk for the non-unit liabilities of linked business and attached riders is the greater of liability calculated using discounted cash flows and unearned premium reserves.

An unexpired risk reserve and a reserve in respect of claims incurred but not reported is held for one year renewable group term insurance.

The unit liability in respect of linked business is the value of the units standing to the credit of policyholders, using the Net Asset Value (`NAV') prevailing at the valuation date.

The interest rates used for valuing the liabilities are in the range of 4.87% to 5.77% per annum (The previous year's rates were 4.43% to 6.26%).

Mortality rates used are based on the published "Indian Assured Lives Mortality (2006 – 2008) Ult." mortality table for assurances and LIC (a) 96-98 table for annuities adjusted to reflect expected experience. Morbidity rates used are based on CIBT 93 table, adjusted for expected experience, or on risk rates supplied by reinsurers.

Expenses are provided for at least at current levels in respect of renewal expenses, with no allowance for any future improvement but with an allowance for any expected worsening. Per policy renewal expenses are assumed to inflate at 4.84% (The inflation assumption for the previous year was 5.41%).

Certain explicit additional provisions are made, which include the following:

a. Reserves for additional expenses that the Company may have to incur if it were to close to new business twelve months after the valuation date.

b. Reserves for guarantees available to individual and group insurance policies.

c. Reserves for cost of non-negative claw back additions.

d. Reserves for free look option given to policyholders calculated using a free look cancellation rate of 3.10% (March 31, 2013: 2.64%) for individual policies issued in the two-month period preceding the valuation date.

e. Reserves for guaranteed insurability and guaranteed annuity options given to policyholders.

f. Reserves for substandard lives.

g. Reserves for lapsed policies eligible for revivals.

3.3. Encumbrance of assets

The assets of the Company are free from all encumbrances except to the extent assets or monies are required to be deposited as margin contributions for investment trade obligations of the Company or as mandated by the court, as detailed below:

a. Assets deposited with National Securities Clearing Corporation Limited (NSCCL) and Indian Clearing Corporation Limited (ICCL)

Fixed deposit of ₹ 1,050,200 thousand (March 31, 2013: ₹ 1,050,100 thousand) and ₹ 300,100 thousand (March 31, 2013: ₹ 100,000 thousand) has been deposited with NSCCL and ICCL respectively towards margin requirement for equity trade settlement.

Terms of pledge: Physical custody of the fixed deposits are with respective clearing houses, however the income accrued on these deposits shall be passed on to the Company on the maturity of the deposits. These deposits can be invoked by the clearing houses in case of any default by the Company in settlement of equity transactions.

b. Assets encumbered with Clearing Corporation of India Limited (CCIL)

Particulars	At March 31, 2014		*At March 31, 2013*	
	Market value	Amortised cost	*Market value*	*Amortised cost*
Pledged under securities segment				
Government securities	1,227,178	1,321,747	*807,356*	*794,986*
Cash	70,000	70,000	*60,000*	*60,000*
Pledged under CBLO segment (Collateralized Borrowing and Lending Obligation)				
Government securities	185,182	207,303	*203,300*	*207,632*
Cash	**100**	**100**	*100*	*100*

Terms of pledge: Physical custody of the securities is maintained with the CCIL, however interest accrued on these securities is received by the Company. The Company is not entitled to any interest income on the money deposited with the CCIL towards margin requirements. These deposits, both securities and cash, can be invoked by CCIL in case of any default by the Company in settlement of trades in Securities and CBLO segment.

c. Other encumbrances

Death claim settlement amount of ₹ 479 thousand (March 31, 2013: ₹ Nil) pertaining to one of the deceased policyholder has been invested in a fixed deposit with ICICI Bank Limited based on the directive from the Hon. Patna High Court with the condition that this sum cannot be withdrawn without the order of the Court.

3.4. Assets to be deposited under local laws

There are no assets required to be deposited by the Company under any local laws or otherwise encumbered in or outside India at March 31, 2014 (March 31, 2013: ₹ Nil) except the assets disclosed in the note 3.3 and 3.5 of Schedule 16.

3.5. Investments made under Statutory Requirements

The Company has deposited a security (10.0% 2014 Government of India Securities) with the Reserve Bank of India in order to comply with the requirements prescribed under Section 7 of the Insurance Act, 1938.

The market value of this security held under Section 7 of the Insurance Act, 1938 is ₹ 102,189 thousand (March 31, 2013: ₹ 104,331 thousand). This security is held with Deutsche Bank A.G. in Constituent Subsidiary General Ledger Account as specified by the IRDA.

3.6. Restructured assets

There are no assets including loans subject to re-structuring (March 31, 2013: ₹ Nil).

3.7. Commitments

Commitments made and outstanding (net of advances) for Company's investment in Real estate (Investment property) is ₹ 1,064,037 thousand (March 31, 2013: ₹ Nil).

Estimated amount of contracts remaining to be executed on fixed assets to the extent not provided for (net of advance) is ₹ 117,217 thousand (March 31, 2013: ₹ 180,842 thousand).

There are no loan commitments made by the Company (March 31, 2013: ₹ Nil).

3.8. Claims settled and remaining unpaid

Claims settled and remaining unpaid for a period of more than six months as at March 31, 2014 is ₹ 114 thousand (March 31, 2013: ₹ 8,216 thousand).

3.9. Unclaimed amount of policyholders

In accordance with circular IRDA/F&I/CIR/CMP/174/11/2010 issued by the IRDA on November 4, 2010, the age wise analysis of unclaimed amount of the policyholders at March 31, 2014 is tabulated as below:

a. Claims settled but not paid to the policyholders/insured due to any reasons except under litigation from the insured/policyholders:

At	Total amount	Age-wise analysis (₹ '000)							
		Outstanding period in months							
		<1	1-6	7-12	13-18	19-24	25-30	31-36	> 36
March 31, 2014	**5,157**	**2,631**	**2,526**	**—**	**—**	**—**	**—**	**—**	**—**
March 31, 2013	*8,664*	*448*	*—*	*—*	*—*	*—*	*2,694*	*5,522*	*—*

b. Sum due to the insured/policyholders on maturity or otherwise:

At	Total amount	Age-wise analysis (₹ '000)							
		Outstanding period in months							
		<1	1-6	7-12	13-18	19-24	25-30	31-36	> 36
March 31, 2014	**1,710,265**	**738,042**	**335,507**	**208,714**	**227,045**	**51,218**	**42,718**	**13,150**	**93,871**
March 31, 2013	*1,175,880*	*675,267*	*210,460*	*65,450*	*85,876*	*13,253*	*22,311*	*9,604*	*93,659*

c. Any excess collection of the premium/tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far:

At	Total amount	Age-wise analysis (₹ '000)							
		Outstanding period in months							
		<1	1-6	7-12	13-18	19-24	25-30	31-36	> 36
March 31, 2014	**73,586**	**70,448**	**2,528**	**290**	**146**	**31**	**32**	**44**	**67**
March 31, 2013	*94,695*	*75,183*	*16,227*	*1,886*	*976*	*189*	*155*	*11*	*68*

d. Cheques issued but not encashed by the policyholder / insured:

At	Total amount	Age-wise analysis (₹ '000)							
		Outstanding period in months							
		<1	1-6	7-12	13-18	19-24	25-30	31-36	> 36
March 31, 2014	**4,658,455**	**1,949,058**	**447,729**	**292,654**	**254,755**	**310,647**	**300,389**	**416,162**	**687,061**
March 31, 2013	*4,047,596*	*946,352*	*580,047*	*496,601*	*475,547*	*626,751*	*350,662*	*238,827*	*332,809*

The cheques issued but not encashed by policyholders'/insured category include ₹ 2,122,770 thousand pertaining to cheques which are within the validity period but not yet encashed by the policyholders at March 31, 2014 (March 31, 2013: ₹ 1,198,200 thousand). This amount forms part of bank reconciliation and consequently not considered in unclaimed amount of policyholders as disclosed under Schedule 13 - Current liabilities.

3.10. Managerial remuneration

The remuneration of the Managing Director and Executive Directors' included in employee remuneration and welfare benefits is as follows:

(₹ in '000)

FY2014	**Basic**	**Bonus**	**Retirals**	**Allowances/ Perquisites**	**LTRS**[1]	**Total**
Sandeep Bakhshi, Managing Director & CEO	12,626	5,585	2,878	7,643	15,000	43,732
Puneet Nanda, Executive Director	7,349	4,079	1,617	7,323	12,500	32,868
Sandeep Batra, Executive Director[2]	1,556	—	187	2,301	—	4,044
Madhivanan Balakrishnan, Executive Director[3]	145	1,700	647	307	7,500	10,299
Total	**21,676**	**11,364**	**5,329**	**17,574**	**35,000**	**90,943**

(₹ in '000)

FY2013	***Basic***	***Bonus***	***Retirals***	***Allowances/ Perquisites***	***LTRS***[1]	***Total***
Sandeep Bakhshi, Managing Director & CEO	*10,920*	*7,320*	*2,402*	*6,931*	*4,000*	*31,573*
Puneet Nanda, Executive Director	*6,643*	*4,648*	*1,462*	*6,448*	*5,500*	*24,701*
Madhivanan Balakrishnan, Executive Director[3]	*1,705*	*4,648*	*6,524*	*2,978*	*2,500*	*18,355*
Total	***19,268***	***16,616***	***10,388***	***16,357***	***12,000***	***74,629***

[1] Long Term Reward Scheme paid during the year
[2] inducted effective January 1, 2014
[3] held office until June 30, 2012

Expenses towards gratuity and leave encashment provision are determined actuarially for the Company as a whole and accordingly have not been considered in the above information.

Managerial remuneration is in accordance with the requirements of Section 34A of the Insurance Act, 1938 and as approved by the IRDA. Managerial remuneration in excess of the limits prescribed by IRDA has been charged to the Shareholders' account.

3.11. Investments

a. The investments are made from the respective funds of the Policyholders' or Shareholders' and investment income thereon has been accounted accordingly.

b. All investments are performing investments.

3.12. Value of investment contracts where settlement or delivery is pending is as follows:

(₹ in '000)

Particulars	March 31, 2014			March 31, 2013		
	Share holders	Policy holders	Unit linked	Share holders	Policy holders	Unit linked
Purchases where deliveries are pending	**—**	**1,011,863**	**1,694,212**	*696,253*	*1,460,583*	*4,245,752*
Sales where receipts are pending	**474,464**	**51,560**	**3,521,314**	*570,822*	*1,289,467*	*7,001,491*

There are no investment contracts where sales have been made and payments are overdue at the Balance Sheet date.

3.13. Investment property

In accordance with the IRDA Regulations, 2002 (Preparation of Financial Statements and Auditors' Report of Insurance Companies), the Company's investment property has been revalued. The market value of the property is based on valuation performed by an independent valuer at March 31, 2014. The opinion on market value by the independent valuer, is prepared in accordance with the "The RICS Valuation Standards" published by the Royal Institution of Chartered Surveyors ("RICS"), subject to variation to meet local established law, custom, practice and market conditions. The methods used in valuation of property includes "Direct comparable approach". The real estate investment property is accordingly valued at ₹ 854,400 thousand at March 31, 2014 (March 31, 2013: ₹ 890,000 thousand). The historical cost of the property is ₹ 185,521 thousand.

3.14. Impairment of investment assets

In accordance with the impairment policy of the Company, diminution in the value of investments has been recognised under the head "Provision for diminution in the value of investments (Net)" in the Revenue account and the Profit and Loss account. The total impairment loss recognised for the year ended March 31, 2014 is ₹ 347,997 thousand (March 31, 2013: ₹ 98,743 thousand).

3.15. Securities Lending and Borrowing Scheme (SLB)

Equity shares transferred under SLB continue to be recognised on the Balance Sheet as the Company retains all the associated risks and rewards of these securities.

The value of equity shares lent by the Company under SLB and outstanding at March 31, 2014 is ₹ 416,765 thousand (March 31, 2013: ₹ Nil). The equity shares were lent from the unit linked portfolio.

3.16. Reverse Repo transactions in Government securities/Corporate Debt Securities

Disclosures pursuant to IRDA notification ref IRDA/F&I/CIR/INV/250/12/2012 dated December 4, 2012:

(₹ in '000)

Particulars	Minimum outstanding during the year		Maximum outstanding during the year		Daily average outstanding during the year		Outstanding at March 31	
	FY2014	*FY2013*	**FY2014**	*FY2013*	**FY2014**	*FY2013*	**2014**	*2013*
Securities sold under repo								
i. Government Securities	—	—	—	—	—	—	—	—
ii. Corporate debt securities	—	—	—	—	—	—	—	—
Securities purchased under reverse repo								
i. Government Securities	**258,878**	*52,014*	**4,719,797**	*3,999,917*	**3,169,646**	*2,963,808*	—	—
i. Corporate debt securities	**689,214**	—	**689,214**	—	**689,214**	—	—	—

3.17. Sector-wise percentage of business

Sector wise break-up of policies issued, lives covered and gross premium underwritten during the year is as follows:

Sector	FY2014	FY2013
Rural – Number of policies	**212,650**	*305,909*
– Percentage of total policies	**27.3%**	*31.9%*
Social – Gross premium underwritten for new lives (₹ '000)	**15,168**	*14,380*
– Number of policies issued	**1**	*1*
– Number of new lives covered	**171,791**	*168,593*
– Percentage of total group lives	**19.9%**	*12.6%*
Total – Number of policies	**778,911**	*960,178*
– Number of total group lives	**911,309**	*1,338,704*

3.18. Risk retained and reinsured

Extent of risk retained and reinsured based on sum at risk, is as follows:

Particulars	March 31, 2014	March 31, 2013
Individual business		
Risk retained	**60%**	*63%*
Risk reinsured	**40%**	*37%*
Group business		
Risk retained	**37%**	*40%*
Risk reinsured	**63%**	*60%*

3.19. Deferred taxes

Deferred tax asset is recognised on the Company's eligible tax losses to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realised.

The deferred tax position and the movement for the year ended March 31, 2014 is summarised below:

(₹ in '000)

Particulars	Deferred tax asset at April 1, 2013	(Charge)/Credit for the period	Deferred tax asset at March 31, 2014
Deferred tax assets on:			
Carry forward of unabsorbed tax losses*	12,828	(12,828)	—
Linked funds for future appropriation	65,369	(50,074)	**15,295**
Total	**78,197**	**(62,902)**	**15,295**

*The deferred tax asset on carried forward unabsorbed losses was recognised based on estimated taxable profit expected to contractually be earned in the future from the current in-force life insurance contracts.

Deferred tax charge for the year ended March 31, 2014 is ₹ 62,902 thousand (March 31, 2013: ₹ 975,164 thousand).

An amount of ₹ 384,181 thousand (March 31, 2013: ₹ 234,428 thousand) has been charged on the total surplus in the participating line of business in line with the Company's accounting policy. As the Company has unabsorbed losses as per Income Tax Act there is no current tax liability, the tax on total surplus of participating line of business has been offset by a corresponding credit in the Profit and Loss account.

3.20. Operating lease commitments

The Company takes premises, motor vehicles, office equipments, computers, servers and modular furniture on operating lease. Certain lease arrangements provide for cancellation by either party and also contain a clause for renewal of the lease agreement. Lease payments on cancellable and non-cancellable operating lease arrangements are charged to the Revenue account and the Profit and Loss account over the lease term on a straight line basis. The total operating lease rentals charged in the current year is ₹ 823,552 thousand (year ended March 31, 2013: ₹ 964,002 thousand).

Lease rentals pertaining to non-cancellable leases charged to the Revenue account and the Profit and Loss account for the year ended March 31, 2014 is ₹ 299,104 thousand (year ended March 31, 2013: ₹ 343,632 thousand). The future minimum lease payments in respect of these non-cancellable leases at the Balance Sheet date are summarised below:

(₹ in '000)

Particulars	March 31, 2014	March 31, 2013
Not later than one year	**217,472**	*300,853*
Later than one year but not later than five years	**201,650**	*418,620*
Later than five years	—	—

3.21. Assets given on operating lease

The Company has entered into an agreement in the nature of leave and licence for leasing out investment property. This is in the nature of operating lease and lease arrangement contains provisions for renewal. There are no restrictions imposed by lease arrangement and the rent is not determined based on any contingency. The total lease payments received in respect of such lease recognised in Revenue account for the year ended March 31, 2014 is ₹ 52,973 thousand (for the year ended March 31, 2013: ₹ 39,992 thousand).

3.22. Details of related parties and transactions with related parties

Related parties and nature of relationship:

Nature of relationship	Name of the related party
Holding company	ICICI Bank Limited
Substantial interest	Prudential Corporation Holdings Limited
Subsidiary	ICICI Prudential Pension Funds Management Company Limited
Fellow subsidiaries and entities jointly controlled by holding company	ICICI Securities Limited ICICI Securities Inc. ICICI Securities Holding Inc. ICICI Securities Primary Dealership Limited ICICI Venture Funds Management Company Limited ICICI Home Finance Company Limited ICICI Trusteeship Services Limited ICICI Investment Management Company Limited ICICI International Limited ICICI Bank UK PLC. ICICI Bank Canada ICICI Bank Eurasia Limited Liability Company ICICI Lombard General Insurance Company Limited ICICI Prudential Asset Management Company Limited ICICI Prudential Trust Limited
Consolidated under AS-21 by holding company	ICICI Equity Fund ICICI Strategic Investments Fund ICICI Kinfra Limited I-Ven Biotech Limited
Key management personnel	Sandeep Bakhshi, Managing Director and CEO Puneet Nanda, Executive Director Sandeep Batra, Executive Director (effective January 1, 2014) Madhivanan Balakrishnan, Executive Director (held office till June 30, 2012) Tarun Chugh, Chief Distribution Officer (held office till November 30, 2013) Judhajit Das, Chief – Human Resources Avijit Chatterjee, Chief Actuary (held post of Appointed Actuary till April 21, 2013) Satyan Jambunathan, Appointed Actuary (appointed as Appointed Actuary, effective April 22, 2013)
Significant influence	ICICI Prudential Life Insurance Company Limited Employees' Group Gratuity Cum Life Insurance Scheme ICICI Prudential Life Insurance Company Limited Employees' Provident Fund ICICI Prudential Life Insurance Company Limited Superannuation Scheme

The following represents significant transactions between the Company and its related parties:

(₹ in '000)

Name of related party	Relation	Description	Transactions for the year		Amount recoverable / (payable)	
			FY2014	*FY2013*	**At March 31, 2014**	*At March 31, 2013*
ICICI Bank Limited	Holding company	Premium	**94,817**	*95,275*	**(497)**	*(1,209)*
		Interest income on investments	**20,443**	*64,262*	**19,305**	*2,471*
		Recovery of expenses				
		- Rent, rates and taxes	**899**	*1,162*	**494**	*4,766*
		- Employees' remuneration and welfare benefits	**15**	—	**—**	—
		- Agents training, recruitment and incentives	**1,135**	—	**—**	—
		Benefits paid				
		- Claim by death	**(70,948)**	*(61,430)*	**—**	—
		Reimbursement of other expenses				
		- Legal and professional charges	**(1,350)**	*(797)*	**(138)**	*(322)*
		- Employees' remuneration and welfare benefits	**(27,503)**	*(9,498)*	**(27,503)**	*(9,498)*
		- Rents, rates and taxes	**(853)**	*(110)*	**(46)**	*(44)*
		- Advertisement and publicity	**—**	*(204)*	**—**	—
		- Information technology cost	**(243,319)**	*(175,082)*	**(64,384)**	*(51,771)*
		Administration support expenses	**(1,645,409)**	*(266,465)*	**(291,109)**	—
		Commission	**(3,478,901)**	*(3,680,159)*	**(59,320)**	*(66,622)*
		Interest and bank charges	**(104,865)**	*(96,183)*	**(8,993)**	*(6,966)*
		Dividend	**(8,073,128)**	*(3,271,464)*	**—**	—
		Purchase of fixed assets	**(2,212)**	*(130)*	**—**	—
		Subscription to primary market issuance	**—**	*(1,407,146)*	**—**	—
		Sale of fixed assets	**1,745**	—	**—**	—
		Purchase of investments	**(6,138,806)**	*(4,088,018)*	**—**	—
		Sale of investments	**2,448,412**	*3,056,895*	**—**	—
		Redemption of investments	**5,00,000**	*1,050,030*	**—**	—
		Outstanding investments	**—**	—	**1,245,356**	*1,492,638*
		Cash & bank balances	**—**	—	**(230,266)**	*1,895,215*
		Proposed dividend	**—**	—	**(2,216,153)**	*(1,044,248)*
ICICI Securities Limited	Fellow subsidiary	Premium	**2,505**	*1,209*	**(173)**	*(681)*
		Administration support expenses	**(123,534)**	*(54,719)*	**(51,196)**	—
		Commission	**(272,036)**	*(342,625)*	**(9,444)**	*(25,850)*
		Brokerage	**(12,628)**	*(9,192)*	**(429)**	*(102)*
		Sale of investments	**52,467**	—	**—**	—
ICICI Venture Funds Management Company Limited	Fellow subsidiary	Premium	**2,273**	*2,638*	**(718)**	*(358)*
ICICI Home Finance Company Limited	Fellow subsidiary	Interest income on investments	**63,856**	*125,594*	**37,068**	*40,087*
		Recovery of expenses -Rent, rates and taxes	**—**	*22*	**—**	—
		Reimbursement of other expenses				
		- Legal and professional charges	**—**	*(503)*	**—**	—
		- Miscellaneous Expenses	**—**	*(126)*	**—**	—
		Commission	**(118)**	—	**(5)**	—
		Redemption of investments	**—**	*597,000*	**—**	—
		Sale of investments	**2,50,000**	—	**—**	—
		Outstanding investments	**—**	—	**499,123**	*746,387*
ICICI Securities Primary Dealership Limited	Fellow subsidiary	Premium	**352**	*322*	**(255)**	*(221)*
		Interest income on investments	**75,350**	*53,858*	**35,967**	*14,542*
		Purchase of investments	**(3,330,056)**	*(5,277,860)*	**—**	—
		Subscription to primary market issuance	**(2,50,000)**	—	**—**	—
		Sale of investments	**2,064,848**	*5,358,050*	**—**	—
		Outstanding investments	**—**	—	**782,816**	*562,968*
ICICI Prudential Asset Management Company Limited	Fellow subsidiary	Premium	**2,777**	*1,558*	**(479)**	*(291)*
ICICI Lombard General Insurance Company Limited	Fellow subsidiary	Premium	**5,774**	*5,679*	**(591)**	*(528)*
		Benefits paid	**—**	*(2,000)*	**—**	—
		Claims received (loss of asset)	**607**	*12,000*	**—**	—
		Reimbursement of other expenses				
		- Rent, rates and taxes	**(6,546)**	*(7,961)*	**(257)**	*(195)*
		Employees' remuneration and welfare benefits	**(182,935)**	*(169,343)*	**53,755**	*42,047*
		Purchase of investments	**—**	*(1,696,367)*	**—**	—
		Sale of investments	**676,905**	*887,478*	**—**	—
		Security deposit outstanding	**(115)**	—	**1,157**	*1,272*

(₹ in '000)

Name of related party	Relation	Description	Transactions for the year		Amount recoverable / (payable)	
			FY2014	*FY2013*	**At March 31, 2014**	*At March 31, 2013*
ICICI Prudential Pension Funds Management Company Limited	Subsidiary	Recovery of expenses				
		- Communication expenses	**135**	—	**136**	—
		- Employees' remuneration and welfare benefits	**24,039**	—	**21,905**	—
		- Information technology cost	**237**	—	**216**	—
		- Legal and professional charges	**355**	*7,954*	**355**	*7,954*
		- Miscellaneous expenditure	**48**	—	**48**	—
		- Rent, rates and taxes	**4033**	—	**3,674**	—
		- Travel, conveyance and vehicle running	**1,138**	—	**1,138**	—
		- Software	**1,835**	—	**1,835**	—
		Share capital subscribed	**—**	*(160,000)*	**—**	—
Prudential Corporation Holdings Limited	Substantial interest	Recovery of expenses				
		- Employees' remuneration and welfare benefits	**7,684**	*6,818*	**1,465**	*2,557*
		Reimbursement of other expenses				
		- Employees' remuneration and welfare benefits	**(1,918)**	*(1,852)*	**(1,494)**	*(1,661)*
		- Agents training, recruitment and incentives	**(17,018)**	*(25,947)*	**(13,629)**	*(25,947)*
		Dividend	**(2,836,504)**	*(1,149,433)*	**—**	—
		Proposed dividend	**—**	—	**(778,648)**	*(366,898)*
ICICI Prudential Life Insurance Company Limited Employees' Group Gratuity Cum Life Insurance Scheme	Significant influence	Premium income	**109,154**	*194,593*	**(287)**	*(308)*
		Contribution to trust	**(109,134)**	*(194,595)*	**—**	—
ICICI Prudential Life Insurance Company Limited Superannuation Scheme	Significant influence	Premium income	**8,830**	*8,958*	**—**	—
		Contribution to trust	**(8,830)**	*(8,958)*	**—**	—
ICICI Prudential Life Insurance Company Limited Employees' Provident Fund	Significant influence	Contribution to trust	**(205,435)**	*(211,880)*	**(32,061)**	*(36,087)*
Key management personnel	Key management personnel	Premium	**1,292**	*710*	**—**	—
		Dividend	**(144)**	*(9)*	**(127)**	—
		Managerial remuneration				
		Employees' remuneration and welfare benefits	**(156,629)**	*(136,255)*	**—**	—
		Employee stock options outstanding (numbers)	**—**	—	**1,195,375**	*1,137,500*
		Employee stock options exercised1	**—**	—	**77,500**	*30*
Key management personnel	Relatives of key management personnel	Premium income	**257**	*27*	**—**	—
		Benefits paid	**(5)**	—	**—**	—

1. The options exercised have been reported at face value

Expenses are disclosed gross of service tax

3.23. Segmental reporting

Segment wise information of various items as required under AS 17 "Segmental Reporting" are given below:

For the year ended March 31, 2014 (₹ in '000)

Particulars	Segments									Shareholders'	Total
	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group		
Segment revenue (excluding contribution from the Shareholders' account)	**15,492,047**	**3,335,820**	**26,803,119**	**3,598,737**	**216,097**	**108,408,549**	**44,251,322**	**2,265,949**	**10,794,795**	**3,973,950**	**219,140,385**
Segment result - Surplus/ Deficit (net of contribution from the Shareholders' account)	**1,424,744**	**525,385**	**603,971**	**(599,565)**	**335,767**	**1,755,594**	**7,442,044**	**299,943**	**302,611**	**3,596,810**	**15,687,304**
Depreciation/ Amortisation	**89,064**	**478**	**83,030**	**1,460**	**707**	**260,165**	**23,402**	**4,593**	**5,314**	**159**	**468,372**
Significant non-cash expenses*	**6,111,549**	**(1,680,184)**	**19,596,384**	**3,142,235**	**(191,140)**	**44,219,271**	**(17,807,724)**	**1,225,336**	**2,117,250**	**263,006**	**56,995,983**

For the year ended March 31, 2013 (₹ in '000)

Particulars	Segments									Shareholders'	Total
	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group		
Segment revenue (excluding contribution from the Shareholders' account)	*10,955,812*	*4,961,715*	*26,256,962*	*3,681,145*	*195,365*	*81,336,042*	*49,064,534*	*2,096,763*	*17,767,857*	*4,160,630*	***200,476,825***
Segment result - Surplus/ Deficit (net of contribution from the Shareholders' account)	*586,129*	*507,883*	*(5,494,043)*	*(136,477)*	*(628,032)*	*4,932,781*	*9,143,773*	*165,275*	*245,474*	*4,102,168*	***13,424,931***
Depreciation/ Amortisation	*34,190*	*393*	*154,081*	*507*	*1,141*	*179,850*	*20,822*	*13,900*	*4,729*	*179*	***409,792***
Significant non-cash expenses*	*3,998,837*	*(302,932)*	*19,242,135*	*2,896,583*	*704,928*	*6,431,990*	*(14,209,552)*	*1,018,876*	*6,318,915*	*—*	***26,099,780***

* comprises of change in valuation of policy liabilities, provisions for diminution in the value of investments (net), provision for doubtful debts and bad debts written off.

3.24. SEGMENTAL BALANCE SHEET

Segmental Balance Sheet as at March 31, 2014

(₹ in '000)

Particulars	Segments									Shareholder	Total
	Par Life	Par Pension	Non-Par	Annuities Non -Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group		
Sources of funds											
Shareholders' funds :											
Share capital	—	—	—	—	—	—	—	—	—	14,292,557	**14,292,557**
Share application money	—	—	—	—	—	—	—	—	—	984	**984**
Reserve and surplus	—	—	—	—	—	—	—	—	—	33,663,847	**33,663,847**
Credit/[debit] fair value change account	—	—	—	—	—	—	—	—	—	1,860,657	**1,860,657**
Sub - total	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**49,818,045**	**49,818,045**
Borrowings	—	—	—	—	—	—	—	—	—	—	**—**
Policyholders' funds :											
Credit/[debit] fair value change account	2,924,785	553,231	1,315,994	—	9	4	1	—	—	—	**4,794,024**
Revaluation reserve - Investment property- Refer note 3.13 of schedule 16	334,438	334,441	—	—	—	—	—	—	—	—	**668,879**
Policy liabilities (A)+(B)+(C)	43,034,113	15,895,170	54,113,907	17,486,932	631,104	341,690,189	203,326,063	5,126,022	59,475,701	—	**740,779,201**
Non unit liabilities (mathematical reserves) (A)	43,034,113	15,895,170	54,113,907	17,486,932	631,104	5,587,454	1,158,512	120,574	97,106	—	**138,124,872**
Provision for linked liabilities (fund reserves) (B)	—	—	—	—	—	324,823,819	202,165,790	5,005,448	59,378,595	—	**591,373,652**
(a) Provision for linked liabilities	—	—	—	—	—	286,148,735	174,384,130	4,433,922	58,035,555	—	**523,002,342**
(b) Credit/[debit] fair value change account (Linked)	—	—	—	—	—	38,675,084	27,781,660	571,526	1,343,040	—	**68,371,310**
Funds for discontinued policies (C) - Refer note 3.37 of schedule 16	—	—	—	—	—	11,278,916	1,761	—	—	—	**11,280,677**
(a) Discontinued on account of non-payment of premium	—	—	—	—	—	11,283,673	1,761	—	—	—	**11,285,434**
(b) Other discontinuance	—	—	—	—	—	—	—	—	—	—	**—**
(c) Credit/[debit] fair value change account	—	—	—	—	—	(4,757)	—	—	—	—	**(4,757)**
Total linked liabilities (B)+(C)	—	—	—	—	—	336,102,735	202,167,551	5,005,448	59,378,595	—	**602,654,329**
Sub - total	**46,293,336**	**16,782,842**	**55,429,901**	**17,486,932**	**631,113**	**341,690,193**	**203,326,064**	**5,126,022**	**59,475,701**	**—**	**746,242,104**
Funds for Future Appropriations											
Linked - Refer note 3.32 of schedule 16	—	—	—	—	—	107,997	341,995	—	—	—	**449,992**
Non linked	1,757,603	1,265,353	950,929	—	—	284,599	275,066	56,849	—	—	**4,590,399**
Sub - total	**1,757,603**	**1,265,353**	**950,929**	**—**	**—**	**392,596**	**617,061**	**56,849**	**—**	**—**	**5,040,391**
Total	**48,050,939**	**18,048,195**	**56,380,830**	**17,486,932**	**631,113**	**342,082,789**	**203,943,125**	**5,182,871**	**59,475,701**	**49,818,045**	**801,100,540**
Application of funds											
Investments											
- Shareholders'	—	—	—	—	—	—	—	—	—	53,527,703	**53,527,703**
- Policyholders'	48,103,101	17,824,214	52,535,654	16,554,156	743,195	6,106,970	1,970,966	98,477	630,343	—	**144,567,076**
Asset held to cover linked liabilities	—	—	—	—	—	336,210,732	202,509,546	5,005,448	59,378,595	—	**603,104,321**
Loans	109,254	—	2,742	—	—	7,080	—	—	—	—	**119,076**
Fixed assets - net block	—	—	—	—	—	—	—	—	—	2,015,439	**2,015,439**
Deferred tax asset - Refer note 3.19 of schedule 16	—	—	—	—	—	—	—	—	—	15,295	**15,295**
Current assets											
- Cash and bank balances	41,289	6,826	10,941	6,840	52	10,022	1,722	384	240	1,856,068	**1,934,384**
- Advances and other assets	1,829,022	466,462	2,735,676	543,769	27,511	663,038	151,699	16,992	43,062	3,164,827	**9,642,058**
Sub-total (A)	1,870,311	473,288	2,746,617	550,609	27,563	673,060	153,421	17,376	43,302	5,020,895	**11,576,442**
Current liabilities	2,002,877	249,056	(1,123,658)	(382,498)	139,384	852,368	680,157	(63,915)	575,098	13,137,566	**16,066,435**
Provisions	28,850	251	27,841	331	261	62,685	10,651	2,345	1,441	3,511,530	**3,646,186**
Sub-total (B)	2,031,727	249,307	(1,095,817)	(382,167)	139,645	915,053	690,808	(61,570)	576,539	16,649,096	**19,712,621**
Net current assets (C) = (A-B)	(161,416)	223,981	3,842,434	932,776	(112,082)	(241,993)	(537,387)	78,946	(533,237)	(11,628,201)	**(8,136,179)**
Miscellaneous expenditure (to the extent not written-off or adjusted)	—	—	—	—	—	—	—	—	—	—	**—**
Debit balance in Profit & Loss Account (Shareholders' account) - Refer note 3.40 of schedule 16	—	—	—	—	—	—	—	—	—	5,887,809	**5,887,809**
Total	**48,050,939**	**18,048,195**	**56,380,830**	**17,486,932**	**631,113**	**342,082,789**	**203,943,125**	**5,182,871**	**59,475,701**	**49,818,045**	**801,100,540**

3.24. SEGMENTAL BALANCE SHEET

Segmental Balance Sheet as at March 31, 2013

(₹ in '000)

Particulars	Segments									Shareholder	Total
	Par Life	Par Pension	Non-Par	Annuities Non -Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group		
Sources of funds											
Shareholders' funds :											
Share capital	—	—	—	—	—	—	—	—	—	14,289,392	**14,289,392**
Share application money	—	—	—	—	—	—	—	—	—	—	**—**
Reserve and surplus	—	—	—	—	—	—	—	—	—	33,645,103	**33,645,103**
Credit/[debit] fair value change account	—	—	—	—	—	—	—	—	—	477,588	**477,588**
Sub - total	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**48,412,083**	**48,412,083**
Borrowings	—	—	—	—	—	—	—	—	—	—	**—**
Policyholders' funds :											
Credit/[debit] fair value change account	1,876,039	485,471	116,463	—	28	24	3	5	2	—	**2,478,035**
Revaluation reserve - Investment property- Refer note 3.13 of schedule 16	352,238	352,241	—	—	—	—	—	—	—	—	**704,479**
Policy liabilities (A)+(B)+(C)	36,985,580	17,581,150	34,555,751	14,344,704	822,099	297,478,858	221,134,093	3,901,167	57,358,454	—	**684,161,856**
Non unit liabilities (mathematical reserves) (A)	36,985,580	17,581,150	34,555,751	14,344,704	822,099	4,373,474	1,422,739	82,007	108,496	—	**110,276,000**
Provision for linked liabilities (fund reserves) (B)	—	—	—	—	—	288,803,559	219,711,354	3,819,160	57,249,958	—	**569,584,031**
(a) Provision for linked liabilities	—	—	—	—	—	268,543,249	201,636,475	3,666,532	56,496,774	—	**530,343,030**
(b) Credit/[debit] fair value change account (Linked)	—	—	—	—	—	20,260,310	18,074,879	152,628	753,184	—	**39,241,001**
Funds for discontinued policies (C) - Refer note 3.37 of schedule 16	—	—	—	—	—	4,301,825	—	—	—	—	**4,301,825**
(a) Discontinued on account of non-payment of premium	—	—	—	—	—	4,302,659	—	—	—	—	**4,302,659**
(b) Other discontinuance	—	—	—	—	—	—	—	—	—	—	**—**
(c) Credit/[debit] fair value change account	—	—	—	—	—	(834)	—	—	—	—	**(834)**
Total linked liabilities (B)+(C)	—	—	—	—	—	293,105,384	219,711,354	3,819,160	57,249,958	—	**573,885,856**
Sub - total	**39,213,857**	**18,418,862**	**34,672,214**	**14,344,704**	**822,127**	**297,478,882**	**221,134,096**	**3,901,172**	**57,358,456**	**—**	**687,344,370**
Funds for Future Appropriations											
Linked - Refer note 3.32 of schedule 16	—	—	—	—	—	483,535	838,883	—	—	—	**1,322,418**
Non linked	905,677	855,323	—	—	—	780,213	1,149,692	69,221	—	—	**3,760,126**
Sub - total	**905,677**	**855,323**	**—**	**—**	**—**	**1,263,748**	**1,988,575**	**69,221**	**—**	**—**	**5,082,544**
Total	**40,119,534**	**19,274,185**	**34,672,214**	**14,344,704**	**822,127**	**298,742,630**	**223,122,671**	**3,970,393**	**57,358,456**	**48,412,083**	**740,838,997**
Application of funds											
Investments											
- Shareholders'	—	—	—	—	—	—	—	—	—	49,199,607	**49,199,607**
- Policyholders'	38,841,452	18,537,550	31,603,928	14,422,342	788,499	5,571,590	2,279,258	118,252	707,007	—	**112,869,878**
Asset held to cover linked liabilities	—	—	—	—	—	293,588,918	220,550,237	3,819,160	57,249,959	—	**575,208,274**
Loans	82,252	—	957	—	—	4,260	—	—	—	—	**87,469**
Fixed assets - net block	—	—	—	—	—	—	—	—	—	1,722,384	**1,722,384**
Deferred tax asset - Refer note 3.19 of schedule 16	—	—	—	—	—	—	—	—	—	78,197	**78,197**
Current assets											
- Cash and bank balances	70,806	112,880	9,013	5,146	100	3,378	836	256	102	3,045,083	**3,247,600**
- Advances and other assets	1,761,468	1,134,237	2,161,290	452,788	15,195	961,178	198,225	30,636	39,311	3,092,107	**9,846,435**
Sub-total (A)	1,832,274	1,247,117	2,170,303	457,934	15,295	964,556	199,061	30,892	39,413	6,137,190	13,094,035
Current liabilities	627,601	510,288	(937,945)	535,016	(18,638)	1,351,664	(102,769)	(4,687)	636,941	15,833,581	**18,431,052**
Provisions	8,843	194	40,919	556	305	35,030	8,654	2,598	982	1,655,069	**1,753,150**
Sub-total (B)	636,444	510,482	(897,026)	535,572	(18,333)	1,386,694	(94,115)	(2,089)	637,923	17,488,650	20,184,202
Net current assets (C) = (A-B)	1,195,830	736,635	3,067,329	(77,638)	33,628	(422,138)	293,176	32,981	(598,510)	(11,351,460)	**(7,090,167)**
Miscellaneous expenditure (to the extent not written-off or adjusted)	—	—	—	—	—	—	—	—	—	—	**—**
Debit balance in Profit & Loss Account (Shareholders' account) - Refer note 3.40 of schedule 16	—	—	—	—	—	—	—	—	—	8,763,355	**8,763,355**
Total	**40,119,534**	**19,274,185**	**34,672,214**	**14,344,704**	**822,127**	**298,742,630**	**223,122,671**	**3,970,393**	**57,358,456**	**48,412,083**	**740,838,997**

Total cost incurred during the year ended March 31, 2014 to acquire assets that are expected to be used during more than one period amount to ₹ 804,689 thousand (Previous year: ₹ 319,663 thousand).

3.25 FUND BALANCE SHEET AT MARCH 31, 2014

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Anmol Nivesh Fund	Balancer Fund	Balancer Fund II	Balancer Fund III	Balancer Fund IV	Bluechip Fund	Cash Plus Fund	Discontinued Fund - Life	Dynamic P/E Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III
		ULIF 072 28/04/09 LAnmolNiv 105	ULIF 002 22/10/01 LBalancer1 105	ULIF 014 17/05/04 LBalancer2 105	ULIF 023 13/03/06 LBalancer3 105	ULIF 039 27/08/07 LBalancer4 105	ULIF 087 24/11/09 LBluChip 105	ULIF 008 11/08/03 LCashPlus 105	ULIF 100 01/07/10 LDiscont 105	ULIF 097 11/01/10 LDynmicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	8,623	(568,534)	28,517	(28,039)	842,519	2,269,315	1,996,878	10,493,615	19,488,852	552,162	565,644	27,383
Revenue account		704	11,974,793	3,785,172	308,351	184,669	65,686	788,598	785,301	1,625,125	491,973	211,059	34,252
Total		**9,327**	**11,406,259**	**3,813,689**	**280,312**	**1,027,188**	**2,335,001**	**2,785,476**	**11,278,916**	**21,113,977**	**1,044,135**	**776,703**	**61,635**
Application of funds													
Investments	F-2	7,737	11,152,110	3,728,359	273,830	1,005,411	2,308,072	2,692,893	11,308,552	20,880,258	1,017,946	760,425	62,312
Current assets	F-3	1,602	271,732	91,699	11,107	21,904	27,313	93,185	87,830	632,561	26,479	16,509	2,932
Less: Current liabilities and provisions	F-4	12	17,583	6,369	4,625	127	384	602	117,466	398,842	290	231	3,609
Net current assets		**1,590**	**254,149**	**85,330**	**6,482**	**21,777**	**26,929**	**92,583**	**(29,636)**	**233,719**	**26,189**	**16,278**	**(677)**
Total		**9,327**	**11,406,259**	**3,813,689**	**280,312**	**1,027,188**	**2,335,001**	**2,785,476**	**11,278,916**	**21,113,977**	**1,044,135**	**776,703**	**61,635**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		9,327	11,406,259	3,813,689	280,312	1,027,188	2,335,001	2,785,476	11,278,916	21,113,977	1,044,135	776,703	61,635
(b) Number of Units outstanding (in '000)		647	267,362	126,304	14,213	56,562	194,159	136,137	882,191	1,577,172	62,436	41,943	3,739
(c) NAV per unit (a)/(b) (₹)		14.41	42.66	30.19	19.72	18.16	12.03	20.46	12.79	13.39	16.72	18.52	16.49

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Flexi Balanced Fund IV	Flexi Growth Fund	Flexi Growth Fund II	Flexi Growth Fund III	Flexi Growth Fund IV	Highest NAV Fund B	Income Fund	Invest Shield Cash Fund	Invest Shield Fund - Life	Life Growth Fund	Life Secure Fund	Maximiser Fund
		ULIF 040 27/08/07 LFlexiBal4 105	ULIF 026 20/03/07 LFlexiGro1 105	ULIF 027 20/03/07 LFlexiGro2 105	ULIF 028 20/03/07 LFlexiGro3 105	ULIF 038 27/08/07 LFlexiGro4 105	ULIF 116 15/03/11 LHighNavB 105	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash 105	ULIF 018 03/01/05 LInvShld 105	ULIF 134 19/09/13 LGF 105	ULIF 135 19/09/13 LSF 105	ULIF 001 22/10/01 LMaximis1 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	237,412	4,698,261	7,530,890	347,459	6,682,907	31,986,108	17,987,227	4,261,929	1,954,263	625,526	533,874	(6,621,786)
Revenue account		53,056	12,530,820	2,877,228	513,351	2,938,491	510,844	211,588	803,964	640,010	11,114	(4,253)	48,172,590
Total		**290,468**	**17,229,081**	**10,408,118**	**860,810**	**9,621,398**	**32,496,952**	**18,198,815**	**5,065,893**	**2,594,273**	**636,640**	**529,621**	**41,550,804**
Application of funds													
Investments	F-2	281,412	17,232,819	10,233,032	857,609	9,622,608	31,727,642	17,189,279	4,885,682	2,524,745	585,296	412,058	41,359,494
Current assets	F-3	9,411	13,971	177,045	10,038	15,692	1,166,994	1,012,562	181,017	69,930	106,529	117,664	255,523
Less: Current liabilities and provisions	F-4	355	17,709	1,959	6,837	16,902	397,684	3,026	806	402	55,185	101	64,213
Net current assets		**9,056**	**(3,738)**	**175,086**	**3,201**	**(1,210)**	**769,310**	**1,009,536**	**180,211**	**69,528**	**51,344**	**117,563**	**191,310**
Total		**290,468**	**17,229,081**	**10,408,118**	**860,810**	**9,621,398**	**32,496,952**	**18,198,815**	**5,065,893**	**2,594,273**	**636,640**	**529,621**	**41,550,804**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		290,468	17,229,081	10,408,118	860,810	9,621,398	32,496,952	18,198,815	5,065,893	2,594,273	636,640	529,621	41,550,804
(b) Number of Units outstanding (in '000)		17,721	981,796	568,432	49,183	616,382	2,894,073	1,310,160	259,281	111,649	59,825	52,325	482,448
(c) NAV per unit (a)/(b) (₹)		16.39	17.55	18.31	17.50	15.61	11.23	13.89	19.54	23.24	10.64	10.12	86.12

3.25 FUND BALANCE SHEET AT MARCH 31, 2014

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Maximiser Fund II	Maximiser Fund III	Maximiser Fund IV	Maximiser Fund V	Money Market Fund	Multi Cap Balanced Fund	Multi Cap Growth Fund	Multiplier Fund	Multiplier Fund II	Multiplier Fund III	Multiplier Fund IV	New Invest Shield Balanced Fund
		ULIF 012 17/05/04 LMaximis2 105	ULIF 022 13/03/06 LMaximis3 105	ULIF 037 27/08/07 LMaximis4 105	ULIF 114 15/03/11 LMaximis5 105	ULIF 090 24/11/09 LMoneyMkt 105	ULIF 088 24/11/09 LMCapBal 105	ULIF 085 24/11/09 LMCapGro 105	ULIF 042 22/11/07 LMultip1 105	ULIF 044 25/02/08 LMultip2 105	ULIF 046 25/02/08 LMultip3 105	ULIF 047 25/02/08 LMultip4 105	ULIF 025 21/08/06 LInvShldNw 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	(1,768,897)	(547,065)	195,444	8,731,809	10,430,169	2,588,089	15,441,308	2,440,321	1,417,637	49,412	615,690	2,212,868
Revenue account		12,256,134	2,263,323	312,554	884,514	302,802	229,382	964,335	5,496,595	517,116	71,643	270,732	783,766
Total		**10,487,237**	**1,716,258**	**507,998**	**9,616,323**	**10,732,971**	**2,817,471**	**16,405,643**	**7,936,916**	**1,934,753**	**121,055**	**886,422**	**2,996,634**
Application of funds													
Investments	F-2	10,455,990	1,713,077	506,463	9,527,455	10,088,649	2,760,975	16,254,305	7,877,911	1,930,005	119,523	886,512	2,924,952
Current assets	F-3	55,636	11,755	3,418	290,689	645,278	82,021	154,118	85,954	5,105	1,622	789	72,147
Less: Current liabilities and provisions	F-4	24,389	8,574	1,883	201,821	956	25,525	2,780	26,949	357	90	879	465
Net current assets		**31,247**	**3,181**	**1,535**	**88,868**	**644,322**	**56,496**	**151,338**	**59,005**	**4,748**	**1,532**	**(90)**	**71,682**
Total		**10,487,237**	**1,716,258**	**507,998**	**9,616,323**	**10,732,971**	**2,817,471**	**16,405,643**	**7,936,916**	**1,934,753**	**121,055**	**886,422**	**2,996,634**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		10,487,237	1,716,258	507,998	9,616,323	10,732,971	2,817,471	16,405,643	7,936,916	1,934,753	121,055	886,422	2,996,634
(b) Number of Units outstanding (in '000)		210,923	78,318	28,584	656,684	761,949	209,085	1,236,226	673,109	141,402	9,308	65,289	152,522
(c) NAV per unit (a)/(b) (₹)		49.72	21.91	17.77	14.64	14.09	13.48	13.27	11.79	13.68	13.01	13.58	19.65

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Opportunities Fund	Pinnacle Fund	Pinnacle Fund II	Preserver Fund	Preserver Fund III	Preserver Fund IV	Protector Fund	Protector Fund II	Protector Fund III	Protector Fund IV	Return Guarantee Fund	Return Guarantee Fund II
		ULIF 086 24/11/09 LOpport 105	ULIF 081 26/10/09 LPinnacle 105	ULIF 105 26/10/10 LPinnacle2 105	ULIF 010 17/05/04 LPreserv1 105	ULIF 021 13/03/06 LPreserv3 105	ULIF 036 27/08/07 LPreserv4 105	ULIF 003 22/10/01 LProtect1 105	ULIF 016 17/05/04 LProtect2 105	ULIF 024 13/03/06 LProtect3 105	ULIF 041 27/08/07 LProtect4 105	ULIF 054 18/12/08 LRGF1 105	ULIF 063 27/01/09 LRGF(T2) 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	3,565,951	10,385,997	5,607,674	5,709,522	309,183	741,032	4,314,794	2,207,536	201,373	3,353,285	(129,411)	(124,892)
Revenue account		238,660	500,278	177,260	1,779,873	94,123	61,448	4,495,108	1,836,877	237,682	671,475	129,411	124,892
Total		**3,804,611**	**10,886,275**	**5,784,934**	**7,489,395**	**403,306**	**802,480**	**8,809,902**	**4,044,413**	**439,055**	**4,024,760**	**—**	**—**
Application of funds													
Investments	F-2	3,749,977	10,814,664	5,699,964	7,362,800	344,570	734,768	8,554,272	3,886,873	415,004	3,889,802	—	—
Current assets	F-3	63,625	244,052	174,581	127,288	58,770	67,786	257,297	157,933	24,133	135,351	15,193	12,539
Less: Current liabilities and provisions	F-4	8,991	172,441	89,611	693	34	74	1,667	393	82	393	15,193	12,539
Net current assets		**54,634**	**71,611**	**84,970**	**126,595**	**58,736**	**67,712**	**255,630**	**157,540**	**24,051**	**134,958**	**—**	**—**
Total		**3,804,611**	**10,886,275**	**5,784,934**	**7,489,395**	**403,306**	**802,480**	**8,809,902**	**4,044,413**	**439,055**	**4,024,760**	**—**	**—**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		3,804,611	10,886,275	5,784,934	7,489,395	403,306	802,480	8,809,902	4,044,413	439,055	4,024,760	—	—
(b) Number of Units outstanding (in '000)		290,593	850,665	547,052	350,647	21,078	46,648	345,225	197,973	24,383	233,528	—	—
(c) NAV per unit (a)/(b) (₹)		13.09	12.80	10.57	21.36	19.13	17.20	25.52	20.43	18.01	17.23	14.93	14.75

3.25 FUND BALANCE SHEET AT MARCH 31, 2014

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Return Guarantee Fund III	Return Guarantee Fund IV	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund X (5 Yrs)	Return Guarantee Fund XI (10 Yrs)
		ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 111 13/01/11 LRGF(T10) 105	ULIF 121 19/04/11 LRGF(S4) 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	(124,669)	(44,385)	123,162	1,190,410	54,236	57,118	26,116	247,012	890,353	427,127	2,457,631	21,594
Revenue account		124,669	44,385	26,498	277,558	12,332	17,260	5,676	55,173	215,688	80,577	551,606	1,481
Total		**—**	**—**	**149,660**	**1,467,968**	**66,568**	**74,378**	**31,792**	**302,185**	**1,106,041**	**507,704**	**3,009,237**	**23,075**
Application of funds													
Investments	F-2	—	149,988	140,389	1,363,095	60,565	62,716	26,979	281,094	1,041,726	471,191	2,765,288	21,570
Current assets	F-3	2,599	15,083	9,335	105,409	6,222	11,840	4,892	21,493	64,519	36,634	244,656	1,509
Less: Current liabilities and provisions	F-4	2,599	165,071	64	536	219	178	79	402	204	121	707	4
Net current assets		**—**	**(149,988)**	**9,271**	**104,873**	**6,003**	**11,662**	**4,813**	**21,091**	**64,315**	**36,513**	**243,949**	**1,505**
Total		**—**	**—**	**149,660**	**1,467,968**	**66,568**	**74,378**	**31,792**	**302,185**	**1,106,041**	**507,704**	**3,009,237**	**23,075**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		—	—	149,660	1,467,968	66,568	74,378	31,792	302,185	1,106,041	507,704	3,009,237	23,075
(b) Number of Units outstanding (in '000)		—	—	12,064	116,397	4,828	5,407	2,392	24,210	87,457	40,987	237,438	1,914
(c) NAV per unit (a)/(b) (₹)		14.77	14.34	12.41	12.61	13.79	13.75	13.29	12.48	12.65	12.39	12.67	12.06

(₹ in '000)

Particulars	Schedule	Linked Life Funds								Total
		Return Guarantee Fund XI (5 Yrs)	RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	
		ULIF 120 17/03/11 LRGF(T11) 105	ULIF 048 17/03/08 LRICH1 105	ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Sources of funds										
Policyholders' funds										
Policyholder contribution	F-1	1,189,640	4,057,474	7,330,654	124,603	3,519,074	289,594	40,293	164,000	**205,890,871**
Revenue account		218,029	2,504,213	971,595	254,463	591,291	138,297	3,805	10,796	**130,319,861**
Total		**1,407,669**	**6,561,687**	**8,302,249**	**379,066**	**4,110,365**	**427,891**	**44,098**	**174,796**	**336,210,732**
Application of funds										
Investments	F-2	1,265,909	6,574,782	8,295,127	377,264	4,094,410	428,283	43,399	171,147	**330,243,014**
Current assets	F-3	142,020	12,565	8,651	1,907	18,271	15,180	706	4,139	**7,895,939**
Less: Current liabilities and provisions	F-4	260	25,660	1,529	105	2,316	15,572	7	490	**1,928,221**
Net current assets		**141,760**	**(13,095)**	**7,122**	**1802**	**15,955**	**(392)**	**699**	**3,649**	**5,967,718**
Total		**1,407,669**	**6,561,687**	**8,302,249**	**379,066**	**4,110,365**	**427,891**	**44,098**	**174,796**	**336,210,732**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		1,407,669	6,561,687	8,302,249	379,066	4,110,365	427,891	44,098	174,796	**336,210,732**
(b) Number of Units outstanding (in '000)		112,466	441,238	530,857	25,497	263,137	21,726	3,088	12,780	
(c) NAV per unit (a)/(b) (₹)		12.52	14.87	15.64	14.87	15.62	19.70	14.28	13.68	

3.25 FUND BALANCE SHEET AT MARCH 31, 2014

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds											
		Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement Secure Fund	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II
		ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 133 02/11/12 ERSF 105	ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	1,709	312,157	103,470	352,658	2,683,234	3,142,543	2,216,500	15,367,101	842,660	635,845	13,394,404	4,818,035
Revenue account		53	7,623	1,160	165,335	2,823,521	4,158,582	(142,967)	283,808	229,201	571,711	6,690,935	12,430,172
Total		**1,762**	**319,780**	**104,630**	**517,993**	**5,506,755**	**7,301,125**	**2,073,533**	**15,650,909**	**1,071,861**	**1,207,556**	**20,085,339**	**17,248,207**
Application of funds													
Investments	F-2	1,788	280,567	90,441	503,674	5,367,338	7,023,934	2,070,225	15,657,759	1,039,757	1,172,002	19,844,663	16,907,010
Current assets	F-3	6	49,271	14,205	14,399	179,897	278,089	3,652	319,172	32,400	35,703	246,354	348,590
Less: Current liabilities and provisions	F-4	32	10,058	16	80	40,480	898	344	326,022	296	149	5,678	7,393
Net current assets		**(26)**	**39,213**	**14,189**	**14,319**	**139,417**	**277,191**	**3,308**	**(6,850)**	**32,104**	**35,554**	**240,676**	**341,197**
Total		**1,762**	**319,780**	**104,630**	**517,993**	**5,506,755**	**7,301,125**	**2,073,533**	**15,650,909**	**1,071,861**	**1,207,556**	**20,085,339**	**17,248,207**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		1,762	319,780	104,630	517,993	5,506,755	7,301,125	2,073,533	15,650,909	1,071,861	1,207,556	20,085,339	17,248,207
(b) Number of Units outstanding (in '000)		170	29,527	9,863	22,125	153,210	262,683	182,729	1,186,790	63,125	65,890	1,161,911	936,326
(c) NAV per unit (a)/(b) (₹)		10.36	10.83	10.61	23.41	35.94	27.79	11.35	13.19	16.98	18.33	17.29	18.42

(₹ in '000)

Particulars	Schedule	Linked Pension Funds											
		Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund
		ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105	ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	390,025	9,997,492	(51,752)	879,434	6,645,334	2,268,129	13,850,590	3,613,886	1,580,090	5,563,168	10,000,093	11,388,056
Revenue account		51,787	372,441	5,056,806	16,164,482	312,569	136,271	350,941	912,353	781,667	64,760	1,792,570	4,617,142
Total		**441,812**	**10,369,933**	**5,005,054**	**17,043,916**	**6,957,903**	**2,404,400**	**14,201,531**	**4,526,239**	**2,361,757**	**5,627,928**	**11,792,663**	**16,005,198**
Application of funds													
Investments	F-2	448,403	10,093,241	5,003,372	16,952,076	6,869,222	2,357,316	14,188,617	4,514,844	2,360,615	5,596,350	11,576,174	15,377,501
Current assets	F-3	13,443	301,382	34,088	109,228	89,323	47,483	15,337	12,647	1,578	59,233	217,579	630,785
Less: Current liabilities and provisions	F-4	20,034	24,690	32,406	17,388	642	399	2,423	1,252	436	27,655	1,090	3,088
Net current assets		**(6,591)**	**276,692**	**1,682**	**91,840**	**88,681**	**47,084**	**12,914**	**11,395**	**1,142**	**31,578**	**216,489**	**627,697**
Total		**441,812**	**10,369,933**	**5,005,054**	**17,043,916**	**6,957,903**	**2,404,400**	**14,201,531**	**4,526,239**	**2,361,757**	**5,627,928**	**11,792,663**	**16,005,198**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		441,812	10,369,933	5,005,054	17,043,916	6,957,903	2,404,400	14,201,531	4,526,239	2,361,757	5,627,928	11,792,663	16,005,198
(b) Number of Units outstanding (in '000)		37,830	754,267	57,090	330,003	495,787	186,821	1,095,055	398,026	195,588	442,185	557,464	696,511
(c) NAV per unit (a)/(b) (₹)		11.68	13.75	87.67	51.65	14.03	12.87	12.97	11.37	12.08	12.73	21.15	22.98

3.25 FUND BALANCE SHEET AT MARCH 31, 2014

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds								
		Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II	Pension Return Guarantee Fund III	Pension Return Guarantee Fund IV	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund V	Pension Return Guarantee Fund VI	Pension Return Guarantee Fund VII
		ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105	ULIF 067 26/02/09 PRGF3 105	ULIF 070 31/03/09 PRGF4 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 074 29/04/09 PRGF5 105	ULIF 079 17/06/09 PRGF6 105	ULIF 083 16/11/09 PRGF7 105
Sources of funds										
Policyholders' funds										
Policyholder contribution	F-1	4,730,562	(539,908)	(545,041)	(490,904)	(155,288)	41,319	143,654	203,369	417,879
Revenue account		2,755,745	539,908	545,041	490,904	155,288	9,678	65,736	89,058	111,853
Total		**7,486,307**	**—**	**—**	**—**	**—**	**50,997**	**209,390**	**292,427**	**529,732**
Application of funds										
Investments	F-2	7,219,791	—	—	—	370,725	47,502	187,153	261,977	518,420
Current assets	F-3	267,240	655	374	369	42,356	3,504	22,909	30,946	12,144
Less: Current liabilities and provisions	F-4	724	655	374	369	413,081	9	672	496	832
Net current assets		**266,516**	**—**	**—**	**—**	**(370,725)**	**3,495**	**22,237**	**30,450**	**11,312**
Total		**7,486,307**	**—**	**—**	**—**	**—**	**50,997**	**209,390**	**292,427**	**529,732**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		7,486,307	—	—	—	—	50,997	209,390	292,427	529,732
(b) Number of Units outstanding (in '000)		370,105	—	—	—	—	4,116	15,181	21,291	40,037
(c) NAV per unit (a)/(b) (₹)		20.23	15.67	14.94	15.07	14.33	12.39	13.79	13.74	13.23

(₹ in '000)

Particulars	Schedule	Linked Pension Funds							Total
		Pension Return Guarantee Fund VIII	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	
		ULIF 102 12/10/10 PRGF(S1) 105	ULIF 113 13/01/11 PRGF(S3) 105	ULIF 122 19/04/11 PRGF(S4) 105	ULIF 052 17/03/08 PRICH1 105	ULIF 053 17/03/08 PRICH2 105	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Sources of funds									
Policyholders' funds									
Policyholder contribution	F-1	129,766	93,653	9,676	9,895,444	4,952,812	393,055	61,593	**129,336,502**
Revenue account		31,623	20,805	2,391	5,057,587	5,386,070	10,600	67,834	**73,173,044**
Total		**161,389**	**114,458**	**12,067**	**14,953,031**	**10,338,882**	**403,655**	**129,427**	**202,509,546**
Application of funds									
Investments	F-2	149,896	107,547	10,735	14,745,115	10,208,583	375,537	129,198	**199,629,068**
Current assets	F-3	11,523	6,939	1,353	217,972	132,199	28,183	4,836	**3,837,346**
Less: Current liabilities and provisions	F-4	30	28	21	10,056	1,900	65	4,607	**956,868**
Net current assets		**11,493**	**6,911**	**1,332**	**207,916**	**130,299**	**28,118**	**229**	**2,880,478**
Total		**161,389**	**114,458**	**12,067**	**14,953,031**	**10,338,882**	**403,655**	**129,427**	**202,509,546**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		161,389	114,458	12,067	14,953,031	10,338,882	403,655	129,427	**202,509,546**
(b) Number of Units outstanding (in '000)		12,886	9,269	991	964,775	634,229	36,567	6,795	
(c) NAV per unit (a)/(b) (₹)		12.52	12.35	12.17	15.50	16.30	11.04	19.05	

3.25 FUND BALANCE SHEET AT MARCH 31, 2014

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Health Funds													
		Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund	Health Return Guarantee Fund II	Health Return Guarantee Fund III	Health Return Guarantee Fund IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	Total
		ULIF 059 15/01/09 HBalancer 105	ULIF 060 15/01/09 HFlexiBal 105	ULIF 057 15/01/09 HFlexiGro 105	ULIF 058 15/01/09 HMultip 105	ULIF 056 15/01/09 HPreserv 105	ULIF 061 15/01/09 HProtect 105	ULIF 062 15/01/09 HRGF1 105	ULIF 065 29/01/09 HRGF2 105	ULIF 068 26/02/09 HRGF3 105	ULIF 071 31/03/09 HRGF4 105	ULIF 075 29/04/09 HRGF5 105	ULIF 080 17/06/09 HRGF6 105	ULIF 084 16/11/09 HRGF7 105	
Sources of funds															
Policyholders' funds															
Policyholder contribution	F-1	329,352	423,801	4,851,604	580,954	75,868	1,486,327	40,367	49,047	49,056	21,420	14,482	8,252	4,846	**7,935,375**
Revenue account		(104,744)	(146,200)	(1,755,468)	(207,339)	(15,965)	(518,055)	(40,367)	(49,047)	(49,056)	(21,420)	(11,730)	(6,823)	(3,714)	**(2,929,927)**
Total		**224,608**	**277,601**	**3,096,136**	**373,615**	**59,903**	**968,272**	**—**	**—**	**—**	**—**	**2,752**	**1,429**	**1,132**	**5,005,448**
Application of funds															
Investments	F-2	217,522	266,626	2,968,184	386,729	53,195	939,570	—	—	—	7,842	2,739	1,427	1,074	**4,844,908**
Current assets	F-3	7,263	11,879	166,298	269	6,713	28,796	72	41	799	10	82	52	79	**222,353**
Less: Current liabilities and provisions	F-4	177	904	38,346	13,383	5	94	72	41	799	7,852	69	50	21	**61,813**
Net current assets		**7,086**	**10,975**	**127,952**	**(13,114)**	**6,708**	**28,702**	**—**	**—**	**—**	**(7,842)**	**13**	**2**	**58**	**160,540**
Total		**224,608**	**277,601**	**3,096,136**	**373,615**	**59,903**	**968,272**	**—**	**—**	**—**	**—**	**2,752**	**1,429**	**1,132**	**5,005,448**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		224,608	277,601	3,096,136	373,615	59,903	968,272	—	—	—	—	2,752	1,429	1,132	**5,005,448**
(b) Number of Units outstanding (in '000)		12,469	14,055	131,516	16,074	3,948	60,558	—	—	—	—	196	104	85	
(c) NAV per unit (a)/(b) (₹)		18.01	19.75	23.54	23.24	15.17	15.99	15.86	14.91	14.58	14.56	14.07	13.79	13.27	

(₹ in '000)

Particulars	Schedule	Linked Group Funds													
		Group Balanced Fund	Group Balanced Fund II	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Balanced Fund III	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Debt Fund III	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Capital Guarantee Short Term Debt Fund III	Group Debt Fund
		ULGF 001 03/04/03 GBalancer 105	ULGF 041 30/04/13 GBalancer2 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 049 27/08/13 GCGBal3 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 048 27/08/13 GCGDebt3 105	ULGF 008 11/12/06 GCG Growth1 105	ULGF 012 05/07/07 GCG Growth2 105	ULGF 005 24/02/04 GCGST Debt1 105	ULGF 009 16/03/07 GCGST Debt2 105	ULGF 031 01/03/12 GCGST Debt3 105	ULGF 002 03/04/03 GDebt 105
Sources of funds															
Policyholders' funds															
Policyholder contribution	F-1	10,027,311	10,015	4,768	1,180,861	2,970	12,973	465,893	11,368	18,759	40,874	44,567	2,559,122	44,936	10,729,101
Revenue account		7,270,302	22	87,322	671,642	104	5,641	488,872	299	11,865	26,781	82,483	1,252,803	691	3,658,658
Total		**17,297,613**	**10,037**	**92,090**	**1,852,503**	**3,074**	**18,614**	**954,765**	**11,667**	**30,624**	**67,655**	**127,050**	**3,811,925**	**45,627**	**14,387,759**
Application of funds															
Investments	F-2	16,604,710	9,357	88,717	1,780,422	2,520	18,333	920,494	11,196	29,927	65,876	123,919	3,724,469	42,947	13,750,985
Current assets	F-3	695,800	2,164	3,397	72,468	555	285	34,456	473	707	1,796	3,150	88,131	2,688	639,117
Less: Current liabilities and provisions	F-4	2,897	1,484	24	387	1	4	185	2	10	17	19	675	8	2,343
Net current assets		**692,903**	**680**	**3,373**	**72,081**	**554**	**281**	**34,271**	**471**	**697**	**1,779**	**3,131**	**87,456**	**2,680**	**636,774**
Total		**17,297,613**	**10,037**	**92,090**	**1,852,503**	**3,074**	**18,614**	**954,765**	**11,667**	**30,624**	**67,655**	**127,050**	**3,811,925**	**45,627**	**14,387,759**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		17,297,613	10,037	92,090	1,852,503	3,074	18,614	954,765	11,667	30,624	67,655	127,050	3,811,925	45,627	14,387,759
(b) Number of Units outstanding (in '000)		590,156	978	4,705	103,016	293	789	48,648	1,103	1,665	3,871	6,219	220,070	4,416	640,937
(c) NAV per unit (a)/(b) (₹)		29.31	10.26	19.57	17.98	10.49	23.61	19.63	10.57	18.40	17.48	20.43	17.32	10.33	22.45

3.25 FUND BALANCE SHEET AT MARCH 31, 2014

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Group Funds							
		Group Debt Fund II	Group Growth Fund	Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II
		ULGF 040 30/04/13 GDebt2 105	ULGF 004 30/10/03 GGrowth 105	ULGF 042 30/04/13 GGrowth2 105	ULGF 013 02/04/08 GLEBal 105	ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105
Sources of funds									
Policyholders' funds									
Policyholder contribution	F-1	10,072	4,613,304	86	626,195	68,649	621,504	(375,266)	(22,068)
Revenue account		606	3,666,888	1	265,891	29,954	132,945	645,448	27,353
Total		**10,678**	**8,280,192**	**87**	**892,086**	**98,603**	**754,449**	**270,182**	**5,285**
Application of funds									
Investments	F-2	10,287	8,050,968	75	857,927	96,303	705,934	245,678	4,453
Current assets	F-3	393	230,544	12	34,302	2,316	48,635	24,562	833
Less: Current liabilities and provisions	F-4	2	1,320	—	143	16	120	58	1
Net current assets		**391**	**229,224**	**12**	**34,159**	**2,300**	**48,515**	**24,504**	**832**
Total		**10,678**	**8,280,192**	**87**	**892,086**	**98,603**	**754,449**	**270,182**	**5,285**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		10,678	8,280,192	87	892,086	98,603	754,449	270,182	5,285
(b) Number of Units outstanding (in '000)		1,007	193,553	8	53,094	6,582	55,149	18,415	373
(c) NAV per unit (a)/(b) (₹)		10.60	42.78	10.27	16.80	14.98	13.68	14.67	14.15

(₹ in '000)

Particulars	Schedule	Linked Group Funds						
		Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund	Total	Grand Total
		ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Sources of funds								
Policyholders' funds								
Policyholder contribution	F-1	(606,591)	127,601	462,930	4,531,020	1,741,123	**36,952,077**	**380,114,825**
Revenue account		639,232	29,688	102,095	2,856,919	472,013	**22,426,518**	**222,989,496**
Total		**32,641**	**157,289**	**565,025**	**7,387,939**	**2,213,136**	**59,378,595**	**603,104,321**
Application of funds								
Investments	F-2	19,575	144,244	526,239	7,188,847	2,026,720	**57,051,122**	**591,768,112**
Current assets	F-3	13,070	13,076	38,907	200,262	186,769	**2,338,868**	**14,294,506**
Less: Current liabilities and provisions	F-4	4	31	121	1,170	353	**11,395**	**2,958,297**
Net current assets		**13,066**	**13,045**	**38,786**	**199,092**	**186,416**	**2,327,473**	**11,336,209**
Total		**32,641**	**157,289**	**565,025**	**7,387,939**	**2,213,136**	**59,378,595**	**603,104,321**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		32,641	157,289	565,025	7,387,939	2,213,136	**59,378,595**	**603,104,321**
(b) Number of Units outstanding (in '000)		2,241	12,721.8757830	46,216	348,750	175,638	**2,540,614**	
(c) NAV per unit (a)/(b) (₹)		14.56	12.36	12.23	21.18	12.60		

Schedule F - 1

POLICYHOLDERS' CONTRIBUTION AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Life Funds											
	Anmol Nivesh Fund	Balancer Fund	Balancer Fund II	Balancer Fund III	Balancer Fund IV	Bluechip Fund	Cash Plus Fund	Discontinued Fund - Life	Dynamic P/E Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III
	ULIF 072 28/04/09 LAnmolNiv 105	ULIF 002 22/10/01 LBalancer1 105	ULIF 014 17/05/04 LBalancer2 105	ULIF 023 13/03/06 LBalancer3 105	ULIF 039 27/08/07 LBalancer4 105	ULIF 087 24/11/09 LBluChip 105	ULIF 008 11/08/03 LCashPlus 105	ULIF 100 01/07/10 LDiscont 105	ULIF 097 11/01/10 LDynmicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105
Opening balance	6,285	1,328,064	346,386	55,360	796,296	1,775,441	2,035,946	4,126,244	17,801,077	789,191	671,404	33,993
Add: Additions during the year*	2,956	585,465	335,019	15,005	199,930	859,779	236,849	6,378,234	4,880,979	76,994	76,518	17,895
Less: Deductions during the year**	(618)	(2,482,063)	(652,888)	(98,404)	(153,707)	(365,905)	(275,917)	(10,863)	(3,193,204)	(314,023)	(182,278)	(24,505)
Closing balance	**8,623**	**(568,534)**	**28,517**	**(28,039)**	**842,519**	**2,269,315**	**1,996,878**	**10,493,615**	**19,488,852**	**552,162**	**565,644**	**27,383**

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Life Funds											
	Flexi Balanced Fund IV	Flexi Growth Fund	Flexi Growth Fund II	Flexi Growth Fund III	Flexi Growth Fund IV	Highest NAV Fund B	Income Fund	Invest Shield Cash Fund	Invest Shield Fund - Life	Life Growth Fund	Life Secure Fund	Maximiser Fund
	ULIF 040 27/08/07 LFlexiBal4 105	ULIF 026 20/03/07 LFlexiGro1 105	ULIF 027 20/03/07 LFlexiGro2 105	ULIF 028 20/03/07 LFlexiGro3 105	ULIF 038 27/08/07 LFlexiGro4 105	ULIF 116 15/03/11 LHighNavB 105	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash 105	ULIF 018 03/01/05 LInvShld 105	ULIF 134 19/09/13 LGF 105	ULIF 135 19/09/13 LSF 105	ULIF 001 22/10/01 LMaximis1 105
Opening balance	234,992	11,100,706	10,064,815	755,099	8,849,698	21,889,202	8,823,074	4,382,091	1,853,727	—	—	3,827,817
Add: Additions during the year*	48,843	1,167,617	943,539	26,233	1,275,838	13,128,651	12,604,472	383,784	202,097	626,282	534,001	2,073,702
Less: Deductions during the year**	(46,423)	(7,570,062)	(3,477,464)	(433,873)	(3,442,629)	(3,031,745)	(3,440,319)	(503,946)	(101,561)	(756)	(127)	(12,523,305)
Closing balance	**237,412**	**4,698,261**	**7,530,890**	**347,459**	**6,682,907**	**31,986,108**	**17,987,227**	**4,261,929**	**1,954,263**	**625,526**	**533,874**	**(6,621,786)**

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Life Funds											
	Maximiser Fund II	Maximiser Fund III	Maximiser Fund IV	Maximiser Fund V	Money Market Fund	Multi Cap Balanced Fund	Multi Cap Growth Fund	Multiplier Fund	Multiplier Fund II	Multiplier Fund III	Multiplier Fund IV	New Invest Shield Balanced Fund
	ULIF 012 17/05/04 LMaximis2 105	ULIF 022 13/03/06 LMaximis3 105	ULIF 037 27/08/07 LMaximis4 105	ULIF 114 15/03/11 LMaximis5 105	ULIF 090 24/11/09 LMoneyMkt 105	ULIF 088 24/11/09 LMCapBal 105	ULIF 085 24/11/09 LMCapGro 105	ULIF 042 22/11/07 LMultip1 105	ULIF 044 25/02/08 LMultip2 105	ULIF 046 25/02/08 LMultip3 105	ULIF 047 25/02/08 LMultip4 105	ULIF 025 21/08/06 LInvShldNw 105
Opening balance	295,341	77,944	386,857	2,959,864	2,908,816	1,672,511	12,789,134	6,053,770	1,855,935	102,006	858,050	2,299,567
Add: Additions during the year*	509,821	6,328	32,572	6,525,176	9,183,876	1,116,659	5,026,883	515,977	192,697	10,024	112,769	187,579
Less: Deductions during the year**	(2,574,059)	(631,337)	(223,985)	(753,231)	(1,662,523)	(201,081)	(2,374,709)	(4,129,426)	(630,995)	(62,618)	(355,129)	(274,278)
Closing balance	**(1,768,897)**	**(547,065)**	**195,444**	**8,731,809**	**10,430,169**	**2,588,089**	**15,441,308**	**2,440,321**	**1,417,637**	**49,412**	**615,690**	**2,212,868**

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Life Funds											
	Opportunities Fund	Pinnacle Fund	Pinnacle Fund II	Preserver Fund	Preserver Fund III	Preserver Fund IV	Protector Fund	Protector Fund II	Protector Fund III	Protector Fund IV	Return Guarantee Fund	Return Guarantee Fund II
	ULIF 086 24/11/09 LOpport 105	ULIF 081 26/10/09 LPinnacle 105	ULIF 105 26/10/10 LPinnacle2 105	ULIF 010 17/05/04 LPreserv1 105	ULIF 021 13/03/06 LPreserv3 105	ULIF 036 27/08/07 LPreserv4 105	ULIF 003 22/10/01 LProtect1 105	ULIF 016 17/05/04 LProtect2 105	ULIF 024 13/03/06 LProtect3 105	ULIF 041 27/08/07 LProtect4 105	ULIF 054 18/12/08 LRGF1 105	ULIF 063 27/01/09 LRGF(T2) 105
Opening balance	3,314,192	11,567,418	4,516,015	2,471,058	132,331	237,755	4,832,758	2,152,172	226,830	3,458,872	348,452	404,423
Add: Additions during the year*	1,028,346	157,805	1,455,284	5,747,292	304,251	755,964	2,696,319	1,241,398	157,991	973,849	19	72
Less: Deductions during the year**	(776,587)	(1,339,226)	(363,625)	(2,508,828)	(127,399)	(252,687)	(3,214,283)	(1,186,034)	(183,448)	(1,079,436)	(477,882)	(529,387)
Closing balance	**3,565,951**	**10,385,997**	**5,607,674**	**5,709,522**	**309,183**	**741,032**	**4,314,794**	**2,207,536**	**201,373**	**3,353,285**	**(129,411)**	**(124,892)**

* Represents unit creation
** Represents unit cancellations

forming part of the financial statements *Continued*

Schedule F - 1

POLICYHOLDERS' CONTRIBUTION AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Life Funds										
	Return Guarantee Fund III	Return Guarantee Fund IV	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund X (5 Yrs)
	ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 111 13/01/11 LRGF(T10) 105
Opening balance	373,150	151,905	125,537	1,202,548	76,838	75,854	32,955	253,616	911,097	434,817	2,483,010
Add: Additions during the year*	46	85	—	—	158	78	7	25	—	—	123
Less: Deductions during the year**	(497,865)	(196,375)	(2,375)	(12,138)	(22,760)	(18,814)	(6,846)	(6,629)	(20,744)	(7,690)	(25,502)
Closing balance	**(124,669)**	**(44,385)**	**123,162**	**1,190,410**	**54,236**	**57,118**	**26,116**	**247,012**	**890,353**	**427,127**	**2,457,631**

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Life Funds									Total
	Return Guarantee Fund XI (10 Yrs)	Return Guarantee Fund XI (5 Yrs)	RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	
	ULIF 121 19/04/11 LRGF(S4) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 048 17/03/08 LRICH1 105	ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Opening balance	22,730	1,217,761	7,258,384	9,421,890	325,876	4,357,675	348,533	37,865	155,290	**196,736,310**
Add: Additions during the year*	1	—	657,956	906,450	35,795	618,475	36,879	6,959	28,811	**86,911,481**
Less: Deductions during the year**	(1,137)	(28,121)	(3,858,866)	(2,997,686)	(237,068)	(1,457,076)	(95,818)	(4,531)	(20,101)	**(77,756,920)**
Closing balance	**21,594**	**1,189,640**	**4,057,474**	**7,330,654**	**124,603**	**3,519,074**	**289,594**	**40,293**	**164,000**	**205,890,871**

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Pension funds											
	Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement Secure Fund	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II
	ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 133 02/11/12 ERSF 105	ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105
Opening balance	—	—	—	340,327	4,203,587	4,057,316	2,658,632	19,505,956	1,044,945	903,099	19,379,582	11,576,602
Add: Additions during the year*	1,709	312,279	103,520	40,839	483,188	776,849	263,622	1,973,285	114,436	128,813	2,351,963	1,485,950
Less: Deductions during the year**	—	(122)	(50)	(28,508)	(2,003,541)	(1,691,622)	(705,754)	(6,112,140)	(316,721)	(396,067)	(8,337,141)	(8,244,517)
Closing balance	**1,709**	**312,157**	**103,470**	**352,658**	**2,683,234**	**3,142,543**	**2,216,500**	**15,367,101**	**842,660**	**635,845**	**13,394,404**	**4,818,035**

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Pension funds											
	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund
	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105	ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105
Opening balance	208,805	9,126,507	1,611,858	4,934,882	2,589,069	2,483,503	16,624,216	5,335,413	2,655,444	7,222,871	4,592,211	13,081,708
Add: Additions during the year*	205,211	3,048,242	229,716	967,526	5,280,556	222,186	1,868,195	416,526	284,646	661,754	9,944,651	3,556,131
Less: Deductions during the year**	(23,991)	(2,177,257)	(1,893,326)	(5,022,974)	(1,224,291)	(437,560)	(4,641,821)	(2,138,053)	(1,360,000)	(2,321,457)	(4,536,769)	(5,249,783)
Closing balance	**390,025**	**9,997,492**	**(51,752)**	**879,434**	**6,645,334**	**2,268,129**	**13,850,590**	**3,613,886**	**1,580,090**	**5,563,168**	**10,000,093**	**11,388,056**

* Represents unit creation
** Represents unit cancellations

Schedule F - 1

POLICYHOLDERS' CONTRIBUTION AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Pension funds								
	Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II	Pension Return Guarantee Fund III	Pension Return Guarantee Fund IV	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund V	Pension Return Guarantee Fund VI	Pension Return Guarantee Fund VII
	ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105	ULIF 067 26/02/09 PRGF3 105	ULIF 070 31/03/09 PRGF4 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 074 29/04/09 PRGF5 105	ULIF 079 17/06/09 PRGF6 105	ULIF 083 16/11/09 PRGF7 105
Opening balance	5,590,678	1,018,512	931,684	879,522	354,836	41,503	201,659	275,888	562,285
Add: Additions during the year*	2,797,065	1,020	990	1,192	—	109	121	121	211
Less: Deductions during the year**	(3,657,181)	(1,559,440)	(1,477,715)	(1,371,618)	(510,124)	(293)	(58,126)	(72,640)	(144,617)
Closing balance	**4,730,562**	**(539,908)**	**(545,041)**	**(490,904)**	**(155,288)**	**41,319**	**143,654**	**203,369**	**417,879**

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Pension Funds							
	Pension Return Guarantee Fund VIII	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	Total
	ULIF 102 12/10/10 PRGF(S1) 105	ULIF 113 13/01/11 PRGF(S3) 105	ULIF 122 19/04/11 PRGF(S4) 105	ULIF 052 17/03/08 PRICH1 105	ULIF 053 17/03/08 PRICH2 105	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Opening balance	130,414	96,207	10,996	16,203,179	9,848,339	186,928	137,779	**170,606,942**
Add: Additions during the year*	12	—	152	1,452,608	1,356,626	209,814	9,921	**40,551,755**
Less: Deductions during the year**	(660)	(2,554)	(1,472)	(7,760,343)	(6,252,153)	(3,687)	(86,107)	**(81,822,195)**
Closing balance	**129,766**	**93,653**	**9,676**	**9,895,444**	**4,952,812**	**393,055**	**61,593**	**129,336,502**

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Health Funds													
	Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund	Health Return Guarantee Fund II	Health Return Guarantee Fund III	Health Return Guarantee Fund IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	Total
	ULIF 059 15/01/09 HBalancer 105	ULIF 060 15/01/09 HFlexiBal 105	ULIF 057 15/01/09 HFlexiGro 105	ULIF 058 15/01/09 HMultip 105	ULIF 056 15/01/09 HPreserv 105	ULIF 061 15/01/09 HProtect 105	ULIF 062 15/01/09 HRGF1 105	ULIF 065 29/01/09 HRGF2 105	ULIF 068 26/02/09 HRGF3 105	ULIF 071 31/03/09 HRGF4 105	ULIF 075 29/04/09 HRGF5 105	ULIF 080 17/06/09 HRGF6 105	ULIF 084 16/11/09 HRGF7 105	
Opening balance	244,297	295,009	3,835,480	472,032	40,987	1,113,555	52,994	62,526	65,501	30,263	15,186	8,657	4,981	**6,241,468**
Add: Additions during the year*	92,032	136,739	1,199,994	132,301	37,826	419,299	841	—	2	—	19	30	—	**2,019,083**
Less: Deductions during the year**	(6,977)	(7,947)	(183,870)	(23,379)	(2,945)	(46,527)	(13,468)	(13,479)	(16,447)	(8,843)	(723)	(435)	(135)	**(325,175)**
Closing balance	**329,352**	**423,801**	**4,851,604**	**580,954**	**75,868**	**1,486,327**	**40,367**	**49,047**	**49,056**	**21,420**	**14,482**	**8,252**	**4,846**	**7,935,376**

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Group Funds													
	Group Balanced Fund	Group Balanced Fund II	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Balanced Fund III	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Debt Fund III	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Capital Guarantee Short Term Debt Fund III	Group Debt Fund
	ULGF 001 03/04/03 GBalancer 105	ULGF 041 30/04/13 GBalancer2 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 049 27/08/13 GCGBal3 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 048 27/08/13 GCGDebt3 105	ULGF 008 11/12/06 GCGGrowth1 105	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 031 01/03/12 GCGSTDebt3 105	ULGF 002 03/04/03 GDebt 105
Opening balance	10,309,917	—	20,042	1,137,435	—	9,010	509,518	—	19,078	37,550	38,595	2,103,029	—	10,867,357
Add: Additions during the year*	1,743,122	10,015	4,738	165,695	2,970	5,026	69,356	11,379	2,459	14,082	11,109	836,216	44,936	1,967,477
Less: Deductions during the year**	(2,025,728)	—	(20,012)	(122,269)	—	(1,063)	(112,981)	(11)	(2,778)	(10,758)	(5,137)	(380,123)	—	(2,105,733)
Closing balance	**10,027,311**	**10,015**	**4,768**	**1,180,861**	**2,970**	**12,973**	**465,893**	**11,368**	**18,759**	**40,874**	**44,567**	**2,559,122**	**44,936**	**10,729,101**

* Represents unit creation
** Represents unit cancellations

Schedule F - 1

POLICYHOLDERS' CONTRIBUTION AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Group Funds							
	Group Debt Fund II	Group Growth Fund	Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II
	ULGF 040 30/04/13 GDebt2 105	ULGF 004 30/10/03 GGrowth 105	ULGF 042 30/04/13 GGrowth2 105	ULGF 013 02/04/08 GLEBal 105	ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105
Opening balance	—	4,919,441	—	618,979	68,164	614,066	(374,170)	(21,889)
Add: Additions during the year*	10,072	509,236	86	12,757	1,249	10,250	3,991	88
Less: Deductions during the year**	—	(815,373)	—	(5,541)	(764)	(2,812)	(5,087)	(267)
Closing balance	**10,072**	**4,613,304**	**86**	**626,195**	**68,649**	**621,504**	**(375,266)**	**(22,068)**

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Group Funds						
	Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund	Total	Grand Total
	ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Opening balance	2,111,385	126,574	459,663	4,177,452	1,991,268	**39,742,464**	**413,327,184**
Add: Additions during the year*	39,899	1,976	6,307	2,930,892	16,838	**8,432,221**	**137,914,540**
Less: Deductions during the year**	(2,757,875)	(949)	(3,040)	(2,577,324)	(266,983)	**(11,222,608)**	**(171,126,898)**
Closing balance	**(606,591)**	**127,601**	**462,930**	**4,531,020**	**1,741,123**	**36,952,077**	**380,114,826**

* Represents unit creation
** Represents unit cancellations

ICICI PRUDENTIAL LIFE INSURANCE

Schedule: F-2

INVESTMENTS AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Life Funds											
	Anmol Nivesh Fund	Balancer Fund	Balancer Fund II	Balancer Fund III	Balancer Fund IV	Bluechip Fund	Cash Plus Fund	Discontinued Fund - Life	Dynamic P/E Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III
	ULIF 072 28/04/09 LAnmolNiv 105	ULIF 002 22/10/01 LBalancer1 105	ULIF 014 17/05/04 LBalancer2 105	ULIF 023 13/03/06 LBalancer3 105	ULIF 039 27/08/07 LBalancer4 105	ULIF 087 24/11/09 LBluChip 105	ULIF 008 11/08/03 LCashPlus 105	ULIF 100 01/07/10 LDiscont 105	ULIF 097 11/01/10 LDynmicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105
Approved investments												
Government bonds	—	1,925,061	641,400	49,073	166,428	—	729,219	69	1,053,376	120,888	89,268	6,931
Corporate bonds	—	2,675,510	838,002	66,832	227,822	—	897,663	330,835	414,796	188,396	139,199	7,714
Infrastructure bonds	—	626,322	164,737	16,146	33,935	—	313,363	—	67,909	36,488	19,836	1,003
Equity	—	3,696,839	1,272,944	93,848	333,983	2,073,751	—	—	18,596,071	535,777	397,827	30,952
Money market	1,896	224,834	84,100	6,738	89,323	—	217,414	10,342,052	198,669	19,924	20,330	13,044
Mutual funds	123	19,013	9,280	389	2,224	30,265	15,034	—	23,506	3,051	1,854	159
Deposit with banks	5,431	1,500,400	550,400	29,900	110,000	—	520,200	545,274	—	70,000	60,000	—
Preference shares	—	70,000	24,500	1,890	7,000	—	—	—	—	176	126	11
Total	**7,450**	**10,737,979**	**3,585,363**	**264,816**	**970,715**	**2,104,016**	**2,692,893**	**11,218,230**	**20,354,327**	**974,700**	**728,440**	**59,814**
Other investments												
Corporate bonds	—	71,505	19,570	—	3,011	—	—	90,322	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	—	342,626	123,426	9,014	31,685	76,690	—	—	525,931	43,246	31,985	2,498
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	287	—	—	—	—	127,366	—	—	—	—	—	—
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	**287**	**414,131**	**142,996**	**9,014**	**34,696**	**204,056**	**—**	**90,322**	**525,931**	**43,246**	**31,985**	**2,498**
Grand total	**7,737**	**11,152,110**	**3,728,359**	**273,830**	**1,005,411**	**2,308,072**	**2,692,893**	**11,308,552**	**20,880,258**	**1,017,946**	**760,425**	**62,312**
% of approved investments to Total	96.29%	96.29%	96.16%	96.71%	96.55%	91.16%	100.00%	99.20%	97.48%	95.75%	95.79%	95.99%
% of other investments to Total	3.71%	3.71%	3.84%	3.29%	3.45%	8.84%	0.00%	0.80%	2.52%	4.25%	4.21%	4.01%

(₹ in '000)

Particulars	Linked Life Funds											
	Flexi Balanced Fund IV	Flexi Growth Fund	Flexi Growth Fund II	Flexi Growth Fund III	Flexi Growth Fund IV	Highest NAV Fund B	Income Fund	Invest Shield Cash Fund	Invest Shield Fund - Life	Life Growth Fund	Life Secure Fund	Maximiser Fund
	ULIF 040 27/08/07 LFlexiBal4 105	ULIF 026 20/03/07 LFlexiGro1 105	ULIF 027 20/03/07 LFlexiGro2 105	ULIF 028 20/03/07 LFlexiGro3 105	ULIF 038 27/08/07 LFlexiGro4 105	ULIF 116 15/03/11 LHighNavB 105	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash 105	ULIF 018 03/01/05 LInvShld 105	ULIF 134 19/09/13 LGF 105	ULIF 135 19/09/13 LSF 105	ULIF 001 22/10/01 LMaximis1 105
Approved investments												
Government bonds	32,751	—	—	—	—	12,630,717	4,554,465	1,329,953	563,916	—	61,150	—
Corporate bonds	54,137	—	—	—	—	—	5,121,929	1,715,175	753,727	—	97,740	128,158
Infrastructure bonds	5,927	—	—	—	—	—	1,266,843	492,235	97,352	—	58,029	73,993
Equity	147,970	16,339,835	9,816,617	818,728	9,022,934	18,408,757	—	—	387,659	461,993	—	36,422,316
Money market	8,485	—	—	—	39,848	—	2,618,921	321,868	272,768	8,312	155,200	681,896
Mutual funds	746	188,300	10,116	5,551	125,773	203,493	6,982	6,251	759	6,957	439	147,487
Deposit with banks	19,900	—	—	—	—	—	3,513,900	1,020,200	420,300	—	39,500	300,000
Preference shares	44	7,999	1,827	209	1,566	—	—	—	134	—	—	—
Total	**269,960**	**16,536,134**	**9,828,560**	**824,488**	**9,190,121**	**31,242,967**	**17,083,040**	**4,885,682**	**2,496,615**	**477,262**	**412,058**	**37,753,850**
Other investments												
Corporate bonds	—	—	—	—	—	—	106,239	—	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	11,452	696,685	404,472	33,121	348,461	484,675	—	—	28,130	57,050	—	3,605,644
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	—	—	—	84,026	—	—	—	—	50,984	—	—
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	**11,452**	**696,685**	**404,472**	**33,121**	**432,487**	**484,675**	**106,239**	**—**	**28,130**	**108,034**	**—**	**3,605,644**
Grand total	**281,412**	**17,232,819**	**10,233,032**	**857,609**	**9,622,608**	**31,727,642**	**17,189,279**	**4,885,682**	**2,524,745**	**585,296**	**412,058**	**41,359,494**
% of approved investments to Total	95.93%	95.96%	96.05%	96.14%	95.51%	98.47%	99.38%	100.00%	98.89%	81.54%	100.00%	91.28%
% of other investments to Total	4.07%	4.04%	3.95%	3.86%	4.49%	1.53%	0.62%	0.00%	1.11%	18.46%	0.00%	8.72%

Schedule: F-2

INVESTMENTS AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Life Funds											
	Maximiser Fund II	**Maximiser Fund III**	**Maximiser Fund IV**	**Maximiser Fund V**	**Money Market Fund**	**Multi Cap Balanced Fund**	**Multi Cap Growth Fund**	**Multiplier Fund**	**Multiplier Fund II**	**Multiplier Fund III**	**Multiplier Fund IV**	**New Invest Shield Balanced Fund**
	ULIF 012 17/05/04 LMaximis2 105	**ULIF 022 13/03/06 LMaximis3 105**	**ULIF 037 27/08/07 LMaximis4 105**	**ULIF 114 15/03/11 LMaximis5 105**	**ULIF 090 24/11/09 LMoneyMkt 105**	**ULIF 088 24/11/09 LMCapBal 105**	**ULIF 085 24/11/09 LMCapGro 105**	**ULIF 042 22/11/07 LMultip1 105**	**ULIF 044 25/02/08 LMultip2 105**	**ULIF 046 25/02/08 LMultip3 105**	**ULIF 047 25/02/08 LMultip4 105**	**ULIF 025 21/08/06 LInvShldNw 105**
Approved investments												
Government bonds	—	—	—	—	—	285,911	—	—	—	—	—	518,456
Corporate bonds	—	—	—	121,862	738,603	363,122	—	—	—	—	—	631,295
Infrastructure bonds	—	—	—	—	59,650	29,473	—	—	—	—	—	102,899
Equity	9,205,225	1,544,924	454,713	8,054,750	—	1,390,741	15,050,084	7,589,985	1,806,136	113,813	836,431	924,414
Money market	287,882	—	—	395,949	5,868,854	198,997	183,057	—	—	—	—	166,928
Mutual funds	66,370	17,778	6,661	122,494	242	863	212,175	28,825	25,331	681	11,634	16,360
Deposit with banks	—	—	—	—	3,421,300	380,400	—	—	—	—	—	480,400
Preference shares	—	—	—	—	—	342	9,424	—	—	—	—	306
Total	**9,559,477**	**1,562,702**	**461,374**	**8,695,055**	**10,088,649**	**2,649,849**	**15,454,740**	**7,618,810**	**1,831,467**	**114,494**	**848,065**	**2,841,058**
Other investments												
Corporate bonds	—	—	—	—	—	—	—	—	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	896,513	150,375	43,715	791,069	—	111,126	658,240	259,101	64,316	5,029	29,600	68,159
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	—	1,374	41,331	—	—	141,325	—	34,222	—	8,847	—
Venture fund	—	—	—	—	—	—	—	—	—	—	—	15,735
Total	**896,513**	**150,375**	**45,089**	**832,400**	**—**	**111,126**	**799,565**	**259,101**	**98,538**	**5,029**	**38,447**	**83,894**
Grand total	**10,455,990**	**1,713,077**	**506,463**	**9,527,455**	**10,088,649**	**2,760,975**	**16,254,305**	**7,877,911**	**1,930,005**	**119,523**	**886,512**	**2,924,952**
% of approved investments to Total	91.43%	91.22%	91.10%	91.26%	100.00%	95.98%	95.08%	96.71%	94.89%	95.79%	95.66%	97.13%
% of other investments to Total	8.57%	8.78%	8.90%	8.74%	0.00%	4.02%	4.92%	3.29%	5.11%	4.21%	4.34%	2.87%

(₹ in '000)

Particulars	Linked Life Funds											
	Opportunities Fund	**Pinnacle Fund**	**Pinnacle Fund II**	**Preserver Fund**	**Preserver Fund III**	**Preserver Fund IV**	**Protector Fund**	**Protector Fund II**	**Protector Fund III**	**Protector Fund IV**	**Return Guarantee Fund**	**Return Guarantee Fund II**
	ULIF 086 24/11/09 LOpport 105	**ULIF 081 26/10/09 LPinnacle 105**	**ULIF 105 26/10/10 LPinnacle2 105**	**ULIF 010 17/05/04 LPreserv1 105**	**ULIF 021 13/03/06 LPreserv3 105**	**ULIF 036 27/08/07 LPreserv4 105**	**ULIF 003 22/10/01 LProtect1 105**	**ULIF 016 17/05/04 LProtect2 105**	**ULIF 024 13/03/06 LProtect3 105**	**ULIF 041 27/08/07 LProtect4 105**	**ULIF 054 18/12/08 LRGF1 105**	**ULIF 063 27/01/09 LRGF(T2) 105**
Approved investments												
Government bonds	—	3,601,484	1,376,667	—	—	—	2,310,943	1,014,608	117,220	1,066,094	—	—
Corporate bonds	—	—	—	608,351	27,886	55,877	2,929,059	1,237,789	146,955	1,305,399	—	—
Infrastructure bonds	—	—	—	57,861	—	—	1,081,540	490,092	57,032	449,765	—	—
Equity	3,026,314	7,025,692	4,185,103	—	—	—	—	—	—	—	—	—
Money market	298,004	—	—	4,455,985	234,499	594,349	699,577	279,478	19,083	278,186	—	—
Mutual funds	49,098	2,498	28,202	103	45	42	9,628	9,015	751	5,320	—	—
Deposit with banks	—	—	—	2,240,500	82,140	84,500	1,460,300	830,300	70,200	760,200	—	—
Preference shares	2,499	—	—	—	—	—	—	—	—	—	—	—
Total	**3,375,915**	**10,629,674**	**5,589,972**	**7,362,800**	**344,570**	**734,768**	**8,491,047**	**3,861,282**	**411,241**	**3,864,964**	**—**	**—**
Other investments												
Corporate bonds	—	—	—	—	—	—	63,225	25,591	3,763	24,838	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	366,659	184,990	109,992	—	—	—	—	—	—	—	—	—
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	7,403	—	—	—	—	—	—	—	—	—	—	—
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	**374,062**	**184,990**	**109,992**	**—**	**—**	**—**	**63,225**	**25,591**	**3,763**	**24,838**	**—**	**—**
Grand total	**3,749,977**	**10,814,664**	**5,699,964**	**7,362,800**	**344,570**	**734,768**	**8,554,272**	**3,886,873**	**415,004**	**3,889,802**	**—**	**—**
% of approved investments to Total	90.02%	98.29%	98.07%	100.00%	100.00%	100.00%	99.26%	99.34%	99.09%	99.36%	0.00%	0.00%
% of other investments to Total	9.98%	1.71%	1.93%	0.00%	0.00%	0.00%	0.74%	0.66%	0.91%	0.64%	0.00%	0.00%

Schedule: F-2

INVESTMENTS AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Life Funds										
	Return Guarantee Fund III	Return Guarantee Fund IV	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund X (5 Yrs)
	ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 111 13/01/11 LRGF(T10) 105
Approved investments											
Government bonds	—	—	75,388	19,031	—	—	—	126,937	29,724	247,307	—
Corporate bonds	—	—	12,752	528,433	2,001	7,986	2,022	53,930	468,867	70,075	1,087,316
Infrastructure bonds	—	—	20,452	424,208	9,877	10,900	11,387	43,006	131,424	70,706	679,086
Equity	—	—	—	—	—	—	—	—	—	—	—
Money market	—	132,296	—	102,638	40,532	25,487	7,280	—	161,251	—	122,821
Mutual funds	—	2,178	1,976	19,364	881	984	420	3,994	14,584	6,698	39,695
Deposit with banks	—	—	21,020	169,400	900	10,200	2,810	47,790	129,200	70,115	545,387
Preference shares	—	—	—	—	—	—	—	—	—	—	—
Total	**—**	**134,474**	**131,588**	**1,263,074**	**54,191**	**55,557**	**23,919**	**275,657**	**935,050**	**464,901**	**2,474,305**
Other investments											
Corporate bonds	—	—	—	49,734	—	—	—	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—
Equity	—	—	—	—	—	—	—	—	—	—	—
Money market	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	15,514	8,801	50,287	6,374	7,159	3,060	5,437	106,676	6,290	290,983
Venture fund	—	—	—	—	—	—	—	—	—	—	—
Total	**—**	**15,514**	**8,801**	**100,021**	**6,374**	**7,159**	**3,060**	**5,437**	**106,676**	**6,290**	**290,983**
Grand total	**—**	**149,988**	**140,389**	**1,363,095**	**60,565**	**62,716**	**26,979**	**281,094**	**1,041,726**	**471,191**	**2,765,288**
% of approved investments to Total	0.00%	89.66%	93.73%	92.66%	89.48%	88.59%	88.66%	98.07%	89.76%	98.67%	89.48%
% of other investments to Total	0.00%	10.34%	6.27%	7.34%	10.52%	11.41%	11.34%	1.93%	10.24%	1.33%	10.52%

(₹ in '000)

Particulars	Linked Life Funds									
	Return Guarantee Fund XI (10 Yrs)	Return Guarantee Fund XI (5 Yrs)	RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	Total
	ULIF 121 19/04/11 LRGF(S4) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 048 17/03/08 LRICH1 105	ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Approved investments										
Government bonds	9,038	—	—	—	—	—	98,594	2,187	19,513	**34,873,767**
Corporate bonds	8,614	552,324	—	—	—	—	109,091	5,086	32,762	**24,765,092**
Infrastructure bonds	985	366,204	—	—	—	—	24,806	2,895	13,618	**7,411,984**
Equity	—	—	5,969,802	7,474,552	343,160	3,658,150	82,921	27,522	58,109	**197,681,342**
Money market	—	123,764	—	—	—	—	51,149	3,922	32,979	**30,090,569**
Mutual funds	303	18,569	70,476	108,276	3,227	53,675	1,522	200	675	**1,769,565**
Deposit with banks	2,390	130,700	—	—	—	—	60,200	—	10,100	**19,715,857**
Preference shares	—	—	2,160	2,664	123	1,318	—	—	—	**134,318**
Total	**21,330**	**1,191,561**	**6,042,438**	**7,585,492**	**346,510**	**3,713,143**	**428,283**	**41,812**	**167,756**	**316,442,494**
Other investments										**—**
Corporate bonds	—	—	—	—	—	—	—	—	—	**457,798**
Infrastructure bonds	—	—	—	—	—	—	—	—	—	**—**
Equity	—	—	532,344	666,413	30,754	328,840	—	1,587	3,391	**12,159,004**
Money market	—	—	—	—	—	—	—	—	—	**—**
Mutual funds	240	74,348	—	43,222	—	52,427	—	—	—	**1,167,983**
Venture fund	—	—	—	—	—	—	—	—	—	**15,735**
Total	**240**	**74,348**	**532,344**	**709,635**	**30,754**	**381,267**	**—**	**1,587**	**3,391**	**13,800,520**
Grand total	**21,570**	**1,265,909**	**6,574,782**	**8,295,127**	**377,264**	**4,094,410**	**428,283**	**43,399**	**171,147**	**330,243,014**
% of approved investments to Total	98.89%	94.13%	91.90%	91.45%	91.85%	90.69%	100.00%	96.34%	98.02%	**95.82%**
% of other investments to Total	1.11%	5.87%	8.10%	8.55%	8.15%	9.31%	0.00%	3.66%	1.98%	**4.18%**

Schedule: F-2

INVESTMENTS AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Pension Funds											
	Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement Secure Fund	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II
	ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 133 02/11/12 ERSF 105	ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105
Approved investments												
Government bonds	—	10,561	6,161	74,764	722,366	842,341	—	610,619	88,874	98,912	—	—
Corporate bonds	—	16,263	21,207	119,014	1,309,022	1,836,472	—	60,000	147,774	163,074	—	—
Infrastructure bonds	—	8,827	3,923	53,634	309,481	437,045	—	—	25,838	33,837	—	—
Equity	—	113,098	—	77,359	1,882,071	2,330,137	1,925,000	14,407,164	515,939	580,892	19,077,334	16,392,063
Money market	1,788	88,710	46,578	141,460	215,152	249,799	—	149,002	141,751	178,920	—	95,818
Mutual funds	—	3,570	1,211	1,858	11,085	11,013	27,092	23,438	4,462	4,311	27,400	15,122
Deposit with banks	—	—	2,511	30,000	713,800	1,041,900	—	—	60,000	50,000	250,189	211
Preference shares	—	—	—	27	127	86	147	—	660	895	10,217	10,246
Total	**1,788**	**241,029**	**81,591**	**498,116**	**5,163,104**	**6,748,793**	**1,952,239**	**15,250,223**	**985,298**	**1,110,841**	**19,365,140**	**16,513,460**
Other investments												
Corporate bonds	—	—	—	—	48,172	83,548	—	—	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	—	13,392	—	5,558	156,062	191,593	82,909	407,536	54,459	61,161	479,523	393,550
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	26,146	8,850	—	—	—	35,077	—	—	—	—	—
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	**—**	**39,538**	**8,850**	**5,558**	**204,234**	**275,141**	**117,986**	**407,536**	**54,459**	**61,161**	**479,523**	**393,550**
Grand total	**1,788**	**280,567**	**90,441**	**503,674**	**5,367,338**	**7,023,934**	**2,070,225**	**15,657,759**	**1,039,757**	**1,172,002**	**19,844,663**	**16,907,010**
% of approved investments to Total	100.00%	85.91%	90.21%	98.90%	96.19%	96.08%	94.30%	97.40%	94.76%	94.78%	97.58%	97.67%
% of other investments to Total	0.00%	14.09%	9.79%	1.10%	3.81%	3.92%	5.70%	2.60%	5.24%	5.22%	2.42%	2.33%

(₹ in '000)

Particulars	Linked Pension Funds											
	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund
	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105	ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105
Approved investments												
Government bonds	—	2,251,016	—	—	—	164,885	—	—	—	—	—	3,162,751
Corporate bonds	—	3,100,935	—	263,750	636,088	293,548	—	—	—	—	958,402	5,059,265
Infrastructure bonds	—	684,488	—	—	79,808	89,524	—	—	—	—	—	1,923,295
Equity	368,592	—	4,467,449	15,108,671	—	1,235,425	13,323,760	4,221,726	2,209,985	4,800,960	—	—
Money market	—	1,875,770	—	—	4,772,893	258,494	99,335	—	—	48,887	6,375,299	2,272,981
Mutual funds	5,636	18,162	65,845	43,170	33	6,461	129,463	59,102	30,917	73,597	73	21,172
Deposit with banks	—	2,112,900	—	100,000	1,380,400	210,500	—	—	—	—	4,242,400	2,816,103
Preference shares	—	—	—	—	—	384	14,438	—	—	3,850	—	—
Total	**374,228**	**10,043,271**	**4,533,294**	**15,515,591**	**6,869,222**	**2,259,221**	**13,566,996**	**4,280,828**	**2,240,902**	**4,927,294**	**11,576,174**	**15,255,567**
Other investments												
Corporate bonds	—	49,970	—	—	—	—	—	—	—	—	—	121,934
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	41,766	—	439,338	1,436,485	—	98,095	621,621	193,449	98,714	501,539	—	—
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	32,409	—	30,740	—	—	—	—	40,567	20,999	167,517	—	—
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	**74,175**	**49,970**	**470,078**	**1,436,485**	**—**	**98,095**	**621,621**	**234,016**	**119,713**	**669,056**	**—**	**121,934**
Grand total	**448,403**	**10,093,241**	**5,003,372**	**16,952,076**	**6,869,222**	**2,357,316**	**14,188,617**	**4,514,844**	**2,360,615**	**5,596,350**	**11,576,174**	**15,377,501**
% of approved investments to Total	83.46%	99.50%	90.60%	91.53%	100.00%	95.84%	95.62%	94.82%	94.93%	88.04%	100.00%	99.21%
% of other investments to Total	16.54%	0.50%	9.40%	8.47%	0.00%	4.16%	4.38%	5.18%	5.07%	11.96%	0.00%	0.79%

Schedule: F-2

INVESTMENTS AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Pension Funds								
	Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II	Pension Return Guarantee Fund III	Pension Return Guarantee Fund IV	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund V	Pension Return Guarantee Fund VI	Pension Return Guarantee Fund VII
	ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105	ULIF 067 26/02/09 PRGF3 105	ULIF 070 31/03/09 PRGF4 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 074 29/04/09 PRGF5 105	ULIF 079 17/06/09 PRGF6 105	ULIF 083 16/11/09 PRGF7 105
Approved investments									
Government bonds	1,599,497	—	—	—	—	18,210	—	—	—
Corporate bonds	2,741,471	—	—	—	—	9,650	20,007	29,991	113,817
Infrastructure bonds	989,995	—	—	—	35,945	7,932	50,535	58,529	143,072
Equity	—	—	—	—	—	—	—	—	—
Money market	691,681	—	—	—	290,353	—	93,694	141,523	191,377
Mutual funds	10,000	—	—	—	5,450	673	2,771	3,864	6,998
Deposit with banks	1,187,147	—	—	—	—	7,515	—	—	11,861
Preference shares	—	—	—	—	—	—	—	—	—
Total	**7,219,791**	**—**	**—**	**—**	**331,748**	**43,980**	**167,007**	**233,907**	**467,125**
Other investments									
Corporate bonds	—	—	—	—	—	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—
Equity	—	—	—	—	—	—	—	—	—
Money market	—	—	—	—	—	—	—	—	—
Mutual funds	—	—	—	—	38,977	3,522	20,146	28,070	51,295
Venture fund	—	—	—	—	—	—	—	—	—
Total	**—**	**—**	**—**	**—**	**38,977**	**3,522**	**20,146**	**28,070**	**51,295**
Grand total	**7,219,791**	**—**	**—**	**—**	**370,725**	**47,502**	**187,153**	**261,977**	**518,420**
% of approved investments to Total	100.00%	0.00%	0.00%	0.00%	89.49%	92.59%	89.24%	89.29%	90.11%
% of other investments to Total	0.00%	0.00%	0.00%	0.00%	10.51%	7.41%	10.76%	10.71%	9.89%

(₹ in '000)

Particulars	Linked Pension Funds							Total
	Pension Return Guarantee Fund VIII	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	
	ULIF 102 12/10/10 PRGF(S1) 105	ULIF 113 13/01/11 PRGF(S3) 105	ULIF 122 19/04/11 PRGF(S4) 105	ULIF 052 17/03/08 PRICH1 105	ULIF 053 17/03/08 PRICH2 105	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Approved investments								
Government bonds	52,144	55,901	5,815	—	—	48,210	28,095	**9,841,122**
Corporate bonds	48,863	15,560	2,563	—	—	105,209	28,298	**17,100,243**
Infrastructure bonds	14,752	13,604	—	—	—	31,555	23,511	**5,019,130**
Equity	—	—	—	12,960,227	8,855,225	—	21,771	**124,874,848**
Money market	—	—	—	318,244	248,599	149,539	17,083	**19,154,730**
Mutual funds	2,131	1,511	160	48,267	134,473	5,085	440	**806,016**
Deposit with banks	24,990	15,520	1,920	—	—	30,100	10,000	**14,299,967**
Preference shares	—	—	—	5,323	4,638	—	—	**51,038**
Total	**142,880**	**102,096**	**10,458**	**13,332,061**	**9,242,935**	**369,698**	**129,198**	**191,147,094**
Other investments								
Corporate bonds	—	—	—	—	—	—	—	**303,624**
Infrastructure bonds	—	—	—	—	—	—	—	**—**
Equity	—	—	—	1,413,054	963,572	—	—	**7,653,376**
Money market	—	—	—	—	—	—	—	**—**
Mutual funds	7,016	5,451	277	—	2,076	5,839	—	**524,974**
Venture fund	—	—	—	—	—	—	—	**—**
Total	**7,016**	**5,451**	**277**	**1,413,054**	**965,648**	**5,839**	**—**	**8,481,974**
Grand total	**149,896**	**107,547**	**10,735**	**14,745,115**	**10,208,583**	**375,537**	**129,198**	**199,629,068**
% of approved investments to Total	95.32%	94.93%	97.42%	90.42%	90.54%	98.45%	100.00%	**95.75%**
% of other investments to Total	4.68%	5.07%	2.58%	9.58%	9.46%	1.55%	0.00%	**4.25%**

Schedule: F-2

INVESTMENTS AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Health Funds													
	Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund	Health Return Guarantee Fund II	Health Return Guarantee Fund III	Health Return Guarantee Fund IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	Total
	ULIF 059 15/01/09 HBalancer 105	ULIF 060 15/01/09 HFlexiBal 105	ULIF 057 15/01/09 HFlexiGro 105	ULIF 058 15/01/09 HMultip 105	ULIF 056 15/01/09 HPreserv 105	ULIF 061 15/01/09 HProtect 105	ULIF 062 15/01/09 HRGF1 105	ULIF 065 29/01/09 HRGF2 105	ULIF 068 26/02/09 HRGF3 105	ULIF 071 31/03/09 HRGF4 105	ULIF 075 29/04/09 HRGF5 105	ULIF 080 17/06/09 HRGF6 105	ULIF 084 16/11/09 HRGF7 105	
Approved investments														
Government bonds	34,927	26,418	—	—	—	238,819	—	—	—	—	406	198	79	**300,847**
Corporate bonds	40,088	31,859	38,942	—	3,978	285,029	—	—	—	—	—	41	—	**399,937**
Infrastructure bonds	6,925	4,967	—	—	1,995	63,127	—	—	—	—	—	—	—	**77,014**
Equity	72,814	127,359	2,505,617	342,002	—	—	—	—	—	—	—	—	—	**3,047,792**
Money market	37,097	42,394	—	—	43,772	194,446	—	—	—	7,010	1,770	897	655	**328,041**
Mutual funds	380	248	40,397	4,913	33	1,534	—	—	—	104	37	20	15	**47,681**
Deposit with banks	20,000	19,800	—	—	3,417	140,600	—	—	—	—	267	140	225	**184,449**
Preference shares	24	51	1,502	8	—	—	—	—	—	—	—	—	—	**1,585**
Total	**212,255**	**253,096**	**2,586,458**	**346,923**	**53,195**	**923,555**	—	—	—	**7,114**	**2,480**	**1,296**	**974**	**4,387,346**
Other investments														
Corporate bonds	—	—	—	—	—	16,015	—	—	—	—	—	—	—	**16,015**
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Equity	5,267	13,530	306,922	14,503	—	—	—	—	—	—	—	—	—	**340,222**
Money market	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	—	74,804	25,303	—	—	—	—	—	728	259	131	100	**101,325**
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	**5,267**	**13,530**	**381,726**	**39,806**	—	**16,015**	—	—	—	**728**	**259**	**131**	**100**	**457,562**
Grand total	**217,522**	**266,626**	**2,968,184**	**386,729**	**53,195**	**939,570**	—	—	—	**7,842**	**2,739**	**1,427**	**1,074**	**4,844,908**
% of approved investments to Total	97.58%	94.93%	87.14%	89.71%	100.00%	98.30%	0.00%	0.00%	0.00%	90.72%	90.54%	90.83%	90.69%	**90.56%**
% of other investments to Total	2.42%	5.07%	12.86%	10.29%	0.00%	1.70%	0.00%	0.00%	0.00%	9.28%	9.46%	9.17%	9.31%	**9.44%**

(₹ in '000)

Particulars	Linked Group Funds													
	Group Balanced Fund	Group Balanced Fund II	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Balanced Fund III	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Debt Fund III	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Capital Guarantee Short Term Debt Fund III	Group Debt Fund
	ULGF 001 03/04/03 GBalancer 105	ULGF 041 30/04/13 GBalancer2 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 049 27/08/13 GCGBal3 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 048 27/08/13 GCGDebt3 105	ULGF 008 11/12/06 GCGGrowth1 105	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 031 01/03/12 GCGSTDebt3 105	ULGF 002 03/04/03 GDebt 105
Approved investments														
Government bonds	2,450,477	—	15,249	255,536	69	3,745	221,559	1,495	3,358	7,274	—	—	—	2,823,741
Corporate bonds	4,828,902	—	32,239	631,258	—	2,914	198,841	4,053	3,063	17,324	9,957	126,673	—	5,251,341
Infrastructure bonds	838,358	—	11,731	154,819	—	1,005	61,545	—	1,930	4,867	2,993	126,697	—	1,272,644
Equity	2,504,238	1,487	13,617	270,145	425	—	—	—	9,996	22,300	—	—	—	—
Money market	2,052,358	620	14,255	262,937	283	9,482	282,620	3,910	9,101	10,918	88,396	2,486,665	42,251	1,579,726
Mutual funds	31,347	132	381	10,078	41	244	60	154	400	346	73	22,634	567	30,375
Deposit with banks	3,235,100	6,151	—	170,100	1,639	—	150,600	1,357	—	—	22,500	961,800	—	2,793,158
Preference shares	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	**15,940,780**	**8,390**	**87,472**	**1,754,873**	**2,457**	**17,390**	**915,225**	**10,969**	**27,848**	**63,029**	**123,919**	**3,724,469**	**42,818**	**13,750,985**
Other investments														
Corporate bonds	427,768	—	—	—	—	—	5,269	—	753	753	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Equity	236,162	9	1,245	25,549	56	—	—	—	930	2,094	—	—	—	—
Money market	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	958	—	—	7	943	—	227	396	—	—	—	129	—
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	**663,930**	**967**	**1,245**	**25,549**	**63**	**943**	**5,269**	**227**	**2,079**	**2,847**	—	—	**129**	—
Grand total	**16,604,710**	**9,357**	**88,717**	**1,780,422**	**2,520**	**18,333**	**920,494**	**11,196**	**29,927**	**65,876**	**123,919**	**3,724,469**	**42,947**	**13,750,985**
% of approved investments to Total	96.00%	89.67%	98.60%	98.57%	97.50%	94.86%	99.43%	97.97%	93.05%	95.68%	100.00%	100.00%	99.70%	100.00%
% of other investments to Total	4.00%	10.33%	1.40%	1.43%	2.50%	5.14%	0.57%	2.03%	6.95%	4.32%	0.00%	0.00%	0.30%	0.00%

Schedule: F-2

INVESTMENTS AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Group Funds							
	Group Debt Fund II	Group Growth Fund	Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II
	ULGF 040 30/04/13 GDebt2 105	ULGF 004 30/10/03 GGrowth 105	ULGF 042 30/04/13 GGrowth2 105	ULGF 013 02/04/08 GLEBal 105	ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105
Approved investments								
Government bonds	2,529	598,707	3	124,896	20,783	—	—	—
Corporate bonds	5,071	1,394,606	—	276,528	27,721	90,862	37,975	—
Infrastructure bonds	—	234,736	—	97,520	10,832	31,924	42,911	3,000
Equity	—	4,091,122	46	128,048	—	—	—	—
Money market	1,742	287,219	—	177,686	25,760	229,624	125,619	656
Mutual funds	141	15,311	—	2,656	1,294	9,857	3,548	69
Deposit with banks	692	901,000	25	30,200	—	281,306	9,915	710
Preference shares	—	—	—	—	—	—	—	—
Total	**10,175**	**7,522,701**	**74**	**837,534**	**86,390**	**643,573**	**219,968**	**4,435**
Other investments								
Corporate bonds	—	143,009	—	8,279	1,505	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—
Equity	—	385,258	1	12,114	—	—	—	—
Money market	—	—	—	—	—	—	—	—
Mutual funds	112	—	—	—	8,408	62,361	25,710	18
Venture fund	—	—	—	—	—	—	—	—
Total	**112**	**528,267**	**1**	**20,393**	**9,913**	**62,361**	**25,710**	**18**
Grand total	**10,287**	**8,050,968**	**75**	**857,927**	**96,303**	**705,934**	**245,678**	**4,453**
% of approved investments to Total	98.91%	93.44%	98.67%	97.62%	89.71%	91.17%	89.54%	99.60%
% of other investments to Total	1.09%	6.56%	1.33%	2.38%	10.29%	8.83%	10.46%	0.40%

(₹ in '000)

Particulars	Linked Group Funds						
	Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund	Total	Grand Total
	ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Approved investments							
Government bonds	—	—	—	—	—	**6,529,421**	**51,545,157**
Corporate bonds	—	65,374	214,995	495,353	807,110	**14,522,160**	**56,787,432**
Infrastructure bonds	—	11,737	127,823	197,527	523,180	**3,757,779**	**16,265,907**
Equity	—	—	—	—	—	**7,041,424**	**332,645,406**
Money market	17,482	25,575	68,953	4,396,454	53,737	**12,254,029**	**61,827,369**
Mutual funds	259	2,061	7,411	96,501	29,098	**265,038**	**2,888,300**
Deposit with banks	—	24,400	73,973	1,862,600	400,359	**10,927,585**	**45,127,858**
Preference shares	—	—	—	—	—	**—**	**186,941**
Total	**17,741**	**129,147**	**493,155**	**7,048,435**	**1,813,484**	**55,297,436**	**567,274,370**
Other investments							
Corporate bonds	—	—	—	—	—	**587,336**	**1,364,773**
Infrastructure bonds	—	—	—	—	—	**—**	**—**
Equity	—	—	—	—	—	**663,418**	**20,816,020**
Money market	—	—	—	—	—	**—**	**—**
Mutual funds	1,834	15,097	33,084	140,412	213,236	**502,932**	**2,297,214**
Venture fund	—	—	—	—	—	**—**	**15,735**
Total	**1,834**	**15,097**	**33,084**	**140,412**	**213,236**	**1,753,686**	**24,493,742**
Grand total	**19,575**	**144,244**	**526,239**	**7,188,847**	**2,026,720**	**57,051,122**	**591,768,112**
% of approved investments to Total	90.63%	89.53%	93.71%	98.05%	89.48%	**96.93%**	**95.86%**
% of other investments to Total	9.37%	10.47%	6.29%	1.95%	10.52%	**3.07%**	**4.14%**

Schedule F - 3

CURRENT ASSETS AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Life Funds											
	Anmol Nivesh Fund	Balancer Fund	Balancer Fund II	Balancer Fund III	Balancer Fund IV	Bluechip Fund	Cash Plus Fund	Discontinued Fund - Life	Dynamic P/E Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III
	ULIF 072 28/04/09 LAnmolNiv 105	ULIF 002 22/10/01 LBalancer1 105	ULIF 014 17/05/04 LBalancer2 105	ULIF 023 13/03/06 LBalancer3 105	ULIF 039 27/08/07 LBalancer4 105	ULIF 087 24/11/09 LBluChip 105	ULIF 008 11/08/03 LCashPlus 105	ULIF 100 01/07/10 LDiscont 105	ULIF 097 11/01/10 LDynmicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105
Accrued interest	1,592	176,707	61,662	8,987	14,144	—	70,176	83,660	36,778	16,237	12,127	404
Cash & Bank balance	10	10,364	2,777	10	10	765	13	4,170	10	10	10	10
Dividend receivable	—	3,563	1,293	91	345	1,671	—	—	14,009	443	326	27
Receivable for sale of investments	—	81,096	25,967	2,019	6,315	—	22,996	—	394,962	8,328	4,046	2,491
Unit collection a/c	—	—	—	—	1,090	24,877	—	—	186,752	1,460	—	—
Other current assets (for Investments)	—	2	—	—	—	—	—	—	50	1	—	—
Total	**1,602**	**271,732**	**91,699**	**11,107**	**21,904**	**27,313**	**93,185**	**87,830**	**632,561**	**26,479**	**16,509**	**2,932**

(₹ in '000)

Particulars	Linked Life Funds											
	Flexi Balanced Fund IV	Flexi Growth Fund	Flexi Growth Fund II	Flexi Growth Fund III	Flexi Growth Fund IV	Highest NAV Fund B	Income Fund	Invest Shield Cash Fund	Invest Shield Fund - Life	Life Growth Fund	Life Secure Fund	Maximiser Fund
	ULIF 040 27/08/07 LFlexiBal4 105	ULIF 026 20/03/07 LFlexiGro1 105	ULIF 027 20/03/07 LFlexiGro2 105	ULIF 028 20/03/07 LFlexiGro3 105	ULIF 038 27/08/07 LFlexiGro4 105	ULIF 116 15/03/11 LHighNavB 105	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash 105	ULIF 018 03/01/05 LInvShld 105	ULIF 134 19/09/13 LGF 105	ULIF 135 19/09/13 LSF 105	ULIF 001 22/10/01 LMaximis1 105
Accrued interest	6,767	—	—	—	—	234,797	314,606	135,692	46,742	—	14,144	25,988
Cash & Bank balance	10	6,046	169,006	350	10,900	10	10	10	10	10	10	10
Dividend receivable	121	7,302	5,180	357	4,792	13,779	—	—	298	371	—	32,186
Receivable for sale of investments	1,480	623	—	9,330	—	394,368	134,928	42,027	18,425	294	11,670	197,324
Unit collection a/c	1,033	—	2,859	—	—	523,986	563,017	3,288	4,455	105,850	91,840	—
Other current assets (for Investments)	—	—	—	1	—	54	1	—	—	4	—	15
Total	**9,411**	**13,971**	**177,045**	**10,038**	**15,692**	**1,166,994**	**1,012,562**	**181,017**	**69,930**	**106,529**	**117,664**	**255,523**

(₹ in '000)

Particulars	Linked Life Funds											
	Maximiser Fund II	Maximiser Fund III	Maximiser Fund IV	Maximiser Fund V	Money Market Fund	Multi Cap Balanced Fund	Multi Cap Growth Fund	Multiplier Fund	Multiplier Fund II	Multiplier Fund III	Multiplier Fund IV	New Invest Shield Balanced Fund
	ULIF 012 17/05/04 LMaximis2 105	ULIF 022 13/03/06 LMaximis3 105	ULIF 037 27/08/07 LMaximis4 105	ULIF 114 15/03/11 LMaximis5 105	ULIF 090 24/11/09 LMoneyMkt 105	ULIF 088 24/11/09 LMCapBal 105	ULIF 085 24/11/09 LMCapGro 105	ULIF 042 22/11/07 LMultip1 105	ULIF 044 25/02/08 LMultip2 105	ULIF 046 25/02/08 LMultip3 105	ULIF 047 25/02/08 LMultip4 105	ULIF 025 21/08/06 LInvShldNw 105
Accrued interest	—	—	—	9,583	140,426	25,363	—	—	—	—	—	51,823
Cash & Bank balance	10	10	10	10	50,717	10	2,739	80,677	444	50	212	10
Dividend receivable	8,276	1,392	407	7,383	—	1,147	8,003	5,277	1,251	82	577	711
Receivable for sale of investments	47,346	10,352	3,001	17,005	—	8,927	—	—	—	1,490	—	18,758
Unit collection a/c	—	—	—	256,690	454,134	46,570	143,376	—	3,410	—	—	844
Other current assets (for Investments)	4	1	—	18	1	4	—	—	—	—	—	1
Total	**55,636**	**11,755**	**3,418**	**290,689**	**645,278**	**82,021**	**154,118**	**85,954**	**5,105**	**1,622**	**789**	**72,147**

(₹ in '000)

Particulars	Linked Life Funds											
	Opportunities Fund	Pinnacle Fund	Pinnacle Fund II	Preserver Fund	Preserver Fund III	Preserver Fund IV	Protector Fund	Protector Fund II	Protector Fund III	Protector Fund IV	Return Guarantee Fund	Return Guarantee Fund II
	ULIF 086 24/11/09 LOpport 105	ULIF 081 26/10/09 LPinnacle 105	ULIF 105 26/10/10 LPinnacle2 105	ULIF 010 17/05/04 LPreserv1 105	ULIF 021 13/03/06 LPreserv3 105	ULIF 036 27/08/07 LPreserv4 105	ULIF 003 22/10/01 LProtect1 105	ULIF 016 17/05/04 LProtect2 105	ULIF 024 13/03/06 LProtect3 105	ULIF 041 27/08/07 LProtect4 105	ULIF 054 18/12/08 LRGF1 105	ULIF 063 27/01/09 LRGF(T2) 105
Accrued interest	—	92,640	33,744	108,944	11,109	6,880	187,043	89,946	12,697	95,819	(2)	(2)
Cash & Bank balance	950	10	10	19	10	54,828	23	10	10	10	15,195	12,541
Dividend receivable	2,598	5,376	3,153	—	—	—	—	—	—	—	—	—
Receivable for sale of investments	21,765	146,006	81,622	—	—	—	70,138	32,944	3,659	33,623	—	—
Unit collection a/c	38,308	—	56,040	18,325	47,651	6,078	93	35,033	7,767	5,899	—	—
Other current assets (for Investments)	4	20	12	—	—	—	—	—	—	—	—	—
Total	**63,625**	**244,052**	**174,581**	**127,288**	**58,770**	**67,786**	**257,297**	**157,933**	**24,133**	**135,351**	**15,193**	**12,539**

Schedule F - 3

CURRENT ASSETS AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Life Funds										
	Return Guarantee Fund III	Return Guarantee Fund IV	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund X (5 Yrs)
	ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 111 13/01/11 LRGF(T10) 105
Accrued interest	—	(2)	9,325	99,797	731	4,978	2,040	20,560	56,946	33,633	234,665
Cash & Bank balance	2,599	15,085	10	5,612	5,491	6,862	2,852	933	7,223	2,060	9,991
Dividend receivable	—	—	—	—	—	—	—	—	—	—	—
Receivable for sale of investments	—	—	—	—	—	—	—	—	—	941	—
Unit collection a/c	—	—	—	—	—	—	—	—	350	—	—
Other current assets (for Investments)	—	—	—	—	—	—	—	—	—	—	—
Total	**2,599**	**15,083**	**9,335**	**105,409**	**6,222**	**11,840**	**4,892**	**21,493**	**64,519**	**36,634**	**244,656**

(₹ in '000)

Particulars	Linked Life Funds									Total
	Return Guarantee Fund XI (10 Yrs)	Return Guarantee Fund XI (5 Yrs)	RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	
	ULIF 121 19/04/11 LRGF(S4) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 048 17/03/08 LRICH1 105	ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Accrued interest	1,195	76,777	—	—	—	—	9,600	509	3,500	**2,681,477**
Cash & Bank balance	215	65,115	10	10	10	10	10	12	10	**547,176**
Dividend receivable	—	—	2,350	2,932	136	1,444	117	32	70	**138,868**
Receivable for sale of investments	—	—	10,204	—	1,725	16,816	5,453	61	559	**1,891,084**
Unit collection a/c	99	128	—	5,709	36	—	—	92	—	**2,637,139**
Other current assets (for Investments)	—	—	1	—	—	1	—	—	—	**195**
Total	**1,509**	**142,020**	**12,565**	**8,651**	**1,907**	**18,271**	**15,180**	**706**	**4,139**	**7,895,939**

(₹ in '000)

Particulars	Linked Pension Funds											
	Discontinued Fund — Pension	Easy Retirement Balanced Fund	Easy Retirement Secure Fund	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II
	ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 133 02/11/12 ERSF 105	ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105
Accrued interest	—	278	1,136	11,640	143,763	199,794	—	6,786	13,950	13,890	28,105	72
Cash & Bank balance	6	10	10	10	10	10	430	10	10	10	6,213	173,726
Dividend receivable	—	94	—	59	2,492	2,786	1,552	11,006	459	496	8,769	6,695
Receivable for sale of investments	—	369	211	2,403	33,631	46,678	—	301,332	12,797	16,556	166,815	168,071
Unit collection a/c	—	48,519	12,848	287	—	28,820	1,670	—	5,183	4,750	36,424	—
Other current assets (for Investments)	—	1	—	—	1	1	—	38	1	1	28	26
Total	**6**	**49,271**	**14,205**	**14,399**	**179,897**	**278,089**	**3,652**	**319,172**	**32,400**	**35,703**	**246,354**	**348,590**

(₹ in '000)

Particulars	Linked Pension Funds											
	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund
	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105	ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105
Accrued interest	—	257,925	—	24,948	68,933	31,385	—	—	—	—	183,131	515,365
Cash & Bank balance	10	10	216	777	10	10	2,458	100	10	938	9	15
Dividend receivable	325	—	4,077	13,278	—	1,014	6,719	2,922	1,527	4,281	—	—
Receivable for sale of investments	1,711	43,447	29,792	70,219	—	6,579	—	—	—	54,009	—	81,390
Unit collection a/c	11,395	—	—	—	20,379	8,495	6,160	9,625	41	—	34,439	34,015
Other current assets (for Investments)	2	—	3	6	1	—	—	—	—	5	—	—
Total	**13,443**	**301,382**	**34,088**	**109,228**	**89,323**	**47,483**	**15,337**	**12,647**	**1,578**	**59,233**	**217,579**	**630,785**

Schedule F - 3

CURRENT ASSETS AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Pension Funds								
	Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II	Pension Return Guarantee Fund III	Pension Return Guarantee Fund IV	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund V	Pension Return Guarantee Fund VI	Pension Return Guarantee Fund VII
	ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105	ULIF 067 26/02/09 PRGF3 105	ULIF 070 31/03/09 PRGF4 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 074 29/04/09 PRGF5 105	ULIF 079 17/06/09 PRGF6 105	ULIF 083 16/11/09 PRGF7 105
Accrued interest	215,153	37	(85)	18	2,603	3,492	3,713	4,897	7,980
Cash & Bank balance	10	618	459	351	39,753	10	19,196	26,049	4,164
Dividend receivable	—	—	—	—	—	—	—	—	—
Receivable for sale of investments	45,088	—	—	—	—	—	—	—	—
Unit collection a/c	6,989	—	—	—	—	2	—	—	—
Other current assets (for Investments)	—	—	—	—	—	—	—	—	—
Total	**267,240**	**655**	**374**	**369**	**42,356**	**3,504**	**22,909**	**30,946**	**12,144**

(₹ in '000)

Particulars	Linked Pension Funds							
	Pension Return Guarantee Fund VIII	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	Total
	ULIF 102 12/10/10 PRGF(S1) 105	ULIF 113 13/01/11 PRGF(S3) 105	ULIF 122 19/04/11 PRGF(S4) 105	ULIF 052 17/03/08 PRICH1 105	ULIF 053 17/03/08 PRICH2 105	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Accrued interest	10,299	6,929	872	—	—	8,142	3,125	**1,768,276**
Cash & Bank balance	1,222	10	10	30,667	2,234	10	10	**309,791**
Dividend receivable	—	—	—	13,271	9,434	—	24	**91,280**
Receivable for sale of investments	—	—	471	174,017	106,233	1,718	1,677	**1,365,214**
Unit collection a/c	2	—	—	—	14,292	18,313	—	**302,648**
Other current assets (for Investments)	—	—	—	17	6	—	—	**137**
Total	**11,523**	**6,939**	**1,353**	**217,972**	**132,199**	**28,183**	**4,836**	**3,837,346**

(₹ in '000)

Particulars	Linked Health Funds													
	Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund	Health Return Guarantee Fund II	Health Return Guarantee Fund III	Health Return Guarantee Fund IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	Total
	ULIF 059 15/01/09 HBalancer 105	ULIF 060 15/01/09 HFlexiBal 105	ULIF 057 15/01/09 HFlexiGro 105	ULIF 058 15/01/09 HMultip 105	ULIF 056 15/01/09 HPreserv 105	ULIF 061 15/01/09 HProtect 105	ULIF 062 15/01/09 HRGF1 105	ULIF 065 29/01/09 HRGF2 105	ULIF 068 26/02/09 HRGF3 105	ULIF 071 31/03/09 HRGF4 105	ULIF 075 29/04/09 HRGF5 105	ULIF 080 17/06/09 HRGF6 105	ULIF 084 16/11/09 HRGF7 105	
Accrued interest	3,935	5,655	4,075	—	1,410	21,081	—	—	—	—	72	42	69	**36,339**
Cash & Bank balance	10	85	137,796	10	4,121	10	72	41	799	10	10	10	10	**142,984**
Dividend receivable	57	110	2,356	258	—	—	—	—	—	—	—	—	—	**2,781**
Receivable for sale of investments	1,078	1,535	22,064	—	—	7,565	—	—	—	—	—	—	—	**32,242**
Unit collection a/c	2,183	4,494	—	—	1,182	140	—	—	—	—	—	—	—	**7,999**
Other current assets (for Investments)	—	—	7	1	—	—	—	—	—	—	—	—	—	**8**
Total	**7,263**	**11,879**	**166,298**	**269**	**6,713**	**28,796**	**72**	**41**	**799**	**10**	**82**	**52**	**79**	**222,353**

(₹ in '000)

Particulars	Linked Group Funds													
	Group Balanced Fund	Group Balanced Fund II	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Balanced Fund III	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Debt Fund III	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Capital Guarantee Short Term Debt Fund III	Group Debt Fund
	ULGF 001 03/04/03 GBalancer 105	ULGF 041 30/04/13 GBalancer2 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 049 27/08/13 GCGBal3 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 048 27/08/13 GCGDebt3 105	ULGF 008 11/12/06 GCGGrowth1 105	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 031 01/03/12 GCGSTDebt3 105	ULGF 002 03/04/03 GDebt 105
Accrued interest	475,477	2,154	2,117	47,185	544	75	22,606	427	345	1,019	2,297	58,208	—	389,740
Cash & Bank balance	158	10	15	92	10	10	10	10	10	12	16	10	10	11
Dividend receivable	2,637	—	11	254	—	—	—	—	9	21	—	—	—	—
Receivable for sale of investments	91,858	—	535	9,386	—	71	4,865	26	121	287	—	—	—	80,761
Unit collection a/c	125,668	—	719	15,551	1	129	6,975	10	222	457	837	29,913	2,678	168,605
Other current assets (for Investments)	2	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	**695,800**	**2,164**	**3,397**	**72,468**	**555**	**285**	**34,456**	**473**	**707**	**1,796**	**3,150**	**88,131**	**2,688**	**639,117**

Schedule F - 3

CURRENT ASSETS AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Group Funds							
	Group Debt Fund II	Group Growth Fund	Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II
	ULGF 040 30/04/13 GDebt2 105	ULGF 004 30/10/03 GGrowth 105	ULGF 042 30/04/13 GGrowth2 105	ULGF 013 02/04/08 GLEBal 105	ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105
Accrued interest	285	131,791	7	22,406	1,358	41,187	9,534	778
Cash & Bank balance	10	528	5	26	10	10	13,715	10
Dividend receivable	—	3,762	—	121	—	—	—	—
Receivable for sale of investments	93	39,928	—	4,451	390	—	—	—
Unit collection a/c	5	54,533	—	7,298	558	7,438	1,313	45
Other current assets (for Investments)	—	2	—	—	—	—	—	—
Total	**393**	**230,544**	**12**	**34,302**	**2,316**	**48,635**	**24,562**	**833**

(₹ in '000)

Particulars	Linked Group Funds						
	Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund	Total	Grand Total
	ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Accrued interest	12	11,086	35,456	125,017	177,384	**1,558,495**	**6,044,587**
Cash & Bank balance	10	963	183	15	1,510	**17,379**	**1,017,330**
Dividend receivable	—	—	—	—	—	**6,815**	**239,744**
Receivable for sale of investments	—	—	—	—	—	**232,772**	**3,521,312**
Unit collection a/c	13,048	1,027	3,268	75,229	7,875	**523,402**	**3,471,188**
Other current assets (for Investments)	—	—	—	1	—	**5**	**345**
Total	**13,070**	**13,076**	**38,907**	**200,262**	**186,769**	**2,338,868**	**14,294,506**

Schedule F - 4

CURRENT LIABILITIES AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Life Funds											
	Anmol Nivesh Fund	Balancer Fund	Balancer Fund II	Balancer Fund III	Balancer Fund IV	Bluechip Fund	Cash Plus Fund	Discontinued Fund - Life	Dynamic P/E Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III
	ULIF 072 28/04/09 LAnmolNiv 105	ULIF 002 22/10/01 LBalancer1 105	ULIF 014 17/05/04 LBalancer2 105	ULIF 023 13/03/06 LBalancer3 105	ULIF 039 27/08/07 LBalancer4 105	ULIF 087 24/11/09 LBluChip 105	ULIF 008 11/08/03 LCashPlus 105	ULIF 100 01/07/10 LDiscont 105	ULIF 097 11/01/10 LDynmicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105
Payable for purchase of investments	—	(19)	(5)	—	(1)	—	(14)	(17)	(395,365)	(1)	(1)	—
Other current liabilities	(1)	(3,162)	(470)	(79)	(126)	(384)	(429)	(701)	(3,477)	(289)	(95)	(18)
Unit payable a/c	(11)	(14,402)	(5,894)	(4,546)	—	—	(159)	(116,748)	—	—	(135)	(3,591)
Total	**(12)**	**(17,583)**	**(6,369)**	**(4,625)**	**(127)**	**(384)**	**(602)**	**(117,466)**	**(398,842)**	**(290)**	**(231)**	**(3,609)**

(₹ in '000)

Particulars	Linked Life Funds											
	Flexi Balanced Fund IV	Flexi Growth Fund	Flexi Growth Fund II	Flexi Growth Fund III	Flexi Growth Fund IV	Highest NAV Fund B	Income Fund	Invest Shield Cash Fund	Invest Shield Fund - Life	Life Growth Fund	Life Secure Fund	Maximiser Fund
	ULIF 040 27/08/07 LFlexiBal4 105	ULIF 026 20/03/07 LFlexiGro1 105	ULIF 027 20/03/07 LFlexiGro2 105	ULIF 028 20/03/07 LFlexiGro3 105	ULIF 038 27/08/07 LFlexiGro4 105	ULIF 116 15/03/11 LHighNavB 105	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash 105	ULIF 018 03/01/05 LInvShld 105	ULIF 134 19/09/13 LGF 105	ULIF 135 19/09/13 LSF 105	ULIF 001 22/10/01 LMaximis1 105
Payable for purchase of investments	(319)	—	—	—	—	(390,401)	(91)	(27)	(4)	(55,063)	—	—
Other current liabilities	(36)	(4,898)	(1,959)	(240)	(1,817)	(7,283)	(2,935)	(779)	(398)	(122)	(101)	(11,584)
Unit payable a/c	—	(12,811)	—	(6,597)	(15,085)	—	—	—	—	—	—	(52,629)
Total	**(355)**	**(17,709)**	**(1,959)**	**(6,837)**	**(16,902)**	**(397,684)**	**(3,026)**	**(806)**	**(402)**	**(55,185)**	**(101)**	**(64,213)**

(₹ in '000)

Particulars	Linked Life Funds											
	Maximiser Fund II	Maximiser Fund III	Maximiser Fund IV	Maximiser Fund V	Money Market Fund	Multi Cap Balanced Fund	Multi Cap Growth Fund	Multiplier Fund	Multiplier Fund II	Multiplier Fund III	Multiplier Fund IV	New Invest Shield Balanced Fund
	ULIF 012 17/05/04 LMaximis2 105	ULIF 022 13/03/06 LMaximis3 105	ULIF 037 27/08/07 LMaximis4 105	ULIF 114 15/03/11 LMaximis5 105	ULIF 090 24/11/09 LMoneyMkt 105	ULIF 088 24/11/09 LMCapBal 105	ULIF 085 24/11/09 LMCapGro 105	ULIF 042 22/11/07 LMultip1 105	ULIF 044 25/02/08 LMultip2 105	ULIF 046 25/02/08 LMultip3 105	ULIF 047 25/02/08 LMultip4 105	ULIF 025 21/08/06 LInvShldNw 105
Payable for purchase of investments	—	—	—	(200,265)	(5)	(25,065)	(1)	—	—	—	—	(4)
Other current liabilities	(1,938)	(477)	(94)	(1,556)	(951)	(460)	(2,779)	(2,208)	(357)	(34)	(164)	(461)
Unit payable a/c	(22,451)	(8,097)	(1,789)	—	—	—	—	(24,741)	—	(56)	(715)	—
Total	**(24,389)**	**(8,574)**	**(1,883)**	**(201,821)**	**(956)**	**(25,525)**	**(2,780)**	**(26,949)**	**(357)**	**(90)**	**(879)**	**(465)**

(₹ in '000)

Particulars	Linked Life Funds											
	Opportunities Fund	Pinnacle Fund	Pinnacle Fund II	Preserver Fund	Preserver Fund III	Preserver Fund IV	Protector Fund	Protector Fund II	Protector Fund III	Protector Fund IV	Return Guarantee Fund	Return Guarantee Fund II
	ULIF 086 24/11/09 LOpport 105	ULIF 081 26/10/09 LPinnacle 105	ULIF 105 26/10/10 LPinnacle2 105	ULIF 010 17/05/04 LPreserv1 105	ULIF 021 13/03/06 LPreserv3 105	ULIF 036 27/08/07 LPreserv4 105	ULIF 003 22/10/01 LProtect1 105	ULIF 016 17/05/04 LProtect2 105	ULIF 024 13/03/06 LProtect3 105	ULIF 041 27/08/07 LProtect4 105	ULIF 054 18/12/08 LRGF1 105	ULIF 063 27/01/09 LRGF(T2) 105
Payable for purchase of investments	(8,367)	(148,909)	(88,589)	(3)	—	—	(41)	(23)	(2)	(22)	—	—
Other current liabilities	(624)	(1,945)	(1,022)	(690)	(34)	(74)	(1,626)	(370)	(80)	(371)	(2)	(2)
Unit payable a/c	—	(21,587)	—	—	—	—	—	—	—	—	(15,191)	(12,537)
Total	**(8,991)**	**(172,441)**	**(89,611)**	**(693)**	**(34)**	**(74)**	**(1,667)**	**(393)**	**(82)**	**(393)**	**(15,193)**	**(12,539)**

Schedule F - 4

CURRENT LIABILITIES AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Life Funds										
	Return Guarantee Fund III	Return Guarantee Fund IV	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund X (5 Yrs)
	ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 111 13/01/11 LRGF(T10) 105
Payable for purchase of investments	—	—	—	—	—	—	—	—	—	—	—
Other current liabilities	—	(30)	(28)	(271)	(12)	(14)	(6)	(56)	(204)	(94)	(556)
Unit payable a/c	(2,599)	(165,041)	(36)	(265)	(207)	(164)	(73)	(346)	—	(27)	(151)
Total	**(2,599)**	**(165,071)**	**(64)**	**(536)**	**(219)**	**(178)**	**(79)**	**(402)**	**(204)**	**(121)**	**(707)**

(₹ in '000)

Particulars	Linked Life Funds									Total
	Return Guarantee Fund XI (10 Yrs)	Return Guarantee Fund XI (5 Yrs)	RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	
	ULIF 121 19/04/11 LRGF(S4) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 048 17/03/08 LRICH1 105	ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Payable for purchase of investments	—	—	—	—	—	—	(1)	—	—	**(1,312,625)**
Other current liabilities	(4)	(260)	(1,819)	(1,529)	(105)	(758)	(68)	(7)	(38)	**(65,561)**
Unit payable a/c	—	—	(23,841)	—	—	(1,558)	(15,503)	—	(452)	**(550,035)**
Total	**(4)**	**(260)**	**(25,660)**	**(1,529)**	**(105)**	**(2,316)**	**(15,572)**	**(7)**	**(490)**	**(1,928,221)**

(₹ in '000)

Particulars	Linked Pension Funds											
	Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement Secure Fund	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II
	ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 133 02/11/12 ERSF 105	ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105
Payable for purchase of investments	—	(9,996)	—	—	(4)	(4)	—	(304,615)	—	(1)	—	—
Other current liabilities	—	(62)	(16)	(80)	(1,534)	(894)	(344)	(2,602)	(296)	(148)	(5,678)	(3,206)
Unit payable a/c	(32)	—	—	—	(38,942)	—	—	(18,805)	—	—	—	(4,187)
Total	**(32)**	**(10,058)**	**(16)**	**(80)**	**(40,480)**	**(898)**	**(344)**	**(326,022)**	**(296)**	**(149)**	**(5,678)**	**(7,393)**

(₹ in '000)

Particulars	Linked Pension Funds											
	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund
	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105	ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105
Payable for purchase of investments	(19,962)	(23)	—	—	(1)	(1)	—	—	—	—	(4)	(140)
Other current liabilities	(72)	(1,727)	(1,393)	(3,169)	(641)	(398)	(2,423)	(1,252)	(436)	(936)	(1,086)	(2,948)
Unit payable a/c	—	(22,940)	(31,013)	(14,219)	—	—	—	—	—	(26,719)	—	—
Total	**(20,034)**	**(24,690)**	**(32,406)**	**(17,388)**	**(642)**	**(399)**	**(2,423)**	**(1,252)**	**(436)**	**(27,655)**	**(1,090)**	**(3,088)**

Schedule F - 4

CURRENT LIABILITIES AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Pension Funds								
	Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II	Pension Return Guarantee Fund III	Pension Return Guarantee Fund IV	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund V	Pension Return Guarantee Fund VI	Pension Return Guarantee Fund VII
	ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105	ULIF 067 26/02/09 PRGF3 105	ULIF 070 31/03/09 PRGF4 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 074 29/04/09 PRGF5 105	ULIF 079 17/06/09 PRGF6 105	ULIF 083 16/11/09 PRGF7 105
Payable for purchase of investments	(34)	—	—	—	—	—	—	—	—
Other current liabilities	(690)	—	—	—	(76)	(9)	(39)	(54)	(98)
Unit payable a/c	—	(655)	(374)	(369)	(413,005)	—	(633)	(442)	(734)
Total	**(724)**	**(655)**	**(374)**	**(369)**	**(413,081)**	**(9)**	**(672)**	**(496)**	**(832)**

(₹ in '000)

Particulars	Linked Pension Funds							
	Pension Return Guarantee Fund VIII	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	Total
	ULIF 102 12/10/10 PRGF(S1) 105	ULIF 113 13/01/11 PRGF(S3) 105	ULIF 122 19/04/11 PRGF(S4) 105	ULIF 052 17/03/08 PRICH1 105	ULIF 053 17/03/08 PRICH2 105	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Payable for purchase of investments	—	—	—	—	—	(1)	—	**(334,786)**
Other current liabilities	(30)	(21)	(2)	(4,130)	(1,900)	(64)	(21)	**(38,475)**
Unit payable a/c	—	(7)	(19)	(5,926)	—	—	(4,586)	**(583,607)**
Total	**(30)**	**(28)**	**(21)**	**(10,056)**	**(1,900)**	**(65)**	**(4,607)**	**(956,868)**

(₹ in '000)

Particulars	Linked Health Funds													
	Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund	Health Return Guarantee Fund II	Health Return Guarantee Fund III	Health Return Guarantee Fund IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	Total
	ULIF 059 15/01/09 HBalancer 105	ULIF 060 15/01/09 HFlexiBal 105	ULIF 057 15/01/09 HFlexiGro 105	ULIF 058 15/01/09 HMultip 105	ULIF 056 15/01/09 HPreserv 105	ULIF 061 15/01/09 HProtect 105	ULIF 062 15/01/09 HRGF1 105	ULIF 065 29/01/09 HRGF2 105	ULIF 068 26/02/09 HRGF3 105	ULIF 071 31/03/09 HRGF4 105	ULIF 075 29/04/09 HRGF5 105	ULIF 080 17/06/09 HRGF6 105	ULIF 084 16/11/09 HRGF7 105	
Payable for purchase of investments	(150)	(870)	(33,333)	(11,484)	—	(5)	—	—	—	—	—	—	—	**(45,842)**
Other current liabilities	(27)	(34)	(571)	(69)	(5)	(89)	—	—	—	(1)	(1)	—	—	**(797)**
Unit payable a/c	—	—	(4,442)	(1,830)	—	—	(72)	(41)	(799)	(7,851)	(68)	(50)	(21)	**(15,174)**
Total	**(177)**	**(904)**	**(38,346)**	**(13,383)**	**(5)**	**(94)**	**(72)**	**(41)**	**(799)**	**(7,852)**	**(69)**	**(50)**	**(21)**	**(61,813)**

(₹ in '000)

Particulars	Linked Group Funds													
	Group Balanced Fund	Group Balanced Fund II	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Balanced Fund III	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Debt Fund III	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Capital Guarantee Short Term Debt Fund III	Group Debt Fund
	ULGF 001 03/04/03 GBalancer 105	ULGF 041 30/04/13 GBalancer2 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 049 27/08/13 GCGBal3 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 048 27/08/13 GCGDebt3 105	ULGF 008 11/12/06 GCGGrowth1 105	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 031 01/03/12 GCGSTDebt3 105	ULGF 002 03/04/03 GDebt 105
Payable for purchase of investments	(150)	(1,482)	—	(2)	—	—	(4)	—	—	—	—	—	—	(67)
Other current liabilities	(2,747)	(2)	(24)	(385)	(1)	(4)	(181)	(2)	(10)	(17)	(19)	(675)	(8)	(2,276)
Unit payable a/c	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	**(2,897)**	**(1,484)**	**(24)**	**(387)**	**(1)**	**(4)**	**(185)**	**(2)**	**(10)**	**(17)**	**(19)**	**(675)**	**(8)**	**(2,343)**

Schedule F - 4

CURRENT LIABILITIES AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Group Funds							
	Group Debt Fund II	Group Growth Fund	Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II
	ULGF 040 30/04/13 GDebt2 105	ULGF 004 30/10/03 GGrowth 105	ULGF 042 30/04/13 GGrowth2 105	ULGF 013 02/04/08 GLEBal 105	ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105
Payable for purchase of investments	—	(5)	—	(1)	—	—	—	—
Other current liabilities	(2)	(1,315)	—	(142)	(16)	(120)	(58)	(1)
Unit payable a/c	—	—	—	—	—	—	—	—
Total	**(2)**	**(1,320)**	**—**	**(143)**	**(16)**	**(120)**	**(58)**	**(1)**

(₹ in '000)

Particulars	Linked Group Funds						
	Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund	Total	Grand Total
	ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Payable for purchase of investments	—	—	—	—	—	**(1,711)**	**(1,694,964)**
Other current liabilities	(4)	(31)	(121)	(1,170)	(353)	**(9,684)**	**(114,517)**
Unit payable a/c	—	—	—	—	—	**—**	**(1,148,816)**
Total	**(4)**	**(31)**	**(121)**	**(1,170)**	**(353)**	**(11,395)**	**(2,958,297)**

3.25 FUND BALANCE SHEET AT MARCH 31, 2013

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Anmol Nivesh Fund	Balancer Fund	Balancer Fund II	Balancer Fund III	Balancer Fund IV	Bluechip Fund	Cash Plus Fund	Discontinued Fund - Life	Dynamic P/E Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III
		ULIF 072 28/04/09 LAnmolNiv 105	ULIF 002 22/10/01 LBalancer1 105	ULIF 014 17/05/04 LBalancer2 105	ULIF 023 13/03/06 LBalancer3 105	ULIF 039 27/08/07 LBalancer4 105	ULIF 087 24/11/09 LBluChip 105	ULIF 008 11/08/03 LCashPlus 105	ULIF 100 01/07/10 LDiscont 105	ULIF 097 11/01/10 LDynmicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	*6,285*	*1,328,064*	*346,386*	*55,360*	*796,296*	*1,775,441*	*2,035,946*	*4,126,244*	*17,801,077*	*789,191*	*671,404*	*33,993*
Revenue account		*279*	*10,848,765*	*3,400,111*	*280,836*	*88,893*	*(110,472)*	*681,785*	*175,581*	*(749,638)*	*370,889*	*127,086*	*27,914*
Total		***6,564***	***12,176,829***	***3,746,497***	***336,196***	***885,189***	***1,664,969***	***2,717,731***	***4,301,825***	***17,051,439***	***1,160,080***	***798,490***	***61,907***
Application of funds													
Investments	F-2	*5,488*	*11,780,695*	*3,637,198*	*328,500*	*873,855*	*1,631,032*	*2,512,838*	*4,168,032*	*16,700,159*	*1,138,720*	*782,864*	*60,498*
Current assets	F-3	*1,083*	*545,534*	*114,942*	*9,333*	*25,563*	*34,209*	*701,063*	*171,415*	*354,079*	*22,970*	*16,610*	*1,495*
Less: Current liabilities and provisions	F-4	*7*	*149,400*	*5,643*	*1,637*	*14,229*	*272*	*496,170*	*37,622*	*2,799*	*1,610*	*984*	*86*
Net current assets		***1,076***	***396,134***	***109,299***	***7,696***	***11,334***	***33,937***	***204,893***	***133,793***	***351,280***	***21,360***	***15,626***	***1,409***
Total		***6,564***	***12,176,829***	***3,746,497***	***336,196***	***885,189***	***1,664,969***	***2,717,731***	***4,301,825***	***17,051,439***	***1,160,080***	***798,490***	***61,907***
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		*6,564*	*12,176,829*	*3,746,497*	*336,196*	*885,189*	*1,664,969*	*2,717,731*	*4,301,825*	*17,051,439*	*1,160,080*	*798,490*	*61,907*
(b) Number of units outstanding (in '000)		*495*	*315,879*	*139,312*	*18,811*	*54,620*	*156,873*	*139,777*	*364,970*	*1,484,606*	*77,989*	*49,119*	*4,208*
(c) NAV per unit (a)/(b) (₹)		*13.25*	*38.55*	*26.89*	*17.87*	*16.21*	*10.61*	*19.44*	*11.79*	*11.49*	*14.87*	*16.26*	*14.71*

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Flexi Balanced Fund IV	Flexi Growth Fund	Flexi Growth Fund II	Flexi Growth Fund III	Flexi Growth Fund IV	Highest NAV Fund B	Income Fund	Invest Shield Cash Fund	Invest Shield Fund - Life	Maximiser Fund	Maximiser Fund II	Maximiser Fund III
		ULIF 040 27/08/07 LFlexiBal4 105	ULIF 026 20/03/07 LFlexiGro1 105	ULIF 027 20/03/07 LFlexiGro2 105	ULIF 028 20/03/07 LFlexiGro3 105	ULIF 038 27/08/07 LFlexiGro4 105	ULIF 116 15/03/11 LHighNavB 105	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash 105	ULIF 018 03/01/05 LInvShld 105	ULIF 001 22/10/01 LMaximis1 105	ULIF 012 17/05/04 LMaximis2 105	ULIF 022 13/03/06 LMaximis3 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	*234,992*	*11,100,706*	*10,064,815*	*755,099*	*8,849,698*	*21,889,202*	*8,823,074*	*4,382,091*	*1,853,727*	*3,827,817*	*295,341*	*77,944*
Revenue account		*21,980*	*10,054,550*	*1,608,351*	*394,537*	*1,723,007*	*(275,599)*	*279,103*	*653,849*	*498,665*	*39,344,071*	*10,080,225*	*1,883,348*
Total		***256,972***	***21,155,256***	***11,673,166***	***1,149,636***	***10,572,705***	***21,613,603***	***9,102,177***	***5,035,940***	***2,352,392***	***43,171,888***	***10,375,566***	***1,961,292***
Application of funds													
Investments	F-2	*254,316*	*21,116,417*	*11,669,552*	*1,151,378*	*10,550,466*	*20,774,535*	*8,225,732*	*4,786,554*	*2,235,903*	*42,863,013*	*10,307,419*	*1,954,949*
Current assets	F-3	*4,653*	*49,351*	*8,949*	*968*	*24,189*	*1,147,916*	*878,010*	*250,231*	*439,517*	*534,755*	*110,593*	*20,927*
Less: Current liabilities and provisions	F-4	*1,997*	*10,512*	*5,335*	*2,710*	*1,950*	*308,848*	*1,565*	*845*	*323,028*	*225,880*	*42,446*	*14,584*
Net current assets		***2,656***	***38,839***	***3,614***	***(1,742)***	***22,239***	***839,068***	***876,445***	***249,386***	***116,489***	***308,875***	***68,147***	***6,343***
Total		***256,972***	***21,155,256***	***11,673,166***	***1,149,636***	***10,572,705***	***21,613,603***	***9,102,177***	***5,035,940***	***2,352,392***	***43,171,888***	***10,375,566***	***1,961,292***
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		*256,972*	*21,155,256*	*11,673,166*	*1,149,636*	*10,572,705*	*21,613,603*	*9,102,177*	*5,035,940*	*2,352,392*	*43,171,888*	*10,375,566*	*1,961,292*
(b) Number of units outstanding (in '000)		*17,828*	*1,387,728*	*737,202*	*75,441*	*781,569*	*2,065,453*	*692,792*	*271,004*	*108,584*	*621,611*	*261,490*	*111,089*
(c) NAV per unit (a)/(b) (₹)		*14.41*	*15.24*	*15.83*	*15.24*	*13.53*	*10.46*	*13.14*	*18.58*	*21.66*	*69.45*	*39.68*	*17.66*

3.25 FUND BALANCE SHEET AT MARCH 31, 2013

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Maximiser Fund IV	Maximiser Fund V	Money Market Fund	Multi Cap Balanced Fund	Multi Cap Growth Fund	Multiplier Fund	Multiplier Fund II	Multiplier Fund III	Multiplier Fund IV	New Invest Shield Balanced Fund	Opportunities Fund	Pinnacle Fund
		ULIF 037 27/08/07 LMaximis4 105	ULIF 114 15/03/11 LMaximis5 105	ULIF 090 24/11/09 LMoneyMkt 105	ULIF 088 24/11/09 LMCapBal 105	ULIF 085 24/11/09 LMCapGro 105	ULIF 042 22/11/07 LMultip1 105	ULIF 044 25/02/08 LMultip2 105	ULIF 046 25/02/08 LMultip3 105	ULIF 047 25/02/08 LMultip4 105	ULIF 025 21/08/06 LInvShldNw 105	ULIF 086 24/11/09 LOpport 105	ULIF 081 26/10/09 LPinnacle 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	386,857	2,959,864	2,908,816	1,672,511	12,789,134	6,053,770	1,855,935	102,006	858,050	2,299,567	3,314,192	11,567,418
Revenue account		201,131	(47,040)	142,408	27,777	(439,731)	4,404,780	301,543	55,275	166,664	542,981	(138,750)	(403,116)
Total		**587,988**	**2,912,824**	**3,051,224**	**1,700,288**	**12,349,403**	**10,458,550**	**2,157,478**	**157,281**	**1,024,714**	**2,842,548**	**3,175,442**	**11,164,302**
Application of funds													
Investments	F-2	584,161	2,830,971	2,842,573	1,633,454	12,140,634	10,466,481	2,155,953	157,365	1,021,587	2,753,750	3,213,029	11,219,682
Current assets	F-3	6,613	184,995	208,917	74,404	210,789	8,303	1,923	139	3,316	93,277	61,910	878,930
Less: Current liabilities and provisions	F-4	2,786	103,142	266	7,570	2,020	16,234	398	223	189	4,479	99,497	934,310
Net current assets		**3,827**	**81,853**	**208,651**	**66,834**	**208,769**	**(7,931)**	**1,525**	**(84)**	**3,127**	**88,798**	**(37,587)**	**(55,380)**
Total		**587,988**	**2,912,824**	**3,051,224**	**1,700,288**	**12,349,403**	**10,458,550**	**2,157,478**	**157,281**	**1,024,714**	**2,842,548**	**3,175,442**	**11,164,302**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		587,988	2,912,824	3,051,224	1,700,288	12,349,403	10,458,550	2,157,478	157,281	1,024,714	2,842,548	3,175,442	11,164,302
(b) Number of units outstanding (in '000)		41,373	246,434	235,669	143,967	1,060,126	1,006,923	179,909	13,759	86,068	159,475	279,832	953,254
(c) NAV per unit (a)/(b) (₹)		14.21	11.82	12.95	11.81	11.65	10.39	11.99	11.43	11.91	17.82	11.35	11.71

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Pinnacle Fund II	Preserver Fund	Preserver Fund III	Preserver Fund IV	Protector Fund	Protector Fund II	Protector Fund III	Protector Fund IV	Return Guarantee Fund	Return Guarantee Fund II	Return Guarantee Fund III	Return Guarantee Fund IV
		ULIF 105 26/10/10 LPinnacle2 105	ULIF 010 17/05/04 LPreserv1 105	ULIF 021 13/03/06 LPreserv3 105	ULIF 036 27/08/07 LPreserv4 105	ULIF 003 22/10/01 LProtect1 105	ULIF 016 17/05/04 LProtect2 105	ULIF 024 13/03/06 LProtect3 105	ULIF 041 27/08/07 LProtect4 105	ULIF 054 18/12/08 LRGF1 105	ULIF 063 27/01/09 LRGF(T2) 105	ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	4,516,015	2,471,058	132,331	237,755	4,832,758	2,152,172	226,830	3,458,872	348,452	404,423	373,150	151,905
Revenue account		(213,760)	1,353,458	72,656	28,565	4,097,988	1,638,517	219,219	532,698	110,792	103,726	101,352	34,801
Total		**4,302,255**	**3,824,516**	**204,987**	**266,320**	**8,930,746**	**3,790,689**	**446,049**	**3,991,570**	**459,244**	**508,149**	**474,502**	**186,706**
Application of funds													
Investments	F-2	4,195,686	3,745,488	201,808	252,263	8,498,378	3,609,194	428,528	3,798,109	403,122	461,466	426,872	165,976
Current assets	F-3	157,989	83,979	4,033	14,081	434,142	182,045	19,794	193,890	57,041	47,909	50,574	25,193
Less: Current liabilities and provisions	F-4	51,420	4,951	854	24	1,774	550	2,273	429	919	1,226	2,944	4,463
Net current assets		**106,569**	**79,028**	**3,179**	**14,057**	**432,368**	**181,495**	**17,521**	**193,461**	**56,122**	**46,683**	**47,630**	**20,730**
Total		**4,302,255**	**3,824,516**	**204,987**	**266,320**	**8,930,746**	**3,790,689**	**446,049**	**3,991,570**	**459,244**	**508,149**	**474,502**	**186,706**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		4,302,255	3,824,516	204,987	266,320	8,930,746	3,790,689	446,049	3,991,570	459,244	508,149	474,502	186,706
(b) Number of units outstanding (in '000)		450,979	194,945	11,644	16,842	368,540	198,628	26,075	245,185	32,189	36,686	34,857	13,982
(c) NAV per unit (a)/(b) (₹)		9.54	19.62	17.60	15.81	24.23	19.08	17.11	16.28	14.27	13.85	13.61	13.35

3.25 FUND BALANCE SHEET AT MARCH 31, 2013

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund X (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund XI (5 Yrs)	Return Guarantee Fund XI (10 Yrs)	RICH Fund
		ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 111 13/01/11 LRGF(T10) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 121 19/04/11 LRGF(S4) 105	ULIF 048 17/03/08 LRICH1 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	76,838	75,854	32,955	911,097	253,616	1,202,548	125,537	2,483,010	434,817	1,217,761	22,730	7,258,384
Revenue account		8,424	12,635	3,780	149,797	46,381	196,403	22,493	386,490	68,469	151,752	1,455	1,381,817
Total		**85,262**	**88,489**	**36,735**	**1,060,894**	**299,997**	**1,398,951**	**148,030**	**2,869,500**	**503,286**	**1,369,513**	**24,185**	**8,640,201**
Application of funds													
Investments	F-2	79,309	81,560	33,569	999,176	280,824	1,320,585	139,030	2,636,086	468,792	1,276,955	22,872	8,572,660
Current assets	F-3	6,013	7,070	3,250	61,914	19,228	79,144	9,029	234,267	34,597	92,811	1,317	109,154
Less: Current liabilities and provisions	F-4	60	141	84	196	55	778	29	853	103	253	4	41,613
Net current assets		**5,953**	**6,929**	**3,166**	**61,718**	**19,173**	**78,366**	**9,000**	**233,414**	**34,494**	**92,558**	**1,313**	**67,541**
Total		**85,262**	**88,489**	**36,735**	**1,060,894**	**299,997**	**1,398,951**	**148,030**	**2,869,500**	**503,286**	**1,369,513**	**24,185**	**8,640,201**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		85,262	88,489	36,735	1,060,894	299,997	1,398,951	148,030	2,869,500	503,286	1,369,513	24,185	8,640,201
(b) Number of units outstanding (in '000)		6,626	6,894	2,955	89,482	24,856	118,050	12,332	241,630	41,981	116,296	2,059	680,526
(c) NAV per unit (a)/(b) (₹)		12.87	12.84	12.43	11.86	12.07	11.85	12.00	11.88	11.99	11.78	11.75	12.70

(₹ in '000)

Particulars	Schedule	Linked Life Funds						Total
		RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	
		ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Sources of funds								
Policyholders' funds								
Policyholder contribution	F-1	9,421,890	325,876	4,357,675	348,533	37,865	155,290	**196,736,310**
Revenue account		(168,682)	191,877	(9,626)	108,110	(617)	(400)	**96,852,608**
Total		**9,253,208**	**517,753**	**4,348,049**	**456,643**	**37,248**	**154,890**	**293,588,918**
Application of funds								
Investments	F-2	9,208,648	511,025	4,332,702	435,049	36,603	151,684	**287,303,772**
Current assets	F-3	93,482	10,825	53,834	82,017	651	3,239	**9,374,383**
Less: Current liabilities and provisions	F-4	48,922	4,097	38,487	60,423	6	33	**3,089,237**
Net current assets		**44,560**	**6,728**	**15,347**	**21,594**	**645**	**3,206**	**6,285,146**
Total		**9,253,208**	**517,753**	**4,348,049**	**456,643**	**37,248**	**154,890**	**293,588,918**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		9,253,208	517,753	4,348,049	456,643	37,248	154,890	**293,588,918**
(b) Number of units outstanding (in '000)		697,175	40,731	328,105	25,049	2,979	12,409	**18,425,928**
(c) NAV per unit (a)/(b) (₹)		13.27	12.71	13.25	18.23	12.50	12.48	

3.25 FUND BALANCE SHEET AT MARCH 31, 2013

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds											
		Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund
		ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	340,327	4,203,587	4,057,316	2,658,632	19,505,956	1,044,945	903,099	19,379,582	11,576,602	208,805	9,126,507	1,611,858
Revenue account		131,400	2,414,071	3,550,372	(330,725)	(1,631,371)	126,516	426,589	4,000,305	9,689,147	(7,858)	166,468	3,915,375
Total		**471,727**	**6,617,658**	**7,607,688**	**2,327,907**	**17,874,585**	**1,171,461**	**1,329,688**	**23,379,887**	**21,265,749**	**200,947**	**9,292,975**	**5,527,233**
Application of funds													
Investments	F-2	459,937	6,452,954	7,384,316	2,320,855	17,823,414	1,136,201	1,293,050	23,329,872	21,218,023	170,662	8,659,919	5,509,004
Current assets	F-3	56,231	181,208	224,342	7,438	54,138	35,586	41,414	63,688	62,635	39,361	634,602	53,184
Less: Current liabilities and provisions	F-4	44,441	16,504	970	386	2,967	326	4,776	13,673	14,909	9,076	1,546	34,955
Net current assets		**11,790**	**164,704**	**223,372**	**7,052**	**51,171**	**35,260**	**36,638**	**50,015**	**47,726**	**30,285**	**633,056**	**18,229**
Total		**471,727**	**6,617,658**	**7,607,688**	**2,327,907**	**17,874,585**	**1,171,461**	**1,329,688**	**23,379,887**	**21,265,749**	**200,947**	**9,292,975**	**5,527,233**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		471,727	6,617,658	7,607,688	2,327,907	17,874,585	1,171,461	1,329,688	23,379,887	21,265,749	200,947	9,292,975	5,527,233
(b) Number of units outstanding (in '000)		21,709	198,163	298,060	231,928	1,583,196	76,393	81,689	1,555,610	1,347,882	21,508	718,640	78,346
(c) NAV per unit (a)/(b) (₹)		21.73	33.40	25.52	10.04	11.29	15.33	16.28	15.03	15.78	9.34	12.93	70.55

(₹ in '000)

Particulars	Schedule	Linked Pension Funds											
		Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund	Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II
		ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	4,934,882	2,589,069	2,483,503	16,624,216	5,335,413	2,655,444	7,222,871	4,592,211	13,081,708	5,590,678	1,018,512	931,684
Revenue account		12,420,343	66,349	(103,497)	(945,239)	346,477	418,265	(625,515)	1,118,819	3,782,886	2,266,246	472,076	467,647
Total		**17,355,225**	**2,655,418**	**2,380,006**	**15,678,977**	**5,681,890**	**3,073,709**	**6,597,356**	**5,711,030**	**16,864,594**	**7,856,924**	**1,490,588**	**1,399,331**
Application of funds													
Investments	F-2	17,190,253	2,582,623	2,318,568	15,534,771	5,682,697	3,070,415	6,711,157	5,571,924	15,869,379	7,462,799	1,336,455	1,261,253
Current assets	F-3	238,422	73,039	68,846	146,806	4,915	3,862	9,220	150,817	1,020,806	1,233,102	156,450	138,336
Less: Current liabilities and provisions	F-4	73,450	244	7,408	2,600	5,722	568	123,021	11,711	25,591	838,977	2,317	258
Net current assets		**164,972**	**72,795**	**61,438**	**144,206**	**(807)**	**3,294**	**(113,801)**	**139,106**	**995,215**	**394,125**	**154,133**	**138,078**
Total		**17,355,225**	**2,655,418**	**2,380,006**	**15,678,977**	**5,681,890**	**3,073,709**	**6,597,356**	**5,711,030**	**16,864,594**	**7,856,924**	**1,490,588**	**1,399,331**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		17,355,225	2,655,418	2,380,006	15,678,977	5,681,890	3,073,709	6,597,356	5,711,030	16,864,594	7,856,924	1,490,588	1,399,331
(b) Number of units outstanding (in '000)		420,230	205,983	211,634	1,369,463	565,760	293,768	602,561	294,043	779,895	415,581	104,386	101,327
(c) NAV per unit (a)/(b) (₹)		41.30	12.89	11.25	11.45	10.04	10.46	10.95	19.42	21.62	18.91	14.28	13.81

3.25 FUND BALANCE SHEET AT MARCH 31, 2013

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds													Total
		Pension Return Guarantee Fund III ULIF 067 26/02/09 PRGF3 105	Pension Return Guarantee Fund IV ULIF 070 31/03/09 PRGF4 105	Pension Return Guarantee Fund V ULIF 074 29/04/09 PRGF5 105	Pension Return Guarantee Fund VI ULIF 079 17/06/09 PRGF6 105	Pension Return Guarantee Fund VII ULIF 083 16/11/09 PRGF7 105	Pension Return Guarantee Fund VIII ULIF 102 12/10/10 PRGF(S1) 105	Pension Return Guarantee Fund IX (10 Yrs) ULIF 108 22/12/10 PRGF(S2) 105	Pension Return Guarantee Fund X (10 Yrs) ULIF 113 13/01/11 PRGF(S3) 105	Pension Return Guarantee Fund XI (10 Yrs) ULIF 122 19/04/11 PRGF(S4) 105	Pension RICH Fund ULIF 052 17/03/08 PRICH1 105	Pension RICH Fund II ULIF 053 17/03/08 PRICH2 105	Pension Secure Fund ULIF 128 01/12/11 PSECURE 105	Secure Plus Pension Fund ULIF 009 17/11/03 PSecPlus 105	
Sources of funds															
Policyholders' funds															
Policyholder contribution	F-1	*879,522*	*354,836*	*201,659*	*275,888*	*562,285*	*130,414*	*41,503*	*96,207*	*10,996*	*16,203,179*	*9,848,339*	*186,928*	*137,779*	***170,606,942***
Revenue account		*421,165*	*128,340*	*52,301*	*70,460*	*76,545*	*26,234*	*8,064*	*17,656*	*2,091*	*3,097,178*	*3,853,716*	*(747)*	*55,146*	***49,943,295***
Total		***1,300,687***	***483,176***	***253,960***	***346,348***	***638,830***	***156,648***	***49,567***	***113,863***	***13,087***	***19,300,357***	***13,702,055***	***186,181***	***192,925***	***220,550,237***
Application of funds															
Investments	F-2	*1,174,124*	*438,690*	*236,596*	*327,995*	*606,724*	*147,264*	*46,303*	*108,032*	*12,326*	*19,113,373*	*13,608,787*	*144,612*	*187,351*	***216,502,678***
Current assets	F-3	*136,318*	*57,533*	*17,825*	*18,466*	*35,436*	*9,418*	*3,290*	*5,859*	*764*	*196,957*	*116,254*	*41,599*	*25,304*	***5,363,471***
Less: Current liabilities and provisions	F-4	*9,755*	*13,047*	*461*	*113*	*3,330*	*34*	*26*	*28*	*3*	*9,973*	*22,986*	*30*	*19,730*	***1,315,912***
Net current assets		***126,563***	***44,486***	***17,364***	***18,353***	***32,106***	***9,384***	***3,264***	***5,831***	***761***	***186,984***	***93,268***	***41,569***	***5,574***	***4,047,559***
Total		***1,300,687***	***483,176***	***253,960***	***346,348***	***638,830***	***156,648***	***49,567***	***113,863***	***13,087***	***19,300,357***	***13,702,055***	***186,181***	***192,925***	***220,550,237***
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		*1,300,687*	*483,176*	*253,960*	*346,348*	*638,830*	*156,648*	*49,567*	*113,863*	*13,087*	*19,300,357*	*13,702,055*	*186,181*	*192,925*	***220,550,237***
(b) Number of units outstanding (in '000)		*95,527*	*36,107*	*19,722*	*26,995*	*51,515*	*12,951*	*4,136*	*9,493*	*1,106*	*1,420,395*	*966,950*	*18,372*	*10,947*	***14,251,971***
(c) NAV per unit (a)/(b) (₹)		*13.62*	*13.38*	*12.88*	*12.83*	*12.40*	*12.10*	*11.98*	*11.99*	*11.83*	*13.59*	*14.17*	*10.13*	*17.62*	

(₹ in '000)

Particulars	Schedule	Linked Health Funds													Total
		Health Balancer Fund ULIF 059 15/01/09 HBalancer 105	Health Flexi Balanced Fund ULIF 060 15/01/09 HFlexiBal 105	Health Flexi Growth Fund ULIF 057 15/01/09 HFlexiGro 105	Health Multiplier Fund ULIF 058 15/01/09 HMultip 105	Health Preserver Fund ULIF 056 15/01/09 HPreserv 105	Health Protector Fund ULIF 061 15/01/09 HProtect 105	Health Return Guarantee Fund ULIF 062 15/01/09 HRGF1 105	Health Return Guarantee Fund II ULIF 065 29/01/09 HRGF2 105	Health Return Guarantee Fund III ULIF 068 26/02/09 HRGF3 105	Health Return Guarantee Fund IV ULIF 071 31/03/09 HRGF4 105	Health Return Guarantee Fund V ULIF 075 29/04/09 HRGF5 105	Health Return Guarantee Fund VI ULIF 080 17/06/09 HRGF6 105	Health Return Guarantee Fund VII ULIF 084 16/11/09 HRGF7 105	
Sources of funds															
Policyholders' funds															
Policyholder contribution	F-1	*244,297*	*295,009*	*3,835,480*	*472,032*	*40,987*	*1,113,555*	*52,994*	*62,526*	*65,501*	*30,263*	*15,186*	*8,657*	*4,981*	***6,241,468***
Revenue account		*(79,208)*	*(103,098)*	*(1,500,481)*	*(179,193)*	*(11,467)*	*(369,997)*	*(39,771)*	*(48,139)*	*(48,140)*	*(21,103)*	*(11,461)*	*(6,635)*	*(3,615)*	***(2,422,308)***
Total		*165,089*	*191,911*	*2,334,999*	*292,839*	*29,520*	*743,558*	*13,223*	*14,387*	*17,361*	*9,160*	*3,725*	*2,022*	*1,366*	***3,819,160***
Application of funds															
Investments	F-2	*157,736*	*188,920*	*2,383,832*	*301,607*	*28,781*	*699,957*	*10,610*	*12,432*	*14,432*	*7,522*	*3,039*	*1,654*	*1,116*	***3,811,638***
Current assets	F-3	*7,991*	*8,129*	*52,211*	*6,324*	*742*	*43,680*	*2,661*	*2,170*	*3,193*	*2,004*	*704*	*372*	*253*	***130,434***
Less: Current liabilities and provisions	F-4	*638*	*5,138*	*101,044*	*15,092*	*3*	*79*	*48*	*215*	*264*	*366*	*18*	*4*	*3*	***122,912***
Net current assets		*7,353*	*2,991*	*(48,833)*	*(8,768)*	*739*	*43,601*	*2,613*	*1,955*	*2,929*	*1,638*	*686*	*368*	*250*	***7,522***
Total		*165,089*	*191,911*	*2,334,999*	*292,839*	*29,520*	*743,558*	*13,223*	*14,387*	*17,361*	*9,160*	*3,725*	*2,022*	*1,366*	***3,819,160***
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		*165,089*	*191,911*	*2,334,999*	*292,839*	*29,520*	*743,558*	*13,223*	*14,387*	*17,361*	*9,160*	*3,725*	*2,022*	*1,366*	***3,819,160***
(b) Number of units outstanding (in '000)		*10,168*	*10,820*	*114,354*	*14,287*	*2,114*	*49,778*	*931*	*1,038*	*1,271*	*680*	*285*	*157*	*110*	***205,993***
(c) NAV per unit (a)/(b) (₹)		*16.24*	*17.74*	*20.42*	*20.50*	*13.96*	*14.94*	*14.20*	*13.86*	*13.66*	*13.47*	*13.08*	*12.89*	*12.37*	

3.25 FUND BALANCE SHEET AT MARCH 31, 2013

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Group Funds											
		Group Balanced Fund	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Debt Fund	Group Growth Fund	Group Leave Encashment Balanced Fund
		ULGF 001 03/04/03 GBalanced 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 008 11/12/06 GCGGrowth1 105	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 002 03/04/03 GDebt 105	ULGF 004 30/10/03 GGrowth 105	ULGF 013 02/04/08 GLEBal 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	10,309,917	20,042	1,137,435	9,010	509,518	19,078	37,550	38,595	2,103,029	10,867,357	4,919,441	618,979
Revenue account		5,814,811	81,105	532,171	4,182	431,257	9,032	20,206	73,142	978,330	2,832,992	2,449,676	197,141
Total		**16,124,728**	**101,147**	**1,669,606**	**13,192**	**940,775**	**28,110**	**57,756**	**111,737**	**3,081,359**	**13,700,349**	**7,369,117**	**816,120**
Application of funds													
Investments	F-2	15,275,400	96,751	1,607,285	12,245	905,126	27,399	56,999	108,842	2,966,964	12,818,248	7,136,305	793,470
Current assets	F-3	870,804	4,485	75,551	960	35,848	757	1,126	2,911	114,940	884,341	247,348	28,936
Less: Current liabilities and provisions	F-4	21,476	89	13,230	13	199	46	369	16	545	2,240	14,536	6,286
Net current assets		**849,328**	**4,396**	**62,321**	**947**	**35,649**	**711**	**757**	**2,895**	**114,395**	**882,101**	**232,812**	**22,650**
Total		**16,124,728**	**101,147**	**1,669,606**	**13,192**	**940,775**	**28,110**	**57,756**	**111,737**	**3,081,359**	**13,700,349**	**7,369,117**	**816,120**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		16,124,728	101,147	1,669,606	13,192	940,775	28,110	57,756	111,737	3,081,359	13,700,349	7,369,117	816,120
(b) Number of units outstanding (in '000)		599,903	5,527	100,503	614	50,955	1,685	3,656	5,916	192,039	647,880	201,304	52,664
(c) NAV per unit (a)/(b) (₹)		26.88	18.30	16.61	21.49	18.46	16.68	15.80	18.89	16.05	21.15	36.61	15.50

(₹ in '000)

Particulars	Schedule	Linked Group Funds									Total	Grand Total
		Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II	Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund		
		ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105	ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Sources of funds												
Policyholders' funds												
Policyholder contribution	F-1	68,164	614,066	(374,170)	(21,889)	2,111,385	126,574	459,663	4,177,452	1,991,268	**39,742,464**	**413,327,184**
Revenue account		21,690	75,705	626,850	26,976	572,330	20,448	71,877	2,339,665	327,909	**17,507,495**	**161,881,090**
Total		**89,854**	**689,771**	**252,680**	**5,087**	**2,683,715**	**147,022**	**531,540**	**6,517,117**	**2,319,177**	**57,249,959**	**575,208,274**
Application of funds												
Investments	F-2	83,540	601,968	216,182	3,920	2,481,783	135,916	499,821	6,091,488	2,170,780	**54,090,432**	**561,708,520**
Current assets	F-3	6,334	87,908	36,552	1,168	202,505	11,135	31,834	426,638	148,767	**3,220,848**	**18,089,136**
Less: Current liabilities and provisions	F-4	20	105	54	1	573	29	115	1,009	370	**61,321**	**4,589,382**
Net current assets		**6,314**	**87,803**	**36,498**	**1,167**	**201,932**	**11,106**	**31,719**	**425,629**	**148,397**	**3,159,527**	**13,499,754**
Total		**89,854**	**689,771**	**252,680**	**5,087**	**2,683,715**	**147,022**	**531,540**	**6,517,117**	**2,319,177**	**57,249,959**	**575,208,274**
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		89,854	689,771	252,680	5,087	2,683,715	147,022	531,540	6,517,117	2,319,177	**57,249,959**	**575,208,274**
(b) Number of units outstanding (in '000)		6,550	54,605	18,496	387	209,852	12,639	45,949	333,182	195,988	**2,740,294**	**35,624,186**
(c) NAV per unit (a)/(b) (₹)		13.72	12.63	13.66	13.14	12.79	11.63	11.57	19.56	11.83		

Schedule F - 1

POLICYHOLDER CONTRIBUTION AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Life Funds											
	Anmol Nivesh Fund	Balancer Fund	Balancer Fund II	Balancer Fund III	Balancer Fund IV	Bluechip Fund	Cash Plus Fund	Discontinued Fund - Life	Dynamic P/E Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III
	ULIF 072 28/04/09 LAnmolNiv 105	ULIF 002 22/10/01 LBalancer1 105	ULIF 014 17/05/04 LBalancer2 105	ULIF 023 13/03/06 LBalancer3 105	ULIF 039 27/08/07 LBalancer4 105	ULIF 087 24/11/09 LBluChip 105	ULIF 008 11/08/03 LCashPlus 105	ULIF 100 01/07/10 LDiscont 105	ULIF 097 11/01/10 LDynmicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105
Opening balance	*5,206*	*3,673,121*	*781,583*	*158,569*	*712,554*	*1,152,090*	*2,004,580*	*656,089*	*13,814,066*	*1,098,978*	*767,252*	*56,428*
Add: Additions during the year*	*1,346*	*753,204*	*285,112*	*5,102*	*238,446*	*711,605*	*263,770*	*3,474,164*	*5,533,830*	*102,847*	*81,977*	*77*
Less: Deductions during the year**	*267*	*3,098,261*	*720,309*	*108,311*	*154,704*	*88,254*	*232,404*	*4,009*	*1,546,819*	*412,634*	*177,825*	*22,512*
Closing balance	***6,285***	***1,328,064***	***346,386***	***55,360***	***796,296***	***1,775,441***	***2,035,946***	***4,126,244***	***17,801,077***	***789,191***	***671,404***	***33,993***

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Life Funds											
	Flexi Balanced Fund IV	Flexi Growth Fund	Flexi Growth Fund II	Flexi Growth Fund III	Flexi Growth Fund IV	Highest NAV Fund B	Income Fund	Invest Shield Cash Fund	Invest Shield Fund - Life	Maximiser Fund	Maximiser Fund II	Maximiser Fund III
	ULIF 040 27/08/07 LFlexiBal4 105	ULIF 026 20/03/07 LFlexiGro1 105	ULIF 027 20/03/07 LFlexiGro2 105	ULIF 028 20/03/07 LFlexiGro3 105	ULIF 038 27/08/07 LFlexiGro4 105	ULIF 116 15/03/11 LHighNavB 105	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash 105	ULIF 018 03/01/05 LInvShld 105	ULIF 001 22/10/01 LMaximis1 105	ULIF 012 17/05/04 LMaximis2 105	ULIF 022 13/03/06 LMaximis3 105
Opening balance	*217,540*	*20,194,972*	*12,802,614*	*1,318,335*	*10,796,052*	*11,271,872*	*3,095,049*	*4,245,610*	*1,737,169*	*16,638,607*	*2,628,300*	*914,181*
Add: Additions during the year*	*60,329*	*1,489,022*	*1,095,704*	*863*	*1,707,665*	*12,392,559*	*5,950,618*	*510,345*	*209,553*	*2,599,864*	*585,005*	*5,887*
Less: Deductions during the year**	*42,877*	*10,583,288*	*3,833,503*	*564,099*	*3,654,019*	*1,775,229*	*222,593*	*373,864*	*92,995*	*15,410,654*	*2,917,964*	*842,124*
Closing balance	***234,992***	***11,100,706***	***10,064,815***	***755,099***	***8,849,698***	***21,889,202***	***8,823,074***	***4,382,091***	***1,853,727***	***3,827,817***	***295,341***	***77,944***

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Life Funds											
	Maximiser Fund IV	Maximiser Fund V	Money Market Fund	Multi Cap Balanced Fund	Multi Cap Growth Fund	Multiplier Fund	Multiplier Fund II	Multiplier Fund III	Multiplier Fund IV	New Invest Shield Balanced Fund	Opportunities Fund	Pinnacle Fund
	ULIF 037 27/08/07 LMaximis4 105	ULIF 114 15/03/11 LMaximis5 105	ULIF 090 24/11/09 LMoneyMkt 105	ULIF 088 24/11/09 LMCapBal 105	ULIF 085 24/11/09 LMCapGro 105	ULIF 042 22/11/07 LMultip1 105	ULIF 044 25/02/08 LMultip2 105	ULIF 046 25/02/08 LMultip3 105	ULIF 047 25/02/08 LMultip4 105	ULIF 025 21/08/06 LInvShldNw 105	ULIF 086 24/11/09 LOpport 105	ULIF 081 26/10/09 LPinnacle 105
Opening balance	*631,883*	*546,684*	*1,396,541*	*933,773*	*8,731,474*	*10,708,987*	*2,213,777*	*169,799*	*1,019,403*	*2,300,778*	*2,359,767*	*10,341,564*
Add: Additions during the year*	*52,395*	*2,485,205*	*1,835,794*	*781,528*	*4,665,022*	*801,881*	*225,677*	*354*	*147,820*	*223,061*	*1,135,641*	*1,745,671*
Less: Deductions during the year**	*297,421*	*72,025*	*323,519*	*42,790*	*607,362*	*5,457,098*	*583,519*	*68,147*	*309,173*	*224,272*	*181,216*	*519,817*
Closing balance	***386,857***	***2,959,864***	***2,908,816***	***1,672,511***	***12,789,134***	***6,053,770***	***1,855,935***	***102,006***	***858,050***	***2,299,567***	***3,314,192***	***11,567,418***

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Life Funds											
	Pinnacle Fund II	Preserver Fund	Preserver Fund III	Preserver Fund IV	Protector Fund	Protector Fund II	Protector Fund III	Protector Fund IV	Return Guarantee Fund	Return Guarantee Fund II	Return Guarantee Fund III	Return Guarantee Fund IV
	ULIF 105 26/10/10 LPinnacle2 105	ULIF 010 17/05/04 LPreserv1 105	ULIF 021 13/03/06 LPreserv3 105	ULIF 036 27/08/07 LPreserv4 105	ULIF 003 22/10/01 LProtect1 105	ULIF 016 17/05/04 LProtect2 105	ULIF 024 13/03/06 LProtect3 105	ULIF 041 27/08/07 LProtect4 105	ULIF 054 18/12/08 LRGF1 105	ULIF 063 27/01/09 LRGF(T2) 105	ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105
Opening balance	*3,237,360*	*2,493,607*	*156,883*	*164,199*	*5,531,174*	*2,305,778*	*314,908*	*3,422,501*	*473,321*	*507,395*	*535,532*	*243,207*
Add: Additions during the year*	*1,564,280*	*1,653,395*	*54,888*	*169,220*	*2,599,285*	*863,651*	*109,121*	*1,027,348*	*168*	*251*	*501*	*47*
Less: Deductions during the year**	*285,625*	*1,675,944*	*79,440*	*95,664*	*3,297,701*	*1,017,257*	*197,199*	*990,977*	*125,037*	*103,223*	*162,883*	*91,349*
Closing balance	***4,516,015***	***2,471,058***	***132,331***	***237,755***	***4,832,758***	***2,152,172***	***226,830***	***3,458,872***	***348,452***	***404,423***	***373,150***	***151,905***

* Represents unit creation
** Represents unit cancellations

Schedule F - 1

POLICYHOLDER CONTRIBUTION AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Life Funds											
	Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund X (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund XI (5 Yrs)	Return Guarantee Fund XI (10 Yrs)	RICH Fund
	ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 111 13/01/11 LRGF(T10) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 121 19/04/11 LRGF(S4) 105	ULIF 048 17/03/08 LRICH1 105
Opening balance	*111,014*	*105,181*	*42,203*	*931,862*	*255,370*	*1,226,966*	*126,724*	*2,526,470*	*442,656*	*1,282,510*	*26,188*	*10,539,918*
Add: Additions during the year*	*32*	*156*	*38*	*60*	*68*	*32*	*7*	*675*	*27*	*1,453*	*9*	*896,069*
Less: Deductions during the year**	*34,208*	*29,483*	*9,286*	*20,825*	*1,822*	*24,450*	*1,194*	*44,135*	*7,866*	*66,202*	*3,467*	*4,177,603*
Closing balance	***76,838***	***75,854***	***32,955***	***911,097***	***253,616***	***1,202,548***	***125,537***	***2,483,010***	***434,817***	***1,217,761***	***22,730***	***7,258,384***

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Life Funds						Total
	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	
	ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Opening balance	*10,944,850*	*564,335*	*4,597,990*	*332,131*	*32,699*	*133,068*	***205,703,247***
Add: Additions during the year*	*1,162,725*	*532*	*836,800*	*43,450*	*8,167*	*33,706*	***63,185,104***
Less: Deductions during the year**	*2,685,685*	*238,991*	*1,077,115*	*27,048*	*3,001*	*11,484*	***72,152,041***
Closing balance	***9,421,890***	***325,876***	***4,357,675***	***348,533***	***37,865***	***155,290***	***196,736,310***

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Pension Funds											
	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund
	ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105
Opening balance	*320,091*	*4,927,323*	*5,129,158*	*2,178,062*	*16,124,332*	*1,201,088*	*1,271,786*	*25,114,604*	*20,907,926*	—	*6,321,001*	*2,609,805*
Add: Additions during the year*	*43,240*	*649,926*	*590,798*	*558,636*	*5,237,892*	*130,336*	*91,490*	*2,502,335*	*1,513,271*	*208,910*	*3,189,197*	*302,262*
Less: Deductions during the year**	*23,004*	*1,373,662*	*1,662,640*	*78,066*	*1,856,268*	*286,479*	*460,177*	*8,237,357*	*10,844,595*	*105*	*383,691*	*1,300,209*
Closing balance	***340,327***	***4,203,587***	***4,057,316***	***2,658,632***	***19,505,956***	***1,044,945***	***903,099***	***19,379,582***	***11,576,602***	***208,805***	***9,126,507***	***1,611,858***

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Pension Funds											
	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund	Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II
	ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105
Opening balance	*10,524,559*	*1,917,365*	*1,952,643*	*13,749,441*	*6,732,161*	*3,634,563*	*6,129,305*	*4,399,199*	*13,937,366*	*5,693,397*	*1,440,948*	*1,308,602*
Add: Additions during the year*	*1,108,310*	*747,410*	*619,973*	*3,748,531*	*547,423*	*227,685*	*1,650,626*	*2,536,599*	*4,036,199*	*3,036,858*	*9*	*1,487*
Less: Deductions during the year**	*6,697,987*	*75,706*	*89,113*	*873,756*	*1,944,171*	*1,206,804*	*557,060*	*2,343,587*	*4,891,857*	*3,139,577*	*422,445*	*378,405*
Closing balance	***4,934,882***	***2,589,069***	***2,483,503***	***16,624,216***	***5,335,413***	***2,655,444***	***7,222,871***	***4,592,211***	***13,081,708***	***5,590,678***	***1,018,512***	***931,684***

* Represents unit creation
** Represents unit cancellations

Schedule F - 1

POLICYHOLDER CONTRIBUTION AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Pension Funds													
	Pension Return Guarantee Fund III	Pension Return Guarantee Fund IV	Pension Return Guarantee Fund V	Pension Return Guarantee Fund VI	Pension Return Guarantee Fund VII	Pension Return Guarantee Fund VIII	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	Total
	ULIF 067 26/02/09 PRGF3 105	ULIF 070 31/03/09 PRGF4 105	ULIF 074 29/04/09 PRGF5 105	ULIF 079 17/06/09 PRGF6 105	ULIF 083 16/11/09 PRGF7 105	ULIF 102 12/10/10 PRGF(S1) 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 113 13/01/11 PRGF(S3) 105	ULIF 122 19/04/11 PRGF(S4) 105	ULIF 052 17/03/08 PRICH1 105	ULIF 053 17/03/08 PRICH2 105	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Opening balance	1,281,276	519,683	301,858	403,784	703,511	131,948	41,648	98,083	12,491	22,257,304	14,968,317	—	132,171	198,376,799
Add: Additions during the year*	2,137	935	277	988	660	76	24	37	19	2,039,106	1,042,870	187,035	15,399	36,568,966
Less: Deductions during the year**	403,891	165,782	100,476	128,884	141,886	1,610	169	1,913	1,514	8,093,231	6,162,848	107	9,791	64,338,823
Closing balance	**879,522**	**354,836**	**201,659**	**275,888**	**562,285**	**130,414**	**41,503**	**96,207**	**10,996**	**16,203,179**	**9,848,339**	**186,928**	**137,779**	**170,606,942**

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Health Funds													
	Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund	Health Return Guarantee Fund II	Health Return Guarantee Fund III	Health Return Guarantee Fund IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	Total
	ULIF 059 15/01/09 HBalancer 105	ULIF 060 15/01/09 HFlexiBal 105	ULIF 057 15/01/09 HFlexiGro 105	ULIF 058 15/01/09 HMultip 105	ULIF 056 15/01/09 HPreserv 105	ULIF 061 15/01/09 HProtect 105	ULIF 062 15/01/09 HRGF1 105	ULIF 065 29/01/09 HRGF2 105	ULIF 068 26/02/09 HRGF3 105	ULIF 071 31/03/09 HRGF4 105	ULIF 075 29/04/09 HRGF5 105	ULIF 080 17/06/09 HRGF6 105	ULIF 084 16/11/09 HRGF7 105	
Opening balance	163,623	175,786	2,725,606	347,719	30,099	777,930	55,369	65,389	68,213	34,740	17,282	10,224	5,754	4,477,734
Add: Additions during the year*	85,650	124,950	1,225,416	136,861	12,030	367,156	34	43	262	22	2	36	6	1,952,468
Less: Deductions during the year**	4,976	5,727	115,542	12,548	1,142	31,531	2,409	2,906	2,974	4,499	2,098	1,603	779	188,734
Closing balance	**244,297**	**295,009**	**3,835,480**	**472,032**	**40,987**	**1,113,555**	**52,994**	**62,526**	**65,501**	**30,263**	**15,186**	**8,657**	**4,981**	**6,241,468**

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Group Funds											
	Group Balanced Fund	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Debt Fund	Group Growth Fund	Group Leave Encashment Balanced Fund
	ULGF 001 03/04/03 GBalanced 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 008 11/12/06 GCGGrowth1 105	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 002 03/04/03 GDebt 105	ULGF 004 30/10/03 GGrowth 105	ULGF 013 02/04/08 GLEBal 105
Opening balance	11,758,167	28,618	1,184,220	7,147	(3,524)	18,404	33,770	36,507	2,463,981	6,615,624	3,890,977	413,686
Add: Additions during the year*	5,837,371	5,330	172,918	2,270	539,866	3,263	10,026	8,426	525,444	5,645,410	2,093,469	209,956
Less: Deductions during the year**	7,285,621	13,906	219,703	407	26,824	2,589	6,246	6,338	886,396	1,393,677	1,065,005	4,663
Closing balance	**10,309,917**	**20,042**	**1,137,435**	**9,010**	**509,518**	**19,078**	**37,550**	**38,595**	**2,103,029**	**10,867,357**	**4,919,441**	**618,979**

* Represents unit creation
** Represents unit cancellations

(₹ in '000)

Particulars	Linked Group Funds										
	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II	Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund	Total	Grand Total
	ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105	ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Opening balance	66,948	572,001	2,138,565	110,779	2,084,535	125,624	456,623	4,526,097	1,768,214	38,296,963	446,854,743
Add: Additions during the year*	1,864	613,287	11,613	1,384	51,439	1,812	5,148	7,352,176	244,786	23,337,258	125,043,796
Less: Deductions during the year**	648	571,222	2,524,348	134,052	24,589	862	2,108	7,700,821	21,732	21,891,757	158,571,355
Closing balance	**68,164**	**614,066**	**(374,170)**	**(21,889)**	**2,111,385**	**126,574**	**459,663**	**4,177,452**	**1,991,268**	**39,742,464**	**413,327,184**

* Represents unit creation
** Represents unit cancellations

Schedule: F-2

INVESTMENTS AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Life Funds											
	Anmol Nivesh Fund	Balancer Fund	Balancer Fund II	Balancer Fund III	Balancer Fund IV	Bluechip Fund	Cash Plus Fund	Discontinued Fund - Life	Dynamic P/E Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III
	ULIF 072 28/04/09 LAnmolNiv 105	ULIF 002 22/10/01 LBalancer1 105	ULIF 014 17/05/04 LBalancer2 105	ULIF 023 13/03/06 LBalancer3 105	ULIF 039 27/08/07 LBalancer4 105	ULIF 087 24/11/09 LBluChip 105	ULIF 008 11/08/03 LCashPlus 105	ULIF 100 01/07/10 LDiscont 105	ULIF 097 11/01/10 LDynmicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105
Approved investments												
Government bonds	—	1,687,024	543,356	46,580	115,760	—	431,664	—	1,052,987	111,783	78,319	6,227
Corporate bonds	—	2,552,100	735,384	76,462	180,223	—	767,953	805,293	76,310	196,390	143,836	9,888
Infrastructure bonds	—	946,234	273,751	28,617	57,000	—	361,253	294,573	—	63,963	34,195	2,991
Equity	—	3,768,143	1,164,720	105,521	274,960	1,396,961	—	—	14,829,032	589,935	406,916	31,561
Money market	1,408	1,079,723	329,827	46,698	121,274	—	544,229	1,250,616	191,868	85,113	53,076	5,567
Mutual funds	87	1,030	14,483	4,445	11,598	21,449	21,220	57,224	29,015	6,601	5,700	812
Deposit with banks	3,304	1,320,100	440,300	10,100	80,201	—	377,846	1,728,022	—	40,000	30,000	—
Total	**4,799**	**11,354,354**	**3,501,821**	**318,423**	**841,016**	**1,418,410**	**2,504,165**	**4,135,728**	**16,179,212**	**1,093,785**	**752,042**	**57,046**
Other investments												
Corporate bonds	—	129,464	35,580	1,060	5,638	—	8,673	—	—	2,559	1,503	143
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	—	296,877	99,797	8,906	23,120	138,016	—	—	520,947	42,376	29,319	2,318
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	689	—	—	111	4,081	74,606	—	32,304	—	—	—	991
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	**689**	**426,341**	**135,377**	**10,077**	**32,839**	**212,622**	**8,673**	**32,304**	**520,947**	**44,935**	**30,822**	**3,452**
Grand total	**5,488**	**11,780,695**	**3,637,198**	**328,500**	**873,855**	**1,631,032**	**2,512,838**	**4,168,032**	**16,700,159**	**1,138,720**	**782,864**	**60,498**
% of approved investments to total	87.45%	96.38%	96.28%	96.93%	96.24%	86.96%	99.65%	99.22%	96.88%	96.05%	96.06%	94.29%
% of other investments to total	12.55%	3.62%	3.72%	3.07%	3.76%	13.04%	0.35%	0.78%	3.12%	3.95%	3.94%	5.71%

(₹ in '000)

Particulars	Linked Life Funds											
	Flexi Balanced Fund IV	Flexi Growth Fund	Flexi Growth Fund II	Flexi Growth Fund III	Flexi Growth Fund IV	Highest NAV Fund B	Income Fund	Invest Shield Cash Fund	Invest Shield Fund - Life	Maximiser Fund	Maximiser Fund II	Maximiser Fund III
	ULIF 040 27/08/07 LFlexiBal4 105	ULIF 026 20/03/07 LFlexiGro1 105	ULIF 027 20/03/07 LFlexiGro2 105	ULIF 028 20/03/07 LFlexiGro3 105	ULIF 038 27/08/07 LFlexiGro4 105	ULIF 116 15/03/11 LHighNavB 105	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash 105	ULIF 018 03/01/05 LInvShld 105	ULIF 001 22/10/01 LMaximis1 105	ULIF 012 17/05/04 LMaximis2 105	ULIF 022 13/03/06 LMaximis3 105
Approved investments												
Government bonds	25,328	—	—	—	—	9,580,709	1,880,199	1,047,068	253,085	—	—	—
Corporate bonds	47,615	—	—	—	—	—	2,037,827	1,645,969	620,389	—	—	—
Infrastructure bonds	9,033	—	—	—	—	—	930,605	616,504	156,422	—	—	—
Equity	130,565	19,147,025	10,472,072	1,041,405	9,154,145	10,509,582	—	—	366,569	36,707,838	8,950,555	1,667,047
Money market	19,777	460,101	231,332	—	47,938	—	1,026,409	745,157	506,216	1,472,680	469,888	—
Mutual funds	2,002	51,659	125,354	15,123	138,622	276,792	23,875	25,652	23,177	183,774	47,967	25,895
Deposit with banks	10,102	—	—	—	380,199	—	2,203,700	690,500	280,699	1,120,000	—	—
Total	**244,422**	**19,658,785**	**10,828,758**	**1,056,528**	**9,720,904**	**20,367,083**	**8,102,615**	**4,770,850**	**2,206,557**	**39,484,292**	**9,468,410**	**1,692,942**
Other investments												
Corporate bonds	358	—	—	—	—	—	123,117	15,704	5,268	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	9,536	1,457,632	840,794	86,991	732,513	344,276	—	—	24,078	3,378,721	839,009	147,561
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	—	—	7,859	97,049	63,176	—	—	—	—	—	114,446
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	**9,894**	**1,457,632**	**840,794**	**94,850**	**829,562**	**407,452**	**123,117**	**15,704**	**29,346**	**3,378,721**	**839,009**	**262,007**
Grand total	**254,316**	**21,116,417**	**11,669,552**	**1,151,378**	**10,550,466**	**20,774,535**	**8,225,732**	**4,786,554**	**2,235,903**	**42,863,013**	**10,307,419**	**1,954,949**
% of approved investments to total	96.11%	93.10%	92.79%	91.76%	92.14%	98.04%	98.50%	99.67%	98.69%	92.12%	91.86%	86.60%
% of other investments to total	3.89%	6.90%	7.21%	8.24%	7.86%	1.96%	1.50%	0.33%	1.31%	7.88%	8.14%	13.40%

Schedule: F-2

INVESTMENTS AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Life Funds											
	Maximiser Fund IV	Maximiser Fund V	Money Market Fund	Multi Cap Balanced Fund	Multi Cap Growth Fund	Multiplier Fund	Multiplier Fund II	Multiplier Fund III	Multiplier Fund IV	New Invest Shield Balanced Fund	Opportunities Fund	Pinnacle Fund
	ULIF 037 27/08/07 LMaximis4 105	ULIF 114 15/03/11 LMaximis5 105	ULIF 090 24/11/09 LMoneyMkt 105	ULIF 088 24/11/09 LMCapBal 105	ULIF 085 24/11/09 LMCapGro 105	ULIF 042 22/11/07 LMultip1 105	ULIF 044 25/02/08 LMultip2 105	ULIF 046 25/02/08 LMultip3 105	ULIF 047 25/02/08 LMultip4 105	ULIF 025 21/08/06 LInvShldNw 105	ULIF 086 24/11/09 LOpport 1 05	ULIF 081 26/10/09 LPinnacle 105
Approved investments												
Government bonds	—	—	—	94,367	—	—	—	—	—	381,066	—	4,964,879
Corporate bonds	—	—	270,197	304,119	2,024	—	—	—	—	612,138	229	—
Infrastructure bonds	—	—	84,308	46,196	—	—	—	—	—	159,632	—	—
Equity	497,918	2,384,616	—	833,444	10,550,590	9,672,140	1,927,707	146,109	895,444	940,513	2,545,364	6,008,296
Money market	—	—	1,858,403	182,571	336,435	—	—	—	—	245,654	240,311	—
Mutual funds	7,738	36,041	19,365	21,780	73,239	137,358	28,289	2,066	13,408	8,380	5,108	49,685
Deposit with banks	—	200,000	610,300	90,302	—	—	—	—	—	320,301	149,999	—
Total	**505,656**	**2,620,657**	**2,842,573**	**1,572,779**	**10,962,288**	**9,809,498**	**1,955,996**	**148,175**	**908,852**	**2,667,684**	**2,941,011**	**11,022,860**
Other investments												
Corporate bonds	—	—	—	1,152	—	—	—	—	—	6,146	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	45,064	187,180	—	59,523	1,178,346	653,095	117,683	8,990	55,517	63,662	272,018	196,822
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	33,441	23,134	—	—	—	3,888	82,274	200	57,218	—	—	—
Venture fund	—	—	—	—	—	—	—	—	—	16,258	—	—
Total	**78,505**	**210,314**	**—**	**60,675**	**1,178,346**	**656,983**	**199,957**	**9,190**	**112,735**	**86,066**	**272,018**	**196,822**
Grand total	**584,161**	**2,830,971**	**2,842,573**	**1,633,454**	**12,140,634**	**10,466,481**	**2,155,953**	**157,365**	**1,021,587**	**2,753,750**	**3,213,029**	**11,219,682**
% of approved investments to total	86.56%	92.57%	100.00%	96.29%	90.29%	93.72%	90.73%	94.16%	88.96%	96.87%	91.53%	98.25%
% of other investments to total	13.44%	7.43%	0.00%	3.71%	9.71%	6.28%	9.27%	5.84%	11.04%	3.13%	8.47%	1.75%

(₹ in '000)

Particulars	Linked Life Funds											
	Pinnacle Fund II	Preserver Fund	Preserver Fund III	Preserver Fund IV	Protector Fund	Protector Fund II	Protector Fund III	Protector Fund IV	Return Guarantee Fund	Return Guarantee Fund II	Return Guarantee Fund III	Return Guarantee Fund IV
	ULIF 105 26/10/10 LPinnacle2 105	ULIF 010 17/05/04 LPreserv1 105	ULIF 021 13/03/06 LPreserv3 105	ULIF 036 27/08/07 LPreserv4 105	ULIF 003 22/10/01 LProtect1 105	ULIF 016 17/05/04 LProtect2 105	ULIF 024 13/03/06 LProtect3 105	ULIF 041 27/08/07 LProtect4 105	ULIF 054 18/12/08 LRGF1 105	ULIF 063 27/01/09 LRGF(T2) 105	ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105
Approved investments												
Government bonds	1,552,536	—	—	—	2,009,769	736,331	88,161	854,402	—	—	—	—
Corporate bonds	—	422,195	27,934	48,034	2,760,624	1,018,656	143,969	1,145,654	203,288	288,921	294,183	100,181
Infrastructure bonds	—	159,372	9,033	13,046	1,365,605	613,676	76,552	523,445	85,538	97,061	51,866	17,227
Equity	2,497,516	—	—	—	—	—	—	—	—	—	—	—
Money market	—	2,249,361	143,108	148,598	1,248,431	562,351	74,197	645,027	—	—	—	—
Mutual funds	55,721	20,337	2,715	2,886	48,476	21,497	2,661	33,973	6,069	4,490	1,446	2,520
Deposit with banks	—	894,223	15,100	39,699	950,500	610,098	36,210	550,600	101,323	70,994	79,377	45,108
Total	**4,105,773**	**3,745,488**	**197,890**	**252,263**	**8,383,405**	**3,562,609**	**421,750**	**3,753,101**	**396,218**	**461,466**	**426,872**	**165,036**
Other investments												
Corporate bonds	—	—	—	—	114,973	46,585	6,778	45,008	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	81,814	—	—	—	—	—	—	—	—	—	—	—
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	8,099	—	3,918	—	—	—	—	—	6,904	—	—	940
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	**89,913**	**—**	**3,918**	**—**	**114,973**	**46,585**	**6,778**	**45,008**	**6,904**	**—**	**—**	**940**
Grand total	**4,195,686**	**3,745,488**	**201,808**	**252,263**	**8,498,378**	**3,609,194**	**428,528**	**3,798,109**	**403,122**	**461,466**	**426,872**	**165,976**
% of approved investments to total	97.86%	100.00%	98.06%	100.00%	98.65%	98.71%	98.42%	98.81%	98.29%	100.00%	100.00%	99.43%
% of other investments to total	2.14%	0.00%	1.94%	0.00%	1.35%	1.29%	1.58%	1.19%	1.71%	0.00%	0.00%	0.57%

Schedule: F-2

INVESTMENTS AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Life Funds											
	Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund X (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund XI (5 Yrs)	Return Guarantee Fund XI (10 Yrs)	RICH Fund
	ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 111 13/01/11 LRGF(T10) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 121 19/04/11 LRGF(S4) 105	ULIF 048 17/03/08 LRICH1 105
Approved investments												
Government bonds	—	—	—	—	102,003	—	56,688	—	205,494	—	11,234	—
Corporate bonds	43,853	38,960	14,667	664,410	70,135	617,023	26,599	1,387,969	97,876	687,489	7,901	—
Infrastructure bonds	19,984	21,510	10,584	161,795	60,788	383,286	34,372	671,495	95,788	344,035	1,043	—
Equity	—	—	—	—	—	—	—	—	—	—	—	7,490,185
Money market	—	—	—	—	—	94,187	—	—	—	—	—	148,993
Mutual funds	442	675	357	13,990	178	18,460	21	18,969	19	14,730	235	46,337
Deposit with banks	15,030	20,415	7,961	129,201	47,720	136,899	21,350	557,653	69,615	230,701	2,459	—
Total	**79,309**	**81,560**	**33,569**	**969,396**	**280,824**	**1,249,855**	**139,030**	**2,636,086**	**468,792**	**1,276,955**	**22,872**	**7,685,515**
Other investments												
Corporate bonds	—	—	—	—	—	50,496	—	—	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	—	—	—	—	—	—	—	—	—	—	—	887,145
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	—	—	29,780	—	20,234	—	—	—	—	—	—
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	**—**	**—**	**—**	**29,780**	**—**	**70,730**	**—**	**—**	**—**	**—**	**—**	**887,145**
Grand total	**79,309**	**81,560**	**33,569**	**999,176**	**280,824**	**1,320,585**	**139,030**	**2,636,086**	**468,792**	**1,276,955**	**22,872**	**8,572,660**
% of approved investments to total	100.00%	100.00%	100.00%	97.02%	100.00%	94.64%	100.00%	100.00%	100.00%	100.00%	100.00%	89.65%
% of other investments to total	0.00%	0.00%	0.00%	2.98%	0.00%	5.36%	0.00%	0.00%	0.00%	0.00%	0.00%	10.35%

(₹ in '000)

Particulars	Linked Life Funds						
	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	Total
	ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Approved investments							
Government bonds	—	—	—	47,171	3,478	27,832	**27,995,500**
Corporate bonds	—	—	—	123,542	2,151	12,626	**21,333,186**
Infrastructure bonds	130,254	—	—	37,195	—	5,034	**9,054,861**
Equity	8,021,843	450,943	3,756,615	62,862	22,232	47,783	**179,466,672**
Money market	—	—	—	103,157	4,100	20,592	**16,994,373**
Mutual funds	108,031	6,535	56,853	5,986	485	2,036	**2,013,143**
Deposit with banks	—	—	—	50,201	—	20,099	**14,788,511**
Total	**8,260,128**	**457,478**	**3,813,468**	**430,114**	**32,446**	**136,002**	**271,646,246**
Other investments							
Corporate bonds	—	—	—	1,207	—	—	**601,412**
Infrastructure bonds	—	—	—	—	—	—	**—**
Equity	948,520	53,547	443,876	—	1,339	2,868	**14,279,796**
Money market	—	—	—	—	—	—	**—**
Mutual funds	—	—	75,358	3,728	2,818	12,814	**760,060**
Venture fund	—	—	—	—	—	—	**16,258**
Total	**948,520**	**53,547**	**519,234**	**4,935**	**4,157**	**15,682**	**15,657,526**
Grand total	**9,208,648**	**511,025**	**4,332,702**	**435,049**	**36,603**	**151,684**	**287,303,772**
% of approved investments to total	89.70%	89.52%	88.02%	98.87%	88.64%	89.66%	**94.55%**
% of other investments to total	10.30%	10.48%	11.98%	1.13%	11.36%	10.34%	**5.45%**

Schedule: F-2

INVESTMENTS AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Pension Funds											
	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund
	ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105
Approved investments												
Government bonds	*100,141*	*981,851*	*1,168,033*	—	*1,154,865*	*141,678*	*153,076*	—	—	—	*2,025,625*	—
Corporate bonds	*64,033*	*1,216,713*	*1,678,630*	—	*50,873*	*122,871*	*145,585*	—	—	—	*2,566,002*	—
Infrastructure bonds	*26,156*	*398,122*	*467,813*	—	—	*33,264*	*46,353*	—	—	—	*1,033,449*	—
Equity	*73,440*	*2,153,272*	*2,432,553*	*2,084,498*	*15,932,696*	*529,612*	*615,686*	*21,130,358*	*19,290,377*	*139,223*	—	*4,656,613*
Money market	*73,970*	*424,292*	*482,740*	—	—	*51,667*	*62,790*	*254,535*	*288,373*	—	*602,571*	*299,199*
Mutual funds	*6,202*	*62,536*	*24,909*	*30,540*	*157,353*	*15,375*	*1,560*	*77,286*	*90,493*	*2,126*	*37,639*	*65,085*
Deposit with banks	*80,000*	*1,006,099*	*890,801*	—	—	*170,199*	*200,099*	*226,629*	*211*	—	*2,344,000*	—
Total	***423,942***	***6,242,885***	***7,145,479***	***2,115,038***	***17,295,787***	***1,064,666***	***1,225,149***	***21,688,808***	***19,669,454***	***141,349***	***8,609,286***	***5,020,897***
Other investments												
Corporate bonds	—	*64,731*	*112,268*	—	—	—	—	—	—	—	*50,633*	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	*4,820*	*145,338*	*126,569*	*167,077*	*527,627*	*57,088*	*67,901*	*1,641,064*	*1,548,569*	*14,573*	—	*488,107*
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	*31,175*	—	—	*38,740*	—	*14,447*	—	—	—	*14,740*	—	—
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	***35,995***	***210,069***	***238,837***	***205,817***	***527,627***	***71,535***	***67,901***	***1,641,064***	***1,548,569***	***29,313***	***50,633***	***488,107***
Grand total	***459,937***	***6,452,954***	***7,384,316***	***2,320,855***	***17,823,414***	***1,136,201***	***1,293,050***	***23,329,872***	***21,218,023***	***170,662***	***8,659,919***	***5,509,004***
% of approved investments to total	*92.17%*	*96.74%*	*96.77%*	*91.13%*	*97.04%*	*93.70%*	*94.75%*	*92.97%*	*92.70%*	*82.82%*	*99.42%*	*91.14%*
% of other investments to total	*7.83%*	*3.26%*	*3.23%*	*8.87%*	*2.96%*	*6.30%*	*5.25%*	*7.03%*	*7.30%*	*17.18%*	*0.58%*	*8.86%*

(₹ in '000)

Particulars	Linked Pension Funds											
	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund	Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II
	ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105
Approved investments												
Government bonds	—	—	*250,911*	—	—	—	—	—	*3,644,785*	*1,681,790*	—	—
Corporate bonds	—	*199,216*	*166,338*	*2,024*	—	—	*502*	*607,367*	*4,191,696*	*2,113,034*	*699,866*	*607,273*
Infrastructure bonds	—	*90,252*	*190,893*	—	—	—	—	*159,463*	*2,243,391*	*1,061,206*	*234,537*	*192,863*
Equity	*14,542,134*	—	*1,210,397*	*13,722,473*	*5,210,496*	*2,860,123*	*5,577,686*	—	—	—	—	—
Money market	*856,205*	*1,482,970*	*72,259*	*105,527*	—	—	*514,611*	*2,961,627*	*2,440,413*	*966,828*	—	—
Mutual funds	*6,538*	*15,745*	*3,666*	*64,877*	*74,591*	*34,930*	*70,793*	*75,468*	*12,907*	*22,994*	*6,022*	*18,457*
Deposit with banks	*220,001*	*794,440*	*340,500*	—	—	—	—	*1,656,146*	*3,172,337*	*1,616,947*	*396,030*	*429,968*
Total	***15,624,878***	***2,582,623***	***2,234,964***	***13,894,901***	***5,285,087***	***2,895,053***	***6,163,592***	***5,460,071***	***15,705,529***	***7,462,799***	***1,336,455***	***1,248,561***
Other investments												
Corporate bonds	—	—	—	—	—	—	—	—	*163,850*	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	*1,565,375*	—	*83,604*	*1,639,870*	*366,772*	*175,362*	*547,565*	—	—	—	—	—
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	—	—	—	*30,838*	—	—	*111,853*	—	—	—	*12,692*
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	***1,565,375***	**—**	***83,604***	***1,639,870***	***397,610***	***175,362***	***547,565***	***111,853***	***163,850***	**—**	**—**	***12,692***
Grand total	***17,190,253***	***2,582,623***	***2,318,568***	***15,534,771***	***5,682,697***	***3,070,415***	***6,711,157***	***5,571,924***	***15,869,379***	***7,462,799***	***1,336,455***	***1,261,253***
% of approved investments to total	*90.89%*	*100.00%*	*96.39%*	*89.44%*	*93.00%*	*94.29%*	*91.84%*	*97.99%*	*98.97%*	*100.00%*	*100.00%*	*98.99%*
% of other investments to total	*9.11%*	*0.00%*	*3.61%*	*10.56%*	*7.00%*	*5.71%*	*8.16%*	*2.01%*	*1.03%*	*0.00%*	*0.00%*	*1.01%*

Schedule: F-2

INVESTMENTS AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Pension Funds													Total
	Pension Return Guarantee Fund III	Pension Return Guarantee Fund IV	Pension Return Guarantee Fund V	Pension Return Guarantee Fund VI	Pension Return Guarantee Fund VII	Pension Return Guarantee Fund VIII	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	
	ULIF 067 26/02/09 PRGF3 105	ULIF 070 31/03/09 PRGF4 105	ULIF 074 29/04/09 PRGF5 105	ULIF 079 17/06/09 PRGF6 105	ULIF 083 16/11/09 PRGF7 105	ULIF 102 12/10/10 PRGF(S1) 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 113 13/01/11 PRGF(S3) 105	ULIF 122 19/04/11 PRGF(S4) 105	ULIF 052 17/03/08 PRICH1 105	ULIF 053 17/03/08 PRICH2 105	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Approved investments														
Government bonds	—	—	—	—	—	*41,078*	*15,968*	*48,058*	*7,575*	—	—	*32,211*	*42,868*	***11,490,513***
Corporate bonds	*794,346*	*233,312*	*146,025*	*186,590*	*367,209*	*39,405*	*10,183*	*20,287*	*2,650*	—	—	*6,998*	*23,214*	***16,262,242***
Infrastructure bonds	*115,089*	*105,093*	*68,499*	*116,255*	*183,500*	*38,947*	*12,636*	*23,936*	—	—	—	*1,002*	*14,054*	***6,856,773***
Equity	—	—	—	—	—	—	—	—	—	*16,469,684*	*11,756,093*	—	*26,407*	***140,413,821***
Money market	—	—	—	—	—	—	—	—	—	*574,950*	*538,064*	*58,319*	*43,836*	***13,155,746***
Mutual funds	*12,945*	*5,400*	*617*	*4,569*	*5,585*	*2,068*	—	*231*	*10*	*101,328*	*180,349*	*1,994*	*2,529*	***1,295,717***
Deposit with banks	*251,744*	*94,885*	*21,455*	*17,235*	*50,430*	*25,091*	*7,516*	*15,520*	*2,091*	*371,999*	—	*29,600*	*19,998*	***14,451,971***
Total	***1,174,124***	***438,690***	***236,596***	***324,649***	***606,724***	***146,589***	***46,303***	***108,032***	***12,326***	***17,517,961***	***12,474,506***	***130,124***	***172,906***	***203,926,783***
Other investments														
Corporate bonds	—	—	—	—	—	—	—	—	—	*121,370*	—	—	—	***512,852***
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Equity	—	—	—	—	—	—	—	—	—	*1,474,042*	*1,102,317*	—	—	***11,743,640***
Money market	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	—	—	*3,346*	—	*675*	—	—	—	—	*31,964*	*14,488*	*14,445*	***319,403***
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	—	—	—	***3,346***	—	***675***	—	—	—	***1,595,412***	***1,134,281***	***14,488***	***14,445***	***12,575,895***
Grand total	***1,174,124***	***438,690***	***236,596***	***327,995***	***606,724***	***147,264***	***46,303***	***108,032***	***12,326***	***19,113,373***	***13,608,787***	***144,612***	***187,351***	***216,502,678***
% of approved investments to total	*100.00%*	*100.00%*	*100.00%*	*98.98%*	*100.00%*	*99.54%*	*100.00%*	*100.00%*	*100.00%*	*91.65%*	*91.67%*	*89.98%*	*92.29%*	***94.19%***
% of other investments to total	*0.00%*	*0.00%*	*0.00%*	*1.02%*	*0.00%*	*0.46%*	*0.00%*	*0.00%*	*0.00%*	*8.35%*	*8.33%*	*10.02%*	*7.71%*	***5.81%***

(₹ in '000)

Particulars	Linked Health Funds													Total
	Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund	Health Return Guarantee Fund II	Health Return Guarantee Fund III	Health Return Guarantee Fund IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	
	ULIF 059 15/01/09 HBalancer 105	ULIF 060 15/01/09 HFlexiBal 105	ULIF 057 15/01/09 HFlexiGro 105	ULIF 058 15/01/09 HMultip 105	ULIF 056 15/01/09 HPreserv 105	ULIF 061 15/01/09 HProtect 105	ULIF 062 15/01/09 HRGF1 105	ULIF 065 29/01/09 HRGF2 105	ULIF 068 26/02/09 HRGF3 105	ULIF 071 31/03/09 HRGF4 105	ULIF 075 29/04/09 HRGF5 105	ULIF 080 17/06/09 HRGF6 105	ULIF 084 16/11/09 HRGF7 105	
Approved investments														
Government bonds	*12,546*	*9,788*	—	—	—	*148,746*	—	—	—	—	—	—	*76*	***171,156***
Corporate bonds	*24,307*	*20,946*	*637*	—	*3,979*	*180,428*	*3,270*	*4,327*	*3,285*	—	*202*	*147*	—	***241,528***
Infrastructure bonds	*4,062*	*5,086*	—	—	*1,001*	*77,151*	*1,010*	*3,026*	*3,017*	—	—	—	—	***94,353***
Equity	*52,592*	*81,732*	*1,841,639*	*238,511*	—	—	—	—	—	—	—	—	—	***2,214,474***
Money market	*55,699*	*58,174*	—	*24,031*	*20,566*	*178,884*	—	—	—	*836*	*832*	*369*	*278*	***339,669***
Mutual funds	*2,110*	*181*	*29,998*	*3,764*	*385*	*9,608*	*27*	*1*	*70*	*126*	—	*27*	—	***46,297***
Deposit with banks	—	—	*130,001*	—	*600*	*80,000*	*6,303*	*5,078*	*8,060*	*5,703*	*2,005*	*1,073*	*762*	***239,585***
Total	***151,316***	***175,907***	***2,002,275***	***266,306***	***26,531***	***674,817***	***10,610***	***12,432***	***14,432***	***6,665***	***3,039***	***1,616***	***1,116***	***3,347,062***
Other investments														
Corporate bonds	*202*	*142*	—	—	—	*19,674*	—	—	—	—	—	—	—	***20,018***
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Equity	*3,371*	*12,871*	*231,671*	*24,481*	—	—	—	—	—	—	—	—	—	***272,394***
Money market	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	*2,847*	—	*149,886*	*10,820*	*2,250*	*5,466*	—	—	—	*857*	—	*38*	—	***172,164***
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	***6,420***	***13,013***	***381,557***	***35,301***	***2,250***	***25,140***	—	—	—	***857***	—	***38***	—	***464,576***
Grand total	***157,736***	***188,920***	***2,383,832***	***301,607***	***28,781***	***699,957***	***10,610***	***12,432***	***14,432***	***7,522***	***3,039***	***1,654***	***1,116***	***3,811,638***
% of approved investments to total	*95.93%*	*93.11%*	*83.99%*	*88.30%*	*92.18%*	*96.41%*	*100.00%*	*100.00%*	*100.00%*	*88.61%*	*100.00%*	*97.70%*	*100.00%*	***87.81%***
% of other investments to total	*4.07%*	*6.89%*	*16.01%*	*11.70%*	*7.82%*	*3.59%*	*0.00%*	*0.00%*	*0.00%*	*11.39%*	*0.00%*	*2.30%*	*0.00%*	***12.19%***

Schedule: F-2

INVESTMENTS AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Group Funds											
	Group Balanced Fund	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Debt Fund	Group Growth Fund	Group Leave Encashment Balanced Fund
	ULGF 001 03/04/03 GBalanced 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 008 11/12/06 GCGGrowth1 105	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 002 03/04/03 GDebt 105	ULGF 004 30/10/03 GGrowth 105	ULGF 013 02/04/08 GLEBal 105
Approved investments												
Government bonds	3,146,770	24,261	332,929	2,806	199,097	4,756	9,661	—	—	2,751,102	705,585	192,533
Corporate bonds	3,642,537	24,424	457,750	3,918	222,101	65	5,415	9,961	336,784	3,859,890	908,269	168,760
Infrastructure bonds	908,370	7,032	130,533	—	53,425	—	1,969	3,008	275,552	1,275,676	221,610	40,438
Equity	2,289,327	14,919	250,598	—	—	8,863	18,225	—	—	—	3,545,392	121,819
Money market	1,689,356	17,091	121,017	3,197	101,319	8,921	12,530	60,228	1,462,994	1,913,252	303,756	52,996
Mutual funds	25,041	1,322	21,847	173	12,400	365	767	1,463	15,190	2,126	95,680	10,682
Deposit with banks	2,864,398	743	260,100	1,200	250,698	—	—	32,346	876,444	3,016,202	821,699	150,302
Total	**14,565,799**	**89,792**	**1,574,774**	**11,294**	**839,040**	**22,970**	**48,567**	**107,006**	**2,966,964**	**12,818,248**	**6,601,991**	**737,530**
Other investments												
Corporate bonds	524,927	—	—	—	7,080	1,011	1,011	—	—	—	192,170	11,126
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	184,674	1,244	21,823	—	—	791	1,832	—	—	—	311,015	9,805
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	5,715	10,688	951	59,006	2,627	5,589	1,836	—	—	31,129	35,009
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	**709,601**	**6,959**	**32,511**	**951**	**66,086**	**4,429**	**8,432**	**1,836**	**—**	**—**	**534,314**	**55,940**
Grand total	**15,275,400**	**96,751**	**1,607,285**	**12,245**	**905,126**	**27,399**	**56,999**	**108,842**	**2,966,964**	**12,818,248**	**7,136,305**	**793,470**
% of approved investments to total	95.35%	92.81%	97.98%	92.23%	92.70%	83.84%	85.21%	98.31%	100.00%	100.00%	92.51%	92.95%
% of other investments to total	4.65%	7.19%	2.02%	7.77%	7.30%	16.16%	14.79%	1.69%	0.00%	0.00%	7.49%	7.05%

(₹ in '000)

Particulars	Linked Group Funds									Total	Grand Total
	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II	Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund		
	ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105	ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Approved investments											
Government bonds	15,684	—	—	—	—	—	—	—	—	**7,385,184**	**47,042,353**
Corporate bonds	18,832	53,785	85,055	—	1,528,687	89,285	232,041	712,766	1,047,649	**13,407,974**	**51,244,930**
Infrastructure bonds	12,960	14,049	—	—	433,324	22,319	206,646	193,568	533,844	**4,334,323**	**20,340,310**
Equity	—	—	—	—	—	—	—	—	—	**6,249,143**	**328,344,110**
Money market	21,073	199,753	8,436	833	—	—	—	2,828,477	—	**8,805,229**	**39,295,017**
Mutual funds	1,178	6,815	3,310	67	35,047	1,927	6,968	82,235	30,476	**355,079**	**3,710,236**
Deposit with banks	8,081	327,566	118,676	2,940	361,547	21,401	50,925	2,174,400	391,219	**11,730,887**	**41,210,954**
Total	**77,808**	**601,968**	**215,477**	**3,840**	**2,358,605**	**134,932**	**496,580**	**5,991,446**	**2,003,188**	**52,267,819**	**531,187,910**
Other investments											
Corporate bonds	2,023	—	—	—	—	—	—	—	—	**739,348**	**1,873,630**
Infrastructure bonds	—	—	—	—	—	—	—	—	—	**—**	**—**
Equity	—	—	—	—	—	—	—	—	—	**531,184**	**26,827,014**
Money market	—	—	—	—	—	—	—	—	—	**—**	**—**
Mutual funds	3,709	—	705	80	123,178	984	3,241	100,042	167,592	**552,081**	**1,803,708**
Venture fund	—	—	—	—	—	—	—	—	—	**—**	**16,258**
Total	**5,732**	**—**	**705**	**80**	**123,178**	**984**	**3,241**	**100,042**	**167,592**	**1,822,613**	**30,520,610**
Grand total	**83,540**	**601,968**	**216,182**	**3,920**	**2,481,783**	**135,916**	**499,821**	**6,091,488**	**2,170,780**	**54,090,432**	**561,708,520**
% of approved investments to total	93.14%	100.00%	99.67%	97.96%	95.04%	99.28%	99.35%	98.36%	92.28%	**96.63%**	**94.57%**
% of other investments to total	6.86%	0.00%	0.33%	2.04%	4.96%	0.72%	0.65%	1.64%	7.72%	**3.37%**	**5.43%**

Schedule F - 3

CURRENT ASSETS AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Life Funds											
	Anmol Nivesh Fund	Balancer Fund	Balancer Fund II	Balancer Fund III	Balancer Fund IV	Bluechip Fund	Cash Plus Fund	Discontinued Fund - Life	Dynamic P/E Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III
	ULIF 072 28/04/09 LAnmolNiv 105	ULIF 002 22/10/01 LBalancer1 105	ULIF 014 17/05/04 LBalancer2 105	ULIF 023 13/03/06 LBalancer3 105	ULIF 039 27/08/07 LBalancer4 105	ULIF 087 24/11/09 LBluChip 105	ULIF 008 11/08/03 LCashPlus 105	ULIF 100 01/07/10 LDiscont 105	ULIF 097 11/01/10 LDynmicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105
Accrued interest	1,001	212,805	64,826	4,921	10,338	—	80,175	164,076	12,646	11,916	7,933	656
Cash & Bank balance	82	1,586	155	15	19	10	60	7,339	10	21	16	11
Dividend receivable	—	2,060	598	47	131	1,172	—	—	9,379	330	231	18
Receivable for sale of investments	—	326,611	46,019	4,350	10,074	—	596,335	—	109,615	9,627	7,798	648
Unit collection a/c	—	2,461	3,342	—	4,999	33,027	4,493	—	222,429	1,076	632	162
Other current assets (for investments)	—	11	2	—	2	—	20,000	—	—	—	—	—
Appropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	**1,083**	**545,534**	**114,942**	**9,333**	**25,563**	**34,209**	**701,063**	**171,415**	**354,079**	**22,970**	**16,610**	**1,495**

(₹ in '000)

Particulars	Linked Life Funds											
	Flexi Balanced Fund IV	Flexi Growth Fund	Flexi Growth Fund II	Flexi Growth Fund III	Flexi Growth Fund IV	Highest NAV Fund B	Income Fund	Invest Shield Cash Fund	Invest Shield Fund - Life	Maximiser Fund	Maximiser Fund II	Maximiser Fund III
	ULIF 040 27/08/07 LFlexiBal4 105	ULIF 026 20/03/07 LFlexiGro1 105	ULIF 027 20/03/07 LFlexiGro2 105	ULIF 028 20/03/07 LFlexiGro3 105	ULIF 038 27/08/07 LFlexiGro4 105	ULIF 116 15/03/11 LHighNavB 105	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash 105	ULIF 018 03/01/05 LInvShld 105	ULIF 001 22/10/01 LMaximis1 105	ULIF 012 17/05/04 LMaximis2 105	ULIF 022 13/03/06 LMaximis3 105
Accrued interest	2,302	—	—	—	800	245,073	235,625	138,219	44,070	9,026	—	—
Cash & Bank balance	11	10	10	8	1,612	11	158	101	46	11	12	7
Dividend receivable	71	16,567	8,939	960	7,563	6,360	—	—	237	13,027	2,928	345
Receivable for sale of investments	2,269	—	—	—	—	333,293	97,391	67,835	389,609	496,855	101,410	20,572
Unit collection a/c	—	32,774	—	—	14,214	563,179	481,836	7,076	5,554	15,758	6,226	—
Other current assets (for investments)	—	—	—	—	—	—	63,000	37,000	1	78	17	3
Appropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	**4,653**	**49,351**	**8,949**	**968**	**24,189**	**1,147,916**	**878,010**	**250,231**	**439,517**	**534,755**	**110,593**	**20,927**

(₹ in '000)

Particulars	Linked Life Funds											
	Maximiser Fund IV	Maximiser Fund V	Money Market Fund	Multi Cap Balanced Fund	Multi Cap Growth Fund	Multiplier Fund	Multiplier Fund II	Multiplier Fund III	Multiplier Fund IV	New Invest Shield Balanced Fund	Opportunities Fund	Pinnacle Fund
	ULIF 037 27/08/07 LMaximis4 105	ULIF 114 15/03/11 LMaximis5 105	ULIF 090 24/11/09 LMoneyMkt 105	ULIF 088 24/11/09 LMCapBal 105	ULIF 085 24/11/09 LMCapGro 105	ULIF 042 22/11/07 LMultip1 105	ULIF 044 25/02/08 LMultip2 105	ULIF 046 25/02/08 LMultip3 105	ULIF 047 25/02/08 LMultip4 105	ULIF 025 21/08/06 LInvShldNw 105	ULIF 086 24/11/09 LOpport 105	ULIF 081 26/10/09 LPinnacle 105
Accrued interest	—	373	36,173	17,521	128	—	—	—	—	58,317	256	103,649
Cash & Bank balance	10	9	10	21	11	9	11	8	18	41	10	10
Dividend receivable	120	1,591	—	503	7,696	8,294	1,674	131	797	639	1,999	3,719
Receivable for sale of investments	6,345	7,226	—	17,490	—	—	—	—	—	31,483	—	771,552
Unit collection a/c	137	175,789	172,734	38,868	202,954	—	238	—	2,501	2,796	59,631	—
Other current assets (for investments)	1	7	—	1	—	—	—	—	—	1	14	—
Appropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	**6,613**	**184,995**	**208,917**	**74,404**	**210,789**	**8,303**	**1,923**	**139**	**3,316**	**93,277**	**61,910**	**878,930**

(₹ in '000)

Particulars	Linked Life Funds											
	Pinnacle Fund II	Preserver Fund	Preserver Fund III	Preserver Fund IV	Protector Fund	Protector Fund II	Protector Fund III	Protector Fund IV	Return Guarantee Fund	Return Guarantee Fund II	Return Guarantee Fund III	Return Guarantee Fund IV
	ULIF 105 26/10/10 LPinnacle2 105	ULIF 010 17/05/04 LPreserv1 105	ULIF 021 13/03/06 LPreserv3 105	ULIF 036 27/08/07 LPreserv4 105	ULIF 003 22/10/01 LProtect1 105	ULIF 016 17/05/04 LProtect2 105	ULIF 024 13/03/06 LProtect3 105	ULIF 041 27/08/07 LProtect4 105	ULIF 054 18/12/08 LRGF1 105	ULIF 063 27/01/09 LRGF(T2) 105	ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105
Accrued interest	39,107	83,358	2,002	11,300	239,608	98,594	10,200	107,140	57,030	46,872	47,899	25,183
Cash & Bank balance	8	621	2,031	1,379	171	82	17	83	11	1,037	2,675	10
Dividend receivable	1,511	—	—	—	—	—	—	—	—	—	—	—
Receivable for sale of investments	54,833	—	—	—	124,558	49,817	6,577	54,168	—	—	—	—
Unit collection a/c	62,530	—	—	1,402	4,805	5,552	—	3,499	—	—	—	—
Other current assets (for investments)	—	—	—	—	65,000	28,000	3,000	29,000	—	—	—	—
Appropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	**157,989**	**83,979**	**4,033**	**14,081**	**434,142**	**182,045**	**19,794**	**193,890**	**57,041**	**47,909**	**50,574**	**25,193**

Schedule F - 3

CURRENT ASSETS AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Life Funds											
	Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund X (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund XI (5 Yrs)	Return Guarantee Fund XI (10 Yrs)	RICH Fund
	ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 111 13/01/11 LRGF(T10) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 121 19/04/11 LRGF(S4) 105	ULIF 048 17/03/08 LRICH1 105
Accrued interest	6,003	6,648	3,139	54,796	16,832	75,443	7,853	230,362	30,093	89,163	1,087	—
Cash & Bank balance	10	422	111	6,877	2,367	3,701	1,137	3,905	3,701	3,444	217	10
Dividend receivable	—	—	—	—	—	—	—	—	—	—	—	4,150
Receivable for sale of investments	—	—	—	—	—	—	—	—	—	—	—	96,703
Unit collection a/c	—	—	—	241	29	—	39	—	803	204	13	8,284
Other current assets (for investments)	—	—	—	—	—	—	—	—	—	—	—	7
Appropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	**6,013**	**7,070**	**3,250**	**61,914**	**19,228**	**79,144**	**9,029**	**234,267**	**34,597**	**92,811**	**1,317**	**109,154**

(₹ in '000)

Particulars	Linked Life Funds						
	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	Total
	ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Accrued interest	—	—	—	6,045	191	1,063	**2,759,836**
Cash & Bank balance	9	12	9	15	40	48	**45,649**
Dividend receivable	4,430	252	2,064	58	24	48	**110,663**
Receivable for sale of investments	81,771	10,560	33,672	73,576	187	1,689	**4,042,518**
Unit collection a/c	7,265	—	18,085	2,323	209	391	**2,170,560**
Other current assets (for investments)	7	1	4	—	—	—	**245,157**
Appropriation adjustment account	—	—	—	—	—	—	**—**
Total	**93,482**	**10,825**	**53,834**	**82,017**	**651**	**3,239**	**9,374,383**

(₹ in '000)

Particulars	Linked Pension Funds											
	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund
	ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105
Accrued interest	5,003	108,348	134,359	—	14,019	24,087	23,164	7,167	46	—	249,783	—
Cash & Bank balance	18	63	68	12	9	17	18	12	10	72	133	9
Dividend receivable	52	2,010	2,561	1,753	10,367	409	492	19,150	18,155	81	—	1,411
Receivable for sale of investments	50,125	70,787	79,941	—	—	9,156	17,740	—	44,421	—	307,999	51,756
Unit collection a/c	1,033	—	7,413	5,673	29,743	1,917	—	37,358	—	39,207	26,687	—
Other current assets (for investments)	—	—	—	—	—	—	—	1	3	1	50,000	8
Appropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	**56,231**	**181,208**	**224,342**	**7,438**	**54,138**	**35,586**	**41,414**	**63,688**	**62,635**	**39,361**	**634,602**	**53,184**

(₹ in '000)

Particulars	Linked Pension Funds											
	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund	Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II
	ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105
Accrued interest	354	56,036	41,767	128	—	—	30	150,689	427,537	226,846	156,441	138,289
Cash & Bank balance	10	5,341	24	10	8	8	11	128	215	107	9	11
Dividend receivable	6,272	—	763	10,050	4,907	2,812	5,524	—	—	—	—	—
Receivable for sale of investments	216,696	—	26,291	99,696	—	—	—	—	296,054	867,149	—	—
Unit collection a/c	15,057	11,662	—	36,917	—	1,042	3,636	—	—	—	—	36
Other current assets (for investments)	33	—	1	5	—	—	19	—	297,000	139,000	—	—
Appropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	**238,422**	**73,039**	**68,846**	**146,806**	**4,915**	**3,862**	**9,220**	**150,817**	**1,020,806**	**1,233,102**	**156,450**	**138,336**

Schedule F - 3

CURRENT ASSETS AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Pension Funds													
	Pension Return Guarantee Fund III	Pension Return Guarantee Fund IV	Pension Return Guarantee Fund V	Pension Return Guarantee Fund VI	Pension Return Guarantee Fund VII	Pension Return Guarantee Fund VIII	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	Total
	ULIF 067 26/02/09 PRGF3 105	ULIF 070 31/03/09 PRGF4 105	ULIF 074 29/04/09 PRGF5 105	ULIF 079 17/06/09 PRGF6 105	ULIF 083 16/11/09 PRGF7 105	ULIF 102 12/10/10 PRGF(S1) 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 113 13/01/11 PRGF(S3) 105	ULIF 122 19/04/11 PRGF(S4) 105	ULIF 052 17/03/08 PRICH1 105	ULIF 053 17/03/08 PRICH2 105	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Accrued interest	131,901	57,523	17,815	18,456	32,798	9,204	2,874	5,850	753	1,863	—	3,330	1,835	2,048,295
Cash & Bank balance	4,417	10	10	10	2,638	214	416	9	11	11	2,010	62	80	16,221
Dividend receivable	—	—	—	—	—	—	—	—	—	18,351	13,112	—	27	118,259
Receivable for sale of investments	—	—	—	—	—	—	—	—	—	157,957	101,125	270	22,284	2,419,447
Unit collection a/c	—	—	—	—	—	—	—	—	—	18,763	—	34,937	1,078	272,159
Other current assets (for investments)	—	—	—	—	—	—	—	—	—	12	7	3,000	—	489,090
Appropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	**136,318**	**57,533**	**17,825**	**18,466**	**35,436**	**9,418**	**3,290**	**5,859**	**764**	**196,957**	**116,254**	**41,599**	**25,304**	**5,363,471**

(₹ in '000)

Particulars	Linked Health Funds													
	Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund	Health Return Guarantee Fund II	Health Return Guarantee Fund III	Health Return Guarantee Fund IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	Total
	ULIF 059 15/01/09 HBalancer 105	ULIF 060 15/01/09 HFlexiBal 105	ULIF 057 15/01/09 HFlexiGro 105	ULIF 058 15/01/09 HMultip 105	ULIF 056 15/01/09 HPreserv 105	ULIF 061 15/01/09 HProtect 105	ULIF 062 15/01/09 HRGF1 105	ULIF 065 29/01/09 HRGF2 105	ULIF 068 26/02/09 HRGF3 105	ULIF 071 31/03/09 HRGF4 105	ULIF 075 29/04/09 HRGF5 105	ULIF 080 17/06/09 HRGF6 105	ULIF 084 16/11/09 HRGF7 105	
Accrued interest	1,051	986	250	—	308	13,264	2,649	2,170	3,181	1,941	699	360	247	27,106
Cash & Bank balance	10	12	45	11	64	24	12	—	12	63	5	12	6	276
Dividend receivable	33	57	1,538	203	—	—	—	—	—	—	—	—	—	1,831
Receivable for sale of investments	2,067	1,504	—	—	—	10,652	—	—	—	—	—	—	—	14,223
Unit collection a/c	4,830	5,569	50,364	6,108	370	14,740	—	—	—	—	—	—	—	81,981
Other current assets (for investments)	—	1	14	2	—	5,000	—	—	—	—	—	—	—	5,017
Appropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	**7,991**	**8,129**	**52,211**	**6,324**	**742**	**43,680**	**2,661**	**2,170**	**3,193**	**2,004**	**704**	**372**	**253**	**130,434**

(₹ in '000)

Particulars	Linked Group Funds											
	Group Balanced Fund	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Debt Fund	Group Growth Fund	Group Leave Encashment Balanced Fund
	ULGF 001 03/04/03 GBalanced 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 008 11/12/06 GCGGrowth1 105	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 002 03/04/03 GDebt 105	ULGF 004 30/10/03 GGrowth 105	ULGF 013 02/04/08 GLEBal 105
Accrued interest	262,672	1,907	41,114	747	14,242	64	396	2,059	86,911	439,976	65,707	12,459
Cash & Bank balance	6,706	42	26	10	25	52	15	11	9	180	50	18
Dividend receivable	1,872	19	281	—	—	6	14	—	—	—	3,329	103
Receivable for sale of investments	299,237	1,685	22,238	96	4,041	353	701	—	—	111,115	74,347	10,895
Unit collection a/c	300,313	832	11,890	107	540	282	—	841	28,020	91,070	103,911	5,460
Other current assets (for investments)	4	—	2	—	17,000	—	—	—	—	242,000	4	1
Appropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	**870,804**	**4,485**	**75,551**	**960**	**35,848**	**757**	**1,126**	**2,911**	**114,940**	**884,341**	**247,348**	**28,936**

(₹ in '000)

Particulars	Linked Group Funds										
	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II	Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund	Total	Grand Total
	ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105	ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Accrued interest	3,230	43,835	34,792	1,114	168,171	9,268	28,787	154,260	141,173	1,512,884	6,348,121
Cash & Bank balance	13	10	11	11	7,483	918	7	8,012	40	23,649	85,795
Dividend receivable	—	—	—	—	—	—	—	—	—	5,624	236,377
Receivable for sale of investments	597	—	—	—	—	—	—	—	—	525,305	7,001,493
Unit collection a/c	494	44,063	1,749	43	26,851	949	3,040	264,366	7,554	892,375	3,417,075
Other current assets (for investments)	2,000	—	—	—	—	—	—	—	—	261,011	1,000,275
Appropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—
Total	**6,334**	**87,908**	**36,552**	**1,168**	**202,505**	**11,135**	**31,834**	**426,638**	**148,767**	**3,220,848**	**18,089,136**

Schedule F - 4

CURRENT LIABILITIES AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Life Funds											
	Anmol Nivesh Fund	Balancer Fund	Balancer Fund II	Balancer Fund III	Balancer Fund IV	Bluechip Fund	Cash Plus Fund	Discontinued Fund - Life	Dynamic P/E Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III
	ULIF 072 28/04/09 LAnmolNiv 105	ULIF 002 22/10/01 LBalancer1 105	ULIF 014 17/05/04 LBalancer2 105	ULIF 023 13/03/06 LBalancer3 105	ULIF 039 27/08/07 LBalancer4 105	ULIF 087 24/11/09 LBluChip 105	ULIF 008 11/08/03 LCashPlus 105	ULIF 100 01/07/10 LDiscont 105	ULIF 097 11/01/10 LDynmicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105
Payable for purchase of investments	—	*(146,028)*	*(5,182)*	*(525)*	*(14,121)*	—	*(495,752)*	—	—	*(1,289)*	*(886)*	*(69)*
Other current liabilities	*(1)*	*(3,372)*	*(461)*	*(93)*	*(108)*	*(272)*	*(418)*	*(267)*	*(2,799)*	*(321)*	*(98)*	*(17)*
Unit payable a/c	*(6)*	—	—	*(1,019)*	—	—	—	*(37,355)*	—	—	—	—
Expropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	***(7)***	***(149,400)***	***(5,643)***	***(1,637)***	***(14,229)***	***(272)***	***(496,170)***	***(37,622)***	***(2,799)***	***(1,610)***	***(984)***	***(86)***

(₹ in '000)

Particulars	Linked Life Funds											
	Flexi Balanced Fund IV	Flexi Growth Fund	Flexi Growth Fund II	Flexi Growth Fund III	Flexi Growth Fund IV	Highest NAV Fund B	Income Fund	Invest Shield Cash Fund	Invest Shield Fund - Life	Maximiser Fund	Maximiser Fund II	Maximiser Fund III
	ULIF 040 27/08/07 LFlexiBal4 105	ULIF 026 20/03/07 LFlexiGro1 105	ULIF 027 20/03/07 LFlexiGro2 105	ULIF 028 20/03/07 LFlexiGro3 105	ULIF 038 27/08/07 LFlexiGro4 105	ULIF 116 15/03/11 LHighNavB 105	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash 105	ULIF 018 03/01/05 LInvShld 105	ULIF 001 22/10/01 LMaximis1 105	ULIF 012 17/05/04 LMaximis2 105	ULIF 022 13/03/06 LMaximis3 105
Payable for purchase of investments	*(712)*	*(4,659)*	*(2,882)*	*(359)*	—	*(304,048)*	*(130)*	*(71)*	*(322,667)*	*(213,922)*	*(40,531)*	*(8,426)*
Other current liabilities	*(32)*	*(5,853)*	*(2,156)*	*(319)*	*(1,950)*	*(4,800)*	*(1,435)*	*(774)*	*(361)*	*(11,958)*	*(1,915)*	*(545)*
Unit payable a/c	*(1,253)*	—	*(297)*	*(2,032)*	—	—	—	—	—	—	—	*(5,613)*
Expropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	***(1,997)***	***(10,512)***	***(5,335)***	***(2,710)***	***(1,950)***	***(308,848)***	***(1,565)***	***(845)***	***(323,028)***	***(225,880)***	***(42,446)***	***(14,584)***

(₹ in '000)

Particulars	Linked Life Funds											
	Maximiser Fund IV	Maximiser Fund V	Money Market Fund	Multi Cap Balanced Fund	Multi Cap Growth Fund	Multiplier Fund	Multiplier Fund II	Multiplier Fund III	Multiplier Fund IV	New Invest Shield Balanced Fund	Opportunities Fund	Pinnacle Fund
	ULIF 037 27/08/07 LMaximis4 105	ULIF 114 15/03/11 LMaximis5 105	ULIF 090 24/11/09 LMoneyMkt 105	ULIF 088 24/11/09 LMCapBal 105	ULIF 085 24/11/09 LMCapGro 105	ULIF 042 22/11/07 LMultip1 105	ULIF 044 25/02/08 LMultip2 105	ULIF 046 25/02/08 LMultip3 105	ULIF 047 25/02/08 LMultip4 105	ULIF 025 21/08/06 LInvShldNw 105	ULIF 086 24/11/09 LOpport 105	ULIF 081 26/10/09 LPinnacle 105
Payable for purchase of investments	*(2,677)*	*(102,686)*	—	*(7,293)*	—	—	—	—	—	*(4,042)*	*(98,979)*	*(923,026)*
Other current liabilities	*(109)*	*(456)*	*(266)*	*(277)*	*(2,020)*	*(2,901)*	*(398)*	*(44)*	*(189)*	*(437)*	*(518)*	*(1,995)*
Unit payable a/c	—	—	—	—	—	*(13,333)*	—	*(179)*	—	—	—	*(9,289)*
Expropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	***(2,786)***	***(103,142)***	***(266)***	***(7,570)***	***(2,020)***	***(16,234)***	***(398)***	***(223)***	***(189)***	***(4,479)***	***(99,497)***	***(934,310)***

(₹ in '000)

Particulars	Linked Life Funds											
	Pinnacle Fund II	Preserver Fund	Preserver Fund III	Preserver Fund IV	Protector Fund	Protector Fund II	Protector Fund III	Protector Fund IV	Return Guarantee Fund	Return Guarantee Fund II	Return Guarantee Fund III	Return Guarantee Fund IV
	ULIF 105 26/10/10 LPinnacle2 105	ULIF 010 17/05/04 LPreserv1 105	ULIF 021 13/03/06 LPreserv3 105	ULIF 036 27/08/07 LPreserv4 105	ULIF 003 22/10/01 LProtect1 105	ULIF 016 17/05/04 LProtect2 105	ULIF 024 13/03/06 LProtect3 105	ULIF 041 27/08/07 LProtect4 105	ULIF 054 18/12/08 LRGF1 105	ULIF 063 27/01/09 LRGF(T2) 105	ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105
Payable for purchase of investments	*(50,662)*	—	—	—	*(126)*	*(201)*	*(8)*	*(61)*	—	—	—	—
Other current liabilities	*(758)*	*(353)*	*(19)*	*(24)*	*(1,648)*	*(349)*	*(83)*	*(368)*	*(85)*	*(94)*	*(88)*	*(35)*
Unit payable a/c	—	*(4,598)*	*(835)*	—	—	—	*(2,182)*	—	*(834)*	*(1,132)*	*(2,856)*	*(4,428)*
Expropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	***(51,420)***	***(4,951)***	***(854)***	***(24)***	***(1,774)***	***(550)***	***(2,273)***	***(429)***	***(919)***	***(1,226)***	***(2,944)***	***(4,463)***

Schedule F - 4

CURRENT LIABILITIES AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Life Funds											
	Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund X (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund XI (5 Yrs)	Return Guarantee Fund XI (10 Yrs)	RICH Fund
	ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 111 13/01/11 LRGF(T10) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 121 19/04/11 LRGF(S4) 105	ULIF 048 17/03/08 LRICH1 105
Payable for purchase of investments	—	—	—	—	—	—	*(2)*	—	*(10)*	—	—	*(39,221)*
Other current liabilities	*(16)*	*(16)*	*(7)*	*(196)*	*(55)*	*(258)*	*(27)*	*(530)*	*(93)*	*(253)*	*(4)*	*(2,392)*
Unit payable a/c	*(44)*	*(125)*	*(77)*	—	—	*(520)*	—	*(323)*	—	—	—	—
Expropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	***(60)***	***(141)***	***(84)***	***(196)***	***(55)***	***(778)***	***(29)***	***(853)***	***(103)***	***(253)***	***(4)***	***(41,613)***

(₹ in '000)

Particulars	Linked Life Funds						Total
	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	
	ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Payable for purchase of investments	*(47,214)*	*(2,081)*	*(37,687)*	*(60,353)*	—	—	***(2,938,588)***
Other current liabilities	*(1,708)*	*(144)*	*(800)*	*(70)*	*(6)*	*(33)*	***(60,447)***
Unit payable a/c	—	*(1,872)*	—	—	—	—	***(90,202)***
Expropriation adjustment account	—	—	—	—	—	—	**—**
Total	***(48,922)***	***(4,097)***	***(38,487)***	***(60,423)***	***(6)***	***(33)***	***(3,089,237)***

(₹ in '000)

Particulars	Linked Pension Funds											
	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund
	ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105
Payable for purchase of investments	*(44,369)*	*(30)*	*(34)*	—	*(1)*	*(2)*	*(3)*	*(7,204)*	*(7,759)*	*(9,049)*	*(6)*	*(21,397)*
Other current liabilities	*(72)*	*(1,837)*	*(936)*	*(386)*	*(2,966)*	*(324)*	*(164)*	*(6,469)*	*(3,929)*	*(27)*	*(1,540)*	*(1,535)*
Unit payable a/c	—	*(14,637)*	—	—	—	—	*(4,609)*	—	*(3,221)*	—	—	*(12,023)*
Expropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	***(44,441)***	***(16,504)***	***(970)***	***(386)***	***(2,967)***	***(326)***	***(4,776)***	***(13,673)***	***(14,909)***	***(9,076)***	***(1,546)***	***(34,955)***

(₹ in '000)

Particulars	Linked Pension Funds											
	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund	Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II
	ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105
Payable for purchase of investments	*(70,247)*	—	*(3,093)*	—	—	—	*(121,925)*	—	*(73)*	*(823,415)*	—	—
Other current liabilities	*(3,203)*	*(244)*	*(396)*	*(2,600)*	*(1,575)*	*(568)*	*(1,096)*	*(528)*	*(3,118)*	*(726)*	*(276)*	*(258)*
Unit payable a/c	—	—	*(3,919)*	—	*(4,147)*	—	—	*(11,183)*	*(22,400)*	*(14,836)*	*(2,041)*	—
Expropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	***(73,450)***	***(244)***	***(7,408)***	***(2,600)***	***(5,722)***	***(568)***	***(123,021)***	***(11,711)***	***(25,591)***	***(838,977)***	***(2,317)***	***(258)***

Schedule F - 4

CURRENT LIABILITIES AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Pension Funds													
	Pension Return Guarantee Fund III	Pension Return Guarantee Fund IV	Pension Return Guarantee Fund V	Pension Return Guarantee Fund VI	Pension Return Guarantee Fund VII	Pension Return Guarantee Fund VIII	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	Total
	ULIF 067 26/02/09 PRGF3 105	ULIF 070 31/03/09 PRGF4 105	ULIF 074 29/04/09 PRGF5 105	ULIF 079 17/06/09 PRGF6 105	ULIF 083 16/11/09 PRGF7 105	ULIF 102 12/10/10 PRGF(S1) 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 113 13/01/11 PRGF(S3) 105	ULIF 122 19/04/11 PRGF(S4) 105	ULIF 052 17/03/08 PRICH1 105	ULIF 053 17/03/08 PRICH2 105	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Payable for purchase of investments	—	—	—	—	—	—	(1)	(1)	—	(4,631)	(2,778)	(4)	(19,700)	(1,135,722)
Other current liabilities	(242)	(92)	(47)	(64)	(118)	(29)	(9)	(21)	(2)	(5,342)	(2,534)	(26)	(30)	(43,329)
Unit payable a/c	(9,513)	(12,955)	(414)	(49)	(3,212)	(5)	(16)	(6)	(1)	—	(17,674)	—	—	(136,861)
Expropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	(9,755)	(13,047)	(461)	(113)	(3,330)	(34)	(26)	(28)	(3)	(9,973)	(22,986)	(30)	(19,730)	(1,315,912)

(₹ in '000)

Particulars	Linked Health Funds													
	Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund	Health Return Guarantee Fund II	Health Return Guarantee Fund III	Health Return Guarantee Fund IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	Total
	ULIF 059 15/01/09 HBalancer 105	ULIF 060 15/01/09 HFlexiBal 105	ULIF 057 15/01/09 HFlexiGro 105	ULIF 058 15/01/09 HMultip 105	ULIF 056 15/01/09 HPreserv 105	ULIF 061 15/01/09 HProtect 105	ULIF 062 15/01/09 HRGF1 105	ULIF 065 29/01/09 HRGF2 105	ULIF 068 26/02/09 HRGF3 105	ULIF 071 31/03/09 HRGF4 105	ULIF 075 29/04/09 HRGF5 105	ULIF 080 17/06/09 HRGF6 105	ULIF 084 16/11/09 HRGF7 105	
Payable for purchase of investments	(618)	(5,115)	(100,622)	(15,039)	—	(12)	—	—	—	—	—	—	—	(121,406)
Other current liabilities	(20)	(23)	(422)	(53)	(3)	(67)	(2)	(4)	(3)	(2)	(1)	—	—	(600)
Unit payable a/c	—	—	—	—	—	—	(46)	(211)	(261)	(364)	(17)	(4)	(3)	(906)
Expropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	(638)	(5,138)	(101,044)	(15,092)	(3)	(79)	(48)	(215)	(264)	(366)	(18)	(4)	(3)	(122,912)

(₹ in '000)

Particulars	Linked Group Funds											
	Group Balanced Fund	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Debt Fund	Group Growth Fund	Group Leave Encashment Balanced Fund
	ULGF 001 03/04/03 GBalanced 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 008 11/12/06 GCGGrowth1 105	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 002 03/04/03 GDebt 105	ULGF 004 30/10/03 GGrowth 105	ULGF 013 02/04/08 GLEBal 105
Payable for purchase of investments	(18,937)	(62)	(12,883)	(10)	(20)	(37)	(70)	—	—	(62)	(13,371)	(6,156)
Other current liabilities	(2,539)	(27)	(347)	(3)	(179)	(9)	(15)	(16)	(545)	(2,178)	(1,165)	(130)
Unit payable a/c	—	—	—	—	—	—	(284)	—	—	—	—	—
Expropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—	—
Total	(21,476)	(89)	(13,230)	(13)	(199)	(46)	(369)	(16)	(545)	(2,240)	(14,536)	(6,286)

(₹ in '000)

Particulars	Linked Group Funds									Total	Grand Total
	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II	Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund		
	ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105	ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Payable for purchase of investments	(6)	—	—	—	—	—	—	—	—	(51,614)	(4,247,330)
Other current liabilities	(14)	(105)	(54)	(1)	(573)	(29)	(115)	(1,009)	(370)	(9,423)	(113,799)
Unit payable a/c	—	—	—	—	—	—	—	—	—	(284)	(228,253)
Expropriation adjustment account	—	—	—	—	—	—	—	—	—	—	—
Total	(20)	(105)	(54)	(1)	(573)	(29)	(115)	(1,009)	(370)	(61,321)	(4,589,382)

3.26 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Anmol Nivesh Fund	Balancer Fund	Balancer Fund II	Balancer Fund III	Balancer Fund IV	Bluechip Fund	Cash Plus Fund	Discontinued Fund - Life	Dynamic P/E Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III
		ULIF 072 28/04/09 LAnmolNiv 105	ULIF 002 22/10/01 LBalancer1 105	ULIF 014 17/05/04 LBalancer2 105	ULIF 023 13/03/06 LBalancer3 105	ULIF 039 27/08/07 LBalancer4 105	ULIF 087 24/11/09 LBluChip 105	ULIF 008 11/08/03 LCashPlus 105	ULIF 100 01/07/10 LDiscont 105	ULIF 097 11/01/10 LDynmicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105
Income from investments													
Interest income		670	643,999	202,184	15,723	47,721	398	233,636	633,463	105,197	38,045	26,590	1,880
Dividend income		—	59,692	19,380	1,624	4,758	32,603	—	—	284,128	10,557	7,343	537
Profit/(loss) on sale of investment		56	441,704	136,759	13,592	30,001	53,753	(31,624)	23,640	182,739	32,311	19,768	2,137
Profit/(loss) on inter fund transfer/ sale of investment		—	34,610	7,231	369	931	(1,387)	574	(1,395)	858	(2,735)	(1,283)	37
Unrealised gain/(loss)*		—	300,095	116,253	6,249	36,696	204,705	(23,381)	(3,923)	2,649,837	75,424	56,863	3,731
Total income (A)		**726**	**1,480,100**	**481,807**	**37,557**	**120,107**	**290,072**	**179,205**	**651,785**	**3,222,759**	**153,602**	**109,281**	**8,322**
Fund management expenses		—	145,971	—	—	—	—	—	—	—	—	—	—
Fund administration expenses		77	116,776	37,961	6,943	9,466	25,505	34,497	37,427	249,952	24,257	7,701	1,267
Other charges	F-5	167	50,222	47,438	1,998	11,867	74,550	28,579	10	497,474	4,426	14,596	499
Service tax #		57	41,103	11,347	1,101	2,998	13,859	9,316	4,628	100,570	3,835	3,011	218
Total expenditure (B)		**301**	**354,072**	**96,746**	**10,042**	**24,331**	**113,914**	**72,392**	**42,065**	**847,996**	**32,518**	**25,308**	**1,984**
Net income for the year (A-B)		**425**	**1,126,028**	**385,061**	**27,515**	**95,776**	**176,158**	**106,813**	**609,720**	**2,374,763**	**121,084**	**83,973**	**6,338**
Add: Fund revenue account at the beginning of the year		279	10,848,765	3,400,111	280,836	88,893	(110,472)	681,785	175,581	(749,638)	370,889	127,086	27,914
Fund revenue account at the end of the year		**704**	**11,974,793**	**3,785,172**	**308,351**	**184,669**	**65,686**	**788,598**	**785,301**	**1,625,125**	**491,973**	**211,059**	**34,252**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Flexi Balanced Fund IV	Flexi Growth Fund	Flexi Growth Fund II	Flexi Growth Fund III	Flexi Growth Fund IV	Highest NAV Fund B	Income Fund	Invest Shield Cash Fund	Invest Shield Fund - Life	Life Growth Fund	Life Secure Fund	Maximiser Fund
		ULIF 040 27/08/07 LFlexiBal4 105	ULIF 026 20/03/07 LFlexiGro1 105	ULIF 027 20/03/07 LFlexiGro2 105	ULIF 028 20/03/07 LFlexiGro3 105	ULIF 038 27/08/07 LFlexiGro4 105	ULIF 116 15/03/11 LHighNavB 105	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash 105	ULIF 018 03/01/05 LInvShld 105	ULIF 134 19/09/13 LGF 105	ULIF 135 19/09/13 LSF 105	ULIF 001 22/10/01 LMaximis1 105
Income from investments													
Interest income		8,908	9,804	6,644	5	15,263	996,895	1,045,372	425,853	165,255	170	1,948	98,508
Dividend income		2,529	370,706	210,947	19,684	192,467	212,163	—	—	6,647	411	—	555,831
Profit/(loss) on sale of investment		6,136	1,828,144	1,012,359	122,986	812,194	(278,556)	(98,212)	(66,429)	(7,977)	279	290	5,453,093
Profit/(loss) on inter fund transfer/ sale of investment		155	18,024	19,467	8,784	10,224	(6,150)	(179)	2,855	2,303	—	—	188,749
Unrealised gain/(loss)*		20,653	795,846	471,217	1,644	545,001	1,692,017	(54,556)	(37,815)	41,760	19,617	1,739	3,768,393
Total income (A)		**38,381**	**3,022,524**	**1,720,634**	**153,103**	**1,575,149**	**2,616,369**	**892,425**	**324,464**	**207,988**	**20,477**	**3,977**	**10,064,574**
Fund management expenses		—	—	—	—	—	—	—	—	—	—	—	515,692
Fund administration expenses		2,684	414,096	159,259	21,465	146,943	472,110	167,973	63,131	30,703	517	430	412,553
Other charges	F-5	3,726	68,113	240,673	9,065	170,609	1,096,022	649,540	90,759	27,961	3,480	3,202	163,755
Service tax #		895	64,045	51,825	3,759	42,113	261,794	142,427	20,459	7,979	5,366	4,598	144,055
Total expenditure (B)		**7,305**	**546,254**	**451,757**	**34,289**	**359,665**	**1,829,926**	**959,940**	**174,349**	**66,643**	**9,363**	**8,230**	**1,236,055**
Net income for the year (A-B)		**31,076**	**2,476,270**	**1,268,877**	**118,814**	**1,215,484**	**786,443**	**(67,515)**	**150,115**	**141,345**	**11,114**	**(4,253)**	**8,828,519**
Add: Fund revenue account at the beginning of the year		21,980	10,054,550	1,608,351	394,537	1,723,007	(275,599)	279,103	653,849	498,665	—	—	39,344,071
Fund revenue account at the end of the year		**53,056**	**12,530,820**	**2,877,228**	**513,351**	**2,938,491**	**510,844**	**211,588**	**803,964**	**640,010**	**11,114**	**(4,253)**	**48,172,590**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

3.26 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Maximiser Fund II	Maximiser Fund III	Maximiser Fund IV	Maximiser Fund V	Money Market Fund	Multi Cap Balanced Fund	Multi Cap Growth Fund	Multiplier Fund	Multiplier Fund II	Multiplier Fund III	Multiplier Fund IV	New Invest Shield Balanced Fund
		ULIF 012 17/05/04 LMaximis2 105	ULIF 022 13/03/06 LMaximis3 105	ULIF 037 27/08/07 LMaximis4 105	ULIF 114 15/03/11 LMaximis5 105	ULIF 090 24/11/09 LMoneyMkt 105	ULIF 088 24/11/09 LMCapBal 105	ULIF 085 24/11/09 LMCapGro 105	ULIF 042 22/11/07 LMultip1 105	ULIF 044 25/02/08 LMultip2 105	ULIF 046 25/02/08 LMultip3 105	ULIF 047 25/02/08 LMultip4 105	ULIF 025 21/08/06 LInvShldNw 105
Income from investments													
Interest income		14,445	1,237	18	9,124	464,123	74,826	25,234	1,097	1,327	2	67	151,375
Dividend income		137,069	25,313	7,498	64,214	—	19,241	236,536	173,099	36,943	2,554	16,945	17,414
Profit/(loss) on sale of investment		1,447,098	271,378	80,118	300,317	38,499	36,255	342,034	1,035,953	168,440	17,503	84,976	35,212
Profit/(loss) on inter fund transfer/ sale of investment		22,775	5,247	700	10,187	658	(148)	4,557	16,405	6,730	607	(923)	4,178
Unrealised gain/(loss)*		872,346	135,875	40,597	1,013,901	3,099	199,353	1,536,624	120,874	84,664	198	36,133	117,259
Total income (A)		**2,493,733**	**439,050**	**128,931**	**1,397,743**	**506,379**	**329,527**	**2,144,985**	**1,347,428**	**298,104**	**20,864**	**137,198**	**325,438**
Fund management expenses		—	—	—	—	—	—	—	—	—	—	—	—
Fund administration expenses		151,342	40,331	7,911	71,173	40,726	28,200	184,420	199,208	29,768	2,941	13,756	36,182
Other charges	F-5	130,803	12,284	7,610	329,718	246,803	82,767	463,302	26,401	43,223	1,063	15,575	38,598
Service tax #		35,679	6,460	1,987	65,298	58,456	16,955	93,197	30,004	9,540	492	3,799	9,873
Total expenditure (B)		**317,824**	**59,075**	**17,508**	**466,189**	**345,985**	**127,922**	**740,919**	**255,613**	**82,531**	**4,496**	**33,130**	**84,653**
Net income for the year (A-B)		**2,175,909**	**379,975**	**111,423**	**931,554**	**160,394**	**201,605**	**1,404,066**	**1,091,815**	**215,573**	**16,368**	**104,068**	**240,785**
Add: Fund revenue account at the beginning of the year		10,080,225	1,883,348	201,131	(47,040)	142,408	27,777	(439,731)	4,404,780	301,543	55,275	166,664	542,981
Fund revenue account at the end of the year		**12,256,134**	**2,263,323**	**312,554**	**884,514**	**302,802**	**229,382**	**964,335**	**5,496,595**	**517,116**	**71,643**	**270,732**	**783,766**

* Net change in mark to market value of investments

\# Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Opportunities Fund	Pinnacle Fund	Pinnacle Fund II	Preserver Fund	Preserver Fund III	Preserver Fund IV	Protector Fund	Protector Fund II	Protector Fund III	Protector Fund IV	Return Guarantee Fund	Return Guarantee Fund II
		ULIF 086 24/11/09 LOpport 105	ULIF 081 26/10/09 LPinnacle 105	ULIF 105 26/10/10 LPinnacle2 105	ULIF 010 17/05/04 LPreserv1 105	ULIF 021 13/03/06 LPreserv3 105	ULIF 036 27/08/07 LPreserv4 105	ULIF 003 22/10/01 LProtect1 105	ULIF 016 17/05/04 LProtect2 105	ULIF 024 13/03/06 LProtect3 105	ULIF 041 27/08/07 LProtect4 105	ULIF 054 18/12/08 LRGF1 105	ULIF 063 27/01/09 LRGF(T2) 105
Income from investments													
Interest income		9,621	367,255	122,974	475,841	23,106	39,890	798,646	335,974	37,140	339,320	28,106	25,231
Dividend income		57,038	105,828	50,498	—	—	—	—	—	—	—	—	—
Profit/(loss) on sale of investment		63,068	11,009	(26,837)	31,111	1,789	4,759	(133,741)	(19,254)	(3,862)	(51,283)	765	7,804
Profit/(loss) on inter fund transfer/ sale of investment		(8,302)	(22,065)	(3,298)	3,021	154	239	11,083	3,598	396	4,622	2,363	4,698
Unrealised gain/(loss)*		433,989	677,974	451,272	1,924	79	217	(70,731)	(24,749)	(4,751)	(31,098)	(2,188)	(5,099)
Total income (A)		**555,414**	**1,140,001**	**594,609**	**511,897**	**25,128**	**45,105**	**605,257**	**295,569**	**28,923**	**261,561**	**29,046**	**32,634**
Fund management expenses		—	10,875	4,646	—	—	—	116,606	—	—	—	—	—
Fund administration expenses		45,978	146,809	62,727	41,016	2,047	3,640	23,322	30,195	6,780	30,329	4,866	5,510
Other charges	F-5	110,641	52,182	109,116	34,353	1,220	7,156	43,883	56,048	2,536	77,870	4,416	4,713
Service tax #		21,385	26,741	27,100	10,113	394	1,426	24,326	10,966	1,144	14,585	1,145	1,245
Total expenditure (B)		**178,004**	**236,607**	**203,589**	**85,482**	**3,661**	**12,222**	**208,137**	**97,209**	**10,460**	**122,784**	**10,427**	**11,468**
Net income for the year (A-B)		**377,410**	**903,394**	**391,020**	**426,415**	**21,467**	**32,883**	**397,120**	**198,360**	**18,463**	**138,777**	**18,619**	**21,166**
Add: Fund revenue account at the beginning of the year		(138,750)	(403,116)	(213,760)	1,353,458	72,656	28,565	4,097,988	1,638,517	219,219	532,698	110,792	103,726
Fund revenue account at the end of the year		**238,660**	**500,278**	**177,260**	**1,779,873**	**94,123**	**61,448**	**4,495,108**	**1,836,877**	**237,682**	**671,475**	**129,411**	**124,892**

* Net change in mark to market value of investments

\# Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

3.26 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds										
		Return Guarantee Fund III	Return Guarantee Fund IV	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund X (5 Yrs)
		ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 111 13/01/11 LRGF(T10) 105
Income from investments												
Interest income		28,347	14,841	12,889	118,897	5,921	6,712	2,771	26,511	86,901	44,142	238,142
Dividend income		—	—	—	—	—	—	—	—	—	—	—
Profit/(loss) on sale of investment		2,960	2,212	(1,290)	1,023	(77)	758	448	(4,776)	5,277	1,933	8,536
Profit/(loss) on inter fund transfer/ sale of investment		8,760	(908)	(233)	(886)	55	(192)	(39)	(279)	1,478	(847)	4,917
Unrealised gain/(loss)*		(4,473)	(898)	(3,991)	(5,755)	471	(329)	(303)	(6,299)	(5,451)	(20,211)	(11,223)
Total income (A)		**35,594**	**15,247**	**7,375**	**113,279**	**6,370**	**6,949**	**2,877**	**15,157**	**88,205**	**25,017**	**240,372**
Fund management expenses		—	—	—	—	—	—	—	—	—	—	—
Fund administration expenses		6,083	2,598	2,228	21,434	1,107	1,214	516	4,518	16,236	7,562	43,957
Other charges	F-5	4,830	2,424	772	7,136	1,067	840	347	1,144	3,571	3,981	23,011
Service tax #		1,364	641	370	3,554	288	270	118	703	2,507	1,366	8,288
Total expenditure (B)		**12,277**	**5,663**	**3,370**	**32,124**	**2,462**	**2,324**	**981**	**6,365**	**22,314**	**12,909**	**75,256**
Net income for the year (A-B)		**23,317**	**9,584**	**4,005**	**81,155**	**3,908**	**4,625**	**1,896**	**8,792**	**65,891**	**12,108**	**165,116**
Add: Fund revenue account at the beginning of the year		101,352	34,801	22,493	196,403	8,424	12,635	3,780	46,381	149,797	68,469	386,490
Fund revenue account at the end of the year		**124,669**	**44,385**	**26,498**	**277,558**	**12,332**	**17,260**	**5,676**	**55,173**	**215,688**	**80,577**	**551,606**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Schedule	Linked Life Funds									Total
		Return Guarantee Fund XI (10 Yrs)	Return Guarantee Fund XI (5 Yrs)	RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	
		ULIF 121 19/04/11 LRGF(S4) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 048 17/03/08 LRICH1 105	ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Income from investments											
Interest income		2,048	116,071	289	(9,596)	13	849	30,260	974	8,360	**8,805,452**
Dividend income		—	—	121,622	138,267	7,032	65,944	1,409	451	958	**3,277,880**
Profit/(loss) on sale of investment		(219)	24,065	476,809	418,454	30,976	187,542	(5,164)	1,062	2,224	**14,585,007**
Profit/(loss) on inter fund transfer/ sale of investment		(123)	(748)	34,828	30,699	1,950	15,992	58	—	—	**444,006**
Unrealised gain/(loss)*		(722)	(31,801)	707,559	971,694	37,321	484,305	14,495	3,555	7,082	**18,410,853**
Total income (A)		**984**	**107,587**	**1,341,107**	**1,549,518**	**77,292**	**754,632**	**41,058**	**6,042**	**18,624**	**45,523,198**
Fund management expenses		—	—	—	—	—	—	—	—	—	**793,790**
Fund administration expenses		351	20,732	165,776	127,972	9,533	61,717	5,701	506	2,929	**4,155,540**
Other charges	F-5	499	15,995	27,059	233,997	3,560	74,034	3,763	941	3,696	**5,573,679**
Service tax #		108	4,583	25,876	47,272	1,613	17,964	1,407	173	803	**1,532,936**
Total expenditure (B)		**958**	**41,310**	**218,711**	**409,241**	**14,706**	**153,715**	**10,871**	**1,620**	**7,428**	**12,055,945**
Net income for the year (A-B)		**26**	**66,277**	**1,122,396**	**1,140,277**	**62,586**	**600,917**	**30,187**	**4,422**	**11,196**	**33,467,253**
Add: Fund revenue account at the beginning of the year		1,455	151,752	1,381,817	(168,682)	191,877	(9,626)	108,110	(617)	(400)	**96,852,608**
Fund revenue account at the end of the year		**1,481**	**218,029**	**2,504,213**	**971,595**	**254,463**	**591,291**	**138,297**	**3,805**	**10,796**	**130,319,861**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

3.26 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds											
		Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement Secure Fund	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II
		ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 133 02/11/12 ERSF 105	ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105
Income from investments													
Interest income		56	1,870	1,190	32,233	362,877	425,770	171	56,645	40,392	46,730	22,656	8,043
Dividend income		—	134	—	1,326	36,414	42,462	37,809	269,278	10,449	11,687	410,152	367,615
Profit/(loss) on sale of investment		—	1,903	786	4,131	19,627	15,092	75,323	553,986	27,621	35,271	1,837,046	1,849,320
Profit/(loss) on inter fund transfer/ sale of investment		—	(34)	—	132	11,379	5,506	(6,613)	24,660	(13,933)	(19,620)	74,792	82,674
Unrealised gain/(loss)*		—	6,806	222	5,981	171,136	220,147	190,869	1,883,372	76,495	88,801	1,113,072	832,262
Total income (A)		**56**	**10,679**	**2,198**	**43,803**	**601,433**	**708,977**	**297,559**	**2,787,941**	**141,024**	**162,869**	**3,457,718**	**3,139,914**
Fund management expenses		—	—	—	—	77,896	—	—	—	—	—	—	—
Fund administration expenses		3	829	213	6,148	62,317	73,271	28,832	221,851	24,833	12,517	468,406	275,556
Other charges	F-5	—	1,205	443	2,545	30,201	15,959	68,861	555,079	9,305	3,215	214,803	78,643
Service tax #		—	1,022	382	1,175	21,569	11,537	12,108	95,832	4,201	2,015	83,879	44,690
Total expenditure (B)		**3**	**3,056**	**1,038**	**9,868**	**191,983**	**100,767**	**109,801**	**872,762**	**38,339**	**17,747**	**767,088**	**398,889**
Net income for the year (A-B)		**53**	**7,623**	**1,160**	**33,935**	**409,450**	**608,210**	**187,758**	**1,915,179**	**102,685**	**145,122**	**2,690,630**	**2,741,025**
Add: Fund revenue account at the beginning of the year		—	—	—	131,400	2,414,071	3,550,372	(330,725)	(1,631,371)	126,516	426,589	4,000,305	9,689,147
Fund revenue account at the end of the year		**53**	**7,623**	**1,160**	**165,335**	**2,823,521**	**4,158,582**	**(142,967)**	**283,808**	**229,201**	**571,711**	**6,690,935**	**12,430,172**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Schedule	Linked Pension Funds											
		Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund
		ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105	ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105
Income from investments													
Interest income		28	895,860	4,880	37,631	391,495	81,900	3,549	1,470	150	20,875	739,230	1,469,371
Dividend income		3,513	—	75,212	237,766	—	22,219	264,177	88,888	49,269	96,856	—	—
Profit/(loss) on sale of investment		19,020	(55,391)	778,572	2,123,963	25,953	76,090	715,638	276,301	149,941	283,273	44,173	(38,307)
Profit/(loss) on inter fund transfer/ sale of investment		462	2,521	19,756	71,148	3,246	(466)	21,724	3,445	5,047	(15,280)	10,579	4,007
Unrealised gain/(loss)*		51,379	(90,349)	410,326	1,601,027	1,808	174,712	1,049,201	375,415	215,241	614,850	2,208	(151,675)
Total income (A)		**74,402**	**752,641**	**1,288,746**	**4,071,535**	**422,502**	**354,455**	**2,054,289**	**745,519**	**419,648**	**1,000,574**	**796,190**	**1,283,396**
Fund management expenses		—	—	66,317	—	—	—	—	—	—	—	—	213,220
Fund administration expenses		3,844	140,133	53,054	249,593	33,766	31,578	195,858	110,524	39,175	81,268	63,513	42,644
Other charges	F-5	8,622	346,952	10,998	40,908	123,282	70,551	479,242	49,627	10,755	195,296	45,577	144,105
Service tax #		2,291	59,583	16,946	36,895	19,234	12,558	83,009	19,492	6,316	33,735	13,349	49,171
Total expenditure (B)		**14,757**	**546,668**	**147,315**	**327,396**	**176,282**	**114,687**	**758,109**	**179,643**	**56,246**	**310,299**	**122,439**	**449,140**
Net income for the year (A-B)		**59,645**	**205,973**	**1,141,431**	**3,744,139**	**246,220**	**239,768**	**1,296,180**	**565,876**	**363,402**	**690,275**	**673,751**	**834,256**
Add: Fund revenue account at the beginning of the year		(7,858)	166,468	3,915,375	12,420,343	66,349	(103,497)	(945,239)	346,477	418,265	(625,515)	1,118,819	3,782,886
Fund revenue account at the end of the year		**51,787**	**372,441**	**5,056,806**	**16,164,482**	**312,569**	**136,271**	**350,941**	**912,353**	**781,667**	**64,760**	**1,792,570**	**4,617,142**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

3.26 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds								
		Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II	Pension Return Guarantee Fund III	Pension Return Guarantee Fund IV	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund V	Pension Return Guarantee Fund VI	Pension Return Guarantee Fund VII
		ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105	ULIF 067 26/02/09 PRGF3 105	ULIF 070 31/03/09 PRGF4 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 074 29/04/09 PRGF5 105	ULIF 079 17/06/09 PRGF6 105	ULIF 083 16/11/09 PRGF7 105
Income from investments										
Interest income		691,985	91,821	77,545	74,588	35,694	4,354	18,471	25,664	48,582
Dividend income		—	—	—	—	—	—	—	—	—
Profit/(loss) on sale of investment		(32,123)	1,827	23,633	13,802	7,907	(65)	3,336	2,988	(6,525)
Profit/(loss) on inter fund transfer/ sale of investment		5,750	16,244	11,469	24,725	861	(76)	(1,652)	(435)	(259)
Unrealised gain/(loss)*		(84,734)	(16,182)	(10,808)	(18,098)	(6,892)	(1,694)	(739)	(1,360)	6,572
Total income (A)		**580,878**	**93,710**	**101,839**	**95,017**	**37,570**	**2,519**	**19,416**	**26,857**	**48,370**
Fund management expenses		—	—	—	—	—	—	—	—	—
Fund administration expenses		60,640	15,683	16,646	16,412	6,575	754	3,395	4,757	8,940
Other charges	F-5	20,474	7,359	5,122	6,100	2,887	51	1,935	2,606	2,693
Service tax #		10,265	2,836	2,677	2,766	1,160	100	651	896	1,429
Total expenditure (B)		**91,379**	**25,878**	**24,445**	**25,278**	**10,622**	**905**	**5,981**	**8,259**	**13,062**
Net income for the year (A-B)		**489,499**	**67,832**	**77,394**	**69,739**	**26,948**	**1,614**	**13,435**	**18,598**	**35,308**
Add: Fund revenue account at the beginning of the year		2,266,246	472,076	467,647	421,165	128,340	8,064	52,301	70,460	76,545
Fund revenue account at the end of the year		**2,755,745**	**539,908**	**545,041**	**490,904**	**155,288**	**9,678**	**65,736**	**89,058**	**111,853**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Schedule	Linked Pension Funds							Total
		Pension Return Guarantee Fund VIII	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	
		ULIF 102 12/10/10 PRGF(S1) 105	ULIF 113 13/01/11 PRGF(S3) 105	ULIF 122 19/04/11 PRGF(S4) 105	ULIF 052 17/03/08 PRICH1 105	ULIF 053 17/03/08 PRICH2 105	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Income from investments									
Interest income		13,942	9,874	1,100	29,912	10,412	20,515	12,013	**5,811,544**
Dividend income		—	—	—	288,339	203,368	—	571	**2,517,504**
Profit/(loss) on sale of investment		(410)	(1,285)	(151)	1,538,508	1,007,277	3,948	(1,071)	**11,380,928**
Profit/(loss) on inter fund transfer/ sale of investment		(412)	(63)	(97)	90,576	186,819	1,436	(289)	**619,729**
Unrealised gain/(loss)*		(4,916)	(3,259)	(297)	615,518	386,543	(891)	4,710	**9,706,779**
Total income (A)		**8,204**	**5,267**	**555**	**2,562,853**	**1,794,419**	**25,008**	**15,934**	**30,036,484**
Fund management expenses		—	—	—	—	—	—	—	**357,433**
Fund administration expenses		2,380	1,703	189	371,346	173,081	3,468	2,299	**2,907,994**
Other charges	F-5	125	183	38	165,459	59,621	8,066	533	**2,789,426**
Service tax #		310	232	28	65,639	29,363	2,127	414	**751,882**
Total expenditure (B)		**2,815**	**2,118**	**255**	**602,444**	**262,065**	**13,661**	**3,246**	**6,806,735**
Net income for the year (A-B)		**5,389**	**3,149**	**300**	**1,960,409**	**1,532,354**	**11,347**	**12,688**	**23,229,749**
Add: Fund revenue account at the beginning of the year		26,234	17,656	2,091	3,097,178	3,853,716	(747)	55,146	**49,943,295**
Fund revenue account at the end of the year		**31,623**	**20,805**	**2,391**	**5,057,587**	**5,386,070**	**10,600**	**67,834**	**73,173,044**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

3.26 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Health Funds													
		Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund	Health Return Guarantee Fund II	Health Return Guarantee Fund III	Health Return Guarantee Fund IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	Total
		ULIF 059 15/01/09 HBalancer 105	ULIF 060 15/01/09 HFlexiBal 105	ULIF 057 15/01/09 HFlexiGro 105	ULIF 058 15/01/09 HMultip 105	ULIF 056 15/01/09 HPreserv 105	ULIF 061 15/01/09 HProtect 105	ULIF 062 15/01/09 HRGF1 105	ULIF 065 29/01/09 HRGF2 105	ULIF 068 26/02/09 HRGF3 105	ULIF 071 31/03/09 HRGF4 105	ULIF 075 29/04/09 HRGF5 105	ULIF 080 17/06/09 HRGF6 105	ULIF 084 16/11/09 HRGF7 105	
Income from investments															
Interest income		9,116	7,871	2,465	162	3,351	68,285	834	655	976	721	270	143	107	**94,956**
Dividend income		1,119	2,110	43,497	5,413	—	—	—	—	—	—	—	—	—	**52,139**
Profit/(loss) on sale of investment		1,865	(527)	32,009	17,792	459	(29)	74	330	263	15	13	8	10	**52,282**
Profit/(loss) on inter fund transfer/ sale of investment		82	(774)	(16,649)	(2)	7	1	42	242	335	29	9	(2)	(4)	**(16,684)**
Unrealised gain/(loss)*		10,094	19,157	370,560	23,992	28	(4,428)	(35)	(229)	(217)	—	(14)	(8)	(2)	**418,898**
Total income (A)		**22,276**	**27,837**	**431,882**	**47,357**	**3,845**	**63,829**	**915**	**998**	**1,357**	**765**	**278**	**141**	**111**	**601,591**
Fund management expenses		—	—	—	—	—	—	—	—	—	—	—	—	—	**—**
Fund administration expenses		1,878	2,259	39,152	4,778	313	6,249	141	171	229	121	46	25	19	**55,381**
Other charges	F-5	39,956	59,428	564,427	61,816	7,052	179,668	1,204	1,526	1,792	844	440	267	167	**918,587**
Service tax #		5,978	9,252	83,290	8,909	978	25,970	166	209	252	117	61	37	24	**135,243**
Total expenditure (B)		**47,812**	**70,939**	**686,869**	**75,503**	**8,343**	**211,887**	**1,511**	**1,906**	**2,273**	**1,082**	**547**	**329**	**210**	**1,109,211**
Net income for the year (A-B)		**(25,536)**	**(43,102)**	**(254,987)**	**(28,146)**	**(4,498)**	**(148,058)**	**(596)**	**(908)**	**(916)**	**(317)**	**(269)**	**(188)**	**(99)**	**(507,620)**
Add: Fund revenue account at the beginning of the year		(79,208)	(103,098)	(1,500,481)	(179,193)	(11,467)	(369,997)	(39,771)	(48,139)	(48,140)	(21,103)	(11,461)	(6,635)	(3,615)	**(2,422,308)**
Fund revenue account at the end of the year		**(104,744)**	**(146,200)**	**(1,755,468)**	**(207,339)**	**(15,965)**	**(518,055)**	**(40,367)**	**(49,047)**	**(49,056)**	**(21,420)**	**(11,730)**	**(6,823)**	**(3,714)**	**(2,929,928)**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Schedule	Linked Group Funds													
		Group Balanced Fund	Group Balanced Fund II	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Balanced Fund III	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Debt Fund III	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Capital Guarantee Short Term Debt Fund III	Group Debt Fund
		ULGF 001 03/04/03 GBalancer 105	ULGF 041 30/04/13 GBalancer2 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 049 27/08/13 GCGBal3 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 048 27/08/13 GCGDebt3 105	ULGF 008 11/12/06 GCGGrowth1 105	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 031 01/03/12 GCGSTDebt3 105	ULGF 002 03/04/03 GDebt 105
Income from investments															
Interest income		1,232,164	11	6,208	123,818	42	1,395	76,810	143	1,375	3,026	10,388	317,101	759	1,219,659
Dividend income		38,380	—	237	4,193	1	—	—	—	163	325	—	—	—	—
Profit/(loss) on sale of investment		188,222	—	1,873	30,668	31	459	1,284	118	1,086	2,412	501	14,278	77	(31,482)
Profit/(loss) on inter fund transfer/ sale of investment		14,109	—	(26)	664	—	(6)	1,267	7	12	32	16	936	—	7,110
Unrealised gain/(loss)*		228,069	13	206	13,574	38	(46)	(5,402)	58	1,089	2,229	38	611	—	(163,860)
Total income (A)		**1,700,944**	**24**	**8,498**	**172,917**	**112**	**1,802**	**73,959**	**326**	**3,725**	**8,024**	**10,943**	**332,926**	**836**	**1,031,427**
Fund management expenses		—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fund administration expenses		218,452	2	2,030	29,767	7	305	14,546	24	794	1,290	1,426	52,023	129	183,127
Other charges	F-5	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service tax #		27,001	—	251	3,679	1	38	1,798	3	98	159	176	6,430	16	22,634
Total expenditure (B)		**245,453**	**2**	**2,281**	**33,446**	**8**	**343**	**16,344**	**27**	**892**	**1,449**	**1,602**	**58,453**	**145**	**205,761**
Net income for the year (A-B)		**1,455,491**	**22**	**6,217**	**139,471**	**104**	**1,459**	**57,615**	**299**	**2,833**	**6,575**	**9,341**	**274,473**	**691**	**825,666**
Add: Fund revenue account at the beginning of the year		5,814,811	—	81,105	532,171	—	4,182	431,257	—	9,032	20,206	73,142	978,330	—	2,832,992
Fund revenue account at the end of the year		**7,270,302**	**22**	**87,322**	**671,642**	**104**	**5,641**	**488,872**	**299**	**11,865**	**26,781**	**82,483**	**1,252,803**	**691**	**3,658,658**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

3.26 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Group Funds							
		Group Debt Fund II	Group Growth Fund	Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II
		ULGF 040 30/04/13 GDebt2 105	ULGF 004 30/10/03 GGrowth 105	ULGF 042 30/04/13 GGrowth2 105	ULGF 013 02/04/08 GLEBal 105	ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105
Income from investments									
Interest income		295	305,862	—	57,546	7,573	64,024	21,303	437
Dividend income		—	61,090	—	1,964	—	—	—	—
Profit/(loss) on sale of investment		264	408,845	—	14,733	2,397	3,378	3,675	40
Profit/(loss) on inter fund transfer/ sale of investment		28	5,066	—	349	135	94	(58)	—
Unrealised gain/(loss)*		68	549,730	1	6,506	(459)	231	(1,200)	1
Total income (A)		**655**	**1,330,593**	**1**	**81,098**	**9,646**	**67,727**	**23,720**	**478**
Fund management expenses		—	—	—	—	—	—	—	—
Fund administration expenses		44	100,909	—	10,990	1,230	9,333	4,559	90
Other charges	F-5	—	—	—	—	—	—	—	—
Service tax #		5	12,472	—	1,358	152	1,154	563	11
Total expenditure (B)		**49**	**113,381**	**—**	**12,348**	**1,382**	**10,487**	**5,122**	**101**
Net income for the year (A-B)		606	1,217,212	1	68,750	8,264	57,240	18,598	377
Add: Fund revenue account at the beginning of the year		—	2,449,676	—	197,141	21,690	75,705	626,850	26,976
Fund revenue account at the end of the year		**606**	**3,666,888**	**1**	**265,891**	**29,954**	**132,945**	**645,448**	**27,353**

* Net change in mark to market value of investments

\# Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Schedule	Linked Group Funds						
		Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund	Total	Grand Total
		ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Income from investments								
Interest income		110,246	12,452	44,805	583,227	193,355	**4,394,024**	**19,105,976**
Dividend income		—	—	—	—	—	**106,353**	**5,953,876**
Profit/(loss) on sale of investment		8,484	42	1,547	25,536	14,460	**692,928**	**26,711,145**
Profit/(loss) on inter fund transfer/ sale of investment		(13,539)	(267)	(1,837)	813	(3,299)	**11,606**	**1,058,657**
Unrealised gain/(loss)*		(13,416)	(269)	(3,588)	2,295	(26,661)	**589,856**	**29,126,386**
Total income (A)		**91,775**	**11,958**	**40,927**	**611,871**	**177,855**	**5,794,767**	**81,956,040**
Fund management expenses		—	—	—	—	—	**—**	**1,151,223**
Fund administration expenses		22,137	2,419	9,531	84,209	30,038	**779,411**	**7,898,326**
Other charges	F-5	—	—	—	—	—	**—**	**9,281,692**
Service tax #		2,736	299	1,178	10,408	3,713	**96,333**	**2,516,394**
Total expenditure (B)		**24,873**	**2,718**	**10,709**	**94,617**	**33,751**	**875,744**	**20,847,635**
Net income for the year (A-B)		**66,902**	**9,240**	**30,218**	**517,254**	**144,104**	**4,919,023**	**61,108,405**
Add: Fund revenue account at the beginning of the year		572,330	20,448	71,877	2,339,665	327,909	**17,507,495**	**161,881,090**
Fund revenue account at the end of the year		**639,232**	**29,688**	**102,095**	**2,856,919**	**472,013**	**22,426,518**	**222,989,495**

* Net change in mark to market value of investments

\# Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

Schedule F - 5

OTHER EXPENSES AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Life Funds											
	Anmol Nivesh Fund	**Balancer Fund**	**Balancer Fund II**	**Balancer Fund III**	**Balancer Fund IV**	**Bluechip Fund**	**Cash Plus Fund**	**Discontinued Fund - Life**	**Dynamic P/E Fund**	**Flexi Balanced Fund**	**Flexi Balanced Fund II**	**Flexi Balanced Fund III**
	ULIF 072 28/04/09 LAnmolNiv 105	**ULIF 002 22/10/01 LBalancer1 105**	**ULIF 014 17/05/04 LBalancer2 105**	**ULIF 023 13/03/06 LBalancer3 105**	**ULIF 039 27/08/07 LBalancer4 105**	**ULIF 087 24/11/09 LBluChip 105**	**ULIF 008 11/08/03 LCashPlus 105**	**ULIF 100 01/07/10 LDiscont 105**	**ULIF 097 11/01/10 LDynmicPE 105**	**ULIF 031 20/03/07 LFlexiBal1 105**	**ULIF 032 20/03/07 LFlexiBal2 105**	**ULIF 033 20/03/07 LFlexiBal3 105**
Policy administration charge	135	30	13,675	642	5,425	40,309	7,930	17	265,588	(1)	5,006	139
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	32	41,199	23,171	1,356	6,331	32,293	20,649	—	216,229	3,676	5,779	360
Rider premium charge	—	8,993	10,592	—	111	1,948	—	(7)	15,657	751	3,811	—
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	**167**	**50,222**	**47,438**	**1,998**	**11,867**	**74,550**	**28,579**	**10**	**497,474**	**4,426**	**14,596**	**499**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Life Funds											
	Flexi Balanced Fund IV	**Flexi Growth Fund**	**Flexi Growth Fund II**	**Flexi Growth Fund III**	**Flexi Growth Fund IV**	**Highest NAV Fund B**	**Income Fund**	**Invest Shield Cash Fund**	**Invest Shield Fund - Life**	**Life Growth Fund**	**Life Secure Fund**	**Maximiser Fund**
	ULIF 040 27/08/07 LFlexiBal4 105	**ULIF 026 20/03/07 LFlexiGro1 105**	**ULIF 027 20/03/07 LFlexiGro2 105**	**ULIF 028 20/03/07 LFlexiGro3 105**	**ULIF 038 27/08/07 LFlexiGro4 105**	**ULIF 116 15/03/11 LHighNavB 105**	**ULIF 089 24/11/09 LIncome 105**	**ULIF 020 03/01/05 LInvCash 105**	**ULIF 018 03/01/05 LInvShld 105**	**ULIF 134 19/09/13 LGF 105**	**ULIF 135 19/09/13 LSF 105**	**ULIF 001 22/10/01 LMaximis1 105**
Policy administration charge	1,657	11	95,520	3,964	91,385	418,841	302,887	39,074	14,622	1,635	1,374	192
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	1,994	55,972	90,161	5,101	75,115	677,175	337,776	51,534	11,673	1,845	1,828	131,228
Rider premium charge	75	12,130	54,992	—	4,109	6	8,877	151	1,666	—	—	32,335
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	**3,726**	**68,113**	**240,673**	**9,065**	**170,609**	**1,096,022**	**649,540**	**90,759**	**27,961**	**3,480**	**3,202**	**163,755**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Life Funds											
	Maximiser Fund II	**Maximiser Fund III**	**Maximiser Fund IV**	**Maximiser Fund V**	**Money Market Fund**	**Multi Cap Balanced Fund**	**Multi Cap Growth Fund**	**Multiplier Fund**	**Multiplier Fund II**	**Multiplier Fund III**	**Multiplier Fund IV**	**New Invest Shield Balanced Fund**
	ULIF 012 17/05/04 LMaximis2 105	**ULIF 022 13/03/06 LMaximis3 105**	**ULIF 037 27/08/07 LMaximis4 105**	**ULIF 114 15/03/11 LMaximis5 105**	**ULIF 090 24/11/09 LMoneyMkt 105**	**ULIF 088 24/11/09 LMCapBal 105**	**ULIF 085 24/11/09 LMCapGro 105**	**ULIF 042 22/11/07 LMultip1 105**	**ULIF 044 25/02/08 LMultip2 105**	**ULIF 046 25/02/08 LMultip3 105**	**ULIF 047 25/02/08 LMultip4 105**	**ULIF 025 21/08/06 LInvShldNw 105**
Policy administration charge	40,945	4,828	3,301	139,801	112,052	39,974	273,778	2	15,698	505	6,174	22,405
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	64,316	7,456	4,039	189,915	131,912	40,250	169,852	22,075	16,492	558	8,957	16,193
Rider premium charge	25,542	—	270	2	2,839	2,543	19,672	4,324	11,033	—	444	—
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	**130,803**	**12,284**	**7,610**	**329,718**	**246,803**	**82,767**	**463,302**	**26,401**	**43,223**	**1,063**	**15,575**	**38,598**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Life Funds											
	Opportunities Fund	**Pinnacle Fund**	**Pinnacle Fund II**	**Preserver Fund**	**Preserver Fund III**	**Preserver Fund IV**	**Protector Fund**	**Protector Fund II**	**Protector Fund III**	**Protector Fund IV**	**Return Guarantee Fund**	**Return Guarantee Fund II**
	ULIF 086 24/11/09 LOpport 105	**ULIF 081 26/10/09 LPinnacle 105**	**ULIF 105 26/10/10 LPinnacle2 105**	**ULIF 010 17/05/04 LPreserv1 105**	**ULIF 021 13/03/06 LPreserv3 105**	**ULIF 036 27/08/07 LPreserv4 105**	**ULIF 003 22/10/01 LProtect1 105**	**ULIF 016 17/05/04 LProtect2 105**	**ULIF 024 13/03/06 LProtect3 105**	**ULIF 041 27/08/07 LProtect4 105**	**ULIF 054 18/12/08 LRGF1 105**	**ULIF 063 27/01/09 LRGF(T2) 105**
Policy administration charge	64,160	11,124	48,458	5,885	361	2,865	(17)	15,114	848	36,670	871	1,327
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	42,284	41,058	60,657	22,074	859	4,129	37,044	29,660	1,688	39,645	3,217	2,724
Rider premium charge	4,197	—	1	6,394	—	162	6,856	11,274	—	1,555	328	662
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	**110,641**	**52,182**	**109,116**	**34,353**	**1,220**	**7,156**	**43,883**	**56,048**	**2,536**	**77,870**	**4,416**	**4,713**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

Schedule F - 5

OTHER EXPENSES AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Life Funds										
	Return Guarantee Fund III	Return Guarantee Fund IV	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund X (5 Yrs)
	ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 111 13/01/11 LRGF(T10) 105
Policy administration charge	1,602	664	408	4,321	382	261	140	496	1,718	1,735	12,038
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	2,427	1,433	362	2,815	481	405	128	645	1,852	2,236	10,967
Rider premium charge	801	327	2	—	204	174	79	3	1	10	6
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—
Total	**4,830**	**2,424**	**772**	**7,136**	**1,067**	**840**	**347**	**1,144**	**3,571**	**3,981**	**23,011**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Life Funds									Total
	Return Guarantee Fund XI (10 Yrs)	Return Guarantee Fund XI (5 Yrs)	RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	
	ULIF 121 19/04/11 LRGF(S4) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 048 17/03/08 LRICH1 105	ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Policy administration charge	269	9,253	—	101,241	1,807	35,330	1,516	941	3,696	**2,335,004**
Surrender charge *	—	—	—	—	—	—	—	—	—	**—**
Switching charge *	—	—	—	—	—	—	—	—	—	**—**
Mortality charge	207	6,678	23,004	74,877	1,753	37,010	2,247	—	—	**2,919,058**
Rider premium charge	23	64	4,055	57,879	—	1,694	—	—	—	**319,617**
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	**—**
Total	**499**	**15,995**	**27,059**	**233,997**	**3,560**	**74,034**	**3,763**	**941**	**3,696**	**5,573,679**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Pension Funds											
	Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement Secure Fund	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II
	ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 133 02/11/12 ERSF 105	ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105
Policy administration charge	—	1,205	443	1,942	28,764	13,870	68,544	552,534	9,278	2,594	214,595	64,997
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	—	—	—	521	987	1,701	317	2,545	20	530	138	11,825
Rider premium charge	—	—	—	82	450	388	—	—	7	91	70	1,821
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	**—**	**1,205**	**443**	**2,545**	**30,201**	**15,959**	**68,861**	**555,079**	**9,305**	**3,215**	**214,803**	**78,643**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Pension Funds											
	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund
	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105	ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105
Policy administration charge	7,222	343,975	8,533	34,988	122,877	70,340	474,041	49,604	8,598	194,431	44,641	142,656
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	1,400	2,977	1,628	4,621	405	211	5,201	16	1,870	865	787	967
Rider premium charge	—	—	837	1,299	—	—	—	7	287	—	149	482
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	**8,622**	**346,952**	**10,998**	**40,908**	**123,282**	**70,551**	**479,242**	**49,627**	**10,755**	**195,296**	**45,577**	**144,105**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

Schedule F - 5

OTHER EXPENSES AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Pension Funds								
	Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II	Pension Return Guarantee Fund III	Pension Return Guarantee Fund IV	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund V	Pension Return Guarantee Fund VI	Pension Return Guarantee Fund VII
	ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105	ULIF 067 26/02/09 PRGF3 105	ULIF 070 31/03/09 PRGF4 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 074 29/04/09 PRGF5 105	ULIF 079 17/06/09 PRGF6 105	ULIF 083 16/11/09 PRGF7 105
Policy administration charge	17,082	7,120	4,990	5,951	2,831	48	1,905	2,597	2,688
Surrender charge *	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—
Mortality charge	3,049	206	115	128	47	3	26	8	4
Rider premium charge	343	33	17	21	9	—	4	1	1
Partial withdrawal charge	—	—	—	—	—	—	—	—	—
Total	**20,474**	**7,359**	**5,122**	**6,100**	**2,887**	**51**	**1,935**	**2,606**	**2,693**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Pension Funds							Total
	Pension Return Guarantee Fund VIII	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	
	ULIF 102 12/10/10 PRGF(S1) 105	ULIF 113 13/01/11 PRGF(S3) 105	ULIF 122 19/04/11 PRGF(S4) 105	ULIF 052 17/03/08 PRICH1 105	ULIF 053 17/03/08 PRICH2 105	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Policy administration charge	125	182	38	165,460	48,861	6,804	281	**2,727,635**
Surrender charge *	—	—	—	—	—	—	—	**—**
Switching charge *	—	—	—	—	—	—	—	**—**
Mortality charge	—	—	—	(1)	9,209	1,262	252	**53,840**
Rider premium charge	—	1	—	—	1,551	—	—	**7,951**
Partial withdrawal charge	—	—	—	—	—	—	—	**—**
Total	**125**	**183**	**38**	**165,459**	**59,621**	**8,066**	**533**	**2,789,426**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Health Funds										
	Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund	Health Return Guarantee Fund II	Health Return Guarantee Fund III	Health Return Guarantee Fund IV	Health Return Guarantee Fund V
	ULIF 059 15/01/09 HBalancer 105	ULIF 060 15/01/09 HFlexiBal 105	ULIF 057 15/01/09 HFlexiGro 105	ULIF 058 15/01/09 HMultip 105	ULIF 056 15/01/09 HPreserv 105	ULIF 061 15/01/09 HProtect 105	ULIF 062 15/01/09 HRGF1 105	ULIF 065 29/01/09 HRGF2 105	ULIF 068 26/02/09 HRGF3 105	ULIF 071 31/03/09 HRGF4 105	ULIF 075 29/04/09 HRGF5 105
Policy administration charge	4,484	6,712	68,647	7,477	777	20,274	212	221	225	136	93
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	35,472	52,716	495,780	54,339	6,275	159,394	992	1,305	1,567	708	347
Rider premium charge	—	—	—	—	—	—	—	—	—	—	—
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—
Total	**39,956**	**59,428**	**564,427**	**61,816**	**7,052**	**179,668**	**1,204**	**1,526**	**1,792**	**844**	**440**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Health Funds			Linked Group Funds							
	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	Total	Group Debt Fund II	Group Growth Fund	Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II
	ULIF 080 17/06/09 HRGF6 105	ULIF 084 16/11/09 HRGF7 105		ULGF 040 30/04/13 GDebt2 105	ULGF 004 30/10/03 GGrowth 105	ULGF 042 30/04/13 GGrowth2 105	ULGF 013 02/04/08 GLEBal 105	ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105
Policy administration charge	54	27	109,339	—	—	—	—	—	—	—	—
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	213	140	809,248	—	—	—	—	—	—	—	—
Rider premium charge	—	—	—	—	—	—	—	—	—	—	—
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—
Total	**267**	**167**	**918,587**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

Schedule F - 5

OTHER EXPENSES AT MARCH 31, 2014

(₹ in '000)

Particulars	Linked Group Funds										
	Group Balanced Fund	Group Balanced Fund II	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Balanced Fund III	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Debt Fund III	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund
	ULGF 001 03/04/03 GBalancer 105	ULGF 041 30/04/13 GBalancer2 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 049 27/08/13 GCGBal3 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 048 27/08/13 GCGDebt3 105	ULGF 008 11/12/06 GCGGrowth1 105	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 005 24/02/04 GCGSTDebt1 105
Policy administration charge	—	—	—	—	—	—	—	—	—	—	—
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	—	—	—	—	—	—	—	—	—	—	—
Rider premium charge	—	—	—	—	—	—	—	—	—	—	—
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—
Total	—	—	—	—	—	—	—	—	—	—	—

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Group Funds									
	Group Capital Guarantee Short Term Debt Fund II	Group Capital Guarantee Short Term Debt Fund III	Group Debt Fund	Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund	Total	Grand Total
	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 031 01/03/12 GCGSTDebt3 105	ULGF 002 03/04/03 GDebt 105	ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Policy administration charge	—	—	—	—	—	—	—	—	—	**5,171,978**
Surrender charge *	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—
Mortality charge	—	—	—	—	—	—	—	—	—	**3,782,146**
Rider premium charge	—	—	—	—	—	—	—	—	—	**327,568**
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—
Total	—	—	—	—	—	—	—	—	—	**9,281,692**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

3.26 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2013

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Anmol Nivesh Fund	Balancer Fund	Balancer Fund II	Balancer Fund III	Balancer Fund IV	Bluechip Fund	Cash Plus Fund	Discontinued Fund - Life	Dynamic P/E Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III
		ULIF 072 28/04/09 LAnmolNiv 105	ULIF 002 22/10/01 LBalancer1 105	ULIF 014 17/05/04 LBalancer2 105	ULIF 023 13/03/06 LBalancer3 105	ULIF 039 27/08/07 LBalancer4 105	ULIF 087 24/11/09 LBluChip 105	ULIF 008 11/08/03 LCashPlus 105	ULIF 100 01/07/10 LDiscont 105	ULIF 097 11/01/10 LDynmicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105
Income from investments													
Interest income		534	753,700	217,146	20,749	44,789	1,281	235,599	153,622	86,421	50,996	32,543	2,723
Dividend income		—	68,613	19,295	1,989	3,902	18,740	—	—	209,318	12,954	8,140	740
Profit/(loss) on sale of investment		43	566,168	169,475	20,962	33,191	(18,362)	51,241	24,948	(205,832)	72,825	46,223	3,858
Profit/(loss) on inter fund transfer/ sale of investment		—	81,937	16,797	2,193	1,758	5,416	2,331	177	274	4,624	1,959	420
Unrealised gain/(loss)*		—	(136,325)	(28,397)	(5,355)	(312)	50,941	13,243	(842)	1,123,043	(13,366)	(6,284)	(846)
Appropriation-expropriation (income /exp)		—	—	—	—	—	—	—	—	—	—	—	—
Total income (A)		**577**	**1,334,093**	**394,316**	**40,538**	**83,328**	**58,016**	**302,414**	**177,905**	**1,213,224**	**128,033**	**82,581**	**6,895**
Fund management expenses		60	129,189	38,372	8,541	8,067	17,682	32,396	10,168	200,208	28,830	8,295	1,602
Fund administration expenses		—	161,486	—	—	—	—	—	—	—	—	—	—
Other charges	F-5	166	60,335	55,343	2,376	13,501	58,521	34,121	—	517,421	5,788	18,511	614
Service tax		43	46,722	13,215	1,354	3,287	11,515	9,785	1,257	102,856	4,728	3,834	274
Total expenditure (B)		**269**	**397,732**	**106,930**	**12,271**	**24,855**	**87,718**	**76,302**	**11,425**	**820,485**	**39,346**	**30,640**	**2,490**
Net income for the year (A-B)		**308**	**936,361**	**287,386**	**28,267**	**58,473**	**(29,702)**	**226,112**	**166,480**	**392,739**	**88,687**	**51,941**	**4,405**
Add: Fund revenue account at the beginning of the year		(29)	9,912,404	3,112,725	252,569	30,420	(80,770)	455,673	9,101	(1,142,377)	282,202	75,145	23,509
Fund revenue account at the end of the year		**279**	**10,848,765**	**3,400,111**	**280,836**	**88,893**	**(110,472)**	**681,785**	**175,581**	**(749,638)**	**370,889**	**127,086**	**27,914**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Flexi Balanced Fund IV	Flexi Growth Fund	Flexi Growth Fund II	Flexi Growth Fund III	Flexi Growth Fund IV	Highest NAV Fund B	Income Fund	Invest Shield Cash Fund	Invest Shield Fund - Life	Maximiser Fund	Maximiser Fund II	Maximiser Fund III
		ULIF 040 27/08/07 LFlexiBal4 105	ULIF 026 20/03/07 LFlexiGro1 105	ULIF 027 20/03/07 LFlexiGro2 105	ULIF 028 20/03/07 LFlexiGro3 105	ULIF 038 27/08/07 LFlexiGro4 105	ULIF 116 15/03/11 LHighNavB 105	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash 105	ULIF 018 03/01/05 LInvShld 105	ULIF 001 22/10/01 LMaximis1 105	ULIF 012 17/05/04 LMaximis2 105	ULIF 022 13/03/06 LMaximis3 105
Income from investments													
Interest income		9,183	9,463	16,854	—	23,776	529,465	438,214	435,141	146,670	193,488	41,650	8,953
Dividend income		2,295	456,344	224,358	25,702	192,461	122,856	—	—	9,358	644,091	147,976	30,959
Profit/(loss) on sale of investment		12,545	1,322,424	434,624	76,568	401,915	207,496	118,713	103,011	87,430	3,119,216	682,752	236,057
Profit/(loss) on inter fund transfer/ sale of investment		794	704,572	68,498	18,622	16,811	17,092	1,494	(2,820)	1,163	1,194,429	200,360	15,518
Unrealised gain/(loss)*		(552)	171,823	526,921	31,312	493,851	520,053	11,178	22,477	11,156	(1,561,318)	(205,136)	(114,253)
Appropriation-expropriation (income /exp)		—	—	—	—	—	—	—	—	—	—	—	—
Total income (A)		**24,265**	**2,664,626**	**1,271,255**	**152,204**	**1,128,814**	**1,396,962**	**569,599**	**557,809**	**255,777**	**3,589,906**	**867,602**	**177,234**
Fund management expenses		2,407	565,680	194,342	31,502	172,418	286,768	67,036	59,984	27,429	486,217	169,236	52,610
Fund administration expenses		—	—	—	—	—	—	—	—	—	607,771	—	—
Other charges	F-5	4,463	101,619	332,249	12,835	240,272	914,267	229,315	96,634	29,871	211,458	164,493	16,680
Service tax		1,027	89,557	69,847	5,463	56,182	235,680	55,725	21,390	7,896	173,884	42,648	8,557
Total expenditure (B)		**7,897**	**756,856**	**596,438**	**49,800**	**468,872**	**1,436,715**	**352,076**	**178,008**	**65,196**	**1,479,330**	**376,377**	**77,847**
Net income for the year (A-B)		**16,368**	**1,907,770**	**674,817**	**102,404**	**659,942**	**(39,753)**	**217,523**	**379,801**	**190,581**	**2,110,576**	**491,225**	**99,387**
Add: Fund revenue account at the beginning of the year		5,612	8,146,780	933,534	292,133	1,063,065	(235,846)	61,580	274,048	308,084	37,233,495	9,589,000	1,783,961
Fund revenue account at the end of the year		**21,980**	**10,054,550**	**1,608,351**	**394,537**	**1,723,007**	**(275,599)**	**279,103**	**653,849**	**498,665**	**39,344,071**	**10,080,225**	**1,883,348**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

3.26 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2013

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Maximiser Fund IV	Maximiser Fund V	Money Market Fund	Multi Cap Balanced Fund	Multi Cap Growth Fund	Multiplier Fund	Multiplier Fund II	Multiplier Fund III	Multiplier Fund IV	New Invest Shield Balanced Fund	Opportunities Fund	Pinnacle Fund
		ULIF 037 27/08/07 LMaximis4 105	ULIF 114 15/03/11 LMaximis5 105	ULIF 090 24/11/09 LMoneyMkt 105	ULIF 088 24/11/09 LMCapBal 105	ULIF 085 24/11/09 LMCapGro 105	ULIF 042 22/11/07 LMultip1 105	ULIF 044 25/02/08 LMultip2 105	ULIF 046 25/02/08 LMultip3 105	ULIF 047 25/02/08 LMultip4 105	ULIF 025 21/08/06 LInvShldNw 105	ULIF 086 24/11/09 LOpport 105	ULIF 081 26/10/09 LPinnacle 105
Income from investments													
Interest income		2,687	2,592	174,906	49,189	43,151	10	—	—	—	157,646	14,055	370,739
Dividend income		9,561	14,178	—	10,976	166,417	240,035	41,668	3,535	19,088	17,748	38,188	91,867
Profit/(loss) on sale of investment		73,228	48,895	13,209	41,013	5,967	380,781	20,582	3,120	7,590	99,332	(36,868)	52,302
Profit/(loss) on inter fund transfer/ sale of investment		7,439	1,303	95	(1,307)	57,156	285,570	26,113	5,424	15,722	(1,159)	(127)	5,711
Unrealised gain/(loss)*		(28,981)	(15,758)	561	24,708	496,158	299,628	126,543	5,298	59,333	25,520	202,695	498,234
Appropriation-expropriation (income /exp)		—	—	—	—	—	—	—	—	—	—	—	—
Total income (A)		**63,934**	**51,210**	**188,771**	**124,579**	**768,849**	**1,206,024**	**214,906**	**17,377**	**101,733**	**299,087**	**217,943**	**1,018,853**
Fund management expenses		10,806	16,258	14,537	16,649	137,125	284,795	34,466	4,268	16,185	34,461	35,779	145,136
Fund administration expenses		—	—	—	—	—	—	—	—	—	—	—	10,751
Other charges	F-5	11,834	77,448	76,744	45,202	401,821	44,222	57,214	1,583	21,831	41,868	106,392	306,048
Service tax		2,912	19,975	17,585	10,151	81,970	44,268	12,527	721	5,107	10,318	21,473	61,207
Total expenditure (B)		**25,552**	**113,681**	**108,866**	**72,002**	**620,916**	**373,285**	**104,207**	**6,572**	**43,123**	**86,647**	**163,644**	**523,142**
Net income for the year (A-B)		**38,382**	**(62,471)**	**79,905**	**52,577**	**147,933**	**832,739**	**110,699**	**10,805**	**58,610**	**212,440**	**54,299**	**495,711**
Add: Fund revenue account at the beginning of the year		162,749	15,431	62,503	(24,800)	(587,664)	3,572,041	190,844	44,470	108,054	330,541	(193,049)	(898,827)
Fund revenue account at the end of the year		**201,131**	**(47,040)**	**142,408**	**27,777**	**(439,731)**	**4,404,780**	**301,543**	**55,275**	**166,664**	**542,981**	**(138,750)**	**(403,116)**

* Net change in mark to market value of investments

\# Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Pinnacle Fund II	Preserver Fund	Preserver Fund III	Preserver Fund IV	Protector Fund	Protector Fund II	Protector Fund III	Protector Fund IV	Return Guarantee Fund	Return Guarantee Fund II	Return Guarantee Fund III	Return Guarantee Fund IV
		ULIF 105 26/10/10 LPinnacle2 105	ULIF 010 17/05/04 LPreserv1 105	ULIF 021 13/03/06 LPreserv3 105	ULIF 036 27/08/07 LPreserv4 105	ULIF 003 22/10/01 LProtect1 105	ULIF 016 17/05/04 LProtect2 105	ULIF 024 13/03/06 LProtect3 105	ULIF 041 27/08/07 LProtect4 105	ULIF 054 18/12/08 LRGF1 105	ULIF 063 27/01/09 LRGF(T2) 105	ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105
Income from investments													
Interest income		92,812	346,622	19,370	19,820	797,512	326,968	41,803	344,995	45,655	51,335	47,887	17,959
Dividend income		30,271	—	—	—	—	—	—	—	—	—	—	—
Profit/(loss) on sale of investment		(11,817)	15,598	1,399	1,737	185,485	103,250	12,015	77,722	80	(159)	478	466
Profit/(loss) on inter fund transfer/ sale of investment		7,420	976	5	(10)	14,946	8,160	204	6,171	1,384	3,978	4,640	(2,652)
Unrealised gain/(loss)*		130,605	1,091	58	15	36,636	6,934	1,766	13,200	4,371	104	318	4,503
Appropriation-expropriation (income /exp)		—	—	—	—	—	—	—	—	—	—	—	—
Total income (A)		**249,291**	**364,287**	**20,832**	**21,562**	**1,034,579**	**445,312**	**55,788**	**442,088**	**51,490**	**55,258**	**53,323**	**20,276**
Fund management expenses		44,025	27,689	1,599	1,673	22,040	27,529	7,112	28,665	7,772	8,290	7,996	3,060
Fund administration expenses		3,261	—	—	—	110,200	—	—	—	—	—	—	—
Other charges	F-5	107,497	25,329	988	3,601	43,846	54,024	2,942	92,017	7,081	9,763	7,108	3,022
Service tax		25,369	8,055	359	774	23,675	11,583	1,247	17,662	1,942	2,330	1,985	804
Total expenditure (B)		**180,152**	**61,073**	**2,946**	**6,048**	**199,761**	**93,136**	**11,301**	**138,344**	**16,795**	**20,383**	**17,089**	**6,886**
Net income for the year (A-B)		**69,139**	**303,214**	**17,886**	**15,514**	**834,818**	**352,176**	**44,487**	**303,744**	**34,695**	**34,875**	**36,234**	**13,390**
Add: Fund revenue account at the beginning of the year		(282,899)	1,050,244	54,770	13,051	3,263,170	1,286,341	174,732	228,954	76,097	68,851	65,118	21,411
Fund revenue account at the end of the year		**(213,760)**	**1,353,458**	**72,656**	**28,565**	**4,097,988**	**1,638,517**	**219,219**	**532,698**	**110,792**	**103,726**	**101,352**	**34,801**

* Net change in mark to market value of investments

\# Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

3.26 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2013

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund X (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund XI (5 Yrs)	Return Guarantee Fund XI (10 Yrs)	RICH Fund
		ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 111 13/01/11 LRGF(T10) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 121 19/04/11 LRGF(S4) 105	ULIF 048 17/03/08 LRICH1 105
Income from investments													
Interest income		8,027	8,459	3,566	84,502	24,936	115,721	12,264	234,117	41,168	114,869	2,121	12,746
Dividend income		—	—	—	—	—	—	—	—	—	—	—	181,542
Profit/(loss) on sale of investment		308	80	58	1,940	2,430	1,222	1,690	7,860	8,293	681	72	(417,919)
Profit/(loss) on inter fund transfer/ sale of investment		(262)	(494)	(210)	1,418	1,224	(2,112)	11	308	5	779	19	72,352
Unrealised gain/(loss)*		1,425	1,743	907	22,809	6,066	32,113	3,921	58,608	11,032	29,815	847	626,348
Appropriation-expropriation (income /exp)		—	—	—	—	—	—	—	—	—	—	—	—
Total income (A)		**9,498**	**9,788**	**4,321**	**110,669**	**34,656**	**146,944**	**17,886**	**300,893**	**60,498**	**146,144**	**3,059**	**475,069**
Fund management expenses	F-5	1,419	1,480	628	15,491	4,312	20,440	2,343	41,699	7,248	20,130	152	231,675
Fund administration expenses		—	—	—	—	—	—	—	—	—	—	—	—
Other charges		1,555	1,189	565	5,591	1,624	9,329	939	26,224	4,410	21,919	875	43,283
Service tax		413	373	169	2,712	758	3,660	163	8,428	1,452	5,350	377	37,941
Total expenditure (B)		**3,387**	**3,042**	**1,362**	**23,794**	**6,694**	**33,429**	**3,445**	**76,351**	**13,110**	**47,399**	**1,404**	**312,899**
Net income for the year (A-B)		**6,111**	**6,746**	**2,959**	**86,875**	**27,962**	**113,515**	**14,441**	**224,542**	**47,388**	**98,745**	**1,655**	**162,170**
Add: Fund revenue account at the beginning of the year		2,313	5,889	821	62,922	18,419	82,888	8,052	161,948	21,081	53,007	(200)	1,219,647
Fund revenue account at the end of the year		**8,424**	**12,635**	**3,780**	**149,797**	**46,381**	**196,403**	**22,493**	**386,490**	**68,469**	**151,752**	**1,455**	**1,381,817**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Schedule	Linked Life Funds						Total
		RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	
		ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Income from investments								
Interest income		24,942	1	8,997	31,799	790	7,329	**7,157,027**
Dividend income		169,659	11,237	73,229	1,112	372	794	**3,321,568**
Profit/(loss) on sale of investment		(332,515)	(31,223)	(129,119)	7,994	422	2,232	**7,787,402**
Profit/(loss) on inter fund transfer/ sale of investment		7,406	8,020	7,758	(26)	—	—	**2,897,777**
Unrealised gain/(loss)*		617,373	38,887	247,632	3,443	1,541	3,234	**4,504,296**
Appropriation-expropriation (income /exp)		—	—	—	—	—	—	**—**
Total income (A)		**486,865**	**26,922**	**208,497**	**44,322**	**3,125**	**13,589**	**25,668,070**
Fund management expenses	F-5	152,081	14,343	66,655	5,443	433	2,535	**4,125,461**
Fund administration expenses		—	—	—	—	—	—	**893,469**
Other charges		317,487	5,410	98,802	4,212	1,069	4,273	**5,219,034**
Service tax		64,197	2,435	22,712	1,483	179	822	**1,504,349**
Total expenditure (B)		**533,765**	**22,188**	**188,169**	**11,138**	**1,681**	**7,630**	**11,742,313**
Net income for the year (A-B)		**(46,900)**	**4,734**	**20,328**	**33,184**	**1,444**	**5,959**	**13,925,757**
Add: Fund revenue account at the beginning of the year		(121,782)	187,143	(29,954)	74,926	(2,061)	(6,359)	**82,926,851**
Fund revenue account at the end of the year		**(168,682)**	**191,877**	**(9,626)**	**108,110**	**(617)**	**(400)**	**96,852,608**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

ICICI PRUDENTIAL LIFE INSURANCE

3.26 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2013

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds											
		Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund
		ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105
Income from investments													
Interest income		26,240	393,243	434,590	1,867	103,905	48,237	60,386	31,152	2,922	25	689,681	21,579
Dividend income		1,904	41,228	47,700	32,866	235,954	10,840	13,691	450,363	464,256	258	—	77,650
Profit/(loss) on sale of investment		18,143	(7,087)	(6,189)	(55,424)	(322,024)	29,136	36,515	859,296	1,176,371	90	158,061	408,027
Profit/(loss) on inter fund transfer/ sale of investment		411	27,809	38,160	10,002	14,561	218	110	260,816	679,806	—	25,304	36,640
Unrealised gain/(loss)*		1,065	117,945	133,840	101,782	1,378,586	32,404	33,032	979,187	149,974	(6,239)	32,194	9,919
Appropriation-expropriation (income /exp)		—	—	—	—	—	—	—	—	—	—	—	—
Total income (A)		**47,763**	**573,138**	**648,101**	**91,093**	**1,410,982**	**120,835**	**143,734**	**2,580,814**	**2,473,329**	**(5,866)**	**905,240**	**553,815**
Fund management expenses		5,516	69,147	78,650	29,190	227,028	27,862	14,854	586,661	385,392	229	104,389	59,560
Fund administration expenses		—	86,434	—	—	—	—	—	—	—	—	—	74,450
Other charges	F-5	2,735	39,610	32,012	115,396	885,007	12,546	7,774	320,282	153,560	828	394,539	16,024
Service tax		1,140	25,079	15,139	18,065	138,288	5,004	3,064	111,927	68,029	935	61,751	19,767
Total expenditure (B)		**9,391**	**220,270**	**125,801**	**162,651**	**1,250,323**	**45,412**	**25,692**	**1,018,870**	**606,981**	**1,992**	**560,679**	**169,801**
Net income for the year (A-B)		**38,372**	**352,868**	**522,300**	**(71,558)**	**160,659**	**75,423**	**118,042**	**1,561,944**	**1,866,348**	**(7,858)**	**344,561**	**384,014**
Add: Fund revenue account at the beginning of the year		93,028	2,061,203	3,028,072	(259,167)	(1,792,030)	51,093	308,547	2,438,361	7,822,799	—	(178,093)	3,531,361
Fund revenue account at the end of the year		**131,400**	**2,414,071**	**3,550,372**	**(330,725)**	**(1,631,371)**	**126,516**	**426,589**	**4,000,305**	**9,689,147**	**(7,858)**	**166,468**	**3,915,375**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Schedule	Linked Pension Funds											
		Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund	Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II
		ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105
Income from investments													
Interest income		73,408	210,297	75,237	38,923	2,176	357	23,515	508,920	1,481,380	659,388	145,535	148,770
Dividend income		268,189	—	19,923	253,689	111,138	61,802	88,923	—	—	—	—	—
Profit/(loss) on sale of investment		1,291,917	14,123	83,880	(140,591)	(257,107)	(156,791)	37,433	21,815	291,409	160,063	(1,035)	2,645
Profit/(loss) on inter fund transfer/ sale of investment		441,905	294	(3,811)	19,142	71,822	85,374	(2,727)	1,566	26,598	7,314	5,331	10,043
Unrealised gain/(loss)*		(373,898)	552	42,943	1,005,451	305,664	113,658	442,267	1,675	83,451	35,285	17,867	(8,389)
Appropriation-expropriation (income /exp)		—	—	—	—	—	—	—	—	—	—	—	—
Total income (A)		**1,701,521**	**225,266**	**218,172**	**1,176,614**	**233,693**	**104,400**	**589,411**	**533,976**	**1,882,838**	**862,050**	**167,698**	**153,069**
Fund management expenses		293,816	17,312	29,258	198,420	143,990	53,676	84,454	40,799	41,695	55,519	25,314	23,440
Fund administration expenses		—	—	—	—	—	—	—	—	208,471	—	—	—
Other charges	F-5	58,833	107,732	105,239	769,474	74,856	26,267	334,747	36,576	166,310	29,573	14,236	8,671
Service tax		44,967	15,953	16,709	120,800	27,016	10,127	52,355	10,573	52,095	12,069	4,818	3,991
Total expenditure (B)		**397,616**	**140,997**	**151,206**	**1,088,694**	**245,862**	**90,070**	**471,556**	**87,948**	**468,571**	**97,161**	**44,368**	**36,102**
Net income for the year (A-B)		**1,303,905**	**84,269**	**66,966**	**87,920**	**(12,169)**	**14,330**	**117,855**	**446,028**	**1,414,267**	**764,889**	**123,330**	**116,967**
Add: Fund revenue account at the beginning of the year		11,116,438	(17,920)	(170,463)	(1,033,159)	358,646	403,935	(743,370)	672,791	2,368,619	1,501,357	348,746	350,680
Fund revenue account at the end of the year		**12,420,343**	**66,349**	**(103,497)**	**(945,239)**	**346,477**	**418,265**	**(625,515)**	**1,118,819**	**3,782,886**	**2,266,246**	**472,076**	**467,647**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

3.26 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2013

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds													
		Pension Return Guarantee Fund III	Pension Return Guarantee Fund IV	Pension Return Guarantee Fund V	Pension Return Guarantee Fund VI	Pension Return Guarantee Fund VII	Pension Return Guarantee Fund VIII	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	Total
		ULIF 067 26/02/09 PRGF3 105	ULIF 070 31/03/09 PRGF4 105	ULIF 074 29/04/09 PRGF5 105	ULIF 079 17/06/09 PRGF6 105	ULIF 083 16/11/09 PRGF7 105	ULIF 102 12/10/10 PRGF(S1) 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 113 13/01/11 PRGF(S3) 105	ULIF 122 19/04/11 PRGF(S4) 105	ULIF 052 17/03/08 PRICH1 105	ULIF 053 17/03/08 PRICH2 105	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Income from investments															
Interest income		*130,343*	*45,152*	*22,986*	*32,912*	*59,598*	*13,072*	*4,126*	*9,391*	*1,177*	*80,973*	*32,567*	*1,159*	*12,086*	***5,627,275***
Dividend income		—	—	—	—	—	—	—	—	—	*332,939*	*251,852*	—	*475*	***2,765,640***
Profit/(loss) on sale of investment		*1,288*	*505*	*723*	*56*	*308*	*460*	*412*	*1,179*	*197*	*89,462*	*284,340*	*237*	*3,333*	***4,025,176***
Profit/(loss) on inter fund transfer/ sale of investment		*19,366*	*(799)*	*(569)*	*(394)*	*(414)*	*287*	*3*	*27*	*95*	*15,958*	*17,370*	—	*6*	***1,807,624***
Unrealised gain/(loss)*		*(5,103)*	*8,196*	*5,223*	*7,353*	*15,478*	*4,604*	*1,353*	*3,096*	*262*	*1,563,725*	*928,189*	*(307)*	*1,212*	***7,163,496***
Appropriation-expropriation (income /exp)		—	—	—	—	—	—	—	—	—	—	—	—	—	**—**
Total income (A)		***145,894***	***53,054***	***28,363***	***39,927***	***74,970***	***18,423***	***5,894***	***13,693***	***1,731***	***2,083,057***	***1,514,318***	***1,089***	***17,112***	***21,389,211***
Fund management expenses		*21,911*	*7,904*	*4,202*	*5,865*	*10,751*	*2,247*	*708*	*1,636*	*204*	*496,346*	*238,767*	*214*	*2,283*	***3,389,209***
Fund administration expenses		—	—	—	—	—	—	—	—	—	—	—	—	—	***369,355***
Other charges	F-5	*9,534*	*4,242*	*2,786*	*3,723*	*12,436*	*222*	*76*	*303*	*71*	*259,609*	*138,416*	*778*	*730*	***4,145,753***
Service tax		*3,926*	*1,521*	*882*	*1,200*	*2,879*	*306*	*97*	*240*	*34*	*93,223*	*47,624*	*844*	*477*	***992,914***
Total expenditure (B)		***35,371***	***13,667***	***7,870***	***10,788***	***26,066***	***2,775***	***881***	***2,179***	***309***	***849,178***	***424,807***	***1,836***	***3,490***	***8,897,231***
Net income for the year (A-B)		***110,523***	***39,387***	***20,493***	***29,139***	***48,904***	***15,648***	***5,013***	***11,514***	***1,422***	***1,233,879***	***1,089,511***	***(747)***	***13,622***	***12,491,980***
Add: Fund revenue account at the beginning of the year		*310,642*	*88,953*	*31,808*	*41,321*	*27,641*	*10,586*	*3,051*	*6,142*	*669*	*1,863,299*	*2,764,205*	—	*41,524*	***37,451,315***
Fund revenue account at the end of the year		***421,165***	***128,340***	***52,301***	***70,460***	***76,545***	***26,234***	***8,064***	***17,656***	***2,091***	***3,097,178***	***3,853,716***	***(747)***	***55,146***	***49,943,295***

* Net change in mark to market value of investments

\# Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Schedule	Linked Health Funds													
		Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund	Health Return Guarantee Fund II	Health Return Guarantee Fund III	Health Return Guarantee Fund IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	Total
		ULIF 059 15/01/09 HBalancer 105	ULIF 060 15/01/09 HFlexiBal 105	ULIF 057 15/01/09 HFlexiGro 105	ULIF 058 15/01/09 HMultip 105	ULIF 056 15/01/09 HPreserv 105	ULIF 061 15/01/09 HProtect 105	ULIF 062 15/01/09 HRGF1 105	ULIF 065 29/01/09 HRGF2 105	ULIF 068 26/02/09 HRGF3 105	ULIF 071 31/03/09 HRGF4 105	ULIF 075 29/04/09 HRGF5 105	ULIF 080 17/06/09 HRGF6 105	ULIF 084 16/11/09 HRGF7 105	
Income from investments															
Interest income		*7,101*	*6,171*	*9,654*	*215*	*2,195*	*53,370*	*1,305*	*1,732*	*1,868*	*823*	*389*	*235*	*183*	***85,241***
Dividend income		*803*	*1,199*	*28,800*	*3,730*	—	—	—	—	—	—	—	—	—	***34,532***
Profit/(loss) on sale of investment		*4,682*	*2,420*	*332*	*(5,900)*	*239*	*16,134*	*57*	*17*	*72*	*42*	*7*	*6*	*7*	***18,115***
Profit/(loss) on inter fund transfer/ sale of investment		*9*	*5*	*(291)*	*1,529*	*2*	*629*	*(1)*	*(38)*	*224*	*271*	*8*	*2*	*7*	***2,356***
Unrealised gain/(loss)*		*1,959*	*4,171*	*112,437*	*14,984*	*7*	*1,672*	*133*	*(41)*	*(234)*	*(183)*	*8*	*5*	*1*	***134,919***
Appropriation-expropriation (income /exp)		—	—	—	—	—	—	—	—	—	—	—	—	—	**—**
Total income (A)		***14,554***	***13,966***	***150,932***	***14,558***	***2,443***	***71,805***	***1,494***	***1,670***	***1,930***	***953***	***412***	***248***	***198***	***275,163***
Fund management expenses		*1,318*	*1,463*	*29,397*	*3,690*	*187*	*4,515*	*231*	*257*	*300*	*149*	*62*	*38*	*29*	***41,636***
Fund administration expenses		—	—	—	—	—	—	—	—	—	—	—	—	—	**—**
Other charges	F-5	*33,574*	*48,219*	*532,561*	*60,110*	*4,767*	*153,046*	*1,769*	*2,320*	*2,685*	*1,132*	*498*	*344*	*337*	***841,362***
Service tax		*5,371*	*8,321*	*83,092*	*9,011*	*683*	*23,304*	*251*	*325*	*376*	*162*	*71*	*49*	*47*	***131,063***
Total expenditure (B)		***40,263***	***58,003***	***645,050***	***72,811***	***5,637***	***180,865***	***2,251***	***2,902***	***3,361***	***1,443***	***631***	***431***	***413***	***1,014,061***
Net income for the year (A-B)		***(25,709)***	***(44,037)***	***(494,118)***	***(58,253)***	***(3,194)***	***(109,060)***	***(757)***	***(1,232)***	***(1,431)***	***(490)***	***(219)***	***(183)***	***(215)***	***(738,898)***
Add: Fund revenue account at the beginning of the year		*(53,499)*	*(59,061)*	*(1,006,363)*	*(120,940)*	*(8,273)*	*(260,937)*	*(39,014)*	*(46,907)*	*(46,709)*	*(20,613)*	*(11,242)*	*(6,452)*	*(3,400)*	***(1,683,410)***
Fund revenue account at the end of the year		***(79,208)***	***(103,098)***	***(1,500,481)***	***(179,193)***	***(11,467)***	***(369,997)***	***(39,771)***	***(48,139)***	***(48,140)***	***(21,103)***	***(11,461)***	***(6,635)***	***(3,615)***	***(2,422,308)***

* Net change in mark to market value of investments

\# Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

3.26 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2013

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Group Funds											
		Group Balanced Fund	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Debt Fund	Group Growth Fund	Group Leave Encashment Balanced Fund
		ULGF 001 03/04/03 GBalanced 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 008 11/12/06 GCGGrowth1 105	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 002 03/04/03 GDebt 105	ULGF 004 30/10/03 GGrowth 105	ULGF 013 02/04/08 GLEBal 105
Income from investments													
Interest income		1,098,069	7,115	115,966	923	39,830	1,404	2,645	9,307	307,548	1,042,251	249,726	44,356
Dividend income		35,740	244	3,743	—	—	146	264	—	—	—	51,482	1,435
Profit/(loss) on sale of investment		339,131	3,185	43,591	633	13,314	1,344	2,608	932	17,719	254,812	338,996	17,737
Profit/(loss) on inter fund transfer/ sale of investment		100,378	528	6,009	—	(31)	136	84	18	388	(503)	30,386	331
Unrealised gain/(loss)*		(7,927)	90	6,190	(5)	1,364	(149)	18	26	792	68,029	58,244	3,614
Appropriation-expropriation (income /exp)		—	—	—	—	—	—	—	—	—	—	—	—
Total income (A)		**1,565,391**	**11,162**	**175,499**	**1,551**	**54,477**	**2,881**	**5,619**	**10,283**	**326,447**	**1,364,589**	**728,834**	**67,473**
Fund management expenses	F-5	191,872	2,251	26,983	209	7,091	746	1,110	1,276	48,297	151,457	85,580	8,313
Fund administration expenses		—	—	—	—	—	—	—	—	—	—	—	—
Other charges		—	—	—	—	—	—	—	—	—	—	—	—
Service tax		23,967	278	3,335	26	877	92	137	163	5,969	18,850	10,664	1,036
Total expenditure (B)		**215,839**	**2,529**	**30,318**	**235**	**7,968**	**838**	**1,247**	**1,439**	**54,266**	**170,307**	**96,244**	**9,349**
Net income for the year (A-B)		**1,349,552**	**8,633**	**145,181**	**1,316**	**46,509**	**2,043**	**4,372**	**8,844**	**272,181**	**1,194,282**	**632,590**	**58,124**
Add: Fund revenue account at the beginning of the year		4,465,259	72,472	386,990	2,866	384,748	6,989	15,834	64,298	706,149	1,638,710	1,817,086	139,017
Fund revenue account at the end of the year		**5,814,811**	**81,105**	**532,171**	**4,182**	**431,257**	**9,032**	**20,206**	**73,142**	**978,330**	**2,832,992**	**2,449,676**	**197,141**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Schedule	Linked Group Funds									Total	Grand Total
		Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II	Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund		
		ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105	ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Income from investments												
Interest income		7,222	57,824	48,156	3,573	214,690	11,956	42,615	645,537	179,551	**4,130,264**	**16,999,807**
Dividend income		—	—	—	—	—	—	—	—	—	**93,054**	**6,214,794**
Profit/(loss) on sale of investment		4,152	2,761	5,556	88	(16,475)	296	1,163	37,763	17,293	**1,086,599**	**12,917,292**
Profit/(loss) on inter fund transfer/ sale of investment		279	107	60,424	935	(222)	—	—	1,557	3,753	**204,557**	**4,912,314**
Unrealised gain/(loss)*		434	135	(55,233)	(477)	61,834	2,598	11,564	1,869	24,322	**177,332**	**11,980,043**
Appropriation-expropriation (income /exp)		—	—	—	—	—	—	—	—	- —	—	—
Total income (A)		**12,087**	**60,827**	**58,903**	**4,119**	**259,827**	**14,850**	**55,342**	**686,726**	**224,919**	**5,691,806**	**53,024,250**
Fund management expenses	F-5	1,090	8,080	10,684	721	44,746	2,242	8,865	90,098	27,353	**719,064**	**8,275,370**
Fund administration expenses		—	—	—	—	—	—	—	—	—	—	**1,262,824**
Other charges		—	—	—	—	—	—	—	—	—	—	**10,206,149**
Service tax		136	1,008	1,321	89	5,531	277	1,096	11,230	3,410	**89,492**	**2,717,818**
Total expenditure (B)		**1,226**	**9,088**	**12,005**	**810**	**50,277**	**2,519**	**9,961**	**101,328**	**30,763**	**808,556**	**22,462,161**
Net income for the year (A-B)		**10,861**	**51,739**	**46,898**	**3,309**	**209,550**	**12,331**	**45,381**	**585,398**	**194,156**	**4,883,250**	**30,562,089**
Add: Fund revenue account at the beginning of the year		10,829	23,966	579,952	23,667	362,780	8,117	26,496	1,754,267	133,753	**12,624,245**	**131,319,001**
Fund revenue account at the end of the year		**21,690**	**75,705**	**626,850**	**26,976**	**572,330**	**20,448**	**71,877**	**2,339,665**	**327,909**	**17,507,495**	**161,881,090**

* Net change in mark to market value of investments

Service tax on surrender and switch charges are not available at fund level and hence have been shown under Schedule F-1 Policyholders contribution

Schedule F - 5

OTHER EXPENSES AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Life Funds											
	Anmol Nivesh Fund	Balancer Fund	Balancer Fund II	Balancer Fund III	Balancer Fund IV	Bluechip Fund	Cash Plus Fund	Discontinued Fund - Life	Dynamic P/E Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III
	ULIF 072 28/04/09 LAnmolNiv 105	ULIF 002 22/10/01 LBalancer1 105	ULIF 014 17/05/04 LBalancer2 105	ULIF 023 13/03/06 LBalancer3 105	ULIF 039 27/08/07 LBalancer4 105	ULIF 087 24/11/09 LBluChip 105	ULIF 008 11/08/03 LCashPlus 105	ULIF 100 01/07/10 LDiscont 105	ULIF 097 11/01/10 LDynmicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105
Policy administration charge	142	996	17,062	856	6,298	36,339	11,742	—	292,090	20	6,676	199
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	24	48,817	25,401	1,520	7,085	20,222	22,379	—	208,619	4,845	6,958	415
Rider premium charge	—	10,522	12,880	—	118	1,960	—	—	16,712	923	4,877	—
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	**166**	**60,335**	**55,343**	**2,376**	**13,501**	**58,521**	**34,121**	**—**	**517,421**	**5,788**	**18,511**	**614**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Life Funds											
	Flexi Balanced Fund IV	Flexi Growth Fund	Flexi Growth Fund II	Flexi Growth Fund III	Flexi Growth Fund IV	Highest NAV Fund B	Income Fund	Invest Shield Cash Fund	Invest Shield Fund - Life	Maximiser Fund	Maximiser Fund II	Maximiser Fund III
	ULIF 040 27/08/07 LFlexiBal4 105	ULIF 026 20/03/07 LFlexiGro1 105	ULIF 027 20/03/07 LFlexiGro2 105	ULIF 028 20/03/07 LFlexiGro3 105	ULIF 038 27/08/07 LFlexiGro4 105	ULIF 116 15/03/11 LHighNavB 105	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash 105	ULIF 018 03/01/05 LInvShld 105	ULIF 001 22/10/01 LMaximis1 105	ULIF 012 17/05/04 LMaximis2 105	ULIF 022 13/03/06 LMaximis3 105
Policy administration charge	2,052	164	138,708	6,278	131,431	375,932	123,258	44,533	16,024	2,576	55,003	6,962
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	2,322	83,709	117,953	6,557	102,769	538,335	98,843	51,934	12,106	167,251	75,973	9,718
Rider premium charge	89	17,746	75,588	—	6,072	—	7,214	167	1,741	41,631	33,517	—
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	**4,463**	**101,619**	**332,249**	**12,835**	**240,272**	**914,267**	**229,315**	**96,634**	**29,871**	**211,458**	**164,493**	**16,680**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Life Funds											
	Maximiser Fund IV	Maximiser Fund V	Money Market Fund	Multi Cap Balanced Fund	Multi Cap Growth Fund	Multiplier Fund	Multiplier Fund II	Multiplier Fund III	Multiplier Fund IV	New Invest Shield Balanced Fund	Opportunities Fund	Pinnacle Fund
	ULIF 037 27/08/07 LMaximis4 105	ULIF 114 15/03/11 LMaximis5 105	ULIF 090 24/11/09 LMoneyMkt 105	ULIF 088 24/11/09 LMCapBal 105	ULIF 085 24/11/09 LMCapGro 105	ULIF 042 22/11/07 LMultip1 105	ULIF 044 25/02/08 LMultip2 105	ULIF 046 25/02/08 LMultip3 105	ULIF 047 25/02/08 LMultip4 105	ULIF 025 21/08/06 LInvShldNw 105	ULIF 086 24/11/09 LOpport 105	ULIF 081 26/10/09 LPinnacle 105
Policy administration charge	5,420	30,463	38,849	23,940	258,771	20	22,445	783	9,197	25,237	67,406	263,696
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	6,012	46,985	35,958	19,074	122,774	37,579	19,947	800	11,958	16,631	34,500	42,352
Rider premium charge	402	—	1,937	2,188	20,276	6,623	14,822	—	676	—	4,486	—
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	**11,834**	**77,448**	**76,744**	**45,202**	**401,821**	**44,222**	**57,214**	**1,583**	**21,831**	**41,868**	**106,392**	**306,048**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Life Funds											
	Pinnacle Fund II	Preserver Fund	Preserver Fund III	Preserver Fund IV	Protector Fund	Protector Fund II	Protector Fund III	Protector Fund IV	Return Guarantee Fund	Return Guarantee Fund II	Return Guarantee Fund III	Return Guarantee Fund IV
	ULIF 105 26/10/10 LPinnacle2 105	ULIF 010 17/05/04 LPreserv1 105	ULIF 021 13/03/06 LPreserv3 105	ULIF 036 27/08/07 LPreserv4 105	ULIF 003 22/10/01 LProtect1 105	ULIF 016 17/05/04 LProtect2 105	ULIF 024 13/03/06 LProtect3 105	ULIF 041 27/08/07 LProtect4 105	ULIF 054 18/12/08 LRGF1 105	ULIF 063 27/01/09 LRGF(T2) 105	ULIF 066 26/02/09 LRGF(T3) 105	ULIF 069 31/03/09 LRGF(T4) 105
Policy administration charge	49,625	3,791	286	1,492	360	14,582	895	45,625	1,683	2,377	2,586	1,009
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	57,872	16,795	702	2,021	36,590	28,087	2,047	44,435	4,798	6,330	3,358	1,568
Rider premium charge	—	4,743	—	88	6,896	11,355	—	1,957	600	1,056	1,164	445
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	**107,497**	**25,329**	**988**	**3,601**	**43,846**	**54,024**	**2,942**	**92,017**	**7,081**	**9,763**	**7,108**	**3,022**

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

Schedule F - 5

OTHER EXPENSES AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Life Funds											
	Return Guarantee Fund V	Return Guarantee Fund VI	Return Guarantee Fund VII	Return Guarantee Fund VIII (5 Yrs)	Return Guarantee Fund VIII (10 Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund X (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund XI (5 Yrs)	Return Guarantee Fund XI (10 Yrs)	RICH Fund
	ULIF 073 29/04/09 LRGF(T5) 105	ULIF 078 17/06/09 LRGF(T6) 105	ULIF 082 16/11/09 LRGF(T7) 105	ULIF 103 12/10/10 LRGF(T8) 105	ULIF 104 12/10/10 LRGF(S1) 105	ULIF 106 22/12/10 LRGF(T9) 105	ULIF 107 22/12/10 LRGF(S2) 105	ULIF 111 13/01/11 LRGF(T10) 105	ULIF 112 13/01/11 LRGF(S3) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 121 19/04/11 LRGF(S4) 105	ULIF 048 17/03/08 LRICH1 105
Policy administration charge	*614*	*441*	*277*	*3,199*	*902*	*6,108*	*560*	*14,693*	*2,063*	*12,574*	*483*	—
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	*661*	*509*	*176*	*2,389*	*719*	*3,221*	*377*	*11,522*	*2,331*	*9,210*	*345*	*37,124*
Rider premium charge	*280*	*239*	*112*	*3*	*3*	—	*2*	*9*	*16*	*135*	*47*	*6,159*
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	***1,555***	***1,189***	***565***	***5,591***	***1,624***	***9,329***	***939***	***26,224***	***4,410***	***21,919***	***875***	***43,283***

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Life Funds						*Total*
	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	
	ULIF 049 17/03/08 LRICH2 105	ULIF 050 17/03/08 LRICH3 105	ULIF 051 17/03/08 LRICH4 105	ULIF 007 11/08/03 LSecPlus 105	ULIF 077 29/05/09 LSSavBuil 105	ULIF 076 29/05/09 LSSavGtee 105	
Policy administration charge	*144,733*	*2,819*	*48,202*	*1,708*	*1,069*	*4,273*	***2,390,597***
Surrender charge *	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—
Mortality charge	*94,325*	*2,591*	*48,103*	*2,504*	—	—	***2,429,035***
Rider premium charge	*78,429*	—	*2,497*	—	—	—	***399,402***
Partial withdrawal charge	—	—	—	—	—	—	—
Total	***317,487***	***5,410***	***98,802***	***4,212***	***1,069***	***4,273***	***5,219,034***

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Pension Funds											
	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Flexi Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Growth Fund	Pension Flexi Growth Fund II	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund
	ULIF 019 03/01/05 PInvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluChip 105	ULIF 098 11/01/10 PDynmicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	ULIF 030 20/03/07 PFlexiGro2 105	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 PIncome 105	ULIF 004 03/05/02 PMaximis1 105
Policy administration charge	*2,091*	*37,841*	*29,222*	*115,031*	*881,877*	*12,511*	*6,938*	*320,012*	*132,829*	*828*	*391,327*	*12,965*
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	*555*	*1,256*	*2,301*	*365*	*3,130*	*27*	*713*	*188*	*17,956*	—	*3,212*	*2,097*
Rider premium charge	*89*	*513*	*489*	—	—	*8*	*123*	*82*	*2,775*	—	—	*962*
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	***2,735***	***39,610***	***32,012***	***115,396***	***885,007***	***12,546***	***7,774***	***320,282***	***153,560***	***828***	***394,539***	***16,024***

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Pension Funds											
	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	Pension Protector Fund	Pension Protector Fund II	Pension Return Guarantee Fund	Pension Return Guarantee Fund II
	ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal 105	ULIF 091 11/01/10 PMCapGro 105	ULIF 043 25/02/08 PMultip1 105	ULIF 045 25/02/08 PMultip2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	ULIF 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 105	ULIF 055 18/12/08 PRGF1 105	ULIF 064 27/01/09 PRGF2 105
Policy administration charge	*49,730*	*107,436*	*105,000*	*763,136*	*74,824*	*23,075*	*333,712*	*35,951*	*164,557*	*26,208*	*13,787*	*8,456*
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	*7,400*	*296*	*239*	*6,338*	*25*	*2,762*	*1,035*	*522*	*1,198*	*3,011*	*386*	*186*
Rider premium charge	*1,703*	—	—	—	*7*	*430*	—	*103*	*555*	*354*	*63*	*29*
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	***58,833***	***107,732***	***105,239***	***769,474***	***74,856***	***26,267***	***334,747***	***36,576***	***166,310***	***29,573***	***14,236***	***8,671***

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

forming part of the financial statements *Continued*

Schedule F - 5

OTHER EXPENSES AT MARCH 31, 2013

(₹ in '000)

Particulars	Linked Pension Funds													
	Pension Return Guarantee Fund III	Pension Return Guarantee Fund IV	Pension Return Guarantee Fund V	Pension Return Guarantee Fund VI	Pension Return Guarantee Fund VII	Pension Return Guarantee Fund VIII	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	Total
	ULIF 067 26/02/09 PRGF3 105	ULIF 070 31/03/09 PRGF4 105	ULIF 074 29/04/09 PRGF5 105	ULIF 079 17/06/09 PRGF6 105	ULIF 083 16/11/09 PRGF7 105	ULIF 102 12/10/10 PRGF(S1) 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 113 13/01/11 PRGF(S3) 105	ULIF 122 19/04/11 PRGF(S4) 105	ULIF 052 17/03/08 PRICH1 105	ULIF 053 17/03/08 PRICH2 105	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Policy administration charge	*9,310*	*4,159*	*2,743*	*3,709*	*12,429*	*222*	*72*	*301*	*71*	*259,606*	*122,733*	*778*	*425*	***4,065,902***
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	*191*	*70*	*37*	*12*	*6*	—	*4*	*1*	—	*3*	*13,442*	—	*305*	***69,269***
Rider premium charge	*33*	*13*	*6*	*2*	*1*	—	—	*1*	—	—	*2,241*	—	—	***10,582***
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	***9,534***	***4,242***	***2,786***	***3,723***	***12,436***	***222***	***76***	***303***	***71***	***259,609***	***138,416***	***778***	***730***	***4,145,753***

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Health Funds													
	Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund	Health Return Guarantee Fund II	Health Return Guarantee Fund III	Health Return Guarantee Fund IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	Total
	ULIF 059 15/01/09 HBalancer 105	ULIF 060 15/01/09 HFlexiBal 105	ULIF 057 15/01/09 HFlexiGro 105	ULIF 058 15/01/09 HMultip 105	ULIF 056 15/01/09 HPreserv 105	ULIF 061 15/01/09 HProtect 105	ULIF 062 15/01/09 HRGF1 105	ULIF 065 29/01/09 HRGF2 105	ULIF 068 26/02/09 HRGF3 105	ULIF 071 31/03/09 HRGF4 105	ULIF 075 29/04/09 HRGF5 105	ULIF 080 17/06/09 HRGF6 105	ULIF 084 16/11/09 HRGF7 105	
Policy administration charge	*3,742*	*5,380*	*63,842*	*7,059*	*566*	*17,506*	*379*	*433*	*452*	*172*	*59*	*42*	*148*	***99,780***
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	*29,832*	*42,839*	*468,719*	*53,051*	*4,201*	*135,540*	*1,390*	*1,887*	*2,233*	*960*	*439*	*302*	*189*	***741,582***
Rider premium charge	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	***33,574***	***48,219***	***532,561***	***60,110***	***4,767***	***153,046***	***1,769***	***2,320***	***2,685***	***1,132***	***498***	***344***	***337***	***841,362***

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Group Funds											
	Group Balanced Fund	Group Capital Guarantee Balanced Fund	Group Capital Guarantee Balanced Fund II	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Growth Fund	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Debt Fund	Group Growth Fund	Group Leave Encashment Balanced Fund
	ULGF 001 03/04/03 GBalanced 105	ULGF 006 03/10/05 GCGBal1 105	ULGF 010 21/03/07 GCGBal2 105	ULGF 007 28/10/05 GCGDebt1 105	ULGF 011 21/03/07 GCGDebt2 105	ULGF 008 11/12/06 GCGGrowth1 105	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 002 03/04/03 GDebt 105	ULGF 004 30/10/03 GGrowth 105	ULGF 013 02/04/08 GLEBal 105
Policy administration charge	—	—	—	—	—	—	—	—	—	—	—	—
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	—	—	—	—	—	—	—	—	—	—	—	—
Rider premium charge	—	—	—	—	—	—	—	—	—	—	—	—
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—	—
Total	—	—	—	—	—	—	—	—	—	—	—	—

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

(₹ in '000)

Particulars	Linked Group Funds										
	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund	Group Return Guarantee Fund II	Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Superannuation Corporate Bond Fund	Total	Grand Total
	ULGF 014 02/04/08 GLEIncome 105	ULGF 024 26/02/10 GLEST 105	ULGF 021 10/02/09 GRGF1 105	ULGF 022 30/03/09 GRGF2 105	ULGF 023 16/06/09 GRGF3 105	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 015 22/12/08 GSACorBon 105		
Policy administration charge	—	—	—	—	—	—	—	—	—	—	***6,556,279***
Surrender charge *	—	—	—	—	—	—	—	—	—	—	—
Switching charge *	—	—	—	—	—	—	—	—	—	—	—
Mortality charge	—	—	—	—	—	—	—	—	—	—	***3,239,886***
Rider premium charge	—	—	—	—	—	—	—	—	—	—	***409,984***
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—	—
Total	—	—	—	—	—	—	—	—	—	—	***10,206,149***

* Surrender & switch charges as not available at fund level have been shown under Schedule F-1 Policyholders contribution

3. 27 DISCLOSURE FOR ULIP BUSINESS

ANNEXURE TO THE REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

POLICYHOLDERS' ACCOUNT (TECHNICAL ACCOUNT)

(₹ in '000)

Particulars	Schedule	Linked Life			Linked Pension			Linked Health			Linked Group			Total Unit Linked
		Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	
		(1)	(2)	(3)=(1) + (2)	(4)	(5)	(6)=(4) + (5)	(7)	(8)	(9)= (7) + (8)	(10)	(11)	(12)= (10) + (11)	(13)=(3)+ (6)+(9)+(12)
Premiums earned – net														
(a) Premium		1,961,395	60,731,055	**62,692,450**	65,218	13,932,295	**13,997,513**	125,308	1,865,915	**1,991,223**	73,413	4,857,632	**4,931,045**	**83,612,231**
(b) Reinsurance ceded		(330,026)	—	**(330,026)**	(110)	—	**(110)**	(335,179)	—	**(335,179)**	(675)	—	**(675)**	**(665,990)**
(c) Reinsurance accepted		—	—	**—**	—	—	**—**	—	—	**—**	—	—	**—**	**—**
Sub-total		**1,631,369**	**60,731,055**	**62,362,424**	**65,108**	**13,932,295**	**13,997,403**	**(209,871)**	**1,865,915**	**1,656,044**	**72,738**	**4,857,632**	**4,930,370**	**82,946,241**
Income from Investments														
(a) Interest, Dividend & Rent - Gross		455,328	10,777,022	**11,232,350**	171,521	7,346,568	**7,518,089**	8,537	135,760	**144,297**	59,076	3,787,171	**3,846,247**	**22,740,983**
(b) Profit on sale/redemption of investments		88,180	23,186,782	**23,274,962**	38,525	16,985,041	**17,023,566**	1,788	151,168	**152,956**	20,058	1,910,724	**1,930,782**	**42,382,266**
(c) Loss on sale/redemption of investments		(72,767)	(8,157,769)	**(8,230,536)**	(6,574)	(4,984,384)	**(4,990,958)**	(3,820)	(115,570)	**(119,390)**	(8,615)	(1,206,190)	**(1,214,805)**	**(14,555,689)**
(d) Unrealised gain/(loss)		—	18,410,853	**18,410,853**	—	9,706,779	**9,706,779**	—	418,898	**418,898**	—	589,856	**589,856**	**29,126,386**
(e) Accretion of discount/(amortisation of premium)		17,749	1,306,310	**1,324,059**	7,853	982,480	**990,333**	113	11,335	**11,448**	(1,681)	713,206	**711,525**	**3,037,365**
Sub-total		**488,490**	**45,523,198**	**46,011,688**	**211,325**	**30,036,484**	**30,247,809**	**6,618**	**601,591**	**608,209**	**68,838**	**5,794,767**	**5,863,605**	**82,731,311**
Other income														
(a) Contribution from the Shareholders' a/c		—	—	**—**	—	—	**—**	—	—	**—**	—	—	**—**	**—**
(b) Linked income	UL1	11,988,863	(11,988,863)	**—**	8,853,175	(8,853,175)	**—**	1,096,164	(1,096,164)	**—**	352,150	(352,150)	**—**	**—**
(c) Fees & charges		671	—	**671**	—	—	**—**	—	—	**—**	—	—	**—**	**671**
(d) Misc. income		33,766	—	**33,766**	6,110	—	**6,110**	1,696	—	**1,696**	820	—	**820**	**42,392**
Sub-total		12,023,300	(11,988,863)	**34,437**	8,859,285	(8,853,175)	**6,110**	1,097,860	(1,096,164)	**1,696**	352,970	(352,150)	**820**	**43,063**
Total (A)		**14,143,159**	**94,265,390**	**108,408,549**	**9,135,718**	**35,115,604**	**44,251,322**	**894,607**	**1,371,342**	**2,265,949**	**494,546**	**10,300,249**	**10,794,795**	**165,720,615**
Commission		2,424,515	—	**2,424,515**	137,874	—	**137,874**	50,199	—	**50,199**	67	—	**67**	**2,612,655**
Operating expenses related to insurance business		7,512,918	36,017	**7,548,935**	1,276,499	(6,668)	**1,269,831**	281,068	562	**281,630**	172,712	—	**172,712**	**9,273,108**
Provision for doubtful debts		(24,593)	—	**(24,593)**	(40,113)	—	**(40,113)**	(360)	—	**(360)**	—	—	**—**	**(65,066)**
Bad debts written off		32,577	—	**32,577**	40,380	—	**40,380**	838	—	**838**	—	—	**—**	**73,795**
Provisions (other than taxation)														
(a) For diminution in the value of investments (net)		—	—	**—**	—	—	**—**	—	—	**—**	—	—	**—**	**—**
(b) Others		—	—	**—**	—	—	**—**	—	—	**—**	—	—	**—**	**—**
Service tax charge on linked charges		—	1,728,767	**1,728,767**	—	1,105,769	**1,105,769**	—	135,237	**135,237**	—	96,341	**96,341**	**3,066,114**
Total (B)		**9,945,417**	**1,764,784**	**11,710,201**	**1,414,640**	**1,099,101**	**2,513,741**	**331,745**	**135,799**	**467,544**	**172,779**	**96,341**	**269,120**	**14,960,606**
Benefits paid (Net)	UL2	852,632	49,878,835	**50,731,467**	46,373	52,057,155	**52,103,528**	224,349	49,255	**273,604**	30,545	8,075,269	**8,105,814**	**111,214,413**
Interim bonus paid		—	—	**—**	—	—	**—**	—	—	**—**	—	—	**—**	**—**
Change in valuation of policy liabilities					—						—			
(a) Policy liabilities (non-unit/mathematical reserves)(gross)		1,213,978	—	**1,213,978**	(264,227)	—	**(264,227)**	38,570	—	**38,570**	(11,389)	—	**(11,389)**	**976,932**
(b) Amount ceded in reinsurance		—	—	**—**	—	—	**—**	—	—	**—**	—	—	**—**	**—**
(c) Amount accepted in reinsurance		—	—	**—**	—	—	**—**	—	—	**—**	—	—	**—**	**—**
(d) Fund reserve		—	36,020,218	**36,020,218**	**—**	(17,545,525)	**(17,545,525)**	—	1,186,288	**1,186,288**	—	2,128,639	**2,128,639**	**21,789,620**
(e) Funds for discontinued policies		—	6,977,091	**6,977,091**	**—**	1,761	**1,761**	—	—	**—**	—	—	**—**	**6,978,852**
Total (C)		**2,066,610**	**92,876,144**	**94,942,754**	**(217,854)**	**34,513,391**	**34,295,537**	**262,919**	**1,235,543**	**1,498,462**	**19,156**	**10,203,908**	**10,223,064**	**140,959,817**
Surplus/(Deficit) (D) =(A)-(B)-(C)		**2,131,132**	**(375,538)**	**1,755,594**	**7,938,932**	**(496,888)**	**7,442,044**	**299,943**	**—**	**299,943**	**302,611**	**—**	**302,611**	**9,800,192**
Provision for taxation														
(a) Current tax credit/(charge)		—	—	—	—	—	—	—	—	—	—	—	—	—
(b) Deferred tax credit/(charge)		(53,186)	—	**(53,186)**	—	—	—	—	—	—	—	—	**—**	**(53,186)**
Surplus/(Deficit) after tax		**2,077,946**	**(375,538)**	**1,702,408**	**7,938,932**	**(496,888)**	**7,442,044**	**299,943**	**—**	**299,943**	**302,611**	**—**	**302,611**	**9,747,006**
Appropriations														
Transfer to Shareholders' a/c		2,573,560	—	**2,573,560**	8,813,558	—	**8,813,558**	312,315	—	**312,315**	302,611	—	**302,611**	**12,002,044**
Transfer to Other Reserves		—	—	—	—	—	—	—	—	—	—	—	—	—
Balance being funds for future appropriations		**(495,614)**	**(375,538)**	**(871,152)**	**(874,626)**	**(496,888)**	**(1,371,514)**	**(12,372)**	**—**	**(12,372)**	**—**	**—**	**—**	**(2,255,038)**
Total (D)		**2,077,946**	**(375,538)**	**1,702,408**	**7,938,932**	**(496,888)**	**7,442,044**	**299,943**	**—**	**299,943**	**302,611**	**—**	**302,611**	**9,747,006**

3. 27 DISCLOSURE FOR ULIP BUSINESS

ANNEXURE TO THE REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2013

POLICYHOLDERS' ACCOUNT (TECHNICAL ACCOUNT)

(₹ in '000)

Particulars	Schedule	Linked Life			Linked Pension			Linked Health			Linked Group			Total Unit Linked
		Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	
		(1)	(2)	(3)=(1) + (2)	(4)	(5)	(6)=(4) + (5)	(7)	(8)	(9)= (7) + (8)	(10)	(11)	(12)= (10) + (11)	(13)=(3)+ (6)+(9)+(12)
Premiums earned – net														
(a) Premium		1,963,319	53,212,455	**55,175,774**	117,496	27,209,778	**27,327,274**	181,787	1,933,421	**2,115,208**	25,036	11,978,221	**12,003,257**	**96,621,513**
(b) Reinsurance ceded		(203,628)	—	**(203,628)**	(149)	—	**(149)**	(309,749)	—	**(309,749)**	(903)	—	**(903)**	**(514,429)**
(c) Reinsurance accepted		—	—	—	—	—	—	—	—	—	—	—	—	—
Sub-total		**1,759,691**	**53,212,455**	**54,972,146**	**117,347**	**27,209,778**	**27,327,125**	**(127,962)**	**1,933,421**	**1,805,459**	**24,133**	**11,978,221**	**12,002,354**	**96,107,084**
Income from Investments														
(a) Interest, Dividend & Rent - Gross		557,550	9,388,797	**9,946,347**	302,374	7,433,166	**7,735,540**	7,540	102,984	**110,524**	63,849	3,424,685	**3,488,534**	**21,280,945**
(b) Profit on sale/redemption of investments		62,832	19,403,654	**19,466,486**	48,823	13,026,524	**13,075,347**	2,026	96,871	**98,897**	9,068	1,720,900	**1,729,968**	**34,370,698**
(c) Loss on sale/redemption of investments		(20,567)	(8,718,475)	**(8,739,042)**	(7,048)	(7,193,724)	**(7,200,772)**	(94)	(76,400)	**(76,494)**	(1,123)	(429,744)	**(430,867)**	**(16,447,175)**
(d) Unrealised gain/(loss)		—	4,504,296	**4,504,296**	—	7,163,496	**7,163,496**	—	134,919	**134,919**	—	177,332	**177,332**	**11,980,043**
(e) Accretion of discount/(amortisation of premium)		(3,448)	1,089,798	**1,086,350**	(4,387)	959,749	**955,362**	1,123	16,789	**17,912**	(883)	798,633	**797,750**	**2,857,374**
Sub-total		**596,367**	**25,668,070**	**26,264,437**	**339,762**	**21,389,211**	**21,728,973**	**10,595**	**275,163**	**285,758**	**70,911**	**5,691,806**	**5,762,717**	**54,041,885**
Other income:														
(a) Contribution from the Shareholders' a/c		—	—	—	—	—	—	—	—	—	—	—	—	—
(b) Linked income	UL1	12,893,499	(12,893,499)	—	11,651,368	(11,651,368)	—	1,041,120	(1,041,120)	—	337,298	(337,298)	—	—
(c) Fees & charges		1,765	—	**1,765**	—	—	—	—	—	—	—	—	—	**1,765**
(d) Misc. income		97,694	—	**97,694**	8,436	—	**8,436**	5,546	—	**5,546**	2,786	—	**2,786**	**114,462**
Sub-total		**12,992,958**	**(12,893,499)**	**99,459**	**11,659,804**	**(11,651,368)**	**8,436**	**1,046,666**	**(1,041,120)**	**5,546**	**340,084**	**(337,298)**	**2,786**	**116,227**
Total (A)		**15,349,016**	**65,987,026**	**81,336,042**	**12,116,913**	**36,947,621**	**49,064,534**	**929,299**	**1,167,464**	**2,096,763**	**435,128**	**17,332,729**	**17,767,857**	**150,265,196**
Commission		2,000,362	—	**2,000,362**	344,979	—	**344,979**	88,219	—	**88,219**	21	—	**21**	**2,433,581**
Operating expenses related to insurance business		6,134,838	7,642	**6,142,480**	1,515,659	(57,712)	**1,457,947**	454,731	4,233	**458,964**	171,983	167	**172,150**	**8,231,541**
Provision for doubtful debts		11,272	—	**11,272**	7,620	—	**7,620**	1,123	—	**1,123**	—	—	—	**20,015**
Bad debts written off		9,676	—	**9,676**	1,427	—	**1,427**	305	—	**305**	—	—	—	**11,408**
Provisions (other than taxation)														
(a) For diminution in the value of investments (net)		—	—	—	—	—	—	—	—	—	—	—	—	—
(b) Others		—	—	—	—	—	—	—	—	—	—	—	—	—
Service tax charge on linked charges		—	1,672,587	**1,672,587**	—	1,288,221	**1,288,221**	—	130,834	**130,834**	—	89,493	**89,493**	**3,181,135**
Total (B)		**8,156,148**	**1,680,229**	**9,836,377**	**1,869,685**	**1,230,509**	**3,100,194**	**544,378**	**135,067**	**679,445**	**172,004**	**89,660**	**261,664**	**13,877,680**
Benefits paid (net)	UL2	807,782	59,348,060	**60,155,842**	44,256	50,994,910	**51,039,166**	227,034	7,561	**234,595**	27,488	10,914,316	**10,941,804**	**122,371,407**
Interim bonus paid		—	—	—	—	—	—	—	—	—	—	—	—	—
Change in valuation of liability in respect of life policies														
(a) Policy liabilities (non-unit/mathematical reserves)(gross)		507,475	—	**507,475**	3,818	—	**3,818**	(7,388)	—	**(7,388)**	(9,838)	—	**(9,838)**	**494,067**
(b) Amount ceded in reinsurance		—	—	—	—	—	—	—	—	—	—	—	—	—
(c) Amount accepted in reinsurance		—	—	—	—	—	—	—	—	—	—	—	—	—
(d) Fund reserve		—	2,266,932	**2,266,932**	—	(14,222,417)	**(14,222,417)**	—	1,024,836	**1,024,836**	—	6,328,753	**6,328,753**	**(5,626,732)**
(e) Funds for discontinued policies		—	3,636,635	**3,636,635**	—	—	—	—	—	—	—	—	—	**3,636,635**
Total (C)		**1,315,257**	**65,251,627**	**66,566,884**	**48,074**	**36,772,493**	**36,820,567**	**219,646**	**1,032,397**	**1,252,043**	**17,650**	**17,243,069**	**17,260,719**	**120,875,377**
Surplus/(Deficit) (D) =(A)-(B)-(C)		**5,877,611**	**(944,830)**	**4,932,781**	**10,199,154**	**(1,055,381)**	**9,143,773**	**165,275**	**—**	**165,275**	**245,474**	**—**	**245,474**	**15,512,139**
Provision for taxation														
(a) Current tax credit/(charge)		—	—	—	—	—	—	—	—	—	—	—	—	—
(b) Deferred tax credit/(charge)		(794,594)	—	**(794,594)**	—	—	—	(22,344)	—	**(22,344)**	(33,186)	—	**(33,186)**	**(850,124)**
Surplus/(Deficit) after tax		**5,083,017**	**(944,830)**	**4,138,187**	**10,199,154**	**(1,055,381)**	**9,143,773**	**142,931**	**—**	**142,931**	**212,288**	**—**	**212,288**	**13,637,179**
Appropriations														
Transfer to Shareholders' a/c		5,913,266	—	**5,913,266**	10,552,638	—	**10,552,638**	73,710	—	**73,710**	212,288	—	**212,288**	**16,751,902**
Transfer to Other Reserves		—	—	—	—	—	—	—	—	—	—	—	—	—
Balance being funds for future appropriations		(830,249)	(944,830)	**(1,775,079)**	(353,484)	(1,055,381)	**(1,408,865)**	69,221	—	**69,221**	—	—	—	**(3,114,723)**
Total (D)		**5,083,017**	**(944,830)**	**4,138,187**	**10,199,154**	**(1,055,381)**	**9,143,773**	**142,931**	**—**	**142,931**	**212,288**	**—**	**212,288**	**13,637,179**

SCHEDULE-UL1

LINKED INCOME (RECOVERED FROM LINKED FUNDS)* FOR THE YEAR ENDED MARCH 31, 2014

(₹ in '000)

Particulars	Linked Life Unit	Linked Pension Unit	Linked Health Unit	Linked Group Unit	Total
	(1)	(2)	(3)	(4)	(5)= (1)+(2)+(3)+(4)
Fund administration charges	793,790	357,433	—	—	**1,151,223**
Fund management charges	4,155,540	2,907,994	55,381	779,411	**7,898,326**
Policy administration charges	2,335,004	2,727,635	109,339	—	**5,171,978**
Surrender charges	479,951	1,674,874	—	55	**2,154,880**
Switching charges	4,419	3,461	43	—	**7,923**
Mortality charges	2,919,058	53,840	809,248	—	**3,782,146**
Rider premium charges	319,617	7,951	—	—	**327,568**
Partial withdrawal charges	—	—	—	—	**—**
Policy foreclosure charges	894,873	1,118,484	116,421	—	**2,129,778**
Discontinued charges	163,350	278	—	—	**163,628**
Miscellaneous charges	(76,739)	1,225	5,732	(427,316)	**(497,098)**
TOTAL (UL-1)	**11,988,863**	**8,853,175**	**1,096,164**	**352,150**	**22,290,352**

* net of service tax, if any

LINKED INCOME (RECOVERED FROM LINKED FUNDS)* FOR THE YEAR ENDED MARCH 31, 2013

(₹ in '000)

Particulars	*Linked Life Unit*	*Linked Pension Unit*	*Linked Health Unit*	*Linked Group Unit*	*Total*
	(1)	*(2)*	*(3)*	*(4)*	*(5)= (1)+(2)+(3)+(4)*
Fund administration charges	893,470	369,355	—	—	**1,262,825**
Fund management charges	4,125,470	3,389,209	41,637	719,063	**8,275,379**
Policy administration charges	2,390,597	4,065,902	99,780	—	**6,556,279**
Surrender charges	627,497	1,869,127	—	2,720	**2,499,344**
Switching charges	3,889	3,184	29	—	**7,102**
Mortality charges	2,429,035	69,269	741,582	—	**3,239,886**
Rider premium charges	399,402	10,582	—	—	**409,984**
Partial withdrawal charges	—	—	—	—	**—**
Policy foreclosure charges	2,019,681	1,874,435	154,556	—	**4,048,672**
Discontinued charges	141,312	—	—	—	**141,312**
Miscellaneous charges	(136,854)	305	3,536	(384,485)	**(517,498)**
TOTAL (UL-1)	**12,893,499**	**11,651,368**	**1,041,120**	**337,298**	**25,923,285**

* net of service tax, if any

SCHEDULE-UL2

BENEFITS PAID [NET] FOR THE YEAR ENDED MARCH 31, 2014

(₹ in '000)

Sl. No.	Particulars	Linked Life			Linked Pension			Linked Health			Linked Group			Total Unit Linked
		Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	
		(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)	(7)	(8)	(9)=(7)+(8)	(10)	(11)	(12)=(10)+(11)	(13)=(3)+(6)+(9)+(12)
1	**Insurance claims**													
(a)	Claims by death	992,249	386,306	**1,378,555**	29,069	749,734	**778,803**	1	4,684	**4,685**	31,251	52,843	**84,094**	**2,246,137**
(b)	Claims by maturity	—	330,513	**330,513**	13,249	1,022,777	**1,036,026**	—	—	—	—	—	—	**1,366,539**
(c)	Annuities/pension payment	—	—	—	—	—	—	—	—	—	—	—	—	—
(d)	Other benefits													
	- Surrender/withdrawal	609	49,162,016	**49,162,625**	754	50,284,644	**50,285,398**	—	—	—	287	8,022,426	**8,022,713**	**107,470,736**
	- Survival	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Rider	42,164	—	**42,164**	3,301	—	**3,301**	—	—	—	—	—	—	**45,465**
	- Health	—	—	—	—	—	—	479,157	44,571	**523,728**	—	—	—	**523,728**
	Sub total (A)	**1,035,022**	**49,878,835**	**50,913,857**	**46,373**	**52,057,155**	**52,103,528**	**479,158**	**49,255**	**528,413**	**31,538**	**8,075,269**	**8,106,807**	**111,652,605**
2	**(Amount ceded in reinsurance)**													
(a)	Claims by death	(182,390)	—	**(182,390)**	—	—	—	—	—	—	(993)	—	**(993)**	**(183,383)**
(b)	Claims by maturity	—	—	—	—	—	—	—	—	—	—	—	—	—
(c)	Annuities / pension payment	—	—	—	—	—	—	—	—	—	—	—	—	—
(d)	Other benefits													
	- Surrender/withdrawal	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Survival	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Rider	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Health	—	—	—	—	—	—	(254,809)	—	**(254,809)**	—	—	—	**(254,809)**
	Sub total (B)	**(182,390)**	**—**	**(182,390)**	**—**	**—**	**—**	**(254,809)**	**—**	**(254,809)**	**(993)**	**—**	**(993)**	**(438,192)**
3	**Amount ceded in reinsurance**													
(a)	Claims by death	—	—	—	—	—	—	—	—	—	—	—	—	—
(b)	Claims by maturity	—	—	—	—	—	—	—	—	—	—	—	—	—
(c)	Annuities/pension payment	—	—	—	—	—	—	—	—	—	—	—	—	—
(d)	Other benefits	—	—	—	—	—	—	—	—	—	—	—	—	—
	Sub total (C)	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
	Total (A) + (B) + (C)	**852,632**	**49,878,835**	**50,731,467**	**46,373**	**52,057,155**	**52,103,528**	**224,349**	**49,255**	**273,604**	**30,545**	**8,075,269**	**8,105,814**	**111,214,413**
	Benefits paid to claimants:													
	In India	1,035,022	49,878,835	**50,913,857**	46,373	52,057,155	**52,103,528**	479,158	49,255	**528,413**	31,538	8,075,269	**8,106,807**	**111,652,605**
	Outside India	—	—	—	—	—	—	—	—	—	—	—	—	—
	Total (UL-2)	**1,035,022**	**49,878,835**	**50,913,857**	**46,373**	**52,057,155**	**52,103,528**	**479,158**	**49,255**	**528,413**	**31,538**	**8,075,269**	**8,106,807**	**111,652,605**

SCHEDULE-UL2

BENEFITS PAID [NET] FOR THE YEAR ENDED MARCH 31, 2013

(₹ in '000)

Sl. No.	*Particulars*	*Linked Life*			*Linked Pension*			*Linked Health*			*Linked Group*			*Total Unit Linked*
		Non-Unit	*Unit*	*Total*	*Non-Unit*	*Unit*	*Total*	*Non-Unit*	*Unit*	*Total*	*Non-Unit*	*Unit*	*Total*	
		(1)	*(2)*	*(3)=(1)+(2)*	*(4)*	*(5)*	*(6)=(4)+(5)*	*(7)*	*(8)*	*(9)=(7)+(8)*	*(10)*	*(11)*	*(12)=(10)+(11)*	*(13)=(3)+(6)+(9)+(12)*
1	**Insurance claims**													
(a)	Claims by death	828,921	353,979	**1,182,900**	35,104	890,499	**925,603**	—	3,486	**3,486**	27,615	40,705	**68,320**	**2,180,309**
(b)	Claims by maturity	—	141,778	**141,778**	4,423	588,282	**592,705**	—	—	—	—	—	—	**734,483**
(c)	Annuities/pension payment	—	—	—	—	—	—	—	—	—	—	—	—	—
(d)	Other benefits													
	- Surrender/withdrawal	328	58,852,303	**58,852,631**	955	49,516,129	**49,517,084**	—	—	—	—	10,873,611	**10,873,611**	**119,243,326**
	- Survival	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Rider	55,862	—	**55,862**	3,774	—	**3,774**	—	—	—	—	—	—	**59,636**
	- Health	—	—	—	—	—	—	443,395	4,075	**447,470**	—	—	—	**447,470**
	Sub total (A)	**885,111**	**59,348,060**	**60,233,171**	**44,256**	**50,994,910**	**51,039,166**	**443,395**	**7,561**	**450,956**	**27,615**	**10,914,316**	**10,941,931**	**122,665,224**
2	**(Amount ceded in reinsurance)**													
(a)	Claims by death	(77,329)	—	**(77,329)**	—	—	—	—	—	—	(127)	—	**(127)**	**(77,456)**
(b)	Claims by maturity	—	—	—	—	—	—	—	—	—	—	—	—	—
(c)	Annuities/pension payment	—	—	—	—	—	—	—	—	—	—	—	—	—
(d)	Other benefits													
	- Surrender/withdrawal	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Survival	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Rider	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Health	—	—	—	—	—	—	(216,361)	—	**(216,361)**	—	—	—	**(216,361)**
	Sub total (B)	**(77,329)**	**—**	**(77,329)**	**—**	**—**	**—**	**(216,361)**	**—**	**(216,361)**	**(127)**	**—**	**(127)**	**(293,817)**
3	**Amount accepted in reinsurance**													
(a)	Claims by death	—	—	—	—	—	—	—	—	—	—	—	—	—
(b)	Claims by maturity	—	—	—	—	—	—	—	—	—	—	—	—	—
(c)	Annuities/pension payment	—	—	—	—	—	—	—	—	—	—	—	—	—
(d)	Other benefits	—	—	—	—	—	—	—	—	—	—	—	—	—
	Sub total (C)	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
	Total (A) + (B) + (C)	**807,782**	**59,348,060**	**60,155,842**	**44,256**	**50,994,910**	**51,039,166**	**227,034**	**7,561**	**234,595**	**27,488**	**10,914,316**	**10,941,804**	**122,371,407**
	Benefits paid to claimants:													
	In India	885,111	59,348,060	**60,233,171**	44,256	50,994,910	**51,039,166**	443,395	7,561	**450,956**	27,615	10,914,316	**10,941,931**	**122,665,224**
	Outside India	—	—	—	—	—	—	—	—	—	—	—	—	—
	Total (UL-2)	**885,111**	**59,348,060**	**60,233,171**	**44,256**	**50,994,910**	**51,039,166**	**443,395**	**7,561**	**450,956**	**27,615**	**10,914,316**	**10,941,931**	**122,665,224**

3.28. Employee benefits

Provision for staff benefits as per AS 15 (Revised):

a) Defined Contribution Plans:

The amount recognised as an expense during the year is ₹ 40,678 thousand (year ended March 31, 2013: ₹ 43,089 thousand).

b) Defined Benefit Plans:

Gratuity

The Gratuity plan of the Company provides for a lump-sum payment to vested employees at retirement, termination of employment or resignation from employment. Vesting happens only on completion of 5 years of continuous service with the company. However, in case of death of an employee during the course of an active employment, the gratuity is paid even if the employee has not completed 5 years of continuous service. The payment is based on employee's last drawn salary and tenure as prescribed in the Company's policy. The gratuity liability of the Company is actuarially determined at each Balance Sheet date using projected unit cost method

(₹ in '000)

Particulars	Year ended March 31, 2014	*March 31, 2013*
Reconciliation of benefit obligations and planned assets for the period:		
Present value of the defined benefit obligations at March 31 (A)	**593,293**	*500,636*
Fair value of plan assets at March 31 (B)	**554,816**	*476,280*
Net liability recognised in Balance Sheet at end of reporting period (B-A)	**(38,477)**	*(24,356)*
Total net cost recognised as employee remuneration in Revenue / Profit and loss account	**116,946**	*132,860*
Change in defined benefit obligation:		
Opening obligations at April 1	**500,636**	*397,433*
Service cost	**71,994**	*63,056*
Interest cost	**40,317**	*34,272*
Actuarial loss	**46,119**	*59,557*
Liability assumed on transfer of employee	**6,741**	*—*
Benefits paid	**(72,514)**	*(53,682)*
Present value of the defined benefit obligations at March 31 (A)	**593,293**	*500,636*
Change in Plan Asset:		
Opening plan assets, at fair value at April 1	**476,280**	*301,856*
Expected return on plan assets	**37,164**	*23,009*
Actuarial gain	**4,319**	*10,794*
Contributions	**102,826**	*194,303*
Assets acquired on transfer of employee	**6,741**	*—*
Benefits paid	**(72,514)**	*(53,682)*
Fair value of plan assets at March 31 (B)	**554,816**	*476,280*
Cost for the year:		
Service cost	**71,994**	*63,056*
Interest cost	**40,317**	*34,272*
Expected return on plan assets	**(37,164)**	*(23,009)*
Actuarial loss	**41,800**	*48,763*
Past service cost	**—**	*9,778*
Total net cost recognised as employee remuneration in Revenue / Profit and loss account	**116,947**	*132,860*
Investment details of plan assets:		
Plan assets invested in insurer managed funds	**100.0%**	*100.0%*
Fund earning rate	**9.0%**	*10.0%*
Asset allocation:		
Debentures and Bonds	**35.3%**	*31.5%*
Fixed deposits	**18.7%**	*17.8%*
Government securities	**14.2%**	*19.5%*
Equity shares	**15.8%**	*15.3%*
Money market instruments	**11.8%**	*10.5%*
Others	**4.2%**	*5.4%*
Total	**100.0%**	*100.0%*
Assumptions:		
Discount rate	**8.7%**	*7.8%*
Salary escalation rate *		
Grade I and II	**5.0%**	*5.0%*
Grade III and above		
- Year 1	**8.0%**	*10.0%*
- Year 2 to 3	**8.0%**	*8.0%*
- Year 4 to 6	**8.0%**	*7.0%*
- Year 7 onwards	**8.0%**	*5.0%*
Estimated rate of return on plan assets #	**7.5%**	*7.5%*
Expected future contribution from employer for next financial year	**120,000**	*150,000*

* Salary escalation rate considered in valuation take into account impact of inflation, seniority, promotion and other factors impacting future salary cost.

Expected rate of return on plan assets is based on our expectation of the average long-term rate of return expected on investments of fund during the estimated term of obligations.

Experience adjustments on gratuity provisioning

(₹ in '000)

Particulars	Period ended March 31, 2014	*March 31, 2013*	*March 31, 2012*	*March 31, 2011*	*March 31, 2010*
Defined benefit obligation	**593,293**	**500,636**	**397,433**	*328,569*	*261,481*
Plan assets	**554,816**	*476,280*	*301,856*	*204,073*	*233,791*
Surplus/(deficit)	**(38,477)**	*(24,356)*	*(95,577)*	*(124,496)*	*(27,690)*
Experience adjustments					
- on plan liabilities	**26,710**	*49,715*	*24,870*	*38,548*	*1,650*
- on plan assets	**4,319**	*10,794*	*6,835*	*(20,827)*	*4,158*

Provident fund

Provident fund benefits are aimed at providing security to staff members and their dependents on retirement, disability or death. Both employee and the company contribute an equal percentage of the basic salary a part of which goes to the fund, and balance portion is contributed to the government administered pension fund. The provident fund is managed by ICICI Prudential Life Insurance Company Employees' Provident Fund Trust.

The minimum rate at which the annual interest is payable by the trust to members is prescribed by the Government. The Company has an obligation to make good the shortfall, if any, between the Government prescribed rate and actual return earned by the provident fund.

As there is net surplus in the plan, no liability needs to be provided for in the books of accounts of the Company.

The assumptions used in actuarially valuing the defined benefit obligations of interest rate guarantee are as follows:

Particulars	March 31, 2014	*March 31, 2013*
Discount rate for the term of the obligation	**8.7%**	*7.8%*
Average historic yield on the investment portfolio	**8.9%**	*8.9%*
Discount rate for the remaining term to maturity of the investment portfolio	**8.9%**	*8.0%*
Expected investment return	**8.7%**	*8.7%*
Guaranteed rate of return	**8.8%**	*8.5%*

c) Other long term benefits

Long term incentive scheme

Liability for the scheme is determined based on actuarial valuation which has been carried out using the projected accrued benefit method which is same as the projected unit credit method in respect of past service. The assumptions used for valuation are:

Particulars	March 31, 2014	*March 31, 2013*
Discount rate per annum	*8.7%*	*7.8%*

Compensated absence

Liability for compensated absence for employees is determined based on actuarial valuation which has been carried out using the projected accrued benefit method which is same as the projected unit credit method in respect of past service. The assumptions used for valuation are:

Particulars	March 31, 2014	*March 31, 2013*
Discount rate per annum	**8.7%**	*7.8%*
Salary escalation rate (per annum)		
Grade I and II	**5.0%**	*5.0%*
Grade III and above		
- Year 1	**8.0%**	*10.0%*
- Year 2 to 3	**8.0%**	*8.0%*
- Year 4 to 6	**8.0%**	*7.0%*
- Year 7 onwards	**8.0%**	*5.0%*

Leave accumulation policy of the Company is given below:

Criteria	Grade I-IV	Grade V and above
Employment upto 5 years	NA	60 days
Employment more than 5 years	60 days	90 days

While computing liability, 2% leave availment has been assumed for each subsequent year following the valuation date.

3.29. Employee Stock Option Scheme ("ESOS")

The Company Employees Stock Option Scheme (2005) ("ESOS 2005") is approved by the Shareholders of the Company and administered by the Board Compensation and Nominations Committee. There are presently six tranches granted under the Company Employee Stock Option Scheme (ESOS) by name Founder I, 2004-05, 2005-06, 2006-07, Founder II and 2007-08. ESOS 2005 permits the grant of share options up to 3% of the issued capital of the Company. The maximum number of options that can be granted to any eligible employee is restricted to 1% of the issued capital.

Options are granted with an exercise price which is computed based on the new business achieved profits (NBAP) applying a suitable multiple, consistent with the industry and Company context. The exercise price was finalised by the Board Compensation and Nominations Committee in concurrence with the Board of Directors of the Company.

The salient features of tranches issued are as stated below:

	Founder I	2004-05	2005-06	2006-07 Founder II	2007-08
Date of grant	March 28, 2005	April 25, 2005	April 26, 2006	April 24, 2007	April 25, 2008
Number of options granted	2,662,500	3,782,400	4,633,250	6,534,675 (2006-07) 470,000 (Founder II)	6,101,000
Graded Vesting Period					
1st Year	50% of options granted	25% of options granted			
2nd Year	25% of options granted	25% of options granted			
3rd Year	25% of options granted	25% of options granted			
4th Year	—	25% of options granted			
Maximum term of options granted	Later of the tenth anniversary of the date of grant of options or the fifth anniversary of the date of vesting of options				
Mode of settlement	Equity				

Exercise price of all the options outstanding as at March 31, 2014 for Founder I (2003-04) scheme, 2004-2005 scheme, 2005-06 scheme, 2006-07 scheme, Founder II and 2007-08 scheme is ₹ 30, ₹ 42, ₹ 70, ₹ 130, ₹ 130 and ₹ 400 respectively.

A summary of status of Company's Employee Stock Option Scheme in terms of options granted, forfeited and exercised is given below:

Particulars	March 31, 2014	*March 31, 2013*
Outstanding at the beginning of the year	**12,287,604**	*12,778,898*
Add: Granted during the year	**—**	—
Less: Forfeited/lapsed during the year	**(2,087,905)**	*(401,169)*
Less: Exercised during the year	**(330,501)**	*(90,125)*
Outstanding at the end of the year	**9,869,198**	*12,287,604*
Exercisable at the end of the year	**9,869,198**	*12,287,604*

During the year, the Company has recognised a compensation cost of ₹ Nil (Previous year: ₹ Nil) as the intrinsic value of the options.

For the year ended March 31, 2014 there would have been no impact on the Revenue account and Profit & Loss account had the Company followed the fair value method for valuing its options. For the year ended March 31, 2013 there would have been an additional cost of ₹ 2,416 thousand under the fair value method. Accordingly, the profit after tax for the year ended March 31, 2013 would have been at ₹ 14,956,976 thousand. Consequently, the Company's basic earnings per share would have been at ₹ 10.47 and diluted earnings per share would have been at ₹ 10.44 for the year ended March 31, 2013

The weighted average price of options exercised during the year is ₹ 69.3 (year ended March 31, 2013: ₹ 70.0). The weighted average remaining contractual life of options outstanding at the end of the year is as follows:

	At March 31, 2014		At March 31, 2013	
Exercise price range (in ₹)	Options outstanding	Weighted average remaining contractual life (in years)	Options outstanding	Weighted average remaining contractual life (in years)
30	113,390	1.0	90,640	2.0
42	663,385	1.1	730,688	2.1
70	2,077,290	2.1	2,444,492	3.1
130	3,597,508	3.1	4,537,691	4.1
400	3,417,625	4.1	4,484,093	5.1
Total	**9,869,198**	**3.0**	**12,287,604**	**4.1**

3.30. Foreign exchange gain/loss

Transactions in foreign currencies are recorded at exchange rate prevailing on the date of transaction. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement is recognised as income or expense, as the case may be. The net foreign exchange loss debited to Revenue account for the year ended March 31, 2014 is ₹ 3,173 thousand (year ended March 31, 2013: loss of ₹ 3,061 thousand).

3.31. Earnings per share

(₹ in '000)

	Particulars	March 31, 2014	*March 31, 2013*
I	Net profit/(loss) as per profit and loss account available for equity shareholders for both basic and diluted earnings per equity share of ₹ 10 each	**15,666,555**	*14,959,392*
II	Weighted average number of equity shares for earnings per equity share		
	(a) For basic earnings per equity share	**1,429,053,739**	1,428,876,063
	(b) For diluted earnings per equity share Number of equity shares for basic earnings per equity share as per (II) (a)	**1,429,053,739**	1,428,876,063
	Add: Weighted average outstanding employee stock options deemed to be issued for no consideration	**3,089,612**	3,749,508
	Weighted number of equity shares for diluted earnings per equity share	**1,432,143,351**	*1,432,625,571*
III	**Earnings per equity share**		
	Basic (in ₹)	**10.96**	*10.47*
	Diluted (in ₹)	**10.94**	*10.44*

3.32. Funds for Future Appropriations ('FFA')

The cumulative balance of FFA as at March 31, 2014 of ₹ 449,992 thousand (March 31, 2013: ₹ 1,322,418 thousand) is not available for distribution to Shareholders. Such amount is classified under Funds for Future appropriations – Linked, in the Balance Sheet.

3.33. The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

There are no payments made to or dues outstanding to Micro, Small and Medium Enterprises beyond the timelines prescribed by the Act (March 31, 2013: ₹ nil).

3.34. Additional disclosures on expenses

The additional disclosures on expenses pursuant to the IRDA Circular 067/IRDA/F&A/CIR/MAR-08 dated March 28, 2008 have been detailed herein below:

(₹ in '000)

Particulars	FY2014	*FY2013*
Outsourcing expenses	**2,551,821**	*2,102,308*
Business development expenses	**499,415**	*1,600,746*
Market support expenses	**2,271,989**	*1,002,935*

3.35. Disclosure on fines and penalties

The additional disclosures with respect to fines and penalties for penal actions pursuant to the IRDA circular no. 005/IRDA/F&A/CIR/MAY-09 dated May 7, 2009 have been detailed herein below:

(₹ in '000)

Sr. No.	Authority	Non-compliance / violation	Penalties levied during the year ended	
			March 31, 2014	*March 31, 2013*
1	Insurance Regulatory and Development Authority	Refer note	—	*11,800*
2	Service Tax Authorities	NIL	—	—
3	Income Tax Authorities	NIL	—	—
4	Any other Tax Authorities	NIL	—	—
5	Enforcement Directorate / Adjudicating Authority / Tribunal or any Authority under FEMA	NIL	—	—
6	Registrar of Companies / National Company Law Tribunal / Company Law Board / Department of Corporate Affairs or any Authority under Companies Act, 1956	NIL	—	—
7	Penalty awarded by any Court / Tribunal for any matter including claim settlement but excluding compensation	NIL	—	—
8	Competition Commission of India	NIL	—	—
9	Any other State / Central / Local Government / Statutory Authority	Shop and Establishment Act	—	—
		Equal Remuneration Act	—	—
		Electricity Act	—	—
		Contract Labour (Regulation and Abolishment) Act	—	—
		Profession Tax Act	**150**	—
		Industrial Dispute Act	—	—
		Maternity Benefit Act	—	—
		Payment of Gratuity Act	—	—
	Total		**150**	*11,800*

Note: Penalty towards non-compliance of certain provisions of the Insurance Act, 1938 and regulations/guidelines issued by IRDA in respect of intermediaries and group business.

3.36. Disclosures on other work given to auditors

Pursuant to clause 7.1 (g) of Corporate Governance Guidelines issued by the IRDA on August 5, 2009 the services of the statutory auditor are disclosed below:

(₹ in '000)

Name of the auditor	Service rendered	FY 2014	*FY 2013*
S.R.BATLIBOI & CO. LLP	NAV and Form IA certification	**225**	*225*

3.37. Discontinued policy fund

Pursuant to the IRDA circular number IRDA/Reg/2/52/2010 dated July 1, 2010, the following details are disclosed with respect to policies discontinued either on customer request or for non-payment of premium amount within the grace period:

a) Movement in funds for discontinued policies:

(₹ in '000)

Particulars	March 31, 2014	*March 31, 2013*
Opening balance at the beginning of the year	**4,301,825**	*665,190*
Add: Amount transferred to funds for discontinued policies	**6,369,068**	*3,470,155*
Add: Income on investments	**651,841**	*177,905*
Less: Fund management charges	**42,057**	*11,425*
Less: Amount refunded to policyholders	**—**	—
Closing balance at the end of the year	**11,280,677**	*4,301,825*

b) Number of policies discontinued during the year ended March 31, 2014: 114,636 (Previous year: 90,192).

c) Percentage of discontinued to total policies (product wise):

Product Name	March 31, 2014	*March 31, 2013*
LifeTime Premier	**27.3%**	*20.4%*
Pinnacle Super	**21.3%**	*25.1%*
Life Stage Wealth II	**19.0%**	*16.7%*
Smart Kid Premier	**16.2%**	*14.8%*
Pinnacle II	**16.2%**	*17.5%*
Elite life	**9.5%**	*3.1%*
Elite Wealth	**7.9%**	*2.1%*
Wealth Builder	**6.4%**	—
Shubh retirement	**2.8%**	—

d) Number and percentage of policies revived:

Particulars	March 31, 2014	*March 31, 2013*
Number of policies revived	**38,271**	*24,124*
Number of policies discontinued	**206,847**	*115,735*
Percentage of policies revived	**18.5%**	*20.8%*

e) Charges imposed/readjusted on account of discontinued policies/revival of discontinued policies are as follows:

Particulars	March 31, 2014	*March 31, 2013*
Charges imposed on account of discontinued policies	**274,112**	*208,726*
Charges readjusted on account of revival of discontinued policies	**(90,324)**	*(51,621)*
Total	**183,788**	*157,105*

3.38. Statement containing names, descriptions, occupations of and directorships held by the persons in charge of management of the business under Section 11 (2) of Insurance Act, 1938

Name of person in-charge	:	Sandeep Bakhshi
Designation of person in-charge	:	Managing Director & CEO
Occupation of person in-charge	:	Service
Directorships held by the person	:	ICICI Prudential Pension Funds Management Company
in-charge during the year or as at March 31, 2014		Limited, Chairman Financial Inclusion Network Operations Limited, Chairman

3.39. Dividend

The Board of Directors of the Company have during the year approved and paid an interim dividend aggregating to ₹ 7,931,517 thousand (Previous year: ₹ 3,429,335 thousand).

The total interim dividend appropriation for the year amounted to ₹ 9,279,478 thousand including corporate dividend tax of ₹ 1,347,961 thousand (Previous year: ₹ 3,985,659 thousand including corporate dividend tax of ₹ 556,324 thousand).

The Board of Directors have also proposed a final dividend of ₹ 3,001,437 thousand (Previous year: ₹ 1,413,959 thousand).

These dividends were declared from current year's profit and the Company has transferred 10% of current year's profit amounting to ₹ 1,566,656 thousand to General Reserves (Previous year: ₹ 1,495,939 thousand) as required by the Companies (Transfer of Profits to Reserves) Rules, 1975.

3.40. Debit balance in Profit & Loss account

In accordance with IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002, debit balance in Profit and Loss account carried to Balance Sheet has been shown as deduction from General reserve to the extent of ₹ 4,446,769 thousand (Previous year: ₹ 2,880,113 thousand) and the balance ₹ 5,887,809 thousand (Previous year: ₹ 8,763,355 thousand) is shown in the Balance Sheet under application of funds.

3.41 Summary of financial statements

(₹ in lacs)

Sr.No.	Particulars	FY2014	FY2013	FY2012	FY2011	FY2010
	Policyholders' Account					
1	Gross premium income	1,242,865	1,353,824	1,402,158	1,788,063	1,653,188
2	Net premium income #	1,228,265	1,341,724	1,392,788	1,781,698	1,647,896
3	Income from investments (net)@	920,825	618,044	(14,181)	623,153	1,757,996
4	Other income	11,190	56,532	36,371	14,618	52,972
	Contribution from the Shareholders a/c	9,465	54,125	34,980	13,590	52,550
	Fees and Charges	1,725	2,407	1,391	1,028	422
5	**Total income**	**2,160,280**	**2,016,300**	**1,414,978**	**2,419,469**	**3,458,864**
6	Commissions	62,749	76,542	60,547	56,068	60,297
7	Brokerage	—	—	—	—	—
8	Operating expenses related to insurance busines	192,653	203,825	200,885	218,739	256,915
9	Provisions for tax	4,374	2,385	4,356	9,219	(305)
10	**Total Expenses**	**259,776**	**282,752**	**265,787**	**284,026**	**316,907**
11	Payment to policy holders *	1,208,334	1,329,273	845,736	1,059,172	721,004
12	Increase in actuarial liability	278,489	268,960	245,045	229,822	59,062
13	Transfer to Linked Fund **	287,684	(9,653)	(74,786)	785,688	2,232,121
14	**Surplus/Deficit from operations**	**125,997**	**144,968**	**133,196**	**60,760**	**129,770**
	Shareholders' Account					
15	Total income under Shareholders Account	35,968	41,022	21,857	10,586	3,124
16	Profit /(loss) before tax	152,921	156,961	141,372	83,250	28,053
17	Provisions for tax	(3,745)	7,367	2,955	2,488	2,256
	Profit/ (loss) after tax	**156,666**	**149,594**	**138,417**	**80,762**	**25,797**
19	Profit /(loss) carried to Balance sheet	(103,346)	(116,435)	(194,670)	(271,087)	(351,849)
	Miscellaneous					
20	**(A) Policyholders account:**					
	Total funds ***	7,462,421	6,873,444	6,611,387	6,441,896	5,428,166
	Total Investments ^	7,476,714	6,880,782	6,692,814	6,604,373	5,592,583
	Yield on investments (%)	12.8%	9.1%	-0.2%	10.2%	40.0%
	(B) Shareholders account :					
	Total funds	439,302	396,487	300,528	208,485	126,762
	Total Investments	535,277	491,996	347,701	197,647	128,503
	Yield on investments (%) ^ ^	7.0%	9.8%	8.0%	6.5%	3.2%
21	Yield on total investments	12.4%	9.1%	0.1%	10.1%	39.2%
22	Paid up equity capital	142,926	142,894	142,885	142,846	142,814
23	Net worth	439,302	396,487	300,528	208,485	126,762
24	**Total Assets**	**7,952,127**	**7,320,756**	**6,987,837**	**6,747,606**	**5,678,180**
25	**Earnings per share**					
	Basic earnings per share (₹)	10.96	10.47	9.69	5.65	1.81
	Diluted earnings per share (₹)	10.94	10.44	9.66	5.64	1.80
26	Book value per share (₹)	30.74	27.75	21.03	14.60	8.88

Net of reinsurance
@ Net of losses
* Inclusive of interim bonuses, if any
** Represents increase in Unit reserve
*** Includes Provision for linked liabilities
^ Includes Assets held to cover linked liabilities
^ ^ Investment income/((Opening investments + Closing investments)/2)

3.42 **Accounting ratios**

Sr No.	Particulars	March 31, 2014	*March 31, 2013*
1	**New business premium income growth (segment-wise)**		
	Participating Life	**188.7%**	*(31.6%)*
	Participating Pension	**(100.0%)**	*(74.7%)*
	Non Participating	**(62.9%)**	*31.1%*
	Annuities Non Participating	**(10.2%)**	*8.2%*
	Health	**(59.7%)**	*(32.3%)*
	Linked Life	**21.8%**	*(4.5%)*
	Linked Pension	**70.0%**	*62.6%*
	Linked Health	**(58.6%)**	*(17.7%)*
	Linked Group	**(92.3%)**	*117.0%*
2	**Net retention ratio**	**98.8%**	*99.1%*
	(Net premium divided by gross premium)		
3	**Ratio of expenses of management**	**18.1%**	*18.3%*
	(Expenses of management including commission divided by the total gross direct premium)		
4	**Commission ratio**	**5.0%**	*5.7%*
	(Gross commission paid to Gross premium)		
5	**Ratio of Policyholders liabilities to Shareholders funds**	**1710.2%**	*1746.4%*
6	**Growth rate of Shareholders fund**	**10.8%**	*31.9%*
7	**Ratio of surplus to Policyholders liability**		
	Participating Life	**2.2%**	*0.9%*
	Participating Pension	**2.9%**	*2.6%*
	Non Participating	**1.1%**	*(13.7%)*
	Annuities Non Participating	**(3.4%)**	*(0.8%)*
	Health	**53.2%**	*(66.1%)*
	Linked Life	**0.5%**	*1.4%*
	Linked Pension	**3.6%**	*4.1%*
	Linked Health	**5.8%**	*3.6%*
	Linked Group	**0.5%**	*0.4%*
8	**Change in networth (₹ '000)**	**4,281,508**	*9,595,939*
9	**Profit after tax / Total income**	**7.1%**	*7.5%*
10	**(Total Real Estate + Loans)/Cash & invested assets**	**0.2%**	*0.3%*
11	**Total Investment/(Capital + Surplus)**	**1823.8%**	*1859.5%*
12	**Total Affiliated Investment/(Capital+Surplus)**	**6.4%**	*7.7%*
13	**Persistency Ratio***		
	13th Month	**71.7%**	*71.4%*
	25th Month	**89.4%**	*90.0%*
	37th Month	**45.9%**	*35.6%*
	49th Month	**65.4%**	*56.6%*
	61th Month	**61.7%**	*60.9%*

* The ratio is computed based on premiums on a reducing balance basis. The denominator includes only policies paying premium at the beginning of the year.

3.43 Statement showing the Controlled Fund of ICICI Prudential Life Insurance Company Limited

(₹ crores)

Sr No.	Particulars	March 31, 2014	*March 31, 2013*
1	**Computation of Controlled fund as per the Balance Sheet**		
	Policyholders' fund (Life fund)		
	Participating		
	Individual Assurance	**4,346**	*3,615*
	Individual Pension	**677**	*644*
	Group Assurance	**283**	*307*
	Group Pension	**1,001**	*1,198*
	Non-participating		
	Individual Assurance	**5,543**	*3,467*
	Group Assurance	**—**	*—*
	Individual Annuity	**1,749**	*1,434*
	Health	**63**	*82*
	Linked		
	Individual Assurance	**34,169**	*29,749*
	Group Assurance	**—**	*—*
	Individual Pension	**20,332**	*22,113*
	Group Superannuation & Gratuity	**5,948**	*5,736*
	Health	**513**	*390*
	Funds for Future Appropriations	**504**	*508*
	Total (A)	**75,128**	*69,243*
	Shareholders' fund		
	Paid up capital	**1,429**	*1,429*
	Reserves & surplus	**3,367**	*3,364*
	Fair value change	**186**	*48*
	Total (B)	**4,982**	*4,841*
	Misc. expenses not written off	**—**	*—*
	Credit / (Debit) from P&L A/c.	**(589)**	*(876)*
	Total (C)	**(589)**	*(876)*
	Total Shareholders' funds (B+C)	**4,393**	*3,965*
	Controlled fund (Total (A+B-C))	**79,521**	*73,208*
2	**Reconciliation of the Controlled fund from Revenue and Profit & Loss Account**		
	Opening Balance of Controlled fund	**73,208**	*69,879*
	Add: inflow		
	Premium income	**12,429**	*13,538*
	Less: reinsurance ceded	**(146)**	*(121)*
	Net premium	**12,283**	*13,417*
	Investment income*	**9,208**	*6,180*
	Other income	**17**	*24*
	Funds transferred from Shareholders' accounts	**95**	*541*
	Total income	**21,603**	*20,162*
	Less: outgo		
	(i) Benefits paid (net)	**12,074**	*13,288*
	(ii) Interim Bonus Paid	**9**	*5*

(₹ crores)

Sr No.	Particulars	2013-2014	2012-2013
	(iii) Change in Valuation of Liability	**5,662**	*2,593*
	(iv) Commission	**627**	*765*
	(v) Operating Expenses	**1,928**	*2,038*
	(vi) Provision for Taxation		
	(a) FBT	**—**	*—*
	(b) I.T.	**44**	*24*
	Total outgo	**20,344**	*18,713*
	Surplus of the Policyholders' fund	**1,259**	*1,449*
	Less: transferred to Shareholders' account	**1,264**	*1,701*
	Net Flow in Policyholders' account	**(5)**	*(251)*
	Add: Net income in Shareholders' fund	**1,567**	*1,496*
	Net In Flow / Outflow	**1,562**	*1,245*
	Add: change in valuation liabilities	**5,662**	*2,593*
	Add: Increase in paid up capital	**2**	*1*
	Less: Dividend & dividend distribution tax	**(1,279)**	*(564)*
	Closing balance of controlled fund as per cash flow	**79,155**	*73,154*
	Change in fair value change & revaluation reserve account	**366**	*54*
	Closing balance of controlled fund	**79,521**	*73,208*
	As Per Balance Sheet	**79,521**	*73,208*
	Difference, if any	**—**	*—*
3	**Reconciliation with Shareholders' and Policyholders' fund**		
	Policyholders' funds		
3.1	**Policyholders' funds - Traditional-PAR and NON-PAR**		
	Opening Balance of the Policyholders' Fund	**10,923**	*8,196*
	Add: Surplus of the Revenue account	**221**	*61*
	Add: change in valuation liabilities	**2,687**	*2,638*
	Total as per cash flow	**13,831**	*10,895*
	Change in fair value change & revaluation reserve account	**228**	*28*
	Total	**14,059**	*10,923*
	As per Balance Sheet	**14,059**	*10,923*
	Difference, if any	**—**	*—*
3.2	**Policyholders' funds - Linked**		
	Opening Balance of the Policyholders' fund	**58,320**	*58,678*
	Add: Surplus of the Revenue account	**(226)**	*(311)*
	Add: change in valuation liabilities	**2,975**	*(47)*
	Total	**61,069**	*58,320*
	As per Balance Sheet	**61,069**	*58,320*
	Difference, if any	**—**	*—*
	Shareholders' funds		
	Opening Balance of Shareholders' fund	**3,965**	*3,006*
	Add: net income of Shareholders' account (P&L)	**1,567**	*1,496*
	Add: Infusion of capital	**2**	*1*
	Less: dividend & dividend distribution tax	**(1,279)**	*(564)*
	Closing balance of the Shareholders' fund as per cash flow	**4,255**	*3,939*
	Change in fair value change	**138**	*26*
	Closing balance of the Shareholders' fund	**4,393**	*3,965*
	As per Balance Sheet	**4,393**	*3,965*
	Difference, if any	**—**	*—*

* Includes provision for diminution in the value of invetments

3.44. Previous year comparatives

Previous year figures have been regrouped and reclassified wherever necessary to conform to current period's presentation.

(₹ in '000)

Sr. No.	Regrouped to	Regrouped from	Amount	Reason
1	**Revenue account** Provision for diminution in the value of investments.	**Revenue account** Loss on sale/ redemption of investments.	**98,743**	The diminution in the value of Investments' have been reclassified to ensure appropriate presentation.
2.	**Revenue Account** Service tax charge on linked charges.	**Revenue account** Operating expenses relating to Insurance business.	**3,181,135**	As per Clause 2.10.2 on Accounting and Presentation of Service Tax of the 'Master circular on Preparation of Financial statements and Filing of returns of Life Insurance Business' ('Master Circular') issued by IRDA with applicability date of April 1, 2014 "Service tax charged on Fund Management or other services to ULIP policyholders should be disclosed separately in the Fund Revenue Account by way of a separate line item and not under Operating Expenses. The Company has accordingly done an early adoption of the prescription and reclassified service tax on linked charges.
3.	**Schedule 4** Benefits paid	**Schedule 3** 'Operating expenses related to Insurance business'	**74,079**	The reclassification has been done to ensure appropriate presentation.
4.	**Profit & Loss account** Amount transferred to Policyholders' account (Technical account) and amount transferred from Policyholders' account (Technical account) is now shown separately in the Profit & Loss account.	**Profit & Loss account** Amount transferred from Policyholders' account (Technical account) – net	**5,412,458**	The grossing up of 'Amount transferred from Policyholders' account (Technical account) in the Profit & Loss account, which until previous year was shown on the net basis is consequent to the Clause 2.5.2 on Modifications in the format of financial statements of the Master Circular.
5.	**Balance Sheet** The balance in General Reserve account is netted off with Debit balance in Profit & Loss Account (Shareholders' account) in Balance Sheet	**Balance Sheet** Debit balance in Profit & Loss Account	**2,880,113**	Netting off of General Reserve account with Debit balance in Profit & Loss Account in Balance Sheet is done to ensure compliance with the requirements of IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies), 2002.
6	**Schedule 12** Advances and Other assets: Balances due to reinsurance companies is grossed up to show below separately - Due from other entities carrying on insurance business (including reinsurers); - Balances due to reinsurance companies.	**Schedule 13** Current Liabilities: Balances due to reinsurance companies.	**16,253**	The balances due to reinsurance companies and balances receivable from reinsurance companies is now shown in Schedule 13 – Current liabilities and Schedule 12 – Advances and Other assets, respectively. The separate disclosure was warranted to ensure correct representation of amounts due and payable to reinsurers.
7.	**Schedule 13** Current Liabilities: Unallocated premium.	**Schedule 13** Current Liabilities: Unclaimed amount of Policyholders.	**84,729**	The re-classification was done to rectify an erroneous classification done in the previous year.
8.	**Schedule 13** Current Liabilities: Service tax payable.	**Schedule 13** Current Liabilities: Other liabilities.	**14,819**	The re-classification of Service tax payable from 'Other liabilities' to a separate line 'Service tax payable' was carried out to comply with the requirements of clause of 2.10.2 on Accounting and Presentation of Service Tax, of the Master Circular.
9.	**Receipts and Payments account** Following changes have been made in 'Receipts and Payments Account' - Loan against policies is now shown under 'Cash flows from investing activities'. It was earlier disclosed under 'Cash flows from operating activities' - Investments in money market instruments and in liquid mutual funds (net) is shown separately under 'Cash flows from investing activities'. It was earlier clubbed under Purchase/Sale of investments. - Expense related to investment are shown under 'Cash flows from investing activities'. It was earlier clubbed under Other expenses.	**Receipts and Payments account**	**8,271** **9,722,257** **11,931**	These changes have been carried out to comply with the requirements of clause 2.2 on Cash Flow Statement, of the Master Circular.

As per our report of even date attached.

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.301003E

per SHRAWAN JALAN
Partner
Membership No. 102102

For S.B.Billimoria & Co.
Chartered Accountants
ICAI Firm Registration No.101496W

SANJIV V. PILGAONKAR
Partner
Membership No. 39826

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson

V. SRIDAR
Director

K. RAMKUMAR
Director

SANDEEP BAKHSHI
Managing Director and CEO

SANDEEP BATRA
Executive Director

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Executive Vice President

SANAULLA KHAN
Company Secretary

Place : Mumbai
Date : April 22, 2014

ICICI PRUDENTIAL PENSION FUNDS

ICICI PRUDENTIAL PENSION FUNDS MANAGEMENT COMPANY LIMITED

5TH ANNUAL REPORT AND ACCOUNTS 2013-2014

Directors
Sandeep Bakhshi, *Chairman*
Vinod Kumar Dhall
M. N. Gopinath
Uday Chitale
Puneet Nanda
Sandeep Batra

Auditors
Walker, Chandiok & Co. LLP
Chartered Accountants

Meghana Baji
Chief Executive Officer

Vishal Mehta
Company Secretary

Registered & Corporate Office
ICICI PruLife Towers
1089, Appasaheb Marathe Marg
Prabhadevi
Mumbai - 400 025

directors' report

to the members,

Your Directors have pleasure in presenting the Fifth Annual Report of ICICI Prudential Pension Funds Management Company Limited (the Company) with the audited statement of accounts for the year ended March 31, 2014.

OPERATIONS REVIEW & OUTLOOK

Industry in FY2014

The industry AUM as at March 31, 2014 was ₹ 481.05 billion (FY2013: ₹ 298.37 billion). This largely comprised of funds from government sector of ₹ 443.70 billion and corporate sector of ₹ 18.10 billion. The AUM from retail and NPS lite segments was ₹ 19.25 billion, a growth of 88.5% over FY2013.

Company in FY2014

The subscribers' funds managed by the Company increased from ₹ 722.3 million at March 31, 2013 to ₹ 1,768.2 million at March 31, 2014, an increase of 144.8% during the year.

The details of the subscribers' funds are as follows:

(₹ in million)

Asset class	*March 31, 2013*	*% to total*	**March 31, 2014**	**% to total**
Equity (E)	*264.5*	*37%*	**709.8**	**40%**
Credit Risk Bearing Fixed Income Instruments (C)	*234.4*	*32%*	**532.2**	**30%**
Government Securities (G)	*223.4*	*31%*	**526.2**	**30%**
Total	*722.3*	*100%*	**1,768.2**	**100%**

The performance for financial year ended March 31, 2014 is summarised as follows:

(₹ in 000's)

Particulars	**FY2014**	*FY2013*
Investment management fees*	**2,824**	*103*
Investment income	**22,455**	*17,055*
Interest on income tax refund	**38**	*53*
Total revenue	**25,318**	*17,211*
Personnel expenses	**23,662**	*5,263*
Other operating expenses	**11,250**	*12,084*
Depreciation/Amortisation expenses	**1,068**	*860*
Total expenses	**35,980**	*18,207*
Profit / (Loss) before tax	**(10,663)**	*(996)*
Tax expense	**5**	*(45)*
Loss after tax	**(10,658)**	*(1,041)*

* Investment management fees of ₹ 2,824,104 and ₹ 103,463 earned for FY2014 and FY2013 respectively.

For the year ended March 31, 2014, the PFM registered a loss of ₹ 10.7 million compared to a loss of ₹ 1.0 million for the year ended March 31, 2013. The increase in loss is attributable to the enhanced scale of operations which resulted in higher employee cost. The full time equivalent number of employees increased from six at March 31, 2013 to twenty two at March 31, 2014, due to deputation of sales staff to undertake distribution of National Pension System (NPS) and appointment of exclusive key personnel fund manager, operations manager and compliance officer. The remuneration of the CEO has also been charged to the PFM effective April 1, 2013.

The increase in costs was partly offset by higher investment income earned on the increased share capital (₹ 160 million infused on September 28, 2012) and higher fund management fees. The fund management fee has increased from 0.0009% per annum to 0.25% per annum with effect from March 11, 2013.

In January, 2014 PFRDA had proposed to select and appoint afresh, eight Pension Funds to manage the pension assets of the Private Sector NPS through competitive bidding. This appointment will be valid for five years.

The parent Company (Sponsor) had submitted a bid for the business to be undertaken by the Company and successfully emerged as one of the lowest eight bidders. The lowest bid for Investment Management Fees was 0.01% per annum on assets under management. As per the terms and conditions of the bidding process, the entities who agree to match the lowest bid will be selected as Pension Fund Manager by the PFRDA. While further communication is awaited from PFRDA, the reduction in fees will adversely affect the financial performance of your Company.

DIVIDEND

The financial operations of the Company have resulted in a loss (after tax) of ₹10.07 million. In view of the loss incurred, the Directors are unable to recommend any dividend.

BOARD OF DIRECTORS

The Board comprises of six Directors; three nominated by ICICI Prudential Life Insurance Company Limited and three Independent Directors. The Board is responsible for overall corporate strategy and other responsibilities as laid down by the Pension Fund Regulatory & Development Authority. The Independent Directors are eminent personalities with significant expertise in the fields of finance, law, and strategy. None of the Directors are related to any other Director or employee of the Company.

During the year, the Board appointed Sandeep Batra as an additional Non-Executive Director effective January 15, 2014 pursuant to Section 260 of the Companies Act, 1956 read with Article 136 of the Articles of Association of the Company Director in place of Tarun Chugh. Sandeep Batra holds office upto the date of the next Annual General Meeting of the Company and is eligible for appointment as per provisions of Section 160 of the Companies Act, 2013.

Section 149 of the Companies Act, 2013 (the Act) which defines the composition of the Board has been notified effective April 1, 2014 and provides that an independent director shall not hold office for more than two consecutive terms of five years each provided that the director is re-appointed by passing a special resolution on completion of first term of five consecutive years.

As per the explanation provided under Section 149 of the Act, any tenure of an independent Director on the date of commencement of this Section i.e. April 1, 2014 shall not be counted as a term. The tenure of every independent director to compute the period of first five consecutive years would be reckoned afresh from April 1, 2014. The independent directors viz Vinod Kumar Dhall, M. N. Gopinath and Uday Chitale will hold office for a maximum consecutive period of five years post which they will be subject to re-appointment subject to compliance with applicable provisions of the Companies Act, 2013.

Section 152 of the Act, also notified effective April 1, 2014 provides that independent directors would need to be excluded from the total number of directors for the purpose of computing the number of directors whose period of office will be liable to determination by retirement of directors by rotation.

In terms of the aforesaid provisions, Puneet Nanda would retire by rotation at the forthcoming AGM and is eligible for re-appointment. Puneet Nanda has offered himself for re-appointment.

BOARD RISK MANAGEMENT & AUDIT COMMITTEE

Terms of reference:

Directing and overseeing the audit plans, audited and un-audited financial results, findings of the internal and statutory auditors, risk management, disaster recovery and business contingency plans, recommend appointment of statutory auditors and such other responsibilities as may be prescribed by the Companies Act, 1956 and Pension Fund Regulatory & Development Authority (PFRDA).

Composition

The Board Risk Management & Audit Committee comprises of one independent Director and at March 31, 2014 was chaired by Sandeep Bakhshi. There were four Meetings of the Committee during the year.

The details of the composition of the Committee and attendance at its Meetings are set out in the following table:

Name of the member	Number of meetings attended
Sandeep Bakhshi	4/4
Vinod Kumar Dhall	4/4
Puneet Nanda	4/4
Tarun Chugh*	2/3
Sandeep Batra**	1/1
Meghana Baji	4/4

*upto November 29, 2013
** from January 15, 2014

The Board of Directors at its Meeting held on January 15, 2014 re-constituted the Board Risk Management & Audit Committee pursuant to which Sandeep Batra was appointed as a Member of the Committee in place of Tarun Chugh

BOARD INVESTMENT COMMITTEE

Terms of reference:

Overseeing the investment function of the Company, framing, review and implementation of the Investment Policy as approved by the Board and any other matter related to investments as may be delegated to the Committee by the Board and Pension Fund Regulatory & Development Authority (PFRDA) from time to time.

Composition

The Board Investment Committee comprises of one independent Director and at March 31, 2014 was chaired by Sandeep Bakhshi. There were four Meetings of the Committee during the year.

The details of the composition of the Committee and attendance at its Meetings are set out in the following table:

Name of the member	Number of meetings attended
Sandeep Bakhshi	4/4
M. N. Gopinath	2/4
Puneet Nanda	4/4
Tarun Chugh*	2/3
Sandeep Batra**	1/1
Meghana Baji	4/4

* upto November 29, 2013
** from January 15, 2014

The Board of Directors at its Meeting held on January 15, 2014 re-constituted the Board Investment Committee pursuant to which Sandeep Batra was appointed as a Member of the Committee in place of Tarun Chugh

BOARD NOMINATION AND REMUNERATION COMMITTEE*

Terms of reference:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully
- To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The Board Nomination and Remuneration Committee comprises of two independent Directors and chaired by Vinod Kumar Dhall

The composition of the Committee is as follows:

- Vinod Kumar Dhall, Non-Executive Director
- M. N. Gopinath, Non-Executive Director
- Sandeep Batra, Non-Executive Director

* The Committee was constitutes on April 21, 2014.

General Body Meetings

The details of the last three Annual General Meetings (AGM) are given below:

Financial Year ended	Day, Date	Start time	Venue
Second AGM	Tuesday, July 19, 2011	2.00 p.m.	ICICI PruLife Towers, 1089 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025
Third AGM	Monday, June 18, 2012	10.00 a.m.	ICICI PruLife Towers, 1089 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025
Fourth AGM	Tuesday, August 20, 2013	10.00 a.m.	ICICI PruLife Towers, 1089 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025

The following special resolutions were passed by the members during the last three Annual General Meeting:

Annual General Meeting held on August 20, 2013

- Approval of remuneration payable to Meghana Baji, CEO & Manager.

General Shareholder Information

General Body Meeting	Day, Date & Time	Venue
Fifth AGM	Monday, June 23, 2014, 10.00 a.m.	ICICI Prulife Towers, 1089, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025

DETAILS AS PER SECTION 217(2A)

The details as required by the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not applicable as the aggregate remuneration payable do not exceed the specified limits.

SHARE CAPITAL

The paid-up share capital of the Company is ₹ 270 million. During the year, there has been no change to the paid-up share capital of the Company.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits under Section 58A of the Companies Act, 1956.

AUDITORS

M/s. Walker, Chandiok & Co., Chartered Accountants were appointed as the statutory auditor of the Company for FY2014 at the Fourth Annual General Meeting to hold office upto the conclusion of the ensuing Annual General Meeting. Pursuant to para 3 of the Pension Fund Regulatory and Development Authority ('PFRDA') (Appointment of Auditors) Guidance Note, 2012, M/s Walker, Chandiok & Co LLP, Chartered Accountants have completed their maximum permissible tenure of three years. The Board proposes to appoint M/s Khandelwal Jain and Company in place of M/s. Walker, Chandiok & Co LLP, retiring Auditor as the Statutory Auditors on recommendation of the Audit Committee of the Company.

ADDITIONAL INFORMATION

Conservation of Energy and Technology absorption

In view of the nature of business activity of the Company, the information relating to the conservation of energy and technology absorption, as required under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is not required to be given.

Foreign exchange earnings and outgo

Details of foreign exchange earnings and outgo required under above Rules are as under:

(₹ in 000's)

Particulars	FY2014	*FY2013*
Foreign exchange earnings and outgo		
- Earnings	—	—
- Outgo	—	—

Events after Balance Sheet date

There have been no material changes and commitments, affecting the financial position of the company, which have occurred between the end of the financial year of the company to which the Balance Sheet relates and the date of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the requirements of Section 217(2AA) of the Companies Act, 1956, the Board of Directors confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed;
2. that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
3. that they 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; and
4. that they have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS

The Directors are grateful to the PFRDA, NPS Trust and Government of India for their continued co-operation, support and advice.

The Directors would also like to take this opportunity to express sincere thanks to its valued customers for their continued patronage.

The Directors express their gratitude for the valuable advice, guidance and support received from time to time, from the auditors and the statutory authorities. The Directors express their appreciation to all employees. Finally, the Directors wish to express their gratitude to ICICI Bank Limited, Prudential Corporation Holdings Limited and ICICI Prudential Life Insurance Company Limited for their continued trust and support.

For and on behalf of the Board

SANDEEP BAKHSHI
Chairman

Mumbai, April 21, 2014

independent auditors' report

to the Members of ICICI Prudential Pension Funds Management Company Limited

REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of ICICI Prudential Pension Funds Management Company Limited, ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. Management is responsible for the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
   i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
   ii) in the case of Statement of Profit and Loss, of the loss for the year ended on that date; and
   iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by Section 227(3) of the Act, 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 purpose of our audit;
   b. 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;
   c. the financial statements dealt with by this report are in agreement with the books of account;
   d. in our opinion, the financial statements comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 ; and
   e. on the basis of written representations received from the directors, as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For WALKER CHANDIOK & CO LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
Firm registration number: 001076N

per KHUSHROO B. PANTHAKY
Partner
Membership No.:F-42423

Mumbai, April 21, 2014

Annexure of even date to the members

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) In our opinion, a substantial part of fixed assets has not been disposed off during the year.

(ii) The Company does not have any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable.

(iii) (a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(b) to 4(iii) (d) of the Order are not applicable.

(b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(f) and 4(iii)(g) of the Order are not applicable.

(iv) Owing to the nature of its business, the Company does not maintain any physical inventories or sell any goods. Accordingly, clause 4(iv) of the Order with respect to purchase of inventories and sale of goods is not applicable. In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the rendering of services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

(v) (a) The Company has not entered into any contracts or arrangements referred to in Section 301 of the Act. Accordingly, the provisions of clause 4(v) of the Order are not applicable.

(vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the provisions of clause 4(vi) of the Order are not applicable.

(vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.

(viii) To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act, in respect of Company's products. Accordingly, the provisions of clause 4(viii) of the Order are not applicable.

(ix) (a) The Company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) There are no dues in respect of income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess that have not been deposited with the appropriate authorities on account of any dispute.

(x) The Company has been registered for a period of less than five years. Accordingly, the provisions of clause 4(x) of the Order are not applicable.

(xi) The Company has no dues payable to a financial institution or a bank or debenture-holders during the year. Accordingly, the provisions of clause 4(xi) of the Order are not applicable.

(xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.

(xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Accordingly, provisions of clause 4(xiii) of the Order are not applicable.

(xiv) In our opinion, proper records have been maintained for the transactions and contracts in respect of dealing and/ or trading in shares, securities, debentures and other investments and timely entries have been made therein. These shares, securities, debentures and other securities have been held by the Company in its own name.

(xv) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 4(xv) of the Order are not applicable.

(xvi) The Company did not have any term loans outstanding during the year. Accordingly, the provisions of clause 4(xvi) of the Order are not applicable.

(xvii) In our opinion, no funds raised on short-term basis have been used for long-term investment by the Company.

(xviii) During the year, the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable.

(xix) The Company has neither issued nor had any outstanding debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable.

(xx) The Company has not raised any money by public issues during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable.

(xxi) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

For WALKER CHANDIOK & CO LLP

(formerly Walker, Chandiok & Co)
Chartered Accountants

Firm registration number: 001076N

per KHUSHROO B. PANTHAKY
Partner
Membership No.:F-42423

Mumbai, April 21, 2014

balance sheet

at March 31, 2014

Particulars	Note	March 31, 2014	March 31, 2013 (in ₹)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1	**270,000,000**	270,000,000
Reserves and surplus	3.2	**(12,283,418)**	*(1,625,825)*
		257,716,582	*268,374,175*
Non-current liabilities			
Deferred tax liability (net)	3.3	**195,826**	*200,987*
Current liabilities			
Other current liabilities	3.4	**33,099,896**	*9,420,336*
Total		**291,012,304**	*277,995,498*
ASSETS			
Non-current assets			
Fixed assets	3.5		
Tangible assets		**241,769**	*329,685*
Intangible assets		**1,482,757**	*1,270,343*
		1,724,526	*1,600,028*
Other non-current assets	3.6	**1,000,000**	*151,553,421*
Current assets			
Current investments	3.7	**39,490,274**	*12,117,658*
Trade receivables	3.8	**933,331**	*113,122*
Cash and bank balances	3.6	**224,100,506**	*97,076,914*
Short-term loans and advances	3.9	**2,794,390**	*861,605*
Other current assets	3.10	**20,969,277**	*14,672,750*
		288,287,778	*124,842,049*
Total		**291,012,304**	*277,995,498*

Refer accompanying significant accounting policies and other explanatory information

statement of profit & loss

for the year ended March 31, 2014

Particulars	Note	Year ended March 31, 2014	Year ended March 31, 2013 (in ₹)
Revenue from operations			
Investment management fees	3.11	**2,824,104**	*103,463*
Other income			
Interest on fixed deposit		**22,143,376**	*13,101,036*
[Tax deducted at source ₹ 2,155,251 (previous year: ₹ 266,234)]			
Interest on income tax refund		**38,035**	*53,346*
Gain on sale of investments		**312,149**	*3,952,658*
Total Revenue (A)		**25,317,664**	*17,210,503*
Expenses			
Employee benefits expense	3.12	**23,661,817**	*5,263,190*
Other expenses	3.13	**11,250,271**	*12,084,237*
Depreciation and amortisation expense	3.5	**1,068,330**	*859,452*
Total Expenses (B)		**35,980,418**	*18,206,879*
Loss before tax (A-B)		**(10,662,754)**	*(996,376)*
Tax expense			
Current tax		**—**	*—*
Deferred tax credit / (charge)	3.3	**5,161**	*(45,157)*
Excess tax provision of earlier years		**—**	*460*
Loss for the year		**(10,657,593)**	*(1,041,073)*
Earnings (losses) per equity share:			
Basic and diluted earnings (losses) per equity share (₹)	3.14	**(0.39)**	*(0.05)*

Refer accompanying significant accounting policies and other explanatory information

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No.: 001076N

For and on behalf of the Board of Directors

KHUSHROO B. PANTHAKY
Partner
Membership No. F-42423

SANDEEP BAKHSHI
Chairman

SANDEEP BATRA
Director

Mumbai, April 21, 2014

MEGHANA BAJI
Chief Executive Officer

VISHAL MEHTA
Company Secretary

cash flow statement

for the year ended March 31, 2014

Particulars	Year ended March 31, 2014	(in ₹) *Year ended March 31, 2013*
CASH FLOWS FROM OPERATING ACTIVITIES		
Management fees received	**2,028,557**	*2,997*
Expenses paid	**(13,148,899)**	*(15,640,192)*
(Payment) / Refund of Income Tax - Net	**543,375**	*554,262*
Interest on Income Tax refund	**38,035**	*53,346*
Net cash used in operating activities (A)	**(10,538,932)**	*(15,029,587)*
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investments	**82,439,533**	*183,650,000*
Purchase of investments	**(109,500,000)**	*(178,815,000)*
(Placement) / Maturity proceeds of fixed deposit	**23,500,000**	*(151,553,421)*
Interest on fixed deposit	**14,069,570**	*1,819,654*
Additions to fixed assets (intangible assets)	**—**	*(107,866)*
Net cash from investing activities (B)	**10,509,103**	*(145,006,633)*
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of share capital	**—**	*160,000,000*
Net cash used in financing activities (C)	**—**	*160,000,000*
Net decrease in cash and cash equivalents (A+B+C)	**(29,829)**	*(36,220)*
Cash and cash equivalents at beginning of the year	**76,914**	*113,134*
Cash and cash equivalents at the end of the year	**47,085**	*76,914*
Note :		
Cash and cash equivalents at the end of the year - Note no. 3.6	**70,047,085**	*97,076,914*
Less: Bank deposit with maturity for less than 3 months lying in cash and cash equivalents	**70,000,000**	*97,000,000*
Cash and cash equivalents at the end of the year	**47,085**	*76,914*

As per our report of even date attached

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No.: 001076N

For and on behalf of the Board of Directors

KHUSHROO B. PANTHAKY
Partner
Membership No. F-42423

SANDEEP BAKHSHI
Chairman

SANDEEP BATRA
Director

Mumbai, April 21, 2014

MEGHANA BAJI
Chief Executive Officer

VISHAL MEHTA
Company Secretary

1 CORPORATE INFORMATION

ICICI Prudential Pension Funds Management Company Limited (`the Company') is a wholly owned subsidiary of ICICI Prudential Life Insurance Company Limited (`the Sponsor'), incorporated on April 22, 2009 as a company under the Companies Act, 1956 (`the Act'). The Company is licensed by the Pension Funds Regulatory and Development Authority (`PFRDA') for acting as a Pension Fund Manager for the management of the pension funds under the National Pension System. The license is in force at March 31, 2014.

2 STATEMENT OF ACCOUNTING POLICIES

2.1 Basis of preparation

The accompanying financial statements are prepared and presented under the historical cost convention, unless otherwise stated, on the accrual basis of accounting, in accordance with accounting principles generally accepted in India, in compliance with the Accounting Standards (`AS') notified under the Act read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. Accounting policies applied have been consistent with previous year except where different treatment is required as per new pronouncements made by the regulatory authorities.

The management evaluates all recently issued or revised accounting pronouncements on an ongoing basis.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires that the Company's management makes estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure relating to contingent liabilities as on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively.

2.3 Revenue recognition

2.3.1 Investment management fees

Investment management fee is recognised on an accrual basis in accordance with the terms of contract between the Company and the National Pension System Trust, established by the PFRDA.

2.3.2 Income earned on investments

Interest income on investments is recognised on accrual basis. Premium or discount on debt securities is amortised or accreted respectively over the holding/maturity period on a straight-line basis. Dividend income is recognised when the right to receive dividend is established.

Profit or loss on sale/redemption of debt securities is the difference between the sale consideration net of expenses and the weighted average amortised cost as on the date of sale.

Profit or loss on sale of equity shares/mutual fund units is the difference between the sale consideration net of expenses and the book cost computed on weighted average basis as on the date of sale.

2.4 Investments

Investments that are readily realisable and intended to be held for not more than a year from the Balance Sheet date are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost or fair value determined on an individual security basis. Non-current investments are carried at cost. Provision for diminution in value is made to recognise other than temporary decline in the value of investments.

2.5 Fixed assets and Depreciation / Amortisation

Tangible Assets

Fixed assets are stated at acquisition cost less accumulated depreciation. Cost includes the purchase price and any cost directly attributable to bring the asset to its working condition for its intended use. Subsequent expenditure incurred on fixed assets is expensed out except where such expenditure increases the future benefits from the existing assets beyond it's previously assessed standard of performance. Depreciation is provided using Straight-Line Method ('SLM') prorated from the date of being put to use, upto the date of sale, based on estimated useful life. Assets costing upto ₹ 5,000 are fully depreciated in the year of acquisition. The rates of depreciation used by the Company, as detailed below, are the higher of the managements estimate based on useful life or the rates prescribed in Schedule XIV to the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.

Asset	Depreciation rate
Office equipments	25%

Intangible assets

Intangible assets comprising software are stated at cost less amortisation. Significant expenditure on improvements to software are capitalised when it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably. Software expenses are amortised using SLM over a period of 4 years from the date of being put to use.

2.6 Impairment of assets

Management periodically assesses, using external and internal sources, whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset unit is made. Impairment occurs where the carrying value of the asset exceeds the recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and its eventual disposal. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to a maximum of depreciable historical cost.

2.7 Income taxes

Direct Taxes

Tax expense comprises current and deferred tax. Current income tax is measured as the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates 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 realised; however, where there is unabsorbed depreciation or carried forward loss under taxation law, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence of realisation of such assets.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternate Tax is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period.

Indirect Taxes

Service tax liability on output services is set-off against the service tax credits available from tax paid on input services. Unutilised service tax credits, if any, are carried forward for future set-off, where there is reasonable certainty of utilisation.

2.8 Provisions and contingencies

Provisions are recognised in respect of present obligations as a result of a past event and it is probable that an outflow of resources will be required and a reliable estimate can be made of the amount of the obligation. A disclosure of a contingent liability is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources or it cannot be reliably estimated. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc are recorded when it is possible that a liability has been incurred and the amount can be reasonably estimated. Contingent assets are neither recognised nor disclosed in financial statements since this may result in the recognition of income that may never be realised.

2.9 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.10 Cash flow statement

Cash flow statement is reported using the "Direct method" prescribed under Accounting Standard 3-Cash Flow Statements which requires major classes of gross receipts and gross cash payments to be disclosed.

2.11 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

3 Notes to accounts

3.1 Share capital

The following table sets forth, for the years indicated, the details of outstanding share capital.

(in ₹)

Particulars	At March 31, 2014	*At March 31, 2013*
Authorised:		
35,000,000 (Previous year 35,000,000) Equity shares of ₹ 10 each	**350,000,000**	*350,000,000*
Issued, subscribed and fully paid up:		
27,000,000 (Previous year 27,000,000) Equity shares of ₹ 10 each (All the above equity shares of ₹ 10 each are held by the holding company, ICICI Prudential Life Insurance Company Limited and it's nominees)	**270,000,000**	*270,000,000*
Total	**270,000,000**	*270,000,000*

Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. A reconciliation of the shares outstanding at the beginning and at the end of the period is as follows:

Equity shares	Year ended March 31, 2014 Number of shares	Year ended March 31, 2014 Amount (in ₹)	*Year ended March 31, 2013 Number of shares*	*Year ended March 31, 2013 Amount (in ₹)*
At the beginning of the period	**27,000,000**	**270,000,000**	*11,000,000*	*110,000,000*
Issued during the period	—	—	*16,000,000*	*160,000,000*
Outstanding at the end of the period	**27,000,000**	**270,000,000**	*27,000,000*	*270,000,000*

3.2 Reserves and Surplus

The following table sets forth, for the periods indicated, the details of reserves and surplus.

(in ₹)

Particulars	At March 31, 2014	*At March 31, 2013*
Profit / (loss) in the statement of profit and loss:		
Opening balance	**(1,625,825)**	*(584,752)*
Less: Loss for the period	**(10,657,593)**	*(1,041,073)*
Net (loss) in the statement of profit and loss	**(12,283,418)**	*(1,625,825)*

3.3 Deferred taxes

Deferred tax asset/liability is recognised on timing differences arising between taxable and accounting income using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the asset will be realised in future. Deferred tax credit of ₹ 5,161 is recognised during the year ended March 31, 2014 (Previous year: Deferred tax charge of ₹ 45,157.

A net deferred tax liability of ₹ 195,826 is carried forward as detailed below:

(in ₹)

Particulars	At March 31, 2014	*At March 31, 2013*
Deferred tax assets		
- Incorporation expenses (A)	—	*(95,812)*
Deferred tax liabilities		
- Difference in amortisation as per tax books and accounting books (B)	**195,826**	*296,799*
Net deferred tax liabilities (A+B)	**195,826**	*200,987*

3.4 Other current liabilities

The following table sets forth, for the dates indicated, the details of other current liabilities.

(in ₹)

Particulars	At March 31, 2014	*At March 31, 2013*
Other payables		
- Payable to holding company	**29,306,759**	*7,298,683*
- Payable to others for expenses	**618,037**	*613,093*
- Payable to others for fixed asset	—	*351,664*
- Tax deducted at source payable	**2,556,013**	*660,629*
Provision for other expenses	**619,087**	*496,267*
	33,099,896	*9,420,336*

3.5 Fixed assets

The following table sets forth, for the dates indicated, the details of fixed assets.

(in ₹)

Particulars	Gross Block: *Balance as at April 1, 2013*	Gross Block: Additions/ (Disposals)	Gross Block: **Balance as at March 31, 2014**	Depreciation and amortisation: *Balance as at April 1, 2013*	Depreciation and amortisation: **For the year ended March 31, 2014**	Depreciation and amortisation: On Disposals	Depreciation and amortisation: **Balance at March 31, 2014**	Net Block: **Balance at March 31, 2014**	Net Block: *Balance at March 31, 2013*
Tangible asset									
Office equipment	*351,664*	-	**351,664**	*21,979*	**87,916**	-	**109,895**	**241,769**	*329,685*
Intangible asset									
Computer software	*3,320,639*	1,192,828	**4,513,467**	*2,050,296*	**980,414**	-	**3,030,710**	**1,482,757**	***1,270,343***
Total	*3,672,303*	1,192,828	**4,865,131**	*2,072,275*	**1,068,330**	-	**3,140,605**	**1,724,526**	***1,600,028***
At March 31, 2013	*3,212,773*	459,530	**3,672,303**	*1,212,823*	**859,452**	-	**2,072,275**		

3.6 Cash and bank balances

The following table sets forth, for the dates indicated, the details of cash and cash equivalents.

(in ₹)

Particulars	At March 31, 2014	*At March 31, 2013*
Cash and cash equivalents		
Balances with banks:		
- Balance in current account	**47,085**	*76,914*
- Bank deposit with maturity of less than 3 months	**70,000,000**	*97,000,000*
Other bank balances		
- Bank deposit with maturity of more than 3 months but less than 12 months (refer note 3.17)	**154,053,421**	—
-Bank deposit with maturity of more than 12 months (refer note 3.17)	**1,000,000**	*151,553,421*
Sub-total	**225,100,506**	*248,630,335*
Amount disclosed under other non-current assets	**(1,000,000)**	*(151,553,421)*
Total	**224,100,506**	*97,076,914*

3.7 Current investments

The following table sets forth, for the dates indicated, the details of current investments.

(in ₹)

Particulars	At March 31, 2014	*At March 31, 2013*
Investments in mutual funds - quoted (at lower of cost or market value):		
- IDFC Cash Fund – Plan A Growth (At March 31, 2014: Nil (At March 31, 2013: 1,081 units and 888 fractions) of ₹ 1,000 each	—	*2,140,834*
- IDFC Cash Fund – Growth (At March 31, 2014: 27,591 units and 534 fractions) of ₹ 1,000 each (At March 31, 2013: 7,042 units and 314 fractions) of ₹ 1,000 each	**39,490,274**	*9,976,824*
Total	**39,490,274**	*12,117,658*
Aggregate amount of mutual fund investments at market value	**42,981,670**	*12,271,884*

3.8 Trade receivables

The following table sets forth, for the dates indicated, the details of trade receivables.

(in ₹)

Particulars	At March 31, 2014	At March 31, 2013
Trade receivables outstanding for a period less than six months from the date they are due for payment		
- Unsecured considered good		
• Investment management fees receivable	933,331	*113,122*
	933,331	*113,122*
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
- Unsecured considered good	—	—
- Unsecured considered doubtful	—	—
Less: Provision for doubtful debts	—	—
	—	—
Total	933,331	*113,122*

3.9 Short-term loans and advances

The following table sets forth, for the dates indicated, the details of short term loans and advances.

(in ₹)

Particulars	At March 31, 2014	At March 31, 2013
Others (Unsecured, considered good)		
Prepaid expenses	48,219	*51,707*
Advance income tax (Net of provision)	2,746,171	*809,898*
Total	2,794,390	*861,605*

3.10 Other current assets

The following table sets forth, for the dates indicated, the details of other current assets.

(in ₹)

Particulars	At March 31, 2014	At March 31, 2013
Interest accrued on fixed deposit	20,489,905	*14,571,351*
Service tax credit receivable (fixed asset)	147,434	—
Service tax unutilised credit	331,938	*101,399*
Total	20,969,277	*14,672,750*

3.11 Investment management fees

The Investment Management Fees is charged on closing funds under management on daily basis for all the schemes. In terms of the PFRDA's circular no. PFRDA/CIR/1/PFM/1 dated August 31, 2012, the Company has started charging investment management fee of 0.25% per annum, with effect from March 11, 2013. The investment management fees charged upto March 10, 2013 was 0.0009% per annum.

3.12 Employee benefit expenses and cost sharing arrangement

Salaries and wages

The employees are on deputation from the Sponsor and their remuneration is paid by the Company as per the terms of employment with the Sponsor.

Cost sharing arrangement

Given the size of its operations, the Company has entered into an arrangement with the Sponsor for sharing employees and infrastructure while maintaining adequate firewalls between the two entities. Under this arrangement, all the appropriate costs attributable to the Company like employee remuneration, rent, utilities, depreciation on computers/hardware and other technology and software related expenses are transfer priced by the Sponsor to the Company. All such costs are charged to the Company on arm's length basis as per the ICICI Group Transfer Pricing Policy. The expenses cross charged to the Company under such agreement have been shown as transactions with related parties under note 3.15.

3.13 Other expenses

The following table sets forth, for the periods indicated, the details of other expenses.

(in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Rent and utilities charges	3,984,377	*1,382,515*
Information technology expenses	1,603,481	*2,043,177*
Legal and professional fees	1,486,248	*2,468,756*
Travelling and conveyance expenses	1,354,644	*120,028*
PFRDA annual license fees	1,000,000	*1,000,000*
Communication expenses	704,921	*130,661*
Non-refundable application and registration fees	500,000	*3,500,000*
Brokerage expenses	336,901	*84,863*
Payments to the auditor as:		
- auditor	100,000	*115,964*
- for reimbursement of expenses	—	*2,943*
Business meetings and conferences	76,201	*1,233,161*
Staff welfare expenses	67,056	—
Bank charges	13,781	—
Miscellaneous charges	22,661	*2,169*
Total	11,250,271	*12,084,237*

3.14 Earnings per equity share:

(in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Net profit/(loss) after tax as per statement of profit and loss available for equity shareholders for both basic and diluted earnings per equity share of ₹ 10 each (in ₹)	(10,657,593)	*(1,041,073)*
Weighted average number of equity shares for earnings per equity share		
(a) For basic earnings per equity share	27,000,000	*19,109,589*
(b) For diluted earnings per equity share	27,000,000	*19,109,589*
Earnings/(loss) per equity share		
Basic and Diluted (in ₹)	(0.39)	*(0.05)*

3.15 Details of related parties and transactions with related parties

Related parties and nature of relationship:

Nature of relationship	Name of the related party
Ultimate holding company	ICICI Bank Limited
Holding company (Sponsor)	ICICI Prudential Life Insurance Company Limited
Fellow subsidiaries and entities jointly controlled by ultimate holding company	ICICI Securities Limited ICICI Securities Inc. ICICI Securities Holding Inc. ICICI Securities Primary Dealership Limited ICICI Venture Funds Management Company Limited ICICI Home Finance Company Limited ICICI Trusteeship Services Limited ICICI Investment Management Company Limited ICICI International Limited ICICI Bank UK PLC. ICICI Bank Canada ICICI Bank Eurasia Limited Liability Company ICICI Lombard General Insurance Company Limited ICICI Prudential Asset Management Company Limited ICICI Prudential Trust Limited
Consolidated under AS-21 by ultimate holding company	ICICI Equity Fund ICICI Strategic Investments Fund I-Ven Biotech Limited ICICI Kinfra Limited
Key management personnel	Meghana Baji, Chief Executive Officer and Chief Investment Officer

The following represents transactions between the Company and its related parties. Transactions with the holding company are as follows:

(in ₹)

Nature of transaction	Year ended March 31, 2014	*Year ended March 31, 2013*
Share capital issued	—	*160,000,000*
Fixed assets	1,340,262	—
Employee benefits expense (Gross of cenvat ₹ 311,393)	23,973,210	*5,263,190*
Rent and utilities (Gross of cenvat ₹ 48,302)	4,032,679	*1,382,515*
Travelling and conveyance	1,138,429	*117,113*
Information technology expenses (Gross of cenvat ₹ 3,044)	746,296	*1,060,028*
Legal and professional fees	383,697	—
Communication expenses	135,063	*130,661*
Staff welfare expenses	65,981	—
Business meeting and seminar expenses	4,768	—
Total	**31,820,385**	*167,953,507*

Balances with the holding company are as follows:

(in ₹)

Particulars	At March 31, 2014	*At March 31, 2013*
Expenses payable	27,966,497	*7,298,683*
Payable for fixed assets	1,340,262	—

3.16 Contingent liabilities

(in ₹)

Particulars	At March 31, 2014	*At March 31, 2013*
Bank guarantee given on behalf of Company Issued in favour of PFRDA	1,000,000	*1,000,000*

The Company has deposited with PFRDA an unconditional and irrevocable performance bank guarantee (PBG) for the due performance and fulfillment of the terms and conditions of the PFRDA (Registration of PF for Private Sector) Guidelines 2012 and the Investment Management Agreement (IMA). In the event of the Sponsor or the Company being unable to service the IMA or the terms and conditions of the PFRDA (Registration of PF for Private Sector) Guidelines 2012 for whatever reason, PFRDA may invoke the PBG submitted by the Company.

3.17 Encumbrances of assets

The assets of the Company are free from all encumbrances at March 31, 2014, except for fixed deposits of ₹ 3,500,000 (at March 31, 2013: ₹ 9,700,000). Of this, ₹ 1,000,000 (at March 31, 2013: ₹ 9,700,000) pertains to a deposit made with State Bank of Travancore as a security towards guarantee issued by the bank on behalf of the Company in favour of PFRDA (Refer Note 3.16 Contingent Liability). Balance of ₹ 2,500,000 (at March 31, 2013: ₹ Nil) (Refer Note 3.6 Cash and Bank Balances) pertains to a deposit made with Corporation Bank towards margin requirement for equity trade settlement pertaining to Scheme E Tier I and II issued in favour of National Securities Clearing Corporation Limited. The margins are imposed by clearing houses on equity cash segment transactions for enabling settlement on T+2 basis. The physical custody of the mentioned fixed deposits is with the respective clearing houses, however the income accrued on the fixed deposits shall be passed on to the Company on encashment of the mentioned deposits.

3.18 The Micro, Small and Medium Enterprises Development Act, 2006

Based on current information available with the Company, there are no dues payable to suppliers who are registered under the Micro, Small and Medium Enterprise Development Act, 2006, at March 31, 2014 (Previous year: Nil).

3.19 Previous year comparatives

Previous year amounts have been regrouped and reclassified wherever necessary to conform to current year's presentation.

As per our report of even date attached

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No.: 001076N

For and on behalf of the Board of Directors

KHUSHROO B. PANTHAKY
Partner
Membership No. F-42423

SANDEEP BAKHSHI
Chairman

SANDEEP BATRA
Director

MEGHANA BAJI
Chief Executive Officer

VISHAL MEHTA
Company Secretary

Mumbai, April 21, 2014

ICICI Lombard
GENERAL INSURANCE

ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED

14TH ANNUAL REPORT AND ACCOUNTS 2013-2014

Directors
Chanda Kochhar, *Chairperson*
R. Athappan
Dileep Choksi
Zarin Daruwala
N. S. Kannan
S. Mukherji
Chandran Ratnaswami
M. K. Sharma
H. N. Sinor (upto April 18, 2014)
Ashvin Parekh (w.e.f. April 18, 2014)
Bhargav Dasgupta, *Managing Director & CEO*
Alok Kumar Agarwal, *Executive Director*
Neelesh Garg, *Executive Director*

Auditors
Khandelwal Jain & Co.
Chartered Accountants

Chaturvedi & Co.
Chartered Accountants

Vikas Mehra
Company Secretary

Registered Office
ICICI Lombard House
414, Veer Savarkar Marg,
Prabhadevi, Mumbai - 400 025.

directors' report

to the members

Your Directors have pleasure in presenting the Fourteenth Annual Report of ICICI Lombard General Insurance Company Limited (ICICI Lombard) along with the audited statement of accounts for the financial year ended March 31, 2014.

INDUSTRY OVERVIEW

The gross premium of the industry grew from ₹ 646.96 billion in FY2013 to ₹ 728.50 billion in FY2014, a growth of about 12.6%. The market share of private sector general insurance companies for the corresponding period grew from 43.2% to 43.9%. ICICI Lombard led the private players in general insurance sector with a market share of 21.4% and an overall industry market share of 9.4%.

FINANCIAL HIGHLIGHTS

The financial performance for FY2014 is summarised in the following table:

	Fiscal 2013	**Fiscal 2014**
No. of Policies	*9,184,196*	**11,222,084**
		(₹ billion)
Gross written premium	*64.20*	**71.34**
Earned premium	*40.09*	**43.53**
Income from Investments	*5.73*	**7.88**
Profit/(Loss) before tax	*2.82*	**5.20**
Profit/(Loss) after tax	*3.06*	**5.11**

APPROPRIATIONS

The profit after tax for the year ended March 31, 2014 is ₹ 5.11 billion. The profit available for appropriation is ₹ 4.18 billion after taking into account the balance of loss of ₹ 0.93 billion brought forward from the previous year. Your Directors have not recommended any dividend for the year.

DIRECTORS

Section 149 of the Companies Act, 2013 (the Act) which defines the composition of the Board has been notified effective April 1, 2014 and provides that an independent director shall not hold office for more than two consecutive terms of five years each provided that the director is re-appointed by passing a special resolution on completion of first term of five consecutive years.

As per the explanation provided under Section 149 of the Act, any tenure of an independent Director on the date of commencement of this Section i.e. April 1, 2014 shall not be counted as a term. The tenure of every independent director to compute the period of first five consecutive years would be reckoned afresh from April 1, 2014. In terms of the aforesaid provisions, the independent Directors of the Company will be eligible to hold office for a consecutive period of five years as per applicable provisions of the Companies Act, 2013.

H. N. Sinor expressed his desire to retire at the forthcoming Annual General Meeting. The Board placed on record its deep appreciation and gratitude for his guidance and contribution to ICICI Lombard. The Board at its Meeting held on April 18, 2014, approved the appointment of Ashvin Parekh, as an additional Director of the Company in place of H. N. Sinor. Ashvin Parekh is the Managing Partner of Ashvin Parekh Advisory Services LLP. He has over 35 years of work experience in business strategy, corporate planning, institutional strengthening and business transformation across industries including banking, insurance, pension and capital markets both in domestic and global markets. He is registered with the World Bank and Asian Development Bank as an expert in financial services. He has been a member of several committees constituted by Ministry of Finance, RBI, SEBI and IRDA.

Section 152 of the Act, also notified effective April 1, 2014 provides that independent directors would need to be excluded from the total number of directors for the purpose of computing the number of directors whose period of office will be liable to determination by retirement of directors by rotation.

In terms of the aforesaid provisions, N. S. Kannan and R. Athappan, being non-executive Directors of the Company would retire by rotation at the forthcoming AGM and are eligible for re-appointment. Both N. S. Kannan and R. Athappan have offered themselves for re-appointment.

The Members of ICICI Lombard in June 2009, based on the recommendations of the Board of Directors at its Meeting held on April 25, 2009, approved the appointment of Bhargav Dasgupta as Managing Director & CEO for a period of five years effective May 1, 2009 upto April 30, 2014. The requisite approval was received from Insurance Regulatory and Development Authority (IRDA) for the aforesaid appointment and remuneration.

The Board at its Meeting held on April 18, 2014, based on the recommendation of the Board Governance Committee (re-named as Board Nomination and Remuneration Committee), approved the re-appointment of Bhargav Dasgupta as Managing Director & CEO for a further period of five years effective May 1, 2014 up to April 30, 2019, subject to the approval of the Members and IRDA.

The resolution for the re-appointment is proposed to the Members in the notice of current AGM vide item no. 6 and the explanatory statement including the duration and terms of re-appointment as well as remuneration. You are requested to consider the re-appointment of Bhargav Dasgupta as Managing Director & CEO.

AUDITORS

The Joint Statutory Auditors, Khandelwal Jain & Co., Chartered Accountants and Chaturvedi & Co., Chartered Accountants, will retire at the ensuing AGM. On the basis of the recommendation of the Audit Committee, the Board, at its Meeting held on April 18, 2014 has proposed the re-appointment of Khandelwal Jain & Co., Chartered Accountants and Chaturvedi & Co. Chartered Accountants, as Joint Statutory Auditors to audit the accounts of the ICICI Lombard for the financial year ending March 31, 2015. You are requested to consider their re-appointment.

WHISTLE BLOWER POLICY

ICICI Lombard has formulated a Whistle Blower Policy which is designed to provide its employees, a channel for communicating instances of breach in the code of conduct, legal violation, actual or suspected fraud and on the accounting policies and procedures adopted for any area or item. The framework of the policy strives to foster responsible and secure whistle blowing. This mechanism has been communicated to the employees and posted on the Company's intranet.

REGISTRATION

The certificate of registration of ICICI Lombard has been renewed by IRDA for FY2015.

CAPITAL

The total capital invested by shareholders till March 31, 2014 including share premium, was ₹ 19.29 billion. The net worth of ICICI Lombard stood at ₹ 23.81 billion at March 31, 2014 as compared to ₹ 17.66 billion at March 31, 2013. The solvency position of ICICI Lombard at March 31, 2014 was 1.72 times as against 1.50 times prescribed by IRDA.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Companies Act, 2013, ICICI Lombard has constituted a Corporate Social Responsibility (CSR) Committee. The CSR Committee consists of four directors namely, M. K. Sharma, S. Mukherji, R. Athappan and Bhargav Dasgupta. The Committee is chaired by M. K. Sharma, an independent director of the Company.

RURAL AND SOCIAL RESPONSIBILITY

ICICI Lombard issued more than 400,000 policies in rural areas and covered more than 80,000 lives falling within the norms of social responsibility, as prescribed by IRDA.

PUBLIC DEPOSITS

During the year under review, ICICI Lombard has not accepted any deposit from the public.

FOREIGN EXCHANGE EARNING AND EXPENDITURE

During FY2014, expenditure in foreign currencies amounted to ₹ 3,894.9 million and earning in foreign currencies amounted to ₹ 4,224.1 million.

ADDITIONAL INFORMATION

As required by the provisions of Section 134 of the Companies Act, 2013, the names and other particulars of the employees are set out in the Annexure to the Directors' Report. In terms of the provisions of section 136 of the Companies Act, 2013 the Directors' Report is being sent to the shareholders of the Company excluding the Annexure. Any shareholder interested in obtaining a copy of the Annexure may write to the Company Secretary.

The provisions of Section 217(1)(e) of the Companies Act, 1956, relating to conversation of energy and technology absorption do not apply to ICICI Lombard. ICICI Lombard has, however, used information technology extensively in its operations.

EMPLOYEE STOCK OPTION SCHEME

In FY2006, ICICI Lombard had instituted an Employee Stock Option Scheme (ESOS) to enable the employees and Directors of ICICI Lombard to participate in its future growth and financial success. As per ESOS, the maximum number of options granted to any employee/Director in a year shall not, except with the approval of the Board, exceed 0.10% of ICICI Lombard's issued equity shares at the time of grant and the aggregate of all such options (net of forfeited/lapsed) is limited to 5% of ICICI Lombard's issued equity shares on the date of the grant.

Options granted in the years 2005, 2006, 2007, 2008 and 2010 vest in a graded manner over a four-year period, with 20%, 20%, 30% and 30% of the grants vesting each year, commencing not earlier than 12 months from the date of grant. Options granted for the year 2009 vest in a graded manner over a five year period with no vesting in the first year and 20%, 20%, 30% and 30% of the grant vesting each year in subsequent four years. Options granted for the year 2011 vest in a gradual manner over a two-year period, with 40% and 60% of the grants vesting each year, commencing not earlier than 12 months from the date of grant. Options can be exercised within 10 years from the date of grant or five years from the date of vesting, whichever is later.

Particulars of options granted by ICICI Lombard up to March 31, 2014 are given below:

Options granted	23,572,260
Options vested	17,518,698
Options exercised	5,368,060
Number of shares allotted pursuant to exercise of options	5,270,660
Options forfeited/lapsed	8,359,706
Extinguishment or modification of options	—
Amount realised by exercise of options (₹)	220,614,980
Total number of options in force	9,844,494

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of ICICI Lombard at the end of the financial year and of the profit of ICICI Lombard for that period;
3. that they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and provisions of the Companies Act, 1956 for safeguarding the assets of ICICI Lombard and for preventing and detecting fraud and other irregularities; and
4. that they have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

ICICI Lombard General Insurance Company Limited ("the Company") is fully committed to follow sound corporate governance practices and uphold the highest business standards in conducting business. The Company continues to focus on building trust with shareholders, policyholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance *viz.* integrity, equity, transparency, fairness, sound disclosure practices, accountability and commitment to values. It also aims to increase and sustain its corporate value through growth and innovation.

The Company's governance framework encompasses not only regulatory and legal requirements but also several voluntary practices aimed at maximising shareholders' value legally, ethically and on a sustainable basis.

I. Management Structure

The Company has a multi-tier management structure, comprising the Board of Directors at the apex and followed by employees at senior management, middle management and junior management positions to ensure that:

- Strategic supervision is provided by the Board;
- Control and implementation of Company's strategy is achieved effectively;
- Operational management remains focused on implementation;
- Information regarding the Company's operations and financial performance is made available to stakeholders;
- Delegation of decision making with accountability is achieved;
- Financial and operating control and integrity are maintained at an optimal level;
- Risk is suitably evaluated and dealt with;
- Compliance with applicable acts and regulations is achieved;
- Corporate culture that recognises and rewards adherence to ethical standards is developed.

This multi-tier management structure besides ensuring greater management accountability and credibility, facilitates increased autonomy of businesses, performance discipline and development of business leaders, leading to enhanced public confidence.

II. Board Structure

At March 31, 2014, the Company's Board of Directors consisted of twelve members. Out of the twelve members of the Board, four are nominated by ICICI Bank, two are nominated by Fairfax, three are independent Directors and three are wholetime Directors including the Managing Director & CEO. Except the wholetime Directors, all other Directors, including the Chairperson of the Board, are non-executive Directors. The composition of Board of Directors is in compliance with provisions of the Companies Act, 2013 and in accordance with Corporate Governance guidelines prescribed for insurance companies by IRDA. There is a clear segregation of responsibility and authority between the Chairperson and the wholetime Directors. The Board functions either as an entity *per se*, or through various committees constituted to oversee specific operational areas. There is an appropriate mix of executive, non-executive and independent Directors to maintain the professionalism and independence of the Board. The independent Directors are eminent personalities with significant expertise in the fields of accountancy, banking, finance, law, strategy, insurance and economics. None of the Directors are related to any other Director or employee of the Company.

Composition of the Board of Directors

Name of the Director	Category	Qualification	Field of Specialisation
Chanda Kochhar (DIN: 00043617)	Chairperson, Non-Executive, Nominee of ICICI Bank	B.A, MBA, ICWA, MMS (Finance)	Banking & finance
R. Athappan (DIN: 000915847)	Non- Executive, Nominee of Fairfax	B.E. (Electrical), A.I.I.I.	Insurance
Dileep Choksi (DIN: 00016322)	Non- Executive, Independent	F.C.A, LL.B, ICWA	Accounting, Taxation, Corporate Restructuring and Mergers & Acquisitions
Zarin Daruwala (DIN: 00034655)	Non- Executive, Nominee of ICICI Bank	A.C.A, A.C.S	Banking & Finance
N. S. Kannan (DIN: 00066009)	Non- Executive, Nominee of ICICI Bank	B.E. (Hon), PGDM, IIM, Bangalore, CFA	Banking & Finance
S. Mukherji (DIN: 00057492)	Non- Executive, Nominee of ICICI Bank	B.A. (Eco.), M.Sc Economics (London School of Economics), MMS	Banking & Finance.
Chandran Ratnaswami (DIN: 00109215)	Non- Executive, Nominee of Fairfax	B.E. (Civil), MBA.	Investment & Insurance.
M. K. Sharma (DIN: 00327684)	Non- Executive, Independent	B.A., LL.B, Diploma in Personnel Management	Corporate Law, Human Resources Management & Risk Management
H. N. Sinor (DIN: 00074905)	Non-Executive, Independent	B.Com, LL.B	Banking & Finance.
Bhargav Dasgupta (DIN: 00047728)	Managing Director	PGDM, IIM Bangalore, B.E. (Mechanical)	Banking & Insurance.
Alok Kumar Agarwal (DIN: 03434304)	Executive Director	B.E. (Chemical) PGDM, IIM Calcutta	Banking & Insurance.
Neelesh Garg (DIN: 03435242)	Executive Director	PGDM, IIM Bangalore	Banking & Insurance.

The Board meets at regular intervals to discuss and decide on business policy and strategy apart from other board business. The Board met four times in the year under review on April 15, 2013, July 24, 2013, October 16, 2013 and January 15, 2014. The Chairman of respective Committees briefs the Board regarding key matters deliberated during the Committee Meetings. The attendance record of the Directors is set out in the following table:

Name of the Director	Number of Board Meetings Attended
Chanda Kochhar	4/4
R. Athappan	4/4
Dileep Choksi	4/4
Zarin Daruwala	4/4
N. S. Kannan	4/4
S. Mukherji	4/4
Chandran Ratnaswami	4/4
M. K. Sharma	4/4
H. N. Sinor (upto April 18, 2014)	4/4
Bhargav Dasgupta	4/4
Alok Kumar Agarwal	4/4
Neelesh Garg	4/4

III. Board Committees ('the Committees')

The Board has constituted following Committees:

(i) Board Nomination and Remuneration Committee
(ii) Investment Committee
(iii) Audit Committee
(iv) Risk Management Committee
(v) Policyholder Protection Committee
(vi) Corporate Social Responsibility Committee

In addition to above, the Board has also constituted Bank Operation Committee and Share Transfer & Investor Grievance Redressal Committee comprising non-executive Director, wholetime Director and executives. The terms of reference of the Committees of the Board are determined by the Board from time to time. Minutes of the Committee meetings are placed before the Board for its information. The Chairman of the respective Committees briefs the Board on deliberations taken place at the Committee Meetings in relation to important discussions, noting and approvals. The role and composition of these Committees, alongwith the number of Meetings held during FY2014 and the attendance of the members are provided below:

(i) Board Nomination and Remuneration Committee

Terms of reference

The functions of this Committee include identification of persons who are qualified to become directors and who may be appointed as senior management, formulation of criteria for determining qualifications, positive attributes, independence, recommendations of their appointments to the Board, evaluation of every director's performance, formulation of Remuneration Policy to include recommendation of remuneration for directors, key managerial personnel and senior management, approval of the policy for and quantum of bonus payable to the members of the staff, framing of guidelines for the Employees Stock Options Scheme and recommendation of the grant of stock options to the employees and wholetime Directors of the Company.

Composition

In terms of the provisions of Companies Act, 2013, the Board Nomination and Remuneration Committee (earlier named as Board Governance Committee) (the Committee) comprises four non-executive Directors, two of whom are independent Directors. The Committee was chaired by M. K. Sharma, an independent Director.

The composition of the Committee is given below along with the attendance of the members. The Committee met once in the year under review on April 15, 2013.

Attendance record of the Members:

Name of Member	Number of Meetings attended
M. K. Sharma, *Chairman*	1/1
Chanda Kochhar, *Non-executive Director*	1/1
Chandran Ratnaswami, *Non-executive Director*	1/1
H. N. Sinor, *Independent Director (upto April 18, 2014)*	1/1

The Board of Directors at its Meeting held on April 18, 2014 re-constituted the Board Nomination and Remuneration Committee pursuant to which Dileep Choksi was appointed as Member of the Committee in place of H. N. Sinor.

(ii) Investment Committee

Terms of reference

The functions of the Committee include overseeing the implementation of the investment policy approved by the Board from time to time, reviewing the said policy, periodical updation to the Board with regard to investment activities of the Company, reviewing the Company's capital and solvency position, reviewing the investment strategies adopted from time to time and giving suitable directions as needed in the best interest of the Company, reviewing the broker policy and making suitable amendments from time to time and reviewing counter party/intermediary exposure norms.

In addition to above the Committee also supervises the asset allocation strategy to ensure financial liquidity, security and diversification through liquidity contingency plan and asset liability management policy. The Committee also oversees the assessment, measurement and accounting for other than temporary impairment in investments in accordance with the policy adopted by the Company and reviews the broker empanelment/de-empanelment on an annual basis.

Composition

The Investment Committee (the Committee) comprises two non-executive Directors, one executive Director, the Appointed Actuary of the Company, the Head of Investments and the Chief Financial Officer. The Committee was chaired by Chandran Ratnaswami, a non-executive nominee Director.

The composition of the Committee is given below along with the attendance of the members. The Committee met four times in the year under review on April 15, 2013, July 24, 2013, October 16, 2013 and January 15, 2014.

Attendance record of the Members:

Name of Member	Number of Meetings attended
Chandran Ratnaswami[1], *Chairman*	2/4
N. S. Kannan, *Non-executive Director*	4/4
Manalur Sandilya, *Appointed Actuary*	4/4
Bhargav Dasgupta, *Managing Director & CEO*	4/4
S. Gopalakrishnan, *Chief- Investments*	4/4
Gopal Balachandran, *Chief Financial Officer*	4/4

1. The meetings of the Committee held on July 24, 2013 and October 16, 2013 were chaired by N. S. Kannan in absence of Chandran Ratnaswami, Chairman of the Committee.

(iii) Audit Committee

Terms of reference

The functions of the Committee include overseeing the Company's financial reporting process under Indian GAAP and US GAAP and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible, recommending the appointment/removal of external auditor(s), fixation of audit fee and payment for any other services, review of the quarterly and annual financial statements before submission to the Board, review and monitor the auditor's independence and performance, effectiveness of audit process, reviewing with the management, external auditors and internal auditors, evaluation of internal control systems, discussion with external auditors before the audit commences, the nature and scope of audit as well as post-audit discussion to ascertain any area of concern, reviewing the adequacy of internal audit function, reporting structure coverage and frequency of internal audit, discussion with internal auditors any significant findings and follow up there on, reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, review of functioning of Whistle Blower Policy and reporting the matter to the Board, review of compliance with inspection and audit reports, review the Company's financial and risk management policies and looking into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, approval or any subsequent modification of transactions of the company with related parties, scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of the company, wherever it is necessary and monitoring the end use of funds raised through public offers and related matters.

Composition

The Audit Committee (the Committee) comprises four non-executive Directors, two of whom are independent Directors. The Chief Financial Officer and the Chief Risk Officer, the Head of Internal Audit, Statutory Auditors and their representatives, Compliance Officer and other officials at senior management level are invitees to the Audit Committee. The Committee was chaired by Dileep Choksi, an independent Director. All members of the Committee are financially literate and the Chairman has accounting and financial expertise.

The composition of the Committee is given below along with the attendance of the members. The Committee met five times in the year under review on April 15, 2013, June 17, 2013, July 23, 2013, October 15, 2013 and January 14, 2014.

Attendance record of the Members:

Name of Member	Number of Meetings attended
Dileep Choksi, *Chairman*	5/5
R. Athappan, *Non-executive Director*	1/5
S. Mukherji, *Non-executive Director*	4/5
H. N. Sinor, *Non-executive Director (upto April 18, 2014)*	5/5

The Board of Directors at its Meeting held on April 18, 2014 re-constituted the Audit Committee pursuant to which Ashvin Parekh was appointed as Member of the Committee in place of H.N. Sinor. The Board also appointed M.K. Sharma as Member of the Committee.

(iv) Risk Management Committee

Terms of reference

The functions of the Committee include assisting the Board in effective operation of the risk management programme by performing specialised analysis and quality reviews, maintaining a group-wide and aggregated view on the risk profile of the insurer in addition to the solo and individual risk profile, reporting to the Board details on the risk exposures and the actions taken to manage the exposures and advising the Board with regard to risk management decisions in relation to strategic and operational matters.

Composition

The Risk Management Committee (the Committee) has been formed in accordance with the Corporate Governance Guidelines issued by the Insurance Regulatory and Development Authority (IRDA). It comprises of three non-executive Directors and one executive Director. The Chief Financial Officer and other officials at senior management level are invitees to the Committee Meetings. The Committee was chaired by S. Mukherji, a non-executive Director.

The composition of the Committee is given below along with the attendance of the members. The Committee met four times in the year under review on April 15, 2013, July 23, 2013, October 15, 2013 and January 14, 2014.

Attendance record of the Members:

Name of Member	Number of Meetings attended
S. Mukherji, *Chairman*	4/4
R. Athappan, *Non-executive Director*	0/4
H. N. Sinor, *Non-executive Director (upto April 18, 2014)*	4/4
Bhargav Dasgupta, *Managing Director & CEO*	4/4

The Board of Directors at its Meeting held on April 18, 2014 re-constituted the Risk Management Committee pursuant to which Ashvin Parekh was appointed as Member of the Committee in place of H.N. Sinor.

(v) Policyholder Protection Committee

Terms of reference

The functions of the Committee include putting in place proper procedures and effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries, ensuring compliance with the statutory requirements as laid down in the regulatory framework, reviewing the mechanism at periodic intervals, ensuring adequacy of "material information" to the policyholders to comply with the requirements laid down by the Authority both at the point of sale and at periodic intervals, reviewing the status of complaints at periodic intervals to the policyholders, providing the details of grievances at periodic intervals in such formats as may be prescribed by the Authority, providing details of Insurance Ombudsman to the policyholders, monitoring of payment of dues to the policyholders and disclosure of unclaimed amount thereof.

Composition

The Policyholder Protection Committee (the Committee) has been formed in accordance with the Corporate Governance Guidelines issued by IRDA. It comprises three non-executive Directors and one executive Director. The Committee was chaired by M. K. Sharma, an independent Director.

The composition of the Committee is given below along with the attendance of the members. The Committee met four times in the year under review on April 15, 2013, July 23, 2013, October 16, 2013 and January 14, 2014.

Attendance record of the Members:

Name of Member	Number of Meetings attended
M. K. Sharma, *Chairman*	4/4
S. Mukherji, *Non-executive Director*	4/4
Chandran Ratnaswami, *Non-executive Director*	1/4
Bhargav Dasgupta, *Managing Director & CEO*	4/4

IV. Details of managerial remuneration for FY2013:

(i) Wholetime Directors:

The Board based on the recommendation of the Board Governance Committee (re-named as Board Nomination and Remuneration Committee) approved revision in the remuneration, performance bonus and long term performance pay payable to the wholetime Directors. In terms of provisions of Insurance Act, 1938, prior approval of IRDA is obtained to effect the remuneration of wholetime Directors.

The details of remuneration of wholetime Directors' are as under:

(₹ in 000's)

Particulars	*FY2013*	**FY2014**
Salaries and allowances	*55,273*	**80,804**
Contribution to provident fund	*2,481*	**2,908**
Perquisites	*3,320*	**2,611**

Provisions towards gratuity, leave accrued and long term performance pay are determined actuarially on an overall basis and accordingly have not been considered for the above disclosure.

(ii) Non-executive Independent Directors:

Non-executive independent Directors are appointed for their professional expertise in their individual capacity as professionals. Non-executive independent Directors do not have any material pecuniary relationship with the Company other than the sitting fees payable to them.

The details of sitting fees of non-executive independent Directors are as follows:

Names	Amount (in ₹)
Dileep Choksi	1,60,000
M. K. Sharma	1,80,000
H. N. Sinor	2,60,000

(iii) Non-executive nominee Directors:

Non-executive nominee Directors were not paid any sitting fees during FY2014.

V. Internal Control

The Company has adopted the following Frameworks in accordance with the requirements laid down under Corporate Governance guidelines.

(i) Internal Audit Framework

The Company has established an internal audit framework with a risk based approach. The internal audit covers auditing of processes as well as transactions.

The Company has designed its internal control framework to provide reasonable assurance to ensure compliance with internal policies and procedures, regulatory matters and to safeguard reliability of the financial reporting and its disclosures. An annual risk-based internal audit plan is drawn up on the basis of risk profiling of the businesses/departments of the Company which is approved by the Audit Committee. The Board considers that the internal control framework is appropriate to the business.

Internal Audit Department's key audit findings, recommendations and compliance status of the previous key audit findings are reported to the Audit Committee. The Audit Committee actively monitors the implementation of its recommendations. The

Chairman of the Audit Committee briefs the Board on deliberations taken place at the Audit Committee Meeting in relation to the key audit findings.

In accordance with IRDA directives, the Company carries out a concurrent audit of investment operations through a Chartered Accountant firm and reports the findings to the Audit Committee.

(ii) Risk Management Framework

The Company is subject to the impact of changes in the business environment from time to time which necessitates continuous evaluation and management of significant risks faced by it. The Company has established appropriate risk assessment and minimisation procedures. The process for formulating a defined risk assessment framework encompasses, *inter alia*, a methodology for assessing and identifying risks on an ongoing basis, risk prioritising, risk mitigation, monitoring plan and comprehensive reporting on management of enterprise wide risks. Accordingly, Risk Committee reviews key risks in the areas such as credit risk, market risk, underwriting risk, operational risk and strategic risk on a regular basis.

The Company has put in place risk register as well as risk scoring methodology to analyse and manage risk effectively. The risk register consists of four sub-processes viz., risk identification, risk assessment, risk mitigation & control and risk monitoring.

VI. Other information:

(i) Annual General Meetings

The details of the Annual General Meetings held in the last three years are given below:

Annual General Meeting	Day, Date	Time	Venue
Eleventh AGM	Monday, June 20, 2011	11.00 a.m.	ICICI Lombard House, 414, Veer Savarkar Marg, Prabhadevi, Mumbai 400 025
Twelfth AGM	Thursday, June 14, 2012	9.30 a.m.	
Thirteenth AGM	Monday, June 17, 2013	11.15 a.m.	

(ii) History of Dividends declared during last five years

Financial year	Dividend type	Percentage
2013-2014	—	—
2012-2013	—	—
2011-2012	—	—
2010-2011	Final Dividend	14%
2009-2010	Final Dividend	16%

(iii) Means of Communication

The Company's website www.icicilombard.com serves as a key awareness platform for all its stakeholders, allowing them to access information at their convenience. It provides comprehensive information on business segment and financial performance of the Company. The Company periodically publishes its financial performance in print media and also hosts the same on its website.

In accordance with IRDA circular no. IRDA/F&I/CIR/F&A/012/01/2010 dated January 28, 2010, half-yearly financial results of the Company were published in two prominent daily newspapers. The quarterly, half-yearly and annual financial information are available on the website of the Company. Additionally, the Annual Reports of the Company are also available on the website.

(iv) Corporate Identity Number (CIN)

The Corporate Identity Number (CIN), allotted by Ministry of Corporate Affairs, Government of India is U67200MH2000PLC129408, and the Company registration number is 11-129408.

(v) Registrar and Transfer Agents

The Registrar and Transfer Agent of the Company is 3i Infotech Limited. Investor services related queries/requests/complaints may be directed at the address as under:

3i Infotech Limited
International Infotech Park
Tower 5, 3rd Floor
Vashi Railway Station Complex
Vashi, Navi Mumbai 400 703
Maharashtra, India
Tel No. : +91-22-6792 8000
Fax No. : +91-22-6792 8099

(vi) Correspondence Address

Correspondence relating to the financial performance of the Company may be addressed to:

Gopal Balachandran/Vikas Mehra
ICICI Lombard General Insurance Company Limited
414, Veer Savarkar Marg, Prabhadevi
Mumbai 400 025
Tel No. : +91-22-6196 1100
Fax No. : +91-22-6196 1323

ACKNOWLEDGEMENTS

ICICI Lombard is grateful to the Insurance Regulatory and Development Authority, Tariff Advisory Committee, Reserve Bank of India, General Insurance Council and other regulatory authorities for their support and advice. The Directors also place on record their sincere thanks for the support and co-operation extended by the Policyholders, Reinsurers, Insurance Agents and Brokers.

ICICI Lombard would like to express its gratitude for the continued support and guidance received from ICICI Bank, Fairfax Financial Holdings Limited and their group companies.

The Directors express their deep sense of appreciation of all the employees, whose outstanding professionalism, commitment and initiative have made the organisation's growth and success possible and continue to drive its progress. The Directors also wish to express their gratitude to the Members for their trust and support.

For and on behalf of the Board

CHANDA KOCHHAR
Chairperson

Mumbai, April 18, 2014

Certificate for compliance of the Corporate Governance Guidelines

I, Vikas Mehra, hereby certify that the Company has complied with the corporate governance guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

VIKAS MEHRA
Company Secretary

In accordance with the provisions of the Insurance Regulatory & Development Authority (IRDA) (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 ('Regulation') the following Management Report is submitted:

1. The Certificate of Registration under Section 3 of the Insurance Act, 1938 was granted by IRDA on August 03, 2001. The Company has obtained renewal of registration certificate from IRDA for the financial year 2014-15 as required under Section 3A of the Insurance Act, 1938.

2. We certify that all the dues payable to the statutory authorities have been duly paid.

3. We confirm that the shareholding pattern and transfer of shares are in accordance with statutory and regulatory requirements.

4. The management has not invested any funds of holders of policies in India, directly or indirectly as required by IRDA, outside India.

5. We confirm that the required solvency margin has been maintained.

6. We certify that the values of all the assets have been reviewed on the date of the Balance Sheet and that in our belief the assets set forth in the Balance Sheet are shown in aggregate at amounts not exceeding their realisable or market value under several headings- investments, agents balances, outstanding premiums, amount due from other entities carrying on insurance business, interest and dividend accrued, cash and several items specified under other accounts except unlisted equity, venture fund, securitised receipts, debt securities which are stated at cost / amortised cost.

7. The entire gross risk exposure of the portfolio consists of fire, engineering, hull, aviation, motor, casualty, health, travel, energy, personal accident, rural and credit insurance and other lines of business.

   The overall exposure is spread over various sectors including but not limited to power, textiles, heavy and light engineering, paper, services, fast moving consumer goods, auto components, etc across urban and rural segments as well as across demography.

   The business underwritten pertains to the various products filed by us with IRDA, as per the file and use procedure: this includes tariff as well as non tariff products.

   While in property lines (Fire) the net retention has not exceeded ₹ 2,500.0 million on a PML basis (Previous year: ₹ 2,500.0 million) in any single risk, this also gets graded down to between ₹ 5.0 million to ₹ 2,500.0 million (Previous year: between ₹ 5.0 million to ₹ 2,500.0 million) on a case-to-case basis, depending on exposure levels and prudent underwriting standards. The excess of loss treaties protect the accumulation of the net retentions.

   Further, before underwriting any major property risk, a risk inspection is carried out, and on being satisfied about the acceptability of risk, the same is accepted. In addition, various loss prevention / risk-mitigating measures are also suggested to the clients to help improve the risks.

8. We confirm that there are no operations of the Company outside India.

9. a) For ageing analysis of claims outstanding during the preceding five years, please refer Annexure 1.
   b) For average claims settlement time during the preceding five years, please refer Annexure 2.
   c) For details of claims intimated, please refer Annexure 3.

10. We certify that the Investments made in debt securities have been valued at historical cost subject to amortisation of premium / discount. The same is in accordance with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulation, 2002 ('Regulation').

    For the purpose of comparison, the fair value of debt securities has been arrived on a Yield to maturity (YTM) basis by using the appropriate discount rates derived from the yield curve data provided by the Fixed Income and Money Market Dealers Association (FIMMDA) in respect of Government Securities and Crisil Bond Valuer in respect of other debt instruments.

    IRDA has issued Master Circular on IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 dated October 5, 2012 and Corrigendum dated July 3, 2013 (referred to as 'Circular') which is effective from April 1, 2013. As per the Circular, listed equity securities that are traded in active markets are required to be measured at fair value as at the Balance Sheet date. Measurement for the purpose of calculation of fair value shall be the last quoted closing price on NSE. However, in case of any stock not being listed in NSE, the insurer may value the equity based on the last quoted closing price in BSE.

    The Company, w.e.f April 1, 2013, in compliance with the Master Circular, has valued its investment in equity securities accordingly.

    Mutual fund investments are stated at fair value, being the closing net asset value as at Balance Sheet date.

    Investments other than those mentioned above are valued at cost.

    In accordance with the Regulation, unrealized gain / loss arising due to changes in fair value of listed equity shares and mutual fund investments are not taken to revenue(s)/profit and loss account but are taken to the fair value change account. This balance in the fair value change account is not available for distribution, pending realisation.

    The Company assesses at each Balance Sheet date whether there is any indication that any investment in equity or units of mutual fund may be impaired. If any such indication exists, the carrying value of such investment is reduced to its recoverable amount and the impairment loss is recognised in the revenue(s)/profit and loss account. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the investment is restated to that extent.

11. Investments as at March 31, 2014 amount to ₹ 93,089.8 million (Refer Schedule 8, Previous year: ₹ 78,125.2 million). Income from Investments for the year ended March 31, 2014 amounted to ₹ 7,876.7 million (Previous year: ₹ 5,730.3 million).

    Investments other than deposits with the banks, loans, units of mutual fund, units of venture fund and security receipts are only in regularly traded instruments in the secondary markets. The Company's debt investment comprises largely of government securities, central government guaranteed bonds, AAA and AA/P1+ rated security.

    All are performing investments with no arrears of any payments due. Investments are managed in consonance with the investment policy framed from time to time by the Board and are within the investment regulation and guidelines of IRDA.

12. We also confirm:

    (a) in the preparation of financial statements, the applicable accounting standards, principles and policies have been followed along with proper explanations relating to material departures, if any;

    (b) the management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended and of the operating profit and of the profit of the Company for the year ended;

    (c) the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 (4 of 1938) / Companies Act, 1956 (1 of 1956)/ Companies Act, 2013 (to the extent notified), for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

    (d) the management has prepared the financial statements on a going concern basis;

    (e) the management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

13. For payments made to individuals, firms, companies and organisations in which Directors are interested, please refer to Annexure 4

For and on behalf of the Board

CHANDA KOCHHAR *Chairperson*	S. MUKHERJI *Director*
DILEEP CHOKSI *Director*	BHARGAV DASGUPTA *Managing Director & CEO*
ALOK KUMAR AGARWAL *Executive Director*	NEELESH GARG *Executive Director*
GOPAL BALACHANDRAN *Chief Financial Officer*	VIKAS MEHRA *Company Secretary*

Mumbai, April 18, 2014

Annexure - 1

Details of Claims Outstanding during the preceding five years

As at March 31, 2014 (₹ in lacs)

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health		Credit Insurance		Others		Grand Total	
Period	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 Days	227	17,116.5	1,496	4,055.4	19	1,695.9	25,447	39,508.2	1,636	324,243.8	265	2,250.0	7	268.0	157	4,391.6	29	2,108.0	578	8,366.0	504,138	34,263.3	57	566.2	2,327	27,556.7	536,383	466,389.6
30 Days to 6 Months	317	12,236.1	1,264	3,984.2	13	1,914.3	8,018	5,426.2	7,850	14,958.0	514	558.8	2	50.8	240	4,247.6	43	1,691.6	1,193	1,738.0	7,931	3,499.1	34	342.9	1,456	6,686.0	28,875	57,333.7
6 Months to 1 Year	297	4,598.9	230	1,001.2	12	376.2	448	932.0	6,876	13,339.2	252	243.2	5	6.5	131	7,620.4	95	457.6	266	626.5	149	198.3	19	100.2	549	11,077.9	9,329	40,577.8
1 Year to 5 Years	1,260	11,926.1	347	3,514.4	43	937.5	39	218.5	35,801	84,633.8	7	41.4	7	11.4	512	6,801.8	123	5,928.4	703	1,555.0	366	1,302.7	10	57.0	327	5,449.4	39,545	122,377.4
More than 5 Years	129	1,106.7	84	176.1	62	781.3	—	—	10,062	17,637.2	—	—	3	9.3	82	923.0	4	20.6	—	—	—	—	4	80.4	15	291.4	10,445	21,026.0
Grand Total	**2,230**	**46,984.3**	**3,421**	**12,731.3**	**149**	**5,705.2**	**33,952**	**46,084.9**	**62,225**	**454,812.0**	**1,038**	**3,093.4**	**24**	**346.0**	**1,122**	**23,984.4**	**294**	**10,206.2**	**2,740**	**12,285.5**	**512,584**	**39,263.4**	**124**	**1,146.7**	**4,674**	**51,061.4**	**624,577**	**707,704.5**

As at March 31, 2013 (₹ in lacs)

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health		Credit Insurance		Others		Grand Total	
Period	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 Days	560	7,769.5	831	2,691.9	4	224.7	21,963	25,297.2	1,720	332,790.8	93	1,598.9	372	596.0	458	2,592.0	11	1,583.0	975	6,566.4	724,369	32,595.3	2	155.5	1,848	12,552.0	753,206	427,013.2
30 Days to 6 Months	249	4,689.9	548	2,459.9	5	139.2	5,712	4,289.8	7,548	14,653.1	611	766.2	638	222.0	202	2,132.8	74	4,106.9	1,079	1,788.8	3,378	2,383.5	12	787.9	1,114	7,428.7	21,170	45,848.7
6 Months to 1 Year	231	3,931.9	123	413.9	13	80.8	276	916.5	7,796	18,052.6	193	253.3	90	40.5	77	2,531.1	71	1,109.0	294	865.5	241	238.9	3	3.4	97	237.0	9,505	28,674.4
1 Year to 5 Years	1,244	20,056.6	723	5,591.0	109	1,474.8	15	73.1	41,815	91,461.5	11	20.2	51	103.8	397	8,325.5	83	1,527.0	174	681.3	1,698	1,347.7	37	261.4	308	8,006.6	46,665	138,930.5
More than 5 Years	48	628.5	11	23.1	36	2,169.0	—	—	5,013	8,382.5	—	—	1	3.1	26	215.4	—	0.5	—	—	—	—	2	83.8	70	351.1	5,207	11,857.0
Grand Total	**2,332**	**37,076.4**	**2,236**	**11,179.8**	**167**	**4,088.5**	**27,966**	**30,576.6**	**63,892**	**465,340.5**	**908**	**2,638.6**	**1,152**	**965.4**	**1,160**	**15,796.8**	**239**	**8,326.4**	**2,522**	**9,902.0**	**729,686**	**36,565.4**	**56**	**1,292.0**	**3,437**	**28,575.4**	**835,753**	**652,323.8**

As at March 31, 2012 (₹ in lacs)

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health		Credit Insurance		Others		Grand Total	
Period	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 Days	98	6,585.5	1,864	2,667.3	8	233.6	16,861	17,547.1	2,056	319,386.6	55	1,095.5	353	187.6	115	1,544.1	21	1,468.8	426	3,769.0	455,408	23,978.0	—	46.8	753	5,767.4	478,018	384,277.4
30 Days to 6 Months	209	17,376.0	1,000	3,374.7	8	480.0	8,984	4,517.9	8,600	17,643.7	310	465.5	510	176.3	208	2,839.5	27	789.5	1,526	2,520.5	748,125	5,530.7	3	11.3	1,432	6,758.0	770,942	62,483.1
6 Months to 1 Year	94	1,659.0	140	646.4	12	348.9	602	1,040.7	8,605	19,505.3	148	285.2	21	16.3	107	4,369.2	20	592.0	388	498.0	236,938	880.1	2	15.7	685	1,890.4	247,762	31,748.6
1 Year to 5 Years	1,271	19,894.6	631	5,462.9	144	6,818.0	362	902.0	39,880	79,128.7	54	73.8	16	92.1	326	4,687.6	64	1,320.9	148	220.0	10,376	4,002.4	66	1,163.2	1,371	9,448.8	54,709	133,215.4
More than 5 Years	24	211.6	—	—	19	907.0	—	—	1,284	2,227.2	—	—	3	3.1	20	127.1	2	35.0	—	—	—	—	3	—	8	244.2	1,363	3,755.8
Grand Total	**1,696**	**45,726.7**	**3,635**	**12,151.3**	**191**	**8,787.5**	**26,809**	**24,007.7**	**60,425**	**437,891.5**	**567**	**1,920.0**	**903**	**475.4**	**776**	**13,567.5**	**134**	**4,206.2**	**2,488**	**7,007.5**	**1,450,847**	**34,391.2**	**74**	**1,237.0**	**4,249**	**24,108.8**	**1,552,794**	**615,480.3**

As at March 31, 2011 (₹ in lacs)

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health		Credit Insurance		Others		Grand Total	
Period	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 Days	263	9,213.8	1,975	2,295.4	21	497.0	14,246	13,233.0	2,390	143,786.0	32	674.0	91	115.6	129	1,364.1	22	464.8	526	2,539.5	345,054	17,810.2	35	154.8	831	6,356.7	365,615	198,504.9
30 Days to 6 Months	222	7,908.0	1,174	2,920.9	15	98.5	8,443	4,757.8	10,260	20,062.1	116	228.1	—	0.0	183	2,759.5	30	544.4	892	958.7	19,186	2,798.8	5	32.9	1,580	2,797.9	42,106	45,867.6
6 Months to 1 Year	187	7,937.3	532	3,504.2	17	443.8	1,005	1,430.8	11,144	21,483.5	68	94.7	—	0.0	99	2,387.6	9	180.8	424	535.7	20,071	1,724.7	2	2.3	632	1,828.1	34,190	41,553.5
1 Year to 5 Years	890	22,024.7	428	2,240.9	151	9,771.4	479	1,062.0	35,939	66,647.2	94	81.2	15	45.0	330	5,035.2	26	802.3	463	465.0	8,630	3,090.8	33	1,085.3	727	8,254.8	48,205	120,605.8
More than 5 Years	17	293.7	3	4.4	18	401.7	—	—	149	295.9	—	—	1	5.0	16	371.7	—	—	—	—	1	2.0	—	—	2	0.4	207	1,374.8
Grand Total	**1,579**	**47,377.5**	**4,112**	**10,965.8**	**222**	**11,212.4**	**24,173**	**20,483.6**	**59,882**	**252,274.7**	**310**	**1,078.0**	**107**	**165.6**	**757**	**11,918.1**	**87**	**1,992.3**	**2,305**	**4,498.9**	**392,942**	**25,426.5**	**75**	**1,275.3**	**3,772**	**19,237.9**	**490,323**	**407,906.6**

As at March 31, 2010 (₹ in lacs)

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health		Credit Insurance		Others		Grand Total	
Period	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 Days	619	7,314.1	713	1,119.8	12	89.9	15,100	11,672.4	2,854	89,294.6	44	198.0	52	35.7	126	1,415.0	1	3,854.6	484	2,056.8	208,163	13,674.6	2	—	968	1,583.9	229,138	132,309.4
30 Days to 6 Months	286	15,398.7	885	2,040.2	18	81.4	8,767	5,434.0	10,835	20,776.6	224	189.9	2	0.6	262	4,324.7	3	536.3	1,161	1,104.0	135,130	4,468.9	6	—	2,376	2,319.0	159,955	56,674.3
6 Months to 1 Year	150	3,535.7	193	1,460.1	18	780.3	1,124	1,681.5	10,474	19,343.8	46	42.2	3	1.2	198	2,539.4	8	2,199.7	350	427.1	6,605	1,088.9	12	—	1,184	5,005.9	20,365	38,105.7
1 Year to 5 Years	176	23,199.4	241	2,061.5	139	11,104.5	227	467.1	24,434	42,728.6	2	4.8	15	50.1	306	5,485.2	16	390.2	307	386.3	2,217	1,827.0	20	4.9	1,140	6,976.2	29,240	94,685.6
More than 5 Years	9	26.7	19	60.9	13	89.9	—	0.0	12	28.1	—	0.0	—	0.0	7	75.3	—	0.0	—	0.0	—	0.0	—	—	1	—	61	280.9
Grand Total	**1,240**	**49,474.6**	**2,051**	**6,742.5**	**200**	**12,146.0**	**25,218**	**19,255.0**	**48,609**	**172,171.7**	**316**	**434.9**	**72**	**87.6**	**899**	**13,839.6**	**28**	**6,980.8**	**2,302**	**3,974.2**	**352,115**	**21,059.4**	**40**	**4.9**	**5,669.0**	**15,885.0**	**438,759**	**322,055.9**

Annexure - 2

Details of Average Claim Settlement time for the preceding five years*

Particulars	For the year ended March 31, 2014		*For the year ended March 31, 2013*		*For the year ended March 31, 2012*		*For the year ended March 31, 2011*		*For the year ended March 31, 2010*	
	No of claims settled	**Average Settlement Time (Days)**	*No of claims settled*	*Average Settlement Time (Days)*	*No of claims settled*	*Average Settlement Time (Days)*	*No of claims settled*	*Average Settlement Time (Days)*	*No of claims settled*	*Average Settement Time (Days)*
Fire	**2,587**	**397**	*1,837*	*141*	*1,326*	*120*	*1,436*	*133*	*1,552*	*176*
Marine Cargo	**26,259**	**44**	*24,058*	*55*	*22,763*	*59*	*16,989*	*56*	*13,501*	*67*
Marine Hull	**69**	**1,026**	*56*	*894*	*74*	*728*	*54*	*435*	*105*	*431*
Motor	**658,080**	**14**	*544,309*	*15*	*454,501*	*16*	*451,362*	*17*	*405,163*	*20*
Workmen's Compensation	**1,434**	**148**	*1,149*	*162*	*699*	*80*	*577*	*83*	*376*	*107*
Public/Product Liability	**4,125**	**60**	*13,413*	*58*	*9,784*	*26*	*11,877*	*28*	*6,261*	*50*
Engineering	**2,516**	**175**	*1,520*	*113*	*1,606*	*107*	*1,563*	*229*	*1,551*	*167*
Aviation	**175**	**296**	*105*	*256*	*52*	*177*	*18*	*99*	*16*	*139*
Personal Accident	**6,365**	**58**	*7,356*	*92*	*9,277*	*54*	*7,925*	*96*	*12,561*	*49*
Health	**5,698,323**	**13**	*4,443,879*	*15*	*3,827,703*	*15*	*7,620,495*	*15*	*5,795,126*	*22*
Credit Insurance	**45**	**119**	*56*	*598*	*15*	*165*	*75*	*222*	*24*	*294*
Others	**16,202**	**43**	*12,729*	*102*	*11,659*	*87*	*16,030*	*121*	*14,347*	*68*
Total	**6,416,180**	**14**	*5,050,467*	*16*	*4,339,459*	*16*	*8,128,401*	*16*	*6,250,583*	*23*

*The above ageing does not include Motor third party claims which have to be settled through MACT and other judicial bodies

Annexure - 3

Details of Claims intimated

Product	For the year ended March 31, 2014		*For the year ended March 31, 2013*	
	Claims intimated	**Amount (₹ in lacs)***	*Claims intimated*	*Amount (₹ in lacs)**
Fire	**2,485**	**38,404.2**	*2,473*	*17,742.9*
Marine Cargo	**27,444**	**19,894.9**	*22,659*	*13,679.9*
Marine Hull	**51**	**2,644.6**	*32*	*(590.2)*
Motor OD	**664,066**	**121,255.9**	*545,466*	*103,752.9*
Motor TP	**23,288**	**65,129.9**	*22,840*	*64,300.9*
Workmen's Compensation	**1,564**	**2,104.6**	*1,490*	*2,095.2*
Public/Product Liability	**2,997**	**1,072.7**	*13,662*	*4,358.3*
Engineering	**2,478**	**21,601.3**	*1,904*	*9,363.4*
Aviation	**230**	**11,290.2**	*210*	*7,141.2*
Personal Accident	**6,583**	**9,773.6**	*7,390*	*12,394.6*
Health	**5,481,221**	**162,199.8**	*3,722,718*	*135,476.5*
Credit Insurance	**113**	**1,063.4**	*38*	*2,274.1*
Others	**17,439**	**51,626.7**	*11,926*	*35,688.9*
Grand Total	**6,229,959**	**508,061.8**	*4,352,808*	*407,678.6*

*Amount of claims intimated includes change in reserve

ICICI Lombard GENERAL INSURANCE

Continued

Annexure - 4

List of payments to parties in which Directors are interested

(₹ in lacs)

Sl. No.	Entity in which Director is interested	Name of Director	Interested as	For the year ended March 31, 2014	For the year ended March 31, 2013
1	3i Infotech Limited	H. N. Sinor	Director	**94.0**	*159.2*
		Dileep Choksi[1]	Director		
2	Asian Paints Limited	M.K.Sharma	Director	**112.7**	*263.3*
3	Birla Corporation Limited	M.K.Sharma[2]	Director	—	*6.2*
4	Blue Star Limited	M.K.Sharma[3]	Director	**3.9**	—
5	Bombay Gymkhana Limited	Chanda Kochhar	Member	**4.6**	—
		Dileep Choksi	Member		
6	Confederation of Indian Industry	Chanda Kochhar	Member	**8.9**	*3.2*
7	Cricket Club of India	Chanda Kochhar	Member	**5.5**	*2.6*
		Dileep Choksi	Member		
		N. S. Kannan	Member		
8	CRISIL Limited	H.N. Sinor	Director	—	*9.3*
9	ICICI Bank Limited	Chanda Kochhar	Director	**13,703.3**	*10,426.7*
		Dileep Choksi[4]	Director		
		N. S. Kannan	Director		
10	ICICI Foundation for Inclusive Growth	Chanda Kochhar	Member	**229.3**	—
		N. S. Kannan	Member		
		Bhargav Dasgupta	Member		
11	ICICI Home Finance Company Limited	Dileep Choksi	Director	**206.6**	*17.7*
12	ICICI Prudential Life Insurance Company Limited	Chanda Kochhar	Director	**187.4**	*188.3*
		N. S. Kannan	Director		
13	ICICI Securities Limited	Chanda Kochhar	Director	**398.0**	*459.4*
		Zarin Daruwala	Director		
14	ICICI Securities Primary Dealership Limited	N. S. Kannan	Chairman	**6.7**	*17.4*
15	JSW Steel Limited	Zarin Daruwala	Director	**5.5**	*89.9*
16	KEC International Limited	M.K.Sharma[5]	Director	**279.7**	*887.9*
17	Lupin Limited	Dileep Choksi[6]	Director	**289.5**	—
18	McKinsey & Company	H. N. Sinor	Member	**389.5**	*115.3*
19	NSE IT Limited	Dileep Choksi[7]	Director	**19.9**	*14.7*
20	Schrader Duncan Limited	M.K.Sharma	Member	**8.1**	*2.7*
21	State Bank of India	Dileep Choksi[8]	Director	—	*1.5*
22	The Andhra Pradesh Paper Mills Limited	M.K.Sharma	Director	**16.5**	—
23	Thomas Cook (India) Limited	M.K.Sharma	Director	**120.1**	—
24	Wipro Limited	M.K.Sharma	Director	**36.9**	*40.5*
25	Others[10]				
	ICICI Ventures Fund Management Company Limited	H. N. Sinor	Director		
		S. Mukherji	Director		
	National Sports Club of India	Chanda Kochhar	Member		
		Zarin Daruwala	Member		
		Neelesh Garg	Member		
	The Willingdon Sports Club	N. S. Kannan	Member		
	Total others			**1.0**	
26	Others[11]				
	Lakshmi Precision Screws Limited	B.V Bhargava[9]	Director		
	Grasim Industries Limited	B.V Bhargava[9]	Director		
	Total others				*1.0*

1 ceased to be Director in 3i Infotech Limited w.e.f. May 13, 2013
2 ceased to be Director in Birla Corporation Limited w.e.f May 18, 2012
3 appointed as Director in Blue Star Limited w.e.f. May 13, 2013
4 appointed as Director in ICICI Bank w.e.f May 8, 2013
5 ceased to be Director in KEC International Limited w.e.f. March 31, 2014
6 appointed as Director in Lupin Limited w.e.f October 23, 2013
7 ceased to be Director in NSE IT Limited w.e.f. August 16, 2013
8 ceased to be Director in State Bank of India w.e.f. December 31, 2012
9 ceased to be Director in ICICI Lombard w.e.f. June 14, 2012
10 individual payments to parties during the year and aggregate payments during the previous year are less than ₹ 1 lac
11 pertaining to previous year where Individual payments are less than ₹ 1 lac

REPORT ON FINANCIAL STATEMENTS

1. We have audited the accompanying Financial Statements of ICICI Lombard General Insurance Company Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2014, the Revenue accounts of fire, marine and miscellaneous insurance (collectively known as the 'Revenue accounts'), the Profit and Loss account and the Receipts and Payments account for the year then ended, the schedules annexed there to, a summary of significant accounting policies and other explanatory notes thereon.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, underwriting results, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"), to the extent applicable, read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; the Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies Regulations), 2002 ('the Regulations') and orders / directions prescribed by the Insurance Regulatory and Development Authority ('IRDA') in this behalf, the provisions of the Companies Act, 2013 (to the extent notified) and the Companies Act, 1956 (to the extent applicable) in the manner so required and current practices prevailing within the insurance industry in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

6. In our opinion and according to the information and explanations given to us, we report that the Balance sheet, the Revenue accounts, the Profit and Loss account and the Receipts and Payments account read together with the schedules, the significant accounting policies and notes thereon are prepared in accordance with the requirements of the Insurance Act, 1938, the Insurance Regulatory and Development Act, 1999, the provisions of the Companies Act, 2013 (to the extent notified) and the Companies Act, 1956 (to the extent applicable) and in a manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India as applicable to insurance companies:

- in the case of Balance Sheet, of the state affairs of the Company as at March 31, 2014;
- in the case of Revenue Accounts, of the operating profit in Fire and Miscellaneous business and operating loss in Marine business for the year ended on that date;
- in the case of Profit and Loss Account, of the Profit for the year ended on that date; and
- in case of Receipts and Payments Account, of the Receipts and Payments for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

7. As required by the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies Regulations), 2002, in our opinion and according to the information and explanations given to us we further report that:
   a) Investments have been valued in accordance with the provisions of the Insurance Act, 1938, the Regulations and orders/directions issued by IRDA in this regard;
   b) The accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards referred to under sub section 3C of Section 211 of the Companies Act, 1956 and with the accounting principles prescribed by the Regulations and orders/directions prescribed by IRDA in this regard. The Balance sheet, the Revenue accounts, the Profit and Loss account and the Receipts and Payments account referred to in this regard are in compliance with the accounting standards referred to under sub-section (3C) of the section 211 of the Companies Act, 1956, to the extent applicable, read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
   c) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of the audit and have found them to be satisfactory;
   d) As the Company's accounts are centralised and maintained at the Corporate office, no returns for the purposes of our audit are prepared at the branches and other offices of the Company;
   e) The Balance sheet, the Revenue accounts, the Profit and Loss account and the Receipts and Payments account referred to in this report are in agreement with the books of account;
   f) Proper books of accounts as required by law have been maintained by the Company so far as appears from our examination of those books; and
   g) The actuarial valuation of liabilities in respect of Incurred But Not Reported ('IBNR') and Incurred But Not Enough Reported ('IBNER') as at March 31, 2014, other than for reinsurance accepted from Declined Risk Pool ('DR Pool') has been duly certified by the Appointed Actuary of the Company and relied upon by us. The Appointed Actuary has also certified that the assumptions considered by him for such valuation are in accordance with the guidelines and norms prescribed by the IRDA and the Actuarial Society of India in concurrence with the IRDA. In respect of reinsurance accepted from DR Pool, IBNR / IBNER has been recognised based on estimates received from DR Pool.
   h) On the basis of the written representations received from the directors of the Company, as on March 31, 2014 and taken on record by the Board of Directors, no Director of the Company is disqualified as on March 31, 2014 from being appointed as Director of the Company under clause (g) of sub-section (1) of Section 274 of the Act.
8. Further, on the basis of examination of books and records of the Company and according to the information and explanations given to us and to the best of our knowledge and belief, we certify that:
   a) We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2014 and there are no apparent mistakes or material inconsistencies with the financial statements; and
   b) Based on the information and explanations received during the course of our audit and management representation by officers of the Company charged with compliance, nothing has come to our attention which causes us to believe that the Company has not complied with the terms and conditions of the registration as stipulated by the IRDA.

For KHANDELWAL JAIN & CO. *Chartered Accountants* *Firm Registration No. 105049W*	For CHATURVEDI & CO. *Chartered Accountants* *Firm Registration No.302137E*
NARENDRA JAIN *Partner* *Membership No.048725*	(SN CHATURVEDI) *Partner* *Membership No. 040479*
Mumbai, April 18, 2014	

Auditors' Certificate

In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books and records maintained by ICICI Lombard General Insurance Company Limited ('the Company') for the year ended March 31, 2014, we certify that:

- We have verified the cash balances maintained by the Company. As regards the securities relating to the Company's investments, the same have been verified with the dematerialised statement / confirmations received from the custodian;
- The Company is not the trustee of any trust; and
- No part of the assets of the policyholders' fund has been directly or indirectly applied in contravention to the provisions of the Insurance Act, 1938 relating to the application and investment of the policyholders' funds.

This certificate has been issued to comply with Schedule C of the Insurance Regulatory and Development Authority (Presentation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002, ('the Accounting Regulations'), read with Regulation 3 of the Accounting Regulations and may not be suitable for any other purpose.

For KHANDELWAL JAIN & CO. *Chartered Accountants* *Firm Registration No. 105049W*	For CHATURVEDI & CO. *Chartered Accountants* *Firm Registration No.302137E*
NARENDRA JAIN *Partner* *Membership No.048725*	(SN CHATURVEDI) *Partner* *Membership No. 040479*
Mumbai, April 18, 2014	

balance sheet

at March 31, 2014

Particulars	Schedule	March 31, 2014	(₹ in 000's) March 31, 2013
Sources of funds			
Share capital	5	**4,450,555**	*4,370,152*
Reserves and Surplus	6	**19,360,366**	*14,216,414*
Share application money-pending allotment		**3,069**	*1,004,353*
Fair value change account (Refer note 5.2.17 (B))		**1,134,613**	*690,462*
Borrowings	7	—	—
Total		**24,948,603**	*20,281,381*
Application of funds			
Investments	8	**93,089,768**	*78,125,187*
Loans	9	—	—
Fixed assets	10	**3,894,946**	*4,004,329*
Deferred tax asset (Refer note 5.2.16)		**413,896**	*502,710*
Current assets			
Cash and bank balances	11	**1,619,661**	*2,696,152*
Advances and other assets	12	**36,430,522**	*33,358,591*
Sub-Total (A)		**38,050,183**	*36,054,743*
Current liabilities	13	**87,277,592**	*77,459,950*
Provisions	14	**23,222,598**	*21,874,638*
Sub-Total (B)		**110,500,190**	*99,334,588*
Net current assets (C) = (A - B)		**(72,450,007)**	*(63,279,845)*
Miscellaneous expenditure (to the extent not written off or adjusted)	15	—	—
Debit balance in profit and loss account		—	*929,000*
Total		**24,948,603**	*20,281,381*
Significant accounting policies and notes to accounts	16		

The schedules referred to above & notes to accounts form an integral part of the Financial Statements

profit and loss account

for the year ended March 31, 2014

Particulars	Schedule		March 31, 2014		(₹ in 000's) March 31, 2013
1. Operating profit/(loss)					
(a) Fire Insurance			**485,376**		*(37,439)*
(b) Marine Insurance			**(417,207)**		*(207,858)*
(c) Miscellaneous Insurance			**4,206,570**		*2,966,385*
2. Income from investments					
(a) Interest /Dividend & Rent – Gross			**1,129,758**		*1,004,751*
(b) Profit on sale/redemption of investments			**340,515**		*150,991*
Less : loss on sale/redemption of investments			**(101,841)**		*(38,588)*
3. Other income					
(a) Interest income on tax refund			**49,799**		*9,159*
(b) Profit on sale/discard of fixed assets			**1,372**		*14,336*
(c) Recovery of bad debts written off			**23,419**		—
Total (A)			**5,717,761**		*3,861,737*
4. Provisions (Other than taxation)					
(a) For diminution in the value of investments			**85,291**		*21,090*
(b) For doubtful debts			**(161,042)**		*541,920*
(c) For future recoverable under reinsurance contracts			**(122,412)**		*235,277*
(d) Others			—		—
5. Other expenses					
(a) Expenses other than those related to Insurance Business					
(i) Employees' remuneration and other expenses			**10,080**		*9,736*
(ii) Managerial remuneration			**41,324**		*16,073*
(iii) Directors' fees			**600**		*692*
(b) Bad debts written off			**637,026**		*196,681*
(c) Loss on sale/discard of fixed assets			**24,021**		*23,504*
(d) Penalty (Refer note 5.1.14 (1))			**500**		—
Total (B)			**515,388**		*1,044,973*
Profit / (Loss) before tax			**5,202,373**		*2,816,764*
Provision for taxation:					
(a) Current tax /MAT payable		**892,765**		*582,004*	
Less : MAT credit entitlement		**(892,765)**		*(582,004)*	
(b) Deferred tax (Income) / Expense (Refer note 5.2.16)		**88,814**	**88,814**	*(240,989)*	*(240,989)*
Profit / (Loss) after tax			**5,113,559**		*3,057,753*
Appropriations					
(a) Interim dividends paid during the year		—		—	
(b) Proposed final dividend		—		—	
(c) Dividend distribution tax		—		—	
(d) Transfer to General Reserves		—	—	—	—
Balance of Profit / (Loss) brought forward from last year			**(929,000)**		*(3,986,753)*
Balance carried forward to Balance sheet			**4,184,559**		*(929,000)*
Basic earnings per share of ₹ 10 face value (Refer note 5.2.15)			**₹ 11.50**		*₹ 7.00*
Diluted earnings per share of ₹ 10 face value (Refer note 5.2.15)			**₹ 11.38**		*₹ 6.91*
Significant accounting policies & notes to accounts	16				

The schedules referred to above & notes to accounts form an integral part of the Financial Statements

As per our attached report of even date

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Regn No.: 105049W

NARENDRA JAIN
Partner
Membership No:048725

For CHATURVEDI & CO.
Chartered Accountants
Firm Regn No.: 302137E

SN CHATURVEDI
Partner
Membership No: 040479

Mumbai, April 18, 2014

For and on behalf of the Board

CHANDA KOCHHAR
Chairperson

S. MUKHERJI
Director

DILEEP CHOKSI
Director

BHARGAV DASGUPTA
Managing Director & CEO

ALOK KUMAR AGARWAL
Executive Director

NEELESH GARG
Executive Director

GOPAL BALACHANDRAN
Chief Financial Officer

VIKAS MEHRA
Company Secretary

for the year ended March 31, 2014

Registration No. 115 dated August 3, 2001

(₹ in 000's)

Particulars	Schedule	Fire		Marine		Miscellaneous		Total	
		2013-2014	*2012-2013*	**2013-2014**	*2012-2013*	**2013-2014**	*2012-2013*	**2013-2014**	*2012-2013*
1. Premium earned (net)	1	**1,534,949**	*1,385,410*	**1,566,095**	*882,274*	**40,428,089**	*37,824,831*	**43,529,133**	*40,092,515*
2. Profit on sale/redemption of investments		**42,676**	*16,471*	**32,396**	*11,234*	**1,672,660**	*744,425*	**1,747,732**	*772,130*
Less : Loss on sale/redemption of investments		**(12,952)**	*(4,209)*	**(9,832)**	*(2,871)*	**(507,634)**	*(190,251)*	**(530,418)**	*(197,331)*
3. Others -									
Foreign exchange gain / (loss)		**804**	*(6,828)*	**(2,893)**	*(1,679)*	**19,510**	*617*	**17,421**	*(7,890)*
Investment income from pool (Terrorism)		**145,181**	*117,109*	**—**	*—*	**33,353**	*23,523*	**178,534**	*140,632*
4. Interest, Dividend & Rent – Gross (Refer note 5.2.5)		**142,140**	*97,368*	**107,901**	*66,409*	**5,126,191**	*3,895,635*	**5,376,232**	*4,059,412*
Total (A)		**1,852,798**	*1,605,321*	**1,693,667**	*955,367*	**46,772,169**	*42,298,780*	**50,318,634**	*44,859,468*
1. Claims Incurred (net)	2	**1,027,287**	*968,594*	**1,526,326**	*744,148*	**33,635,438**	*32,093,447*	**36,189,051**	*33,806,189*
2. Commission (net)	3	**(95,213)**	*36,383*	**164,307**	*56,171*	**(2,359,979)**	*(1,923,736)*	**(2,290,885)**	*(1,831,182)*
3. Operating expenses related to insurance business (Refer Note 5.2.17 (A))	4	**435,348**	*637,783*	**420,241**	*380,206*	**11,290,140**	*9,162,684*	**12,145,729**	*10,180,673*
4. Premium deficiency		**—**	*—*	**—**	*(17,300)*	**—**	*—*	**—**	*(17,300)*
Total (B)		**1,367,422**	*1,642,760*	**2,110,874**	*1,163,225*	**42,565,599**	*39,332,395*	**46,043,895**	*42,138,380*
Operating Profit / (Loss) C = (A - B)		**485,376**	*(37,439)*	**(417,207)**	*(207,858)*	**4,206,570**	*2,966,385*	**4,274,739**	*2,721,088*
APPROPRIATIONS									
Transfer to Shareholders' Account		**485,376**	*(37,439)*	**(417,207)**	*(207,858)*	**4,206,570**	*2,966,385*	**4,274,739**	*2,721,088*
Transfer to Catastrophe Reserve		**—**	*—*	**—**	*—*	**—**	*—*	**—**	*—*
Transfer to Other Reserves		**—**	*—*	**—**	*—*	**—**	*—*	**—**	*—*
Total (C)		**485,376**	*(37,439)*	**(417,207)**	*(207,858)*	**4,206,570**	*2,966,385*	**4,274,739**	*2,721,088*
Significant accounting policies and notes to accounts	16								

As required by Section 40C(2) of the Insurance Act, 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly, have been fully recognised in the Revenue Accounts as an expense.

The schedules referred to above & notes to accounts form an integral part of the Financial Statements

As per our attached report of even date

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Regn No.: 105049W

NARENDRA JAIN
Partner
Membership No:048725

For CHATURVEDI & CO.
Chartered Accountants
Firm Regn No.: 302137E

SN CHATURVEDI
Partner
Membership No: 040479

Mumbai, April 18, 2014

For and on behalf of the Board

CHANDA KOCHHAR
Chairperson

S. MUKHERJI
Director

DILEEP CHOKSI
Director

BHARGAV DASGUPTA
Managing Director & CEO

ALOK KUMAR AGARWAL
Executive Director

NEELESH GARG
Executive Director

GOPAL BALACHANDRAN
Chief Financial Officer

VIKAS MEHRA
Company Secretary

SCHEDULE – 1
PREMIUM EARNED (NET)

(₹ in 000's)

Particulars	Fire	Marine			Miscellaneous												Total
		Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor- Total	Worksmen's Compensation	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total-Miscellaneous	
	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014
Premium from direct business written-net of service tax	4,870,154	1,900,250	617,367	2,517,617	20,737,195	11,400,807	32,138,002	380,661	152,354	1,813,978	418,511	1,999,807	14,838,071	256,230	9,176,260	61,173,874	68,561,645
Add: Premium on reinsurance accepted	1,166,436	137,745	94,425	232,170	1,456	420,462	421,918	—	(393)	309,376	609,460	4,996	426,964	—	28,808	1,801,129	3,199,735
Less: Premium on reinsurance ceded	4,487,943	550,863	625,777	1,176,640	5,219,111	2,891,012	8,110,123	27,370	97,110	1,556,267	581,292	521,356	4,948,184	236,457	5,038,681	21,116,840	26,781,423
Net premium	1,548,647	1,487,132	86,015	1,573,147	15,519,540	8,930,257	24,449,797	353,291	54,851	567,087	446,679	1,483,447	10,316,851	19,773	4,166,387	41,858,163	44,979,957
Adjustment for change in reserve for unexpired risks	13,698	(40,197)	47,249	7,052	724,663	775,622	1,500,285	14,332	12,200	43,843	12,243	494,035	(1,166,344)	2,430	517,050	1,430,074	1,450,824
Total premium earned (net)	1,534,949	1,527,329	38,766	1,566,095	14,794,877	8,154,635	22,949,512	338,959	42,651	523,244	434,436	989,412	11,483,195	17,343	3,649,337	40,428,089	43,529,133

PREMIUM EARNED (NET)

(₹ in 000's)

Particulars	Fire	Marine			Miscellaneous												Total
		Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor- Total	Worksmen's Compensation	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total-Miscellaneous	
	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013
Premium from direct business written-net of service tax	*3,803,403*	*1,605,594*	*686,296*	*2,291,890*	*18,297,738*	*8,759,869*	*27,057,607*	*342,488*	*201,874*	*1,885,015*	*706,936*	*1,689,683*	*15,931,111*	*210,235*	*7,219,608*	*55,244,557*	*61,339,850*
Add: Premium on reinsurance accepted	*1,091,655*	*110,430*	*81,231*	*191,661*	*1,605*	*(108,821)*	*(107,216)*	—	*2,671*	*226,153*	*508,531*	*6,677*	*815,494*	—	*15,223*	*1,467,533*	*2,750,849*
Less: Premium on reinsurance ceded	*3,464,884*	*585,698*	*727,637*	*1,313,335*	*4,501,510*	*2,200,199*	*6,701,709*	*34,646*	*109,584*	*1,609,242*	*791,187*	*483,877*	*4,138,558*	*194,019*	*3,794,731*	*17,857,553*	*22,635,772*
Net premium	*1,430,174*	*1,130,326*	*39,890*	*1,170,216*	*13,797,833*	*6,450,849*	*20,248,682*	*307,842*	*94,961*	*501,926*	*424,280*	*1,212,483*	*12,608,047*	*16,216*	*3,440,100*	*38,854,537*	*41,454,927*
Adjustment for change in reserve for unexpired risks	*44,764*	*248,092*	*39,850*	*287,942*	*(111,400)*	*(1,058,519)*	*(1,169,919)*	*18,246*	*(89,969)*	*42,415*	*(14,636)*	*384,485*	*1,442,606*	*1,477*	*415,001*	*1,029,706*	*1,362,412*
Total premium earned (net)	*1,385,410*	*882,234*	*40*	*882,274*	*13,909,233*	*7,509,368*	*21,418,601*	*289,596*	*184,930*	*459,511*	*438,916*	*827,998*	*11,165,441*	*14,739*	*3,025,099*	*37,824,831*	*40,092,515*

SCHEDULE – 2
CLAIMS INCURRED (NET)

(₹ in 000's)

Particulars	Fire	Marine			Miscellaneous												Total
		Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor- Total	Worksmen's Compensation	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total-Miscellaneous	
	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014
Claims paid- Direct	1,180,224	1,578,574	74,151	1,652,725	10,919,708	5,623,864	16,543,572	107,061	104,285	1,094,086	386,098	629,923	12,241,348	79,834	3,228,928	34,415,135	37,248,084
Add: Re-insurance accepted	458,564	26,662	—	26,662	13,372	5,688,343	5,701,715	—	—	34,161	514,090	2,317	595,934	—	2,354	6,850,571	7,335,797
Less: Re-insurance ceded	1,027,581	435,474	47,953	483,427	2,669,578	3,874,463	6,544,041	10,735	42,645	831,871	426,559	194,309	2,367,383	74,019	1,565,642	12,057,204	13,568,212
Net Claims paid	611,207	1,169,762	26,198	1,195,960	8,263,502	7,437,744	15,701,246	96,326	61,640	296,376	473,629	437,931	10,469,899	5,815	1,665,640	29,208,502	31,015,669
Add: Claims outstanding at the end of the period	1,394,260	808,459	98,574	907,033	3,648,181	33,068,023	36,716,204	300,246	27,497	525,636	313,047	959,012	3,477,576	23,067	3,090,386	45,432,672	47,733,965
Less: Claims outstanding at the beginning of the year	978,180	510,697	65,970	576,667	2,754,597	31,657,721	34,412,318	251,181	72,151	333,888	264,170	763,963	3,265,839	20,146	1,622,080	41,005,736	42,560,583
Total claims incurred	1,027,287	1,467,524	58,802	1,526,326	9,157,086	8,848,046	18,005,132	145,391	16,986	488,124	522,506	632,980	10,681,636	8,736	3,133,946	33,635,438	36,189,051

CLAIMS INCURRED (NET)

(₹ in 000's)

Particulars	Fire	Marine			Miscellaneous												Total
		Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor- Total	Worksmen's Compensation	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total-Miscellaneous	
	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013
Claims paid- Direct	*950,396*	*1,120,511*	*367,739*	*1,488,250*	*9,070,315*	*4,266,800*	*13,337,115*	*96,597*	*337,199*	*655,639*	*242,847*	*763,009*	*10,492,977*	*180,037*	*3,018,361*	*29,123,781*	*31,562,427*
Add: Re-insurance accepted	*1,575,440*	*14,075*	—	*14,075*	*3,251*	*6,944,817*	*6,948,068*	—	—	*9,129*	*119,811*	*4,488*	*370,423*	—	*729*	*7,452,648*	*9,042,163*
Less: Re-insurance ceded	*1,778,258*	*514,486*	*345,302*	*859,788*	*1,425,771*	*2,987,548*	*4,413,319*	*10,591*	*133,934*	*483,923*	*235,616*	*327,780*	*1,771,971*	*158,651*	*1,830,668*	*9,366,453*	*12,004,499*
Net Claims paid	*747,578*	*620,100*	*22,437*	*642,537*	*7,647,795*	*8,224,069*	*15,871,864*	*86,006*	*203,265*	*180,845*	*127,042*	*439,717*	*9,091,429*	*21,386*	*1,188,422*	*27,209,976*	*28,600,091*
Add: Claims outstanding at the end of the period	*978,180*	*510,697*	*65,970*	*576,667*	*2,754,597*	*31,657,721*	*34,412,318*	*251,181*	*72,151*	*333,888*	*264,170*	*763,963*	*3,265,839*	*20,146*	*1,622,080*	*41,005,736*	*42,560,583*
Less: Claims outstanding at the beginning of the year	*757,164*	*383,014*	*92,042*	*475,056*	*2,295,472*	*28,965,186*	*31,260,658*	*182,134*	*26,443*	*246,759*	*124,582*	*565,490*	*2,886,275*	*12,346*	*817,578*	*36,122,265*	*37,354,485*
Total claims incurred	*968,594*	*747,783*	*(3,635)*	*744,148*	*8,106,920*	*10,916,604*	*19,023,524*	*155,053*	*248,973*	*267,974*	*266,630*	*638,190*	*9,470,993*	*29,186*	*1,992,924*	*32,093,447*	*33,806,189*

SCHEDULE – 3
COMMISSION

(₹ in 000's)

Particulars	Fire	Marine			Miscellaneous												Total
		Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor- Total	Worksmen's Compensation	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total-Miscellaneous	
	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014
Commission paid - Direct	139,588	163,539	7,376	170,915	1,094,846	—	1,094,846	31,389	6,835	97,770	10,009	174,134	998,489	12,114	238,504	2,664,090	2,974,593
Add: Commission on re-insurance accepted	142,233	9,156	4,288	13,444	—	—	—	—	127	27,824	117,907	313	16,089	—	2,868	165,128	320,805
Less: Commission on re-insurance ceded	377,034	27,399	(7,347)	20,052	1,048,866	526,538	1,575,404	2,914	8,172	351,557	11,431	315,466	2,258,297	33,615	632,341	5,189,197	5,586,283
Net Commission	(95,213)	145,296	19,011	164,307	45,980	(526,538)	(480,558)	28,475	(1,210)	(225,963)	116,485	(141,019)	(1,243,719)	(21,501)	(390,969)	(2,359,979)	(2,290,885)

COMMISSION

(₹ in 000's)

Particulars	Fire	Marine			Miscellaneous												Total
		Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor- Total	Worksmen's Compensation	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total-Miscellaneous	
	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013
Commission paid'-Direct	*109,540*	*131,675*	*4,080*	*135,755*	*896,174*	—	*896,174*	*27,282*	*5,735*	*86,272*	*7,424*	*145,111*	*855,026*	*9,090*	*214,200*	*2,246,314*	*2,491,609*
Add: Commission on re-insurance Accepted	*132,940*	*6,742*	*2,395*	*9,137*	*81*	*1*	*82*	—	*192*	*16,425*	*90,748*	*286*	*23,887*	—	*517*	*132,137*	*274,214*
Less: Commission on re-Insurance Ceded	*206,097*	*54,857*	*33,864*	*88,721*	*1,002,465*	*477,075*	*1,479,540*	*5,137*	*9,027*	*346,730*	*22,439*	*226,763*	*1,620,675*	*22,279*	*569,597*	*4,302,187*	*4,597,005*
Net Commission	*36,383*	*83,560*	*(27,389)*	*56,171*	*(106,210)*	*(477,074)*	*(583,284)*	*22,145*	*(3,100)*	*(244,033)*	*75,733*	*(81,366)*	*(741,762)*	*(13,189)*	*(354,880)*	*(1,923,736)*	*(1,831,182)*

SCHEDULE- 3 A
COMMISSION PAID - DIRECT

(₹ in 000's)

Particulars	2013-2014	2012-2013
Agents	**778,918**	*743,854*
Brokers	**1,478,108**	*1,093,487*
Corporate agency	**717,567**	*654,268*
Referral	—	—
Total	**2,974,593**	*2,491,609*

SCHEDULE – 4
OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(₹ in 000's)

Particulars	Fire	Marine			Miscellaneous												Total
		Marine-Cargo	Marine-Others	Marine-Total	Motor- OD	Motor-TP	Motor-Total	Worksmen's Compensation	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total-Miscellaneous	
	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014	2013-2014
Employees' remuneration & welfare benefits	108,161	103,865	6,007	109,872	1,083,924	623,711	1,707,635	24,675	3,831	39,607	31,197	103,608	720,555	1,381	290,990	2,923,479	3,141,512
Travel, conveyance and vehicle running expenses	11,925	11,451	662	12,113	119,501	68,763	188,264	2,720	422	4,367	3,439	11,423	79,440	152	32,081	322,308	346,346
Training expenses	1,177	1,130	65	1,195	11,792	6,785	18,577	268	42	431	339	1,127	7,839	15	3,168	31,806	34,178
Rents, rates & taxes*	20,515	19,700	1,139	20,839	205,590	118,301	323,891	4,680	727	7,512	5,917	19,652	136,669	262	55,194	554,504	595,858
Repairs & maintenance	8,892	8,539	494	9,033	89,110	51,275	140,385	2,029	315	3,256	2,565	8,518	59,237	114	23,921	240,340	258,265
Printing & stationery	2,664	2,558	148	2,706	26,696	15,362	42,058	608	94	975	768	2,552	17,747	34	7,167	72,003	77,373
Communication	11,330	10,880	629	11,509	113,540	65,333	178,873	2,585	401	4,149	3,268	10,853	75,477	145	30,481	306,232	329,071
Legal & professional charges	42,207	19,742	1,142	20,884	206,027	118,552	324,579	4,690	728	7,528	5,930	19,693	136,959	262	165,196	665,565	728,656
Auditors' fees, expenses etc.																	
(a) as auditor	304	292	17	309	3,050	1,755	4,805	69	11	111	88	292	2,027	4	819	8,226	8,839
(b) as adviser or in any other capacity, in respect of																	
(i) Taxation matters	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(ii) Insurance matters	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(iii) Management services; and	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(c) in any other capacity	43	41	2	43	428	246	674	10	2	16	12	41	284	1	115	1,155	1,241
Advertisement and publicity	30,414	29,206	1,689	30,895	304,793	175,384	480,177	6,938	1,077	11,137	8,772	29,134	202,616	388	81,824	822,063	883,372
Interest & Bank charges	3,002	2,882	167	3,049	30,079	17,308	47,387	685	106	1,099	866	2,875	19,996	38	8,076	81,128	87,179
Others																	
(a) Miscellaneous expenses	134,209	128,878	7,454	136,332	1,343,968	773,346	2,117,314	30,617	4,754	49,145	38,710	128,559	894,080	1,714	361,068	3,625,961	3,896,502
(b) Business & Sales promotion	43,398	41,674	2,410	44,084	434,902	250,251	685,153	9,900	1,537	15,891	12,517	41,570	289,108	554	116,753	1,172,983	1,260,465
Depreciation	17,107	16,428	950	17,378	171,438	98,649	270,087	3,903	606	6,264	4,934	16,387	113,966	218	46,022	462,387	496,872
Service tax on premium account	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	435,348	397,266	22,975	420,241	4,144,838	2,385,021	6,529,859	94,377	14,653	151,488	119,322	396,284	2,756,000	5,282	1,222,875	11,290,140	12,145,729

*Rent expense is net off rental income of ₹ 23,663 thousand (previous period ₹ 20,451 thousand)

OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(₹ in 000's)

Particulars	Fire	Marine			Miscellaneous												Total
		Marine-Cargo	Marine-Others	Marine-Total	Motor- OD	Motor-TP	Motor-Total	Worksmen's Compensation	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total-Miscellaneous	
	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013	2012-2013
Employees' remuneration & welfare benefits	*186,040*	*78,536*	*33,569*	*112,105*	*895,016*	*428,480*	*1,323,496*	*16,752*	*9,874*	*92,204*	*34,579*	*82,649*	*779,255*	*10,283*	*353,139*	*2,702,231*	*3,000,376*
Travel, conveyance and vehicle running expenses	*19,122*	*8,072*	*3,450*	*11,522*	*91,993*	*44,041*	*136,034*	*1,722*	*1,015*	*9,477*	*3,554*	*8,495*	*80,095*	*1,057*	*36,297*	*277,746*	*308,390*
Training expenses	*2,119*	*895*	*382*	*1,277*	*10,196*	*4,881*	*15,077*	*191*	*112*	*1,050*	*394*	*942*	*8,877*	*117*	*4,025*	*30,785*	*34,181*
Rents, rates & taxes*	*29,224*	*12,337*	*5,273*	*17,610*	*140,592*	*67,307*	*207,899*	*2,632*	*1,551*	*14,484*	*5,432*	*12,983*	*122,408*	*1,615*	*55,473*	*424,477*	*471,311*
Repairs & Maintenance	*14,395*	*6,077*	*2,597*	*8,674*	*69,252*	*33,154*	*102,406*	*1,296*	*764*	*7,134*	*2,676*	*6,395*	*60,295*	*796*	*27,323*	*209,085*	*232,154*
Printing & stationery	*3,666*	*1,548*	*662*	*2,210*	*17,637*	*8,443*	*26,080*	*330*	*195*	*1,817*	*681*	*1,629*	*15,356*	*203*	*6,959*	*53,250*	*59,126*
Communication	*18,930*	*7,991*	*3,416*	*11,407*	*91,069*	*43,598*	*134,667*	*1,705*	*1,005*	*9,382*	*3,518*	*8,410*	*79,290*	*1,046*	*35,932*	*274,955*	*305,292*
Legal & professional charges	*45,587*	*16,362*	*6,994*	*23,356*	*186,467*	*89,269*	*275,736*	*3,490*	*2,057*	*19,210*	*7,204*	*17,219*	*162,349*	*2,142*	*73,572*	*562,979*	*631,922*
Auditors' fees, expenses etc.																	
(a) as auditor	*416*	*175*	*75*	*250*	*2,000*	*957*	*2,957*	*37*	*22*	*206*	*77*	*185*	*1,741*	*23*	*789*	*6,037*	*6,703*
(b) as adviser or in any other capacity, in respect of																	
(i) Taxation matters	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(ii) Insurance matters	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(iii) Management services; and	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(c) in any other capacity	*70*	*30*	*13*	*43*	*339*	*162*	*501*	*6*	*4*	*35*	*13*	*31*	*295*	*4*	*134*	*1,023*	*1,136*
Advertisement and publicity	*35,690*	*15,066*	*6,440*	*21,506*	*171,698*	*82,199*	*253,897*	*3,214*	*1,894*	*17,688*	*6,634*	*15,855*	*149,491*	*1,973*	*67,745*	*518,391*	*575,587*
Interest & Bank Charges	*4,899*	*2,068*	*884*	*2,952*	*23,570*	*11,284*	*34,854*	*441*	*260*	*2,428*	*911*	*2,177*	*20,521*	*271*	*9,301*	*71,164*	*79,015*
Others																	
(a) Miscellaneous expenses	*192,548*	*81,284*	*34,744*	*116,028*	*925,007*	*442,838*	*1,367,845*	*17,338*	*10,219*	*95,430*	*35,788*	*85,540*	*806,516*	*10,643*	*365,495*	*2,794,814*	*3,103,390*
(b) Business & Sales Promotion	*54,823*	*23,143*	*9,892*	*33,035*	*263,748*	*126,267*	*390,015*	*4,937*	*2,910*	*27,171*	*10,190*	*24,355*	*229,635*	*3,030*	*104,064*	*796,307*	*884,165*
Depreciation	*30,254*	*12,772*	*5,459*	*18,231*	*145,550*	*69,680*	*215,230*	*2,724*	*1,606*	*14,994*	*5,623*	*13,441*	*126,724*	*1,672*	*57,426*	*439,440*	*487,925*
Service tax on premium account	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	*637,783*	*266,356*	*113,850*	*380,206*	*3,034,134*	*1,452,560*	*4,486,694*	*56,815*	*33,488*	*312,710*	*117,274*	*280,306*	*2,642,848*	*34,875*	*1,197,674*	*9,162,684*	*10,180,673*

*Rent expense is net off rental income of ₹ 20,451 thousand (previous period ₹ 74,158 thousand)

SCHEDULE – 5
SHARE CAPITAL

(₹ in 000's)

Particulars	At March 31, 2014	At March 31, 2013
Authorised Capital		
475,000,000 (previous year : 475,000,000) Equity Shares of ₹ 10 each	4,750,000	4,750,000
Issued Capital		
445,055,516 (previous year : 437,015,239) Equity Shares of ₹ 10 each	4,450,555	4,370,152
Subscribed Capital		
445,055,516 (previous year : 437,015,239) Equity Shares of ₹ 10 each	4,450,555	4,370,152
Called up Capital		
445,055,516 (previous year : 437,015,239) Equity Shares of ₹ 10 each	4,450,555	4,370,152
Less : Calls unpaid		
Add : Equity Shares forfeited (Amount originally paid up)	—	—
Less : Par value of Equity Shares bought back	—	—
Less : (i) Preliminary Expenses to the extent not written off	—	—
(ii) Expenses including commission or brokerage on underwriting or subscription of shares	—	—
Total	4,450,555	4,370,152

Note:

Of the above, 325,883,744 shares are held by the holding company, ICICI Bank Limited (previous year : 320,635,518 shares)

SCHEDULE – 5A
SHARE CAPITAL

Pattern of shareholding
[As certified by the management]

Shareholder	At March 31, 2014 Number of Shares	At March 31, 2014 % of Holding	At March 31, 2013 Number of Shares	At March 31, 2013 % of Holding
Promoters				
- Indian	325,883,744	73.22%	320,635,518	73.37%
- Foreign	114,499,002	25.73%	112,655,031	25.78%
Others-(Employees/ others)	4,672,770	1.05%	3,724,690	0.85%
Total	445,055,516	100.00%	437,015,239	100.00%

SCHEDULE – 6
RESERVES AND SURPLUS

(₹ in 000's)

Particulars	At March 31, 2014	At March 31, 2013
1. Capital Reserve	—	—
2. Capital Redemption Reserve	—	—
3. Share Premium (refer note 4.16)		
Opening balance	13,882,772	13,867,872
Additions during the period	960,393	14,900
Deductions during the period- share issue expenses	1,000	—
Closing balance	14,842,165	13,882,772
4. General Reserves		
Opening balance	333,642	333,642
Additions during the period	—	—
Deductions during the period	—	—
Closing balance	333,642	333,642
Less: Debit balance in Profit and Loss Account	—	—
Less: Amount utilized for Buy-back	—	—
5. Catastrophe Reserve	—	—
6. Other Reserves	—	—
7. Balance of Profit in Profit and Loss Account	4,184,559	—
TOTAL	19,360,366	14,216,414

SCHEDULE- 7
BORROWINGS

(₹ in 000's)

Particulars	At March 31, 2014	At March 31, 2013
Debentures/ Bonds	—	—
Banks	—	—
Financial Institutions	—	—
Others	—	—
Total	—	—

SCHEDULE- 8
INVESTMENTS

(₹ in 000's)

Particulars	At March 31, 2014	At March 31, 2013
Long term investments		
Government securities and Government guaranteed bonds including Treasury Bills	33,077,043	32,643,100
Other Approved Securities	—	—
Other Investments		
(a) Shares		
(aa) Equity (note 5 below)	4,945,338	5,428,577
(bb) Preference	51,894	—
(b) Mutual Funds	—	—
(c) Derivative Instruments	—	—
(d) Debentures/ Bonds	13,468,070	10,086,243
(e) Other Securities (note 6 below)	500,000	7,750,000
(f) Subsidiaries	—	—
(g) Investment Properties-Real Estate	—	—
Investments in Infrastructure and Social Sector	22,911,003	10,141,668
Other than Approved Investments	1,239,809	1,531,660
Total Long Term Investments	76,193,157	67,581,248
Short term investments		
Government securities and Government guaranteed bonds including Treasury Bills (note 3 below)	102,542	—
Other Approved Securities	175,248	—
Other Investments		
(a) Shares		
(aa) Equity	—	—
(bb) Preference	—	—
(b) Mutual Funds	—	—
(c) Derivative Instruments	—	—
(d) Debentures/ Bonds	1,372,263	1,182,892
(e) Other Securities (note 7 and 8 below)	14,074,491	8,549,319
(f) Subsidiaries	—	—
(g) Investment Properties-Real Estate	—	—
Investments in Infrastructure and Social Sector	1,050,900	300,000
Other than Approved Investments (note 4 below)	121,167	511,728
Total Short Term Investments	16,896,611	10,543,939
Total Investments	93,089,768	78,125,187

Notes:

1. Aggregate book value of investments (other than listed equities) is ₹ 87,941,910 thousand (previous year: ₹ 68,788,542 thousand)
2. Aggregate market value of investments (other than listed equities) is ₹ 88,838,432 thousand (previous year: ₹ 69,215,605 thousand)
3. Includes investment of FRB GOI 2014 of ₹ 100,000 thousand under Section 7 of Insurance Act, 1938 (previous year: FRB GOI 2014 of ₹ 100,000 thousand)
4. Includes investment in mutual fund amounting to ₹ 121,167 thousand (previous year ₹ 511,728 thousand)
5. Includes investments qualifying for infrastructure and social sector investments of ₹ 837,848 thousand (previous year ₹ 1,119,831 thousand)
6. Long term other securities includes fixed deposit amounting to ₹ 500,000 thousand (previous year Fixed deposits of ₹ 7,750,000 thousand)
7. Short term other securities includes certificate of deposits amounting to ₹ 9,111,991 thousand and Fixed deposits amounting to ₹ 4,962,500 thousand (previous year certificate of deposits amounting to ₹ 5,449,319 thousand and Fixed deposits amounting to ₹ 3,100,000 thousand).
8. Short term Fixed deposits of previous year amounting to ₹ 3,100,000 thousand has been regrouped from Schedule 11 "Deposit accounts - Short term" to Schedule 8 "Short term investments - other securities"

SCHEDULE- 9
LOANS

(₹ in 000's)

Particulars	At March 31, 2014	At March 31, 2013
Security wise classification		
Secured		
(a) On mortgage of property		
(aa) In India	—	—
(bb) Outside India	—	—
(b) On Shares, Bonds, Govt. Securities	—	—
(c) Others	—	—
Unsecured	—	—
Total	—	—
Borrower wise classification		
(a) Central and State Governments	—	—
(b) Banks and Financial Institutions	—	—
(c) Subsidiaries	—	—
(d) Industrial Undertakings	—	—
(e) Others	—	—
Total	—	—
Performance wise classification		
(a) Loans classified as standard		
(aa) In India	—	—
(bb) Outside India	—	—
(b) Non-performing loans less provisions		
(aa) In India	—	—
(bb) Outside India	—	—
Total	—	—
Maturity wise classification		
(a) Short Term	—	—
(b) Long Term	—	—
Total	—	—

Note: There are no loans subject to restructuring (previous year ₹ Nil).

SCHEDULE - 11
CASH AND BANK BALANCES

(₹ in 000's)

Particulars	At March 31, 2014	At March 31, 2013
Cash (including cheques, drafts and stamps)	408,524	487,657
Balances with scheduled banks :		
(a) Deposit Accounts		
(aa) Short-term (due within 12 months)*	560,291	1,550,267
(bb) Others	—	—
(b) Current Accounts	650,846	658,228
(c) Others	—	—
Money at Call and Short Notice		
(a) With Banks	—	—
(b) With other institutions	—	—
Others	—	—
Total	1,619,661	2,696,152

*Other than Fixed Deposits forming part of Investment assets which is reflected under Schedule 8 - Investments

SCHEDULE - 12
ADVANCES AND OTHER ASSETS

(₹ in 000's)

Particulars		At March 31, 2014		At March 31, 2013
Advances				
Reserve deposits with ceding companies		46,619		—
Application money for investments				—
Prepayments		89,513		84,256
Advances to Directors / Officers		—		—
Advance tax paid and taxes deducted at source (net of provision for tax)		1,375,951		1,383,906
MAT credit entitlement		1,730,076		837,978
Others				
- Sundry Deposits	208,855		158,254	
- Provision for doubtful debts	(6,083)		(3,606)	
- Surplus in Gratuity fund	—		—	
- Advance to Employees against expenses	98	202,870	117	154,765
Total (A)		3,445,029		2,460,905
Other Assets				
Income accrued on investments/ deposits		2,556,115		1,866,509
Outstanding Premiums	4,731,159		3,805,912	
Less : Provisions for doubtful debts	2,780	4,728,379	—	3,805,912
Agents' Balances		—		—
Foreign Agencies' Balances		—		—
Due from other Entities carrying on Insurance business (net) (including reinsurers)	26,053,226		26,205,879	
Less : Provisions for doubtful debts	952,647	25,100,579	1,118,944	25,086,935
Due from subsidiaries / holding company		—		—
Deposit with Reserve Bank of India [Pursuant to section 7 of Insurance Act, 1938]		—		—
Others				
- Service Tax unutilised credit	292,694		44,681	
- Service Tax paid in advance	54,782		63,467	
- Unsettled investment contract receivable	222,550		—	
- Margin deposit	30,000		30,000	
- Sundry receivable	394	600,420	182	138,330
Total (B)		32,985,493		30,897,686
Total (A+B)		36,430,522		33,358,591

SCHEDULE - 10
FIXED ASSETS

(₹ in 000's)

Particulars	Cost/ Gross Block				Depreciation				Net Block	
	April 1, 2013	Additions	Deductions	March 31, 2014	April 1, 2013	For the year ended	On Sales/ Adjustments	March 31, 2014	March 31, 2014	March 31, 2013
Goodwill	—	—	—	—	—	—	—	—	—	—
Intangibles - Computer Software*	1,879,552	299,499	2,972	2,176,079	1,108,143	330,924	2,635	1,436,432	739,647	771,409
Land-Freehold	2,411,770	—	—	2,411,770	—	—	—	—	2,411,770	2,411,770
Leasehold Property	—	—	—	—	—	—	—	—	—	—
Buildings	236,925	686	—	237,611	10,611	3,869	—	14,480	223,131	226,314
Furniture & Fittings	736,248	13,747	118,178	631,817	512,258	83,345	98,812	496,791	135,026	223,990
Information Technology Equipment	433,891	30,376	50,459	413,808	359,546	38,371	50,221	347,696	66,112	74,345
Vehicles	3,293	—	—	3,293	1,998	484	—	2,482	811	1,295
Office Equipment	351,825	3,160	12,722	342,263	157,516	39,887	8,156	189,247	153,016	194,309
Others	—	—	—	—	—	—	—	—	—	—
Total	6,053,504	347,468	184,331	6,216,641	2,150,072	496,880	159,824	2,487,128	3,729,513	3,903,432
Work in Progress									165,433	100,897
Grand Total	6,053,504	347,468	184,331	6,216,641	2,150,072	496,880	159,824	2,487,128	3,894,946	4,004,329
Previous year	5,673,478	489,045	109,019	6,053,504	1,744,832	487,957	82,717	2,150,072	4,004,329	

*Additions is net of grant received Nil (previous year ₹ 7,411 thousand) (refer note no. 5.2.8)

SCHEDULE - 13
CURRENT LIABILITIES

(₹ in 000's)

Particulars		At March 31, 2014		At March 31, 2013
Agents' Balances		65,960		73,706
Balances due to other insurance companies (net)		3,099,040		1,843,425
Deposits held on re-insurance ceded		4,820,511		2,257,643
Premiums received in advance		805,448		1,114,336
Unallocated Premium		1,727,950		1,792,503
Sundry Creditors		2,616,761		1,922,238
Due to subsidiaries/ holding company		44,055		40,474
Claims Outstanding (gross)		70,770,449		65,232,383
Due to Officers/ Directors		—		—
Others:				
- Statutory Dues	278,338		300,040	
- Salary Payable	18,493		11,455	
- Collections - Environment Relief fund (refer note no. 5.2.9)	205		266	
- Unclaimed amount of policyholders (refer note 5.2.14)	1,025,874		992,986	
- Book Overdraft	1,477,818		1,368,691	
- Employee rewards	518,977		504,000	
- Deposits	7,713		5,804	
- Service Tax Liability	—	3,327,418	—	3,183,242
Total		87,277,592		77,459,950

SCHEDULE - 14
PROVISIONS

(₹ in 000's)

Particulars		At March 31, 2014		At March 31, 2013
Reserve for unexpired risk		22,679,328		21,228,505
Reserve for premium deficiency (refer note no. 5.2.17(D))		—		—
For taxation (less advance tax paid and taxes deducted at source)		—		—
For proposed dividends		—		—
For dividend distribution tax		—		—
Others				
- Gratuity	14,059		36,475	
- Long term performance pay	348,701		311,597	
- Accrued leave	67,645		62,784	
- For future recoverable under reinsurance contracts	112,865	543,270	235,277	646,133
Total		23,222,598		21,874,638

SCHEDULE - 15
MISCELLANEOUS EXPENDITURE
(To the extent not written off or adjusted)

(₹ in 000's)

Particulars	At March 31, 2014	At March 31, 2013
Discount allowed on issue of shares/ debentures	—	—
Others	—	—
Total	—	—

SCHEDULE: 16

Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2014

1 Background

ICICI Lombard General Insurance Company Limited ('the Company') was incorporated on October 30, 2000 and is a joint venture between ICICI Bank Limited and Fairfax Financial Holdings Limited. The Company obtained Regulatory approval to undertake General Insurance business on August 3, 2001 from the Insurance Regulatory and Development Authority ('IRDA') and has also obtained its certificate of renewal of registration with validity until March 31, 2015.

2 Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, unless otherwise specifically stated, on the accrual basis of accounting, and comply with the applicable accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act') which as per a clarification issued by Ministry of Corporate Affairs continue to apply under section 133 of the Companies Act, 2013 (which has superseded section 211 (3C) of the Companies Act, 1956 w.e.f. September 12, 2013), and in accordance with the provisions of the Insurance Act, 1938, Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies Regulations), 2002 ('the Regulations') and orders / directions prescribed by the IRDA in this behalf, the provisions of the Companies Act, 2013 (to the extent notified) and the Companies Act, 1956 (to the extent applicable) in the manner so required and current practices prevailing within the insurance industry in India.

3 Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date, reported amounts of revenues and expenses for the year ended and disclosure of contingent liabilities as of the balance sheet date. The estimates and assumptions used in these financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

4 Significant accounting policies

4.1 Revenue recognition

Premium income

Premium including reinsurance accepted is recorded for the policy period at the commencement of risk and for installment cases, it is recorded on installment due dates. Reinstatement premium is recorded as and when such premiums are recovered. Premium earned including reinstatement premium and re-insurance accepted is recognised as income over the period of risk or the contract period based on 1/365 method, whichever is appropriate on a gross basis net of service tax. Any subsequent revisions to premium as and when they occur are recognised over the remaining period of risk or contract period, as applicable.

Adjustments to premium income arising on cancellation of policies are recognised in the period in which it is cancelled.

Income from reinsurance ceded

Commission on reinsurance ceded is recognised as income in the period of ceding the risk.

Profit commission under reinsurance treaties, wherever applicable, is recognised as income in the year of final determination of profits and combined with commission on reinsurance ceded.

Income earned on investments

Interest income on investments is recognised on an accrual basis. Accretion of discount and amortisation of premium relating to debt securities and non convertible preference shares is recognised over the holding/maturity period on a straight-line basis.

Dividend income is recognised when the right to receive dividend is established.

Realised gain/loss on securities, which is the difference between the sale consideration and the carrying value in the books of the Company, is recognised on the trade date. In determining the realised gain/loss, cost of securities is arrived at on 'Weighted average cost' basis. Further, in case of listed equity shares and mutual funds the profit or loss on sale also includes the accumulated changes in the fair value previously recognised in the fair value change account.

Sale consideration for the purpose of realised gain/loss is net of brokerage and taxes, if any, and excludes interest received on sale.

4.2 Premium received in advance

This represents premium received during the period, where the risk commences subsequent to the balance sheet date.

4.3 Reinsurance premium

Insurance premium on ceding of the risk is recognised in the period in which the risk commences in accordance with reinsurance arrangements with the reinsurers. Any subsequent revision to premium ceded is recognised in the period of such revision. Adjustment to reinsurance premium arising on cancellation of policies is recognised in the period in which they are cancelled.

4.4 Reserve for unexpired risk

Reserve for unexpired risk is recognised net of reinsurance ceded and represents premium written that is attributable and to be allocated to succeeding accounting periods for risks to be borne by the Company under contractual obligations on a contract period basis or risk period basis, whichever is appropriate. It is calculated on a daily pro-rata basis subject to a minimum of 50% of the aggregate premium, written on policies during the twelve months preceding the balance sheet date for fire, marine cargo and miscellaneous business and 100% for marine hull business, on all unexpired policies at balance sheet date, in accordance with section 64 V(1)(ii)(b) of the Insurance Act, 1938.

4.5 Claims

Claims incurred comprise claims paid, estimated liability for outstanding claims made following a loss occurrence reported and estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER'). Further, claims incurred also include specific claim settlement costs such as survey/legal fees and other directly attributable costs.

Claims (net of amounts receivable from reinsurers/coinsurers) are recognised on the date of intimation based on internal management estimates or on estimates from surveyors/insured in the respective revenue account(s).

Estimated liability for outstanding claims at balance sheet date is recorded net of claims recoverable from/payable to co-insurers/reinsurers and salvage to the extent there is certainty of realisation.

Estimated liability for outstanding claims is determined by the management on the basis of ultimate amounts likely to be paid on each claim based on the past experience and in cases where claim payment period exceeds four years based on actuarial valuation. These estimates are progressively revalidated on availability of further information.

IBNR reserves are provisions for claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, for claims that have been incurred but are not enough reported (IBNER). The provision for IBNR and IBNER is based on actuarial estimate duly certified by the Appointed Actuary of the Company. The actuarial estimate is derived in accordance with relevant IRDA regulations and Guidance Note GN 21 issued by the Institute of Actuaries of India.

4.6 Acquisition costs

Acquisition costs are those costs that vary with, and are primarily related to the acquisition of new and renewal of insurance contracts viz. commission, policy issue expenses, etc. These costs are expensed in the period in which they are incurred.

4.7 Premium deficiency

Premium deficiency is recognised for the Company as a whole when the sum of expected claim costs and related expenses and maintenance costs (related to claims handling) exceed the reserve for unexpired risks. In computing the overall Premium deficiency in miscellaneous revenue account level, the Premium deficiency arising out of Motor Third Party portfolio including erstwhile IMTPIP and Declined Risk Pool is not recognised. The expected claim costs is calculated and duly certified by the Appointed Actuary.

4.8 Investments

Investments are recorded at cost on trade date and include brokerage, transfer charges, stamps etc., if any, and exclude interest accrued up to the date of purchase.

(A) Classification

Investments maturing within twelve months from balance sheet date and investments made with the specific intention to dispose off within twelve months are classified as 'short term investments'.

Investments other than 'short term investments' are classified as 'long term investments'.

The investments are shown at Company level and not segregated at Shareholder's level and Policyholder's level.

(B) Valuation

Investments are valued as follows:

Debt securities and Non – convertible preference shares

All debt securities including government securities and non convertible preference shares are considered as 'held to maturity' and accordingly stated at amortised cost determined after amortisation of premium or accretion of discount on a straight line basis over the holding period/maturity.

Equity shares and Convertible preference shares

Listed equities and convertible preference shares at the balance sheet date are stated at fair value, being the last quoted closing price on the National Stock Exchange and in case these are not listed on National Stock Exchange, then based on the last quoted closing price on the Bombay Stock Exchange.

Mutual funds (Other than venture capital fund)

Mutual fund investments are stated at fair value, being the closing net asset value at balance sheet date.

(C) Fair Value Change Account

In accordance with the Regulations, unrealised gain/loss arising due to changes in fair value of listed equity shares and mutual fund investments are taken to the 'fair value change account'. This balance in the fair value change account is not available for distribution, pending realisation.

Investments other than those mentioned above are valued at cost.

(D) Impairment of Investments

The Company assesses at each balance sheet date whether there is any indication that any investment in equity or units of mutual fund may be impaired. If any such indication exists, the carrying value of such investment is reduced to its recoverable amount and the impairment loss is recognised in the profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the investment is restated to that extent.

4.9 Employee Stock Option Scheme ("ESOS")

The Company follows the intrinsic method for computing the compensation cost, for options granted under the scheme(s). The difference if any, between the intrinsic value and the grant price, being the compensation cost is amortised over the vesting period of the options.

4.10 Fixed assets, Intangibles and Impairments

Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes the purchase price and any cost directly attributable to bringing the asset to its working condition for its intended use.

Depreciation on assets purchased/disposed off during the year is provided on pro rata basis with reference to the date of additions/deductions.

Depreciation on fixed assets is provided using higher of the rates based on economic useful lives of assets as estimated by the management and the straight-line method specified as per Schedule XIV of the Companies Act, 1956 as below,

In case of following categories of fixed assets, the management's estimate of the useful lives is lower than prescribed in Schedule XIV of the Companies Act, 1956.

Nature of Fixed Assets	Management Estimate of Useful Life in years	Useful life as per the rates prescribed in Schedule XIV of the Companies Act, 1956 in Years
Information Technology equipment	3.00	6.17
Furniture & Fittings	6.67	15.80
Office Equipment	10.00	21.05
Vehicles	5.00	10.53

Intangibles Assets

Intangible assets comprising computer software are stated at cost less amortisation. Computer softwares including improvements are amortised over a period of 4 years, being the management's estimate of the useful life of such intangibles.

All assets including intangibles individually costing up to ₹ 5,000 are fully depreciated/amortised in the year in which they are acquired.

Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is recognised in the profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

4.11 Operating Lease

Operating Lease payments of assets/premises taken on operating lease are recognised as an expense in the revenue(s) and profit and loss account over the lease term on straight-line basis.

4.12 Employee benefits

Provident fund

This is a defined contribution scheme and contributions payable to the Regional Provident Fund Authority is provided on the basis of prescribed percentage of salary and is charged to revenue account(s) and profit and loss account.

Gratuity

Gratuity, which is a defined benefit scheme, is provided on the basis of actuarial valuation including actuarial gains/losses at balance sheet date and is recognised in the revenue account(s) and profit and loss account.

Accrued leave

Compensated absences are provided based on actuarial valuation including actuarial gains/losses at balance sheet date and is recognised in the revenue account(s) and profit and loss account.

Long Term Performance pay

Long Term Performance pay are provided based on actuarial valuation including actuarial gains/losses at balance sheet date and are recognised in the revenue account(s) and profit and loss account..

4.13 Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the rates prevailing on the date of the transaction. Foreign exchange denominated monetary assets and liabilities, are restated at the rates prevalent at the date of the balance sheet. The gains/losses on account of restatement and settlement are recognised in the revenue account(s) and profit and loss account.

4.14 Grants

The Company recognises grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Grants related to assets are presented in the balance sheet by showing the grant as a deduction from the gross value of the assets concerned in arriving at their book value. Grants related to revenue are recognised over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis. Such grants are deducted in reporting the related expense.

Unspent balances of grants are carried forward to the subsequent years under the head "Current Liabilities" for adjustment against expenses in those years.

A grant that becomes refundable is treated as an extraordinary item. The amount of such refundable grant related to revenue is applied first against any unamortised deferred credit remaining in respect of the grant. To the extent that the amount refundable exceeds any such deferred credit, or where no deferred credit exists, the amount is charged immediately to the profit and loss account.

The amount refundable related to a specific fixed asset is recorded by increasing the book value of the asset. Where the book value of the asset is increased, depreciation on the revised book value is provided.

4.15 Taxation

Current tax

The Company provides for income tax on the basis of taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

In accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, Minimum Alternate Tax ('MAT') credit is recognised as an asset to the extent there is convincing evidence that the Company will pay normal income tax in future by way of a credit to the profit and loss account and shown as MAT credit entitlement.

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the accounting income as per the Company's financial statements and the taxable income for the year.

Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets thereon are recognised only if there is virtual certainty of realisation of such assets.

Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

4.16 Share issue expenses

Share issue expenses are adjusted against share premium account.

4.17 Earnings per share

The basic earnings per share is calculated by dividing the Net profit after tax by weighted average number of equity shares outstanding during the reporting period.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for basic Earnings per share and also weighted average number equity shares which would have been issued on conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are considered.

4.18 Provisions and Contingencies

A provision is recognised when an enterprise has a present obligation as a result of past event and 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 their 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.

Contingent losses arising from claims other than insurance claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

A disclosure for a contingent liability other than those under policies is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

5. Notes to accounts

5.1 Statutory disclosures as required by IRDA

5.1.1 Contingent liabilities

(₹ in 000's)

Particulars	At March 31, 2014	*At March 31, 2013*
Partly-paid up investments	—	—
Claims, other than those under policies, not acknowledged as debt	—	—
Underwriting commitments outstanding	**NA**	*NA*
Guarantees given by or on behalf of the Company	—	—
Statutory demands/liabilities in dispute, not provided for (see note below)	**1,103,216**	*548,338*
Reinsurance obligations to the extent not provided for in accounts	—	—
Others	—	—

Note: The Company has disputed the demand raised by Income Tax Authorities of ₹ 1,029,672 thousand (previous year: ₹ 474,794 thousand) and Service Tax Authorities of ₹ 73,544 thousand (previous year: ₹ 73,544 thousand), the appeals of which are pending before the appropriate Authorities. This excludes Income Tax demand related to Assessment Year 2003-2004 & 2004-2005, in respect of which the Company has received favourable appellate order, which is pending for effect to be given by the assessing Authority.

5.1.2 The assets of the Company are free from all encumbrances.

5.1.3 Estimated amount of commitment pertaining to contracts remaining to be executed in respect of fixed assets (net of advances) is ₹ 203,224 thousand (previous year: ₹ 90,570 thousand).

5.1.4 Commitment in respect of loans is ₹ NIL (previous year: ₹ NIL) and investments is ₹ 110,459 thousand (previous year: ₹ 110,459 thousand).

5.1.5 Claims

Claims, less reinsurance paid to claimants in/outside India are as under::

(₹ in 000's)

Particulars	For the year ended March 31, 2014	*For the year ended March 31, 2013*
In India	**30,465,279**	*28,128,562*
Outside India	**550,390**	*471,529*

Ageing of gross claims outstanding is set out in the table below:

(₹ in 000's)

Particulars	For the year ended March 31, 2014	*For the year ended March 31, 2013*
More than six months	**18,398,123**	*17,946,166*
Others	**52,372,326**	*47,286,217*

Claims settled and remaining unpaid for more than six months is ₹ NIL (previous year: ₹ NIL).

Claims where the claim payment period exceeds four years:

As per circular F&A/CIR/017/May-04, the claims made in respect of contracts where claims payment period exceeds four years, are required to be recognised on actuarial basis. Accordingly, the Appointed Actuary has certified the fairness of the liability assessment, assuming 'Nil' discount rate.

In this context, the following claims have been valued on the basis of a contractually defined benefit amount payable in monthly installments.

Product Name: Personal protect

(₹ in 000's)

Particulars	For the year ended March 31, 2014		*For the year ended March 31, 2013*	
	Count	Amount	*Count*	*Amount*
Intimated	**165**	**94,040**	*113*	*49,993*
Paid	**63**	**12,625**	*40*	*2,214*
Outstanding	**87**	**70,967**	*52*	*37,040*

5.1.6 Sector wise details of the policies issued are given below:

Sector	For the year ended March 31, 2014					*For the year ended March 31, 2013*				
	GDPI ₹ in 000's	No. of Policies	% of Policy	No. of lives	% of GDPI	*GDPI ₹ in 000's*	*No. of Policies*	*% of Policy*	*No. of lives*	*% of GDPI*
Rural	**7,232,700**	**419,492**	**3.74**	—	**10.55**	*7,728,998*	*370,896*	*4.04*	—	*12.60*
Social	**42,567**	**2**	**0.00**	**81,389**	**0.06**	*29,569*	*2*	*0.00*	*75,640*	*0.05*
Urban	**61,286,378**	**10,802,590**	**96.26**	—	**89.39**	*53,581,283*	*8,793,298*	*95.96*	—	*87.35*
Total	**68,561,645**	**11,222,084**	**100.00**		**100.00**	*61,339,850*	*9,184,196*	*100.00*		*100.00*

5.1.7 Extent of risks retained and reinsured is set out below (excluding excess of loss and catastrophe reinsurance)

Particulars	Basis	For the year ended March 31, 2014		*For the year ended March 31, 2013*	
		Retention	Ceded	*Retention*	*Ceded*
Fire	Total sum insured	**31%**	**69%**	*37%*	*63%*
Marine – Cargo	Value at risk	**79%**	**21%**	*71%*	*29%*
Marine – Hull	Value at risk	**19%**	**81%**	*12%*	*88%*
Miscellaneous					
- Engineering	Total sum insured	**34%**	**66%**	*31%*	*69%*
- Motor (refer note 5.2.4)	Total sum insured	**75%**	**25%**	*75%*	*25%*
- Workmen Compensation	Value at risk	**95%**	**5%**	*90%*	*10%*
- Public Liability	Value at risk	**50%**	**50%**	*57%*	*43%*
- Personal Accident	Value at risk	**75%**	**25%**	*72%*	*28%*
- Aviation	Value at risk	**73%**	**27%**	*51%*	*49%*
- Health	Value at risk	**68%**	**32%**	*75%*	*25%*
- Credit Insurance	Value at risk	**8%**	**92%**	*8%*	*92%*
- Others	Value at risk	**49%**	**51%**	*51%*	*49%*

5.1.8 Investments

Value of contracts in relation to investments for:

- Purchases where deliveries are pending ₹ 27,492 thousand (previous year: ₹ 7,612 thousand); and
- Sales where payments are overdue ₹ NIL (previous year: ₹ NIL).

Historical cost of investments that are valued on fair value basis is ₹ 4,134,245 thousand (previous year: ₹ 6,057,382 thousand).

All investments are made in accordance with Insurance Act, 1938 and Insurance Regulatory and Development Authority (Investment) Regulations, 2000 and are performing investments.

(A) Allocation of investment

- Investments that are earmarked, are allocated separately to policy holders or share holders, as applicable;
- Other investments have not been allocated into policy holders and share holders as the same are not earmarked separately.

(B) Allocation of investment income

Investment income which is directly identifiable is allocated on actuals between revenue account(s) and profit and loss account and which is not directly identifiable has been allocated on the basis of the ratio of average policyholder's funds to average shareholder's funds respectively; average being the balance at the beginning of the year and at the end of the year.

- Further, investment income across segments within the revenue account(s) has also been allocated on the basis of segment-wise policyholders funds.

The Company does not have any investment in property at March 31, 2014 (previous year: ₹ NIL).

5.1.9 *Allocation of expenses*

Operating expenses relating to insurance business are allocated to specific classes of business on the following basis:

- Expenses that are directly identifiable to a business class are allocated on actuals;
- Other expenses, that are not directly identifiable, are broadly allocated on the basis of net premium in each business class; and

Depreciation expenditure has been allocated on the assessment that the use of assets is proportionate to net premium of the respective segments.

5.1.10 *Employee Benefit Plans*

(A) Defined contribution plan

(₹ in 000's)

Expenses on defined contribution plan	For the year ended March 31, 2014	*For the year ended March 31, 2013*
Contribution to staff provident fund	**118,131**	*105,261*

(B) Defined benefit plan

Gratuity

The Company has a defined gratuity benefit plan payable to every employee on separation from employment. The Company makes the contribution to an approved gratuity fund which is maintained and managed by ICICI Prudential Life Insurance Company Limited.

Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity benefits of the Company is given below.

(₹ in 000's)

Reconciliation of Benefit Obligations and Plan Assets	For the year ended March 31, 2014	*For the year ended March 31, 2013*
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	**272,949**	*228,357*
Current Service Cost	**46,519**	*41,212*
Interest Cost	**24,613**	*22,081*
Actuarial Losses/(Gain)	**(234)**	*7,089*
Liabilities assumed on Acquisition	—	—
Benefits Paid	**(35,944)**	*(25,790)*
Closing Defined Benefit Obligation	**307,903**	*272,949*
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	**236,474**	*237,011*
Expected Return on Plan Assets	**18,455**	*17,273*
Actuarial Gains/(Losses)	**14,860**	*7,996*
Contributions by Employer	**60,000**	*(16)*
Assets acquired on acquisition	—	—
Benefits paid	**(35,944)**	*(25,790)*
Closing Fair Value of Plan Assets	**293,845**	*236,474*
Expected Employer's contribution Next Year	—	—

(₹ in 000's)

Reconciliation of Present Value of the obligation and the Fair Value of the Plan Assets	At March 31, 2014	*At March 31, 2013*
Fair Value of Plan Assets at the end of the year	**(293,845)**	*(236,474)*
Present Value of the defined obligations at the end of the year	**307,903**	*272,949*
Liability recognised in the balance sheet	**14,059**	*36,475*
Asset recognised in the balance sheet	—	—
Investment details of plan assets		
100% Insurer Managed Funds	**293,845**	*236,474*
Assumptions		
Discount Rate	**9.33% p.a.**	*8.23% p.a.*
Expected Rate of Return on Plan Assets	**7.50% p.a.**	*7.50% p.a.*
Salary Escalation Rate	**9.00% p.a.**	*9.00% p.a.*

(₹ in 000's)

Expenses to be recognised in statement of Profit and Loss Account	For the year ended March 31, 2014	*For the year ended March 31, 2013*
Current Service Cost	**46,519**	*41,212*
Interest on Defined Benefit Obligation	**24,613**	*22,081*
Expected return on Plan Assets	**(18,455)**	*(17,273)*
Net Actuarial Losses/(Gains) recognised in year	**(15,093)**	*(907)*
Past Service Cost	—	—
Losses/(Gains) on "Curtailments & Settlements"	—	—
Losses/(Gains) on "Acquisition/ Divestiture"	—	—
Effect of limit in Para 59 (b)	—	—
Total included in Employee Benefit Expense	**37,584**	*45,113*

Experience adjustments of five years is given below

(₹ in 000's)

	March 31, 2014	*March 31, 2013*	*March 31, 2012*	*March 31, 2011*	*March 31, 2010*
Defined Benefit Obligation	**307,903**	*272,949*	*228,357*	*189,667*	*145,128*
Plan assets	**293,845**	*236,474*	*237,011*	*209,384*	*149,821*
Surplus / (Deficit)	**(14,059)**	*(36,475)*	*8,654*	*19,717*	*4,693*
Exp.Adj on Plan Liabilites	**25,459**	*3,634*	*10,137*	*2,943*	*(18,518)*
Exp.Adj on Plan Assets	**14,860**	*7,996*	*(290)*	*231*	*9,860*

Accrued Leave

The Company has a scheme for accrual of leave for employees, the liability for which is determined on the basis of Actuarial Valuation carried out at the year end. Assumption stated above is applicable for accrued leaves also.

(₹ in 000's)

Particulars	For the year ended March 31, 2014	*For the year ended March 31, 2013*
Opening Balance	**62,784**	*160,134*
Add: Provision made during the year	**4,861**	*(97,350)*
Closing balance	**67,645**	*62,784*

Long Term Performance Pay

The Company has schemes for Long Term Performance incentive plan. The plan is discretionary deferred compensation plan with a vesting period of three years. The Company has determined the liability on the basis of Actuarial valuation.

(₹ in 000's)

Particulars	For the year ended March 31, 2014	*For the year ended March 31, 2013*
Opening Balance	**311,597**	*23,500*
Add: Provision made during the year	**37,104**	*288,097*
Closing balance	**348,701**	*311,597*
Assumptions		
Discount Rate	**9.33% p.a.**	*8.23% p.a.*

5.1.11 *Managerial remuneration*

The details of remuneration of MD & CEO and two Wholetime Directors' as per the terms of appointment are as under:

(₹ in 000's)

Particulars (see note below)	For the year ended March 31, 2014	*For the year ended March 31, 2013*
Salaries and allowances	**80,804**	*55,273*
Contribution to provident and other funds	**2,908**	*2,481*
Perquisites	**2,611**	*3,320*

Note: Provision towards gratuity, leave accrued and long term performance pay are determined actuarially on an overall basis and accordingly have not been considered for the above disclosure.

Managerial remuneration in excess of ₹ 15,000 thousand, for each Managerial personnel has been charged to profit and loss account.

5.1.12 *(A) Share Capital*

At March 31, 2014 the Company has allotted 948,080 equity shares (previous year: 431,326 shares) under ESOP raising ₹ 40,797 thousand (previous year: ₹ 19,213 thousand).

During the year the Company has made preferential allotment of 7,092,197 equity share of ₹ 10 each at a premium of ₹ 131 per share to the promoters raising ₹ 1,000,000 thousand (previous year: ₹ NIL).

(B) Share Application

At March 31, 2014 the Company has received share application money of ₹ 3,069 thousand (previous year: ₹ 1,004,353 thousand) against which shares are yet to be allotted.

5.1.13 *Outsourcing, business development and marketing support expenses*

Expenses relating to outsourcing, business development and marketing support are:

(₹ in 000's)

Particulars	For the year ended March 31, 2014	*For the year ended March 31, 2013*
Outsourcing expenses	**1,227,100**	*1,182,250*
Business development	**1,260,465**	*884,165*
Marketing support	**883,372**	*575,587*

5.1.14 *Details of penal actions taken by various Govt. authorities during year ended March 31, 2014 :*

(₹ in 000's)

Sl No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	500 *(-)*	500 *(-)*	500 *(-)*	— *(-)*
2	Service Tax Authorities	— *(-)*	— *(-)*	— *(-)*	— *(-)*
3	Income Tax Authorities	— *(-)*	— *(-)*	— *(-)*	— *(-)*
4	Any other Tax Authorities	— *(-)*	— *(-)*	— *(-)*	— *(-)*
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	— *(-)*	— *(-)*	— *(-)*	— *(-)*
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	— *(-)*	— *(-)*	— *(-)*	— *(-)*
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	— *(-)*	— *(-)*	— *(-)*	— *(-)*
8	Securities and Exchange Board of India	NA *(NA)*	NA *(NA)*	NA *(NA)*	NA *(NA)*
9	Competition Commission of India	— *(-)*	— *(-)*	— *(-)*	— *(-)*
10	Any other Central/State/ Local Govt / Statutory Authority (Tariff Advisory Committee)	2,468 *(26)*	2,468 *(26)*	2,494 *(-)*	— *(-)*

Figure in brackets pertain to year ended March 31, 2013

5.1.15 *Summary of Financial Statements for five years:*

(₹ in 000's)

Particulars	FY 2013-2014	*FY 2012-2013*	*FY 2011-2012*	*FY 2010-2011*	*FY 2009-2010*
Operating Result					
Gross direct premium	**68,561,645**	*61,339,850*	*51,501,386*	*42,518,748*	*32,950,616*
Net premium income #	**44,979,957**	*41,454,927*	*41,087,394*	*30,331,834*	*23,140,883*
Income from investments (net)@	**6,593,546**	*4,634,211*	*3,082,833*	*2,589,359*	*2,828,112*
Other income	**195,955**	*132,742*	*881,528*	*622,489*	*542,421*
Total income	**51,769,458**	*46,221,880*	*45,051,755*	*33,543,682*	*26,511,416*
Commissions (net) (including brokerage)	**(2,290,885)**	*(1,831,182)*	*(613,538)*	*(543,007)*	*210,557*
Operating expenses	**12,145,729**	*10,180,673*	*8,728,920*	*6,797,879*	*5,551,359*
Net incurred claims & other outgoes	**36,189,051**	*33,788,889*	*36,007,854*	*27,324,929*	*19,385,343*
Change in unexpired risk reserve	**1,450,824**	*1,362,412*	*5,597,396*	*1,770,187*	*1,212,637*
Operating Profit/(Loss)	**4,274,739**	*2,721,088*	*(4,668,877)*	*(1,806,306)*	*151,520*
Non - Operating Result					
Total income under shareholder's account(net of expenses)	**927,634**	*95,676*	*716,732*	*982,886*	*1,431,533*
Profit/(Loss) before tax	**5,202,373**	*2,816,764*	*(3,952,145)*	*(823,420)*	*1,583,053*
Provision for tax	**88,814**	*(240,989)*	*211,147*	*(19,992)*	*143,774*
Profit/(Loss) after tax	**5,113,559**	*3,057,753*	*(4,163,292)*	*(803,428)*	*1,439,279*
Miscellaneous					
Policy holder's account:					
Total funds	**73,972,565**	*66,485,230*	*60,322,530*	*40,382,814*	*28,712,993*
Total investments					
Yield on investments	**Not applicable as investments are not earmarked**				
Shareholder's account:					
Total funds	**23,810,921**	*17,657,566*	*14,580,600*	*15,308,265*	*16,731,234*
Total investments					
Yield on investments	**Not applicable as investments are not earmarked**				
Paid up equity capital	**4,450,555**	*4,370,152*	*4,365,839*	*4,045,672*	*4,036,327*
Net worth **	**23,810,921**	*17,657,566*	*14,580,600*	*15,308,265*	*16,731,234*
Total assets	**135,448,793**	*118,686,969*	*105,251,554*	*82,286,865*	*67,320,168*
Yield on total investments					
(annualised)	**9%**	*9%*	*8%*	*9%*	*13%*
Earnings per share (₹)	**11.50**	*7.00*	*(9.56)*	*(1.99)*	*3.57*
Book value per share (₹)	**53.50**	*40.40*	*33.40*	*37.84*	*41.45*
Total dividend (excluding dividend tax)	**—**	*—*	*—*	*565,889*	*645,248*
Dividend per share (₹)	**—**	*—*	*—*	*1.40*	*1.60*

\# Net of Reinsurance

@ Net of Losses

** Shareholders funds / Net worth= (Share capital + Reserve & Surplus) – (Miscellaneous Expenditure + Debit balance in profit & loss account)

5.1.16 *Ratio Analysis:*

(A) For ratios at March 31, 2014 refer Annexure 1a and 1b and for March 31, 2013 refer Annexure 2a and 2b

(B) Solvency Margin

(₹ in 000's)

Solvency Margin	At March 31, 2014	*At March 31, 2013*
Required solvency margin under IRDA Regulations (A)	**11,856,200**	*10,377,000*
Available solvency margin (B)	**20,372,300**	*16,093,200*
Solvency ratio actual (times) (B/A)	**1.72**	*1.55*
Solvency ratio prescribed by Regulation	**1.50**	*1.40*

5.1.17 *Employee Stock Option Scheme (ESOS)*

The Company has granted Stock options to employees in compliance with the Securities and Exchange board of India (Employee stock option scheme and employee stock purchase scheme) guidelines, 1999 based on an independent valuer's report. The salient features of the Scheme which is stated below:

Founder ESOPs:

Scheme	
Date of grant	April 26, 2005
No. of Options granted (in 000's)	917
Grant Price	₹ 35
Graded Vesting Period	
1st Year	50% of option
2nd Year	50% of option
Maximum term of option granted	Later of the tenth anniversary of the date of grant of options or fifth anniversary of the date of vesting
Mode of settlement	Equity

Performance ESOPs (2005, 2006, 2007 & 2008):

Scheme		
Date of grant	2005	April 26, 2005
	2006	April 24, 2006
	2007	April 21, 2007
	2008	April 24, 2008
No. of Options granted (in 000's)		18,372
Grant Price		₹ 35 – ₹ 200
Graded Vesting Period		
1st Year		20% of option
2nd Year		20% of option
3rd Year		30% of option
4th Year		30% of option
Maximum term of option granted		Later of the tenth anniversary of the date of grant of options or fifth anniversary of the date of vesting
Mode of settlement		Equity

Performance ESOPs (2009):

Scheme		
Date of grant	2009	July 21, 2009
No. of Options granted (in 000's)		1,249
Grant Price		₹ 91
Graded Vesting Period		
1st Year		0% of option
2nd Year		20% of option
3rd Year		20% of option
4th Year		30% of option
5th Year		30% of option
Maximum term of option granted		Later of the tenth anniversary of the date of grant of options or fifth anniversary of the date of vesting
Mode of settlement		Equity

Performance ESOPs (2010):

Scheme		
Date of grant	2010	April 19, 2010
No. of Options granted (in 000's)		2,312
Grant Price		₹ 114
Graded Vesting Period		
1st Year		20% of option
2nd Year		20% of option
3rd Year		30% of option
4th Year		30% of option
Maximum term of option granted		Later of the tenth anniversary of the date of grant of options or fifth anniversary of the date of vesting
Mode of settlement		Equity

Performance ESOPs (2011):

Scheme		
Date of grant	2011	April 25, 2011
No. of Options granted (in 000's)		723
Grant Price		₹ 109
Graded Vesting Period		
1st Year		40% of option
2nd Year		60% of option
Maximum term of option granted		Later of the tenth anniversary of the date of grant of options or fifth anniversary of the date of vesting
Mode of settlement		Equity

The estimated fair value computed on the basis of binomial tree pricing model, of each stock option granted for Founder ESOPs and Performance ESOPs is within the range of ₹ 7.72 to ₹ 73.62 per option. Accordingly, the compensation cost and charge to the profit and loss account for the year ended March 31, 2014 would have been higher by ₹ 20,599 thousand had the Company followed the fair valuation method for accounting the options issued. On proforma basis the Company's basic and diluted earnings per share would have been ₹ 11.45 and ₹ 11.33.

A summary of status of Company's Employee Stock Option Scheme in terms of option granted, forfeited and exercised by the employees and Wholetime Directors is given below:

(in 000's)

Particulars	Other than Wholetime Directors'		Wholetime Directors'	
	At March 31, 2014	*At March 31, 2013*	**At March 31, 2014**	*At March 31, 2013*
Outstanding at the beginning of the year	**9,223**	*10,535*	**1,875**	*1,915*
Add: Granted during the year	**—**	*—*	**—**	*—*
Less: Forfeited / lapsed during the year	**320**	*856*	**—**	*—*
Less: Exercised during the year	**895**	*456*	**40**	*40*
Outstanding at the end of the year	**8,009**	*9,223*	**1,835**	*1,875*
Exercisable at the end of the year	**7,509**	*7,928*	**1,645**	*1,308*

5.2 Other disclosures

5.2.1 Basis used by the Actuary for determining provision required for IBNR/IBNER

IBNR (including IBNER) liability as at March 31, 2014 for all lines of business, other than reinsurance accepted from declined risk pool has been estimated by the Appointed Actuary in compliance with the guidelines issued by IRDA from time to time and the applicable provisions of the Guidance Note 21 issued by the Institute of Actuaries of India.

In general, the Appointed Actuary has relied on the Chain Ladder method to arrive at the estimates. These estimates have been modified wherever needed based on the Bornheutter-Ferguson procedure.

5.2.2 Provision for Free Look period

The provision for Free Look period is duly certified by the Appointed Actuary

5.2.3 Contribution to terrorism pool

The Company in accordance with the requirements of IRDA has participated in contributing to the Terrorism Pool. This pool is managed by the General Insurance Corporation of India ('GIC'). Amounts collected as terrorism premium in accordance with the requirements of the Tariff Advisory Committee ('TAC') are ceded at 100% of the terrorism premium collected to the Terrorism Pool, subject to conditions and an overall limit of ₹ 10 billion.

In accordance with the terms of the agreement, GIC retrocedes, to the Company, terrorism premium to the extent of the Company's share in the risk, which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on intimation/confirmation received from GIC. Accordingly, reinsurance accepted, on account of the terrorism pool has been recorded only up to December 31, 2013 (previous year: September 30, 2012) as per the last confirmation received.

5.2.4 Declined Risk Pool

In accordance with the directions of the IRDA, effective April 1, 2012, the Company, together with other insurance companies has participated in the DR Pool, a multilateral reinsurance arrangement, administered by the General Insurance Corporation of India ('GIC'). No comprehensive motor insurance policy or part thereof, is to be ceded to the pool. Every insurer is required to underwrite a minimum percentage of standalone (liability only) commercial vehicle motor third party insurance which shall be in proportion to the sum of 50% of the Company's percentage share in total gross premium and 50% of the Company's percentage share in total motor premium of the industry of the relevant year.

The cessions to the GIC shall be in accordance with the obligatory cession which currently stands at 5%. The ceding insurers shall retain 20% of the individual risk to their net account (after obligatory cessions) and cede the balance to the declined pool. Accordingly, the Company has ceded 75% of the third party premium collected to the DR Pool in accordance with the IRDA instructions and guidelines of the declined risks.

For the financial year ended March 31, 2013, pending the receipt of the final ULR from the DR Pool, the Company had recognised claims at the provisional prescribed estimated ULR of 145%.

During the current financial year, IRDA has issued Order no. IRDA/NL/ORD/MPL/223/11/2013 dated November 18, 2013 declaring the ultimate loss ratio (ULR) for the DR pool for the year 2012-2013 at 210% against the erstwhile provisional estimate of 145% as well as advised a provisional ultimate loss ratio of 210% for the year 2013-2014.

The change in ultimate loss ratio (ULR) from 145% to 210% for the year FY 2012-2013 has resulted in an impact of ₹ 402,752 thousand and consequently profits for the year ended March 31, 2014 are lower to that extent.

During the year ended March 31, 2014, the Company has received the audited statement from the DR Pool for the nine months ended December 31, 2013. The Company has recognised 100% of its share of premium as earned premium and claims based on such audited statement. For the quarter ended March 31, 2014 the Company has recognised its share based on internal estimates of market gross premiums, DR pool size, its share and the ultimate loss ratio as per audited statement received from the DR Pool. Necessary revision in estimates will be made upon receipt of final account statements from the DR pool.

5.2.5 Interest, Rent and Dividend income

Interest, Dividend & Rent income under Miscellaneous segment is net of interest expense of ₹ 444,937 thousand (previous year: ₹ 505,015 thousand) on dues to IMTPIP @ 7.5% p.a consequent to clean cut settlement.

5.2.6 Re-insurance inward

The results of reinsurance inward are accounted as per last available statement of accounts/confirmation from reinsurers.

5.2.7 Contribution to Solatium fund

In accordance with the requirements of the IRDA circular dated March 18, 2003 and based on recommendations made at the General Insurance Council meeting held on February 4, 2005, the Company has provided 0.1% of gross written premium on all motor policies (excluding reinsurance premium accepted on motor third party for commercial vehicles) towards contribution to the solatium fund.

5.2.8 Grants

During the year, the Company has received disbursement of ₹ 1,806 thousand (US$ 28,000) (previous year: ₹ 12,330 thousand (US$ 242,000)). The cumulative disbursement received up to March 31, 2014 is ₹ 14,136 thousand (US$ 270,000) (previous year: ₹ 12,330 thousand (US$ 242,000)) from the International Labour Organisation (ILO) through its Microinsurance Innovation Facility, towards an Innovation Grant in order to carry out providing Outpatient Insurance to complement Rashtriya Swastya Bima Yojana (RSBY). The position of the capital and revenue expenses incurred as well as the unspent amount has been shown as under:

(₹ in 000's)

	During the current year	As At March 31, 2013
Disbursement received	**1,806**	14,136
	(12,330)	*(12,330)*
Capital expenditure incurred	—	7,411
	(7,411)	*(7,411)*
Revenue expenditure incurred		
Employees' remuneration & welfare benefits	**669**	1,667
	(998)	*(998)*
Travel, conveyance and vehicle running expenses	**254**	401
	(147)	*(147)*
Legal & professional charges	**360**	1,985
	(1,625)	*(1,625)*
Miscellaneous expenses	—	300
	(300)	*(300)*
Business & Sales promotion	—	1,360
	(1,360)	*(1,360)*
Total	**1,283**	5,713
	(4,430)	*(4,430)*
Unspent amount		1,012
		(489)

Figure in brackets pertain to year ended March 31, 2013

Note:

1) Revenue expenditure in Schedule – 4 is net of grant received.
2) The unspent amount is included under the head "Current Liabilities – Sundry Creditors".

5.2.9 Environment Relief Fund

There is ₹ 205 thousand outstanding (Previous year: ₹ 266 thousand) towards Environment Relief fund (ERF) under Public Liability policies.

5.2.10 Leases

In respect of premises taken on operating lease, the lease agreements are generally mutually renewable / cancelable by the lessor/lessee.

Non Cancelable operating lease

The detail of future rentals payable are given below

(₹ in 000's)

	At March 31, 2014	*At March 31, 2013*
a. not later than one year	**2,674**	*1,841*
b. later than one year and not later than five years	**4,634**	*3,560*
c. later than five years	—	—

An amount of ₹ 3,100 thousand (previous year: ₹ 1,573 thousand) towards said lease payments has been recognised in the statement of revenue account.

5.2.11 Micro and Small scale business entities

There is no Micro, Small & Medium enterprise to which the Company owes dues, which are outstanding for more than 45 days as at March 31, 2014. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

5.2.12 Segmental reporting

Primary reportable segments

The Company's primary reportable segments are business segments, which have been identified in accordance with AS 17 – Segment Reporting read with the Regulations. The income and expenses attributable to the business segments are allocated as mentioned in paragraph 5.1.8 & 5.1.9 above.

Segmental Assets & Liabilities to the extent identifiable to business segment

(₹ in 000's)

Segment	Year	Current liabilities Claims Outstanding	Current Assets Outstanding Premium
Fire	**2013-2014**	**4,698,427**	**7,992**
	2012-2013	*3,707,635*	*15,679*
Engineering	**2013-2014**	**2,398,436**	**10,450**
	2012-2013	*1,579,686*	*657*
Marine Cargo	**2013-2014**	**1,273,127**	**—**
	2012-2013	*1,117,983*	*5,450*
Marine Hull	**2013-2014**	**570,518**	—
	2012-2013	*408,860*	—
Motor OD	**2013-2014**	**4,608,483**	**—**
	2012-2013	*3,057,666*	*27*
Motor TP	**2013-2014**	**45,481,201**	**—**
	2012-2013	*46,534,035*	—
Workmen Compensation	**2013-2014**	**309,339**	**—**
	2012-2013	*263,852*	—
Public/Product Liability	**2013-2014**	**34,603**	**—**
	2012-2013	*96,536*	—
Personal Accident	**2013-2014**	**1,228,550**	**—**
	2012-2013	*990,192*	*25*
Aviation	**2013-2014**	**1,020,615**	**—**
	2012-2013	*832,637*	—
Health	**2013-2014**	**3,926,344**	**2,076,057**
	2012-2013	*3,656,551*	*2,248,671*
Credit Insurance	**2013-2014**	**114,670**	**—**
	2012-2013	*129,209*	—
Others	**2013-2014**	**5,106,136**	**2,633,880**
	2012-2013	*2,857,541*	*1,535,403*
Total Amount	**2013-2014**	**70,770,449**	**4,728,379**
	2012-2013	*65,232,383*	*3,805,912*

Secondary reportable segments

There are no reportable geographical segments since the Company provides services only to customers in the Indian market or Indian interests aborad and does not distinguish any reportable regions within India.

5.2.13 *Related party*

Party where control exists

ICICI Bank Limited (Holding Company)

Other related parties with whom transactions have taken place during the year: Fellow Subsidiaries / Associates / Other related entities:

Name of related party	Relationship
ICICI Bank UK PLC	Fellow Subsidiary
ICICI Eco-net Internet & Technology Fund	Fellow Subsidiary
ICICI Emerging Sectors Fund	Fellow Subsidiary
ICICI Equity Fund	Fellow Subsidiary
ICICI Strategic Investments Fund	Fellow Subsidiary
ICICI Home Finance Company Limited	Fellow Subsidiary
ICICI Prudential Asset Management Company Limited	Fellow Subsidiary
ICICI Prudential Life Insurance Company Limited	Fellow Subsidiary
ICICI Securities Limited	Fellow Subsidiary
ICICI Securities Primary Dealership Limited	Fellow Subsidiary
ICICI Strategic Investments Fund	Fellow Subsidiary
ICICI Venture Funds Management Company Limited	Fellow Subsidiary
FAL Corporation (Affiliate of Fairfax Financial Holdings Limited)	Venturer in Joint Venture

Key Management Personnel (KMP):

Bhargav Dasgupta, Managing Director & CEO
Alok Kumar Agarwal, Executive Director
Neelesh Garg, Executive Director

Relatives of KMP with whom transactions have taken place during the year:

Shubhra Sharma	:	Spouse of Neelesh Garg
Sohan Lal Garg	:	Father of Neelesh Garg

Details of transaction with related parties for the year ended March 31, 2014 are given below: *(₹ in 000's)*

Particulars	ICICI Bank Limited	ICICI Home Finance Co Limited	ICICI Securities Primary Dealership Limited	ICICI Prudential Life Insurance Co Limited	ICICI Securities Limited	Others	FAL Corporation	KMP & their relatives
	Holding company	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary		Venturer in Joint Venture	
Premium income	978,517 *(871,708)*	8,246 *(8,910)*	2,735 *(2,598)*	177,290 *(154,624)*	66,145 *(70,741)*	31,543 *(35,790)*	— *(-)*	42 *(62)*
Income from interest & dividend	9,980 *(25,034)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*
Application money received	— *(740,000)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(260,000)*	— *(1,400)*
Issue of share capital	52,482 *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	18,440 *(-)*	400 *(-)*
Share premium on share issued	687,518 *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	241,560 *(-)*	1,000 *(-)*
Claim payments net of claims received	326,677 *(444,272)*	— *(-)*	672 *(1,742)*	10,410 *(10,536)*	23,490 *(32,766)*	58 *(98)*	— *(-)*	— *(-)*
Commission/ Brokerage payouts	538,893 *(466,309)*	14,279 *(2,766)*	— *(-)*	— *(-)*	9,626 *(12,519)*	— *(-)*	— *(-)*	— *(-)*
Investment								
- Purchases	12,107,795 *(8,381,218)*	— *(-)*	3,270,895 *(2,965,292)*	676,905 *(887,478)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*
- Sales	10,392,485 *(9,824,536)*	— *(-)*	1,707,629 *(301,103)*	— *(1,696,367)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*
Premium Paid	— *(-)*	— *(-)*	— *(-)*	5,838 *(6,206)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*
Establishment & other expenditure	219,813 *(195,923)*	-10,108 *(-7,656)*	— *(-)*	-5,810 *(-7,171)*	-104 *(-229)*	— *(-)*	— *(-)*	86,324 *(61,073)*

Figure in brackets pertain to year ended March 31, 2013

Balances with related parties at March 31, 2014, are as under:

(₹ in 000's)

Particulars	ICICI Bank Limited	ICICI Home Finance Co Limited	ICICI Securities Primary Dealership Limited	ICICI Prudential Life Insurance Co Limited	ICICI Securities Limited	Others	FAL Corporation	KMP & their relatives
	Holding company	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary		Venturer in Joint Venture	
Assets								
Cash, Bank Balances & Deposits	-762,678 *(-212,723)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*
Income accrued on investments	226 *(460)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*
Liabilities								
Capital	3,258,837 *(3,206,355)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	1,144,990 *(1,126,550)*	550 *(150)*
Share premium	10,872,192 *(10,184,674)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	3,819,959 *(3,578,399)*	1,375 *(375)*
Application money	— *(740,000)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(260,000)*	— *(1,400)*
Premium received in advance / Cash deposits	379,789 *(386,161)*	8,912 *(10,587)*	64 *(412)*	191 *(313)*	625 *(1,127)*	17,281 *(2,219)*	— *(-)*	— *(-)*
Others liabilities/ Payables	225,372 *(220,392)*	-4,474 *(138)*	— *(125)*	21,205 *(21,686)*	10,438 *(6,251)*	2,507 *(1,522)*	— *(-)*	— *(-)*

Figure in brackets pertain to year ended March 31, 2013

5.2.14 *Details of age-wise analysis of the unclaimed amount of the policyholders for the year ended March 31, 2014*

At March 31, 2014 the Company has not appropriated / written back the unclaimed amount of policyholders. (Reference IRDA circular no IRDA/F&I/CIR/CMP/174/11/2010 dated November 4, 2010)

(₹ in 000's)

Particulars	Total Amount	4-12 months	13-18 months	19–24 months	25–30 months	31–36 months	Beyond 36 months
Claims settled but not paid to the policyholders/ insured's due to any reasons except under litigation from the insured/ policyholders	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*
Sum due to the insured/ policyholders on maturity or otherwise	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*	— *(-)*
Any excess collection of the premium/ tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	191,393 *(174,508)*	15,072 *(11,221)*	6,118 *(3,956)*	6,467 *(5,204)*	3,929 *(14,893)*	5,057 *(3,404)*	154,750 *(135,830)*
Cheques issued but not encashed by the policyholder/ insured	834,481 *(818,478)*	167,869 *(151,892)*	84,086 *(68,025)*	48,372 *(191,178)*	50,919 *(75,897)*	80,972 *(42,604)*	402,263 *(288,882)*
Total	**1,025,874 *(992,986)***	**182,941 *(163,114)***	**90,204 *(71,981)***	**54,839 *(196,382)***	**54,848 *(90,790)***	**86,029 *(46,008)***	**556,431 *(424,712)***

Figure in brackets pertain to year ended March 31, 2013

5.2.15 *Details of earning per share for the year ended March 31, 2014*

(in 000's)

Particulars	At March 31, 2014	At March 31, 2013
Profit/(loss) available to equity shareholders ₹	5,113,559	3,057,753
Weighted average number of equity shares		
Number of shares at the beginning of the year	437,015	436,584
Share issued during the year	8,041	431
Total number of equity share outstanding at the end of the year	445,056	437,015
Weighted average number of equity shares outstanding during the year	444,683	436,815
Add : Effect of dilutive issues of options and share application pending allotment	4,657	5,529
Diluted weighted average number of equity shares outstanding during the year	449,340	442,344
Nominal value of equity shares ₹	10	10
Basic earning per share ₹	11.50	7.00
Diluted earning per share ₹	11.38	6.91

5.2.16 *Deferred taxes*

The major components of deferred tax are as under:

(₹ in 000's)

Particulars	Deferred tax asset at March 31, 2014	Deferred tax asset at March 31, 2013
Timing differences on account of:		
Reserve for Unexpired Risks / Premium deficiency	—	—
Provision for escalation in lease rentals	25,724	19,844
Leaves accrued	22,992	21,340
Provision for doubtful debts	365,180	461,526
Total	413,896	502,710
Net deferred tax asset/(liability)	413,896	502,710
Deferred tax expense/(income) recognised in the Profit and Loss A/c	88,814	(240,989)

5.2.17 Changes pursuant to IRDA Master Circular dated October 5, 2012 ('Circular') and Corrigendum on Master circular dated July 3, 2013 ('Corrigendum') applicable to financial statements from April 1, 2013 onwards.

(A) Allocation of expenses

Hitherto, the operating expenses including depreciation which were not directly identifiable were allocated on the basis of gross direct premium in each business class. Pursuant to the circular the same are now allocated on the basis of net premium in each business class. The consequent impact of the above change in the operating results for major classes of business segment for the year ended March 31, 2014 is as under;

- Operating Profit from Fire business is higher by ₹ 439,820 thousand
- Operating Loss from Marine business is lower by ₹ 20,982 thousand
- Operating Profit from Miscellaneous business is lower by ₹ 460,802 thousand

However there is no impact of above changes on the Profits of the Company for the year ended March 31, 2014.

(B) Valuation of Equity shares & Convertible preference shares

Hitherto, the Company valued listed equity and convertible preference shares on the basis of lower of closing prices from National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). Pursuant to the circular the Company now values listed equities and convertible preference shares at the balance sheet date based on the last quoted closing price on the National Stock Exchange and in case these are not listed on National Stock Exchange, then based on the last quoted closing price on the Bombay Stock Exchange.

This change in policy has resulted in increasing the fair value of listed equity securities by ₹ 12,457 thousand as at March 31, 2014.

(C) Classification of Investments

As per the circular insurers are required to indicate as far as it is feasible, Investments pertaining to Shareholders and Policyholders separately, in which case, the Investments Schedule shall be disclosed as Schedule 8- Investments (Shareholders) and Schedule 8a- Investments (Policyholders)

The Company has not segregated the investments pertaining to Shareholders and Policyholders due to practical difficulties. Further, the Company along with the other general insurance companies has made a representation to IRDA through the GI Council for relaxing this requirement for the general insurance industry.

(D) Treatment of Premium deficiency

Hitherto, the Company has been recognising premium deficiency at a business segment level. Pursuant to the Circular, the same is now being recognised for the Company as a whole. This change has no impact on financial statements for the year ended March 31, 2014.

(E) Classification of Premium deposit

Hitherto, premium deposit was being included in sundry creditors. Pursuant to the Circular, the same has now been included in unallocated premium.

(F) Provision for Free Look Period

Pursuant to the Circular the Company has made a provision for Free Look period. As a result of this change there is no material impact on the financial statements for the year ended March 31, 2014.

5.2.18 *REPO / Reverse repo transactions*

(₹ in 000's)

	For the year ended March 31, 2014			
	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding at March 31, 2014
Securities sold under repo (At cost)				
Government Securities	— (-)	— (-)	— (-)	— (-)
Corporate Debt Securities	— (-)	— (-)	— (-)	— (-)
Securities purchased under repo (At cost)				
Government Securities	19,924 (-)	6,809,475 (-)	965,423 (-)	175,248 (-)
Corporate Debt Securities	— (-)	— (-)	— (-)	— (-)

Figure in brackets pertain to year ended March 31, 2013

5.2.19 Previous year figures have been regrouped, reclassified in the respective schedule and notes wherever necessary, to conform to current period classifications. The details of changes are as under:

Sr. no.	Regrouped from	Regrouped to	Period	Amount (in ₹000's)	Reason
1	Schedule 13 (Current Liabilities) - Sundry Creditors (Premium deposit)	Schedule 13 (Current Liabilities) -Unallocated Premium	March 2013	1,397,903	Previous year numbers regrouped in compliance with IRDA Master circular effective April 1, 2013.
2	Schedule 11 (Cash & Bank balances) - Deposit Accounts - Short term	Schedule 8 (Investments) - Short term Investments - Other Securities	March 2013	3,100,000	Previous year numbers of Short term fixed deposits regrouped in compliance with IRDA guidance note dated May 8, 2013 on preparation of Investment returns which requires Schedule 8 to include all fixed deposits forming part of Investment assets.
3	Schedule 13 (Current Liabilities) - Others - Unclaimed amount of policyholders	Schedule 13 (Current Liabilities) - Others - Book Overdraft	March 2013	194,220	Previous year numbers regrouped in compliance with IRDA Master circular effective April 1, 2013 with respect to ageing of unclaimed amount of policyholder.

For and on behalf of the Board

CHANDA KOCHHAR *Chairperson*	S.MUKHERJI *Director*
DILEEP CHOKSI *Director*	BHARGAV DASGUPTA *Managing Director & CEO*
ALOK KUMAR AGARWAL *Executive Director*	NEELESH GARG *Executive Director*
GOPAL BALACHANDRAN *Chief Financial Officer*	VIKAS MEHRA *Company Secretary*

Mumbai, April 18, 2014

Annexure-1a Analytical Ratios as at March 31, 2014

Sr. No.	Particulars	Total	Fire	Marine-Cargo	Marine-Others	Marine - total	Motor-OD	Motor-TP	Motor-Total	Workmen's compensation	Public/Product Liability	Engineering	Aviation	PA	Health	Credit	Others	Total-miscellaneous	Basis of calculations
1	Gross Direct Premium Growth Rate	12%	28%	18%	-10%	10%	13%	30%	19%	11%	-25%	-4%	-41%	18%	-7%	22%	27%	11%	(GDPI current year- GDPI previous year)/ GDPI previous year
2	Gross Direct Premium to Net Worth Ratio	2.88																	GDPI/ Net worth
3	Growth rate of Net Worth	35%																	(Net worth current year- Net worth previous year) / Net worth previous year
4	Net Retention Ratio	63%	26%	73%	12%	57%	75%	76%	75%	93%	36%	27%	43%	74%	68%	8%	45%	66%	NWP / (GDPI + RI accepted)
5	Net Commission Ratio	-5%	-6%	10%	22%	10%	0%	-6%	-2%	8%	-2%	-40%	26%	-10%	-12%	-109%	-9%	-6%	Net commission / NWP
6	Expense of Management to Gross Direct Premium Ratio	22%																	Expenses of management/ GDPI
7	Expense of Management to Net Written Premium Ratio	34%																	Expenses of management/ NWP
8	Net Incurred Claims to Net Earned Premium	83%																	Net Incurred Claims / Net Earned Premium
9	Combined Ratio	105%																	((Net Incurred Claims / Net Earned Premium) + ((Net Commission + Operating Expenses) /NWP))
10	Technical Reserves to Net Premium Ratio	2.08																	(Reserve for Unexpired Risk + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER)/ NWP
11	Underwriting balance Ratio	(0.06)	0.11			(0.35)												(0.05)	(Underwriting profit/loss) / Net Earned Premium
12	Operating Profit Ratio	10%																	(Underwriting profit/loss + Investment income) / Net Earned Premium
13	Liquid Assets to liabilities Ratio	0.20																	Liquid Assets/ Policyholders liabilities
14	Net earnings Ratio	12%																	Profit after tax/ Net Earned Premium
15	Return on Net Worth Ratio	21%																	Profit after tax/ Net Worth
16	Available Solvency margin Ratio to Required Solvency Margin Ratio (times)	1.72																	
17	NPA Ratio																		
	Gross NPA Ratio	—																	
	Net NPA Ratio	—																	

Notes :

Ratios are computed as per definitions laid down by IRDA Master circular dated October 5, 2012 and corrigendum on master circular dated July 3, 2013

1. GDPI = Premium from direct business written, NWP = Net written premium
2. Shareholders' funds/ Net worth = (Share capital + Reserve & Surplus) - (Miscellaneous expenditure - Debit balance in profit & loss account)
3. Expenses of management = Commission paid-direct + Operation expenses related to insurance business
4. Liquid asset= Short term investments + Cash and bank balances
5. Policyholders liabilities = Claim outstanding (to be discharged in 12 months) + Reserve for unexpired risk + Reserve for premium deficiency
6. Underwriting profit/ (loss) = Net premium earned - Net claims incurred - Net commission - Operating expense

Annexure-1b - Equity Holding Pattern

1	(a)	No. of shares	445,055,516
2	(b)	Percentage of shareholding (Indian / Foreign)	74.3%/ 25.7%
3	(c)	%of Government holding (in case of public sector insurance companies)	—
4	(a)	Basic and diluted EPS before extraordinary items (net of tax expense) for the year	₹ 11.50 and ₹ 11.38
5	(b)	Basic and diluted EPS after extraordinary items (net of tax expense) for the year	₹ 11.50 and ₹ 11.38
6	(iv)	Book value per share (₹)	53.50

Annexure-2a Analytical Ratios as at March 31, 2013

Sr. No.	Particulars	Total	Fire	Marine-Cargo	Marine-Others	Marine-total	Motor-OD	Motor-TP	Motor-Total	Workmen's compensation	Public/Product Liability	Engineering	Aviation	PA	Health	Credit	Others	Total-miscellaneous	Basis of calculations
1	Gross Direct Premium Growth Rate	19%	23%	25%	-3%	15%	22%	38%	27%	23%	-47%	5%	-40%	22%	11%	6%	32%	19%	(GDPI current year- GDPI previous year)/ GDPI previous year
2	Gross Direct Premium to Net Worth Ratio	*3.47*																	GDPI/ Net worth
3	Growth rate of Net Worth	*21%*																	(Net worth current year- Net worth previous year) / Net worth previous year
4	Net Retention Ratio	*65%*	*29%*	*66%*	*5%*	*47%*	*75%*	*75%*	*75%*	*90%*	*46%*	*24%*	*35%*	*71%*	*75%*	*8%*	*48%*	*69%*	NWP / (GDPI + RI accepted)
5	Net Commission Ratio	*-4%*	*3%*	*7%*	*-69%*	*5%*	*-1%*	*-7%*	*-3%*	*7%*	*-3%*	*-49%*	*18%*	*-7%*	*-6%*	*-81%*	*-10%*	*-5%*	Net commission / NWP
6	Expense of Management to Gross Direct Premium Ratio	*21%*																	Expenses of management/ GDPI
7	Expense of Management to Net Written Premium Ratio	*31%*																	Expenses of management/ NWP
8	Net Incurred Claims to Net Earned Premium	*84%*																	Net Incurred Claims / Net Earned Premium
9	Combined Ratio	*104%*																	((Net Incurred Claims / Net Earned Premium) + ((Net Commission + Operating Expenses) /NWP))
10	Technical Reserves to Net Premium Ratio	*2.09*																	(Reserve for Unexpired Risk + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER)/ NWP
11	Underwriting balance Ratio	*(0.05)*	*(0.19)*			*(0.32)*												*(0.04)*	(Underwriting profit/loss) / Net Earned Premium
12	Operating Profit Ratio	*7%*																	(Underwriting profit/loss + Investment income) / Net Earned Premium
13	Liquid Assets to liabilities Ratio	*0.15*																	Liquid Assets/ Policyholders liabilities
14	Net earnings Ratio	*8%*																	Profit after tax/ Net Earned Premium
15	Return on Net Worth Ratio	*17%*																	Profit after tax/ Net Worth
16	Available Solvency margin Ratio to Required Solvency Margin Ratio (times)	*1.55*																	
17	NPA Ratio																		
	Gross NPA Ratio	—																	
	Net NPA Ratio	—																	

Notes :

Ratios are computed as per definitions laid down by IRDA Master circular dated October 5, 2012 and corrigendum on master circular dated July 3, 2013

1. GDPI = Premium from direct business written, NWP = Net written premium
2. Shareholders' funds/ Net worth = (Share capital + Reserve & Surplus) - (Miscellaneous expenditure - Debit balance in profit & loss account)
3. Expenses of management = Commission paid-direct + Operation expenses related to insurance business
4. Liquid asset= Short term investments + Cash and bank balances
5. Policyholders liabilities = Claim outstanding (to be discharged in 12 months) + Reserve for unexpired risk + Reserve for premium deficiency
6. Underwriting profit/ (loss) = Net premium earned - Net claims incurred - Net commission - Operating expense

Annexure-2b - Equity Holding Pattern

1	(a)	No. of shares	437,015,239
2	(b)	Percentage of shareholding (Indian / Foreign)	74.2%/ 25.8%
3	(c)	%of Government holding (in case of public sector insurance companies)	—
4	(a)	Basic and diluted EPS before extraordinary items (net of tax expense) for the year	₹ 7.00 and ₹ 6.91
5	(b)	Basic and diluted EPS after extraordinary items (net of tax expense) for the year	₹ 7.00 and ₹ 6.91
6	(iv)	Book value per share ₹	40.40

ICICI Lombard GENERAL INSURANCE

for the year ended March 31, 2014

(₹ in 000's)

Particulars		March 31, 2014		March 31, 2013
CASH FLOW FROM OPERATING ACTIVITIES				
- Premium received from policyholders, including advance receipt	71,675,899		63,584,389	
- Other receipts (including-environment relief fund & Motor TP pool and Terrorism Pool)	242,042		165,472	
- Receipt / (payment) from/to re-insurer net of commissions & claims recovery	(2,211,463)		2,880,394	
- Receipt / (payment) from / to co-insurer net of claims recovery	2,694,749		1,274,972	
- Payments of claims (net of salvage)	(44,208,778)		(40,573,786)	
- Payments of commission and brokerage	(3,737,725)		(3,055,540)	
- Payments of other operating expenses	(12,718,151)		(9,583,938)	
- Preliminary and preoperative expenses	—		—	
- Deposits, advances & staff loans (net)	(97,412)		935,848	
- Income tax paid (net)	(884,592)		(602,242)	
- Service taxes paid	(4,805,856)		(5,183,819)	
- Cash flows before extrordinary items		5,948,713		9,841,750
- Cash flows from extrordinary operations		—		—
Net cash from operating activities		5,948,713		9,841,750
CASH FLOW FROM INVESTING ACTIVITIES				
- Purchase of fixed assets (including capital advances)	(384,452)		(516,934)	
- Proceeds from sale of fixed assets	1,858	(382,594)	17,134	(499,800)
- Purchase of investments	(108,635,107)		(94,389,021)	
- Loans disbursed	—		—	
- Sale of investments	98,891,380		75,387,047	
- Repayments received	—		—	
- Rent/interest/dividends received	5,834,993		4,278,424	
- Investments in money mkt instruments and liquid mutual fund (net)	(2,676,896)		5,617,186	
- Other payments (Interest on IMTPIP)	(85,412)		(8,756)	
- Expenses related to investments	(10,080)	(6,681,122)	(9,736)	(9,124,856)
Net cash from investing activities		(7,063,716)		(9,624,656)
CASH FLOW FROM FINANCING ACTIVITIES				
- Proceeds from issuance of share capital / application money (including share premium & net of share issue expenses)	38,512		1,021,684	
- Proceeds from borrowing	—		—	
- Repayments of borrowing	—		—	
- Interest and Dividends paid	—		—	
Net cash from financing activities		38,512		1,021,684
Effect of foreign exchange rates on cash and cash equivalents, net		—		—
Net increase/(decrease) in cash and cash equivalents		(1,076,491)		1,238,778
Cash and cash equivalents at the beginning of the year		2,696,152		1,457,374
Cash and cash equivalents at end of the year*		1,619,661		2,696,152

*Cash and cash equivalent at the end of the year includes short term deposits of ₹ 560,291 thousand (previous year: ₹ 1,550,267 thousand), balances with banks in current accounts ₹ 650,846 thousand (previous year: ₹ 658,228 thousand) and cash including cheques and stamps in hand amounting to ₹ 408,524 thousand (previous year: ₹ 487,657 thousand)

As per our attached report of even date

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Regn No.: 105049W

NARENDRA JAIN
Partner
Membership No:048725

For CHATURVEDI & CO.
Chartered Accountants
Firm Regn No.: 302137E

SN CHATURVEDI
Partner
Membership No: 040479

Mumbai, April 18, 2014

For and on behalf of the Board

CHANDA KOCHHAR
Chairperson

S. MUKHERJI
Director

DILEEP CHOKSI
Director

BHARGAV DASGUPTA
Managing Director & CEO

ALOK KUMAR AGARWAL
Executive Director

NEELESH GARG
Executive Director

GOPAL BALACHANDRAN
Chief Financial Officer

VIKAS MEHRA
Company Secretary

ICICI Home Finance

ICICI HOME FINANCE COMPANY LIMITED

15TH ANNUAL REPORT AND ACCOUNTS 2013-2014

Directors
Rajiv Sabharwal, Chairman
Maninder Juneja, Vice-Chairman
Dileep C. Choksi
S. Santhanakrishnan
Rohit Salhotra, Managing Director & CEO

Auditors
S.R. Batliboi & Co. LLP
Chartered Accountants

Pratap Salian
Company Secretary

Registered & Corporate Office
ICICI Bank Towers
Bandra-Kurla Complex
Mumbai – 400 051

directors' report

to the members

Your Directors have pleasure in presenting the Fifteenth Annual Report of ICICI Home Finance Company Limited (the Company) with the audited Statement of Accounts for the year ended March 31, 2014.

MARKET OVERVIEW

The mortgage market continues to grow, especially in Tier III & IV cities, driven by primary consumption. This has led to increased focus by most organized lenders into these markets. Absorption and supply in such markets is balanced leading to stable prices.

Our company continues to focus on emerging markets, which provide a reasonable growth opportunity. It is in these markets we will continue to invest and build competency.

APPROPRIATIONS

The Profit and Loss Account shows profit before taxation of ₹ 3,110.0 million (previous year ₹ 3,028.7 million) after general provision on standard assets and provision, write off against non performing asset of ₹ 39.4 million (previous year ₹ 76.2 million), and operating expenses of ₹ 6,224.8 million (previous year ₹ 6,165.1 million), which includes depreciation of ₹ 18.5 million (previous year ₹ 19.1 million) on fixed assets.

The profit after tax for the year ended March 31, 2014 is ₹ 2,228.2 million (previous year ₹ 2,202.2 million). The profit available for distribution is ₹ 2,596.6 million (previous year ₹ 2,562.0 million), it includes profit brought forward from previous year of ₹ 368.4 million (previous year ₹ 359.8 million).

The Company has paid the interim dividend of 2.85% in the month of June 2013, 3.65% in September 2013, 3.10% in December 2013 and declared 2.90% in March 2014 and appropriated the disposable profit as follows:

(₹ in million)

	Fiscal 2014	*Fiscal 2013*
Special Reserve created and maintained in terms of Section 29 C of National Housing Bank Act, 1987	**446.0**	*441.0*
General Reserve	**112.0**	*111.0*
Dividend		
Preference Shares (including tax)	**—**	*—*
Equity Shares (Interim- including tax)	**1,606.9**	*1,545.2*
Proposed final dividend @ 0.45% on equity share capital (previous year 0.75%) including tax	**57.8**	*96.4*
Balance profit to be carried forward	**373.8**	*368.4*

PUBLIC DEPOSITS

As required by National Housing Bank, the details of public deposits unclaimed as on March 31, 2014, are given below :-

(i) Number of accounts of unclaimed public deposits : 1,341
(ii) Amount of unclaimed deposits : ₹ 233.7 million

The Company has sent reminders to the investors informing them that the deposits have matured and requested them to claim the same.

In addition, the Company has raised deposits worth ₹ 687.6 million during FY2014. The Company's Fixed Deposits have received the highest credit ratings of "MAAA" by ICRA and "CARE AAA (FD) " by CARE.

The matured deposits with the Company which were unclaimed for more than 7 years from the date of maturity of ₹ 0.6 million has been transferred to IEPF pursuant to Section 205C of the Companies Act, 1956.

Disclosure under Housing Finance Companies issuance of Non-Convertible Debentures on private placement basis (NHB) directions, 2014

(i) The total number of non-convertible debentures which have not been claimed by the investors or not paid by the Company after the date on which the non-convertible debentures became due for redemption – Nil
(ii) The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date of such debentures become due for redemption : Nil

OPERATIONAL REVIEW

We have in the course of the year achieved reasonable traction in retail mortgages and construction finance business. Supported by a strong growth of 55% in retail mortgages business, the loan assets of the Company grew to ₹ 66.48 billion during the year, offsetting higher than expected pre-payments experienced over the last few years.

The Property services and Mortgage valuation groups have sustained their growth momentum, contributing 16 % of the total operating income of the Company.

The Company continues to stay committed and focused on partnering the developers and end consumers at all stages of the Real Estate Value chain.

DIRECTORS

During the year under review, Jayesh Gandhi resigned as a Director of the Company effective July 25, 2013. The Board places on record its appreciation for valuable services rendered by him.

Section 149 of the Companies Act, 2013 (the Act) which defines the composition of the Board has been notified effective April 1, 2014 and provides that an independent director shall not hold office for more than two consecutive terms of five years each provided that the director is re-appointed by passing a special resolution on completion of first term of five consecutive years.

As per the explanation provided under Section 149 of the Act, any tenure of an independent Director on the date of commencement of this Section i.e. April 1, 2014 shall not be counted as a term. The tenure of every independent director to compute the period of first five consecutive years would be reckoned afresh from April 1, 2014. The independent directors viz S. Santhanakrishnan and Dileep C. Choksi will hold office for a consecutive period of five years upto March 31, 2019 after which they will be subject to re-appointment subject to compliance with applicable provisions of the Companies Act, 2013.

Section 152 of the Act, also notified effective April 1, 2014 provides that independent directors would need to be excluded from the total number of directors for the purpose of computing the number of directors whose period of office will be liable to determination by retirement of directors by rotation.

In terms of the aforesaid provisions, Rajiv Sabharwal would retire by rotation at the forthcoming AGM and is eligible for re-appointment. Rajiv Sabharwal has offered himself for re-appointment.

AUDITORS

The Company is in the process of reviewing and appointing the auditors in compliance to provisions of Section 139 of the Companies Act, 2013 and recommend their appointment at the ensuing AGM post recommendation of the Audit & Risk Management Committee and necessary approval from the Board of Directors.

AUDIT & RISK MANAGEMENT COMMITTEE

The Audit & Risk Management Committee comprises of Dileep C. Choksi, S. Santhanakrishnan and Maninder Juneja as its members. Dileep C. Choksi, an independent director, is Chairman of the Audit & Risk Management Committee.

The Board in its meeting held on April 21, 2014 had revised the terms of reference of the Committee. The revised terms of reference are as under

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. Examination of the financial statement and the auditors' report thereon;
4. Oversee the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible, focusing primarily on :
   - Key changes in accounting policies and practices if any.
   - Compliance with prevailing accounting standards.
5. Approval or any subsequent modification of transactions of the company with related parties;
6. Discuss with external auditors, before the audit commences, the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
7. Evaluation of internal financial controls and risk management systems.
8. Review with the Management, external auditors and internal auditors, the adequacy of internal control systems.
9. Review the adequacy of internal audit function, reporting structure coverage and frequency of internal audit.
10. Discuss with internal auditors, any significant findings and follow up there on.
11. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
12. Scrutiny of inter-corporate loans and investments.
13. Monitoring the end use of funds raised through public offers and related matters.
14. Look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
15. Review the risk management policy and oversee the compliance with risk its management framework.
16. Review key risk indicators covering areas such as credit risk, interest rate risk, liquidity risk, foreign exchange risk, operational and outsourcing risks and the limits framework, including stress test limits for various risks.
17. Valuation of undertakings or assets of the company, wherever it is necessary.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board in its meeting held on April 21, 2014 had constituted Corporate Social Responsibility Committee comprising of Maninder Juneja, S. Santhanakrishnan and Dileep C. Choksi. Maninder Juneja is Chairman of the Corporate Social Responsibility Committee.

The terms of reference of the Committee are as under:

(a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Act.

(b) Recommend the amount of expenditure to be incurred on the activities undertaken by the Company as specified in Schedule VII of the Act.

(c) Monitor the Corporate Social Responsibility Policy of the company from time to time.

NOMINATION AND REMUNERATION COMMITTEE

The Board in its meeting held on April 21, 2014 had constituted Nomination and Remuneration Committee comprising of Dileep C. Choksi, S. Santhanakrishnan and Maninder Juneja. Dileep C. Choksi is Chairman of the Nomination and Remuneration Committee.

The terms of reference of the Committee are as under:

a) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every director's performance.

b) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

During the period under review expenditure in foreign currency was ₹ 1.3 million. There were no income in foreign currency

PERSONNEL AND OTHER MATTERS

As required by the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the Annexure to the Annual Report.

Since the Company does not own or carry out any manufacturing activity, the disclosure of information on other matters required to be disclosed in terms of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are not applicable and hence not given. As per listing agreement, the disclosures of amount due at the end of financial year under report and the maximum amount of loans, advances and investments outstanding during the year to/ from the holding company, ICICI Bank Limited has been reported in the notes forming part of the audited accounts.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors 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) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

iii) they 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; and

iv) they have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS

The Company is grateful to the National Housing Bank and other regulatory authorities for their support and advice.

The Company would like to express its gratitude for the unstinting support and guidance received from ICICI Bank Limited and its group companies.

Your Directors would also like to express their sincere thanks and appreciation to all the employees for their commendable teamwork, exemplary professionalism and enthusiastic contribution during the year.

For and on behalf of the Board

RAJIV SABHARWAL
Chairman

April 21, 2014

independent auditor's report

to the members of ICICI Home Finance Company Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of ICICI Home Finance Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 read with General Circular 8/2014 dated April 4, 2014, issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 ("the Act")in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, 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 purpose of our audit;

   (b) 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;

   (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 8/2014 dated April 4, 2014, issued by the Ministry of Corporate Affairs;

   (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E

per VIREN H. MEHTA
Partner
Membership Number: 48749

Place: Mumbai
Date: April 21, 2014

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.

(c) There was no disposal of a substantial part of fixed assets during the year.

(ii) The Company is a housing finance company and therefore, provisions of clause 4(ii) of the Order related to inventory are not applicable.

(iii) According to the information and explanations provided by the management, the Company has not granted or taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(iii)(a) to (g) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for purchase of fixed assets and for rendering of services. The activities of the Company do not involve purchase of inventory and the sale of goods. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.

(v) According to the information and explanations provided by the management, there are no transactions that need to be entered in the register maintained under section 301 of the Act.

(vi) In the opinion of the management of the Company, since the Company is a housing finance company, section 58A and 58AA of the Act are not applicable to the Company. In respect of deposits accepted from public, in our opinion and according to the information and explanations given to us, provisions of The Housing Finance Companies (NHB) Directions, 2010, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act for the services provided by the Company.

(ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, income-tax, sales tax, employees' state insurance, wealth-tax, service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities *though there have been delays in a few cases pertaining to professional tax, value added tax, labour welfare fund, service tax and tax deducted at source which are not serious in nature.* As informed, provisions of custom duty and excise duty are currently not applicable to the Company.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, provisions of, custom duty and excise duty are currently not applicable to the Company.

(c) According to the records of the Company, amounts of income-tax and service tax dues disputed by the Company, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax demands raised against the Company	62,201,098	FY 2004-05	Assistant Commissioner of Income Tax, Mumbai
		34,458,417	FY 2006-07	Deputy Commissioner of Income Tax, Mumbai
		27,442,423	FY 2007-08	Additional/Deputy Commissioner of IncomeTax, Mumbai
		76,150,948	FY 2008-09	Additional/Deputy Commissioner of Income Tax, Mumbai
		114,806,650	FY 2010-11	Additional/Deputy Commissioner of Income Tax, Mumbai

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Finance Act 1994	Service tax demand raised against the Company	715,590	FY 2006-07 to 2009 -10	Assistant Commissioner Service Tax (Audit), Division III, Mumbai

(x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.

(xii) According to the information and explanations given to us and based on the documents and records produced to us, we are of the opinion that the Company has generally maintained adequate records in cases where the Company has granted loans and advances on the basis of security of fixed deposits.

(xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.

(xiv) In respect of dealing/trading in shares, securities and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities and other investments have been held by the Company, in its own name.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.

(xix) According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any secured bonds.

(xx) The Company has not raised any money by public issues during the year.

(xxi) We have been informed that during the year under review *few borrowers of the Company have made fraudulent representations at the time of borrowing and consequently such loans amounting to ₹ 7,169,871 have become doubtful of recovery and the same have been fully provided for / written-off by the Company*.

For S. R. BATLIBOI & CO. LLP
ICAI Firm Registration No.: 301003E
Chartered Accountants

Per VIREN H. MEHTA
Partner
Membership No.: 48749

Place: Mumbai
Date: April 21, 2014

balance sheet

as on March 31, 2014

Particulars	Note		March 31, 2014	(₹ in millions) *March 31, 2013*
I EQUITY AND LIABILITIES				
(1) Shareholders' funds:				
a) Share capital	3	**10,987.5**		*10,987.5*
b) Reserves and surplus	4	**4,221.8**		*3,658.3*
			15,209.3	*14,645.8*
(2) Non-current liabilities				
a) Long term borrowings	5	**39,956.3**		*38,686.7*
b) Other long term Liabilities	6	**206.7**		*335.6*
c) Long Term Provisions	7	**1,471.1**		*1,441.7*
			41,634.1	*40,464.0*
(3) Current liabilities				
a) Short Term Borrowings	8	**4,645.0**		*1,950.9*
b) Trade Payables	9	**237.1**		*181.1*
c) Other Current Liabilities	10	**10,313.8**		*14,526.9*
d) Short Term Provisions	7	**536.1**		*256.2*
			15,732.0	*16,915.1*
			72,575.4	*72,024.9*
II ASSETS				
(1) Non-current assets				
a) Fixed Assets	11			
(i) Tangible Assets		**589.7**		*599.9*
(ii) Intangible Assets		**3.0**		*6.0*
(iii) Capital Work in Progress		**12.8**		*1.1*
			605.5	*607.0*
b) Non-current Investments	12	**2,108.0**		*2,332.3*
c) Deferred Tax Asset (Net)	13	**511.1**		*472.9*
d) Long Term Loans and Advances	14	**59,687.2**		*59,666.6*
e) Other non-current Assets	16	**5.9**		*16.2*
			62,312.2	*62,488.0*
(2) Current Assets				
a) Current Investments	18	**—**		*736.7*
b) Trade receivables	15	**100.7**		*138.0*
c) Cash and bank balances	17	**1,943.7**		*1,338.2*
d) Short term loans & advances	14	**7,081.6**		*6,090.6*
e) Other current assets	16	**531.7**		*626.4*
			9,657.7	*8,929.9*
			72,575.4	*72,024.9*
Summary of significant accounting policies	2.1			
The accompanying notes are an integral part of the financial statements				

profit and loss account

for the year ended March 31, 2014

	Particulars	Note	March 31, 2014	(₹ in millions) *March 31, 2013*
I	**Revenue from Operations**	19	**9,230.3**	*9,145.0*
II	**Other Income**	20	**126.9**	*108.0*
III	**Total Revenue(I+II)**		**9,357.2**	*9,253.0*
IV	**Expenses:**			
	Finance Cost	21	**5,288.3**	*5,326.6*
	Employee Benefit Expense	22	**347.5**	*310.4*
	Depreciation and Amortisation Expense		**18.5**	*19.1*
	Establishment and Other Expenses	23	**570.6**	*508.9*
	Provision / write offs (net)	24	**39.4**	*76.2*
			6,264.3	*6,241.2*
	Less : Expenses Recovered		**17.1**	*16.9*
			6,247.2	*6,224.3*
V	**Profit before Exceptional and Extraordinary Items and Tax(III-IV)**		**3,110.0**	*3,028.7*
VI	**Exceptional Items**		**—**	*—*
VII	**Profit Before Extraordinary Items and Tax(V-VI)**		**3,110.0**	*3,028.7*
VIII	**Extraordinary Items**		**—**	*—*
IX	**Profit Before Tax(VII-VIII)**		**3,110.0**	*3,028.7*
X	**Tax Expense:**			
	Current Tax		**920.0**	*830.0*
	Deferred Tax		**(38.2)**	*(3.5)*
XI	**Profit For The Year From Continuing Operations (IX-X)**		**2,228.2**	*2,202.2*
XII	**Earnings Per Equity Share:**	25		
	(1) Basic (₹)		**2.03**	*2.00*
	(2) Diluted (₹)		**2.03**	*2.00*
	Summary of significant accounting policies	2.1		
	The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Firm Registration No.: 301003E
Chartered Accountants

per VIREN H MEHTA
Partner
Membership No.:48749

Place: Mumbai
Dated: April 21, 2014

For and on behalf of the Board

RAJIV SABHARWAL
Chairman

ROHIT SALHOTRA
Managing Director & CEO

MANINDER JUNEJA
Vice Chairman

PANKAJ JAIN
Chief Financial Officer

PRATAP SALIAN
Company Secretary

cash flow statement

for the year ended March 31, 2014

Particulars		March 31, 2014	(₹ in millions) March 31, 2013
A	**Cash Flow from Operating Activities :**		
	Profit before taxation and exceptional items	**3,110.0**	*3,028.7*
	Adjustments for:		
	Depreciation / Amortisation (net of write back)	**18.5**	*19.2*
	Provision for Gratuity and Other staff benefits	**2.1**	*18.6*
	Provision / (write back) against standard assets	**(52.8)**	*8.3*
	Loss on sale of fixed assets/Written Off	**2.8**	*3.1*
	Provision for contingencies and Others	**92.2**	*68.0*
	Profit on sale of long term investments	**(7.3)**	*(5.6)*
	Interest received	**(158.5)**	*(189.3)*
	Dividend Income	**(209.6)**	*(243.8)*
	Gain on sale of Current investments	**(8.1)**	*(6.2)*
	Operating Profit before Working Capital Changes	**2,789.3**	*2,701.0*
	Adjustments for Increase or Decrease in :		
	Trade Receivables	**42.1**	*(27.8)*
	Other Receivables	**110.7**	*236.7*
	Trade Payables	**54.2**	*(11.2)*
	Other Liabilities	**(333.8)**	*(256.3)*
	Provisions	**(13.3)**	*(116.8)*
	Loans given (net movement)	**(1,322.4)**	*922.9*
	Cash generated from Operations	**1,326.8**	*3,448.5*
	Income Taxes paid	**(615.0)**	*(922.0)*
	Net cash from Operating Activities - A	**711.8**	*2,526.5*
B	**Cash Flow from Investing Activities :**		
	Purchase of fixed assets (including Capital work in progress)	**(18.0)**	*(6.2)*
	Proceeds from sale of fixed assets	**0.0**	*0.1*
	Sale / Purchase of Investments (Net)	**961.0**	*472.0*
	Net proceeds from sale of GOI Securities	**7.3**	*5.6*
	Net proceeds from sale of Mutual fund units	**8.1**	*6.2*
	Dividend Income	**209.6**	*243.8*
	Interest received	**158.5**	*189.3*
	Fixed deposits placed with the banks	**(500.0)**	*170.0*
	Net cash from Investing Activities - B	**826.6**	*1,080.8*
C	**Cash Flow from Financing Activities :**		
	Dividend and dividend tax paid	**(1,330.5)**	*(1,630.5)*
	Proceeds from borrowings (net)	**(102.4)**	*(2,510.8)*
	Net Cash used in Financing Activities - C	**(1,432.9)**	*(4,141.3)*
	Net Increase in Cash and Cash Equivalents (A+B+C)	**105.5**	*(534.0)*
	Cash and Cash Equivalents as at beginning	**1,258.2**	*1,792.2*
	Cash and Cash Equivalents as at end	**1,363.7**	*1,258.2*
	Notes :		
	1. Cash and Cash Equivalents consists of :		
	A. Bank balances		
	1) Current Accounts (including bank deposits with original maturity less than 3 months)	**212.0**	*289.3*
	2) Book Overdraft	**(76.5)**	*(371.6)*
	B. Investments in mutual fund units	**728.2**	*609.7*
	C. Investments redemption receivable	**500.0**	*730.8*
		1,363.7	*1,258.2*

2. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 on " Cash Flow Statements " issued by the Institute of Chartered Accountants of India.

As per our report of even date
FOR S.R. BATLIBOI & CO. LLP
Firm's Registration no.: 301003E
Chartered Accountants

per VIREN H. MEHTA
Partner
Membership No.: 48749

Place : Mumbai
Date : April 21, 2014

For and on behalf of the Board

RAJIV SABHARWAL
Chairman

ROHIT SALHOTRA
Managing Director and CEO

MANINDER JUNEJA
Vice-Chairman

PANKAJ JAIN
Chief Financial Officer

PRATAP SALIAN
Company Secretary

NOTES FORMING PART OF ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information

ICICI Home Finance Company Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in providing financial assistance for specified interest & maturity to person/persons for the purpose to acquire, construct, erect, improve, extend, alter, repair, renovate, develop any house, flats or buildings or any form of real estate or any part or portion thereof. The Company is also providing financial assistance to any person for specified purpose against the security of any immovable property. The Company is also engaged in providing advisory, consultancy, broking in property service, sourcing and servicing home loans.

2. Basis of Preparation

The financial statements of the Company have been prepared to comply in all material respects with the Notified accounting standard by Companies (Accounting Standards) Rules, 2006 as amended and the relevant provisions of the Companies Act, 1956 read with General Circular 15/2013 dated September 13, 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. The financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies applied by the Company are consistent with those used in the previous year.

2.1 Significant Accounting Policies

a) Presentation and disclosure of Financial Statement

The Ministry of Corporate Affairs vide notification no. S.O. 447 (E) dated February 28, 2011 notified the revised schedule VI under the Companies Act 1956 applicable for preparation and presentation of Financial Statements. The Revised Schedule VI has significant impact on presentation and disclosures made in the Financial Statements. The term 'Operating cycle' is defined as the time between the acquisition of assets for processing and their realization in cash or cash equivalents. In the Company, normal operating cycle cannot be identified hence it is assumed to have duration of 12 months as per revised schedule VI notified under Companies Act 1956.

b) Use of Estimates

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles (IGAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the end of reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets /liabilities in future period.

c) Revenue Recognition

Interest income / fees on housing loan is accounted for on accrual basis, except interest on non-performing assets and charges for delayed payments and cheque bouncing, if any, which are accounted for on receipt basis.

Dividend is accounted on an accrual basis when the right to receive the dividend is established.

Property Service Fees are recognised to the extent of invoice raised on the customer and when right to receive payment is established.

d) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and net realisable value, category-wise.

Long-term investments are carried at their acquisition cost or at amortised cost, if acquired at a premium over the face value. Any premium over the face value of the securities acquired is amortised over the remaining period to maturity on a constant yield basis. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

e) Provisions / write-offs on Loans and Other Credit Facilities

i) Loans and other credit facilities are classified as per the National Housing Bank (NHB) guidelines, into performing and non-performing assets. Further non-performing assets are classified into sub-standard, doubtful and loss assets and provision made based on criteria stipulated by NHB guidelines. Additional provisions are made against specific non-performing assets over and above stated in NHB guidelines, if in the opinion of the management, increased provisions are necessary.

ii) The Company maintains general provisions to cover potential credit losses, which are inherent in any loan portfolio but not identified in accordance with NHB Guidelines. For standard assets, additional general provisions are determined having regard to overall portfolio quality, asset growth, economic conditions and other risk factors.

f) Fixed Assets

Tangible Fixed assets and Intangible assets are stated at cost, less accumulated depreciation, amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Gains or losses arising from derecognition of a fixed asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

g) Depreciation and Amortisation

Depreciation and amortisation on assets is charged on Straight Line Method as per the rate decided by the management (based on the estimated useful life) or at the rates prescribed in Schedule XIV of the Companies Act, 1956, whichever is higher.

Particular	Schedule XIV Rates (SLM)	Management rate
Office Buildings on Freehold Land	1.63%	1.63%
Improvements to Leasehold Property	Useful Life	1.63% or over the lease period whichever is higher
Furniture and Fixtures	6.33%	15%
Office Equipments	4.75%	10%
Computers	16.21%	33.33%
Vehicles	9.50%	20%
Software	Useful life (5 Year)	25%
Capital WIP	Nil	Nil

h) Retirement and Other Employee Benefits

i) Retirement benefit in the form of provident fund is a defined benefit obligation.

ii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of each quarter end. Current and Non-Current obligation have been bifurcated as per actuarial valuation.

iii) The Company provides for leave encashment benefits, which is a defined benefit obligation, based on actuarial valuation conducted by an independent actuary. Current and Non-Current obligation have been bifurcated as per actuarial valuation.

iv) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes.

v) Actuarial gains/losses are immediately taken to Profit and Loss account and are not deferred.

i) Income Tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the expected amount to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income tax reflects 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 liability is recognized for all taxable timing difference and 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 realised.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

j) Transfer and Servicing of Financial Assets

The Company transfers loans to bankruptcy remote Special Purpose Vehicles through securitisation transactions. The transferred loans are derecognised from the books of the Company and gains / losses are recorded, only if the Company surrenders the rights to benefits specified in the loan contract. Credit provisions and servicing obligations are debited separately to the Profit and Loss account. Retained beneficial interest in the loan is measured by allocating the carrying values of the loans between the assets sold and retained interest, based on the relative fair value measured at the date of securitisation. The carrying value of the retained beneficial interest is estimated at each reporting period end based on the forecasted cash flows from the assets securitised after adjusting for projected delinquencies, prepayments, etc. The resultant gains/ losses, if any are recorded in to the Profit and Loss account.

k) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

l) Accounting for Swaps

The Company enters into derivative contracts such as interest rate swaps to hedge balance sheet assets and liabilities. The impact of such derivative instruments are correlated with the movements of the underlying assets and liabilities and accounted pursuant to the principles of hedge accounting whereby interest differential received/paid is adjusted from/to interest expenses. The related amount receivable from and payable to the swap counter parties is included in the Other Assets or Other Liabilities in the Balance Sheet.

m) Impairment

i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

ii) After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

n) Provision

A provision is recognised when an enterprise has a present obligation as a result of past event and 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 management 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 management estimates.

o) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss account on a straight-line basis over the lease term.

p) Cash and Cash equivalents

Cash comprises cash on hand and demand deposits with bank. Cash equivalents comprise short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3. Share Capital

(₹ in millions)

Particulars	As at March 31, 2014	*As at March 31, 2013*
Authorised shares		
2,385,000,000 Equity shares of ₹ 10 each (March 2013 - 2,385,000,000)	**23,850.0**	*23,850.0*
15,000,000 Preference shares of ₹ 10 each (March 2013 – 15,000,000)	**150.0**	*150.0*
Total Authorised shares	**24,000.0**	*24,000.0*
Issued, Subscribed and Paid up shares		
1,098,750,000 Equity shares of ₹ 10 each fully paid up (March 2013 - 1,098,750,000)	**10,987.5**	*10,987.5*
Total Issued, Subscribed and Paid up shares	**10,987.5**	*10,987.5*

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year.

Equity Shares

	As at March 31, 2014		*As at March 31, 2013*	
	No.	**(₹ millions)**	*No.*	*(₹ millions)*
At the beginning of the year	**1,098,750,000**	**10,987.5**	*1,098,750,000*	*10,987.5*
Issued during the year	—	—	—	—
Outstanding at the end of the year	**1,098,750,000**	**10,987.5**	*1,098,750,000*	*10,987.5*

Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2014, the amount of per share dividend (including proposed final dividend) recognized as distribution to equity shareholder is ₹ 1.295 (March 31, 2013 - ₹ 1.285)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference Shares

	As at March 31, 2014		*As at March 31, 2013*	
	No.	**(₹ millions)**	*No.*	*(₹ millions)*
At the beginning of the year	—	—	—	—
Issued during the year	—	—	—	—
Outstanding at the end of the year	—	—	—	—

ii) Details of shareholders holding more than 5% shares in the company

	As at March 31, 2014			*As at March 31, 2013*		
Equity shares of ₹10 each fully paid	**No.**	**(₹ millions)**	**% holding in the class**	*No.*	*(₹ millions)*	*% holding in the class*
ICICI Bank Limited (Holding Company & its nominees)	**1,098,750,000**	**10,987.5**	**100.0%**	1,098,750,000	10,987.5	*100.0%*

4. Reserves and Surplus

(₹ in millions)

Particulars	As at March 31, 2014	*As at March 31, 2013*
(i) General Reserve		
As per last Balance Sheet	**467.4**	*356.4*
Add : Transferred from statement of profit and loss	**112.0**	*111.0*
Closing Balance	**579.4**	*467.4*
(ii) Statutory Reserve		
(As per Section 29C of National Housing Bank Act,1987) (refer note (a) below)		
Opening Balance	**2,822.6**	*2,381.6*
Additional during the year	**446.0**	*441.0*
Appropriation during the year	**Nil**	*Nil*
Closing Balance	**3,268.6**	*2,822.6*
(iii) Surplus in the statement of Profit & loss		
Opening balance	**368.3**	*359.7*
Add : Net Profit for the year	**2,228.2**	*2,202.2*
Less : Proposed dividend (₹ 0.045 per equity share, March 2013 - ₹ 0.075 per equity share) (including dividend distribution tax ₹ 8.4 million, March 2013 - ₹ 14.0 million)	**(57.8)**	*(96.4)*
Less : Interim dividend including dividend distribution tax	**(1,606.9)**	*(1,545.2)*
Less : Transfer to Statutory Reserve	**(446.0)**	*(441.0)*
Less : Transfer to General Reserve	**(112.0)**	*(111.0)*
Closing Balance	**373.8**	*368.3*
Total Reserves & Surplus	**4,221.8**	*3,658.3*

(a) Details of Statutory Reserves

(₹ in millions)

Particulars	As at March 31, 2014	*As at March 31, 2013*
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of National Housing Bank, Act 1987	**2,822.6**	*2,381.6*
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken into account for the purpose of statutory Reserve under section 29C of the NHB Act, 1987	**Nil**	*Nil*
c) Total	**2,822.6**	*2,381.6*
Addition / Appropriation / Withdrawal during the year		
Add: a) Amount transferred u/s 29C of the NHB Act, 1987	**446.0**	*441.0*
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken into account for the purpose of statutory reserve under section 29C of the NHB Act, 1987	**Nil**	*Nil*
Less: a) Amount appropriated from the statutory reserve u/s 29C of the NHB Act, 1987	**Nil**	*Nil*
b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provisions u/s 29C of the NHB Act, 1987	**Nil**	*Nil*
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	**3,268.6**	*2,822.6*
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of statutory reserve under section 29C of the NHB Act, 1987	**Nil**	*Nil*
c) Total	**3,268.6**	*2,822.6*

Note : The special reserve created as per Section 29 C of the NHB Act, 1987, qualifies for deduction as specified u/s 36 (1) (viii) of the Income Tax Act, 1961 and accordingly Company has been availing tax benefits for such transfers.

5. Long-Term Borrowings

(₹ in millions)

Particulars	Non - Current portion As at March 31, 2014	Non - Current portion As at March 31, 2013	Current Maturities As at March 31, 2014	Current Maturities As at March 31, 2013
[A] Secured				
(a) Bonds / debentures				
4,000 (March 2013 - 4,000) 9.29% Secured Redeemable Senior Bond of ₹ 1,000,000 each redeemable at par	**4,000.0**	*4,000.0*	**—**	—
3,000 (March 2013 - 3,000) 10.75% Secured Redeemable Senior Bond of ₹ 1,000,000 each redeemable at par	**3,000.0**	*3,000.0*	**—**	—
1,800 (March 2013 - 1,800) 11.35% Secured Redeemable Non-Convertible Bond of ₹ 1,000,000 each redeemable at par	**1,800.0**	*1,800.0*	**—**	—
2,000 (March 2013 - 2,000) 10.70% Secured Redeemable Non-Convertible Bond face value of ₹ 1,000,000 each redeemable at par	**—**	—	**—**	*2,000.0*
	8,800.0	*8,800.0*	**—**	*2,000.0*
Total [A]	**8,800.0**	*8,800.0*	**—**	*2,000.0*
Amount disclosed under head "other current liabilities" (ref Note 10)	**—**	—	**—**	*(2,000.0)*
Net Amount	**8,800.0**	*8,800.0*	**—**	—

(₹ in millions)

Particulars	Non - Current portion As at March 31, 2014	Non - Current portion As at March 31, 2013	Current Maturities As at March 31, 2014	Current Maturities As at March 31, 2013
[B] Unsecured				
(a) Bonds/debenture				
• Bond - private placement	**3,150.0**	*3,300.0*	**1,800.0**	*3,010.0*
• Bond - subordinate debt private placement	**2,573.0**	*2,573.0*	**—**	*770.0*
• Bonds - ZCB	**3,490.0**	*1,703.0*	**2,203.0**	*1,314.0*
Add: Premium accrued on redemption (net of unamortized discount)	**93.7**	*(70.2)*	**116.9**	*(24.1)*
	3,583.7	*1,632.8*	**2,319.9**	*1,289.9*
	9,306.7	*7,505.8*	**4,119.9**	*5,069.9*
(b) Term loans				
Loans from banks	**12,384.0**	*9,115.7*	**356.7**	*2,049.1*
	12,384.0	*9,115.7*	**356.7**	*2,049.1*
(c) Deposits				
Fixed deposits including unclaimed fixed deposits	**1,565.3**	*2,904.8*	**2,026.6**	*1.209.2*
	1,565.3	*2,904.8*	**2,026.6**	*1,209.2*
(d) Loans and advances from related parties				
Loans from holding company - subordinated debts	**676.3**	*1260.4*	**582.7**	*2,533.5*
Loans from holding company – other loans	**7,224.0**	*8,600.0*	**1,376.0**	—
Loans from related party - unsecured bonds	**—**	*500.0*	**500.0**	*250.0*
	7,900.3	10,360.4	**2,458.7**	*2,783.5*
Total[B= a+b+c+d]	**31,156.3**	**29,886.7**	**8,961.9**	*11,111.7*
Amount disclosed under head "other current liabilities"(ref Note 10)	**—**	—	**(8,961.9)**	*(11,111.7)*
Net amount	**31,156.3**	**29,886.7**	**—**	—
Total = [A] + [B]	**39,956.3**	**38,686.7**	**—**	—

i. 4,000 (March 2013 - 4,000) 9.29% Secured Redeemable Non- Convertible Senior Bond of ₹ 1,000,000 each redeemable at par at the end of 120.00 months from the date of allotment viz. November 25, 2009.

ii. 3,000 (March 2013 - 3,000) 10.75% Secured Redeemable Non- Convertible Senior Bond of ₹ 1,000,000 each redeemable at par at the end of 120.00 months from the date of allotment viz. March 18, 2009.

iii. 1,800 (March 2013 - 1,800) 11.35% Secured Redeemable Non- Convertible Bond of ₹ 1,000,000 each redeemable at par at the end of 120.00 months from the date of allotment viz. September 23, 2008.

These Bonds are secured by way of a charge created in favour of trustees of bondholders on the Company's immovable property and supplemented by negative lien on all assets (including Loan Receivables) of the Company ensuring adequate security cover to the extent of at least one time of the outstanding bond liabilities. Periodic confirmations in this regard have been provided to the trustees of the bondholders. Accordingly, these bonds have not been included in public deposits/ deposits as per Section 2 (1) (y) of the NHB Directions, 2010 over the entire tenor of bonds including financial years ending March 31, 2012 & March 31, 2013.

iv. Unsecured bonds – Bonds issued (both Coupon bearing and Zero Coupon bonds) through Private placement carry rate of interest/XIRR in the range of 8.25% to 10.65% p.a and tenure of 13.00 to 120.00 months from the date of issue. Unsecured Bonds - Subordinate debt private placement carry rate of interest in the range of 9.75% to 9.90% p.a. and tenure of 120.00 month. All Unsecured Bonds are repayable in bullet payment from the respective date of issue. Interest on Unsecured bonds (Coupon bearing) is payable semi- annually or annually as per terms of issuance.

v. Unsecured term loans from Banks include loans from various banks (NHB & other banks) and carry rate of interest in the range of 8.75% to 10.25% p.a. The loan from NHB is repayable in quarterly installments of ₹ 64.2 million, from the date of loan. Loan from NHB and other banks are having tenure of 24.00 to 60.00 months. Loans from banks carry a negative lien on assets/receivable of the Company.

vi. Fixed deposits include deposits from corporates ₹ 511.3 million (March 2013 - ₹ 468.4 million) and deposits from public ₹ 3,080.5 million (March 2013 - ₹ 3,645.6 million) and carry rate of interest in the range of 7.50% to 11.50% p.a. and having a tenure of 13.00 to 84.00 months from the date of acceptance of deposits. Fixed deposits includes unclaimed fixed deposits from corporates ₹ 4.1 million (March 2013 - ₹ 2.6 million) and deposits from public includes ₹ 229.6 million (March 2013 - ₹ 342.5 million). Fixed deposits accepted from Directors and their relatives are ₹ Nil (March 2013 - ₹ Nil). Floating charge has been created on Government Securities and Fixed deposits with banks (SLR securities) of ₹ 1,418.9 million (March 2013 - ₹ 1,726.2 million) as per NHB Directions.

vii. Loans from related parties carry rate of interest in the range of 8.00% to 15.75% p.a. and tenure of 60.00 – 169.00 months from the date of issue.

6. Other Long Term Liabilities

(₹ in millions)

Particulars	As at March 31, 2014	*As at March 31,2013*
a) Trade Payables	**—**	—
b) Others		
Interest Accrued but not due on Borrowings – Cumulative Fixed deposits	**180.6**	*307.9*
Miscellaneous Liabilities	**26.1**	*27.7*
Total (b)	**206.7**	*335.6*
Total(a+b)	**206.7**	*335.6*

7. Provisions

(₹ in millions)

Particulars	Long Term As at March 31, 2014	Long Term *As at March 31, 2013*	Short Term As at March 31, 2014	Short Term *As at March 31, 2013*
(a) Provision for employee benefits				
Provision for provident fund	**—**	—	**—**	—
Provision for leave encashment	**7.3**	*6.2*	**4.4**	*4.1*
Provision for bonus	**—**	—	**50.6**	*50.0*
Total (a)	**7.3**	*6.2*	**55.0**	*54.1*
(b) Others				
Provision for contingencies (Refer Note 7(i) below)	**160.0**	170.0	**—**	—
Provision against standard assets	**351.4**	406.9	**50.5**	47.7
Provision for sub standard assets-Housing loans	**15.4**	13.0	**—**	—
Provision for sub standard assets-Other loans	**45.1**	30.0	**—**	—
Provision for doubtful assets-Housing loans	**25.1**	54.0	**—**	—
Provision for doubtful assets-Other loans	**112.8**	134.9	**—**	—
Provision for loss assets-Housing loans	**291.4**	320.9	**—**	—
Provision for loss assets-Other loans	**366.7**	295.2	**—**	—
Provision for others	**94.9**	10.6	**—**	—
Provision for proposed dividend	**—**	—	**49.4**	82.5
Provision for dividend distribution tax	**—**	—	**62.6**	71.9
Provision for 1% subsidy on EMI	**1.0**	—	**—**	—
Provision for interim dividend	**—**	—	**318.6**	
Total (b)	**1,463.8**	1,435.5	**481.1**	202.1
Total(a+b)	**1,471.1**	1,441.7	**536.1**	256.2

(i) Disclosure of provision for contingencies:

(₹ in millions)

Particulars	As at March 31, 2014	*As at March 31,2013*
(a) Servicing expenses provision on loans securitised		
Opening Balance	**2.4**	*2.4*
Utilisations / (write back)	**—**	—
Closing Balance	**2.4**	*2.4*
(b) Provision for delinquencies, prepayment and conversion risk on loans securitised		
Opening Balance	**167.6**	*182.7*
Utilisations / (write back)	**(10.0)**	*(15.1)*
Closing Balance	**157.6**	*167.6*
Total(a+b)	**160.0**	*170.0*

Provision for servicing expenses of loans securitised is done upfront by the Company. At each Balance Sheet date, the Company assesses the servicing liability of securitised pool and differential amounts are written back or provided for in the books of account. The provision of the delinquencies and conversion risk as well as provision for prepayment risk on the loan portfolio sold by the Company is also made upfront and reduced from the gross capital gains on the securitisation transaction. At each Balance Sheet date, the Company assesses the delinquencies, prepayment and conversion risk of securitised pool and differential amounts are written back / provided in the books of account.

8. Short Term Borrowing

(₹ in millions)

Particulars	As at March 31, 2014	As at March 31,2013
Unsecured		
(a) Fixed Deposit	**24.6**	*18.7*
(b) Commercial Paper	**4,250.0**	*1,500.0*
Less : Unamortised interest	**(170.2)**	*(23.9)*
	4,079.8	*1,476.1*
(c) Loans from holding company (Overdraft)	**540.6**	*456.1*
Total(a+b+c)	**4,645.0**	*1,950.9*

(i) Fixed deposits includes deposits from corporates ₹ 0.1 million (March 2013 - ₹ 7.0 million) and deposits from public ₹ 24.5 million (March 2013 - ₹ 11.7 million) and carries interest in the range of 8.65% to 9.35%p.a. with tenure of 12 months from the date of acceptance of deposits. Fixed deposits accepted from Directors and their relatives are ₹ Nil (March 2013- ₹ Nil).

(ii) Commercial paper carries interest in the range of 8.36% to 11.25% p.a. and tenure of 90 to 364 days repayable in bullet payment.

9. Trade Payables

(₹ in millions)

Particulars	As at March 31, 2014	As at March 31,2013
Trade Payables		
(a) Total outstanding dues of Micro and Small Enterprises (Refer Note 9(i) below)	**0.9**	*0.6*
(b) Total outstanding dues to creditors other than Micro and Small Enterprises	**236.2**	*180.5*
Total(a+b)	**237.1**	*181.1*

(i) Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

(₹ in millions)

Particulars	As at March 31, 2014	As at March 31,2013
The principal amount and the interest due thereon (Interest- March 31, 2014 ₹ Nil, March 31 - 2013 ₹ Nil) remaining unpaid to any supplier as at the end of each accounting year	**0.9**	*0.6*
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	**NIL**	*NIL*
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	**NIL**	*NIL*
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	**NIL**	*NIL*
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	**NIL**	*NIL*

The Company has not received any claims against interest outstanding due to any vendors registered under Micro, Small and Medium Enterprise Development Act, 2006.

10. Other Current Liabilities

(₹ in millions)

Particulars	As at March 31, 2014	As at March 31,2013
(a) Current maturities of long term debt (ref note no. 5)		
Secured	**—**	*2,000.0*
Unsecured	**8,728.2**	*10,766.6*
(b) Interest accrued but not due on borrowings	**1,130.6**	*1,185.2*
(c) Unclaimed matured deposits (ref note no.5)	**233.7**	*345.1*
(d) Provision for tax (net of advance tax)	**—**	*—*
(e) Statutory dues	**40.6**	*41.7*
(f) Other liabilities	**180.7**	*188.3*
Total(a+b+c+d+e+f)	**10,313.8**	*14,526.9*

11. Fixed Assets

(₹ in millions)

	Gross Block				Depreciation				Net Block	
Particulars	At April 01, 2013	Additions	Deductions	**At March 31, 2014**	At April 01, 2013	For the period	Adjustments/ deductions	**At March 31, 2014**	**At March 31, 2014**	At March 31, 2013
(i) Tangible Assets										
Office building[1,2]	623.3	—	—	**623.3**	33.5	10.2	—	**43.7**	**579.6**	589.8
Improvements to leasehold property	4.0	—	—	**4.0**	1.9	0.4	—	**2.3**	**1.7**	2.1
Computers	7.8	4.7	—	**12.5**	4.4	2.7	(0.1)	**7.0**	**5.5**	3.4
Office equipments	5.7	0.2	1.3	**4.6**	1.9	0.6	(0.6)	**1.9**	**2.7**	3.8
Furniture & fixtures	1.9	—	1.0	**0.9**	1.1	0.2	(0.6)	**0.7**	**0.2**	0.8
Total	**642.7**	**4.9**	**2.3**	**645.3**	**42.8**	**14.1**	**(1.3)**	**55.6**	**589.7**	599.9
Previous Year (March 31, 2013)	46.4	603.0	6.7	**642.7**	10.7	8.6	(23.5)	**42.8**	**599.9**	
(ii) Intangible asset:										
Software	22.3	1.3	—	**23.6**	16.3	4.3	—	**20.6**	**3.0**	6.0
Total	**22.3**	**1.3**	**—**	**23.6**	**16.3**	**4.3**	**—**	**20.6**	**3.0**	6.0
Previous year (March 31, 2013)	20.9	1.4	—	**22.3**	10.8	5.5	—	**16.3**	**6.0**	

1. A negative charge on the Gross block of Office building amounting to ₹ 23.8 million has been created on secured bonds.
2. RPG tower building previously classified as ‘ Fixed assets held for sale ’ under Note no. 16 was reclassified under “office building” during the year ended March 31, 2013. Gross amount has been disclosed under additions and accumulated depreciation (including depreciation for six months ended September 30, 2012 ₹ 5.0 million) under adjustments/ deductions during the year ended March 31, 2013.

12. **Non-Current Investments**

Particulars	As at March 31, 2014	*As at March 31, 2013*
	(₹ in millions)	
Non-Trade Investments(valued at cost unless otherwise stated)		
Investments in Government Securities - (Quoted)		
Government securities (Face value - ₹ 1,413,990,000, March 2013 - ₹ 1,713,990,000)	**1,418.9**	*1,726.2*
	1,418.9	*1,726.2*
Investments in Equity Shares - (Unquoted)		
7,340,000 (March 2013 - 7,340,000) Equity shares of Asset Reconstruction Company (India) Limited of face value – ₹10 each fully paid-up	**513.8**	*513.8*
3,000,000 (March 2013 - 3,000,000) Equity shares of India Infra Debt Limited of ₹ 10 each fully paid-up	**30.0**	*30.0*
	543.8	*543.8*
Other Investments – (Unquoted)		
14,530.40 (March 2013 - 6,235.425) units of Emerging India Fund of face value ₹ 10,000 each at par	**145.3**	*62.3*
	145.3	*62.3*
Total	**2,108.0**	*2,332.3*
Aggregate amount of quoted investments	**1,418.9**	*1,726.2*
Market value of quoted investments	**1318.7**	*1,660.7*
Aggregate amount of unquoted investments	**689.1**	*606.1*

The management assesses that there is no indication of impairment of Company's investments. Provision for depreciation on Investment is ₹ Nil as on March 31, 2014 (₹ Nil – March 31, 2013). Additionally, the management had assessed that there was no indication of impairment of Company's Investment for the years ended March 31, 2013 & March 31, 2012 (as disclosed in note 27 & note 26 "Impairment of assets (AS 28)" respectively of the Notes to Accounts of the respective years) and had inadvertently not disclosed provisions of ₹ Nil for both periods specifically under note 12 (Non-Current Investments).

13. **Deferred Tax (net)**

The composition of deferred tax assets and liabilities into major items is given below:

Particulars	As at March 31, 2014	*As at March 31,2013*
	(₹ in millions)	
(i) Deferred Tax Assets		
Provision for doubtful debts, Standard assets and future servicing and other liability of securitization	**570.5**	*520.6*
Retirement benefits	**2.0**	*0.4*
	572.5	*521.0*
(ii) Deferred Tax Liability		
Depreciation	**(61.4)**	*(48.1)*
Retirement benefits	—	—
	(61.4)	*(48.1)*
Net Deferred Tax Asset	**511.1**	*472.9*

14. **Loans and Advances**

(₹ in millions)

Particulars	Long term		Short term	
	As at March 31, 2014	*As at March 31, 2013*	As at March 31, 2014	*As at March 31, 2013*
a. Security deposits				
Unsecured, considered good	**7.4**	*8.6*	—	—
Doubtful	**13.8**	*13.6*	—	—
Less: Provisions for doubtful deposits	**(13.8)**	*(13.6)*	—	—
	7.4	*8.6*	—	—
b. Loans & other credit facilities				
Housing loans	**35,098.7**	*35,685.4*	**3,447.3**	*3,051.2*
Loan against property, Corporate realty finance and other loans	**24,297.7**	*23,384.2*	**3,632.2**	*3,032.7*
	59,396.4	*59,069.6*	**7,079.5**	*6,083.9*
Secured, considered good	**58,039.2**	*57,685.7*	**7,079.5**	*6,083.9*
Unsecured, considered good	—	—	—	—
Doubtful (Non performing assets as per NHB guidelines)	**1,357.2**	*1,383.9*	—	—
	59,396.4	*59,069.6*	**7,079.5**	*6,083.9*
c. Advance tax				
(net of provision for taxation)	**283.4**	*588.4*	—	—
d. Others	—	—	**2.1**	*6.7*
Total :- (a+b+c+d)	**59,687.2**	*59,666.6*	**7,081.6**	*6,090.6*

During the year ended March 31, 2014, loan component towards insurance premium has been separately reported as other loans. Such loan component towards insurance premium was reported under Housing Loans for prior periods.

(i) **Classification of loans and other credit facilities:**

(₹ in millions)

Particulars	Standard	Sub Standard	Doubtful	Loss	Total
Loans Outstanding					
Housing Loans	38,099.9	102.7	52.0	291.4	38,546.0
	(38,193.2)	(86.5)	(136.0)	(320.9)	(38,736.6)
Other Loans	27,018.9	300.7	243.6	366.7	27,929.9
	(25,576.4)	(200.2)	(345.1)	(295.2)	(26,416.9)
Total	**65,118.8**	**403.4**	**295.6**	**658.1**	**66,475.9**
	(63,769.6)	(286.7)	(481.1)	(616.1)	(65,153.5)
Provisions					
Housing Loans	208.0	15.4	25.1	291.4	539.9
	(247.2)	(13.0)	(54.1)	(320.9)	(635.2)
Other Loans	193.9	45.1	112.8	366.7	718.5
	(207.4)	(30.0)	(134.9)	(295.2)	(667.5)
Total	**401.9**	**60.5**	**137.9**	**658.1**	**1,258.4**
	(454.6)	(43.0)	(189.0)	(616.1)	(1,302.7)

* Figures in bracket pertain to March 31, 2013

NHB circular no HFC.DIR9/CMD/2013 dated September 06, 2013, directed to Housing finance companies that w. e. f. September 30, 2013 "non performing asset" shall mean an assets, in respect of which, interest has remained overdue for a period of more than ninety days (earlier 90 days and above) and a term loan inclusive of unpaid interest, when the installment is overdue for a period of more than ninety days (earlier 90 days and above) or which interest amount remained overdue for a period of more than ninety days (earlier 90 days and above), accordingly, the Company has aligned to such change and there is no significant impact on the statement of profit & loss for the year ended March 31, 2014.

Further, the Company has reviewed and aligned its Non performing asset portfolio into various categories of Sub standard, Doubtful and Loss loans as per NHB Directions, 2010 for the year ended March 31, 2014. The current period amounts have been reported as per the NHB Directions, 2010. The corresponding prior period amounts have been reported as per the Company's earlier policy.

(ii) All registered housing finance companies are required to carry provision of 0.40%, 0.75% and 1.00% of the total outstanding amount of loans which are standard assets in respect of housing and other loans, commercial real estates residential loans and commercial real estate other loans respectively vide circular no. NHB(ND)/DRS/Pol. no.45/2011-2012 issued dated January 19, 2012 and NHB circular no. HFC.DIR9/CMD/2013 dated September 06, 2013. Further, all registered housing finance companies are required to carry a provision of 2.00% of the total outstanding loans which are standard assets in respect of housing loans at special rates i.e limited period fixed rate loans vide circular no. NHB(ND)/DRS/Pol. no. 47/2010-2011 issued dated December 24, 2010. Accordingly the Company carried a provision ₹ 401.9 million (March 31, 2013 – ₹ 454.6 million) towards standard loans as per the prudential norms of National Housing Bank.

(iii) Loans given by the Company are secured by the underlying property or fixed deposit except unsecured loans to the tune of ₹ 7.6 million (March 2013 - ₹ 7.8 million).

(iv) Loan and other credit facilities include loan of ₹ Nil (March 2013 - ₹ Nil) which is secured by way of capital market exposure.

(v) Loans and other credit facilities include subordinated interest of ₹ 165.4 million (March 2013 - ₹ 174.3 million) in the underlying trust property of mortgage backed securities.

15. **Trade Receivable**

(₹ in millions)

Particulars	Non - Current portion		Current Poriton	
	As at March 31, 2014	*As at March 31, 2013*	As at March 31, 2014	*As at March 31, 2013*
Unsecured, considered good unless stated otherwise outstanding for a period exceeding six months from the date they are due for payment				
Doubtful	—	*4.8*	—	—
Less: Provisions for doubtful trade receivables	—	*(4.8)*	—	—
Total (A)	—	—	—	—
Other receivable				
Unsecured, considered good	—	—	**100.7**	*138.0*
Less: Provisions for doubtful trade receivables	—	—	—	—
Total (B)	—	—	**100.7**	*138.0*
Total (A) + (B)	—	—	**100.7**	*138.0*

16. **Other Assets**

(₹ in millions)

Particulars	Non - Current portion As at March 31, 2014	*As at March 31, 2013*	Current Portion As at March 31, 2014	*As at March 31, 2013*
(i) Advances recoverable				
Unsecured, considered good	—	—	2.5	*16.9*
Doubtful	4.4	*4.1*	—	—
Less: Provisions for doubtful advances	(4.4)	*(4.1)*	—	—
	—	—	2.5	*16.9*
(ii) Gratuity (Net asset)	5.9	*8.9*	—	—
(iii) Sundry receivables				
Unsecured, considered good	—	—	—	—
Doubtful	—	—	—	—
Less: Provisions for doubtful receivables	—	—	—	—
	—	—	—	—
(iv) Interest accrued on loans	—	*7.3*	463.1	*564.8*
(v) Accrued interest- fixed deposits	—	—	32.6	*0.1*
(vi) Accrued interest- fixed deposits placed with ICICI Bank	—	—	0.6	*0.7*
(vii) Accrued interest - GOI securities- INV	—	—	26.2	*36.8*
(viii) Fixed assets held for sale				
Gross	—	—	—	—
Less: Accumulated depreciation	—	—	—	—
Net	—	—	—	—
(ix) Others	—	—	6.7	*7.1*
Total	**5.9**	*16.2*	**531.7**	*626.4*

17. **Cash and Bank Balances**

(₹ in millions)

Particulars	Non - Current portion As at March 31, 2014	*As at March 31, 2013*	Current portion As at March 31, 2014	*As at March 31, 2013*
A. Cash & cash equivalents				
a. Investments in mutual funds (Liquid Plan)	—	—	728.2	*609.7*
b. Investments redemption receivable	—	—	500.0	*730.8*
c. Balances with banks	—	—	92.0	*127.7*
d. Book overdraft	—	—	(76.5)	*(371.6)*
e. Bank deposits with original maturity of less than 3 months	—	—	120.0	*160.0*
f. Cheques on hand	—	—	—	*1.6*
Total (A)	—	—	**1,363.7**	*1,258.2*
B. Other bank balances				
a. Bank deposits with original maturity for more than 3 months but less than or equal to 12 months	—	—	500.0	—
b. Bank deposits with original maturity for more than 12 months	—	—	80.0	*80.0*
Total (B)	—	—	**580.0**	*80.0*
Total (A) + (B)	—	—	**1,943.7**	*1,338.2*

18. **Current Investments**

(₹ in millions)

Particulars	As at Mar 31,2014	As at *Mar 31, 2013*
Current maturities of Long Term Investments		
Investments in preference shares - (Unquoted)		
5,000,000 (March 2013 - 5,000,000) 13.75% Cumulative preference shares of ICICI Securities Limited (a fellow subsidiary) of Face value – ₹ 100 each fully paid-up (Preference shares shall be due for redemption at the expiry of 5 years from the issue date i.e. December 18, 2013 (the maturity date) in a bullet payment at the issue price on the maturity date)	—	500.0
Investments in government securities - (quoted)	—	236.7
Government securities (Face value - ₹ Nil, March 2013 - ₹ 250,000,000)		
	—	736.7
Investment in Mutual Funds – Liquid investments	728.2	609.7
Amount disclosed under head "Cash & Cash equivalent" (ref Note 17 A(a))	(728.2	(609.7)
Total	—	736.7
Aggregate amount of quoted investments	—	236.7
Market value of quoted investments	—	237.4
Aggregate amount of unquoted investments	—	500.0

19. **Revenue From Operations**

(₹ in millions)

Particulars	Year ended March 31, 2014	*Year ended March 31,2013*
Interest income on loans	8,076.7	*8,155.6*
Other operating income		
Fee income	819.4	*622.0*
Other interest income received	158.5	*189.3*
Profit on sale of liquid mutual fund units	8.1	*6.2*
Profit on sale of GOI securities	7.3	*5.6*
Dividend income	160.3	*166.3*
Total	**9,230.3**	*9,145.0*

20. **Other Income**

(₹ in millions)

Particulars	Year ended March 31, 2014	*Year ended March 31,2013*
Dividend income (Preference Shares of ICICI Securities, a fellow subsidiary)	49.3	*68.7*
Dividend income (Equity Shares)	—	*8.8*
Rent income	35.0	*13.1*
Miscellaneous income	42.6	*17.4*
Total	**126.9**	*108.0*

21. **Finance Cost**

(₹ in millions)

Particulars	Year ended March 31, 2014	*Year ended March 31,2013*
(a) Interest expense on:		
Loans from banks	2,389.0	*2,249.3*
Commercial paper	273.4	*240.7*
Fixed deposits	347.2	*453.0*
Bonds	2,236.0	*2,347.1*
	5,245.6	*5,290.1*
(b) Other charges		
Brokerage on fixed deposits	2.5	*1.2*
Bank charges	2.5	*1.8*
Other financial charges	37.7	*33.5*
	42.7	*36.5*
Total(a+b)	**5,288.3**	*5,326.6*

(i) Interest expense includes ₹ 57.5 million (March 2013 - ₹ 64.3 million) being interest expenses / (income) booked on the Interest Rate Swaps (IRS). The notional principal of hedge IRS is ₹ 5,500.0 million (March 2013 - ₹ 5,500.0 million). During the year, the Company has entered into Interest Rate Swap (IRS) transactions amounting to ₹ Nil (March 2013 - ₹ Nil).

22. **Employee Benefit Expenses**

(₹ in millions)

Particulars	Year ended March 31, 2014	*Year ended March 31,2013*
Salaries, wages and bonus	328.3	*295.1*
Contribution to gratuity fund	3.0	*1.5*
Contribution to provident and other funds	14.5	*12.2*
Staff welfare expenses	1.7	*1.6*
Total	**347.5**	*310.4*

(i) The Company has been providing for gratuity and leave encashment based on actuarial valuation as per the Accounting Standard on Accounting for Retirement Benefits (AS-15 revised) issued by ICAI. Accordingly the Company has provided for gratuity and leave encashment based on actuarial valuation done as per Projected Unit Credit Method and Projected Accrued Benefit Method respectively.

The Company has a defined benefit gratuity plan. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The Company has also provided leave encashment benefits to the employees. These benefits are unfunded.

The following tables summarise the components of net benefit expense recognised in the statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the respective plans (based on February 28, 2014 employees detail).

Profit and Loss account:

Net employee benefit expense (Recognised in Employee Cost):

Gratuity (₹ in millions)

Particulars	Year ended March 31, 2014	*Year ended March 31,2013*
Current service cost	4.2	*3.6*
Interest on defined benefit obligation	2.1	*1.9*
Expected return on plan assets	(2.6)	*(2.5)*
Net actuarial (gains) / losses recognised in the year	(0.3)	*(0.8)*
Past service cost	—	—
Losses / (Gains) on "Acquisition / Divestiture"	—	—
Effect of the limit in Para 59(b)	(0.4)	*(0.7)*
Net employee benefit expenses	3.0	*1.5*
Actual return on plan assets	1.8	*0.3*

Balance Sheet:

Details of provision for gratuity and leave encashment:

Particulars	Gratuity (₹ millions) As at March 31, 2014	*As at March 31, 2013*	Leave Encashment (₹ millions) As at March 31, 2014	*As at March 31, 2013*
Present value of funded obligations	**27.4**	*24.4*	***11.7**	**10.3*
Fair value of plan assets	**(33.4)**	*(33.8)*	**—**	—
Amt not recognised as an Asset (Limit in Para 59 (b)	**0.1**	*0.5*	**—**	—
Net liability	**(5.9)**	*(8.9)*	**11.7**	*10.3*
Less: Unrecognised past service cost	**—**	—	**—**	—
Asset / (liability)	**5.9**	*8.9*	**(11.7)**	*(10.3)*

* Includes short term leave encashment provision of ₹ 1.7 million (March 2013 - ₹ 1.7 million)

Changes in the present value of the defined benefit obligation are as follows:

Gratuity Particulars	Year ended March 31, 2014	*Year ended March 31,2013* (₹ in millions)
Opening defined benefit obligation	**24.4**	*21.2*
Interest cost	**2.1**	*1.9*
Current service cost	**4.2**	*3.6*
Benefits paid	**—**	*(0.6)*
Actuarial (gains) / losses on obligation	**(1.1)**	*(2.9)*
Liabilities assumed on acquisition / (Settled on divestiture)	**(2.2)**	*1.2*
Closing defined benefit obligation	**27.4**	*24.4*

Changes in the fair value of plan assets are as follows:

Gratuity Particulars	Year ended March 31, 2014	*Year ended March 31,2013* (₹ in millions)
Opening fair value of plan assets	**33.8**	*32.9*
Expected return on plan assets	**2.6**	*2.5*
Contributions by employer	**—**	—
Benefits paid	**—**	*(0.6)*
Actuarial gains / (losses)	**(0.8)**	*(2.2)*
Assets acquired on acquisition / (Distributed on divestiture)	**(2.2)**	*1.2*
Closing fair value of plan assets	**33.4**	*33.8*
Expected employer's contribution next year	**—**	—

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Gratuity Particulars	As at March 31, 2014	*As at March 31,2013* (%)
Investments with insurer managed funds	**100%**	*100%*

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	Gratuity (%) As at March 31, 2014	*As at March 31, 2013*	Leave Encashment (%) As at March 31, 2014	*As at March 31, 2013*
Discount rate	**9.00%**	*7.95%*	**9.00%**	*7.95%*
Expected rate of return on assets	**8.00%**	*8.00%*	**—**	—
Increase in compensation cost	**7.00%**	*7.00%*	**7.00%**	*7.00%*

Discount Rate:

The discount rate is based on the prevailing market yields of Indian government securities as at the Balance sheet date for the estimated term of the obligations.

Expected rate of return on Plan Assets:

This is based on Actuary expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligations.

Salary Escalation Rate:

The estimate of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Retirement Age:

The employees of the Company are assumed to retire at the age of 58 years.

Leaving Service:

Rates of leaving service at specimen ages are as shown below:

Age (Years)	Rate
21 – 24	33%
25 – 29	28%
30 – 34	23%
35 – 44	15%
45 and Above	7%

Disability:

Leaving service due to disability is included in the provision made for all causes of leaving service.

EXPERIENCE ADJUSTMENTS

Gratuity Particulars	March 31, 2014	*March 31, 2013*	*March 31, 2012*	*March 31, 2011*	*March 31, 2010* (₹ in millions)
Defined benefit obligation	**27.4**	*24.4*	*21.2*	*16.3*	72.8
Plan assets	**33.4**	*33.8*	*32.8*	*30.6*	*64.8*
Surplus / (deficit)	**6.0**	*9.4*	*11.6*	*14.3*	*(8.0)*
Experience adjustments on plan liabilities	**0.9**	*(3.5)*	*1.2*	*(38.0)*	*(1.3)*
Experience adjustments on plan assets	**(0.8)**	*(2.2)*	*0.2*	*(3.6)*	*1.8*

Leave Encashment Particulars	As at March 31, 2014	*As at March 31, 2013* (₹ in millions)
Defined benefit obligation *	**11.7**	*10.3*
Experience adjustments on plan liabilities	**Not determined**	*Not determined*

* Includes short term leave encashment provision of ₹ 1.7 million (March 2013 - ₹ 1.7 million)

23. Establishment and Other Expenses

Particulars	Year ended March 31, 2014	*Year ended March 31,2013* (₹ in millions)
Advertisement and sales promotion	**17.7**	*8.4*
Customer acquisition cost	**78.0**	*43.8*
Professional and legal charges	**261.0**	*265.4*
Rent	**46.6**	*36.2*
Communication	**5.0**	*0.4*
Traveling and conveyance	**20.2**	*5.6*
Loss on sale of fixed assets / written off	**2.8**	*3.1*
Printing and stationery	**3.6**	*2.8*
Audit fees (Refer note 23(i) below)	**4.7**	*4.4*
Insurance	**8.5**	*9.2*
Electricity	**7.4**	*3.9*
Rates & taxes	**41.3**	*49.3*
Repairs and maintenance – others	**60.2**	*46.2*
Office expenses	**9.9**	*9.2*
Directors sitting fees	**0.4**	*0.4*
Donation	**5.3**	*5.3*
Computer consumable	**0.8**	*0.8*
Miscellaneous expenses	**(2.8)**	*14.5*
Total	**570.6**	*508.9*

(i) Auditor's remuneration (excluding service tax):

Particulars	Year ended March 31, 2014	*Year ended March 31,2013* (₹ in millions)
Statutory audit fees	**2.9**	*2.8*
Tax audit fees	**0.3**	*0.3*
Certification and other charges	**1.5**	*1.3*
Total	**4.7**	*4.4*

(ii) The Company has recovered the following common expenses (as per the sharing arrangement) from the holding company:

Expense Head	Year ended March 31, 2014	*Year ended March 31,2013* (₹ in millions)
Rent & electricity	**15.1**	*9.3*
Communication	**(1.1)**	*0.5*
Printing and stationery	**0.6**	*0.5*
Rates and taxes	**(0.1)**	*2.1*
Repairs and maintenance – others	**0.6**	*1.1*
Miscellaneous expenses	**2.0**	*3.4*
	17.1	*16.9*
Service tax	**2.1**	*2.1*
Total	**19.2**	*19.0*

Expense recovery from the holding company is recognised as per the sharing arrangement.

24. Provision / write offs (net)

(₹ in millions)

Particulars	**As at March 31, 2014**	*As at March 31,2013*
Provision / write back (net) of contingencies	**(10.0)**	*(15.1)*
Provision / write offs (net) against non-performing assets	**8.5**	72.3
Provision / write back (net) against standard assets	**(52.8)**	*8.3*
Provision / write offs (net) for others	**93.7**	*10.7*
Total	**39.4**	*76.2*

25. Earnings Per Share

The computation of earnings per share is given below:

(₹ in millions)

Particulars	**As at March 31, 2014**	*As at March 31,2013*
Basic		
Weighted average number of equity shares outstanding during the year ended March 31, 2014 (Nos.)	**1,098,750,000**	*1,098,750,000*
Net profit (net of preference dividend and the dividend tax)	**2,228.2**	2,202.2
Basic earnings per share (₹)	**2.03**	*2.00*
Diluted		
Diluted number of equity shares (Nos.)	**1,098,750,000**	*1,098,750,000*
Net profit	**2,228.2**	*2,202.2*
Diluted earnings per share (₹)	**2.03**	*2.00*
Face value of equity shares (₹)	**10**	*10*

26. Segment Information

The Company is engaged in the business of providing loans for purchase, construction, repairs and renovation etc., of houses / flats to individuals, corporate bodies, builders, co-operative housing societies and provides housing business related services i.e. property advisory & research services and Legal & technical valuation services and also Company has its operations within India. There being only one 'business segment' and 'geographical segment', the segment information is not provided.

27. Related Party Disclosure

Consequent to the mandatory Accounting Standard – AS 18 issued by ICAI on "Related Party Disclosure" following persons will be considered as related persons for the year ended March 31, 2014.

Sr. No.	**Name of the Related Party**	**Nature of Relationship**
01	ICICI Bank Limited	Holding Company
02	ICICI Securities Limited	Fellow Subsidiary/ Fellow Entity
03	ICICI Securities Primary Dealership Limited	- do -
04	ICICI Prudential Life Insurance Company Limited	- do -
05	ICICI Lombard General Insurance Company Limited	-do -
06	ICICI Securities Inc.	- do -
07	ICICI Securities Holdings Inc.	- do -
08	ICICI Venture Funds Management Company Limited	- do -
09	ICICI Trusteeship Services Limited	- do -
10	ICICI Investment Management Company Limited	- do -
11	ICICI International Limited	- do -
12	ICICI Bank UK PLC	- do -
13	ICICI Bank Canada	- do -
14	ICICI Bank Eurasia LLC.	- do -
15	ICICI Eco-net Internet and Technology Fund (up to 30.12.2013)	- do -
16	ICICI Equity Fund	- do -
17	ICICI Emerging Sectors Fund (up to 31.12.2013)	- do -
18	ICICI Strategic Investments Fund	- do -
19	ICICI Prudential Asset Management Company Limited	- do -
20	ICICI Prudential Trust Limited	- do -
21	TCW/ICICI Investment Partners Limited (up to 30.06.2013)	- do -
22	ICICI Kinfra Limited	- do -
23	ICICI Prudential Pension Funds Management Company Limited	- do -
24	ICICI Venture Value Fund (IVVF) (up to 30.09.2013)	- do -
25	I-Ven Biotech Limited	- do -
26	ICICI Foundation for Inclusive Growth	- do -
27	India Infra Debt Limited	- do -
28	Sachin Khandelwal, Managing Director and CEO (w.e.f January 04, 2011 to May 01, 2012)	Key Management Personnel
29	Rohit Salhotra, Managing Director and CEO (w.e.f. May 02, 2012)	Key Management Personnel

The following are the details of transactions with related parties: **(₹ in millions)**

Particulars	**Holding Company**	**Fellow Subsidiary / Associate Company**	**Key Management Personnel**	**Total**
ASSETS				
Investment in shares	—	30.0	—	**30.0**
	(—)	(530.0)	(—)	**(530.0)**
Bank balance (Including interest outstanding on Fixed deposit)	172.4	—	—	**172.4**
	(208.3)	(—)	(—)	**(208.3)**
Amount recoverable on account of expenses (including interest on swap)	—	—	—	**—**
	(—)	(—)	(—)	**(—)**
Fee receivable	97.9	0.8	—	**98.7**
	(121.7)	(1.0)	(—)	**(122.7)**
Other receivable	27.3	—	—	**27.3**
	(24.8)	(—)	(—)	**(24.8)**
LIABILITIES				
Equity share capital	10,987.5	—	—	**10,987.5**
	(10,987.5)	(—)	(—)	**(10,987.5)**
Loan from holding company	8,600.0	—	—	**8,600.0**
	(8,600.0)	(—)	(—)	**(8,600.0)**
Sub - debt loan	1,259.0	—	—	**1,259.0**
	(3,793.9)	(—)	(—)	**(3,793.9)**
Bonds	—	500.0	—	**500.0**
	(—)	(750.0)	(—)	**(750.0)**
Bank overdraft	540.6	—	—	**540.6**
	(456.1)	(—)	(—)	**(456.1)**
Book overdraft	76.5	—	—	**76.5**
	(374.0)	(—)	(—)	**(374.0)**
Accrued interest on bond	—	37.1	—	**37.1**
	(—)	(40.1)	(—)	**(40.1)**
Amount payable on account of expenses (Including interest accrued but not due on unsecured loans)	164.2	12.6	—	**176.8**
	(129.5)	(15.4)	(—)	**(144.9)**
Proposed equity dividend	49.4	—	—	**49.4**
	(82.4)	(—)	(—)	**(82.4)**
Interim dividend payable	318.6	—	—	**318.6**
	(—)	(—)	(—)	**(—)**
INCOME				
Dividend income	—	49.3	—	**49.3**
	(—)	(68.8)	(—)	**(68.8)**
Valuation fee	496.0	—	—	**496.0**
	(343.0)	(—)	(—)	**(343.0)**
PSG Fee	—	—	—	**—**
	(—)	(0.6)	(—)	**(0.6)**
Other Free income	—	14.4	—	14.4
	(16.5)	(2.7)	(—)	**(19.2)**
Interest on fixed deposit	8.2	—	—	**8.2**
	(7.2)	(—)	(—)	**(7.2)**
Servicing fee	0.4	—	—	**0.4**
	(0.5)	(—)	(—)	**(0.5)**
Rent received	35.0	—	—	**35.0**
	(13.1)	(—)	(—)	**(13.1)**
Expense recovery	17.2	—	—	**17.2**
	(17.1)	(—)	(—)	**(17.1)**
EXPENDITURE				
Interest & other finance expenses	1,209.8	65.2	—	**1,275.0**
	(1,267.1)	(126.1)	(—)	**(1,393.2)**
DMA Commission	12.8	0.2	—	**13.0**
	(7.1)	(-)	(—)	**(7.1)**
Equity dividend	1,422.9	—	—	**1,422.9**
	(1,411.9)	(—)	(—)	**(1,411.9)**
Staff cost	—	—	10.0	**10.0**
	(6.1)	(—)	(11.4)	**(17.5)**
Insurance premium	—	8.2	—	**8.2**
	(—)	(9.1)	(—)	**(9.1)**
Rent paid	14.9	10.0	—	**24.9**
	(16.6)	(6.9)	(—)	**(23.5)**
Servicing fee	12.3	—	—	**12.3**
	(17.2)	(—)	(—)	**(17.2)**
Miscellaneous	329.6	38.4	—	**368.0**
	(318.8)	(56.8)	(—)	**(375.6)**
Donation	—	5.6	—	**5.6**
	(—)	(5.8)	(—)	**(5.8)**

(₹ in millions)

Particulars	Holding Company	Fellow Subsidiary / Associate Company	Key Management Personnel	Total
OTHERS				
SWAP (Notional Principal)	5,500.0	—	—	**5,500.0**
	(5,500.0)	(—)	(—)	**(5,500.0)**
Letter of comfort (utilised)	14,530.2	—	—	**14,530.2**
	(18,640.5)	(—)	(—)	**(18,640.5)**
Bond Payment made during the year	—	—	—	**—**
	(—)	(597.0)	(—)	**(597.0)**
Bank loan taken earlier and repaid during the period	2,534.9	—	—	**2,534.9**
	(255.6)	(—)	(—)	**(255.6)**
Bond purchased and sold during the period	—	—	—	**—**
	(—)	(100.0)	(—)	**(100.0)**
Maturity receipt of Preference Shares	—	500.0	—	**500.0**
	(—)	(—)	(—)	**(—)**

Related party transaction which are in excess of 10% of the total related party transactions of similar nature are as follows:

(₹ in millions)

Particulars	Name of the Related Party	Year ended March 31, 2014	Year ended March 31, 2013
ASSETS			
Investment in shares	India Infra Debt Limited / ICICI Securities Limited	**30.0**	*500.0*
Bank balance (Including interest outstanding on Fixed deposit)	ICICI Bank Limited	**172.4**	*208.3*
Fee receivable	ICICI Bank Limited	**97.9**	*121.7*
Other receivable	ICICI Bank Limited	**27.3**	*24.8*
LIABILITIES			
Equity share capital	ICICI Bank Limited	**10,987.5**	*10,987.5*
Proposed final equity dividend	ICICI Bank Limited	**49.4**	*82.4*
Interim dividend payable	ICICI Bank Limited	**318.6**	*—*
Sub - debt loan	ICICI Bank Limited	**1,259.0**	*3,793.9*
Loan from holding company	ICICI Bank Limited	**8,600.0**	*8,600.0*
Bonds	ICICI Prudential Life Insurance Company Limited	**500.0**	*750.0*
Bank overdraft	ICICI Bank Limited	**540.6**	*456.1*
Book overdraft	ICICI Bank Limited	**76.5**	*374.0*
Accrued interest on bond	ICICI Prudential Life Insurance Company Limited	**37.1**	*40.1*
Amount payable on account of expenses (Including interest accrued but not due on unsecured loans & purchase of assets)	ICICI Bank Limited	**164.2**	*129.5*
	ICICI Securities Limited	**—**	*14.5*
INCOME			
Dividend income	ICICI Securities Limited	**49.3**	*68.8*
Valuation fee	ICICI Bank Limited	**496.0**	*343.0*
PSG Fee	ICICI Bank Limited	**—**	*—*
	ICICI Prudential Life Insurance Company Limited	**—**	*0.6*
Other fee income	ICICI Lombard General Insurance Company Limited	**14.4**	*2.7*
	ICICI Bank Limited	**—**	*16.5*
Interest on fixed deposit	ICICI Bank Limited	**8.2**	*7.2*
Rent received	ICICI Bank Limited	**35.0**	*13.1*
Expense recovery	ICICI Bank Limited	**17.2**	*17.1*
Servicing fee	ICICI Bank Limited	**0.4**	*0.5*
EXPENDITURE			
Interest & other finance expenses	ICICI Bank Limited	**1,209.8**	1,267.1
DMA Commission	ICICI Bank Limited	**12.8**	7.1
Equity dividend	ICICI Bank Limited	**1,422.9**	1,411.9
Insurance premium	ICICI Lombard General Insurance Company Limited	**8.2**	9.1
Rent paid	ICICI Bank Limited	**14.9**	16.6
	ICICI Lombard General Insurance Company Limited	**10.0**	6.9
Servicing fee	ICICI Bank Limited	**12.3**	**17.2**
Donation	ICICI Foundation for Inclusive Growth	**5.6**	**5.8**
Miscellaneous	ICICI Bank Limited	**329.6**	**318.8**
	ICICI Securities Limited	**38.4**	**55.9**
Staff cost	Sachin Khandelwal	**—**	**4.9**
	Rohit Salhotra	**10.0**	**6.4**
	ICICI Bank Limited	**—**	**6.1**

(₹ in millions)

Particulars	Name of the Related Party	Year ended March 31, 2014	Year ended March 31, 2013
OTHERS			
SWAP (Notional Principal)	ICICI Bank Limited	**5,500.0**	*5,500.0*
Letter of comfort (utilised)	ICICI Bank Limited	**14,530.2**	*18,640.5*
Bond Payment made during the year	ICICI Prudential Life Insurance Company Limited	**—**	*597.0*
Bank loan taken earlier and repaid during the year	ICICI Bank Limited	**2,534.9**	*255.6*
Bond purchased and sold during the period	ICICI Securities Primary Dealership limited	**—**	*100.0*
Maturity receipt of Preference Shares	ICICI Securities Limited	**500.0**	*—*

28. Impairment of assets (AS 28): The management feels that the Accounting Standard (AS 28) would not apply to financial assets such as loans and advances. However, as regard to financial assets such as loans and advances the same has been covered by provision in accordance with guidelines on prudential norms issued by NHB. Further, the management assesses that there is no indication of impairment of Company's fixed assets and investments.

29. The Company has paid an amount of ₹ Nil as penalty (March 2013 - ₹ Nil).

30. **Expenditure in foreign currency.**

(₹ in millions)

Particulars	Year ended March 31, 2014	Year ended March 31,2013
Consultancy and other fees	**1.3**	*—*

31. The disclosure as per NHB circular no. NHB/ND/DRS/Pol-No. 35/2010-2011 dated October 11, 2010 is as under:

i) Capital to risk assets ratio (CRAR)

Sr. No.	Item	Year ended March 31, 2014	Year ended March 31,2013
1)	CRAR %*	**33.06%**	*28.78%*
2)	CRAR - Tier I capital %	**27.34%**	*23.10%*
3)	CRAR - Tier II capital %	**5.72%**	*5.68%*

***Note**: 1. For the year ended March 31, 2014, Net Owned Fund (NOF) has been computed after deducting intangibles of ₹3.0 million which relate to net book value of software.
2. For the year ended March 31, 2014, the Company has reckoned the property value at the time of loan origination for the purpose of computation of Loan to value ratio (LTV) and assignment of applicable risk weights.
The CRAR for the year ended March 31, 2013 & March 31, 2012 was computed without considering the impact of deduction of software from NOF and using a proprietary methodology to assess the realisable value of the properties for the purpose of computation of LTV and assignment of applicable risk weights.

ii) Exposure to Real estate sector (₹ in millions)

Category	Year ended March 31, 2014	Year ended March 31, 2013
a) Direct exposure		
i) Residential mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. (Individual Housing Loans up to ₹ 15 Lakhs – March 2014 - ₹ 8,886.4 million, March 2013 - ₹ 77,488.6 million)	**45,547.1**	*45,561.9*
ii) Commercial real estate		
Lending fully secured by mortgages on commercial real estates (office buildings, retail space multipurpose commercial premises, multi family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development & construction etc). Exposure would also include non-fund based (NFB) limits.	**20,878.3**	*19,552.2*
iii) Investments in mortgage backed securities (MBS) & other securitised exposures		
a) Residential	**Nil**	*Nil*
b) Commercial real estate	**Nil**	*Nil*
iv) Others (These contains exposures not covered above)	**50.6**	*39.5*
b) Indirect exposure		
Fund based & non fund based exposures on National Housing Bank (NHB) & housing finance companies (HFC's)	**Nil**	Nil

iii) Asset Liability Management

Maturity pattern of certain types of items of Assets & Liabilities* (₹ in millions)

	1 Day to 30-31 Days (One mth)	Over 1 mth to 2 mths	Over 2 mths upto 3 mths	Over 3 mths to 6 mths	Over 6 mths to 1 Yr	Over 1 Yr to 3 Yrs	Over 3 to 5 Yrs	Over 5 to 7 Yrs	Over 7 to 10 Yrs	Over 10 Yrs	Total
Liabilities											
Borrowings from banks	611.9	63.4	75.2	203.6	1,901.9	15,700.5	4,583.8	—	—	—	**23,140.3**
Market borrowings (includes CP & Bonds)	—	709.8	1,707.2	3,806.3	3,476.2	4,743.7	5,303.0	7,060.0	—	—	**26,806.3**
Fixed deposits	54.6	31.2	21.8	570.3	1,139.6	1,423.2	142.0	—	—	—	**3,382.7**
	666.5	**804.4**	**1,804.2**	**4,580.2**	**6,517.7**	**21,867.4**	**10,028.8**	**7,060.0**	**—**	**—**	**53,329.3**
Assets											
Advances	1,219.9	744.9	299.7	5,326.2	15,176.9	17,788.1	10,217.0	8,034.7	3,418.5	4,250.2	**66,476.1**
Investments	728.2	—	—	—	—	—	1,221.8	180.4	162.0	543.8	**2,836.2**
Fixed deposit	620.0	—	—	80.0	—	—	—	—	—	—	**700.0**
	2,568.1	**744.9**	**299.7**	**5,406.2**	**15,176.9**	**17,788.1**	**11,438.8**	**8,215.1**	**3,580.5**	**4794.0**	**70,012.3**

* Classification of assets and liabilities under different maturity buckets is based on the same estimates and assumptions as used by the Company for compiling the return submitted to NHB.

32. Contingent liabilities and commitments not provided for:

(a) Contingent Liabilities

(i) Income tax matters in appeal - ₹ 315.1million (March 2013 - ₹ 248.8 million)

(ii) Service tax matters in appeal - ₹ 0.7 million (March 2013 - ₹ Nil)

(iii) The contingent liability on account of claims filed against the Company not acknowledged as debt is ₹ 15.1 million (March 2013 - ₹ 13.3 million). As per management, the Company has good chances of winning the case accordingly no provision for any liability has been made in the financial statement.

(b) Commitments

(i) Estimated amount of contracts remaining to be executed on capital account - ₹ 7.8 million (March 2013 - ₹ 6.8 million) (Net of advance - ₹ 5.2 million, March 2013 - ₹ 5.7 million)

(ii) Commitment towards investment in Emerging India Fund ₹ 104.7 million (March 2013- ₹ 187.6 million).

33. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / disclosure.

FOR S.R. BATLIBOI & CO. LLP
Firm's Registration no.: 301003E
Chartered Accountants

per VIREN H. MEHTA
Partner
Membership no.: 48749

Place : Mumbai
Date : April 21, 2014

For and on behalf of the Board

RAJIV SABHARWAL
Chairman

ROHIT SALHOTRA
Managing Director and CEO

MANINDER JUNEJA
Vice-Chairman

PANKAJ JAIN
Chief Financial Officer

PRATAP SALIAN
Company Secretary

ICICI Investment Management

ICICI INVESTMENT MANAGEMENT COMPANY LIMITED

14TH ANNUAL REPORT AND ACCOUNTS 2013-2014

Directors
Vijay Chandok, Chairman
N.L.Bhatia
Chandrashekhar Lal
Narendra Murkumbi

Auditors
B S R and Company
Chartered Accountants

Arpita Goyal
Company Secretary

Registered Office
ICICI Bank Towers
Bandra-Kurla Complex
Mumbai – 400 051

directors' report

to the members

Your Directors have pleasure in presenting the Fourteenth Annual Report of the Company with the audited statement of accounts for the year ended March 31, 2014.

FINANCIAL HIGHLIGHTS

The summary of the financial results for the year under review is as follows:

(₹ in '000)

	Fiscal 2013	**Fiscal 2014**
Gross Income	*58,504*	**60,038**
Profit/(loss) Before Tax	*10,425*	**679**
Provision for Tax	*(1,449)*	**1,219**
Profit/(loss) After Tax	*8,976*	**1,899**
Transfer to Reserves	*8,976*	**1,899**

ANALYSIS OF THE FINANCIAL PERFORMANCE

In FY2014, your Company made profit of ₹ 1.8 million as compared to profit of ₹ 8.9 million in FY2013.

Your Directors do not recommend payment of dividend for the year ended March 31, 2014.

OPERATIONAL REVIEW

The main object of the Company is to carry on the business of management of mutual funds, unit trusts, offshore funds, pension funds, provident funds, venture capital funds and insurance funds and to act as managers, consultants, advisors, administrators, attorneys, agents or representatives of or for mutual funds, unit trusts, offshore funds, pension funds, provident funds, venture capital funds or insurance funds formed or established in India or elsewhere by the Company or any other person and to act as financial advisors and investment advisors and to render such financial management, financial consultancy and advisory services to individuals, companies, corporations, trusts and other entities as supplemental activities of the Company and as do not conflict with the fund management activities.

The Company acts as an Investment Manager of Emerging India Fund, a Venture Capital Fund. Emerging India Fund focuses on investment in private equity in emerging corporates in small and mid-market segment in India. The fund has a sector agnostic investment philosophy. The process of identifying investment ideas is primarily through a bottom-up approach, focusing on investment in businesses with demonstrated scale and higher exit certainty. The investments range across healthcare, education, agri supply chain, BFSI and automobiles, thereby creating a good mix across high growing and scalable sectors.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted deposits under Section 58A of the Companies Act, 1956.

DIRECTORS

In terms of provisions of the Articles of Association of the Company, Vijay Chandok would retire by rotation at the forthcoming AGM and is eligible for re-appointment. Vijay Chandok has offered himself for re-appointment.

MANAGER

In terms of Section 269(1) of the Companies Act, 1956, the Board at its Meeting held on October 25, 2012 had re-appointed Sharad Malpani as the Manager of the Company, effective December 1, 2012 for a period of three years up to November 30, 2015.

AUDITORS

B S R and Company, Chartered Accountants, Mumbai, will resign as the statutory auditors of the Company at the ensuing Annual General Meeting.

As recommended by the Audit Committee, the Board has proposed the appointment of B S R & Co. LLP, Chartered Accountants, Mumbai as statutory auditors in place of B S R and Company, Chartered Accountants, from the conclusion of the ensuing AGM till the conclusion of nineteenth AGM for a term of 5 years. The appointment of the auditors is proposed to the Members in the Notice of the current AGM. You are requested to consider their appointment.

AUDIT COMMITTEE

The Audit Committee currently comprises of Chandrashekhar Lal, Chairman, N. L. Bhatia and Vijay Chandok.

NOMINATION AND REMUNERATION COMMITTEE

The Board at its Meeting held on April 21, 2014 constituted Nomination and Remuneration Committee.

The Nomination and Remuneration Committee comprises of Chandrashekhar Lal, Chairman, N. L. Bhatia and Vijay Chandok.

FOREIGN EXCHANGE EARNING AND EXPENDITURE

Total foreign exchange earnings during the year ended March 31, 2014 were Nil (March 31, 2013: Nil) and foreign exchange expenditure was Nil (March 31, 2013: ₹ 1,930,500).

PERSONNEL AND OTHER MATTERS

All employees of the Company are on deputation basis from the Holding Company. Payment made to the Holding Company by the Company towards salaries, provident fund/gratuity/pension/leave encashment of these employees for services rendered to the Company are included under employee cost.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 217(2AA) of the Companies Act, 1956, the Directors confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

2. that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

to the members

3. that they 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;
4. that they have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS

Your Company is grateful to the Securities and Exchange Board of India for its support and advice during the period under review.

The Company would also like to express its gratitude for the support and guidance received from ICICI Bank Limited, the holding company, other group companies and the fund investors.

For and on behalf of the Board

VIJAY CHANDOK
Chairman

Mumbai, May 16, 2014

independent auditors' report

to the Members of ICICI Investment Management Company Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of ICICI Investment Management Company Limited ('the Company'), which comprise the balance sheet as at March 31, 2014, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2014;

b) in the case of the statement of profit and loss, of the profit for the year ended on that date; and

c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order to the extent applicable to the Company.
2. As required by section 227(3) of the Act, 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 purpose of our audit;

    b) in our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of these books;

    c) the balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account;

    d) in our opinion, the balance sheet, statement of profit and loss, and cash flow statement comply with the Accounting Standards referred to in subsection (3C) of Section 211 of the Companies Act, 1956; and

    e) on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

For B S R and Company
Chartered Accountants
Firm's Registration No: 128900W

N SAMPATH GANESH
Partner
Membership No: 042554

Mumbai, April 21, 2014

(Referred to in our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   (b) The Company does not have any tangible fixed assets. Accordingly, paragraph 4(i)(b) of the Order is not applicable.

   (c) No assets were disposed off during the year.

2. The company is a service company, primarily rendering asset management services. Accordingly, it does not hold any inventories. Thus, paragraph 4(ii) of the Order is not applicable.

3. The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of fixed assets and sale of services. We have not observed any major weakness in the internal control system during the course of our audit.

5. In our opinion, and according to the information and explanations given to us, there are no contracts and arrangements the particulars of which need to be entered into the register maintained under section 301 of the Companies Act, 1956.

6. The Company has not accepted any deposits from the public.

7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.

8. The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the services rendered by the Company.

9. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

   According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues were in arrears as at 31 March 2014 for a period of more than six months from the date they became payable.

   (b) There are no employees on the payroll of the Company and therefore, provisions relating to Employees Provident Fund and Employees State Insurance Scheme are not applicable to the Company.

10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

11. The Company did not have any outstanding dues to any financial institution, banks or debenture holders during the year.

12. In our opinion, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion and according to the information and explanation given to us, the Company is not a chit fund, nidhi or mutual benefit society.

14. According to the information and explanations given to us, the Company is not dealing in shares, securities, debentures and other investments.

15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions

16. The Company did not have any term loans outstanding during the year.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that no short-term funds were raised during the year.

18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to companies/ firms/ parties covered in the register maintained under Section 301 of the Companies Act, 1956.

19. The Company did not have any outstanding debentures during the year.

20. The Company has not raised any money by public issues.

21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For B S R and Company
Chartered Accountants
Firm's Registration No: 128900W

N SAMPATH GANESH
Partner
Membership No: 042554

Mumbai, April 21, 2014

balance sheet

at March 31, 2014

	Note No.	March 31, 2014	(₹ in '000) March 31, 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1	**100,007**	*100,007*
Reserves and surplus	3.2	**54,334**	*52,435*
		154,341	*152,442*
Current liabilities			
Trade payables	3.3	**18,764**	*14,908*
Other current liabilities	3.4	**715**	*357*
		19,479	*15,265*
TOTAL		**173,820**	*167,707*
ASSETS			
Non-current assets			
Fixed assets			
Intangible assets	3.5	**21**	*31*
Non-current investments	3.6	**52**	*52*
Other Non Current Assets	3.7	**13,102**	*15,373*
		13,175	*15,456*
Current assets			
Current investments	3.8	**149,929**	*121,536*
Trade receivables	3.9	**—**	*25,229*
Cash and bank balances	3.10	**1,924**	*804*
Other current assets	3.11	**8,792**	*4,682*
		160,645	*152,251*
TOTAL		**173,820**	*167,707*

profit and loss statement

for the year ended March 31, 2014

	Note No.	March 31, 2014	(₹ in '000) March 31, 2013
Income			
Revenue from operations	3.12	**49,170**	*50,034*
Other income	3.13	**10,868**	*8,470*
Total Revenue		**60,038**	*58,504*
Expenses			
Employee benefits expense	3.14	**38,857**	*35,569*
Depreciation and amortisation expense	3.5	**10**	*10*
Other expenses	3.15	**20,491**	*12,500*
Total expenses		**59,358**	*48,079*
Profit before tax		**680**	*10,425*
Tax expense:			
Less: Current tax/ Mat Payable		**—**	*1,449*
Add: Excess provision written back		**1,219**	*—*
Profit after tax		**1,899**	*8,976*
Earnings Per Equity Share	3.16		
Basic		**0.19**	*0.90*
Diluted		**0.19**	*0.90*

Significant accounting policies and notes to financial statements (Note No. 2 to 3.19)
The accompanying notes form an integral part of Profit and Loss statement.

As per our report of even date attached

For B S R and Company
Chartered Accountants
Firm's Registration No: 128900W

N SAMPATH GANESH
Partner
Membership No: 042554

Mumbai, April 21, 2014

ARPITA GOYAL
Company Secretary

For and on behalf of the Board of Directors

VIJAY CHANDOK
Chairman

CHANDRASHEKHAR LAL
Director

Mumbai, April 21, 2014

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. Background

ICICI Investment Management Company Limited (the Company) was incorporated in Mumbai, India. The Company's main objectives on the basis of which it has been incorporated is to carry on the business activities in respect of the management of various funds and to act as managers, consultants, advisors, administrators, attorneys, agents or representatives of or for such funds.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The accompanying financial statements have been prepared in accordance with the Schedule VI notified under Companies Act 1956 and presented under the historical cost convention, on the accrual basis of accounting in accordance with accounting principles generally accepted in India and comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

2.2 Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Current – non current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. It is expected to be realized within 12 months after reporting date; or

d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after reporting date.

Current assets include current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. It is expected to be settled in the company's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. It is due to be settled within 12 months after reporting date; or

d. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

2.4 Revenue recognition

Management Fees

Investment management fees are recognized quarterly on an accrual basis in accordance with the respective terms of contracting parties. These fees are linked to the capital commitments having regard to the amount of obligation outstanding, the nature of services provided and the timing of the investments / divestment in portfolio companies relating thereto.

The Management Fee would comprise an amount equal to 2% per annum of the Capital Commitments (plus service tax at applicable rates) of the holders of Class A Units. Upon the expiry of the Commitment Period, the Management Fee would comprise an amount equal to 2 % per annum (plus service tax at applicable rates) of aggregate acquisition cost of unrealised investments.

The Commitment Period of the Fund shall begin at the date of the Initial Closing of the Fund, viz. September 20, 2010 and end on the 3rd anniversary of the Initial Closing of the Fund, viz. September 21, 2013. The Commitment Period of the Fund may be extended upto 6 months from the 3rd anniversary of the initial closing.

When the uncertainty relating to collectability of management fees arises subsequent to the rendering of services an appropriate provision to reflect the uncertainty will be recorded in the books.

Performance Fees

Performance fees represent allocation of investment gains ("carried interest"), which are a component of company's interest in the Fund for holding Class B shares.

Other income

Interest income is accounted on an accrual basis.

Dividend income is recognised when the right to receive the dividend is established.

2.5 Fixed asset and depreciation

Fixed assets are carried at cost less accumulated depreciation and impairment, if any. Cost includes cost of purchase and all other expenditure in relation to inward freight, duties, taxes and incidental expenses related to acquisition and installation.

Depreciation is provided on straight line method based on estimated useful life as per Schedule XIV to the Companies Act, 1956 or based on management estimate, whichever is higher, as given below:

- Intangible asset at 25%

Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss statement.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.6 Investments

Investments are classified as long term or current, based on intention of the management at the time of purchase.

Long-term investments are carried at carrying cost less any other than temporary diminution in value, determined separately for each individual investment.

Current investments are valued at the lower of cost or net realisable value. The comparison of cost and net realisable value is done separately in respect of each individual investment.

Purchase and sale of investments are recorded on trade date. The gains/ losses on sale of investments are recognised in the profit and loss statement on the trade date. Profit or loss on sale of investments is determined on First In First Out ('FIFO') basis.

2.7 Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Exchange differences, if any, arising out of foreign exchange transactions settled during the year are recognised in the profit and loss statement of the year.

Monetary assets and liabilities denominated in foreign currencies are translated at the balance sheet date at the closing exchange rates on that date and the resultant exchange differences, if any, are recognised in the profit and loss statement.

2.8 Income tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax

Current tax expense is recognised on an annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with Indian Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company.

In accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, Minimum Alternative Tax (MAT) credit is recognised as an asset to the extent there is convincing evidence that the Company will pay normal income tax in future by way of a credit to the profit and loss statement and presented as MAT credit entitlement.

Deferred tax

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

2.9 Provisions, contingent liabilities and contingent assets

Provisions comprise liabilities of uncertain timing or amount. Provisions are recognised when the Company recognises that it has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reasonable estimate can be made.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood or outflow of resources is remote, no provision or disclosure is made.

Provision are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements.

2.10 Earnings per share

The basic earnings per share is computed by dividing the net profit/(loss) attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

3. Notes to accounts for the year ended March 31, 2014

3.1 Share Capital

(₹ in '000)

Particulars	At March 31, 2014	At March 31, 2013
Authorised:		
25,000,000 equity shares of ₹ 10 each	**250,000**	*250,000*
Issued, subscribed and paid up:		
10,000,700 equity shares of ₹ 10 each fully paid up	**100,007**	*100,007*

a. Reconciliation of equity shares outstanding at the beginning and at the end of the period

(₹ in '000)

Particulars	At March 31, 2014		At March 31, 2014	
	No. of shares	Amount	No. of shares	Amount
No. of shares at the beginning	**10,000,700**	**100,007**	*10,000,700*	*100,007*
No. of shares at the end	10,000,700	100,007	10,000,700	100,007

b. Shares held by holding company

(₹ in '000)

Particulars	At March 31, 2014		At March 31, 2013	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 10 each held by ICICI Bank Limited	**10,000,700**	**100,007**	10,000,700	100,007

c. Details of shares held by shareholders holding more then 5% of the aggregate shares in the Company

(₹ in '000)

Particulars	At March 31, 2014		At March 31, 2013	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 10 each held by ICICI Bank Limited	**10,000,700**	**100,007**	10,000,700	100,007

Share held by Holding Company:

1. All the above shares are held by ICICI Bank Limited (the holding company) and its nominees.
2. The company has only one class of shares referred to as equity shares having a par value of ₹ 10. Each holder of equity shares is entitled to one vote per share.
3. The company declares and pays dividend in Indian rupees. No dividend has been declared by the company during the year ended March 31, 2014.
4. In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after repayment of all liabilities and distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.2 Reserves and Surplus

(₹in '000)

Particulars	At March 31, 2014	At March 31, 2013
Surplus in the statement of Profit and Loss:		
Balance as per last financial statements	**52,435**	*43,459*
Add: Profit (Loss) for the year	**1,899**	*8,976*
Transfer to general reserve	**—**	—
Total	**54,334**	*52,435*

3.3 Trade Payables

(₹ in '000)

Particulars	At March 31, 2014	At March 31, 2013
Sundry Creditors:		
a) Payable to Holding Company	**8,640**	*9,493*
b) Payable to Emerging India Fund (net)	**6,889**	—
c) Other liabilities	**3,235**	*5,415*
Total	**18,764**	*14,908*

3.4 Other current liabilities

(₹ in '000)

Particulars	At March 31, 2014	At March 31, 2013
Other creditors:		
Tax deducted at source payable	**715**	*357*
Total	**715**	*357*

3.5 Fixed Assets

(₹ in '000)

Description	Gross Block				Depreciation				Net Block	
	As at April 1, 2013	Additions during the year	Deletions during the year	As at March 31, 2014	As at April 1, 2013	For the year	Deletions	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
Intangibles	41	—	—	41	10	10	—	20	21	31
Total	**41**	**—**	**—**	**41**	**10**	**10**	**—**	**20**	**21**	**31**
Previous year	—	41	—	41	—	10	—	10	—	31

3.6 Non Current Investments

(Valued at cost unless stated otherwise)

(₹ in '000)

Particulars	At March 31, 2014	At March 31, 2013
Trade investments	—	—
Non Trade Investments:		
Investment in Equity Instruments:		
Quoted Investments:		
First Source Solutions Limited- 200 shares (March 31, 2013 - 200 shares of ₹ 10 each)	2	2
Unquoted Investments:		
Emerging India Fund- 5 Class B units (March 31, 2013 - 5 Class B units) of ₹ 10,000 each	50	50
ICICI Venture Funds Management Company Limited - 1 share (March 31, 2013 - 1 share) of ₹ 10 each	—	—
Total	52	52
Aggregate cost of quoted Investments	2	2
Aggregate cost of unquoted investments	50	50
Aggregate market value of quoted investments	5	2
Aggregate provision for diminution in value of investments	—	—

3.7 Other Non Current Assets

(₹ in '000)

Particulars	At March 31, 2014	At March 31, 2013
Other Receivables:		
a) Tax paid in advance/tax deducted at source (net)	10,243	12,514
b) MAT credit entitlement	2,859	2,859
Total	13,102	15,373

3.8 Current Investments:

(₹ in '000)

Particulars	At March 31, 2014	At March 31, 2013
Investment in mutual funds (Unquoted)		
Nil units of ICICI Prudential Liquid Plan - Institutional - daily dividend option (March 31, 2013 – 11,438.669 units)	—	1,356
Nil units of ICICI Money Market Fund Regular - daily dividend option (March 31, 2013 – 14,508.930)	—	1,452
2,000,000 units of ICICI Prudential Yearly FMP Series 68-369 D Plan K DP Cumulative (Mar 31, 2013 - nil units)	20,000	—
Nil units of ICICI Prudential Ultra Short Term Plan Super Premium daily dividend (Mar 31, 2013 – 5,021,862.589 units)	—	50,370
Nil units of ICICI Prudential Flexible Income Plan Regular - daily dividend option (Mar 31, 2013 – 362,911.233 units)	—	66,888
103,341.221 units of ICICI Prudential Ultra Short Term Regular & daily dividend (March 31, 2013- 142,448.980 units)	—	1,438
Nil units of ICICI Prudential Ultra Short Term - direct plan - daily dividend (March 31, 2013- 323.521 units)	—	32
1,228,805.125 units of ICICI Prudential Flexible Income Plan - direct daily dividend (March 31, 2013 - nil units)	1,29,929	—
Total	149,929	121,536

3.9 Trade Receivables

(₹ in '000)

Particulars	At March 31, 2014	At March 31, 2013
Unsecured		
Debts outstanding for a period exceeding six months:		
a) Considered good	—	—
b) Considered doubtful		
Other Debts:		
a) Considered good	—	25,229
b) Considered doubtful		
Less: Provision for doubtful debts	—	—
Total	—	25,229

3.10 Cash and Cash Equivalents

(₹ in '000)

Particulars	At March 31, 2014	At March 31, 2013
A) Balance with Banks	1,924	804
B) Others	—	—
Total	1,924	804

3.11 Other Current Assets (Unsecured, Considered good)

(₹ in '000)

Particulars	At March 31, 2014	At March 31, 2013
Other Receivables:		
a) Receivable from Emerging India Fund	—	1,585
b) Advances recoverable in cash or in kind or for value to be received	13	84
c) Service Tax Input (net)	1,895	1,733
d) Income Tax Refund Receivable	6,884	1,280
Total	8,792	4,682

3.12 Revenue from Operations

(₹ in '000)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Gross Management Fee	55,247	56,218
Less: Service Tax	6,077	6,184
Net Management fee	49,170	50,034

3.13 Other Income

(₹ in '000)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Interest income	—	—
Dividend income:		
From subsidiary companies	—	—
From others	2,878	6,406
Interest on income tax refund	1,281	64
Other income (refer note 3.13 (a))	—	2,000
Profit on Sale of Investment	6,709	—
Total	10,868	8,470

a) Other Income includes professional fees received from ICICI Securities Limited.

3.14 Employee Benefit Expenses

(₹ in '000)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Salaries and Wages (Refer Note 3.14 (a))	38,857	35,569
Total	**38,857**	35,569

a. All employees of the company are on deputation basis from the holding company. Payment made to the holding company by the company towards salaries, provident fund/gratuity/pension/leave encashment of these employees for services rendered to the Company are included under employee cost.

3.15 Other Expenses

(₹ in '000)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
a) Director sitting fee	46	14
b) ROC filing fee	1	1
c) Professional tax	2	2
d) Miscellaneous expenses	650	204
e) General and administrative expenses (Refer note 3.15 (1))	5,020	6,000
f) Contribution charges	3,439	3,499
g) Fees and other expenses (Refer note 3.15 (2))	9,615	—
h) Auditors' remuneration (Refer note 3.15 (3))	360	326
i) SEBI registration Fees	250	250
j) Loss on sale on investment	—	23
k) Legal and professional fees	1,108	2,181
Total	**20,491**	12,500

1. General and administrative expenses include allocation of expenses relating to certain corporate support services, such as legal, secretarial and taxation services provided by the holding company to the Company.
2. A proportionate amount of fees received from Emerging India Fund, related to an investor, is returned back to the Fund, due to extended delays in honouring draw down notices.
3. The detailed break-up of auditor's remuneration is given in the table below. Auditors' remuneration:

(₹ in '000)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Statutory audit fees	290	270
Tax audit fees	60	55
Reimbursement of out of pocket expenses	10	1
Total	**360**	326

3.16 Earning per share

(₹ in '000)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Net Profit after tax (Amount in ₹ '000)	1,899	8,976
Weighted average number of Equity shares outstanding during the year (in units)	10,000,700	10,000,700
Basic and diluted earning per share (Amount in ₹)	0.19	0.90
Face value per share (Amount in ₹)	10	10

3.17 Related Party Disclosures:

Names of related parties and description of relationship for the transactions are given below:

1) Key Managerial Personnel
Sharad Malpani (appointed as Manager of the Company from December 1, 2009)

Remuneration to Sharad Malpani of ₹ 6,888,615 (March 31, 2013: ₹ 5,974,125) is included in the employee cost paid to the Holding Company as disclosed below.

2) Holding Company (parent): ICICI Bank Limited

(₹ in '000)

Particulars	At March 31, 2014	At March 31, 2013
Share capital	1,00,007	1,00,007
Current account	1,924	804
Payables	8,640	9,493

(₹ in '000)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Employee cost (refer note 3.14 (a) & 3.17 (a))	38,857	35,569
General and administrative expenses	5,020	6,000

a. Also includes remuneration paid to key managerial personnel.

3) Fellow subsidiaries and fellow entities, of the Holding Company consolidated.

a) ICICI Venture Funds Management Company Limited

(₹ in '000)

Particulars	At March 31, 2014	At March 31, 2013
Equity investment	0.01	0.01

b) ICICI Securities Limited

(₹ in '000)

Particulars	At March 31, 2014	At March 31, 2013
Professional Fees received	—	2,000

3.18 Segment Reporting

The Company is mainly organised into one business segment as asset management services. Hence primary segment disclosures are not applicable to the Company. Secondary segment reporting does not require separate disclosure as all activities of the Company are within India.

3.19 Other Disclosures

a) There are no contingent liabilities as at March 31, 2014 (March 31, 2013 : nil).

b) Total foreign exchange expenditure for year ended March 31, 2014 was nil (March 31, 2013: ₹ 1,930,500).

c) There are no suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" and hence the disclosure relating thereto under the said Act is not applicable.

As per our report of even date

For B S R and Company
Chartered Accountants
Firm's Registration No.: 128900W

N SAMPATH GANESH
Partner
Membership No.:042554

Mumbai, April 21, 2014

ARPITA GOYAL
Company Secretary

For and on behalf of the Board of Directors

VIJAY CHANDOK
Chairman

CHANDRASHEKHAR LAL
Director

Mumbai, April 21, 2014

cash flow statement

ICICI Investment Management

for the year ended March 31, 2014

		Year ended March 31, 2014	(₹ in '000) Year ended *March 31, 2013*
A)	**Cash Flow from Operating Activities**		
	Profit before tax	**680**	*10,425*
	Add: Adjustments for:		
	Depreciation / Amortisation	**10**	*10*
	Excess provision written back	**1,219**	—
	Less: Adjustments for:		
	Dividend received	**(2,879)**	*(6,405)*
	Profit on sale of investments	**(6,709)**	—
	Operating Profit/(loss) before working capital changes	**(7,679)**	*4,030*
	Adjustments for:		
	Movement in current assets, loans and advances	**26,384**	*76,784*
	Movement in current liabilities and provisions	**4,214**	*(4,242)*
	Cash generated from Operations	**22,919**	*76,572*
	Income taxes paid (includes tax deducted at source)	**(2,995)**	*(5,847)*
	Net cash from operating activities - A	**19,924**	*70,725*
B)	**Cash Flow from Investing Activities :**		
	Dividend received	**2,879**	*6,405*
	Proceeds from sale of investments	**136,995**	*59,000*
	Purchase of investments	**(158,679)**	*(137,070)*
	Purchase of fixed assets	**—**	*(41)*
	Interest received	**—**	—
	Net cash from investing activities - B	**(18,805)**	*(71,704)*
C)	**Cash Flow from Financing Activities :**		
	Net Cash from in Financing Activities - C	**—**	—
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**1,119**	*(980)*
	Cash and cash equivalents at beginning of the year	**804**	*1,783,623*
	Cash and cash equivalents at end of the year (see note 1)	**1,923**	*804*

Note 1: Cash and cash equivalents:

Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts.

	Balances with Banks		
a)	In current account	**1,923**	*804*
b)	In fixed deposit	**—**	—
	Total	**1,923**	*804*

As per our report of even date attached

For B S R and Company
Chartered Accountants
Firm's Registration No: 128900W

N SAMPATH GANESH
Partner
Membership no: 042554

Mumbai, April 21, 2014

ARPITA GOYAL
Company Secretary

For and on behalf of the Board of Directors

VIJAY CHANDOK
Chairman

CHANDRASHEKHAR LAL
Director

Mumbai, April 21, 2014

ICICI Trusteeship Services

ICICI TRUSTEESHIP SERVICES LIMITED

15TH ANNUAL REPORT AND ACCOUNTS 2013-2014

Directors
Sanker Parameswaran
S. D. Israni
Sanjay Chougule

Auditors
Khandelwal Jain & Co.
Chartered Accountants

Arpita Goyal
Compliance Officer

Registered Office
ICICI Bank Towers
Bandra- Kurla Complex
Mumbai – 400 051

directors' report

to the members,

Your Directors have pleasure in presenting the Fifteenth Annual Report of the Company with the audited statement of accounts for the year ended March 31, 2014.

FINANCIAL HIGHLIGHTS

The summary of the financial results for the year under review is as follows

(₹ in '000s)

	Fiscal 2013	**Fiscal 2014**
Gross Income	*747*	**645**
Profit Before Tax	*603*	**480**
Provision for tax	*133*	**94**
Profit After Tax	*470*	**388**
Transfer to Reserves	*Nil*	**Nil**

Your Directors do not recommend payment of dividend for the year ended March 31, 2014.

OPERATIONAL REVIEW

The main object of the Company is to act as trustee for mutual funds, offshore funds, pension funds, provident funds, venture capital funds, insurance funds, collective or private investment schemes, employee welfare or compensation schemes among others., and to devise various schemes for dealing with or in connection with aforesaid purposes including raising funds in any manner in India or abroad and to deploy funds so raised and earn reasonable returns on their investments and to act as trustees generally for any purpose and to acquire, hold, manage, dispose of all or any securities or money market instruments or property or assets and receivables or financial assets or any other assets or property.

The Company continues to act as the trustee of ICICI Venture Capital Fund, Eco-Net fund, Emerging Sectors Trust, ICICI Centre for Elementary Education, ICICI Centre for Child Health and Nutrition, Reconciliation Shares Trust, ICICI Foundation for Inclusive Growth, Disha Trust and certain beneficiaries of specified endowment policy "ICICI Pru Save 'n' Protect" issued by ICICI Prudential Life Insurance Company Limited. In terms of the Scheme of Amalgamation of ICICI Limited, ICICI Capital Services Limited and ICICI Personal Financial Services Limited (Transferor Companies) with ICICI Bank Limited (Transferee Company), the Company is holding the shares pledged in favor of one or more Transferor Companies in trust for the benefit of persons for whose benefit the pledge had been created.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted deposits under Section 58A of the Companies Act, 1956.

DIRECTORS

P. Sanker will retire at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. Girish Mehta and N. D. Shah resigned from the Company with effect from the conclusion of the Board Meeting held on April 18, 2014. Dr. Sanjay Chougule was appointed as nominee director of ICICI Bank Limited on the Board of the Company effective April 18, 2014.

AUDITORS

Khandelwal Jain & Co., Chartered Accountants, Mumbai, will retire as the statutory auditors of the Company at the ensuing Annual General Meeting. The Board at its Meeting held on April 18, 2014 has proposed their appointment as the auditors to audit the accounts of the Company from FY2015 to FY2017. You are requested to consider their appointment.

FOREIGN EXCHANGE EARNING AND EXPENDITURE

There was no income or expenditure in foreign currency during the period under review.

PERSONNEL AND OTHER MATTERS

Since your Company does not have any employees, provisions of Section 217(2A) of the Companies Act, 1956 (the Act) read with the Companies (Particulars of Employees) Rules, 1975 are not applicable.

Since your Company does not own any manufacturing facility, the disclosure of information on other matters required to be disclosed in terms of Section 217(1)(e) of the Act read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are not applicable and hence not given.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. that they 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; and
4. that they have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS

Your Company is grateful to the Regulatory Authorities for their valuable guidance and support and wish to express sincere appreciation for their continued co-operation and assistance. The Company looks forward to their continued support in future.

The Company would also like to express its gratitude for the support and guidance received from ICICI Bank, the holding Company and also from other group companies.

For and on behalf of the Board

SANKER PARAMESWARAN
Chairman

Mumbai, May 16, 2014

auditors' report

ICICI Trusteeship Services

to the Members of ICICI Trusteeship Services Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of ICICI TRUSTEESHIP SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose of our audit.
   b) 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.
   c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
   e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 and section 164 of the Companies Act, 2013 to the extent applicable.
   f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For KHANDELWAL JAIN & CO.
Chartered Accountants
ICAI Firm Registration no. 105049W

CHIRAG DOSHI
PARTNER
Membership no.119079

Place : Mumbai
Date : April 18, 2014

annexure to the auditors' report

(Referred to in Paragraph 1 of our report of other Legal and Regulatory requirement of even date)

1. The Company does not have any fixed assets and hence paragraph 4 (i) of the Order is not applicable.
2. The activities of the Company and the nature of its business do not involve the use of inventory. Accordingly, paragraph 4 (ii) of the Order is not applicable.
3. 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. Accordingly, paragraph 4 (iii) of the Order is not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to sale of services. The activities of the Company do not involve purchase of inventory, fixed assets and sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal controls.
5. We are informed that there are no transactions that need to be entered into a Register in pursuance of section 301 of the Companies Act, 1956 and hence paragraph 4 (v) of the Order is not applicable.
6. The Company has not accepted any deposits from the public and hence paragraph 4 (vi) of the Order is not applicable.
7. The Company has neither paid up capital and reserves exceeding 50 lakhs as at the commencement of the financial year nor did the average annual turnover for a period of three consecutive financial years immediately preceding the financial year concerned exceed five crores rupees. Accordingly paragraph 4 (vii) of the Order, relating to internal audit system, is not applicable.
8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
9. In respect of statutory dues:

   (a) According to the information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues wherever applicable, with the appropriate authorities during the year and there are no statutory dues outstanding for a period of more than six months from the date they became payable.

   (b) According to the information and explanation given to us, there are no cases of non-deposit of disputed Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess with the appropriate authority.

at March 31, 2014

10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

11. The Company has not borrowed any amounts from banks, financial institutions or by issue of debentures. Accordingly paragraph 4 (xi) of the Order is not applicable.

12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and any other securities. Accordingly paragraph 4 (xii) of the Order is not applicable.

13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund or a society. Accordingly paragraph 4 (xiii) of the Order is not applicable.

14. According to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, paragraph 4 (xiv) of the Order is not applicable.

15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.

16. The Company did not have any term loans outstanding during the year.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that no short term funds have been raised.

18. The Company has not made any preferential allotment of shares to companies/ parties covered in the register maintained under section 301 of the Companies Act, 1956.

19. The Company did not have any outstanding debentures during the year.

20. The Company has not raised any money by public issue during the year.

21. According to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For KHANDELWAL JAIN & CO.
Chartered Accountants
ICAI Firm Registration no. 105049W

CHIRAG DOSHI
PARTNER
Membership no.119079

Place : Mumbai
Date : April 18, 2014

balance sheet

at March 31, 2014

	Note No.	March 31, 2014	(₹ in '000s) *March 31, 2013*
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2A	500	*500*
Reserves and surplus	2B	3,967	*3,579*
		4,467	*4,079*
Non-current liabilities			
Other long-term liabilities	2C	14	*14*
		14	*14*
Current liabilities			
Other current liabilities	2D	46	*49*
		46	*49*
TOTAL		4,527	*4,142*
ASSETS			
Non-current assets			
Non-current investments	2E	3	*3*
Long-term loans and advances	2F	23	*37*
		26	*40*
Current assets			
Current investments	2G	2,200	*2,068*
Cash and cash equivalents	2H	2,194	*1,866*
Short-term loans and advances	2I	2	*57*
Other current assets	2J	105	*111*
		4,501	*4,102*
TOTAL		4,527	*4,142*
Significant Accounting Policies and Notes to Accounts	1 & 2		

profit and loss statement

for the year ended March 31, 2014

	Note No.	March 31, 2014	(₹ in '000s) *March 31, 2013*
Income			
Revenue from operations (gross)	2K	350	*413*
Other income	2L	295	*334*
Total Revenue (I)		645	*747*
Expenses			
Auditor's remuneration - statutory audit fees		23	*23*
Directors' fees		62	*36*
Professional fees		25	*42*
Conveyance expenses		39	*35*
Miscellaneous expenses		14	*6*
Profession tax		2	*2*
Total expenses (II)		165	*144*
PROFIT BEFORE TAX (I)-(II)		480	*603*
Current tax		108	*134*
Excess provision of earlier year written back		(14)	*(1)*
PROFIT FOR THE YEAR		388	*470*
Earnings per share - Basic and Diluted	2P	7.76	*9.40*
Significant Accounting Policies and Notes to Accounts	1 & 2		

As per our Report of even date

For KHANDELWAL JAIN & CO.
Chartered Accountants
ICAI Firm Registration no.:105049 W

CHIRAG DOSHI
Partner
Membership no. 119079

ARPITA GOYAL
Compliance Officer

Place : Mumbai
Date : April 18, 2014

For and on behalf of the Board of Directors

SANKER PARAMESWARAN
Chairman

S. D. ISRANI
Director

N. D. SHAH
Director

GIRISH MEHTA
Director

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

a) Overview:
ICICI Trusteeship Services Limited ('the Company') was incorporated in Mumbai, India. The Company's principal activity is to act as trustee for funds.

b) Basis of preparation of financial statements:
The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ('GAAP') under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and notified under the Companies (Accounting Standards) Rules, 2006 to the extent applicable and practices generally prevalent in the industry in India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision of an existing accounting standard requires a change in the accounting policy hitherto in use.

c) Use of estimates:
The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, and income taxes. Actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/materialise.

d) Revenue recognition:
Trusteeship fees, Interest income and Other income are accounted on accrual basis. Dividend is accounted as and when the right to receive the dividend is established.

e) Income Taxes:
Income tax expense represents the aggregate of the current tax and deferred tax. Current period taxes are determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is computed in accordance with the requirements of the Accounting Standard 22 on 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India ('ICAI').

f) Earnings Per Share:
In accordance with the Accounting Standard 20 on 'Earnings Per Share' issued by the ICAI, basic earnings per share is computed using the weighted average number of shares outstanding during the year.

g) Investments:
Investments are classified into Current investment and Long term investments. Current investments are carried at lower of the cost and fair value. Long term investments are carried at cost. Provision for diminution is made for long term investments only if, in the opinion of the management, such a decline in the value of investments is other than temporary.

h) Contingent liabilities:
The Company estimates the probability of any loss that might be incurred on outcome of contingencies on the basis of information available up to the date on which the financial statements are prepared. A provision is recognised when an enterprise has a present obligation as a result of past events and 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 determined based on management estimate required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements. In case of remote possibility, neither provision nor disclosure is made in the financial statements.

2. Notes to accounts for the year ended March 31, 2014

A. Share capital

(₹ in '000s)

Particulars	At March 31, 2014	*At March 31, 2013*
Authorised: 1,000,000 (March 31, 2013: 1,000,000) equity shares of ₹ 10 each	**10,000**	*10,000*
Issued, subscribed and fully paid up: 50,000 (March 31, 2013: 50,000) equity shares of ₹ 10 each, fully paid up	**500**	*500*
Total	**500**	*500*

The company has only one class of equity shares referred to as equity shares having a par value of ₹ 10. Each holder of equity shares is entitled to one vote per share.

All the above equity shares are held by ICICI Bank Limited (the holding company) and its nominees.

B. Reserves and surplus

(₹ in '000s)

Particulars	At March 31, 2014	*At March 31, 2013*
Surplus in Profit and Loss account at the beginning of the year	**3,579**	*3,109*
Add: Profit/(Loss) during the year	**388**	*470*
Surplus in Profit and Loss account at the end of the year	**3,967**	*3,579*

C. Other long-term liabilities

(₹ in '000s)

	Particulars	At March 31, 2014	*At March 31, 2013*
(i)	Received from erstwhile ICICI Limited towards corpus fund[1]	**10**	*10*
(ii)	Interest accrued on above	**3**	*3*
(iii)	Received from ICICI Prudential Life Insurance Company Limited towards corpus fund[2]	**1**	*1*
Total		**14**	*14*

1) The Company in the earlier years, in terms of the Indenture of Trust, received corpus fund for setting up ICICI Securities Fund of ₹ 10,000 from erstwhile ICICI Limited. This amount along with interest thereon, is reflected in "Note – I: Cash & cash equivalents, under the head Bank balances with scheduled banks – Saving accounts".

2) The Company in the earlier years, in terms of the Indenture of Trust, received corpus fund for issue of life insurance, on the life of life assured vide their endowment policy, "ICICI Pru save n protect" of ₹ 1,000 from ICICI Prudential Life Insurance Company Limited which is forming part of "Note – I: Cash & cash equivalents, under the head Bank balances with scheduled banks – Current accounts".

D. Other current liabilities

(₹ in '000s)

Particulars	At March 31, 2014	*At March 31, 2013*
Audit fees	**23**	*23*
Miscellaneous liabilities	**23**	*26*
Total	**46**	*49*

E. Non-current investments

(₹ in '000s)

Particulars	At March 31, 2014	*At March 31, 2013*
(A) Non trade investment (equity shares - quoted)		
First source Solutions Limited- 100 share of ₹ 10 each (March 31, 2013: 100 share of ₹ 10 each) (Market value at March 31, 2014: ₹ 2,525; at March 31, 2013: ₹ 1,022)	**1**	*1*
Total (A)	**1**	1
(B) Non trade investment (equity shares - un-quoted)		
ICICI Venture Funds Management Company Limited: *1 share of ₹ 10 each (March 31, 2013: 1 share of ₹ 10 each)	**—***	*—**
ICICI Kinfra Limited: 200 shares of ₹ 10 each (March 31, 2013: 200 shares of ₹ 10 each)	**2**	*2*
Total (B)	**2**	*2*
Grand Total (A+B)	**3**	*3*

F. Long-term loans and advances

(₹ in '000s)

Particulars	At March 31, 2014	*At March 31, 2013*
Advance payment of income tax (net of provision for tax)	**23**	*35*
Prepaid expenses	**—**	*2*
Total	**23**	*37*

G. Current investments

(₹ in '000s)

Particulars	At March 31, 2014	*At March 31, 2013*
Long-term investments (valued at lower of cost and market value)		
Nil units of ICICI Prudential FMP Series 64, Plan A (March 31, 2013: 46,623 units)	**—**	*466*
Nil units of ICICI Prudential FMP Series 64, Plan G (March 31, 2013: 95,217 units) of ₹ 10 each	**—**	*952*
65,000 units of ICICI Prudential Interval VI Annual Plan-A (March 31, 2013: 65,000 units) of ₹ 10 each	**650**	*650*
51,091 units of ICICI Prudential FMP Series 67, Plan J (March 31, 2013: Nil) of ₹ 10 each	**511**	*—*
103,876 units of ICICI Prudential FMP Series 68, Plan H (March 31, 2013: Nil) of ₹ 10 each	**1,039**	*—*
Total	**2,200**	*2,068*
NAV of the mutual fund investment portfolio	**2,376**	*2,176*

H. Cash and cash equivalents

(₹ in '000s)

Particulars	At March 31, 2014	*At March 31, 2013*
Cash on hand: Nil (March 31, 2013: * ₹ 320)	—	—*
Bank balances with scheduled banks		
Current accounts	**334**	*381*
Saving accounts	**15**	*15*
Fixed deposits	**1,845**	*1,470*
Total	**2,194**	*1,866*
Fixed deposit accounts with more than 12 months maturity from the reporting date	**265**	—

I. Short-term loans and advances

(₹ in '000s)

Particulars	At March 31, 2014	*At March 31, 2013*
Receivables from Disha trust	—	*55*
Prepaid expenses	**2**	*2*
Total	**2**	*57*

J. Other current assets

(₹ in '000s)

Particulars	At March 31, 2014	*At March 31, 2013*
Interest accrued on fixed deposits	**105**	*111*
Total	**105**	*111*

K. Revenue from operations

(₹ in '000s)

Particulars	For the year ended March 31, 2014	*For the year ended March 31, 2013*
Trusteeship fees (gross) (Tax deducted at source: ₹ 31,000; March 31, 2013: ₹ 37,242)	**350**	*413*
Total	**350**	*413*

L. Other income

(₹ in '000s)

Particulars	For the year ended March 31, 2014	*For the year ended March 31, 2013*
Interest on deposits with banks (gross) (Tax deducted at source : March 31, 2014 ₹ 16,398; March 31, 2013: ₹ 13,972)	**164**	*140*
Profit on sale/redemption of long term investments	**131**	*194*
Total	**295**	*334*

M. Related party transactions

i) Names of related parties as identified by the management and nature of relationship are as follows:

Sr. no.	Nature of relationship	Name of party
1.	Holding company	ICICI Bank Limited
2.	Fellow subsidiaries and fellow entities consolidated as per Accounting Standard 21 of the holding company.	• ICICI Venture Funds Management Company Limited (IVFMCL) • ICICI Prudential Life Insurance Company Limited (IPLICL) • ICICI Kinfra Limited (IKL)

ii) Transactions with related parties, as identified by the management for the year ended March 31, 2014 and outstanding balance at March 31, 2014.

(₹ in '000s)

Nature of transaction	Holding company	Fellow subsidiaries/entities			Total
	ICICI Bank	IVFMCL	IKL	IPLICL	
Trusteeship fees (* ₹ 100)	160	150	—	—*	**310**
Interest on deposits with banks	164	—	—	—	**164**
Outstanding balances					
Bank balances	349	—	—	—	**349**
Fixed deposits	1,845	—	—	—	**1,845**
Accrued interest on fixed deposits	105	—	—	—	**105**
Investments (* ICICI Venture Funds Management Company Limited 1 share of ₹ 10 each)	—	—*	2	—	**2**
Corpus fund	13	—	—	1	**14**
Share capital	500	—	—	—	**500**

iii) Transactions with related parties, as identified by the management for the year ended March 31, 2013 and outstanding balance at March 31, 2013.

(₹ in '000s)

Nature of transaction	Holding company	Fellow subsidiaries/entities			Total
	ICICI Bank	IVFMCL	IKL	IPLICL	
Trusteeship fees (* ₹ 100)	222	150	—	—*	**372**
Interest on deposits with banks	140	—	—	—	**140**
Outstanding balances					
Bank balances	396	—	—	—	**396**
Fixed deposits	1,470	—	—	—	**1,470**
Accrued interest on fixed deposits	111	—	—	—	**111**
Investments (ICICI Venture Funds Management Company Limited 1 share of ₹ 10 each)	—	—*	2	—	**2**
Corpus fund (including interest)	13	—	—	1	**14**
Share capital	500	—	—	—	**500**

N. Nature of business

The Company is engaged in the business of acting as a trustee for funds and trusts, which constitute the only segment of the Company.

O. Income Tax

Tax expense for the year is on the basis of current tax since there are no timing differences resulting into tax expense/tax saving on the deferred tax basis.

P. Earning per share

Earning per share is calculated as follows:

	Particulars	Year ended March 31, 2014	*Year ended March 31, 2013*
(i)	Net profit after tax (₹ in '000)	**388**	*470*
(ii)	Weighted average number of Equity Shares (No.)	**50,000**	*50,000*
(iii)	Earnings per share – basic and diluted (₹)	**7.76**	*9.40*

Q. Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

There are no suppliers as defined under the MSMED Act and hence the disclosures relating thereto under the said Act are not applicable.

R. Paragraph 5 of Part II of Revised Schedule-VI of Companies Act, 1956

Additional information pursuant to provisions of paragraph 5 of Part II of Revised Schedule-VI of Companies Act, 1956 is not applicable.

S. Prior year comparatives have been regrouped and reclassified wherever necessary to conform to the current year's presentation.

As per our Report of even date

For KHANDELWAL JAIN & CO.
Chartered Accountants
ICAI Firm Registration no.:105049 W

CHIRAG DOSHI
Partner
Membership no. 119079

Place : Mumbai
Date : April 18, 2014

ARPITA GOYAL
Compliance officer

For and on behalf of the Board of Directors

SANKER PARAMESWARAN
Chairman

S. D. ISRANI
Director

N. D. SHAH
Director

GIRISH MEHTA
Director

cash flow statement

for the year ended March 31, 2014

		March 31, 2014	(₹ in '000s) March 31, 2013
A	**Cash Flow from operating activities :**		
	Net profit before taxation	**480**	*603*
	Adjustments for:		
	Interest on deposits with banks	**(164)**	*(140)*
	Profit on sale of investments	**(131)**	*(194)*
	Operating profit before working capital changes	**185**	*269*
	Adjustments for:		
	Trade payables and other liabilities	**(3)**	*22*
	Trade and other receivables	**57**	*22*
	Cash generated from operations	**239**	*313*
	Refund/(Payment) of direct taxes	**(81)**	*(151)*
	Net cash flow from operating activities - A	**158**	*162*
B	**Cash flow from investing activities:**		
	Interest on deposits with banks	**164**	*140*
	Sale of investment	**1,550**	*3,044*
	Purchase of investments (net)	**(1,550)**	*(3,017)*
	Net cash from investing activities - B	**164**	*167*
C	**Cash flow from financing activities:**	**—**	*—*
	Net cash used in financing activities - C	**—**	*—*
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**322**	*329*
	Cash and cash equivalents at beginning of the year	**1,977**	*1,648*
	Cash and cash equivalents at end of the year	**2,299**	*1,977*

Notes to Cash Flow Statement

1 Components of cash and cash equivalent include bank balances in current, savings and deposit accounts including interest accrued on deposits.

2 The Cash Flow Statement has been prepared in accordance with the requirement of Accounting Standard (AS -3) "Cash Flow Statements" issued by the Institute of Chartered Accountants of India.

3 Figures of the previous year have been regrouped, wherever necessary, to correspond with current year's figures.

As per our Report of even date

For KHANDELWAL JAIN & CO.
Chartered Accountants
ICAI Firm Registration no.:105049 W

CHIRAG DOSHI
Partner
Membership no. 119079

ARPITA GOYAL
Compliance officer

For and on behalf of the Board of Directors

SANKER PARAMESWARAN
Chairman

S. D. ISRANI
Director

N. D. SHAH
Director

GIRISH MEHTA
Director

Place : Mumbai
Date : April 18, 2014

ICICI BANK UK PLC

11TH ANNUAL REPORT AND ACCOUNTS 2013-2014

Directors

Chanda Kochhar	*Chairperson of the Board*
N.S. Kannan	*Non Executive Director*
Vijay Chandok	*Non Executive Director* (Effective July 19, 2013)
Richard Banks	*Independent Non Executive Director*
Jonathan Britton	*Independent Non Executive Director*
John Burbidge	*Independent Non Executive Director*
Sir Alan Collins	*Independent Non Executive Director*
Sudhir Dole	*Managing Director & CEO*

Auditors

KPMG Audit LLP,
15 Canada Square
London E14 5GL
United Kingdom

Aarti Sharma
Chief Financial Officer
& Company Secretary

Registered Office

ICICI Bank UK PLC
One Thomas More Square
London E1W 1YN

strategic report

The Directors present their strategic report for the year ended March 31, 2014 (FY2014) for ICICI Bank UK PLC ("the Bank").

NATURE OF BUSINESS

ICICI Bank UK PLC offers retail and corporate banking services. The Bank is authorised by the Prudential Regulation Authority (PRA) and regulated by the PRA and the Financial Conduct Authority (FCA). The Bank is a wholly owned subsidiary of ICICI Bank Limited ("the Parent Bank") which is India's largest private sector bank. The key business areas include retail banking, corporate banking, commercial banking and treasury.

The Bank was incorporated in England and Wales as a private company with limited liability on February 11, 2003 and was converted to a public limited company, assuming the name ICICI Bank UK PLC, on October 30, 2006. As a public limited company, the Bank is able to access the capital markets.

The Bank has a senior debt rating of Baa3 from Moody's Investors Service Limited (Moody's).

BUSINESS REVIEW

The Bank delivers its corporate, commercial and retail banking products and services through nine branches located in the UK and two branches in mainland Europe, located in Antwerp (Belgium) and Frankfurt (Germany) as well as through online banking.

The Bank's corporate business includes banking services for Indian corporations seeking to develop their overall business, including in the UK and Europe, for Europe based multinational corporations which have active trade and investment flows with India and for large businesses owned by persons of Indian origin. The business strategy of the Bank has mainly been driven by the increased globalisation of the Indian economy, the growing trend of Indian corporates expanding overseas, the large population of non-resident Indians and persons of Indian origin across the globe and overseas companies looking to invest in India.

The Bank provides retail banking services to UK consumers with a varied product suite including current accounts, savings accounts, online banking, debit cards, money transfers and travel solutions. Additionally, the Bank offers interest based savings accounts and fixed rate term accounts to UK and German consumers which are supported over internet and phone enabled channels.

During the course of FY2014, the Bank remained focused on its key strategic objectives of diversification of the business profile, expanding non-interest income streams, continued focus on proactive risk management, effective liquidity and capital management and meeting the requirements of the changing regulatory environment. The Bank's focus is to build a sustainable business model with a strong and robust corporate governance and control environment.

The Bank has been managed as a single business. For the purposes of the business review, however, management has described activity within the individual business segments.

The financial information in the following sections have also been presented in Indian Rupee (₹) currency for convenience using closing exchange rate of US$/₹ 59.915 which has been applied across both FY2014 and FY2013[1] .

KEY STRATEGIC HIGHLIGHTS: FY2014

During FY2014, the Bank continued with its key strategic objectives of diversification of its asset and liability portfolio, development of non-interest income streams, improvements in operating efficiencies and further strengthening of the control and governance framework including a conduct risk management framework. The Bank selectively grew its asset portfolio within the established risk appetite, whilst selectively tapping the market opportunities in specific business segments, which are aligned with its core competencies and strengths. During the year, the Bank further enhanced its risk appetite framework, recovery and resolution planning and monitoring arrangements to meet regulatory expectations. The Bank is well capitalized and is already in compliance with the fully-phased in capital requirements under the new CRD IV and Basel III capital standards.

The improved financial performance during the year is a result of selective growth in the loan book within the risk appetite, reduction in cost of funds, expansion of non-interest revenues and reduction in provisions. The change in strategic direction first introduced in FY2011 and further embedded during FY2014 through continuing diversification of the assets and liabilities as well as growth in fee generating businesses.

The total balance sheet increased by 25% in FY2014 to US$ 4,471 million (₹ 267,889 million), primarily due to growth in loans and advances to customers. The loans and advances to customers increased by 20%, mainly on account of corporate loans and loans against Foreign Currency Non Residents (FCNR) deposits held by customers with Indian banks, a new retail product category of loans to high net worth individuals, launched during the year. The Bank selectively grew its corporate loan portfolio within the risk appetite framework.

During the year, the focus was maintained on balancing geographical and industrial concentration as well as further improving the rating profile of its corporate loan portfolio. In continuation of its key strategic objective of diversification of the asset portfolio, the Bank further strengthened the trade and commercial banking business.

On the funding side, the Bank rebalanced its funding sources and raised customers deposits through savings and term deposit products. Following the launch of different variants of the existing online savings product and targeted marketing campaigns, the total customer deposit balances grew by 41% during the year, of which the institutional in the Frankfurt branch grew by 96% compared to the previous year. The Bank successfully diversified and broadened its funding profile and reduced the cost of funds by leveraging the retail and wholesale funding channel along with other funding sources such as banker's acceptances and repurchase agreements.

Specific focus was given to enhancing the granular income streams by building scale in several non-interest income generating businesses. Significant growth was seen in revenue streams, such as the "Money to India (M2I) Europe" remittance platform and commercial banking business revenues which contributed to enhancing the non-interest income as well as to the diversification of the overall income streams of the Bank.

Overall provisions reduced during the year from US$ 27.2 million (₹ 1,631 million) to US$ 20.2 million (₹ 1,211 million), reduction of 26%. The Bank continued to remain focused on enhancing operating efficiencies without compromising the control environment. Several initiatives were taken such as renegotiations with vendors and rationalisation of operations to optimise the expense base. Expenses remained at similar levels compared to the previous financial year. The Bank remains committed to maintaining a strong control framework to meet the increasing regulatory and reporting obligations and has continued to invest in people and technology to further strengthen the control framework. The cost to income[2] ratio fell markedly to 39% for FY2014 compared with 44% for FY2013.

In view of the ongoing extensive changes in regulatory landscape as well as the Bank's strategy, resulting in the growth in business, considerable attention was given to further enhancing the Conduct Risk Framework and improving the customer experience. Further, increased focus on management of complaints ensured that all complaints were closed well within the regulatory stipulated timeframes.

The capital and liquidity position remained healthy throughout FY2014. The Bank's approach to managing capital and liquidity is designed to ensure that current and expected regulatory capital and liquidity requirements are met. The capital ratio at 21.8% remained strong as at March 31, 2014 with a Tier 1 capital ratio of 16.7% which is above the regulatory requirements. The Bank paid US$ 25 million (₹ 1,499 million) of equity dividend during the financial year. The Bank continues to comply with and maintains Liquid Assets Buffer (LAB) balances in line with the Individual Liquidity Guidance (ILG).

In June 2013, the European Commission published the final Regulation and Directive, known collectively as CRD IV, to give effect to the Basel III framework in the EU. This came into effect on January 01, 2014. The Bank successfully implemented the CRD IV liquidity and capital reporting requirements along with complying with the other requirements of the directive.

CORPORATE AND COMMERCIAL BANKING

The Corporate Banking division continued to grow selectively the loan portfolio targeting client segments and offering products which are core to the Bank's competencies and strategy, its clients' needs and in line with the risk appetite. The corporate loan book grew moderately by 8% to US$ 2,460 million compared with US$ 2,283 million in the previous year. In the course of the year, the Bank targeted its strategic customer segments which included subsidiaries of select Indian companies and large multinational companies, including global trading houses and large businesses owned by persons of Indian origin and successfully built new relationships. The Bank made an encouraging start in successfully consummating local syndication and secondary market deals. The team focused on increasing the wallet share of the customers through cross selling which led to increase in the non lending revenues for Corporate Banking. Emphasis was placed on expanding commercial banking volumes by offering new products as well as enhancing existing market penetration for secondary market deals, trade structuring and trade finance volumes.

The Bank's business in Frankfurt, Germany also grew during the year, leveraging on the local market as well as growing Europe-India business opportunities. During FY2014, new corporate banking relationships were established in the European market and the corporate loan portfolio increased compared with the previous year. Given the large volumes of trade between India and Germany, the Bank remained focused on participating in lending opportunities emanating from such trade activities. As part of its strategy, the Bank continues to diversify its asset base and improve its asset quality by increasing the proportion of higher rated loans to customers (internally rated A- and above).

[1] The numbers in ₹ are proforma only and should not be regarded as being in compliance with UK GAAP.

[2] Income includes profit/(Loss) on debt securities

RETAIL BANKING

In line with the strategy of diversification of funding sources , the retail banking group remained one of the key funding source for the Bank. During the year, the Bank launched variants of its existing saving product which led to an increase in the retail deposit balances. The retail customer account balances increased to US$ 1,959 million (₹ 117,373 million) as at March 31, 2014 compared with US$ 1,445 million (₹ 86,577 million) in the previous year. This focus on rebalancing the retail and wholesale funding mix continued during the year in alignment with the Bank's funding strategy. The balanced mix of retail and wholesale funding helped in reducing the cost of funds.

Retail fee income grew significantly during the year, primarily driven by an increase in the remittance volumes from UK and Continental Europe to India. Remittance related revenues showed a strong growth of 30% compared to last year mainly from the Money 2 India Europe remittance platform. The Bank expanded the product offering in remittances and also added new markets /countries in Europe during the year. Other products such as travel solutions and business foreign exchange also grew during the year. The Bank's travel money service was commended in the travel money provider category by Consumer Moneyfacts Awards. During the year, the Bank closed two branches in the UK. There was negligible impact on customers, who were able to manage their accounts at neighbouring branches of the Bank, as well as over the internet and phone banking.

During the year, the Bank also entered into the secured retail assets category by offering a new product of loans against FCNR deposits. The product was offered during October 2013, when the Reserve Bank of India opened a window to the Indian banks to swap fresh FCNR dollar funds at competitive rates. The swap window was available until November 2013. The Bank offered loans against FCNR deposits to a select set of customers. During this period, the Bank deployed US$ 289 million (₹ 17,321 million) into loans against FCNR deposits which are fully cash collateralised.

The Bank remains focused on strengthening its service delivery platform to ensure excellent customer service and monitors customer service quality through using clearly defined comprehensive metrics. The Bank reviews the conduct risk parameters impacting the business on an ongoing basis.

TREASURY

The Treasury Group of the Bank manages the balance sheet of the Bank, supporting the capital needs and managing the market and liquidity risk of the Bank. The Bank continues to comply with and maintain Liquid Assets Buffer (LAB) balances in line with the Individual Liquidity Guidance (ILG). The Bank reviews the asset/liability maturity mismatches and interest rate positions, and maintains liquidity gaps and interest rate positions within prescribed limits, which are monitored by the Asset and Liability Management Committee (ALCO) of the Bank. In line with the strategy of diversification of funding sources and to minimize the cost of funds, the Bank continues to focus on exploring alternative funding sources. The Bank has leveraged opportunities in the wholesale market by raising bilateral loans and borrowings under the MTN program at competitive cost. During the year, the Bank had successfully enhanced the capability of the repo platform and regularly raises funds through the repo market. The Bank had also developed and increased the Institutional deposit book in Germany. These activities have led to a reduction in the overall cost of funds for the Bank.

The investment portfolio of the Bank is also managed by the Treasury Group. The treasury activities are carried out through the Balance Sheet Management Group, Investment desk, Global Markets Group and FCCB Group.

FINANCIAL HIGHLIGHTS

The financial performance for the financial year 2014 is summarised in the following table

Profit and loss account	**Financial 2014**	*Financial 2013*	**% Change**	**Financial 2014**	*Financial 2013*
	US$ 000s	*US$ 000s*		**₹ in million**	*₹ in million*
Net interest income	**55,232**	*50,892*	9%	**3,309**	*3,050*
Non interest income	**36,214**	*29,173*	24%	**2,170**	*1,748*
Income/(Loss) on financial instruments at fair value through profit and loss	**(1,291)**	*4,508*	-129%	**(77)**	*270*
Total operating income	**90,155**	*84,573*	7%	**5,402**	*5,068*
Operating expenses	**(36,790)**	*(36,999)*	-1%	**(2,204)**	*(2,216)*
Profit before provisions, charges and taxes	**53,365**	*47,574*	12%	**3,198**	*2,852*
Impairment provision and charges	**(20,222)**	*(27,224)*	-26%	**(1,211)**	*(1,631)*
Profit/(Loss) on sale of debt securities	**2,974**	*(1,192)*	349%	**178**	*(71)*
Profit before tax	**36,117**	*19,158*	89%	**2,165**	*1,150*
Profit after tax	**25,224**	*14,383*	75%	**1,512**	*864*

Balance sheet	**Financial 2014**	*Financial 2013*	**% Change**	**Financial 2014**	*Financial 2013*
	US$ 000s	*US$ 000s*		**₹ in million**	*₹ in million*
Balances at central banks	**1,008,407**	*583,227*	73%	**60,419**	*34,944*
Loans and advances to banks	**79,079**	*78,657*	1%	**4,738**	*4,713*
Loans and advances to customers	**2,749,136**	*2,282,972*	20%	**164,714**	*136,784*
Investments	**498,885**	*525,655*	-5%	**29,890**	*31,495*
Total assets	**4,471,154**	*3,587,306*	25%	**267,889**	*214,934*
Customer accounts	**2,533,259**	*1,799,281*	41%	**151,780**	*107,804*
Shareholders' funds	**629,049**	*622,172*	1%	**37,690**	*37,279*

Capital[3]

Capital Ratios	**Under CRDIV**	*Under Basel II*	
	March 31, 2014	*March 31, 2013*	**Decrease**
Core Tier 1 ratio	**16.7%**	*19.3%*	2.6%
Tier 1 ratio	**16.7%**	*19.3%*	2.6%
Total ratio	**21.8%**	*30.8%*	9.0%

Risk weighted assets	**Financial 2014**	*Financial 2013*	**% Change**	**Financial 2014**	*Financial 2013*
	US$ 000s	*US$ 000s*		**₹ in million**	*₹ in million*
Risk weighted	**3,737,618**	*3,215,879*	16%	**223,939**	*192,679*

[3] Pillar 3 disclosures are available online on the Bank's website: http://icicibank.co.uk/personal/basel_disclosures.html

KEY FINANCIAL HIGHLIGHTS: FY2014

As at March 31, 2014, the Bank had total assets of US$ 4,471 million (₹ 267,889 million) compared with US$ 3,587 million (₹ 214,934 million) as at March 31, 2013, a growth of 25%. The balance sheet growth was primarily due to increase in loans and advances to customers and an increase in balances at central banks. The loans and advances to customers increased by 20% mainly driven by selective growth in the corporate loans portfolio and US$ 289 million (₹ 17,321 million) of loans against FCNR deposits. During the year, the Bank remained focused on balancing geographical and industrial concentration as well as improving the rating profile of its corporate asset portfolio. Selective credits were extended during the year within the risk appetite of the Bank. The Bank also remained focused on further strengthening the trade and commercial banking business. The balances at central banks increased from US$ 583 million (₹ 34,944 million) to US$ 1,008 million (₹ 60,419 million) in FY2014 due to higher balances with Bank of England Reserve account in part, to meet increased LAB requirement. Customer deposit balances increased by 41% during the year mainly on account of retail deposits inflows in online savings, fixed deposits and institutional deposits raised through the Frankfurt branch.

Profit before tax in FY2014 was US$ 36.1 million (₹ 2,165 million) compared with US$ 19.2 million (₹ 1,150 million) previous year. The Profit after tax of US$ 25.2 million (₹ 1,512 million) represents an increase of 75% compared to previous year. The growth in profits was mainly contributed by higher income and lower impairment charges compared with last year. The Net Interest Income grew during the year by 9% and Net Interest Margins (NIM) remained strong at 1.39% (FY2013 1.38 %). The cost of funds reduced due to rebalancing of retail and wholesale deposits mix and raising institutional deposits in Frankfurt branch at a lower cost of funds offset by a reduction in yield on assets as some of the higher yielding assets matured during the year.

The non interest income grew by 24% during the year mainly driven by higher corporate and commercial banking income and retail fees. In line with the strategic objective of enhancing granular income streams, the non-interest income contributed 40% of total income during the year compared to 34% in the previous year. The growth in non-interest income was achieved primarily from corporate banking structuring and other fees, commercial banking fees and revenues from M2I Europe remittance platform.

Operating expenses at US$ 36.8 million (₹ 2,204 million) remained constant compared to the previous year. The cost to income ratio[4] at 39% in FY2014 improved compared with 44% in FY2013. Expenses increased during the year primarily due to appreciation of GBP-US$ FX rates, offset by a reduction in Financial Services Compensation Scheme (FSCS) levy expenses. Pursuant to the adoption of revised Industry standards, the Bank was not required to provide for the FSCS levy for the scheme year 2014-2015 which led to a reversal of approximately US$ 1.0 million (₹ 59.9 million) in expenses.

The provisions made during the year were US$ 20.2 million (₹ 1,211 million) compared to US$ 27.2 million (₹ 1,631 million) in the previous year. The increase in specific impairment provisions on corporate loans at US$ 23.3 million (₹ 1,397 million) for FY2014 compared to US$ 19.3 million (₹ 1,158 million) in FY2013, was offset by a collective provision write back of US$ 8.7 million (₹ 523 million). The increase in specific provisions reflects the challenges in the credit and market environment in India and Europe during the year, while the write back of collective provision was primarily due to movement of a few loans from standard to impaired assets and included collective provision on specific segments made in prior years which were transferred to specific provisions. The impaired assets coverage ratio was maintained at 35%, similar to previous year.

KEY ECONOMIC AND BUSINESS OUTLOOK

[5]Global activity has broadly strengthened and is expected to improve further in 2014–15 with much of the impetus coming from the advanced economies. Global growth is now projected to strengthen from 3 percent in 2013 to 3.6 percent in 2014, rising to 3.9 percent in 2015. Growth is projected to be strongest in the United States at about 2.8 percent in 2014. In the advanced economies, growth is projected to be positive but varied in the euro area: stronger in the core but weaker in countries with high debt (both private and public) and financial fragmentation, which will both weigh on domestic demand. Growth has rebounded more strongly than anticipated in the United Kingdom on easier credit conditions and increased confidence. The global recovery is still fragile despite improved prospects, and significant downside risks remain.

India's growth is expected to recover from 4.4 percent in 2013 to 5.4 percent in 2014, supported by slightly stronger global growth, improving export competitiveness, some improvement in investment activity and assuming a normal monsoon.

In consideration of the ongoing uncertainty in the market and economic environment, the Bank will continue on its journey of balancing its asset and liability portfolio. The efforts to enhance the non-interest revenue streams will continue along with discipline over cost management and efficient capital and liquidity management. The Bank will continue to monitor the economic environment in India and Europe and strive to tap the market opportunities in line with the risk framework and appetite.

KEY RISKS

The Bank's business is subject to inherent risks concerning borrower credit quality as well as general global economic conditions. The Bank's funding is composed of medium to long term deposits, term borrowings and a proportion of short term savings balances. If depositors and/or lenders do not roll over invested funds upon maturity, the Bank's business could be adversely affected. Strong controls around measurement of risks through effective risk management of the Bank helps in mitigating such risks. The Bank will continue to work

[4] Income includes profit/(Loss) on debt securities

[5] As per the International Monetary fund World Economic Outlook (WEO) Update-April 2014

within the risk framework as set out by the Board. The increased supervisory and compliance environment in the financial sector leads to increased risks of regulatory action.. The Bank's continued focus on ensuring compliance with all the regulatory requirements mitigates the risk of regulatory action. The Bank's Management reviews the risk appetite on a regular basis and continues to include any regulatory changes as appropriate to ensure regulatory compliance. The detail around the Bank's risks and management is given in Note 33.

CORPORATE GOVERNANCE AND RISK MANAGEMENT

Corporate Governance

The Bank's corporate governance framework is based on an effective independent Board, the separation of the Board's supervisory role from the executive management of the Bank and the constitution of Board committees to oversee critical areas and functions of executive management. The Board is committed to maintaining high standards of corporate governance. The Bank remained focused on maintaining strong governance and controls structure. During the year, the Bank appointed Vijay Chandok as an additional Non-Executive Director (representative of ICICI Bank Limited), bringing the total number of Non-Executive Directors on the Board to seven, of whom three are representatives of the Bank's Parent, ICICI Bank Limited and four are independent.

The Bank operates a first, second and third line of defence model including independent control groups such as Compliance, Risk, Internal Audit, Finance and Legal to facilitate independent evaluation, monitoring and reporting of various risks. These support groups function independently of the business groups and are represented at the various committees.

Effective corporate governance and compliance is a prerequisite to achieving the Bank's strategic objectives. The Bank has maintained its focus on controls, governance, compliance and risk management to provide a sound foundation for the business and it continues to ensure embedding of a controls and compliance culture throughout the organization. This is achieved through appropriate training, maintaining adequate resources within the control groups commensurate with the Bank's operations, continuous strengthening of internal systems and processes and effective deployment of technology. Information technology is used as a strategic tool for the Bank's business operations, to gain a competitive advantage and to improve its overall productivity and efficiency.

During FY 2014, the Bank completed a board effectiveness review the outcome of which was reviewed by an external consultant. The review concluded that the Board and Board committees are operating effectively.

The Bank has remained focused on enhancing its conduct risk appetite framework and conduct risk philosophy. The Bank's conduct risk philosophy is to look to develop and maintain long term relationships with its customers, based on openness, trust and fairness. The conduct risk philosophy builds on the work undertaken by the Bank on its Treating Customers Fairly (TCF) commitments. The Bank evaluates the impact of the changing regulatory requirements on an ongoing basis and is fully committed to establishing controls to deliver fair and appropriate outcomes for its customers.

Risk Management

The Bank has a centralised Risk Management Group with a mandate to identify, assess and monitor all its principal risks in accordance with defined policies and procedures. The Risk Management Group is independent of the business units and the Head of Risk reports directly to the Managing Director and Chief Executive Officer, and also lines to to the Risk Management Group of the Parent Bank and the Chairman of the Board Risk Committee.

The Bank has developed a risk appetite framework articulated within the broader context of the nature, scope, scale and complexity of the Bank's activities. The anchors on which the framework has been based include quantitative parameters such as capital, liquidity and earnings volatility as well as qualitative parameters such as conduct and reputational risk. The risk appetite statement has been further drilled down into portfolio-level limits, which include limits on country of risk and credit ratings of loans. The risk appetite framework and related limits are approved by the Board of Directors. The Risk Management Group of the Bank monitors adherence to the risk appetite framework and reports on it to the Board Risk Committee on a quarterly basis. The Bank's future business strategy takes cognisance of the risk appetite framework, so that the Bank will continue to operate within its risk appetite limits at all times.

The Bank has developed a comprehensive risk management framework, covering all relevant risks in order to ensure that the key risks facing the Bank are clearly identified, understood, measured and monitored and that the policies and procedures established to address and control these risks are strictly adhered to. The outcomes of each of these risk management processes have been used to identify the material risks that the Bank is exposed to. The Bank is primarily exposed to credit risk, market risk (predominantly interest and exchange rate risk), liquidity risk and operational risk (including compliance, conduct and reputational risk). The Bank's largest regulatory capital requirements arise from credit risk in its lending operations.

Details of the Bank's governance arrangements, financial risk management objectives and policies, including those in respect of financial instruments, and details of the Bank's indicative exposure to risks are given in Note 33.

By order of the board

SUDHIR DOLE	AARTI SHARMA
Managing Director &	*Chief Financial Officer*
Chief Executive Officer	*& Company Secretary*

April 24, 2014
Registered address:
One Thomas More Square
London E1W 1YN

directors' report

to the members,

The Directors have pleasure in presenting the eleventh annual report of ICICI Bank UK PLC, together with the audited financial statements for the year ended March 31, 2014.

FINANCIAL RESULTS

The financial statements for the reporting year ended March 31, 2014 are shown on pages 268 to 289.

DIRECTORS

Chanda Kochhar	Chairperson of the Board
N.S. Kannan	Non Executive Director
Vijay Chandok*	Non Executive Director (Effective July 19, 2013)
Richard Banks**	Independent Non Executive Director
Jonathan Britton	Independent Non Executive Director
John Burbidge	Independent Non Executive Director
Sir Alan Collins	Independent Non Executive Director
Sudhir Dole	Managing Director & CEO

*During the financial year, Vijay Chandok was appointed as the Non Executive Director of the Bank at the Board meeting on July 19, 2013 subject to regulatory approvals. Chandok's appointment was approved by the UK regulators on January 7, 2014.

** Richard Banks has expressed his desire to retire from the Non Executive Director position of the Bank. Mr. Banks has tendered his resignation but to ensure an orderly handover has agreed to remain on the Board until, at the latest, the end of June 2014. The Bank would like to thank Mr. Banks for his counsel and guidance which has been invaluable to the Board and very importantly in leading the Board Risk Committee. The Bank is working on a transition plan and is in the process of recruiting Mr. Banks replacement.

COMPANY SECRETARY

The name of the Company Secretary at the date of the report and who served during the year is as follows: Aarti Sharma

GOING CONCERN

The Bank's business activities and financial position; the factors likely to affect its future development and performance; and its objectives and policies in managing the financial risks to which it is exposed and its capital are discussed in the Business Review and Risk Management section.

The Directors have assessed, in the light of current and anticipated economic conditions, the Bank's ability to continue as a going concern. The Directors confirm they are satisfied that the Bank has adequate resources to continue in business for the foreseeable future. For this reason, they continue to adopt the 'going concern' basis for preparing accounts.

SHARE CAPITAL

As at March 31, 2014, the issued and fully paid share capital amounted to US$ 495 million (₹ 29,664 million).

EMPLOYEES

As at March 31, 2014 the Bank had 201 employees. The Bank encourages the involvement of all employees in the Bank's overall performance and profitability. The Bank has a pension scheme operating in the UK in which the employees are entitled to a maximum of five percent contribution of their basic salary. All employees have life insurance cover to the extent of four times their base salary. The Bank also has a private medical insurance plan, which covers employees and their dependents.

The Bank is committed to employment practices and policies which recognise the diversity of its workforce and ensures equality for employees regardless of sex, race, disability, age, sexual orientation or religious belief. Employees are kept closely involved in major changes affecting them through such measures as team meetings, briefings, internal communications and opinion surveys. The Bank has adopted a Code of Conduct, which sets out the core values and behaviours expected of senior management and other employees. The requirements of the Code are for all employees to act with integrity and maintain the right culture at all times. It also reinforces the Bank's commitment to maintaining high standards in management of our relationship with customers, employees and suppliers.

The Bank recognises its social and statutory duty to employ disabled persons and has followed a policy of providing the same employment opportunities for disabled persons as for others.

The Bank follows a conservative and comprehensive approach towards rewards management. The Bank has adopted and implemented a Remuneration Policy which has been approved by the Board Governance and Ethics Committee. The Bank ensures that it adheres to the Remuneration Code guidelines published by the Financial Services Authority. The Bank's remuneration policy disclosures are made available on the Bank's website: http://www.icicibank.co.uk/personal/basel_disclosures.html

DISCLOSURE OF INFORMATION TO THE AUDITOR

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Bank's Auditor is unaware; and each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Bank's auditor is aware of that information.

AUDITOR

KPMG LLP was appointed as the auditor of the Bank at its Annual General Meeting on July 19, 2013 for a year. In accordance with Section 489 of the Companies Act of 2006, a resolution for the re-appointment of KPMG LLP as auditor of the Bank is to be proposed at the forthcoming Annual General Meeting.

By order of the Board

SUDHIR DOLE	AARTI SHARMA
Managing Director &	*Chief Financial Officer*
Chief Executive Officer	*& Company Secretary*

April 24, 2014
Registered address:
One Thomas More Square
London E1W 1YN

Statement of Directors' Responsibility

Statement of Directors' responsibilities in respect of the Strategic Report, Directors' Report and the financial statements

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK Accounting Standards and applicable law; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible to report a fair review of the development and performance of the business and the position of the company together with a description of the principal risks and uncertainties faced by the company. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Bank's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board

SUDHIR DOLE
Managing Director &
Chief Financial Officer

AARTI SHARMA
Chief Financial Officer
& Company Secretary

April 24, 2014
Registered address:
One Thomas More Square
London E1W 1YN

independent auditor report

Report of the independent auditor to the members of ICICI Bank UK PLC

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF ICICI BANK UK PLC

We have audited the financial statements of ICICI Bank UK PLC ("the Bank") for the year ended March 31, 2014 set out on pages 268 to 289. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Bank's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Bank's members we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Bank and the Bank's members, as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 267, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Bank's affairs as at March 31, 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

JONATHAN BINGHAM
(Senior Statutory Auditor)

for and on behalf of
KPMG Audit LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London E14 5GL
April 24, 2014

ICICI Bank

for the year ended March 31, 2014

Convenience translation (Refer to Note 2 (c))

	Note	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	March 31, 2014 ₹ in million	*March 31, 2013 ₹ in million*
Interest income and similar income arising on debt securities		**12,535**	*14,050*	**751**	*842*
Other interest income and similar income		**118,397**	*127,875*	**7,094**	*7,662*
Interest expense		**(75,700)**	*(91,033)*	**(4,536)**	*(5,454)*
Net interest income		**55,232**	*50,892*	**3,309**	*3,050*
Fees and commissions receivable		**27,030**	*19,041*	**1,620**	*1,141*
Foreign exchange revaluation gains		**7,999**	*9,435*	**479**	*565*
Income/(Loss) on financial instruments at fair value through profit and loss	5	**(1,291)**	*4,508*	**(77)**	*270*
Other operating income	6	**1,185**	*697*	**71**	*42*
Operating income		**90,155**	*84,573*	**5,402**	*5,068*
Administrative expenses	7	**(35,318)**	*(35,523)*	**(2,116)**	*(2,128)*
Depreciation	20	**(1,472)**	*(1,476)*	**(88)**	*(88)*
Specific impairment on investment securities	18	**(5,632)**	*(7,015)*	**(337)**	*(420)*
Impairment on loans and advances	17	**(14,590)**	*(20,209)*	**(874)**	*(1,211)*
Profit/(Loss) on sale of debt securities		**2,974**	*(1,192)*	**178**	*(71)*
Profit on ordinary activities before tax		**36,117**	*19,158*	**2,165**	*1,150*
Tax on profit on ordinary activities	10	**(10,893)**	*(4,775)*	**(653)**	*(286)*
Profit on ordinary activities after tax		**25,224**	*14,383*	**1,512**	*864*

The dividends paid during the year (not included above) are detailed below:

	Year ended March 31, 2014 US$ 000s	*Year ended March 31, 2013 US$ 000s*	Year ended March 31, 2014 ₹ in million	*Year ended March 31, 2013 ₹ in million*
Preference Dividend	**—**	*(4,125)*	**—**	*(247)*
Ordinary shares Dividend	**(25,000)**	*(20,000)*	**(1,499)**	*(1,198)*

The result for the year is derived entirely from continuing activities. The notes on pages 271 to 289 form part of these financial statements.

balance sheet

at March 31, 2014

Convenience translation
(Refer to Note 2 (c))

	Note	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	March 31, 2014 ₹ in million	*March 31, 2013 ₹ in million*
Assets					
Cash		**648**	*565*	**39**	*34*
Balances at central banks		**1,008,407**	*583,227*	**60,419**	*34,944*
Loans and advances to banks	14	**79,079**	*78,657*	**4,738**	*4,713*
Loans and advances to customers	15	**2,749,136**	*2,282,972*	**164,714**	*136,784*
Investment in Treasury Bills	18	**126,967**	*101,988*	**7,607**	*6,111*
Investment Securities other than Treasury Bills	18	**371,918**	*423,667*	**22,283**	*25,384*
Tangible fixed assets	20	**5,751**	*7,172*	**345**	*430*
Other assets	21	**109,065**	*93,402*	**6,535**	*5,596*
Accrued income		**20,183**	*15,656*	**1,209**	*938*
Total assets		**4,471,154**	*3,587,306*	**267,889**	*214,934*
Liabilities					
Deposits by banks	22	**461,141**	*288,768*	**27,629**	*17,302*
Customer accounts	23	**2,533,259**	*1,799,281*	**151,780**	*107,804*
Debt securities and subordinated liabilities	24	**426,643**	*528,070*	**25,562**	*31,639*
Other liabilities	26	**73,041**	*106,591*	**4,376**	*6,386*
Accruals and deferred income		**31,477**	*34,464*	**1,886**	*2,065*
Repurchase Agreements	25	**316,544**	*207,960*	**18,966**	*12,459*
Total Liabilities		**3,842,105**	*2,965,134*	**230,199**	*177,655*
Shareholders' funds:					
Issued share capital	27	**495,095**	*495,095*	**29,664**	*29,664*
Capital contribution		**5,256**	*4,148*	**315**	*249*
Retained earnings		**89,760**	*89,536*	**5,378**	*5,365*
Capital redemption reserve		**50,000**	*50,000*	**2,996**	*2,996*
Available for sale reserve		**(11,062)**	*(16,607)*	**(663)**	*(995)*
Total Equity		**629,049**	*622,172*	**37,690**	*37,279*
Total Equity and Liabilities		**4,471,154**	*3,587,306*	**267,889**	*214,934*

The notes on pages 271 to 289 form part of these financial statements. These financial statements were approved by the Board of Directors on April 24, 2014 and were signed on its behalf by:

SUDHIR DOLE
Managing Director &
Chief Executive Officer

AARTI SHARMA
Chief Executive Officer
& Company Secretary

ICICI Bank UK PLC
Registered number 4663024

ICICI Bank

for the year ended March 31, 2014

Continued

	Note	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	March 31, 2014 ₹ in million	*March 31, 2013 ₹ in million*
				Convenience translation (Refer to Note 2 (c))	
Profit on ordinary activities after tax		**25,224**	*14,383*	**1,512**	*864*
Movement in available for sale reserve					
Movement in fair value during the year		**7,201**	*27,996*	**431**	*1,677*
Movement in available for sale reserve		**7,201**	*27,996*	**431**	*1,677*
Taxation relating to available for sale reserve	10	**(1,656)**	*(6,719)*	**(99)**	*(403)*
Net movement in available for sale reserve		**5,545**	*21,277*	**332**	*1,274*
Total gains and losses recognised		**30,769**	*35,660*	**1,844**	*2,138*

The notes on pages 271 to 289 form part of these financial statements.

reconciliation of movements in shareholders' funds

for the year ended March 31, 2014

US$ 000s

	Issued Share Capital	Retained Earnings	Capital Redemption Reserve	Available for Sale Reserve	Other	Total
As at April 1, 2012	595,095	149,278	—	(37,884)	3,151	709,640
Capital Contribution (Share based payments)	—	—	—	—	997	997
Redemption of Preference share capital	(50,000)	(50,000)	50,000	—	—	(50,000)
Reduction in Equity share capital	(50,000)	—	—	—	—	(50,000)
Unrealised gain on available for sale securities	—	—	—	27,996	—	27,996
Tax impact	—	—	—	(6,719)	—	(6,719)
Profit on ordinary activities after tax	—	14,383	—	—	—	14,383
Dividends paid during the year	—	(24,125)	—	—	—	(24,125)
As at April 1, 2013	495,095	89,536	50,000	(16,607)	4,148	622,172
Capital Contribution (Share based payments)	—	—	—	—	1,108	1,108
Unrealised gain on available for sale securities	—	—	—	7,201	—	7,201
Tax impact	—	—	—	(1,656)	—	(1,656)
Profit on ordinary activities after tax	—	25,224	—	—	—	25,224
Equity dividend paid during the year	—	(25,000)	—	—	—	(25,000)
Closing shareholders' funds as at March 31, 2014	**495,095**	**89,760**	**50,000**	**(11,062)**	**5,256**	**629,049**

₹ in million

Convenience translation (Refer to Note 2 (c))	Issued Share Capital	Retained Earnings	Capital Redemption Reserve	Available for Sale Reserve	Other	Total
As at April 1, 2012	35,656	8,942	—	(2,269)	189	42,518
Capital Contribution (Share based payments)	—	—	—	—	60	60
Redemption of Preference share capital	(2,996)	(2,996)	2,996	—	—	(2,996)
Reduction in Equity share capital	(2,996)	—	—	—	—	(2,996)
Unrealised gain on available for sale securities	—	—	—	1,677	—	1,677
Tax impact	—	—	—	(403)	—	(403)
Profit on ordinary activities after tax	—	864	—	—	—	864
Dividends paid during the year	—	(1,445)	—	—	—	(1,445)
As at April 1, 2013	**29,664**	**5,365**	**2,996**	**(995)**	**249**	**37,279**
Capital Contribution (Share based payments)	—	—	—	—	66	66
Unrealised gain on available for sale securities	—	—	—	431	—	431
Tax impact	—	—	—	(99)	—	(99)
Profit on ordinary activities after tax	—	1,512	—	—	—	1,512
Equity dividend paid during the year	—	(1,499)	—	—	—	(1,499)
Closing shareholders' funds as at March 31, 2014	**29,664**	**5,378**	**2,996**	**(663)**	**315**	**37,690**

The notes on pages 271 to 289 form part of these financial statements.

1 **REPORTING ENTITY**

ICICI Bank UK PLC ("ICICI Bank" or "the Bank"), is a Company incorporated in the United Kingdom. The Bank's registered address is - One Thomas More Square, London E1W 1YN. The Bank is primarily involved in providing a wide range of banking and financial services including retail banking, corporate and commercial banking, trade finance and treasury services.

2 **BASIS OF PREPARATION**

(a) Statement of Compliance

The financial statements of the Bank have been prepared in accordance with the UK GAAP as issued by the Accounting Standards Board (including FRS 26 Financial instruments Recognition and measurement and FRS 29 Financial Instruments Disclosures).

(b) Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with the special provisions of Part XV of the Companies Act 2006 relating to banking companies and applicable accounting standards except for derivative financial instruments, financial instruments at fair value through profit or loss and available for sale financial assets which are valued at fair value.

During FY2014, the Bank has early adopted IFRIC 21 'Levies', on the basis that there is no equivalent guidance within UK GAAP and FRS 18 (Accounting Policies) allows the use of alternative accounting frameworks where this is the case. Comparatives have not been re-stated on the grounds of immateriality.

(c) Functional and presentation currency and convenience translation

The financial statements are prepared and presented in US Dollars, which is the functional currency of the Bank as it represents the currency of the primary economic environment in which the Bank operates. A significant proportion of the Bank's assets and revenues are transacted in US Dollars.

The financials are also presented in Indian Rupee (₹) currency for convenience using closing exchange rate. These numbers are proforma only and should not be regarded as being in compliance with UK GAAP.

(d) Cash flow exemptions

Under FRS 1 the Bank is exempted from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Bank in its own published consolidated financial statements (see Note 39).

(e) Related party exemptions

As the Bank is a wholly owned subsidiary of ICICI Bank Limited, the Bank has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of ICICI Bank Limited (see Note 39).

(f) Going concern

The financial statements are prepared on a going concern basis as the Bank is satisfied that it has the resources to continue in business for the foreseeable future. The Bank meets its liquidity requirements through managing both retail and wholesale funding sources and meets the regulatory liquidity requirements through maintaining a liquid asset buffer (LAB). With regard to Capital, the Bank maintains a capital buffer over regulatory capital requirements. The Bank's risk management policies and procedures are outlined in Note 33.

The Bank is a wholly owned subsidiary of ICICI Bank Limited. The Parent Bank has issued a letter of comfort to the Bank's regulators, the Financial Services Authority (FSA), now PRA, stating that the Parent Bank intends to financially support the Bank in ensuring that it meets all of its financial obligations as they fall due. In addition, the Bank's forecasts and projections, taking account of possible changes in its business model in subsequent years, including stress testing and scenario analysis, show that the Bank will be able to operate at adequate levels of both liquidity and capital for the foreseeable future. In making their assessment, the Directors have also considered future projections of profitability, cash flows and capital resources as well as the strategic review of the business model which is conducted on a periodic basis. The Bank has been maintaining a strong Capital adequacy and Tier 1 capital ratio. The Directors are satisfied that the Bank has adequate resources to continue in business for the foreseeable future and therefore it is appropriate to prepare the Annual Accounts on a going concern basis.

3 **SIGNIFICANT ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

(a) Interest income and expense

Interest income and expense are recognised in profit and loss using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or where appropriate, a shorter period) to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the Bank estimates the future cash flows considering all contractual terms of the financial instruments but not the credit losses. The effective interest rate is established on initial recognition (or upon reclassification) of the financial asset and liability and is not revised subsequently.

(b) Fees and commissions income and expense

Fees and commission are recognised in the profit and loss account when the service has been rendered, except when those fees are an adjustment to the yield on the related asset, in which case they are amortised over the expected maturity of the asset using the effective interest rate method. Fees and commissions payable on borrowings raised are expensed to the profit and loss account over the life of the borrowing raised using the effective interest rate method and are included in interest expense.

(c) Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the exchange rates ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account. Income and expenses denominated in foreign currencies are converted into US Dollars at the rate of exchange ruling at the date of the transaction.

(d) Investment securities

Investment securities are initially measured at fair value plus, in case of investment securities not classified as at fair value through profit or loss, incremental direct transaction costs. Subsequently accounted for, depending on their classification, as either held to maturity, loans and receivable, fair value through profit or loss, or available for sale.

(e) Financial assets and financial liabilities

The Bank initially recognises loans and advances, deposits, debt securities issued and subordinated liabilities on the date of origination.

The Bank classifies its financial assets in the following categories: financial instruments at fair value through profit and loss; loans and receivables; available for sale financial assets and held to maturity investments. The management determines the classification of financial assets at initial recognition. The financial assets are de-recognised when the rights to receive cash flows have expired or the Bank has transferred substantially all the risks and rewards of ownership. Financial instruments are recognised at trade date, being the date on which the Bank commits to purchase or sell the instruments.

Financial liabilities (other than derivatives) are measured at amortised cost and are recognised at value date (or settlement date). They are de-recognised when liabilities are extinguished.

(f) Loans and receivables

Loans and receivables, which include loans and advances and other receivables, are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as held for trading, designated at fair value through profit and loss, available for sale or held to maturity. Loans and receivables are initially recognised at fair value including direct and incremental transaction costs. They are subsequently valued at amortised cost using effective interest rate method. Loans and receivables are stated at amortised cost after deduction of amounts which are required as impairment provisions. Where loans have been acquired at a premium or discount, these premiums and discounts are amortised through the profit and loss account from the date of acquisition to the expected date of maturity using the effective interest rate method.

Policy in relation to write-offs: The Bank considers exposure for write off when the prospect of recovery over the next 12 month is remote and interest has not been serviced for the past 12 months. Any amount written off is in the first instance applied against specific provision for the exposure. In the normal course of business the loss to be written off will already have been fully provided. Any decision for a write-off is approved by the Board Credit Committee of the Bank.

Policy in relation to write back: If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal shall be recognised in profit or loss. Any recovery related to a written off asset is recognised in the profit and loss.

(g) Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction, on the measurement date. This is determined by reference to the quoted bid price or asking price (as appropriate) in an active market wherever possible.

When independent prices are not available or if the market for a financial instrument is not active, fair values are determined by using valuation techniques which refer to observable market data. These include comparison with similar instruments where market observable prices exist, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. Fair values of financial instruments may be determined in whole or in part using valuation techniques based on assumptions that are not supported by prices from current market transactions or observable market data.

In case of unobservable inputs or in case of unlisted entities, the inputs into valuations based on unobservable data are inherently uncertain because there is little or no current market data available from which the level at which an arm's length transaction would occur under normal business conditions could be determined. In such cases, estimates are made in the valuation technique to reflect uncertainties in fair values resulting from a lack of market data inputs. These include most recent arm's length transaction between knowledgeable, willing parties; reference to fair value of a similar instrument; discounted cash flow; or option pricing models.

However, the valuation techniques incorporate all factors that market participants have considered in setting a price; and have been consistent with accepted economic methodologies for pricing financial instruments.

Note 18 provide a detailed disclosure regarding classification and Fair value of instruments held by the Bank.

(h) Financial instruments at fair value through profit and loss

Financial instruments are classified in this category if they are held for trading. Instruments are classified as held for trading if they are:

i) Acquired/incurred principally for the purposes of selling or repurchasing in the near term; or

ii) Part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

iii) It is a derivative (except for derivative that is a financial guarantee contract or a designated as effective hedging instrument).

Financial instruments cannot be transferred into or out of this category after inception except certain assets on reclassification. Financial instruments included in this category are recognised initially at fair value and transaction costs are taken directly to the profit and loss account. Financial instruments at fair value through profit and loss include debt securities which are held for trading and valued at fair value.

Derivatives are carried at fair value in the balance sheet within 'Other assets' and 'Other liabilities'. Valuation adjustments to cover credit and market liquidity risks are made with gains and losses taken directly to the profit and loss account and reported within income/(loss) on financial instruments at fair value through profit and loss. The credit valuation adjustment is an adjustment to the valuation of Over the Counter (OTC) derivative contracts to reflect within fair value the possibility that the counterparty may default and that the Bank may not receive the full market value of the transactions. The debit valuation adjustment is an adjustment to the valuation of OTC derivative contracts to reflect within fair value the possibility that the Bank may default, and that the Bank may not pay full market value of the transactions.

Positive and negative fair values of derivatives are offset where the contracts have been entered into under netting agreements or other arrangements that represent a legally enforceable right of set-off, which will survive the liquidation of either party, and there is the intention to settle net.

(i) Held to maturity financial assets

Held-to-maturity investments are non-derivative assets with fixed or determinable payments and fixed maturity that the Bank has the positive intent and ability to hold to maturity, and which are not designated at fair value through profit or loss or as available for sale. Held-to-maturity investments are carried at amortised cost using the effective interest method.

(j) Available for sale financial assets

Available for sale financial assets are those non-derivative financial assets that are designated as available for sale and are not categorised into any of the other categories described above. They are initially recognised at fair value including direct and incremental transaction costs. They are subsequently held at fair value. Gains and losses arising from changes in fair value are included in the available for sale securities reserve until sale/derecognition, when the cumulative gain or loss is transferred to the profit and loss account.

Impairment losses on available for sale investment securities are recognised by transferring the cumulative loss that has been recognised directly in equity to profit and loss. The cumulative loss that is removed from equity and recognised in profit and loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in profit or loss.

If, in a subsequent period, the fair value of an impaired available for sale debt security increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available for sale equity investment is recognised directly in equity since it cannot be reversed through the profit and loss account.

(k) Reclassification of financial assets

The amendment to FRS 26 issued on October 10, 2008 permits an entity to reclassify non-derivative financial assets (other than those designated at fair value through profit or loss by the Bank upon initial recognition) out of the fair value through profit and loss category in rare circumstances. The amendment also permits an entity to transfer from the available for sale category to the loans and receivables category a financial asset that would have met the definition of loans and receivables and if the entity has the intention and ability to hold that financial asset for the foreseeable future.

When a financial asset is reclassified, it is reclassified at its fair value on the date of reclassification. Any gain or loss already recognized in the profit and loss account or shareholder equity, as appropriate, is not reversed. The fair value of the financial asset on the date of reclassification becomes its fair value or amortised cost, as applicable.

(l) Derivatives held for risk management purposes and hedge accounting instruments and hedging activities

Transactions are undertaken in derivative financial instruments (derivatives), which include interest rate swaps, futures, forward rate agreements, currency swaps, options and similar instruments, for trading and non-trading purposes. The Bank may designate a derivative as either a hedge of the fair value of a recognised fixed rate asset or liability or an unrecognised firm commitment (fair value hedge), a hedge of a forecasted transaction or the variability of future cash flows of a floating rate asset or liability (cash flow hedge) or a foreign-currency fair value or cash flow hedge (foreign currency hedge). All derivatives are recorded as assets or liabilities on the balance sheet at their respective fair values with unrealised gains and losses recorded either in reserves or in the profit and loss account, depending on the purpose for which the derivative is held. Derivatives that do not meet the criteria for designation as a hedge under FRS 26 at inception, or fail to meet the criteria thereafter, are accounted for in other assets with changes in fair value recorded in the profit and loss account.

Changes in the fair value of a derivative that is designated and qualifies as a fair value hedge, along with the gain or loss on the hedged asset or liability that is attributable to the hedged risk are recorded in the profit and loss account as other non-interest income. To the extent of the effectiveness of a hedge, changes in the fair value of a derivative that is designated and qualifies as a cash flow hedge, are recorded in reserves. For all hedging relationships, ineffectiveness resulting from differences between the changes in fair value or cash flows of the hedged item and changes in the fair value of the derivative are recognised in the profit and loss account as other non-interest income.

At the inception of a hedge transaction, the Bank formally documents the hedging relationship and the risk management objective and strategy for undertaking the hedge. This process includes identification of the hedging instrument, hedged item, risk being hedged and the methodology for measuring effectiveness. In addition, the Bank assesses both at the inception of the hedge and on an ongoing quarterly basis, whether the derivative used in the hedging transaction has been highly effective in offsetting changes in fair value or cash flows of the hedged item, and whether the derivative is expected to continue to be highly effective.

The Bank discontinues hedge accounting prospectively when it is either determined that the derivative is no longer highly effective in offsetting changes in the fair value or cash flows of a hedged item; the derivative expires or is sold, terminated or exercised; the derivative is de-designated because it is unlikely that a forecasted transaction will occur; or management determines that designation of the derivative as a hedging instrument is no longer appropriate.

When a fair value hedge is discontinued, the hedged asset or liability is no longer adjusted for changes in fair value and the existing basis adjustment is amortised or accreted over the remaining life of the asset or liability. When a cash flow hedge is discontinued but the hedged cash flow or forecasted transaction is still expected to occur, gains and losses that were accumulated in reserves are amortised or accreted into the profit and loss account. Gains and losses are recognised in the profit and loss account immediately if the cash flow hedge was discontinued because a forecasted transaction did not occur.

The Bank may occasionally enter into a contract (host contract) that contains a derivative that is embedded in the financial instrument. If applicable, an embedded derivative is separated from the host contract and can be designated as a hedge; otherwise, the derivative is recorded as a freestanding derivative. Such financial instruments stand extinguished at the time of conversion (debt into equity), sale and maturity.

(m) Sale and repurchase agreements

When securities are sold subject to a commitment to repurchase them at a predetermined price ('repos'), they remain on the balance sheet as, in substance, these transactions are in the nature of secured borrowings. As a result of these transactions, the Bank is unable to use, sell or pledge the transferred assets for the duration of the transaction. Similarly, securities purchased under commitments to sell ('reverse repos') are not recognised on the balance sheet.

(n) Identification and measurement of impairment

Impairment provisions/charges are made where there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that loss event (or events) has an impact on the estimated future cash flows from the asset that can be reliably estimated. Losses expected as a result of future events are not recognised. Evidence of impairment is considered on both individual and portfolio basis.

Refer Note 4 (a) and Note 4 (b) for the detailed policy guidance.

(o) Tangible assets and software

Fixed assets are stated at cost less accumulated depreciation and impairment. Cost includes expenditures that are directly attributable to the acquisition of the asset

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets and software on a straight-line basis over their estimated useful economic life as follows:

Leasehold improvements	Over the lease period
Office equipment	6 – 7 years
Furniture, fixtures and fittings	6 – 7 years
Computer hardware	3 – 4 years
Software	Over the estimated useful life[1]

[1]The useful life is on an average is currently between 1-5 years

Depreciation methods, useful life and residual values are reviewed at each balance sheet date.

(p) Provisions

Provisions are recognised when it is probable that an outflow of economic benefits will be required to settle a present, legal or constructive obligation, which has arisen as a result of a past event and for which a reliable estimate can be made of the amount of the obligation. All significant provisions have been discounted for current market assessments and the time value of money.

(q) Deposits, debt securities issued and subordinated liabilities

Deposits, debt securities issued and subordinated liabilities are the sources of debt funding. These are initially measured at fair value plus directly attributable transaction costs, and subsequently measured at their amortised cost using the effective interest method.

(r) Income tax expense

Income tax expense comprises current and deferred tax. Income tax and deferred tax expense is recognised in the profit and loss statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date and includes any adjustment to tax payable in respect of previous years.

Deferred tax is recognised, in respect of all timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. As required by FRS 19 "Deferred Tax", deferred tax is measured at the tax rates expected to be applied to the temporary difference when they reverse, based on the tax laws that have been enacted or substantially enacted by the reporting date. Deferred tax assets are recognised to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be sufficient future taxable profits from which the future reversal of the underlying timing differences can be deducted.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(s) Employee benefits

The Bank operates a stakeholder defined contribution pension scheme. Contributions to the scheme are charged to the profit and loss account as incurred.

(t) Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the non-cancellable lease term provided the same is ascertainable unless another basis is more appropriate.

(u) Share based payments

The Parent Bank (ICICI Bank Limited) has issued share options to the employees of ICICI Bank UK PLC. These transactions are recognised as equity-settled share based payments. The expense is recognised over the vesting period based on the market value of shares as on the date of grant of shares, adjusted for the number of employees leaving the Bank. A capital contribution from the Parent Bank is recognised in the books over the vesting period in the shareholders' funds. Under the requirements of UITF Abstract 44, a subsidiary should recognise an expense in its profit and loss account to reflect the effective remuneration paid to employees in respect of share awards granted by the Parent Company. The corresponding entry is to equity as the amounts are considered to be capital contributions by the Parent Company.

(v) Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with central banks and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Bank in the management of its short-term commitments.

(w) Share Capital

Shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from proceeds, net of tax.

4 SIGNIFICANT JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Estimates, judgements and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The accounting policies deemed critical to the Bank's results and financial position, based upon significant judgements and estimates, are discussed below.

(a) Allowances for credit losses

The Bank regularly reviews its loan portfolio to assess for impairment. Provisions are established to recognise incurred losses in the loan portfolio carried at amortised cost. In determining whether an impairment has occurred at the balance sheet date, the Bank assesses if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. It may not be possible to identify a single, discrete event that caused the impairment rather the combined effect of several events may have caused the impairment.

The Bank's policies governing specific impairment, restructuring/renegotiation and collective provision are detailed below:

i) ***Specific impairment:*** In accordance with the Bank's Credit Risk Management Policy (CRMP), the Bank identifies on a monthly basis, cases that are internally rated 'B' or below and/or significantly in breach of any covenants, including delays in debt servicing and/or where there is an expectation of significant credit deterioration.

Borrower's financial difficulty/credit deterioration/trigger event: The Bank assesses an asset for specific impairment if it becomes probable that the borrower is facing significant financial difficulty. The Bank also assesses for specific impairment and makes specific provision if necessary, if there is evidence of any significant credit deterioration or any event which indicates a reduced ability for the borrower to repay its interest and principal. The indicators of impairment can include, among other things:

a) Net worth of the risk counterparty/borrower turning negative

b) Delay in interest and or principal repayments

c) Breach in financial covenants

d) Likelihood of borrower entering bankruptcy/ financial reorganization.

e) Rating downgrade by external credit rating agencies.

f) National or local economic conditions that correlate with defaults on the assets in the borrower group (e.g. an increase in the unemployment rate in the geographical area of the borrowers, a decrease in oil prices for loan assets to oil producers, or adverse changes in industry conditions that affect the borrowers in the group).

g) Substantial decline in value of security provided to the Bank, especially when security is prime consideration for the lending. The unsecured portion of the exposure may be subjected to impairment testing.

h) Invocation of contractual comfort by the Bank such as corporate guarantee/put option which is not honoured by the counterparty.

The Bank's policy is to identify and recognize impairment in a loan when it is probable that the Bank will not be able to collect, or there is no longer a reasonable certainty that the Bank will collect all amounts due according to the contractual terms of the loan agreement. The Bank considers past due cases as impaired if the principal or interest on a loan is ninety days overdue as at the end of the quarter and the Bank does not have a realistic prospect of recovery of the amounts outstanding. The objective of the policy is to maintain a prudent level of provision reflective of the risk profile of the loan portfolio. It is not the Bank's policy to systematically over-provide or under-provide for its Credit Risk. The provision weightings included in the policy document are continually monitored against the lending experience of the Bank and are periodically adjusted to reflect such experience.

The Bank's policy is predicated on the premise that regardless of the quality of a lending institution and of its systems and procedures and of its client base the business of extending credit carries the intrinsic risk of such credit not being repaid and monies advanced proving to be irrecoverable. In accordance with the guidelines of FRS 26, an impairment loss for financial assets measured at amortized cost is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. The estimated future cash flows take into account only the credit losses that have been incurred at the time of the impairment loss calculation. In case the expected cash flows are not available, the breakup value of security/collateral for respective facilities under watch is calculated in accordance with the Bank's collateral valuation policy. In line with accounting guidelines, the Bank recognises an impairment loss equal to the best estimate within the range of reasonably possibly outcomes, taking into account all relevant information available about conditions existing at the end of the reporting period.

ii) ***Restructured/renegotiated cases:*** A restructured account is one where the Bank, for economic or legal reasons relating to the borrower's difficulty, grants to the borrower concessions that the Bank would not otherwise consider. Restructuring would normally involve modification of the terms of advances/securities which could include alteration of repayment period/repayable amount/the amount of instalments/rate of interest (due to reasons other than competition). The restructuring of an asset is only granted in situations where the customer has showed a willingness to repay the borrowing and is expected to be able to meet the revised terms of the restructuring. The Bank measures a restructured troubled loan by reducing its recorded value to its net realisable value, taking into account the cost of all concessions at the date of the restructuring. The reduction in the carrying value is recorded as a charge to the profit and loss statement in the period in which the loan is restructured.

In relation to loans and advances, the modifications of terms and conditions related to security and collateral arrangements or the waiver of certain covenants which do not affect payment arrangements, are not regarded as sufficient indicators of impairment or restructuring, as such changes do not necessarily indicate credit issues affecting the borrower's payment ability.

The Bank charges penal interest to the borrower for any delay in interest/principal payment unless a waiver has been approved by the Bank's relevant authority. As per the Bank's practice, such waivers are given in exceptional circumstances which could be mainly related to procedural delays in receiving the interest/principal payment by the due date.

The Bank derecognises a loan when there are substantial modifications to the terms of the loan on restructuring.

iii) Collective provision: Collectively assessed impairment allowances cover credit losses inherent in portfolios with similar economic characteristics, when there is objective evidence to suggest that they contain impaired claims, but, the individual impaired items cannot yet be identified. In assessing the need for collective impairment allowances, management considers factors such as historical loss trends, credit quality of the portfolio, portfolio size, concentrations, and economic factors. The aggregate amount of specific and collective provisions is intended to be sufficient to absorb estimated credit losses generated in the loan portfolio.

The collective impairment policy as defined in the CRMP stipulates that collective provision, based on the credit rating of the exposures, needs to be provided in respect of the entire performing loan and receivables portfolio. The Bank has followed FRS 26 guidelines for defining its collective impairment policy wherein the provisioning is determined by the extent of the underlying credit risk in the portfolio of the Bank. This is also the direction provided by the Basel Accord. The exposures that are individually assessed for impairment and for which an impairment loss is or continues to be recognised, are not included in the collective assessment of impairment. In line with market practice, the Bank has been using a representative set of Probability of Default (PD)/Loss Given Default (LGD) data to determine the extent of provisioning required to be made by the Bank in respect of its performing loan portfolio on a collective basis. The aggregate provisioning requirement is arrived at by multiplying the outstanding amounts under each portfolio type (internally rated and externally rated exposures) on the relevant date with the corresponding PD and LGD.

In the absence of adequate internal default history and on account of a similar internal credit rating scale, the Bank has used Probability of Default (PD) data of its Parent (ICICI Bank Limited) for estimating the collective provisioning on its internally rated India country of exposure portfolio. For the internally rated non-India country of exposure portfolio, the Bank has used PD data from Moody's, corresponding to the geographies which make up the majority of its non-India exposures. On the India exposures, the Bank has used the average one year PDs of the Parent from FY 2006 onwards, while the Moody's data covers a period from the year 2003 onwards. For the externally rated Asset Backed Securities (ABS) portfolio, the average one year PD data for structured finance transactions, published by Standard and Poor (S&P) for the period 1978-2012 has been used to calculate the collective provision. The LGD has been assumed at 50.0% based on S&P's experience of recovery rates. For the internally rated portfolio, the LGD has been calculated based on the collateral available with the Bank. LGD and haircuts applicable for each collateral as prescribed in Basel II guidelines have been considered. The historical average PD data being used covers a full economic cycle and captures periods of low economic activity when relatively higher default rates were observed.

(b) Impairment of available for sale financial assets

The Bank regularly reviews its available for sale securities portfolio to assess for impairment. The Bank considers all available evidence, including observable market data or information about events specifically relating to the securities which may result in a shortfall in recovery of future cash flows. These events may include a significant financial difficulty of the issuer, a breach of contract such as a default, bankruptcy or other financial reorganisation, or the disappearance of an active market for the debt security because of financial difficulties relating to the issuer, information about the issuer's liquidity, business and financial risk exposures, level of and trends in default for similar financial assets, national and local economic conditions. While assessing ABS for objective evidence of impairment, the Bank considers the performance of the underlying collateral, changes in credit rating, credit enhancements, default events among others. Once impairment has been identified, the amount of impairment is measured based on the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss previously recognised in profit or loss. In determining whether an impairment event has occurred at the balance sheet date, the Bank considers whether there is any observable data which comprises evidence of the occurrence of a loss event, and evidence that the loss event results in a decrease in estimated future cash flows or their timings. Such observable data includes any adverse change in the payment status of borrowers or changes in economic conditions that correlate with defaults on loan repayment obligations. A significant or prolonged decline in the fair value of an available for sale equity investment below its cost is evidence of impairment considered by the Bank.

The negative mark to market (MTM) on the AFS portfolio is monitored by the Bank on a regular basis. The Bank follows its valuation policy for valuing its AFS portfolio (refer point (c) relating to 'Valuation of financial instruments' below).

(c) Valuation of financial instruments

The Bank values its available for sale and held for trading investment securities at fair market value. The best evidence of fair value is a quoted price in an actively traded market. If the market for a financial instrument is not active, or the financial instruments are traded infrequently and have little price transparency or the fair value is less objective, and requires varying degrees of judgment, the Bank uses valuation techniques to arrive at the fair value. The valuation techniques employ observable market data to calculate fair values, including comparisons with similar financial instruments for which market observable prices exist. When valuing instruments by reference to comparable instruments, management takes into account the maturity, structure and rating of the instrument with which the position held is being compared.

5 INCOME/(LOSS) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS

(Loss)/Income on financial instruments at fair value through profit and loss consists of unrealised and realised gains or losses on transactions in securities and derivatives.

	Year ended March 31, 2014 US$ 000s	*Year ended March 31, 2013 US$ 000s*	**Year ended March 31, 2014 ₹ in million**	*Year ended March 31, 2013 ₹ in million*
Income on other financial assets	**199**	*436*	**12**	*26*
Realised/unrealized gains/(losses) on derivative instruments	**(1,490)**	*4,072*	**(89)**	*244*
Total	**(1,291)**	*4,508*	**(77)**	*270*

Other financial assets include credit linked notes, derivative instruments include currency spot, forwards and option contracts including the equity option component of foreign currency convertible bonds (FCCB) and interest rate swaps and futures. Gains and losses on derivatives are presented on a net basis as it is not practical to split the same, although derivative assets and liabilities are grossed up within other assets and other liabilities on the balance sheet. Current year includes realised losses on hedge instruments for which the underlying assets were sold during the year.

6 OTHER OPERATING INCOME

Other operating income primarily consists of retail branch related fees and other corporate banking related income.

7 ADMINISTRATIVE EXPENSES

	Year ended March 31, 2014 US$ 000s	*Year ended March 31, 2013 US$ 000s*	**Year ended March 31, 2014 ₹ in million**	*Year ended March 31, 2013 ₹ in million*
Staff costs (including Directors' emoluments):				
Wages and salaries	**19,873**	*19,184*	**1,191**	*1,149*
Social security costs	**1,845**	*1,982*	**111**	*119*
Other administrative expenses	**13,600**	*14,357*	**814**	*860*
Total	**35,318**	*35,523*	**2,116**	*2,128*

The number of persons employed by the Bank (including Directors) during the year was as follows:

	Year ended March 31, 2014 No. of Employees	*Year ended March 31, 2013 No. of Employees*
Management	**42**	*43*
Non Management	**159**	*160*
Total	**201**	*203*

8 PROFIT ON ORDINARY ACTIVITIES BEFORE TAX IS STATED AFTER CHARGING

	Year ended March 31, 2014 US$ 000s	Year ended March 31, 2013 US$ 000s	Year ended March 31, 2014 ₹ in million	Year ended March 31, 2013 ₹ in million
Auditor's remuneration				
Fees payable to the Bank's statutory auditors and their associates for the audit of Bank's annual accounts	495	452	30	27
Fees payable to the Bank's statutory auditors and their associates for other services:				
Audit related assurance services	439	437	26	26
Tax compliance services	42	47	3	3
Total	976	936	59	56

9 SEGMENTAL REPORTING

The Bank centrally manages its banking activities as a single business from its offices in the UK, Germany and Belgium.

10 TAXATION

(a) Analysis of charge in the year

	Year ended March 31, 2014 US$ 000s	Year ended March 31, 2013 US$ 000s	Year ended March 31, 2014 ₹ in million	Year ended March 31, 2013 ₹ in million
Current tax				
UK Corporation tax[1] at 23% (2013: 24%) on the taxable profit for the year	4,479	3,198	268	192
Overseas corporation charge	5,879	1,457	353	87
	10,358	4,655	621	279
Adjustments for prior years	134	(320)	8	(19)
	10,492	4,335	629	260
Deferred tax				
Origination and reversal of timing differences	401	440	24	26
Tax on profit on ordinary activities	10,893	4,775	653	286

(b) Factors affecting the tax charge for the current year

	Year ended March 31, 2014 US$ 000s	Year ended March 31, 2013 US$ 000s	Year ended March 31, 2014 ₹ in million	Year ended March 31, 2013 ₹ in million
Current tax reconciliation				
Profit on ordinary activities before tax	36,117	19,158	2,165	1,150
Current tax at 23% (2013: 24%)	8,307	4,598	498	276
Add effects of:				
Expenses not deductible for tax purposes	257	241	15	14
Other timing differences (FRS 26 Impact)	(275)	(287)	(16)	(17)
Timing difference on movement of collective provisions for bad and doubtful debts	(49)	(51)	(3)	(3)
Depreciation less than capital allowances for the year	182	154	11	9
Overseas taxes (net of overseas tax credit relief)	1,936	—	116	—
Adjustment for prior year	134	(320)	8	(19)
Total current tax charge (see 10 (a) above)	10,492	4,335	629	260

(c) The movements in deferred tax asset during the year were:

	Year ended March 31, 2014 US$ 000s	Year ended March 31, 2013 US$ 000s	Year ended March 31, 2014 ₹ in million	Year ended March 31, 2013 ₹ in million
Balance as at March 31	1,180	1,620	71	97
Debit to profit and loss account :				
Reversal of Deferred tax asset	(327)	(389)	(20)	(23)
Debit to available for sale reserves :				
Rate differential from 23% to 21%	(74)	(51)	(4)	(3)
Adjustments for prior year	—	—	—	—
Balance as at March 31	779	1,180	47	71

(d) Deferred tax is composed of the tax impact of the following items:

	Year ended March 31, 2014 US$ 000s	Year ended March 31, 2013 US$ 000s	Year ended March 31, 2014 ₹ in million	Year ended March 31, 2013 ₹ in million
Collective provision	90	147	5	9
Effect of FRS 26				
- Fees Income amortisation	364	597	23	36
- Recognition of fair value of derivatives	140	231	8	14
Excess of tax written down value over book value of tangible fixed assets	185	205	11	12
Total	779	1,180	47	71

(e) Taxation relating to available for sale reserve

	Year ended March 31, 2014 US$ 000s	Year ended March 31, 2013 US$ 000s	Year ended March 31, 2014 ₹ in million	Year ended March 31, 2013 ₹ in million
Provision for tax for current year	(1,656)	(6,719)	(99)	(403)
Total	(1,656)	(6,719)	(99)	(403)

1 The UK corporation tax rate reduced from 24% to 23% effective from April 1, 2013. Further changes to 21%, effective from April 1, 2014, and 20%, effective from April 1, 2015, were substantively enacted during the period. The deferred tax asset at March 31, 2014 has been calculated based on the rate of 21% substantively enacted at the balance sheet date.

11 Emoluments of Directors

	Year ended March 31, 2014 US$ 000s	Year ended March 31, 2013 US$ 000s	Year ended March 31, 2014 ₹ in million	Year ended March 31, 2013 ₹ in million
Directors' fees and gross emoluments	972	809	58	48

The gross emoluments[1] of the highest paid director were US$ 572,203 (₹ 34,283,543) (2013: US$ 444,465; ₹ 26,630,120) excluding share based payments. Contributions on behalf of a director under a money purchase pension scheme amounted to US$ 25,359 (₹ 1,519,384) (2013: US$ 21,230; ₹ 1,271,995). The number of stock options [2] granted to the highest paid director during the year was 40,000 (2013: NIL).

[1] Gross emoluments include base salary and performance bonus

[2] Refer note 12 for the details of the stock option scheme.

12 Share-based payments

During the year, US$ 1.11 million (₹ 66.4 million) was charged to the profit and loss account in respect of equity-settled share-based payment transactions (2013: US$ 0.99 million; ₹ 59.7 million). This expense, which was computed from the fair values of the share-based payment transactions when granted, arose under employee share awards made in accordance with the ICICI Bank Limited group's reward structures.

Stock Option Scheme

In terms of an Employee Stock Option Scheme (ESOS), of the parent Bank, options are granted to eligible employees and Directors of the Bank and its subsidiaries. As per the ESOS as amended from time to time, the maximum number of options granted to any employee/Director in a year is limited to 0.05% of the Parent Bank's issued equity shares at the time of the grant, and the aggregate of all such options is limited to 10% of Parent Bank's issued equity shares on the date of the grant. Options granted vest in a graded manner over a four year period, with 20%, 20%, 30% and 30% of the grants vesting in each year, commencing from the end of 12 months from the date of grant. Options granted in April 2009 vest in a graded manner over a five-year period, with 20%, 20%, 30% and 30% of the grants vesting in each year, commencing from the end of 24 months from the date of grant. The options can be exercised within 10 years from the date of grant or five years from the date of vesting, whichever is later.

Particulars of options granted to employees of ICICI Bank UK PLC up to March 31, 2014 are given below:

	March 31, 2014 Number (000s)	*March 31, 2013 Number (000s)*
Outstanding at the beginning of the year	**898**	*801*
Additions during the year	**119**	*97*
Outstanding at the end of the year	**1,017**	*898*

Calculation of fair values

Fair values of stock options/awards, measured at the date of grant of the option/award, are calculated using a binomial tree model. The expected life of options depends on the behaviour of option holders, which is incorporated into the option model on the basis of historic observable data. The fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitations of the model used. Expected dividends are incorporated into the valuation model for stock options/awards, where applicable. The significant weighted average assumptions used to estimate the fair value of the options granted were as follows:

	Year ended March 31, 2014 Range	*Year ended March 31, 2013 Range*
Risk-free interest rate[1] (%)	**7.6-7.69**	*8.01-8.87*
Expected term[2] (years)	**6.35**	*6.35*
Expected volatility[3] (%)	**48.70**	*49.55*
Expected dividend yield (%)	**1.70**	*1.96*
Share price at grant date (₹)	**1,177.35**	*841.45*

[1] Risk free interest rates over the expected term of the option are based on the Indian government securities yield in effect at the time of the grant.

[2] Expected term is not a single input parameter but a function of various behavioural assumptions. The expected term of an option is estimated based on the vesting term as well as expected exercise behavior of the employees who receive the option. Expected term is determined based on simplified method of vesting for grants.

[3] Expected volatility during the estimated expected term of the option is based on historical volatility determined based on observed market prices of the Bank's publicly traded equity shares.

13 Financial Services Compensation Scheme

The Financial Services Compensation Scheme ('FSCS') has provided compensation to consumers following the collapse during 2008 of a number of deposit takers such as Bradford & Bingley plc, Heritable Bank plc, Kaupthing Singer & Friedlander Limited, Landsbanki 'Icesave', Dunfermline Building Society and London Scottish Bank plc. The protection of consumer deposits is currently funded through loans from the Bank of England and HM Treasury. The Bank could be liable to pay a proportion of the outstanding borrowings that the FSCS has borrowed from HM Treasury which is currently at GBP 16.6 billion as per the FSCS Plan and Budget for 2014/2015. The Bank is also obligated to pay its share of forecast management expenses based on the Bank's market share of deposits protected under the FSCS. This levy is called the specified deposit defaults (SDD) levy. During FY2014, FSCS recovered GBP 791 million of the SDD levies from the deposit taking sector (GBP 363 million capital Levy and GBP 428 million interest levy). As per the FSCS Plan and Budget for 2014/2015, FSCS expects to levy the deposit taking sector the second instalment of the principal on the non Bradford & Bingley loans for GBP 399 million and loan interest cost of GBP 439 million, making a total levy of GBP 838 million for 2014/15.

The Bank has recognized an expense of US$ 1.8 million (₹ 107.8 million) during FY2014 (FY2013: US$ 1.0 million; ₹ 59.9 million), in respect of all statutory levies. This mainly includes the Bank's share of the SDD levy management expense, including interest costs and principal. Until FY2014, the Bank had been accruing for the SDD levy based on its estimated share of total market protected deposits as at December 31 in the financial year, in addition to maintaining accruals for the levies due for the preceding December 31 deposit base. The accrual was based on the December trigger date for obligation to pay the levy.

The Bank has adopted IFRIC 21 'Levies', on the basis that there is no equivalent guidance within UK GAAP and FRS 18 (Accounting Policies) allows the use of alternative accounting frameworks where this is the case. As IFRIC amends the trigger for recognition from December to the start of the FSCS scheme year in April, this has led to a reversal US$ 1.0 million (₹ 59.9 million) of accruals for 2014/15 scheme year during FY2014. Comparatives have not been re-stated on the grounds of immateriality.

14 Loans and advances to banks

(a) Residual Maturity

	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	**March 31, 2014 ₹ in million**	*March 31, 2013 ₹ in million*
Banks				
Repayable on demand	**63,402**	*34,838*	**3,799**	*2,087*
Other loans and advances				
Remaining Maturity :				
Over 5 years	**3**	*1,732*	**0**	*104*
5 year or less but over 1 year	**750**	*750*	**45**	*45*
1 year or less but over 3 months	**6,745**	*16,793*	**404**	*1,006*
3 months or less	**5,275**	*19,997*	**316**	*1,198*
	76,175	*74,110*	**4,564**	*4,440*
Parent and Group Companies				
Repayable on demand	**2,910**	*3,268*	**174**	*196*
Other loans and advances				
Remaining Maturity :				
1 year or less but over 3 months	**—**	*244*	**—**	*15*
3 months or less	**—**	*1,129*	**—**	*68*
	2,910	*4,641*	**174**	*279*
Sub Total	**79,085**	*78,751*	**4,738**	*4,719*
Collective provision	**(6)**	*(94)*	**0**	*(6)*
Specific impairment allowance	**—**	*—*	**—**	*—*
Total	**79,079**	*78,657*	**4,738**	*4,713*

(b) Concentration of exposure

The Bank has the following concentrations of gross loans and advances to banks:

	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	**March 31, 2014 ₹ in million**	*March 31, 2013 ₹ in million*
Total gross advances to banks located in:				
UK	**50,305**	*39,070*	**3,014**	*2,340*
Europe	**6,813**	*8,220*	**408**	*493*
North America	**1,807**	*2,048*	**108**	*123*
India	**16,872**	*27,181*	**1,011**	*1,629*
Rest of the World	**3,288**	*2,232*	**197**	*134*
Total	**79,085**	*78,751*	**4,738**	*4,719*

As at March 31, 2014, the Bank had no direct exposure to banks in Portugal, Italy, Ireland, Greece, Spain, Cyprus, Ukraine or Russia (2013: NIL).

Geographical concentration represents the country of risk exposure. Generally, the risk domicile of an exposure is identified as the country of residence of the borrower provided that the cash flows of the borrower and/or the value of the security adequately covers the loan exposure of the Bank.

15 Loans and advances to customers

(a) Residual Maturity

	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	**March 31, 2014 ₹ in million**	*March 31, 2013 ₹ in million*
Repayable on demand or at short notice	**50,312**	*36,461*	**3,014**	*2,185*
Other loans and advances				
Remaining Maturity :				
Over 5 years	**251,937**	*230,399*	**15,095**	*13,804*
5 years or less but over 1 year	**1,319,947**	*1,144,832*	**79,085**	*68,593*
1 year or less but over 3 months	**466,285**	*241,858*	**27,937**	*14,491*
3 months or less	**721,822**	*677,159*	**43,248**	*40,571*
Sub total	**2,810,303**	*2,330,709*	**168,379**	*139,644*
Collective provision	**(8,494)**	*(17,129)*	**(509)**	*(1,026)*
Specific impairment allowance	**(52,673)**	*(30,608)*	**(3,156)**	*(1,834)*
Total	**2,749,136**	*2,282,972*	**164,714**	*136,784*

(b) Concentration of exposure

Geographical concentrations of loans and advances to customers

	March 31, 2014 US$ 000s	March 31, 2013 US$ 000s	March 31, 2014 ₹ in million	March 31, 2013 ₹ in million
UK	**540,238**	*598,901*	**32,368**	*35,883*
Europe	**681,574**	*740,955*	**40,837**	*44,394*
North America	**27,015**	—	**1,619**	—
India	**1,101,251**	*906,814*	**65,981**	*54,332*
Rest of the World	**171,124**	*84,039*	**10,253**	*5,035*
Total	**2,521,202**	*2,330,709*	**151,058**	*139,644*
India (Retail loans against FCNR deposits)	**289,101**	—	**17,321**	—
Total	**2,810,303**	*2,330,709*	**168,379**	*139,644*

As at March 31, 2014, the outstanding exposure to customers in Ireland was US$ 17.9 million (₹ 1,072.5 million) (2013: US$ 24.6 million; ₹ 1,473.9 million) and to Spain was US$ 38.6 million (₹ 2,312.7 million) (2013: NIL) . As at March 31, 2014, the Bank had no direct exposure to customers in Portugal, Italy, Greece, Cyprus, Ukraine or Russia. (2013: NIL).

Geographical concentration represents the country of risk exposure. Generally, the risk domicile of an exposure is identified as the country of residence of the borrower provided that the cash flows of the borrower and/or the value of the security adequately covers the loan exposure of the Bank.

16 Potential credit risk on financial instruments

March 31, 2014 US$ 000s

	Neither past due nor impaired	Past due not impaired	Impaired	Impairment allowances	Total
Cash	**648**	—	—	—	**648**
Balances at central banks	**1,008,407**	—	—	—	**1,008,407**
Loans and advances to banks	**79,085**	—	—	**(6)**	**79,079**
Loans and advances to customers	**2,476,441**	**123,112**	**210,750**	**(61,167)**	**2,749,136**
Investment securities	**493,448**	—	**39,988**	**(34,551)**	**498,885**
Other assets*:					
- Cheques in clearing	**188**	—	—	—	**188**
- Deposits receivable	**5,308**	—	—	—	**5,308**
- Derivative financial instruments	**86,028**	—	—	—	**86,028**
- Unsettled securities	**3,172**	—	—	—	**3,172**
Accrued income and other receivables	**28,672**	—	—	—	**28,672**
Total financial instruments	**4,181,397**	**123,112**	**250,738**	**(95,724)**	**4,459,523**

March 31, 2014 ₹ in million

	Neither past due nor impaired	Past due not impaired	Impaired	Impairment allowances	Total
Cash	**39**	—	—	—	*39*
Balances at central banks	**60,419**	—	—	—	*60,419*
Loans and advances to banks	**4,738**	—	—	**0**	*4,738*
Loans and advances to customers	**148,376**	**7,376**	**12,627**	**(3,665)**	*164,714*
Investment securities	**29,564**	—	**2,396**	**(2,070)**	*29,890*
Other assets*:					
- Cheques in clearing	**11**	—	—	—	*11*
- Deposits receivable	**318**	—	—	—	*318*
- Derivative financial instruments	**5,154**	—	—	—	*5,154*
- Unsettled securities	**190**	—	—	—	*190*
Accrued income and other receivables	**1,718**	—	—	—	*1,718*
Total financial instruments	**250,527**	**7,376**	**15,023**	**(5,735)**	*267,191*

* excludes deferred tax assets, prepaid expenses and fixed assets

March 31, 2013 *US$ 000s*

	Neither past due nor impaired	*Past due not impaired*	*Impaired*	*Impairment allowances*	*Total*
Cash	*565*	—	—	—	*565*
Balances at central banks	*583,227*	—	—	—	*583,227*
Loans and advances to banks	*78,751*	—	—	*(94)*	*78,657*
Loans and advances to customers	*2,074,342*	*127,419*	*128,948*	*(47,737)*	*2,282,972*
Investment securities	*514,586*	—	*39,988*	*(28,919)*	*525,655*
Other assets:					
- Cheques in clearing	*173*	—	—	—	*173*
- Deposits receivable	*2,691*	—	—	—	*2,691*
- Deferred tax asset	*1,180*	—	—	—	*1,180*
- Derivative financial instruments	*76,353*	—	—	—	*76,353*
- Unsettled securities	*4,177*	—	—	—	*4,177*
Accrued income and other receivables	*15,656*	—	—	—	*15,656*
Total financial instruments	*3,351,701*	*127,419*	*168,936*	*(76,750)*	*3,571,306*

March 31, 2013 *₹ in million*

	Neither past due nor impaired	*Past due not impaired*	*Impaired*	*Impairment allowances*	*Total*
Cash	*34*	—	—	—	*34*
Balances at central banks	*34,944*	—	—	—	*34,944*
Loans and advances to banks	*4,719*	—	—	*(6)*	*4,713*
Loans and advances to customers	*124,284*	*7,634*	*7,726*	*(2,860)*	*136,784*
Investment securities	*30,831*	—	*2,396*	*(1,733)*	*31,495*
Other assets:					
- Cheques in clearing	*10*	—	—	—	*10*
- Deposits receivable	*161*	—	—	—	*161*
- Deferred tax asset	*71*	—	—	—	*71*
- Derivative financial instruments	*4,575*	—	—	—	*4,575*
- Unsettled securities	*250*	—	—	—	*250*
Accrued income and other receivables	*938*	—	—	—	*938*
Total financial instruments	*200,818*	*7,634*	*10,122*	*(4,599)*	*213,975*

Loans and advances to customers

	March 31, 2014 US$ 000s	March 31, 2013 US$ 000s	March 31, 2014 ₹ in million	March 31, 2013 ₹ in million
Loans contractually overdue as to principal or interest				
- Less than 60 days	—	*9,217*	—	*552*
- 61 to 90 days	—	*3,099*	—	*186*
- more than 90 days	**304,636**	*213,068*	**18,252**	*12,766*
Total	**304,636**	*225,384*	**18,252**	*13,504*
Concentration of overdue exposure				
United Kingdom	**8,230**	*5,000*	**493**	*300*
Europe	**78,171**	*17,608*	**4,684**	*1,055*
India	**218,235**	*202,776*	**13,075**	*12,149*
Total	**304,636**	*225,384*	**18,252**	*13,504*
Past due whether impaired or not				
Past due not impaired	**123,112**	*127,419*	**7,376**	*7,634*
Past due impaired	**181,524**	*97,965*	**10,876**	*5,870*
Total	**304,636**	*225,384*	**18,252**	*13,504*
Past due not impaired*				
- Less than 60 days	—	*3,099*	—	*186*
- 61 to 90 days	—	*2,298*	—	*138*
- more than 90 days	**123,112**	*122,022*	**7,376**	*7,310*
Total	**123,112**	*127,419*	**7,376**	*7,634*

*Past due not impaired are stated at the total value of the exposure. The total overdue contractual payments of principal or interest are US$ 31.6 million (₹ 1,893.3 million). All overdue cases are assessed for impairment as per the Bank's policy. As on the reporting date, the Bank has reasonable certainty of repayment of the outstanding or there is adequate collateral cover. Hence these exposures have not been classified as impaired.

During the year ended March 31, 2014 the Bank had renegotiated/restructured loan amounting to US$ 39.2 million (₹ 2,348.7 million). As on March 31, 2014, included in the impaired loans was loan restructured in previous years of US$ 29.2 million (₹ 1,749.5 million) (2013: US$ 26.6 million; ₹ 1,593.7 million).

17 **IMPAIRMENT ON LOANS AND ADVANCES**

Net loan impairment charge to profit and loss account

	March 31, 2014 US$ 000s	March 31, 2013 US$ 000s	March 31, 2014 ₹ in million	March 31, 2013 ₹ in million
New charges	(22,007)	(23,062)	(1,319)	(1,382)
Release of allowance	8,723	2,853	523	171
Write off directly to profit and loss	(1,306)	—	(78)	—
	(14,590)	(20,209)	(874)	(1,211)

Movement in impairment allowance on loans and advances

	March 31, 2014 US$ 000s			March 31, 2013 US$ 000s		
	Specific Impairment	Collective Provision	Total	Specific Impairment	Collective Provision	Total
Opening Balance	30,608	17,223	47,831	31,246	16,345	47,591
Charge to profit and loss account	24,007	(8,723)	15,284	18,647	1,562	20,209
Amounts written off	(2,000)	—	(2,000)	(19,285)	(684)	(19,969)
Recovery of amounts provided in previous years	—	—	—	—	—	—
Others (incl FX)	58	—	58	—	—	—
Closing Balance	52,673	8,500	61,173	30,608	17,223	47,831

	March 31, 2014 ₹ in million			March 31, 2013 ₹ in million		
	Specific Impairment	Collective Provision	Total	Specific Impairment	Collective Provision	Total
Opening Balance	1,834	1,032	2,866	1,872	979	2,851
Charge to profit and loss account	1,438	(523)	915	1,117	94	1,211
Amounts written off	(120)	—	(120)	(1,155)	(41)	(1,196)
Recovery of amounts provided in previous years	—	—	—	—	—	—
Others (incl FX)	3	—	3	—	—	—
Closing Balance	3,155	509	3,664	1,834	1,032	2,866

18 **INVESTMENT SECURITIES**

Classification of Investment securities

	March 31, 2014 Market Value US$ 000s	March 31, 2013 Market Value US$ 000s	March 31, 2014 Market Value ₹ in million	March 31, 2013 Market Value ₹ in million
Analyzed by class:				
Treasury Bills	126,967	101,988	7,607	6,111
Other securities				
- Credit Link Notes	—	14,801	—	887
- Bonds	289,644	323,169	17,353	19,363
- Asset Backed Securities	76,787	74,566	4,601	4,467
- Equity	5,487	11,131	329	667
Total other securities	371,918	423,667	22,283	25,384
Total	498,885	525,655	29,890	31,495
Analysed by designation:				
Available for sale	498,885	486,000	29,890	29,119
Held to Maturity	—	24,854	—	1,489
Financial instruments at fair value through profit and loss	—	14,801	—	887
Total	498,885	525,655	29,890	31,495

	March 31, 2014 Market Value US$ 000s	March 31, 2013 Market Value US$ 000s	March 31, 2014 Market Value ₹ in million	March 31, 2013 Market Value ₹ in million
Analysed by issuer:				
Available for sale				
Issued by public bodies:				
Government Issued	126,967	101,988	7,607	6,111
Other Public sector securities	219,468	173,097	13,150	10,371
Issued by other issuers	152,450	210,915	9,133	12,637
Held to Maturity				
Issued by other issuers	—	24,854	—	1,489
Financial instruments at fair value through profit and loss				
Issued by other issuers	—	14,801	—	887
Total	498,885	525,655	29,890	31,495
Analysed by listing status				
Available for sale				
Unlisted	129,862	101,988	7,780	6,111
Listed	369,023	384,012	22,110	23,008
Held to Maturity				
Unlisted	—	24,854	—	1,489
Financial instruments at fair value through profit and loss				
Unlisted	—	14,801	—	887
Total	498,885	525,655	29,890	31,495
Analyzed by maturity*:				
Due within 1 year	170,249	158,745	10,200	9,511
Due 1 year and above	323,149	355,779	19,361	21,316
Total	493,398	514,524	29,561	30,827

*does not include US$ 5.5 million (₹ 328.7 million) of investment in equity

In FY2013, included in above were bonds issued by the Parent Bank and ICICI Bank Canada (a fellow subsidiary) with a market value of US$ 31.2 million (₹ 1869.3 million), which is NIL as on March 31, 2014.

Impairment on investment securities

During the year the Bank booked impairment of US$ 5.6 million (₹ 337.4 million) (2013: US$ 7.0 million; ₹ 420.3 million) through the profit and loss in respect of certain equity investments held as available for sale.

Investments held at fair value at March 31, 2014, by valuation method:

US$ 000s

	Level 1	Level 2	Level 3	Total
Treasury Bills	126,967	—	—	126,967
Credit Link Notes	—	—	—	—
Bonds	289,644	—	—	289,644
Asset Backed Securities	76,787	—	—	76,787
Equity	5,487	—	—	5,487
Total	498,885	—	—	498,885

₹ in million

	Level 1	Level 2	Level 3	Total
Treasury Bills	7,607	—	—	7,607
Credit Link Notes	—	—	—	—
Bonds	17,353	—	—	17,353
Asset Backed Securities	4,601	—	—	4,601
Equity	329	—	—	329
Total	29,890	—	—	29,890

Investments held at fair value at March 31, 2013, by valuation method:

US$ 000s

	Level 1	*Level 2*	*Level 3*	*Total*
Treasury Bills	101,988	—	—	101,988
Credit Link Notes	—	14,801	—	14,801
Bonds	290,541	7,774	—	298,315
Asset Backed Securities	74,566	—	—	74,566
Equity	11,131	—	—	11,131
Total	478,226	22,575	—	500,801

	Level 1	Level 2	Level 3	Total
				₹ in million
Treasury Bills	*6,111*	*—*	*—*	*6,111*
Credit Link Notes	*—*	*887*	*—*	*887*
Bonds	*17,408*	*466*	*—*	*17,874*
Asset Backed Securities	*4,468*	*—*	*—*	*4,468*
Equity	*667*	*—*	*—*	*667*
Total	*28,654*	*1,353*	*—*	*30,007*

Valuation Hierarchy

The valuation hierarchy is set out below:

Level 1: Investments valued using unadjusted quoted prices in active markets for identical assets.

Level 2: Investments valued using valuation techniques based on observable market data for instruments where markets are considered less than active. Instruments in this category are valued using:

(a) Quoted prices for similar assets, or identical assets in markets which are considered to be less than active; or

(b) Valuation techniques where all the inputs that have a significant effect on the valuation are directly or indirectly based on observable market data.

Level 3: Investments valued using valuation model based on significant non market observable inputs.

19 RECLASSIFICATION OF FINANCIAL ASSETS

In October 2008, the Accounting Standard Board's issued amendments to FRS 26 "Financial Instruments: Recognition and Measurement" and FRS 29 "Financial Instruments: Disclosures" which permits an entity to reclassify certain financial assets out of the held for trading category. The amendment also permits an entity to transfer from the available for sale category to the loans and receivable category in certain circumstances.

The reclassifications were made as a result of significant reductions in market liquidity for these assets, and a change in the intention to hold the assets for the foreseeable future or to maturity. These circumstances formed part of the wider context of market turmoil and are considered a rare event and, as such, the reclassification was permitted under the amendments to FRS 26. On the date of reclassification, the fair value of the asset was deemed to be the asset's new amortized cost, and the assets have been tested for impairment since reclassification.

Carrying amount and fair value of reclassified assets

US$ 000s

	March 31, 2014		*March 31, 2013*	
	Carrying amount	**Fair value**	*Carrying amount*	*Fair value*
From held for trading to available for sale				
- Corporate Bonds	**8,462**	**8,462**	*8,749*	*8,749*
- Asset Backed Securities	**1,963**	**1,963**	*2,343*	*2,343*
From available for sale to loans and receivables				
-Foreign Currency Convertible bonds	**7,689**	**7,689**	*13,054*	*13,054*
-Asset Backed Securities	**87,072**	**95,431**	*85,571*	*86,144*
Total	**105,186**	**113,545**	*109,717*	*110,290*

Carrying amount and fair value of reclassified assets

₹ in million

	March 31, 2014		*March 31, 2013*	
	Carrying amount	**Fair value**	*Carrying amount*	*Fair value*
From held for trading to available for sale				
-Corporate Bonds	**507**	**507**	*524*	*524*
-Asset Backed Securities	**118**	**118**	*140*	*140*
From available for sale to loans and receivables				
-Foreign Currency Convertible bonds	**461**	**461**	*782*	*782*
-Asset Backed Securities	**5,217**	**5,718**	*5,127*	*5,161*
Total	**6,303**	**6,804**	*6,573*	*6,607*

The amount reclassified was based on the fair value of the financial assets as at the date of reclassification. The following table sets forth, for the periods indicated, the fair value gains and losses, income and expense recognized in the profit and loss account both before and after the date of reclassification:

Impact on profit and loss account

US$ 000s

	March 31, 2014		*March 31, 2013*	
	Post reclassification	**Assuming no reclassification**	*Post reclassification*	*Assuming no reclassification*
From held for trading to available for sale				
-Corporate Bonds	**306**	**183**	*452*	*701*
-Asset Backed Securities	**19**	**44**	*30*	*111*
From available for sale to loans and receivables				
-Corporate Bonds	**(5,365)**	**(5,365)**	*2,622*	*2,622*
-Asset Backed Securities	**1,291**	**1,291**	*1,712*	*1,712*
Total	**(3,749)**	**(3,847)**	*4,816*	*5,146*

The following table sets forth, for the periods indicated, the fair value gains and losses recognised in the AFS reserve, in the books of the Bank for the trades outstanding as on respective periods.

Impact on profit and loss account

₹ in million

	March 31, 2014		*March 31, 2013*	
	Post reclassification	**Assuming no reclassification**	*Post reclassification*	*Assuming no reclassification*
From held for trading to available for sale				
-Corporate Bonds	**18**	**11**	*27*	*42*
-Asset Backed Securities	**1**	**3**	*2*	*7*
From available for sale to loans and receivables				
-Corporate Bonds	**(321)**	**(321)**	*157*	*157*
-Asset Backed Securities	**77**	**77**	*103*	*103*
Total	**(225)**	**(230)**	*289*	*309*

The following table sets forth, for the periods indicated, the fair value gains and losses recognized in the AFS reserve, in the books of the Bank for the trades outstanding as on respective periods.

Impact of gains/(losses) on available for sale reserve

US$ 000s

	March 31, 2014		*March 31, 2013*	
	Post reclassification	**Assuming no reclassification**	*Post reclassification*	*Assuming no reclassification*
From held for trading to available for sale				
- Corporate Bonds	**158**	**—**	*281*	*—*
- Asset Backed Securities	**(8)**	**—**	*(33)*	*—*
From available for sale to loans and receivables				
-Corporate Bonds	**—**	**—**	*—*	*—*
-Asset Backed Securities	**6,441**	**14,799**	*5,591*	*6,164*
Total	**6,591**	**14,799**	*5,839*	*6,164*

Impact of gains/(losses) on available for sale reserve

₹ in million

	March 31, 2014		*March 31, 2013*	
	Post reclassification	**Assuming no reclassification**	*Post reclassification*	*Assuming no reclassification*
From held for trading to available for sale				
- Corporate Bonds	**9**	**—**	*17*	*—*
- Asset Backed Securities	**0**	**—**	*(2)*	*—*
From available for sale to loans and receivables				
-Corporate Bonds	**—**	**—**	*—*	*—*
-Asset Backed Securities	**386**	**887**	*335*	*369*
Total	**395**	**887**	*350*	*369*

20 TANGIBLE AND INTANGIBLE ASSETS

	Leasehold Improvements US$ 000s	Other fixed and Intangible assets US$ 000s	Total US$ 000s	Leasehold Improvements ₹ in million	Other fixed and Intangible a ssets ₹ in million	Total ₹ in million
Cost:						
At April 1, 2013	*12,339*	*7,936*	*20,275*	*739*	*475*	*1,214*
Additions	25	142	167	1	9	10
Disposal	(271)	(6)	(277)	(16)	0	(16)
At March 31, 2014	**12,093**	**8,072**	**20,165**	**724**	**484**	**1,208**
Accumulated depreciation:						
At April 1, 2013	*6,107*	*6,996*	*13,103*	*366*	*419*	*785*
Charge for year	984	488	1,472	59	29	88
Disposal	(158)	(3)	(161)	(9)	0	(9)
At March 31, 2014	**6,933**	**7,481**	**14,414**	**416**	**448**	**863**
Net book value:						
At March 31, 2014	**5,160**	**591**	**5,751**	**308**	**36**	**345**
At March 31, 2013	*6,232*	*940*	*7,172*	*373*	*56*	*430*

21 OTHER ASSETS

	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	March 31, 2014 ₹ in million	*March 31, 2013 ₹ in million*
Amounts in clearing	188	*173*	11	*10*
Deposits receivable	5,308	*2,691*	318	*161*
Deferred tax asset	779	*1,180*	47	*71*
Derivative financial instruments	86,028	*76,353*	5,154	*4,575*
Settlement balances[1]	3,172	*4,177*	190	*250*
Other receivables	8,490	*7,446*	509	*446*
Prepaid Expenses	2,100	*1,382*	126	*83*
Others[2]	3,000	—	180	—
Total	**109,065**	*93,402*	**6,535**	*5,596*

1 Mainly comprising of securities pending settlement

2 Includes assets acquired in settlement of loan claims, held as inventory at lower of cost or net realizable value

Other receivables of US$ 8.5 million (₹ 508.7 million) includes US$ 3.3 million (₹ 197.7 million) on income accrued on convertible bonds held by the Bank (2013: US$ 3.3 million; ₹ 197.7 million).

22 DEPOSITS BY BANKS

With agreed maturity dates or periods of notice, by remaining maturity:

Banks	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	March 31, 2014 ₹ in million	*March 31, 2013 ₹ in million*
5 years or less but over 1 year	182,538	*127,470*	10,937	*7,637*
1 year or less but over 3 months	179,843	*123,000*	10,775	*7,370*
3 months or less but not repayable on demand	98,760	*38,298*	5,917	*2,295*
	461,141	*288,768*	**27,629**	*17,302*

23 CUSTOMER ACCOUNTS

With agreed maturity dates or periods of notice, by remaining maturity:

	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	March 31, 2014 ₹ in million	*March 31, 2013 ₹ in million*
More than 5 years	3,443	—	206	—
5 years or less but over 1 year	908,647	*264,871*	54,442	*15,870*
1 year or less but over 3 months	380,556	*616,750*	22,801	*36,953*
3 months or less but not repayable on demand	139,885	*295,681*	8,381	*17,716*
	1,432,531	*1,177,302*	85,830	*70,539*
Repayable on demand	1,100,728	*621,979*	65,950	*37,265*
Total	**2,533,259**	*1,799,281*	**151,780**	*107,804*

24 DEBT SECURITIES AND SUBORDINATED LIABILITIES

Bonds issued*	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	March 31, 2014 ₹ million	*March 31, 2013 ₹ in million*
Residual Maturity				
Over 5 years	150,000	*362,500*	8,987	*21,719*
5 year or less but over 1 year	159,903	*80,250*	9,581	*4,808*
1 year or less but over 3 months	18,950	*90,000*	1,135	*5,392*
3 months or less	100,250	—	6,006	—
	429,103	*532,750*	25,709	*31,919*
Less: Bond issue expenses	(799)	*(2,313)*	(48)	*(139)*
Less: Adjustments to carrying amount for change in the value of hedge which is ineffective	(1,661)	*(2,367)*	(99)	*(141)*
	426,643	*528,070*	**25,562**	*31,639*

* Listed with Singapore stock exchange.

Details of various bonds and notes under the medium term notes programmes issued by the Bank at March 31, 2014 are as follows:

Date of Issue	Nature of Issue	Interest Rate	Interest frequency	Maturity	US$ 000s	₹ in million
December 12, 2006	Perpetual junior subordinated notes	6.38%	Semi-annually	Callable by issuer at par in 2016; no maturity	**85,000**	**5,093**
November 23, 2010	Unsecured subordinated fixed rate notes due 2020	7.00%	Semi annually	Bullet payment in November 2020	**150,000**	**8,987**
October 26, 20012	Senior unsecured bonds	2.34%	Semi annually	Bullet payment in April 2014	**10,000**	**599**
February 08, 2013	Senior unsecured bonds	1.75%	Bullet payment in April 2014	Bullet payment in April 2014	**50,000**	**2,996**
November 20, 2012	Senior unsecured bonds	Libor + 180 bps	Quarterly	Bullet payment in May 2014	**20,250**	**1,213**
June 14, 2013	Senior unsecured bonds	1.35%	Annually	Bullet payment in June 2014.	**20,000**	**1,198**
December 10, 2013	Senior unsecured bonds	1.85%	At maturity	Bullet payment in December 2014.	**18,950**	**1,135**
March 27, 2013	Senior unsecured bonds	2.32%	Quarterly	Bullet payment in April 2016.	**74,903**	**4,488**
				Total	**429,103**	**25,709**
Less: Bond issue expenses					**(799)**	**(48)**
Less: Adjustments to carrying amount for change in the value of hedge which is ineffective					**(1,661)**	**(99)**
					426,643	**25,562**

For all the subordinated notes, the notes and coupons are direct, unsecured and subordinated obligations of the Bank, and rank pari passu without any preference among themselves.

25 **REPURCHASE AGREEMENTS**

US$ 000s

	March 31, 2014		*March 31, 2013*	
	Carrying amount transferred liabilities	**Carrying amount of transferred assets**	*Carrying amount of transferred liabilities*	*Carrying amount of transferred assets*
Repurchase agreements	**316,544**	**414,340**	*207,960*	*245,171*

₹ in million

	March 31, 2014		*March 31, 2013*	
	Carrying amount transferred liabilities	**Carrying amount of transferred assets**	*Carrying amount of transferred liabilities*	*Carrying amount of transferred assets*
Repurchase agreements	**18,966**	**24,825**	*12,459*	*14,689*

The assets transferred under the repurchase agreements are Bonds, ABSs & FCCBs issued by financial institutions & corporates with market value of US$ 414.3 million (₹ 24,822.8 million) (2013: US$ 245.2 million; ₹ 14,691.1 million). These have been pledged as collateral under repurchase agreements entered by the Bank. These form part of the AFS book & Loans and Receivable book (refer Note 18 and Note 35).

With agreed maturity dates or periods of notice, by remaining maturity:

	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	**March 31, 2014 ₹ in million**	*March 31, 2013 ₹ in million*
1 year or less but over 3 months	**173,820**	*95,503*	**10,414**	*5,722*
3 months or less	**142,724**	*112,457*	**8,552**	*6,737*
Total	**316,544**	*207,960*	**18,966**	*12,459*

26 **OTHER LIABILITIES**

	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	**March 31, 2014 ₹ million**	*March 31, 2013 ₹ million*
Amounts in clearing	**4,635**	*2,844*	**278**	*170*
Corporation tax payable	**5,903**	*5,810*	**354**	*348*
Other creditors	**3,238**	*16,010*	**193**	*959*
Derivative financial instruments	**59,265**	*81,927*	**3,551**	*4,909*
Total	**73,041**	*106,591*	**4,376**	*6,386*

27 **CALLED UP SHARE CAPITAL**

At March 31, 2014 the Issued share capital of ICICI Bank UK PLC was:

	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	**March 31, 2014 ₹ in million**	*March 31, 2013 ₹ in million*
495 million ordinary shares of US$ 1 each	**495,000**	*495,000*	**29,658**	*29,658*
50,002 ordinary shares of £1 each	**95**	*95*	**6**	*6*
Total Share Capital	**495,095**	*495,095*	**29,664**	*29,664*

28 **EMPLOYEE BENEFITS**

During the year, the Bank made a contribution of US$ 335,951 (₹ 20,128,504) (2013: US$ 260,828; ₹ 15,627,510) to the pension scheme. Out of this amount, US$ 33,516 (₹ 2,008,111) was accrued at the year end (2013: US$ 23,705; ₹ 1,420,285).

29 **CONTINGENT LIABILITIES AND COMMITMENTS**

(a) Guarantees and other commitments:

	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	**March 31, 2014 ₹ in million**	*March 31, 2013 ₹ in million*
Guarantees	**439,944**	*332,201*	**26,359**	*19,904*
Other commitments				
Undrawn formal standby facilities, credit lines and other commitments to lend maturing in:				
Less than one year	**11,820**	*34,283*	**708**	*2,054*
More than one year	**—**	*—*	**—**	*—*
Total guarantees and commitments	**451,764**	*366,484*	**27,067**	*21,958*

(b) Significant concentrations of contingent liabilities and commitments

Approximately 78% (2013: 66%) of the total contingent liabilities and commitments relate to counterparties in India and the majority of the remaining balance relates to Europe.

(c) Foreign exchange contracts

In addition to the commitments disclosed above, there are outstanding foreign exchange contracts of US$ 1,741 million (₹ 104,312 million) (2013: US$ 1,509 million; ₹ 90,412 million).

30 **OPERATING LEASE COMMITMENTS**

As at March 31, 2014, the Bank has the following non cancellable annual operating lease commitments:

	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	**March 31, 2014 ₹ in million**	*March 31, 2013 ₹ in million*
Land and Buildings				
Operating leases which expire :	**110**	*—*	**7**	*—*
Within 1 year	**914**	*907*	**55**	*54*
Between 1 and 5 years	**1,847**	*1,722*	**111**	*103*
More than 5 years	**2,871**	*2,629*	**173**	*158*

31 **CATEGORIES AND CLASSES OF FINANCIAL INSTRUMENTS**

Assets:

US$ 000s

As at March 31, 2014	**Fair value through Profit and Loss**	**Available for Sale**	**Loans & Receivables**	**Held to maturity**	**Total**
Cash	—	—	648	—	648
Balances at central banks	—	—	1,008,407	—	1,008,407
Loans and advances to banks	—	—	79,079	—	79,079
Loans and advances to customers	—	—	2,749,136	—	2,749,136
Investment Securities	—	498,885	—	—	498,885
Other assets*	86,028	—	17,157	—	103,185
Accrued income	—	—	20,183	—	20,183
Total financial assets	**86,028**	**498,885**	**3,874,610**	**—**	**4,459,523**

₹ in million

As at March 31, 2014	**Fair value through Profit and Loss**	**Available for Sale**	**Loans & Receivables**	**Held to maturity**	**Total**
Cash	—	—	39	—	39
Balances at central banks	—	—	60,419	—	60,419
Loans and advances to banks	—	—	4,738	—	4,738
Loans and advances to customers	—	—	164,714	—	164,714
Investment Securities	—	29,890	—	—	29,890
Other assets*	5,154	—	1,028	—	6,182
Accrued income	—	—	1,209	—	1,209
Total financial assets	**5,154**	**29,890**	**232,147**	**—**	**267,191**

Assets:

As at March 31, 2013

	Fair value through Profit and Loss	Available for Sale	Loans & Receivables	Held to maturity	Total
					US$ 000s
Cash	—	—	*565*		*565*
Balances at central banks	—	—	*583,227*	—	*583,227*
Loans and advances to banks	—	—	*78,657*	—	*78,657*
Loans and advances to customers	—	—	*2,282,972*	—	*2,282,972*
Investment in Securities	*14,801*	*486,000*	—	*24,854*	*525,655*
*Other assets**	*76,353*	—	*14,487*	—	*90,840*
Accrued income	—	—	*15,656*		*15,656*
Total financial assets	*91,154*	*486,000*	*2,975,564*	*24,854*	*3,577,572*
					(₹ in million)
Cash	—	—	*34*	—	*34*
Balances at central banks	—	—	*34,944*	—	*34,944*
Loans and advances to banks	—	—	*4,713*	—	*4,713*
Loans and advances to customers	—	—	*136,784*	—	*136,784*
Investment in Securities	*887*	*29,119*	—	*1,489*	*31,495*
*Other assets**	*4,575*	—	*868*	—	*5,443*
Accrued income	—	—	*938*	—	*938*
Total financial assets	*5,462*	*29,119*	*178,281*	*1,489*	*214,351*

* excludes deferred tax assets, prepaid expenses and fixed assets

Liabilities:

As at March 31, 2014	**Fair value through Profit and Loss**	**Non trading liability**	**Total**
			US$ 000s
Deposits by banks	**—**	**461,141**	**461,141**
Customer accounts	**—**	**2,533,259**	**2,533,259**
Debt securities in issue	**—**	**426,643**	**426,643**
Other liabilities	**59,265**	**13,776**	**73,041**
Accruals and deferred income	**—**	**31,477**	**31,477**
Repurchase agreements	**—**	**316,544**	**316,544**
Total financial liabilities	**59,265**	**3,782,840**	**3,842,105**
As at March 31, 2014			₹ in million
Deposits by banks	**—**	**27,629**	**27,629**
Customer accounts	**—**	**151,780**	**151,780**
Debt securities in issue	**—**	**25,562**	**25,562**
Other liabilities	**3,551**	**825**	**4,376**
Accruals and deferred income	**—**	**1,886**	**1,886**
Repurchase agreements	**—**	**18,966**	**18,966**
Total financial liabilities	**3,551**	**226,648**	**230,199**

Liabilities:

As at March 31, 2013			*US$ 000s*
Deposits by banks	—	*288,768*	*288,768*
Customer accounts	—	*1,799,281*	*1,799,281*
Debt securities in issue	—	*528,070*	*528,070*
Other liabilities	*81,927*	*24,664*	*106,591*
Accruals and deferred income	—	*34,464*	*34,464*
Repurchase agreements	—	*207,960*	*207,960*
Total financial liabilities	*81,927*	*2,883,207*	*2,965,134*
As at March 31, 2013			*₹ in million*
Deposits by banks	—	*17,302*	*17,302*
Customer accounts	—	*107,804*	*107,804*
Debt securities in issue	—	*31,639*	*31,639*
Other liabilities	*4,909*	*1,477*	*6,386*
Accruals and deferred income	—	*2,065*	*2,065*
Repurchase agreements	—	*12,459*	*12,459*
Total financial liabilities	*4,909*	*172,746*	*177,655*

Refer to Note 3 for descriptions of categories of assets and liabilities

32 CAPITAL MANAGEMENT

The Bank's regulatory capital requirements are set and monitored by the PRA. The Bank implemented the Basel II framework for calculating minimum capital requirements, with effect from January 1, 2008.

The Bank's regulatory capital is categorised into two tiers:

Tier 1 capital, which includes ordinary share capital, capital redemption reserve and retained earnings.

Tier 2 capital, which includes qualifying subordinated liabilities, collective provision and other allowances.

Various limits are applied to the elements of the capital base. Qualifying Tier 2 capital cannot exceed Tier 1 capital; and qualifying term subordinated loan capital may not exceed 50% of Tier 1 capital. There are also restrictions on the amount of collective provision that may be included in Tier 1 capital.

Under Basel II, the Bank calculates requirements for market risk in its trading portfolios based on Standardised model.

Banking operations are categorized as either trading or banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and exposures not recognized in the balance sheet.

The Bank uses regulatory capital ratios in order to monitor its capital base and these capital ratios remain the international standards for measuring capital adequacy. The PRA's approach to such measurement based upon Basel II is now primarily based on monitoring the Capital Resource Requirement to available capital resources. The PRA also sets individual capital guidance (ICG) for the Bank that sets capital requirements in excess of the minimum Capital Resource Requirement. A key input to the ICG setting process is the Bank's Internal Capital Adequacy Assessment Process (ICAAP). The Bank submitted its last ICAAP document to the PRA in July 2013.

In June 2013, the European Commission published the final Regulation and Directive, known as CRD IV, to give effect to the Basel III framework in the EU. In December 2013, the PRA issued its final rules on CRD IV in a Policy Statement PS 7/13. In its final rules, the PRA opted for an acceleration of the CRD IV end point definition of CET1. More clarity is expected on quantification and interaction of capital buffers and Pillar 2, where further PRA consultations are due in 2014.

The Bank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognized and the Bank recognizes the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. The Bank has complied with all regulatory capital requirements throughout the year.

The Bank's regulatory capital resources as follows:

	Under CRDIV March 31, 2014 US$ in million	*Under Basel II March 31, 2013 US$ in million*	**Under CRDIV March 31, 2014 ₹ in million**	*Under Basel II March 31, 2013 ₹ in million*
Total Capital	**814.4**	*989.8*	**48,795**	*59,304*
- Tier I	**623.8**	*619.3*	**37,375**	*37,105*
- Tier II	**190.6**	*370.5*	**11,420**	*22,199*

33 RISK MANAGEMENT FRAMEWORK

ICICI Bank UK PLC has adopted the governance framework in line with the corporate governance practices adopted by other UK financial institutions. The Board is assisted by its sub-committees, the Audit Committee, the Board Governance and Ethics Committee (BGEC), the Board Risk Committee (BRC), and the Board Credit Committee (BCC), and follows ICICI Group's overall risk management framework. The Board has delegated responsibility for the day-to-day management of the Bank to the Managing Director and Chief Executive Officer. In this role, the Managing Director and Chief Executive Officer is supported by the Management Committee, which he chairs. The Management Committee is supported by various other committees, which include the Executive Credit and Risk Committee (ECRC), the Asset Liability Management Committee (ALCO), the Operational Risk Management Committee (ORMC), Conduct Risk Forum and the Product and Process Approval Committee (PAC).

As a financial institution, the Bank is exposed to various types of risks. The objective of the risk management framework of the Bank is to ensure that the key risks facing the Bank are identified, understood, measured and monitored; and that the policies and procedures established to address these risks are strictly adhered to.

The key principles underlying the risk management framework of the Bank are as follows:

1. The Board of Directors has oversight over the risks assumed by the Bank. Specific Board committees have been constituted to facilitate focused oversight of various risks.
2. Policies approved from time to time by the Board of Directors/Committees of the Board form the governing framework for each type of risk. The business activities are undertaken within this policy framework.
3. Independent groups and sub-groups have been constituted across the Bank to facilitate independent evaluation, monitoring and reporting of risks. These groups function independently of the business groups/sub-groups.

As part of implementation of an Enterprise Risk Management framework, the Bank has developed a risk appetite framework based on an examination of best practices and the risk appetite statement of the Parent. The risk appetite statement has been further drilled down into portfolio-level limits.

The Bank has a risk register which documents the material risks faced by the Bank and categorises them as High/Medium or Low risk based on likelihood and severity of impact. The key material risks to which the Bank is exposed include credit risk (including concentration risk and political risk), market risk (including interest rate and credit spread risks), liquidity risk and operational risk (including 'compliance and legal risk' and 'conduct risks').

The approach adopted by management to manage the key risks facing the Bank is outlined below.

Credit Risk

Credit risk is the risk that unexpected losses may arise as a result of the Bank's borrowers or market counterparties failing to meet obligations under a contract. All credit risk related aspects are governed by the Credit Risk Management Policy (CRMP), which is approved and reviewed annually by the Board Credit Committee. The CRMP describes the principles which underpin and drive the Bank's approach to credit risk management together with the systems and processes through which they are implemented and administered.

The Bank ensures that there is independent challenge of credit proposals by adopting a two stage process whereby a commercial officer assesses and proposes a transaction or limit and this proposal is then reviewed independently assessed by a credit officer within the risk team. The CRMP lays down a structured credit approval process, which includes the procedure for independent credit risk assessment and the assignment of an internal risk rating (IRR) to the borrower. The risk rating is a critical input in the credit approval process and is used as an input in arriving at the risk premium for the proposal.

The Bank uses credit rating software through which it assesses a variety of risks relating to the borrower and the relevant industry while assigning an internal rating. Borrower risk is evaluated by considering, inter alia:

- The financial position of the borrower, by analysing the quality of its financial statements, its past financial performance, its financial flexibility in terms of ability to raise capital and its cash flow adequacy;
- The borrower's relative market position and operating efficiency; and
- The quality of management by analysing its track record, payment record and financial conservatism.

Industry risk is evaluated by considering, inter alia:

- Certain industry characteristics, such as the importance of the industry to the economy, its growth outlook, cyclicality and government policies relating to the industry;
- The competitiveness of the industry; and
- Certain industry financials, including return on capital employed, operating margins, and earnings stability.

After conducting an analysis of a specific borrower's risk, the Bank assigns an internal risk rating to the borrower. The Bank has a rating scale ranging from 'AAA' to 'D' (AAA signifying the highest level of credit worthiness and D signifying default). AAA through to BBB are considered as "Investment Grade" while BB and below are considered 'Non-Investment Grade'.

Credit approval

The delegation structure for approval of credit limits is approved by the Board. Credit proposals are approved by the Executive Credit and Risk Committee (ECRC) or the Board Credit Committee (BCC) based on, inter alia, the amount and internal risk rating of the facility. All credit proposals put up to the BCC are passed through the ECRC.

The Credit Risk team is also responsible for the following with respect to managing the Bank's credit risk:

- Developing credit policies in consultation with the Corporate Banking Group which cover collateral management, the credit rating framework, provisioning, among others.
- Establishing the delegation of sanctioning powers available to individuals, singly or jointly, and the credit committees which are documented in the Credit Approval Authorisation Manual.
- Limiting and monitoring concentrations of exposure to counterparties, geographies, industrial sectors, internal rating categories, among others.
- Performing periodic credit stress tests on the Bank's portfolio and communicating the results to the BCC.

The credit middle office function is responsible for credit administration which includes monitoring compliance with the terms and conditions prior to disbursement. It also reviews the completeness of documentation and creation of security.

Concentration risk

Concentration risk arises from significant exposures to groups of counterparties whose likelihood of default is driven by common underlying factors, e.g. sector, economy, geographical location, instrument type. The concentration risk in the Bank's portfolio is governed by the risk appetite framework which stipulates various limits to manage exposure concentrations within the Bank. The key parameters of risk concentrations measured in the Bank include sectoral, country, rating category based, product specific exposures, counterparty and large exposures.

Credit Monitoring

Credit quality is monitored on an ongoing basis but can also be triggered by any material credit event coming to the Bank's notice through either primary or secondary sources. The Bank has established a credit forum, which is comprised of Heads of Businesses and the Head of Risk. The credit forum focuses on management & monitoring of impaired and watchlist assets/investments and also monitors developments in the Bank's portfolio through the Early Warning Indicators (EWI) framework to identify potential vulnerabilities. It is the Bank's policy to review borrower accounts at least on an annual basis or in a shorter interval if recommended by the credit officer or the relevant sanctioning committee. A risk based asset review framework has been put in place wherein the frequency of asset review would be higher for cases with higher exposure and/or lower credit rating. The Bank has established a list of assets under watch as an additional tool for monitoring exposures which show or are expected to show signs of weakness. The assets under watch are reviewed on a quarterly basis by the BCC, in addition to review and monitoring by the credit forum. The Bank documents the 'lessons learned' from its experiences of exposures against which specific provisions have been raised. These are presented to the BCC and circulated to the commercial officers.

Credit risk is also managed at the portfolio level by monitoring and reporting risk dashboards to the BCC. The credit risk dashboard is constructed using key risk indicators for underlying portfolio rating, counterparty concentration, geographical concentration, stressed assets, sectoral concentration, recovery risk and documentation risk.

The segregation of responsibilities and oversight by groups external to the business groups ensure adequate checks and balances.

An analysis of the Bank's investment portfolio based on credit ratings provided by external rating agencies is as follows:

	March 31, 2014 US$ 000s	March 31, 2013 US$ 000s	March 31, 2014 ₹ in million	March 31, 2013 ₹ in million
AAA	166,400	168,707	9,970	10,108
AA+	29,421	—	1,763	—
AA	5,053	3,929	303	235
AA-	31,594	46,614	1,893	2,793
A	5	—	0	—
A-	13,680	55,977	820	3,354
BBB-	227,854	214,300	13,652	12,840
BB+ and below	19,391	—	1,162	—
Non rated	5,487	36,128	327	2,165
Total	**498,885**	525,655	**29,890**	31,495

Credit quality of loan portfolio

The definition of internal risk rating for the loans and advances are given below:

AAA to AA-	:	Highest safety
A+ to A-	:	Adequate safety
BBB+ to BBB-	:	Moderate safety
BB and below	:	Inadequate safety/High risk

The Bank's internal risk ra ting scale is a measure of relative credit worthiness and does not map exactly with that of external rating agencies.

Internal risk rating of loans and advances to customers

Rating	March 31, 2014 US$ 000s	March 31, 2013 US$ 000s	March 31, 2014 ₹ in million	March 31, 2013 ₹ in million
AAA to AA-*	492,500	114,687	29,508	6,871
A+ to A-	965,972	981,240	57,876	58,791
BBB+ to BBB-	584,046	561,761	34,993	33,658
BB and below	420,543	430,528	25,197	25,795
Total	2,463,061	2,088,216	147,574	125,115

*Includes loans against FCNR deposits which are fully collateralised.

Investments held as loans and receivables which are internally risk rated:

Rating	March 31, 2014 US$ 000s	March 31, 2013 US$ 000s	March 31, 2014 ₹ in million	March 31, 2013 ₹ in million
AAA to AA-*	86,550	113,630	5,186	6,808
A+ to A-	40,000	14,873	2,397	891
BBB+ to BBB-	33,205	—	1,989	—
BB and below	28,631	28,419	1,715	1,703
Total	**188,386**	156,922	**11,287**	9,402

Investments held as loans and receivables which are externally risk rated:

Rating	March 31, 2014 US$ 000s	March 31, 2013 US$ 000s	March 31, 2014 ₹ in million	March 31, 2013 ₹ in million
A+ to A-	11,028	9,979	661	598
BBB+ to BBB-	145,507	66,163	8,718	3,964
BB and below	2,321	9,429	139	565
Total	**158,856**	85,571	**9,518**	5,127

The Bank has adopted the standardised approach to Credit Risk Management under the Basel II framework.

Industry exposure

The following is an analysis of loans and advances to customers by industry:

	March 31, 2014 US$ 000s	March 31, 2013 US$ 000s	March 31, 2014 ₹ in million	March 31, 2013 ₹ in million
Industrials	188,115	220,363	11,271	13,203
Consumer Discretionary	262,570	251,362	15,732	15,060
Consumer Staples	114,791	338,862	6,878	20,303
Energy	526,273	332,663	31,532	19,932
Financials	237,011	61,489	14,201	3,684
Gems and Jewellery	273,263	295,083	16,373	17,680
Healthcare	109,414	83,859	6,556	5,024
Information Technology	26,919	6,919	1,613	415
Materials	566,207	500,673	33,924	29,998
Real Estate	89,824	164,288	5,382	9,843
Telecom Services	100,443	49,492	6,018	2,965
Utilities	14,887	14,873	892	891
Others	11,485	10,783	686	646
Retail*	289,101	—	17,321	—
Total	**2,810,303**	2,330,709	**168,379**	139,644

* Loans secured against FCNR deposits

The above exposure is gross of collective and specific impairment.

Collateral Management

The Bank has a policy on collateral management and credit risk mitigation which provides guidance for identifying eligible collateral as per the relevant articles of the Capital Requirements Regulation (CRR).

Apart from obtaining eligible collateral for capital relief, the Bank endeavours to reduce or mitigate, to the extent possible, the credit risk on credit facilities by way of securing the facilities with appropriate collateral. The Bank determines the appropriate collateral for each facility based on the type of product, the counterparty and the appropriateness of the collateral typically offered in the jurisdiction of the borrower.

The security accepted by the Bank includes cash deposits, pledge/contractual comfort over equity shares (both listed and unlisted), charges over fixed assets (including plant and machinery and land and building) for term loans, charges over current assets for working capital finance, charges on specific receivables with escrow arrangements, mortgages on residential/commercial property, assignment of underlying project contracts for project finance loans. The Bank also accepts corporate guarantees and related support undertakings from borrower group entities for mitigating credit risk. The Bank has a collateral management policy which details the types of collaterals, frequency of valuation and valuation adjustments. The Bank also has a collateral valuation policy for cases assessed for specific provisions. The Bank applies Basel II guidelines on the collateral available with the Bank for its internally rated portfolio to determine the LGD and haircuts applicable for each collateral for computing the collective provisioning requirements

The Bank's risk appetite framework prescribes limits on the quantum of unsecured exposures.

The CRMP provides guidance on identifying and defining secured facilities and valuing the underlying security. The Bank monitors and reports the proportion of unsecured exposures in the loan portfolio to the ECRC on a monthly basis and to the BCC on a quarterly basis.

The table below provides the value of collateral/collaterals held by the Bank:

Loans and advances to customers

	March 31, 2014 US$ 000s	March 31, 2013 US$ 000s	March 31, 2014 ₹ in million	March 31, 2013 ₹ in million
Collateral value	1,146,687	1,264,636	68,704	75,771
Gross loans and advances	2,810,303	2,330,709	168,379	139,644
Less: Investments held as loans and receivables	(347,242)	(242,493)	(20,805)	(14,529)
Outstanding balance against which collateral held	2,463,061	2,088,216	147,574	125,115

No collateral is held against loans and advances to banks.

The collateral valuations in the table above are based on the valuation available from the latest available audited financial statements of the organisation, valuation reports for tangible assets wherever applicable, and reports from security trustee/market value of listed shares for loans against the shares. The valuations exclude any charges which might be incurred for selling the collateral.

The maximum amount of on balance sheet credit risk, without taking account of any collateral or netting arrangements, as at March 31, 2014 is approximately US$ 4.4 billion (₹ 261.0 billion) (2013: US$ 3.5 billion; ₹ 208.9 billion). The maximum amount of off balance sheet credit risk on guarantees and letters of credit is approximately US$ 451.8 million (₹ 27,067.4 million) (2013: US$ 366.4 million; ₹ 21,957.9 million). Potential credit risk on financial instruments is detailed in Note 16.

The collateral value in the above table excludes the value of such collateral which the Bank may accept to manage its risks more effectively such as a second charge on assets, other liens and corporate guarantees and related support undertakings from borrower group entities. The Bank has applied appropriate haircuts when calculating the collateral value detailed above.

Market Risk

Market risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates, credit spreads and other asset prices. The Bank's key policies for managing market risk as approved by the Board Risk Committee (BRC) are:

- Treasury policy manual and mandate (TPMM) which also includes the liquidity policy statement (LPS) and trading book policy statement (TBPS)
- Valuation, model validation policy and independent price verification policy

These policies are designed to ensure that transactions in securities, foreign exchange and derivatives are conducted in accordance with sound and acceptable business practices as well as regulatory guidelines and laws governing such transactions. The policies are reviewed periodically to take into account changed business requirements, the economic environment and revised policy guidelines.

The key market risks to which the Bank is exposed relate to:

- Interest rate risk – Interest rate risk is defined as the risk of loss which the Bank will incur as a result of an increase or decrease in interest rates. Interest income/expense from interest sensitive assets and liabilities are impacted by changes in interest rates. The overall value of the investment portfolio, the underlying value of the Bank's other assets, its liabilities, and off balance sheet (OBS) instruments are also impacted due to changes in interest rates because the present value of future cash flows changes when interest rates change.

  Interest rate risk on the balance sheet is measured by the use of re-pricing gap reports and estimating the sensitivity of the Bank's net interest income (defined as Earnings at Risk) to changes in interest rates. The sensitivity is calculated for various interest rate scenarios across different currencies that the Bank's balance sheet is exposed to including a standard scenario of a 200 basis points adverse change in the level of interest rates. The various limits set for interest rate risk are monitored and the utilisations reported to the ALCO and BRC on a periodic basis.

  The Bank uses Duration of Equity (DoE) as an all-encompassing measure, which takes into consideration the duration and value of both assets and liabilities. DoE is a measure of interest rate sensitivity, which indicates how much the market value of equity, would change if interest rates change by 1%. Currently a limit band of -5.0 to +5.0 has been prescribed for the DoE of the Bank.
- Forex risk – This risk arises due to positions in non-dollar denominated currencies, which in turn arise from assets and liabilities in those currencies. Foreign exchange risk is managed within the Treasury function in accordance with approved position limits. The Net overnight open position (NOOP) of the Bank as at March 31, 2014 was US$ 37.1 million (₹ 2,222.8 million) (2013: US$ 9.5 million; ₹ 569.2 million).
- Equity Risk – Equity price risk arises due to the volatility of price movements on the Bank's investment in equity shares and convertibles. The value of the Bank's equity investments as at March 31, 2014 was US$ 5.5 million (₹ 328.7 million) (2013: US$ 11.1 million; ₹ 666.9 million) and the option value of convertibles was US$ 0.3 million (₹ 18.0 million) (2013: US$ 0.8 million; US$ 47.9 million).

The Bank has devised various risk metrics for different products and investments. These risk metrics are measured and reported to senior management by the Bank's independent Treasury Control & Services Group (TCSG). Some of the risk metrics adopted by the Bank for monitoring its risks are value-at-risk (VaR), duration of equity (DoE), price value of basis point (PV01) and stop loss amongst others. The risk appetite of the Bank includes limits for these risk metrics.

VAR is calculated using a parametric approach at a 99% confidence level over a one day holding period. The total VAR for the Bank's trading book portfolio as at March 31, 2014 was US$ 0.19 million (₹ 11.4 million) (2013: US$ 0.06 million; ₹ 3.6 million). The maximum, average and minimum VAR during the year for the trading book portfolio was US$ 0.24 million (₹ 14.4 million) (2013: US$ 0.18 million; ₹ 10.8 million), US$ 0.09 million (₹ 5.4 million) (2013: US$ 0.04 million; ₹ 2.4 million) and US$ 0.02 million (₹ 1.2 million) (2013: US$ 0.01 million; US$ 0.6 million) respectively.

The impact of an increase in interest rates on investment securities held in the AFS category (bonds, asset backed securities and treasury bills) as at March 31, 2014, assuming a parallel shift in yield curve, has been set out in the following table:

Particulars	**Amount in US$ 000s**	**Amount in ₹ million**
Portfolio size (Market value)	**493,273**	**29,554**
Change in value due to 100 bps movement in interest rate	**6,637**	**398**
Change in value due to 200 bps movement in interest rate	**13,274**	**795**

The impact of an increase in interest rates on bonds and asset backed securities) as at March 31, 2013, assuming a parallel shift in yield curve, has been set out in the following table:

Particulars	*Amount in US$ 000s*	*Amount in ₹ million*
Portfolio size (Market value)	*474,725*	*28,443*
Change in value due to 100 bps movement in interest rate	*7,604*	*456*
Change in value due to 200 bps movement in interest rate	*15,208*	*911*

Volatility in interest rates has an impact on an entity's interest earnings. The impact of an increase in interest rates on the Bank's net interest income as at March 31, 2014, assuming a parallel shift in the yield curve, has been set out in the following table:

	Equivalent in US$ million		**Equivalent in ₹ million**	
Currency	**Impact on Net Interest Income over a one year horizon**		**Impact on Net Interest Income over a one year horizon**	
	Increase in interest rates by 100 bps	**Increase in interest rates by 200 bps**	**Increase in interest rates by 100 bps**	**Increase in interest rates by 200 bps**
EUR	**1.99**	**3.99**	**119**	**239**
US$	**5.02**	**10.04**	**301**	**602**
GBP	**2.44**	**4.88**	**146**	**292**
Other currencies	**(0.02)**	**(0.05)**	**(1)**	**(3)**
Total	**9.43**	**18.86**	**565**	**1,130**

The impact of an increase in interest rates on the Bank's net interest income as at March 31, 2013, assuming a parallel shift in the yield curve, has been set out in the following table:

	Equivalent in US$ million		*Equivalent in ₹ million*	
Currency	*Impact on Net Interest Income over a one year horizon*		*Impact on Net Interest Income over a one year horizon*	
	Increase in interest rates by 100 bps	*Increase in interest rates by 200 bps*	*Increase in interest rates by 100 bps*	*Increase in interest rates by 200 bps*
EUR	*1.04*	*2.08*	*62*	*125*
US$	*5.86*	*11.71*	*351*	*702*
GBP	*1.87*	*3.73*	*112*	*223*
Other currencies	*(0.86)*	*(1.71)*	*(52)*	*(102)*
Total	*7.91*	*15.81*	*473*	*948*

An increase in interest rates results in a positive impact on NII on account of positive re-pricing gaps on the balance sheet i.e. more assets re-price within a 1 year horizon than liabilities.

Liquidity risk

Liquidity risk arises due to insufficient available cash flows including the potential difficulty of resorting to the financial markets in order to meet payment obligations. The Bank differentiates liquidity risk between funding liquidity risk and market liquidity risk.

Funding liquidity risk is the risk that the Bank will not be able to efficiently meet cash flow requirements in a timely manner for its payment obligations including liability repayments, even under adverse conditions, and to fund all investment/lending opportunities, even under adverse conditions. Market liquidity refers to a Bank's ability to execute its transactions and to close out its positions at a fair market price. This may become difficult in certain market conditions either because of the underlying product itself or because of the Bank's own creditworthiness.

The Bank's liquidity risk management philosophy is to be able, even under adverse conditions, to meet all liability repayments on time and to fund all investment opportunities by raising sufficient funds either by increasing liabilities or by converting assets into cash expeditiously and at reasonable cost.

The Bank maintains a diversified funding base comprising retail, corporate customer deposits and institutional balances. These deposits are augmented by wholesale deposits, borrowings and through issuance of bonds and subordinated debt from time to time. Loan maturities and sale of investments also provide liquidity. Further, the Bank holds unencumbered, high quality liquid assets to protect against stress conditions.

The Bank monitors and manages its overall liquidity risk appetite by ensuring that it maintains adequate liquid assets for projected stressed outflows under various scenarios and also ensures that its liquidity gap position is within the approved limit for the various time buckets. This framework is further augmented by defining risk limits for individual liquidity risk drivers. ALCO and BRC review these parameters on monthly and quarterly bases respectively.

The Bank mitigates the risk of a liquidity mismatch in excess of its risk appetite by managing the liquidity profile of the balance sheet through both short-term liquidity management and a long-term funding strategy. Short-term liquidity management is considered from two perspectives; firstly, business as usual and secondly, stressed conditions, both of which relate to funding in the less than one year time horizon. Longer term funding is used to manage the Bank's strategic liquidity profile which is determined by the Bank's balance sheet structure.

The Bank uses various tools for measurement of liquidity risk including the statement of structural liquidity (SSL), dynamic liquidity gap reports, liquidity ratios and stress testing through scenario analysis. The SSL is used as a standard tool for measuring and managing net funding requirements and for assessing the surplus or shortfall of funds in various maturity buckets in the future. The Bank also prepares dynamic liquidity gap reports, which in addition to scheduled cash flows, also consider the liquidity requirements pertaining to incremental business and the funding thereof.

As part of the stock and flow approach of monitoring liquidity, the Bank monitors certain liquidity ratios covering various liquidity risk drivers inter-alia short-term liquidity risk, structural mismatch risk, wholesale funding risk, off balance sheet risk and non-marketable assets risk. The Bank places particular emphasis on the withdrawable funding ratio and the customer advances to total assets ratio. The withdrawable funding ratio indicates the proportion of deposits that can be withdrawn by customers without providing notice to total funding resources. The ratio as at March 31, 2014 was 0.25 (0.17 as at March 31, 2013). The customer advances to total assets ratio provides a measure of the structural liquidity of the Bank's asset portfolio. The ratio as at March 31, 2014 was 0.54 (0.56 as at March 31, 2013).

The Bank has implemented the PRA's Individual Liquidity Adequacy Assessment (ILAA) framework. The ILAA summarises the level of liquidity required by the Bank to meet UK regulatory requirements and the liquidity commensurate with the risks identified in the Bank's portfolio and strategic plans. The ILAA sets out the framework used to ensure that the Bank maintains sufficient liquidity at all times, including periods of stress. This has been done through the quantification of outflows and inflows associated with material risks identified using scenarios – themselves a combination of historic data, external events and seasoned judgment. Based on the scenarios defined in the ILAA framework, the Bank carries out stress testing of its liquidity position weekly and reports the results of the stress test to the ALCO and BRC & Board on a monthly and quarterly basis respectively.

The Bank also has a liquidity contingency plan (LCP) which details the overall approach and actions the Bank would undertake in order to manage the Bank's liquidity position during stressed conditions. The LCP addresses both the funding and operational requirements of the Bank and sets-out a funding, operational and communication plan to enable the Bank to deal with a liquidity crisis. In summary, the Bank seeks to follow a conservative approach in its management of liquidity and has in place, a robust governance structure, policy framework and review mechanism to ensure availability of adequate liquidity even under stressed market conditions.

Refer Note 34 for details on the cash flow payable under contractual maturity.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events. 'Compliance and legal' risk which is defined as the risk that arises from a failure or inability to comply with the laws, regulations or voluntary codes applicable to the financial services industry and 'conduct' risk, which includes risks arising from unfair treatment and delivering inappropriate outcomes to its customers, are also considered within the ambit of operational risk.

The management of operational risk within the Bank is governed by the Operational Risk Management Policy (ORMP) which is reviewed and approved by the Board Risk Committee (BRC) on an annual basis. It covers the aspects pertaining to minimizing losses due to process failures including inadequate training to staff, flaws in product designs that can expose the Bank to losses due to fraud, impact of failures in technology/systems and continuity in the Bank's operations. Operational risk elements covered in the ORMP include operational risk incident management including reporting, techniques for risk identification, assessment and measurement, monitoring through key risk indicators and risk mitigation techniques.

An Operational Risk Management Committee (ORMC) comprising of the senior management is responsible for the mitigation of operational risk including fraud risk within the Bank by the creation and maintenance of an explicit operational risk management process. The ORMC meets at least on a monthly basis to track and monitor the progress of the implementation of various elements of the ORMP. A report on the activities of the various ORMC meetings held is presented to the BRC on a semi-annual basis. The ORMC is additionally responsible for reviewing and monitoring the financial crime prevention performance of the Bank. It approves the Bank's fraud governance framework and fraud compensation proposals and monitors the progress of reported fraudulent transactions. A report on fraud loss incidences is separately presented to the Board on a quarterly basis by the Fraud Crime Prevention Team.

The Bank has determined and articulated Operational Risk Appetite (ORA) which has been defined as the acceptable maximum level of Operational Risk (OR) that the Bank is willing to accept in pursuit of its business objectives and business plan, taking into account of its stakeholders as well as regulatory requirements. It has been expressed both in quantitative and qualitative terms. The Bank has expressed its ORA as a percentage of a financial parameter of the Bank i.e. operating income and operating expenses based on the average level of losses for the previous years and has also taken into account the existing controls and expected future developments/ initiatives. The Bank has also identified ORA at a business unit/Risk and Control Self Assessment (RCSA) entity level and at Bank wide key risk level thus using combination of both top down and bottom up approach.

In order to further strengthen and proactively monitor its compliance to the 'Conduct Risk (CR)', the Bank has also defined its 'Conduct Risk Appetite (CRA)' as per the guidelines issued by the regulator and has established both quantitative and qualitative measures of the Conduct Risk. The Bank has defined CRA as the maximum level of conduct risk that the Bank is willing to accept in pursuit of its business objectives. A conduct risk appetite framework balances the need of all stakeholders by acting as both a governor of risk and driver of current and future business strategy.

The objective of a Conduct Risk Appetite framework of the Bank is to identify key conduct risks faced by the Bank and the steps to be taken to mitigate these risks; articulate the governance mechanisms, systems and controls which are in place to mitigate these risks; and review the exposure of the Bank to conduct risks and assist the Board in ensuring that the risk appetite is not breached.

The Bank has established a Conduct Risk Policy which aims to deliver fair and appropriate outcomes as per the Bank's Conduct Risk philosophy. It also articulates the responsibilities of various stakeholders, i.e. the Board, Senior Management and employees towards conduct risks. The Conduct Risk Appetite framework is reviewed at least on an annual basis, in line with the review of strategy of the Bank. The framework will be updated as per changes in the business strategy of the Bank and/or the changing external regulatory developments/expectations. The CRA has been carved out or is the subset of the ORA determined for the identified Bank wide risk categories/areas mapped to Retail Banking group risk entities. quantity and timing of management information, these were embedded during the course of the year.

The Operational Risk Management Group (ORMG) is responsible for coordinating all the operational risk related activities of the Bank including implementing tools for managing operational risk and maintenance of the ORMP.

The Bank has implemented its RCSA approach to identify and ensure effective control of its operational risks. The RCSAs are reviewed periodically as per BRC approved plan in consultation with the business groups and the results of the RCSA exercise are presented to BRC semi-annually. The Bank manages and monitors level of operational risks for the Bank as a whole and within the various business group by establishing Key Risk Indicators (KRIs) at Bank level and RCSA entity level respectively. Both the KRIs are monitored on a monthly basis and the results are presented to the ORMC on a quarterly basis. Additionally, the results of Bank level KRIs are presented to BRC on a quarterly basis. In order to further strengthen and enhance RCSA tool, the entities/groups also self test the effectiveness of the controls emanating from the RCSAs at least once in a year. The test is sample based and the results are shared with the BRC on a semi-annual basis.

The Bank has implemented a loss data collection, analysis and reporting process for all operational risk loss data (including internal and external fraud) and near miss events. The data is collected from all business and support units in the UK as well as those outsourced to India. Analysis of such data is reported to the ORMC and the BRC on a quarterly basis.

The Bank has adopted the Basic Indicator Approach for the purposes of calculating its operational risk capital charge as per Basel II. The Bank carries out an operational risk scenario analysis and stress testing exercise for assessing the adequacy of the operational risk capital charge. Various operational risk events based on existing and external loss data, risks identified in RCSAs and internal audit reports, have been assessed which are further used to create seven operational risk scenarios. Each of these scenarios is assessed for its probability and financial impact and compared with the operational risk capital charge. The detailed process is mentioned in "quantitative assessment of operational risk drivers" which is reviewed and the results shared with the ORMC and BRC on an annual basis.

To identify operational risks in new products/processes, all such proposals are required to be approved by the Product and Process Approval Committee (PAC), comprising of senior management after obtaining inputs from all the relevant groups and control functions in the Bank. The ORMG reviews the notes to ensure control, design and operating effectiveness and recommends a risk rating. The existing product/ process notes are also reviewed periodically based on the operational risk rating assigned to the note.

The Bank has developed and implemented a Business Continuity and Crisis Management Plan (BCP) for all business and corporate functions to ensure continued availability of critical business processes in an event of an outage. The BCP also addresses disaster situations and provides necessary guidance to recover and restore critical and important business processes in the event of an external business disruption. It provides guidelines for the plan development accountabilities, testing of the BCP and maintenance of individual plans by the respective groups. The BCP for each individual group has been developed on the basis of a business impact analysis carried out for the individual groups involving identification of critical activities and determination of their recovery time objectives. Periodic testing of the BCP is carried out and the results and the updates are shared with ORMC on a quarterly basis. The Corporate BCP of the Bank (along with the group specific plans for noting) is reviewed and approved by the BRC annually.

The Bank has developed and implemented an Outsourcing Policy to mitigate outsourcing risks and ensure the application of a standardized approach for all outsourcing arrangements entered into by the Bank. Proposed outsourcing arrangements are assessed for their criticality prior to outsourcing. For arrangements deemed to be critical, a detailed assessment is conducted and the proposal is approved by the BRC and pre-notified to the regulator. The performance of vendors is periodically reviewed and assessment reports are presented to the BRC on a quarterly basis by the performance monitoring unit.

34 CASH FLOW PAYABLE UNDER CONTRACTUAL MATURITY

At March 31, 2014, the contractual maturity comprised

US$ 000s

	Less than 3 months	More than 3 months but not more than 6 months	More than 6 months but not more than 1 year	More than 1 year but not more than 5 years	More than 5 years	Total
Deposits by banks	**100,482**	**1,722**	**183,269**	**192,544**	**—**	**478,017**
Customer accounts	**1,240,614**	**80,893**	**299,663**	**908,646**	**3,443**	**2,533,259**
Other liabilities	**14,436**	**—**	**—**	**—**	**5,673**	**20,109**
Derivative financial liabilities	**4,698**	**377**	**9,851**	**37,863**	**141**	**52,930**
Accruals and deferred income	**30,198**	**—**	**—**	**—**	**1,279**	**31,477**
Debt securities in issue	**105,255**	**5,005**	**28,904**	**221,381**	**178,321**	**538,866**
Repurchase Agreements	**142,723**	**72,557**	**101,264**	**—**	**—**	**316,544**
Total Liabilities	**1,638,406**	**160,554**	**622,951**	**1,360,434**	**188,857**	**3,971,202**

At March 31, 2014, the contractual maturity comprised

₹ in million

	Less than 3 months	More than 3 months but not more than 6 months	More than 6 months but not more than 1 year	More than 1 year but not more than 5 years	More than 5 years	Total
Deposits by banks	**6,020**	**103**	**10,981**	**11,536**	**—**	**28,640**
Customer accounts	**74,331**	**4,847**	**17,954**	**54,442**	**206**	**151,780**
Other liabilities	**865**	**—**	**—**	**—**	**340**	**1,205**
Derivative financial liabilities	**281**	**23**	**590**	**2,269**	**8**	**3,171**
Accruals and deferred income	**1,809**	**—**	**—**	**—**	**77**	**1,886**
Debt securities in issue	**6,306**	**300**	**1,732**	**13,264**	**10,684**	**32,286**
Repurchase Agreements	**8,550**	**4,347**	**6,067**	**—**	**—**	**18,964**
Total Liabilities	**98,162**	**9,620**	**37,324**	**81,511**	**11,315**	**237,932**

At March 31, 2013, the contractual maturity comprised

US$ 000s

	Less than 3 months	*More than 3 months but not more than 6 months*	*More than 6 months but not more than 1 year*	*More than 1 year but not more than 5 years*	*More than 5 years*	*Total*
Deposits by banks	*38,958*	*40,567*	*84,140*	*130,306*	*—*	*293,971*
Customer accounts	*917,660*	*238,757*	*377,993*	*264,871*	*—*	*1,799,281*
Other liabilities	*36,865*	*—*	*—*	*—*	*6,910*	*43,775*
Derivative financial liabilities	*9,163*	*4,846*	*4,191*	*44,501*	*115*	*62,816*
Accruals and deferred income	*27,354*	*1,920*	*3,040*	*2,130*	*20*	*34,464*
Debt securities in issue	*7,140*	*62,140*	*49,202*	*273,194*	*292,395*	*684,071*
Repurchase Agreements	*112,457*	*56,744*	*38,759*	*—*	*—*	*207,960*
Total Liabilities	*1,149,597*	*404,974*	*557,325*	*715,002*	*299,440*	*3,126,338*

At March 31, 2013, the contractual maturity comprised

₹ in million

	Less than 3 months	*More than 3 months but not more than 6 months*	*More than 6 months but not more than 1 year*	*More than 1 year but not more than 5 years*	*More than 5 years*	*Total*
Deposits by banks	*2,334*	*2,431*	*5,041*	*7,807*	*—*	*17,613*
Customer accounts	*54,982*	*14,305*	*22,647*	*15,870*	*—*	*107,804*
Other liabilities	*2,209*	*—*	*—*	*—*	*414*	*2,623*
Derivative financial liabilities	*549*	*290*	*251*	*2,667*	*7*	*3,764*
Accruals and deferred income	*1,639*	*115*	*182*	*128*	*1*	*2,065*
Debt securities in issue	*428*	*3,723*	*2,948*	*16,368*	*17,519*	*40,986*
Repurchase Agreements	*6,737*	*3,400*	*2,322*	*—*	*—*	*12,459*
Total Liabilities	*68,878*	*24,264*	*33,391*	*42,840*	*17,941*	*187,314*

The balances as noted above incorporate all cash flows on an undiscounted basis which relates to the principal and future coupon payments (except for trading liabilities and trading derivatives).

35 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is a comparison by category of book values and fair values of the Bank's trading and non trading financial assets and financial liabilities as at the year end.

US$ 000s

	March 31, 2014 Fair value	March 31, 2014 Book value	*March 31, 2013 Fair value*	*March 31, 2013 Book value*
Non trading book financial assets and liabilities				
Assets:				
Cash	**648**	**648**	*565*	*565*
Balances at central banks	**1,008,407**	**1,008,407**	*583,227*	*583,227*
Loans and advances to banks	**79,076**	**79,079**	*78,675*	*78,657*
Loans and advances to customers	**2,738,396**	**2,749,136**	*2,310,793*	*2,282,972*
Investment securities	**498,885**	**498,885**	*510,750*	*510,854*
Liabilities:				
Deposits by banks and customer accounts	**2,990,797**	**2,994,400**	*2,086,602*	*2,088,049*
Debt securities in issue	**435,650**	**426,643**	*545,130*	*528,070*
Repurchase agreements	**316,544**	**316,544**	*207,960*	*207,960*
Financial assets and liabilities at fair value through profit and loss				
Assets:				
Derivative financial instruments	**86,028**	**86,028**	*76,353*	*76,353*
Credit linked notes	**—**	**—**	*14,801*	*14,801*
Liabilities:				
Derivative financial instruments	**59,265**	**59,265**	*81,927*	*81,927*

₹ in million

	March 31, 2014 Fair value	March 31, 2014 Book value	*March 31, 2013* Fair value	*March 31, 2013* Book value
Non trading book financial assets and liabilities				
Assets:				
Cash	**39**	**39**	*34*	*34*
Balances at central banks	**60,419**	**60,419**	*34,944*	*34,944*
Loans and advances to banks	**4,738**	**4,738**	*4,714*	*4,713*
Loans and advances to customers	**164,071**	**164,714**	*138,451*	*136,784*
Investment securities	**29,890**	**29,890**	*30,602*	*30,608*
Liabilities:				
Deposits by banks and customer accounts	**179,194**	**179,409**	*125,019*	*125,106*
Debt securities in issue	**26,102**	**25,562**	*32,661*	*31,639*
Repurchase agreements	**18,966**	**18,966**	*12,459*	*12,459*
Financial assets and liabilities at fair value through profit and loss				
Assets:				
Derivative financial instruments	**5,154**	**5,154**	*4,575*	*4,575*
Credit linked notes	**—**	**—**	*887*	*887*
Liabilities:				
Derivative financial instruments	**3,551**	**3,551**	*4,909*	*4,909*

Notes:

1. Fair value of loans and advances to banks and customers is determined using weighted average margins on market transactions done by the Bank during the year for loans with similar maturity and rating profile. The fair valuation is carried out post segmenting the disbursements done during the year by internal rating and tenor and comparing the pricing on the new disbursements with the existing portfolio. The difference is considered as the fair value adjustment.
2. The fair value of deposits by banks and customers has been estimated using current interest rates offered for deposits of similar maturities.
3. The fair value of debt securities is derived based on prevalent market quotes as at balance sheet date. In case market quotes are not available the Bank has used the internal valuation technique to calculate the fair value. Internal valuation discounts the estimated future cash flows, computed based on the prevailing interest rates and credit spreads in the market.
4. Financial instruments such as other assets and other liabilities are expected to have the similar fair value as the carrying value as these are short term in nature.

36 DERIVATIVE FINANCIAL INSTRUMENTS

The Bank enters into various financial instruments as principal to manage balance sheet interest rate and foreign exchange rate risk. These mainly include interest rate swaps and exchange rate related contracts.

Exchange rate related contracts include spot, currency swaps and forward transactions. The Bank's currency swap transactions generally involve an exchange of currencies and an agreement to re-exchange the currency at a future date where the swaps relate to assets and liabilities denominated in different currencies.

The Bank uses derivatives to mitigate interest rate risk. Hedge accounting is applied to derivatives and hedged items when the criteria under FRS 26 have been met. The swaps exchange fixed rate for floating rate on assets/liabilities to match the floating rates paid/received on funding or exchanges fixed rates on funding to match the floating rates received/paid on assets/liabilities. For qualifying hedges, the fair value changes of the derivative are substantially matched by corresponding fair value changes of the hedged item, both of which are recognised in profit and loss. As at March 31, 2014, the notional amounts of interest rate swaps and foreign exchange contract designated as fair value hedges were US$ 1,491 million (₹ 89,363 million) (2013: US$ 834 million; ₹ 49,956 million) and these contracts had a positive fair value of US$ 29.0 million (₹ 1,737.5 million) (2013: positive fair value of US$ 10.54 million; ₹ 631.5 million).

The notional principal amounts of these instruments are not indicative of the amounts at risk which are smaller amounts payable under the terms of these instruments and upon the basis of the contract or notional principal amount. Derivatives contracts in the non-trading book are used for hedging purposes only and are accounted for on this basis and are executed with bank counterparties for whom volume and settlement limits have been approved. Counterparty group limits are approved for connected exposures.

The methodologies for the valuation of derivative products are defined in the Valuation Policy of the Bank, which has been approved by the Board Risk Committee (BRC) of the Bank. The Bank uses swap rates, cross currency basis spreads and spot rates as inputs for the valuation of currency swaps and foreign exchange forward transactions. Further, the Bank uses swap rates and interest rate basis spreads as inputs for the valuation of interest rate swaps. Inputs are drawn from Reuters on a real time basis. While the currency wise cash flows for currency swaps and forward transactions are discounted with the appropriate swap rate for the respective currency and the applicable cross currency basis spread, cash flows for interest rate swaps are discounted with the appropriate zero rate for the currency. Further, the floating rate cash flows for currency swaps and forward transactions are calculated from the zero rates derived from the swap curve and the appropriate basis spread applicable for the currency. The floating rate cash flows for interest rate swaps are calculated from the zero rates derived from the swap curve and the appropriate interest rate basis applicable for the currency.

The Bank has computed the Credit Value Adjustment (CVA) and Debit Value Adjustment (DVA) for the derivative portfolio which amounted to US$ 75K (₹ 4,494K) and US$ 71K (₹ 4,254K) respectively. The CVA and DVA have been computed similar to Basel II collective provisioning using the MTM exposures; rating wise probability of defaults as published by S&P; and 45% loss given default as used in the Basel's foundation IRB approach.

Principal amounts of derivative financial instruments

As at March 31, 2014

US$ 000s

Instrument	Non trading Notional Principal	Trading Notional Principal	Gross Positive Fair Value	Gross negative Fair Value
Foreign exchange contracts	**572,346**	**2,063,033**	**54,588**	**32,678**
Interest rate	**919,147**	**1,015,481**	**31,890**	**20,252**
Total	**1,491,493**	**3,078,514**	**86,478**	**52,930**

As at March 31, 2014

₹ in million

Instrument	Non trading Notional Principal	Trading Notional Principal	Gross Positive Fair Value	Gross negative Fair Value
Foreign exchange contracts	**34,292**	**123,607**	**3,271**	**1,958**
Interest rate	**55,071**	**60,843**	**1,911**	**1,213**
Total	**89,363**	**184,450**	**5,182**	**3,171**

Principal amounts of derivative financial instruments

As at March 31, 2013

US$ 000s

Instrument	*Non trading Notional Principal*	*Trading Notional Principal*	*Gross Positive Fair Value*	*Gross negative Fair Value*
Foreign exchange contracts	*247,038*	*1,884,238*	*20,726*	*24,447*
Interest rate	*586,741*	*1,592,906*	*54,891*	*38,369*
Total	*833,779*	*3,477,144*	*75,617*	*62,816*

As at March 31, 2013

₹ in million

Instrument	*Non trading Notional Principal*	*Trading Notional Principal*	*Gross Positive Fair Value*	*Gross negative Fair Value*
Foreign exchange contracts	*14,801*	*112,894*	*1,242*	*1,465*
Interest rate	*35,155*	*95,439*	*3,289*	*2,299*
Total	*49,956*	*208,333*	*4,531*	*3,764*

In addition of the above the Bank holds equity options relating to their Foreign Currency Convertible Bonds. As at March 31, 2014 these equity options had a gross positive fair value of US$ 0.3 million (₹ 18.0 million) (March 31, 2013 gross positive fair value of US$ 0.8 million; ₹ 47.9 million). These options are valued based on valuation techniques with observable market inputs and are classified as level 2. The level 3 assets of the Bank mainly include certain interest swaps wherein the valuation is based on single counterparty quotes. Refer to note 19 for details of fair value leveling methodology. There were no transfers of derivative financial instruments between level 1, level 2 and level 3 during the year.

Derivative financial instruments by valuation method

As at March 31, 2014

US$ 000s

	Foreign exchange contracts		Interest rate	
	Gross Positive Fair Value	Gross Negative Fair Value	Gross Positive Fair Value	Gross Negative Fair Value
Level 1	**96**	**153**	**—**	**—**
Level 2	**54,491**	**32,525**	**31,890**	**20,252**
Level 3	**—**	**—**	**—**	**—**
Total	**54,587**	**32,678**	**31,890**	**20,252**

As at March 31, 2014

₹ in million

	Foreign exchange contracts		Interest rate	
	Gross Positive Fair Value	Gross Negative Fair Value	Gross Positive Fair Value	Gross Negative Fair Value
Level 1	**6**	**9**	**—**	**—**
Level 2	**3,265**	**1,949**	**1,911**	**1,213**
Level 3	**—**	**—**	**—**	**—**
Total	**3,271**	**1,958**	**1,911**	**1,213**

As at March 31, 2013

US$ 000s

	Foreign exchange contracts		*Interest rate*	
	Gross Positive Fair Value	*Gross Negative Fair Value*	*Gross Positive Fair Value*	*Gross Negative Fair Value*
Level 1	*1,189*	*1,987*	*—*	*—*
Level 2	*19,537*	*22,460*	*52,925*	*36,403*
Level 3	*—*	*—*	*1,966*	*1,966*
Total	*20,726*	*24,447*	*54,891*	*38,369*

As at March 31, 2013

₹ in million

	Foreign exchange contracts		*Interest rate*	
	Gross Positive Fair Value	*Gross Negative Fair Value*	*Gross Positive Fair Value*	*Gross Negative Fair Value*
Level 1	*71*	*119*	*—*	*—*
Level 2	*1,171*	*1,346*	*3,171*	*2,181*
Level 3	*—*	*—*	*118*	*118*
Total	*1,242*	*1,465*	*3,289*	*2,299*

37 ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCY

	March 31, 2014 US$ 000s	*March 31, 2013 US$ 000s*	**March 31, 2014 ₹ in million**	*March 31, 2013 ₹ in million*
Denominated in US Dollars	**2,193,516**	*1,724,630*	**131,425**	*103,331*
Denominated in Sterling	**1,422,750**	*1,129,075*	**85,244**	*67,649*
Denominated in other currencies	**854,888**	*733,601*	**51,220**	*43,954*
Total assets	**4,471,154**	*3,587,306*	**267,889**	*214,934*
Denominated in US Dollars	**1,396,318**	*1,271,034*	**83,660**	*76,154*
Denominated in Sterling	**2,254,983**	*1,789,569*	**135,107**	*107,222*
Denominated in other currencies	**819,853**	*526,703*	**49,122**	*31,558*
Total liabilities	**4,471,154**	*3,587,306*	**267,889**	*214,934*

The above should not be considered to demonstrate the Bank's exposure to foreign exchange risk due to the existence of compensating exchange rate contracts as discussed in Note 36 which are held for hedging purposes.

38 POST BALANCE SHEET EVENTS

There have been no material events after the balance sheet date which would require disclosure or adjustments to the March 31, 2014 financial statements.

39 ULTIMATE PARENT COMPANY AND PARENT UNDERTAKING OF LARGER GROUP OF WHICH THE BANK IS A MEMBER

The Bank is a wholly owned subsidiary of ICICI Bank Limited. The parent company is incorporated in India. Copies of the group accounts for ICICI Bank Limited can be obtained from the Secretarial Department, ICICI Bank Limited, ICICI Bank Towers, Bandra-Kurla Complex, Mumbai 400051, India.

ICICI BANK CANADA

10TH ANNUAL REPORT AND ACCOUNTS 2013 (as of December 31, 2013)

Directors
Chanda D. Kochhar, *Chairperson*
Yezdi Pavri
Lawrence Savage
Pamela G. Pitz
Glenn R. Rourke
Vijay Chandok
Sriram H. Iyer, *President & CEO*

Auditors
KPMG LLP

Anthony Coulthard
Corporate Secretary

Registered & Corporate Office
150 Ferrand Drive
Suite 1200
Toronto, Ontario
Canada M3C 3E5

management's report

to the members

The Management of ICICI Bank Canada (the "Subsidiary") is pleased to present their tenth annual report and accounts 2013, together with the financial statements and auditors' report for the year ended December 31, 2013. All information provided in this Management Report is as at December 31, 2013.

Principal Activities

The Subsidiary, a wholly-owned subsidiary of ICICI Bank Limited (the "Parent"), is a full service direct bank with an asset base of about C$5.3 billion, as at December 31, 2013, offering a comprehensive suite of personal, commercial and cross-border banking products and services. The Subsidiary is supported by a state-of-the-art electronic banking platform (icicibank.ca), a 24-hour toll-free customer contact centre and proprietary ABMs. It has established its branch network in the Greater Toronto Area (Brampton, Downtown Toronto, Gerrard Street East, Mississauga, Scarborough, Gore Road and Don Valley), the Greater Vancouver Regional District (Surrey) and in Calgary, Alberta.

The Subsidiary is regulated by the Ministry of Finance (Canada), and operates under the supervision of the Office of the Superintendent of Financial Institutions. It is also a member of the Canada Deposit Insurance Corporation.

Directors and Corporate Secretary

The names of the Directors and the Corporate Secretary of the Subsidiary are as follows:

Chanda D. Kochhar, *Chairperson*

Yezdi Pavri

Lawrence Savage

Pamela G. Pitz

Glenn R. Rourke

Vijay Chandok

Sriram H. Iyer, *President & CEO*

Anthony Coulthard, Corporate Secretary

Directors' Interests

None of the Directors of the Subsidiary has any interest in its share capital.

Share Capital

The Subsidiary is authorized to issue an unlimited number of common shares without par value and an unlimited number of non-voting preferred shares without par value.

As at December 31, 2013, the Subsidiary had issued 839.5 million common shares, 10 million Series A preferred shares, 509,280 Series B preferred shares, 600,000 Series C preferred shares, 1,000,000 Series D preferred shares and 1,200,000 Series E preferred shares to its Parent. The Series A preferred shares are not redeemable by the Subsidiary until ten years from their issuance date and bear a fixed non-cumulative cash dividend of 1% per annum. The Series B preferred shares and Series C preferred shares are not redeemable by the Subsidiary until five years from their issuance date and bear a fixed non-cumulative cash dividend of 7% per annum. The Series D preferred shares and Series E preferred shares are not redeemable by the Subsidiary until five years from their issuance date and bear a fixed non-cumulative cash dividend of 7.25% per annum. The Subsidiary has declared and paid an aggregate cash dividend of C$ 6.03 million on its preferred shares and an aggregate cash dividend of C$ 21.3 million on its common shares to the Parent during the year ended December 31, 2013.

ANTHONY COULTHARD
Corporate Secretary

auditors' report

to the shareholder

We have audited the accompanying financial statements of ICICI Bank Canada, which comprise the statement of financial position as at December 31, 2013, the statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION
In our opinion, the financial statements present fairly, in all material respects, the financial position of ICICI Bank Canada as at December 31, 2013, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

OTHER MATTER
As explained in note II c), the accompanying financial statements have been prepared by translating the original financial statements prepared in ICICI Bank Canada's functional currency, the Canadian dollar, into Indian rupees using the foreign exchange rate as of December 31, 2013 for all amounts in these financial statements. The translation for amounts as at and for the year ended December 31, 2013 has been subjected to the auditing procedures applied in the audit of the original Canadian dollar financial statements and, in our opinion, is fairly stated in all material respects in accordance with the method described in note II c), in relation to the financial statements taken as a whole.

For KPMG LLP

Toronto, Canada — *Chartered Accountants*
February 20, 2014 — *Licensed Public Accountants*

statements of financial position

as at

	December 31, 2013	₹ *in millions* December 31, 2012
ASSETS		
Cash and deposits with banks (note 1):		
Notes and coins	**114.6**	*153.0*
Deposits with regulated financial institutions:		
Interest bearing	**1,234.9**	*3,927.4*
Non-interest bearing	**1,717.7**	*749.0*
	3,067.2	*4,829.4*
Trading account securities (note 2):	**801.3**	*997.0*
Derivative assets (note 3)	**161.5**	*1,077.4*
Investment securities (note 2):		
Available-for-sale	**27,071.7**	*63,033.4*
Held-to-maturity	**139.7**	*216.6*
	27,211.4	*63,250.0*
Loans, net of allowance for credit losses (note 4):		
Commercial and corporate loans and commercial mortgages	**104,967.5**	*118,965.8*
Corporate investment portfolio	**31,104.6**	—
Residential mortgages	**27,534.7**	*21,358.8*
Securitised residential mortgages	**105,524.9**	*91,885.0*
Personal	**3,896.2**	*3,890.1*
	273,027.9	*236,099.7*
Other:		
Interest accrued on loans and deposits	**883.8**	*761.2*
Property and equipment (note 5)	**82.8**	*78.3*
Deferred tax assets (note 13)	**342.5**	*492.9*
Other assets (note 6)	**942.7**	*1,896.4*
	2,251.8	*3,228.8*
Total assets	**306,521.1**	*309,482.3*
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits from customers (note 7):		
Personal	**133,850.8**	*139,917.5*
Commercial	**4,163.8**	*4,757.0*
	138,014.6	*144,674.5*
Derivative liabilities [note 3]	**1,652.9**	1,134.6
Current tax liabilities	**—**	*61.5*
Interest accrued on deposit liabilities	**2,080.0**	*6,232.4*
Accounts payable and other liabilities (note 8)	**968.9**	*1,874.7*
Subordinated notes (note 9)	**2,902.6**	*4,353.9*
Secured borrowing (note 10)	**105,371.5**	*92,328.5*
Total liabilities	**250,990.5**	*250,660.1*
Shareholders' equity:		
Share capital (note 12):		
Common share capital	**44,381.2**	*48,735.1*
Additional paid-in capital	**174.6**	*141.8*
Preferred share capital	**5,383.3**	*5,383.3*
Retained earnings	**5,142.5**	*3,912.8*
Accumulated other comprehensive income	**449.0**	*649.2*
Total equity attributable to equity holders	**55,530.6**	*58,822.2*
Total liabilities and shareholders' equity	**306,521.1**	*309,482.3*

See accompanying notes to financial statements.

For KPMG LLP
Chartered Accountants

For and on behalf of the Board:

Toronto, Canada, February 20, 2014 *Director* *Director*

statements of comprehensive income

	2013	₹ *in millions* *2012*
Interest income:		
Loans	**8,741.2**	*9,423.9*
Securities	**1,855.5**	*1,972.9*
Deposits with regulated financial institutions	**22.4**	*58.8*
	10,619.1	*11,455.6*
Interest expense:		
Deposits	**3,643.7**	*5,109.5*
Subordinated notes (note 9)	**209.9**	*283.1*
Secured borrowings	**2,194.3**	*1,785.8*
Short-term borrowings (note 11)	**26.3**	*33.6*
	6,074.2	*7,212.0*
Net interest income	**4,544.9**	*4,243.6*
Fee and commission income (note 14)	**333.7**	*241.6*
Net trading income/(losses) (note 15)	**114.4**	*383.8*
Other income (note 16)	**967.0**	*661.4*
Total revenue	**5,960.0**	*5,530.4*
Net impairment loss on loans (note 4)	**277.7**	*516.5*
Personnel expenses	**989.9**	*863.9*
Depreciation (note 5)	**37.1**	*48.5*
Other expenses (note 17)	**766.2**	*744.8*
	2,070.9	*2,173.7*
Profit before income tax	**3,889.1**	*3,356.7*
Income tax expense (note 13)	**1,072.8**	*883.4*
Profit after income taxes	**2,816.3**	*2,473.3*
Other comprehensive income/ (loss), net of income taxes:		
Items that may be reclassified subsequently to income		
Change in unrealized gain/(loss) on available-for-sale securities, net of income tax recovery of ₹ 71.8 (income tax expense of ₹ 226.5 in 2012)	**(200.2)**	*631.6*
Total comprehensive income	**2,616.1**	*3,104.9*

See accompanying notes to financial statements.

For KPMG LLP
Chartered Accountants

For and on behalf of the Board:

Toronto, Canada, February 20, 2014 *Director* *Director*

statements of changes in shareholders' equity

for the year ended December 31

₹ *in millions*	Common share capital	Additional paid-in capital	Preferred share capital	Retained earnings	Accumulated other comprehensive income on securities	Accumulated other comprehensive income on loans	Total
	(note 12)	(note 12)	(note 12)				
Balance as at January 1, 2013	**48,735.1**	**141.8**	**5,383.3**	**3,912.8**	**649.2**	**—**	**58,822.2**
Comprehensive income							
Profit after income taxes	—	—	—	**2,816.3**	—		**2,816.3**
Other comprehensive income, net of income tax recovery of ₹71.8							
Net amount transferred to profit or loss	—	—	—		**102.3**	—	**102.3**
Net unrealized gain on bonds reclassified to loans	—	—	—		**(457.5)**	**457.5**	—
Amortization of OCI on bonds reclassified to loans	—	—	—		—	**(10.0)**	**(10.0)**
Net unrealized loss on available-for-sale securities	—	—	—		**(292.5)**	—	**(292.5)**
Total comprehensive income	—	—	—	**2,816.3**	**(647.7)**	**447.5**	**2,616.1**
Transactions with owners, recorded directly in equity							
Additional paid-in capital expense	—	**32.8**	—	—	—	—	**32.8**
Dividends paid	—	—	—	**(1,586.6)**	—	—	**(1,586.6)**
Repatriation of capital	**(4,353.9)**	—	—	—	—	—	**(4,353.9)**
Balance as at December 31, 2013	**44,381.2**	**174.6**	**5,383.3**	**5,142.5**	**1.5**	**447.5**	**55,530.6**
Balance as at January 1, 2012	*48,735.1*	*117.1*	*5,383.3*	*3,240.7*	*17.7*	—	*57,493.9*
Comprehensive income							
Profit after income taxes	—	—	—	*2,473.3*	—	—	*2,473.3*
Other comprehensive income, net of income tax expense of ₹226.5							
Net amount transferred to profit or loss	—	—	—	—	*137.0*	—	*137.0*
Net unrealized gain on available-for-sale securities	—	—	—	—	*494.5*	—	*494.5*
Total comprehensive income	—	—	—	*2,473.3*	*631.5*		*3,104.8*
Transactions with owners, recorded directly in equity							
Additional paid-in capital expense	—	*24.7*	—	—	—	—	*24.7*
Dividends paid	—	—	—	*(1,801.2)*	—	—	*(1,801.2)*
Balance as at December 31, 2012	*48,735.1*	*141.8*	*5,383.3*	*3,912.8*	*649.2*	—	*58,822.2*

See accompanying notes to financial statements.

statements of cash flows

for the year ended December 31

₹ in millions	**2013**	*2012*
Cash flow from operating activities:		
Profit for the year	**2,816.3**	*2,473.3*
Adjustments for:		
Net impairment loss on loans and advances	**277.7**	*516.5*
Depreciation	**37.1**	*48.5*
Net unrealized gain/(loss) on securities held for trading	**(5.1)**	*(340.0)*
Net realized gain/(loss) on non-trading securities	**(139.1)**	*186.2*
Income tax expense	**1,072.8**	*883.4*
Amortization of deposit broker commissions	**209.5**	*250.4*
Amortization of premium on securitized mortgages	**355.9**	*344.6*
Amortization of fees and expenses on secured borrowings	**195.3**	*134.5*
Net interest income	**(4,544.9)**	*(4,243.6)*
Net change in derivative financial instruments	**1,434.1**	*(107.8)*
Other items, net	**616.0**	*96.4*
	2,325.6	*242.4*
Change in:		
Deposits, net	**(6,869.4)**	*(21,462.9)*
Treasury placements, net	**1,039.6**	*(1,039.6)*
Loans and advances, net	**(6,672.6)**	*(3,027.3)*
	(12,502.4)	*(25,529.8)*
Interest received	**10,496.5**	*11,354.1*
Interest paid	**(10,238.5)**	*(8,481.2)*
Income taxes paid	**(1,549.3)**	*(1,937.6)*
Net cash used in operating activities	**(11,468.1)**	*(24,352.1)*
Cash flow from investing activities:		
Acquisition of investment securities	**(120,005.7)**	*(137,608.1)*
Net proceeds from sale of investment securities	**125,355.7**	*139,880.6*
Acquisition of property and equipment, net	**(41.7)**	*(13.2)*
Net cash from/(used in) investing activities	**5,308.3**	*2,259.3*
Cash flow from financing activities:		
Repatriation of common equity capital	**(4,353.9)**	—
Repayment of subordinated notes	**(1,451.3)**	—
Proceeds/(repayment) of secured borrowing, net	**12,847.8**	*25,932.4*
Dividend paid on shares	**(1,586.6)**	*(1,801.2)*
Net cash from financing activities	**5,456.0**	*24,131.2*
Net increase/(decrease) in cash and cash equivalents	**(703.8)**	*2,038.4*
Effect of exchange rate fluctuations on cash and cash equivalents held	**(18.9)**	*3.8*
Cash and cash equivalents, beginning of year	**3,789.9**	*1,747.7*
Cash and cash equivalents, end of year [note 1]	**3,067.2**	*3,789.9*
Represented by:		
Notes and coins	**114.6**	*153.0*
Interest bearing deposits with regulated financial institutions	**1,234.9**	*2,887.9*
Non-interest bearing deposits with regulated financial institutions	**1,717.7**	*749.0*
	3,067.2	*3,789.9*

See accompanying notes to financial statements.

I. REPORTING ENTITY:

ICICI Bank Canada (the "Bank") is a limited liability company, incorporated and domiciled in Canada. It is a wholly owned subsidiary of ICICI Bank Limited (the "Parent") and the address of the Bank's registered office is Don Valley Business Park, 150 Ferrand Drive, Suite 1200, Toronto, ON, M3C 3E5. The Office of the Superintendent of Financial Institutions Canada ("OSFI") granted the Bank its Letters Patent of Incorporation on September 12, 2003, and an Order to Commence and Carry on Business on November 25, 2003. The Bank launched its operations on December 19, 2003.

II. BASIS OF PREPARATION:

(a) Statement of compliance:

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and accounting requirements of OSFI in accordance with Section 308 of the Bank Act (Canada). Section 308(4) of the Bank Act (Canada) states that, except as otherwise specified by OSFI, the financial statements are to be prepared in accordance with generally accepted accounting principles, the primary source of which is the Handbook of The Canadian Institute of Chartered Accountants now referred to as the Handbook of Chartered Professional Accountants of Canada.

The financial statements for the year ended December 31, 2013 have been approved for issue by the Bank's Board of Directors on February 20, 2014.

(b) Basis of measurement:

These financial statements have been prepared on the historical cost basis, except for the following items in the statements of financial position that are measured at fair value:

- Trading account securities
- Available-for-sale investment securities
- Derivative assets and derivative liabilities

(c) Functional and presentation currency:

The Bank's functional currency is the Canadian dollar. For the purpose of inclusion in the annual report of the Parent, all Canadian dollar amounts in these financial statements in respect of 2013 and 2012 have been translated into Indian Rupees using the foreign exchange rate at December 31, 2013 (one Canadian $ = 58.0525 Indian Rupees).

Except as otherwise indicated, financial information presented in Indian Rupees has been rounded to the nearest million.

(d) Use of estimates and judgments:

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Bank's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimated and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is set out below:

- Note 2 - impairment of financial assets
- Note 4 - impairment of loans
- Note 19 - classification of financial instruments
- Note 10 - accounting for mortgage securitization

(ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending December 31, 2013 is set out below in the following notes:

- Note 4 - loan loss estimates
- Note 13 - deferred tax assets
- Note 19 - fair values of financial instruments

e) Changes in accounting policies

The Bank actively monitors developments and changes in standards from the IASB as well as regulatory requirements from OSFI. Effective January 1, 2013, the Bank adopted the following accounting policies/ revisions as below:

IFRS 10, Consolidated Financial Statements ("IFRS 10") IFRS 10 replaces the consolidation guidance in IAS 27, Separate Financial Statements. It introduces a single, principle based control model for all entities as a basis for determining which entities are consolidated and sets out the requirements for the preparation of consolidated financial statements. Under IFRS 10, control results from an investor having: (1) power over the relevant activities of the investee; (2) exposure or rights to variable returns from its involvement with the investee; and (3) the ability to use its power over the investee to affect the amount of the returns. The standard also provides additional clarity and guidance on the role of a principal or agent in determination of control. The standard is applied retrospectively allowing for certain practical exceptions and transitional relief. In accordance with the transitional requirements of IFRS 10, the Bank has re-assessed whether it controls its investees as of January 1, 2013 and concluded that there is no change in the consolidation decisions reached prior to adoption of IFRS 10.

IFRS 13, Fair Value Measurement ("IFRS 13") IFRS 13 replaces the fair value measurement guidance contained in individual IFRS with a single source of fair value measurement guidance. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, i.e., an exit price. The standard also establishes a framework for measuring fair value and sets out disclosure requirements for fair value measurements to provide information that enables financial statement users to assess the methods and inputs used to develop fair value measurements and, for recurring fair value measurements that use significant unobservable inputs (Level 3), the effect of the measurements on profit or loss or other comprehensive income ("OCI").

IFRS 13 explains how to measure fair value when it is required or permitted by other IFRS. IFRS 13 does not introduce new requirements to measure assets or liabilities at fair value, nor does it eliminate the practicability exceptions to fair value measurements that currently exist in certain standards.

The change had no impact on the measurements of the Bank's assets and liabilities. However, the Bank has included new disclosures in the financial statements which are required under IFRS 13.

Presentation of items of OCI As a result of the amendments to IAS 1, the Bank has reviewed the presentation of items of OCI in its statement of profit or loss and OCI, to present separately items that would be reclassified to profit or loss from those that would never be reclassified to profit or loss, including comparative information for the previous year. There are no items identified for the current year as well as for the comparatives that would not go through OCI.

IFRS 7, Financial Instruments: Disclosures – Offsetting Financial Assets and Liabilities ("IFRS 7") IFRS 7 provides new disclosures requiring the Bank to disclose gross amounts subject to rights of set off, amounts set off, and the related net credit exposure. The Bank has assessed the impact of these new disclosures and currently there are no other than insignificant amounts which are required to be disclosed under IFRS 7.

III. SIGNIFICANT ACCOUNTING POLICIES AND NOTE DISCLOSURES:

The significant accounting policies used in the preparation of these financial statements, including the accounting requirements of OSFI, are summarized below together with the related disclosures. These accounting policies have been applied consistently to all years presented in these financial statements.

1. Cash and deposits with banks:

Cash and cash equivalents include cash balances on hand and interest bearing and non-interest bearing deposits with regulated financial institutions with an original maturity of 90 days or less and that are subject to an insignificant risk of changes in their fair value, and are used by the Bank in the management of its short-term cash commitments. Cash and cash equivalents are measured at amortized cost. As at December 31, 2013, there were no deposits (2012 - ₹1,039.6) with regulated financial institutions with an original maturity of over 90 days.

2. Financial assets:

Financial assets are classified into the following categories: financial assets held for trading (trading account securities); available-for-sale ("AFS") financial assets; held-to-maturity ("HTM") investments and loans and receivables. Management determines the classification of its financial instruments at initial recognition. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

Trading account securities:

Trading account securities are recorded on the statements of financial position at fair value. Transaction costs are recognized in the statements of comprehensive income when incurred. The fair value of securities are based on quoted market prices where available; otherwise, the fair values are estimated using quoted market values for similar securities that maximize use of available market information. Gains and losses arising from changes in fair value are recognized in the statements of comprehensive income under "Net trading income".

The composition and maturity profile of trading account securities are as follows:

₹ in millions

December 31, 2013	Under 1 year	1 to 5 years	Over 5 years	Total trading securities
Equity shares/warrants@	—	13.2	—	13.2
Commercial paper	—	—	788.1	788.1
	—	13.2	788.1	801.3

₹ in millions

December 31, 2012	*Under 1 year*	*1 to 5 years*	*Over 5 years*	*Total trading securities*
Equity shares/warrants@	*201.9*	*7.0*	—	*208.9*
Commercial paper	—	—	*788.1*	*788.1*
	201.9	*7.0*	*788.1*	*997.0*

@ no contractual maturity, but based on expected settlement.

As at December 31, 2013, no trading account securities were denominated in U.S. dollars (2012 - nil).

During the year ended December 31, 2013, net gain realized from the sale of fixed income securities was ₹ 24.4 and unrealized gain of ₹ 5.1 was recognized directly in net trading income with respect to changes in fair value of other trading account securities.

The Bank had invested in convertible bonds, which were subsequently converted into equity shares. To enhance the yield on the investment and to strengthen the structure, the Bank had entered into a Value Protection Agreement ("VPA"). The VPA counterparty carried the equity risk and the Bank was protected from any decline in market price of the shares. In return, the Bank would share any profit that occurs on conversion and sale of shares after adjusting the desired yield. During the year, the Bank has sold all the equity shares held under this arrangement. Since the sale price of the shares was significantly below the conversion price, no additional gains were realized on settlement of the VPA transaction with the counterparty.

During the year ended December 31, 2012, net loss realized from the sale (including write-offs/write-downs of Master Asset Vehicle ("MAV") notes) of fixed income securities was ₹ 21.7 and unrealized gain of ₹ 340.0 was recognized directly in net trading income with respect to changes in fair value of other trading account securities.

The Bank had previously held certain Asset Backed Commercial Paper ("ABCP") that was subject to a court sanctioned restructuring plan, which was completed on January 21, 2009. Under the terms of the plan (the "Plan" or "Montreal Accord"), the Bank received restructured MAV2 and MAV3 notes in lieu of the ABCP held. During 2012, the Bank had disposed off all the MAV notes. The carrying value of the ABCP not subject to the Plan is ₹ 788.1 (2012 - ₹ 788.1), which represents management's best estimate of the fair value of the ABCP.

AFS securities:

AFS securities are recognized initially at fair value and transaction costs are added to the initial carrying value of the securities. AFS securities are subsequently measured at fair value with unrealized gains and losses being recognized in OCI until sale, or impairment, at which point, the cumulative gain or loss is transferred to the statements of comprehensive income. Foreign exchange gains/ losses on foreign currency denominated AFS debt securities are recognized in the statement of comprehensive income under "Foreign exchange gain, net" and reported as a part of "Other Income". Interest income is determined in accordance with the effective interest method and is included in "Interest income: Securities", in the statements of comprehensive income.

During the year ended December 31, 2013, the Bank has reclassified its corporate bonds with a carrying value of ₹ 30,889.3 from AFS securities classification to Loans classification [refer to note 4]. As at December 31, 2013, the fair value of AFS securities exceeded the amortized cost by ₹ 2.1 (2012 - fair value exceeded amortized cost by ₹ 884.3).

The composition and maturity profile of AFS securities are as follows:

₹ in millions

December 31, 2013	Under 1 year	1 to 5 years	Over 5 years	Total AFS securities
Corporate bonds	—	—	—	—
Canadian federal and provincial bonds and treasury bills	27,071.7	—	—	27,071.7
	27,071.7	—	—	27,071.7

₹ in millions

December 31, 2012	*Under 1 year*	*1 to 5 years*	*Over 5 years*	*Total AFS securities*
Corporate bonds	—	*16,677.8*	*7,105.4*	*23,783.2*
Canadian federal and provincial bonds and treasury bills	*39,250.2*	—	—	*39,250.2*
	39,250.2	*16,677.8*	*7,105.4*	*63,033.4*

The fair value and unrealized gains/losses on the AFS securities are as follows:

₹ in millions

December 31, 2013	Amortised cost	Gross unrealised gains	Gross unrealised losses	Fair value of AFS securities
Corporate bonds	—	—	—	—
Canadian federal and provincial bonds and treasury bills	27,069.6	2.3	0.2	27,071.7
	27,069.6	2.3	0.2	27,071.7

₹ in millions

December 31, 2012	*Amortised cost*	*Gross unrealised gains*	*Gross unrealised losses*	*Fair value of AFS securities*
Corporate bonds	*22,904.8*	*884.0*	*5.6*	*23,783.2*
Canadian federal and provincial bonds and treasury bills	*39,244.3*	*6.1*	*0.2*	*39,250.2*
	62,149.1	*890.1*	*5.8*	*63,033.4*

As at December 31, 2013, all the AFS securities were held in Canadian dollars. As at December 31, 2012, corporate bonds of ₹10,598.8 were denominated in U.S. dollars (U.S.$183,508) and bonds of ₹ 5,592.3 were denominated in Euros (€73,434).

For the year ended December 31, 2013, an amount of ₹102.3, net of taxes, has been reclassified out of OCI on account of sale of government-guaranteed securities and other fixed income securities and a post-tax loss of ₹ 292.5 was recognized directly in OCI with respect to the unrealized changes in fair value of AFS securities. Further, net unrealized gains of ₹ 615.3, recognized in the OCI, upto the date of reclassification of AFS securities to Loans classification, will be subsequently amortized through interest income using the effective interest rate of the securities reclassified.

For the year ended December 31, 2012, an amount of ₹137.0 has been reclassified out of OCI on account of sale of government-guaranteed securities and other fixed income securities and a post-tax gain of ₹ 494.5 was recognized directly in OCI with respect to the unrealized changes in fair value of AFS securities.

At each reporting date, the Bank assesses on an individual basis, whether there is objective evidence that one or more AFS securities are impaired. An AFS security is impaired when objective evidence demonstrates that a loss event has occurred after the security's initial recognition, and that the loss event has an impact on the future cash flows of the security that can be estimated reliably. Objective evidence of impairment can include significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of the security, indications that a borrower or issuer will enter bankruptcy, or the disappearance of an active market for a security.

Impairment losses on AFS securities are recognized by transferring the cumulative loss that has been recognized in OCI to profit or loss as a reclassification adjustment. The cumulative loss that is reclassified from OCI to profit or loss is the difference between the acquisition cost, net of any principal repayment, amortization, and the current fair value, less any impairment loss previously recognized in profit or loss. There were no impairment losses during 2013 (2012 - nil).

HTM securities:

HTM securities comprise securities with fixed or determinable payments and fixed maturities, that management has the intention and ability to hold to maturity. They are initially recognized at fair value plus incremental costs directly attributable to the acquisition of the security. HTM securities are subsequently carried at amortized cost using the effective interest method.

At each reporting date, the Bank assesses whether there is objective evidence that one or more HTM securities are impaired. An HTM security is impaired when objective evidence demonstrates that a loss event has occurred after the security's initial recognition, and that the loss event has an impact on the future cash flows of the security that can be estimated reliably. Objective evidence of impairment can include significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of the security, indications that a borrower or issuer will enter bankruptcy, or the disappearance of an active market for a security.

Impairment losses on a HTM security is measured as the difference between the carrying amount of the security and the present value of estimated future cash flows discounted at the security's original effective interest rate. Impairment losses are recognized in the statements of comprehensive income. There were no impairment losses during 2013 (2012 - nil).

During 2012, MAV notes classified as HTM securities were redeemed at par by the issuer and consequently, the Bank repaid ₹370.3 being the "Participation Interests" in the MAV notes earlier sold to Xceed Mortgage Corporation during 2011 which were recorded as secured borrowings. The Participation Interest was an undivided ownership interest in the MAV notes, entitling the investor to certain rights and entitlements, subordinated and postponed in right of payment to the interests of the Bank.

The composition and maturity profile of HTM securities are as follows :

₹ in millions

December 31, 2013	**Under 1 year**	**1 to 5 years**	**Over 5 years**	**Total HTM securities**
Asset backed securities	—	20.2	119.5	139.7
	—	20.2	119.5	139.7

₹ in millions

December 31, 2012	*Under 1 year*	*1 to 5 years*	*Over 5 years*	*Total AFS securities*
Asset backed securities	—	*39.1*	*177.5*	*216.6*
	—	*39.1*	*177.5*	*216.6*

As at December 31, 2013, no HTM securities were denominated in currencies other than Canadian dollars (2012 - nil).

For the year ended December 31, 2013, no HTM securities have been sold (2012 - nil).

3. **Derivative financial instruments:**

In the ordinary course of business, the Bank uses derivative financial instruments, primarily over-the-counter interest rate derivatives, forward contracts and forward currency swaps, to manage its exposure to interest rate and currency fluctuations, as part of the Bank's asset liability management program. The Bank also enters into interest rate swaps and option contracts as a service to clients to assist them in risk management, the risk on which is offset by entering into derivatives with its Parent and, accordingly, it has no net market risk exposure as a result of entering into these simultaneous contracts.

The derivatives are carried at fair value with changes in fair value recorded in net trading income/(loss) in the statements of comprehensive income. The Bank takes into account its own credit risk and that of the relevant counterparties when determining the fair value of derivative instruments. As at December 31, 2013, the fair values of derivative assets and derivative liabilities were ₹161.5 (2012 - ₹1,077.4) and ₹1,652.9 (2012 - ₹1,134.6) respectively.

The following is a summary of the notional amounts by remaining term to maturity of the Bank's outstanding trading derivative portfolio, all of which are over-the-counter, as at December 31:

₹ in millions

				2013	*2012*
	Under 1 year	**1 to 5 years**	**Over 5 years**	**Total**	*Total*
Forward foreign exchange contracts	17.0	—	—	17.0	*3,821.4*
Foreign currency swaps	80,562.6		—	80,562.6	*86,544.1*
Interest rate swaps	6,174.5	7,528.9	—	13,703.4	*28,482.2*
Interest rate options:					
Purchased	—	—	—	—	—
Written	—	—	—	—	—
	86,754.1	7,528.9	—	94,283.0	*118,847.7*

The following is a summary of the gross fair value of the Bank's outstanding trading derivative portfolio, before CVA of ₹0.6 (2012 - ₹7.4) on positive fair values and of ₹1.7 (2012 - ₹ 5.3) on negative fair values, as at December 31:

₹ in millions

December 31, 2013	**Positive fair value**	**Negative fair value**	**Net fair value**
Forward foreign exchange contracts	—	—	—
Foreign currency swaps	54.8	1,552.6	(1,497.8)
Interest rate swaps	107.3	102.0	5.3
Interest rate options - purchased	—	—	—
Interest rate options – written	—	—	—
	162.1	1,654.6	(1,492.5)

₹ in millions

December 31, 2012	*Positive fair value*	*Negative fair value*	*Net fair value*
Forward foreign exchange contracts	*3.1*	*76.5*	*(73.4)*
Foreign currency swaps	*755.1*	*739.9*	*15.2*
Interest rate swaps	*326.6*	*323.5*	*3.1*
Interest rate options – purchased	—	—	—
Interest rate options – written	—	—	—
	1,084.8	*1,139.9*	*(55.1)*

The following is the summary of outstanding derivative contracts with the Parent and its subsidiaries, as at December 31:

₹ in millions

December 31, 2013	**Notional amounts**	**Negative fair value**	**Positive fair value**
Forward foreign exchange contracts	—	—	—
Foreign currency swaps	—	—	—
Interest rate swaps	3,087.2	102.0	—
Interest rate options – purchased	—	—	—
Interest rate options – written	—	—	—
	3,087.2	102.0	—

₹ in millions

December 31, 2012	*Notional amounts*	*Negative fair value*	*Positive fair value*
Forward foreign exchange contracts	—	—	—
Foreign currency swaps	*3,577.3*	—	*233.1*
Interest rate swaps	*11,209.2*	*318.7*	*4.9*
Interest rate options – purchased	—	—	—
Interest rate options – written	—	—	—
	14,786.5	*318.7*	*238.0*

The table below shows the current replacement cost, credit equivalent amount and risk-weighted amount for derivatives as at December 31. Current replacement cost is the positive fair value of outstanding derivative financial instruments, which represents the Bank's derivative credit exposure. Credit equivalent amount is the current replacement cost for favourable contracts plus an amount for future credit exposure associated with the potential for future credit exposure. Future credit exposure is calculated using a formula prescribed by OSFI. Risk-weighted amounts represent the credit equivalent amount weighted according to the creditworthiness of the counterparty, using factors prescribed by OSFI.

₹ in millions

December 31, 2013	**Current replacement cost**	**Credit equivalent amount**	**Risk-weighted amount**
Forward foreign exchange contracts	—	0.2	0.1
Foreign currency swaps	54.8	860.5	193.0
Interest rate swaps	107.3	144.9	110.6
Interest rate options – purchased	—	—	—
Interest rate options – written	—	—	—
	162.1	1,005.6	303.7

₹ in millions

December 31, 2012	*Current replacement cost*	*Credit equivalent amount*	*Risk-weighted amount*
Forward foreign exchange contracts	*3.1*	*41.3*	*41.1*
Foreign currency swaps	*755.0*	*1,620.5*	*571.1*
Interest rate swaps	*326.6*	*436.2*	*405.3*
Interest rate options – purchased	—	—	—
Interest rate options – written	—	—	—
	1,084.7	*2,098.0*	*1,017.5*

4. **Loans**:

Loans are measured upon initial recognition at fair value plus directly attributable incremental transaction costs. Loans are subsequently measured at amortized cost using the effective interest method, net of allowance for impairment. The amortized cost is the amount at which a loan is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment. The carrying amounts of the loan balances represent the Bank's maximum exposure to credit risk thereon before considering any collateral and other credit enhancements.

Interest, fee and commission income:

Interest income is recognized in the statements of comprehensive income using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the loan (or, where appropriate, a shorter period) to the carrying amount of the loan. When calculating the effective interest rate, the Bank estimates future cash flows considering all contractual terms of the loan, but not future credit losses. The calculation of the effective interest rate includes all transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of the loans. The effective interest rate is established at the time of initial recognition of the loans and is not revised subsequently, except for variable rate loans.

Loan fees received from commercial clients for term loans, demand loans, mortgages and operating lines of credit that are considered integral to the effective interest rate on respective loans are included in the measurement of the effective interest rate, and thereby recognized into income over the term of the respective loans.

Non-refundable loan fees received from commercial clients for facilities that are not approved are recorded in income at the point at which the Bank has no further performance obligations.

Impairment:

At each reporting date, the Bank assesses whether there is objective evidence that loans are impaired. Loans are classified as impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the loan (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the loan that can be reliably estimated.

The criteria that the Bank uses to determine that there is objective evidence of an impairment loss include:

(a) significant financial difficulty of the issuer or obligor;

(b) a breach of contract, such as a default or delinquency in interest or principal payments;

(c) the Bank granting to the borrower, on account of the borrower's financial difficulty, a concession that the Bank would not otherwise consider;

(d) it becomes probable that the borrower will enter bankruptcy or other financial reorganization; and

(e) observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans since the initial recognition of those loans, although the decrease cannot yet be identified with the individual loans in the portfolio, including:

   (i) adverse changes in the payment status of borrowers in the portfolio; and

   (ii) national or local economic conditions that correlate with defaults on the loans in the portfolio.

An allowance for impairment is maintained at a level that management considers adequate to absorb identified credit-related losses that are identifiable for individual loans, as well as losses that have occurred but have not yet been identified on individual loans in a portfolio.

To ensure that any impairment is identified on a timely basis, the Bank's loans are reviewed regularly for their credit quality, taking into consideration all readily available information. When substantive information suggests any significant deterioration in the credit quality of a loan or a portfolio of loans, the credit or credits are reviewed immediately, even if a regularly scheduled review is not due.

The Bank considers evidence of impairment for loans and advances both at an individual asset and collective level. All individually significant loans and advances are assessed for impairment on an individual basis. All individually significant loans and advances found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified at an individual loan level. Loans and advances that are not individually significant are collectively assessed for impairment by grouping together loans and advances with similar risk characteristics. In assessing collective impairment, the Bank uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical loss modeling.

Default rates, loss rates and the expected timing of future recoveries are benchmarked against actual outcomes to ensure that they remain appropriate. Impairment losses on loans and advances are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Impairment losses are recognized in profit or loss and reflected in an allowance account against loans and advances. Interest on impaired assets continues to be recognized although an allowance may be established to the extent it may not be recovered. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss. The Bank writes off loans and advances when they are determined to be uncollectible.

Loans for which interest and principal is contractually past due 90 days are generally recognized as impaired, unless management determines that loan as fully secured, in the process of collection, and the collection efforts are reasonably expected to result in either payment of the loan or restoring it to a current status within 180 days from the date payment has become contractually in arrears.

As defined in its Credit and Recovery Policy ("CRP"), the Bank follows a two-tier risk rating system for credits, consisting of a borrower/obligor risk rating ("BRR") and a transaction risk rating ("TRR"). Borrowers/Obligors are risk rated using general corporate or sector specific scorecards by assigning a fourteen grade classification system (1 upto 8) to reflect the probability of default. The TRR is then determined by adjusting the BRR to reflect collateral assessment as per the loss given default framework and the TRR framework.

Credits with a BRR 1 through 4C are considered "Satisfactory", BRR 5 considered "Especially mentioned" and BRR 6 treated as "Substandard".

The following table presents the gross loans outstanding as at December 31, that were neither past due nor impaired:

₹ in millions

	2013	*2012*
Borrower Risk Rating categories		
Satisfactory (RR 1 through 4)	**243,424.9**	*194,140.0*
Especially mentioned (RR 5)	**7,875.6**	*9,409.2*
Substandard (RR 6)	**9,574.8**	*24,274.3*
	260,875.3	*227,823.5*

An exposure rated BRR 7 is closely monitored. Exposures rated BRR 8 are internally classified as "Default and impaired" where losses are identifiable on an individual basis with a specific allowance established against each exposure. As at December 31, 2013, gross loans outstanding in BRR 7 and BRR 8 amounted to ₹ 10,272.7 (2012 - ₹ 4,401.0). Included within interest income from loans for the year ended December 31, 2013 is a total of ₹ 265.9 (2012 - ₹ 132.1) relating to such exposures.

Based on an assessment of these loans, the following table indicates the amount of specific provisions created in respect of certain loans:

₹ in millions

	2013		*2012*	
	Gross Loans	**Specific allowance**	*Gross loans*	*Specific allowance*
Commercial loans and commercial mortgages	**2,450.7**	**1,825.8**	*1,611.4*	*1,023.6*
	2,450.7	**1,825.8**	*1,611.4*	*1,023.6*

The following table presents the carrying value of loans as at December 31, that were past due but not classified as impaired:

₹ in millions

	2013		2012	
	Commercial & corporate loans and commercial mortgages	**Residential mortgages**	*Commercial & corporate loans and commercial mortgages*	*Residential mortgages*
1 - 30 days	**3,808.1**	**723.9**	*—*	*1,168.2*
31 - 60 days	**—**	**208.4**	*4,849.4*	*248.4*
61 - 90 days	**—**	**67.8**	*85.9*	*132.7*
Above 90 days	**—**	**233.4**	*—*	*390.3*
	3,808.1	**1,233.5**	*4,935.3*	*1,939.6*

During the year ended December 31, 2013, loan balances of ₹162.8 were written off (2012 - nil)

Reclassified Financial assets - available for sale securities reclassified to loans

During the year ended December 31, 2013, the Bank has reclassified its corporate bonds from AFS securities classification to Loans classification. The reclassified securities met the definition of loans and receivables ("L&R") at the date of reclassification and the Bank intends to hold these securities for foreseeable future. The reclassifications were made with effect from December 1, 2013 at fair value at that date. The net unrealized fair value gains recognized in the OCI will be subsequently amortized into interest income using the effective interest rate of the instrument reclassified.

The following table presents the details in respect of the reclassified bonds at the reclassification date:

₹ in millions

	2013
Carrying value	**30,889.3**
Unrealized fair value gains in OCI	**615.3**
Effective interest rates:	
- Upper range	**7.3%**
- Lower range	**2.8%**
Expected recoverable cash flows	**38,819.6**

The following table presents the carrying and fair values for the reclassified bonds as at December 31:

₹ in millions

	2013	
	Carrying value	**Fair value**
AFS securities reclassified to loans	**30,947.1**	**30,993.4**

The table below shows the pre-tax amounts that would have been recognized in profit or loss and OCI if the reclassification had not been made:

₹ in millions

	2013	
	Profit or loss	**OCI**
Interest income	**—**	**—**
Net increase/ (decrease) in fair value	**—**	**133.9**
Amortization of net unrealized gain deferred in OCI	**—**	**13.6**
	—	**147.5**

The table below shows the amount of pre-tax contribution recognized in profit or loss and OCI in respect of the financial assets which have been reclassified:

₹ in millions

	2013	
	Profit or loss	**OCI**
Interest income @	**157.4**	**—**
Provision for credit losses, net	**(72.7)**	**—**
Amortization of net unrealized gain deferred in OCI	**—**	**(13.6)**
	84.7	**(13.6)**

@ earlier included as a part of interest income on securities now included as interest income on loans

Impairment analysis for debt instruments required by IAS 39 will continue even after reclassification and impairment losses, if any, will be taken as a charge to the profit or loss. While AFS securities are also assessed for impairment under IAS 39, per the Bank's policy this assessment is only carried out on an individual security basis and not on a collective basis. Once these instruments are reclassified to L&R collective impairment will be required for securities that are not individually impaired. This may result in a collective impairment charge in profit or loss for these securities. If a reclassified financial asset subsequently is assessed as being individually impaired, then the gain or loss that was previously recognized in OCI will be reclassified to profit or loss immediately on a proportionate basis.

The composition of the loan portfolio as at December 31 is as follows:

₹ in millions

December 31, 2013	**Gross amount**	**Collective allowance**	**Specific allowance**	**Deferred loan fees**	**Net amount**
Commercial loans and commercial mortgages	**12,122.6**	**(23.9)**	**(1.1)**	**(125.9)**	**11,971.7**
Corporate loans	**96,221.8**	**(1,217.0)**	**(1,824.7)**	**(184.3)**	**92,995.8**
Corporate investment portfolio	**31,177.6**	**(73.0)**	**—**	**—**	**31,104.6**
Conventional residential mortgages	**253.7**	**—**	**—**	**—**	**253.7**
Insured residential mortgages	**27,286.9**	**(5.9)**	**—**	**—**	**27,281.0**
Securitised residential mortgages	**105,539.9**	**(15.0)**	**—**	**—**	**105,524.9**
Personal	**3,897.3**	**(1.1)**	**—**	**—**	**3,896.2**
	276,499.8	**(1,335.9)**	**(1,825.8)**	**(310.2)**	**273,027.9**
Undrawn commitments and other contingent liabilities:					
Commercial@	**26,628.0**	**(1.7)**	**—**	**—**	**26,626.3**
Personal	**5,782.8**	**—**	**—**	**—**	**5,782.8**
	32,410.8	**(1.7)**	**—**	**—**	**32,409.1**

₹ in millions

December 31, 2012	*Gross amount*	*Collective allowance*	*Specific allowance*	*Deferred loan fees*	*Net amount*
Commercial loans and commercial mortgages	*13,440.6*	*(23.9)*	*(1.1)*	*(139.6)*	*13,276.0*
Corporate loans	*108,773.6*	*(1,884.4)*	*(1,022.5)*	*(176.9)*	*105,689.8*
Corporate investment portfolio	*—*	*—*	*—*	*—*	*—*
Conventional residential mortgages	*264.2*	*—*	*—*	*—*	*264.2*
Insured residential mortgages	*21,097.6*	*(3.0)*	*—*	*—*	*21,094.6*
Securitised residential mortgages	*91,890.0*	*(5.0)*	*—*	*—*	*91,885.0*
Personal	*3,891.1*	*(1.0)*	*—*	*—*	*3,890.1*
	239,357.1	*(1,917.3)*	*(1,023.6)*	*(316.5)*	*236,099.7*
Undrawn commitments and other contingent liabilities:					
Commercial@	*30,954.4*	*(20.5)*	*—*	*—*	*30,933.9*
Personal	*5,452.6*	*—*	*—*	*—*	*5,452.6*
	36,407.0	*(20.5)*	*—*	*—*	*36,386.5*

@Provision included in accounts payable and other liabilities.

Unfunded commitments can be drawn at any time during the term of the facility and the Bank manages its liquidity based on expected withdrawals.

Undrawn commitments and other contingent liabilities include an unused portion of commercial and personal mortgages and lines of credit, letters of credit facility to commercial clients, import bills for collection and standby letters of credit and bank guarantees.

During the year ended December 31, 2013, loan balances of ₹162.8 were written off (2012 - nil). The following is a summary of the changes in the allowance for impairment for the year ended December 31:

₹ in millions

	Collective	**Specific**	**2013**	*2012*
Balance, beginning of year	**1,917.5**	**1,023.6**	***2,941.1***	*2,324.4*
Provision for credit losses @	**(688.6)**	**965.0**	***276.4***	*516.5*
Effect of discounting	**107.0**	**—**	***107.0***	*100.0*
Write-offs	**—**	**(162.8)**	***(162.8)***	*—*
Balance, end of year	**1,335.9**	**1,825.8**	***3,161.7***	*2,940.9*

@ excludes ₹ 1.3 (2012 - ₹ 0.05) provided on contingent liabilities

As at December 31, 2013, the Bank held loans, net of allowances, denominated in U.S. dollars, British pounds, Euros and Japanese yens of ₹ 71,671.3 (U.S.$1,160,770), ₹ 268.1 (£2,620), ₹ 9,742.9 (€ 114,520), ₹ 246.8 (¥ 420,990), respectively.

As at December 31, 2012, the Bank held loans, net of allowances, denominated in U.S. dollars, British pounds, Euros and Japanese yens of ₹ 60,487.4 (U.S.$ 1,047,284), ₹ 335.5 (£3,573), ₹ 4,049.2 (€53,171), ₹ 562.1 (¥ 841,980), respectively.

At December 31, 2013, ₹ 219,583.3 (2012 - ₹ 180,446.6) of loans are expected to be recovered more than 12 months after the reporting date.

An analysis of the Bank's loan portfolio, net of allowances for impairment and deferred loan fees, by category and by location of ultimate risk as at December 31, is as follows:

₹ in millions

	2013	*2012*
Canada:		
Commercial loans and commercial mortgages	**4,864.7**	*5,757.3*
Corporate loans	**56,039.4**	*54,944.5*
Corporate Investment Portfolio	**31,177.6**	—
Conventional residential mortgages	**253.7**	*264.2*
Insured residential mortgages	**27,286.9**	*21,097.6*
Securitized residential mortgages	**105,539.9**	*91,890.0*
Personal	**3,897.3**	*3,891.1*
	229,059.5	*177,844.7*
Allowance for impairment	**(784.3)**	*(870.3)*
	228,275.2	*176,974.4*
India:		
Commercial loans and commercial mortgages	**4,906.9**	*6,015.8*
Corporate loans	**32,681.3**	*48,263.4*
	37,588.2	*54,279.2*
Allowance for impairment	**(2,033.3)**	*(1,740.7)*
	35,554.9	*52,538.5*
Other:		
Commercial loans and commercial mortgages	**2,382.8**	*1,527.9*
Corporate loans	**7,159.1**	*5,388.8*
	9,541.9	*6,916.7*
Allowance for impairment	**(344.1)**	*(329.9)*
	9,197.8	*6,586.8*
	273,027.9	*236,099.7*

The total fair value of loans at December 31, 2013 is ₹ 271,724.0 (2012 - ₹ 235,847.0), of which the fair value of loans relating to Canada is ₹ 227,018.7 (2012 - ₹ 176,922.9) and India is ₹ 35,524.5 (2012 - ₹ 52,337.3).

5. Property and equipment:

Property and equipment are carried at cost less accumulated depreciation, which is provided by using the straight-line method over the estimated useful lives of the assets. The estimated useful lives, residual values and depreciation method are reviewed annually, with the effect of any changes in estimate accounted on a prospective basis.

₹ in millions

	Useful life	Cost	Accumulated depreciation	2013 Net book value	*2012 Net book value*
Computer hardware and software	3 years	**83.7**	**71.7**	**12.0**	*5.8*
Furniture, fixtures and equipment	5 years	**181.4**	**140.6**	**40.8**	*28.5*
Leasehold improvements	Lease term	**222.8**	**192.8**	**30.0**	*44.0*
		487.9	**405.1**	**82.8**	*78.3*

The movement in balances of property and equipment was as follows:

₹ in millions

	Computer hardware and software	Furniture, fixtures and equipment	Leasehold improve-ments	Total
Acquisition cost:				
Opening balance at January 1, 2013	**78.8**	**162.5**	**221.7**	**463.0**
Acquisitions	11.1	29.8	1.1	42.0
Disposals	-	-	-	-
Assets written off	(6.2)	(10.9)	-	(17.1)
Closing balance at December 31, 2013	**83.7**	**181.4**	**222.8**	**487.9**

₹ in millions

	Computer hardware and software	Furniture, fixtures and equipment	Leasehold improve-ments	Total
Accumulated depreciation and impairment losses:				
Opening balance at January 1, 2013	**(73.0)**	**(134.0)**	**(177.7)**	**(384.7)**
Depreciation	**(4.8)**	**(17.2)**	**(15.1)**	**(37.1)**
Assets written off	**6.1**	**10.6**	**—**	**16.7**
Closing balance at December 31, 2013	**(71.7)**	**(140.6)**	**(192.8)**	**(405.1)**

₹ in millions

	Computer hardware and software	*Furniture, fixtures and equipment*	*Leasehold improve-ments*	*Total*
Acquisition cost:				
Opening balance at January 1, 2012	*154.8*	*156.3*	*221.4*	*532.5*
Acquisitions	4.5	9.4	0.3	14.2
Disposals	—	—	—	—
Assets written off	*(80.5)*	*(3.2)*	—	*(83.7)*
Closing balance at December 31, 2012	*78.8*	*162.5*	*221.7*	*463.0*

₹ in millions

	Computer hardware and software	*Furniture, fixtures and equipment*	*Leasehold improve-ments*	*Total*
Accumulated depreciation and impairment losses:				
Opening balance at January 1, 2012	*(149.6)*	*(113.7)*	*(155.5)*	*(418.8)*
Depreciation	*(3.7)*	*(22.6)*	*(22.2)*	*(48.5)*
Assets written off	*80.3*	*2.3*	—	*82.6*
Closing balance at December 31, 2012	*(73.0)*	*(134.0)*	*(177.7)*	*(384.7)*

There were no capitalized borrowing costs related to the acquisitions of property and equipment for the years ended December 31, 2013 and 2012.

6. Other assets:

₹ in millions

	2013	*2012*
Prepaid expenses, deposits and accounts receivable	**551.9**	*950.6*
Current taxes paid	**292.1**	—
Shortfall in Mortgage-backed securities ("MBS") pool collections	**85.8**	*202.1*
Others	**12.9**	*25.1*
Amount receivable on value protection agreement	**—**	*718.6*
	942.7	*1,896.4*

7. Deposits:

Deposits are measured upon initial recognition at their fair value less directly attributable incremental transaction costs. Deposits are subsequently measured at amortized cost using the effective interest method. Deposit balances for current, savings and term deposits are shown below:

₹ in millions

	Payable on demand				
December 31, 2013	**Interest bearing**	**Non-interest bearing**	**Payable after notice**	**Payable on fixed date**	**Total**
Personal	**2,331.8**	—	**22,615.5**	**14,855.8**	**39,803.1**
Commercial	**1,244.6**	—	**2,302.8**	**616.4**	**4,163.8**
Broker:					
Personal	—	—	**9,905.5**	**84,142.2**	**94,047.7**
Commercial	—	—	—	—	—
	3,576.4	—	**34,823.8**	**99,614.4**	**138,014.6**

₹ in millions

	Payable on demand				
December 31, 2012	*Interest bearing*	*Non-interest bearing*	*Payable after notice*	*Payable on fixed date*	*Total*
Personal	*2,238.5*	—	*23,769.6*	*10,873.5*	*36,881.6*
Commercial	*2,521.5*	—	*1,671.7*	*563.8*	*4,757.0*
Broker:					
Personal	—	—	*17,771.0*	*85,264.9*	*103,035.9*
Commercial	—	—	—	—	—
	4,760.0	—	*43,212.3*	*96,702.2*	*144,674.5*

The maturity profile of deposits payable on fixed date, as at December 31, is as follows:

₹ in millions

			2013	2012
	Under 1 year	1 to 5 years	Total	*Total*
Payable on fixed date	29,174.4	70,440.0	99,614.4	*96,702.1*

The Bank sources certain deposits through the use of brokers. Upon the placement of a deposit with the Bank, the broker earns a commission, which the Bank amortizes over the life of the related deposit. As at December 31, 2013, the Bank had unamortized broker commissions on deposits of ₹ 394.6 (2012 - ₹ 364.0) included in the above balances. There is no single depositor in excess of 0.3% (2012 - 0.3%) of the total liabilities.

8. Accounts payable and other liabilities:

₹ in millions

	December 2013	*December 2012*
Accounts payable	641.6	*596.4*
Payable for investments purchased	231.8	—
Deferred income	75.4	*60.5*
Other	20.1	*117.5*
Amount payable on value protection agreement	—	*1,100.3*
	968.9	*1,847.7*

9. Subordinated notes:

Subordinated notes are measured at amortized cost using the effective interest method.

The Bank issued a subordinated note to its affiliate, ICICI Bank UK PLC, in the amount of ₹1,451.3 on January 31, 2007. The interest rate on the note was LIBOR plus 2.5% per annum, payable quarterly in arrears, until April 30, 2012, and at the rate of LIBOR plus 3.0% per annum thereafter, until maturity. The Bank prepaid these notes on April 30, 2013 after receiving necessary approvals from OSFI.

The Bank issued a subordinated note to ICICI Bank Limited (Bahrain branch) in the amount of ₹ 1,451.3 on March 31, 2008. As per the original terms, interest was payable at the rate of LIBOR plus 4.6% per annum, quarterly in arrears, until March 31, 2013, and at the rate of LIBOR plus 5.0% per annum thereafter, until maturity on March 31, 2018. The interest step-up clause effective end of the first five years on the note was eliminated and the interest rate for the entire tenor of the note was revised to LIBOR plus 4.6% per annum in December 2012. In the course of 2013, the British Bankers' Association ("BBA"), discontinued LIBOR fixing for a number of currencies including Canadian dollars and consequently the benchmark LIBOR was amended to CDOR effective June 28, 2013.

The Bank issued a subordinated note to ICICI Bank Limited (Bahrain branch) in the amount of ₹ 1,451.3 on September 23, 2008. As per the original terms, interest was payable at the rate of LIBOR plus 4.6% per annum, quarterly in arrears, until September 23, 2013, and at the rate of LIBOR plus 5.0% per annum thereafter, until maturity on September 23, 2018. The interest step-up clause effective end of the first five years on the note was eliminated and the interest rate for the entire tenor of the note was revised to LIBOR plus 4.6% per annum in December 2012. In the course of 2013, the BBA, discontinued LIBOR fixing for a number of currencies including Canadian dollars and consequently the benchmark LIBOR was amended to CDOR effective June 28, 2013.

The terms and conditions of these subordinated notes require the Bank to gross up the interest payment for any withholding taxes so that the net payment is equal to the total amount of the interest due.

The weighted average cost of borrowing for the year ended December 31, 2013 is 6.21% (2012 - 6.48%). The Bank incurred interest expense of ₹209.9 (2012 - ₹ 283.1) related to the notes during the year ended December 31, 2013, including withholding taxes borne by the Bank.

10. Securitisation of mortgages:

The Bank has entered into securitization arrangements in respect of its originated and purchased (originated by third parties) mortgages, to issue National Housing Act Mortgage-backed Securities ("NHA-MBS") and also participates in Canada Mortgage Bonds ("CMB") program as a seller. The NHA MBS are backed by pools of amortizing residential mortgages insured by the Canada Mortgage and Housing Corporation ("CMHC") or approved third party insurers. The CMB, introduced by CMHC, is a guaranteed, semi-annual coupon, bullet-maturity bond. CMB are issued by a special purpose trust, known as Canada Housing Trust.

For mortgages securitized and sold into the CMB program, the Bank retains substantially all the risks and rewards, comprising primarily prepayment risk related to ownership of these mortgages and hence, these mortgage securitizations do not qualify for derecognition accounting under International Accounting Standard 39, Financial Instruments: Recognition and Measurement ("IAS 39"). For mortgages that are securitized and the resulting MBS from which are sold outside of the CMB program, the Bank has determined that it neither transfers nor retains substantially all the risks and rewards associated with the ownership of these mortgages. However, the Bank retains control over these mortgages and hence, it continues to recognize the mortgages securitized. For all mortgage securitizations, the amounts received through securitization and sale are recognized as "Secured borrowings".

As required under the CMB program, the Bank, as an issuer, has undertaken to remit monthly to the Central Payor and Transfer Agent (the "CPTA") the payments of principal and interest accrued and due on the mortgage loans in the pools. The Bank has also undertaken to make the payments to the CPTA on the due dates even if the corresponding amounts have not been received and collected by the Bank in respect of the pools.

The following table presents the movement in the gross balance of securitized residential mortgages during the year ended December 31:

₹ in millions

	2013	*2012*
Balance, beginning of year	91,890.0	66,018.1
Add: Mortgage pools securitised	38,810.2	*41,082.9*
	130,700.2	*107,101.0*
Less:		
Repayment of mortgages in the pool	24,804.4	*14,866.4*
Amortisation of premium	355.9	*344.6*
Balance, end of year	105,539.9	*91,890.0*

At December 31, 2013, ₹102,330.3 (2012 - ₹79,988.6) of securitized mortgages are expected to be recovered more than 12 months after the reporting date.

The following table presents the movement in the secured borrowing balance during the year ended December 31:

₹ in millions

	2013	*2012*
Balance, beginning of year	92,328.5	65,891.3
Add:		
Proceeds of MBS/CMB issued, net of pooling fee and expenses	38,156.3	*40,355.9*
Amortisation of pool fees and expenses	195.3	*134.5*
	130,680.1	*106,381.7*
Less: Repayment of borrowing	25,308.6	*14,053.2*
Balance, end of year	105,371.5	*92,328.5*

The following table provides the fair value of the assets, the associated liabilities and the net position in respect of the mortgage securitizations that do not qualify for derecognition:

₹ in millions

	2013	*2012*
Fair value of securitised residential mortgage assets	103,708.4	90,906.6
Fair value of associated secured borrowings	102,464.2	*89,413.8*
Fair value of net position	1,244.2	*1,492.8*

11. Related party transactions:

(a) Parent and other related parties:

The Bank incurred no interest expense related to short-term borrowings from the Parent or its subsidiaries during the years ended December 31, 2013 and December 31, 2012. During the year ended December 31, 2013, the Bank incurred interest expense of ₹ 6.4 (2012 - ₹ 66.7) and ₹ 203.5 (2012 - ₹ 216.4) respectively on the subordinated notes issued to ICICI Bank UK PLC and ICICI Bank Limited, Bahrain branch. For details of subordinated notes from related parties, refer note 9. Further, dividend of ₹ 0.2 (2012 - ₹ 0.2) has been received on the common share investment of ₹ 5.1 [£50] (2012 - ₹ 4.7) in ICICI Bank UK PLC.

In addition to the deposits and borrowing activities, the Bank also transacts with the Parent in normal course of business on commercial terms for various treasury products, and for various services, pursuant to service level agreements, including legal, call center, information technology system development and maintenance, treasury control and services group ("TCSG"), branch operations, internet banking development and maintenance and internal audit services. For the year ended December 31, 2013, the Bank incurred costs of ₹ 112.4 (2012 - ₹ 111.7) related to these services, of which ₹ 25.8 (2012 - ₹ 25.9) remains payable at the year-end. These transactions are in the normal course of operations and are pursuant to formal agreements between the parties. Note 3 provides a summary of outstanding derivative contracts transacted with related parties.

As at December 31, 2013, trade and other advances of ₹ 2,069.6 (2012 - ₹ 2,111.9) are supported by a letter of undertaking issued by the Parent on behalf of its clients in the normal course of business. Further, the Bank has issued performance guarantees of ₹ 464.1 (2012 - ₹ 628.4) to its clients as at December 31, 2013 for which it has received counter-guarantees from the Parent.

(b) Key management personnel:

Key management personnel ("KMP") are those persons who have the authority and responsibility for planning, directing and controlling the activities of the Bank, directly or indirectly, and comprise the directors of the Bank, the Chief Executive Officer ("CEO") and all direct reports of the CEO. The definition of KMP in IAS 24 Related Party Disclosures, specifies a role and is not limited to a person. KMP include directors (both executive and non-executive) and other members of the management team with significant authority and responsibility for planning, directing and controlling the Bank's activities.

The following table summarizes the compensation paid to the KMP in respect of short-term and other post-employment benefits, during the year ended December 31:

₹ in millions

	2013	2012
Short-term employee benefits	**163.0**	*130.5*
Post-employment benefits	**4.8**	*3.4*
	167.8	*133.9*

In addition, personnel expenses include the cost of the stock options granted to the employees of the Bank, primarily KMP, under the Employee Stock Option Plan of the Parent. During the year ended December 31, 2013, an amount of ₹32.8 (2012 - ₹24.7) has been expensed as employee benefits and recorded as paid-in-capital.

12. Share capital:

The Bank is authorized to issue an unlimited number of common shares without par value and an unlimited number of non-voting preferred shares without par value.

	December 2013		December 2012	
	Number of Shares	Amount	Number of shares	Amount
Common shares	**839,500,000**	**44,381.2**	*839,500,000.0*	*48,735.1*
		44,381.2		*48,735.1*
Preferred shares:				
Series A	**10,000,000**	**580.5**	*10,000,000*	*580.5*
Series B	**509,280**	**739.1**	*509,280*	*739.1*
Series C	**600,000**	**870.8**	*600,000*	*870.8*
Series D	**1,000,000**	**1,451.3**	*1,000,000*	*1,451.3*
Series E	**1,200,000**	**1,741.6**	*1,200,000*	*1,741.6*
		5,383.3		*5,383.3*

The Bank has issued the common and preferred shares shown above for cash consideration to the Parent. During the year ended December 31, 2013, the Bank has repatriated in cash, by way of 'stated capital reduction', an amount of ₹ 4,353.9 (2012 - nil) to its common shareholders after receiving necessary approvals from OSFI.

OSFI must approve any plan to redeem any of the Bank's preferred shares for cash. The Series A preferred shares are not redeemable at the option of the Bank prior to 10 years following their issuance and bear a fixed, non-cumulative cash dividend of 1% per annum. The Series B and Series C preferred shares are not redeemable at the option of the Bank prior to 5 years following their issuance and bear a fixed, non-cumulative cash dividend of 7% per annum. The Series D and Series E preferred shares are not redeemable at the option of the Bank prior to 5 years following their issuance and bear a fixed, non-cumulative cash dividend of 7.25% per annum. The terms and conditions of the preferred shares require the Bank to gross up the dividend payment for any withholding taxes so that the net payment is equal to the total amount of the dividend declared, unless waived by the shareholders.

The redemption of these preferred shares would require the payment in cash of the value of the preferred shares, together with declared and unpaid dividends up to the redemption date. The holders of these preferred shares are entitled to annual, non-cumulative preferential cash dividends, subject to the provisions of the Bank Act (Canada) and the declaration by the Board of Directors. The Bank is prohibited from declaring dividends on its preferred or common shares when it would be, as a result of paying a dividend, in contravention of the capital adequacy, liquidity or any other regulatory directives issued under the Bank Act (Canada).

During the year, the Bank has declared and paid dividend of ₹ 0.002 (2012 - ₹ 0.002) per share amounting to ₹ 1,236.6 (2012 - ₹ 1,451.2) on its common shares. Further, the Bank has declared and paid dividend of ₹ 0.0006 per share on Series A preferred shares, ₹ 0.1 per share on Series B and Series C preferred shares and ₹ 0.1 per share on Series D and Series E preferred shares, amounting to a total of ₹ 350.0 in each of the years ended December 31, 2013 and 2012.

During the year ended December 31, 2013, an amount of ₹ 32.8 (2012 - ₹ 24.7) has been expensed as employee benefits and recorded as paid-in capital. This amount represents the cost of the stock options granted to the employees of the Bank under the Employee Stock Option Plan of the Parent.

13. Income taxes:

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except, to the extent that it relates to items recognized directly in equity or in other comprehensive income.

The Bank's income taxes for the year ended December 31, are summarized as follows:

₹ in millions

	2013	2012
Current income taxes	**922.3**	*1,060.9*
Deferred tax expenses/ (recovery)	**150.5**	*(177.5)*
	1,072.8	*883.4*

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

The following table reconciles income taxes at the combined Canadian federal and provincial statutory rate with the income tax expense in the financial statements as at December 31:

₹ in millions

	2013	2012
Income taxes at statutory tax rate	**1,026.7**	*886.2*
Permanent differences	**9.7**	*19.9*
Other	**36.4**	*(22.7)*
Income taxes	**1,072.8**	*883.4*

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

A deferred tax asset/(liability) is determined for each temporary difference based on management's assumptions regarding the expected timing of the reversal of the temporary difference and the future tax rates that are enacted.

Significant components of the Bank's deferred tax asset/(liability), as at December 31 are as follows:

₹ in millions

	2013	2012
Property and equipment	**19.0**	*21.8*
Deferred broker commission	**(160.2)**	*(138.5)*
Allowance for impairment	**401.3**	*536.2*
Securitisation of mortgages	**(24.2)**	*(40.0)*
Other deferred income	**106.6**	*113.4*
Net deferred tax asset	**342.5**	*492.9*

14. Fee and commission income:

₹ in millions

	2013	2012
Commercial loan fees	**164.8**	*126.8*
Investment banking fees	**—**	*8.2*
Trade finance, other service fees and charges	**168.9**	*106.6*
	333.7	*241.6*

The Bank provides investment banking and advisory services to its clients. Investment banking fees are recognized in the statements of comprehensive income upon completion of the contractual terms of service and when collection is assured.

15. Net trading income:

₹ in millions

	2013	2012
Gain on derivative transactions	**84.9**	*65.5*
Realized gain/ (loss) on sale of securities held for trading	**24.4**	*(21.7)*
Unrealized gain on securities held for trading	**5.1**	*340.0*
	114.4	*383.8*

16. Other income:

₹ in millions

	2013	2012
Foreign exchange gain, net	**827.9**	*847.4*
Realised gain/ (loss) on sale of non-trading securities	**139.1**	*(186.2)*
Other	**—**	*0.2*
	967.0	*661.4*

17. Other expenses:

₹ in millions

	2013	2012
Professional fees	**174.4**	*185.4*
General and administrative	**141.8**	*134.0*
Occupancy	**125.0**	*126.2*
Call center and outsourcing	**121.6**	*114.7*
Marketing and business development	**77.6**	*69.0*
Travel, moving and entertainment	**48.9**	*49.8*
Data processing fees	**45.7**	*34.4*
Communication	**31.3**	*30.6*
Capital and other taxes	**(0.1)**	*0.7*
	766.2	*744.8*

18. Foreign currency translation:

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars using the Bank of Canada exchange rates at the reporting date. Revenue and expense amounts denominated in foreign currencies are translated using average monthly exchange rates. Realized and unrealized gains and losses resulting from translation are included in the statements of comprehensive income under "Other Income, Foreign exchange gain, net".

19. Financial instruments:

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). As a result, an entity's intention to hold an asset or to settle or otherwise fulfil a liability is not relevant when measuring fair value.

IFRS 13 describes a fair value hierarchy that categorizes into three levels the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). The Bank measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

Level 1 – inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly (i.e. as prices) or indirectly (i.e. derived from prices for the asset or liability). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3 – one or more significant inputs used in a valuation technique are unobservable in determining fair values of the instruments. Valuation is based on valuation techniques or models which use significant market unobservable inputs or assumptions. Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable or when determination of the fair value requires significant management judgement or estimation.

The table below analyses financial instruments measured at fair value on a recurring or non-recurring basis by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position:

₹ in millions

December 2013	Level 1	Level 2	Level 3	Total
Securities	**27,084.9**	**—**	**788.1**	**27,873.0**
Derivative assets[(1)]	**—**	**162.1**	**—**	**162.1**
Derivative liabilities[(1)]	**—**	**1,654.6**	**—**	**1,654.6**

₹ in millions

December 2012	*Level 1*	*Level 2*	*Level 3*	*Total*
Securities	*39,459.1*	*23,783.2*	*788.1*	*64,030.4*
Derivative assets[(1)]	—	*1,084.8*	—	*1,084.8*
Derivative liabilities[(1)]	—	*1,139.9*	—	*1,139.9*

[(1)]Before deducting CVA of ₹0.6 (2012 - ₹7.4) on positive fair values and ₹1.7 (2012 - ₹ 5.3) on negative fair values

The Level 3 instruments represent the carrying value of the ABCP not subject to the Montreal Accord and currently under litigation. The carrying value of the ABCP represents management's best estimate of the fair value of these ABCP. The realizable value of the ABCP would be determined by the outcome of the ongoing litigation.

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy.

₹ in millions

	2013	2012
Balance, beginning of year	**788.1**	*3,473.6*
Total gains or losses included in:		
- net trading income@	**—**	*272.3*
- OCI	**—**	—
Foreign currency translation adjustment	**—**	*(23.5)*
Purchases, issuances and settlements, net	**—**	*(2,934.3)*
Transfer in and out of level 3	**—**	—
Balance, end of year	**788.1**	*788.1*

@ Total gains or losses for assets and liabilities held at the end of the year included in profit or loss of nil (2012 - nil).

The following table presents the fair values of HTM securities which are categorized as Level 2:

₹ in millions

December 31, 2013	Amortised cost	Fair value	Gross unrealised gain	Gross unrealised loss
Asset backed securities	**139.7**	**143.4**	**3.7**	**—**
	139.7	**143.4**	**3.7**	**—**

₹ in millions

December 31, 2012	*Amortised cost*	*Fair value*	*Gross unrealised gain*	*Gross unrealised loss*
Asset-backed securities	*216.6*	*223.7*	*7.1*	—
	216.6	*223.7*	*7.1*	—

The book values, i.e., amortized cost, and fair values for fixed rate loans and mortgages, deposits and secured borrowings at December 31, are as follows:

₹ in millions

2013	Book value	Fair value	Fair value over/ (under) book value	Level 1	Level 2	Level 3
Fixed-rate loans and mortgages	**145,444.2**	**144,140.4**	**(1,303.8)**	**—**	**31,225.2**	**112,915.2**
Fixed-rate deposits	**99,614.4**	**100,640.5**	**1,026.1**	**—**	**—**	**100,640.5**
Secured borrowings	**70,963.3**	**68,743.7**	**(2,219.6)**	**—**	**—**	**68,743.7**

₹ in millions

2012	Book value	Fair value	Fair value over/ (under) book value	Level 1	Level 2	Level 3
Fixed-rate loans and mortgages	*97,983.3*	*97,730.6*	*(252.7)*	—	—	*97,730.6*
Fixed-rate deposits	*96,702.2*	*98,257.3*	*1,555.1*	—		*98,257.3*
Secured borrowings	*62,598.3*	*60,976.8*	*(1,621.5)*	—		*60,976.8*

As at December 31, the estimated fair values of cash & deposits with banks, variable rate loans & mortgages, other assets, demand deposits, subordinated notes and accounts payable & other liabilities approximate their book values.

Accounting classifications and fair values:

The following table shows the carrying amounts and fair values of financial assets and financial liabilities:

₹ in millions

	December 31, 2013					*December 31, 2012*				
	Fair value held for trading	Fair value through OCI	Amortised cost	Total carrying amount	Fair value	*Fair value held for trading*	*Fair value through OCI*	*Amortised cost*	*Total carrying amount*	*Fair value*
Financial assets:										
Cash and deposits	—	—	3,067.2	3,067.2	3,067.2	—	—	4,829.4	4,829.4	4,829.4
Derivative assets	161.5	—	—	161.5	162.1	1,077.4	—	—	1,077.4	1,084.8
Securities	801.3	27,071.7	139.7	28,012.7	28,016.4	997.0	63,033.4	216.6	64,247.0	64,254.1
Loans, net	—	—	273,027.9	273,027.9	271,724.1	—	—	236,099.7	236,099.7	235,847.0
Other assets	—	—	1,440.6	1,440.6	1,440.6	—	—	2,344.4	2,344.4	2,344.4
Total	962.8	27,071.7	277,675.4	305,709.9	304,410.4	2,074.4	63,033.4	243,490.1	308,597.9	308,359.7
Financial liabilities:										
Derivative liabilities	1,652.9	—	—	1,652.9	1,654.6	1,134.6	—	—	1,134.6	1,139.9
Deposits	—	—	138,014.6	138,014.6	139,040.7	—	—	144,674.5	144,674.5	146,229.6
Accounts payable and other liabilities	—	—	2,953.4	2,953.4	2,953.4	—	—	7,929.0	7,929.0	7,929.0
Secured borrowing	—	—	105,371.5	105,371.5	102,464.2	—	—	92,328.5	92,328.5	89,413.8
Subordinated notes	—	—	2,902.6	2,902.6	2,902.6	—	—	4,353.9	4,353.9	4,353.9
Total	1,652.9	—	249,242.1	250,895.0	249,015.5	1,134.6	—	249,285.9	250,420.5	249,066.2

20. Contractual repricing and maturity schedule:

The following table summarizes the carrying amounts of assets, liabilities and equity, and derivative instrument notional amounts in order to arrive at the Bank's interest rate gap based on the earlier of contractual repricing or maturity date:

₹ in millions

December 31, 2013	Floating rate	Under 3 months	3 to 6 months	6 to 12 months	1 to 5 years	Over 5 years	Non-interest sensitive	Total
Assets								
Cash and deposits	—	2,952.6	—	—	—	—	114.6	3,067.2
Derivative assets	—	—	—	—	—	—	161.5	161.5
Securities	—	23,078.3	3,993.5	—	33.5	907.4	—	28,012.7
Loans, net	127,583.7	3,997.1	1,418.5	10,409.9	108,345.6	21,273.1	—	273,027.9
Property and equipment, net	—	—	—	—	—	—	82.8	82.8
Other assets	—	—	—	—	—	—	2,169.0	2,169.0
Total	127,583.7	30,028.0	5,412.0	10,409.9	108,379.1	22,180.5	2,527.9	306,521.1
Liabilities and Shareholders' Equity								
Derivative liabilities	—	—	—	—	—	—	1,652.9	1,652.9
Deposits	38,400.2	2,698.9	785.6	25,689.9	70,440.0	—	—	138,014.6
Accounts payable and other liabilities	—	—	—	—	—	—	3,048.9	3,048.9
Secured borrowing	33,720.5	1,331.9	—	2,612.0	67,707.1	—	—	105,371.5
Subordinated notes	2,902.6	—	—	—	—	—	—	2,902.6
Shareholders' equity	—	—	—	—	—	—	55,530.6	55,530.6
Total	75,023.3	4,030.8	785.6	28,301.9	138,147.1	—	60,232.4	306,521.1
On-balance sheet gap	52,560.4	25,997.2	4,626.4	(17,892.0)	(29,768.0)	22,180.5	(57,704.5)	—
Off-balance sheet gap	—	(5,070.3)	1,271.9	3,798.4	—	—	—	—
Interest rate sensitivity gap based on contractual repricing	52,560.4	20,926.9	5,898.3	(14,093.6)	(29,768.0)	22,180.5	(57,704.5)	—
Cumulative gap	52,560.4	73,487.3	79,385.6	65,292.0	35,524.0	57,704.5	—	—

₹ in millions

December 31, 2012	Floating rate	Under 3 months	3 to 6 months	6 to 12 months	1 to 5 years	Over 5 years	Non-interest sensitive	Total
Assets								
Cash and deposits	—	4,676.4	—	—	—	—	153.0	4,829.4
Derivative assets	—	—	—	—	—	—	1,077.4	1,077.4
Securities	—	17,620.8	21,629.4	202.0	16,723.9	8,070.9	—	64,247.0
Loans, net	138,116.4	2,872.1	4,560.4	12,185.1	68,743.3	9,622.4	—	236,099.7
Property and equipment, net	—	—	—	—	—	—	78.3	78.3
Other assets	—	—	—	—	—	—	3,150.5	3,150.5
Total	138,116.4	25,169.3	26,189.8	12,387.1	85,467.2	17,693.3	4,459.2	309,482.3
Liabilities and Shareholders' Equity								
Derivative liabilities	—	—	—	—	—	—	1,134.6	1,134.6
Deposits	47,972.3	13,974.2	8,543.9	27,530.3	46,653.8	—	—	144,674.5
Accounts payable and other liabilities	—	—	—	—	—	—	8,168.6	8,168.6
Secured borrowing	28,437.0	2,489.0	11.5	10,760.2	50,630.8	—	—	92,328.5
Subordinated notes	4,353.9	—	—	—	—	—	—	4,353.9
Shareholders' equity	—	—	—	—	—	—	58,822.2	58,822.2
Total	80,763.2	16,463.2	8,555.4	38,290.5	97,284.6	—	68,125.4	309,482.3
On-balance sheet gap	57,353.2	8,706.1	17,634.4	(25,903.4)	(11,817.4)	17,693.3	(63,666.2)	—
Off-balance sheet gap	—	(9,813.6)	(4,330.8)	14,144.4	—	—	—	—
Interest rate sensitivity gap based on contractual repricing	57,353.2	(1,107.5)	13,303.6	(11,759.0)	(11,817.4)	17,693.3	(63,666.2)	—
Cumulative gap	57,353.2	56,245.7	69,549.3	57,790.3	45,972.9	63,666.2	—	—

The following table details the undiscounted future cash flows on the Bank's deposit and secured borrowing liabilities as at December 31:

₹ in millions

	2013		*2012*	
	Up to 1 year	**1 to 5 years**	*Up to 1 year*	*1 to 5 years*
Deposits	**71,059.5**	**73,883.3**	106,003.2	49,754.7
Secured borrowing	**18,359.6**	**97,912.4**	24,839.9	77,361.8
Total	**89,419.1**	**171,795.7**	130,843.1	127,116.5

21. Guarantees and commitments:

Undrawn commitments and guarantees include the unused portion of commercial/personal lines of credit, letters of credit facility to commercial clients, import bills for collection, standby letters of credit and bank guarantees.

Trade guarantees:

As a part of its trade finance banking activities, the Bank issues guarantees and documentary credits (letters of credit) on behalf of its customers in favour of third parties, with a view to augment the customers' credit standing. Through these instruments, the Bank undertakes to make payments for its customers' obligations, either directly or in case of failure of the customers to fulfil their financial or performance obligations.

A letter of credit ("LC") is a written undertaking by a bank (issuing bank) given to the seller (beneficiary) at the request of the bank's client, i.e., buyer (applicant) to pay a sum of money against presentation of documents complying with the terms of the credit within a set time limit.

Bank guarantees ("BG") and Standby Letters of Credit ("SBLC") are written promises issued by a bank to pay a sum of money to the beneficiary in the event that the obligor (customer) fails to honor its obligations in accordance with the terms and conditions of the guarantee. BG and SBLC differ from LC in that they are triggered only if the applicant or principal has made a default and the Bank is required to honour the commitment as per the terms of the instrument.

Bank guarantees are in the form of financial guarantees or performance guarantees. Financial guarantees are obligations to pay a third party beneficiary where a customer fails to make payment towards a specified financial obligation. Performance guarantees are obligations to pay a third party beneficiary where a customer fails to perform a non-financial contractual obligation. The Bank generally has collateral available to mitigate potential losses on the guarantees. Margins available to mitigating losses realized under guarantees were ₹ 1,052.8 (2012 - ₹ 114.2), as at the statements of financial position date.

The gross outstanding amount of guarantees provided to its customers and other third parties as at the statements of financial position date are presented below as at December 31:

₹ in millions

	2013	*2012*
BG	**2,005.9**	1,593.0
LC	**27.1**	—
SBLC	**—**	40.4
Total	**2,033.0**	1,633.4

The maturity profile of the gross outstanding amount of guarantees as at December 31 are presented below; however, the Bank may be called upon to honour the commitment at any point before the maturity date, based on fulfillment of the terms and conditions of the guarantee:

₹ in millions

2013	**BG**	**LC**	**SBLC**	**Total**
Upto 1 year	**1,704.8**	**27.1**	**—**	**1,731.9**
Over 1 year	**301.1**	**—**	**—**	**301.1**
Total	**2,005.9**	**27.1**	**—**	**2,033.0**

₹ in millions

2012	*BG*	*LC*	*SBLC*	*Total*
Upto 1 year	*1,294.0*	—	*40.4*	*1,334.4*
Over 1 year	*299.0*	—	—	*299.0*
Total	*1,593.0*	—	*40.4*	*1,633.4*

Lease commitments:

Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease. The Bank leases a number of branch and office premises under operating leases. The leases typically run for a period of up to 10 years, with an option to renew the lease after that period. During the year ended December 31, 2013, an amount of ₹112.7 (2012 - ₹109.0) has been recognized as expense for such leases.

Future minimum annual rental commitments for premises and equipment under long-term non-cancellable operating leases for the next five years ending December 31 and thereafter, are shown below:

	₹ in millions
2014	109.3
2015	93.4
2016	90.5
2017	88.1
2018	77.7
Thereafter	6.9
	465.9

22. Capital adequacy:

OSFI requires all banks to maintain sufficient capital to meet or exceed its capital adequacy requirements. The Bank is in compliance with the requirements for assets to capital multiple and risk-based Common Equity Tier 1, Tier 2 and total capital ratios.

The Bank has a Capital Management Policy, which is reviewed and approved annually by the Board of Directors, governing the quantity and quality of capital to be maintained by the Bank. The objective of this policy is to maintain strong and sufficient capital at levels that is appropriate for business requirements from time to time.

Effective January 1, 2013, the Bank has adopted the Basel III framework, as required by OSFI. The OSFI has issued revised capital adequacy requirements guideline encompassing Basel II and Basel III requirements. The most significant aspects of Basel III are measures to improve the quality of capital and increase capital requirements for the global financial system. Common equity is now required to be the predominant form of capital. Further, this guideline requires capital to be held for credit, market and operational risks. The Bank is in compliance with OSFI's capital adequacy requirements.

On conversion to IFRS, OSFI has permitted Federally Regulated Entities to exclude from total assets:

(a) mortgages securitized through CMHC Programs up to and including March 31, 2010; and

b) all existing and future reinvestments related to Canada Mortgage Bond/Insured Mortgage Purchase Program transactions completed up to and including March 31, 2010.

Accordingly, the Bank has excluded ₹ 5,301.9 (2012 - ₹ 10,365.3) relating to mortgages securitized under CMHC Programs upto March 31, 2010 from total assets considered for asset to capital multiple.

The composition of regulatory capital and the regulatory capital ratios, as at December 31, are presented below:

	₹ in millions **2013**	*2012*
Regulatory Capital		
Common Equity Tier 1 (CET1) Capital		
Common shares	**44,381.2**	*48,735.1*
Additional paid-in capital	**174.6**	*141.8*
Retained earnings	**5,142.5**	*3,912.8*
Accumulated other comprehensive income	**449.0**	—
	50,147.3	*52,789.7*
Regulatory adjustments to CET1 Capital		
Debit valuation adjustment on derivatives	**1.2**	—
Net CET1 Capital	**50,146.1**	*52,789.7*
Additional Net Tier 1 capital		
Preferred share capital		
(after phase out arrangements for capital adequacy purposes)	**4,845.0**	*5,383.3*
Deductions from Tier 1 Capital		
50/50 deduction in respect of unrated securitization exposures		*394.1*
Net Tier 1 Capital	**54,991.1**	*57,778.9*
Tier 2 Capital		
Subordinated notes		
(after phase out arrangements and net of amortization for capital adequacy purposes)	**2,322.1**	*4,063.7*
Gross Tier 2 Capital	**2,322.1**	*4,063.7*
Deductions from Tier 2 Capital		
50/50 deduction in respect of unrated securitization exposures	**—**	*394.1*
Net Tier 2 Capital	**2,322.1**	*3,669.6*
Total Capital	**57,313.2**	*61,448.5*
Regulatory capital ratios:		
CET1 (%)	**27.66%**	*NA*
Tier 1 (%)	**30.33%**	*32.48%*
Total (%)	**31.61%**	*34.54%*
Assets to capital multiple	**5.29**	*4.87*

23. Employee future benefits:

The Bank has a defined contribution group retirement savings plan for its employees. Under the plan, employees are allowed to contribute a portion of their annual salary to the plan and the Bank matches such contributions up to 5% of the employee's annual salary. The amount of the benefit expense for the year ended December 31, 2013 was ₹18.3 (2012 - ₹14.8) and is included in personnel expenses in the statements of comprehensive income.

24. Risk management:

Risk management framework:

As a financial intermediary, the Bank is exposed to various types of risks. The objective of the risk management framework at the Bank is to ensure that the key risks facing the Bank are identified, understood, measured and monitored and that the Bank follows the policies and procedures established to address these risks.

The key principles underlying the risk management framework at the Bank are:

1. The Board of Directors (the "Board") has oversight over the risks assumed by the Bank. Specific Board Committees have been constituted to facilitate focused oversight over these risks.
2. Policies approved from time to time by the Board and Board Committees form the governing framework for each type of risk. The business activities are undertaken within this policy framework.
3. Independent groups and sub-groups have been constituted across the Bank and its Parent to facilitate independent evaluation, monitoring and reporting of risks. These groups function independently of the business groups.

The Bank ensures it has a sound and safe risk management governance framework that is shared at all levels of the organization in support of its purpose, mission, business objectives, values and growth principles and is aligned with its risk appetite. The Bank identifies the significant issues and risks that need to be addressed and is able to demonstrate that they are being meaningfully dealt with and provides the Board with the assurance that the Bank is managed proactively rather than reactively. Decision making is based on a strong understanding of risk metrics and analytics.

The Bank recognizes that there are emerging risks, i.e., risk events which may have the potential to increase in significance and/or may be material to the organization and/or significant events, i.e., events or activities which may have significant or material impact on the achievement of corporate goals, or an event or activity which may cause a significant opportunity to be missed, which are inherent in its business activities. Accordingly, policies and procedures are developed to ensure that all material risks to which the Bank is exposed to and any risks associated with key governance elements and operating activities are identified, managed, measured, monitored and reported. The Bank takes appropriate and timely action to address any significant weaknesses or breakdowns related to strategic risk, liquidity, funding and capital management process matters identified.

The Bank manages emerging risks and significant events efficiently and effectively through an integrated risk management framework, which includes a comprehensive infrastructure of corporate policies, processes, procedures, methods, oversight and independent review, designed to reduce and manage these risks to an appropriate threshold. The integrated risk management framework ensures that operating practices consider the balance of risk and reward, alignment to business strategy, adequate diversification of risk, pricing that is appropriate for the risk, mitigation of risk through preventative controls and risk transfer to third parties as applicable. The integrated risk management framework provides the Board reasonable assurance that the Bank is in control.

Management frameworks for each risk type are developed which set the parameters regarding decisions considered to be within the business lines' discretion versus those which require involvement of either the risk management group or the Board. These also establish a threshold for decisions to be elevated for further review. Risk management frameworks are maintained for the major risk categories of credit, market (including interest rate risk, foreign exchange risk, liquidity and funding risk) and operational risk. Other risk categories are recognized within these frameworks, as a result of the failure of the frameworks or as residual. Processes not governed by the requirements of credit, market or liquidity and funding frameworks are included in the operational risk management framework.

The Bank's financial objectives, strategic principles and risk management principles are the foundations of its Risk Appetite Framework. Risk management principles are set through quantitative and qualitative risk appetite statements that guide management actions and serve as a foundation to the self-imposed limits set in the specific risk management corporate policies.

The Bank's risk appetite framework is defined by the Bank's Corporate Policy Governance Framework, which defines the levels of risk that the Bank is willing to take in pursuit of achieving its business goals and delivering on its strategic plan while maintaining a sound and safe financial institution. In particular, the Bank's risk management corporate policies articulate self-imposed constraints and risk limits establishing qualitative and quantitative thresholds that guide risk-taking activities in credit risk, market risk, liquidity and funding risk, operational risk, legal and regulatory compliance.

A risk appetite framework balances the needs of all stakeholders by acting as both a governor of risk and driver of current and future business strategy. The objective of establishing a risk appetite framework is to:

- Improve investor/creditor/depositor/regulator confidence in the Bank's risk profile;
- Improve management confidence regarding the Bank's risk profile;
- Give the Bank greater control and coordination of risk-taking across businesses; and
- Rebalance the risk profile to achieve a superior risk-return profile.

A set of interrelated considerations, including capital adequacy, liquidity, stress testing and regulatory requirements collectively define the Bank's capacity for risk-taking in pursuit of its mission, vision, business objectives and overall strategic goals. The Bank's strategy is supported by its risk and financial management policies and procedures. The Bank's capital management framework includes a comprehensive internal capital adequacy assessment process ("ICAAP") conducted annually and which determines the adequate level of capitalization for the Bank to meet regulatory norms and current and future business needs, including under stress scenarios.

Stress testing, is conducted to assess the impact of stress events on the Bank's risk profile and internal capital adequacy requirements. Stress testing which is a key aspect of the ICAAP and the risk management framework provides an insight on the impact of extreme but plausible scenarios on the Bank's risk profile and capital position. Based on the Board-approved stress testing framework, the Bank conducts stress tests on its various portfolios and assesses the impact on its capital ratios and the adequacy of capital buffers for current and future periods.

The Bank periodically assesses and refines its stress tests in an effort to ensure that the stress scenarios capture material risks as well as reflect possible extreme market moves that could arise as a result of market conditions. The Bank uses the ICAAP to determine the Bank's growth strategy, risk profile and minimum capital resource requirements and formulates its internal capital level targets based on the ICAAP and endeavors to maintain its capital adequacy level in accordance with the targeted levels at all times.

The approach of management to handle the key risks facing the Bank is outlined below:

(a) Credit risk:

Credit risk is the risk that the bank will incur a loss because its customers or counterparties fail to discharge their contractual obligations and arises principally from the Bank's loans and advances to customers and other banks, and investment in debt securities. The Bank's CRP, which is approved by its Board, describes the principles which underlie and drive the Bank's approach to credit risk management together with the systems and processes through which it is implemented and administered. The CRP aims to maximize the Bank's risk-adjusted rate of return while maintaining the Bank's credit risk exposure within limits and parameters as approved by the Board. Additionally the Bank has implemented a Residential Mortgage Underwriting Policy ("RMUP"). The policy provides guidelines in respect of the manner in which lending and recovery activities of residential mortgage business shall be conducted by the Bank. The principles underlying overall credit risk management are covered in the CRP while the RMUP applies specifically only to the residential mortgage underwriting business.

The Bank takes a two-tier approach to assessment of credit risk: initially, by a commercial lending officer proposing the transaction, followed by a credit officer independently assessing the same. The CRP lays down a structured and standardized credit approval process, which includes a well-established procedure of independent and comprehensive credit risk assessment and the assignment of an internal risk rating to the borrower. The risk rating is a critical input for the credit approval process and is used as an input in arriving at the credit risk spread, and also subsequently, in arriving at the loan loss allowance against the credit.

Credit proposals are approved by either the Risk Committee ("RC") or the Management Credit Committee ("MCC") based on, inter alia, the amount and internal risk rating of the facility. All credit proposals are approved by the MCC before being recommended to the RC by the Chief Risk Officer ("CRO"). The credit middle office function is responsible for credit administration, which includes monitoring compliance with the terms and conditions for credit facilities prior to disbursement. It also reviews the completeness of documentation and creation of security for assets financed.

The types of acceptable collateral are documented in the CRP. The main types of collateral obtained are as follows:

- For commercial lending, assets of the borrower/corporate guarantors, personal assets of the principals and/or pledge of equity interests, charge on equipment and current assets, hypothecation of movables. Generally, for commercial lending, the Bank also obtains guarantees from parent companies for loans to their subsidiaries;

- For retail lending, charge on personal assets, including real estate/ property; and
- For residential mortgages, first/second mortgage charge in favour of the Bank, as well as insurance by CMHC or approved private insurers.

Monitoring credits, while ongoing, can also be triggered by any material credit event coming to the Bank's notice through either primary or secondary sources. All borrower accounts, including their ratings and underlying collateral, are reviewed at least on an annual basis or in a shorter interval if recommended by the CRO or the relevant sanctioning committee. Collateral is obtained when the loan is initially granted and is monitored periodically. For impaired loans, the available collateral has been considered in determining loan loss allowances.

- Except for the conventional mortgages, all residential mortgages are fully insured with CMHC or approved private insurers.
- Personal loans include advances of ₹ 3,841.0 (2012 - ₹ 3,862.1), under the "Immigrant Investor Program", which is secured by a promissory note, fully and unconditionally guaranteed by either the Federal government or the respective province in Canada.
- Commercial mortgages are usually secured by a first charge on property.
- Trade finance exposures are backed by guarantees by other financial institutions or current assets of the borrower.
- Commercial and corporate loans and corporate bonds of:
  - ₹ 10,378.1 (2012 - ₹14,757.8) are collateralized by shares whose values at the reporting date are in excess of the loan carrying amount.
  - ₹15,932.9 (2012 - ₹ 22,866.4) are collateralized by guarantees.
  - 68,025.5 (2012 - ₹ 62,593.0) are collateralized by variety of assets and/ or charge on fixed/ current assets.
  - ₹ 35,219.3 (2012 - ₹ 10,174.6) are either unsecured or senior unsecured facilities.

Credit risk is also managed at the portfolio level by monitoring and reporting to the MCC and RC, the key parameters of risk concentration; namely, product specific exposures, large exposures, industry/sectoral exposures, country/ geographical exposures and rating category-based exposures.

(b) Market risk:

Market risk is the uncertainty of earnings faced by the Bank as a result of volatility in market factors (i.e., interest rates, exchange rates, market liquidity and asset prices). Market risk events may impact the valuation of investments in the trading book resulting in an impact on the profit and loss account. The policies approved by the Board for addressing market and liquidity risks are Liquidity Management Policy ("LMP"), Market Risk Management Policy ("MRMP") and Liquidity Contingency Plan ("LCP").

The Asset Liability Management Committee ("ALCO") considers various investment and treasury operations matters, implementation of risk mitigation measures, and recommends major policy changes governing treasury activities to the RC. Furthermore, an independent TCSG is set up to monitor and report the various risk limits set through the LMP and the MRMP.

The key risks to which the Bank is exposed from a market risk perspective relate to:

(i) **Interest rate risk** - Interest rate risk is defined as the exposure of a bank's financial condition to adverse movements in interest rates. Earnings from interest-sensitive investments and the overall value of the investment portfolio will be impacted by changes in interest rates. The MRMP currently sets out the measurement process to include the use of repricing gap reports and estimation of the sensitivity of the Bank's net interest income to a 100 bps adverse change in the level of interest rates, defined as Earnings at Risk ("EaR"). The sum of EaR for the Bank over a 4-quarter horizon for an adverse 100 bps parallel shift in interest rates shall not exceed 5% or ₹1,161.1 (whichever is lower) of the Bank's current Tier 1 plus Tier 2 capital. At December 31, 2013, the actual limit utilization was 1.03% (₹ 592.1).

Further, the Bank uses various measures, including Duration of Equity ("DoE"), which takes into consideration duration and value of both assets and liabilities. DoE is a measure of interest rate sensitivity, which indicates how much the market value of equity would change if interest rates change by 1%. The Bank has set a maximum limit of (+/-) 5% of Tier 1 capital given a 100 bps change in interest rates and as at December 31, 2013, the actual DoE was 1.21 years, based on which the actual limit utilization was 1.21%.

(ii) **Foreign exchange risk** - The risk arises due to positions in non-Canadian denominated currencies, which in turn arises from assets and liabilities in those currencies. The risk originates as a result of the impact on revenue due to the potential revaluation of non-Canadian assets and liabilities. The aggregate net overnight open exchange position across all foreign currencies as per the MRMP shall not exceed U.S. $15,000. Value-at-Risk ("VaR") is a tool for measuring market risk on trading positions. It seeks to ascertain the maximum loss on a portfolio at a given confidence level over a specific holding period. As per the MRMP, the VaR limit (99%-1day) on the aggregate overnight open position is U.S. $250 and the actual VaR as at December 31, 2013 was U.S. $50. The Bank uses one-year data to compute VaR and there have been no breaches of the VaR limit in the year ended December 31, 2013.

(iii) **Liquidity and funding risk** - Liquidity risk relates to the potential difficulty in accessing financial markets in order to meet payment obligations. Liquidity risk is the potential for losses that could be incurred from holding insufficient liquidity to survive a liquidity contingent stress event, whether name-specific or market-wide in origin. It includes both the risk of unexpected increases in the cost of funding the assets and the risk of being unable to liquidate investments in a timely manner at a reasonable price. The Bank has established a Risk Management Policy which captures the details of the risk appetite framework and risk capacity of the Bank. The Bank expresses its liquidity risk appetite through a range of limits across liquidity gaps covering the entire spectrum of the balance sheet, including limits specified in major currencies (Canadian and U.S. dollars).

Treasury ensures that adequate liquidity is maintained at all times through systematic funds planning and maintenance of liquid investments. The Bank at all times seeks to maintain diversification in the sources and tenor of its funding. The Bank's liabilities are largely drawn from retail deposits, commercial deposits, other financial institutions, inter bank borrowings, securitizations and other funding sources which may become available from time to time. In addition, liquidity stress testing analysis as per the LCP are regularly performed to assess the Bank's ability to withstand an extreme crisis situation.

The Head of Treasury in consultation with the Chief Risk Officer manages the market risk of treasury positions and the day-to-day liquidity of the Bank. It is subject to periodic review by Internal Audit, and is approved by the Board of Directors. Senior management also regularly monitors the positions taken on a daily basis. The ALCO and the RC undertake a periodic review of the market risk and liquidity position of the Bank.

(c) Operational risk:

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputational risk.

The Bank has developed and implemented an Operational Risk Management Policy, which covers the aspects pertaining to minimizing losses due to process failures, flaws in product designs that can expose the Bank to losses due to fraud, impact of failures in technology/systems and continuity in the Bank's operations.

The senior management of the Bank is responsible for establishment and maintenance of an adequate and effective system of internal controls, a measurement system for assessing the various risks of the Bank's activities, a system for relating risks to the Bank's capital level appropriate methods for monitoring compliance with laws, regulations and supervisory and internal policies. The senior management reports to the Board on these issues. The Bank has implemented its risk and control self-assessment approach to identify and ensure effective control of its operational risks.

To identify operational risks in new products/processes, all such proposals are approved by the Product and Process Approval Committee ("PAC"), comprising senior executives after obtaining inputs from the relevant groups and control functions in the Bank. All PAC proposals are internally rated by Operational Risk Management Group ("ORMG"). ORMG performs the independent challenge process in all areas of operational risk. Independent challenge process at the time of PAC note review is documented in the PAC instructions.

The Bank has developed and implemented a Business Continuity Plan ("BCP"). This plan is designed to facilitate continuity in critical business operations in the event of a disaster or an emergency situation. The BCP has been formulated on the basis of a business impact analysis carried out for the individual groups involving identification of critical activities and determination of their recovery time objectives.

The Bank has outsourced certain activities in the interest of cost and process efficiencies, including mid-office operations for treasury and corporate banking, information technology, corporate operations and trade finance operations to the Parent, terms of which are governed through a master service level agreement ("SLA") and specific SLAs. All these activities are closely monitored under the framework of outsourcing risk with regular monitoring of SLA performance dashboards and any material shortfalls are taken up with the service provider and the same is reported to management and Board level committees.

The Bank has developed and implemented an Outsourcing Policy to mitigate outsourcing risks and ensure the application of a standardized approach for all outsourcing arrangements entered into by the Bank. All proposed outsourcing arrangements are assessed for their criticality prior to outsourcing. For all such arrangements deemed to be critical, a detailed assessment is conducted and the proposal is approved by the Outsourcing Committee. The performance of vendors are periodically reviewed and assessment reports are presented to the RC.

Group risk management framework:

The Bank is subject to the Parent's risk management framework, which has been developed in order to identify, evaluate and manage key risks on a worldwide basis. The framework is applicable to all overseas banking entities of the Parent. The policies applicable to the Bank are formulated in consultation with the Risk Management Group of the Parent prior to the policies being placed before the Bank's Board for its approval.

25. Standards issued but not yet mandatorily effective:

New international financial reporting standards and related interpretations, amendments to existing standards and interpretations not yet mandatorily effective for the year ended December 31, 2013 have not been applied in preparing these financial statements. This section contains standards and interpretations issued, which will be applicable to the Bank at a future date. The Bank intends to adopt those standards when they become effective.

IFRS 9, Financial Instruments ("IFRS 9"):

Published on November 12, 2009 as part of Phase I of the IASB's comprehensive project to replace IAS 39, it deals with classification and measurement of financial assets. The requirements of this standard represent a significant change from the existing requirements in IAS 39 in respect of financial assets. The standard contains two primary measurement categories for financial assets: amortized cost and fair value. A financial asset would be measured at amortized cost if it is held in order to collect contractual cash flows, and the asset's contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. All other financial assets would be measured at fair value.

The standard requires that derivatives embedded in contracts with a host that is a financial asset within the scope of the standard are not separated; instead the hybrid financial instrument is assessed in its entirety as to whether it should be measured at amortized cost or fair value.

The standard eliminates the existing IAS 39 categories of held-to-maturity, available-for-sale and loans and receivables. For an investment in an equity instrument which is not held for trading, the standard permits an irrevocable election, on initial recognition, on an individual instrument-by-instrument basis, to present all fair value changes from the investment in OCI. Amounts recognized in OCI are never reclassified to profit or loss at a later date. However, dividends on such investments are recognized in profit or loss, rather than OCI unless they clearly represent a recovery of the cost of the investment. Investments in equity instruments in respect of which an entity does not elect to present fair value changes in OCI would be measured at fair value with changes in fair value recognized in profit or loss.

IFRS 9 (2010) added guidance to IFRS 9 (2009) on the classification and measurement of financial liabilities, and this guidance is generally consistent with the guidance in IAS 39, except that for financial liabilities measured at fair value under the fair value option, changes in fair value attributable to changes in credit risk will be recognized in OCI, with the remainder of the change recognized in profit or loss. However, if this requirement creates or enlarges an accounting mismatch in profit or loss, the entire change in fair value will be recognized in profit or loss. Amounts presented in OCI will not be reclassified to profit or loss at a later date.

The IASB has recently deferred the mandatory effective date of IFRS 9 and no new date has been specified as of now. The Bank intends to adopt IFRS 9 in its financial statements when this standard becomes mandatorily effective. Management currently is in process of assessing the impact that IFRS 9 will have on the financial statements.

Amendments to IAS 32, Offsetting Financial Assets and Liabilities ("Amendments to IAS 32"):

The amendments to IAS 32 clarify that an entity has a legally enforceable right to set-off if that right is not contingent on a future event and is enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. The amendments to IAS 32 also clarify when a settlement mechanism provides for net settlement or gross settlement that is equivalent to net settlement.

The effective date for the amendments to IAS 32 is annual periods beginning on or after January 1, 2014. These amendments are to be applied retrospectively. The Bank does not expect the amendments to have a material impact on the financial statements.

ICICI BANK EURASIA LLC

9TH ANNUAL REPORT AND ANNUAL ACCOUNTS 2013

Directors
Chanda Kochhar, *Chairperson*
N. S. Kannan
Vijay Chandok
K. M. Jayarao
James Bernard Cook
Satyaprasad M. V.

Auditors
ZAO KPMG

Registered Office
4, 4th Lesnoy Lane
City of Moscow
Russian Federation
125047

directors' report

to the members

The Directors have pleasure in presenting the Ninth Annual Report of ICICI Bank Eurasia LLC (the Bank) with the audited statement of accounts for the year ended December 31, 2013.

FINANCIAL HIGHLIGHTS

The financial performance for years ended December 31 is summarised below:

₹ million, except percentages

	2012	**2013**	% change
Net interest income and other income	*835.6*	**750.3**	(10)%
Operating expense	*(339.0)*	**(375.0)**	11%
Provisions & contingencies	*(75.7)*	**(147.4)**	95%
Profit before tax	*381.7*	**176.6**	(46)%
Tax expenses	*(75.9)*	**(46.1)**	(39)%
Profit after tax	*345.0*	**181.8**	(47)%

ECONOMIC UPDATE

The Gross Domestic Product (GDP) of Russia grew at 1.3% in CY2013 vis-à-vis 3.4% in CY2012. Inflation stayed at 6.5% during CY2013 and CY2012. Russian Ruble depreciated by 8% and 12% against US$ and EURO respectively in CY2013 and further by 9% against both currencies in Q1-CY2014. External Trade Surplus in CY2013 was at US$ 177.3 million, which was 7.8% lower than CY2012. Foreign Exchange Reserves decreased to US$ 498.3 billion at December 31, 2013 vis-à-vis US$ 526.4 billion at December 31, 2012.

THE BANK's PRINCIPAL ACTIVITIES

The Bank is the wholly owned Russian subsidiary of ICICI Bank. It was established in May 2005. The Bank has a full-fledged banking license from the Central Bank of Russia (CBR) and is also licensed as a professional financial market participant for broker-dealer and custodian activities by the Federal Service for Financial Markets. The Bank is a member of the State Deposit Insurance System in the Russian Federation and has its head office in Moscow, with a branch in Saint Petersburg.

The principal activities of the Bank are wholesale banking including corporate lending, trade finance as well as foreign exchange service; individual deposits, current account; transaction banking service including settlements and borrowings in wholesale and retail market.

The Bank is well capitalized and in compliance with the statutory ratios prescribed by CBR, including capital adequacy and liquidity ratios.

AUDITORS

ZAO KPMG, Russia was appointed as a statutory auditor of the Bank for the year ended December 31, 2013 by a resolution of the Supervisory Board pursuant recommendation of the Audit Committee of the Bank.

CORPORATE GOVERNANCE

The Bank has a tradition of best practices in corporate governance. The corporate governance framework in the Bank is based on an effective structure of various committees, which include the Supervisory Board, the Executive Board and other sub / working committees to oversee critical areas.

SUPERVISORY BOARD

The Supervisory Board of the Bank is constituted in compliance with the Russian Law and the Bank's Charter, its main function is to oversee management activities of the Bank. The Supervisory Board functions either as a full Board or through various committees constituted to oversee specific areas. The Board is supported by three committees, namely, the Audit Committee, the Board Credit Committee and the Board Risk Committee.

EXECUTIVE BOARD

The Executive Board performs its main function of daily business management of the Bank, implementing policies adopted by the General meeting of Participants (Sole Participant) and the Supervisory Board. As of March 31, 2014 there are five working committees constituted to oversee specific areas: the Executive Credit Committee, the Asset and Liability Management Committee, the Operational and Reputational Risk Management Committee, the Budget Committee and the Product and Process Approval Committee.

THE SOLE PARTICIPANT

The Sole Participant of the Bank takes a number of decisions including composition of the Supervisory Board, approval of new Chief Executive Officer, approval of yearly financial results and profit distribution.

MEANS OF COMMUNICATIONS

It is the Bank belief that all stakeholders should have access to complete information regarding its position to enable them to accurately assess its future potential. The Bank disseminates information on its operations and initiatives on a regular basis. The Bank web-site (www.icicibankrussia.com) serves as a key awareness facility for all its stakeholders, allowing them to access information at their convenience. It provides comprehensive information on the Bank's strategy, financial performance, operational performance and the latest press releases.

The ICICI Bank Eurasia LLC annual financial results are published on the web-site and in Russian financial media.

ADDRESS FOR CORRESPONDENCE

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Fax No: +7 (499) 500 - 8082

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Bank at the end of the financial year and of the profit or loss of the Bank for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Laws of the Russian Federation for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities; and
- they have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS

The Bank is grateful to the Central Bank of Russia for their continued co-operation, support and advice. The Bank wishes to thank its investors, the domestic and international banking community for their support.

The Bank would like to take this opportunity to express sincere thanks to its valued clients and customers for their continued patronage. The Directors express their deep appreciation to all the employees, whose outstanding professionalism, commitment and initiative has contributed to the success of the Board and continues to drive its progress. Finally, the Directors wish to express their gratitude to the Members for their trust and support.

Compliance with the Code of Business Conduct and Ethics

I confirm that all Directors and Senior Management have affirmed compliance with ICICI Bank Code of Business Conduct and Ethics.

Satyaprasad M.V.
President & Chief Executive Officer
April 25, 2014

auditors' report

to the Sole Participant and the Supervisory Board of ICICI Bank Eurasia Limited Liability Company

We have audited the accompanying financial statements of ICICI Bank Eurasia Limited Liability Company (the Bank), which comprise the statement of financial position as at December 31, 2013, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for 2013, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the fair presentation of these financial statements based on our audit. We conducted our audit in accordance with Russian Federal Auditing Standards and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to express an opinion on the fair presentation of these financial statements.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Bank at December 31, 2013, and its financial performance and its cash flows for 2013 in accordance with International Financial Reporting Standards.

Lukashova N.V.
Director
power of attorney dated October 1, 2013 No. 64/13
ZAO KPMG
Moscow, Russian Federation
March 24, 2014

balance sheet

at December 31, 2013

	Notes	2013	(₹ in million) 2012
ASSETS			
Cash and cash equivalents	4	**598.3**	*775.3*
Mandatory reserve deposit with the Central Bank of the Russian Federation		**56.8**	*59.5*
Placements with banks and other financial institutions	5	**1,378.8**	*2,782.1*
Loans to customers	6	**6,093.2**	*9,659.5*
Available-for-sale financial assets	7	**593.3**	*712.3*
Property, equipment and intangible assets	8	**47.9**	*50.0*
Deferred tax asset	21	**20.5**	*30.0*
Other assets	9	**44.3**	*70.5*
Total assets		**8,833.1**	*14,139.2*
LIABILITIES			
Deposits and balances from banks	10	**2,908.5**	*6,188.5*
Current accounts and deposits from customers	11	**672.6**	*2,681.2*
Subordinated debt	12	**1,246.3**	*1,157.5*
Promissory notes		**0.4**	*0.4*
Other liabilities	13	**6.5**	*7.2*
Total liabilities		**4,834.3**	*10,034.8*
EQUITY			
Charter capital	14	**3,198.6**	*3,198.6*
Additional paid-in capital		**317.7**	*317.7*
Revaluation reserve for available-for-sale financial assets		**10.9**	*15.0*
Retained earnings		**471.6**	*573.1*
Total equity		**3,998.8**	*4,104.4*
Total liabilities and equity		**8,833.1**	*14,139.2*

The financial statements were approved by the Supervisory Board on March 24, 2014 and were signed on its behalf by:

Satyaprasad M.V.
President & Chief Executive Officer

Braiko T. V.
Acting Chief Accountant

The statement of financial position is to be read in conjunction with the notes to, and forming part of, the financial statements.

income statement

for the year ended December 31, 2013

	Notes	2013	(₹ in million) 2012
Interest income		**932.0**	*1,055.6*
Interest expense		**(285.8)**	*(326.1)*
Net interest income	15	**646.2**	*729.5*
Fee and commission income		**58.2**	*75.8*
Fee and commission expense		**(5.5)**	*(8.9)*
Net fee and commission income	16	**52.7**	*66.9*
Net foreign exchange income	17	**51.3**	*39.0*
Other operating income		**0.1**	*0.2*
Operating income		**750.3**	*835.6*
Impairment losses	18	**(147.4)**	*(75.7)*
Personnel expenses	19	**(243.9)**	*(215.2)*
Other general administrative expenses	20	**(131.1)**	*(123.8)*
Profit before income tax		**227.9**	*420.9*
Income tax expense	21	**(46.1)**	*(75.9)*
Profit for the period		**181.8**	*345.0*
Other comprehensive income, net of income tax			
Items that are or may be reclassified subsequently to profit or loss:			
Revaluation reserve for available-for-sale financial assets:			
- net change in fair value		**(4.1)**	*24.1*
- net change in fair value transferred to profit or loss		**—**	*34.5*
Other comprehensive (loss) income for the period, net of income tax		**(4.1)**	*58.6*
Total comprehensive income for the period		**177.7**	*403.6*

Satyaprasad M.V.
President & Chief Executive Officer

Braiko T. V.
Acting Chief Accountant

The statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to, and forming part of, the financial statements.

cash flow statement

for the year ended December 31, 2013

	Notes	2013	(₹ in million) 2012
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest receipts		**809.8**	*1,080.4*
Interest payments		**(301.0)**	*(315.8)*
Fee and commission receipts		**58.2**	*78.0*
Fee and commission payments		**(5.2)**	*(13.5)*
Net receipts from foreign exchange		**57.1**	*200.0*
Other operating income received		**0.1**	*0.2*
Personnel expenses and other general administrative expenses paid		**(357.3)**	*(323.8)*
		261.7	*705.5*
Decrease (increase) in operating assets			
Placements with banks and other financial institutions and mandatory reserve deposit with Central Bank of the Russian Federation		**1,459.0**	*2,639.9*
Available-for-sale financial assets		**—**	*183.4*
Loans to customers		**4,109.6**	*(35.6)*
Other assets		**6.4**	*(22.8)*
		5,575.0	*2,764.9*
Decrease in operating liabilities			
Deposits and balances from banks		**(3,769.6)**	*(2,425.3)*
Current accounts and deposits from customers		**(2,084.8)**	*(318.7)*
Other liabilities		**(0.2)**	*(22.3)*
		(5,854.6)	*(2,766.3)*
Net cash (used in) from operating activities before income tax paid		**(17.9)**	*704.1*
Income tax paid		**(20.6)**	*(150.7)*
Cash flows (used in) from operating activities		**(38.5)**	*553.4*
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property and equipment and intangible assets		**(11.2)**	*(5.7)*
Sales of property and equipment and intangible assets		**—**	*0.90*
Cash flows used in investing activities		**(11.2)**	*(4.8)*
CASH FLOWS FROM FINANCING ACTIVITIES			
Profit distribution to the participant		**(283.5)**	*—*
Cash flows used in financing activities		**(283.5)**	*—*
Net (decrease) increase in cash and cash equivalents		**(333.3)**	*548.5*
Effect of changes in exchange rates on cash and cash equivalents		**156.3**	*(249.8)*
Cash and cash equivalents at the beginning of the period		**775.3**	*476.6*
Cash and cash equivalents at the end of the period	4	**598.3**	*775.3*

The statement of cash flows is to be read in conjunction with the notes to, and forming part of, the financial statements.

statement of changes in equity

for the year ended December 31, 2013

(₹ in million)

	Charter capital	Additional paid-in capital	Revaluation reserve for available-for-sale financial assets	Retained earnings	Total
Balance at January 1, 2012	3,198.6	317.7	(43.6)	228.1	3,700.8
Total comprehensive income					
Profit for the period	—	—	—	345.0	345.0
Other comprehensive income					
Items that are or may be reclassified subsequently to profit or loss:					
Net change in fair value of available-for-sale financial assets, net of income tax	—	—	24.1	—	24.1
Net change in fair value of available-for-sale financial assets transferred to profit or loss, net of income tax	—	—	34.5	—	34.5
Total other comprehensive income	—	—	58.6	—	58.6
Total comprehensive income for the period	—	—	58.6	345.0	403.6
Balance at December 31, 2012	3,198.6	317.7	15.0	573.1	4,104.4
Balance at January 1, 2013	3,198.6	317.7	15.0	573.1	4,104.4
Total comprehensive income					
Profit for the period	—	—	—	181.9	181.9
Other comprehensive loss					
Items that are or may be reclassified subsequently to profit or loss:					
Net change in fair value of available-for-sale financial assets, net of income tax	—	—	(4.1)	—	(4.1)
Total other comprehensive loss	—	—	(4.1)	—	(4.1)
Total comprehensive income for the period	—	—	(4.1)	181.9	177.8
Transactions with owners, recorded directly in equity					
Profit distribution to the participant (note 14)	—	—	—	(283.4)	(283.4)
Total transactions with owners	—	—	—	(283.4)	(283.4)
Balance at December 31, 2013	3,198.6	317.7	10.9	471.6	3,998.8

The statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the financial statements.

1 BACKGROUND

Organisation and operations

These financial statements are the financial statements of ICICI Bank Eurasia Limited Liability Company (the Bank).

The Bank was established in the Russian Federation in May 2005, when ICICI Bank Limited (the Parent), acquired the entire share capital of Investisionno-Kreditny Bank (IKB), a Russian bank with its registered office in Balabanovo in Kaluga region and a branch in Moscow. IKB was founded in 1992. Currently, the Bank conducts its business under a banking license issued by the Central Bank of the Russian Federation (the CBR) on 29 April 2010 (registration number 3329), for banking operations in Russian Roubles and foreign currencies with legal entities and individuals.

On October 2, 2008 the Bank received broker, dealer and custodian licenses for a professional financial market participant from the Federal Service for Financial Markets.

The Bank operates in industries where significant seasonal or cyclical variations in operating income are not experienced during the financial year.

The registered address of the Bank is 4, 4th Lesnoy Lane, Moscow, Russian Federation, 125047. The Bank has one branch in Saint-Petersburg.

Participants

The Bank is wholly-owned by ICICI Bank Limited which is the parent company of ICICI Group (the Group). The majority of funding is from the Group. As a result the Bank is economically dependent upon the Group. In addition, the activities of the Bank are closely linked with the requirements of the Group and determination of the pricing of the Bank's services to the Group is undertaken in conjunction with other Group companies. Related party transactions are detailed in note 27.

Russian business environment

The Bank's operations are primarily located in the Russian Federation. Consequently, the Bank is exposed to the economic and financial markets of the Russian Federation which display characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in the Russian Federation. In addition, the contraction in the capital and credit markets and its impact on the Russian economy have further increased the level of economic uncertainty in the environment. The financial statements reflect management's assessment of the impact of the Russian business environment on the operations and the financial position of the Bank. The future business environment may differ from management's assessment.

2 BASIS OF PREPARATION

Statement of compliance

The accompanying financial statements are prepared in accordance with International Financial Reporting Standards (IFRS).

Basis of measurement

The financial statements are prepared on the historical cost basis except that financial instruments at fair value through profit or loss and available-for-sale financial assets are stated at fair value.

Functional and presentation currency

The functional currency of the Bank is the Russian Rouble (RUB) as, being the national currency of the Russian Federation, it reflects the economic substance of the majority of underlying events and circumstances relevant to it.

The Indian Rupee (₹) is the presentation currency for the purposes of these financial statements.

Financial information presented in ₹ million.

Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies regarding loan impairment estimates is described in the note 6.

Changes in accounting policies and presentation

The Bank has adopted the following new standard and amendment to standard with a date of initial application of January 1, 2013 :

- *IFRS 13 Fair Value Measurements*

  IFRS 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other IFRS. In particular, it unifies the definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It also replaces and expands the disclosure requirements about fair value measurements in other IFRS, including IFRS 7 Financial Instruments: Disclosures (see note 28).

  As a result, the Bank adopted a new definition of fair value, as set out in paragraph Fair value measurement principals of note 3 Significant accounting policies. The change had no significant impact on the measurements of assets and liabilities. However, the Bank included new disclosures in the financial statements that are required under IFRS 13

- *Presentation of Items of Other Comprehensive Income (Amendments to IAS 1 Presentation of Financial Statements*

  As a result of the amendments to IAS 1, the Bank modified the presentation of items of other comprehensive income in its statement of profit or loss and other comprehensive income, to present separately items that would be reclassified to profit or loss in the future from those that would never be. Comparative information is also re-presented accordingly.

  The adoption of the amendment to IAS 1 has no impact on the recognised assets, liabilities or comprehensive income.

- *Financial instruments: Disclosures – Offsetting financial assets and financial liabilities*

  Amendments to IFRS 7 Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities introduced new disclosure requirements for financial assets and liabilities that are offset in the statement of financial position or subject to master netting arrangements or similar agreements.

  As the Bank is not setting off financial instruments in accordance with IAS 32 Financial instruments: disclosure and presentation and does not have relevant offsetting arrangements, the amendment does not have an impact on the financial statements of the Bank.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below are applied consistently to all periods presented in these financial statements, except as explained in note 2, which addresses changes in accounting policies.

Foreign currency

Transactions in foreign currencies are translated to the functional currency of the Bank at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or qualifying cash flow hedges, which are recognised in other comprehensive income.

Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances (nostro accounts) held with the CBR and other banks. The mandatory reserve deposit with the CBR is not considered to be a cash equivalent due to restrictions on its withdrawability. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

Financial instruments

Classification

Financial instruments at fair value through profit or loss are financial assets or liabilities that are:

- acquired or incurred principally for the purpose of selling or repurchasing in the near term
- part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking
- derivative financial instruments (except for derivative financial instruments that are designated and effective hedging instruments) or,
- upon initial recognition, designated as at fair value through profit or loss.

The Bank may designate financial assets and liabilities at fair value through profit or loss where either:

- the assets or liabilities are managed, evaluated and reported internally on a fair value basis
- the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise or,
- the asset or liability contains an embedded derivative that significantly modifies the cash flows that would otherwise be required under the contract.

All trading derivatives in a net receivable position (positive fair value), as well as options purchased, are reported as assets. All trading derivatives in a net payable position (negative fair value), as well as options written, are reported as liabilities.

Management determines the appropriate classification of financial instruments in this category at the time of the initial recognition. Derivative financial instruments and financial instruments designated as at fair value through profit or loss upon initial recognition are not reclassified out of at fair value through profit or loss category. Financial assets that would have met the definition of loans and receivables may be reclassified out of the fair value through profit or loss or available-for-sale category if the Bank has an intention and ability to hold them for the foreseeble future or until maturity. Other financial instruments may be reclassified out of at fair value through profit or loss category only in rare circumstances. Rare circumstances arise from a single event that is unusual and highly unlikely to recur in the near term.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those that the Bank:

- intends to sell immediately or in the near term
- upon initial recognition designates as at fair value through profit or loss
- upon initial recognition designates as available-for-sale or,
- may not recover substantially all of its initial investment, other than because of credit deterioration.

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Bank has the positive intention and ability to hold to maturity, other than those that:

- the Bank upon initial recognition designates as at fair value through profit or loss
- the Bank designates as available-for-sale or,
- meet the definition of loans and receivables.

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investments or financial instruments at fair value through profit or loss.

Recognition

Financial assets and liabilities are recognised in the statement of financial position when the Bank becomes a party to the contractual provisions of the instrument. All regular way purchases of financial assets are accounted for at the settlement date.

Measurement

A financial asset or liability is initially measured at its fair value plus, in the case of a financial asset or liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability.

Subsequent to initial recognition, financial assets, including derivatives that are assets, are measured at their fair values, without any deduction for transaction costs that may be incurred on sale or other disposal, except for:

- loans and receivables which are measured at amortised cost using the effective interest method.
- held-to-maturity investments that are measured at amortised cost using the effective interest method.
- investments in equity instruments that do not have a quoted market price in an active market and whose fair value can not be reliably measured which are measured at cost.

All financial liabilities, other than those designated at fair value through profit or loss and financial liabilities that arise when a transfer of a financial asset carried at fair value does not qualify for derecognition, are measured at amortised cost.

Amortised cost

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment. Premiums and discounts, including initial transaction costs, are included in the carrying amount of the related instrument and amortised based on the effective interest rate of the instrument.

Fair value measurement principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Bank measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

When there is no quoted price in an active market, the Bank uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price, i.e., the fair value of the consideration given or received. If the Bank determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, the Bank measures assets and long positions at the bid price and liabilities and short positions at the ask price.

The Bank recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Gains and losses on subsequent measurement

A gain or loss arising from a change in the fair value of a financial asset or liability is recognised as follows:

- a gain or loss on a financial instrument classified as at fair value through profit or loss is recognised in profit or loss
- a gain or loss on an available-for-sale financial asset is recognised as other comprehensive income in equity (except for impairment losses and foreign exchange gains and losses on debt financial instruments available-for-sale) until the asset is derecognised, at which time the cumulative gain or loss previously recognised in equity is recognised in profit or loss. Interest in relation to an available-for-sale financial asset is recognised in profit or loss using the effective interest method.

For financial assets and liabilities carried at amortised cost, a gain or loss is recognised in profit or loss when the financial asset or liability is derecognised or impaired, and through the amortisation process.

Derecognition

The Bank derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Bank neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Bank is recognised as a separate asset or liability in the statement of financial position. The Bank derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Bank enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised.

In transactions where the Bank neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, it derecognises the asset if control over the asset is lost.

In transfers where control over the asset is retained, the Bank continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred assets.

If the Bank purchases its own debt, it is removed from the statement of financial position and the difference between the carrying amount of the liability and the consideration paid is included in gains or losses arising from early retirement of debt.

The Bank writes off assets deemed to be uncollectible.

Derivative financial instruments

Derivative financial instruments include swaps, forwards, futures, spot transactions and options in interest rates, foreign exchanges, precious metals and stock markets, and any combinations of these instruments.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

Changes in the fair value of derivatives are recognised immediately in profit or loss.

Derivatives may be embedded in another contractual arrangement (a host contract). An embedded derivative is separated from the host contract and is accounted for as a derivative if, and only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the combined instrument is not measured at fair value with changes in fair value recognised in profit or loss. Derivatives embedded in financial assets or financial liabilities at fair value through profit or loss are not separated.

Although the Bank trades in derivative instruments for risk hedging purposes, these instruments do not qualify for hedge accounting.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Property and equipment

Owned assets

Items of property and equipment are stated at cost less accumulated depreciation and impairment losses.

Where an item of property and equipment comprises major components having different useful lives, they are accounted for as separate items of property and equipment.

Depreciation

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of the individual assets. Depreciation commences on the date followed by the month of acquisition or, in respect of internally constructed assets, from the time an asset is completed and ready for use. Land is not depreciated.

The estimated useful lives are as follows:

equipment	4 years
fixtures and fittings	4 to 10 years
motor vehicles	5 years
leasehold improvements	term of lease

Intangible assets

Acquired intangible assets are stated at cost less accumulated amortisation and impairment losses.

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Amortisation is charged to profit or loss on a straight-line basis over the estimated useful lives of intangible assets. The estimated useful live is 10 years.

Impairment

The Bank assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. If any such evidence exists, the Bank determines the amount of any impairment loss.

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the financial asset (a loss event) and that event (or events) has had an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that financial assets are impaired can include default or delinquency by a borrower, breach of loan covenants or conditions, restructuring of financial asset or group of financial assets that the Bank would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, deterioration in the value of collateral, or other observable data related to a group of assets such as adverse changes in the payment status of borrowers in the group, or economic conditions that correlate with defaults in the group.

In addition, for an investment in an equity security available-for-sale a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Financial assets carried at amortised cost

Financial assets carried at amortised cost consist principally of loans and other receivables (loans and receivables). The Bank reviews its loans and receivables to assess impairment on a regular basis.

The Bank first assesses whether objective evidence of impairment exists individually for loans and receivables that are individually significant, and individually or collectively for loans and receivables that are not individually significant. If the Bank determines that no objective evidence of impairment exists for an individually assessed loan or receivable, whether significant or not, it includes the loan or receivable in a group of loans and receivables with similar credit risk characteristics and collectively assesses them for impairment. Loans and receivables that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on a loan or receivable has been incurred, the amount of the loss is measured as the difference between the carrying amount of the loan or receivable and the present value of estimated future cash flows including amounts recoverable from guarantees and collateral discounted at the loan or receivable's original effective interest rate. Contractual cash flows and historical loss experience adjusted on the basis of relevant observable data that reflect current economic conditions provide the basis for estimating expected cash flows.

In some cases the observable data required to estimate the amount of an impairment loss on a loan or receivable may be limited or no longer fully relevant to current circumstances. This may be the case when a borrower is in financial difficulties and there is little available historical data related to similar borrowers. In such cases, the Bank uses its experience and judgment to estimate the amount of any impairment loss.

All impairment losses in respect of loans and receivables are recognised in profit or loss and are only reversed if a subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

When a loan is uncollectable, it is written off against the related allowance for loan impairment. The Bank writes off a loan balance (and any related allowances for loan impairment) when management determines that the loans are uncollectible and when all necessary steps to collect the loan are completed.

Financial assets carried at cost

Financial assets carried at cost include unquoted equity instruments included in available-for-sale financial assets that are not carried at fair value because their fair value cannot be reliably measured. If there is objective evidence that such investments are impaired, the impairment loss is calculated as the difference between the carrying amount of the investment and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset.

All impairment losses in respect of these investments are recognised in profit or loss and cannot be reversed.

Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognised by transferring the cumulative loss that is recognised in other comprehensive income to profit or loss as a reclassification adjustment. The cumulative loss that is reclassified from other comprehensive income to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in profit or loss. Changes in impairment allowances attributable to time value are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

Non financial assets

Other non financial assets, other than deferred taxes, are assessed at each reporting date for any indications of impairment. The recoverable amount of non financial assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is recognised when the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

All impairment losses in respect of non financial assets are recognised in profit or loss and reversed only if there has been a change in the estimates used to determine the recoverable amount. Any impairment loss reversed is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Provisions

A provision is recognised in the statement of financial position when the Bank has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Credit related commitments

In the normal course of business, the Bank enters into credit related commitments, comprising undrawn loan commitments, letters of credit and guarantees.

Financial guarantees are contracts that require the Bank to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

A financial guarantee liability is recognised initially at fair value net of associated transaction costs, and is measured subsequently at the higher of the amount initially recognised less cumulative amortisation or the amount of provision for losses under the guarantee. Provisions for losses under financial guarantees and other credit related commitments are recognised when losses are considered probable and can be measured reliably.

Financial guarantee liabilities and provisions for other credit related commitment are included in other liabilities.

Loan commitments are not recognised, except for the followings:

- loan commitments that the Bank designates as financial liabilities at fair value through profit or loss
- if the Bank has a past practice of selling the assets resulting from its loan commitments shortly after origination, then the loan commitments in the same class are treated as derivative instruments
- loan commitments that can be settled net in cash or by delivering or issuing another financial instrument
- commitments to provide a loan at a below-market interest rate.

Equity

The sole participant in a Russian limited liability company does not have the unilateral right to withdraw his capital from the company. Based on the adopted amendment to IAS 1 Presentation of Financial Statements – Capital Disclosures and IAS 32 Financial Instruments: Disclosure, the Bank recorded charter capital and retained earnings attributable to the participant as equity.

Distributions to the participant

The Bank distributes profits to the participant on the basis of financial statements prepared in accordance with Russian Accounting Rules.

Taxation

Income tax comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items of other comprehensive income or transactions with shareholders recognised directly in equity, in which case it is recognised within other comprehensive income or directly within equity.

Current tax expense is the expected tax payable on the taxable profit for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences, unused tax losses and credits can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Income and expense recognition

Interest income and expense are recognised in profit or loss using the effective interest method.

Loan origination fees, loan servicing fees and other fees that are considered to be integral to the overall profitability of a loan, together with the related transaction costs, are deferred and amortised to interest income over the estimated life of the financial instrument using the effective interest method.

Other fees, commissions and other income and expense items are recognised in profit or loss when the corresponding service is provided.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Hyperinflation accounting

The Russian Federation ceased to be hyperinflationary with effect from January 1, 2003 and, accordingly, no adjustments for hyperinflation are made for periods subsequent to this date. The hyperinflation-adjusted carrying amounts of equity items at December 31, 2002 became their carrying amounts at January 1, 2003 for the purpose of subsequent accounting.

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective at December 31, 2013, and are not applied in preparing these financial statements. Of these pronouncements, potentially the following will have an impact on the financial position and performance. The Bank plans to adopt these pronouncements when they become effective. The Bank has not yet analysed the likely impact of the new standards on its financial position or performance.

IFRS 9 Financial Instruments is to be issued in phases and is intended ultimately to replace IAS 39 Financial Instruments: Recognition and Measurement. The first phase of IFRS 9 was issued in November 2009 and relates to the classification and measurement of financial assets. The second phase regarding the classification and measurement of financial liabilities was published in October 2010. The third phase of IFRS 9 was issued in November 2013 and relates general hedge accounting. The Bank recognises that the new standard introduces many changes to accounting for financial instruments and is likely to have a significant impact on the financial statements. The impact of these changes will be analysed during the course of the project, as further phases of the standard are issued. The Bank does not intend to adopt this standard early.

Amendments to IAS 32 Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities do not introduce new rules for offsetting financial assets and liabilities; rather they clarify the offsetting criteria to address inconsistencies in their application. The amendments specify that an entity currently has a legally enforceable right to set-off if that right is not contingent on a future event; and enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. The amendments are effective for annual periods beginning on or after January 1, 2014, and are to be applied retrospectively.

Various Improvements to IFRS are dealt with on a standard-by-standard basis. All amendments, which result in accounting changes for presentation, recognition or measurement purposes, will come into effect not earlier than January 1, 2014. The Bank has not yet analysed the likely impact of the improvements on its financial position or performance.

4 CASH AND CASH EQUIVALENTS

	2013 (₹ in million)	*2012 (₹ in million)*
Cash on hand	**59.8**	*46.4*
Nostro accounts with the CBR	**293.0**	*177.9*
Nostro accounts with other banks		
OECD banks	**225.1**	*537.8*
Non-OECD banks	**19.8**	*6.8*
State Corporation Bank for Development and Foreign Economic Affairs (Vnesheconombank)	**0.6**	*6.4*
Total nostro accounts with other banks	**245.5**	*551.0*
Total cash and cash equivalents	**598.3**	*775.3*

No cash and cash equivalents are impaired or past due.

Concentration of cash and cash equivalents

At December 31, 2013, the Bank has 2 banks (2012: 2 banks), whose balances individually exceed 10% of total cash and cash equivalents. The gross value of these balances at December 31, 2013 is ₹ 495.0 million (2012: ₹ 704.7 million).

5 PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	2013 (₹ in million)	*2012 (₹ in million)*
Loans and deposits		
Largest 30 Russian banks	**1,306.5**	*794.1*
Non-OECD banks	**10.3**	*1,836.6*
Total loans and deposits	**1,316.8**	*2,630.7*
Placements with other financial institutions		
State Corporation Bank for Development and Foreign Economic Affairs (Vnesheconombank)	**—**	*151.2*
Moscow Exchange	**62.0**	*0.2*
Total placements with other financial institutions	**62.0**	*151.4*
Net placements with banks and other financial institutions	**1,378.8**	*2,782.1*

No placements with banks and other financial institutions are impaired or past due.

Concentration of placements with banks and other financial institutions

At December 31, 2013, the Bank has 3 banks (2012: 3 banks), whose balances individually exceed 10% of total placements with banks and other financial institutions. The gross value of these balances at December 31, 2013 are ₹ 1,306.6 million (2012: ₹ 2,516.0 million).

6 LOANS TO CUSTOMERS

	2013 (₹ in million)	*2012 (₹ in million)*
Loans to corporate customers	**4,215.8**	*7,480.4*
Loans to retail customers		
Mortgage loans	**2,021.1**	*2,290.9*
Auto loans	**0.6**	*0.7*
Total loans to retail customers	**2,021.7**	*2,291.6*
Gross loans to customers	**6,237.5**	*9,772.0*
Impairment allowance	**(144.3)**	*(112.5)*
Net loans to customers	**6,093.2**	*9,659.5*

Movements in the loan impairment allowance by classes of loans to customers for the year ended December 31, 2013 are as follows:

(₹ in million)

	Loans to corporate customers	**Loans to retail customers**	**Total**
Balance at the beginning of the year	**22.8**	**89.7**	**112.5**
Net charge (recovery)	**33.9**	**(2.1)**	**31.8**
Balance at the end of the year	**56.7**	**87.6**	**144.3**

Movements in the loan impairment allowance by classes of loans to customers for the year ended December 31, 2012 are as follows:

(₹ in million)

	Loans to corporate customers	*Loans to retail customers*	*Total*
Balance at the beginning of the year	*21.9*	*134.5*	*156.4*
Net charge (recovery)	*0.9*	*(44.8)*	*(43.9)*
Balance at the end of the year	*22.8*	*89.7*	*112.5*

Credit quality of loans to customers

The following table provides information on the credit quality of loans to customers at December 31, 2013:

	(₹ in million)			%
	Gross loans	**Impairment allowance**	**Net loans**	**Impairment allowance to gross loans**
Loans to corporate customers				
Loans for which no impairment has been identified:				
- standard loans	**3,219.9**	**(8.4)**	**3,211.5**	**0.26**
- watch list loans	**183.4**	**(1.2)**	**182.2**	**0.65**
Total loans for which no impairment has been identified	**3,403.3**	**(9.6)**	**3,393.7**	**0.28**
Loan for which impairment has been identified:				
- impaired loan	**812.5**	**(47.2)**	**765.3**	**5.81**
Total impaired loan	**812.5**	**(47.2)**	**765.3**	**5.81**
Total loans to corporate customers	**4,215.8**	**(56.8)**	**4,159.0**	**1.35**
Loans to retail customers Mortgage loans				
- not overdue and overdue less than 30 days	**1,624.4**	**(5.5)**	**1,618.9**	**0.34**
- overdue 30-179 days	**102.3**	**(4.6)**	**97.7**	**4.50**
- overdue more than 180 days	**294.4**	**(76.9)**	**217.5**	**26.12**
Total mortgage loans	**2,021.1**	**(87.0)**	**1,934.1**	**4.30**
Auto loans				
- overdue more than 180 days	**0.6**	**(0.6)**	**—**	**100.00**
Total auto loans	**0.6**	**(0.6)**	**—**	**100.00**
Total loans to retail customers	**2,021.7**	**(87.6)**	**1,934.1**	**4.33**
Total loans to customers	**6,237.5**	**(144.4)**	**6,093.1**	**2.32**

The following table provides information on the credit quality of the loans to customers at December 31, 2012:

	(₹ in million)			%
	Gross loans	*Impairment allowance*	*Net loans*	*Impairment allowance to gross loans*
Loans to corporate customers				
Loans for which no impairment has been identified:				
- standard loans	*6,480.1*	*(16.6)*	*6,463.5*	*0.26*
- watch list loans	*998.3*	*(6.2)*	*992.1*	*0.62*
Total loans for which no impairment has been identified	*7,478.4*	*(22.8)*	*7,455.6*	*0.30*
Total loans to corporate customers	*7,478.4*	*(22.8)*	*7,455.6*	*0.30*
Loans to retail customers				
Mortgage loans				
- not overdue and overdue less than 30 days	*1,802.4*	*(11.4)*	*1,791.0*	*0.63*
- overdue 30-179 days	*63.4*	*(4.1)*	*59.3*	*6.47*
- overdue more than 180 days	*425.1*	*(73.5)*	*351.6*	*17.29*
Total mortgage loans	*2,290.9*	*(89.0)*	*2,201.9*	*3.88*
Auto loans				
- overdue more than 180 days	*0.7*	*(0.6)*	*0.1*	*85.71*
Total auto loans	*0.7*	*(0.6)*	*0.1*	*85.71*
Total loans to retail customers	*2,291.6*	*(89.7)*	*2,201.9*	*3.91*
Total loans to customers	*9,770.0*	*(112.4)*	*9,657.6*	*1.15*

During the year 2013 the Bank renegotiated loans to retail customers in amount of ₹ 200.5 million (2012: ₹ 128.8 million) and loans to corporate customers in amount of ₹ 878.7 million (2012: nil) that would otherwise be past due. Such activity is aimed at managing customer relationships and maximising collection opportunities. Renegotiated loans are included in the category of standard loans and loans not overdue and overdue less than 30 days for loans to corporate and retail customers respectively

Key assumptions and judgments for estimating the loan impairment

Loans to corporate customers

The Bank estimates loan impairment for loans to corporate customers based on an analysis of the future cash flows for impaired loans and based on its past loss experience for portfolios of loans for which no indications of impairment has been identified.

In determining the impairment allowance for loans to corporate customers, management makes the following key assumptions:

- an average historical annual loss rate of 0.28%
- a discount of between 35% and 60% to the originally appraised value if the property pledged is sold
- a delay of 3 to 6 months in obtaining proceeds from the foreclosure of collateral.

Changes in these estimates could effect the loan impairment allowance. For example, to the extent that the net present value of the estimated cash flows differs by one percent, the impairment allowance for loans to corporate customers at December 31, 2013 would be ₹ 41.6 million lower/higher (2012: ₹ 74.6 million lower/higher).

Loans to retail customers

The Bank estimates loan impairment for loans to retail customers based on its past historical loss experience on each type of loan. The significant assumptions used by management in determining the impairment losses for loans to retail customers include:

- loss migration rates are constant and can be estimated based on the historic loss migration pattern for the past 12 months
- for mortgage loans, the significant assumptions used by management in determining value of the collateral for impaired (overdue more than 180 days) mortgage loans are as follows:

- the market comparables of the property pledged are used as a base
- a discount of between 20% and 30% is applied to market comparables
- a delay of 1 to 3 years in obtaining proceeds from the disposal of the property pledged.

Changes in these estimates could effect the loan impairment allowance. For example, to the extent that the net present value of the estimated cash flows differs by three percent, the impairment allowance on loans to retail customers at December 31, 2013 would be ₹ 58.0 million lower/higher (2012: ₹ 66.1 million).

Analysis of collateral and other credit enhancements

Loans to corporate customers

The following table provides information on collateral securing loans to corporate customers, net of impairment, by types of collateral at December 31, 2013:

	2013 (**₹ in million**)	*2012* (*₹ in million*)
Loans without individual signs of impairment		
Cash deposits	**51.7**	*34.6*
Real estate	**386.4**	*858.1*
Equipment and other property	**1,346.9**	*1,958.7*
Guarantees of legal entities and individuals	**1,200.3**	*1,855.7*
Other collateral	**408.3**	*934.0*
No collateral	**—**	*1,814.7*
Total loans without individual signs of impairment	**3,393.6**	*7,455.8*
Impaired loan		
Real estate	**370.3**	—
Equipment and other property	**395.1**	—
Total impaired loan	**765.4**	—
Total loans to corporate customers	**4,159.0**	*7,455.8*

The table above is presented on the basis of excluding overcollateralization.

Collateral included in the guarantees of legal entities is mainly presented by the guarantees of the companies being related to the borrower.

The recoverability of loans which are neither past due nor impaired is primarily dependent on the creditworthiness of the borrowers rather than the value of collateral. The fair value of collateral is presented in the table above except for guarantees was assessed at the loan inception date.

Fair value of guarantees was not determined by the Bank.

For loans secured by multiple types of collateral, collateral that is most relevant for impairment assessment is disclosed.

Mortgage loan

Mortgage loans are secured by the underlying housing real estate.

The following table provides fair value information on real estate collateral securing mortgage loans, net of impairment:

	2013 (**₹ in million**)	*2012* (*₹ in million*)
Loans secured by collateral with a fair value equal to the net carrying amount of the individual loans	**1,842.3**	*2,066.4*
Loans secured by collateral with a fair value of less than the net carrying amount of the individual loans	**84.1**	*90.9*
Loans secured by collateral that is in process of registration	**—**	*37.1*
Loans with no collateral	**7.8**	*9.3*
Total mortgage loans	**1,934.2**	*2,203.7*

The table above is presented on the basis of excluding overcollateralization.

The Bank obtains a specific individual valuation of collateral at each reporting date where there are indications of impairment. For the remaining mortgage loans the fair value of collateral was estimated at inception of the loans and was updated at collective basis at the reporting date.

Industry and geographical analysis of the loan portfolio

Loans to customers were issued primarily to customers located within the Russian Federation who operate in the following economic sectors:

	2013 (**₹ in million**)	*2012* (*₹ in million*)
Manufacturing	**2,173.6**	*2,930.3*
Leasing	**834.9**	*862.2*
Machine-building	**812.5**	*738.8*
Oil and gas	**298.2**	*1,549.0*
Trade	**96.5**	*1,241.8*
Metallurgy	**—**	*156.4*
Loans to retail customers	**2,021.8**	*2,293.5*
Total gross loans to customers	**6,237.5**	*9,772.0*
Impairment allowance	**(144.3)**	*(112.5)*
Total net loans to customers	**6,093.2**	*9,659.5*

Significant credit exposures

At December 31, 2013, the Bank has 3 borrowers or groups of connected borrowers (2012: none), whose loan balances individually exceed 10% of total loans to customers. The gross value of these balances at December 31, 2013 is ₹ 2,344.9 million (2012: nil).

Loan maturities

The maturity of the loan portfolio is presented in note 22, which shows the remaining period from the reporting date to the contractual maturities of the loans. Due to the short-term nature of some loans issued by the Bank, it is likely that many of them will be prolonged at maturity. Accordingly, the effective maturity of the loan portfolio may be significantly longer than the term based on contractual terms.

7. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2013 (**₹ in million**)	*2012* (*₹ in million*)
Corporate bonds (non-rated)		
- impaired	**186.1**	*186.1*
Russian Government Federal bonds (OFZ) ('BBB' rated by S&P)	**593.3**	*596.8*
Total gross available-for-sale financial assets	**779.4**	*782.9*
Impairment allowance	**(186.1)**	*(70.6)*
Total net available-for-sale financial assets	**593.3**	*712.3*

Movements in the impairment allowance for the years ended December 31, 2013 and 2012 are as follows:

	2013 (**₹ in million**)	*2012* (*₹ in million*)
Balance at the beginning of the year	**(70.6)**	—
Net charge	**(115.5)**	*(70.6)*
Balance at the end of the year	**(186.1)**	*(70.6)*

8. PROPERTY, EQUIPMENT AND INTANGIBLE ASSETS

(₹ in million)

Cost	Equipment	Fixtures and fittings	Motor vehicles	Computer software	Leasehold improvements	Total
Balance at January 1, 2013	**42.9**	**7.0**	**1.9**	**75.6**	**12.0**	**139.4**
Additions	**0.4**	—	—	**0.4**	**10.4**	**11.2**
Disposals	**(5.4)**	—	—	—	—	**(5.4)**
Balance at December 31, 2013	**37.9**	**7.0**	**1.9**	**76.0**	**22.4**	**145.2**
Depreciation and amortisation						
Balance at January 1, 2013	**(38.1)**	**(6.5)**	**(1.9)**	**(33.5)**	**(9.3)**	**(89.3)**
Depreciation and amortisation for the year	**(2.2)**	—	—	**(8.8)**	**(2.4)**	**(13.4)**
Disposals	**5.4**	—	—	—	—	**5.4**
Balance at December 31, 2013	**(34.9)**	**(6.5)**	**(1.9)**	**(42.3)**	**(11.7)**	**(97.3)**
Carrying amount						
At December 31, 2013	**3.0**	**0.5**	—	**33.7**	**10.7**	**47.9**

(₹ in million)

Cost	*Equipment*	*Fixtures and fittings*	*Motor vehicles*	*Computer software*	*Leasehold improvements*	*Total*
Balance at January 1, 2012	*40.1*	*13.2*	*1.9*	*72.7*	*12.0*	*139.9*
Additions	*2.8*	—	—	*2.9*	—	*5.7*
Disposals	—	*(6.1)*	—	—	—	*(6.1)*
Balance at December 31, 2012	*42.9*	*7.1*	*1.9*	*75.6*	*12.0*	*139.5*
Depreciation and amortisation						
Balance at January 1, 2012	*(36.7)*	*(9.0)*	*(1.9)*	*(26.1)*	*(7.6)*	*(81.3)*
Depreciation and amortisation for the year	*(1.5)*	*(1.0)*	—	*(7.4)*	*(1.8)*	*(11.7)*
Disposals	—	*3.5*	—	—	—	*3.5*
Balance at December 31, 2012	*(38.2)*	*(6.5)*	*(1.9)*	*(33.5)*	*(9.4)*	*(89.5)*
Carrying amount						
At December 31, 2012	*4.7*	*0.6*	—	*42.1*	*2.6*	*50.0*

9. OTHER ASSETS

	2013 (₹ in million)	*2012 (₹ in million)*
Rent prepayments	**20.4**	*19.4*
Income tax receivable	**13.3**	*28.3*
Prepayments other than rent	**9.5**	*10.1*
Taxes receivable other than income tax	**1.1**	*6.3*
Other	—	*6.4*
Total other assets	**44.3**	*70.5*

Analysis of movements in the impairment allowance

Movements in the impairment allowance for the years ended December 31, 2013 and 2012 are as follows:

	2013 (₹ in million)	*2012 (₹ in million)*
Balance at the beginning of the year	—	*0.5*
Net recovery	—	*(0.5)*
Balance at the end of the year	—	—

At December 31, 2013, no other assets are overdue or impaired (2012: nil).

10. DEPOSITS AND BALANCES FROM BANKS

	2013 (₹ in million)	*2012 (₹ in million)*
Term deposits	**2,905.4**	*6,187.5*
Vostro accounts	**3.1**	*1.0*
Total deposits and balances from banks	**2,908.5**	*6,188.5*

Concentrations of deposits and balances from banks

At December 31, 2013, the Bank has 3 banks (2012: 1 bank), whose balances individually exceed 10% of total deposits and balances from banks. The gross value of these balances at December 31, 2013 is ₹ 2,907.7 million (2012: ₹ 5,741.7 million).

11. CURRENT ACCOUNTS AND DEPOSITS FROM CUSTOMERS

	2013 (₹ in million)	*2012 (₹ in million)*
Current accounts and demand deposits		
- Corporate	**232.1**	*484.3*
- Retail	**109.1**	*143.3*
Term deposits		
- Corporate	**163.9**	*1,877.4*
- Retail	**167.5**	*176.2*
	672.6	*2,681.2*

At December 31, 2013, the Bank maintains customer deposit balances of ₹ 51.7 million (2012: ₹ 34.6 million) that serve as collateral for loans granted by the Bank.

Concentrations of current accounts and deposits from customers

At December 31, 2013, the Bank has 1 customer (2012: 2 customers), whose balances individually exceed 10% of total current accounts and deposits from customers. The gross value of these balances at December 31, 2013 are ₹ 163.7 million (2012: ₹ 1,826.5 million).

12. SUBORDINATED DEBT

Principal amount (in US$ thousand)	Interest rate	Issue date	Maturity date	2013 (₹ in million)	*2012 (₹ in million)*
8,000	6M Libor+ 2.5%	March 30, 2006	March 30, 2016	**498.4**	*463.0*
12,000	6M Libor+ 2.5%	March 26, 2007	March 27, 2017	**747.9**	*694.5*
Total subordinated debt				**1,246.3**	*1,157.5*

In case of bankruptcy, the repayment of the subordinated borrowings will be made after repayment in full of all other liabilities of the Bank.

13. OTHER LIABILITIES

	2013 (₹ in million)	*2012 (₹ in million)*
Accrued expenses	**6.4**	*6.9*
Deferred income	**0.1**	*0.2*
Other	—	*0.1*
Total other liabilities	**6.5**	*7.2*

14. EQUITY

Charter capital represents contributions made by the participant of the Bank.

Under Russian legislation, the sole participant in a limited liability company does not have the unilateral right to withdraw from the company. Accordingly charter capital is classified as equity.

At December 31, 2013, the charter capital of the Bank was ₹ 3,198.6 million (2012: ₹ 3,198.6 million).

The revaluation reserve for available-for-sale financial assets comprises the cumulative net change in the fair value, until the assets are derecognised or impaired.

At March 26, 2013, the sole participant of the Bank approved profit distribution via payment of ₹ 283.4 million from retained earnings. In accordance with the legislation of the Russian Federation, at the reporting date, retained earnings available for distribution amounted to ₹ 309.3 million (2012: ₹ 494.4 million).

15. NET INTEREST INCOME

	2013 (₹ in million)	*2012 (₹ in million)*
Interest income		
Loans to customers	**861.5**	*930.8*
Available-for-sale financial assets	**43.4**	*72.8*
Placement with banks and other financial institutions	**27.1**	*52.0*
Total interest income	**932.0**	*1,055.6*
Interest expense		
Deposits and balances from banks	**224.0**	*255.1*
Subordinated debt	**36.4**	*36.6*
Current accounts and deposits from customers	**25.4**	*34.4*
Promissory notes	—	—
Total interest expense	**285.8**	*326.1*
Net interest income	**646.2**	*729.5*

Included within various line items under interest income for the year ended December 31, 2013 is a total of ₹ 103.9 million (2012: ₹ 35.9 million) accrued on one impaired loan to a corporate client and retail customers overdue more than 180 days.

16 NET FEE AND COMMISSION INCOME

	2013 (₹ in million)	2012 (₹ in million)
Fee and commission income		
Currency exchange regulation fee	23.1	24.6
Settlement fees	20.7	20.6
Guarantee and letter of credit issuance fees	7.0	25.2
Agency services fees	4.2	1.5
Fees related to loans	3.1	3.7
Other	0.1	0.2
Total fee and commission income	58.2	75.8
Fee and commission expense		
Settlement fees	3.2	2.9
Cash transactions fees	0.9	1.1
Fees to MICEX	0.8	0.6
Fees related to letters of credit	—	1.6
Fees for collection services	—	1.7
Credit card maintenance fees	—	0.3
Other	0.6	0.7
Total fee and commission expense	5.5	8.9
Net fee and commission income	52.7	66.9

17 NET FOREIGN EXCHANGE INCOME

	2013 (₹ in million)	2012 (₹ in million)
Loss from revaluation of financial assets and liabilities	(5.8)	(161.0)
Gain on spot transactions and derivatives	57.1	200.0
Total net foreign exchange income	51.3	39.0

18. IMPAIRMENT LOSSES

	2013 (₹ in million)	2012 (₹ in million)
Loans to customers	(31.9)	44.0
Available-for-sale financial assets		
- transfer from revaluation reserve for available-for-sale financial assets	—	(49.6)
- impairment	(115.5)	(70.6)
Other assets	—	0.5
	(147.4)	(75.7)

19. PERSONNEL EXPENSES

	2013 (₹ in million)	2012 (₹ in million)
Employee compensation	213.9	186.9
Payroll related taxes	30.0	28.3
	243.9	215.2

20. OTHER GENERAL ADMINISTRATIVE EXPENSES

	2013 (₹ in million)	2012 (₹ in million)
Rent	37.9	34.8
Communications services	16.1	14.6
Taxes other than income tax	15.8	14.4
Information and consultation services	12.9	13.9
Depreciation and amortisation	13.4	11.7
Professional services	10.3	10.5
Repairs and maintenance	8.1	7.1
Travel expenses	3.7	5.1
Insurance	1.2	1.3
Other	11.7	10.4
	131.1	123.8

21. INCOME TAX EXPENSE

	2013 (₹ in million)	2012 (₹ in million)
Current year tax expense	35.6	127.8
Deferred taxation movement due to origination and reversal of temporary differences	10.5	(51.9)
Total income tax expense	46.1	75.9

In 2013, the applicable tax rate for current and deferred tax is 20% (2012: 20%).

Reconciliation of effective tax rate for the year ended December 31:

	2013 (₹ in million)	%	2012 (₹ in million)	%
Profit before tax	228.0		420.9	
Income tax at the applicable tax rate	45.6	20.00	84.2	20.00
Non-deductible costs (non-taxable income)	2.5	1.08	(6.3)	(1.49)
Income taxed at lower tax rates	(2.0)	(0.87)	(2.0)	(0.47)
	46.1	20.21	75.9	18.04

Deferred tax asset and liability

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes give rise to net deferred tax assets at December 31, 2013 and at December 31, 2012. The future tax benefits will only be realised if profits will be available against which the unused tax losses can be utilised and there are no changes to the law and regulations that adversely affect the Bank's ability to claim the deductions in future periods.

Movements in temporary differences during the years ended December 31, 2013 and 2012 are presented as follows.

(₹ in million)	Balance January 1, 2013	Recognised in profit or loss	Recognised in other comprehensive income	Balance December 31, 2013
Available-for-sale financial assets	12.3	23.4	1.0	36.7
Loans to customers	18.5	(36.4)	—	(17.9)
Deposits and balances from banks	—	(0.4)	—	(0.4)
Property, equipment and intangible assets	(0.9)	2.9	—	2.0
	29.9	(10.5)	1.0	20.4

(₹ in million)	Balance January 1, 2012	Recognised in profit or loss	Recognised in other comprehensive income	Balance December 31, 2012
Available-for-sale financial assets	10.9	16.1	(14.6)	12.4
Loans to customers	(17.4)	35.9	—	18.5
Deposits and balances from banks	(1.0)	1.0	—	—
Property, equipment and intangible assets	0.2	(1.1)	—	(0.9)
	(7.3)	51.9	(14.6)	30.0

Income tax recognised in other comprehensive income

The tax effects relating to components of other comprehensive income for the years ended December 31, 2013 and 2012 comprise the following:

	2013			2012		
(₹ in million)	Amount before tax	Income tax	Amount net-of-tax	Amount before tax	Income tax	Amount net-of-tax
Net change in fair value of available-for-sale financial assets	(5.1)	1.0	(4.1)	30.1	(6.0)	24.1
Net change in fair value of available-for-sale financial assets transferred to profit or loss	—	—	—	43.2	(8.6)	34.6
Other comprehensive income	(5.1)	1.0	(4.1)	73.3	(14.6)	58.7

22. CORPORATE GOVERNANCE, INTERNAL CONTROL AND RISK MANAGEMENT

Corporate governance framework

The Bank is established as a limited liability company in accordance with Russian legislation.

The General Meeting of Participants (the Sole Participant) is a supreme governing body of the Bank. The Sole Participant defines the strategy and key areas of the Bank's operations, the structure of the Supervisory Board (the SB) and elects its members. The SB supervises operations carried out by the Bank.

The scope of authority of the Sole Participant and the SB is defined in the Bank's Charter that is in line with the Russian legislation.

At December 31, 2013, the SB had the following structure:

Chanda Kochhar, Chairperson, CEO, ICICI Bank Limited

N. S. Kannan, Executive Director, ICICI Bank Limited

Vijay Chandok, President, ICICI Bank Limited

K. M. Jayarao, Head of the Risk Management Group, ICICI Bank Limited

James Bernard Cook, Independent Non-Executive Director

Satyaprasad M. V., President & CEO, Bank.

The last changes in the structure of the SB took place in March 2013 when Satyaprasad M.V. was elected to the SB by decision of the Sole Participant.

The President & CEO and the Executive Board (the EB) are authorised to perform everyday management of the Bank's operations. The SB appoints the President & CEO and defines the structure of the EB. The President & CEO and the EB shall implement decisions of the Sole Participant and the SB of the Bank.

Internal control policies and procedures

The SB and the EB have responsibility for the development, implementation and maintaining of internal controls in the Bank that are commensurate with the scale and nature of operations.

The purpose of internal controls is to ensure:

- proper and comprehensive risk assessment and management
- proper business and accounting and financial reporting functions, including proper authorization, processing and recording of transactions
- completeness, accuracy and timeliness of accounting records, managerial information, regulatory reports
- reliability of IT-systems, data and systems integrity and protection
- prevention of fraudulent or illegal activities, including misappropriation of assets
- compliance with laws and regulations including anti-money laundering and anti-corruption.

Management is responsible for identifying and assessing risks, designing controls and monitoring their effectiveness. Management monitors the effectiveness of the Bank's internal controls and periodically implements additional controls or modifies existing controls as considered necessary.

The Bank developed a system of standards, policies and procedures to ensure effective operations and compliance with relevant legal and regulatory requirements, including the following areas:

- requirements for appropriate segregation of duties, including the independent authorization of transactions
- requirements for the recording, reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- requirements for the reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards and
- risk mitigation, including insurance where this is effective

There is a hierarchy of requirements for authorization of transactions depending on their size and complexity. A significant portion of operations are automated and the Bank put in place a system of automated controls. The Internal Audit function is independent from management and reports directly to the SB. The results of the Internal Audit reviews are discussed with relevant business process managers, with summaries submitted to the Audit Committee and senior management of the Bank.

The internal control system in the Bank comprises:

- the SB and its committees (including the Audit Committee)
- the President & CEO and the EB
- the Chief Accountant
- the risk management function
- the IT, Human Resources & Admin group
- the Internal Audit function
- other employees, division and functions that are responsible for the Bank's compliance with the established standards, policies and procedures, including:
- heads of branch and heads of business-units
- the compliance officer and the compliance function, including the division responsible for the Bank's compliance with anti-money laundering requirements
- professional securities market participant controller – an executive officer responsible for the Bank's compliance with the requirements for securities market participants
- the Legal and Compliance Department that is responsible for the Bank's compliance with legal and regulatory requirements (including anti-corruption)
- other employees/divisions that perform control functions.

Russian legislation (including Federal Law dated December 2, 1990 No 395-1 On Banks and Banking Activity) establishes requirements to professional qualification and business reputation of the Supervisory Board members, the Head of the Internal Audit and other top managers. All members of the Bank's governing and management bodies meet with the above requirements.

Risk management policies and procedures

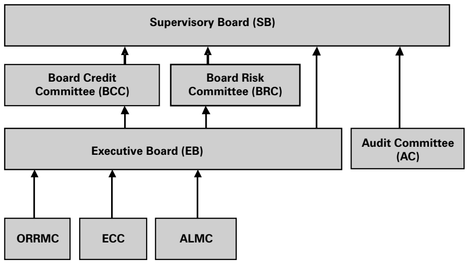
Management of risk is fundamental to the business of banking and is an essential element of the Bank's operations. The major risks faced by the Bank are those related to market risk, which includes price, interest rate and currency risks, credit risk, liquidity risk and operational risk. In 2013 the Bank updated version of its Internal Capital Adequacy Assessment Process which is based on Basel II principals and includes stress testing and forecasts for the next 4 years. During the year the Bank was focusing on asset quality and additional control procedures.

The risk management policies aim to identify, analyse and manage the risks faced by the Bank, to set appropriate risk limits and controls, and to continuously monitor risk levels and adherence to limits. Risk management policies and procedures are reviewed regularly to reflect changes in market conditions, products and services offered and emerging best practice.

The Head of the Risk Management Group of the Bank is responsible for the overall risk management functions, ensuring the implementation of common principles and methods for identifying, measuring, managing and reporting both financial and non-financial risks. He reports directly to the President & CEO of the Bank.

Credit, market, liquidity and operational risks at portfolio and transactional levels are managed and controlled through a system of Credit Committees, an Operational and Reputation Risk Management Committee (ORRMC), an Executive Credit Committee (ECC) and a Liability Management Committee (ALMC). In order to facilitate efficient and effective decision-making, the Bank has established a hierarchy of credit committees depending on the type and amount of the exposure.

Risk governance and Management:



The SB is responsible for the oversight and control of the functioning of the Bank and approves all major policies and procedures of the Bank. It has overall responsibility for the oversight of the risk management framework, overseeing the management of key risks and reviewing its risk management policies and procedures as well as approving significantly large exposures. The SB delegates authority to the EB and various Committees responsible for managing the day-to-day activities of the Bank.

The Board Risk Committee (BRC) comprises certain top-management of the Parent and the President & CEO of the Bank. The mandate of the Committee is to:

- review and approve the policies related to:
- Credit risk
- Market risk
- Operational and Reputational risk
- Liquidity management and other risks of the Bank
- review and update as required the limits framework with respect all risks mentioned above.

The Board Risk Committee (BCC) comprises certain top-management of the Parent and the President & CEO of the Bank. The mandate of the Committee is to:

- approve (sanction) or reject loans to borrowers or group of related borrowers based on expert opinion of relevant Bank's departments
- approve or change (if necessary) terms and conditions, form, type or amount of credit facility depending on the degree of credit risk
- make decisions on the necessity to replace the collateral under previously signed loan agreements and contracts of pledge
- exercise control over execution of decisions previously made by the Committee
- submit materials to the SB of the Bank for consideration and decision-making
- delegate authorities to the Executive Credit Committee

The Audit Committee (AC) comprises certain top-management of the Parent and the President & CEO of the Bank. It supervises the adequacy of internal control systems and the Internal Audit function, external audit reports, the CBR inspection reports, and reports from the Compliance Officer. The Audit Committee meets once a quarter and its reports and recommendations are circulated to the SB.

The EB is responsible for monitoring and implementation of risk mitigation measures and making sure that the Bank operates within the established risk parameters. The EB comprises the President & CEO of the Bank, the Branch Head and the CFO. It is responsible for the day-to-day management of the Bank and reviews key elements of operational performance, including reviews of project implementation schedules, business performance, operational risk and compliance and audit issues.

The Executive Credit Committee (ECC) comprises the President & CEO of the Bank, the Head of the Wholesale Banking Group and the CFO and considers credit approvals and renewals/reviews within defined limits.

The Asset Liability Management Committee (ALMC) comprises the President & CEO of the Bank, the Head of the Risk Management Group, the Head of the Wholesale Banking Group, the CFO. Functions of the ALMC include reviewing the asset/liability profile of the Bank, and setting the asset/liability management policy of the Bank. It also considers other investment and treasury operations matters, implementation of risk mitigation measures, and recommends major policy changes governing treasury activities to the EB/BRC. The BRC reviews adherence to the CBR market risk requirements as well as internal control guidelines and limits.

The Operational and Reputational Risk Management Committee (ORRMC) - the principal objective of the ORRMC is to mitigate operational and reputation risks within the Bank by creation and maintenance of an explicit operational and reputation risks management process. The ORRMC reviews the operational and reputation risks exposure across the Bank (taking into consideration business unit views) and assures that a proper understanding is reached and actions taken to meet the stated goals and objectives of operational and reputation risks management in the Bank.

Both external and internal risk factors are identified and managed throughout the organisation. Particular attention is given to identifying the full range of risk factors and determination of the level of assurance over the current risk mitigation procedures. Apart from the standard credit and market risk analysis, the Risk Management Group monitors financial and non-financial risks by holding regular meetings with operational units in order to obtain expert judgments in their areas of expertise.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and other price risk. Market risk arises from open positions in interest rate, currency and equity financial instruments, which are exposed to general and specific market movements and changes in the level of volatility of market prices.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, whilst optimizing the return on risk.

Overall authority for market risk is vested in the EB and the ALMC, both chaired by the President & CEO of the Bank. Market risk limits are approved by the ALMC and the EB based on recommendations of the Risk Management Group.

The Bank manages its market risk by setting open position limits in relation to financial instrument, interest rate, maturity and currency positions and stop-loss limits. These are monitored on a regular basis and reviewed and approved by the EB.

The management of the interest rate risk component of market risk, by monitoring interest rate gaps, is supplemented by monitoring the sensitivity of the Bank's net interest margin to various standard and non-standard interest rate scenarios.

The Bank also utilizes the Value at Risk (VAR) methodology to monitor market risk of its trading positions.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Bank is exposed to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes but may also reduce or create losses in the event that unexpected movements occur.

Interest rate risk arises when the actual or forecasted assets of a given maturity period are either greater or less than the actual or forecasted liabilities in that maturity period.

Average interest rates

The table below displays average effective interest rates for interest bearing assets and liabilities at December 31, 2013 and 2012. These interest rates are an approximation of the yields to maturity of these assets and liabilities.

	2013			*2012*		
	Average effective interest rate, %			*Average effective interest rate, %*		
	RUB	**US$**	**Other currencies**	*RUB*	*US$*	*Other currencies*
Interest bearing assets						
Placements with banks and other financial institutions	**6.26**	**0.00**	**—**	*5.93*	*0.40*	*—*
Loans to customers	**12.08**	**8.31**	**—**	*10.81*	*7.21*	*—*
Available-for-sale financial assets	**6.97**	**—**	**—**	*7.30*	*—*	*—*
Interest bearing liabilities						
Deposits and balances from banks	**0.00**	**2.91**	**0.00**	*0.00*	*3.59*	*0.00*
Current accounts and deposits from customers						
- Term deposits	**7.95**	**2.29**	**4.69**	*8.15*	*0.27*	*4.34*
Promissory notes	**—**	**—**	**10.00**	*—*	*—*	*10.00*
Subordinated debt	**—**	**2.87**	**—**	*—*	*3.15*	*—*

Interest rate sensitivity analysis

An analysis of sensitivity of profit or loss (net of tax) and equity to changes in interest rates (repricing risk) based on a simplified scenario of a 100 basis point (bp) symmetrical fall or rise in all yield curves and positions of interest bearing assets and liabilities existing at December 31, 2013 and 2012 is as follows:

(₹ in million)

	2013	*2012*
100 bp parallel fall	**(8.1)**	*(9.0)*
100 bp parallel rise	**8.1**	*9.0*

Currency risk

The Bank has assets and liabilities denominated in several foreign currencies.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. Although the Bank hedges its exposure to currency risk, such activities do not qualify as hedging relationships in accordance with IFRS.

The following table shows the currency exposure structure of assets and liabilities at December 31, 2013:

(₹ in million)

	RUB	US$	Other currencies	Total
ASSETS				
Cash and cash equivalents	**324.9**	**222.5**	**51.0**	**598.4**
Mandatory reserve deposit with the Central Bank of the Russian Federation	**56.8**	—	—	**56.8**
Placements with banks and other financial institutions	**1,306.7**	**72.1**	—	**1,378.8**
Loans to customers	**2,224.6**	**3,868.7**	—	**6,093.3**
Available-for-sale financial assets	**593.3**	—	—	**593.3**
Property, equipment and intangible assets	**47.9**	—	—	**47.9**
Deferred tax asset	**20.5**	—	—	**20.5**
Other assets	**44.3**	—	—	**44.3**
Total assets	**4,619.0**	**4,163.3**	**51.0**	**8,833.3**
LIABILITIES				
Deposits and balances from banks	**2.3**	**2,906.1**	—	**2,908.4**
Current accounts and deposits from customers	**535.3**	**130.3**	**7.0**	**672.6**
Subordinated debt	—	**1,246.3**	—	**1,246.3**
Promissory notes	—	—	**0.4**	**0.4**
Other liabilities	**6.7**	—	—	**6.7**
Total liabilities	**544.3**	**4,282.7**	**7.4**	**4,834.4**
Net position	**4,074.7**	**(119.4)**	**43.6**	**3,998.9**

The following table shows the currency exposure structure of assets and liabilities at December 31, 2012:

(₹ in million)

	RUB	*US$*	*Other currencies*	*Total*
ASSETS				
Cash and cash equivalents	*199.1*	*539.8*	*36.4*	*775.3*
Mandatory reserve deposit with the Central Bank of the Russian Federation	*59.5*	—	—	*59.5*
Placements with banks and other financial institutions	*945.4*	*1,836.7*	—	*2,782.1*
Loans to customers	*3,149.1*	*6,510.4*	—	*9,659.5*
Available-for-sale financial assets	*712.3*	—	—	*712.3*
Property, equipment and intangible assets	*50.0*	—	—	*50.0*
Deferred tax asset	*30.0*	—	—	*30.0*
Other assets	*70.5*	—	—	*70.5*
Total assets	*5,215.9*	*8,886.9*	*36.4*	*14,139.2*
LIABILITIES				
Deposits and balances from banks	*0.4*	*6,188.0*	*0.1*	*6,188.5*
Current accounts and deposits from customers	*904.3*	*1,758.0*	*19.0*	*2,681.3*
Subordinated debt	—	*1,157.5*		*1,157.5*
Promissory notes	—	—	*0.4*	*0.4*
Other liabilities	*7.2*	—	—	*7.2*
Total liabilities	*911.9*	*9,103.5*	*19.5*	*10,034.9*
Net position	*4,304.0*	*(216.6)*	*16.9*	*4,104.3*

A weakening of the RUB, as indicated below, against the following currencies at December 31, 2013 and 2012 would have (decreased) increased equity and profit or loss by the amounts shown below. This analysis is on net of tax basis and is based on foreign currency exchange rate variances that the Bank considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

(₹ in million)

	2013	*2012*
10% depreciation of RUB against US$	**(9.6)**	*(17.3)*
10% depreciation of RUB against other currencies	**3.5**	*1.4*

A strengthening of the RUB against the above currencies at December 31, 2013 and 2012 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Value at Risk (VAR) estimates

VAR is a technique that estimates the potential losses that could occur on risk positions as a result of movements in market rates and prices over a specified time horizon and to a given level of confidence. The VAR model used by the Bank is based upon a 99 percent confidence level and assumes a 10-day holding period depending on the type of positions. The VAR model used is mainly based on historical simulation. The model derives plausible future scenarios based on historical market rate time series, taking into account inter-relationships between different markets and rates. Potential movements in market prices are determined with reference to market data from at least the last 12 months.

Although VAR is a valuable tool in measuring market risk exposures, it has a number of limitations, especially in less liquid markets as follows:

- the use of historical data as a basis for determining future events may not encompass all possible scenarios, particularly those that are of an extreme nature
- a 10-day holding period assumes that all positions can be liquidated or hedged within that period. This is considered to be a realistic assumption in almost all cases but may not be the case in situations in which there is severe market illiquidity for a prolonged period
- the use of a 99% confidence level does not take into account losses that may occur beyond this level. There is a one percent probability that the loss could exceed the VAR estimate
- VAR is only calculated on the end-of-day balances and does not necessarily reflect exposures that may arise on positions during the trading day
- the VAR measure is dependent upon the position and the volatility of market prices. The VAR of an unchanged position reduces if market volatility declines and vice versa.

The Bank does not solely rely on its VAR calculations in its market risk measurement due to inherent risk of usage of VAR as described above. The limitations of the VAR methodology are recognised by supplementing VAR limits with other position and sensitivity limit structures, including limits to address potential concentration risks within each trading portfolio, and gap analysis.
A summary of the VAR estimates of losses that could occur in respect of the portfolio of financial instruments at fair value at December 31, is as follows:

(₹ in million)

	2013	*2012*
Fixed income securities interest rate risk	**0.7**	*0.5*

Credit risk

Credit risk is the risk of financial loss to the Bank if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Bank has policies and procedures for the management of credit exposures (both for recognised financial assets and unrecognised contractual commitments), including guidelines to limit portfolio concentration and the establishment of the ECC, which actively monitors credit risk. The credit and recovery policy is reviewed and approved by the SB.

The credit and recovery policy establishes:

- procedures for review and approval of loan applications
- credit rating framework
- formation of provisions
- methodology for the credit assessment of borrowers (corporate and retail) and other counterparties, issuers and insurance companies
- methodology for the evaluation of collateral
- credit documentation requirements
- limits on portfolio concentrations
- procedures for the ongoing monitoring of loans and other credit exposures.

Corporate loan applications are originated by the Corporate Credit Department, which is responsible for the corporate loan portfolio. Reports produced by the Department's credit analysts are based on a structured analysis focusing on the borrower's business and financial performance. The loan application and the report are then independently reviewed by the Risk Management Group's Credit Risk Manager and a second opinion with a credit rating and risk based pricing is given accompanied by a verification that credit policy requirements have been met. The Credit Committee reviews the loan application on the basis of submissions by the Corporate Credit Department and the Risk Management Group. Individual transactions are also reviewed by the Legal and Compliance Department, Security and Accounting departments depending on the specific risks and pending final approval of the BCC.

The Bank continuously monitors the performance of individual credit exposures and regularly reassesses the creditworthiness of its borrowers. The review is based on the borrower's most recent financial statements and other information submitted by the borrower, or otherwise obtained by the Bank. The current market value of collateral is regularly reviewed by the Bank's specialists.

Apart from individual customer analysis, the whole credit portfolio is assessed by the Risk Management Group with regard to credit concentration and market risks.

The maximum exposure to credit risk is generally reflected in the carrying amounts of financial assets in the statement of financial position and unrecognised contractual commitment amounts. The impact of possible netting of assets and liabilities to reduce potential credit exposure is not significant.

The Bank monitors concentrations of credit risk by industry/sector and by geographic location. For the analysis of concentration of credit risk in respect of loans to customers refer to note 6.

The Bank holds collateral against loans to customers in the form of real estate, registered securities and guarantees.

For the analysis of collateral held against loans to customers and concentration of credit risk in respect of loans to customers refer to note 6.

The total exposure to credit risk from non-funded contractual commitments at the reporting date is presented in note 24.

Liquidity risk

Liquidity risk is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk exists when the maturities of assets and liabilities do not match. The matching and/or controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to liquidity management. It is unusual for financial institutions ever to be completely matched since business transacted is often of an uncertain term and of different types. An unmatched position potentially enhances profitability, but can also increase the risk of losses.

The Bank maintains liquidity management with the objective of ensuring that funds will be available at all times to honor all cash flow obligations as they become due. The liquidity related policies are reviewed and approved by the SB and EB.

The Bank seeks to actively support a diversified and stable funding base comprising long-term and short-term loans from other banks, core corporate and retail customer deposits, accompanied by diversified portfolios of highly liquid assets, in order to be able to respond quickly and smoothly to unforeseen liquidity requirements.

The liquidity management policy requires:

- projecting cash flows by major currencies and considering the level of liquid assets necessary in relation thereto
- maintaining a diverse range of funding sources
- managing the concentration and profile of debts
- maintaining debt financing plans
- maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any interruption to cash flow
- maintaining liquidity and funding contingency plans
- monitoring liquidity ratios against regulatory requirements.

The Treasury Division receives information from business units regarding the liquidity profile of their financial assets and liabilities and details of other projected cash flows arising from projected future business. The Treasury Division then provides for an adequate portfolio of short-term liquid assets to be maintained, largely made up of short-term liquid trading securities, loans and deposits to banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Bank as a whole.

The daily liquidity position is monitored and regular liquidity stress testing under a variety of scenarios covering both normal and more severe market conditions is performed by the Treasury Division. Under the normal market conditions, liquidity reports covering the liquidity position are presented to senior management on a weekly basis. Decisions on liquidity management are made by the ALMC and implemented by the Treasury Division.

The following tables show the undiscounted cash flows on financial liabilities and credit-related commitments on the basis of their earliest possible contractual maturity. The total gross outflow disclosed in the tables is the contractual, undiscounted cash flow on the financial liability or commitment. For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee can be called.

The maturity analysis for financial liabilities at December 31, 2013 is as follows:

(₹ in million)

	Demand and less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 1 year	Total gross amount	Carrying amount
LIABILITIES							
Deposits and balances from banks	5.9	1,747.8	1,176.4	—	—	2,930.1	2,908.5
Current accounts and deposits from customers	469.3	37.2	11.1	41.9	153.4	712.9	672.6
Subordinated debt	—	17.7	—	17.7	1,318.6	1,354.0	1,246.3
Promissory notes	—	—	—	—	0.6	0.6	0.4
Other liabilities	—	6.6	—	0.1	—	6.7	6.7
Total liabilities	475.2	1,809.3	1,187.5	59.7	1,472.6	5,004.3	4,834.5
Credit related commitments	5.4	48.5	—	—	—	53.9	53.9

The maturity analysis for financial liabilities at December 31, 2012 is as follows:

(₹ in million)

	Demand and less than 1 month	*From 1 to 3 months*	*From 3 to 6 months*	*From 6 to 12 months*	*More than 1 year*	*Total gross amount*	*Carrying amount*
LIABILITIES							
Deposits and balances from banks	1.0	341.9	212.3	4,698.9	1,158.6	6,412.7	6,188.5
Current accounts and deposits from customers	2,171.7	206.1	119.2	63.2	160.4	2,720.6	2,681.2
Subordinated debt	—	18.1	—	18.1	1,267.2	1,303.4	1,157.5
Promissory notes	—	—	—	—	0.5	0.5	0.4
Other liabilities	—	7.1	0.1	0.1	—	7.3	7.2
Total liabilities	2,172.7	573.2	331.6	4,780.3	2,586.7	10,444.5	10,034.8
Credit related commitments	238.7	30.3	1.5	—	—	270.5	270.5

In accordance with Russian legislation, individuals can withdraw their term deposits at any time, forfeiting in most of the cases the accrued interest. These deposits are classified in accordance with their stated maturity dates. The amount of such deposits at December 31, 2013 and 2012, by each time band, is as follows:

(₹ in million)

	2013	*2012*
demand and less than 3 months	**15.7**	*10.9*
from 3 to 6 months	**8.8**	*11.1*
from 6 to 12 months	**34.3**	*56.2*
more than 1 year	**108.7**	*98.0*
	167.5	*176.2*

Management expects that the cash flows from certain financial liabilities will be different from their contractual terms either because management has the discretionary ability to manage the cash flows or because past experience indicates that cash flows will differ from contractual terms.

The table below shows an analysis, by expected maturities, of the amounts recognised in the statement of financial position at December 31, 2013:

(₹ in million)	Demand and less than 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	More that 5 years	No Maturity	Overdue	Total
Non-derivative assets								
Cash and cash equivalents	598.3	—	—	—	—	—	—	598.3
Mandatory reserve deposit with the CBR	7.6	28.0	19.3	2.0	—	—	—	56.9
Placements with banks and other financial institutions	1,378.8	—	—	—	—	—	—	1,378.8
Loans to customers	98.2	734.6	893.5	2,341.1	861.2	—	1,164.6	6,093.2
Available-for-sale financial assets	—	—	—	593.3	—	—	—	593.3
Property, equipment and intangible assets	—	—	—	—	—	47.9	—	47.9
Deferred tax asset	—	—	—	—	—	20.5	—	20.5
Other assets	—	22.9	10.5	10.5	0.4	—	—	44.3
Total assets	2,082.9	785.5	923.3	2,946.9	861.6	68.4	1,164.6	8,833.2
Non-derivative liabilities								
Deposits and balances from banks	3.1	1,732.4	1,173.0	—	—	—	—	2,908.5
Current accounts and deposits from customers	469.1	36.3	43.1	124.1	—	—	—	672.6
Subordinated debt	—	—	—	1,246.3	—	—	—	1,246.3
Promissory notes	—	—	—	—	0.4	—	—	0.4
Other liabilities	—	6.6	0.1	—	—	—	—	6.7
Total liabilities	472.2	1,775.3	1,216.2	1,370.4	0.4	—	—	4,834.5
Net position	1,610.7	(989.8)	(292.9)	1,576.5	861.2	68.4	1,164.6	3,998.7

The table below shows an analysis, by expected maturities, of the amounts recognised in the statement of financial position at December 31, 2012:

(₹ in million)	*Demand and less than 1 month*	*From 1 to 3 months*	*From 3 to 12 months*	*From 1 to 5 years*	*More that 5 years*	*No Maturity*	*Overdue*	*Total*
Non-derivative assets								
Cash and cash equivalents	*775.3*	—	—	—	—	—	—	*775.3*
Mandatory reserve deposit with the CBR	*14.6*	*3.3*	*33.0*	*8.6*	—	—	—	*59.5*
Placements with banks and other financial institutions	*2,782.1*	—	—	—	—	—	—	*2,782.1*
Loans to customers	*474.5*	*1,415.8*	*3,113.9*	*1,036.9*	*3,091.3*	—	*527.1*	*9,659.5*
Available-for-sale financial assets	—	—	—	*712.3*	—	—	—	*712.3*
Property, equipment and intangible assets	—	—	—	—	—	*50.1*	—	*50.1*
Deferred tax asset	—	—	—	—	—	*30.0*	—	*30.0*
Deferred tax asset	*6.4*	*52.4*	*1.4*	*10.4*	—	—	—	*70.6*
Total assets	*4,052.9*	*1,471.5*	*3,148.3*	*1,768.2*	*3,091.3*	*80.1*	*527.1*	*14,139.4*
Non-derivative liabilities								
Non-derivative liabilities	*1.0*	*287.4*	*4,751.8*	*1,148.3*	—	—	—	*6,188.5*
Deposits and balances from banks	*2,170.8*	*201.7*	*174.3*	*134.4*	—	—	—	*2,681.2*
Current accounts and deposits from customers	—	—	—	*1,157.5*	—	—	—	*1,157.5*
Subordinated debt	—	—	—	—	*0.4*	—	—	*0.4*
Promissory notes	—	*7.1*	*0.1*	—	—	—	—	*7.2*
Other liabilities	*2,171.8*	*496.2*	*4,926.2*	*2,440.2*	*0.4*	—	—	*10,034.8*
Net position	*1,881.1*	*975.3*	*(1,777.9)*	*(672.0)*	*3,090.9*	*80.1*	*527.1*	*4,104.6*

The key measures used by the Bank for managing liquidity risk are the indicators – risk level of short term liquidity assets, structural liquidity, liquidity structure and concentration risk and lead indicators – the risk direction of the last 3 months and trend in liquidity gaps over the last 3 months.

The reported indicators of liquid assets to liquid liabilities at the reporting date and during the reporting period are as follows:

Indicator	**Range**	**Decemeber 31, 2013**	*Decemeber 31, 2012*
Cumulative liquidity gap in "up to 1 month" bucket	Risk level Low ≥ ₹ 1,237.0 million Med < ₹ 1,237.0 million but ≥ 0 High < 0	₹ 1,610.7 million	*₹ 1,881.1 million*
Liquid assets to short term liabilities ratio	Risk level Low ≥ 1.00 Med < 1.00 but ≥0.55 High < 0.55	4.41	*1.80*

The Bank also calculates mandatory liquidity ratios on a daily basis in accordance with the requirements of the CBR. These ratios include:

- on-call liquidity ratio (N2), which is calculated as the ratio of highly liquid assets to liabilities payable on demand
- current liquidity ratio (N3), which is calculated as the ratio of liquid assets to liabilities maturing within 30 calendar days
- long-term liquidity ratio (N4), which is calculated as the ratio of assets maturing after 1 year to the equity and liabilities maturing after 1 year.

The Bank was in compliance with these ratios during the years ended December 31, 2013 and 2012. The following table shows the mandatory liquidity ratios calculated at December 31, 2013 and 2012.

	Requirement	2013, %	2012, %
Instant liquidity ratio (N2)	Not less than 15%	**292.3**	*133.0*
Current liquidity ratio (N3)	Not less than 50%	**529.8**	*196.6*
Long-term liquidity ratio (N4)	Not more than 120%	**70.1**	*62.0*

23. CAPITAL MANAGEMENT

The CBR sets and monitors capital requirements for the Bank.

The Bank defines as capital those items defined by statutory regulation as capital for credit institutions. Under the current capital requirements set by the CBR, banks have to maintain a ratio of capital to risk weighted assets (statutory capital ratio) above the prescribed minimum level. At December 31, 2013, this minimum level is 10%. The Bank is in compliance with the statutory capital ratio during the years ended December 31, 2013 and 2012:

(₹ in million)

	December 31, 2013	December 31, 2012
Risk weighted assets - Credit risk	**10,251.2**	*14,111.0*
Risk weighted assets - Operational risk	**153.5**	*145.4*
Risk weighted assets - Market risk	**123.6**	*—*
Total risk weighted assets	**10,528.3**	*14,256.4*
Primary capital	**3,638.9**	*3,935.3*
Additional capital	**705.1**	*883.9*
Total capital	**4,344.0**	*4,819.2*
Capital Adequacy Ratio (N1)	**41.26%**	*33.80%*

Starting from April 1, 2013 the Bank calculates the amounts of capital and capital adequacy ratios in accordance with the CBR requirements based on Basel III requirements. The amounts of capital and capital adequacy ratios were used by the CBR in 2013 for information purposes and not for supervision purposes. At January 1, 2014, the Bank was in compliance with capital adequacy ratios based on new requirements.

24. COMMITMENTS

The Bank has outstanding commitments to extend loans. These commitments take the form of approved loans and overdraft facilities.

The Bank provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. These agreements have fixed limits and generally extend for a period of up to one year.

The Bank applies the same credit risk management policies and procedures when granting credit commitments, financial guarantees and letters of credit as it does for granting loans to customers.

The contractual amounts of commitments are set out in the following table by category. The amounts reflected in the table for commitments assume that amounts are fully advanced. The amounts reflected in the table for guarantees and letters of credit represent the maximum accounting loss that would be recognised at the reporting date if counterparties failed completely to perform as contracted.

(₹ in million)

	2013	2012
Contracted amount		
Guarantees and letters of credit	**51.7**	*46.4*
Loan and credit line commitments	**2.2**	*224.1*
	53.9	*270.5*

The total outstanding contractual commitments above do not necessarily represent future cash requirements, as these commitments may expire or terminate without being funded. The majority of loan and credit line commitments do not represent an unconditional commitment by the Bank.

Guarantees and letters of credit are covered by counter guarantees of other legal entities in amount of ₹ 51.7 million (2012: ₹ 6.1 million).

Concentration of loan and credit line commitments

At December 31, 2013, the Bank has 1 client (2012: 2 clients), whose balances individually exceed 10% of total loan and credit line commitments. The gross value of these balances at December 31, 2013 is ₹ 2.2 million (2012: ₹ 224.1 million).

Concentration of guarantees and letters of credit

At December 31, 2013, the Bank has 1 client (2012: 2 clients), whose balances individually exceed 10% of total guarantees and letters of credit. The gross value of these balances at December 31, 2013 is ₹ 48.5 million (2012: ₹ 44.4 million).

25. OPERATING LEASES

Leases as lessee

Non-cancelable operating lease rentals at December 31, are payable as follows:

(₹ in million)

	2013	2012
Less than 1 year	**30.4**	*27.7*
Between 1 and 5 years	**95.7**	*89.5*
	126.1	*117.2*

The Bank leases a number of premises under operating leases. The leases typically run for an initial period of five to ten years, with an option to renew the lease after that date. Lease payments are usually increased annually to reflect market rentals. None of the leases includes contingent rentals.

26. CONTINGENCIES

Insurance

The insurance industry in the Russian Federation is in a developing state and many forms of insurance protection common in other parts of the world are not yet generally available. The Bank does not have full coverage for its premises, business interruption, or third party liability in respect of property or environmental damage arising from accidents on its property or relating to operations. Until the Bank obtains adequate insurance coverage, there is a risk that the loss or destruction of certain assets could have a material adverse effect on operations and financial position.

Litigation

In the ordinary course of business, the Bank is subject to legal actions and complaints. Management believes that the ultimate liability, if any, arising from such actions or complaints will not have a material adverse effect on the financial condition or the results of future operations.

Taxation contingencies

The taxation system in the Russian Federation continues to evolve and is characterised by frequent changes in legislation, official pronouncements and court decisions, which are sometimes contradictory and subject to varying interpretation by different tax authorities. Taxes are subject to review and investigation by a number of authorities who have the authority to impose severe fines, penalties and interest charges. A tax year remains open for review by the tax authorities during the three subsequent calendar years; however, under certain circumstances a tax year may remain open longer. Recent events within the Russian Federation suggest that the tax authorities are taking a more assertive position in their interpretation and enforcement of tax legislation.

Starting from January 1, 2012 new transfer pricing rules came into force in Russia. They provide the possibility for tax authorities to make transfer pricing adjustments and impose additional tax liabilities in respect of controllable transactions if their prices deviate from the market range or profitability range. According to the provisions of transfer pricing rules, the taxpayer should sequentially apply 5 methods of market price determination prescribed by the Tax Code.

Tax liabilities arising from transactions between companies are determined using actual transaction prices. It is possible with the evolution of the interpretation of the transfer pricing rules in the Russian Federation and the changes in the approach of the Russian tax authorities, that such transfer prices could be challenged. Given the short period since the current Russian transfer pricing rules became effective, the impact of any such challenge cannot be reliably estimated; however, it may be significant to the financial position and/or the overall operations of the Bank.

These circumstances may create tax risks in the Russian Federation that are substantially more significant than in other countries. Management believes that it has provided adequately for tax liabilities based on its interpretations of applicable

Russian tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on the financial position of the Bank, if the authorities were successful in enforcing their interpretations, could be significant.

27. RELATED PARTY TRANSACTIONS

Control relationships

The party with ultimate control over the Bank (and also its direct parent company) is ICICI Bank Limited, India, which produces publicly available financial statements.

Transactions with the members of the Supervisory Board and the Execitive Board

Total remuneration included in personnel expenses for the years ended December 31, 2013 and 2012 is as follows:

(₹ in million)

	2013	*2012*
Members of the Supervisory Board	**1.8**	*1.8*
Members of the Executive Board	**40.0**	*21.1*
	41.8	*22.9*

The outstanding balances and average effective interest rates at December 31, 2013 and 2012 for transactions with the members of the Supervisory Board and the Execitive Board are as follows:

	2013 (₹ in million)	**Average effective interest rate**	*2012 (₹ in million)*	*Average effective interest rate*
Statement of financial position				
LIABILITIES				
Current accounts and deposits from customers	**1.9**	**0.00**	*23.3*	*8.36*

Other amounts included in profit or loss in relation to transactions with the members of the Supervisory Board and the Execitive Board for the year ended December 31, are as follows:

(₹ in million)

	2013	*2012*
Statement of comprehensive income		
Interest expense	**(1.9)**	*(2.2)*

Transactions with other related parties

The outstanding balances and the related average effective interest rates at December 31, 2013 and December 31, 2012 and related profit or loss amounts of transactions for the years ended December 31, 2013 and 2012 with related parties are as follows:

	2013		*2012*	
	(₹ in million)	**Average effective interest rate, %**	*(₹ in million)*	*Average effective interest rate, %*
Statement of financial position				
ASSETS				
Cash and cash equivalents	**19.8**	**—**	*3,575*	—
LIABILITIES				
Deposits and balances from banks	**1,239.4**	**3.67**	*3,038,434*	*3.64*
Subordinated debt	**1,246.3**	**2.87**	*612,534*	*3.15*
Items not recognised in the statement of financial position				
Guarantees given	**—**	**—**	*0.5*	—
Statement of profit or loss and other comprehensive income				
Interest expense	**(217.1)**	**—**	*(268.5)*	—
Fee expenses	**(5.8)**	**—**	—	—
Income on foreign exchange transactions	**0.2**	**—**	—	—

Deposits and balances with related parties banks mature within one year. Transactions with related parties are not secured.

28 FINANCIAL ASSETS AND LIABILITIES: FAIR VALUES AND ACCOUNTING CLASSIFICATIONS

The estimates of fair value are intended to approximate the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. However given the uncertainties and the use of subjective judgment, the fair value should not be interpreted as being realizable in an immediate sale of the assets or transfer of liabilities.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments the Bank determines fair values using other valuation techniques.

The Bank uses widely recognised valuation models for determining the fair value of common and more simple financial instruments, like interest rate and currency swaps that use only observable market data and require little management judgment and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple over the counter derivatives like interest rate swaps.

At December 31, 2013 and 2012, the estimated fair values of all financial assets and liabilities except for non-impaired available-for-sale financial assets are calculated using discounted cash flow techniques based on estimated future cash flows and discounted rates for similar instruments at the reporting dates.

Fair value hierarchy

The Bank measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

- Level 1: quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: inputs other than quotes prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The table below analyses financial instruments measured at fair value at December 31, 2013, by the level in the fair value hierarchy into which the fair value measurement is categorised:

(₹ in million)	**Level 1**	**Level 2**	**Level 3**	**Total**
Available-for-sale financial assets				
- fixed income instruments	**593.3**	**—**	**—**	**593.3**
	593.3	**—**	**—**	**593.3**

The table below analyses financial instruments measured at fair value at December 31, 2012, by the level in the fair value hierarchy into which the fair value measurement is categorised:

(₹ in million)	*Level 1*	*Level 2*	*Level 3*	*Total*
Available-for-sale financial assets				
- fixed income instruments	*596.8*	—	*115.5*	*712.3*
	596.8	—	*115.5*	*712.3*

The following table shows a reconciliation for the year ended December 31, for fair value measurements in Level 3 of the fair value hierarchy:

(₹ in million)	Available-for-sale financial assets	
Balance at beginning of the year	**2013**	*2012*
Transfers into level 3	**115.5**	—
Total gains or losses:	**—**	*175.7*
in profit or loss		
- impairment loss (note 18)	**(115.5)**	*(120.2)*
- interest income (note 15)	**—**	*15.5*
in other comprehensive income		
- net change in fair value transferred to profit or loss	**—**	*49.6*
Repayment	**—**	*(5.1)*
Balance at end of the year	**—**	*115.5*

The following table analyses the fair value of financial instruments not measured at fair value, by the level in the fair value hierarchy into which each fair value measurement is categorised at December 31, 2013.

(₹ in million)	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
ASSETS					
Cash and cash equivalents	**—**	**598.3**	**—**	**598.3**	**598.3**
Placements with banks and other financial institutions	**—**	**—**	**1,378.8**	**1,378.8**	**1,378.8**
Loans to customers	**—**	**—**	**5,893.8**	**5,893.8**	**5,893.8**
LIABILITIES					
Deposits and balances from banks	**—**	**—**	**2,908.5**	**2,908.5**	**2,908.5**
Current accounts and deposits from customers	**—**	**—**	**672.6**	**672.6**	**672.6**
Subordinated debt	**—**	**—**	**1,246.3**	**1,246.3**	**1,246.3**
Promissory notes	**—**	**—**	**0.4**	**0.4**	**0.4**

The following table analyses the fair value of financial instruments not measured at fair value, by the level in the fair value hierarchy into which each fair value measurement is categorised at December 31, 2012.

(₹ in million)	*Level 1*	*Level 2*	*Level 3*	*Total fair values*	*Total carrying amount*
ASSETS					
Cash and cash equivalents	—	*775.3*	—	*775.3*	*775.3*
Placements with banks and other financial institutions	—	—	*2,782.1*	*2,782.1*	*2,782.1*
Loans to customers	—	—	*9,659.5*	*9,659.5*	*9,659.5*
LIABILITIES					
Deposits and balances from banks	—	—	*6,188.5*	*6,188.5*	*6,188.5*
Current accounts and deposits from customers	—	—	*2,681.2*	*2,681.2*	*2,681.2*
Subordinated debt	—	—	*1,157.5*	*1,157.5*	*1,157.5*
Promissory notes	—	—	*0.4*	*0.4*	*0.4*

The Bank has a control framework with respect to the measurement of fair values. This framework worked out by the Risk Management Group, which is independent of front office management and reports to the President & CEO, and which has overall responsibility for independently verifying the results of investment operations and all significant fair value measurements. Specific controls include:

- verification of observable pricing
- re-performance of model valuations
- a review and approval process for new models and changes to existing models
- quarterly calibration and back testing of models against observed market transactions
- analysis and investigation of significant daily valuation movements
- review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 instruments compared to previous month, by the President & CEO and the Head of the Risk Management Group.

Where third-party information, such as broker quotes or pricing services, are used to measure fair value, Risk Management Group assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS. This includes:

- verifying that the broker or pricing service is approved by the Bank for use in pricing the relevant type of financial instrument
- understanding how the fair value has been arrived at the extent to which it represents actual market transactions
- when prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement
- where a number of quotes for the same financial instrument have been obtained, how fair value has been determined using those quotes.

Significant valuation issues are reported to the Audit Committee

Satyaprasad M.V.	Braiko T. V.
President & Chief Executive Officer	*Acting Chief Accountant*

ICICI PRUDENTIAL ASSET MANAGEMENT COMPANY LIMITED

21ST ANNUAL REPORT AND ACCOUNTS 2013-2014

Directors
Chanda Kochhar, *Chairperson*
N. S. Kannan
Barry Stowe
Vijay Thacker
C. R. Muralidharan
Suresh Kumar
M. K. Sharma
Nimesh Shah, *Managing Director*

Auditors
B S R & Co. LLP
Chartered Accountants

Rakesh Shetty
Company Secretary

Registered Office
12th Floor, Narain Manzil
23, Barakhamba Road
New Delhi - 110 001

Corporate Identity Number
U99999DL1993PLC054135

Corporate Office
3rd Floor, Hallmark
Business Plaza
Sant Dyaneshwar Marg
Bandra (East)
Mumbai - 400 051

directors' report

to the members,

Your Directors have pleasure in presenting the Twenty First Annual Report, together with the audited accounts of ICICI Prudential Asset Management Company Limited (the AMC/the Company) for the year ended March 31, 2014 (fiscal 2014).

FINANCIAL RESULTS

A summary of the Company's financial results for fiscal 2014 are as follows:

		(₹ in million)
	Fiscal 2014	*Fiscal 2013*
Gross Income	**5,491.1**	*3,892.1*
Expenses	**2,724.4**	*2,249.0*
Profit / (Loss) before Tax	**2,766.7**	*1,643.1*
Provision for Taxation	**939.8**	*541.1*
Profit / (Loss) after Tax	**1,826.9**	*1,102.0*
Profit/(Loss) brought forward from previous year	**890.5**	*596.2*
Profit available for appropriation	**2,717.4**	*1,698.2*
Appropriations		
Transfer to General Reserve	**182.7**	*110.2*
Interim Dividend	**706.1**	600.2
Dividend (Final)	**—**	—
Dividend Tax	**120.0**	*97.3*
Balance Profit Carried Forward	**1,708.6**	*890.5*

DIVIDEND

The Directors of the Company have pleasure in informing that the Company had declared interim dividends during the year in the following manner:

Record Date for Dividend	Rate of Dividend	Total Dividend Amount (₹ in million)
June 27, 2013	₹ 5 per share (50% of the face value)	88.3
September 25, 2013	₹ 10 per share (100% of the face value)	176.5
December 27, 2013	₹ 5 per share (50% of the face value)	88.3
March 25, 2014	₹ 20 per share (200% of the face value)	353.0

OPERATIONS DURING THE YEAR

a. Average Assets Under Management (AUM): The AUM of the Fund at March 31, 2014 was ₹ 1,068.22 billion. Your Directors are pleased to notify that during this financial year, overall AUM of the Fund crossed ₹ 1,000.00 billion.

b. Awards received by ICICI Prudential Mutual Fund (the Fund): In the 2014 India Fund Awards by Morningstar India, ICICI Prudential Asset Management Company bagged all the three 'Best Fund House' category awards, a first time for an Indian Asset Management Company, including the best fund house of the year, in all three categories-Equity, Debt, and Multi-Assets. Morningstar Inc. is a leader in the independent investment research space globally. Besides this, the fund house received numerous other prestigious accolades during the year like Best fund house for the period of three years in both- the mixed assets and overall category by Lipper Awards, Best Fund House of the Year by Business Today and Best Fund House at the Money Today FPCIL Awards.

Sankaran Naren and Mittul Kalawadia (Fund Managers of ICICI Prudential Dynamic Plan) were adjudged as Best Equity Fund Managers by Business Standard.

c. Sales, Operations and Consumer Service: Your Company has established a wide network of 124 well-equipped offices for selling its products and rendering timely and efficient services to its customers located at various locations across the country.

d. Personnel: Your Company continues to place emphasis on attracting and recruiting quality manpower and takes a lot of effort in training and retaining them. The total strength of the Company at March 31, 2014 stood at 773 against 648 at March 31, 2013.

UPDATE ON NEW PRODUCTS

During fiscal 2014, your Company has launched the following new schemes under the Fund.

Sr. no.	Name of Scheme	Scheme Type	Date of Allotment	Amount Mobilized (₹ in million)
1.	Multiple Yield Fund Series	Close-ended Debt Scheme	Various dates	6,339.1
2.	Capital Protection Oriented Schemes	Close-ended Debt Scheme	Various dates	8,208.2
3.	Fixed Maturity Plans	Close-ended Debt Scheme	Various dates	162,679.2
4.	Interval Plans	Debt oriented interval fund	Various dates	3,958.3
5.	ICICI Prudential Value Series 1, 2 and 3	Value Fund	Various dates	12,810.6
6.	ICICI Prudential CNX100 ETF	Exchange traded Fund	August 20, 2013	101.4
7.	ICICI Prudential Global Stable Equity Fund	International Fund of Fund	September 13, 2013	744.5
8.	ICICI Prudential Equity Savings Fund	RGESS Fund	February 24, 2014	452.0

During the year the Company has raised an aggregate amount of ₹ 195.29 billion during respective new fund offer periods.

to the members,

PORTFOLIO MANAGEMENT AND OTHER SERVICES

As you are aware, the Company is offering Portfolio Management and Advisory Services across equity, fixed income and real estate assets. At March 31, 2014, the AMC was rendering Portfolio Management services to 3,233 clients. The Company is also providing investment management services to the scheme under ICICI Prudential Venture Capital Fund under its Portfolio Management Services License. During FY2014, your Company has received a no objection letter from Securities and Exchange Board of India for providing investment management services to the funds launched under Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE ETC.

In fiscal 2014, your Company has earned ₹ 260.6 million (Fiscal 2013 - ₹ 241.7 million) as foreign exchange income and has incurred ₹ 61.3 million (Fiscal 2013- ₹ 67.8 million) towards foreign exchange expenditure. Since the Company does not own any manufacturing facility, the other requirements of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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 Company. The Company has, however, used information technology extensively in its operations.

FIXED DEPOSITS

During the year, the Company did not accepted any deposits from the public under section 58A of the Companies Act, 1956.

DIRECTORS

Section 152 of Companies Act, 2013, notified effective April 1, 2014 provides that independent Directors would need to be excluded from the total number of Directors for the purpose of computing the number of Directors whose period of office will be liable to determination by retirement of directors by rotation.

In terms of the aforesaid provisions, Barry Stowe retires at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

Dileep Choksi has tendered his resignation from the office of directorship of the Company with effect from March 3, 2014. Your Directors place on record their appreciation and gratitude for the guidance offered by him during his tenure as a Director of the Company.

M. K. Sharma was appointed as an Additional Director on Board of Directors of the Company with effect from April 15, 2014. M. K. Sharma holds office up to the date of the forthcoming Annual General Meeting and is eligible for reappointment.

The terms of appointment of independent Directors will be governed by the provisions of Companies Act, 2013.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee consisted of the following Directors at March 31, 2014:

Vijay Thacker

Suresh Kumar

Dileep Choksi ceased to be a member of the Audit and Risk Committee pursuant to his resignation from the Board of Directors of the Company on March 3, 2014. During Fiscal 2014, five meetings of the Audit and Risk Committee were held.

NOMINATION AND REMUNERATION COMMITTEE (PREVIOUSLY NAMED AS GOVERNANCE COMMITTEE)

At March 31, 2014, the Nomination and Remuneration Committee consisted of the following Directors:

Chanda Kochhar

Barry Stowe

Vijay Thacker

During fiscal 2014, one meeting of the Governance Committee was held.

The Board of Directors of the Company has renamed the Governance Committee as the Nomination and Remuneration Committee. Further the Board of Directors of the Company has re-constituted the Committee pursuant to which Suresh Kumar was appointed as a Member and the Chairman of the Committee.

INVESTMENT COMMITTEE

At March 31, 2014, the Investment Committee consisted of the following Directors:

C. R. Muralidharan

N. S. Kannan

Nimesh Shah

During fiscal 2014, two meetings of the Investment Committee were held.

COMMITTEE OF DIRECTORS

At March 31, 2014, the Committee of Directors consisted of the following Directors:

N. S. Kannan

Nimesh Shah

AUDITORS

During the year M/s. B S R and Associates LLP, Chartered Accountant resigned from the office of statutory auditors of the Company. Pursuant to the aforesaid resignation, M/s. B S R and Co. LLP, Chartered Accountants were appointed as statutory auditors of the Company in the Extra Ordinary General Meeting (EGM) held on February 26, 2014 to hold office from the conclusion of EGM till the conclusion of the ensuing Annual General Meeting. The statutory auditors, M/s. B S R and Co. LLP, Chartered Accountants shall retire at the ensuing Annual General Meeting and are eligible for reappointment.

EMPLOYEES

As required by the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
2. that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. that they 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; and
4. that they have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere thanks to the investors and clients for their continued support and patronage.

Your Directors further wish to place on record their appreciation for the support and cooperation received from the Securities and Exchange Board of India, the Reserve Bank of India, Stock Exchanges, Depositories, ICICI Bank Limited and Prudential Corporation plc.

Your Directors thank Computer Age Management Services Private Limited - the Registrar and Transfer Agents to the schemes of the Fund, the Custodians to the Fund and the Company's bankers for the support provided by them in carrying out the operations in an efficient manner.

The Directors would also like to express their sincere thanks and appreciation to all the employees, Agents and Distributors of the products of the Company for their contribution during the year. Finally, the Directors wish to express their gratitude to the Members for their continued support.

For and on behalf of the Board

Chanda Kochhar
Chairperson

Mumbai, May 16, 2014

auditors' report

to the members of ICICI Prudential Asset Management Company Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of ICICI Prudential Asset Management Company Limited ('the Company'), which comprise the Balance sheet as at March 31, 2014, and the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

i. in the case of balance sheet, of the state of affairs of the Company as at March 31, 2014;

ii. in the case of the statement of profit and loss, of the profit for the year ended on that date; and

iii. in the case of cash flow statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

As required by section 227(3) of the Act, 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 purpose of our audit;

b) 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;

c) the balance sheet, statement of profit and loss, and cash flow statement dealt with by this report are in agreement with the books of account;

d) in our opinion, the balance sheet, statement of profit and loss, and cash flow statement dealth with by this report comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act;

e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W

MILIND RANADE
Partner
Membership No.: 100564

Mumbai, April 22, 2014

annexure to auditors' report

annexure to auditors' report - March 31, 2014

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.

ii. The Company is a service company, primarily rendering asset management services to ICICI Prudential Mutual Fund, ICICI Prudential Venture Capital Fund and portfolio management services to its customers. Accordingly, it does not hold any physical inventories. Thus, paragraph 4 (ii) of the Order is not applicable.

iii. According to the information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured to or from, any companies, firms or other parties covered in the register maintained under section 301 of the Act.

iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regards to purchase of fixed assets and with regards to the sale of services. The activities of the Company do not involve the purchase of inventory and sale of goods. We have not observed any major weaknesses in the internal control system during the course of the audit.

v. In our opinion, and according to the information and explanations given to us, there are no contracts and arrangements the particulars of which need to be entered into the register maintained under section 301 of the Companies Act, 1956.

vi. The Company has not accepted any deposits from the public.

vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.

viii. The Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for any of the services rendered by the Company.

ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Income Tax, Service Tax, Provident Fund, Wealth Tax and other material statutory dues during the year with the appropriate authorities. As explained to us the Company did not have any dues on account of Investor Education and Protection Fund, Sales Tax, Excise Duty and Customs Duty.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, wealth tax, service tax and other material statutory dues were in arrears as at March 31, 2014 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us the following disputed dues of Income-tax have not been deposited by the Company.

Name of The Statute	Nature of Dues	Amount (₹ in million)	Period to which the amount relates	Forum where the dispute is pending)
Direct Tax	Income tax demand	3.2	AY 2006-2007	CIT (A)
Direct Tax	Income tax demand	2.1	AY 2007-2008	ITAT
Direct tax	Income tax demand	0.3	AY 2008-2009	ITAT

x. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

xi. The Company did not have any dues to any financial institutions or banks or debenture holders during the year.

xii. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xiii. In our opinion and according to the information and explanations given to us, the Company is not a chit fund / nidhi / mutual benefit fund / society. Accordingly, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.

xiv. Based on information and explanations provided by the management, in respect of dealing and trading in shares and securities, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares and securities have been held by the Company in its own name.

xv. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.

xvi. The Company did not have any term loans outstanding during the year. Accordingly, the provisions of clause 4(xvi) of the Order are not applicable to the Company.

xvii. According to the information and explanations given to us and based on overall examination of the balance sheet of the Company, the Company has not used any funds raised on short-term basis for long-term investment.

xviii. The Company has not made any preferential allotment of shares to companies /firms parties covered in the register maintained under section 301 of the Act.

xix. According to the information and explanations given to us, the Company has not issued any debentures during the year.

xx. The Company has not raised any money by public issues during the year.

xxi. According to the information and explanations given to us, no material frauds on or by the Company has been noticed or reported during the course of our audit.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W

MILIND RANADE
Partner
Membership No.: 100564

Mumbai, April 22, 2014

balance sheet

at March 31, 2014

	Notes	March 31, 2014	March 31, 2013
			(₹ in million)
Equity and liabilities			
Shareholders' funds			
Share capital	3	**176.5**	*176.5*
Reserves and surplus	4	**2,687.1**	*1,686.3*
		2,863.6	*1,862.8*
Non-current liabilities			
Long term provisions	5	**270.2**	*249.0*
		270.2	*249.0*
Current liabilities			
Trade Payables	6	**543.4**	*726.4*
Other current liabilities	7	**565.8**	*284.2*
Short-term provisions	8	**316.4**	*250.6*
		1,425.6	*1,261.2*
TOTAL		**4,559.4**	*3,373.0*
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	**152.1**	*160.0*
Intangible assets	10	**39.8**	*10.1*
Capital work-in-progress		**2.7**	*1.7*
Intangible assets under development		**9.9**	*2.0*
Non-current investments	11	**529.9**	*434.9*
Deferred tax assets (net)	12	**126.7**	*146.0*
Long term loans and advances	13	**1,234.4**	*919.3*
		2,095.5	*1,674.0*
Current assets			
Current investments	14	**354.0**	*644.0*
Trade receivables	15	**386.9**	*291.3*
Cash and bank balances	16	**778.4**	*92.3*
Short-term loans and advances	17	**908.1**	*660.2*
Other current assets	18	**36.5**	*11.2*
		2,463.9	*1,699.0*
TOTAL		**4,559.4**	*3,373.0*
Significant accounting policies and notes to the financials statements	2 – 35		

The Notes referred to above form an integral part of this balance sheet.

statement of profit and loss

for the year ended March 31, 2014

	Note	March 31, 2014	March 31, 2013
			(₹ in million))
Income			
Revenue from operations	19	**5,307.0**	*3,813.5*
Other income	20	**184.1**	78.6
Total revenue		**5,491.1**	*3,892.1*
Expenses			
Employee benefit expenses	21	**1,051.3**	*943.0*
Depreciation and amortisation expenses		**73.4**	*61.4*
Operating and administrative expenses	22	**1,599.7**	*1,244.6*
Total expenses		**2,724.4**	*2,249.0*
Profit before tax		**2,766.7**	*1,643.1*
Tax expenses:			
- Current tax		**934.8**	*534.2*
- Excess provision of earlier years written back		**(14.3)**	*(12.6)*
- Deferred tax expense (includes deferred tax liability of ₹ 36.2 million pertaining to previous year)		**19.3**	*19.5*
Total tax expense		**939.8**	*541.1*
Net Profit after tax		**1,826.9**	*1,102.0*
Earnings per share of face value ₹ 10 each - Basic and Diluted (in ₹)	26	**103.49**	*62.43*
Significant accounting policies and notes to the financial statements	2-35		

The Notes referred to above form an integral part of the statement of profit and loss.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W

MILIND RANADE
Partner
Membership 100564

Mumbai, April 22, 2014

For and on behalf of the Board of Director
ICICI Prudential Asset Management Company Limited

N. S. KANNAN
Director

VIJAY THACKER
Director

NIMESH SHAH
Managing Director

B. RAMAKRISHNA
Chief Financial Officer

RAKESH SHETTY
Company Secretary

cash flow statement

for the year ended March 31, 2014

	March 31, 2014	March 31, 2013
		(₹ in million)
Cash flows from operating activities	**2,766.7**	1,643.1
Net profit before tax for the year		
Adjustment for:		
Depreciation and amortization expenses	**73.4**	61.4
(Profit)/Loss on sale of fixed assets	**(2.1)**	4.5
Interest	**(0.3)**	(0.4)
Investment income (dividend)	**(30.0)**	(34.3)
Investment income on PMS investment	**(50.0)**	(22.3)
(Profit)/Loss on sale of investments (net)	**(15.9)**	(10.5)
Working capital changes		
Increase in long term provisions	**21.2**	50.3
Increase in short term provisions	**52.1**	17.4
(Decrease) / Increase in trade payables	**(183.0)**	264.1
(Decrease) / Increase in other current liabilities	**(56.6)**	185.0
(Increase) in other long-term loans and advances	**(611.1)**	(109.2)
(Increase) in trade receivables	**(95.6)**	(9.6)
(Increase) in short-term loans and advances	**(273.2)**	(297.8)
Direct taxes paid (net of refunds)	**(612.7)**	(582.4)
Cash generated from / (used in) working capital changes	**(1,758.9)**	(482.2)
Net cash provided / (used) by operating activities	**982.9**	1,159.3
Cash flows from investing activities		
Purchase of tangible assets/capital work-in-progress	**(108.9)**	(54.4)
Purchase of investments	**(6,088.3)**	(3,555.7)
Dividend received	**30.0**	34.3
Investment income on PMS investment	**—**	—
Interest received	**50.3**	22.7
Proceeds from sale of fixed assets	**8.9**	6.8
Proceeds from sale of investments	**6,299.1**	3127.6
Net Cash generated / (used) in Investing activities	**191.1**	(418.7)
Cash flows from financing activities		
Dividends paid (including dividend distribution tax)	**(487.9)**	(737.8)
Net cash generated / (used) in financing activities	**(487.9)**	(737.8)
Net (decrease)/increase in cash and cash equivalents (A)	**686.1**	2.8
Add: Cash and cash equivalents at the beginning of the period (B)	**92.3**	89.5
IV. Cash and cash equivalents at the end of the period (A+B)	**778.4**	92.3

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W

MILIND RANADE
Partner
Membership 100564

Mumbai, April 22, 2014

For and on behalf of the Board of Director
ICICI Prudential Asset Management Company Limited

N. S. KANNAN
Director

VIJAY THACKER
Director

NIMESH SHAH
Managing Director

B. RAMAKRISHNA
Chief Financial Officer

RAKESH SHETTY
Company Secretary

1 **BACKGROUND**

ICICI Prudential Asset Management Company Limited ('the Company') was incorporated on June 22, 1993.

The principal shareholders of the Company are ICICI Bank Limited (51%) ('the Holding Company') and Prudential Corporation Holdings Limited (49%) (through its wholly owned subsidiary Prudential Corporation Holdings Limited).

The Company's principal activity is to act as an investment manager to ICICI Prudential Mutual Fund ('the Fund'), to provide portfolio management services ('PMS') to clients under SEBI (Portfolio Managers) Regulations, 1993 and clients under SEBI (Venture Capital Funds) Regulations, 1996 and advisory services to clients. The Company is registered with Securities and Exchange Board of India ('SEBI') under SEBI (Mutual Funds) Regulations, 1996 and under SEBI (Portfolio Managers) Regulations, 1993. The Company manages the investment portfolios of the Fund and provides various administrative services to the Fund and ICICI Prudential Trust Limited as laid down in the Investment Management Agreement dated September 3, 1993.

2 **SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.1 **Basis of preparation**

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, the relevant provisions of the Companies Act, 1956 and other accounting principles generally accepted in India, to the extent applicable.

2.2 **Use of estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles ('GAAP') requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 **Current – non current classification**

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is expected to be realised within 12 months after the reporting date; or
(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in the company's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is due to be settled within 12 months after the reporting date; or
(d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

2.4 **Fixed assets and depreciation**

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes all expenses incidental to the acquisition of the fixed assets and any attributable cost of bringing the asset to its working condition for its intended use. Depreciation is charged over the estimated useful life of a fixed asset on a straight line basis.

The depreciation rates prescribed in Schedule XIV to the Companies Act, 1956 are considered as minimum rates. If the management's estimate of the estimated useful life of the fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid Schedule XIV, depreciation is charged at a higher rate based on the management's estimate of the estimated useful life or remaining useful life of the fixed asset. Pursuant to this policy, depreciation is charged at the following rates that are higher than the corresponding rates prescribed in Schedule XIV of the Companies Act, 1956.

Class of assets	Depreciation rates used (%)	Schedule XIV Rates (%)
Furniture & fixture	16.67	6.33
Office equipments	10.00-33.33	4.75
Computer	33.33	16.21
Vehicles	20.00	9.50
Software	33.33	16.21

Leasehold improvements are amortised over the period of the lease on straight-line basis or useful life of the asset which ever is lower.

Intangible assets comprising software purchased or developed and licensing costs are depreciated on straight line basis over the useful life of the software up to a maximum of three years commencing from the month in which such software is first utilised.

Assets individually costing Rupees Five Thousand or less are fully depreciated in the year of purchase or acquisition.

The Company provides pro-rata depreciation from the day the asset is ready to use and for any asset sold, till the date of sale.

2.5 **Impairment of assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or of the cash generating unit to which the asset belongs to or the cash generating unit. If such estimated recoverable amount of the asset or of the cash generating unit is less than the carrying amount, the carrying amount is reduced to its estimated recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss.

If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.6 **Investments**

Investments are classified as long term or current based on intention of the management at the time of purchase.

Long term investments are carried at carrying cost less diminution in value other than temporary in nature, determined separately for each individual investment.

Current investments are valued at the lower of cost or net realisable value. The comparison of cost and net realisable value is done separately in respect of each individual investment.

Purchase and sale of investments are recorded on trade date. The gains or losses on sale of investments are recognised in the statement of profit and loss on the trade date. Profit or loss on sale of investments is determined on the basis of First In First Out ('FIFO') basis.

2.7 **Revenue recognition**

Management fees

Fund management and portfolio management fees (net of service tax) are recognised on an accrual basis in accordance with the respective terms of contract between the Company and ICICI Prudential Trust Limited, Portfolio Management Scheme ('PMS') Clients, Venture Capital Fund and Regulations of Securities Exchange Board of India ("SEBI").

Advisory fees

Advisory fees are recognised on an accrual basis in accordance with the respective terms of contract with counter parties.

Other income

Interest income is accounted on an accrual basis.

Dividend income is recognised when the right to receive dividend is established.

2.8 **Transactions in foreign currency**

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Exchange differences, if any, arising out of foreign exchange transactions settled during the year are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the balance sheet date at the closing exchange rates on that date and the resultant exchange differences, if any, are recognised in the statement of profit and loss.

2.9 **Retirement benefits**

Provident fund

The Company's contribution to the Statutory Provident Fund, a defined contribution scheme, made at 12% of the basic salary of each employee is charged to the statement of profit and loss as incurred.

Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods and that benefit is discounted to determine its present value and the fair value of plan assets, if any, is deducted from such determined present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

Superannuation

The Company contributes to an approved superannuation fund which is a defined contribution plan for all its eligible employees who have opted for the scheme. The Company's contribution to the Superannuation fund with the Life Insurance Corporation of India (LIC) is charged to the statement of profit and loss as incurred.

Leave encashment

The Company provides for leave encashment liability based on actuarial valuation as at the balance sheet date, carried out by an independent actuary.

2.10 New Fund Offer ('NFO') expenses

Expenses relating to NFO for no load schemes of the Fund are charged to statement of profit and loss of the Company in the year in which these expenses are incurred.

2.11 Fund expenses

Expenses incurred (inclusive of advertisement and brokerage expenses) on behalf of schemes of the Fund are recognised in the statement of profit and loss of the Company unless considered recoverable from the schemes of the Fund in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996.

2.12 Brokerage and incentives

Brokerage and incentive payments are charged to statement of profit and loss as and when incurred.

2.13 Long term incentive plan ('LTIP')

For LTIP 2011, LTIP 2012 and LTIP 2013 launched in the year ended March 31, 2011, March 31, 2012 and March 31, 2013 respectively, the grant value will be paid in three annual tranches. The provision is assessed on a yearly basis based on actuarial valuation.

The Company has launched LTIP 2014 for which the grant value will be paid in three annual tranches. The year end provision is measured at the present value of estimated future cash flows and the same will be assessed on a yearly basis based on actuarial valuation.

2.14 Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating leases. Operating lease rentals are recognised as an expense in the statement of profit and loss on straight line basis over the lease term.

2.15 Tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax

Current tax expense is recognised on an annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with Indian Income-tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company.

Deferred tax

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable / virtually certain (as the case may be) to be realised.

2.16 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

2.17 Provisions, contingent liabilities and contingent assets

Provisions comprise liabilities of uncertain timing or amount. Provisions are recognised when the Company recognises that it has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reasonable estimate can be made.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements

(₹ in million)

	March 31, 2014	*March 31, 2013*
3. SHARE CAPITAL		
Authorised share capital		
25,000,000 (Previous year: 25,000,000) equity shares of ₹ 10 each	**250.0**	250.0
Issued, subscribed and paid-up capital		
17,652,090 (Previous year: 17,652,090) equity shares of ₹ 10 each, fully paid up	**176.5**	176.5

There is no change in equity shares in the current year.

Rights attached to the equity shares

The Company has a single class of equity shares having a par value of ₹ 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of preferential amounts, if any, in proportion to the number of equity shares held.

Shares held by Holding Company:

9,002,573 (Previous year: 9,002,573) equity shares of ₹ 10 each are held by ICICI Bank Limited, the Holding Company and its nominees.

Shareholders holding more than 5%:

9,002,573 (Previous year: 9,002,573) equity shares of ₹ 10 each are held by ICICI Bank Limited and its nominees.

8,649,517 (Previous year: 8,649,517) equity shares of ₹ 10 each are held by Prudential Corporation Holdings Limited.

The Board of Directors had declared interim dividends aggregating to ₹ 40.0 per equity share (Previous year: ₹ 34.0). The total dividend appropriation for the year ended March 31, 2014 amounted to ₹ 826.1 (Previous year: ₹ 697.5) including dividend distribution tax of ₹ 120.0 (Previous year: ₹ 97.3).

(₹ in million)

	March 31, 2014	*March 31, 2013*
4. RESERVE AND SURPLUS		
Capital redemption reserve	**8.7**	*8.7*
Securities premium	**33.5**	*33.5*
General reserve		
Balance at the beginning of the year	**650.6**	*540.4*
Add: Transfer from surplus in the statement of profit and loss	**182.7**	*110.2*
Balance at the end of the year	**833.3**	*650.6*
Contingency reserve[1]	**103.0**	*103.0*
Surplus in the statement of profit and loss		
Profit brought forward	**890.5**	*596.2*
Net profit after tax	**1,826.9**	*1,102.0*
Transfer to general reserve	**(182.7)**	*(110.2)*
Dividend	**(706.1)**	*(600.2)*
Dividend distribution tax	**(120.0)**	*(97.3)*
Net surplus in the statement of profit and loss	**1,708.6**	*890.5*
Total reserves & surplus	**2,687.1**	*1,686.3*

[1]The contingency reserve is a free reserve, created voluntarily by the Company in earlier years, by transferring up to 5% of the profits.

	March 31, 2014	(₹ in million) *March 31, 2013*
5. LONG TERM PROVISION		
Non-current portion of employee benefits		
- for LTIP[1]	**166.6**	*155.9*
- for leave encashment	**4.0**	*1.3*
- for gratuity	**57.6**	*47.0*
Other non-current provision		
- Lease equalisation	**42.0**	*44.8*
	270.2	*249.0*

[1]Refer Note to Non current investments

	March 31, 2014	*March 31, 2013*
6. Trade Payables		
Trade Payables	**532.9**	*633.0*
Trade Payables to related parties	**10.5**	*93.4*
	543.4	*726.4*

	March 31, 2014	(₹ in million) *March 31, 2013*
7. OTHER CURRENT LIABILITIES		
Income received in advance	**132.2**	*152.5*
Unpaid dividend	**353.0**	*56.2*
Dividend distribution tax payable	**60.0**	*18.6*
Statutory dues	**15.8**	*48.2*
Accrued expenses	**4.8**	*8.7*
	565.8	*284.2*
8. SHORT TERM PROVISION		
Current portion of employee benefits towards		
- Bonus	**209.7**	*175.0*
- LTIP[1]	**70.0**	*61.3*
- Leave encashment	**2.2**	*2.4*
- Gratuity	**13.8**	*6.9*
Other current provision		
- Lease Equalisation	**3.8**	*1.7*
- Provision for tax (net of advance tax)	**16.9**	*3.3*
	316.4	*250.6*

[1]Refer Note to current investments

9. TANGIBLE ASSETS (₹ in million)

Description	Leasehold improvements	Furniture and fixtures	Office equipments	Computers	Vehicles	Total
Gross block 2014						
As at April 1	178.4	52.1	96.0	205.4	47.9	579.8
Additions during the year	7.8	1.8	3.3	34.6	8.7	56.2
Deletions during the year	(12.6)	(3.9)	(3.2)	(21.8)	(10.9)	(52.4)
As at March 31	**173.6**	**50.0**	**96.1**	**218.2**	**45.7**	**583.6**
Accumulated depreciation						
As at April 1	122.8	41.5	55.7	180.6	19.2	419.8
Charge for the year	15.8	5.3	8.4	19.3	8.5	57.3
On deletions during the year	(12.6)	(3.5)	(2.0)	(20.6)	(6.9)	(45.6)
As at March 31	**126.0**	**43.3**	**62.1**	**179.3**	**20.8**	**431.5**
Net block						
As at March 31	**47.6**	**6.7**	**34.0**	**38.9**	**24.9**	**152.1**
Gross block 2013						
As at April 1	*170.7*	*55.0*	*91.2*	*227.5*	*44.2*	*588.6*
Additions during the year	*12.6*	*1.7*	*9.5*	*15.7*	*16.0*	*55.5*
Deletions during the year	*(4.9)*	*(4.6)*	*(4.7)*	*(37.8)*	*(12.3)*	*(64.3)*
As at March 31	*178.4*	*52.1*	*96.0*	*205.4*	*47.9*	*579.8*
Accumulated depreciation						
As at April 1	*111.3*	*38.9*	*50.5*	*205.2*	*16.2*	*422.1*
Charge for the year	*15.8*	*6.0*	*8.4*	*11.2*	*9.3*	*50.7*
On deletions during the year	*(4.3)*	*(3.4)*	*(3.2)*	*(35.8)*	*(6.3)*	*(53.0)*
As at March 31	*122.8*	*41.5*	*55.7*	*180.6*	*19.2*	*419.8*
Net block						
As at March 31	*55.6*	*10.6*	*40.3*	*24.8*	*28.7*	*160.0*

	March 31, 2014	(₹ in million) March 31,2013
10. INTANGIBLE ASSETS		
Software		
Gross block		
As at April 1	**89.2**	*150.3*
Additions during the year	**45.8**	*6.4*
Deletions during the year	**—**	*(67.5)*
As at March 31	**135.0**	*89.2*
Accumulated depreciation		
As at April 1	**79.1**	*135.9*
Charge for the year	**16.1**	*10.6*
On deletions during the year	**—**	*(67.4)*
As at March 31	**95.2**	*79.1*
Net block		
As at March 31	**39.8**	*10.1*

	March 31, 2014	March 31,2013
11. NON-CURRENT INVESTMENTS		
Trade Investment		
Unquoted (at cost)		
Contribution made to ICICI Prudential Venture Capital Fund	**300.0**	*150.0*
Investment in schemes of Portfolio Management Services	**122.9**	*192.3*
Non – Trade Investment		
Quoted (at cost)		
Mutual fund units of face value of ₹10 each:		
60,000 Units (Previous year 60,000 Units) of ICICI Prudential Fixed Maturity Plan Series 67 - 3 Year Plan F Direct Plan Cumulative	**0.6**	*0.6*
410,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 70 -745 Days Plan P Direct Plan Cumulative	**4.1**	—
250,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 72 - 483 Days Plan J Direct Plan Cumulative	**2.5**	—
250,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 72-785 Days Plan O Direct Plan Cumulative	**2.5**	—
Aggregate amount of non - current quoted investments ₹ 9.7 (Previous year ₹ 0.6) market value (net asset value) thereof ₹ 10.0 (Previous year ₹ 0.6)		
Non – Trade Investment		
Unquoted (at cost)		
Mutual fund units of face value of ₹ 10 each:		
755,895 Units (Previous Year 1,191,970 Units) ICICI Prudential Focused Bluechip Equity Fund Direct Plan Growth[1]	**14.2**	*22.4*
1,298,878 Units (Previous Year Nil Units) ICICI Prudential Dynamic Bond Fund Direct Plan Growth[1]	**17.7**	—
1,084,686 Units (Previous Year 2,238,488 Units) of ICICI Prudential Short Term – Direct Plan - Growth[1]	**25.5**	*53.7*
667,947 Units (Previous Year Nil Units) of ICICI Prudential Discovery Fund Direct Plan Growth[1]	**36.9**	—
Nil Units (Previous Year 334,645 Units) of ICICI Prudential Discovery Fund Regular Plan Growth[1]	**—**	*15.9*
655,887 Units (Previous Year Nil Units) of ICICI Prudential Balance Advantage Fund Direct Plan Growth[1]	**11.5**	—
Aggregate provision for diminution in value of non – current investments	**(8.5)**	—
Total non-current investments	**529.9**	*434.9*
Aggregate amount of non - current unquoted investments ₹ 520.2 (Previous year ₹ 434.3)		

[1]In accordance with Long Term Incentive Plan ('LTIP') 2011, 2012 and 2013, investments are identified and separated to meet LTIP liabilities in future. As any gain or loss on these investments belongs to employees, it is valued at cost.

(₹ in million)	March 31, 2014	*March 31, 2013*
12. DEFERRED TAX		
The Company has net deferred tax asset of ₹ 126.7 (Previous year ₹ 146.0).		
The composition of deferred tax asset is as follows:		
Deferred tax asset		
Written down value of fixed assets	**39.0**	*45.1*
Gratuity	**24.3**	*16.6*
Leave encashment	**2.1**	*1.3*
LTIP	**80.3**	*67.6*
Lease rentals	**15.6**	*15.4*
Prepaid brokerage - VCF	**(37.5)**	*—*
Unrealised loss on non - current investment	**2.9**	*—*
Total deferred tax asset	**126.7**	*146.0*
13. LONG TERM LOANS & ADVANCES		
Non Current loans & advances		
Security Deposits	**95.4**	*102.9*
Advance tax (net of provision for tax)	**197.2**	*491.4*
Staff loan	**0.9**	*1.7*
Statutory dues recoverable	**4.0**	*4.0*
Prepaid expenses	**177.3**	*227.8*
Advances recoverable in cash or in kind or for value to be received	**759.6**	*89.7*
Capital Advance	**—**	*1.8*
	1,234.4	*919.3*
14. CURRENT INVESTMENTS		
Trade Investment Unquoted (at cost)		
Investment in schemes of Portfolio Management Services	**39.3**	*—*
Non-Trade Investment Quoted (at cost)		
Mutual fund units of face value of ₹10 each:		
2,250,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 68 - 368 Days Plan D Direct Plan Cumulative	**22.5**	*—*
250,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 71 - 367 Days Plan G Direct Plan Cumulative	**2.5**	*—*
500,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 72 - 366 Days Plan I Direct Plan Cumulative	**5.0**	*—*
Aggregate amount of non - current quoted investments ₹ 30.0 (Previous year Nil) market value (net asset value) thereof ₹ 31.6 (Previous year Nil)		
Unquoted (at cost)		
Mutual fund units of face value of ₹ 10 each		
3,333,827 Units (Previous Year 3,238,379 Units) ICICI Prudential Dynamic Bond Fund Direct Plan Monthly Dividend	**33.9**	*32.9*
635,842 Units (Previous Year Nil Units) of ICICI Prudential Balance Advantage Fund Direct Plan Growth[1]	**11.1**	*—*
416,276 Units (Previous Year 143,419 Units) of ICICI Prudential Discovery Fund Direct Plan Growth[1]	**23.0**	*—*
352,075 Units (Previous Year Nil Units) ICICI Prudential Focused Bluechip Equity Fund Direct Plan Growth1	**6.6**	*—*
Nil Units (Previous Year 141,041 Units) of ICICI Prudential Dynamic Plan Direct Growth[1]	**—**	*16.8*
Nil Units (Previous Year 143,419 Units) of ICICI Prudential Discovery Fund Regular Plan Growth[1]	**—**	*6.8*
Non Trade Investments Unquoted (at cost)		
Mutual fund units of face value of ₹ 10 each		
1,259,181 Units (Previous Year Nil Units) of ICICI Prudential Dynamic Bond Fund Direct Plan Growth[1]	**17.1**	*—*
Nil Units (Previous Year 181,931 Units) of ICICI Prudential Dynamic Fund Direct Plan Growth[1]	**—**	*21.7*
516,271 Units (Previous Year 784,045 Units) of ICICI Prudential Short Term – Direct Plan - Growth[1]	**12.1**	*17.2*
Mutual fund units of face value of ₹ 100 each		
778,759 Units (Previous Year 4,389,015 Units) of ICICI Prudential Flexible Income Direct Plan Daily Dividend	**82.3**	*464.1*
985,315 Units (Previous Year 844,399 Units) of ICICI Prudential Liquid Direct Plan Daily Dividend	**98.6**	*84.5*
Total current investments	**354.0**	*644.0*
Aggregate amount of current unquoted investments ₹ 354.0 (Previous year ₹ 644.0)		

[1]In accordance with Long Term Incentive Plan ('LTIP') 2011, 2012 and 2013, investments are identified and separated to meet LTIP liabilities in future. As any gain or loss on these investments belongs to employees, it is valued at cost.

	March 31, 2014	*March 31, 2013*
15. TRADE RECEIVABLES		
Unsecured and considered good		
- Less than six months	**386.9**	*291.3*
- More than six months	**—**	*—*
	386.9	*291.3*

(₹ in million)	March 31, 2014	*March 31, 2013*
16. CASH & BANK BALANCES		
Cheque on hand	**398.9**	*—*
Balance with banks		
- in Current Accounts	**26.0**	*34.3*
- in PMS Accounts	**0.5**	*1.8*
Interim dividend account	**353.0**	*56.2*
Cash and cash equivalents	**778.4**	*92.3*
17. SHORT TERM LOANS AND ADVANCES		
Current portion of loans and advances		
- Advances recoverable in cash or in kind or for value to be received	**538.1**	*505.9*
- Advance to related parties	**20.1**	*0.9*
- Staff loan	**1.5**	*1.4*
- Prepaid expenses	**348.4**	*152.0*
	908.1	*660.2*
18. OTHER CURRENT ASSETS		
Unsecured and considered good		
- Interest accrued on investments	**34.5**	*11.2*
- Dividend on investments	**2.0**	*—*
	36.5	*11.2*
19. REVENUE FROM OPERATIONS		
Management fees from:		
- Mutual fund operations	**4,635.6**	*3,173.1*
- PMS operations	**489.3**	*432.4*
Advisory Services	**182.1**	*208.0*
	5,307.0	*3,813.5*
20. OTHER INCOME		
Interest		
- Non-current investments	**50.3**	*22.7*
Dividend from:		
- Non-current investments	**4.7**	*4.3*
- Current investments	**25.3**	*30.0*
Profit on Sale of:		
- Non-current investments (net)	**14.8**	*10.5*
- Current investments	**1.1**	*—*
Net gain on account of foreign exchange fluctuations	**1.5**	*1.6*
Others	**86.4**	*9.5*
	184.1	*78.6*
21. EMPLOYEE BENEFIT EXPENSES		
Salaries, bonus and allowances	**954.0**	*876.4*
Contribution to provident and other funds	**53.5**	*46.5*
Staff welfare expenses	**43.8**	*20.1*
Total	**1,051.3**	*943.0*
22. OPERATING AND ADMINISTRATIVE EXPENSES		
Fund expenses	**769.3**	*461.1*
Brokerage and incentives	**178.4**	*177.3*
Rent	**140.8**	*138.3*
Communication expenses	**48.1**	*49.8*
Travelling and conveyance	**62.4**	*52.0*
Fund accounting expenses (PMS)	**9.1**	*30.9*
Fund expenses (PMS)	**3.3**	*2.4*
Legal and professional fees	**49.0**	*46.8*
SEBI fees	**1.1**	*0.8*
Information technology	**41.4**	*40.2*
Electricity	**36.6**	*34.4*
Insurance	**24.4**	*22.3*
Books, periodicals and subscriptions	**22.9**	*24.6*
Repairs and maintenance		
- Equipment	**10.4**	*13.3*
- Others	**17.7**	*14.9*
Marketing, advertisement and publicity	**56.6**	*49.1*
Printing and stationery	**11.3**	*10.0*
Training and consultancy	**10.5**	*5.0*
Loss on sale of fixed assets (net)	**—**	*4.5*
Rates and taxes	**2.1**	*6.4*
Directors sitting fees	**0.5**	*0.6*
Housekeeping expenses	**25.1**	*20.5*
NFO filing fees	**22.7**	*11.7*
Miscellaneous expenses	**53.6**	*25.7*
	1597.3	*1242.6*
Auditors remuneration:		
- Statutory audit	**1.9**	*1.8*
- Tax audit	**0.4**	*0.2*
- Other matters	**0.1**	*0.0*
- Reimbursement of out of pocket expenses	**0.0**	*0.0*
	2.4	*2.0*
Total	**1,599.7**	*1,244.6*

	March 31, 2014	March 31, 2013
	(₹ in million)	

23. OPERATING LEASES

The Company has entered into non-cancellable leasing arrangement for certain office premises for a period ranging from 3 to 9 years. As per the term of the lease all maintenance charges and municipal levies are borne by the lessee.

The total future minimum lease payments under non-cancellable operating lease for each of the periods is given below:

Total future minimum lease payments:	**2014**	*2013*
In less than a year	**24.5**	*64.2*
In 1 year to 5 years	—	*24.5*
In more than 5 years	—	—

The total lease payments recognised in the statement of profit and loss amount to ₹ 140.8 (Previous year ₹ 138.3) which includes ₹ (0.7) (Previous year ₹ 1.1) provision towards straight lining of lease rentals.

The terms of renewal or purchase option and escalation clauses are those normally prevalent in similar agreements and there are no undue restrictions or onerous clauses in the agreements.

24. SEGMENTAL REPORTING

The Company's operations predominantly relate to providing asset management services. It acts as an investment manager to schemes launched by the Mutual Fund and provides advisory services to other funds. It also provides Portfolio Management Services to corporate, high net worth individuals and ICICI Prudential Venture Capital Fund. Accordingly, the asset management business is split into Fund management & advisory and Portfolio Management Services as primary reporting segments.

Secondary segment reporting does not require separate disclosure as all activities of the Company are within India.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure of individual segments.

Income and direct expenses in relation to segments are categorized based on items that can be individually identifiable to that segment. Certain expenses such as depreciation, among others are not specifically allocable to specific segments as the underlying assets or services are used interchangeably. The Company believes that it is not practical to provide segment disclosures relating to such items, and accordingly they are separately disclosed as "unallocable expenses" and directly charged against total income.

Current assets and current liabilities to the extent directly identifiable to a segment have been categorized separately; others have been shown as "unallocable" in the total column. Other balance sheet items such as fixed assets and deferred tax asset are similarly not allocated to segments.

Primary segment information

(₹ in million)

	Mutual Fund		PMS		Total	
	March 31, 2014	*March 31, 2013*	**March 31, 2014**	*March 31, 2013*	**March 31, 2014**	*March 31, 2013*
Segment revenue						
Management fees	**4,817.7**	*3,381.1*	**489.3**	*432.4*	**5,307.0**	*3,813.5*
Inter segment revenue	—	—	—	—	—	—
Total segment revenue	**4,817.7**	*3,381.1*	**489.3**	*432.4*	**5,307.0**	*3,813.5*
Identifiable operating expenses	**(1,993.2)**	*(1,562.6)*	**(285.6)**	*(298.4)*	**(2,278.8)**	*(1,861.0)*
Segmental operating income	**2,824.5**	*1,818.5*	**203.7**	*134.0*	**3,028.2**	*1,952.5*
Unallocable expense					**(445.6)**	*(388.0)*
Operating income					**2,582.6**	*1,564.5*
Other income					**184.1**	*78.6*
Net Profit before taxation and prior period items					**2,766.7**	*1,643.1*
Provision for income tax					**(934.8)**	*(534.2)*
Excess provision of earlier years written back					**14.3**	*12.6*
Deferred tax expense					**(19.3)**	*(19.5)*
Net profit after tax					**1,826.9**	*1,102.0*
As at	**March 31, 2014**	*March 31, 2013*	**March 31, 2014**	*March 31, 2013*	**March 31, 2014**	*March 31, 2013*
Segment assets and liabilities						
Segment assets	**2,019.1**	*1,071.9*	**415.6**	*413.9*	**2,434.7**	*1,485.8*
Unallocable assets	—	—	—	—	**2,124.7**	*1,887.2*
Total assets					**4,559.4**	*3,373.0*
Segment liabilities	**871.8**	*744.2*	**257.5**	*548.9*	**1,129.3**	*1,293.1*
Unallocable liabilities					**566.5**	*217.1*
Total liabilities					**1,695.8**	*1,510.2*

25. RELATED PARTY INFORMATION

- Related parties where control exists
  ICICI Bank Limited – Holding Company.
- Other related parties with whom transactions have taken place during the year
  Prudential Corporation Holdings Limited – Holds significant influence in the Company.
  ICICI Prudential Trust Limited – Fellow subsidiary
  ICICI Lombard General Insurance Company Limited – Fellow subsidiary
  ICICI Prudential Life Insurance Company Limited – Fellow subsidiary
  ICICI International Limited – Fellow subsidiary
  ICICI Securities Limited – Fellow subsidiary
  ICICI Securities Holding Inc – Fellow subsidiary
  ICICI Securities Primary Dealership Limited – Fellow subsidiary

Key management personnel:
Nimesh Shah – Managing Director

	ICICI Bank Limited	Prudential Corporation Holdings Limited	ICICI International Limited	ICICI Securities Limited	ICICI Securities Holding Inc	ICICI Lombard General Insurance Company Limited	ICICI Prudential Life Insurance Company Limited	ICICI Prudential Trust Limited	ICICI Securities Primary Dealership Limited	
Nature of Transaction	**Holding Company**	**Significant Influence**	**Fellow Subsidiary**	**Fellow Subsidiary**	**Fellow Subsidiary**	**Fellow Subsidiary**	**Fellow Subsidiary**	**Fellow Subsidiary**	**Fellow Subsidiary**	**KMP**
Dividend paid/ provided	**360.1**	**346.0**	—	—	—	—	—	—	—	—
Previous year	306.1	294.1	—	—	—	—	—	—	—	—
Common Cost, Brokerage & Marketing expenses	**22.7**	—	—	**6.5**	—	—	—	—	5.6	—
Previous year	53.7	—	—	58.7	7.0	—	—	—	—	—
Insurance premium	—	—	—	—	—	**21.3**	**2.9**	—	—	—
Previous year	—	—	—	—	—	21.4	1.5	—	—	—
Remuneration Paid	—	—	—	—	—	—	—	—	—	**40.8**
Previous year	—	—	—	—	—	—	—	—	—	39.1
Management Fees Earned	—	—	1.6	—	—	—	—	—	—	—
Previous year	—	—	4.7	—	—	—	—	—	—	—
Other expenses incurred & reimbursed by Company	—	—	—	—	—	—	—	**0.1**	—	—
Previous year	—	—	—	—	—	—	—	0.1	—	—
Balance Outstanding:										
Receivable/ Advance (Payable)	**(188.8)**	**(173.0)**	—	**(1.7)**	—	**19.0**	**1.1**	—	—	—
Previous year	(42.3)	(56.2)	1.0	(51.1)	—	2.7	0.1	—	—	—

The Cash and bank balance with the ICICI Bank Limited is ₹ 379.1 (March 31, 2013: ₹ 90.5). Purchase of fixed assets is ₹ 0.4 (March 31, 2013: Nil) and sale of fixed assets is Nil (March 31, 2013: ₹ 0.8).

(₹ in million)

	March 31, 2014	March 31, 2013

26. EARNINGS PER SHARE ('EPS')

Basic and diluted EPS is computed in accordance with Accounting Standard 20 on 'Earnings Per Share'. The computation of earnings per share is given below:

	March 31, 2014	March 31, 2013
Net profit after tax	**1826.9**	*1102.0*
Weighted average number of equity shares outstanding during the year (in units)	**17,652,090**	*17,652,090*
Basic and diluted EPS of face value ₹ 10 each (in ₹)	**103.49**	*62.43*

27. PROVISION FOR GRATUITY

The following disclosures have been set out in accordance with the requirement of Accounting Standard 15 on 'Employee Benefits'.

A) Amount recognised in balance sheet

	2014	2013
Present value of funded obligations	**76.7**	*60.4*
Fair value of plan assets	**(5.3)**	*(6.5)*
Unrecognised past service cost	**—**	*—*
Net liability	**71.4**	*53.9*
Amounts in the Balance Sheet		
Net liability	**71.4**	*53.9*

B) Expense recognised in the profit and loss account

	2014	2013
Current service cost	**10.3**	*9.7*
Interest on defined benefit obligation	**5.0**	*5.1*
Expected return on plan assets	**(0.6)**	*(1.3)*
Net actuarial losses / (gains) recognised in year	**8.6**	*5.2*
Past service cost	**—**	*0.4*
Total, included in "Employee Benefit Expenses"	**23.3**	*19.1*
Actual return on plan assets	**0.7**	*1.3*

C) Reconciliation of opening and closing balances of PV of defined benefit obligation and fair value of plan assets for the year ended March 31

	2014	2013
Change in defined benefit obligation		
Opening defined benefit obligation as at April 1	**60.4**	*58.3*
Current service cost	**10.3**	*9.7*
Interest cost	**5.0**	*5.1*
Actuarial losses / (gains)	**8.7**	*5.1*
Benefits paid	**(7.7)**	*(17.8)*
Closing defined benefit obligation as at March 31	**76.7**	*60.4*

	2014	2013
Change in the fair value of plan assets		
Opening fair value of plan assets as at April 1	**6.6**	*17.6*
Expected return on plan assets	**0.6**	*1.3*
Actuarial gain/(losses)	**0.1**	*0.0*
Contributions by employer	**5.7**	*5.5*
Benefits paid	**(7.7)**	*(17.8)*
Closing fair value of plan assets as at March 31	**5.3**	*6.6*

D) Asset information

	2014	2013
Category of assets		
Insurer managed funds	**100%**	*100%*

The approximate full value of the assets as at March 31, 2014 as advised by the insurer is as follows:

	2014	2013
Category of assets		
Insurer managed funds	**5.31**	*6.57*

E) Summary of actuarial assumptions

Financial assumptions at the valuation date:	2014	2013
Discount rate (per annum)	**8.70%**	*7.85%*
Expected rate of return on assets (per annum)	**7.50%**	*7.50%*
Salary escalation rate (per annum)	**7.00%**	*7.00%*

a) **Discount rate:**

The discount rate is based on the prevailing market yields of Indian government securities as at March 25, 2014 for the estimated term of the obligations.

b) **Expected rate of return on plan assets:**

This is based on our expectation of the average long-term rate of return expected on investments of the Fund during the estimated term of the obligations.

c) **Salary escalation rate:**

The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.

Demographic assumptions at the valuation date:

d) **Retirement age:**

The employees of the company are assumed to retire at the age of 58 years.

e) **Mortality:**

Published rates under the Indian Assured Lives Mortality (2006-2008).

f) **Leaving service:**

We have assumed 24% per annum withdrawal rate at all ages in this valuation.

g) **Disability:**

Leaving service due to disability is included in the provision made for all causes of leaving service (paragraph (f) above).

F) Experience adjustments

	2014	2013	2012	2011	2010
Defined benefit obligation	**76.7**	60.4	58.2	51.6	34.7
Plan assets	**5.3**	6.5	17.6	18.5	14.2
Surplus / (Deficit)	**(71.4)**	(53.9)	(40.6)	(33.1)	(20.5)
Exp. Adj. on plan liabilities	**11.4**	3.6	(1.0)	11.0	(0.5)
Exp. Adj. on plan assets	**0.1**	0.0	(3.9)	0.5	(0.5)

28. CAPITAL COMMITMENTS

As at March 31, 2014, the Company had investment capital commitments (net of advances) amounting to ₹ 200.0 (Previous year ₹ 350.0) for which no provision is required to be made.

29. CONTINGENT LIABILITIES

Disputed income tax demand ₹ 96.0 (Previous year ₹ 97.0).

30. TRADE PAYABLES

Trade payables do not include any amount payable to Small Scale Industrial Undertakings and Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

Principal amount remaining unpaid to any supplier as at the year end	Nil
Interest due thereon	Nil
Amount of interest paid by the company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	Nil
Amount of interest accrued and remaining unpaid at the end of the accounting year	Nil

31. EARNINGS IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

(₹ in million)

	March 31, 2014	March 31, 2013
Fee from advisory services	**182.1**	208.0
Management Fees - PMS	**78.5**	*33.7*
Total	**260.6**	*241.7*

32. EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

(₹ in million)

Communication expenses	**—**	*0.8*
Information technology	**26.8**	*17.7*
Travelling	**0.6**	*0.5*
Distribution support expenses	**22.6**	*29.5*
Brokerage - PMS	**—**	*3.0*
Advisory - PMS	**—**	*3.5*
Consultancy fees	**4.2**	*11.7*
Employee cost	**5.7**	*—*
Membership & Subscription Fees	**1.4**	*1.1*
Total	**61.3**	*67.8*

33. UNHEDGED FOREIGN CURRENCY EXPOSURE

The unhedged foreign currency exposure as on March 31, 2014 is given below:

	2014		*2013*	
	Foreign currency (in millions)	₹	*Foreign currency (in millions)*	₹
Payables				
SG$	**0.6**	**27.7**	*0.3*	*11.7*
		27.7		*11.7*
Receivables				
US$	**1.9**	**114.6**	*1.1*	*59.6*
		114.6		*59.6*

34. REMITTANCES IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND TO NON RESIDENT SHAREHOLDERS (ON CASH BASIS)

(₹ in million)

	March 31, 2014	March 31, 2013
Amount remitted	**229.2**	*324.4*
No. of non resident shareholders	**1**	*1*
No. of shares held	**8,649,517**	*8,649,517*
Interim dividend paid in the year	**2013-2014**	*2012-2013*

35. TRANSFER PRICING

The Company has developed a system of maintaining of information and documents as required by the transfer pricing legislation under Section 92-92F of the Income-tax Act, 1961. Management is of the opinion that its international and domestic transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W

MILIND RANADE
Partner
Membership 100564

Mumbai, April 22, 2014

For and on behalf of the Board of Director
ICICI Prudential Asset Management Company Limited

N. S. KANNAN, *Director*
VIJAY THACKER, *Director*
NIMESH SHAH, *Managing Director*
B. RAMAKRISHNA, *Chief Financial Officer*
RAKESH SHETTY, *Company Secretary*

ICICI PRUDENTIAL TRUST LIMITED

ICICI PRUDENTIAL TRUST LIMITED

21ST ANNUAL REPORT AND ACCOUNTS 2013 - 2014

Directors
M. N. Gopinath, *Chairman*
Keki Bomi Dadiseth
M. S. Parthasarathy
Vinod Dhall
Sandeep Batra

Auditors
S. R. Batliboi & Co. LLP
Chartered Accountants

Registered Office
12th Floor, Narain Manzil
23, Barakhamba Road
New Delhi - 110 001

Corporate Identity Number
U74899DL1993PLC054134

Corporate Office
3rd Floor, Hallmark
Business Plaza
Sant Dyaneshwar Marg
Bandra (East)
Mumbai - 400 051

directors' report

to the members

Your Directors have pleasure in presenting the Twenty First Annual Report, together with the audited accounts of ICICI Prudential Trust Limited (the Company), for the year ended March 31, 2014 (fiscal 2014).

FINANCIAL RESULTS

A summary of the Company's financial results for the year under review is as follows:

(₹ in '000s)

Particulars	**Fiscal 2014**	*Fiscal 2013*
Gross Income	**5,703**	*5,665*
Expenses	**1,868**	*1,793*
Profit before Tax	**3,835**	*3,872*
Provision for Taxation	**1,105**	*1,052*
Profit after Tax	**2,730**	*2,820*
Balance brought forward	**8,100**	*7,623*
Profit available for appropriation	**10,830**	*10,443*
Proposed Dividend	**(1,762)**	*(1,762)*
Tax on Dividend	**(299)**	*(299)*
Transfer to general reserve	**(273)**	*(282)*
Balance carried to Balance Sheet	**8,496**	*8,100*

DIVIDEND

Your Directors are pleased to recommend payment of dividend at the rate of ₹ 17.50 per share (₹ 17.50 per share for fiscal 2013), on 100,700 equity shares of ₹ 10 each, amounting to ₹ 1.8 million for the year.

MUTUAL FUND INITIATIVES

During fiscal 2014, ICICI Prudential Mutual Fund (the Fund/Mutual Fund), to which your Company has been acting as the Trustee, launched the following schemes:

Sr. No.	Name of the Scheme	Scheme Type	Date of Allotment	Amount Mobilized (₹ in million)
1.	Multiple Yield Fund Series	Close-ended Debt Scheme	Various dates	6,339.1
2.	Capital Protection Oriented Schemes	Close-ended Debt Scheme	Various dates	8,208.2
3.	Fixed Maturity Plans	Close-ended Debt Scheme	Various dates	162,679.2
4.	Interval Plans	Debt oriented interval fund	Various dates	3,958.3
5.	ICICI Prudential Value Series 1, 2 and 3	Value Fund	Various dates	12,810.6
6.	ICICI Prudential CNX100 ETF	Exchange traded Fund	August 20, 2013	101.4
7.	ICICI Prudential Global Stable Equity Fund	International Fund of Fund	September 13, 2013	744.5
8.	ICICI Prudential Equity Savings Fund	RGESS Fund	February 24, 2014	452.0

These schemes raised an aggregate amount of ₹ 195.29 billion through New Fund Offerings.

OPERATIONS DURING THE YEAR

Mutual Fund Business

a. **Average Assets Under Management (AUM):** The average assets under management of the Fund during the fiscal 2014 stood at ₹ 1,068.22 billion. Your Directors are pleased to notify that during this financial year, overall AUM of the Fund crossed ₹ 1,000.00 billion.

b. **Awards received by ICICI Prudential Mutual Fund and ICICI Prudential Asset Management Company Limited (investment manager for ICICI Prudential Mutual Fund):** In the 2014 India Fund Awards by Morningstar India, ICICI Prudential Asset Management Company won all the three 'Best Fund House' category awards, a first time for an Indian asset management company, including the best fund house of the year, in all three categories-Equity, Debt, and Multi-Assets. Morningstar Inc. is a leader in the independent investment research space globally. Besides this, the fund house received numerous other prestigious accolades during the year like Best fund house for the period of three years in both- the mixed assets and overall category by Lipper Awards, Best Fund House of the Year by Business Today, and Best Fund House at the Money Today FPCIL Awards.

   Sankaran Naren and Mittul Kalawadia (Fund Managers of ICICI Prudential Dynamic Plan) were adjudged as Best Equity Fund Managers by Business Standard.

Venture Capital Fund Business

Your Company is also a trustee to a scheme of ICICI Prudential Venture Capital Fund.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE ETC

Your Company has neither incurred any expenditure nor earned any income in foreign exchange. Since the Company does not own any manufacturing facility, the other requirements of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are not applicable.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Since the Company does not own any manufacturing facility, the disclosure under this head is also not applicable. Further, the other requirements of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are not applicable.

FIXED DEPOSITS

During the year, the Company did not accepted any deposits from the public under Section 58A of the Companies Act, 1956.

DIRECTORS

Section 152 of Companies Act, 2013, notified effective April 1, 2014 provides that independent Directors would need to be excluded from the total number of Directors for the purpose of computing the number of Directors whose period of office will be liable to determination by retirement of directors by rotation.

In terms of the aforesaid provisions, Mr. Keki Bomi Dadiseth, retires at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

to the members

NUMBER OF BOARD MEETINGS

During the year ended March 31, 2014, six Board meetings were held.

AUDIT COMMITTEE

As at March 31, 2014, the Audit Committee comprised the following three Directors:

M. N. Gopinath

M. S. Parthasarathy

Vinod Dhall

During the year ended March 31, 2013, six meetings of the Audit Committee were held.

AUDITORS

The Auditors, M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for reappointment.

EMPLOYEES

The Company has no employees on its roll. The provisions of Section 217 (2A) of the Companies Act, 1956 are, therefore, not applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed; no material departures have been made during the year under review;
2. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. that the Directors have prepared the annual accounts on a "going concern" basis.

COMPLIANCE CERTIFICATE

Pursuant to Section 383A of the Companies Act, 1956, a certificate from Neena Bhatia, a secretary in whole-time practice, to the effect that the Company has complied with all the applicable provisions of the Companies Act, 1956, is attached.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere thanks to the investors for their continued support and patronage to the products of ICICI Prudential Mutual Fund and ICICI Prudential Venture Capital Fund.

Your Directors wish to place on record their appreciation for the support and co-operation received from Securities and Exchange Board of India, Reserve Bank of India, ICICI Bank Limited, Prudential plc., the Company's bankers and the AMC.

Your Directors thank Computer Age Management Services Private Limited, the Registrar and Transfer Agents to the Schemes of the Fund, and the Custodians to the Fund, for the support provided by them in carrying out the operations in an efficient manner.

The Directors would also like to express their sincere thanks and appreciation to all the Agents and Distributors for handling the products of the Fund and for their contribution thereto during the year. Finally, the Directors wish to express their gratitude to the Members for their continued support.

For and on behalf of the Board

M. N. GOPINATH
Chairman

Mumbai, May 19, 2014

Compliance Certificate

CIN No: U74899DL1993PLC054134

Nominal Capital: ₹ 1,00,00,000/-

To,
The Members,
ICICI Prudential Trust Limited
12th Floor, Narain Manzil
23, Barakhamba Road
New Delhi 110001

I have examined the registers, records, books and papers of ICICI PRUDENTIAL TRUST LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on March 31, 2014. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A(I)' & 'A(II)' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being Public Limited Company, comments are not required with respect to maximum numbers of members during the financial year.
4. The Board of Directors duly met 6 times respectively on April 10, 2013, June 21, 2013, August 22, 2013, October 31, 2013, December 18, 2013, February 25, 2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in Minutes Book maintained for the purpose.
5. The Company has not closed its Register of Members or Debenture holders during the financial year.
6. The annual general meeting for the financial year ended on March 31, 2013 was held on June 10, 2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act. and effective from September 12, 2013 under section 185 of the Companies Act 2013.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company was not required to make any entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company was not required to obtain any approvals from the Board of directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. (i) There was no allotment/ transfer/ transmission of securities during the financial year.
    (ii) The Company has deposited the amount of dividend declared in a separate bank account on June 13, 2013 which is within five days from the date of declaration of such dividend.
    (iii) The Company paid dividends to all the members within a period of 30 (Thirty) days from the date of declaration during the financial year.
    (iv) Since there was no unpaid dividend, application money due for refund, matured deposits, matured debentures or interest accrued thereon, no comments are required on transfer of such amounts to Investor Education and Protection Fund.
    (v) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/ Wholetime Director/ Manager/ Manager during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares or debentures during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The Company has not made any borrowings during the financial year.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate any consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny and complied with provisions of the Act.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not deducted any contribution towards Provident Fund during the financial year as Provident fund Act is not applicable to the Company.

Sd/-
N. J. BHATIA
Mumbai, April 11, 2014 CP. No.: 2661

ANNEXURE A (I)

REGISTERS AS MAINTAINED BY THE COMPANY

STATUTORY REGISTERS

1. Register of Member under section 150
2. Minutes Books of Meetings of Members
3. Minutes Books of Meetings of Board of Directors and Audit Committee
4. Books of Accounts under section 209
5. Register of Directors, Managing Directors, Manager and Secretary under section 303
6. Register of Directors' shareholdings under section 307
7. Register of Investment under section 372A
8. Register of Charges under section 143
9. Register of Particulars of Contracts in which Directors are Interested under Section 301
10. Register of Renewed and Duplicate Certificates under Rule 7 of the Companies (Issue of Share Certificates) Rules, 1960

Compliance Certificate

ANNEXURE A (II)

OTHER REGISTERS

1. Register of Directors' Attendance
2. Register of Shareholders' Attendance
3. Register of Transfer
4. Register of Documents Sealed

ANNEXURE B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending March 31, 2014

Sr No	Form no / return	Filed under section	Date of filing	Whether filed within prescribed time Yes/no	If delay in filing whether requisite additional fee paid Yes/no
1.	Form 23AC & 23ACA XBRL	220	July 8, 2013	Yes	—
2.	Form 66	383A	July 1, 2013	Yes	—
3.	Form 20B	159	August 6, 2013	Yes	—
4.	Form no 23 dated June 10, 2013	17(1) & 18(1)	July 2, 2013	Yes	—

Sd/-
N. J. BHATIA
CP. No.: 2661

Mumbai, April 11, 2014

to the members of ICICI Prudential Trust Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of ICICI Prudential Trust Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated September 13, 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

ICICI Prudential Trust Limited
Independent Auditors' Report

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose of our audit;
   (b) 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;
   (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated September 13, 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013; and
   (e) On the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For S.R. BATLIBOI & CO. LLP
Chartered Accountants
Firm's Registration Number: 301003E

per VIREN H. MEHTA
Partner
Membership Number: 048749

Mumbai, April 11, 2014

Annexure to the Auditors Report

referred to in paragraph 5 of the auditors report of even date for the year ended March 31, 2014.

i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
   b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
   c) There was no disposal of a substantial part of fixed assets during the year.

ii. The Company provides trusteeship services to ICICI Prudential Mutual Fund; therefore, provisions of clause 4(ii) of Companies (Auditor's Report) Order, 2003 (as amended) related to inventory are not applicable.

iii. According to the information and explanations provided by the management, the Company has not granted or 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.

iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for sale of services and purchase of fixed assets. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.

v. According to the information and explanations provided by the management, we are of the opinion that there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.

vi. The Company has not accepted any deposits from the public.

vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

viii. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the services provided by the Company.

ix a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
   b) There are no undisputed dues in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other statutory dues which were outstanding, at the year-end for a period of more than six months from the date they became payable.
   c) There are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.

x. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

xi. Based on our examination of documents and records, the Company has not taken any loans from financial institutions or banks or issued debentures.

xii. Based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, 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 (as amended) are not applicable to the Company.

(xiv) In respect of dealing/trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company, in its own name.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xvi) The Company did not have any term loans outstanding during the year.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.

(xix) The Company did not have any outstanding debentures during the year.

(xx) The Company has not raised any money by public issues.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
Firm Registration No. 301003E

per VIREN MEHTA
Partner
Membership No.: 048749

Mumbai, April 11, 2014

balance sheet

at March 31, 2014

	Notes	March 31, 2014	(₹ in 000's) March 31, 2013
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	**1,007**	*1,007*
Reserves and Surplus	3	**11,316**	*10,647*
Non-Current Liabilities			
Deferred tax liabilities (Net)	4	**5**	*15*
Current Liabilities			
Trade payables	5	**81**	*35*
Other current liabilities	6	**69**	*70*
Short-term provisions	7	**2,098**	*2,068*
TOTAL EQUITY AND LIABILITIES		**14,576**	13,842
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	8	**27**	*77*
Non-current investments	9	**12,749**	*8,065*
Long term loans and advances	10	**381**	*381*
Current assets			
Trade receivables	11	**1,264**	*5,090*
Cash and cash equivalents	12	**155**	*229*
TOTAL ASSETS		**14,576**	*13,842*
Significant accounting policies	1		

Note no. 1 to 24 forms an integral part of the financial statement.

profit and loss statement

for the year ended March 31, 2014

	Notes	March 31, 2014	(₹ in 000's) March 31, 2013
REVENUE			
Revenue from operations	13	**5,200**	*5,033*
Other Income	14	**503**	632
Total Revenue		**5,703**	*5,665*
EXPENSES			
Depreciation and amortization expense	15	**50**	*50*
Operating and administrative expenses	16	**1,818**	1,743
Total expenses		**1,868**	*1,793*
Profit before tax		**3,835**	*3,872*
Tax expense			
Current tax		**1,115**	*1,053*
Deferred tax		**(10)**	*(1)*
Profit for the year		**2,730**	2,820
Earning per equity share (In ₹):			
(Equity shares of par value ₹10 each)			
Basic		**27.11**	*28.01*
Diluted		**27.11**	*28.01*
Significant accounting policies	1		

Note no. 1 to 24 forms an integral part of the financial statement.

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Firm Regn. No.: 301003E
Chartered Accountants

per VIREN H. MEHTA
Partner
Membership No. 048749

Place : Mumbai
Date : April 11, 2014

For and on behalf of the Board of ICICI Prudential Trust Limited.

M. N. GOPINATH
Director

M. S. PARTHASARATHY
Director

VINOD DHALL
Director

for the year ended March 31, 2014

	March 31, 2014	March 31, 2013
		(₹ in 000's)
From Operating activities		
Profit from operating activities	**3,835**	*3,872*
Adjustments for:		
Depreciation and amortization	**50**	*50*
Dividend on non - current investments	**(354)**	*(362)*
Profit on sale of non - current investments	**(149)**	*(270)*
Working capital changes:		
Decrease in trade receivables	**3,826**	*(127)*
Increase in trade payables	**46**	*10*
Decrease in other current liabilities	**(1)**	*(1,867)*
Direct taxes paid (Net of refunds)	**(1,085)**	*(1,066)*
Net cashflow from/(used) in operating activities A	**6,168**	*240*
From Investing activities		
Proceeds from sale of investments	**4,619**	*6,300*
Purchase of investments	**(9,154)**	*(5,462)*
Dividend received	**354**	*362*
Net cashflow from/(used) in investing activities B	**(4,181)**	*1,200*
From Financing activities		
Dividends paid (including dividend distribution tax)	**(2,061)**	*(1,463)*
Net cashflow from/(used) in financing activities C	**(2,061)**	*(1,463)*
Net (decrease) in cash and cash equivalents D = (A+B+C)	**(74)**	*(23)*
Add: Cash and cash equivalents at the beginning of the year (E)	**229**	*252*
Cash and cash equivalents at the end of the year (D+E)	**155**	*229*

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Firm Regn. No.: 301003E
Chartered Accountants

per VIREN H. MEHTA
Partner
Membership No. 048749

For and on behalf of the Board of ICICI Prudential Trust Limited.

M. N. GOPINATH
Director

M. S. PARTHASARATHY
Director

VINOD DHALL
Director

Mumbai, April 11, 2014

	March 31, 2014	(₹ in 000's) March 31, 2013
2. SHARE CAPITAL		
Authorised Share Capital		
1,000,000 (Previous year: 1,000,000) equity shares of ₹ 10 each	10,000	*10,000*
Issued, subscribed and paid-up capital 100,700 (Previous year: 100,700) equity shares of ₹ 10 each, fully paid up	1,007	*1,007*

There is no change in equity shares in the current year.
The Company has one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.
Note:
Shares held by Holding Company:
Of the above, 51,157 (Previous year: 51,157) equity shares of ₹ 10 each are held by ICICI Bank Limited, the Holding Company.
Details of shareholders holding more than 5%:
51,157 (Previous year: 51,157) equity shares of ₹ 10 each i.e. 50.8% (Previous year: 50.8%) are held by ICICI Bank Limited and its nominee.
49,343 (Previous year: 49,343) equity shares of ₹ 10 each i.e. 49.0% (Previous year: 49.0%) are held by Prudential Plc.

	March 31, 2014	March 31, 2013
3. RESERVES AND SURPLUS		
General reserve		
Balance at the beginning of the year	2,547	*2,265*
Add: Transfer from profit and loss account	273	*282*
Balance at the end of the year	2,820	*2,547*
Surplus in profit and loss account		
Profit brought forward	8,100	*7,623*
Net Profit after Tax	2,730	*2,820*
Amount Available For Appropriation	10,830	*10,443*
Less: Appropriations		
Proposed Dividend	1,762	*1,762*
Dividend distribution tax	299	*299*
Transfer to General Reserve	273	*282*
Balance at the end of the year	8,496	*8,100*
Total reserves & surplus	11,316	*10,647*
4. Deferred tax asset / liability (net)		
Deferred tax liability	5	*15*
Depreciation on fixed assets	5	*15*
5. Trade payables		
Trade payables	81	*35*
	81	*35*
6. Other current liabilities		
For accrued expenses	61	*57*
Statutory dues	8	*13*
	69	*70*

	March 31, 2014	(₹ in 000's) March 31, 2013
7. Short term provision		
Provision for dividend	1,762	*1,762*
Provision for dividend distribution tax	299	*299*
Provision for Income tax (net of advance tax)	37	*7*
	2,098	*2,068*
8. Tangible assets		
Description - Computers		
Gross block		
As at 1 April, 2013	157	*157*
Additions during the year	—	—
Deletions during the year	—	—
As at 31 March, 2014	157	*157*
Accumulated depreciation		
As at 1 April, 2013	80	*30*
Charge for the year	50	*50*
On deletions during the year	—	—
As at 31 March, 2014	130	*80*
Net block		
As at March 31, 2014	27	*77*
As at March 31, 2013	77	—
9. Non Current Investment		
Unquoted (at cost)		
Mutual fund units of face value of ₹10 each:		
2,12,071.072 units (Previous Year: 212,071.072 Units) in ICICI Prudential Short Term Plan-Regular Growth	2,343	*2,343*
4,98,317.444 units (Previous Year: 4,68,356.616 Units) in ICICI Prudential Short Term Plan Regular Monthly Dividend	5,445	*5,091*
Mutual fund units of face value of ₹100 each:		
Nil units (Previous Year: 1674.061 Units) in ICICI Prudential Liquid Plan- Retail Growth	—	*431*
27,001.913 units (Previous Year: 1154.629 Units) in ICICI Prudential Liquid Plan-Direct Growth	4,961	*200*
Total Non-current Investments	12,749	8,065

Aggregate amount of non - current unquoted investments ₹12,749 (Previous year: ₹ 8,065) net asset value thereof ₹ 16,457 (Previous year: ₹ 11,342)

	March 31, 2014	March 31, 2013
10. Long term loans & advances		
Advance tax (net of provision)	381	381
	381	381

forming part of the financial statements

	March 31, 2014	(₹ in 000's) *March 31, 2013*
11. Trade receivables		
Unsecured considered good		
Less than six months	**1,264**	*2,562*
More than six months	**—**	*2,528*
Doubtful	**—**	*—*
	1,264	5,090
12. Cash & cash equivalents	**155**	*229*
Balance with bank (Scheduled Bank)		
	155	*229*
13. Revenue from operations		
Trusteeship fees	**5,200**	*5,033*
	5,200	*5,033*
14. Other Income		
Dividend on non-current investment	354	*362*
Profit on Sale of non-current Investments	149	*270*
	503	*632*

	March 31, 2014	(₹ in 000's) *March 31, 2011*
15. Depreciation & amortisation		
Depreciation on computers	**50**	*50*
	50	*50*
16. Administrative & other expenses		
Board Meeting Expenses	**765**	*706*
Bank Charges	**4**	*4*
Legal Charges	**—**	*2*
Other Communication Costs	**27**	*34*
Payment to Auditors		
- as auditors	**17**	*17*
- for taxation matters	**—**	*11*
- for other services	**42**	*11*
Travelling - Lodging	**168**	*146*
Director's Sitting Fees	**517**	*446*
Professional & Consultancy Fees	**111**	*295*
Car Hire Charges	**167**	*52*
Repairs and Maintainance	**—**	*19*
	1,818	*1,743*

forming part of the financial statements

(₹ in '000s)

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Significant Accounting Policies

1.1 The financial statements are prepared under the historical cost convention, on the accrual basis of accounting, and in accordance with the provisions of the Companies Act, 1956 and generally accepted accounting principles and practices in India.

1.2 Fixed assets and depreciation

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes all expenses incidental to the acquisition of the fixed assets and any attributable cost of bringing the asset to its working condition for its intended use. Depreciation is charged over the estimated useful life of a fixed asset on a straight line basis.

The depreciation rates prescribed in Schedule XIV to the Companies Act, 1956 are considered as minimum rates. If the management's estimate of the estimated useful life of the fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid Schedule XIV, depreciation is charged at a higher rate based on the management's estimate of the estimated useful life or remaining useful life of the fixed asset. Pursuant to this policy, depreciation is charged at the following rates that are higher than the corresponding rates prescribed in Schedule XIV of the Companies Act, 1956.

Class of assets	Depreciation rates used (%)	Schedule XIV Rates (%)
Computer	33.33	16.21

The Company provides pro-rata depreciation from the day the asset is ready to use and for any asset sold, till the date of sale.

Depreciation is calculated at cost less residual value.

1.3 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as non- current investments.

Current investments are valued at the lower of cost or net realisable value. The comparison of cost and net realisable value is done separately in respect of each individual investment. Long term investments are carried at carrying cost less diminution in value other than temporary in nature, determined separately for each individual investment

Purchase and sale of investments are recorded on trade date. The gains or losses on sale of investments are recognized in the statement of profit and loss on the trade date.

1.4 Revenue Recognition

Trusteeship fees are recognized on accrual basis as per the Trusteeship Agreement.

- Interest income is accounted on accrual basis.
- Dividend income is recognized when right to receive dividend is established.

1.5 Trusteeship Fees are shown net of service tax.

1.6 Accounting for Taxes on Income

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax

Current tax expense is recognized on an annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with Indian Income-tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company.

Deferred tax

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/ virtually certain (as the case may be) to be realised.

1.7 Cash and cash equivalent

Cash and cash equivalent for the purpose of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

1.8 Provisions

Provisions comprise liabilities of uncertain timing or amount. Provisions are recognised when the Company recognises that it has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reasonable estimate can be made.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements

1.9 Earnings per Share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

17. Trusteeship being the core and only activity of the company, the same is considered as the only Reportable Segment for the purpose of AS-17 "Segment Reporting". In view of this, there are no other reportable segments other than that mentioned here above.

18. EPS is computed in accordance with AS-20 "Earnings per Share" issued by the Institute of Chartered Accountants of India (ICAI).

Particulars	**March 31, 2014**	March 31, 2013
Profit after taxation	**2,730**	*2,820*
Weighted average number of equity shares outstanding	**100,700**	*100,700*
Basic and diluted EPS of face value of ₹10 each	**27.11**	*28.01*

19. Related Party Information

- Related parties where control exists

  ICICI Bank Limited – Holding Company
- Other related parties with whom transactions have taken place during the year

Prudential Plc, England – Holds significant influence in the Company.

ICICI Prudential Asset Management Company Limited – Fellow Subsidiary

Nature of Transactions	Holding company	Fellow subsidiary companies	Party with Significant influence	Total
Dividend Paid	886	—	864	1,750
(Previous Year)	(633)	—	(617)	(1,250)
Expenses paid on our behalf	—	138	—	138
(Previous Year)	—	(76)	—	(76)

- An amount of ₹ 138 (Previous year ₹ 76) has been paid by ICICI Prudential Asset Management Company Limited towards expenses on behalf of the company.
- The Cash and bank balance with the ICICI Bank Limited is ₹ 155 (Previous year ₹ 229).

20. Details of Auditors remuneration (Including Service Tax) have been provided as follows

Particulars	**2013-2014**	2012-2013
Statutory Audit Fees	**17**	*17*
Tax Audit Fees	**—**	*11*
Other services	**42**	*11*
Total	**59**	*39*

21. Due to Micro, Small and Medium Enterprises

Other current liabilities do not include any amount payable to Small Scale Industrial Undertakings and Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA)

22. Contingent liabilities and capital commitments are Nil. (Previous year: Nil)

23. Previous year's figures have been audited by a firm of chartered accountants other than S. R. Batliboi & Co. LLP.

24. Previous year's figures have been re-grouped wherever necessary

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Firm Regn. No.: 301003E
Chartered Accountants

per VIREN H. MEHTA
Partner
Membership No. 048749

Mumbai , April 11, 2014

For and on behalf of the Board of ICICI Prudential Trust Limited

M. N. Gopinath	M. S. Parthasarathy	Vinod Dhall
Director	Director	Director

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